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United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Friday, November 1, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We remember with appreciation, O God, those women and men whose dedication to their tasks and long hours of effort make a vital contribution to this institution. We are grateful that in complex and difficult issues there are people of talent who demonstrate their devotion to this assembly so that a measure of justice will prevail and the common good will be enhanced. May Your continued blessing be upon them and us all. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. CRAIG. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CRAIG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 270, nays 125, answered "present" 2, not voting 37 as follows:

[Roll No. 384]

YEAS—270

Ackerman	Applegate	Bedell
Akaka	Archer	Beilenson
Alexander	Aspin	Bennett
Anderson	Barnard	Berman
Andrews	Barnes	Bevill
Annunzio	Bateman	Boggs
Anthony	Bates	Boner (TN)
Bonior (MI)	Glickman	Mikulski
Bonker	Gonzalez	Miller (CA)
Borski	Gordon	Miller (WA)
Bosco	Gradison	Mineta
Boucher	Gray (IL)	Moakley
Boxer	Gray (PA)	Mollohan
Breaux	Green	Montgomery
Brooks	Guarini	Moody
Broomfield	Hall (OH)	Moore
Brown (CA)	Hall, Ralph	Morrison (CT)
Bruce	Hamilton	Mrazek
Bryant	Hammerschmidt	Murphy
Bustamante	Hartnett	Murtha
Byron	Hatcher	Myers
Carper	Hawkins	Natcher
Carr	Hayes	Nelson
Chappell	Hefner	Nowak
Clinger	Heftel	Oakar
Coelho	Henry	Oberstar
Coleman (TX)	Hertel	Obey
Collins	Hillis	Olin
Combest	Hopkins	Ortiz
Conte	Horton	Owens
Conyers	Howard	Packard
Cooper	Hoyer	Panetta
Coyne	Hubbard	Pease
Crockett	Huckaby	Pepper
Daniel	Hughes	Perkins
Daschle	Hutto	Petri
Davis	Hyde	Pickle
de la Garza	Jeffords	Porter
Dellums	Jenkins	Pursell
Derrick	Johnson	Rahall
Dicks	Jones (NC)	Rangel
Dingell	Jones (TN)	Ray
DioGuardi	Kanjorski	Reid
Dixon	Kaptur	Richardson
Donnelly	Kastenmeier	Rinaldo
Dorgan (ND)	Kennelly	Ritter
Dowdy	Kildee	Robinson
Downey	Kleczka	Rodino
Duncan	Kolter	Rose
Durbin	Kostmayer	Rostenkowski
Dwyer	LaFalce	Rowland (GA)
Dyson	Lantos	Rudd
Early	Leath (TX)	Russo
Eckart (OH)	Lehman (CA)	Sabo
Eckert (NY)	Lehman (FL)	Savage
Edgar	Leland	Saxton
Edwards (CA)	Levin (MI)	Scheuer
English	Levine (CA)	Schneider
Erdreich	Lipinski	Schumer
Evans (IL)	Livingston	Selberling
Fascell	Lott	Sharp
Fazio	Lujan	Shelby
Feighan	Luken	Shumway
Fish	Lundine	Sisisky
Flippo	MacKay	Skelton
Florio	Manton	Slattery
Foglietta	Markey	Smith (FL)
Ford (TN)	Martinez	Smith (IA)
Fowler	Mavroules	Smith (NE)
Frank	Mazzoli	Smith (NJ)
Franklin	McCloskey	Snowe
Frost	McCollum	Snyder
Fuqua	McDade	Solarz
Gaydos	McHugh	Spratt
Gejdenson	McKinney	St Germain
Gephardt	McMillan	Staggers
Gibbons	Mica	Stallings
Stark	Towns	Wheat
Stokes	Traficant	Whitley
Stratton	Traxler	Whitten
Studds	Udall	Wilson
Stump	Valentine	Wirth
Sweeney	Vento	Wise
Swift	Visclosky	Wolpe
Synar	Volkmer	Wortley
Tallon	Walgren	Wyden
Tauzin	Watkins	Wylie
Thomas (GA)	Waxman	Yates
Torres	Weaver	Yatron
Torricelli	Weiss	Young (MO)

NAYS—125

Armey	Grotberg	Quillen
Bartlett	Gunderson	Regula
Barton	Hendon	Ridge
Bentley	Hiler	Roberts
Bilirakis	Hunter	Roemer
Bliley	Ireland	Rogers
Boehlert	Jacobs	Roth
Boulter	Kasich	Roukema
Brown (CO)	Kindness	Rowland (CT)
Burton (IN)	Kolbe	Schaefer
Callahan	Kramer	Schroeder
Carney	Lagomarsino	Schuette
Chandler	Latta	Schulze
Chappie	Leach (IA)	Sensenbrenner
Cheney	Lent	Shaw
Clay	Lewis (CA)	Shuster
Coats	Lewis (FL)	Sikorski
Cobey	Lightfoot	Siljander
Coble	Lloyd	Skeen
Coleman (MO)	Loeffler	Slaughter
Coughlin	Lowery (CA)	Smith, Denny (OR)
Courter	Lowry (WA)	Smith, Robert (NH)
Craig	Lungren	Smith, Robert (OR)
Crane	Mack	Solomon
Dannemeyer	Madigan	Spence
Daub	Martin (IL)	Strang
DeLay	Martin (NY)	Sundquist
DeWine	McCain	Swindall
Dickinson	McCandless	Tauke
Dornan (CA)	McEwen	Taylor
Dreier	McGrath	Thomas (CA)
Edwards (OK)	McKernan	Vander Jagt
Emerson	Michel	Walker
Evans (IA)	Mitchell	Weber
Fawell	Molinari	Whittaker
Fiedler	Monson	Wolf
Fields	Moorhead	Young (AK)
Frenzel	Morrison (WA)	Young (FL)
Gallo	Nielson	Zschau
Gekas	Oxley	
Gingrich	Parris	
Goodling	Pashayan	
Gregg	Penny	

ANSWERED "PRESENT"—2

Dymally	Long

NOT VOTING—37

Addabbo	Broyhill	Garcia
Atkins	Burton (CA)	Gilman
AuCoin	Campbell	Hansen
Badham	Chapman	Holt
Bereuter	Darden	Jones (OK)
Biaggi	Foley	Kemp
Boland	Ford (MI)	Marlenee

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Matsui	O'Brien	Vucanovich
McCurdy	Price	Whitehurst
Meyers	Roe	Williams
Miller (OH)	Roybal	Wright
Neal	Stangeland	
Nichols	Stenholm	

□ 1110

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks announced that the Senate disagrees to the amendments of the House to the bill (S. 1570) "An act to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that act to volunteers, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATCH, Mr. STAFFORD, Mr. NICKLES, Mr. KENNEDY, and Mr. METZENBAUM to be the conferees on the part of the Senate.

APPOINTMENT OF CONFEREES ON S. 1570, FAIR LABOR STANDARDS AMENDMENTS OF 1985

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that act to volunteers and for other purposes, with the House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. HERTEL of Michigan). Is there objection to the request of the gentleman from California?

Mr. SOLOMON. Mr. Speaker, reserving the right to object, may I ask, has this request been cleared with the minority?

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from California.

Mr. HAWKINS. Yes; I have just spoken to the gentleman from Vermont [Mr. JEFFORDS], the ranking minority member on the other side.

This is simply a request for the appointment of conferees on a matter pertaining to the Fair Labor Standards Act as a result of the Garcia decision. There is no objection to this request that I know of.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none and, without objection, appoints the following conferees: Messrs. HAWKINS, CLAY, MURPHY, WILLIAMS, JEFFORDS, PETRI, and BARTLETT.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair wishes to state to the Members that the Chair will take limited 1-minutes until the conferees are ready to present their report.

TRACKING THE PARENTAGE OF THE GRAMM-RUDMAN BABY

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, if a paternity suit was filed in the U.S. House on behalf of the Gramm-Rudman baby, I suspect that every Republican Member would boldly assert his political manhood. But if this Gramm-Rudman baby matures from a blessed public relations event into an adolescent approach to resolving our Nation's fiscal crisis, I suspect the paternal pride may diminish.

If Congress comes to realize that Gramm-Rudman will deepen a future recession or that we have left a shameful loophole for the President to continue to fatten the military budget while deserving Americans and Medicare starve, or if Congress surrenders its constitutional powers to the President without any protection, then many of today's congressional fathers of Gramm-Rudman may demand a belated blood test.

The Gramm-Latta infant grew into a lumbering oaf that has given us the highest budget deficits and the largest trade deficit in the history of the Nation. What can we expect of this wonderchild sired by the same parents?

Mr. Speaker, in order to keep Gramm-Rudman from becoming an orphan when it takes its first step, the House should have the good sense to make the critically necessary changes included in the Democratic alternative.

SANDINISTAS CONTINUE SUPPRESSIVE MEASURES AGAINST THE CHURCH IN NICARAGUA

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, Monsignor Carballo, the Nicaraguan priest who is spokesman for the Catholic curia and director of Radio Catolico, sent me a letter which I received yesterday. He asked me to "please publicize our dramatic situation" and the efforts of the church in Nicaragua to regain its property and its right to spread the Word of God.

Father Carballo's plea comes following the Communist government's suppression of civil liberties and human rights in Nicaragua and the seizure of the new biweekly church newspaper "Iglesia."

Other Sandinista activities reported in the last few days include a ban against Cardinal Obando y Bravo from officiating at an outdoor mass in a northern city of Nicaragua and the raid on the national headquarters of the Social Christian-oriented Nicaraguan Workers Federation and the arrest of three of its leaders.

These attacks against two leading Nicaraguan institutions demand the condemnation of all who seek protection for human rights and the dignity of man. These attacks further demonstrate the completely totalitarian nature of the Sandinista Communist government.

DEMOCRATIC ALTERNATIVE PREFERABLE

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute.)

Mr. RICHARDSON. Mr. Speaker, the House amendment would take effect immediately—calling for serious additional deficit reduction in 1986. The Gramm-Rudman deficit target would not require additional action in 1986—forcing deep cuts to take place after, rather than before the 1986 elections.

Gramm-Rudman is a macroeconomic nightmare—it guarantees deeper and longer recessions. Deficit targets and automatic spending cuts would remain in effect even if the economy goes into a recession, assuring that a mild recession would spiral and continue on and on. Under Gramm-Rudman, a mild recession could get out of control and result in a 15-percent unemployment rate. The House substitute would adjust deficit targets and automatic spending reductions if the economy turns sour.

The House amendment guarantees that the Pentagon will bear its fair share of the spending cuts. The Senate and the White House disagree about how much Gramm-Rudman would cut Defense. Under the House amendment, there is no ambiguity—if the deficit exceeds the maximum deficit amount by $10 billion or more, at least half of any automatic spending cuts will come from the Pentagon. This is consistent with the Senate Republican assumption about Defense's share.

Gramm-Rudman exposes Medicare and other domestic programs to additional cuts to reduce the Pentagon's share of spending cuts.

The White House argues that virtually no defense contracts will be cut, the Senate argues that $75 billion out of $85 billion of existing contracts will be cut. The House amendments call for cutting new budget authority so that OMB cannot find a loophole to let the Pentagon off the hook.

Under the House amendment automatic cuts would not be effective if the President fails to recommend defense cuts, as Secretary Weinberger suggests he might.

The House amendment gives CBO responsibility to forecast the deficit and estimate required spending reductions. Under Gramm-Rudman the President, through OMB, would be able to determine whether the automatic spending reduction trigger would be pulled and how the cuts would be implemented. The House amendment requires that automatic spending cuts be across the board and applied in such a way that Congress and GAO can verify their uniformity.

The House amendment assures that the courts will be able to quickly review the constitutionality of this statute. If a court rules that CBO cannot have a role in this process, the House amendment would require a court to throw out the entire procedure so that OMB will not be left with complete control.

Gramm-Rudman leaves the President with discretion to choose which programs are covered and which are not. The House amendment spells these details out clearly.

Gramm-Rudman offers no protection for AFDC, Medicaid, food stamps, or the other key low-income programs. The House exempts or minimizes the impact on the most critical low-income programs.

By delaying extension of the debt ceiling the Gramm-Rudman amendment has cost the Social Security Trust Fund millions of dollars. The House amendment would completely restore funds robbed from the trust fund to finance the Government during the delay.

Under Gramm-Rudman, the Secretary of Agriculture could reduce target prices and loan rates to meet deficit reduction targets. Under the House amendment, the Secretary would not have this discretion.

The Democratic alternative protects veterans—Gramm-Rudman launches an assault on the 56 million veterans by making them eligible for massive automatic across-the-board cuts. This is unfair.

Under the Democratic alternative, we balance the budget earlier and more comprehensively, but fairly. Under our plan, budget decisions stay with the American people, through their Representatives in Congress, rather than giving that tremendous power to unelected, faceless bureaucrats at the Office of Management and Budget.

Let us do the right thing today.

□ 1120

LIBERAL VOTE IS FOR ROSTENKOWSKI AMENDMENT, CONSERVATIVE BALANCED BUDGET IS FOR MICHEL AMENDMENT

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, lo and behold, we have just heard of a Democratic plan. For the last 3 weeks we have been struggling in the game of brinksmanship, trying to produce a document that would ultimately bring this Government to a balanced budget by 1991.

With the wringing of hands and the sweating of brows, there has been no plan from liberals of this body whose desire is to circumvent the ability to reduce spending. They want to continue to spend and spend and spend again.

Let me quote from the CONGRESSIONAL RECORD, our majority leader, the gentleman from Texas [Mr. WRIGHT]:

> If we believe in a balanced budget, if we believe that it is dishonest and unfair to pile up for an indefinite future the debts to the tune of $200 billion a year for things that we are wearing and using in our lifetimes, then we will make a modest start. Let us begin the process.

Mr. Speaker, the process begins today. A liberal vote is for the Rostenkowski amendment; a conservative balanced budget vote is for the Michel amendment.

ADVANTAGES OF HOUSE ALTERNATIVE TO GRAMM-RUDMAN

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, later today we will have the opportunity to consider and vote on a House alternative to the Gramm-Rudman balanced budget plan. There are several advantages to the House alternative.

First of all, it will allow us to make reductions in the budget now, this year, rather than putting them off until next year, as under Gramm-Rudman.

Second, it provides for the Congressional Budget Office to make economic projections, rather than the politically motivated Office of Management and Budget.

Third, it requires the President to make across-the-board reductions in both defense and domestic programs, rather than picking and choosing, as could be possible under Gramm-Rudman.

Finally, it hold the promise of balancing the budget by 1990, rather than 1991 under Gramm-Rudman.

Neither of these budget plans is perfect. In my judgment, the House alternative is better.

VOTE NO ON ROSTENKOWSKI ALTERNATIVE; VOTE YES ON MICHEL ALTERNATIVE

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, we now have two alternatives to the Gramm-Rudman-Mack balanced budget amendment. The Democratic alternative is by Chairman ROSTENKOWSKI of the Ways and Means Committee. The Republican alternative is by the gentleman from Illinois [Mr. MICHEL], the minority leader.

Very briefly, the proposal of the gentleman from Illinois [Mr. ROSTENKOWSKI] excludes an additional 5 to 10 percent to nonsequestered funds, that is about $93 billion. It requires that if sequestering does take place, at least 50 percent of that sequestering has to come from defense. It eliminates the OMB from setting recession targets.

On the other hand, Leader MICHEL's proposal lowers the deficit targets from $180 billion to $172 billion this year, clarifies what is controllable and what is not controllable, adds the GAO as kind of a disinterested third party on recession targets.

Mr. Speaker, I would urge that we vote no on the alternative of the gentleman from Illinois [Mr. ROSTENKOWSKI], and vote yes on the alternative of the gentleman from Illinois [Mr. MICHEL].

A RIVERBOAT GAMBLE

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, if the results of the decisions we will make on the Gramm-Rudman budget proposal were not so important to so many people I could actually enjoy the irony of our situation here today.

Four years ago this administration pushed through Congress one of the more outlandish fiscal policies ever conceived. The President promised to balance the budget by slashing taxes, cutting spending for domestic discretionary programs, and dramatically increasing the Defense budget. The Republican leader in the other body at the time called it—generously in my view—a "riverboat gamble." One of the centerpieces of that riverboat gamble was the Omnibus Reconciliation Act, which in one fell swoop slashed many important Government

programs and, equally important, redefined congressional budget writing by removing any semblence of thoughtful, deliberative consideration from the process. Passage of that bill was legislating under cover of the night and it is largely responsible for the fiscal mess we are in today.

Now, how does the President propose to get us out of this mess? He asks us to pass Gramm-Rudman, a piece of legislation even more profound than the 1981 Reconciliation Act, but whose implications are even less certain. Surely, Mr. Speaker, we can learn from our mistakes.

THE PRESIDENT'S NEW ARMS CONTROL OFFER

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, I know there are many Members of the House who will join me today in commending President Reagan for his bold and flexible new arms control proposal. While most of the details are not yet available, this new offer is proof positive of the administration's deep commitment to making progress in this vital area. I know that the Soviets will seriously consider this offer. It is my hope that they will honestly meet the challenge of making real progress in arms reduction negotiations.

In responding to the Soviet's latest arms control plan, the United States offer calls for deep cuts, no first-strike advantage, and no cheating on signed arms control accords. Our new plan responds to the positive elements in the Soviet proposal that would reduce strategic nuclear arsenals by 50 percent. Overall, the administration's proposal calls for further significant reductions in order to move our two proposals closer together.

The administration is serious about this new detailed package. Soviet officials today have agreed to extend the current Geneva talks in order to discuss the proposal. This is not the first time that President Reagan has presented the Soviets with an arms reduction proposal. Let us hope that the positive movement on this issue on the Soviet side will move our negotiators forward.

We cannot deal with arms control in isolation, when other events between our nations foster a sense of suspicion.

I commend the President for his flexibility on this issue. I encourage him to continue this free exchange on arms control matters with Soviet officials. I trust that the Soviets will respond in kind.

GRAMM-RUDMAN IS COWARDLY EXERCISE IN POLITICAL BUCK-PASSING

(Mr. EVANS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVANS of Illinois. Mr. Speaker, this week President Reagan refused to let his Administrator of the Veterans' Administration testify before the House Vetereans' Affairs Committee on what the Gramm-Rudman proposals would do to veterans' benefits.

I think I know why.

It's because Gramm-Rudman flies in the face of economic fairness. It forces further deep cuts in those programs which have already borne the brunt of Reaganomics—programs for veterans, the unemployed, the poor and middle class.

Since 1981, programs aimed at the poor have been slashed by 30 percent while the military budget has doubled. Yet domestic programs are the main target of Gramm-Rudman; weapons programs making up 38 percent of the military budget are exempt.

Gramm-Rudman is nothing more than another cowardly exercise in political buckpassing. The real causes of our deficit—tax breaks for the wealthy and for huge corporations and a weapons-system buying spree—are not addressed.

I urge my colleagues to reject Gramm-Rudman. It's another dose of the same medicine that got us here in the first place.

JAPANESE DEFENSE SPENDING

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr REGULA. Mr. Speaker, yesterday Washington papers carried the story that Japanese Prime Minister Nakasone had bowed to opposition party pressure and pledged to keep Japanese defense spending within 1 percent of GNP.

You may recall that just last month Mr. Nakasone unveiled his 5-year military program that would break the 1 percent ceiling and allocate 1.04 percent for defense spending. While this increase could hardly be hailed as approaching Japan's fair share of free world security costs, at least it was a step in the right direction.

Now we learn that Mr. Nakasone has backed off and yielded to those who would continue Japan's free military ride. In fact, the Prime Minister has pledged that the defense budget for fiscal year 1986 will be less than 1 percent of GNP.

Mr. Speaker, what more will we permit from Japan before we act to inject fairness into free world responsibility? If the United States had spent only 1 percent of its GNP for defense over the past 10 years, we would have had $1.5 trillion to invest in our industrial modernization. In 1985 alone, $199 billion would have been available for ailing American industries.

While America alone is at the watch around the world, Japan shirks its free world security responsibilities and engages in increasingly damaging trade relations. Newsweek magazine reported this week that Japanese "success" is threatening the economy of the entire world, and that without an immediate and genuine change by Japan, the world financial system could well collapse, less developed debtor nations could plunge into default and chaos, and the world could slide into recession.

Japan has sent us the signal that they have no intention of changing. It is time for America to act.

GRAMM-RUDMAN—A HOAX AND A FRAUD

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, we should be embarrassed by the serious consideration that we are giving to the Gramm-Rudman proposal. It is the most ill-conceived, economically absurd piece of legislation to come before this body in my 3 years of service here.

We are not engaging in deficit reduction. We are engaging in political theater.

Gramm-Rudman is a hoax and a fraud. The Republican version of this bill allows a deficit for next year that is larger than that conferred in the budget we passed earlier this year.

In drafting it this way, its Republican authors are saying that while they want to cut the deficit, they do not want to be responsible to the electorate when the budget ax falls, and make no mistake about it, the ax will fall. It will fall on the poor, the elderly, the children, women, black, Hispanics, and disabled Americans.

It will not fall upon the wealthy corporations who pay no taxes. It will not fall upon the generals in the Pentagon and it will not fall upon the special interests to whom Ronald Reagan is so beholden.

This legislation is a farce and we should have the courage to reject it.

PRESENTATION OF FUNDS TO CHILDREN'S HOSPITAL FROM THE CONGRESSIONAL BASEBALL GAME

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, with all the talk of deficit spending and fiscal irresponsibility reverberating through these Halls, I would like to start this day by giving some fiscal good news to the Congress.

Yesterday, Congressman CHAPPELL and I presented a check for $6,000 in the name of Congress to Washington's Children's Hospital. These are the proceeds of the congressional baseball game. We had one fine game and a fun-filled pregame party for the money that the Congressmen, Congresswomen, and their staffs and supporters put up for this annual charity baseball game.

I certainly am proud of our Republican and Democrat team players and their supporters who have taken in funds, giving a good deal for the dollars we received and gave something in return to Children's Hospital.

TIME TO DIG OUT FACTS ON MEDVID AFFAIR

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, the Attorney General has now asked for an investigation into the way INS personnel responded when seaman Miroslav Medvid jumped a Soviet ship. That investigation is very much in order. There are several serious questions which need to be answered, including what did that seaman actually say to the INS translator over the telephone and why did INS not await more deliberate face-to-face discussions?

Also, when Medvid tried to leave the ship upon which the INS was returning him to the Soviet ship, why did INS personnel persist?

As I understand it, the Soviet ship to which Medvid has been returned is still in U.S. waters. It is critical that this review of the Medvid affair be concluded promptly, in the event that it develops information which necessitates further action by the United States before that ship is gone.

This is not the time for grandstanding. It is time to dig out all the facts promptly.

INS SHOULD RELEASE IRENE PADOCH DEPOSITION

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, last weekend at the Ukrainian-American resort of Soyuzilka in the Catskill Mountains, four immigration agents paid a visit to Mrs. Irene Padoch and took a deposition. That deposition resulted in a six-page document of her interview with Miroslav Medvid, the Ukranian seaman who had jumped off a Soviet ship.

That document gives the only realistic picture of Mr. Medvid's actions in that later interviews were conducted after he had been back on the ship for more than 24 hours. I spoke with Irene Padoch yesterday, and so did a number of others, and it is her conclusion that Mr. Medvid absolutely, positively wanted to stay in the United States and not to return to the Soviet Union.

INS is variously denying the existence of the document or refusing to provide those documents to those of us who are requesting it. I call upon the INS to make that document public. It bears heavily on whether or not we should allow Miroslav Medvid to be taken back to the Soviet Union.

How can the U.S. Government purport to protect world freedom at the upcoming summit when it cannot provide freedom to one desperate, lonely individual seeking freedom on our soil.

TIME IS RUNNING OUT ON TRADE DEFICIT

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, the headlines posted at the end of the month is all too familiar, and this morning's newspaper is no exception.

"The Trade Deficit Surges in September." The Secretary of Commerce tells us that this month we have had the highest trade deficit ever reported, $15.5 billion for 1 month. The greatest deficit comes this time from the manufacturing sector, where our Nation has maintained a surplus as early as 1981. Since the surge is in imports, the economists tell us that our Nation's growth is likely to fall 2.2 percent in the last quarter.

The trade problem is serious and there is nothing to indicate that there will be any improvement in the near future. Mr. Speaker, the time has come for Congress and the administration to place trade higher on our political agendas. The House Democratic Task Force recently reported out a trade package, as have the Republicans. The administration has announced its new trade offensive, but few people believe that it will bring early or significant results.

But these proposals will not bring down the trade deficit nor effectively deal with our trade problems until Congress acts. Time is running out for Congress to avoid protectionist actions.

A VOTE TO DO NOTHING ON BUDGET CUTTING

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, this is not the appropriate time to talk about the newfound budget cutters and their bill or what it does to agriculture, what it does to national security, or its potential unconstitutionality. Having heard from so many of my colleagues this morning about how necessary it is to cut the budget, perhaps it would be wise for this side of the aisle to understand that our first vote from these same budget cutters will be a vote to do nothing, a vote not to recede. In other words, the same people getting up to say how they now have decided to cut the budget really want to vote first on not having to do anything.

I think that says more about what this argument is about today than anything else. So I ask my colleagues to ignore that ludicrous vote and then I would hope on both sides to ignore this hastily contrived package of inadequacies and vote for the Michel package so we can get to work, which is what we were sent here to do.

□ 1145

RELINQUISHING OUR LEGISLATIVE POWERS

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SEIBERLING. Mr. Speaker, 2,000 years ago the Roman Senate, in a confession of its inability to get its act together, handed the powers of the Roman Republic, the legislative powers, over to a dictator. That is what we are going to be asked to do today. If anyone has any doubt as to the aptness of this analogy, I invite their attention to the remarks of James Madison in the Federalist Papers, who said that the concentration of all powers in the hands of one man is the very definition of tyranny.

That is the most basic issue posed by Gramm-Rudman. And may I say that one of the reasons we are at this point is because of Gramm-Latta, combined with Kemp-Roth; shouldn't that tell us something? If we pass Gramm-Rudman, we will be effectively transferring the legislative powers of the Congress of the United States to the President.

I would rather saddle my children with the burden of paying off another $400 billion of this terrible deficit than to give away their birthright, the democracy that was created by the Founding Fathers. Let us think about that. Have we got the guts to raise taxes? Have we got the guts to repeal Kemp-Roth? Have we the guts to risk the wrath of the voters to save the one institution that gives them control of their Government? If so, we do not

need Gramm-Rudman or anything else like it to get the deficit under control.

USING SNIFFER DOGS TO DETECT EXPLOSIVES

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, a few weeks ago, two terrorists were arrested at the Rome Airport. They were Iraqi terrorists, and they had in the false bottom of a suitcase 17 pounds of plastic explosives. They said these explosives were to be used to kill Americans and Israelis.

They discovered these plastic explosives by using sniffer dogs.

I introduced legislation to mandate that we use sniffer dogs here in the United States, because I have been told that you can take 5 or 10 pounds of plastic explosives through any metal detector with a small detonating device that is undetectable, and you can blow up a plane in flight.

My bill has been pending a few weeks, and I need cosponsors. I have told many of my colleagues that something is going to happen here in the United States if we do not take some action.

Two days ago, at the Dallas/Fort Worth Airport, a bomb blew up in the belly of a plane.

My colleagues, you and I fly back and forth to our districts every week, and I am telling you, you cannot detect plastic explosives going through a metal detector. We had better pass some legislation that can provide some protection for people on airplanes, because some terrorist is going to get on that plane with a plastic explosive and is going to kill a lot of innocent people because we have not acted.

LOUISIANA HURRICANE DISASTER

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, I have just returned from the flood disaster area of south Louisiana, and I want to use this podium to appeal to the President of the United States to expedite the declaration of emergency disaster relief for that section of this country.

Mr. Speaker, what I saw saddened and impressed me. I saw up to 40,000 homes and businesses underwater, not nice fresh water, but saltwater, saltwater that corrodes and destroys automobiles and appliances and home structures. I say families struggling to recover with sanitary systems that will not be working for weeks, and homes with as much as 7 feet of water inside the building.

Mr. Speaker, to illustrate how bad it is, I saw the hurricane evacuation route in South Lafourche at 5 feet under water, and that is the route that is supposed to take people out.

I saw an offshore industry woefully unprepared to evacuate the men and women who work offshore because we still do not require standby vessels for that purpose.

Mr. Speaker, I saw a horrible disaster, and I also saw what Louisiana is going to look like in a few short years if we do not do something about protecting our shoreline and our barrier islands soon.

Mr. Speaker, what I saw was sad.

But Mr. Speaker, I also saw that the Sun is shining today in Louisiana, but she is hurting, and she is suffering today, and I appeal to the President for help. We need it badly.

AID TO ETHIOPIA

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, Ethiopia's Foreign Minister, Wolde, in a press release written for the Kremlin today blasted the United States for using food to mettle in Ethiopia's internal affairs.

The American people have generously given 480,000 metric tons of food to the starving people in Ethiopia.

At the same time, that Government used $200 million to celebrate its 10th anniversary, and at the same time purchased 480,000 bottles of scotch.

These heroes today are saying that the United States is mettling in Ethiopia's internal affairs. That Government has done everything it possibly has been able to do to keep its people in repression, and I think it is time for the American people to know what the facts are of what is going on in Ethiopia.

Talk about biting the hand that feeds you, this is a prime example.

I think that we in this country, in being generous to other nations, I think we want to help other people, as is rightfully a thing we should be doing, but at the same time, we want to take a look at the actions of those governments also.

BALANCED BUDGETVILLE: YOU CAN'T GET THERE FROM HERE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the President's infatuation with Gramm-Rudman reminds me of the gentleman who, lost in Vermont, pulls over and asks a farmer the best way to get to East Bristol. The farmer looks at the driver, puffs on his pipe, and says, "You can't get there from here."

The President is lost. In fact he's been driving in circles for 5 years. He's running low on gas. He suddenly decides he wants to get to Balanced Budgetville—why he got this in his head all of a sudden is not clear. He's been merrily driving around for 5 years, now the tanks on empty. He's waving this Gramm-Rudman map in our faces. Says he bought it from a traveling nostrum vendor. Wants to go to Balanced Budgetville real bad, or so he says.

Congress ought to look the President in the eye and tell him, "Your Gramm-Rudman map is no good. You can't get there from here."

DEATH OF THE REPUBLIC

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to extend his remarks.)

Mr. WEAVER. Mr. Speaker, there may have been a moment when the Roman Republic became the Empire, when the Senate ceased to rule and the Caesars came to dominate the Roman State, but it was the increasing responsibilities of world power and a series of wars that brought the Caesars lurching into power in that ancient time.

So it is with our great Nation. Our Republic with its constitutional freedoms and representational democracy has long flourished, but our own age of Caesars has emerged from the same roots which caused the downfall of the Roman Republic. Now a moment has come when all is visible, when the needs of empire are seen to overtake the plodding, discursive ways of democracy. The House votes today on legislation that stamps upon our Nation the irrevocable seal of Caesar.

This legislation is a confession by this body that we no longer have the will to rule. We are abdicating our responsibility, yielding our powers willingly to the Presidential office and making that office the seat of Caesar. This body, this once mighty House of Representatives, is filled with fine and strong men and women of high intelligence and great purpose. It is not the fault of the individual Members. Indeed, we all believe so deeply in our own purposes that we are unable to unite to resolve the issues of the times, the responsibilities that great power and wealth have brought upon us. Only Caesar, for good or ill, can provide that unity of action.

It does not much matter what words are in the resolution we vote on today. We argue those words, some better, some worse, but the resolution stands: It is our funeral sermon for the death of our Republic. A tear slips down my face. My heart is heavy with pain and anguish. Nothing is to be done. We go

to our fate with full knowledge of what we do. I sense this in the Members. They know what our vote today means. I see my colleagues talking in little groups, telling each other with almost feverish intensity what phrase or provision might help, might hinder. But underneath this heated talk is a sadness seen on every face.

The moment has come when we admit what has already happened to our great Republic. I for one will cast a lonely vote against it all. I do so knowing my action is futile and forlorn. It helps me, though, to cover my anguish through the final hours of our democracy. We will remain strong. In many ways we will remain free. But as with the Roman Republic, the roots of our Republic have withered.

BALANCED BUDGET

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, we heard a lot of ranting and raving from the other side of the aisle about the management of the budget. However, somewhere along the line, some of my colleagues on the other side seem to have lost sight of history.

The last President to balance the budget was Lyndon Johnson, a Democrat. During the last 40 years following World War II, there have been 20 years of Democratic administrations and 20 years of Republican administrations.

During that time, Democratic administrations have produced three times more budget surplus dollars than Republicans and during that time Republican administrations have produced three times more budget deficit dollars than Democrats. That is not much of a record for the Republican side to crow about.

I will confess that Republicans are better than Democrats at managing public relations. But if we let the numbers do the talking, the American people will reach a different conclusion about their management of public money.

PRESIDENTIAL DEFICIT/SURPLUS MAKERS: FISCAL YEARS 1946–85

A review of Fiscal Years 1946–85 shows the following:

A. 20 Democratic Presidential budget years;

B. 20 Republican Presidential budget years;

C. 5 Democratic Presidential budget surplus years;

D. 3 Republican Presidential budget surplus years;

E. 15 Democratic Presidential budget deficit years; and

F. 17 Republican Presidential budget deficit years.

On a total budget deficit basis, including both off and on-budget deficit totals, and adjusting for the surplus years, the data show:

A. The cumulative total Democratic Presidential budget deficit in these years was $309.4 billion, an annual average of $15.5 billion, per year; and,

B. The cumulative total Republican Presidential budget deficit in these years was $997.9 billion, an annual average of $49.9 billion.

Thus, the Republican cumulative, and average, deficit was 3.2 times larger than the Democratic cumulative, and average, deficit. The cumulative Democratic surplus was $26.6 billion, an average of $5.3 billion. The cumulative Republican surplus was $7.6 billion, an annual average of $2.5 billion.

[In billions of dollars]

Rank and Fiscal Year [1]	Budget Deficit		Presidents	
	Democrat	Republican	Democrat	Republican
1. 1985		$211.9		Reagan
2. 1983		207.8		Reagan
3. 1984		185.3		Reagan
4. 1982		127.9		Reagan
5. 1981	78.9		Carter	
6. 1980	73.8		Carter	
7. 1976		73.7		Ford
8. 1978	59.0		Carter	
9. 1977		53.6		Ford
10. 1975		53.2		Nixon
11. 1979	40.2		Carter	
12. 1968	25.3		Johnson	
13. 1972		23.4		Nixon
14. 1971		23.0		Nixon
15. 1946	15.9		Truman	
16. 1973		14.8		Nixon
17. 1959		12.9		Eisenhower
18. 1967	8.7		Johnson	
19. 1962	7.1		Kennedy	
20. 1953	6.5		Truman	
21. 1974		6.1		Nixon
22. 1964	5.9		Kennedy	
23. 1963	4.8		Kennedy	
24. 1966	3.8		Johnson	
25. 1961		3.4		Eisenhower
26. 1950	3.1		Truman	
27. 1955		3.0		Eisenhower
28. 1958		2.9		Eisenhower
29. 1970		2.8		Nixon
30. 1965	1.6		Johnson	
31. 1952	1.5		Truman	
32. 1954		1.2		Eisenhower
Budget surplus				
1. 1948	12.0		Truman	
2. 1951	6.9		Truman	
3. 1956		4.1		Eisenhower
4. 1947	3.9		Truman	
5. 1957		3.2		Eisenhower
6. 1969	3.2		Johnson	
7. 1949	0.6		Truman	
8. 1960		0.3		Eisenhower.

[1] The fiscal years are assigned to the Presidents serving when the budget was submitted and when the fiscal year began.

Data Sources: Economic Report of the President, February 1985, and Final Monthly Treasury Statement of Receipts and Outlays of the United States Government, Department of the Treasury.

THE FEDERAL DEFICIT

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revised and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, November 1, 1985, and today's efforts to force the President and the Congress to come to grips with the record level Federal deficit are turning into the usual battle.

Today the partisan rhetoric flows. However, most Americans don't give a post-Halloween hoot which deficit reduction plan passes this House today. Most Americans do want Federal deficit spending stopped.

The Democrats say: "Vote the Rostenkowski alternative."

The Republicans say: "Vote the Gramm-Rudman-Hollings plan."

There is growing dismay on the part of my constituents and I'm certain of many other Americans about the warring and bickering between the two major political parties over reducing the deficit, while at the same time this deficit is growing and growing, and the debt limit must be increased to over $2 trillion this weekend before we can go home. Some of my constituents in western Kentucky have a difficult time understanding just how much $2 trillion is. When told that it's a 2 followed by 12 zeros, they shake their heads in dismay and disbelief.

Western Kentuckians and other Americans, Mr. Speaker, are sick and tired of congressional inaction to lower Federal spending and reduce the Federal deficit. Spending and the deficit are indeed two major problems that are affecting each of our lives.

I say the time has come to act, and to act with the best interests of our great Nation.

We must come to an agreement upon spending policies. We must put an end to the ever-spiraling increases. We must change our ways.

ADVERSE EFFECTS OF GRAMM/RUDMAN

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, I rise today to express some very deep concern about the Gramm/Rudman proposal that is being discussed across the country these days.

As my colleagues know, earlier this year I joined with the gentleman from Texas and the gentleman from Florida in offering to this body a plan that would have required a balanced budget by 1990. It gave us all the opportunity to make the tough, real choices now, and I think the American people should know that there were 56 Members of this body that voted for that plan. And I think that it should be noted that the President opposed it and a lot of the legislative leadership in this town opposed it.

But the fact remains if we are going to deal with the deficit problem, those kinds of tough choices are going to have to be made.

As we decide on Gramm-Rudman, though, I hope my colleagues will focus on some very serious questions about how this plan would affect the farm program, how it will affect highway contractors, how it will affect veterans. What effect is it going to have on the readiness and maintenance of our defense forces in this country? If the cuts come, they are going to hit that part of the Pentagon budget, and I have serious concerns about what

effect these cuts would have on our Nation's defense.

I think we need to keep these things in mind as we search for a bipartisan solution to the deficit problem.

REAGAN ADMINISTRATION DOUBLE STANDARD ON MONETARY POLICY

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, I rise today to point out a world-wide monetary double standard being fostered by Reagan-Baker economic concepts. On the one hand, they say that the Third World's floundering debtor countries should, in words in the October 21 issue of Time magazine, "solve their [financial] problems by adopting austerity measures to pay off their staggering loans."

The new U.S. approach recognizes, Time states, that borrowers will remain on the brink of collapse unless they can rev up their economic growth. The IMF managing director says, "The debtor countries must grow out of debt." Therefore Reagan policy is to increase the infusion of fresh capital to other nations.

On the other hand, they are following policies which urged the elimination of such programs as the Small Business Administration, the Economic Development Administration and other domestic programs which are designed to help the U.S. citizens who also need assistance to ignite economic, industrial and job growth.

At the time the President and his Treasury Secretary James Baker are working hard on a U.S. tax reform package which analysts state would force more U.S. industries overseas and further cause deterioration of the U.S. job market while increasing imports. Plus eliminating the programs listed above which were designed to help bolster the U.S. economy.

Baker's plan is an abrupt change from earlier Reagan policy under Donald Regan which preferred a do-nothing approach, leaving monetary affairs in the hands of private bankers and foreign countries. Baker is urging a program he hopes will increase investment by an infusion of fresh capital at a time when Reagan-Baker push for tax reforms which discourages U.S. investment.

Mr. Speaker, I ask can they have it both ways? On the one hand they drastically reduce investment capital for economic growth in the Nation while at the same time encourage and increase investment capital in foreign nations.

□ 1200

The 1981 TAX CUT: A BIG MISTAKE

(Mr. BENNETT asked and was given permission to address the House for 1 minute.)

Mr. BENNETT. Mr. Speaker, probably the worst error our country ever made from a fiscal standpoint was the 1981 tax cut. We all realize that now, we are paying a heavy penalty for it, we ought not to make another mistake in that same direction. We ought to decide to go ahead and take care of the deficit we have now by passing a measure which we can all pass to acknowledge the fact that we have a $2 trillion national debt; and then we ought to methodically do what we need to do in cutting down on the cost of Government.

We also ought to approach the question of taxes. There are tremendous sums of money that come into the great corporations of this country today, billions of dollars of net income, that pay no taxes whatever.

There are wealthy people making more than $1 million a year paying absolutely no taxes whatsoever.

Now, the President has a proposal he calls a minimum tax bill, but his minimum tax bill will not get these very rich people; the big corporations will still escape being taxed on billions of dollars of income. Millionaires, multi-millionaires, people with million-dollar incomes per year will still not have to pay any income tax whatsoever.

So we ought to get on with making these necessary reforms in taxes that make sense and not bicker about these little tiny things, and get our country in better fiscal shape.

NEW YORK TIMES EDITORIAL RIGHT ON POINT

(Mr. BROOKS asked and was given permission to address the House for 1 minute and include extraneous matter.)

Mr. BROOKS. Mr. Speaker, I would like the attention of all the Members to the lead editorial in today's New York Times. Our task force on constitutional and balance of power issue, examined every one of the matters discussed in this editorial and found Gramm-Rudman to be just as the New York Times described it. I commend this editorial to the Members and commend the New York Times for its astute comments on Gramm-Rudman.

[From the New York Times, Nov. 1, 1985]

DEFICIT MAGIC: WORSE THAN NOTHING

The Senate and House are deadlocked over the wrong-headed Gramm-Rudman-Hollings scheme to wipe out the Federal deficit, but approval seems inevitable, maybe today. The Senate has passed it, the President wants it and even members who strongly oppose the Administration's budget priorities support it. Resigned to its overwhelming popularity, they claim it's better than nothing. In fact, it's worse.

This mischievous bill promises a magic solution to the agony of cutting the Government's huge deficit: It orders annual reduction in six equal steps. If the President and Congress disagree along the way about how to make reductions, spending would be cut by statutory formula.

This scheme has overwhelming appeal because is appears to balance the budget. All who vote for it can say "we've done our job." On the contrary, they're ducking it. There are many reasons to vote against this bill, even to regard it with contempt; it represents conservative dogma rather than bipartisan discipline. Here are four.

It is bad policy. No one can know how much deficit will be appropriate to the economic conditions of each of the next six years. To legislate inflexible limits on Federal fiscal policy is obviously dangerous. To decree now that the budget will exactly balance in exactly six years is a pretentious joke. It won't.

It is unbalanced. In the likely event that the President and Congress disagree on how to cut the deficit, the required cuts would be achieved solely by reducing spending. There would be no help from higher revenues. Tax rates would be immune, and so would deductions, exemptions and all other special tax allowances. Last year, all these cost the Government $100 billion more than national security.

Even the spending cuts are unbalanced. The bill wouldn't touch half the budget. Social Security is protected; likewise are most of the Pentagon's multi-year contracts. Incredibly, so are some farm subsidies—but not others. House Democrats would also exempt programs that aid the poor, a laudable concern that merely compounds the arbitrariness. All programs subject to automatic cuts would be treated alike. There would be no priorities.

The device is subject to easy White House manipulation. The President could force the automatic cuts by rejecting what Congress approves in the regular process of spending and tax bills. Or his budget office could trigger the cuts by exaggerating the estimated deficit. Moreover, budget officials would certify which programs are cuttable and which, because of long-term contracts, are not.

It is dubious law. The lawmaking power belongs to Congress, not to the President or to subordinate agencies of either branch. This bill gives the President the power, in effect, to legislate by repealing properly enacted appropriations. It also vests extraordinary authority in the Office of Management and Budget and the Congressional Budget Office, whose forecasts would be used to invoke automatic spending cuts.

No law is printed in indelible ink. Congress passed a law in 1978—even better than Gramm-Rudman-Hollings—promising a balanced budget in three years, not six. Two years later, Congress repealed it. Presto, no law, and no balanced budget. So much for promises.

There are reasons to be sad about what's happening now. One is that Congress elected to deal with urgent national problems, has failed to act constructively on this one. Another is that this Congress thinks it has.

GRAMM-RUDMAN LEGISLATION TO CUT THE DEFICIT: NOT US, NOT NOW

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, there was a fellow in my small hometown who used to drink a little too much. He always pledged he was going to quit drinking, "first thing in the morning."

That is sort of what this Gramm-Rudman resolution is all about. Incredibly enough, if you read it closely, the Gramm-Rudman resolution technically allows for more spending this year, but would postpone the tough spending cuts until after the next election. It is like the fellow that pledged to quit drinking, but "wait until morning."

We are going to offer an amendment to Gramm-Rudman today, and that amendment will say, "If you want to do this job, roll up your sleeves and let's get it done. Let's do it now, and let's do it right."

As Representative DAVE OBEY said in a recent op-ed piece, the President asked in 1981: If not us, who? And if not now, when?

Well, Gramm-Rudman says "not us, not now."

We are going to offer some amendments that will give the membership the chance to say "Yes us, and yes now." Let us do this job and let us do it now and let us do it the right way.

If you do not vote for these amendments, you say you want a higher deficit this year by $20 billion. That is the issue this afternoon.

A SHOTGUN WEDDING

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in 1930 the poverty level in America was 50 percent; in 1980 it was 11 percent; with Gramm-Latta in 1985, it is 15 percent. What will it be in 1991 with Gramm-Rudman?

I am not particularly crazy about either of the deficit reduction plans that will be brought today before the House, but I will say this: Many people are worried, if they would vote against these measures they would be called special interest Congressmen.

Well, I have to say that I will not apologize for supporting senior citizens, poor children, food stamps and nutrition programs for our poor people, and I do not think we should apologize for it.

I think Members of this House do not really understand either of those reduction plans; they were hastily put together, and we have a shotgun wedding here today to try and resolve a deficit plan that is bigger than any missile threat to America, and I do not think that is the way to legislate.

A DEFICIT REDUCTION MECHANISM MUST HAVE TEETH

(Mr. CARPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARPER. Mr. Speaker and my colleagues, in 1978 Congress adopted a law. That law said that we are going to balance the budget. We are going to balance the budget by 1981.

Well, 1981 came and went; the deficits remained, and the deficits have grown. I think it is clear that we need something with teeth, ladies and gentlemen. We need an enforcement mechanism that will work. Gramm-Rudman, for all of its deficiencies, has at least one positive feature: It has teeth, it has molars, biscuspids; it has got teeth.

The Democratic alternative that is going to be proposed today retains that feature, and I think it also improves considerably on several of the deficiencies of the Gramm-Rudman proposal.

We will speak today of pain, the kind of pain that serious budget deficit reduction will cause programs for housing, crime victims, children, defense and so forth. Let us remember, however, that there is a lot of pain out there that is caused by an out-of-control national debt of $2 trillion: The pain of trade deficits for $150 billion and the loss of 2 million American jobs since 1980. We can best fight that pain, ladies and gentlemen, by taking some tough medicine today: The Democratic alternative is that medicine.

A MAJOR CRIME WITHOUT A CRIMINAL

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, the Department of Justice seems to have brought about another of its continuing series of miracles in modern American jurisprudence—a major crime without a criminal.

Rockwell International Corp., which had $6.2 billion in defense contracts last year, has been allowed to plea bargain away criminal charges of fraudulently billing the Government for $300,000.

The maximum fine that the company can receive is $200,000, which is, as usual, less than the amount ripped off from the Government. The company also agreed to make restitution and pay the cost of the investigation.

Although the Government alleges, and the company admits by its guilty plea, that at least six employees falsified time cards on a $3.6 million contract, no individuals were charged. This case thus takes place along side its felonious siblings—Bank of Boston, E.F. Hutton, Sperry, and General Electric, in which companies miraculously scheme, formulate, and carry out criminal activities without any individuals being criminally involved.

This case is even more disturbing in that Rockwell has apparently been charged with similar overcharging at least twice in recent years, but spared a trip to the woodshed, most recently in 1982, when the company was spared criminal prosecution and debarment from additional Pentagon contracts upon its promise not to repeat the offense—the exact offense that the Justice Department has this week plea bargained away.

Regrettably, the disturbing trend in which the rich and well-connected have a corporation to hide behind are allowed to go free if they return a piece of what they have stolen, while the ordinary citizen has the book thrown at him, finds yet another shameful example.

THE SPENDERS AND THE BUILDERS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, when it comes to deciding economic matters in this House, there are essentially two groups that we fall into in this body: The spenders and the builders. The spenders are those who believe that Government itself can be the solution to the problems. The builders are people who believe that society offers the kind of solutions that go beyond Government.

What we have today is two alternatives before us: One brought to you by the spenders, one brought to you by the builders. What we are saying, what you are hearing from the Democrats is: Trust the spenders. What we are asking you to do is: Trust the builders.

FIFTY PERCENT CUT IN BUTTER GIVEAWAYS TO POOR HURTS DISADVANTAGED UNFAIRLY

(Mr. WILSON asked and was given permission to address the House for 1 minute.)

Mr. WILSON. Mr. Speaker, Members of the House, there is a situation that I think most of us may not know about that has occurred in October, in which the butter allotment from the commodity program for the very poorest of the poor in our country has been cut by 50 percent.

Now, this has been done at the instigation of the margarine lobby, which

maintains that distributing surplus butter which we have stored all over the country and have to throw away, that surplus butter given to people on AFDC and other extreme poverty programs is hurting the sale of margarine.

I submit that this is impossible; that the people who receive these commodities are not, that they are being improperly injured, and more than that, that the United States is going to throw butter away that we are paying for, that is needed by the poor people of this country.

THE CHOICE IS SIMPLE

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, let me just say that we are going to hear a lot of rhetoric today, and that there are going to be a lot of efforts to explain not only how complicated Gramm-Rudman is, but how complicated the dramatically more recently drafted Rostenkowski amendments are.

I think that all of us ought to recognize that we are, in the end, going to get a straight up-and-down vote on Gramm-Rudman. If we do not get one today, then I suspect the Senate will not agree to the Rostenkowski amendments, and we will be back here next week in the same place.

When we finally pass the Gramm-Rudman, which I think we will do eventually, it is going to be complicated, and those who are going to argue that we face a lot of uncharted waters are right; but the choice is very simple: We either take the first major step toward controlling spending in a way which forces the Defense Department and the President to submit a budget dramatically different than what they would do without this, or we continue down the road of large deficits and uncontrolled Federal spending.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 372, PUBLIC DEBT LIMIT INCREASE

Mr. ROSTENKOWSKI submitted the following conference report and statement on the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt:

CONFERENCE REPORT (H. REPT. 99-351)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt, having met, after full and free conference, have been unable to agree.

From the Committee on Ways and Means:
DAN ROSTENKOWSKI,
SAM M. GIBBONS,
J.J. PICKLE,
C.B. RANGEL,
PETE STARK,
JAMES JONES,
ED JENKINS,
RICHARD GEPHARDT,
MARTY RUSSO,
JOHN J. DUNCAN,
BILL ARCHER,
GUY VANDER JAGT,
PHILIP M. CRANE,
BILL FRENZEL,

From the Committee on Appropriations:
JAMIE WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
NEAL SMITH,
C. PURSELL,
TOM LOEFFLER,

From the Committee on Rules:
CLAUDE PEPPER,
JOE MOAKLEY,
BUTLER DERRICK,
ANTHONY C. BEILENSON,
MARTIN FROST,
DELBERT LATTA,
TRENT LOTT,

From the Committee on the Budget:
WILLIAM H. GRAY,
GEORGE MILLER,
MARVIN LEATH,
JACK KEMP,

From the Committee on Government Operations:
JACK BROOKS,
DON FUQUA,
HENRY WAXMAN,
MIKE SYNAR,
FRANK HORTON,
THOMAS N. KINDNESS,

As additional conferees:
THOMAS S. FOLEY,
DAVID OBEY,
M.R. OAKAR,
LEON PANETTA,
VIC FAZIO,
ROBERT H. MICHEL,
DICK CHENEY,
LYNN MARTIN,
CONNIE MACK,

Managers on the Part of the House.

BOB PACKWOOD,
BILL ROTH,
PETE V. DOMENICI,
J.C. DANFORTH,
W. L. ARMSTRONG,
RUSSELL B. LONG,
LLOYD BENTSEN,
LAWTON CHILES,
CARL LEVIN,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 372), increasing the statutory limit on the public debt, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

From the Committee on Ways and Means:
DAN ROSTENKOWSKI,
SAM M. GIBBONS,
J.J. PICKLE,
C.B. RANGEL,
PETE STARK,
JAMES JONES,
ED JENKINS,
RICKARD GEPHARDT,
MARTY RUSSO,
JOHN J. DUNCAN,
BILL ARCHER,
GUY VANDER JAGT,
PHILIP M. CRANE,
BILL FRENZEL,

From the Committee on Appropriations:
JAMIE WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
NEAL SMITH,
C. PURSELL,
TOM LOEFFLER,

From the Committee on Rules:
CLAUDE PEPPER,
JOE MOAKLEY,
BUTLER DERRICK,
ANTHONY C. BEILENSON,
MARTIN FROST,
DELBERT LATTA,
TRENT LOTT,

From the Committee on the Budget:
WILLIAM H. GRAY,
GEORGE MILLER,
MARVIN LEATH,
JACK KEMP,

From the Committee on Government Operations:
JACK BROOKS,
DON FUQUA,
HENRY WAXMAN,
MIKE SYNAR,
FRANK HORTON,
THOMAS M. KINDNESS,

As additional conferees:
THOMAS S. FOLEY,
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DICK CHENEY,
LYNN MARTIN,
CONNIE MACK,

Managers on the Part of the House.

BOB PACKWOOD,
BILL ROTH,
PETE V. DOMENICI,
J.C. DANFORTH,
W.L. ARMSTRONG,
RUSSELL B. LONG,
LLOYD BENTSEN,
LAWTON CHILES,
CARL LEVIN,

Managers on the Part of the Senate.

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the order of the House of October 31, 1985, I call up the conference report on the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt.

The Clerk read the title of the joint resolution.

The SPEAKER. The Clerk will read the report.

The Clerk read the report.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 1, line 7, insert:

SEC. 2. MINIMUM CORPORATE TAX BY CORPORATIONS.

Notwithstanding any other provision of this joint resolution, the Senate Committee on Finance is directed to report to the Senate by July 1, 1986, legislation providing for payment of an alternative minimum corporate tax by corporations on the broadest feasible definition of income to assure that

all of those with economic income pay their fair share of taxes: *Provided*, That said alternative minimum corporate tax shall take effect for corporate tax years commencing on or after October 1, 1986. The revenue raised by this tax shall be applied to reduce the Federal deficit.

Mr. ROSTENKOWSKI (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. WALKER. Mr. Speaker, reserving the right to object.

Mr. Speaker, I do so to ask the gentleman from Illinois [Mr. ROSTENKOWSKI] just what this is. We are proceeding in a process here that has not given the Members much chance for information.

I will be glad to yield to the gentleman from Illinois [Mr. ROSTENKOWSKI].

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Mr. ROSTENKOWSKI. In answer to the question of the gentleman from Pennsylvania, this amendment simply provides complementary language to that found in the other body's version of this legislation concerning the development and reporting of an alternative minimum corporate tax.

The language requires the Committee on Ways and Means to report an alternative minimum tax no later than October 1, 1986. I hasten to add that the Committee on Ways and Means currently has under active consideration a very strong corporate minimum tax as part of its tax reform legislation, which it is our intention to report in a very short while.

Mr. WALKER. Further reserving the right to object, let me ask the gentleman, do we assign any parameters to this? For instance, are we saying that the measure being marked up in committee is the measure that they must come forward with? Is there protection in here for industries that are struggling on the brink of bankruptcy?

Mr. ROSTENKOWSKI. In answer to the gentleman's inquiry, the amendment goes no further than the Senate's amendment did.

Mr. WALKER. It is simply to instruct that some kind of a minimum tax be reported out.

Mr. ROSTENKOWSKI. To be reported out by Ways and Means by October of next year.

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MOTION OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROSTENKOWSKI moves that the House recede from disagreement and concur in the Senate Amendment No. 1 with the following amendment: At the end of the Senate amendment insert the following:

"Notwithstanding any other provision of this joint resolution, the Committee on Ways and Means is directed to report to the House of Representatives legislation providing for payment of an alternative minimum corporate tax by corporations based upon the broadest feasible definition of income to assure that all of those with economic income pay their fair share of taxes: *Provided*, That, the Committee on Ways and Means shall report such legislation prior to October 1, 1986."

Mr. ROSTENKOWSKI (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The motion was agreed to.

The SPEAKER. The Clerk will report the second amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 2: Page 1, after line 7, insert:

SEC. 3. DEFICIT REDUCTION PROCEDURES.

(a) SHORT TITLE.—This section may be cited as the "Balanced Budget and Emergency Deficit Control Act of 1985".

(b) CONGRESSIONAL BUDGET.—

(1) ONE CONCURRENT RESOLUTION ON THE BUDGET REQUIRED ANNUALLY.—

(A) IN GENERAL.—Section 310 of the Congressional Budget Act of 1974 is amended—

(i) by striking out all beginning with "SEC. 310. (a)" through "necessary—" in the matter preceding paragraph (1) of subsection (a) and inserting in lieu thereof the following:

"SEC. 310. (a) IN GENERAL.—Any concurrent resolution on the budget considered under section 301 or section 304 for a fiscal year shall, to the extent necessary—"; and

(ii) by striking out subsection (b) and redesignating subsection (c) as subsection (b).

(B) CONFORMING CHANGES.—

(i) The table of contents in subsection (b) of section 1 of the Congressional Budget and Impoundment Control Act of 1974 is amended—

(I) by striking out "Adoption of first concurrent resolution" in the item relating to section 301 and inserting in lieu thereof "Annual adoption of concurrent resolution";

(II) by striking out "First concurrent resolution" in the item relating to section 303 and inserting in lieu thereof "Concurrent resolution"; and

(III) by striking out "Second required concurrent resolution and reconciliation" in the item relating to section 310 and inserting in lieu thereof "Reconciliation".

(ii) Paragraph (4) of section 3 of such Act is amended—

(I) by adding "and" after the semicolon at the end of subparagraph (A);

(II) by striking out subparagraph (B); and

(III) by striking out "(C) any other" and inserting in lieu thereof "(B) a".

(iii) Section 300 of the Congressional Budget Act of 1974 is amended—

(I) by striking out "first" in the item relating to April 15 and in the second item relating to May 15; and

(II) by striking out the items relating to September 15 and September 25.

(iv)(I) The heading of section 301 of the Congressional Budget Act of 1974 is amended to read as follows:

"ANNUAL ADOPTION OF CONCURRENT RESOLUTION".

(II) Section 301(a) of such Act is amended by striking out "the first concurrent resolution on the budget" in the first sentence and inserting in lieu thereof "a concurrent resolution on the budget".

(III) Section 301(b) of such Act is amended—

(aa) by striking out "first concurrent resolution on the budget" in the matter preceding paragraph (1) and inserting in lieu thereof "concurrent resolution on the budget referred to in subsection (a)"; and

(bb) in paragraph (1) by striking out all beginning with "the concurrent resolution" through "both" the second place it appears and inserting in lieu thereof "the Congress has completed action on any reconciliation bill or reconciliation resolution, or both, required by such concurrent resolution to be reported in accordance with section 310(b)".

(IV) Section 301(d) of such Act is amended by striking out "first" each place it appears.

(V) Section 301(e) of such Act is amended—

(aa) by striking out "set for" in paragraph (1) and inserting in lieu thereof "set forth"; and

(bb) by striking out "first concurrent resolution on the budget" each place it appears and inserting in lieu thereof "concurrent resolution on the budget referred to in subsection (a)".

(v) Section 302(c) of such Act is amended by striking out "or 310".

(vi)(I) The heading of section 303 of such Act is amended by striking out "FIRST".

(II) Section 303(a) of such Act is amended by striking out "first concurrent resolution on the budget" in the matter following paragraph (4) and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(vii) Section 304 of such Act is amended—

(I) by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)"; and

(II) by striking out "pursuant to section 301".

(viii)(I) Section 305(a)(3) is amended by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(II) Section 305(b) of such Act is amended—

(aa) in paragraph (1) by striking out ", except that" and all that follows through "15 hours"; and

(bb) in paragraph (3) by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(ix) Section 308(a)(2)(A) of such Act is amended by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(x) Paragraph (1) of section 309 of such Act is amended by striking out ", and other than the reconciliation bill for such year, if required to be reported under section 310(c)".

(xi) Section 310(f) of such Act is amended by striking out "subsection (a)" and inserting in lieu thereof "301(a)".

(xii) Section 311(a) of such Act is amended—

(I) by striking out "310(a)" the first place it appears and inserting in lieu thereof "301(a)"; and

(II) by striking out "310(c)" and inserting in lieu thereof "310(b)".

(2) MAXIMUM DEFICIT AMOUNTS.—

(A) ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

(i) POINT OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively, and inserting after subsection (b) the following new subsection:

"(c) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—

"(1) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider or adopt any concurrent resolution on the budget for a fiscal year under this section, or to consider or adopt any amendment to such a concurrent resolution, or to consider or adopt a conference report on such a concurrent resolution, if the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report (or that would result from the adoption of such amendment), exceeds the recommended level of Federal revenues for that year by an amount that is greater than the maximum deficit amount specified for such fiscal year in section 3(7).

"(2) Paragraph (1) of this subsection shall not apply to any fiscal year for which a declaration of war has been enacted.".

(ii) CONFORMING CHANGES.—

(I) Section 301(a)(6) of such Act is amended by striking out "subsection (e)" and inserting in lieu thereof "subsection (f)".

(II) Section 301(e) of such Act, as redesignated by clause (i) of this subparagraph, is amended by inserting "; and when so reported such concurrent resolution shall comply with the requirement described in paragraph (1) of subsection (c), unless such paragraph does not apply to such fiscal year by reason of paragraph (2) of such subsection" after "October 1 of such year" in the second sentence thereof.

(B) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—Section 304 of such Act is amended—

(i) by inserting "(a) IN GENERAL.—" after "SEC. 304."; and

(ii) by adding at the end thereof the following new subsection:

"(b) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—

"(1) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider or adopt any concurrent resolution on the budget for a fiscal year under this section, or to consider or adopt any amendment to such a concurrent resolution, or to consider or adopt a conference report on such a concurrent resolution, if the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report (or that would result from the adoption of such amendment), exceeds the recommended level of Federal revenues for that year by an amount that is greater than the maximum deficit amount specified for such fiscal year in section 3(7).

"(2) Paragraph (1) of this subsection shall not apply to any fiscal year for which a declaration of war has been enacted.".

(C) DEFINITIONS.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end thereof the following new paragraphs:

"(6) The term 'deficit' means, with respect to any fiscal year, the amount by which total budget outlays for such fiscal year exceed total revenues for such fiscal year. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, the receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for a fiscal year, and the taxes payable under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 during such fiscal year, shall be included in total revenues for such fiscal year, and the disbursements of either such Trust Fund for such fiscal year shall be included in total budget outlays for such fiscal year.

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1985, $180,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1986, $144,000,000,000;

"(C) with respect to the fiscal year beginning October 1, 1987, $108,000,000,000;

"(D) with respect to the fiscal year beginning October 1, 1988, $72,000,000,000;

"(E) with respect to the fiscal year beginning October 1, 1989, $36,000,000,000; and

"(F) with respect to the fiscal year beginning October 1, 1990, zero.".

(3) RECONCILIATION.—

(A) ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

(i) DIRECTIONS TO COMMITTEES.—Section 301(b) of the Congressional Budget Act of 1974 (as amended by paragraph (1)(B)(iv)(III) of this subsection) is further amended—

(I) by striking out "may also require" in the matter preceding paragraph (1) and inserting in lieu thereof "shall also, to the extent necessary to comply with subsection (c)";

(II) by inserting "require" after the paragraph designation in paragraph (1);

(III) by inserting "require" after the paragraph designation in paragraph (2); and

(IV) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) specify and direct any combination of the matters described in paragraphs (1), (2), and (3) of section 310(a);".

(ii) CONFORMING CHANGES.—

(I) Section 310(a) of such Act is amended—

(aa) by inserting "or" at the end of paragraph (2);

(bb) by striking out "; or" at the end of paragraph (3) and inserting in lieu thereof a period; and

(cc) by striking out paragraph (4).

(II) Section 310(d) of such Act is amended by striking out "subsection (c)" and all that follows through "year" and inserting in lieu thereof "subsection (b) with respect to a concurrent resolution on the budget adopted under section 301(a) not later than June 15 of each year".

(III) Subsections (e) and (f) of section 310 of such Act are amended by striking out "subsection (c)" each place it appears and inserting in lieu thereof "subsection (b)".

(IV) Section 300 of such Act is amended by inserting immediately after the second item relating to May 15 the following new item:

"June 15	Congress completes action on reconciliation bill or resolution, or both, implementing annual required concurrent resolution.".

(B) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—

(i) IN GENERAL.—Section 304(a) of such Act (as redesignated by paragraph (2)(B)(i) of this subsection) is amended by adding after the period the following new sentence: "Any concurrent resolution adopted under this section shall specify and direct any combination of the matters described in paragraphs (1), (2), and (3) of section 310(a) to the extent necessary to comply with subsection (b).".

(ii) CONFORMING CHANGE.—Section 310(d) of such Act (as amended by subparagraph (A)(ii)(II) of this paragraph) is further amended by adding at the end thereof the following new sentence: "Congress shall complete action on any reconciliation bill or reconciliation resolution reported under subsection (b) with respect to a concurrent resolution on the budget adopted under section 304(a) not later than 30 days after the adoption of the concurrent resolution.".

(4) LIMITATION ON AMENDMENTS.—

(A) CONCURRENT RESOLUTIONS ON THE BUDGET.—

(i) HOUSE OF REPRESENTATIVES.—Section 305(a)(6) of such Act is amended—

(I) by inserting "(A)" after the paragraph designation; and

(II) by adding at the end thereof the following new subparagraph:

"(B)(i) No amendment that would have the effect of increasing any specific budget outlays above the level of such outlays set forth in a concurrent resolution on the budget, or of reducing any specific Federal revenues below the level of such revenues set forth in such concurrent resolution, shall be in order unless such amendment ensures that the amount of the deficit for any fiscal year set forth in such concurrent resolution is not increased, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any combination thereof.

"(ii) Clause (i) of this subparagraph shall not apply to any fiscal year for which a declaration of war has been enacted.".

(ii) SENATE.—Section 305(b)(2) of such Act is amended—

(I) by inserting "(A)" before the paragraph designation; and

(II) by adding at the end thereof the following new subparagraph:

"(B)(i) No amendment that would have the effect of increasing any specific budget outlays above the level of such outlays set forth in a concurrent resolution on the budget, or of reducing any specific Federal revenues below the level of such revenues set forth in such concurrent resolution, shall be in order unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the concurrent resolution is not increased, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof.

"(ii) Clause (i) of this subparagraph shall not apply to any fiscal year for which a declaration of war has been enacted.".

(B) RECONCILIATION BILLS AND RESOLUTIONS.—Section 310 of such Act is amended by inserting after subsection (b) (as redesignated by paragraph (1)(A)(ii) of this subsection) the following new subsection:

"(c) LIMITATION ON AMENDMENTS TO RECONCILIATION BILLS AND RESOLUTIONS.—

"(1) It shall not be in order in either the House of Representatives or the Senate to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill or resolution, or would have the effect of reducing any specific Federal revenues below the level of such revenues provided in the bill or resolution, unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the most recently agreed to concurrent resolution on the budget is not exceeded, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof, except that a motion to strike a provision shall always be in order.

"(2) Paragraph (1) shall not apply to any fiscal year for which a declaration of war has been enacted.".

(5) ENFORCEMENT.—

(A) ALLOCATIONS OF BUDGET AUTHORITY AND OUTLAYS.—

(i) REPORTING DATE FOR ALLOCATIONS.—Section 302(b) of such Act is amended by striking out "Each such committee shall promptly report" in the last sentence and inserting in lieu thereof "Each such committee, within ten days of session after the concurrent resolution is agreed to, shall report".

(ii) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(I) new budget authority for any fiscal year;

(II) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in any fiscal year; or

(III) direct loan authority, primary loan guarantee authority, or secondary loan guarantee authority for any fiscal year;

within the jurisdiction of any committee which has received an allocation of budget authority or new spending authority described in section 401(c)(2)(C) pursuant to section 302(a) of the Congressional Budget Act for a fiscal year, unless and until such committee makes the allocation or subdivisions required by section 302(b) of the Congressional Budget Act, in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year.

(iii) ALLOCATIONS MADE BINDING.—Section 311 of such Act is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and inserting immediately after "SEC. 311" the following new subsection:

"(a) LEGISLATION SUBJECT TO POINT OF ORDER AFTER ADOPTION OF ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

"(1) IN GENERAL.—At any time after the Congress has completed action on the concurrent resolution on the budget required to be reported under section 301(a) for a fiscal year, it shall not be in order in either the House of Representatives or the Senate—

"(A) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides for budget outlays or new budget authority in excess of the appropriate allocation of such outlays or authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year; or

"(B) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides new spending authority described in section 401(c)(2)(C) to become effective during such fiscal year, if the amount of budget outlays or new budget authority that would be required for such year if such bill or resolution were enacted without change or such amendment were adopted would exceed the appropriate allocation of budget outlays or new budget authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year, unless such bill, resolution, or amendment was favorably reported by the Committee on Appropriations of the House involved under section 401(b)(2) along with a certification that if such bill, resolution, or amendment is enacted or adopted, the committee will reduce appropriations or take any other actions necessary to assure that the enactment or adoption of such bill, resolution, or amendment will not result in a deficit for such fiscal year in excess of the maximum deficit amount specified for such fiscal year in section 3(7).

"(2) ALTERATION OF 302(b) ALLOCATIONS.—At any time after a committee reports the allocations required to be made under section 302(b), such committee may report to its House an alteration of such allocations: Provided, That any alteration of such allocations must be consistent with any actions already taken by its House on legislation within the committee's jurisdiction.

"(3) EXCEPTION.—Paragraph (1) shall not apply to any fiscal year for which a declaration of war has been enacted.".

(B) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 311(b) of such Act, as redesignated by subparagraph (A)(ii) of this subsection, is amended by inserting before the period at the end thereof the following: "or would cause the levels of deficits set forth in such concurrent resolution to be exceeded, or would otherwise result in a deficit for such fiscal year that exceeds the maximum deficit amount specified for such fiscal year in section 3(7) (except to the extent that paragraph (1) of subsection (b) of section 310 does not apply by reason of paragraph (2) of such subsection)".

(C) REPORTING REQUIREMENT EXTENDED TO CONFERENCE REPORTS.—Section 308(a) of such Act is amended by striking out "the report accompanying that bill or resolution" in the matter preceding paragraph (1) and inserting in lieu thereof the following: "or whenever a conference report is filed in either House, the report accompanying that bill or resolution or the statement of managers accompanying that conference report".

(c) BUDGET SUBMITTED BY THE PRESIDENT.—

(1) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The budget transmitted pursuant to subsection (a) for a fiscal year shall be prepared on the basis of the best estimates then available, in such a manner as to ensure that the deficit for such fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974; and the President shall take such action under subsection (d)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 as is necessary to ensure that the deficit for such fiscal year does not exceed such maximum deficit amount.

"(2) Subject to paragraph (3) of this subsection, the deficit set forth in the budget so transmitted for any fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974, with budget outlays and Federal revenues at such levels as the President may consider most desirable and feasible.

"(3) Paragraph (2) shall not apply with respect to any fiscal year for which a declaration of war has been enacted.".

(2) REVISIONS AND SUPPLEMENTAL SUMMARIES.—Section 1106 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Subsection (f) of section 1105 shall apply to revisions and supplemental summaries submitted under this section to the same extent that such subsection applies to the budget submitted under section 1105(a) to which such revisions and summaries relate.".

(d) EMERGENCY POWERS TO ELIMINATE DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNTS.—

(1) REPORTING OF DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNTS.—

(A) IN GENERAL.—The Director of the Office of Management and Budget and the Director of the Congressional Budget Office (hereafter in this section referred to as "the Directors") shall, with respect to any fiscal year (I) estimate the levels of total revenues and budget outlays that may be anticipated for such fiscal year, (II) determine whether the deficit for such fiscal year will exceed the maximum deficit amount for such fiscal year and whether such excess is statistically significant, and (III) estimate the rate of real economic growth that will occur during such fiscal year and the rate of economic growth that will occur during each quarter of such fiscal year. The Directors jointly shall report to the President and to the Congress on November 1 of such fiscal year (in the case of the fiscal year beginning October 1, 1985) and on the September 25 preceding each such fiscal year (in the case of any succeeding fiscal year), identifying the amount of any excess, stating whether such excess is statistically significant, specifying the estimated rate of real economic growth for such fiscal year and for each quarter of such fiscal year, and specifying the percentages by which automatic spending increases and controllable expenditures shall be reduced during such fiscal year in order to eliminate any such excess. In the event that the Directors are unable to agree on an amount to be set forth with respect to any item in any such report, the amount set forth for such item in such report shall be the average of the amounts proposed by each of them with respect to such item.

(B) EXCEPTION.—Subparagraph (A) shall not apply to any fiscal year for which a declaration of war has been enacted.

(2) PRESIDENTIAL ORDER.—

(A) CONTENTS.—

(i) IN GENERAL.—Upon receipt of any report from the Directors under paragraph (1) of this subsection which identifies a statistically significant amount by which the deficit for a fiscal year will exceed the maximum deficit amount for such fiscal year, the President shall eliminate the full amount of the deficit excess by issuing an order that—

(I) subject to clauses (ii), (iii), and (iv) of this subparagraph, and notwithstanding the Impoundment Control Act of 1974, eliminates one-half of such excess by modifying or suspending the operation of each provision of Federal law that would (but for such order) require an automatic spending increase to take effect during such fiscal year, in such a manner as to reduce by a uniform percentage (but not below zero) the amount of outlay increase under each such provision, and

(II) subject to clauses (ii), (iii), and (iv) of this subparagraph, eliminates one-half of such excess by sequestering from each affected program, project, or activity (as defined in the most recently enacted relevant appropriations Acts and accompanying committee reports) or from each affected account if not so defined, for funds provided in annual appropriations Acts or, otherwise from each budget account, such amounts of budget authority, obligation limitation, other budgetary resources, and loan limitation, and by adjusting payments provided by the Federal Government, to the extent necessary to reduce the outlays for each controllable expenditure by a uniform percentage: Provided, That any periodic payments to individuals or families which are in the nature of income support, supplementation, or assistance (including payments made pursuant to section 32 of the Internal Revenue Code of 1954 as amended or pursuant to chapter 11 or 13 of title 38, United States Code) and which are paid to such individuals or families directly by the United States (or by a person or entity acting as an agent of the United States) shall not be reduced pursuant to this subclause to a level which is lower than the level that would be payable in the absence of this subclause, but in the case of compensation, pursuant to chapter 11 or 13 of title 38, United States Code, a cost-of-living adjustment enacted into law to become effective in the fiscal year that is the first fiscal year to which the order described in this clause applies shall be treated as an automatically-indexed program for purposes of subclause (i) of this clause;

and shall transmit to both Houses of the Congress a message—

(III) identifying—

(aa) the total amount and the percentage by which automatic spending increases are to be reduced under subclause (I) of this clause;

(bb) the total amount of budget authority, obligation limitations, loan limitations, and other budgetary resources which is to be sequestered under subclause (II) of this clause with respect to controllable expenditures;

(cc) the amount of budget authority, obligation limitations, loan limitations, and other budgetary resources which is to be sequestered with respect to each such controllable expenditure in order to reduce it by the required percentage; and

(dd) the account, department, or establishment of the Government to which each amount of budget authority, obligation limitations, loan limitations, and other budgetary resources described in subclause (II) of this clause would be available for obligation; and

(IV) providing full supporting details with respect to each action to be taken under subclause (I) or (II) of this clause.

Upon receipt in the Senate and the House of Representatives, the message shall be referred to all committees with jurisdiction over programs, projects, or activities affected by it.

(ii) EXCEPTION.—If, in order to reduce by one-half the amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year, actions under clause (i)(I) would require the reduction of automatic spending increases below zero, then, in order not to require such reductions below zero, the remaining amount shall be achieved through further uniform reductions under clause (i)(II).

(iii) LIMITATION.—No action taken by the President under subclause (I) or (II) of clause (i) shall have the effect of eliminating any program, project, or activity of the Federal Government.

(iv) LIMITATION.—Any automatic spending increases modified or suspended, or any amounts of budget authority, obligation limitation, other budgetary resources, or loan limitations sequestered by an order of the President under this Act are permanently cancelled, and the legal rights, if any, of persons to receive such automatic spending increases shall be deemed to be extinguished to the extent that the operation of laws providing for such increases are modified or suspended by such an order.

(v) Nothing in subclause (I) or (II) of clause (i) shall be construed to give the President new authority to alter the relative priorities in the Federal budget that are established by law, and no person who is, or becomes, eligible for benefits under any provision of law shall be denied eligibility by reason of this section.

(B) DATE ISSUED.—

(i) POSITIVE REAL ECONOMIC GROWTH.—If the estimate of real economic growth set forth in a report transmitted under paragraph (1) of this subsection is zero or greater, the President shall issue the order required to be issued under this subsection pursuant to such report not later than 14 days after transmittal of such report.

(ii) NEGATIVE REAL ECONOMIC GROWTH.—If the estimate of real economic growth set forth in a report transmitted under paragraph (1) of this subsection is less than zero with respect to such fiscal year or with respect to each of any two consecutive quarters of such fiscal year, the President shall issue the order required to be issued under this subsection pursuant to such report not later than 30 days after transmittal of such report.

(C) EFFECTIVE DATE.—

(i) IN GENERAL.—Except to the extent that it is superseded by a reconciliation bill or reconciliation resolution enacted or adopted under paragraph (3) of this subsection, an order issued pursuant to this paragraph shall become effective 30 days after its issuance. Any modification or suspension by such order of the operation of a provision of law that would (but for such order) require an automatic spending increase to take effect during a fiscal year shall apply for the one-year period beginning with the date on which such automatic increase would have taken effect during such fiscal year (but for such order).

(ii) WITHHOLDING OF BUDGET AUTHORITY FOR THIRTY-DAY PERIOD.—During the 30-day period referred to in clause (i), the President shall withhold from obligation the amounts that would have been suspended or sequestered under such order with respect to such 30-day period if the order issued pursuant to this paragraph had become effective on the date of its issuance. If a reconciliation bill or reconciliation resolution enacted or adopted under paragraph (3) of this subsection becomes law on or before the last day of such 30-day period, amounts withheld from obligation pursuant to the preceding sentence shall be made available for obligation to the extent permitted by such reconciliation bill or reconciliation resolution. If such a reconciliation bill or reconciliation resolution does not become law during such period, the budget authority withheld from obligation under the first sentence of this clause shall be permanently cancelled as described in paragraph (2)(A)(iv) of this subsection.

(D) PROPOSAL OF ALTERNATIVES.—A message transmitted pursuant to this paragraph with respect to a fiscal year may be accompanied by a proposal setting forth in full detail alternative ways to reduce the deficit for such fiscal year to an amount not greater than the maximum deficit amount for such fiscal year. Upon receipt in the Senate and the House of Representatives, the message and any accompanying proposal shall be referred to all committees with jurisdiction over programs, projects, or activities affected by it.

(3) CONGRESSIONAL ACTION.—

(A) REPORTING OF CONCURRENT RESOLUTIONS AND RECONCILIATION BILLS AND RESOLUTIONS.—

(i) IN GENERAL.—Not later than 10 days after issuance of an order by the President under paragraph (2) with respect to a fiscal year, the Committee on the Budget of the House of Representatives and the Senate may report to its House a concurrent resolution. The concurrent resolution may affirm the impact of the order issued under paragraph (2), in whole or in part. To the extent that any part of the order is not affirmed, the concurrent resolution shall state which parts are not affirmed and shall contain instructions to committees of the House and the Senate of the type referred to in section 310(a) of the Congressional Budget Act of 1974, sufficient to achieve at least the total level of deficit reduction contained in those sections which are not affirmed.

(ii) RESPONSE OF COMMITTEES.—Committees instructed pursuant to clause (i) of this subparagraph, or affected thereby, shall submit their responses to their respective Budget Committees no later than 10 days after the conference report on the concurrent resolution referred to in clause (i) is agreed to in both Houses, except that if in either House only one such Committee is so instructed such Committee shall, by the same date, report to its House a reconciliation bill or reconciliation resolution containing its recommendations in response to such instructions. A committee shall be considered to have complied with all instructions to it pursuant to a concurrent resolution adopted under clause (i) if it has made recommendations with respect to matters within its jurisdiction which would result in a reduction in the deficit at least equal to the total reduction directed by such instructions.

(iii) BUDGET COMMITTEE ACTION.—Upon receipt of the recommendations received in response to a concurrent resolution referred to in clause (i) of this subparagraph, the Budget Committee of each House shall report to its respective House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without any substantive revisions. In the event that a committee instructed in a concurrent resolution referred to in clause (i) fails to submit any recommendation (or, when only one committee is instructed, fails to report a reconciliation bill or resolution) in response to such instructions, the Budget Committee of the relevant House shall include in the reconciliation bill or reconciliation resolution reported pursuant to this

clause legislative language within the jurisdiction of the noncomplying committee to achieve the amount of deficit reduction directed in such instructions.

(iv) POINT OR ORDER.—It shall not be in order in the House of Representatives or the Senate to consider or agree to any bill or resolution reported under clause (iii) with respect to a fiscal year, any amendment thereto, or any conference report thereon if—

(I) the enactment of such bill or resolution as reported;

(II) the adoption and enactment of such amendment; or

(III) the enactment of such bill or resolution in the form recommended in such conference report;

would cause the amount of the deficit for such fiscal year to exceed the amount of the deficit set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year or the maximum deficit amount for such fiscal year, unless the report submitted under paragraph (1)(A) projects negative real economic growth for such fiscal year, or for each of any two consecutive quarters during such fiscal year.

(v) TREATMENT OF CERTAIN AMENDMENTS.—An amendment which adds to a concurrent resolution reported under clause (i) an instruction of the type referred to in such clause shall be in order during the consideration of such resolution if such amendment would be in order but for the fact that it would be held to be non-germane on the basis that the instruction constitutes new matter.

(vi) DEFINITION.—For purposes of clauses (i) and (ii), the term "day" shall mean any calendar day on which either House of the Congress is in session.

(B) PROCEDURES.—

(i) IN GENERAL.—Except as provided in subclause (ii), the provisions of sections 305 and 310 of the Congressional Budget Act of 1974 for the consideration of concurrent resolutions on the budget and conference reports thereon shall also apply to consideration of concurrent resolutions, and reconciliation bills and reconciliation resolutions reported under this paragraph and conference reports thereon.

(ii) LIMIT ON DEBATE.—Debate in the Senate on any concurrent resolution reported pursuant to subclause (i) of subparagraph (A), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to 10 hours.

(iii) LIMITATION ON AMENDMENTS.—Section 310(c) of such Act (as added by subsection (b)(4)(B) of this section) shall apply to reconciliation bills and reconciliation resolutions reported under this paragraph.

(iv) COMPLIANCE WITH INSTRUCTIONS.—Section 310 of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following new subsection:

"(g) COMPLIANCE WITH RECONCILIATION DIRECTIONS.—Any committee of a House of the Congress that is directed, pursuant to a concurrent resolution on the budget to recommend changes of the type described in paragraphs (1) and (2) of subsection (a) with respect to laws within its jurisdiction, shall be deemed to have complied with such directions—

"(1) if—

"(A) the amount of the changes of the type described in paragraph (1) of such subsection recommended by such committee, and

"(B) the amount of the changes of the type described in paragraph (2) of such subsection recommended by such committee,

do not exceed or fall below the amount of the changes such committee was directed by such concurrent resolution to recommend under such paragraph by more than 20 percent of the total of the amounts of the changes such committee was directed to make under both such paragraphs; and

"(2) if the total amount of the changes recommended by such committee is not less than the total of the amounts of the changes such committee was directed to make under both such paragraphs.".

(4) DEFINITIONS.—For purposes of this subsection:

(A) The term "automatic spending increase" shall include all Federal programs indexed directly, whether appropriated or contained in current law. This shall not include increases in Government expenditures due to changes in program participation rates. Such term shall not include any increase in benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

(B) The term "budget outlays" has the meaning given to such term in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974.

(C) The term "concurrent resolution on the budget" has the meaning given to such term in section 3(4) of the Congressional Budget and Impoundment Control Act of 1974.

(D) The term "deficit" has the meaning given to such term in section 3(6) of the Congressional Budget and Impoundment Control Act of 1974.

(E) The term "maximum deficit amount" has the meaning given to such term in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

(F) The term "real economic growth" means, with respect to a fiscal year, the nominal growth in the production of goods and services during such fiscal year, adjusted for inflation.

(G) The term "controllable expenditures" means total budget outlays for any account, or any program, project, or activity enumerated by annual appropriation Acts and by applicable committee reports, except those described in subparagraph (A) and except outlays for benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act, outlays due to increases in program participation rates, outlays for prior-year obligations, and outlays for interest on the public debt. Such term shall also include funds for existing contracts unless—

(i) penalty provisions in such contract would produce a net loss to the Government; or

(ii) reduction of the contract violates legal obligations of the Government.

(H) The term "sequester" means the permanent cancellation of budget authority, obligation limitations, other budgetary resources, or loan limitations, to the extent necessary to reduce each controllable expenditure by a uniform percentage.

(I) The term "other budgetary resources" means unobligated balances, reimbursements, receipts credited to an account, and recoveries of prior-year obligations.

(J) The amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year shall be treated as "statistically significant" if the amount of such excess is greater than 5 percent of such maximum deficit amount. For purposes of the fiscal year beginning October 1, 1985, the preceding sentence shall be applied by substituting "7" for "5".

(e) BUDGETARY TREATMENT OF SOCIAL SECURITY TRUST FUNDS.—

(1) FISCAL YEARS 1986 THROUGH 1992.—

(A) IN GENERAL.—Section 710 of the Social Security Act (as added by paragraph (1) of subsection (a) of section 346 of the Social Security Amendments of 1983) is amended—

(i) by striking out all beginning with "the" the first place it appears down through "Disability Insurance Trust Fund, the" and inserting in lieu thereof "The";

(ii) by striking out "sections 1401, 3101, and 3111" and inserting in lieu thereof "1401(b), 3101(b), and 3111(b)";

(iii) by redesignating all after the section designation as subsection (b);

(iv) by inserting after the section designation the following:

"(a) The receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund, and the taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government."; and

(v) by adding at the end thereof the following new subsection:

"(c) No provision of law enacted after the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than a provision of an appropriation Act that appropriates funds authorized under the Social Security Act as in effect on the date of enactment of the Balanced Budget and Emergency Deficit Control Act of 1985) may provide for payments from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or for payments from any such Trust Fund to the general fund of the Treasury.".

(B) APPLICATION.—The amendments made by subparagraph (A) shall apply with respect to fiscal years beginning after September 30, 1985, and ending before October 1, 1992.

(2) FISCAL YEAR 1993 AND THEREAFTER.—Section 710(a) of the Social Security Act (42 U.S.C. 911 note), as amended by section 346(b) of the Social Security Amendments of 1983 (to be effective with respect to fiscal years beginning after September 30, 1992) is amended by—

(A) inserting "(1)" after the subsection designation; and

(B) adding at the end thereof the following new paragraph:

"(2) No provision of law enacted after the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than a provision of an appropriation Act that appropriates funds authorized under the Social Security Act as in effect on the date of enactment of the Balanced Budget and Emergency Deficit Control Act of 1985) may provide for payments from the general fund of the Treasury to any Trust Fund specified in paragraph (1) or for payments from any such Trust Fund to the general fund of the Treasury.".

(f) BUDGET ACT WAIVERS.—Section 904 of the Congressional Budget Act is amended—

(1) by striking out subsection (b) and inserting in lieu thereof the following new subsection:

"(b) Except as provided in subsection (c), any provision of title III or IV may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum

being present, or by the unanimous consent of the Senate."; and

(2) by redesignating subsection (c) as subsection (d), and inserting after subsection (b) the following new subsection:

"(c) The provisions of section 305(b)(2) and section 306 of this Act may be waived or suspended in the Senate and the House of Representaives only by the affirmative vote of three-fifths of the Members of that House duly chosen and sworn.".

(g) OTHER WAIVERS AND SUSPENSIONS.—The provisions of the Balanced Budget and Emergency Deficit Control Act of 1985 may be waived or suspended in the Senate and the House only by the affirmative vote of three-fifths of the Members of that House duly chosen and sworn.

(h) SUPPLEMENTAL BUDGET ESTIMATES.—Section 1106 of title 31, United States Code, is amended by striking out "July 16" each place it appears and inserting in lieu thereof "September 16".

(i) POINT OF ORDER.—Notwithstanding any other provision of law, it shall not be in order in the Senate or House of Representatives to consider any reconciliation bill or reconciliation resolution reporterd pursuant to a concurrent resolution on the budget agreed to under section 301 or 304 of the Congressional Budget Act of 1974, or any amendment thereto, or conference report thereon that contains recommendations with respect to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, with respect to revenues attributable to the taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, or with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

(j) APPLICATION.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), this section and the amendments made by this section shall become effective on the date of the enactment of this section and shall apply with respect to fiscal years beginning after September 30, 1985, and before October 1, 1991.

(2) EXCEPTION.—The amendments made by subsections (b)(1), (b)(2)(A), (b)(3)(A), (b)(5)(A)(i), (c) of this section shall apply with respect to fiscal years beginning after September 30, 1986, and before October 1, 1991.

(3) OASDI TRUST FUNDS.—The amendments made by subsection (e) shall apply as provided in such subsection.

(k) The provisions of this Act, other than those relating to the activities of the executive branch, are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(l) SENSE OF THE SENATE.—It is the sense of the Senate that any funding reductions or sequestering of controllable expenditures implemented by the various Federal agencies as a result of this Act shall be made uniformly and shall not disproportionately be made in the funding of programs targeted for rural and lesser populated areas.

(m) REPORT REQUIRED.—The Directors of the Office of Management and Budget and the Congressional Budget Office, and the Secretary of the Treasury, shall jointly report to the President and to the Committee on Finance and the Committee on Ways and Means on the projected level of revenues which would be raised by increased and improved tax enforcement and collection through audits, examinations, and other methods designed to eliminate tax cheating and increase revenue collections from individuals and corporations evading Federal taxation. The report shall include an analysis of measures which can be implemented to increase voluntary compliance with tax laws, including increased staff for taxpayer assistance, speedier processing of returns, improved information processing and collection, and public education designed to increase public trust and understanding of the Internal Revenue Service enforcement efforts. The report shall also include an estimate of the level of increased expenditures for Internal Revenue Service enforcement and compliance efforts at which additional expenditures would not yield additional revenues of at least $2 of revenue for every $1 in expenditures. The report shall be issued on an annual basis no later than the date on which the President submits a proposed budget for each fiscal year to the Congress.

(n) TREATMENT OF CERTAIN COST-OF-LIVING ADJUSTMENTS.—During the time in which a sequester order is in effect, any cost-of-living adjustment for Social Security shall not count as income for purposes of determining Supplemental Security Income payments or payments from any other programs which are offset as a consequence of cost-of-living adjustments for Social Security.

(o) Section 1105(c) of title 31, United States Code, is amended—

(1) by striking out "The" the first place it appears and inserting in lieu thereof "(1) Notwithstanding any other provision of law, the";

(2) by inserting "(other than action that would require an increase in borrowing authority or an increase in the limit imposed by section 3101(b) of this title by more than the applicable amount for the fiscal year for which the budget is submitted)" after "action" the first place it appears; and

(3) by adding at the end thereof the following new paragraph:

"(2) For purposes of this subsection, the term 'applicable amount' means—

"(A) with respect to the fiscal year beginning October 1, 1986, $144,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1987, $108,000,000,000;

"(C) with respect to the fiscal year beginning October 1, 1988, $72,000,000,000;

"(D) with respect to the fiscal year beginning October 1, 1989, $36,000,000,000; and

"(E) with respect to the fiscal year beginning October 1, 1990, and each fiscal year thereafter, zero.".

(p)(1) In preparing any report required under subsection (d)(1) for a fiscal year, the Directors shall comply with this subsection.

(2) The Directors shall—

(A) examine—

(i) each contract with a total amount of budget authority in excess of $20,000,000 under which outlays will be made in such fiscal year to determine whether such contract includes provisions for adjusting outlays in such fiscal year under such contract as a result of inflation; and

(ii) any other Government activity which the Directors consider appropriate under which outlays in such fiscal year will be increased as a result of inflation; and

(B) assume, in determining the total amount of outlays which will be made in such fiscal year, that the adjustments for inflation made in contracts described in clause (i) of subparagraph (A) and activities described in clause (ii) of such subparagraph will be made on the best available estimate of inflation for such fiscal year.

(3) In the event that the Directors are unable to agree under paragraph (2) on an amount of outlays with respect to any particular contract or activity, the Directors shall use the average of the amounts proposed by each of them with respect to such contract or activity.

(q) COMMODITY CREDIT CORPORATION LOANS AND GUARANTEED STUDENT LOANS.—Any contract entered into after a sequester order has been issued for the applicable fiscal year, by which the Commodity Credit Corporation and entities providing Federal guarantees for student loans shall agree to make payments out of an entitlement account to any person, lender or guarantee entity shall be deemed to be controllable expenditures and shall be subject to reduction under the Presidential order, and any such contract shall explicitly provide for such reduction for the entire contractual period: Provided, That in regard to commodity loans made by the Commodity Credit Corporation to producers or producer cooperatives for a commodity produced in the same crop year, those loans for the same commodity shall be subject to the same terms and conditions: Provided further, That noncontract programs supported through the Commodity Credit Corporation shall be deemed to be controllable expenditures and shall be subject to reduction in the same fashion as other programs under the Presidential order: Provided further, That programs supported through the Commodity Credit Corporation shall be deemed to be the reduction in the level of commodity price support programs, supported through the Commodity Credit Corporation, shall not exceed a uniform percentage of reduction specified for those programs in the sequester order.

Mr. ROSTENKOWSKI (during the reading). Mr. Speaker, I ask unanimous consent that Senate amendment No. 2 be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MOTION OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROSTENKOWSKI moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

TITLE II—DEFICIT REDUCTION PROCEDURES

SEC. 200. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the "Balanced Budget and Emergency Deficit Control Act of 1985".

(b) TABLE OF CONTENTS.—

Sec. 200. Short title and table of contents.

PART A—CONGRESSIONAL BUDGET PROCESS

Subpart I—Congressional Budget

Sec. 201. Congressional budget.

Subpart II—Amendments to Title IV of the Congressional Budget Act of 1974
Sec. 211. New spending authority.
Sec. 212. Credit authority.
Sec. 213. Description by Congressional Budget Office.
Sec. 214. General Accounting Office study.
Subpart III—Additional Provisions to Improve Budget Procedures
Sec. 221. Congressional Budget Office.
Sec. 222. Current services budget.
Sec. 223. Study of off-budget agencies.
Sec. 224. Changes in functional categories.
Sec. 225. Jurisdiction of Committee on Government Operations.
Sec. 226. Continuing study of congressional budget process.
Sec. 227. Early election of committees of the House.
Sec. 228. Rescissions and transfers in appropriation bills.
Subpart IV—Technical and Conforming Amendments
Sec. 231. Table of contents.
Sec. 232. Additional technical and conforming amendments.
PART B—BUDGET SUBMITTED BY THE PRESIDENT
Sec. 241. Submission of President's budget; maximum deficit amount may not be exceeded.
Sec. 242. Supplemental budget estimates and changes.
Sec. 243. Current services budget.
PART C—EMERGENCY POWERS TO ELIMINATE DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNT
Sec. 251. Reporting of excess deficits.
Sec. 252. Presidential order.
Sec. 253. Exempt programs and activities.
Sec. 254. Exceptions, limitations, and special rules.
Sec. 255. Definitions.
PART D—BUDGETARY TREATMENT OF SOCIAL SECURITY TRUST FUNDS
Sec. 261. Treatment of trust funds.
PART E—MISCELLANEOUS AND RELATED PROVISIONS
Sec. 271. Waivers and suspensions; rulemaking powers.
Sec. 272. Recessions.
Sec. 273. Restoration of trust fund investments.
Sec. 274. Revenue estimates.
Sec. 275. Non-severability.
Sec. 276. Judicial review.
Sec. 277. Effective dates.
PART A—CONGRESSIONAL BUDGET PROCESS
Subpart I—Congressional Budget
SEC. 201. CONGRESSIONAL BUDGET.

(a) DEFINITIONS.—

(1) Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end thereof the following new paragraphs:

"(6) The term 'deficit' means, with respect to any fiscal year, the amount by which total budget outlays for such fiscal year exceed total revenues for such fiscal year. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (notwithstanding section 710(a) of the Social Security Act), the receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for a fiscal year, and the taxes payable under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 during such fiscal year, shall be included in total revenues for such fiscal year; the disbursements of each such Trust Fund for such fiscal year shall be included in total budget outlays for such fiscal year; and the receipts, revenues, and disbursements of any other Federal program, project, or activity shall also be included in total revenues and total budget outlays, as the case may be, for such fiscal year, whether or not included in the totals of the budget of the United States Government.

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1985, $161,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1986, $110,200,000,000;

"(C) with respect to the fiscal year beginning October 1, 1987, $57,200,000,000;

"(D) with respect to the fiscal year beginning October 1, 1988, $4,200,000,000;

"(E) with respect to the fiscal year beginning October 1, 1989, zero; and

"(F) with respect to the fiscal year beginning October 1, 1990, zero.

"(8)(A) The maximum deficit amounts contained in paragraph (7) shall be altered in accordance with the provisions of this paragraph to reflect changed economic conditions.

"(B) Beginning with fiscal year 1986, the term 'maximum deficit amount' with respect to any fiscal year for which the formula in this paragraph requires a reduction in the deficit from the deficit of the previous fiscal year means an amount equal to—

"(i) the deficit for the preceding fiscal year (as determined or estimated by the Congressional Budget Office), minus

"(ii) 20 percent of the deficit for fiscal year 1985; except that the percentage specified in this subparagraph shall be—

"(I) increased by 1 percent for each 1/10 of a percent by which real gross national product growth for the fiscal year involved (as projected by the Congressional Budget Office) is greater than 3 percent, or

"(II) reduced by 1 percent for each 1/10 of a percent by which real gross national product growth for such fiscal year (as so projected) is less than 3 percent.".

"(C) In the event that real gross national product growth for a fiscal year (as projected by the Congressional Budget Office) is 1 percent or less, there shall be no maximum deficit amount.

"(9) The term 'allocation for discretionary action' means an amount for control of congressional action to increase or decrease levels under current law of budget authority (excluding such authority to cover entitlement authority in the case of the Committee on Appropriations), direct loan obligations or primary loan guarantee commitments, spending authority as described by section 401(c)(2).

"(10) The term 'entitlement authority' means spending authority described by section 401(c)(2)(C).".

(2) Paragraph (2) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting before the comma the following: "or to collect offsetting receipts.".

(b) CONGRESSIONAL BUDGET PROCESS.—Title III of the Congressional Budget Act of 1974 is amended to read as follows:

"TITLE III—CONGRESSIONAL BUDGET PROCESS

"TIMETABLE

"SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:

"On or before:	Action to be completed:
First Monday after January 3.	President submits his budget.
February 15	Congressional Budget Office submits report to Budget Committees.
February 25	Committees submit views and estimates to Budget Committees.
April 15	Congress completes action on concurrent resolution on the budget.
May 15	Appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last regular appropriation bill.
June 15	Congress completes action on reconciliation legislation.
June 30	House completes action on regular appropriation bills.
October 1	Fiscal year begins.

"ANNUAL ADOPTION OF CONCURRENT RESOLUTION ON THE BUDGET

"SEC. 301. (a) CONTENT OF CONCURRENT RESOLUTION ON THE BUDGET.—On or before April 15 of each year, the Congress shall complete action on a concurrent resolution on the budget for the fiscal year beginning on October 1 of such year. The concurrent resolution shall set forth appropriate levels for the fiscal year beginning on October 1 of such year, and planning levels for each of the two ensuing fiscal years, for the following—

"(1) totals of new budget authority, budget outlays, entitlement authority, direct loan obligations, and primary loan guarantee commitments;

"(2) total Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees;

"(3) the surplus or the deficit in the budget;

"(4) new budget authority, budget outlays, entitlement authority, direct loan obligations, and primary loan guarantee commitments for each major functional category, based on allocations of the total levels set forth pursuant to paragraph (1); and

"(5) the public debt.

"(b) ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.—The concurrent resolution on the budget may—

"(1) set forth, if required by subsection (f), the calendar year in which, in the opinion of the Congress, the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 should be achieved;

"(2) include reconciliation directives described in section 310;

"(3) require a procedure under which all or certain bills or resolutions providing new budget authority or new spending authority described in section 401(c)(2)(C) for such fiscal year shall not be enrolled until the Congress has completed action on any reconciliation bill or reconciliation resolution or both required by such concurrent resolution to be reported in accordance with section 310(b); and

"(4) set forth such other matters, and require such other procedures, relating to the budget as may be appropriate to carry out the purposes of this Act.

"(c) CONSIDERATION OF PROCEDURES OR MATTERS WHICH HAVE THE EFFECT OF CHANGING ANY RULE OF THE HOUSE OF REPRESENTATIVES.—If the Committee on the Budget of the House of Representatives reports any

concurrent resolution on the budget which includes any procedure or matter which has the effect of changing any rule of the House of Representatives, such concurrent resolution shall then be referred to the Committee on Rules with instructions to report it within five calendar days (not counting any day on which the House is not in session). The Committee on Rules shall have the jurisdiction to report any concurrent resolution referred to it under this paragraph with an amendment or amendments which change or strike out any such procedure or matter.

"(d) VIEWS AND ESTIMATES OF OTHER COMMITTEES.—On or before February 25 of each year, each standing committee of the House of Representatives shall submit to the Committee on the Budget of the House and each standing committee of the Senate shall submit to the Committee on the Budget of the Senate its views and estimates (as determined by the committee making such submission) with respect to all matters set forth in subsections (a) and (b) which relate to matters within the jurisdiction or functions of such committee. The Joint Economic Committee shall submit to the Committees on the Budget of both Houses its recommendations as to the fiscal policy appropriate to the goals of the Employment Act of 1946. Any other committee of the House or Senate may submit to the Committee on the Budget of its House, and any joint committee of the Congress may submit to the Committees on the Budget of both Houses, its views and estimates with respect to all matters set forth in subsections (a) and (b) which relate to matters within its jurisdiction or functions.

"(e) HEARINGS AND REPORT.—In developing the concurrent resolution on the budget referred to in subsection (a) for each fiscal year, the Committee on the Budget of each House shall hold hearings and shall receive testimony from Members of Congress and such appropriate representatives of Federal departments and agencies, the general public, and national organizations as the committee deems desirable. Each of the recommendations as to short-term and medium-term goals set forth in the report submitted by the members of the Joint Economic Committee under subsection (d) may be considered by the Committee on the Budget of each House as part of its consideration of such concurrent resolution, and its report may reflect its views thereon, and on how the estimates of revenues and levels of budget authority and outlays set forth in such concurrent resolution are designed to achieve any goals it is recommending. The report accompanying such concurrent resolution shall include, but not be limited to—

"(1) a comparison of revenues estimated by the committee with those estimated in the budget submitted by the President;

"(2) a comparison of the appropriate levels of total budget outlays and total new budget authority, total direct loan obligations, total primary loan guarantee commitments, and total entitlement authority, as set forth in such concurrent resolution, with those estimated and requested in the budget submitted by the President;

"(3) with respect to each major functional category, an estimate of budget outlays and an appropriate level of new budget authority for all proposed programs and for all existing programs (including renewals thereof), with the estimate and level for existing programs being divided between permanent authority and funds provided in appropriation Acts, and each such division being subdivided between controllable amounts and all other amounts;

"(4) an allocation of the level of Federal revenues recommended in the concurrent resolution among the major sources of such revenues;

"(5) the economic assumptions and objectives which underlie each of the matters set forth in such concurrent resolution and alternative economic assumptions and objectives which the committee considered;

"(6) projections, not limited to the following, for the period of five fiscal years beginning with such fiscal year of the estimated levels of total budget outlays, total new budget authority, the estimated revenues to be received, and the estimated surplus or deficit, if any, for each fiscal year in such period, and the estimated levels of tax expenditures (the tax expenditures budget) by major functional categories;

"(7) a statement of any significant changes in the proposed levels of Federal assistance to State and local governments;

"(8) a comparison of Federal priorities by functional category including budget authority and outlays, direct loan obligations and primary loan guarantee commitments, and tax expenditures; and

"(9) information, data, and comparisons indicating the manner in which, and the basis on which, the committee determined each of the matters set forth in the concurrent resolution, including an explanation of how such matters compare with the views and estimates of the standing committees of its House.

"(f) ACHIEVEMENT OF GOALS FOR REDUCING UNEMPLOYMENT.—

"(1) If, pursuant to section 4(c) of the Employment Act of 1946, the President recommends in the Economic Report that the goals for reducing unemployment set forth in section 4(b) of such Act be achieved in a year after the close of the five-year period prescribed by such subsection, the concurrent resolution on the budget for the fiscal year beginning after the date on which such Economic Report is received by the Congress may set forth the year in which, in the opinion of the Congress, such goals can be achieved.

"(2) After the Congress has expressed its opinion pursuant to paragraph (1) as to the year in which the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946, can be achieved, if, pursuant to section 4(e) of such Act, the President recommends in the Economic Report that such goals be achieved in a year which is different from the year in which the Congress has expressed its opinion that such goals should be achieved, either in its action pursuant to paragraph (1) or in its most recent action pursuant to this paragraph, the concurrent resolution on the budget for the fiscal year beginning after the date on which such Economic Report is received by the Congress may set forth the year in which, in the opinion of the Congress, such goals can be achieved.

"(3) It shall be in order to amend the provision of such resolution setting forth such year only if the amendment thereto also proposes to alter the estimates, amounts, and levels (as described in subsection (a)) set forth in such resolution in germane fashion in order to be consistent with the economic goals (as described in sections 3(a)(2) and 4(b) of the Employment Act of 1946) which such amendment proposes can be achieved by the year specified in such amendment.

"(g) COMMON ECONOMIC ASSUMPTIONS.—The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall set forth the common economic assumptions upon which such joint statement and conference report are based.

"(h) BUDGET COMMITTEES CONSULTATION WITH STANDING COMMITTEES.—The Committee on the Budget of each House shall consult with the standing committees of its House during the preparation, consideration, and enforcement of the concurrent resolution on the budget with respect to all matters which relate to the jurisdiction or functions of such committees.

"(i) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—

"(1) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider any concurrent resolution on the budget for a fiscal year under this section, or to consider any amendment to such a concurrent resolution, or to consider a conference report on such a concurrent resolution, if the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report (or that would result from the adoption of such amendment), exceeds the recommended level of Federal revenues for that year by an amount that is greater than the maximum deficit amount specified for such fiscal year in section 3(7).

"(2) Paragraph (1) of this subsection shall not apply if a declaration of war by the Congress is in effect.

"COMMITTEE ALLOCATIONS

"SEC. 302. (a) ALLOCATION FOR DISCRETIONARY ACTION.—For purposes of controlling congressional action as described by sections 311 and 312, the report accompanying a concurrent resolution on the budget for a fiscal year and the joint explanatory statement accompanying a conference report on a concurrent resolution on the budget for a fiscal year shall include an allocation for discretionary action for such fiscal year, or for the total of such fiscal year and the ensuing fiscal year, or for the total for such fiscal year and each of the two ensuing years, based upon such concurrent resolution as reported or as recommended in such conference report, of new budget authority (excluding such authority to cover entitlement authority in the case of the Committee on Appropriations), new spending authority as described in section 401(c)(2), new direct loan obligations and new primary loan guarantee commitments to each committee of the House of Representatives and the Senate which has jurisdiction over bills and resolutions that would implement such action. The allocation provided under this subsection shall not extend beyond the assumed duration of the programs intended to be covered by the allocation.

"(b) REPORTS BY COMMITTEES.—As soon as practicable after a conference report on a concurrent resolution on the budget is agreed to—

"(1) the Committee on Appropriations of each House shall, after consulting with the Committee on Appropriations of the other House, subdivide among its subcommittees the allocation for discretionary action allocated to it in the joint explanatory statement accompanying the conference report on such concurrent resolution; and

"(2) every other committee of the House and Senate to which an allocation for discretionary action was made in such joint explanatory statement shall, after consulting with the committee or committees of the other House to which all or part of its allocation was made, subdivide its allocation

among its subcommittees or among programs over which it has jurisdiction.

Each such committee shall promptly report to its House the subdivisions made by it pursuant to this subsection only if it is given a discretionary action allocation in the joint explanatory statement accompanying the conference report on such concurrent resolution.

"(c) LEGISLATION SUBJECT TO POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill, resolution, amendment, or conference report providing budget authority, spending authority as described in section 401(c)(2), or credit authority within the jurisdiction of any committee until such committee reports to the House the subdivisions required by subsections (b) and (e) for the applicable year in connection with the most recently agreed to concurrent resolution on the budget.

"(d) SUBSEQUENT CONCURRENT RESOLUTIONS.—In the case of a concurrent resolution on the budget referred to in section 304, the allocations under subsection (a) and the subdivisions under subsection (b) shall be required only to the extent necessary to take into account revisions made in the most recently agreed to concurrent resolution on the budget.

"(e) DIVISION OF BUDGET TOTALS AMONG COMMITTEES.—

"(1) For purposes of information, the report accompanying a concurrent resolution on the budget and the joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall include an estimated division, based upon such concurrent resolution recommended in such report or in such conference report of the appropriate levels of total budget outlays, total new budget authority, total entitlement authority, total direct loan obligations, and total primary loan guarantee commitments among each committee of the House of Representatives and the Senate which has jurisdiction over such authorities.

"(2) As soon as practicable after any such conference report is filed—

"(A) the Committee on Appropriations of each House shall, after consulting with the Committee on Appropriations of the other House, subdivide among its subcommittees its share of the estimated division of budget outlays set forth in such conference report; and

"(B) every other committee of the House and Senate with respect to which an estimated division of budget outlays is made in such conference report shall, after consulting with the committee or committees of the other House to which all or part of such subdivision is made, subdivide its share of the estimated division of budget outlays among its subcommittees or among programs over which it has jurisdiction.

"(f) ALTERATION OF 302(b) ALLOCATIONS.—At any time after a committee reports the allocations required to be made under section 302(b), such committee may report to its House an alteration of such allocations. Any alteration of such allocations must be consistent with any actions already taken by its House on legislation within the committee's jurisdiction.

"CONCURRENT RESOLUTION ON THE BUDGET MUST BE ADOPTED BEFORE LEGISLATION PROVIDING NEW BUDGET AUTHORITY, NEW SPENDING AUTHORITY, NEW CREDIT AUTHORITY OR CHANGES IN REVENUES OR THE PUBLIC DEBT LIMIT IS CONSIDERED

"SEC. 303. (a) IN GENERAL.—It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution (or amendment thereto) as reported to the House or Senate which provides—

"(1) new budget authority for a fiscal year;

"(2) an increase or decrease in revenues to become effective during a fiscal year;

"(3) an increase or decrease in the public debt limit to become effective during a fiscal year;

"(4) new spending authority described in section 401(c)(2) to become effective during a fiscal year; or

"(5) new credit authority for a fiscal year;

until the concurrent resolution on the budget for such fiscal year has been agreed to pursuant to section 301.

"(b) EXCEPTIONS.—Subsection (a) does not apply to any bill or resolution (or amendment thereto) which—

"(1) provides new budget authority which first becomes effective in the second fiscal year (or any fiscal year after the second fiscal year) following the fiscal year in which the bill or resolution (or amendment thereto) is to be considered by the House or Senate, or

"(2) provides for increases or decreases in revenues which first become effective in the second fiscal year (or any fiscal year after the second fiscal year) following the fiscal year in which the bill or resolution (or amendment thereto) is to be considered by the House or Senate.

After May 15 of any calendar year, subsection (a) does not apply in the House of Representatives to any general appropriation bill, or amendment thereto, which provides new budget authority for the fiscal year beginning in such calendar year.

"(c) WAIVER IN THE SENATE.—

"(1) The committee of the Senate which reports any bill or resolution (or amendment thereto) to which subsection (a) applies may at or after the time it reports such bill or resolution (or amendment thereto), report a resolution to the Senate (A) providing for the waiver of subsection (a) with respect to such bill or resolution (or amendment thereto), and (B) stating the reasons why the waiver is necessary. The resolution shall then be referred to the Committee on the Budget of the Senate. That committee shall report the resolution to the Senate within 10 days after the resolution is referred to it (not counting any day on which the Senate is not in session) beginning with the day following the day on which it is so referred, accompanied by that committee's recommendations and reasons for such recommendations with respect to the resolution. If the committee does not report the resolution within such 10-day period, it shall automatically be discharged from further consideration of the resolution and the resolution shall be placed on the calendar.

"(2) During the consideration of any such resolution, debate shall be limited to one hour, to be equally divided between, and controlled by, the majority leader and minority leader or their designees, and the time on any debatable motion or appeal shall be limited to twenty minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution. In the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of such resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal. No amendment to the resolution is in order.

"(3) If, after the Committee on the Budget has reported (or been discharged from further consideration of) the resolution, the Senate agrees to the resolution, then subsection (a) shall not apply with respect to the bill or resolution (or amendment thereto) to which the resolution so agreed to applies.

"PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET

"SEC. 304. (a) IN GENERAL.—At any time after the concurrent resolution on the budget for a fiscal year has been agreed to pursuant to section 301, and before the end of such fiscal year, the two Houses may adopt a concurrent resolution on the budget which revises the concurrent resolution on the budget for such fiscal year most recently agreed to.

"(b) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—

"(1) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider any concurrent resolution on the budget for a fiscal year under this section, or to consider any amendment to such a concurrent resolution, or to consider a conference report on such a concurrent resolution, if the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report (or that would result from the adoption of such amendment), exceeds the recommended level of Federal revenues for that year by an amount that is greater than the maximum deficit amount specified for such fiscal year in section 3(7).

"(2) Paragraph (1) of this subsection shall not apply if a declaration of war by the Congress is in effect.

"PROVISIONS RELATING TO THE CONSIDERATION OF CONCURRENT RESOLUTIONS ON THE BUDGET

"SEC. 305. (a) PROCEDURE IN HOUSE OF REPRESENTATIVES AFTER REPORT OF COMMITTEE; DEBATE.—

"(1) When the Committee on the Budget of the House has reported any concurrent resolution on the budget, it is in order at any time after the fifth day (excluding Saturdays, Sundays, and legal holidays) following the day on which the report upon such resolution by the Committee on the Budget has been available to Members of the House and, if applicable, after the first day (excluding Saturdays, Sundays, and legal holidays) following the day on which a report upon such resolution by the Committee on Rules pursuant to section 301(c) has been made available to Members of the House (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(2) General debate on any concurrent resolution on the budget in the House of Representatives shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority parties, plus such additional hours of debate as are consumed pursuant to paragraph (3). A

motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

"(3) Following the presentation of opening statements on the concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the House, there shall be a period of up to four hours for debate on economic goals and policies.

"(4) Only if a concurrent resolution on the budget reported by the Committee on the Budget of the House sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Full Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.

"(5) Consideration of any concurrent resolution on the budget by the House of Representatives shall be in the Committee of the Whole, and the resolution shall be considered for amendment under the five-minute rule in accordance with the applicable provisions of rule XXIII of the Rules of the House of Representatives. After the Committee rises and reports the resolution back to the House, the previous question shall be considered as ordered on the resolution and any amendments thereto to final passage without intervening motion; except that it shall be in order at any time prior to final passage (notwithstanding any other rule or provision of law) to adopt an amendment (or a series of amendments) changing any figure or figures in the resolution as so reported to the extent necessary to achieve mathematical consistency.

"(6) Debate in the House of Representatives on the conference report on any concurrent resolution on the budget shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

"(7) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

"(b) PROCEDURE IN SENATE AFTER REPORT OF COMMITTEE; DEBATE; AMENDMENTS.—

"(1) Debate in the Senate on any concurrent resolution on the budget, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 50 hours, except that with respect to any concurrent resolution referred to in section 304(a), all such debate shall be limited to not more than 15 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(2) Debate in the Senate on any amendment to a concurrent resolution on the budget shall be limited to 2 hours, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, and debate on any amendment to an amendment, debatable motion, or appeal shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. No amendment that is not germane to the provisions of such concurrent resolution shall be received. Such leaders, or either of them, may, from the time under their control on the passage of the concurrent resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

"(3) Following the presentation of opening statements on the concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the Senate, there shall be a period of up to four hours for debate on economic goals and policies.

"(4) Only if a concurrent resolution on the budget reported by the Committee on the Budget of the Senate sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Employment Act of 1946), which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.

"(5) A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution.

"(6) Notwithstanding any other rule, an amendment or series of amendments to a concurrent resolution on the budget proposed in the Senate shall always be in order if such amendment or series of amendments proposes to change any figure or figures then contained in such concurrent resolution so as to make such concurrent resolution mathematically consistent or so as to maintain such consistency.

"(c) CONSIDERATION OF PROCEDURES OR MATTERS WHICH HAVE THE EFFECT OF CHANGING ANY RULE OF THE HOUSE OF REPRESENTATIVES.—

"(1)(A) With respect to any report of a committee of conference on a concurrent resolution on the budget called up before the House containing any procedure or matter which has the effect of changing any rule of the House of Representatives and which was not included in the measure as passed by the House, it shall be in order, at any time after the reading of the report has been completed or dispensed with and before the reading of the statement, or immediately upon consideration of a conference report if clause 2(c) of Rule XXVIII of the Rules of the House of Representatives applies, to offer a motion, which is of high privilege, that the House reject such procedure or matter. It shall be in order to debate such motion for forty minutes, one-half of such time to be given to debate in favor of, and one-half in opposition to, the motion.

"(B) Notwithstanding the final disposition of any motion made under this paragraph, it shall be in order to offer further motions to reject with respect to other procedures or matters in the report of the committee of conference not covered by any previous motion to reject.

"(C) If any such motion to reject has been adopted, after final disposition of all such motions under the preceding provisions of this paragraph, and after final disposition of all points of order and motions to reject under clause 4 of Rule XXVIII of the Rules of the House of Representatives, the conference report shall be considered as rejected and the question then pending before the House shall be—

"(i) whether to recede and concur in the Senate amendment with an amendment which shall consist of that portion of the conference report not rejected; or

"(ii) whether to insist further on the House amendment.

If all such motions to reject are defeated, then, after the allocation of time for debate on the conference report as provided in clause 2(a) of Rule XXVIII of the Rules of the House of Representatives, it shall be in order to move the previous question on the adoption of the conference report.

"(2)(A) With respect to any amendment (including an amendment in the nature of a substitute) which—

"(i) is proposed by the Senate to any concurrent resolution on the budget and thereafter—

"(I) is reported in disagreement between the two Houses by a committee of conference; or

"(II) is before the House, the stage of disagreement having been reached; and

"(ii) contains any procedure or matter which has the effect of changing any rule of the House of Representatives and which was not included in the measure as passed the House;

it shall be in order, immediately after a motion is offered that the House recede from its disagreement to such amendment proposed by the Senate and concur therein and before debate is commenced on such motion, to offer a motion, which is of high privilege, that the House reject the procedure or matter. It shall be in order to debate such motion for forty minutes, one-half of such time to be given to debate in favor of, and one-half in opposition to, the motion.

"(B) Notwithstanding the final disposition of any motion made under subparagraph (A), it shall be in order to offer further such motions with respect to other procedures or matters in the amendment proposed by the Senate not covered by any previous motion to reject.

"(C) If any such motion to reject has been adopted, after final disposition of all motions to reject under the preceding provisions of this paragraph, and after final disposition of all points of order and motions to reject under clause 5 of Rule XXVIII of the Rules of the House of Representatives, the motion to recede and concur shall be considered as rejected, and further motions—

"(i) to recede and concur in the Senate amendment with an amendment, where appropriate (but the offering of which is not in order unless copies of the language of the Senate amendment, as proposed to be amended by such motion, are then available on the floor when such motion is offered and is under consideration);

"(ii) to insist upon disagreement to the Senate amendment and request a further conference with the Senate; and

"(iii) to insist upon disagreement to the Senate amendment;

shall remain of high privilege for consideration by the House. If all such motions to reject are defeated, then, after the allocation of time for debate on the motion to recede and concur as provided in clause 2(b) of Rule XXVIII of the Rules of the House of Representatives, it shall be in order to move the previous question on such motion.

"(D)(i) With respect to any such amendment proposed by the Senate as described in subparagraph (A)(i) of this paragraph, it shall not be in order to offer any motion that the House recede from its disagreement to such Senate amendment and concur therein with an amendment, unless copies of the language of the Senate amendment, as proposed to be amended by such motion, are then available on the floor when such motion is offered and is under consideration.

"(ii) Immediately after any such motion is offered and is in order and before debate is commenced on such motion, it shall be in order to offer a motion, which is of high privilege, that the House reject any procedure or matter which has the effect of changing any rule of the House of Representatives which is contained in the Senate amendment as proposed to be amended by such motion or which is contained in the proposed amendment to the Senate amendment, and which was not included in the concurrent resolution on the budget as passed by the House. It shall be in order to debate such motion for forty minutes, one-half of such time to be given to debate in favor of, and one-half in opposition to, the motion.

"(iii) Notwithstanding the final disposition of any motion under clause (ii), it shall be in order to make further such motions with respect to other procedures or matters in the language of the Senate amendment, as proposed to be amended by the motion, or in the proposed amendment to the Senate amendment, not covered by any previous motion to reject.

"(E) If any such motion to reject has been adopted, after final disposition of all motions to reject under the preceding provisions of this paragraph, and after final disposition of all points of order and motions to reject under clause 5 of Rule XXVIII of the Rules of the House of Representatives, the motion to recede and concur in the Senate amendment with an amendment shall be considered as rejected, and further motions—

"(i) to recede and concur in the Senate amendment with an amendment, where appropriate (but the offering of which is not in order unless copies of the language of the Senate amendment, as proposed to be amended by such motion, are then available on the floor when such motion is offered and is under consideration);

"(ii) to insist upon disagreement to the Senate amendment and request a further conference with the Senate; and

"(iii) to insist upon disagreement to the Senate amendment;

shall remain of high privilege for consideration by the House. If all such motions to reject are defeated, then, after the allocation of time for debate on the motion to recede and concur in the Senate amendment with an amendment as provided in clause 2(b) of Rule XXVIII of the Rules of the House of Representatives, it shall be in order to move the previous question on such motion.

"(F) If, on a division of a motion that the House recede and concur, with or without amendment, from its disagreement to any such Senate amendment as described in subparagraph (A) of this paragraph, the House agrees to recede, then, before debate is commenced on concurring in such Senate amendment, or on concurring therein with an amendment, it shall be in order to make motions to reject with respect to such Senate amendment in accordance with applicable provisions of this clause and to effect final determination of these matters in accordance with such provisions.

"(d) ACTION ON CONFERENCE REPORTS IN THE SENATE.—

"(1) The conference report on any concurrent resolution on the budget shall be in order in the Senate at any time after the third day (excluding Saturdays, Sundays, and legal holidays) following the day on which such a conference report is reported and is available to Members of the Senate. A motion to proceed to the consideration of the conference report may be made even though a previous motion to the same effect has been disagreed to.

"(2) During the consideration in the Senate of the conference report on any concurrent resolution on the budget, debate shall be limited to 10 hours, to be equally divided between them, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report.

"(3) Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to one-half hour, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.

"(4) In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.

"(e) REQUIRED ACTION BY CONFERENCE COMMITTEE.—If at the end of 7 days (excluding Saturdays, Sundays, and legal holidays) after the conferees of both Houses have been appointed to a committee of conference on a concurrent resolution on the budget, the conferees are unable to reach agreement with respect to all matters in disagreement between the two Houses, then the conferees shall submit to their respective Houses, on the first day thereafter on which their House is in session—

"(1) a conference report recommending those matters on which they have agreed and reporting in disagreement those matters on which they have not agreed; or

"(2) a conference report in disagreement, if the matter in disagreement is an amendment which strikes out the entire text of the concurrent resolution and inserts a substitute text.

"(f) CONCURRENT RESOLUTION MUST BE CONSISTENT IN THE SENATE.—It shall not be in order in the Senate to vote on the question of agreeing to—

"(1) a concurrent resolution on the budget unless the figures then contained in such resolution are mathematically consistent; or

"(2) a conference report on a concurrent resolution on the budget unless the figures contained in such resolution, as recommended in such conference report, are mathematically consistent.

"LEGISLATION DEALING WITH CONGRESSIONAL BUDGET MUST BE HANDLED BY BUDGET COMMITTEES

"SEC. 306. No bill or resolution, and no amendment to any bill or resolution, dealing with any matter which is within the jurisdiction of the Committee on the Budget of either House shall be considered in that House unless it is a bill or resolution which has been reported by the Committee on the Budget of that House (or from the consideration of which such committee has been discharged) or unless it is an amendment to such a bill or resolution.

"HOUSE COMMITTEE ACTION ON ALL APPROPRIATION BILLS TO BE COMPLETED BY JUNE 10

"SEC. 307. On or before June 10 of each year, the Committee on Appropriations of the House of Representatives shall report bills and resolutions providing new budget authority under the jurisdiction of all of its subcommittees for the fiscal year which begins on October 1 of that year.

"REPORTS, SUMMARIES, AND PROJECTIONS OF CONGRESSIONAL BUDGET ACTIONS

"SEC. 308. (a) REPORTS ON LEGISLATION PROVIDING NEW BUDGET AUTHORITY, NEW SPENDING AUTHORITY, NEW CREDIT AUTHORITY, OR PROVIDING AN INCREASE OR DECREASE IN REVENUES OR TAX EXPENDITURES.—

"(1) Whenever a committee of either House reports to its House a bill or resolution, or committee amendment thereto, providing new budget authority (other than continuing appropriations), new spending authority described in section 401(c)(2), new credit authority, or providing an increase or decrease in revenues or tax expenditures for a fiscal year, the report accompanying that bill or resolution shall contain a statement, or the committee shall make available such a statement in the case of an approved committee amendment which is not reported to its House, prepared after consultation with the Director of the Congressional Budget Office—

"(A) comparing the discretionary action levels in any such measure to the allocations for discretionary action in the reports submitted under section 302(b) for the most recently agreed to concurrent resolution on the budget for such fiscal year;

"(B) comparing the outlays estimated to result from any such measure for such fiscal year with the estimated subdivisions of outlays in reports submitted under section 302(e) for the most recently agreed to concurrent resolution on the budget for such fiscal year;

"(C) including an identification of any new spending authority described in section 401(c)(2) which is contained in any such measure and a justification for the use of such financing method instead of annual appropriations;

"(D) containing a projection by the Congressional Budget Office of how any such measure will affect the levels of such spending authority, revenues, tax expenditures, direct loan obligations, or primary loan guarantee commitments under existing law for such fiscal year and each of the four ensuing fiscal years;

"(E) setting forth the level of new budget authority for assistance to State and local governments provided by any such measure; and

"(F) comparing the levels provided by any such measure with the levels provided by law for the fiscal year preceding such fiscal year, and with levels requested by the President for such measure for such fiscal year.

"(2) Whenever a conference report is filed in either House and such conference report or amendment reported in disagreement or any amendment contained in the joint statement of managers to be proposed by the conferees in the case of technical disagreement on such bill or resolution provides new budget authority (other than continuing appropriations), new spending authority described in section 401(c)(2), or new credit authority, or provides an increase or decrease in revenues for a fiscal year, the committee, after consultation with the Director of the Congressional Budget Office, shall make available to Members at least two hours prior to consideration of such conference report by the House of Representatives or Senate the matters described under subsection (a)(1).

"(b) UP-TO-DATE TABULATIONS OF CONGRESSIONAL BUDGET ACTION.—

"(1) The Director of the Congressional Budget Office shall issue to the committees of the House and the Senate reports on at least a monthly basis detailing and tabulating the progress of congressional action on bills and resolutions providing new budget authority, new spending authority described in section 401(c)(2), new credit authority, or providing an increase or decrease in revenues or tax expenditures for a fiscal year. Such reports shall include, but are not limited to—

"(A) an up-to-date tabulation comparing the appropriate aggregate and functional levels (including outlays) included in the most recently adopted concurrent resolution on the budget with levels provided in bills and resolutions reported by committees or adopted by either House or by the Congress, with levels provided by law for the fiscal year preceding such fiscal year, and with levels requested by the President for such fiscal year;

"(B) an up-to-date tabulation comparing levels of discretionary action for a fiscal year in bills and resolutions reported by committees or adopted by either House or by the Congress with allocations for discretionary action in reports submitted under subsection (a) and (b) of section 302, with levels provided by law for the fiscal year preceding such fiscal year, and with levels requested by the President for such fiscal year; and

"(C) an up-to-date tabulation comparing levels of budget outlays for a fiscal year estimated to result from bills and resolutions reported by committees or adopted by either House or by the Congress, or estimated to result from existing law within the jurisdiction of such committees with estimates of outlays in reports submitted under section 302(e).

"(2) The Committee on the Budget of each House shall make available to Members of its House summary budget scorekeeping reports. Such reports—

"(A) shall be made available on at least a monthly basis, but in any case, frequently enough to provide Members of each House an accurate representation of the current status of congressional consideration of the budget;

"(B) shall include, but are not limited to, summaries of tabulations provided under subsection (b)(1); and

"(C) shall be based on information provided under subsection (b)(1) without substantive revision.

The chairman of the Committee on the Budget of the House shall submit such reports to the Speaker and they shall be printed as House documents.

"(c) FIVE-YEAR PROJECTION OF CONGRESSIONAL BUDGET ACTION.—As soon as practicable after the beginning of each fiscal year, the Director of the Congressional Budget Office shall issue a report projecting for the period of 5 fiscal years beginning with such fiscal year—

"(1) total new budget authority and total budget outlays for each fiscal year in such period;

"(2) revenues to be received and the major sources thereof, and the surplus or deficit, if any, for each fiscal year in such period;

"(3) tax expenditures for each fiscal year in such period;

"(4) entitlement authority for each fiscal year in such period; and

"(5) credit authority for each fiscal year in such period.

"HOUSE APPROVAL OF REGULAR APPROPRIATION BILLS

"SEC. 309. It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period of more than three calendar days during the month of July until the House of Representatives has approved bills and resolutions providing new budget authority under the jurisdiction of all the subcommittees of the Committee on Appropriations for the fiscal year beginning on October 1 of such year, other than supplemental, deficiency, and continuing appropriation bills and resolutions.

"RECONCILIATION

"SEC. 310. (a) INCLUSION OF RECONCILIATION DIRECTIVES IN CONCURRENT RESOLUTIONS ON THE BUDGET.—Any concurrent resolution on the budget shall, to the extent necessary to effectuate the provisions and requirements of such resolution, specify the total amount for such fiscal year, or the total amount for such fiscal year and the ensuing fiscal year, or the total amount for such fiscal year and the two ensuing fiscal years by which—

"(1) budget authority;

"(2) spending authority described in section 401(c)(2);

"(3) credit authority; or

"(4) revenues;

provided by laws, bills, and resolutions within the jurisdiction of a committee is to be changed and provide an estimate of the resulting change in budget outlays, and direct that committee to recommend legislation to accomplish a change of such total amount.

"(b) LEGISLATIVE PROCEDURE.—If a concurrent resolution is agreed to in accordance with subsection (a) containing directives to one or more committees to determine and recommend changes in laws, bills, or resolutions, and—

"(1) only one committee of the House or the Senate is directed to determine and recommend changes, that committee shall promptly make such determination and recommendations and report to its House reconciliation legislation containing such recommendations; or

"(2) more than one committee of the House or the Senate is directed to determine and recommend changes, each such committee so directed shall promptly make such determination and recommendations and submit such recommendations to the Committee on the Budget of its House, which, upon receiving all such recommendations, shall report to its House reconciliation legislation carrying out all such recommendations without any substantive revision.

"(c) LIMITATION ON AMENDMENTS TO RECONCILIATION BILLS AND RESOLUTIONS.—

"(1) It shall not be in order in either the House of Representatives or the Senate to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill or resolution, or would have the effect of reducing any specific Federal revenues below the level of such revenues provided in the bill or resolution, unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the most recently agreed to concurrent resolution on the budget is not exceeded, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof, except that (A) in the House of Representatives a motion to strike a provision providing new budget authority or new spending authority as defined in section 401(c)(2)(C) of this Act may be in order, and (B) in the Senate a motion to strike a provision shall always be in order.

"(2) Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.

"(3) For purposes of this section, the levels of budget outlays and Federal revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or of the Senate, as the case may be.

"(4) The Committee on Rules of the House of Representatives may make in order amendments to achieve changes specified by reconciliation directives contained in a concurrent resolution on the budget if a committee or committees of the House fail to submit recommended changes to its Committee on the Budget pursuant to its instruction.

"(d) PROCEDURE IN THE SENATE.—

"(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the Senate of concurrent resolutions on the budget and conference reports thereon shall also apply to the consideration in the Senate of reconciliation bills reported under subsection (b) and conference reports thereon.

"(2) Debate in the Senate on any reconciliation bill reported under subsection (b), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours.

"(e) COMPLETION OF RECONCILIATION PROCESS IN THE HOUSE OF REPRESENTATIVES.—It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period for more than three calendar days during the month of July until the House of Representatives has completed action on the reconciliation legislation for the fiscal year beginning on October 1 of the calendar year to which the adjournment resolution pertains, if reconciliation legislation is required to be reported

by the concurrent resolution on the budget for such fiscal year.

"(f) LIMITATION ON CHANGES TO THE SOCIAL SECURITY ACT.—Notwithstanding any other provision of law, it shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill or reconciliation resolution reported pursuant to a concurrent resolution on the budget agreed to under section 301 or 304, or any amendment thereto or conference report thereon, that contains recommendations with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

"NEW BUDGET AUTHORITY, NEW SPENDING AUTHORITY, NEW CREDIT AUTHORITY, AND REVENUE LEGISLATION MUST BE WITHIN APPROPRIATE LEVELS

"SEC. 311. (a) LEGISLATION SUBJECT TO POINT OF ORDER.—Except as provided by subsection (b), after the Congress has completed action on a concurrent resolution on the budget for a fiscal year, it shall not be in order in either the House of Representatives or the Senate to consider any bill, resolution, or amendment providing new budget authority, new spending authority described in section 401(c)(2), or new credit authority to become effective during such fiscal year, or reducing revenues for such fiscal year, or any conference report on any such bill or resolution, if—

"(1) the enactment of such bill or resolution as reported;

"(2) the adoption and enactment of such amendment; or

"(3) the enactment of such bill or resolution in the form recommended in such conference report;

would cause the appropriate level of total new budget authority, total budget outlays, total entitlement authority, total direct loan obligations, or total primary loan guarantee commitments set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year to be exceeded, or would cause revenues to be less than the appropriate level of total revenues set forth in such concurrent resolution.

"(b) EXCEPTION.—Subsection (a) shall not apply to bills, resolutions, or amendments within the jurisdiction of a committee, or any conference report on any such bill or resolution, if—

"(1) the enactment of such bill or resolution as reported;

"(2) the adoption and enactment of such amendment; or

"(3) the enactment of such bill or resolution in the form recommended in such conference report;

would not cause the allocation for discretionary action for such committee of new budget authority, new spending authority as described in section 401(c)(2), new direct loan obligations or new primary loan guarantee commitments made pursuant to section 302(a) for such fiscal year, or for the total of such fiscal year and the ensuing fiscal year, or for the total of such fiscal year and the two ensuing years to be exceeded.

"(c) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, direct loan obligations, primary loan guarantee commitments, spending authority as described by section 401(c)(2), and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or of the Senate, as the case may be.

"COMMITTEE ALLOCATION CONTROLS

"SEC. 312. (a) LEGISLATION SUBJECT TO POINT OF ORDER.—After the Congress has completed action on a concurrent resolution on the budget for a fiscal year, it shall not be in order in either the House of Representatives or the Senate to consider any bill, resolution, or amendment providing new budget authority, new spending authority as described in section 401(c)(2), or new credit authority to become effective during such fiscal year or in a subsequent fiscal year, or any conference report on any such bill or resolution, if—

"(1) the enactment of such bill or resolution as reported;

"(2) the adoption and enactment of such amendment; or

"(3) the enactment of such bill or resolution in the form recommended in such conference report;

would cause an allocation for discretionary action to a committee made pursuant to section 302(a) for such fiscal year (or, if such allocation is for the total of such fiscal year and the ensuing fiscal year, then the two-year total; or, if such allocation is for the total of such fiscal year and the two ensuing fiscal years, then the three-year total) of new budget authority, new spending authority as described in section 401(c)(2), or new direct loan obligations and new primary loan guarantee commitments to be exceeded.

"(b) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, budget outlays, spending authority as described in section 401(c)(2), direct loan obligations, and primary loan guarantee commitments for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or of the Senate, as the case may be".

Subpart II—Amendments to Title IV of the Congressional Budget Act of 1974

SEC. 211. NEW SPENDING AUTHORITY.

(a) CONTROLS ON LEGISLATION PROVIDING CONTRACT OR BORROWING AUTHORITY.—Subsection (a) of section 401 of the Congressional Budget Act of 1974 is amended by inserting "CONTROLS ON" before "LEGISLATION", by striking out "or resolution" and inserting in lieu thereof ", resolution, or conference report, as reported to its House" and by inserting ", conference report" after "resolution" the second time it appears therein.

(b) POINT OF ORDER.—Subsection (b) of such section is amended to read as follows:

"(b) CONTROLS ON PROVISIONS OF LEGISLATION PROVIDING OTHER NEW SPENDING AUTHORITY.—No provision of any bill, joint resolution, or resolution shall be reported by any committee, or be in order in any amendment thereto or conference report thereon, in the House of Representatives or the Senate, which provides new spending authority as described in subsection (c)(2) (D) or (E) unless that bill, joint resolution, or resolution, as reported, or amendment thereto or conference report thereon, also provides that such new spending authority is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts. A point of order with respect to such new spending authority (except as to conference reports) may be raised at any time."

(c) DEFINITION OF NEW SPENDING AUTHORITY.—Paragraph (1) of subsection (c) of such section is amended by inserting before the period at the end thereof the following:

", except for subparagraphs (D) and (E) of paragraph (2), for which 'new spending authority' for purposes of this section means spending authority not provided by law on the effective date of those subparagraphs, including any increase in or addition to spending authority provided by law on such date".

(d) DEFINITION OF SPENDING AUTHORITY.—Paragraph (2) of subsection (c) of such section is amended by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon, and by inserting after subparagraph (C) the following new subparagraphs:

"(D) to forego collection of proprietary offsetting receipts, the budget authority for which is not provided in advance by appropriation Acts to offset such foregone receipts; and

"(E) to make payments (including loans, grants, and payments from revolving funds) other than those covered by subparagraph (A), (B), (C), or (D), the budget authority for which is not provided in advance by appropriation Acts".

(e) ESTIMATES.—Such section 401 is further amended by inserting at the end thereof the following new subsection:

"(e) ESTIMATES.—For purposes of this Act, estimates of new entitlement authority shall be measured as the cost increase or decrease from law as such law exists at the time of consideration of a bill, resolution, or conference report providing such entitlement authority. Estimates of new entitlement authority for entitlements financed by trust funds or revolving funds shall be based on estimated outlays from such funds".

SEC. 212. CREDIT AUTHORITY.

Section 402 of the Congressional Budget Act of 1974 is amended to read as follows:

"LEGISLATION PROVIDING NEW CREDIT AUTHORITY

"SEC. 402. (a) CONTROLS ON LEGISLATION PROVIDING NEW CREDIT AUTHORITY.—It shall not be in order in either the House of Representatives or the Senate to consider any bill, resolution, or conference report, as reported to its House, or any amendment which provides new credit authority described in subsection (b)(1), unless that bill, resolution, conference report, or amendment also provides that such new credit authority is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

"(b) DEFINITIONS.—

"(1) For purposes of this Act, the term 'new credit authority' means credit authority not provided by law on the effective date of this section, including any increase in or addition to credit authority provided by law on such date.

"(2) For purposes of this Act, the term 'credit authority' means authority to incur direct loan obligations or to incur primary loan guarantee commitments".

SEC. 213. DESCRIPTION BY CONGRESSIONAL BUDGET OFFICE.

(a) CONGRESSIONAL BUDGET OFFICE ANALYSIS.—Subsection (a) of section 403 of the Congressional Budget Act of 1974 is amended by striking out "and" at the end of paragraph (2), by striking out the period and inserting "; and" at the end of paragraph (3), and by inserting at the end thereof the following new paragraph:

"(4) a description of each method for establishing a Federal financial commitment contained in such bill or resolution".

(b) CONFORMING AMENDMENT.—The second sentence of subsection (a) of such section is amended by striking out "estimates and

comparison" and inserting in lieu thereof "estimates, comparison, and description".

SEC. 214. GENERAL ACCOUNTING OFFICE STUDY.

Title IV of the Congressional Budget Act of 1974 is amended by inserting at the end thereof the following new sections:

"STUDY BY THE GENERAL ACCOUNTING OFFICE OF FORMS OF FEDERAL FINANCIAL COMMITMENT THAT ARE NOT REVIEWED ANNUALLY BY CONGRESS

"SEC. 405. The General Accounting Office shall study those provisions of law which provide spending authority as described by section 401(c)(2) and which provide permanent appropriations, and report to the Congress its recommendations for the appropriate form of financing for activities or programs financed by such provisions not later than eighteen months after the effective date of this section. Such report shall be revised from time to time.

"OFF-BUDGET AGENCIES, PROGRAMS AND ACTIVITIES

"SEC. 406. (a) Notwithstanding any other provision of law, budget authority, credit authority, and estimates of outlays and receipts for activities of the Federal budget which are presently off-budget, including all activities of the Federal Financing Bank, the Rural Electrification Administration and Telephone Revolving Fund and the Rural Telephone Bank, the Strategic Petroleum Reserve Account, the United States Synthetic Fuels Corporation and the United States Railway Association shall be included in a budget submitted pursuant to section 1105 of title 31, United States Code, and in a concurrent resolution on the budget reported pursuant to section 301 of the Congressional Budget Act of 1974 and shall be considered, for purposes of such Act, budget authority, outlays, and spending authority in accordance with definitions set forth in such Act.

"(b) All receipts and disbursements of the Federal Financing Bank with respect to any obligations which are issued, sold, or guaranteed by a Federal agency shall be treated as a means of financing such agency for purposes of section 1105 of title 31, United States Code, and for purposes of the Congressional Budget Act of 1974.

"(c) If any committee of either House reports any bill containing a provision or provisions having the effect of exempting any department, agency, program or activity of the United States Government from the provisions of section 1105 of title 31, United States Code, or the provisions of the Congressional Budget Act of 1974, such bill shall be referred to the Committee on Government Operations in the House of Representatives or to the Committee on Governmental Affairs in the Senate, and such Committee shall have the jurisdiction to report any bill referred to it under this section with an amendment or amendments, which change or strike out any such provision or provisions.

"MEMBER USER GROUP

"SEC. 407. The Speaker of the House of Representatives, after consulting with the Minority Leader of such House, shall appoint a Member User Group for the purpose of reviewing budgetary scorekeeping rules and practices of the House and advising the Speaker from time to time on the effect and impact of such rules and practices. Estimates made by the House Budget Committee under section 311 and section 312 shall be made in accordance with such scorekeeping rules and practices".

Subpart III—Additional Provisions to Improve Budget Procedures

SEC. 221. CONGRESSIONAL BUDGET OFFICE.

(a) APPOINTMENT OF DIRECTOR.—Paragraph (2) of section 201(a) of the Congressional Budget Act of 1974 is amended by striking out "Committees on the Budget" and inserting in lieu thereof "committees".

(b) REPORTING DATE.—Paragraph (1) of section 202(f) of the Congressional Budget Act of 1974 is amended by striking out "April 1" and inserting in lieu thereof "February 15".

(c) ADDITIONAL REPORTING REQUIREMENT.—Subsection (f) of section 202 of the Congressional Budget Act of 1974 is amended by inserting at the end thereof the following new paragraphs:

"(3) On or before the first Monday after January 3 of each year, the Director, after consultation with the appropriate committees of the House of Representatives and Senate, shall submit to the Congress a report listing (A) all programs and activities funded during the fiscal year ending September 30 of that calendar year for which authorizations for appropriations have not been enacted for that fiscal year, and (B) all programs and activities for which authorizations for appropriations have been enacted for the fiscal year ending September 30 of that calendar year, but for which no authorizations for appropriations have been enacted for the fiscal year beginning October 1 of that calendar year.

"(4) Baseline projections of permanent authority prepared pursuant to this subsection, including but not limited to revenues, entitlements (including appropriated entitlements), other mandatory spending, and credit authority shall assume that current laws continue unchanged, except for the extension of temporary provisions for which continuation is routine. Baseline projections of discretionary appropriations shall assume a continuation of current year funding with an adjustment for inflation, except with respect to any report made under the Balanced Budget and Emergency Deficit Control Act of 1985.".

(d) STUDIES.—Section 202 of the Congressional Budget Act of 1974 is amended by inserting at the end thereof the following new subsections:

"(h) STUDIES.—The Director shall conduct continuing studies to enhance comparisons of budget outlays, credit authority, and tax expenditures.

"(i) TAX EXPENDITURES INVENTORY.—On or before February 15 of each year, the Director, after consultation with the Joint Committee on Taxation, shall submit to the Congress an inventory of all provisions of law providing tax expenditures and the items of such inventory shall be regarded for purposes of this Act as tax expenditures".

SEC. 222. CURRENT SERVICES BUDGET.

The first sentence of section 605(a) of the Congressional Budget Act of 1974 is amended by striking out "On or before November 10 of each year (beginning with 1975)" and inserting in lieu thereof the following: "On or before the first Monday after January 3 of each year (beginning with 1985)".

SEC. 223. STUDY OF OFF-BUDGET AGENCIES.

Section 606 of the Congressional Budget Act of 1974 is repealed.

SEC. 224. CHANGES IN FUNCTIONAL CATEGORIES.

Section 802 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end thereof the following sentence: "Committees of the House of Representatives and Senate shall receive prompt notification of all such changes".

SEC. 225. JURISDICTION OF COMMITTEE ON GOVERNMENT OPERATIONS.

Clause 1(j) of Rule X of the Rules of the House of Representatives is amended by inserting after item (5) the following new item:

"(6) Budgetary treatment of agencies or programs referred to the committee pursuant to section 406 of the Congressional Budget Act of 1974".

SEC. 226. CONTINUING STUDY OF CONGRESSIONAL BUDGET PROCESS.

Clause 3 of Rule X of the Rules of the House of Representatives is amended by inserting at the end thereof the following:

"(i) The Committee on Rules shall have the function of reviewing and studying, on a continuing basis, the congressional budget process, and the committee shall, from time to time, report its findings and recommendations to the House".

SEC. 227. EARLY ELECTION OF COMMITTEES OF THE HOUSE.

Clause 6(a)(1) of Rule X of the Rules of the House of Representatives is amended by striking out "at" and by inserting in lieu thereof "within the seventh calendar day beginning after", and by inserting at the end thereof the following new sentence: "It shall always be in order to consider resolutions recommended by the respective party caucuses to change the composition of standing committees".

SEC. 228. RESCISSIONS AND TRANSFERS IN APPROPRIATION BILLS.

(a) RESCISSIONS.—Clause 2(b) of Rule XXI of the Rules of the House of Representatives is amended by inserting before the period at the end thereof the following: ", and except rescissions of appropriations contained in appropriation Acts".

(b) TRANSFERS.—Clause 6 of Rule XXI of the Rules of the House of Representatives is amended by inserting before the period at the end thereof the following: ", and shall not apply to transfers of unexpended balances within the department or agency for which they were originally appropriated, reported by the Committee on Appropriations."

Subpart IV—Technical and Conforming Amendments

SEC. 231. TABLE OF CONTENTS.

The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 with respect to title III is amended to read as follows:

"TITLE III—CONGRESSIONAL BUDGET PROCESS

"Sec. 300. Timetable.
"Sec. 301. Annual adoption of concurrent resolution on the budget.
"Sec. 302. Committee allocations.
"Sec. 303. Concurrent resolution on the budget must be adopted before legislation providing new budget authority, new spending authority, new credit authority or changes in revenues or the public debt limit is considered.
"Sec. 304. Permissible revisions of concurrent resolutions on the budget.
"Sec. 305. Procedures relating to consideration of concurrent resolutions on the budget.
"Sec. 306. Legislation dealing with congressional budget must be handled by budget committees.
"Sec. 307. House committee action on all appropriation bills to be completed by June 10.
"Sec. 308. Reports, summaries, and projec-

tions of congressional budget actions.

"Sec. 309. House approval of regular appropriation bills.

"Sec. 310. Reconciliation.

"Sec. 311. New budget authority, new spending authority, new credit authority, and revenue legislation must be within appropriate levels.

"Sec. 312. Committee allocation controls".

SEC. 232. ADDITIONAL TECHNICAL AND CONFORMING AMENDMENTS.

(a) TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by—

(1) striking out the item relating to section 402 and inserting in lieu thereof the following new item:

"Sec. 402. Legislation providing new credit authority.";

(2) inserting after the item relating to section 404 the following new items:

"Sec. 405. Study by the General Accounting Office of forms of Federal financial commitment that are not reviewed annually by Congress.

"Sec. 406. Off-budget agencies, programs, and activities.

"Sec. 407. Member user group."; and

(3) striking out the item relating to section 606.

(b) TECHNICAL AMENDMENT.—Paragraph (4) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended—

(1) by adding "and" after the semicolon at the end of subparagraph (A);

(2) by striking out subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(c) TECHNICAL AMENDMENT.—Subparagraph (2) of clause 4(b) of rule X of the Rules of the House of Representatives is amended by striking out "first concurrent resolution" and inserting in lieu thereof "concurrent resolutions".

(d) TECHNICAL AMENDMENT.—Clause 4(g) of rule X of the Rules of the House of Representatives is amended by striking out "March 15" and inserting in lieu thereof "February 25".

(e) TECHNICAL AMENDMENT.—Clause 2(l)(1) of rule XI of the Rules of the House of Representatives is amended—

(1) by striking out "(except as provided in subdivision (C))" in subparagraph (A) thereof; and

(2) by repealing subparagraph (C) thereof.

(f) TECHNICAL AMENDMENT.—Clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives is amended by inserting "(1)" after "section 308(a)" and by striking out "new budget authority or new or increased tax expenditures" and inserting in lieu thereof "new budget authority (other than continuing appropriations), new spending authority described in section 401(c)(2) of such Act, new credit authority, or an increase or decrease in revenues or tax expenditures".

(g) TECHNICAL AMENDMENT.—Rule XLIX of the Rules of the House of Representatives is amended by striking out ", 304, or 310" in clause 1 and inserting in lieu thereof "or 304".

PART B—BUDGET SUBMITTED BY THE PRESIDENT

SEC. 241. SUBMISSION OF PRESIDENT'S BUDGET; MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.

(a) SUBMISSION OF PRESIDENT'S BUDGET.—The first sentence of section 1105(a) of title 31, United States Code, is amended by striking out "During the first 15 days of each regular session of Congress" and inserting in lieu thereof the following: "On or before the first Monday after January 3 of each year".

(b) LEGISLATIVE RECOMMENDATIONS.—Subsection (a) of such section is amended by inserting after the second sentence thereof the following new sentence: "Not later than two weeks after submission of the budget, the Office of Management and Budget shall submit to Congress the text of legislation necessary to implement budget proposals affecting revenues and spending authority as described in section 401(c)(2)(C) of the Congressional Budget Act of 1974".

(c) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The budget transmitted pursuant to subsection (a) for a fiscal year shall be prepared on the basis of the best estimates then available, in such a manner as to ensure that the deficit for such fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

"(2) The deficit set forth in the budget so transmitted for any fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974, with budget outlays and Federal revenues at such levels as the President may consider most desirable and feasible.

"(3) Paragraphs (1) and (2) shall not apply if a declaration of war by the Congress is in effect.".

SEC. 242. SUPPLEMENTAL BUDGET ESTIMATES AND CHANGES.

(a) CHANGE IN DATE OF SUBMISSION.—The first sentence of section 1106(b) of title 31 of the United States Code is amended by striking out "April 11 and".

(b) REVISIONS AND SUPPLEMENTAL SUMMARIES.—Section 1106 of title 31 of such Code is further amended by adding at the end thereof the following new subsection:

"(c) Subsection (f) of section 1105 shall apply to revisions and supplemental summaries submitted under this section to the same extent that such subsection applies to the budget submitted under section 1105(a) to which such revisions and summaries relate.".

SEC. 243. CURRENT SERVICES BUDGET.

The first sentence of section 1109(a) of title 31, United States Code, is amended by striking out "Before November 11 of each year" and inserting in lieu thereof the following: "On or before the first Monday after January 3 of each year".

PART C—EMERGENCY POWERS TO ELIMINATE DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNT

SEC. 251. REPORTING OF EXCESS DEFICITS.

(a) INITIAL ESTIMATES, DETERMINATIONS, AND CBO REPORT.—

(1) IN GENERAL.—The Director of the Congressional Budget Office (hereafter in this part referred to as the "Director") shall with respect to any fiscal year—

(A) estimate the levels of total revenues and budget outlays that may be anticipated for such fiscal year as of August 15 of the calendar year in which such fiscal year begins (or as of the 9th day after the enactment of this Act in the case of the fiscal year 1986),

(B) determine whether the deficit for such fiscal year will exceed the maximum deficit amount for such fiscal year and whether such excess will be greater than $10,000,000,000, and

(C) estimate the rate of real economic growth that will occur during such fiscal year.

(2) REPORT.—The Director shall report to the President and to the Congress on August 20 of the calendar year in which such fiscal year begins (or on the 14th day after the date of the enactment of this Act in the case of the fiscal year 1986), identifying the amount of any excess, stating whether such excess is greater than $10,000,000,000, specifying the estimated rate of real economic growth for such fiscal year and whether the estimate includes two or more consecutive quarters of negative economic growth, and specifying, by program, project, activity, or account, the percentages by which automatic spending increases and controllable expenditures (whether or not such increases and expenditures are included in the totals of the budget of the United States Government) must be reduced during such fiscal year in order to eliminate any such excess. Such report must specify (with respect to the fiscal year involved)—

(A) the new automatic spending increase in the case of each program providing for such increases;

(B) the manner in which reductions are to be made under the program (with an explanation of the percentage to be applied in making such reductions) in the case of medicare, child support enforcement, and guaranteed student loans; and

(C) the percentage reduction in outlays in each direct spending program, in new budget authority in the case of each discretionary account, in new loan guarantee commitments, in new direct loan obligations, and in accounts controlled by limitations or obligational ceilings.

(3) ESTIMATES, DETERMINATIONS, AND SPECIFICATIONS.—The estimates, determinations, and specifications of the Director under paragraphs (1) and (2) and under subsection (c)—

(A) shall be made by the Director in consultation with the Director of the Office of Management and Budget; and

(B) shall utilize the baseline, criteria, and guidelines set forth in paragraph (4), in section 254, and in the other relevant provisions of this part (using the same economic and technical assumptions as those which were used in the Director's August report in making such estimates, determinations, and specifications with respect to the fiscal year 1986).

(4) BUDGET BASELINE.—In computing the percentages by which automatic spending increases and controllable expenditures (whether or not included in the totals of the budget of the United States Government) must be reduced during a fiscal year as set forth in any report required under this subsection or subsection (c) for such fiscal year, the budget baseline shall be determined by—

(A) assuming current law for revenues, entitlements, and other mandatory spending;

(B) assuming the prior year's appropriations for discretionary expenditures unless a regular appropriation or a continuing appropriation for the entire fiscal year has been enacted;

(C) assuming that expiring provisions of law providing revenues, entitlements, and other mandatory spending do expire, except that excise taxes dedicated to a trust fund and agricultural price support programs administered through the Commodity Credit Corporation would be extended at current rates; and

(D) assuming (i) that Federal pay adjustments for statutory pay systems will be as recommended by the President, but in no case will be less than zero, and (ii) that medicare spending levels for inpatient hospital services will be based upon the regulations most recently issued by the Health Care Financing Administration pursuant to sections 1886(b)(3)(B), 1886(d)(3)(A), and 1886(e)(4) of the Social Security Act.

(5) ORDER NOT REQUIRED IF CONGRESSIONAL ACTION HAS BEEN TAKEN TO ELIMINATE THE DEFICIT.—If by August 15 of the calendar year in which a fiscal year begins the Congress (with respect to that fiscal year) has agreed to a concurrent resolution on the budget, completed action on one or more reconciliation bills, and completed action on all regular appropriation bills, the Director (before submitting a report under this section) shall determine whether (using updated economic assumptions) the excess deficit identified as described in paragraph (2) would be eliminated under the congressional actions so taken. If the Director determines that such excess deficit has in fact been so eliminated or would be eliminated upon the enactment of such reconciliation bill or bills and such regular appropriation bills, the report submitted under this section with respect to the fiscal year involved shall so state and no order shall be issued under section 252 with respect to that fiscal year.

(b) GENERAL ACCOUNTING OFFICE REPORT.—On or before September 15 of the calendar year (except for the calendar year 1985) in which the fiscal year begins and in which the President has issued an order under section 252(a) on the basis of the Director's report under subsection (a), the Comptroller General shall report to the Congress on the extent to which such order embodies the determinations and specifications contained in such report, with particular reference to whether or not the reductions made by such order are uniform and applicable across the board as required by this part, either certifying that the order fully and accurately embodies such determinations and specifications or indicating the respects in which it does not.

(c) REVISED ESTIMATES, DETERMINATIONS, AND CBO REPORT.—On October 5 of the fiscal year (or before December 15 in the case of the fiscal year 1986), the Director shall submit to the President and the Congress a revised report—

(1) indicating whether and to what extent, as a result of laws enacted after the submission of the initial report under subsection (a) of this section, the excess deficit identified in the report submitted under such subsection has been reduced or eliminated, and

(2) adjusting the determinations made under subsection (a) to the extent necessary.

The revised report submitted under this subsection shall be based on the same economic and technical assumptions as those used in the report submitted under subsection (a)(2), but shall take into account information which may have become available such as the levels of automatic spending increases and the medicare increase rates.

(d) EXCEPTION.—The preceding provisions of this section shall not apply if a declaration of war by the Congress is in effect.

SEC. 252. PRESIDENTIAL ORDER.

(a) ISSUANCE OF INITIAL ORDER.—(1) On September 1 following the submission of the report by the Director under section 251(a)(2) which identifies an amount greater than $10,000,000,000 ($0 in the case of the fiscal year 1986) by which the deficit for a fiscal year will exceed the maximum deficit amount for such fiscal year (or on the 14th day after the submission by the Director of the report under section 251(a)(2) in the case of the fiscal year 1986), the President, subject to the exemptions, exceptions, limitations, and special rules set forth in sections 253 and 254, shall eliminate the full amount of the deficit excess by issuing an order that—

(A) notwithstanding the Impoundment Control Act of 1974, eliminates one-half of such excess by modifying or suspending the operation of each provision of Federal law that would (but for such order) require an automatic spending increase to take effect during such fiscal year, in such a manner as to reduce by a uniform percentage (not below zero) the automatic spending increase under each such provision;

(B) reduces outlays under the foster care and adoption assistance programs, the guaranteed student loan program, and the medicaid program in the manner more particularly described in subsections (g), (j), and (o) of section 254, but not by more than the percentage reductions to be applied under subparagraph (C); and

(C) eliminates the remainder of such excess by sequestering outlays for direct spending programs, new budget authority, new direct loan obligations, and obligation limitations—

(i) for funds provided in annual appropriations Acts, from each affected program, project, and activity (as defined in the most recently enacted applicable appropriations Acts and accompanying committee reports for the program, project, or activity in question—including joint resolutions providing continuing appropriations and committee reports accompanying Acts referenced in such resolutions) or from each affected budget account if not so defined, and

(ii) for funds not provided in annual appropriations Acts, from each budget account activity as identified in the program and financing schedules contained in the appendix to the Budget of the United States,

with the resulting reduction being proportional to total outlays in the case of direct spending programs and to new budget authority, new loan guarantee committees, new direct loan obligations, or obligation limitations in the case of discretionary programs.

The percentage reduction for programs described in subparagraph (C) shall be calculated in the following manner: The outlay reductions made in the programs described in subparagraphs (A) and (B) shall be subtracted from the total required outlay reductions, and this amount shall then be divided by the total controllable expenditures in the accounts under subparagraph (C). The ratio so derived shall be applied to reduce new budget authority, new loan guarantee commitments, new direct loans, obligation limitations, and outlays for direct spending programs described in subparagraph (C): Provided, That for the purposes of sequestration of new budget authority for the Department of Defense-Military the procedure shall be as follows:

(I) The aggregate reduction in outlays for all controllable expenditures of the Department of Defense-Military, calculated in accordance with this paragraph, shall be computed.

(II) The identical amount of outlay reductions so computed shall be distributed across the affected budget accounts of the Department of Defense-Military in the proportion that total outlays for each budget account bears to total outlays for the Department of Defense-Military.

(III) Such amounts of new budget authority from each affected program, project, and activity, or budget account, of the Department of Defense-Military shall be sequestered as shall be necessary to reduce outlays for that budget account with proportional reductions in programs, projects, and activities by the amount determined under subdivision (II).

The order must embody and follow the determinations, percentages, and other specifications set forth in the report submitted under section 251(a), and must be consistent with such report.

(2) At the time the actions described in paragraph (1) with respect to any fiscal year are taken, the President shall transmit to both Houses of the Congress a message identifying—

(A) the total amount and the percentage by which each automatic spending increase program as defined in section 255(1) is to be reduced for that fiscal year pursuant to paragraph (1)(A);

(B) the total amount and the percentage by which the foster care, adoption assistance, and guaranteed student loan programs are to be reduced pursuant to the provisions of subsections (g) and (j) of section 254;

(C) the base from which the reduction is taken, the amount of the outlays for direct spending programs, new budget authority, new loan guarantee commitments, new direct loan obligations, and obligation limitations as appropriate which are to be sequestered for that fiscal year from each program, project, and activity or budget accounts for which funds are provided in annual appropriation Acts, or otherwise from each budget account activity as identified in the program and financing schedules contained in the Appendix to the Budget of the United States Government pursuant to paragraph (1)(C); and

(D) such other supporting details as the President may determine to be appropriate.

Upon receipt in the Senate and the House of Representatives, the message (and any accompanying proposals made under subsection (c)) shall be referred to all committees with jurisdiction over programs, projects, and activities affected by it.

(3) The order issued by the President under paragraph (1) shall be effective as of October 1 of the fiscal year involved (or as of the 30th day after the date of the issuance of such order in the case of the fiscal year 1986), and the President shall withhold from obligation (pending the issuance of his final order under subsection (b)) any amounts that are to be sequestered under such order; except that for the month of October (or for the first full calendar month after the issuance of the order in the case of the fiscal year 1986) the President shall not withhold (and shall not recoup) any portion of any such amount which represents an automatic spending increase becoming effective on October 1 (or on the first day of such first full calendar month) and with respect to which the adjustments required by the order cannot be accomplished prior to the end of that month. Reductions pursuant to the

order shall be made with respect to automatic spending increase programs within 15 days, but in no case shall recoupment occur if reduction does not begin within this period.

(b) ISSUANCE OF FINAL ORDER.—(1) On October 10 of the fiscal year (or on December 20 in the case of the fiscal year 1986), after the receipt of the revised report submitted by the Director under section 251(c), the President shall issue a final order under this section to eliminate the full amount of the deficit excess as identified by the Director in the revised report submitted under section 251(c) but only to the extent and in the manner provided in such report. The order issued under this subsection shall include the same reductions as the initial order issued under subsection (a), adjusted to the extent necessary to take account of the percentage reductions determined by the Director in the revised report submitted under section 251(c), and shall be made in accordance with the same criteria and guidelines as those which were used in the issuance of such initial order under subsection (a).

(2) Subject to paragraph (3), the final order issued by the President under paragraph (1) shall become effective, to the extent that it modifies the initial order issued under subsection (a), on October 15 of the fiscal year to which it applies (or on the 30th day after the date of the report submitted under section 251(c) in the case of the fiscal year 1986, with the reductions required by such order being prorated on the basis of the number of remaining full months in such fiscal year). Any modification or suspension by such order of the operation of a provision of law that would (but for such order) require an automatic spending increase to take effect during the fiscal year shall apply for the one-year period beginning with the date on which such automatic increase would have taken effect during such fiscal year (but for such order).

(3) If the revised report submitted by the Director under section 251(c) (on which the President's final order under this subsection is based) indicates that legislative actions have reduced the excess deficit identified in the initial report of the Director submitted under section 251(a) to $10,000,000,000 or less ($0 in the case of the fiscal year 1986), the order issued under this subsection shall so state and no reductions or sequestrations shall become effective (as a result of the order) for the fiscal year involved; and any amounts withheld pursuant to the initial order shall be restored.

(4) For purposes of applying this section and section 251 with respect to the fiscal year 1986, the Committees on Appropriations of the House of Representatives and the Senate may define the term "program, project, and activity", with respect to matters within their jurisdiction, for purposes of implementing the provisions of this section with respect to the fiscal year 1986. The order issued by the President shall sequester funds in accordance with such definitions.

(c) PROPOSAL OF ALTERNATIVES.—A message transmitted pursuant to subsection (a)(2) with respect to a fiscal year may be accompanied by a proposal setting forth in full detail alternative ways to reduce the deficit for such fiscal year to an amount not greater than the maximum deficit amount for such fiscal year.

(d) REQUIREMENT THAT REDUCTIONS BE UNIFORM AND PROPORTIONAL.—Any order issued by the President under this section shall be invalid unless it reduces all programs, projects, and activities covered by subsection (a)(1)(c), by a uniform percentage except that programs, projects, and activities of the Department of Defense shall be reduced according to the provisions of subsection (a)(1); and such order shall have no effect upon any program, project, or activity unless it reduces all programs, projects, and activities proportionately.

SEC. 253. EXEMPT PROGRAMS AND ACTIVITIES.

(a) SOCIAL SECURITY BENEFITS AND TIER 1 RAILROAD RETIREMENT BENEFITS.—Increases in benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act, or in benefits payable under section 3(a), 3(f)(3), 4(a), or 4(f) of the Railroad Retirement Act of 1974, shall not be considered "automatic spending increases" for purposes of this title; and no reduction in outlays for any such increase, or for any of the benefits involved, shall be made under any order issued under this part.

(b) NET INTEREST.—Outlays for net interest shall not be considered controllable expenditures for purposes of this title, and no reduction in outlays for payment of such interest shall be made under any order issued under this part.

(c) EARNED INCOME TAX CREDIT.—Payments to individuals made pursuant to section 32 of the Internal Revenue Code of 1954 shall be exempt from reduction under any order issued under this part.

(d) OTHER PROGRAMS AND ACTIVITIES.—The following budget accounts and activities shall be exempt from reduction under any order issued under this part:

(1) Claims and judgments against the Government, including—

Claims, defense (97-0102-0-1-051);

Claims, judgments and other relief acts (20-1895-0-1806);

Eastern Indian Land Claims Settlement Fund (14-2202-0-1-806);

Soldiers and Airmen's Home, payment of claims (84-8930-0-7-705);

Payment of Vietnam and USS Pueblo prisoner-of-war claims (15-0104-0-1-153);

(2) Salaries of judges (10-0200-0-1-752) (not including any portion of compensation which would result from increases in compensation above the levels in effect immediately prior to the effective date of this section);

(3) Compensation of the President (11-0001-0-1-802);

(4) Federal credit guarantee and insurance program (including outlays resulting from commitments in effect prior to the effective date of any order issued pursuant to section 252);

Veterans' Administration loan guaranty revolving fund (36-4025-0-3-704);

Agriculture Credit Insurance Fund (12-4140-0-3-351);

AID, housing and other guarantee programs (72-4340-0-3-151);

Overseas Private Investment Corporation (71-4030-0-3-151);

Rural Development Insurance Fund (12-4155-0-3-452);

International Trade Administration operations and administration (13-1250-0-1-376);

Economic Development Revolving Fund (13-4406-0-3-452);

Government National Mortgage Association, guarantees of mortgage-backed securities (86-4238-0-3-371);

Federal Housing Administration Fund (86-4070-0-3-371);

Credit Union share insurance fund (25-4468-0-3-371);

Federal Savings and Loan Insurance Corporation fund (82-4037-0-3-371);

Credit union share insurance fund (25-4468-0-3-371);

Pension Benefit Guaranty Corporation fund (16-4204-0-3-601);

Federal Crop Insurance Corporation fund (12-4085-0-3-351);

Federal Aviation Administration, Aviation Insurance Revolving Fund (69-4120-0-3-402);

Maritime Administration:

War-risk insurance revolving fund (69-4302-0-3-403);

Small Business Administration:

Lease guarantees revolving fund (73-4157-0-3-376);

Surety bond guarantees revolving fund (73-4156-0-3-376);

Export-Import Bank of the United States, limitation of program activity (83-4027-0-3-155);

Federal Emergency Management Agency:

National insurance development fund (58-4235-0-3-451);

National flood insurance fund (58-4236-0-3-453);

Nuclear Regulatory Commission, salaries and expenses (31-0200-0-1-276);

Check Forgery Insurance Fund (20-4109-0-3-803);

Rural electric and telephone revolving fund (12-4230-2-2-271);

Community Development Grant loan guarantees (86-0162-0-1-451);

Railroad rehabilitation and improvement financing fund (69-4411-0-3-401);

Synthetic Fuels Corporation (20-0112-0-1-271);

Small Business Administration—business loan insurance fund (73-4154-0-3-376);

Small Business Administration—pollution control equipment contract guarantee revolving fund (73-4147-0-3-376);

Low-rent public housing—loans and other expenses (86-4098-0-3-604);

Federal Ship Financing Fund (69-4301-0-3-403);

Geothermal Resources Development Fund (89-0206-0-1-271);

Federal Ship Financing—fishing vessels (13-4417-0-3-376);

Rural housing insurance fund (12-4141-0-3-371);

Indian Loan Guarantee and Insurance Fund (14-4410-0-3-452);

Rail service assistance (69-0122-0-1-401);

Tennessee Valley Authority—Seven States Energy Corporation;

Export-Import Bank (83-4027-0-3-155);

Federal insurance programs:

Veterans' Administration:

Servicemen's Group Life Insurance Fund (36-4009-0-3-701);

United States Government life insurance fund (36-8150-0-7-701);

National service life insurance fund (36-8132-0-7-701);

Service-disabled veterans life insurance fund (36-4012-0-3-701);

Veterans' special life insurance fund (36-8455-0-8-701);

Veterans' reopened insurance fund (36-4010-0-3-701);

Employees life insurance fund;

Federal Deposit Insurance Corporation (51-8419-0-8-371);

(5) Payments to trust funds, including—

Payments to the Foreign Service Retirement and Disability Fund (11-1036-0-1-153 and 19-0540-0-1-153);

Payments to health care trust funds (75-0580-0-1-572);

Federal payment to the railroad retirement account (60-0113-0-1-601);

Payments to social security trust funds (75-0404-0-1-571);

Payments to the Civil Service Retirement and Disability Fund (24-0200-0-1-805);

Payments to military retirement fund (97-0040-0-1-054);

Payment to State and Local Government Fiscal Assistance Trust Fund (20-2111-0-1-851);

Payments to trust funds from excise taxes or other receipts properly creditable to such trust funds;

(6) Funds held for other governments and entities, including—

Foreign military sales trust fund (11-8242-0-7-155);

Bureau of Indian Affairs miscellaneous trust funds, tribal funds (14-9973-0-7-999);

District of Columbia appropriations to the extent they are appropriations of locally raised funds;

(7) Federal financing operations—

Exchange stabilization fund (20-4444-0-3-155);

Coinage profit fund (20-5811-0-2-803);

(8) Other—

Offsetting receipts and collections;

Payment to copyright owners (03-5175-0-2-376);

Health Education Loans (75-4307-0-3-553);

Health Professions Graduate Student Loan Insurance Fund (75-4305-0-3-553);

Postal Service Fund (18-4020-8-3-372);

Tennessee Valley Authority power program borrowing authority (64-4110-0-3-999);

(9) Outlays resulting from private donations, bequests, or voluntary contributions to the Government;

(10) Intragovernmental funds, including those from which the outlays are derived primarily from resources paid in from other government accounts, except to the extent such funds are covered by direct appropriations for the fiscal year during which an order is in effect.

(e) LOW-INCOME PROGRAMS.—The following programs shall be exempt from reduction under any order issued under this part:

Food stamp program (12-3505-0-1-605);

Supplemental Security Income Program (75-0406-0-1-609);

Aid to families with dependent children (75-0412-0-1-609);

Child nutrition (12-3539-0-1-605);

Veterans' compensation (36-0153-0-1-701);

Veterans' pensions (36-0154-0-1-701);

Community health centers (75-0350-0-1-550);

Migrant health (75-0350-0-1-550);

Women, infants, and children programs (WIC and CSFP) (12-3510-0-1-605);

SEC. 254. EXCEPTIONS, LIMITATIONS, AND SPECIAL RULES.

(a) ADDITIONAL SEQUESTRATION REQUIRED WHEN AUTOMATIC SPENDING INCREASES WOULD OTHERWISE BE REDUCED BELOW ZERO.—If, in order to reduce by one-half the amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year, actions under section 252(a)(1)(A) would require the reduction of automatic spending increases below zero, then, in order not to require such reductions below zero, the remaining amount shall be achieved through reductions under section 252(a)(1)(B) and section 252(a)(1)(C).

(b) EXISTING PROGRAMS, PROJECTS, AND ACTIVITIES NOT TO BE ELIMINATED.—No action taken by the President under section 252(a) shall have the effect of eliminating any program, project, or activity of the Federal Government.

(c) INCREASES IN PARTICIPATION RATES.—Increases in Government expenditures due to changes in participation rates shall not be considered automatic spending increases for purposes of this title; and outlays required by increases in participation rates shall not be considered "controllable expenditures" or be subject to reduction under section 252(a).

(d) RELATIVE BUDGET PRIORITIES NOT TO BE ALTERED.—Nothing in subparagraph (A) or (B) of section 252(a)(1) shall be construed to give the President new authority to alter the relative priorities in the Federal budget that are established by law, and no person who is or becomes eligible for benefits under any provision of law shall be denied eligibility by reason of any order issued under this part.

(e) EFFECT OF REDUCTIONS AND SEQUESTRATIONS.—

(1) REDUCTIONS OF AUTOMATIC SPENDING INCREASES.—(A) If an automatic spending increase otherwise taking effect under any program during a fiscal year is reduced as described in section 252(a)(1)(A) through the suspension or modification (by an order issued under section 252) of the law requiring it, the full amount of such increase shall nevertheless be deemed to have taken effect in accordance with such law for purposes of determining the amount of the benefits involved under such program during the succeeding fiscal year.

(B) If an order is issued under section 252 for the fiscal year immediately succeeding a fiscal year described in subparagraph (A) and the automatic spending increase taking effect under the program involved during such succeeding fiscal year is to be reduced as described in section 252(a)(1)(A), such increase, as determined after the application of subparagraph (A), may be reduced under the order (in accordance with the requirements of sections 251 and 252) by any amount not exceeding the sum of (i) the amount of the reduction in the automatic spending increase which was made for the year described in subparagraph (A), and (ii) the full amount of the automatic spending increase which would otherwise take effect during such succeeding fiscal year.

(C) No automatic spending increase which becomes effective in accordance with the law requiring it (except an increase allowed pursuant to section 252(a)(3)), and no part of such an automatic spending increase which (notwithstanding the issuance of an order under section 252 for the fiscal year involved) becomes effective in accordance with such law, shall be subject to any reduction or further reduction under an order subsequently issued pursuant to section 252 except as provided in subparagraph (B).

(2) SEQUESTRATIONS.—Any amount of outlays for direct spending programs, new budget authority, new loan guarantee commitments, new direct loan obligations, and obligation limitations which is sequestered as described in section 252(a)(1) (B) or (C) pursuant to an order issued under section 252 is permanently cancelled, with the exception of amounts sequestered in trust funds, which shall remain in the trust funds and become available in accordance with applicable law at the expiration of the sequestration period.

(f) PRIOR-YEAR OBLIGATIONS.—Outlays for prior-year obligations shall not be considered "controllable expenditures" or be subject to reduction under this part.

(g) EFFECT OF ORDERS ON THE GUARANTEED STUDENT LOAN PROGRAM.—(1) Any reductions in new outlays which are required to be obtained from the student loan programs operated pursuant to part B of title IV of the Higher Education Act of 1965, as a consequence of an order issued pursuant to section 252, shall be obtained equally from the application of the measures described in paragraphs (2) and (3).

(2) For any loan made during the period beginning on the date that an order issued under section 252 takes effect with respect to a fiscal year and ending at the end of such fiscal year, the rate used in computing the special allowance payment pursuant to section 438(b)(2)(A)(iii) of such Act for each of the first four special allowance payments for such loan shall be reduced by not more than the lesser of—

(A) 0.40 percent, or

(B) the percentage by which such rate exceeds 3 percent,

with the resulting figure then being multiplied by the reduction percentage applicable to automatic spending increases under section 252(a)(1)(A).

(3) For any loan made during the period beginning on the date that an order issued under section 252 takes effect with respect to a fiscal year and ending at the end of such fiscal year, the origination fee which is authorized to be collected pursuant to section 438(c)(2) of such Act shall be increased by not more than 0.50 percent, with the resulting figure then being multiplied by the reduction percentage applicable to automatic spending increases under section 252(a)(1)(A).

(h) SPECIAL RULES FOR MEDICARE PROGRAM.—In applying section 252(a)(1) in the case of the health insurance programs under title XVIII of the Social Security Act—

(1) only paragraph (1)(A), and not paragraph (1)(B) or (1)(C), of such section shall apply; and

(2) in applying paragraph (1)(A) of such section, the only provisions of such title which are considered to require an automatic spending increase are the following:

(A) The provisions of section 1886(b)(3)(B), 1886(d)(3)(A), and 1886(e)(4) of such title (relating to increases in payment amounts for inpatient hospital services), to the extent that regulations issued pursuant to those provisions permit any percentage increase.

(B) The provisions of section 1842(b) of such title relating to payment for physicians' services, to the extent they permit an annual increase in the medical economic index (referred to in the fourth sentence of such section).

(i) TREATMENT OF CHILD SUPPORT ENFORCEMENT PROGRAM.—Any order issued by the President under section 252 shall accomplish the full amount of any required reduction in expenditures under the child support enforcement program (established by part D of title IV of the Social Security Act) by reducing the Federal matching rate for State administrative costs under such program, as specified (for the fiscal year involved) in section 455(a) of such Act, to the extent necessary (as provided in the report submitted under section 251 of this Act) to reduce such expenditures by that amount.

(j) TREATMENT OF FOSTER CARE AND ADOPTION ASSISTANCE PROGRAMS.—Any order issued by the President under section 252 shall make the reduction which is otherwise required in expenditures under the foster care and adoption assistance programs (established by part E of title IV of the Social Security Act) only with respect to payments and expenditures made by States in which increases in foster care maintenance pay-

ment rates or adoption assistance payment rates (or both) are to take effect during the fiscal year involved, and only to the extent that the required reduction can be accomplished by applying a uniform percentage reduction in the Federal matching payments that each such State would otherwise receive under section 474 of that Act (for such fiscal year) for that portion of the State's payments which is attributable to the increases taking effect during that year.

(k) FEDERAL PAY.—For purposes of any order issued under section 252, Federal pay under a statutory pay system (within the meaning of section 5301(c) of title 5, United States Code) shall be treated as constituting a controllable expenditure and shall be subject to reduction under the order in the same manner as other administrative expense components of the Federal budget; except that no such order may reduce or have the effect of reducing the rate of pay to which any individual is entitled under any such statutory pay system. Program managers should implement methods of realizing the savings required under a sequestration order other than furloughing personnel, which should only be implemented if the other methods are insufficient.

(l) TREATMENT OF PAYMENTS AND ADVANCES MADE WITH RESPECT TO UNEMPLOYMENT COMPENSATION PROGRAMS.—For purposes of section 252(a)(1)(C)—

(1) any amount paid to a State from its account in the Unemployment Trust Fund established by section 904 of the Social Security Act and any advance made to a State from the Federal unemployment account in such Fund under title XII of such Act, and any advance made to the Federal unemployment account from the general fund of the Treasury, shall not be subject to sequestration, and

(2) any amount—

(A) paid to a State for benefits under section 204 of the Federal-State Extended Unemployment Compensation Act of 1970, or

(B) made available for administrative expenditures in accordance with section 901(c) of the Social Security Act,

shall be subject to sequestration.

(m) TREATMENT OF MINE WORKER DISABILITY COMPENSATION INCREASES AS AUTOMATIC SPENDING INCREASES.—An order issued by the President under section 252 may not result in eliminating or reducing an increase in disability benefits under the Federal Mine Safety and Health Act except in the manner provided for automatic spending increases under section 252(a)(1)(A), and no such increase may, pursuant to such section, be reduced below zero.

(n) COMMODITY CREDIT CORPORATION LOANS AND GUARANTEED STUDENT LOANS.—This title shall not restrict the Commodity Credit Corporation in the discharge of its authority and responsibility as a corporation to buy and sell commodities in world trade, to use the proceeds as a revolving fund to meet other obligations and otherwise operate as a corporation, the purpose for which it was created. Payments and loan eligibility under any contract entered into with a producer by the Commodity Credit Corporation and any guaranteed student loan approved prior to the time a sequestration order has been issued shall not be reduced by a sequestration order subsequently issued, but any contract entered into after a sequestration order has been issued for the applicable fiscal year, by which the Commodity Credit Corporation and entities providing Federal guarantees for student loans shall agree to make payments out of an entitlement account to any person, lender, or guarantee entity, shall be deemed to be controllable expenditures and shall be subject to reduction under the Presidential order: Provided, That the reduction in the level of commodity price support programs, supported through the Commodity Credit Corporation, shall not exceed a uniform percentage of reduction specified for those programs in the order.

(o) SPECIAL RULES FOR MEDICAID PROGRAM.—In applying section 252(a)(1) in the case of the program of grants to States for medical assistance under title XIX of the Social Security Act—

(1) only paragraph (1)(A), and not paragraph (1)(B) or (1)(C), of such section shall apply; and

(2) in applying paragraph (1)(A) of such section, the only provisions of such title which are considered to require an automatic spending increase are the provisions of sections 1902(a)(13)(A) and 1903(a)(1) of such title, and only to the extent that an increase in Federal payments to a State would otherwise occur under section 1903(a)(1) of such title as a result of an increase in payment rates established by a State with respect to the rate established for the previous fiscal year for inpatient hospital services or as a result of an increase in an index used by the State which applies to the rate of increase in payment for physicians' services over the previous fiscal year.

SEC. 255. DEFINITIONS.

For purposes of this title:

(1) The term "automatic spending increase" (except as otherwise provided in sections 253 and 254) means spending increases, indexed directly, either appropriated or contained in current law, under the following Federal programs:

Military Retirement
Railroad Retirement Tier II
Civil Service Retirement
Veterans' Compensation
Federal Employees' Compensation Act
Foreign Service Retirement
Public Health Service Retirement
Coast Guard Retirement
Black Lung Benefits
Special Benefits for Coal Miners
National Wool Act
Judiciary Survivors
Presidents' Pension
CIA Retirement
Federal Reserve Board Retirement
Comptrollers General
TVA Retirement
Special Milk
Longshoremen's and Harbor Workers' Compensation Benefits
Vocational Rehabilitation
Medicare

(2) The term "budget outlays" has the meaning given to such term in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974.

(3) The term "concurrent resolution on the budget" has the meaning given to such term in section 3(4) of the Congressional Budget and Impoundment Control Act of 1974.

(4) The term "deficit" has the meaning given to such term in section 3(6) of the Congressional Budget and Impoundment Control Act of 1974.

(5) The term "maximum deficit amount" has the meaning given to such term in section 3(7) or 3(8) of the Congressional Budget and Impoundment Control Act of 1974.

(6) The term "real economic growth" means, with respect to a fiscal year, the nominal growth in the production of goods and services during such fiscal year, adjusted for inflation.

(7) The term "controllable expenditures" (except as otherwise provided in sections 253 and 254) means the outlays that result in the fiscal year involved (1) from new budget authority for such fiscal year, (2) from new direct loan obligations, (3) from new obligations from trust or revolving funds, (4) from outlays in the case of direct spending programs, and (5) from new loan guarantee commitments (excluding outlays to cover defaults).

(8) The terms "sequester" and "sequestration" mean the permanent cancellation of budget authority, obligation limitations, or loan limitations, to the extent necessary to reduce each controllable expenditure by a uniform percentage.

PART D—BUDGETARY TREATMENT OF SOCIAL SECURITY TRUST FUNDS

SEC. 261. TREATMENT OF TRUST FUNDS.

(a) FISCAL YEARS 1986 THROUGH 1992.—

(1) IN GENERAL.—Section 710 of the Social Security Act (as added by paragraph (1) of subsection (a) of section 346 of the Social Security Amendments of 1983) is amended—

(A) by striking out all beginning with "the" the first place it appears down through "Disability Insurance Trust Fund, the" and inserting in lieu thereof "the";

(B) by striking out the comma after "Hospital Insurance Trust Fund";

(C) by striking out "sections 1401, 3101, and 3111" and inserting in lieu thereof "1401(b), 3101(b), and 3111(b)";

(D) by redesignating all after the section designation as subsection (b);

(E) by inserting after the section designation the following:

"(a) The receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund, and the taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government."; and

(F) by adding at the end thereof the following new subsection:

"(c) No provision of law enacted after the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than a provision of an appropriation Act that appropriates funds authorized under the Social Security Act as in effect on the date of enactment of the Balanced Budget and Emergency Deficit Control Act of 1985) may provide for payments from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, or for payments from either such Trust Fund to the general fund of the Treasury.".

(2) APPLICATION.—The amendments made by paragraph (1) shall apply with respect to fiscal years beginning after September 30, 1985, and ending before October 1, 1992.

(b) FISCAL YEAR 1993 AND THEREAFTER.—Section 710(a) of the Social Security Act (42 U.S.C. 911 note), as amended by section 346(b) of the Social Security Amendments of 1983 (to be effective with respect to fiscal years beginning after September 30, 1992) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) No provision of law enacted after the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than a provision of an appropriation Act that appropriates funds authorized under the Social Security Act as in effect on the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985) may provide for payments from the general fund of the Treasury to any Trust Fund specified in paragraph (1) or for payments from any such Trust Fund to the general fund of the Treasury.".

PART E—MISCELLANEOUS AND RELATED PROVISIONS

SEC. 271. WAIVERS AND SUSPENSIONS; RULEMAKING POWERS.

(a) BUDGET ACT WAIVERS IN THE SENATE.—Section 904 of the Congressional Budget Act of 1974 is amended by redesignating subsection (c) as subsection (d), and inserting after subsection (b) the following new subsection:

"(c) The provisions of section 305(b)(2) and section 306 of this Act may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members of the Senate duly chosen and sworn.".

(b) OTHER WAIVERS AND SUSPENSIONS IN THE SENATE.—The provisions of this title may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members of the Senate duly chosen and sworn.

(c) RULEMAKING POWERS.—The provisions of this title, other than those relating to the activities of the executive branch, are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

SEC. 272. RECESSIONS.

(a) EFFECT OF CERTAIN RECESSIONS.—(1) If the average rate of civilian unemployment in the United States for any 2 consecutive calendar months in a fiscal year (as determined by the Director on the basis of the most recent figures available from the Bureau of Labor Statistics) is 1 percent above the average rate of civilian unemployment for the same two months, one year earlier, as determined by the Director, all points of order in the House of Representatives or the Senate which would otherwise lie during such fiscal year against the consideration of legislation (including any concurrent resolution of the budget), or against the consideration of any amendment thereto or conference report thereon, because such legislation or such amendment or conference report would cause the level of deficit set forth in the most recently agreed to concurrent resolution on the budget to be exceeded or would result in a deficit exceeding the maximum deficit amount in effect for such fiscal year under section 3(7) or 3(8) of the Congressional Budget and Impoundment Control Act of 1974, shall cease to have any effect (from and after the date of the Director's certification under paragraph (2)) for the remainder of such fiscal year.

(2) Whenever the Director so determines that the average rate of civilian unemployment in the United States for 2 consecutive calendar months in a fiscal year is 1 percent or more above the average rate of civilian unemployment for the same two months, one year earlier, the Director shall certify that fact to the President and (on the same day) to each House of Congress.

(b) SPECIAL PROCEDURES IN THE EVENT OF RECESSION.—If—

(1) the estimate of real economic growth set forth in a report transmitted by the Director of the Congressional Budget Office under section 251(a) for a fiscal year is less than zero with respect to such fiscal year or with respect to each of any two consecutive quarters of such fiscal year; or

(2) the Department of Commerce preliminary reports of actual real economic growth (or any subsequent revision thereof) for each of any two consecutive quarters of such fiscal year or of the immediately preceding fiscal year indicate that the rate of real economic growth for such quarters is less than zero,

the Committees on the Budget of the House of Representatives and the Senate may report to their respective Houses a joint resolution which declares that the economy is in a recession and suspends or revises (in whole or in part) the provisions of this Act or of the amendments made by this Act.

SEC. 273. RESTORATION OF TRUST FUND INVESTMENTS.

(a) REISSUANCE OF OBLIGATIONS.—The Secretary of the Treasury shall immediately reissue to the Social Security Trust Funds and other retirement funds (as defined in subsection (c)) obligations under chapter 31 of title 31, United States Code, identical in all terms to public debt obligations redeemed on or after September 1, 1985, and on or before the date of the enactment of this joint resolution that, as determined by the Secretary on the basis of standard investment procedures for such funds in effect on September 1, 1985, would not have been redeemed if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985. The uninvested balances of such funds shall be debited for the principal amount of such reissued obligations.

(b) APPROPRIATION TO TRUST FUNDS OF LOST INTEREST.—The Secretary of the Treasury shall immediately pay to the Social Security Trust Funds and other retirement funds (as defined in subsection (c)), from amounts in the general fund of the Treasury not otherwise appropriated, amounts determined by the Secretary to be equal to the net amount of interest that would have accrued to each such fund but for noninvestments, redemptions, and disinvestments of such funds on or after September 1, 1985, and on or before the date of the enactment of this joint resolution that would not have occurred if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985.

(c) DEFINITION.—For purposes of subsections (a) and (b), the term "Social Security Trust Funds and other retirement funds" means the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, the Railroad Retirement Account, the Civil Service Retirement and Disability Fund, and the Department of Defense Military Retirement Fund.

SEC. 274. REVENUE ESTIMATES.

Notwithstanding any other provision of this Act, all revenue estimates necessary to carry out the purposes of this Act after the present law base estimates made by the Congressional Budget Office at the beginning of each legislative session shall be made by the Joint Committee on Taxation and transmitted to the Congressional Budget Office for their use in carrying out the requirements of this Act and the Congressional Budget Act of 1974. All estimates of revenue effects of legislation enacted each legislative session shall be made by the Joint Committee on Taxation and shall be used exclusively by the CBO for all purposes related to this Act. The CBO shall consult with the Joint Committee on Taxation as to the use of these revenue estimates in carrying out this Act, and shall further, upon revision by CBO of economic assumptions upon which CBO estimates are based under this and any other Act, convey those revised assumptions to the Joint Committee on Taxation, for the use of the Joint Committee on Taxation in re-estimating revenue effects of enacted and considered legislation which shall be provided to the CBO to be used as the revenue estimates necessary for carrying out the purposes of this Act and the Congressional Budget Act of 1974.

SEC. 275. NONSEVERABILITY.

(a) If, after all appellate review is exhausted, a court of competent jurisdiction finds that any provision of this Act violates the Constitution or is otherwise invalid, then the provisions of this title shall immediately expire. No report required by that subsection shall be prepared or forwarded to the President and the President shall not exercise any power, authority, duty, or responsibility conferred upon or assigned to him by that part.

(b) If, after all appellate review is exhausted, a court of competent jurisdiction finds that any provision of this Act violates the Constitution or is otherwise invalid, then any provision of law which has been modified or suspended, and any budget authority which has been sequestered, shall immediately exist and operate as though the powers, authorities, duties, and responsibilities under part C of this title had never been exercised.

(c) The provisions of this section shall operate notwithstanding any other provision of this title.

SEC. 276. JUDICIAL REVIEW.

(a) CIVIL ACTION TO CHALLENGE CONSTITUTIONALITY.—(1)(A) At any time within 60 days after this title takes effect, any Member of Congress may commence a civil action against the United States in the United States District Court for the District of Columbia for declaratory and injunctive relief on the ground that section 251 violates the Constitution.

(B) If the President issues an order under section 252, any Member of Congress or any other person adversely affected by such order may commence a civil action in the United States District Court for the District of Columbia for declaratory and injunctive relief against the United States on the ground that such order violates the Constitution. Such court may, where appropriate, issue a preliminary or permanent injunction suspending the effect of the Presidential order.

(C) If the President issues an order under section 252, any Member of Congress may commence a civil action in the United States District Court for the District of Co-

lumbia against the President for declaratory and injunctive relief on the ground that the terms of the order do not comply with the requirements of this title.

(2) A copy of any complaint under paragraph (1) shall be promptly delivered to the Secretary of the Senate and the Clerk of the House of Representatives, and each House shall have the right to intervene in such action within 30 days after receipt of the complaint.

(3) Any action under paragraph (1) shall be heard and determined by a three-judge court on an expedited basis.

(4) Any appeal from an order in any action brought under paragraph (1) shall be taken to the Supreme Court of the United States by a notice of appeal filed within 10 days of the order. The jurisdictional statement shall be filed within 30 days of such order. No stay of an order issued under paragraph (1)(B) shall be issued by a single Justice of the Supreme Court.

(5) In an action under this paragraph, the prevailing party shall be entitled to recover reasonable costs and attorneys' fees at a rate not to exceed $75 per hour.

(b) PRESERVATION OF OTHER RIGHTS.—The rights created by this section are in addition to the rights of any person under any other law.

SEC. 277. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), this title and the amendments made by this title shall become effective on the date of the enactment of this title and shall apply with respect to fiscal years beginning after September 30, 1985.

(b) EXPIRATION.—This title and the amendments made by this title, except the amendments made by part A, shall expire September 30, 1991.

(c) OASDI TRUST FUNDS.—The amendments made by part D shall apply as provided in such part.

Mr. ROSTENKOWSKI (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. For what purpose does the gentleman from Wisconsin [Mr. OBEY] rise?

Mr. OBEY. Mr. Speaker, I request a division of the motion.

The SPEAKER. The question will be divided.

The question before the House will be on receding. There is 1 hour of debate on that.

Mr. ROSTENKOWSKI. Mr. Speaker, is it proper at this point in time that I move to recede? That is the motion pending.

The SPEAKER. If there is no debate on receding, the Chair will put the question.

If the gentleman is desirous of an hour's time, the gentleman is entitled to 1 hour, and then he may divide the time.

Mr. FOLEY. Mr. Speaker, has the gentleman put the question on receding?

The SPEAKER. Does the gentleman want time? If the gentleman does not want time, then the House can go to the vote.

Mr. ROSTENKOWSKI. Mr. Speaker, I have not requested any time.

The SPEAKER. The question is, Will the House recede from its disagreement to Senate amendment No. 2?

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. FOLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 288, nays 134, not voting 12, as follows:

[Roll No. 385]

YEAS—288

Akaka	Dowdy	Kemp
Andrews	Dreier	Kindness
Anthony	Duncan	Kleczka
Archer	Durbin	Kolbe
Armey	Dyson	Kolter
AuCoin	Eckart (OH)	Kostmayer
Barnard	Eckert (NY)	Kramer
Bartlett	Edwards (OK)	Lagomarsino
Barton	Emerson	Lantos
Bateman	English	Latta
Bates	Erdreich	Leach (IA)
Bentley	Fascell	Leath (TX)
Bevill	Fawell	Lent
Bilirakis	Feighan	Lewis (CA)
Bliley	Fiedler	Lewis (FL)
Boehlert	Fields	Lightfoot
Boner (TN)	Fish	Lipinski
Bonker	Flippo	Livingston
Bosco	Fowler	Lloyd
Boucher	Franklin	Loeffler
Boulter	Frenzel	Lott
Breaux	Frost	Lowery (CA)
Broomfield	Fuqua	Lujan
Brown (CO)	Gallo	Luken
Broyhill	Gekas	Lundine
Bruce	Gephardt	Lungren
Bryant	Gibbons	Mack
Burton (IN)	Gilman	MacKay
Byron	Gingrich	Madigan
Callahan	Glickman	Manton
Campbell	Goodling	Martin (IL)
Carney	Gradison	Martin (NY)
Carper	Gray (IL)	Mazzoli
Chandler	Green	McCain
Chapman	Gregg	McCandless
Chappell	Grotberg	McCloskey
Chappie	Gunderson	McCollum
Cheney	Hall (OH)	McCurdy
Clinger	Hall, Ralph	McDade
Coats	Hamilton	McEwen
Cobey	Hammerschmidt	McGrath
Coble	Hartnett	McKernan
Coelho	Hatcher	McKinney
Coleman (MO)	Hefner	McMillan
Coleman (TX)	Heftel	Meyers
Combest	Hendon	Mica
Coughlin	Henry	Michel
Courter	Hiler	Miller (OH)
Craig	Hillis	Miller (WA)
Crane	Hopkins	Molinari
Daniel	Horton	Monson
Dannemeyer	Hubbard	Montgomery
Darden	Huckaby	Moore
Daschle	Hunter	Moorhead
Daub	Hutto	Morrison (WA)
Davis	Hyde	Murphy
de la Garza	Ireland	Murtha
DeLay	Jenkins	Myers
Derrick	Johnson	Natcher
DeWine	Jones (NC)	Nelson
Dickinson	Jones (OK)	Nielson
DioGuardi	Jones (TN)	Obey
Dorgan (ND)	Kaptur	Olin
Dornan (CA)	Kasich	Oxley
Packard	Schulze	Sundquist
Panetta	Sensenbrenner	Sweeney
Parris	Sharp	Swindall
Pashayan	Shaw	Tauke
Pease	Shelby	Tauzin
Penny	Shumway	Taylor
Petri	Shuster	Thomas (CA)
Pickle	Sikorski	Thomas (GA)
Porter	Siljander	Valentine
Price	Sisisky	Vander Jagt
Pursell	Skeen	Visclosky
Quillen	Skelton	Volkmer
Ray	Slattery	Vucanovich
Regula	Slaughter	Walgren
Reid	Smith (FL)	Walker
Richardson	Smith (NE)	Weber
Ridge	Smith (NJ)	Whitehurst
Rinaldo	Smith, Denny (OR)	Whitley
Ritter	Smith, Robert (NH)	Whittaker
Roberts	Smith, Robert (OR)	Whitten
Robinson	Snowe	Wilson
Roemer	Snyder	Wirth
Rogers	Solomon	Wise
Roth	Spence	Wolf
Roukema	Spratt	Wolpe
Rowland (CT)	Stallings	Wortley
Rowland (GA)	Stenholm	Wyden
Rudd	Strang	Wylie
Russo	Stratton	Yatron
Saxton	Stump	Young (AK)
Schaefer	Zschau	Young (FL)
Schneider		Young (MO)
Schuette		

NAYS—134

Ackerman	Foley	Oakar
Alexander	Ford (MI)	Oberstar
Anderson	Ford (TN)	Ortiz
Annunzio	Frank	Owens
Applegate	Garcia	Pepper
Aspin	Gaydos	Perkins
Atkins	Gejdenson	Rahall
Barnes	Gonzalez	Rangel
Bedell	Gordon	Rodino
Beilenson	Gray (PA)	Roe
Bennett	Guarini	Rose
Berman	Hawkins	Rostenkowski
Boggs	Hayes	Roybal
Boland	Hertel	Sabo
Bonior (MI)	Howard	Savage
Borski	Hoyer	Scheuer
Boxer	Hughes	Schroeder
Brooks	Jeffords	Schumer
Brown (CA)	Kanjorski	Seiberling
Burton (CA)	Kastenmeier	Smith (IA)
Bustamante	Kennelly	Solarz
Carr	Kildee	St Germain
Clay	LaFalce	Staggers
Collins	Lehman (CA)	Stark
Conte	Lehman (FL)	Stokes
Conyers	Leland	Studds
Cooper	Levin (MI)	Swift
Coyne	Levine (CA)	Synar
Crockett	Long	Tallon
Dellums	Lowry (WA)	Torres
Dicks	Markey	Torricelli
Dingell	Martinez	Towns
Dixon	Matsui	Traficant
Donnelly	Mavroules	Traxler
Downey	McHugh	Udall
Dwyer	Mikulski	Vento
Dymally	Miller (CA)	Watkins
Early	Mineta	Waxman
Edgar	Mitchell	Weaver
Edwards (CA)	Moakley	Weiss
Evans (IA)	Mollohan	Wheat
Evans (IL)	Moody	Williams
Fazio	Morrison (CT)	Wright
Florio	Mrazek	Yates
Foglietta	Nowak	

NOT VOTING—12

Addabbo	Hansen	Neal
Badham	Holt	Nichols
Bereuter	Jacobs	O'Brien
Biaggi	Marlenee	Stangeland

□ 1225

Mr. MAVROULES changed his vote from "yea" to "nay."

Mr. VISCLOSKY changed his vote from "nay" to "yea."

So the House receded from its disagreement to Senate amendment No. 2.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BIAGGI. Mr. Speaker, I was not present for rollcall vote 385 on the motion to recede to Senate amendment No. 2. Had I been present, I would have voted "nay."

The SPEAKER pro tempore. The question now pending before the House is the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] to concur in Senate amendment No. 2 with an amendment.

On that motion, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes and the gentleman from Tennessee [Mr. DUNCAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, 3 weeks ago the Senate passed the so-called Gramm-Rudman amendment and attached it to the House-passed resolution increasing the permanent ceiling on the public debt. The Senate, in collusion with the President, decided to hold the entire Government hostage to a 55-page amendment that the Senate had not read and the President did not understand.

For the last 3 weeks, House conferees have attempted to dissect the resolution and assess its impact on our economy and the balance of institutional power. We managed to point out the gaps, the ambiguities, and the plain mistakes shot throughout the document. We made some headway in bringing minimal logic and fairness to the plan—all the while with our backs to the wall.

I come forward today with an amendment to Gramm-Rudman whose dictates the Senate and some of our House conferees rejected. In essence the amendment forces Congress to balance the budget—and to swallow the medicine now—rather than put off the political pain as would the Senate plan.

We wanted a fair deficit reduction proposal. The Senate wanted the Incumbent Protection Act of 1986.

While it is far from perfect, this amendment is a vast improvement over the Senate-passed measure.

This amendment would assure that the automatic deficit reduction effort begin this year—rather than wait until after the 1986 election.

This amendment allows for recession adjustments in the deficit targets. Gramm-Rudman makes no such allowance and would turn the mildest economic slowdown into a recession.

This amendment assures that the defense budget absorbs its fair share of cuts. The Senate and White House disagree over how much defense would or should be cut under Gramm-Rudman. Under this amendment, there is no ambiguity. Defense will be cut without any Presidential disgression. If the President fails to recommend defense cuts, as Secretary Weinberger has suggested, none of the cuts would be effective.

This amendment provides that the Congressional Budget Office will determine if the cuts are triggered and how they should be implemented. Under Gramm-Rudman, the President could orchestrate the cuts through OMB.

This amendment spells out clearly what programs would be affected—and to what extent. Under Gramm-Rudman, the President could pick and choose among programs.

This amendment allows for cost-of-living adjustments to be restored after a sequestering order expires. Under Gramm-Rudman, COLA's are permanently lost.

Under this amendment, expedited judicial review of this process will be assured. If any part of it is found to be unconstitutional, the whole act will fall. Under Gramm-Rudman, CBO could be knocked out of the process allowing the President and OMB complete control.

Finally, this amendment attempts to protect the most critical low-income programs—by either exempting them entirely or by limiting the cuts. Gramm-Rudman allows no safety net.

Mr. Speaker, I understand feelings of my colleagues who believe that this amendment is as much a disaster as Gramm-Rudman. I am no happier than they are in bringing this legislative product to the floor. The fact is, however, some form of automatic spending reduction legislation is going to pass. We have worked in the conference to make this legislation more fair and more honest.

Many of my colleagues want to walk away from this whole debate. Believe me, I am tempted to do the same thing. I think we all know that we have fought the good fight. We did what we could under the circumstances. And I would caution the majority who consider the entire issue a sham that a no vote on this amendment is almost certain to lead to a full-blown Gramm-Rudman victory on the floor.

Under the House amendment, defense spending is classified as controllable. The amount of outlay cuts for defense and nondefense controllable programs is computed according to a single across-the-board formula. After subtracting the outlay reductions made in programs with cost-of-living adjustments—and a few other specified programs—the required remaining outlay reductions are allocated among other controllable programs—both defense and nondefense—in proportion to outlays from new budget authority.

In order to avoid excessive reductions in spending for defense readiness accounts, however, the House amendment contains a special provision regarding the distribution of outlay cuts within the defense function of the budget. This provision does not increase or decrease the amount of outlay reductions made in national defense; it distributes those reductions among the major components of the defense budget according to their share of total outlays—both new and prior. The amendment guarantees that defense procurement, which represents about 30 percent of total defense outlays, will receive 30 percent of the outlay cuts. It also guarantees that military personnel, which accounts for about a quarter of defense spending, will receive no more than a quarter of the defense reductions.

A short summary of the amendment is as follows:

THE DEFICIT TARGETS

The House amendment starts deficit reduction *now*, while the economy is growing, instead of waiting a year as proposed in the Senate amendment. The deficit target for fiscal year 1986 is set at $161 billion, instead of $180 billion (or $192.6 billion using the Senate "fudge factor") in the original Senate amendment.

The House amendment also cuts the deficit more quickly if the economy continues moderate economic growth. The amendment sets forth deficit targets which lead to a balanced budget in 1990, a year earlier than the Senate amendment, if the economy grows according to the CBO economic projections. The targets are: fiscal year 1987, $110.2 billion; fiscal year 1988, $57.2 billion; fiscal year 1989, $4.2 billion; and fiscal year 1990, balanced or surplus budget.

RECESSION ADJUSTMENTS

The House amendment avoids turning economic slowdown into recession, or recession into depression, and allows for economic recovery. The proposal adjusts the deficit targets according to the Congressional Budget Office (CBO) forecast of economic growth and the prior year's deficit. Large deficit reduction is required when the economy is strong; and less or none is required when the economy is weak or entering recession.

The proposal also removes points of order which, under the original Senate amendment, would lie against consideration of legislation, including budget resolutions, which caused the deficit to exceed the deficit target if the unemployment rate is one percentage point or more higher than a year earlier. (This has been the case only in recessions.) If a recession were unanticipated, as is usually the case, Congress could respond. The original Senate amendment removes such points of order only in the case of an accurately forecast recession.

THE SEQUESTRATION PROCESS

The House amendment generally parallels the Senate amendment by providing for automatic deficit reduction if the deficit target is not met. CBO, in consultation with the Office of Management and Budget (OMB), will issue a report indicating whether anticipated spending and revenues will

result in a deficit above the established target for the coming fiscal year. This report will also specify the uniform percentage by which all items subject to reduction are to be reduced.

On September 1, the President would be required to issue a sequestration order making the reductions stipulated in the CBO report. On October 1, funds would be deferred in accordance with this sequestration order. By October 5, CBO is directed to revise the trigger reports to account for laws that have been enacted; if enacted legislation is sufficient to lower the deficit to the original trigger level, sequestration is cancelled. If sequestration is not cancelled, a new Presidential order is issued and takes effect on October 15.

For FY 1986, an accelerated sequestration process is established, beginning with a deficit report by CBO 14 days after enactment. The Presidential order is issued two weeks later. As with the basic sequestration schedule, the 1986 process allows for a revised trigger report and an adjustment in the sequestration order if appropriate. If the sequestration procedures were signed into law on November 5, this process would mean that the sequestration order would take effect on December 3.

THE ROLE OF CBO AND OMB

The Senate amendment required both OMB and CBO to determine the deficit and stipulated that, in the event the directors of these two agencies could not agree, their findings were to be averaged. The House amendment requires that CBO determine the deficit and issue the trigger report in consultation with OMB.

THE CONTENT OF THE PRESIDENTIAL ORDER

The amount by which the deficit exceeds the maximum deficit amount would be eliminated by the issuance of an order that would achieve 50 percent of the savings from COLA programs. To the extent savings cannot be achieved from these programs, the remainder is achieved through reduction in all other programs which are not exempt. Cuts would be made in proportion to total outlays in the case of direct spending programs and in proportion to new budget authority in descretionary programs. In issuing the sequestration order, the President would be required to follow the trigger report.

DETRIGGERING THE SEQUESTRATION PROCESS

The sequestration process could be cancelled under two circumstances. If the revised trigger report indicated that Congress had taken sufficient action to lower the deficit to the original trigger level, sequestration would not occur. Secondly, if, by August 15, Congress has passed a budget resolution, approved a reconciliation bill and passed all 13 appropriations bills, then CBO would determine, using updated economic assumptions, whether the target has been met. If so, neither the trigger report nor the sequestration order would be issued.

EXEMPT PROGRAMS

The House amendment specifies the programs which are exempt from sequestration. In addition to social security, interest on the national debt, the earned income tax credit (EITC) and other accounts specified by the Senate staff the following programs would be exempt: Food Stamps; Supplemental Security Income (SSI); Aid to Families with Dependent Children (AFDC); child nutrition; Veterans' pensions and compensation; community and migrant health centers; Women, Infants and Children (WIC), and the Commodity Supplemental Food Program.

It should be noted that reductions in Medicare and Medicaid would be limited to the indexed portions of these programs; beneficiary eligibility would not be affected.

CLARIFICATIONS OF THE SENATE AMENDMENT

The House amendment also makes a number of clarifications in the language of the original Senate amendment. These clarifications define the baseline that is used for the sequestration process, stipulate the programs which are subject to reduction and the manner in which they shall be reduced, and describe the specific accounts which are to be exempt. They also minimize Presidential discretion.

REVISIONS IN THE BUDGET PROCESS

The House amendment revises and accelerates the normal budget process, providing for an annual budget resolution and reconciliation. Specifically:

Congressional action on the concurrent resolution on the budget would be completed by April 15.

House action on regular appropriations bills would be completed by June 30.

Reconciliation would be completed by June 15.

In the event that Congress does not complete action on the budget resolution by the date specified in law, floor consideration of appropriations bills would be allowed beginning on May 15.

Conference reports on a budget resolution would be required to be within the maximum deficit level for the fiscal year. This would be enforced through a point of order which could only be waived by a majority of the members voting, a quorum present.

A point of order would lie against the consideration of legislation until a committee has filed its 302(b) subdivision.

Amendments to reconciliation bills would be prohibited if they increase the deficit.

CONSTITUTIONALITY

The amendment authorizes expedited review of all constitutional issues, including whether the involvement of CBO in the sequestration trigger process violates the Constitution. If any provision of the legislation is found to violate the Constitution of the United States, then the provisions of this legislation would expire. Any Member of Congress would be authorized to bring court action within 60 days. The action would be heard on an expedited basis by a three-judge district court in the District of Columbia, with an immediate appeal to the U.S. Supreme Court.

The House amendment also provides for expedited judicial review of Presidential compliance with the provisions relating to the sequestration order.

GOVERNMENT OPERATIONS MATTERS

The House amendment eliminates the joint OMB, CBO and Treasury Department reports specified in the Senate amendment and clarifies that the sequestration process sunsets after fiscal year 1991.

RESTORATION OF TRUST FUND INVESTMENTS

The House amendment provides that, on enactment, the Secretary of Treasury shall reissue to several Federal trust funds all investments that would have otherwise remained in these trust funds had H.J. Res. 372, as passed by the House on August 1, 1985 been enacted into law on that date. The funds specifically protected are: the Old Age and Survivors, Disability, and Hospital Insurance (OASDHI) trust funds; the Supplementary Medical Insurance trust fund; the Railroad Retirement account; the Civil Service Retirement and Disability Fund; and the Department of Defense Military Retirement Fund.

Attached is a table comparing the House amendment to the latest Senate position.

DISTRIBUTION OF SPENDING CUTS

	House amendments		Latest Senate substitute [1]	
	Amount	Percent	Amount	Percent
$10,000,000,000 sequester:				
COLA programs	$1.8	18	$1.6	16
Other nondefense	3.5	35	4.6	46
Subtotal	5.2	52	6.2	62
Defense	4.8	48	3.8	38
Total	10.0	100	10.0	100
$25,000,000,000 sequester:				
COLA programs	1.8	7	1.6	6
Other nondefense	9.8	39	12.9	52
Subtotal	11.6	46	14.5	58
Defense	13.4	54	10.5	42
Total	25.0	100	25.0	100

[1] As specified by House staff, the calculation assumes that $25,000,000,000 in defense contracts would be sequesterable under the Senate substitute. The Senate staff assumed that approximately $75,000,000,000 in defense contracts were sequesterable. Under that assumption, the $25,000,000,000 sequester under the latest Senate substitute would break down as follows: COLA programs 6 percent; other nondefense 47 percent; and defense 47 percent.

Mr. Speaker, I reserve the balance of my time.

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our fellow citizens are watching, and they are watching very closely. They are watching what we do here today. And make no mistake about it, they know what is going on. They may not understand precisely every word in the legislation, but they certainly understand the issues. They know about Gramm-Rudman-Hollings, and they like the idea. It is the first sign the people have seen in years that gives them hope we finally mean business when we talk about cutting the deficit.

The Michel amendment is very close to Gramm-Rudman-Hollings. It is not identical, but it is certainly a fraternal twin. I look on it as a stronger brother.

□ 1240

Mr. Speaker, the Democratic alternative is really not at all like Gramm-Rudman-Hollings. It is a very poor and distant relation. It is headed in only one direction: Toward higher taxes, the same old, tired theme that we have heard for so long. I do not like it, and I believe that the American people will not like it.

I believe they want the real thing, the Michel substitute. I urge my colleagues to join me in voting for it and getting down to business for a change.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, the Gramm-Rudman budget proposal which the Senate sent over here is an unprecedented and irresponsible attack on our democratic form of government. The proposal takes away

control from those officials elected to set national policy; Senators and Congressmen and the President.

It is a 5-year plan. Now, the Russians have got a 5-year plan and now we are going to have one. It is going to set our Nation on an unknown fiscal course with an automatic pilot at the helm. I do not believe that our 200-year experiment with elected officials running our Government should be shelved at this time.

The proposed House amendment is at best an effort at damage control. But at least it is a serious attempt to avoid the worst traps of Gramm-Rudman that so endanger our Nation, its people, and our economy.

The House amendment contains some absolutely essential safeguards to preserve the integrity of our democratic system of government. Foremost among these is a provision ensuring that, should one part of this proposal be found unconstitutional, the entire package would be invalidated. The triggering mechanism and the sequestration powers are so closely linked that they cannot be separated.

The Senate version would leave the Office of Management and Budget, the most notorious number cookers in the history of many, to unilaterally determine whether or not the President will have the opportunity to sequester funds. We must not allow the possibility that only one finger will be on the trigger, that of OMB, in this or in any other administration.

The other vital provision in the proposed House amendment authorizes a quick judicial review of the act. It would provide an immediate review to determine whether CBO's involvement in the trigger process violates the Constitution. In addition, the House version would authorize expedited review of all constitutional issues through an action brought by any Member of Congress or other adversely affected person.

There is hardly anybody who can say with a straight face that Gramm-Rudman or any version of it is free of serious constitutional questions. It is vital that we have a mechanism in place to ensure that those questions get to court and be addressed directly.

Now the two provisions that I have just described offer enough reason to tip the scales in favor of a "yes" vote on the House alternative. Let us face it: Gramm-Rudman in some form is probably going to be enacted into law within the next few days. The least we can do for our constituents, for the institution of which we are a part, is to ensure that the version enacted will have safeguards that offer some degree of protection to our democratic form of government.

Mr. DUNCAN. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I thank the gentleman for yielding me this time.

Mr. Speaker, about 3 weeks ago the Senate sent us the Gramm-Rudman-Hollings deficit reduction balanced budget proposal. For all that time, the House has worked in conference with the staffs of four or five committees giving, I think, more than ordinary care to this very difficult conference proposition. Some good work was done and some very good refinement in what the Senate had sent over was accomplished.

Republicans and Democrats in the conference were able to make important contributions and amendments with respect to baselines and timetables, procedures and rules, and more specific items like Federal pay. Those were accepted not only by Republicans in the House, but by the Senate as well.

There are some minor discrepancies relating to certain regional interests, like the special advantage of TVA and the disadvantage of Bonneville Power Authority, but I know that Members will have looked those over very carefully.

The major difficulties came where the Democrats in the House decided to stonewall on a half-a-dozen issues that they felt were of overriding importance. In one of those issues, they took the OMB out of the process. Once you do that, of course, you threaten the constitutionality of the whole bill. The Senate provision and the Michel amendment will have the OMB and the CBO working cooperatively and having their work certified by the GAO and other Presidential appointees.

The other thing that the House did that will be clearly unconstitutional was to use the so-called Panetta rule, which deprives the President of his veto authority after the House and Senate might have achieved the targets by passing their bills, but before they had been signed into law by the President. It is a very unlikely combination of circumstances, so quite obviously, one can only conclude that the provision was intended to make the bill unconstitutional.

In addition, the Democrats put into their package nonseverability of the constitutionality of the entire bill, which means that, if any small provision is deemed to be unconstitutional, the whole bill is unconstitutional. Quite obviously, Democrats have administered a poison pill to the House Democrat version, of which no one seems to claim paternity. That version is built not to succeed. It is sure to fail, because it is designed to fail.

Now, another major disagreement was that the Democrats sought to exempt a number of their pet articles from sequestration. These programs are typically low-income, means-tested programs which are good and worthy programs. But they should no more be exempt from sequester than any other program of the Federal Government. We ought, insofar as possible, to subject everyone to the process. In that way we can have a some kind of generally uniform cut.

The Democrats also provided for a catchup of COLA's which probably is not a terribly important feature except that it perverts the system and makes it more difficult to achieve our target in future years.

Finally, Democrats wanted the bill to be effective this year. The Senate did not object, nor do House Republicans. In our Republican version, contrary to remarks made here today, we make the bill effective this year, seeking to achieve our own budget level, which was about $172 billion. At this time, we are going to miss our own budget target by more than $20 billion. If we can achieve that budget level through the Republican version of Gramm-Rudman in the first year, the Republic will be billions of dollars better off than under the Democrat proposal.

Now, the Republican compromise is as close to being constitutional as we can. It puts everything into sequestration except for Social Security. It is operative this year to meet our budget.

What happens if you vote for the Democrat plan? The Senate will reject that plan and it will reject temporary extensions of the debt ceiling.

So if you vote "yes" on the first vote, if you vote "yes" for the O'Neill plan, or whatever it is called, you will vote to disinvest the Social Security fund because that is inevitably going to happen. So I hope the Members vote "no" on the Democrat plan.

□ 1250

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I simply want to urge adoption of the Rostenkowski alternative for the following reasons. There are three main differences between Gramm-Rudman and the Democratic alternative today.

The first is that the Rostenkowski amendment will take the medicine now. It provides for a deficit of $20 billion less than the target under Gramm-Rudman. It provides for a deficit of $28 billion less than the trigger provided under Gramm-Rudman.

Second, as this chart demonstrates, under the Democratic alternative, we get to a zero-deficit proposition 2 years earlier than Gramm-Rudman if the administration's estimate of the economy is correct; we get to a zero deficit 1 year earlier than Gramm-Rudman if the Congressional Budget Office estimate is correct. Under CBO estimates, we would incur under the Democratic alternative $237 billion less in new

public debt than you would incur under the schedule provided under Gramm-Rudman.

Third, we get to that zero deficit in a way which recognizes reality. Gramm-Rudman says that whether you are going uphill in the economy or downhill, whether the traffic is heavy or whether it is light, you are going to keep your foot pedal on the same speed, $36 billion a year. We say that is nuts. We say that is a good prescription for a crackup.

We say instead you ought to cut the budget deficit more in years when the economy is growing fast like it is right now, and you ought to be more cautious about it when you are going very slow in the economy and when a very huge cut would tip the economy into a recession. We avoid the Herbert Hoover economics of 1929, 1930, and 1931, when they kept following the same policy regardless of economic circumstances.

Now, we are told in this last-minute minority alternative that will be presented that there is a way to get out of the recession under the Republican amendment. Let me point out, however, that there is no provision in their proposition which will allow us to avoid a recession ahead of time as we have in our bill. And I would point out also that by offering their exception under the recession they admit that under Gramm-Rudman they can no longer guarantee that we will get to a zero deficit under Gramm-Rudman. I think that makes it clear which alternative is the most serious about deficit reduction under responsible circumstances.

What they say is that if we get into a recession, then we will at that time decide if we will do something about it. They say, "Trust us. We will have a secret plan once the wreck occurs." We say, "Avoid the wreck by following this policy now."

The Rostenkowski plan is the only plan that cuts the deficit now. It is the only plan that relates what we do to the real world of economic conditions we face. It is the only plan that is truly recession sensitive. It is the only plan that cuts an additional $237 billion out of new public debt. It is the only plan that says take the medicine now. It is the only plan that provides a more equitable treatment for the sick and the poor. It is the only plan that treats the elderly on Medicare more decently or at least as decently as we treat military contractors who already are paying no taxes.

I urge the Members not to cave in to the blackmail of the Senate, not to listen to the argument that we must only pass their alternative. Do not listen to that argument that says that because they have tied senior citizens to the tracks and the train is coming, that if we do not pay the blackmail, they will let the train run over them. It is like saying, "Save me before I kill again." I urge Members not to listen to that nonsense, to do what they know is economically responsible, to do what they know is fiscally responsible, to vote for the Rostenkowski alternative.

Mr. DUNCAN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Speaker, I rise in opposition to the Rostenkowski proposal. I do so on the basis that I think this is a very complicated process that has been suggested. The Gramm-Rudman proposal was presented to the conference. As a member of the conference, I sat through hour after hour after hour of meetings. During the conference we formed task forces, and we worked together on those task forces, Republicans and Democrats, to try to come up with a proposal that could be acceptable. I think it is unfortunate that we do not have before us now—and I think we were very close to it—a proposal that could be accepted by both sides, that could be presented here this afternoon on the floor so we could move forward and address other matters.

As a matter of fact, I voted with some of the Republicans and Democrats to accelerate the Gramm-Rudman and make it applicable to fiscal year 1986. I have no problem with immediate action to reduce the deficit. What we are finding is a situation in which we are never going to arrive at a balanced budget unless we do something drastic. That is what the Gramm-Rudman process and trigger is all about. But there is available to us the opportunity for the Senate and the House and the Executive to meet these budget deadlines and these budget goals that we set within a certain period without having to pull the trigger.

Excessive Federal deficits and a national debt that approaches $2 trillion stand as the most serious domestic problems facing our Nation today. All Americans are affected. Future generations are affected, for it is they who must repay this debt.

No end is in sight to these spiraling deficits and debt. That is the problem we have been attempting to resolve these past few weeks. The mandatory deficit reduction packages and proposals we have considered have been criticized by people in both parties, and by individuals and organizations reflecting the entire spectrum of political thought. But the bottom line is this: Discipline is needed in the Federal budget process. Discipline is needed because the current budget process doesn't work. It is just that simple.

Sequestration is the key element in the two proposals we will consider today. The central issue dividing me and other conferees was which programs would be subject to the sequestration process and which would be exempt. I have a large folder stuffed with letters from practically every organization imaginable expressing their concern over the need to reduce the Federal deficit, but not in their specific program. All of their arguments are good ones. They make sense. By and large, the programs authorized and funded by the Federal Government play essential roles in our society.

However, the deficits and debt remain as a constant and growing threat to the stability of our economy, and to our Nation's ability to compete in an increasingly competitive world market—today and in the future as well.

Let us not forget that the sequestration process is triggered only if we fail to meet the projected budget targets. We in Congress ultimately decide whether that trigger will be pulled.

But my point is this: If the trigger is pulled, then all must share in the reductions that are mandated. The $93 billion in added exemptions provided by this amendment does not contribute to this principle of fairness and equity.

Mr. FAZIO. Mr. Speaker, will my friend, the gentleman from New York, yield?

Mr. HORTON. I only have 3 minutes, but I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. The gentleman from New York [Mr. HORTON] in a very bipartisan way in the conference yesterday indicated concern about the Senate version of Gramm-Rudman as it related to Federal pay. He favored the provision that was in the House Democratic alternative. Would the gentleman comment as to whether he still feels that way?

Mr. HORTON. Yes, I will be very happy to. The Michel proposal accepted the proposal we presented yesterday. That is, what the House conferees presented with regard to pay. There will be no reduction in pay. What the gentleman is talking about is that the proposal that came over from the Senate to the conference last night proposed that there be reductions in pay, both for civilians and military employees of the Federal Government. I was and am opposed to that.

Mr. FAZIO. So the House position would prevail on that issue?

Mr. HORTON. And that has been cured in the Michel position.

Mr. FAZIO. Oh, I see.

Mr. HORTON. I would not have accepted the Michel position without having that pay problem resolved, and the pay problem is resolved. I was concerned about reduction of military pay.

Mr. FAZIO. Well, I shared the gentleman's concern.

Mr. HORTON. We have fought too hard to make certain that the military is adequately staffed, and if we came

through with a cut in this sequestration, I think we could have been driving people out of the military.

Mr. FAZIO. Well, I appreciate that.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. HORTON] has expired.

Mr. HORTON. Mr. Speaker, may I ask the gentleman from Tennessee [Mr. DUNCAN] if he will yield 2 additional minutes to me?

Mr. DUNCAN. I do not have the time. However, Mr. Speaker, I will yield an additional one-half minute to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Speaker, I would just like to point out that many of the things of concern to conferees have been included in the Michel proposal. There are very few differences, but the important thing is that the Treasury is going to disinvest Social Security unless we do something and do it today. The best way we can do it is to accept the Michel amendment.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I want to compliment the gentleman for clearing up the question in his answer to the gentleman from California [Mr. FAZIO], because he is eminently correct in how he explained the issue in our proposal.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. HORTON] has again expired.

□ 1300

Mr. GEPHARDT. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. FROST].

Mr. FROST. Mr. Speaker, I will be brief.

The Rostenkowski plan is far superior to what we have from Gramm-Rudman in terms of the Budget Act and procedures. There is a clear difference, both in terms of timetables and in terms of the Budget Act.

Basically, what this plan incorporates is 2 years of work by the Beilenson task force of the Rules Committee examining the Budget Act. It incorporates the best features of the work of that task force over a several-year period. It accelerates the budget process at the beginning. We would have to pass a budget by April 15 as opposed to May 15 in current law. Reconciliation would have to be finished by June 15 and appropriation bills would have to be completed by June 30. It would greatly enhance the efficiency of the operation of the Congress and ensure that we would get on with our business in a timely manner.

Also, it addresses a serious inequity in the Gramm-Rudman proposal; that is the timing of sequestration. Under the Rostenkowski plan, now the CBO report would be due August 20. The President's sequestration order would then be due September 1 and Congress would have until October 1 to complete our response to the sequestration process. That means that we would have completed everything that is required by the beginning of the fiscal year, as opposed to the Gramm-Rudman plan that would carry us past the fiscal year, would carry us through the month of October, and require Congress to be here up and until the date of the election. It is clearly a prescription for chaos. It cannot work because of the time constraints being placed on Congress.

Also, the Rostenkowski plan addresses other serious deficiencies in Gramm-Rudman. Gramm-Rudman would impose super majorities of three-fifths of those Members elected and sworn to be able to waive any points of order. That is unprecedented. We did not impose a super majority on this House under any procedure. Our plan would simply follow the normal procedures of the House requiring that this House can operate by majority vote.

Also, the Gramm-Rudman proposal would provide for 302(b) allocations all the way down to the subcommittee level, which would be binding and would be very difficult to make workable. The Rostenkowski plan imposes allocations at the full committee level on spending at the 302(a) level.

Clearly the Rostenkowski plan is a more efficient, more workable plan that can achieve the objectives, and I urge its adoption.

Mr. DUNCAN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. Mr. Speaker, I rise in opposition to this amendment, and perhaps, since we do name things around here, we should name this amendment "The Unbalanced Budget Act of 1985."

The amendment does not promise the American people a balanced budget by 1990. It promises them nothing. Only under Gramm-Rudman would Congress truly be forced to balance the budget by 1991 at a steady and achievable, though difficult, reduction of $36 billion a year.

The amendment before us would balance the budget if, and only if, the economy continues to grow in a prescribed manner. If the economy slows down, if the economy remains static, we would never have a balanced budget. If the economy gets too strong under this particular amendment, Congress could be forced to cut $80 billion or $100 billion, something that no one on God's green Earth thinks the Congress would ever do.

If we use this year's numbers, and if this amendment were in force, this proposal, the Obey proposal, would cut $4 billion less than Gramm-Rudman.

At 2 percent GNP growth, it would be $15 billion less than Gramm-Rudman.

In a recession, the House could amend the bill.

The proposal also kicks in this year in just a few weeks in a way that would force the President to sequester, instead of having this Congress make the difficult decisions. It chokes the process before it has a chance to work.

I was sitting with a few of my colleagues—I am going to throw this aside, because it is just more of the kind of chatter we are going to hear on both sides—thoughtful, reasoned debate, and my colleague said that this is foolish. We have chosen thoughtful people to argue as if this were real.

This is a cover. I want to personally say that I admire those liberals on the other side of the aisle that honestly have said from the start they detest Gramm-Rudman, they do not approve of it, and they are not going to vote for it. That is an honesty and integrity that I can respect; but what we have before us today from the Democratic side of the aisle is a cover. It is a tent, so that, politically, Democrats who have never wanted to cut a budget before, who never want to make the difficult decisions, can go home and say, "See, see?" And because it is going to be too complicated to understand.

Well, I believe the American people are going to know.

The Rotenkowski amendment is nothing but a cover in a political year and it is meant to destroy the single chance we have to truly cut the deficit with Gramm-Rudman. That should be clear to everyone when you vote.

There are going to be votes for this amendment that have never voted to cut any program before and those votes should be recognized.

Mr. DUNCAN. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Speaker, many of us this year put in a lot of hard hours trying to craft a budget to reduce the deficit. And the objective of the whole process we conferees have undergone for the last 2 weeks is to reduce the deficit—in a fair manner. To do that, programs must be reduced across the board. Such a reduction is achievable and it was proven this year. The 92 group budget did just what has to be done—reduce programs across the board—first through a comprehensive freeze, and then through reducing below a freeze programs in virtually all budget functions with an eye toward fairness. That budget, if enacted, would have provided $51 billion in outlay savings in fiscal year 1986, verified by CBO, which, by the way, everybody on the other side of the aisle is trying to say has such credibility, by excluding OMB from determin-

ing whether sequestration is necessary. And, with fairness in mind, what did the 92 group end up with after we put back together all of the parts of the budget we dissected? Half our cuts came from defense, half from nondefense. With fairness in mind, it can be done.

Now we are looking at a plan that has so many exemptions, so many programs exempted from the across-the-board principle, that it violates what we believe is the only common denominator to reduce this Federal budget—I repeat that, the only common denominator that I can find that is agreeable on both sides of the aisle to cut this deficit by reducing our spending, to achieve a balanced budget, and that is the across-the-board principle.

Now, this exemption list is so high today that it is now over 50 percent, of all Federal spending—it exempts fully 62 percent; 62 percent of all Federal spending would be exempt from reductions under the Rostenkowski proposal.

Now, that is a shell game. It is a political document, not a document that would provide for a credible budget, and it is not achievable.

So I ask my colleagues today, let us not support this plan. It is impossible for it to work—and that has been done purposefully—to prevent spending reductions.

The exemptions called for by the Democrats are all very good, politically attractive issues. But if you open the dam sluice gates to these programs, the reservoir is so full of spending programs, you're going to have a flood, a flood of spending which will overwhelm any efforts to halt it.

I do not think the American people are asking for a political document. They are asking for some courage and some guts here to cut the deficit and achieve a balanced budget. Now, let us get on with that, but let us do it fairly and across the board and treat every program equally and not exempt every program.

So I suggest today that we defeat this program and adopt the Michel amendment.

Mr. GEPHARDT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, this is no cover. This is the real thing. The moment of truth is here. Do you want to cut the deficit within a year by $16 billion, or do you want to wait until after your election when it is most comfortable? If you want to cut the deficit now, you will vote for the Rostenkowski proposal.

Yes, we are not ashamed of the fact, we are proud of the fact that we will protect the most vulnerable people in this country. We are proud of the fact that we will protect children, give them a decent meal, and veterans' pensions, and yes, some health programs and some programs for pregnant women so that their children will be born healthy. We are proud of protecting those people. They are the most vulnerable.

And we are proud that we do protect to a limited extent, at least, the people who serve this country in the military and our civil servants because Gramm-Rudman would change the whole classification system of civil servants and the military.

Let me tell you, there is one more provision that we have in our proposal that no proposal has. I want you to pay strict attention to this, because your retirees when you go back home this weekend are going to ask you about this. Your railroad retirees, your military retirees, your civil service retirees, and your Social Security retirees are going to ask you if the Treasury Department dipped into their trust fund.

Let me tell you the answer is yes, and the gentleman from Oklahoma, JIM JONES, is going to explain this a little further about Social Security.

But let me just take civil service and military retirees. We have seen an erosion of their trust funds to the tune of $8 million a day since October 1; a grand total of $248 million has been depleted from those trust funds because of the lack of investment, never to be recouped unless it has a provision which Congressman JONES and I put in the bill. Those moneys will be restored.

So I ask you to support the Rostenkowski amendment.

Mr. DUNCAN. Mr. Speaker, I yield 3½ minutes to the gentleman from Florida [Mr. MACK].

Mr. MACK. Mr. Speaker, I thank the gentleman for yielding.

We are here today to supposedly bring to a conclusion the debate over doing something significant about the deficits that we have all talked about for several months.

The difference between the two amendments that we are talking about today is this. One has a goal certain, the other does not. One pretends that it has a goal certain starting at $161 billion and working down through a series of numbers.

Ours has a specific number of $171.9 billion, the deficit number in the budget resolution that you passed; and by the way, it has no fudge factor in it.

What it means is that there will be an automatic sequestering of funds across the board this year. So, if you are going to use that as an excuse not to vote with us, that is no longer valid.

But let me tell you the little game that is going on, what I refer to as the typical back room political activities here in Washington, the shell game. We heard one of the speakers get up here and talk about the fact that this was a balanced budget plan that was being offered by the Democratic Party. Well, that is true except the maximum—and this is from your proposal—the maximum deficit amounts contained in paragraph 7 shall be altered in accordance—notice the word "altered"—altered in accordance with the provisions of this paragraph to reflect changing economic conditions.

To arrive at the deficit target, you take the deficit for the preceding fiscal year, minus 20 percent of the deficit for the fiscal year 1985, except that the percentage specified in this subparagraph shall be either increased or decreased by 1 percent, depending on a one-tenth-of-a-percentage increase or decrease from 3 percent, which as you all can tell, I mean, there is no question that that will get us to a balanced budget by 1990.

Did I make that clear?

Again this is quoting language in your bill.

□ 1315

If that is not enough for you, what else has been done is that they have designed this thing knowing it will be unconstitutional. How did they do it?

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. MACK. No, I will not yield.

They have left OMB out of this proposal. In other words, no longer will the executive branch be involved.

They have also taken away the Presidential veto. What they say is that legislation that has passed in both Houses but not signed by the President can be included in the baseline, and, once again, what have we ended up with? We have ended up with a shell game. You are fooling the American people once again.

We have heard it. We have all heard it year after year when we go back home. They say, "We do not believe anything that goes on in Washington." What has been created by you is exactly the same kind of thing—a shell game that will no longer accomplish what we started out to do, to balance the budget by 1991.

They have exempted programs. Certainly, we are all concerned about people, but every time we exempt a program, and by the way, if you happen not to be one of the special interests that they protect, what that means is that the remaining programs will have to take a double hit.

I would close with this: Our families, our children, the American workers, have been asking for something to be done. Do not give them one more political shell game.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. I thank the gentleman for yielding this time to me.

Mr. Speaker and Members of the House, after years of rhetoric and

after years of struggling and wrestling with the issue, today we make a decision on how we want to achieve a balanced budget.

There is a Democratic alternative and there is a Republican alternative. Neither is perfect, neither may be workable and neither is terribly fair. But one of them will be chosen by this House, and there is a question of which one it should be. Let me say that both the Democratic plan and the Republican plan will cut spending. Both the Democratic plan and the Republican plan aim to balance that budget by 1991, but there is a very real difference between these two plans.

The Gramm-Rudman plan is a torpedo that is aimed at the ship of state. What the Democrats have said is that before this ship sinks, before the ship goes under the waves, we will try to put women and children into the lifeboats. We will take those who need health care in the beginning of their lives and we will provide that. For those who need health care at the end of their lives, we will try and provide it. For those who need nutrition to grow and to thrive and to become productive citizens, we will try to provide it. For the poorest of the poor in this country, we will try to provide sustenance for them.

That is not all of the people who need help in this country. We basically provide a triage for the poor. For those who are the most seriously affected by the disadvantages in this country, we have tried to take them off of this ship and put them into the lifeboats.

But the Republican plan has done just the opposite. It has targeted them for destruction. It has targeted those communities for destruction and for direct hits. How has it done that? Because they have continued to try to shift the exempt programs away from domestic and toward defense programs. They have continued to try to unbalance the cuts that Gramm and Rudman said they wanted to provide.

So the question is: Both plans will take us to a balanced budget in 1991, both plans will cut spending, both plans will reorganize this Government. The question is: When we do this, will we do it with some compassion and some understanding so those, the least fortunate of us, will have an opportunity to try to thrive in the American society?

Mr. DUNCAN. Mr. Speaker, I yield 3½ minutes to the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. I thank the gentleman for yielding this time to me.

Mr. Speaker, we have been hearing from the other side all kinds of splendid arguments for voting in favor of the Democratic alternative. There are at least four reasons we have not heard much about.

First, if you are in favor of disinvestment of the Social Security trust funds, then by all means vote "yes." There is much we do not know about the Democratic plan, but one thing for sure is that it will be rejected by the other body. That assures us that the Treasury will have no choice but to disinvest. Those of you who vote "aye" can count on spending the next year explaining to senior citizens why their trust funds were misused in this way.

A second reason to vote "aye" is to assure that we will have a plan that will not work. The Democratic plan is programmed to self-destruct, carefully written to assure unconstitutionality by leaving OMB out of the process and by including a nonseverability clause.

A third reason to vote in favor of the other side's approach is to assure continued big deficits. The inclusion of floating, readjustable targets practically guarantees continued big deficits. And so does the provision for detriggering, if the Congress meets the deficit target but the President vetoes the legislation. This is like going to war with a water pistol. What we need is a trigger that shoots real bullets in order to force the Congress to implement its own budget goals.

And finally, an "aye" vote assures unequal treatment of spending programs. It throws out the window the notion of evenly shared reductions by adding to the list exempt from any cutbacks, and even treating Medicare, which is not an indexed program, as if it were. Do not be confused by the idea that these additional exemptions are meant to zap defense. Yes, defense will get a heavier hit, but so will a long list of nondefense programs.

As for this Member, I will vote "no" because I want a plan that will work. I will vote "no" because I want a plan that will end big deficits. I will vote "no" because I want to assure equal treatment of spending programs, and I will vote "no" because I oppose disinvestment of Social Security trust funds.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. RANGEL].

Mr. COLEMAN of Texas. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. I thank the gentleman for yielding.

Mr. Speaker, I would only point out that no plan exempts veterans' pensions except the Democratic plan, and I think that is of paramount importance. They are not a special-interest group. They are veterans who served this country and to whom we owe a debt of gratitude. We need to protect them.

Mr. RANGEL. Mr. Speaker, I cringe when I hear this program described as the Democratic alternative. I came to this House this morning opposed to this program, but the more I hear from the opposition, the more I am convinced that this is the only program that we really have that we can be proud to go back home and say that we are supporting.

We are talking about shell games. Is this a Democratic-controlled deficit that we are talking about? Did the Democrats reduce taxes by some $750 billion? Was it the Democratic President who has brought a budget out of balance every year for the last 5 years? Was it the Democrats who really are asking that we increase the debt ceiling to over $2 trillion? Is it the Democratic President who is bringing us a deficit of over $200 billion for this year? Is it the Democrats who are asking us to invade space in order to make certain that we take away from our kids, our aged, our sick, our blind, and our disabled?

If we are talking about some equity here, I came in here believing that this alternative lacked the sensitivity that it deserved for the American people. But I tell my colleagues this: When the vote is taken today, do not believe that it is just the Democrats who have the poor and the aged and the blind. Take a look at the people in your district and remember, when the final count was taken in terms of balancing the budget of the United States that at last it was one party that considered those who had nothing to do with making it unbalanced, and we are here to protect them today.

□ 1325

Mr. DUNCAN. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. DUNCAN] has 8½ minutes remaining and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 10 minutes remaining.

Mr. DUNCAN. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Speaker, let me say I enjoyed listening, as I always do, to my good friend from New York [Mr. RANGEL].

The only thing he forgot in his remarks was that this House has been controlled by the Democrats every day since I have been here, and as long as I can remember. And that every single spending bill has gone first through Congress. Not one single President, be he Democrat or Republican, has ever spent one single penny that was not first authorized and appropriated by whom? Those same people that my friend from New York was alluding to. Yes.

Mr. Speaker, let me say that this is a serious business, very serious. We should not take it in jest. Let us consider what we have before us today.

We have a $2 trillion debt. I do not care who you blame, whether you blame the President, whom you always try to blame, or whether you blame yourselves, we have a $2 trillion debt. That is taking 15 cents out of every single dollar that comes into this Treasury just to service that debt, and it is up 50 percent in just 10 years. We have a serious problem.

Let me say that all of these programs that have gone through that have cost money, you voted for. I am glad to hear at least once that liberal spenders are saying that today we want to do something about it.

But where were you when you were being contacted by the chairman of the Budget Committee, when we were in conference on the budget wanting to find ways that we could cut in the budget bill that we finally passed on August 1? You were saying no, you could not cut those programs, and we came back with a $171.9 billion deficit for fiscal year 1986. My, it was tough.

But is is going to be tougher today. If you ever pass the $161 billion deficit ceiling that you allude to, I am ready to make those reductions and to put my vote where my mouth is. Are you? You have not been ready in the past. I can point out a couple who have, but only a couple. But it will be tough. Why? Because private sector forecasters are saying the fiscal year 1986 budget deficit will be $200 billion. That means we will have to cut or sequester $39 billion to get to that $161 billion target—at an annual rate, that is $53 billion in further cuts—we are already through part of fiscal year 1986.

Let me say a yes vote today for this hastily contrived Democrat plan is a no vote, for Gramm-Rudman and you cannot escape that. The other body will not accept it. You know it and I know it. We need to pass a proposal which stands a chance of being adopted by the Senate—namely the Michel proposal.

Now what does the Democrat plan do? It reduces to $161 billion the deficit in fiscal year 1986, but at the same time you are adding $50.5 billion in additional exempted programs, from the Gramm-Rudman sequestering provision. You cannot have it both ways. This is your proposal, not mine. In the conference I voted for the $161 billion limit but not with all of these exempted programs added on, not $50 billion. So it you are sincere, take out the $50 billion.

No, you are not willing to do that. No one can support this $161 billion figure with the billions of dollars in exempted programs because it is unachievable unless, of course, you want to run up the white flag and proclaim to the world that the United States no longer sustains a strong national defense. The Russians would love for this House to cut the legs off of our President just before he meets with their leader on arms reduction.

If you vote for the Democrat plan, you might just as well tell the President of the United States to stay at home, because we have taken all of your bargaining chips away from you.

Under the Democrat proposal, only 44 percent of the total budget would be subject to sequestering. With Gramm-Rudman 59 percent is available for sequester. Need I tell you where we will get the lion's share of these reductions with the Democrat plan? Out of defense, out of defense.

Is that what you want? That is what you will get under this proposal.

So if you want a proposal, I say vote down this hastily contrived plan.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, it is a sad commentary on our times that the Congress has not been able to discipline itself on spending. We would not be in this dilema today if we had been able to cut spending. But today, our Government is in another fiscal crisis and is being brought to its knees because we haven't been able to address this issue. The people deserve better treatment from their Congress.

It seems obvious that some kind of sequestration procedure is going to pass. Neither of the alternatives are perfect, but the Rostenkowski proposal is more fair.

I take strong personal objection to the accusations by my friends on the other side of the aisle that this alternative is a shell game and a cover. The fact that our alternative would reduce the deficit to $161 billion starting this year speaks far more eloquently of our sincerity and commitment to reduce the deficit than all the partisan charges that this is simply a shell game.

This deficit belongs to all of us in this room, not to any single political party. I hope the alternative will pass and the other body will send us back a bipartisan proposition that will enable us to meet our obligations to this Republic.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, before us I think is one of the most important votes of our career because it impacts on every program, every jurisdiction, every constituent. And more importantly, it impacts on the checks and balances that were built into our Constitution. This is not a vote that we ought to take carelessly.

This proposal, from its beginning, was born in frustration, and it was born in panic. But that is not reason for the House of Representatives to act out of frustration or out of panic. We need to consider this proposal carefully and try to make it balanced and effective and fair.

We have tried to do this over the last few weeks in conference. It is not easy to do to resolve all of the problems in Gramm/Rudman. But at least we know what is in the Democratic alternative. They still do not know what is in their alternative. They are working late into the night to try to develop amendments. They have had four weeks to present something to the Congress, and yet they continue to make changes.

We know what is in our proposal and what needs to be cured. We want to make our proposal as we have, sensitive to the economy. That is important. We make it real. Yes, it is a $161 billion figure, but we feel if we are going to do this, let us do it now, not later.

Third, we make it fair, because we do feel that the poorest of the poor need to be protected. If we are going to exempt 52 percent of the Federal budget, then by God, we ought to at least exempt the people who are the poor in this country.

And in addition to that, we protect the balance of powers. Yes, we use CBO. What is the matter with the CBO? The whole argument in the other body was that they want to make this ministerial for the President. Our proposal makes it ministerial because we retain control over what the order is that goes to the President.

We also guarantee that there will be a constitutional test of this proposal which is absolutely essential. This is not an issue on the deficit. We are all concerned about the deficit. This is an issue of the Constitution, of justice and of the balance of powers.

Vote for the Democratic alternative.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, the choice between the Democratic and Gramm-Rudman deficit reduction plans is one of the sorriest choices this House has ever had to make. Neither plan, neither alternative, is very fair, very persuasive, or very permanent, and there is plenty of blame to go around. We have passed a lot of bills. The President has refused to veto every one of the bills. So there is plenty of blame to go around.

But the choice is only between two plans. There are three major differences between the two plans.

Our plan starts now, your plan starts after the election.

The second difference, our plan starts now, your plan does not start until after the election.

Finally, the third difference, our plan starts now, your plan does not start until after the election.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I rise in support of the Democratic alternative.

You know, we, as individuals, really look after our own turf in Congress.

I say the veterans are treated more fairly under this alternative than under Gramm-Rudman.

Mr. Speaker, under this proposal, the disabled veteran and the low-income veteran is treated just like the Social Security recipient, and that is the way it ought to be. There are 28 million living veterans and 60 million dependents of veterans, and they will be affected by being included in the cost-of-living increases under our alternative.

Mr. Speaker, I am proud to say under the Democratic alternative the veteran is not treated as a second-class citizen.

□ 1340

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. HUBBARD].

Mr. HUBBARD. Mr. Speaker, I speak at this time as a Democrat who strongly favors a consitutional amendment to balance the Federal budget. I am one of those Democrates that my friend, the gentleman from Ohio [Mr. LATTA] referred to as a Democrat who votes time and again for budget reduction.

If I thought Gramm-Rudman was the best approach today to balancing the Federal budget, I guarantee I would vote that way, but surely the American people can see what is going on here. Gramm-Rudman puts budget cutting on hold until after the 1986 elections, the congressional elections, mind you; the people of America are sick and tired of rheotric, and want action about this $2 trillion debt.

Gramm-Rudman makes no reductions in the first year, and does not require the Reagan administration to prepare a balanced budget. The Rostenkowski alternative would accelerate deficit reduction a lot faster than Gramm-Rudman.

Under CBO estimates, the Rostenkowski alternative would require a balanced budget by fiscal year 1990, 1 year sooner than Gramm-Rudman. The Gramm-Rudman scheme has a lot of appeal because it appears to balance the budget, but Gramm-Rudman does not even begin to reduce the budget until fiscal year 1987.

If you are really sincere about voting for budget reductions and a balanced budget, and if you are conservative, you will vote for the Rostenkowski alternative.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. LEATH].

Mr. LEATH of Texas. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. HUGHES. Mr. Speaker, will the gentleman yield to me?

Mr. LEATH of Texas. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Speaker, I rise in support of the Rostenkowski amendment.

Mr. Speaker, earlier today, I voted "no" on the motion to recede from disagreement with the Senate amendment. I did so because, like many of my colleagues, I am not at all happy with either the Democratic or Republican alternatives before us today. We can and should do better and I would send it back to conference where we were making progress on a bipartisan alternative until about 3 days ago.

I am very disappointed that the Democratic alternative takes certain programs off the table almost entirely, in terms of exempting them from some of the stringent budget cuts that may become necessary if the Congress fails to reach an accord on the best way to meet deficit-reduction targets. I don't dispute the importance of those programs—AFDC, food stamps, SSI, and others—to the sick, the elderly, and the needy. I have supported those programs in the past and will take a back seat to no one when it comes to concern for the most vulnerable in our society.

On the other hand, I find it difficult to completely differentiate those exempted programs from a number of others that also serve very important functions in our society, such as law enforcement, the courts, the Coast Guard, education, and others. I'm not sure that we should be creating any sacred cows—and I don't see that there is a sufficient basis to do so—as we attempt to come to grips with the terrific imbalance between Federal spending and revenues.

Indeed, such exemptions for certain programs place a disproportionate share of the burden on others because every dollar we don't cut from AFDC or food stamps is an extra dollar that must be cut from drug enforcement, the courts, the FBI, higher education, border patrol, and so on. Beyond that, many of these nonexempted programs have fixed costs, which means that budget cuts must come out of manpower.

As my colleagues know, I have been very concerned about the problem of law enforcement in this country, especially at a time when we are seeing a rise in international terrorism, bumper crops of illegal drugs flooding our shores, and major crime rings are sometimes better equipped than some of the armies around the world.

The types of spending cuts envisioned under the Democratic plan might yield law-enforcement cuts upward of 25 percent. I find that difficult to justify when other programs are being spared entirely from the budget knife.

On the broader problem of bringing runaway Federal borrowing under control, however, I have little doubt that the Democratic alternative is dramatically superior to the Republican proposal in terms of both timetable and procedure. It contemplates that, if the economy is robust, deficit reduction can proceed at a quicker pace. On the other hand, if the economy is sluggish, the Democratic alternative slows the severe budget cuts that could otherwise turn a mild recession into a major one, or even a depression.

Assuming economic growth on the order of 3 percent over the next few years, however, the Democratic alternative gets us where we want to go a lot faster, with a deficit of $57 billion by fiscal 1988, and just $4 billion by 1989. The Republican approach, in contrast, has no cuts worth mentioning before fiscal 1988.

In terms of the procedures under the Democratic approach, responsibility for budget cutting would stay where it belongs—here in the Congress. It would amend our rules, so that any one Member of this body could make a binding objection if a budget was brought up which did not stay within our deficit-reduction targets. The targets could be overridden only by a three-fifths vote, the same as is set forth in the balanced-budget constitutional amendment which has been so fervently advocated by some of our colleagues.

If Congress does fail to do its job, the President would be required to follow a set formula in making the necessary budget cuts—just as would be the case under Gramm-Rudman—but without the dangerously broad exercise of discretion possible under Gramm-Rudman.

At the same time, the Democratic alternative allows for an expedited procedure for adjudicating constitutional challenges to the procedure.

In conclusion, despite its many shortcomings, the Rostenkowski alternative appears to be the approach which takes the most expeditious and responsible road to getting our fiscal house in order. I urge my colleagues to support it.

Mr. LEATH of Texas. Mr. Speaker, ladies and gentlemen, if there is anybody in this institution who really believes that we are going to vote for a perfect document in here today, you had better take a gut check.

Because, ladies and gentlemen, what we are doing and what we have done for 3 weeks now is to prove to the American people that there is no responsible way for us to abdicate our responsibility to govern.

That is the real thing that we are proving up here. Now, I applaud my friends Senators, GRAMM, RUDMAN, and HOLLINGS, for bringing us to this point, but I resent to some degree; I can understand partisan rhetoric as good as anybody, and I have done my share of it, but I resent, to some degree, as my friend, JAKE PICKLE, said when people say, "Oh, the Democrats are demagoging with this $161 billion.

Let me tell you something, neighbor: There is no demagoguery in the $161 billion; it is going to bite Democrats; it is going to bite Republicans, and it is going to bite Ronald Reagan; and if

you do not know that, you have not read it.

Now, I am amazed that after years of trying to cut this deficit to see my friends, some of them on the Republican side the other night when we first threw out the figure of $161 billion just go crazy; "Oh, my Lord, we can't do that. That is what we have been telling the people for 20 years, that we can't do it." Now who has got an excuse that we cannot do it?

We need to attack this deficit while we have got an economy that can stand this level of cuts, and I think that that is what this proposal does.

The goods news, Mr. Speaker, and the American people, is that I think regardless of which one of these passes, that the American people are going to ultimately be the winner, perhaps, but I happen to believe, too, in fairness, because I am a conservative Democrat and because we are conservatives we do not have to say that we have no compassion for poor people; they are our poor people in this country.

It does not make any difference what your political philosophy is; I would much prefer that we solve this problem based on fairness and equity across the board; we are not going to do that; we have said we were not going to do it by statute in the Gramm-Rudman proposal.

So for us to come in here and say that we are not going to do the same to a few poor people and to the veterans in this country, I think is blatantly wrong.

So I would urge that we vote for this alternative because it is a good one.

Mr. COLEMAN of Texas. Mr. Speaker, I resent the implication of the gentleman from Florida [Mr. MACK] that veterans are a special interest. We as a Nation owe our veterans for what they have sacrificed to protect our Nation and our way of life, and the gentleman and his colleagues should not forget the debt that we owe them. That is the wrong attitude and action for this Congress to take. Under the Democratic alternative, veterans pensions and disability compensation would be excluded from budget cuts. Under Gramm-Rudman or the House Republican alternative they would be cut. That is just one aspect of the Democratic budget balancing alternative which makes it better.

The Democratic alternative will bring the budget in balance in fiscal year 1990, not fiscal year 1991 as the Republican and Gramm-Rudman plans would. It would begin the budget cutting today, not next year. It would avoid the political posturing contained in the Republican alternative and in Gramm-Rudman which would allow 22 Members of the Senate to avoid facing up to the cuts until after their reelection campaigns in 1986. The Democratic plan does what virtually every economist believes must be done—cut the deficit now rather than requiring that it be done in the future.

The Democratic alternative is clear and defined in what programs are subject to cuts, the Republican alternative and Gramm-Rudman are not. The Democratic alternative would exclude Social Security from cuts and take it off budget where it belongs. The Republican alternative and Gramm-Rudman would exclude Social Security, but would still leave it on budget and vulnerable to future congressional cuts. The Democratic alternative specifically excludes those programs which benefit the poorest of the poor. The Republican alternative and Gramm-Rudman would not. The Democratic alternative would exclude Medicare from cuts beyond annual cost of living adjustments to ensure that the elderly and disabled are not cut off the roles. The Republican alternative and Gramm-Rudman would leave them exposed.

The Democratic alternative takes into consideration the economic realities of fiscal policy. The Republican alternative and Gramm-Rudman do not. The Democratic alternative would tie spending cuts directly to the performance of the economy. When the economy is growing, spending cuts would be increased. If the economy were to shift to negative growth, then spending cuts would be lessened until growth is resumed. Therefore, in times of economic growth, like we are experiencing today, more spending would be cut under the Democratic alternative, which we are doing today, than under the Republican alternative or Gramm-Rudman. Likewise, were the economy to slip into a recession and the structural deficit rose, Gramm-Rudman would require greater spending cuts and tax increases causing an even deeper recession. That is simply economic insanity and all Americans would suffer.

The Democratic alternative cuts the deficit now. It puts all the spending on the table, both social and defense. It spares only the poorest of the poor, Social Security, and our veterans, to whom we owe a debt. We must join together as a Nation and contribute to the elimination of the deficit. To paraphrase President Reagan, "If not us, who? If not now, when?" I firmly believe that to eliminate the deficits, we must put Gramm-Rudman into effect now, not later.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong support of the basic thrust of the Gramm-Rudman-Hollings proposal. I do so out of a deeply held belief that at long last the Congress can fulfill its imperative obligation to do something constructive about the horrendous deficit in our Federal budget.

For far too long, Mr. Speaker, we have voiced objections to the deficit. Now we have an opportunity to translate our voices into reality.

Mr. Speaker, I realize that efforts to change the proposal before us in any way—at least in the eyes of some—might appear to weaken it. While that is generally true, in my view it is not true as to one most deserving group of individuals.

Mr. Speaker, as the ranking member of the House Veterans' Affairs Committee, I must recall to the members that adequate compensation for service connected disabled veterans, their dependents and survivors involves a moral commitment of our Nation of the highest order. No commitment can or should exceed it. Gramm-Rudman would exclude Social Security recipients from its otherwise broad umbrella. If that is to be the case—and I do not object to that exclusion—then surely we must assure the same consideration for our disabled veterans.

To that end, Mr. Speaker, I earnestly urge all of my colleagues to again place upon the public record a reiteration of our commitment to those who have given greatly of their minds and bodies that this Nation might endure. I urge complete exclusion from the provisions of Gramm-Rudman-Hollings compensation for service connected disabled veterans, their dependents and survivors.

As the President has said, "They have already paid their dues to our Nation." We ought not to ask that they do more. If any group is to be excluded from Gramm-Rudman, this one ought to be at the top of the list.

Thank you, Mr. Speaker.

Mr. STARK. Mr. Speaker, as one of the Members who tried to work with the Senate in developing a plan to reduce our Nation's cancerous deficits, I urge my colleagues to support the plan developed by the House and to reject the Senate version.

Everyone knows we desperately need to reduce deficits. The present policy is immoral. It is burdening our children and their children with the taxes we refuse to pay for the services we demand. We are adding $5,706 in new Federal debt per second to the burden of the next generation.

This excessive deficit spending keeps the real rate of interest artificially high, has made the dollar overvalued compared to foreign currencies, and has resulted in unprecedented trade deficits which are destroying the industrial base of the Nation and causing millions to be unemployed.

We must act—and we must act now.

And that is why the House offer to the Senate is the better form of the Gramm-Rudman amendment. It cuts the deficits now, to a level of $161 billion from what will probably be a fiscal year 1986 deficit of about $190 billion. It reduces next year's deficits to $110.2 billion, compared to Gramm-Rudman's $144 billion goal. It would reach a balanced budget by 1989, rather than Gramm-Rudman's 1991.

The House version of this bill will make this Congress and this President earn their pay, by making the hard choices we were elected to make. The Senate version postpones the pain and increases the injury to the economy.

The American people clearly support action faster than the Senate's bill. Yesterday, a Lou Harris poll was released showing that, while most people support Gramm-Rudman, even more people wanted it started immediately. By 61 to 34 percent, people say that they want the budget reduction process to start in 1986 rather than

waiting until 1987 for major reductions. My own poll of my congressional district this spring showed my constituents willing to make changes—defense cuts, revenue-raising tax reforms, and domestic cuts—which resulted in an average deficit of about $44 billion.

Mr. Speaker, the people are so far ahead of the Congress on this issue that we have become a laughingstock. The House proposal, at least, moves quickly toward what my constituents want.

Both versions protect Social Security benefits. But the Senate bill really doesn't. Anyone who votes for the Senate bill is cutting Social Security—and any rhetoric to the contrary is false. After telling us for nearly a month that Gramm-Rudman placed Medicare in category 1, thus limiting the size of its cuts under a sequestering order to the size of the indexed adjustments, last night the Senate offer placed Medicare in category 2, meaning that payments to providers would be sequesterable, and that Social Security beneficiaries will be charged for extra doctor and hospital fees. If that isn't a reduction in Social Security benefits, I don't know what is. By permitting freezes in spending on Medicare, the House bill is tough. The Senate bill permits cuts and will cause the denial of care and less adequate treatment for millions of retirees.

The poll of my congressional district clearly showed that people did not want safety net, or programs for the poor, disabled, and sick to be cut. The House bill exempts basic-core safety net programs from cuts under sequestering. The Senate offer did not. The Senate bill did, however, exempt such programs as the Export-Import Bank, the Synfuels Corporation, the Nuclear Regulatory Commission, and other less-than-essential agencies from feeling the pain of cuts.

For these reasons—quicker, more decisive action on the deficits, and a better sense of Government priorities—I urge support of the House proposal and defeat of the Senate bill.

Mr. RODINO. Mr. Speaker, I rise to state my firm opposition to any procedural device that pretends to deal with the budget deficit through "smoke and mirrors."

We stand united on the need to move immediately to bring the Federal deficit into line. There is only one way to accomplish that goal. We must act now to make cuts in spending—or we must increase revenues. The Gramm-Rudman proposal from the other body does neither of these.

Instead—while once again postponing these hard decisions—the proposal creates a procedural device that—if it works—would result in an unprecedented shift of legislative powers to the President. Although attempts have been made to limit the President's discretion under this bill, the simple fact is that Congress would be transferring substantial authority to the President to decide the manner in which spending cuts would be made.

Moreover, the cuts the President would make down the road will unfairly fall on poor and needy Americans. The claim made in the other body that cuts in spending will be across the board is simply not true. Much of the defense budget is exempted—as is interest on national debt and Social Security. Thus, safety net programs, such as food stamps, health care, and child nutrition, already slashed deeply since 1981, would bear a disproportionate burden of further cuts.

I am dismayed that the Congress would participate in this wholesale giveaway of powers that our Founding Fathers so carefully preserved for the branch of Government closest to the people—the U.S. Congress.

When the Founding Fathers established this great Nation, one of their primary goals was to place government in the hands of the people—to protect against arbitrary government that necessarily results from all power being placed in the hands of a single person.

For this reason, our Constitution, which has endured and protected us for nearly 200 years, was based on the core principle of separation of powers.

Our Constitution establishes three branches of government—the Congress, which is charged with making the laws; the executive, which is charged with implementing the laws; and the judiciary, which is charged with interpreting the laws.

This separation of powers was not an idle one—our founders viewed it as essential to preserve our liberties.

Nor was this separation intended to be an efficient, "expeditious," expedient one. It was intended to force the leaders of this country to make tough choices that consider the contending needs, interests, and values of our citizens, and to do so in a public forum that can exact a political cost.

The Gramm-Rudman proposal is an assault—however clouded with rhetoric about the need to "balance the budget" and "reduce the deficit"—on this fundamental constitutional principle of separation of powers.

Gramm-Rudman leaves no doubt, either in its operative provisions or in its definitions, as to the consequences of the Presidential actions it authorizes—the President is required to permanently cancel outlays of authorized and appropriated amounts which were enacted into law in accordance with constitutional procedures.

The Gramm-Rudman proposal seeks to circumvent constitutional requirements, by delegating unconstitutional lawmaking powers to the President. The proposal attempts to authorize the President to undo a law by something less than a law—and is thus unconstitutional. While under the Constitution Congress can delegate the authority to implement laws, it cannot delegate the authority to repeal laws. This is precisely what the Gramm-Rudman proposal purports to do.

This defect is not cured by the role given to CBO—in fact, it is made worse in view of the Supreme Court ruling in Buckley versus Valeo, which precludes the assignment of executive functions to legislative branch agencies.

The separation of powers issue involved here is far more than a technical question of the procedures required by the Constitution. The framers of the Constitution were adamant that spending and taxing be in the hands of the legislative body which would make the decisions and set the priorities.

Congress can exercise this lawmaking authority regarding the power of the purse, as any other lawmaking authority, only through enacting laws. Any other procedure, however "convenient" and "efficient," is not constitutional.

It is no idle concept that only through the power of the purse does Congress have any effective control of the executive—as has been repeatedly demonstrated through our history, recently in the Nixon impoundment cases, and even more recently as Congress has prohibited or demanded the expenditure of authorized funds for various purposes. This power of the purse was given to Congress both so it could preserve its own prerogatives and so it could limit the otherwise potentially unlimited power of the President.

The Founders of this country intended that the Congress exercise its lawmaking authority to make spending and taxing decisions. The Founders no doubt knew the difficulty and discomfort that these decisions would produce. But these choices are among the most basic to be made by any government. It is precisely this reason that these decisions were placed squarely in the Congress, which cannot constitutionally refuse to make them, however politically advantageous or expedient it may be to do so.

1987 will be the 200th anniversary of the adoption of the Constitution. I urge my colleagues to carefully consider the nature and consequences of the decisions we are called on to make today. We must make the necessary—and very difficult—choices required to reduce the deficit. But at the same time, we must discharge our responsibility to preserve both the spirit and the letter of the Constitution upon which this Nation is founded.

The alternative before us today is an improved version over that which came from the other body. It begins to make cuts in spending now and does not wait for a whole year. At the same time, this alternative recognizes the critical needs of the poor and exempts or minimizes the impact of budget cuts on safety net programs. The alternative also puts a measure of flexibility into the deficit targets to take into account varying economic conditions.

I do not believe, however, that we have resolved the constitutional problems with this measure. That is why the inclusion of a provision in this alternative proposal calling for quick judicial review is absolutely essential. And to prevent any unintended or skewed result in the overall working of this legislation, if any part is found unconstitutional, the whole measure must fall under the nonseverability clause contained in the alternative.

Mr. Speaker, I am inserting for the record a letter I wrote to the House confer-

ees setting forth in greater detail my concerns with the constitutionality of this proposal. I also wish to insert another letter, sent to Congressman SYNAR by the distinguished constitutional scholar, Lawrence H. Tribe, who is the Ralph S. Tyler, Jr., professor of constitutional law at Harvard Law School, which also discusses the doubtful constitutionality of this measure:

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, October 16, 1985.

Hon. DAN ROSTENKOWSKI,
U.S. House of Representatives, Washington, DC.

DEAR DAN: Because of your appointment as a conferee on House Joint Resolution 372, Extension of the Public Debt Limit, I am writing to express my serious concerns regarding the constitutional issues raised by the Gramm-Rudman proposal set forth in this resolution. While only the courts can definitively interpret the Constitution, it is nevertheless our responsibility to examine these issues in considering this proposal.

The Gramm-Rudman proposal requires the President to cut statutory appropriations whenever the Office of Management and Budget (OMB) and the Congressional Budget Office (CBO) determine that the deficit in any of the covered years (1986–1991) exceeds the amount authorized by the proposal. The cuts ordered by the President would be made both to increases in automatic expenditures and to controllable expenditures, so that the target deficit figure would be met. The President's order would become effective 30 days after its issuance.

The power delegated to the President under this proposal is a lawmaking power, one that carries with it permanent legal consequences. As the Gramm-Rudman proposal itself states:

"Any automatic spending increases modified or suspended, or any amounts of budget authority, obligation limitation, other budgetary resources, or loan limitations sequestered by an order of the President under this Act are *permanently cancelled, and the legal rights, if any, of persons to receive such automatic spending increases shall be deemed to be extinguished to the extent that the operation of laws providing for such increases are modified or suspended by such an order.*" (Italic added)

In the definition section of the proposal, the term "sequester" is defined as:

"[T]he *permanent cancellation* of budget authority, obligation limitations, other budgetary resources, or loan limitations, to the extent necessary to reduce each controllable expenditure by a uniform percentage." (Italic added)

Gramm-Rudman thus leaves no doubt, either in its operative provisions or in its definitions, as to the consequences of the President's actions—the President is required to permanently cancel outlays of authorized and appropriated amounts which were enacted into law in accordance with constitutional procedures. Gramm-Rudman does purport to limit the President's freedom of action in making such cancellations. For example, the President is instructed that his actions may not "have the effect of eliminating any program, project, or activity of the Federal Government." Gramm-Rudman further provides that the President is not given new authority under its terms to:

"alter the relative priorities in the Federal Budget that are established by law, and no person who is, or becomes, eligible for benefits under any provision of law shall be denied eligibility by reason of this section."

However, none of these limitations alters the fundamental fact that the proposal confers on the President the power to cancel the amounts of authorized and appropriated funds, thus terminating legal rights established under constitutionally enacted legislation. To a substantial but indeterminate degree, the President and his Office of Management and Budget will be able to exercise interpretative discretion in determining exactly what aspects of programs are to be cut back, and to what degree. These are matters traditionally—and constitutionally—within the Congress' lawmaking power.

The provisions of the Constitution are explicit on the procedures necessary to enact legislation. These procedures require the involvement of both Houses of Congress and the President:

"All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives." Art. I, § 1.

"Every Bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a Law, be presented to the President of the United States; . . ." Art. I, § 7, cl. 2.

"Every Order Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be necessary (except in a question of Adjournment) shall be presented to the President of the United States; and before the Same shall take Effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives, according to the Rules and Limitations prescribed in the Case of a Bill." Art. I, § 7, cl. 3.

Attempts to deviate from this lawmaking process have been unequivocally struck down by the Supreme Court. The most recent example is *I.N.S.* v. *Chadha*, 462 U.S. 919 (1983), where the Supreme Court ruled that "legislative vetoes" are unconstitutional. In *Chadha*, the Court stated that legislation can be enacted only one way—through the steps required by the Constitution: bicameralism (action by both Houses) and presentment to the President (who may sign the proposal or whose refusal to sign may be overriden by Congress).

Thus, in *Chadha*, the Supreme Court ruled that Congress cannot undo a law by anything short of a new law, and that all laws must be adopted through the constitutionally mandated procedures quoted above. The Court stated in the strongest terms that delgations of authority could not be so crafted as to avoid this constitutional procedure, which had been carefully devised to preserve not only the rights of the people but also the separation (and balance of power) among the branches of government.

The Gramm-Rudman proposal seeks to circumvent these constitutional requirements, as did legislative veto, except that Gramm-Rudman attempts to do so by delegating unconstitutional powers to the President, rather than to one or both Houses of Congress. Though its language merely directs the President to issue an "order" requiring a reduction in expenditures—a mandatory duty based on the projected economic conclusions of two bureaucratic agencies—the effect of these so-called orders is to repeal duly enacted statutes. The proposal attempts to authorize the President to undo a law by something less than a law—and is thus unconstitutional.

While under the Constitution Congress *can* delegate the authority to implement laws, it *cannot* delegate the authority to repeal laws. This is precisely what the Gramm-Rudman proposal purports to do.

However, the issue involved here is far more than a technical question of the procedures required by the Constitution, as to some extent was the case with legislative veto. The spending (in this case, "non-spending") authority delegated by the Gramm-Rudman amendment goes to the core of the concept of separation of powers and is one specifically addressed in the Constitution:

"The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States; . . ." Constitution of the United States, Art. I, § 8, Clause 1.

"No money shall be drawn from the Treasury, but in consequence of appropriations made by law . . ." Article I, § 9, Clause 7.

The Framers of the Constitution were adamant that spending and taxing be in the hands of the legislative body which would make the decisions and set the priorities.[1]

This explicit assignment to Congress of spending authority was not made lightly. In fact, it reflected the framers' familiarity with the long and bitter battles of the English Parliament to win control over revenues and expenditures. It also reflected the framers' own experience in which spending and taxing decisions had been made for the colonies by the royal governors—the equivalent of the Executive Branch.

Congress can exercise this Constitutional authority, as any other lawmaking authority, only through enacting laws; and the enactment of laws requires bicameral consideration and presentment to the President. Any other method, however "convenient" and "efficient", is not consitutional.

As the Court stated in *Chadha*:

"The fact that a given law or procedure is efficient, convenient, and useful in facilitating functions of government, standing alone, will not save it if it is contrary to the Constitution. Convenience and efficiency are not the primary objectives—or the hallmarks—of democratic government. . . ." (462 U.S. at 944).

It is no idle concept that only through the power of the purse does Congress have any effective control of the Executive—as has been repeatedly demonstrated through our history, recently in the Nixon impoundment cases, and even more recently as Congress has prohibited or demanded the expenditure of authorized funds for various purposes. This power of the purse was given to Congress both so it could preserve its own prerogatives and so it could limit the otherwise potentially unlimited power of the President. It is troubling that Congress would so casually consider abdicating this power. (CBO's role under the provision does not alter the reality of this transfer of power in any way. In fact, there is the same constitutional defect in assigning lawmaking functions to this legislative branch agency.)

[1] In fact, The Constitution explicitly requires that tax bills originate in the House, that body closest to the people. "All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills." Constitution of the United States, Art. I, § 7, Clause 1.

There are numerous policy reasons to question the wisdom of granting so much power to unelected officials at OMB and CBO, who would have a great deal of discretion in deciding whether the provisions of Gramm-Rudman would become effective, an event triggered by their joint budget estimates. Additional power is given to the President and OMB, an agency located within the Executive Office of the President, who would decide what is meant by a "relatively controllable" or an "automatic spending" increase, and thus, how programs are to be cut. However, the most basic reason to oppose the Gramm-Rudman provision in its current form is based solidly in the Constitution and its basic premise of separation of powers.

The Founders of this country intended that the Congress exercise its lawmaking authority to make spending and taxing decisions. The Founders no doubt knew the difficulty and discomfort that these decisions would produce. But these choices are among the more basic to be made by any government. It is for precisely this reason that these decisions were placed squarely in the Congress, which cannot constitutionally refuse to make them, however politically advantageous or expedient it may be to do so.

The Founders of this country intended, and required, that these decisions be made through a politically accountable process—through the enactment of a law under the procedures required by the Constitution.

In 1975, the Supreme Court stated, in *Buckley* v. *Valeo*, 424 U.S. 1, 124:

"[T]he principle of separation of powers was not simply an abstract generalization in the minds of the framers: it was woven into the document they drafted in Philadelphia in the summer of 1787."

Twenty-three years earlier, in 1952, the Supreme Court emphasized the role of the President as the executor of laws, not the maker of laws:

"In the framework of our Constitution, the President's power to see that the laws are faithfully executed refutes the idea that he is to be a lawmaker. The Constitution limits his functions in the lawmaking process to the recommending of laws he thinks wise and the vetoing of laws he thinks bad. And the Constitution is neither silent nor equivocal about who shall make laws which the President is to execute. *Youngstown Sheet and Tube* v. *Sawyer*, 343 U.S. 579, 587-89 (1952)

For many years prior to the Supreme Court decision that the legislative veto procedure was unconstitutional, I had opposed the procedure on the basis that it attempted to short cut the constitutionally mandated requirements for adoption or repeal of a law. I have the same concerns about the Gramm-Rudman approach, though these concerns are greater because Gramm-Rudman strikes at the core power of Congress: the power of the purse.

I urge that we not hide behind this procedural and constitutionally questionable proposal.

Sincerely,

PETER W. RODINO, JR.,
Chairman.

HARVARD UNIVERSITY LAW SCHOOL,
Cambridge, MA, October 22, 1985.

Hon. MIKE SYNAR,
U.S. House of Representatives, House Rayburn Office Building, Washington, DC.

DEAR CONGRESSMAN SYNAR: In accord with our conversation of Friday, October 18, I have examined the Gramm-Rudman deficit reduction proposal (H.J. Res. 372) with an eye to its constitutional validity. My conclusion is that it has several serious infirmities that merit the closest attention.

To begin with, by requiring the White House to submit annual budgets that comply with a predetermined deficit reduction schedule, the proposal quite directly and obviously infringes the President's explicit constitutional power to draft and to recommend legislation "as he shall judge necessary and expedient." U.S. Const. Art. II, Sec. 3.

While thus denying the presidency a power specifically reserved to that office by the Constitution, Gramm-Rudman simultaneously appears to grant the executive branch a legislative power that is the province of Congress alone. The proposal requires the President to bring future federal budgets into line with the deficit reduction schedule by reducing or eliminating cost-of-living-allowances and similar automatic spending increases previously enacted in entitlement programs. The President must "suspend" such "automatic increases" and "sequester" certain appropriated funds; the bottom line of Gramm-Rudman is to bestow upon the executive the unilateral power to "extinguish[]" forever whatever "legal rights" any recipient had to the increased payments.

Although the Supreme Court has long held that an individual has no constitutional right to forestall legislative repeal of government benefits (see, e.g., *Flemming* v. *Nestor*, 363 U.S. 603, 611 (1960)), these statutory entitlements can be withdrawn only by Congress. For, as the Reagan Administration urged and the Burger Court held in its 1983 legislative veto decision, acts that have "the purpose and effect of altering the legal rights . . . of persons . . . outside the legislative branch" are inherently "legislative" in nature. *INS* v. *Chadha*, 462 U.S. 919, 952 (1983).

Those who drafted Gramm-Rudman are fully aware of the extent to which the bill transfers legislative power from Capitol Hill to the Oval Office. In seeking to compensate for this dubious delegation, the proposal's supporters have compounded its constitutional infirmities. The resolution provides that presidential fiscal policy is to fit within a framework defined by the revenue projections, deficit calculations and economic forecasts jointly produced by the Director of the Congressional Budget Office and the Director of the President's own Office of Management and Budget. Thus a legislative officer—the Director of the CBO—plays an important part in making the unavoidably discretionary decisions that suspend operation of the entire law during recessions, and that trigger presidential action to slash entitlements and impound funds so as to comply with the deficit ceilings.

Giving such executive duties to a legislative officer is almost certainly unconstitutional. The Supreme Court unanimously ruled nearly a decade ago that, although Congress may designate its own agents to assist in the investigative tasks that support the lawmaking function, no-one who exercises power as an officer of the United States may be appointed by the legislative branch. *Buckley* v. *Valeo*, 424 U.S. 1 (1976) (per curiam). For the Court, the Constitution's Appointments Clause is no mere matter of "etiquette or protocol," but a vital structural check upon the power of Congress. *Id.* at 125.

Every lawmaker's oath to uphold the Constitution imposes a duty to consider the constitutionality of Gramm-Rudman before voting on it. *See* U.S. Const., Art. VI. But taking this obligation seriously does not entitle Congress to hide behind the hope that the courts might either avoid the issue, or, at the other extreme, might take upon themselves the heat for restructuring Congress's solution in a constitutional way. Thus Congress cannot responsibly enact Gramm-Rudman without expressly providing for an immediate judicial test of the bill's validity, through a civil suit brought by affected Members of Congress, and without directing the courts to strike the measure down in its entirety—rather than attempting to sever its void portions and save or recast the rest—if the CBO provision, or any other key part of the bill, is held invalid.

Yours truly,

LAURENCE H. TRIBE,
Tyler Professor of Constitutional Law.

Mr. BUSTAMANTE. Mr. Speaker, today is All Saints Day. And on this special day, we will take action on that sacred beast call the Gramm-Rudman amendment.

We must remember that it is an "amendment," passed through the Senate without any hearings. It is the height of irresponsibility to consider such a drastic deficit reduction measure without the benefit of hearings and without some indication of its overall economic impact. I don't believe there is any Member of Congress who can even specify what percentage of the budget will be subject to these cuts.

I continue to be concerned about the human aspect of the reductions proposed in Gramm-Rudman. The Democratic alternative attempts to achieve parity on spending cuts among all programs but takes into consideration the special circumstances of the less fortunate in our society. Gramm-Rudman ignores those needs. At the same time, the Democratic alternative is a flexible mechanism which allows for greater reductions in the best of economic times and adjusted deficit targets in the worst of times.

The Democratic alternative initiates the deficit reduction now—this fiscal year. It does not postpone the process to see the election day returns.

Deficit reduction is an issue of national concern. That we all agree on. Members on other side of the aisle have asked us to show some political courage. Well, I ask them to show some courage by making the cuts now. Let us all demonstrate our collective will by beginning the deficit reduction process this year—not a year from now or 2 years from now when we "saints" are all safely in our seats.

Mr. RANGEL. Mr. Speaker, the U.S. Congress has always prided itself on approaching every issue brought before it in a thorough and comprehensive manner. Our rules of debate assure us that the American people's interests receive full consideration.

Keeping this in mind, it is evident that the Reagan administration would like to push through the Gramm-Rudman deficit reduction package without a thorough debate in Congress. This is obvious when one realizes that the bill was rammed through the other body with little or no in-

depth scrutiny. The President was given sweeping powers to cut funding for social programs without the advice and consent of Congress. In effect, the executive branch was given the power of the purse.

It has been left up to the House of Representatives to look at what Gramm-Rudman actually means. We have the duty to look at each provision to see how the poor are affected, how much of the pie Defense contractors will get, and what kind of tax loopholes will be available to the rich. We have, Mr. Speaker, a duty to tell the American people how serious this bill really is.

I hope my colleagues will be courageous enough to stand up to the administration, and to seriously question Gramm-Rudman. I would like to submit the following article for inclusion in the CONGRESSIONAL RECORD.

The article follows:

[From the Washington Post, Oct. 13, 1985]

SAVE US FROM THE SENATE'S STAMPEDE

(By Haynes Johnson)

One day, in the year before his death, Hubert H. Humphrey escorted me into his small, private Senate hideaway in the Capitol, closed the door and began a tape-recorded conversation that lasted several hours. The purpose was not social; I was gathering material for a book about the politics of Washington and the workings of government during the Carter years, and the former vice president was a prime source of information.

He was, of course, a great student—and practitioner—of government. When I asked what had been the greatest change since he came to the Congress, he instantly replied:

"Up until the time of Woodrow Wilson, with the exception of Teddy Roosevelt, we had congressional government. Congress was the predominating influence. That changed. The president became the predominating influence. Now Congress has asserted itself again. I can't overemphasize the importance of this. Congress is no longer afraid of the executive—particularly when you look at things like the budget. I've heard dozens of people up here say, 'Well, I know that Carter's got that in his budget, but what's our budget say?'

"And I'll tell you something I hear people say now that you never heard before: 'I've seen them come and go, and I'm still here.' They're talking about presidents, you know. I've run through seven of them myself."

With that 1977 conversation in mind, I keep wondering how Humphrey would have reacted to the shameful political charade played out last week in Washington, by the very body of legislators that he so loved, the Senate. No one can know for sure, but my bet is he would have been saddened—and outraged.

The overwhelming vote by the Senate to require a balanced budget by 1991 is more than abdication of responsibility and a sign of political failure on its part. It is a blank check for the president, signaling a dramatic reversal in the shift of powers back to the presidency from the Congress, a shift in the opposite direction from that hailed by Humphrey.

It's also a riveting example of the failure—abject capitulation is a better term—of the Democratic Party to offer a reasoned, responsible political alternative to the Reagan presidency and its tilted budget priorities that to a large extent got us into the present deficit debacle. They allowed themselves to be stampeded, and they ran.

As Sen. Bill Bradley (D-NJ), one of the most thoughtful of the Democrats, put it last week in an article in The Washington Post, "this legislation shows Congress at its worst." I believe Bradley's words, written on the eve of the vote, will stand out admirably after all the ducking and political posturing of last week have been forgotten.

"Instead of once again grappling on a bipartisan basis with the tough decisions, particularly on taxes," he said, "Congress appears poised in a moment of irrationality and timidity to give Ronald Reagan the sole power to reorder the priorities of the national government. It will be an action that we will all live to regret."

Behind this action lies a more significant political development: the ratification, if you will, of the Senate's willingness to place its powers and authority in the hands of the president because it lacks the will to act. By this action, Reagan has won. Much of the political history of relations between Congress and president that people such as Humphrey cited as important will have to be rewritten. It's quite recent history, too.

During the Vietnam-Watergate years, concern centered on the "imperial presidency" and the growing accumulation of power in the hands of the chief executive. Fears were expressed that a supine, deferential Congress was becoming a rubber stamp for the White House. But those also were the years in which Congress fought—and won—a battle to regain its lost powers.

The fight took two forms. In both foreign and domestic affairs Congress fought to limit the power of the president to act without its consent. In foreign affairs, congressional enactment of a War Powers Resolution in 1973 directly checked the president's power to act alone in involving the United States in armed conflicts. It was the result of congressional determination to avoid further Vietnams. In domestic affairs, the establishment in 1974 of Congress's own budget office gave the legislators greater power over the purse. Until then, Congress had been a hostage of executive departmental proposals that shaped the federal budget. Through its own budget office, gathering its own information, Congress sought and did regain much of its authority over the dispensing of federal funds.

As House Speaker Thomas P. (Tip) O'Neill (D-Mass.) expressed the importance of that shift to me, during an interview several years ago in which he passionately pounded on his desk to make even stronger his point:

The change in Congress had come. We had recaptured our powers to the extent that we were almost an equal voice. The press didn't read it. Jimmy Carter didn't read it. They didn't appreciate the power and the strength of the Congress of the United States. Jimmy Carter thought he was going to be another president with the powers of a Nixon or a Kennedy or a Johnson, and he didn't have 'em when he arrived here."

It is now left to O'Neill and other members of the House to save the Senate and the country from the damage that threatens to be done.

Mr. ROYBAL. Mr. Speaker, as chairman of the House Select Committee on Aging, I want to rise to express my strong support for this measure to prevent any further disinvestment of the Social Security Trust Funds.

Already, the Treasury Department has made its first invasion into the trust funds and broken the trust placed by 30 million elderly. Now is the time to put a stop to this invasion and to show America's elderly that the Social Security Trust Fund is sacred.

Further, this measure would give the Senate sufficient opportunity to properly consider the House's more reasonable and considered approach to balancing the Federal budget.

Mr. GROTBERG. Mr. Speaker, it's time for this body to ask itself a very simple, but critical question: Is it our intent to buckle down and adopt a real plan to reduce the Federal deficit, or are we going to continue to play games, hold up mirrors, blow smoke and then announce to the world that lo and behold we have solved the most crucial problem facing this country?

The latter, Mr. Speaker, could just as easily be summed up in three words: The Rostenkowski amendment.

Where I come from we put up buildings with labor, steel and concrete. We don't line up engineers and laborers only to have them sit around waiting for building materials that never come.

The Rostenkowski amendment strips away the basic building materials we need to eliminate the Federal deficit. It exempts another $93 billion in programs from the sequestering process, requiring heavier cutbacks in other programs such as Amtrak, student loans, overseas private investment corporation, Export-Import Bank, agriculture credit insurance, rural electrification administration loans, veteran loan guarantees, Small Business Administration Programs, Synfuels, maritime subsidies, health professions training, farm price supports and soil conservation.

We can't from one side of our mouths say we are making a meaningful attempt to cut the deficit, and then out of the other side say we are exempting more than 50 percent of the budget from the deficit-cutting effort.

That's what the Rostenkowski amendment does. It exempts itself right out of its very purpose, reducing the Federal deficit.

Further, Mr. Speaker, it is by design set up to fail by establishing a completely unrealistic deficit goal of $161 billion in fiscal 1986, which does nothing more than set the table for substantial tax increases, or, for entirely abandoning the deficit cutting process within the next year.

The kicker is that we all know this amendment is going to be rejected by the other Chamber and the White House, which will leave us in a crisis situation requiring an additional, temporary extension of the debt ceiling or the disinvestment of Social Security.

The Rostenkowski amendment is painted on a backdrop of holding this country's elderly population hostage and I for one am not willing to sit back and have Social Security tampered with for the purpose of advancing a deficit-cutting proposal that on its face is designed to fail.

As I said, Mr. Speaker, the Rostenkowski amendment is held up by smoke and mirrors. Maybe when the smoke clears the majority party can look into the mirror and ask itself whether it wants to play politics and raise taxes, or whether it wants to construct a realistic program to finally reduce the bloated Federal deficit.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. DUNCAN] has 4½ minutes remaining and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 2 minutes remaining.

The Chair recognizes the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I yield the remaining time to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. Mr. Speaker, I would like to remind my colleagues first of all that Gramm-Rudman-Hollings-Mack proposal is a bipartisan proposal that passed the Senate by a vote of 75 to 24, and it included some votes for it from HOLLINGS in the Democratic Party to KENNEDY. We need to remember that.

When this whole matter started out here in the House on October 11, our distinguished minority leader, the gentleman from Illinois [Mr. MICHEL] did not come down here and say "Take it whole hog or else." He said go to conference and see if we can work together on this thing and come back with a package that answers some of our questions, and, if we can't do it in a bipartisan way here in the House.

So we went to the conference, and it started off, I thought pretty well; in my task force we were working in a bipartisan way; we were making some progress. We worked with the gentleman from California [Mr. BEILENSON], we worked with the gentleman from Texas [Mr. FROST]. In my task force, I will guarantee you, we made a lot of progress, and we were about 95 percent together.

I think some of the other task forces were making progress, but then something happened. The earth moved. Everything shifted, and it became evident we could not get a bipartisan agreement. It collapsed.

I hesitate to call this the Rostenkowski package; I know that he probably is not even comfortable with it. I do not know what to call it, but I know this: Our effort to find a bipartisan agreement fell apart over the last 2 to 3 days.

I think maybe that the first vote we had today tells the truth of the whole matter. Take a look at it: A majority of the Democrats, 131 to 116, in voting the way they did on the motion to recede, said they were for no package.

The truth of the matter is the majority on this side really wants this whole issue to just go away and "Let's forget about it. We don't want another process that will try to make us live within our means." That is the truth of what is involved here, and there is the vote.

Now this program does begin in 1986, to the tune of 171.9. All we are saying is, let us live within our means of what we have already agreed to do. That is all we are asking. We are not going to do that.

The experts on budget will tell you we are going to be $20 or $30 billion above that. That is part of the problem with this whole effort here today, the package we are considering is a package for no process. No process.

The mechanisms that are included here are not intended to work. No. 1, it is set up whereby we take out OMB, realizing there will be a constitutional challenge on just CBO being involved, and if that is stricken out because of the nonseverability clause, the whole process goes down.

So the hope is, we will destroy the whole process under this package because of the constitutional question. I think a lot of people would have to admit that. Also, it is front-end loaded. The idea is, let us go so deep in this first year that there is no chance of doing it, and we will chunk this whole thing within the next 6 or 7 months.

So it is set up not to work. We have this list of exemptions, I guess. As far as knowing what is in your package, there is our package; where is yours? I asked last night that the gentleman from Illinois [Mr. ROSTENKOWSKI] let us at least see it.

We have not seen it. Come on, now. You were moving your package right up until the last minute; here is your little list of exemptions.

Let me give just a few examples of what programs are not in the exemptions: Head Start. Now, the gentleman from New York [Mr. RANGEL] would want Head Start to be exempted, I think. What about cancer research? we do not exempt cancer research. Housing? Agriculture, defense, education, trade adjustment assistance—I mean, where does it stop?

Yes, I have my programs I would like to have exempted. You have your programs. We could get together and we would exempt defense, we would exempt agriculture, we would exempt veterans, we would exempt every thing—we are right back in the same dang pot we have been in. We cannot exempt anything.

That is the high moral ground. The gentleman from Texas [Mr. LEATH] is right; we should not exempt anything, but remember this: We are not voting to cut one program, we are not voting here to cut one single program. We are just voting to set up a process, to try to make us move toward a deficit reduction plan. That is all we are asking.

If we have the courage to cast the tough vote, if we will agree on our priorities, if we will do the job, the trigger will never kick in; and in the other package here, the trigger, it is fallacious; it would never be pulled.

We have got to have a trigger, and it has got to be so bad that we will do our job rather than have our head blown off by this trigger.

□ 1350

That is exactly what we are trying to do. I am serious. I know a lot of others on both sides of the aisle are serious. I believe we will come up with something eventually. But just think about where we are right now. If we pass this package, what is going to happen? It is going to go over to the Senate, and, by a bipartisan vote, they are going to say, "No, thanks." They are going to put our package, which they can accept, on it and send it back, and then we will have nothing, and Social Security will be disinvested, and our package is the same as yours on Social Security.

Let us vote against this package, and vote for the one that will get the job done.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. LUNDINE].

Mr. LUNDINE. Mr. Speaker, I rise in support of the Rostenkowski alternative.

I strongly believe in fiscal responsibility and discipline. In fact, during the Carter years, I voted against more than half of the budget resolutions because they did not go far enough to reduce the deficit—deficits as low as $29 billion. Five years later, we have more than doubled the size of the national debt, adding $211.9 billion in fiscal year 1985 alone.

These megadeficits are totally irresponsible and unsustainable. The budget deficit is driving up the value of the dollar as we borrow more and more foreign capital to finance our debt. We are losing jobs and mortgaging the future of our children so that we may enjoy tax cuts and a booming consumer economy today.

Normally, I vote for debt ceiling legislation as a matter of course, treating it as a housekeeping measure. It has always seemed clear to me that it is irresponsible not to vote to pay for debt resulting from decisions and commitments already made. Nevertheless, given the fiscal catastrophe facing us, the idea of linking a plan to bring the budget into balance to debt ceiling legislation has some validity and I am prepared to support this concept.

I think we can bring the budget into balance in 5 years. Having definite goals for accomplishing this is necessary and I support the enactment of an automatic mechansim which will cut spending if the Congress and the President remain stalemated and are unable to agree under the regular budget process.

However, on the points of difference between the House and Senate on the provisions of this mechanism, it strikes me that the other body is being stubborn and un-

compromising. They have refused to take separate votes on issues that divide us in order to protect their members from accountability. The have failed to yield on at least five points of extreme importance.

First, the other body's provisions shield their members from making any of the tough choices until after the 1986 election. Surely, if continuing megadeficits are an urgent priority, one for which we risk closing down the Federal Government, then it is equally urgent that the process begin now—not after the 1986 election. I believe we should at least set a target equal to that agreed to in the fiscal year 1986 budget resolution and I am prepared to go $10 billion below that level beginning this year.

Second, the question of what program should be exempt from automatic spending cuts remains unresolved. One might question why any program why any program should be exempt. However, if they are, it is clear to me that those expenditures for programs that go to help the very poorest people—about 5 percent of the budget—must be on this exempt list in addition to Social Security.

Third, the other body is arguing that larger portions of the defense budget be shielded from automatic spending cuts, while a larger portion of the Medicare Program be put on the table. This arguments reflects an indefensible set of priorities in my view.

Fourth, the current provisions jeopardize our ability to flight a recession. Enacting a mechanism which would require deficit targets and automatic spending cuts in time of recession is irresponsible economic policy. Tying the hand of Government during a recession would not only prolong the economic misery, but would put the very possibility of recovery in question. The mechanism we adopt must permit flexibility to allow greater cuts in times when the economy is healthy and less drastic austerity when it is not.

Finally, the question of who makes the determination of whether we are meeting the goals—the Congressional Budget Office [CBO] or the Office of Management and Budget [OMB]—must be resolved. While this is not a matter of great importance to me, it does seem to me that over the years CBO has acted on a nonpartisan basis and has proven quite accurate in their projections. On the other hand, OMB, during both the Carter and Reagan administrations, has been blatantly political. In my view, the trigger should be set objectively not by an agency serving one of the parties in the dispute. For these reasons, I support the House positions on these questions.

We are in a time of real emergency in our fiscal affairs. During such times, it is generally necessary to put aside partisan interests. However, I am tired of hearing Congress being blamed time and time again. President Reagan has failed to provide the strong leadership necessary to steer a responsible fiscal course. Instead, the passage of his sweeping tax cuts and unprecedented increases in spending for the military have brought us to this point. The President has yet to submit a balanced budget for our consideration. At the same time, 32 out of 35 appropriations bills passed by Congress have come in under his recommended spending level.

I am not suggesting that Congress is blameless. It is time for all parties to stop the stubborn insistence on their own priorities. In this regard, I have been willing in the past to show where cuts can be made in programs like rural housing that are of great importance to me and to my district. Every part of the budget must be scrutinized if we are to reach the goal of a balanced budget.

My greatest fear is that in the polarization of interests between the advocates of defense and the defenders of the poor, programs that assure a better future for our Nation and a rising standard of living for our children will be sacrificed. Our support for education, for science and technology, and for economic development must be continued. Support for these programs is an investment in our future and the future of our children.

We must not underestimate the challenge before us. Reducing the deficit will require difficult and painful choices. However, failure to make the decisions today, will undermine the Nation's health and wellbeing for years to come. We must not delay action on the deficit any longer.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. DE LA GARZA], the chairman of the Committee on Agriculture.

Mr. DE LA GARZA. Mr. Speaker, I rise in support of this amendment.

Mr. Speaker, for all my colleagues to have an opportunity to study for any further action on this legislation as it relates to agriculture. I submit the following as a possible revision of the portion of H.J. Res. 372 (section 3(q) relating to the Commodity Credit Corporation:

In summary, the proposed revision of subsection (q) will—

(1) incorporate the three provisions of the Senate amendment that—

(a) make all Commodity Credit Corporation (CCC) contracts that apply to a particular crop of a commodity subject to the same terms and conditions;

(b) clarify that noncontract support programs of the CCC are subject to reductions; and

(c) ensure that reductions among CCC programs use an equal percentage rate of reduction.

(The proposed revision does not include the clause in the Senate amendment providing that each CCC contract to which subsection (q) applies must explicitly provide for a reduction for the entire contractual period. This clause appears to be surplus language, and, if included, could have a perhaps unintended adverse effect on multiyear CCC contracts, such as those involved in multiyear set-asides and multiyear milk diversion agreements.);

(2) add a new provision that incorporates the Boren legislative history, to permit reductions in outlays under CCC programs to be achieved in the fiscal year following a fiscal year to which a sequestration order applies;

(3) in connection with the new provision described in item (2) above, provide no other account or program will have to bear an increased reduction for the fiscal year to which an order applies as a result of the operation of a delay in achieving outlay reductions in a particular CCC program;

(4) add new provisions that provide guidelines for the implementation of reductions in CCC price support and income protection progams, designed to ensure that such reductions are made in a way so as to minimize any distortions in agricultural production and marketing practices;

(5) add a new provision that clarifies that agricultural commodity programs that are subject to a reduction under a sequestration order for a fiscal year as a "controllable expenditure", will not be subject, as well, to modification or suspension under such order as an "automatic spending increase"; and

(6) add new provisions to protect the powers and authority of the CCC from unintended restrictions under a sequestration order, including clarification that any sequestration order would not affect CCC's borrowing power nor limit or reduce any supplemental appropriation that provides the CCC with budget authority to cover net realized losses.

The wording of the revision would read as follows:

(q) COMMODITY CREDIT CORPORATION.—

(1) REDUCTION IN PAYMENTS MADE UNDER CONTRACTS.—

(A) Subject to subparagraph (B), after an order is issued under section 252 for a fiscal year, any payments made by the Commodity Credit Corporation—

(i) under the terms of any contract entered into in such fiscal year and after the issuance of the order; and

(ii) out of an entitlement account, to any person (including any producer, lender or guarantee entity) shall be deemed to be a controllable expenditure and shall be subject to reduction under the order.

(B) Each contract of the type described in subparagraph (A) entered into with producers or producer cooperatives with respect to a particular crop of a commodity shall be subject to the same terms and conditions. If some, but not all, contracts applicable to a crop of a commodity have been entered into prior to the issuance of an order, the order shall provide that the necessary reduction in payments under contracts applicable to the commodity be uniformly applied to all contracts for the next succeeding crop of the commodity, under the authority provided in paragraph (2).

(2) DELAYED REDUCTION IN OUTLAYS PERMISSIBLE.—Notwithstanding any other provision of this Act, if a sequestration order is issued with respect to a fiscal year, any reduction under the order applicable to contracts described in paragraph (1) may provide for reductions in outlays for the account involved to occur in the fiscal year following the fiscal year to which the order applies. However, no other account, nor other program, project, or activity, shall bear an increased reduction for the fiscal year to which the order applies as a result of the operation of the preceding sentence.

(3) REDUCTION IN NONCONTRACTUAL PRICE SUPPORT PROGRAMS.—Price support provided for an agricultural commodity through the Commodity Credit Corporation by a method other than a payment of the type described in paragraph (1) shall be deemed to be a controllable expenditure, and with respect to a fiscal year for which an order is issued

under section 252, such price support shall be subject to reduction under the order.

(4) UNIFORM PERCENTAGE RATE OF REDUCTION AND OTHER LIMITATIONS.—All reductions described in paragraphs (1) and (3) required to be made in connection with an order issued under section 252 with respect to a fiscal year—

(A) shall be made so as to ensure that outlays for each account, or program, project, or activity, involved are reduced by a percentage rate that is uniform for all such accounts, programs, projects, and activities, and may not be made so as to achieve a percentage rate of reduction in any such item exceeding the rate specified in the order; and

(B) with respect to commodity price support and income protection programs, shall be made in a manner and under such procedures that ensure that—

(i) uncertainty as to the scope of benefits under any such program is minimized;

(ii) any instability in market prices for agricultural commodities resulting from the reduction is minimized; and

(iii) normal production and marketing relationships among agricultural commodities are not distorted.

In meeting the criterion set out in clause (iii) of subparagraph (B) of the preceding sentence, the President shall take into consideration that reductions under an order may apply to programs for two or more agricultural commodities that use the same type of production or marketing resources or that are alternative commodities among which a producer could choose in making annual production decisions.

(5) NO DOUBLE REDUCTION.—No agricultural price support or income protection program that is subject to reduction under a sequester order for a fiscal year as a controllable expenditure under this subsection may be subject, as well, to modification or suspension under such order as an automatic spending increase.

(6) POWERS AND AUTHORITIES OF THE COMMODITY CREDIT CORPORATION.—Nothing in this Act shall restrict the use by the Commodity Credit Corporation of its authorities, and the discharge by the Corporation of its responsibilities, in achieving the purposes for which the Corporation was created, including—

(A) its authority and responsibility to buy and sell commodities in world trade;

(B) its borrowing authority;

(C) its authority and responsibility to use the proceeds of transactions as a revolving fund to meet its obligations; or

(D) its authorities and responsibilities otherwise to operate as a corporation.

Further, nothing in this Act shall limit or reduce, in any way, any appropriation Act that provides the Commodity Credit Corporation with budget authority to cover the Corporation's net realized losses.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, I rise in support of the Rostenkowski amendment.

I believe that the vote we will soon take on the Gramm-Rudman proposal will be a watershed event in the history of this institution and Nation.

We are about to fundamentally alter the way in which spending decisions are made in the Federal Government, and in so doing we embark on a cruise into uncharted and dangerous waters. Gramm-Rudman, in some form, is coming, and the relationship between the executive and legislative branches will never be the same.

I served on the conference committee on Gramm-Rudman. I wish every Member of this House could have had that experience, I think that is the only way to begin to understand the radical departure we are being asked to make. In the roughly 2½ weeks the conference lasted, we subjected Gramm-Rudman to its first hearings—a reversal of the normal legislative process that tells you a lot about the form in which this proposal was received. Those sessions clearly demonstrated that precise drafting was not the hallmark of Gramm-Rudman. Quite simply, no one knew how it was supposed to work. The hours that House conferees subsequently spent in task forces trying to make sense out of Gramm-Rudman revealed that the questions raised by a close examination of this proposal were of mind-numbing complexity. These questions, some constitutional, some procedural, and some mechanical, are not matters to be resolved in 3 weeks. But that was our mandate, because of the absolute necessity that the debt ceiling be raised, and the unwillingness of Gramm-Rudman's proponents to consider doing it in any other way.

Your conferees were instructed by this body to bring back to the House a system by which deficits would be reduced automatically. Many of us have serious reservations about the wisdom of substituting an automatic pilot for independent judgment on spending priorities and decisions, and yet that substitution is the foundation of Gramm-Rudman. The Democratic proposal we offer today takes the automatic pilot feature of Gramm-Rudman and modifies it to do four things:

First, take effect this year, so that the American people can judge for themselves whether program decimination is the only way they want the deficit to be reduced;

Second, insure that the constitutional issues raised by Gramm-Rudman's sequestration system can receive expeditious judicial consideration with the knowledge that if an element of it were found unconstitutional, the whole process would be invalidated;

Third, guarantee that the Congressional Budget Office would be responsible for the reparation of the economic estimates and reports used to measure our compliance with the deficit targets, thereby retaining some meaningful role for Congress in the sequestration triggering process; and

Fourth, exempt some programs which serve exclusively low-income people from sequestration. The simple fact is, that those programs have borne the brunt of the deficit reduction efforts of the last 4 years. They will undoubtedly bear the brunt of similar congressionally-initiated budget control efforts in the future. To hold them open to sequestration on top of that, ignores the fact that these programs provide basic services to people who have no alternatives. I make no apologies about wanting to exempt food stamps and AFDC, SSI, Child Nutrition and similar programs from sequestration. I thought they comprised the safety net our president used to so warmly embrace, and so movingly promise to maintain. We can not preserve all of the safety net today. But let it be clearly understood that whatever is preserved is the result of the actions of Democrats, and not the advocates of Gramm-Rudman.

Those four elements, it seems to me are the minimum necessary to inject some degree of rationality into the Gramm-Rudman process.

Mr. Speaker, in my opinion the adoption of the Gramm-Rudman concept will be an action this Congress will come to deeply regret. I know we are going to get Gramm-Rudman in some form. Under those circumstances, I am going to vote for the Rostenkowski alternative. Of the two, it better protects the interests of this institution and the interests of the majority of those we represent. I only hope that the advent of the Gramm-Rudman automatic pilot system for making spending decisions will hasten the day when all of us; Congress, the President, and the American people, will take a more honest view of the causes of our deficit problems, and what needs to be done to solve them.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. DINGELL], chairman of the Committee on Energy and Commerce.

Mr. DINGELL. Mr. Speaker, I rise today in support of the Rostenkowski proposal and in opposition to the Gramm-Rudman proposal, whether it is the version as passed by the other body or that version refined by the White House and our colleagues on the other side of the aisle.

Whatever the form, Gramm-Rudman is the most extensive giveaway of congressional authority in American history. We, as Members of Congress, should remember that if we are to retain the power to legislate we cannot allow this power to be diluted. James Madison, in Federalist 58, stated that the power of the purse represents "the most complete and effectual weapon with which any Constitution can arm the immediate representatives of the people." Make no mistake about it, Gramm-Rudman would dilute the Congress' power over the purse.

Not only is Gramm-Rudman flawed constitutionally, the basic premise is irrational in other ways. Gramm-Rudman ignores 20th century economic reality. We have spent the past 50 years in this country trying to build mechanisms into our Government that will stabilize the economy in times of crises. Our people have endured painful experience in order for our Government to learn the difficult lessons of economic stabilizations. Gramm-Rudman throws all of this out of the window.

Gramm-Rudman has no realistic provision to deal with recessions, regardless of the fact that they may or may not have been predicted. Gramm-Rudman could ac-

tually trigger a recession or push a mild recession into a deeper recession.

Gramm-Rudman also promotes Government inefficiency. Because of its mechanistic approach, it is difficult to achieve savings without irrational results. Gramm-Rudman requires across-the-board reductions which means that the more one cuts, the more expensive Government becomes on a per unit procurement basis. Because no one program can be totally eliminated, reduced resources must be stretched to cover all existing programs, ensuring that no service is performed at a very satisfactory level. In addition, some programs will be cut to the point that they no longer perform the function for which they were designed. But these programs will continue to siphon off much needed funding from programs that could remain viable.

The list of winners under Gramm-Rudman is very short. The list of losers is very long. That list of losers includes practically every segment of American society. It means that kids who need immunizations will not get them. It means that poor women who need prenatal care will not get it. It means that the farm crisis will only get worse. It means, in short, that Government no longer really protects those who are unable to protect themselves. It also means we are going to have less money to inspect nuclear powerplants, to provide air traffic controller services, to provide testing by the Food and Drug Administration, to maintain highway safety, to operate the Coast Guard and for a multitude of other services to which most of us in this country have become accustomed.

Gramm-Rudman could result in arbitrary and destructive cuts in vital defense programs. While the purchase of many large weapon systems may be protected by multiyear contracts, funding for operations and maintenance could be severely impacted. This could result in lessened battle readiness for our troops.

Gramm-Rudman also means arbitrary and destructive cuts in programs for the aged, for the young, for the sick, and for those less fortunate in our society. The Democratic alternative would protect food stamps, supplemental security income [SSI], aid to families with dependent children [AFDC], child nutrition programs, the Women, Infants, and Children [WIC] Program, and the Commodity Supplemental Food Program.

Gramm-Rudman would make arbitrary and destructive cuts in programs that ensure the health of all our citizens. The Democratic alternative would protect National Institutes of Health funded research into cancer, aids, heart disease, strokes and other great killers, and community health centers, as well as health programs for migrant workers.

Gramm-Rudman would cut COLA's for veterans. The Democratic alternative would protect veterans' pensions.

Gramm-Rudman would destroy the legislative process as we have known it for the past 40 years. It adds a fourth layer to an already crowded budget cycle. Not only would the legislative committees authorize, the Appropriations Committees appropriate, and the Budget Committees prepare budget resolutions during the first 9 months of the year, but the Congress would be required to redo the whole thing in an omnibus reconciliation bill at the end of the year.

Congress, of course, could allow a Presidential sequestration order to stand rather than try to challenge it, as it is unlikely that a measure varying greatly from the Presidential order will be signed. A Presidential veto then becomes even more powerful because any President supported by one-third plus one Member of either body could control the budget. Gramm-Rudman could not be repealed even though a majority of both Houses thought it was disastrous, unless the President agreed or both Houses could get two-thirds to override his veto.

Gramm-Rudman is a disaster for the legislative process. It severely distorts the check and balance system in our Constitution. It would make Government less efficient and it could lead to a recession.

The Democratic alternative, perhaps, is not a perfect vehicle, but it would protect many of those in our country who are not able to protect themselves. It attempts to deal with the complexities of our economy. It reserves to Congress better control over the legislative process. It would allow an expedited review of all the constitutional issues. And, while not perfect, this Democratic alternative deserves our support and I would urge you to vote for it.

Gramm-Rudman is not the answer to the deficit problem we face in America today. It is a political gimmick. It should be defeated.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. ANDREWS].

Mr. ANDREWS. Mr. Speaker, I rise in favor of the Rostenkowski amendment.

Today we face a difficult but necessary decision on the future of our country. We must decide how we will cut the crippling Federal budget deficits that threaten the future security of our Nation. Beyond the rhetoric, beyond all personal interests, beyond the recriminations and fingerpointing, we need to resolve this crisis. In 4 years, the annual deficit has grown from $59 billion to $220 billion and we are faced with a national debt of over $2 trillion. This is a debt that has doubled in only four short years.

These deficits present us with many problems, the worst being their invisibility. You cannot point to a deficit; you can, however, show how it hurts all Americans. These deficits raise interest rates, making it hard for our economy to grow and for our people to export the products of their labor. That translates into Americans out of work and families short of the necessities of life. A young family cannot afford to buy a home, a blue collar worker loses his job and a senior citizen sees his savings erode. These deficits raise our national debt which mortgages the future of our children and grandchildren. These symptoms of the Federal deficit are cruel and insidious. But we cannot attack the symptoms; we must cure the disease. We must balance the Federal budget and bring these deficits down.

This budget crisis has been my number one priority since my election, as it has been for other members of Congress who know the deficit's effects on jobs, trade, interest rates and the economy as a whole. Last fall, I cosponsored a balanced budget plan that would have required the President and the Congress to submit a balanced budget before the start of the next fiscal year. That plan did not pass, as we all know. Now we must decide again. We have before us two tools to cut the budget. Let us choose wisely.

Last week I voted to send House conferees to the House-Senate conference to work out a bipartisan balanced budget plan we can all support. I strongly support the concept of a strictly timed, strictly enforceable mandatory program of deficit reduction which holds Congress to deficit targets every year until the budget is balanced. We have gone too long talking about deficit reduction without acting. Only bipartisan action, only tough, hard decisions about specific cuts in specific programs are going to get us to a balanced budget. The Gramm-Rudman approach promises to make the tough decisions easier and thus deficit reduction more likely.

The Rostenkowski alternative to the Gramm-Rudman plan before us today is not perfect. There can be no perfect, or comfortable, way to do what we are trying to here today. But the Rostenkowski alternative considerably improves Gramm-Rudman, addressing some important shortcomings that have come to light over the past several weeks. If the other body rejects this alternative, let us hope it will act in a bipartisan way to contribute to a sound, responsible resolution of this debate.

No. 1: The Rostenkowski alternative would begin the process of deficit reduction now instead of next year by requiring Congress to cut the deficit to $161 billion in fiscal year 1986. Gramm-Rudman sets a target of $180 billion for this fiscal year a figure which requires no more cuts than Congress has already made this year. There is absolutely no reason to wait, especially now at a time when our economy can absorb these levels of cuts. Further, if our economic projections for fiscal year 1987 turn out to be too optimistic, we will be faced with very severe cuts next year that will be very painful.

No. 2: The Rostenkowski alternative provides flexibility in the deficit reduction targets in the event of an economic downturn. Our objective here is to preserve the long-term economic health of our Nation. To ignore the devastating effects of deep budget cuts during recessionary periods would be to ignore the objective of our budget-cutting efforts.

No. 3: The Rostenkowski alternative provides specified and detailed guidelines to the President in his administration of

spending cuts in the event of a sequestration order. Gramm-Rudman allows the President an unprecedented amount of latitude to pick and choose the cuts he wants to make.

No. 4: The Rostenkowski alternative would ensure that the nonpartisan Congressional Budget Office is the institution, not the executive branch's Office of Management and Budget, which issues the critical report projecting economic growth for the coming fiscal year, projected levels of spending, revenues and deficits as a result of congressional action.

No. 5: The Rostenkowski alternative provides for expedited judicial review of constitutional questions regarding the automatic deficit reduction process. I believe that review is absolutely critical. We cannot, even in the name of deficit reduction, run roughshod over the Constitution.

Mr. Speaker, I am gratified to see the House voting on this piece of legislation today. I urge my colleagues to support the Rostenkowski alternative to Gramm-Rudman.

Mr. STOKES. Mr. Speaker, I reluctantly rise to vote in favor of the Rostenkowski plan, the Democratic alternative to the Gramm-Rudman Balanced Budget and Emergency Deficit Control Act amendment to House Joint Resolution 372, the debt limit increase. Although I am not pleased with either the Democratic alternative or the Gramm-Rudman legislation, I support the Democratic measure as the lesser of two evils. The Democratic alternative modifies, refines and substantially improves upon the serious weaknesses of the Gramm-Rudman proposal.

The Gramm-Rudman amendment was adopted in haste and reckless abandon, and passed the Senate without the benefit of any hearings or oversight. Only after the House subjected this bill to serious scrutiny and oversight hearings, did it become obvious that the Gramm-Rudman legislation is flawed from a technical constitutional, and economic standpoint. Worst of all, it is unfair and unbalanced.

The implications of Gramm-Rudman, in altering the constitutional balance of power between the executive branch and Congress, are far reaching. In my opinion, Gramm-Rudman would grant to Ronald Reagan supreme powers to reorganize totally the priorities of our Government and abrogate to the executive branch decisions that should rightfully be made by Congress.

The Democratic alternative returns these basic decisions to the purvue of Congress. The Democratic plan also provides for an expedited review of all constitutional issues and an expedited judicial review of Presidential compliance with the implementation of automatic spending reduction provisions.

The mandated and rigid deficit cutting formula under Gramm-Rudman, reducing the deficit in equal $36 billion increments through 1991, could wreak havoc on our national economy, creating an economic mess.

In contrast, the Democratic alternative balances the budget by 1990, a year earlier than Gramm-Rudman, by starting deficit reduction this year while the economy is still growing, rather than postponing reductions to later years when the state of the economy will be more uncertain. Moreover, the Democratic alternative ties the size of the deficit to prevailing economic conditions, thereby minimizing the risks of recession.

The Gramm-Rudman proposal simply does not represent a fair and balanced approach to reducing the deficit. Under Gramm-Rudman, no one can tell us exactly what portion of the defense budget would be included in the base for automatic spending reductions and, conceivably, large portions of the defense budget could go untouched. That leaves, primarily the nondefense domestic programs which have already borne deep budget reductions. Over the past 4 years, most of all, the low-income Americans and the disadvantaged have suffered the brunt of these budget cuts. They should not be made to suffer again the pain of deficit reduction.

Neither Gramm-Rudman, nor the Democratic alternative, make mention of reducing tax expenditures which have contributed significantly to our current deficit troubles. Both proposals focus only on reducing expenditures.

Nevertheless, the Democratic alternative attempts to ensure that the pain of balancing the budget is spread more evenly among defense and nondefense programs, and makes special recognition of human aspects of budget reduction. The democratic alternative takes a humane approach by exempting certain critical programs that, together, comprise a minimal safety net for those less fortunate in our society. In addition to Social Security, these essential safety net programs include community health centers, food stamps, supplemental security income, child nutrition, veterans pensions, aid to families with dependent children and the women, infants and children feeding program.

Even with these exceptions, however, I remain concerned about chapter 1 grants, Head Start, Job Corps, Medicaid, and other education, employment and health programs that will not be spared from the budget axe. These programs are also essential to our Nation's safety net, and in my opinion, should be spared from budget deficit reduction efforts.

The choices before us, however, are few. No one argues the fact that our Nation faces a critical economic problem in the huge deficits confronting our Nation. These deficits threaten to rob younger and future generations of Americans of the high quality of life that we now enjoy. While the Democratic alternative is not without problems, it is by far superior to the Gramm-Rudman approach not only as a more fair deficit reduction plan, but also as a more rational and effective one.

Mr. DORGAN of North Dakota. Mr. Speaker, it was inevitable that we would come to this point. Whether it be titled Gramm-Rudman or some other measure, the House and the Senate and the President were destined to be forced by the will of the American people to sober up on fiscal policy.

Careening from 1 year to the next with $200 billion a year deficits and a $2 trillion debt is something the American people will not and should not accept.

The Senate offered their approach called Gramm-Rudman. That proposal conveniently would have allowed for an increase in spending this fiscal year and then postponed the tough budget choices that have to be made until after the next election.

Some of us in the House of Representatives offered some amendments to Gramm-Rudman that we think improved it. We said, let's cut the budget deficit by nearly $19 billion this year alone. In other words, let's roll up our sleeves and start now. Why wait until after the next election? We also said that when we're making these cuts, we shouldn't do so with a blindfold on.

Those programs that affect the poorest of the poor in America should not be cut in the same magnitude as some of the gold-plated spending programs that are occurring over at the Pentagon. In other words, we did carve out a few special areas such as veterans who have served this country and are expecting disability checks; poor people who cannot get medical treatment except for the presence of Medicaid; the WIC program—a nutrition program for low-income infants and pregnant mothers. These are some of the areas that we said any country with any sense of compassion must provide for with adequate resources.

But beyond that, we're going to make real budget cuts. And we're going to make them now. This country can't wait; it's tired of empty promises. The President said some years ago with respect to budget deficits. "If not us, who? If not now, when?" Well, it's us, and it's now. Some may not like that, and it's certainly not comfortable. But this is the way it has to be if we're going to avoid fiscal disaster in this country's future.

One further inescapable fact about these budget deficits is that the Federal Government will not solve the problem solely by reductions in expenditures. Spending cuts are an important part of the solution, but they must be accompanied by some additional revenue. We can raise more revenue by eliminatiing tax loopholes. The time is long past when we should accept the biggest corporations making the biggest money and paying no taxes or large families enlarging their riches without the responsibility of paying income taxes. It is not unusual to see the maid pay a higher percentage of income tax than the rich family for whom she works. It's also not unusual for the clerk-typist in a major corporation to pay more in income tax than the corporation for which he or she works. That's wrong and it's time to change it.

The point is, we must close these tax loopholes, and we must get additional revenue from those who are not now paying in order to help us move toward a balanced budget. The President is right when he says we need spending restraint, but he's wrong when he says that we don't need additional

revenue. The President and his friends who are in his same tax bracket have been treated too generously by the 1981 tax cuts. Working families are still paying a tax bill that's too heavy while the rich are feeding at the trough of America's newest growth industry—the tax shelter industry. With or without the President's support we've got to change all of that.

We are no longer in the position of debating whether we will be addressing this deficit problem. The now question is how. And the fact that we've reached that level in the debate is heartening to those of us who believe that these deficits proposed by Ronald Reagan and timidly accepted by the U.S. Congress will no longer be accepted by the American people. A combination of spending cuts and new revenue from closing tax loopholes can move us toward a balanced budget, and I welcome it.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield the remaining 2 minutes to the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Speaker and Members of the House, this may be the most important vote you will cast in this Congress or perhaps in any Congress in which you will serve.

Let us understand why we are here today talking about this kind of a mechanism. We are here today because we have a President who will not lead to get rid of deficits and because we have Members in the other body who do not want to vote for a $2 trillion debt ceiling without a figleaf to hide what they are doing.

And the worst part is that the other side is saying, "Let's not do it now. It is a good idea; we need it, but let's not do it now."

The President said, "If not us, who? If not now, when?" Does that not apply to what we are doing today? Our alternative does it now.

Two other quick points. No. 1, what are your values? That is what is at stake here today. Who do you want to protect? We are talking about 50-percent defense, 50-percent nondefense. The question is, who do you exempt? Members of the other side came down here and, in 1-minute speeches yesterday, said, "We are going to protect the elderly." Yet, in the proposal they made yesterday, they put Medicare in category No. 2 so that it gets cut beyond the COLA.

Shame on you for making the speeches and then making that proposal.

Second, it has to do with powers. If you vote for their alternative rather than ours, what it says is you do not care what powers you give to the President. He has all the power. You have rearranged the Constitution. You have said he can do anything he wants, and there is no way to go to court to stop him.

When Ben Franklin was leaving the hall after writing the Constitution, a group wanted to know if we were going to have a republic or whether we were going to have a monarchy. He was happy to say we had decided to have a republic.

Then he walked on, and he turned back, and he said, "My friends, we have a republic if we can keep it."

The vote today on this alternative is whether or not you want to keep it.

The SPEAKER. All time has expired.

Mr. ROSTENKOWSKI. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

Mr. SPEAKER. The question is, Will the House concur in Senate amendment No. 2 with an amendment?

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROSTENKOWSKI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 249, nays 180, not voting 5, as follows:

[Roll No. 386]

YEAS—249

Ackerman	Dorgan (ND)	Jones (TN)
Akaka	Dowdy	Kaptur
Alexander	Downey	Kastenmeier
Anderson	Durbin	Kennelly
Andrews	Dwyer	Kildee
Annunzio	Dymally	Kleczka
Anthony	Dyson	Kolter
Applegate	Early	Kostmayer
Aspin	Eckart (OH)	LaFalce
Atkins	Edgar	Lantos
AuCoin	Edwards (CA)	Leath (TX)
Barnard	English	Lehman (CA)
Barnes	Erdreich	Lehman (FL)
Bates	Evans (IL)	Leland
Bedell	Fascell	Levin (MI)
Beilenson	Fazio	Levine (CA)
Bennett	Feighan	Lipinski
Berman	Flippo	Lloyd
Bevill	Florio	Long
Biaggi	Foglietta	Lowry (WA)
Boggs	Foley	Luken
Boland	Ford (MI)	Lundine
Boner (TN)	Ford (TN)	MacKay
Bonior (MI)	Fowler	Manton
Bonker	Frank	Markey
Borski	Frost	Martinez
Bosco	Fuqua	Matsui
Boucher	Garcia	Mavroules
Boxer	Gaydos	Mazzoli
Breaux	Gejdenson	McCloskey
Brooks	Gephardt	McCurdy
Brown (CA)	Gibbons	McHugh
Bruce	Glickman	Mica
Bryant	Gonzalez	Mikulski
Burton (CA)	Gordon	Miller (CA)
Bustamante	Gray (IL)	Mineta
Byron	Gray (PA)	Mitchell
Carper	Guarini	Moakley
Carr	Hall (OH)	Mollohan
Chapman	Hall, Ralph	Montgomery
Chappell	Hamilton	Moody
Clay	Hammerschmidt	Morrison (CT)
Coelho	Hatcher	Mrazek
Coleman (TX)	Hawkins	Murphy
Collins	Hayes	Murtha
Conyers	Hefner	Natcher
Cooper	Heftel	Nelson
Coyne	Hertel	Nichols
Daniel	Howard	Nowak
Darden	Hoyer	Oakar
Daschle	Hubbard	Oberstar
de la Garza	Huckaby	Obey
Dellums	Hughes	Olin
Derrick	Hutto	Ortiz
Dicks	Jacobs	Owens
Dingell	Jenkins	Panetta
Dixon	Jones (NC)	Pease
Donnelly	Jones (OK)	Penny
Pepper	Shelby	Traficant
Perkins	Sikorski	Traxler
Pickle	Sisisky	Udall
Price	Skelton	Valentine
Rahall	Slattery	Vento
Rangel	Smith (FL)	Visclosky
Ray	Smith (IA)	Volkmer
Reid	Solarz	Walgren
Richardson	Spratt	Watkins
Robinson	St Germain	Waxman
Rodino	Staggers	Weaver
Roe	Stallings	Weiss
Roemer	Stark	Wheat
Rose	Stenholm	Whitley
Rostenkowski	Stokes	Whitten
Rowland (GA)	Stratton	Williams
Roybal	Studds	Wilson
Russo	Swift	Wirth
Sabo	Synar	Wise
Savage	Tallon	Wolpe
Scheuer	Tauzin	Wright
Schroeder	Thomas (GA)	Wyden
Schumer	Torres	Yates
Seiberling	Torricelli	Yatron
Sharp	Towns	Young (MO)

NAYS—180

Archer	Grotberg	Parris
Armey	Gunderson	Pashayan
Bartlett	Hartnett	Petri
Barton	Hendon	Porter
Bateman	Henry	Pursell
Bentley	Hiler	Quillen
Bereuter	Hillis	Regula
Bilirakis	Holt	Ridge
Bliley	Hopkins	Rinaldo
Boehlert	Horton	Ritter
Boulter	Hunter	Roberts
Broomfield	Hyde	Rogers
Brown (CO)	Ireland	Roth
Broyhill	Jeffords	Roukema
Burton (IN)	Johnson	Rowland (CT)
Callahan	Kanjorski	Rudd
Campbell	Kasich	Saxton
Carney	Kemp	Schaefer
Chandler	Kindness	Schneider
Chappie	Kolbe	Schuette
Cheney	Kramer	Schulze
Clinger	Lagomarsino	Sensenbrenner
Coats	Latta	Shaw
Cobey	Leach (IA)	Shumway
Coble	Lent	Shuster
Coleman (MO)	Lewis (CA)	Siljander
Combest	Lewis (FL)	Skeen
Conte	Lightfoot	Slaughter
Coughlin	Livingston	Smith (NE)
Courter	Loeffler	Smith (NJ)
Craig	Lott	Smith, Denny (OR)
Crane	Lowery (CA)	Smith, Robert (NH)
Crockett	Lujan	Smith, Robert (OR)
Dannemeyer	Lungren	Snowe
Daub	Mack	Snyder
Davis	Madigan	Solomon
DeLay	Martin (IL)	Spence
DeWine	Martin (NY)	Stangeland
Dickinson	McCain	Strang
DioGuardi	McCandless	Stump
Dornan (CA)	McCollum	Sundquist
Dreier	McDade	Sweeney
Duncan	McEwen	Swindall
Eckert (NY)	McGrath	Tauke
Edwards (OK)	McKernan	Taylor
Emerson	McKinney	Thomas (CA)
Evans (IA)	McMillan	Vander Jagt
Fawell	Meyers	Vucanovich
Fiedler	Michel	Walker
Fields	Miller (OH)	Weber
Fish	Miller (WA)	Whitehurst
Franklin	Molinari	Whittaker
Frenzel	Monson	Wolf
Gallo	Moore	Wortley
Gekas	Moorhead	Wylie
Gilman	Morrison (WA)	Young (AK)
Gingrich	Myers	Young (FL)
Goodling	Nielson	Zschau
Gradison	O'Brien	
Green	Oxley	
Gregg	Packard	

NOT VOTING—5

Addabbo	Hansen	Neal
Badham	Marlenee	

□ 1405

So the House concurred in Senate Amendment No. 2 with an amendment.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the third amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 3: Page 1, after line 7, insert:

SEC. 4. ACHILLE LAURO HIJACKING.

(a) the Senate finds that—

(1) the four men identified as the hijackers of the Achille Lauro were responsible for brutally murdering an innocent American citizen, Leon Klinghoffer, and for terrorizing hundreds of innocent crew members and passengers for two days;

(2) the United States urges all countries to aid in the swift apprehension, prosecution, and punishment of the terrorists; and

(3) the United States should not tolerate any country providing safe harbor or safe passage to the terrorists.

(b) It is the sense of the Senate that—

(1) the United States demands that no country provide safe harbor or safe passage to these terrorists;

(2) the United States expects full cooperation of all countries in the apprehension, prosecution, and punishment of these terrorists;

(3) the United States cannot condone the release of terrorists or the making of concessions to terrorists; and

(4) the United States identify those individuals responsible for the seizure of the Achille Lauro and the cold-blooded murder of Leon Klinghoffer, as well as those countries and groups that aid and abet such terrorist activities, and take the strongest measures to ensure that those responsible for this brutal act against an American citizen are brought to justice.

Mr. ROSTENKOWSKI (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MOTION OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROSTENKOWSKI moves that the House recede from disagreement and concur in the Senate amendment No. 3.

The SPEAKER. The gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 1 hour.

Mr. ROSTENKOWSKI. Mr. Speaker, the motion simply recedes to the Senate amendment concerning the *Achille Lauro* hijacking incident. That is all the amendment does.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The motion was agreed to.

A motion to reconsider was laid on the table.

REQUEST FOR CONSIDERATION OF H.R. 3669, PREVENTING THE DISINVESTMENT OF SOCIAL SECURITY TRUST FUNDS AND OTHER TRUST FUNDS

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means be discharged from further consideration of the bill (H.R. 3669) to prevent the disinvestment of the Social Security trust funds and other trust funds, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

EXPLANATION OF REQUEST TO CONSIDER H.R. 3669

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute.)

Mr. ROSTENKOWSKI. Mr. Speaker, I would just like to inform the House that what the gentleman from Pennsylvania [Mr. WALKER] has just objected to results in the continued disinvestment of Social Security trust funds.

I thought that this exercise was mainly so that we would not reach into those trust funds and harm what we consider a sacred trust.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Oklahoma.

Mr. WALKER. Mr. Speaker, will the gentleman yield to me, since he referred to me?

Mr. JONES of Oklahoma. Mr. Speaker, I would hope that on unanimous consent this could be reconsidered and that the gentleman from Pennsylvania would reconsider.

We have a situation that this weekend the Secretary of the Treasury has indicated that he will invade the Social Security reserve to the tune of $15 billion.

Now, that will leave $8 billion in the reserve funds to pay beneficiaries of the Social Security trust fund.

There is a court case pending before the U.S. District Court. The plaintiffs are the AARP, the Save our Security. There are several plaintiffs, such as former Secretary of HEW, Arthur Fleming, and others who are recipients. The attorney is Elliot Richardson. They are arguing that the Department of the Treasury has no legal authority to invade the Social Security trust fund to pay anything other than the beneficiaries of Social Security.

I am part of that suit, and I think they are right.

If the court should rule tonight—and they kept the case pending from last night, depending on what Congress does on the debt limit—in favor of the plaintiffs, then you send this Government into a very difficult situation that could cause default. I would hope that the gentleman would reconsider to prevent a default and to prevent the Social Security trust fund from being invaded for purposes other than paying benefits to the beneficiaries of Social Security.

Mr. WALKER. Mr. Speaker, will the gentleman yield, since he referred to me?

Mr. ROSTENKOWSKI. I will yield to the gentleman in 1 minute.

Mr. WALKER. I thank the gentleman.

Mr. ROSTENKOWSKI. Mr. Speaker, I would just like to say that unless the Congress acts today to provide the additional $17 billion of public debt authority, the Treasury Department will be forced to continue to disinvest the surpluses of the Social Security and other trust funds.

I would feel very poorly about going home this weekend and allowing that to happen.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I would say to the gentleman that it is my understanding, under the statement that he has just made, that we have over 9 hours before the action is taken. It is now my understanding, I have just been informed, that the other body is prepared to take up the action this House has just taken and send the issue back to us.

It seems to me reasonable that if in fact you are confident that the proposal you have just passed in the House is a meritorious proposal, you ought to give the Senate a chance to look at it and act on it before we take this action.

It also seems to me that if the Senate rejects it, it might be possible for this House to take a vote on the Gramm-Rudman proposal that we have been denied a vote on thus far, before we take this action.

So it seems to me that sometime before midnight this particular action might be entirely appropriate, but at the present time what we are attempting to do is to leave town without resolving the major issue of our time, and that is whether or not we are going to do anything about eliminating deficits in this country. I think that is wrong.

Mr. ROSTENKOWSKI. Mr. SPEAKER, I hope the gentleman is more confident in the 9 hours than I am. I am not satisfied that we have 9 hours before desinvestment occurs.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will make the following statement:

The Chair thought there was an agreement between the parties. Apparently there was not an agreement between the parties.

The only alternative that the Chair sees at this particular time, in view of the fact that there is an objection, is that the chairman of the Committee on Rules call forthwith a meeting of the Committee on Rules and see if a rule can be reported to provide for the consideration of this bill.

The Chair had anticipated that there had been an agreement and by virtue of that fact the Chair thought that there would be an adjournment for the day and that the House would be back here on Monday.

There is no way, from the information that the Chair has received—and he has only talked, with his own party—that this is going to be cleared by this evening. There are many of the 27 who feel strongly, with some of the improvements that have been made in this bill. In view of the fact that there is an objection, the Chair would ask chairman of the Committee on Rules to forthwith notify the Committee on Rules and, while there is no business, the Chair would hope that we would go along with special orders and that if we must come back tonight, he would hope we would be able to recess the House.

□ 1420

LET US NOT INVADE THE SANCTITY OF THE SOCIAL SECURITY TRUST FUND

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, I am party with Mr. JONES of Oklahoma in an attempt to go to court and try and prevent this disinvestment procedure.

There are shock waves going out across the Nation now that we have or we are invading the trust fund. There is no need for us to try to delay 3 hours, 4 hours, 9 hours; we know we must put a stop to that because we are eroding the confidence of the American people and the sanctity of the Social Security Trust Fund.

I do not see anything to be gained by trying to delay and roll over for a few hours. I would hope that the gentleman could still reconsider so that we can relieve the fears of the American people that their trust fund will be gone.

PERMISSION FOR SPEAKER TO DECLARE RECESSES ON THIS LEGISLATIVE DAY SUBJECT TO THE CALL OF THE CHAIR

The SPEAKER. For what purpose does the gentleman from Texas rise?

Mr. WRIGHT. Mr. Speaker, in view of the situation that has occurred and the objection expressed by the gentleman from Pennsylvania [Mr. WALKER], I ask unanimous consent that it may be in order for the Speaker to declare recesses at any time on this legislative day, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Chair would hope that the chairman of the Rules Committee would forthwith call a meeting of his committee, the Committee on Rules, and that the chairman of the Ways and Means Committee would appear before it.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6, WATER RESOURCES CONSERVATION, DEVELOPMENT, AND INFRASTRUCTURE IMPROVEMENT AND REHABILITATION ACT OF 1985

Mr. FROST, from the Committee on Rules, submitted a privileged report (Rept. No. 99-352) on the resolution (H. Res. 305) providing for the consideration of the bill (H.R. 6) to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure, which was referred to the House Calendar and ordered to be printed.

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LOTT. Mr. Speaker, I would inquire if the Chair will recognize this gentleman for the requests for special orders and the extension of remarks.

The SPEAKER. The Chair has already informed the House that we understand that the Rules Committee is on its way, and that the House will take up special orders and then the Rules Committee will report at a later time, unless there is a change in the heart and tenure of one of the Members of the House. The House will go with special orders and then come back.

Mr. LOTT. I thank the Chair

DEFICITS AT THE MOST EXORBITANT LEVELS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. WEISS] is recognized for 5 minutes.

Mr. WEISS. Mr. Speaker, I would like to place into some context the events of the day. As every Member of this body knows, over the course of the 5 years that the current administration has been in office, our national debt has risen from slightly under $1 trillion to almost $2 trillion.

Those increases occurred because the President, for 5 successive years has submitted to us budgets which have been in deficit at the most exorbitant levels in our history.

□ 1430

The deficits over the course of the term of the Reagan administration have each year been more exorbitant than any deficits ever in the history of this Republic. Indeed the fiscal year that was just concluded on September 30 ended with a deficit, of $212 billion dollars.

The President has submitted budgets annually which have been out of balance in those proportions. Indeed the Congress has for every single one of the years that the administration has been in office adopted budgets below those which the President has submitted.

The reason for the deficits has been the President's tax program which he pushed through this Congress in 1981 and which created a reduction in revenues in this House of some $750 billion, and at the same time and over the same period the President has enormously increased the defense portion of the budget. So even though domestic spending has gone down drastically the deficit has increased astronomically, because revenues have been cut back and because the defense budget has gone through the roof. Eventually, of course there comes a time to pay the bills. But when not enough taxes come in, the only other way to pay those bills is to borrow. However, the law prohibits the Treasury from borrowing money to meet those deficits unless Congress authorizes the raising of the debt ceiling.

Every year, therefore, as the debt increases Congress has to raise the debt ceilings. Right now we have to raise the debt ceiling to the $2 trillion level so that the Government can continue to function.

The Reagan administration and especially our colleagues on the other side of the aisle, both in the House and especially in the Senate, do not want the American people to know that in fact they and their President and their administration have been responsible for those fantastic increases in the national debt. And so, having created the budget deficit, they now want to cover up that fact that these deficits have increased so tremendously, and they have come up with the Gramm-Rudman proposal to try to pretend to the American people that there will be some mechanism that will take care of the deficits in the future.

It is the same kind of magic that Gramm-Latta was supposed to achieve 5 years ago when we were told by the

President not to worry about cutting those taxes on corporations and on the very wealthy in this country because we would grow our way out of the deficit. It has not happened. There are no magic bullets. Mirages are not reality.

And so what they have come up with is this plan which is clearly unconstitutional. It will not only reverse the constitutional checks and balances between the executive and legislative branches but will also in the event of an economic recession probably, through the fiscal straitjacket it mandates, force us into a depression.

Those of us on the Democratic side who voted for the Rostenkowski amendment did so not because we think in the abstract it was a marvelous way to govern. The choice was of our constituencies figuratively—in many instances, literally—being killed or being severely wounded. We took the chance that if they were severely wounded, we would have the chance in the future to help them recover. That is what the debate is all about.

Mr. AUCOIN. Mr. Speaker, will the gentleman yield?

Mr. WEISS. I am delighted to yield to my colleague, the gentleman from Oregon.

Mr. AUCOIN. Mr. Speaker, I appreciate the gentleman's yielding, and I would have to make the observation that there was a pernicious tactic involved on the Republican side of the aisle as well. They tried, as Members who have watched the 1-minute speeches each morning know very well, and as Americans who have watched those same speeches also know, to use the threat of disinvestment of the Social Security Trust Fund, the fear of that, to drive this House into accepting their method of balancing the budget within 5 years, a method that many Democrats felt was grossly unfair. And I find it strange now, now that the House has voted for an alternative, that it was a Republican who objected to a motion that would prevent any disinvestment in Social Security over the next several days. I find that very, very unusual given the Republicans' stated opposition to that tactic.

Mr. WEISS. Mr. Speaker, I thank my colleague, the gentleman from Oregon for his important contribution.

DEFENSE ENVIRONMENTAL RESTORATION PANEL AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. MCCURDY] is recognized for 5 minutes.

Mr. MCCURDY. Mr. Speaker, in the near future, the House will consider a bill to reauthorize the Superfund. The rapid and effective cleanup of our hazardous waste sites around the country is one of the most important public health issues before the Congress today.

Several committees of the House have, or will shortly, report legislation to provide for the Superfund reauthorization.

The bill reported by the Committee on Energy and Commerce, H.R. 2817, contains a section that, for the first time in Superfund history, specifically deals with Federal facilities.

As the Members know, the Committee on Armed Services has oversight responsibility for all Department of Defense installations, and would normally ask for referral on the Superfund legislation. In this instance, the committee decided not to request referral but instead created a special panel to review the Defense Department's efforts in this area.

The bipartisan environmental restoration panel, which I chair, has just completed several months of careful review and hard work. We have prepared some sensible and needed legislation dealing with the cleanup of Federal hazardous waste sites.

The panel recently approved a series of amendments, which I propose to offer, which will greatly strengthen our cleanup efforts at military installations, and also would make DOD, the Environmental Protection Agency, and the States more effective partners in this vital national priority.

Mr. Speaker, I have reserved time in today's special orders and I intend to submit the amendments to be printed in the RECORD so that the full extent of its contents may be reviewed by the Members.

Mr. Speaker, I would also like to commend each of the members of the Armed Forces Panel on Environmental Restoration, which spent a number of hours working, hearing witnesses, and preparing the amendments that we will soon offer. Specifically, I would like to commend the gentleman from Michigan [Mr. HERTEL], the gentleman from Georgia [Mr. RAY], the gentleman from Kentucky [Mr. HOPKINS], and the gentleman from Colorado [Mr. KRAMER]. I would also like to commend the gentleman from California [Mr. FAZIO] for his diligent efforts in pursuit of this issue and the very valuable assistance that he provided to the panel by introducing legislation that would also cover Federal facilities. Again I want to commend him for his cooperation because I think we have completely come to an agreement on these amendments and will offer them en bloc.

Mr. Speaker, I submit a report and the amendments to which I referred for printing in the RECORD, as follows:

REPORT OF THE ENVIRONMENTAL RESTORATION PANEL TO THE HOUSE ARMED SERVICES COMMITTEE REGARDING ITS RECOMMENDATIONS CONCERNING H.R. 1940 AND AMENDMENTS TO H.R. 2817, THE SUPERFUND AUTHORIZATION BILL REPORTED BY THE HOUSE COMMITTEE ON ENERGY AND COMMERCE

Mr. MCCURDY. Mr. Chairman, as the members will recall, the Environmental Restoration Panel was established on July 29 to study the Department of Defense (DoD) Environmental Restoration Program and make recommendations to the committee to streamline the program and insure its compliance with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA)—more commonly referred to as the "Superfund Act". The immediate task confronting the panel was to review pending legislation introduced by Mr. Fazio, H.R. 1940. The intent of H.R. 1940 was to clarify DoD responsibilities of the Department of Defense under CERCLA and raised issues involving funding and policy matters ranging across the jurisdiction of at least four subcommittees.

Just two days after the creation of the panel there was a major development that altered its focus and approach. Specifically, the House Committee on Energy and Commerce reported out H.R. 2817, Superfund Amendments of 1985. In addition to authorizing additional funding for Superfund cleanups of toxic waste sites, H.R. 2817, for the first time, specifically addressed cleanups at federal facilities. This affected the panel in two important ways. First, H.R. 2817 would provide a convenient and appropriate legislative vehicle for the provisions contained in H.R. 1940. Second, the nature and impact of the federal facilities provisions contained in H.R. 2817 raised a host of new policy issues to be addressed by the panel in a very short period of time.

Consequently, on September 18th, the panel agreed to explore the feasibility of recommending to this committee amendments to H.R. 2817 that would incorporate its recommendations on the provisions contained in H.R. 1940 along with recommended changes to the federal facilities provisions. On September 26th, the panel received testimony from DoD, and Environmental Protection Agency witnesses along with interested members of Congress regarding toxic waste cleanups and federal facilities. Finally, on October 10th, the panel unanimously approved recommending to the committee the amendments that are before you this morning.

I want to emphasize at the outset that in presenting these amendments, the panel has two primary objectives in mind. One, to provide clear policy and program guidance to DoD in meeting its environmental restoration responsibilities under CERCLA. And two, to establish a process that will streamline program implementation while allowing meaningful state and local participation in the development and execution of cleanup efforts at federal facilities.

In accordance with these dual objectives, the amendments can be broken down into two categories. The first 14 pages contain amendments reflecting the panel's recommendations regarding the DoD specific provisions contained in H.R. 1940. The remaining 12 pages contain amendments reflecting the panel's recommendations regarding the federal facilities provisions of H.R. 2817.

Although the specific provisions are explained in the accompanying section-by-section analysis, I would like to briefly mention

a few salient features of the first part of the amendments.

First of all, Sec. 151 requires that the Secretary of Defense carry out a program of environmental restoration and to identify a specific office within OSD having responsibility for program execution. This section also establishes specific program goals that are consistent with CERCLA and overall federal environmental restoration guidelines. To insure that the Environmental Protection Agency (EPA) has input into the development of procedures and program implementation, the Secretary is required to consult with the Administrator of EPA.

Second, Sec. 152 establishes a research, development, and demonstration program to aggressively pursue new technologies for the treatment, disposal and management of hazardous substances used by DoD. Properly supported and managed this program offers the greatest potential return on investment for environmental restoration dollars.

Third, Sec. 153 establishes an Environmental Restoration Transfer Account that will allow the Secretary of Defense to apply available funding in the most timely and effective fashion while giving Congress maximum oversight over budget development and execution.

Finally, Sec. 155 requires DoD to insure that EPA, state and local authorities are kept fully informed about environmental restoration efforts and have adequate opportunity to review and comment on all phases of DoD toxic waste cleanups.

Taken together, these provisions provide the basis for a responsible, flexible and effective DoD program to carry out environmental restoration.

The second category of amendments deals with the issue of state participation in toxic waste cleanups at all federal facilities not just DoD. The issue of state participation in federal facility cleanups has generated a great deal of debate and frustration in recent years. And, frankly, federal agencies—including DoD and the Department of Energy—have not been without fault in their dealing with state and local authorities. In fact, much of the preliminary work done by DoD has suffered due to the failure to work more closely with state and local environmental representatives. In addition, the failure by federal agencies to provide full and timely information to affected communities had fuelled controversy and created a reservoir of suspicion and ill-will that will take years to dissipate.

On the other hand, it is clear that DoD and the Services have made a great deal of progress to remedy these short-comings. In late 1983, DoD signed a memorandum of agreement with EPA that has established a good working relationship between the two agenices in addressing environmental restoration problems within the context of existing federal policy and standards. In addition, new DoD guidance provides for state and local participation in ongoing cleanup efforts and encourages the adoption of promulgated state standards and siting requirements. Basically, DoD has come to recognize that if it wants to be a good neighbor and enjoy the continued support of the communities surrounding its installations, it has to become a full partner in efforts to clean up the environment.

Unfortunately, the pendulum is swinging to the other extreme with a vengeance. As reported by the House Energy and Commerce Committee, H.R. 2817 provides that all cleanups at federal facilities be subject to all federal and state permit requirements. In effect, the states will have an absolute veto power over the performance of any future federal cleanup. While this approach effectively addresses the problem of past federal noncooperation, it creates a number of serious new problems.

In the first place, the use of permits for toxic waste cleanups is largely inappropriate. In testimony before the panel, the DoD witness, Mr. Carl J. Schafer, Jr., Director for Environmental Policy, summed it up well:

"Permits are basically a device in which to set a timetable for the installation of technology that has been identified as capable of meeting certain performance standards, and to enforce those standards. It is the lack of those scientific and technological determinations that bring me to the conclusion that permit procedures are inappropriate to the hazardous waste cleanup program."

The fact of the matter is that toxic waste cleanup efforts more closely represent a research and development program with many uncertainties and technical problems. We know too little about many hazardous substances to develop uniform standards to tell us "How clean is clean?" Under the circumstances, the best answers to many of the cleanup problems will come through a process of consultation and negotiation. The imposition of state permit requirements amounts to a single party veto that undercuts meaningful negotiation. I fear that the result will be a dictated solution that may not be environmentally sound or fiscally responsible.

Another problem with state permits is that they represent an uncontrolled variable that is likely to impose significant additional requirements for federal cleanup efforts without being subject to any kind of federal review. If DoD wants to carry out its environmental program, it will have no option but to pay the additional cost to meet applicable state permit requirements. Those requirements may be inconsistent with federal guidelines, be technically infeasible, and could end up delaying response action.

The requirement of state permits may also complicate efforts to secure congressional authorization and appropriation of funds for cleanup efforts. It will be very difficult to recommend the authorization and appropriation of funding for a DoD cleanup absent a state permit. And in this instance, an impasse over state permitting requirements will translate into a one year slip in the initiation of remedial action.

In sum, state permits are inconsistent with the technical uncertainty surrounding hazardous waste cleanup efforts, with the necessity for good faith negotiations, and with efficient and effective management and oversight. I can see no way that the imposition of state permits will not result in delaying federal cleanup programs; increasing costs, and promoting suboptimal response strategies.

Nevertheless, the panel recognizes that any solution to the problems created by the imposition of state permit requirements must provide for full and meaningful state participation in the development and implementation of federal cleanups. That is the basis for the compromise amendment which I will briefly outline:

In return for the elimination of the requirement for state permits, there will be a presumption in favor of promulgated state standards and siting requirements. Thus, in the vast majority of cases where state standards and siting requirements are reasonable and consistently applied, they will be incoporated into response action selected by the Administrator of EPA (at sites on the National Priority List (NPL)) or agency heads (at non-NPL sites). If state standards and siting requirements are incorporated into the response action, the state can go to federal court to enforce that action. In sum, the panel compromise procedure provides the substance of state permits—state standards and siting requirements and enforceability—without subjecting the remedial action to one party veto.

If the Administrator or agency head rejects state standards and siting requirements, he must find that his alternative remedial action provides "substantially equivalent" protection of public health and the environment and that the state standard was inconsistent with the National Contingency Plan (NCP), or is not being consistently applied in other remedial actions in the state. Clearly, rejections will be few and far between to meet this tough criteria. The important thing, however, is that this procedure does afford some protection against unreasonable state standards and siting requirements and encourages a negotiated settlement of these differences.

Even if its standards and siting requirements have been rejected, the state can still insist on its remedial action if it is willing to pay the difference. Subsequently, it can seek to recover all or part of this funding in federal court if it believes that the Administrator or agency head acted wrongly.

Although this process falls short of the level of state control afforded by the imposition of permit requirements, it does largely address state concerns. The panel believes this compromise does provide meaningful participation by EPA and the states in accomplishing the expeditious cleanup of DoD and DoE toxic waste sites. The panel strongly believes that this goal should be paramount and seeks to avoid any "show stoppers" that will impede the timely initiation and completion of remedial actions. We believe it is time to get on with the job and this process does that.

One final issue is the question of a national security exemption that will allow the President to issue such orders as necessary to protect national security and waive the provisions of this act. In addition, to avoid the release of restricted data or national security information, all statutory or executive order requirements will apply to Citizen right-to-know provisions of H.R. 2817.

While the panel recognizes the need to avoid the use of CERCLA provisions to interfere with or jeopardize legitimate national security requirements and strategic program, it is equally sensitive to the possibility that such an exemption could be used to cloak DoD cleanup activities and prevent citizen access to information to which they are legitimately entitled. Consequently, the amendment requires that the waiver authority be site specific, that Armed Services and Appropriations Committees be notified within 30-days regarding the reason for this action, and that the remedial action be resumed as quickly as practicable. The panel recommends such waiver authority in the belief that it represents a prudent hedge against uncertainty and expects that it will be rarely exercised.

On the basis of the panel's review of H.R. 1940, and the fact that it has not been acted upon by the Energy and Commerce and Public Works and Transportation Commit-

tees, we recommend that no further action be taken on that bill. Rather, the panel recommends, as an alternative, that the committee support an amendment to H.R. 2817 to be offered by the panel chairman in his name when that legislation is considered by the House of Representatives. The panel also requests that the committee endorse the panel chairman's personal appearance before the Rules Committee when it considers a rule on H.R. 1827. Finally, unless there is some objection we will make any necessary technical and conforming corrections to the amendments as presented today prior to offering them on the floor.

Thank you, Mr. Chairman.

AMENDMENT TO H.R. 2817 (SUPERFUND AMENDMENTS OF 1985) APPROVED BY THE ENVIRONMENTAL RESTORATION PANEL OF THE HOUSE ARMED SERVICE COMMITTEE

(Page and line numbers refer to the bill as reported by the Committee on Energy and Commerce.)

Page 86, line 23, insert "(a) IN GENERAL.—" before "Title I".

Page 95, after line 23, insert the following new subsection:

(b) SPECIAL PROVISIONS FOR DEPARTMENT OF DEFENSE.—Title I of CERCLA is amended—

(1) by inserting before section 101 the following: "Subtitle A—Response, Liability, and Compensation"; and

(2) by adding at the end thereof the following new subtitle:

"Subtitle B—Department of Defense Environmental Restoration Program

"SEC. 151. DOD ENVIRONMENTAL RESTORATION PROGRAM.

"(a) ENVIRONMENTAL RESTORATION PROGRAM.—

"(1) IN GENERAL.—The Secretary shall carry out a program of environmental restoration at facilities under the jurisdiction of the Secretary. The program shall be known as the 'Defense Environmental Restoration Program'.

"(2) APPLICATION OF SECTION 120.—The program shall be carried out subject to section 120 (relating to Federal facilities).

"(3) CONSULTATION WITH EPA.—The program shall be carried out in consultation with the Administrator.

"(4) DESIGNATION OF ADMINISTRATIVE OFFICE WITHIN OSD.—The Secretary shall identify an office within the Office of the Secretary which shall have the responsibility for carrying out the program.

"(b) PROGRAM GOALS.—Goals of the program shall include the following:

"(1) The identification, investigation, and cleanup of contamination from hazardous substances and wastes.

"(2) Correction of other environmental damage, such as detection and disposal of unexploded ordnance, which creates an imminent and substantial endangerment to the public health, welfare, or environment.

"(3) Demolition and removal of unsafe buildings and structures, including buildings and structures of the Department at sites formerly used by or under the jurisdiction of the Secretary.

"(c) RESPONSIBILITY FOR RESPONSE ACTIONS.—

"(1) BASIC RESPONSIBILITY.—The Secretary shall carry out (in accordance with the provisions of this title) all response actions with respect to releases of hazardous substances from each of the following:

"(A) Each facility or site owned by, leased to, or otherwise possessed by the United States and under the administrative jurisdiction of the Secretary.

"(B) Each facility or site which was under the administrative jurisdiction of the Secretary and owned by, leased to, or otherwise possessed by the United States at the time of action leading to contamination by hazardous substances.

"(C) Each vessel of the Department of Defense, including vessels owned or bareboat chartered and operated.

"(2) OTHER RESPONSIBLE PARTIES.—Paragraph (1) shall not apply to a removal or remedial action if the Administrator has provided for response action by a potentially responsible person in accordance with section 122.

"(3) STATE FEES AND CHARGES.—The Secretary shall pay all fees and charges imposed by State authorities for permit services for the disposal of hazardous substances on lands which are under the administrative jurisdiction of the Secretary to the same extent that nongovernmental entities are subject to fees and charges imposed by State authorities for permit services. This requirement shall not apply where such payment is the responsibility of a lessee, contractor, or other private person.

"(d) SERVICES OF OTHER AGENCIES.—The Secretary may enter into agreements on a reimbursable basis with any other Federal agency, and on a reimbursable or other basis with any State or local government agency, to obtain the services of that agency to assist the Secretary in carrying out any of the Secretary's responsibilities under this section. Services which may be obtained under this subsection include the identification, investigation, and cleanup of any offsite contamination possibly resulting from the release of a hazardous substance or waste at a facility under the Secretary's administrative jurisdiction.

"(e) The provisions of section 119 apply to contractors for response actions under this section.

"(f) FUNCTIONS AT SITES FORMERLY USED BY DEPARTMENT OF DEFENSE.—The Secretary, as part of the Defense Environmental Restoration Program, may provide for the removal of unsafe buildings or debris of the Department of Defense at sites formerly used by the Department.

"SEC. 152. RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM.

"(a) PROGRAM.—As part of the Defense Environmental Restoration Program, the Secretary shall carry out a program of research, development, and demonstration with respect to hazardous wastes. The program shall be carried out in consulation and cooperation with the Administrator. The program shall include research, development, and demonstration with respect to each of the following:

"(1) Means of reducing the quantities of hazardous waste generated by activities and facilities under the jurisdiction of the Secretary.

"(2) Methods of treatment, disposal, and management (including recycling and detoxifying) of hazardous waste of the types and quantities generated by current and former activities of the Secretary and facilities currently and formerly under the jurisdiction of the Secretary.

"(3) Identifying more cost-effective technologies for cleanup of hazardous substances.

"(4) Toxicological data collection and methodology on risk of exposure to hazardous waste generated by the Department of Defense.

"(5) The testing, evaluation, and field demonstration of any innovative technology, processes, equipment, or related training devices which may contribute to establishment of new methods to control, contain, and treat hazardous substances.

"(b) SPECIAL PERMIT UNDER SECTION 3005(g) OF RCRA.—The administrator may use the authorities of section 3005(g) of the Solid Waste Disposal Act to issue a permit for testing and evaluation which receives support under this section.

"(c) CONTRACTS AND GRANTS.—The Secretary may enter into contracts and cooperative agreements with, and make grants to, universities, public and private profit and nonprofit entities, and other persons to carry out the research, development, and demonstration authorized under this section. Such contracts may be entered into only to the extent that appropriated funds are available for that purpose.

"(d) INFORMATION COLLECTION AND DISSEMINATION.—

"(1) IN GENERAL.—The Secretary shall develop, collect, evaluate, and disseminate information related to the use (or potential use) of the treatment, disposal, and management technologies that are researched, developed, and demonstrated under this section.

"(2) ROLE OF EPA.—The functions of the Secretary under paragraph (1) shall be carried out in cooperation and consultation with the Administrator.

"SEC. 153. ENVIRONMENTAL RESTORATION TRANSFER ACCOUNT.

"(a) ESTABLISHMENT OF TRANSFER ACCOUNT.—

"(1) ESTABLISHMENT.—There is hereby established in the Department of Defense an account to be known as the 'Defense Environmental Restoration Account' (hereinafter in this section referred to as the 'transfer account'). All sums appropriated to carry out the functions of the Secretary relating to environmental restoration under this or any other Act shall be appropriated to the transfer account.

"(2) REQUIREMENT OF AUTHORIZATION OF APPROPRIATIONS.—Effective beginning with fiscal year 1987, no funds may be appropriated to the transfer account unless such sums have been specifically authorized by law.

"(3) AVAILABILITY OF FUNDS IN TRANSFER ACCOUNT.—Amounts appropriated to the transfer account shall remain available until transferred under subsection (b).

"(b) AUTHORITY TO TRANSFER TO OTHER DOD ACCOUNTS.—Amounts in the transfer account shall be available to be transferred by the Secretary to any other appropriation account or fund of the Department for obligation from that account or fund. Funds so transferred shall be merged and available for the same purposes and for the same period as the account or fund to which transferred.

"(c) OBLIGATION OF TRANSFERRED AMOUNTS.—Funds transferred under subsection (b) may only be obligated or expended from the account or fund to which transferred in order to carry out the functions of the Secretary under this Act or environmental restoration functions under any other Act.

"(d) BUDGET REPORTS.—In proposing the Budget for any fiscal year pursuant to section 1105 of title 31, the President shall set forth separately the amount requested for environmental restoration programs of the

Department of Defense under this or any other Act.

"(e) AMOUNTS RECOVERED UNDER SUBTITLE A.—Amounts recovered under section 107 for response actions of the Secretary shall be credited to the transfer account.

"SEC. 154. WIDELY USED HAZARDOUS SUBSTANCES.

"(a) NOTICE TO ATSDR.—

"(1) IN GENERAL.—The Secretary shall notify the Administrator of the Agency of Toxic Substances and Disease Registry established under section 104(i) of the hazardous substances which the Secretary determines to be the most widely used unregulated hazardous substances at facilities under his administrative jurisdiction. The notification shall be of not less than the 25 most widely used such substances.

"(2) DEFINITION.—For the purposes of this subsection, the term 'unregulated hazardous substance' means a hazardous substance—

"(A) for which no standard is in effect under the Toxic Substances Control Act, the Safe Drinking Water Act, the Clean Air Act, or the Clean Water Act; and

"(B) for which no water quality criteria are in effect under any provision of the Clean Water Act.

"(b) TOXICOLOGICAL PROFILES.—The Administrator of the Agency for Toxic Substances and Disease Registry shall take such steps as necessary to ensure the timely preparation of toxicological profiles of each of the substances that the Administrator is notified of under subsection (a). The secretary shall transfer to such Agency such toxicological data and such sums as may be necessary for the Agency to prepare the profiles of such substances. The profiles on such substances shall include each of the following:

"(1) The examination, summary, and interpretation of available toxicological information and epidemiologic evaluations on a hazardous substance in order to ascertain the levels of significant human exposure for the substance and the associated acute, subacute, and chronic health effects.

"(2) A determination of whether adequate information on the health effects of each substance is available or in the process of development to determine levels of exposure which present a significant risk to human health of acute, subacute, and chronic health effects.

"(c) HEALTH ADVISORIES.—

"(1) PREPARATION.—At the request of the Secretary, the Administrator shall in a timely manner prepare health advisories on hazardous substances. Such an advisory shall be prepared on each hazardous substance—

"(A) for which no advisory exists;

"(B) which is found to threaten drinking water; and

"(C) which is emanating from facilities under the administrative jurisdiction of the Secretary.

"(2) CONTENT OF HEALTH ADVISORIES.—Such health advisories shall provide specific advice on the levels of contaminants in drinking water at which adverse health effects would not be anticipated and which include a margin of safety so as to protect the most sensitive members of the population at risk. The advisories shall provide data on 1-day, 10-day, and longer-term exposure periods where available toxicological data exist.

"(3) TRANSFER OF NECESSARY DATA.—The Secretary shall transfer to the Administrator such toxicological data as are available and may be necessary to prepare such health advisories.

"SEC. 155. NOTICE OF ENVIRONMENTAL RESTORATION ACTIVITIES

"(a) EXPEDITED NOTICE.—The Secretary shall take such actions as necessary to ensure that the regional offices of the Environmental Protection Agency and appropriate State and local authorities for the State in which a facility under the Secretary's administrative jurisdiction is located receive prompt notice of each of the following:

"(1) The discovery of releases or threatened releases of hazardous substances at the facility.

"(2) The extent of the threat to public health and the environment which may be associated with any such release or threatened release.

"(3) Proposals made by the Secretary to carry out response actions with respect to any such release or threatened release.

"(4) The initiation of any response action with respect to such release or threatened release and the commencment of each distinct phase of such activities.

"(b) COMMENT BY EPA AND STATE AND LOCAL AUTHORITIES.—

"(1) RELEASE NOTICES.—The Secretary shall ensure that the Administrator and appropriate State and local officials have an adequate opportunity to comment on notices under paragraphs (1) and (2) of subsection (a).

"(2) PROPOSALS FOR RESPONSE ACTIONS.—The Secretary shall require that an adequate opportunity for timely review and comment be afforded to the Administrator and to appropriate State and local officials after making a proposal referred to in subsection (a)(3) and before undertaking an activity or action referred to in subsection (a)(4). The preceding sentence shall not apply if the action is an emergency removal taken because of imminent and substantial endangerment to human health or the environment and consultation would be impractical.

"(c) TECHNICAL REVIEW COMMITTEE.—Whenever possible and practical, the Secretary shall establish a technical review committee to review and comment on Department of Defense actions and proposed actions with respect to releases or threatened releases of hazardous substances at installations. Members of any such committee shall include at least one representative of the Secretary, the Administrator, and appropriate State and local authorities and shall include a public representative of the community involved.

"SEC. 156. COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT.

"Removal or remedial actions selected or taken pursuant to this subtitle or secured under section 106 constitute fulfillment of the requirements of section 102 of the National Environmental Policy Act of 1969 (Public Law 91-190, 83 Stat. 852).

"SEC. 157. ANNUAL REPORT TO CONGRESS.

"(a) REPORT ON PROGRESS IN IMPLEMENTATION.—The Secretary shall furnish an annual report to the Congress for each fiscal year which commences after the date of the enactment of this Act. The report shall describe the progress made by the Secretary during the fiscal year in implementing the requirements of this Act.

"(b) MATTERS TO BE INCLUDED.—The report under this section shall include the following:

"(1) A statement for each facility under the administrative jurisdiction of the Secretary of the number of individual facilities at such installation at which a hazardous substance has been identified.

"(2) The status of response actions contemplated or undertaken at each such facility.

"(3) The specific cost estimates and budgetary proposals involving response actions contemplated or undertaken at each such facility.

"SEC. 158. MILITARY CONSTRUCTION FOR RESPONSE ACTIONS.

"(a) AUTHORITY.—Subject to subsection (b), the Secretary may carry out a military construction project not otherwise authorized by law if necessary to carry out a response action under this Act.

"(b) CONGRESSIONAL NOTICE-AND-WAIT.—

"(1) NOTICE TO CONGRESS.—When a decision is made to carry out a military construction project under this section, the Secretary shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include—

"(A) the justification for the project and the current estimate of the cost of the project; and

"(B) the justification for carrying out the project under this section.

"(2) OVERSIGHT PERIOD.—The project may then be carried out only after—

"(A) the end of the 21-day period beginning on the date the notification is received by those committees; or

"(B) each such committee approves the project, if the committees approve the project before the end of that period.

"SEC. 159. DEFINITIONS.

"As used in this subtitle:

"(1) SECRETARY.—The term 'Secretary' means the Secretary of Defense.

"(2) ADMINISTRATIVE JURISDICTION OF THE SECRETARY.—The term 'administrative jurisdiction of the Secretary' includes the administrative jurisdiction of the Secretary of Defense and the Secretaries of the military departments.".

[AMENDMENTS RELATING TO FEDERAL FACILITIES]

Page 87, line 11, after the period, insert the following new sentence: "Nothing in this section shall be construed to affect the liability of any person or entity under sections 106 and 107.".

Page 87, line 14, strike out "procedures".

Page 88, line 1, strike out "procedures".

Page 88, line 13, after the period insert the following new sentence: "This subsection shall not apply to the selection of response action where a State standards which is more protective of human health and the environment may be applicable in accordance with section 121(k).".

Page 88, strike lines 14 through 20.

Page 92, lines 21 and 22, strike out ", including construction design".

Page 93, strike out lines 3 through 5.

Page 93, after line 21, insert the following new paragraph:

"(5) ACTION BY OTHER PARTIES.—If the Administrator, in consultation with the head of the relevant department, agency, or instrumentality of the United States, determines that RIFS or remedial action will be done properly at the Federal facility by another potentially responsible party within the deadlines provided in paragraphs (1), (2), and (3) of this subsection, the Administrator may enter into an agreement with such party providing for assumption of the responsibilities set forth in those paragraphs. Following approval of the agreement by the Attorney General, the agreement shall be entered in the appropriate

United States district court as a consent decree under section 106 of this Act.".

Page 94, line 1, strike out "Administrator" and insert "President" in lieu thereof.

Page 94, line 17, insert ", to the extent such information is reasonably available" after "place" and before the period.

Page 95, line 10, insert ", to the extent such information is reasonably available," after "shall contain".

Page 95, line 23, strike out the period and closing quotation marks.

Page 95, after line 23, insert the following new subsections:

"(j) FEDERAL AGENCY SETTLEMENTS.—The head of each department, agency, or instrumentality or his designee may consider, compromise, and settle any claim or demand under this Act arising out of activities of his agency, in accordance with regulations prescribed by the Attorney General. Any award, compromise, or settlement in excess of $25,000 shall be made only with the prior written approval of the Attorney General or his designee. Any such award, compromise, or settlement shall be paid by the agency concerned out of appropriations available to that agency. The acceptance of any payment under this paragraph shall be final and conclusive, and shall constitute a complete release of any claim under this Act against the United States and against the employees of the United States whose acts or omissions gave rise to the claim or demand, by reason of the same subject matter.

"(k) NATIONAL SECURITY.—

"(1) SITE SPECIFIC PRESIDENTIAL ORDERS.—The President may issue such orders regarding response actions at any specified site or facility of the Department of Energy or the Department of Defense as may be necessary to protect the national security interests of the United States at that site or facility. Such orders may include, where necessary to protect such interests, an exemption from any requirement contained in this title or under title III of the Superfund Amendments of 1985 with respect to the site or facility concerned. The President shall notify the Committees on Armed Services and Appropriations of the House of Representatives and the Senate within 30 days of the issuance of an order under this paragraph providing for any such exemption. Such notification shall include a statement of the reasons for the granting of the exemption. It is the intention of the Congress that whenever a waiver is issued under this paragraph the response action shall proceed as expeditiously as practicable. The Committees on Armed Services and Appropriations of the House of Representatives and the Senate shall be notified periodically of the progress of any response action with respect to which a waiver has been issued under this paragraph.

"(2) CLASSIFIED INFORMATION.—Notwithstanding any other provision of law, all requirements of the Atomic Energy Act and all Executive orders concerning the handling of restricted data and national security information, including 'need to know' requirements, shall be applicable to any grant of access to classified information under the provisions of this Act or under title III of the Superfund Amendments of 1985.".

Page 101, beginning on line 5, strike out "private parties" and insert in lieu thereof "potentially responsible parties".

Page 103, strike out "Nothing" and all that follows through line 11.

Page 106, line 13, strike out the period and closing quotation mark.

Page 106, after line 13, insert:

"(k) ONSITE CLEANUP OF FEDERAL FACILITIES.—

"(1) FEDERAL AND STATE PERMITS.—For any response action undertaken at any facility owned or operated by a department, agency, or instrumentality of the United States, to the extent that such action does not involve the transfer of a hazardous substance or pollutant or contaminant from the facility at which the release or threatened release occurs to an offsite facility, the only permits which may be required are those applicable pursuant to section 118 of the Clean Air Act and section 313(a) of the Federal Water Pollution Control Act. Nothing in the preceding sentence shall affect the authority of any State to impose, after remedial action is completed, any requirement (including a fee) with respect to any operation and maintenance activities required with respect to a hazardous substance or pollutant or contaminant. Nothing in this subsection shall affect any requirement of Federal or State law to the extent that such requirement applies to response action involving the transfer of a hazardous substance from the facility at which the release or threatened release occurs to an offsite facility.

"(2) REMEDIAL ACTION SELECTED FOR NPL SITES.—The Administrator shall select the remedial action to be undertaken under this Act at any facility on the National Priorities List that is owned or operated by a department, agency, or instrumentality of the United States. All other remedial actions at facilities owned or operated by a department, agency, or instrumentality of the United States shall be selected pursuant to a memorandum of understanding between the Federal agency established under paragraph (4) of this subsection. The Administrator shall provide an opportunity for appropriate State and local officials to participate in the remedy selection process, including but not limited to an opportunity to review and comment on each proposed remedial action and to consult with the Federal agency and the Administrator concerning each proposed action. The Administrator shall also provide prompt notice and explanation regarding any decision under paragraph (9) on compliance with promulgated State standards or siting requirements, to the State in which the facility is located.

"(3) STATE STANDARDS.—Except as provided in paragraph (9), the Federal agency or the Administrator, in selecting remedial action to be undertaken under this Act at any facility that is owned or operated by a department, agency, or instrumentality of the United States, shall require that the remedial action conform to both of the following:

"(A) The promulgated State standard relating to the level or standard for control of the hazardous substance concerned where such standard is more protective of public health or the environment.

"(B) Any State law regarding the siting of a facility.

Such remedial action, including the promulgated State standard or siting requirement, shall be incorporated into the interagency agreement required under section 120(e) of this Act. The State may bring an action to enforce any promulgated State Standard or siting requirement incorporated into an intergency agreement in the United States district court in which the facility is located.

"(4) NON-NPL SITES.—with respect to remedial actions to be undertaken under this Act at facilities that are owned or operated by a department, agency, or instrumentality of the United States but that are not on the National Priorities List, the Federal agency shall enter into a memorandum of understanding with the Administrator. The memorandum of understanding shall provide for each of the following:

"(A) Consultation between the two agencies sufficient to ensure that all proposed remedial actions meet the requirements of this Act and the National Contingency Plan and provide protection of public health and the environment.

"(B) Compliance with any applicable promulgated State standards relating to the level or standard for control of the hazardous substances concerned and any State law regarding the siting of facilities, except as provided in paragraph (9).

"(C) Prompt notice and explanation of each proposed action, including an explanation regarding the decision on compliance with promulgated State standards or siting requirements, to the State in which the facility is located.

"(D) An opportunity for appropriate State and local officials to participate in the remedy selection process, including but not limited to an opportunity to review and comment on each proposed remedial action and to consult with the Federal agency and the Administrator concerning each proposed action.

"(5) STATE NOTIFICATION.—Within 30 days after the close of the required comment period on the selected remedy, the State shall notify the Federal agency and the Administrator that it concurs or does not concur with a decision not to comply with a promulgated State standard or siting requirement. If the State concurs in the decision, the remedial action selected by the Federal agency and the Administrator shall proceed through completion. If the State fails to act within 30 days after the close of the comment period such failure shall be deemed concurrence for purposes of this paragraph.

"(6) STATE PAYMENT.—If the State notifies the Federal agency and the Administrator within 30 days of the close of the comment period that it does not concur with the decision under paragraph (9) not to comply with a promulgated State standard or siting requirement, and within 90 days after close of the comment period provides assurances deemed adequate by the administration that the State will pay or assure payment of the additional costs attributable to compliance with the State standard or requirement, as determined by the Federal agency and the Administrator, the remedial action shall comply with such State standard or requirement and shall proceed through completion. If the State fails to provide such assurances within 90 days, the remedial action selected by the Federal agency and the Administrator shall proceed through to completion.

"(7) RECOVERY OF ADDITIONAL COST.—In an action under section 107 against responsible persons, including any responsible department, agency, or instrumentality of the United States, the State may recover any additional remedial cost incurred by the State under this paragraph, if the State can establish, based on the administrative record, that the determination under paragraph (9) regarding the promulgated State standard or siting requirement was not supported by substantial evidence.

"(8) ATTORNEY AND WITNESS FEES.—Whenever a State recovers its additional costs under paragraph (7) from the Federal department, agency, or instrumentality, such department, agency, or instrumentality

shall be liable for the costs incurred by the State in such action, including reasonable attorney and witness fees. Whenever the court upholds a determination under paragraph (9), the State which brought the action under paragraph (7) shall be liable for the costs incurred by the Administrator and the Federal department, agency, or instrumentality in such action, including reasonable attorney and witness fees.

"(9) REJECTION OF STATE STANDARDS.—A remedial action at a facility owned or operated by a department, agency, or instrumentality of the United States that does not conform to a promulgated State standard or siting requirement referred to in paragraph (3) may be selected under this section only if one or both of the following applies:

"(A) The remedial action selected provides protection of public health and of the environment which is substantially equivalent to the protection provided by the State standard and compliance with the promulgated State standard or siting requirement is not consistent with the National Contingency Plan.

"(B) The Administrator determines that the State has not consistently undertaken previous remedial actions (or made plans to undertake future response action at facilities) within that State using the more protective State standards.

Mr. VOLKMER. Mr. Speaker, will the gentleman yield?

Mr. MCCURDY. I am glad to yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, I commend the gentleman from Oklahoma [Mr. MCCURDY] for his remarks in regard to the Superfund.

As the gentleman knows, we are addressing ourselves today to the major issue of reducing the deficits, and another major issue is to try to continue to keep the Government running without divesting the Social Security funds which most of our senior citizens rely on for assistance.

Just so the House knows what the gentleman from Pennsylvania objected to, not permitting the bill to be taken up by the gentleman from Illinois, I would like to read the language that the gentleman from Illinois sought to take up in order to protect that Social Security fund from divestment so our senior citizens would be able to receive their Social Security checks without problems in the future.

The language was that:

During the period beginning on the date of enactment of this act and ending on November 6, 1985, the public debt limit set forth in subsection (b) of section 3101 of title 31, United States Code, shall be increased by an amount determined by the Secretary of the Treasury as necessary to permit the United States to meet its obligations without divesting the Social Security trust funds or any other trust funds established pursuant to Federal law.

It says that no increase shall result in a public debt limit in excess of $1,840-some billion.

Now, what this means to me, by the gentleman's objecting, is that undoubtedly he does want to divest the Social Security trust funds in order to use those funds for maybe tanks and planes, et cetera, in this Government. I think our senior citizens should know that later on today we are going to have the opportunity hopefully to bring up a rule that will make this language in order. We are going to need a two-thirds vote, and I would hope that everyone who favors continuing that Social Security fund and providing that it not be used for other Government programs will vote favorably on that rule, because if they do not and we are not able to take it up, then Treasury says that we are going to go ahead and divest the Social Security fund and use it for other things other than Social Security.

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So I would urge everyone to make sure we get a two-thirds vote on the rule when it comes up to make this language in order.

I thank the gentleman for yielding.

Mr. MCCURDY. Mr. Speaker, I thank the gentleman for his statements and comments.

Again, Mr. Speaker, I hope my colleagues and all the Members will review the amendments that I have placed in the RECORD on the environmental restoration provisions of the Superfund bill and ask for their support.

Mr. FAZIO. Mr. Speaker, I rise today to join with my colleague from Oklahoma, Mr. MCCURDY, in introducing an amendment to the Superfund reauthorization bill to accelerate the cleanup of toxic waste sites at military bases and for other purposes relating to the cleanup of other Federal sites.

The amendment that Mr. MCCURDY and I are proposing reflects months of work by the House Armed Services Task Force on Environmental Restoration and several years of my own efforts to investigate and document the weaknesses and strengths of the military's cleanup program. Through hearings by the Appropriations Committee, on which I sit, and several investigations by the General Accounting Office, conducted at my request, we have developed a far greater understanding of the problems associated with the cleanup of toxic dumps at military bases. Again, Mr. Speaker, Mr. MCCURDY's panel has also played an invaluable role in building the record in this regard.

Our investigations, Mr. Speaker, indicate that over the years the Department of Defense has improperly disposed of literally billions of gallons of poisonous chemicals in nearly every State in the Nation. Hazardous pollutants have been found at more than 4,000 sites at some 473 military bases across the country.

From one end of the Nation to the other, the Defense Department has polluted surface and ground water, contaminated drinking water and fouled open waterways.

From McClellan Air Force Base in my own district in Sacramento, where cancer-causing solvents, waste oils, paint thinners, strippers, and sludges have contaminated the ground water both on and off base, to Homestead Air Force Base in Homestead, FL, where contaminants are thought to threaten major municipal drinking water supplies, the Department of Defense has left its mark on communities.

The fences and barbed wire that surround our military bases cannot contain the poisons that are, as we speak, leaching into the water supply of surrounding communities. It is an intolerable situation that we must squarely address. The Federal Government can no longer clean up its sites to a different standard, under less scrutiny, and without any oversight from Federal and State health and environmental officials. Indeed, the Federal Government should and must set the standard by which all cleanups occur.

The problem of military toxics may be dwarfed by the cleanups that will be required at private sites, if only in sheer numbers. But in a very real sense the struggle to get our Federal property cleaned up is just as important. The Federal Government cannot demand from the private sector what it cannot itself do. We have one set of environmental laws and they should apply to all equally—whether they are the largest Federal agency or the smallest corporation—the laws should be applied in the same manner with the same commitment to protecting the public health and environment.

Mr. Speaker, while the Pentagon has recently made some improvements in its cleanup program, more needs to be done. The amendment we are prepared to offer to the Superfund reauthorization bill incorporates most of the provisions of H.R. 1940, the Defense Environmental Restoration Act of 1985.

Among other things, the amendment:

Requires greater DOD coordination with Federal, State, and local health and environmental authorities. The military will be mandated to coordinate all aspects of the cleanup program—from the identification of any possible contamination to the details of the final, permanent cleanup phase. In addition, as in H.R. 1940, our proposal would require DOD to establish Technical Review Committees or task forces made up of representatives of the military, EPA, local citizens, and State and local regulatory agencies to review DOD cleanup plans.

Requires DOD cleanups to meet any and all State standards for pollutants or contaminants which are more protective of the public health or environment than the applicable Federal standard.

Sets up the mechanisms necessary to ensure that adequate funding will be available to finance the cleanup program. As in H.R. 1940, the amendment sets up a special central account to finance all aspects of the environmental cleanup progam, including military construction. Congressional investigations have identified the cumbersome DOD funding process as a major obstacle to an accelerated cleanup effort.

Requires the Agency for Toxic Substances and Disease Registry to generate fundamental health risk assessment data

on the most commonly used DOD contaminants.

Requires DOD to establish a research, development, and demonstration program to develop innovative and cost-effective cleanup technologies. Appropriate research and development is the only way the ultimate price tag of the cleanup program, now expected to cost between $5 and $10 billion over the next 10 years, can be reduced.

Requires DOD to seek input from the general public on all cleanup plans. As in H.R. 1940, our amendment would require DOD to publish a notice and brief analysis of all cleanup proposals for all sites, NPL and non-NPL alike, as well as provide the general public with an adequate opportunity to comment on the plans.

Mr. Speaker, our proposal is a very modest but important one. I urge my colleagues to consider it carefully. And once again, Mr. Speaker, I commend the work of Mr. MCCURDY and the other members of the task force and urge my colleagues favorable consideration of our proposal.

SUITABLE LIVER NEEDED FOR BABY ANDREA LYNN SHIMER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Mr. Speaker, I rise today to bring to your attention a matter of extreme urgency.

Today I have learned of a 2-month-old baby in my district whose life depends on receiving a liver immediately.

Andrea Lynn Shimer, of Hainesport, NJ, was born on September 2 with a liver dysfunction.

She has several weeks—maybe only days—to live unless a suitable liver can be found and transplanted.

The seriousness of finding a liver for Andrea is intensified by the fact that even if a liver can be found, it must be removed and transplanted into Andrea within 8 hours.

Mr. Speaker, Andrea desperately needs a liver of a brain-dead baby; weighing not more than 15 pounds; with type O blood.

If a liver is found in time, Andrea would be the smallest child ever to be successfully transplanted.

Mr. Speaker, I appeal to you and my colleagues to keep Andrea's plight in mind, and to contact Childrens Hospital in Philadelphia at 215-596-9100 if you learn of any possible liver donors for Andrea.

PROCRASTINATION ON GOLDEN PACIFIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island [Mr. ST GERMAIN] is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, I wish to call to the attention of my colleagues, and to the public at large, a most unfortunate situation concerning the actions of the Federal Deposit Insurance Corporation, and the ongoing plight of former customers of the Golden Pacific National Bank, in New York's Chinatown, which was closed by Federal regulators on June 21, 1985.

This past summer, the House Banking Committee's Subcommittee on Financial Institutions held hearings on the involvement of the Federal bank regulatory agencies, the Department of Justice, and the FBI, with regard to this bank. On July 31, we heard from several former customers of Golden Pacific who had purchased so-called yellow certificates with the understanding that they were insured by the FDIC. Once the bank was closed, these witnesses experienced considerable personal and family hardship because the FDIC could not decide on whether the CD's were indeed insured and whether the depositors would be reimbursed for their hard-earned funds.

On August 8—6 weeks after the bank was closed—I wrote to the FDIC requesting that the agency expedite their decisionmaking process on the insurability of these certificates. As of today, I have yet to receive a formal, written response.

On October 16, the FDIC issued a press release informing the public that the agency had asked the U.S. District Court for the Southern District of New York for assistance in deciding on the insurability of these deposits in the form of a lawsuit against the holders of these yellow certificates.

The FDIC's decision to submit this issue to the courts is an extraordinary one, representing a classic case of passing the buck. Remember, determining the insurability of funds falls squarely within the jurisdiction of the FDIC. This action can only result in further uncertainty, given the overloaded dockets of the Federal judiciary, for those former Golden Pacific customers holding yellow certificates, for the Chinese community at large, and for depositors around the country who use a bank believing that it is federally insured. Another unfortunate consequence has been a loss of confidence within the Chinese community in the FDIC and in the banking system in general.

It should also be noted that curious inconsistencies come to mind when comparing the treatment of yellow certificates holders at a small Chinese-run bank with the depositors at the giant Continental Illinois National Bank, where no Federal subsidy was too great and no assistance too expensive.

I sincerely hope that the FDIC, which has always touted its ability to pay off depositors quickly, has not set a precedent in the Golden Pacific case. And, I hope that next time the FDIC will fulfill its responsibilities and not delegate its decisionmaking duties to others. Let us also hope that the U.S. District Court moves more swiftly than our Federal banking agencies.

PROBLEMS OF NATION'S THRIFT INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. PARRIS] is recognized for 60 minutes.

Mr. PARRIS. Mr. Speaker, on Tuesday of this week I made an extensive series of comments on the floor of the House in regard to the condition of the savings and loan institutions of the United States and Nation's thrift industry generally. I believe it is a matter of critical importance to this Nation. By the same token, Mr. Speaker, I do not believe that it rivals in intensity or immediacy the problem that faces us in dealing with the Nation's deficit; so I will not take my special order today, Mr. Speaker, for the fear that it may adversely influence proceeding with the Deficit Reduction Act in a timely way.

I would expect and hope that I could make those remarks and take that time at an appropriate time early next week.

EDUCATION AND TAX REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 60 minutes.

Mr. JEFFORDS. Mr. Speaker, in our efforts to overhaul the Tax Code, I think we have taken the wrong approach. Our focus has been primarily on revenues—on the balance sheet. So that we can lower tax rates, we have focused our efforts on looking for ways to broaden the tax base. Yet the Tax Code has a function other than merely raising revenues. It serves as a way of stimulating and encouraging activities and programs of benefit to our national well-being. And before we start working on the balance sheet aspect of tax reform, we ought to set out a list of national priorities deserving tax-favored treatment, look at how those priorities could be affected by tax reform proposals, and even consider new ways to use our tax laws to nurture those priorities.

High on that list of priorities should be education. Yet the potential affects of tax reform on education appear to have been overlooked. Perhaps this is because the most direct beneficiaries of education—our Nation's present and future students—have no well-paid, well-heeled lobbyists arguing their cause. The entire Nation, however, is the beneficiary of education. Our future as a world leader and as an international competitor will depend on a well-educated populace.

Because the Internal Revenue Code's effects on education are indirect, it's difficult to pin an exact dollar figure on the loss to education that might result from our tax reform efforts. Currently, various Tax Code provisions provide at least $15.6 billion in assistance to education. Under the President's tax reform proposal, so-called Treasury II, this figure would

fall to about $1.5 billion. And under the joint tax staff option under consideration by Ways and Means, assistance to education by way of the Tax Code would fall to about $4.9 billion. This enormous reduction in assistance to education is not a one-time shot that would affect education during only 1 year. The losses could well last forever.

On August 1, Mr. HAWKINS and I introduced House Resolution 258 to express the sense of the House that education is a national priority and that we should take care in any tax reform effort to retain those tax incentives that facilitate efforts to raise revenues for education and encourage our citizens to plan and save for educational expenses. I now want to discuss in greater depth some of the specific tax measures affecting education.

REPEAL OF THE DEDUCTION FOR STATE AND LOCAL TAXES

Currently taxpayers who itemize are allowed to deduct from adjusted gross income State and local income taxes, real property taxes, personal property taxes, and sales taxes. No other taxes are deductible by individuals unless incurred in a business or investment activities.

The President proposed to repeal the deduction altogether.

The Ways and Means staff option calls for repeal of the deduction for State and local sales taxes and personal property taxes. An itemized deduction for income and real property taxes would be allowed equal to the greater of: First, $1,000—$500 for unmarried taxpayers; or, second, the amount of such taxes exceeding 5 percent of taxpayer's adjusted gross income.

This is one of the most controversial aspects of the tax reform proposals. In its markup sessions, Ways and Means decided to skip over this provision temporarily and return to it later.

It is impossible to predict with precision exactly how education might be affected if this deduction is either repealed or limited. Proponents of repeal argue that with lower marginal rates, many taxpayers will see a reduction in their Federal taxes that will offset any rise in the real cost of local taxes resulting from repeal of the deduction for State and local taxes. Taxpayers whose Federal tax liabilities remain unchanged or are increased as the result of a tax reform measure, however, might well call for reductions in their State and local taxes and cutbacks in the services they fund.

Education is the single largest area of expenditure for State and local government. In 10 States, the primary source of education funding is the sales tax, which would not be deductible under the Ways and Means staff option. In addition, in recent years several States have passed measures calling for increased sales taxes earmarked for education. Part of the sales pitches for such measures was that the Federal Government would share some of the burden for the educational improvements by way of the deduction for State and local taxes.

Non-energy-producing States claim that the proposals to repeal or limit the deduction are biased in favor of resource-rich States that raise substantial amounts of revenue by way of energy severance taxes. These taxes will remain deductible as business taxes. They are ultimately passed on to energy consumers throughout the country.

EXCLUSION FOR SCHOLARSHIPS

Under current law, degree candidates at an educational institution can exclude from income amounts received as scholarship or fellowship grants, together with incidental amounts received for expenses of travel, research, clerical help, and equipment. Nondegree candidates can exclude only scholarships and fellowship grants from tax-exempt organizations or governmental organizations, subject to a maximum lifetime exclusion of $10,800. The exclusion for incidental amounts received by nondegree candidates is unlimited. As a general rule, if scholarship or fellowship awards are disguises for compensation for services, they are taxable, but when teaching, research, or other services are required of all degree candidates, a scholarship or fellowship award calling for such services is excludable. Furthermore, although as a general rule, compensation for services, including future services, is taxable, a special exception applies to Federal scholarship or fellowship programs requiring the recipient to perform future services as a Federal employee; amounts received pursuant to such programs are excludable.

The President proposed to allow the exclusion for amounts received as scholarships and fellowship grants by degree candidates only to the extent that such amounts were required to be spent on tuition and equipment for courses of instruction. Amounts received for room and board would have to be included in income. Degree candidates would not be permitted to exclude any amounts for incidental expenses—travel, research, clerical help, equipment. Under the President's proposal the exclusion for nondegree candidates would be limited to amounts received as reimbursements for incidental expenses. The President also called for repeal of the special rules concerning performance of future services as a Federal employee and compensation for services required of all degree candidates.

The reasons put forward for these changes are that scholarships and fellowship grants confer a benefit on recipients that should be taxed as income. To include the full amount of a scholarship in income might create hardships for many scholarship recipients, who are often chosen on the basis of need and who do not have the resources to pay taxes on scholarship income. Still, the full exclusion of these benefits from income is not fair to other taxpayers who must pay for education with earnings that are subject to tax.

The Ways and Means staff option provision regarding scholarships, which the committee has approved in its markup session, is generally the same as the President's plan. It does not permit exclusion of incidental expenses of nondegree candidates; but such amounts are usually deductible above the line, by nonitemizers as well as itemizers, as business expenses.

CHARITABLE CONTRIBUTIONS

Under current law, nonitemizing taxpayers may deduct charitable contributions, in addition to taking the standard deduction [ZBA]. For 1985, 50 percent of such contributions are deductible. For 1986, the full amount of such contributions will be deductible. This deduction is scheduled to terminate for tax years after 1986.

The President proposed to repeal the nonitemizer charitable deduction for all contributions made after 1985—1 year earlier than the scheduled termination. He argues that reasonable amounts representing deductions are included in the zero bracket amount—standard deduction. Allowing a deduction for charitable deductions by nonitemizers in effect creates a double deduction for such contributions. In addition, the President says that this provision creates administrative burdens. It is difficult for the IRS to monitor or verify small donations to countless charities, and the deduction gives rise to abuse. Opponents of the President's measure have argued that without such a provision, the law gives no incentives to charitable gifts to nonitemizers. Moreover, under the President's plan, many more people would not itemize, thus charitable deductions could well decline.

Repeal of this provision could have a serious impact on charitable gifts to colleges. The Ways and Means staff option was identical to the President's plan. On October 15, however, the committee voted to make permanent the charitable deduction for nonitemizers.

INCLUSION IN MINIMUM TAX BASE OF APPRECIATED PORTION OF GIFTS OF PROPERTY

Taxpayers with incomes of $50,000 whose taxable incomes are substantially reduced by certain items of tax preference must pay an alternative minimum tax if the minimum tax exceeds their regular tax liabilities.

The alternative minimum tax is figured by adding to adjusted gross income the amount of specified tax preference items and then subtracting

certain itemized deductions and an exemption—of $40,000. The balance is subject to a flat 20-percent tax. Included in the eight tax preference items are accelerated depreciation—in excess of depreciation using the straight line method—and capital gains deductions.

The President's plan calls for inclusion as a tax preference item of the appreciation inherent in charitable gifts of property. If, for example, a taxpayer purchased stocks for $10,000 that are now worth $100,000, he can donate those stocks to a college and take a deduction equal to the property's fair market value—$100,000. The President's proposal would require that the appreciation of $90,000 be treated as a tax preference item, which will be a part of the alternative minimum tax base. The Ways and Means staff option tracks the President's plan. The minimum tax rate would be raised to 25 percent.

Colleges and universities believe that this provision would substantially raise the cost of giving for donors of large gifts on whom colleges and universities are particularly dependent.

INCENTIVES FOR RESEARCH AND DEVELOPMENT

The Economic Recovery Tax Act [ERTA] of 1981 included a temporary tax credit for investment in qualified research and development. A credit is allowed by determining the average of R&D expenditures by a company during the preceding 3 years. A direct credit equal to 25 percent of expenditures in excess of that average is given. A special rule permits the credit to apply to 65 percent of corporate expenditures for basic research by a college, university or qualified research organization. The credit expires December 31, 1985.

The President has proposed to extend the credit for 3 years, but to make grants for basic research ineligible for the credit. The definition of qualified research would be revised to limit the credit to research activities involving a process of experimentation intended to result in technological innovations in products and production processes.

The Ways and Means staff option similarly proposes to clarify through committee report language the definitions of research and experimentation. Ineligible activities would be those involving little or no innovation or experimentation such as those for style, cosmetic, or seasonal design changes; routine testing and data collection; management and marketing studies; and routine development of internal-use computer software. In addition, rental payments for the use of property used in conjunction with research—other than payments for the use of computer time—would be ineligible for the credit. Part of the credit, however, would be a tax preference item included in the minimum tax base.

TAX EXEMPT BONDS

Student loan bonds. Tax-exempt bonds may be issued under current law to finance educational and related expenses by nonprofit corporations or public agencies or instrumentalities of a State. The President proposed to deny tax exemption to the interest on such bonds. The Ways and Means staff option similarly provides for no exemption from tax. The staff option, however, allows for refundings of bonds issued before November 1, 1986 if the maturity date of the refunding bonds does not postdate the maturity of the refunded bonds.

Tax-exempt bonds for colleges. Under current law, interest on bonds of nonprofit organizations (such as private colleges and nonprofit hospitals) are tax-exempt. The President's plan proposes to deny tax exemptions for these bonds.

The Ways and Means staff option would allow tax-exempt bonds for nonprofit organizations for activities directly related to the purpose of the organization. The aggregate amount of outstanding bonds of which each organization was a beneficiary could not exceed $40 million. All projects funded with tax-exempt bonds would have to be owned by the organization.

General restriction on tax exemption. The President proposed to tax State and local government bonds if more than 1 percent of the bond proceeds were used by any person or group other than a governmental unit. Use of bond-financed property is treated as use of bond proceeds. Use of tax-exempt financed facilities by a nongovernmental person would be permissible if the facilities were available for use by the general public on the same basis.

The Ways and Means staff option would liberalize the 1 percent rule, permitting an amount of governmental bond proceeds, equal to the lesser of 5 percent of proceeds or $5 million, to be used by persons other than a State or local government.

Under the staff option, governments could continue to issue tax-exempt bonds to finance activities such as schools and government buildings. The provision, however, would appear to stifle any innovative joint public-private cooperation in conjunction with the construction or operation of such buildings.

Advance refunding. School districts or municipalities that have issued tax-exempt bonds may, in advance of the call date of the bonds, issue refunding bonds. The proceeds of these refunding bonds, issued at lower interest rates, are invested in Federal securities, the proceeds of which pay off the earlier bonds. The school district or municipality has thus restructured its debt at a lower interest rate. The President's reform proposal would end the tax exemption for the refunding bonds unless the refunded bonds were immediately redeemed. The Ways and Means staff option is similar, but it would permit a 30-day period from issuance of the refunding bonds in which to redeem the refunded bonds.

EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE

Section 127 of the Internal Revenue Code currently provides that an employee need not report as income amounts paid by this employer for educational assistance to the employee. The assistance must be provided pursuant to a nondiscriminatory plan; the assistance cannot relate to hobbies, games, or sports. The exclusion for educational assistance is set to expire as of December 31, 1985. Educational assistance can relate to the employee's job, to training for a new job, to basic skills like reading and writing. Conceivably, the education could be unrelated to the employee's job. In the absence of section 127, employees can take an above-the-line deduction for educational expenses that they pay if the expenses maintain or improve job skills, but not if the training qualifies the employee for a new trade or business or if it relates to basic skills (like reading or speaking English).

The President proposed to make the exclusion a permanent part of the Code. He also proposed to drop the current law's annual limit of $5,000 on the amount of educational assistance that can be excluded. The Ways and Means staff option proposes to allow the exclusion to expire.

INCOME SHIFTING

One method that some parents use to save for children's college expenses is a transfer of money or income-producing assets to a child. Income earned by the child from the transferred assets is generally taxed at a rate lower than the parents' rate.

The President proposed to tax income of children under 14 at the same marginal rate as their parents. This would apply to income attributable to property received from parents in excess of the standard deduction. The child's tax liability on such income would be equal to the additional tax his parents would have paid if the income were added to the amount reported on their return. This provision would require segregation of accounts to make it possible to determine whether income was derived from assets transferred from parents or from other sources.

The Ways and Means staff option would apply the new rules to all children claimed as dependents, regardless of whether their income is derived from assets transferred from their parents. The provision would apply to unearned income (income other than salary or wages) in excess of $3,000.

"CLIFFORD" (NONGRANTOR) TRUSTS

The rules regarding taxation of trust income are complex. If the grantor of

a trust has retained certain statutorily defined interests in the trusts, the income from trust properties is taxed to the grantor, as if the trust had not been created. Nongrantor ("Clifford") trusts are treated as separate taxpayers. Trust income is reported by the trust itself; distributions of trust income are deductible by the trust and included in the income of the beneficiaries.

A trust may qualify as a nongrantor trust even though trust assets may eventually revert to the grantor. (Reversion within 10 years from the date of creation of the trust will render the trust a grantor trust). The provisions regarding taxation of trusts allow high-bracket taxpayers to shift income via a trust to other family members subject to lower marginal rates. Trusts may serve as a vehicle for payment of college expenses.

The President proposed that during the lifetime of the grantor, nongrantor trusts would be taxed to the trust at the grantor's marginal rate, unless the trust instrument requires income to be distributed to or irrevocably set aside for beneficiaries. In computing trust income, only mandatory distributions could be deducted.

Under the Ways and Means staff option, nongrantor trusts would generally be taxed at the top marginal rate, but special rules would permit the use of lower rates where trust beneficiaries are minor children of the grantor.

PERSONAL EXEMPTION

Another way in which the Tax Code supports education is by way of the allowance of an exemption for dependent students supported by the taxpayers. The President's plan would make this exemption more generous, raising it to $2,000. The joint tax staff option raises this to only $1,500. An increase in this exemption is welcome, but in this day of skyrocketing college costs, it still does not go very far in assisting parents to save for college expenses.

It is difficult, if not impossible, to state with specificity the loss to education that could result if all these tax reform proposals become law. Approximately 40 percent of total State and local governmental expenditures go for education. I have, therefore, attributed to education 40 percent of the revenue loss due to the deduction for State and local taxes. For fiscal 1987, the full deduction for State and local taxes would represent Federal assistance to education of approximately $13.3 billion. Under the President's plan, this figure would be reduced to zero; and under the Ways and Means staff option, this figure would fall to $3.2 billion.

Currently, the revenue loss due to the exclusion from income of interest on student loan bonds amounts to $450 million. This figure will be reduced to zero under both the President's plan and the Ways and Means staff option. The $110 million in tax expenditures for employer-provided educational assistance will similarly be lost under both the President's plan and the Ways and Means staff option. The exclusion of interest on bonds for private, nonprofit educational institutions now represents a tax expenditure of $220 million. Under the President's plan, the full amount of this expenditure would be lost. Limiting the exclusion for fellowships and scholarships represents another loss of $100 million for education. Restrictions on the use of income shifting and Clifford trusts will raise another $900 million. Again, however, some of that revenue saved will be taken from parents planning for their children's future educational expenses.

The current tax reform effort represents the most sweeping changes in the Internal Revenue Code in over 30 years. It could well be another 30 years before another such effort is underway. It is easy to overlook the effects of tax law on education. The effect on education of changes in our tax laws is not as direct as, for example, the reduction in funding of education programs. The effect is no less real, however. We must be vigilant to assure that we don't sacrifice education to our efforts to curb tax expenditures. The day and age when, because of our Nation's mediocre educational system, we have been labeled "A Nation At Risk"; when we face increasing competition from foreign nations; and when we have increasingly asked States to assume financial burdens the Federal Government once bore is not the time for us to decrease our commitment to education.

In conclusion, if you agree with me that education should continue to have a significant priority in tax expenditures, you can see that neither Treasury II nor the Ways and Means draft does this. We may disagree as to just how these $15 billion-plus in lost tax expenditures should be used for education. Given the present need for improving our education systems, it seems to me that few would agree that we should slash by about 90 percent our present tax expenditures in this area, loading additional burdens on the State and local governments, and expecting them to make up the difference.

TAX EXPENDITURES FOR EDUCATION

[Dollars in billions]

	Current law	President's plan	Joint tax option
40 percent of deduction for State and local taxes	$13.3	$0	$3.2
Exclusion of interest on student loan bonds	.450	0	0
Employer-provided educational assistance	.110	.110	0
Exclusion of interest on bonds for private colleges	.220	0	.220
Exclusion of scholarships	.645	.545	.545
Deductibility of charitable contributions (education)	.910	.905	.910
Total	15.635	1.56	4.875

THE COMPETITIVE TIED AID FUND BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. NEAL] is recognized for 10 minutes.

Mr. NEAL. Mr. Speaker, today I am introducing for myself and several other Members, the competitive tied aid fund bill. This legislation would establish a war chest within the Export-Import Bank with which we can combat the unfair and predatory use of tied aid credit—generally known as mixed credits—by our foreign competitors. The Subcommittee on International Finance, Trade, and Monetary Policy, which I chair, has held extensive hearings on tied aid credits, and has considered various proposals for legislation, including those submitted by the administration. On the basis of these hearings, we have concluded that the best approach would embody the features now put forward in this bill.

Before summarizing this proposal, I would like to explain, briefly, the threat to our exports posed by tied aid credits. Most countries support some of their exports with financing supplied by their governments. We have long sought to negotiate limits to this practice, to discipline it, to minimize, by international agreement, the subsidies contained therein. And we have made some very important progress in this direction. The agreements we have reached stipulate minimum interest rates and maximum maturities governments may offer on official export credit. As long as the major industrial countries abide by these agreements, our Export-Import Bank should be able to provide American exporters with competitive financing at tolerable cost.

There is, unfortunately, one major loophole in the Arrangement on Guidelines for Officially Supported Export Credits, the international agreement that governs official export credit. Official export loans with terms more favorable than those permitted under the arrangement are deemed to carry a grant element, which measures, roughly, the portion of the loan that is, in effect, being given away. The more generous the terms, the higher the grant element. Official export credit with a positive grant element—that is, with terms more generous than those established in the arrangement—is called tied aid credit, or, colloquially, mixed credits. The term "mixed credits" derives from the notion that the total package is a mixing of foreign aid, in the form of a grant, with export credit on conventional terms.

As it now stands the arrangement does permit governments to offer tied aid credit to finance their exports, but only if the grant element exceeds 25 percent. Many countries have commenced an aggressive program of tied aid credits with grant elements around 25 percent to 35 percent, which is perfectly in harmony with the arrangement as now written. The OECD predicts that these countries will offer over $6 billion in tied aid credit in 1985. American exporters cannot, on their own, compete against foreign exporters armed with such tied aid credit, no matter how good our products might be. To compete, our exporters must also be able to offer financing with a similar degree of subsidy.

Tied aid credit can be a useful and legitimate tool for assisting developing countries, but only when it is genuine foreign aid, when it finances appropriate development projects. To be genuine foreign aid it should contain a grant element considerably greater than 25 percent. Tied aid credit with a grant element just above 25 percent is not sufficiently costly, to donor countries, to dissuade them from using it, and abusing it, primarily for commercial purposes. They are tempted to offer it to win export orders for projects that could and should be financed on conventional arrangement terms, or even on commercial terms. This is a thoroughly predacious practice, nothing less than the stealing of potential markets from American exporters.

To put an end to this abuse of tied aid credit, we have been trying to negotiate a reform of the arrangement to ensure that tied aid credit would be granted primarily as bona fide foreign aid for legitimate development purposes. No magic formula can guarantee it would only be so used, but a significant increase in the threshold for tied aid credit could significantly minimize the abuses we are now witnessing. For instance, an agreement to offer only tied aid credits with grant elements greater than 50 percent would impose much greater discipline than the current 25-percent threshold. The more costly it becomes, the more the temptation to use it to steal commercial markets diminishes.

We have, unfortunately, made little progress in negotiations to achieve this objective. The administration reports that a few countries, notably France, supported by Italy, are blocking progress. To move these negotiations forward, we need some new kind of leverage, beyond sweet reason. To that end the administration has proposed legislation to create a war chest, a fund out of which grants can be made to supplement conventional export finance, in effect arming American exporters with the same kind of highly subsidized tied aid credit their competitors are now offering in ever growing amounts. Only when we make it clear to the French, and others, that they can no longer expect to steal our export markets on the cheap will they likely see the wisdom of genuine disarmament in this export credit war.

Two years ago I proposed a similar war chest on mixed credits. My proposal, embodied in the Eximbank reauthorization legislation of 1983, was passed by the Banking Committee on a virtually straight partyline vote. The administration vigorously opposed any such mixed credits legislation at the time, arguing, in the words of the Assistant Secretary of the Treasury, that "We really cannot expect to eliminate the unfair use of mixed credits by engaging in this practice ourselves." Republican opposition succeeded in eliminating my tied aid credit war chest when the bill was considered on the floor. Instead, we were ultimately forced to accept language on mixed credits sponsored by Senate Republicans. This language sought to establish a tied aid credit program within the Eximbank and AID. But no funds were appropriated for these programs. The Eximbank was expected to grant mixed credits out of the budget Congress sets each year for its direct loan program, even though that program is intended primarily for conventional loans at arrangement rates. To be sure, Exim has the legal authority to offer tied aid credit solely out of its direct loan program. To do so, it need only make a loan with an extremely low interest rate, well below the arrangement minimum. But, in so doing, the Bank will necessarily lose a lot of money. Unless Congress appropriates the funds to cover those losses, they will eat into the Bank's capital base, depleting it to the point where the Bank would become insolvent and have to seek an appropriation of new capital from the Congress. The appropriation of funds specifically to cover the losses Exim would otherwise suffer by granting tied aid credit was the keystone of my 1983 proposal, and was strenuously resisted by the administration at that time. Today it is the keystone of their new war chest proposal. I welcome their belated conversion, and only wish we had not lost 2 years in a stalemate on this issue.

Hearings in my subcommittee have revealed a fairly wide and bipartisan sentiment to act on some kind of tied aid credit war chest. Despite an emerging consensus on the overall objective, however, some disagreement remains on the structure and details.

The administration proposes lodging the war chest in the Department of the Treasury, under the sole control and discretion of the Secretary. And it proposes abolishing the existing language we adopted in 1983. Repealing that language would wipe out the mixed credits program created within AID. The administration's bill would dedicate the war chest to an aggressive, even predatory attack of our own on the export markets, actual and potential, of those countries that abuse tied aid credits for commercial purposes and block negotiations to eliminate those abuses. Clearly, its war chest would not be an all-purpose fund for the relief of any U.S. exporter facing tied aid credit corporation. It would be highly targeted and selective. Its impact on negotiations would be the sole criterion for its use. And it would expire after 2 years.

The legislation I introduce today would have substantially the same purpose as the administration's bill, but is structured somewhat differently. It would not touch the existing tied aid credits language, embedded in the Trade and Development Enhancement Act of 1983. It would, thus, leave the AID program in place, able to make whatever contribution it can, given the budget resources Congress makes available through AID appropriations.

My bill would lodge the fund in the Eximbank, under the control of the Bank's Board, not the Secretary of the Treasury. Treasury's persistent opposition to mixed credits, prior to its recent about-face, has undercut its credibility on this issue. Despite its belated conversion, many do not believe it will really use a mixed credits war chest very aggressively. Moreover, it does not have any direct and actual experience with financing exports, just a broad policy-setting role with respect to international negotiations on export credit issues. Thus, it seems most appropriate to entrust the agency that actually finances exports with the administration of this fund, subject to consultations with the Treasury Department to ensure it is used in harmony with our negotiating objectives.

I agree with the main policy criteria spelled out in the administration's war chest proposal. It should be used primarily to promote our negotiating objectives, which means it should be used aggressively but selectively, targeted against those countries that most egregiously tied aid credit for commercial purposes or that block progress in negotiating greater discipline over mixed credits. This primary, aggressive purpose can and should encompass the initiating of tied aid credit offers in markets where they can undercut, in the most painful and damaging fashion, the exports of countries we intend to target, France being foremost among them. My bill retains that purpose as the primary objective of the Competitive Tied Aid Fund. But I think it is also appropriate to set out a secondary, more defensive purpose. This fund should be available to match any tied aid credit competition American exporters face, provided that matching does not, in the opinion of the Board, detract from its primary, aggressive use.

Finally, my bill would effectively terminate this war chest only upon a Presidential declaration that our negotiating objectives have been achieved.

I ask that a section-by-section analysis of the competitive tied aid fund bill be printed in the RECORD.

Section 1. Title of the bill—"Competitive Tied Aid Fund Bill".

Section 2. (a) General findings concerning the use and adverse impact of tied and partially untied aid credits offered by other countries. Finds that the establishment of a Competitive Tied Aid Fund will facilitate negotiations to eliminate the exploitation of tied aid credit for commercial purposes and protect American exporters facing such unfair and predacious competition.

(b) The Competitive Tied Aid Fund will be established in the Export-Import Bank. It will be used to make grants to supplement conventional export credit. The primary purpose of this Fund will be offensive and

targeted against countries that abuse tied aid credits for commercial purposes or block negotiations to eliminate such abuse. EXIM will consult with the Secretary of Treasury in determining when, where, and how to utilize this offensive weapon. The secondary purpose of this Fund will be defensive and matching, to protect American exporters competing against any foreign aid credits. EXIM may use the Fund for this secondary purpose as long as this use does not significantly impair its use for its primary purpose.

(c) Definition of tied or partially untied aid credit as official export credit with a positive grant element which is tied to the procurement of goods in the donor country, in the case of tied aid credit, or to the procurement of goods from a restricted number of countries, in the case of partially untied aid credit.

(d) Authorizes appropriations of $300 million for the Competitive Tied Aid Fund, without fiscal year limitation, and provides that funds so appropriated will not be available for expenditure if the President declares they are no longer needed to achieve the primary purpose of the Fund.

Section 3. Includes loans supplemented by grants from the Competitive Tied Aid Fund among the categories of loans for which the Eximbank must issue a report to the Congress prior to final approval.

BAD OLD BILLS—BOB'S

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

Mr. DELAY. Mr. Speaker, before I was elected to Congress, I served for 6 years in the Texas Legislature. During that time, I saw a number of bills come down the pike. And in the Texas Legislature we had an expression for some of those bills. We called them BOB'S—that stood for Bad Old Bills. House Resolution 1616, the Labor Management Notification and Consultation Act of 1985 is the biggest BOB I've ever seen.

Let me hit the highlights of the bill.

Passage of H.R. 1616 or any other similar legislation would severely hamper any American business with 50 or more employees. The language in this bill will jeopardize job stability in this country by unduly restricting business' ability to compete. It is not merely a "simple notice bill" as its proponents claim. Rather, it is a series of complex restraints on business which can block plant closings or layoffs altogether. Restrictions contained in H.R. 1616 would paralyze an employer's ability to make the kinds of decisions necessary to compete in the marketplace. The most ironic aspect of this legislation is that if it passes and business cannot compete, then security, which is supposedly the central goal of this legislation, will cease to be a problem because there won't be any jobs left to secure. As the owner of a small pest control company, I can't imagine living under the provisions of this bill. Can you imagine having to ask permission from the Federal Government before you can layoff employees or close an unprofitable plant? If that isn't socialism, I don't know what is. This is not a bill we can afford to compromise on. No amount of negotiating with the supporters of this bill can change the fact that it represents the beginning of a socioindustrial policy. It must be killed.

Plant closings are not a new phenomenon. Because of economic conditions facing the Nation in the early 1980's, conditions which for the most part were beyond the control of management or labor, the problem of plant closings took on greater significance than in the past. As markets and consumer preferences shifted, and as world competition intensified, companies and sometimes entire industries have had to adapt to the new circumstances in which they found themselves. The response to the changing realities of the marketplace necessarily resulted in revised corporate strategies and, in some cases, disinvestment in outmoded and/or uncompetitive facilities and industries. Even though the economic and job outlook is considerably better today than it was in 1980, the readjustment process continues as American industry fights for its place in world markets with productivity and product quality improvements.

The closing of a plant is an event which no one takes lightly. American industry is well aware of the hardships that plant closings can cause, not only for employees, but for managers and supervisors as well, and also for the communities in which such plants are located. In most situations a plant is closed only after many months or even years of uneconomical operation. Often its machinery, or even its product, is outmoded. Frequently, a plant is closed because of the need to consolidate operations, because a new source of raw materials becomes available elsewhere, or because of a geographical shift among its customers. Normally, the decision to close is based on a variety of factors rather than one or two. It is rare that the decision is simple, and it is never taken lightly.

Nevertheless, plant closings are a fact of life, and we are kidding ourselves if we think that they can be eliminated by the passage of legislation. Certainly it is constructive to examine the causes of plant closings and to consider ways to diminish the personal and community hardships which plant closings can cause. However, each plant closing situation tends to be unique and there is no single remedy which could possibly avoid plant closings altogether. The solution for plant closings never can be to simply forbid them or to make closing so impractical and onerous that company decision makers will opt artifically to perpetuate unprofitable businesses or operations. Such solutions can only lead to further uncompetitiveness and loss of vitality which, in the long run, will precipitate even larger scale business failures.

In view of these general considerations—the facts of economic life—I am opposed to H.R. 1616. A review of its provisions convinces me that, despite its title, H.R. 1616 is not merely a "notification and consultation" bill at all. Rather, the bill is designed to interfere with and obstruct, not only plant closings, but a host of other operational changes as well. It is a bill which will discourage plant closings and other operational changes by making them so risky and time consuming that managers will opt to forgo them in favor of the business-as-usual approach to noncompetitive management. The bill's short sighted provisions put a premium on temporary job security at the expense of long-term economic viability, the latter being the only sure way to promote true economic stability and job security for workers.

By its terms, H.R. 1616 applies to "any business enterprise that employs 50 or more employees," which includes private sector employers including railroads and airlines and, presumably, State and local governments, and even the Federal Government itself, at least when they are engaged in "any business enterprise."

The bill applies to any "plant closing or permanent layoff," which includes "any change of operations" at any site that "may reasonably be expected to result, during the succeeding 12 months, in an employment loss for 50 or more employees at that site." Thus, it is obvious that the bill's restrictions go well beyond "plant closings" and apply as well to a host of other "change(s) of operations," including work relocation, subcontracting, consolidation of operations, discontinuance of outmoded or unprofitable product lines, and the replacement of antiquated machinery with equipment which is more modern and efficient. Even the sale of a facility to a new plant operator with no net loss of jobs could be considered as a covered "change of operations" if employees were viewed as technically terminating their employment with the seller. In such a case, the bill's provisions would be applicable unless a seller could divine the intentions of potential purchasers and assure that employment losses could not "reasonably be expected."

No such "change of operations" could be implemented without 90 days' notice to a union representing affected employees, or to each affected employee if there is no union, and to the Federal Mediation and Conciliation Service. In fact and reality, substantially more is required. During the 90-day waiting period an employer must be able to show that he has "consulted in

good faith" with the union, and such consultation must be "for the purpose of agreeing to a mutually satisfactory alternative to or modification of such proposal." One wonders how an employer ever could demonstrate the requisite open-mindedness to alternatives when faced with the loss of a vital segment of his factory by fire or the loss of his most important customer or supplier.

The employer would fail in his statutory obligation to consult in good faith unless he is available to consult on alternatives right up until the final day of the notice period. Presumably this is so whether or not there is in fact any realistic alternative to the course proposed by the employer.

During the notice period, an employer does not consult in good faith unless he provides the union with "relevant information" for the union to evaluate the employer's "proposal" or "any alternatives or modifications" suggested by the union—no matter how reasonable or unreasonable as the case may be. Even alternatives not suggested by the union may be subject to this information requirement, so the employer may have a duty to do the union's thinking for it.

It is the job of the Federal Mediation and Conciliation Service to determine whether an employer "has failed to consult in good faith" during the notice period. This role as enforcer is one which is totally foreign to the FMCS, one which it is totally unequipped to handle, and, more over, one which is inconsistent with its traditional mediation role. The FMCS would need an entirely new enforcement staff of investigators, lawyers and, presumably, administrative law judges to perform this new responsibility. At the moment, the FMCS has two lawyers and no employees in either of the other two groups. Its jealously guarded impartial mediation role would be jeopardized by any new enforcement function. The effect would be much like having National Labor Relations Board investigators at the bargaining table.

In any event, and with little legislative guidance or any defined procedures, the FMCS would be left with deciding whether an employer had complied with his good faith consultation obligation. If not, the 90-day waiting period is extended by the FMCS and such extensions are "renewable." Ostensibly, the 90-day notice period could be shortened by the FMCS, but only if it determines that "unavoidable business circumstances" require shortening. In such a case, the FMCS will specify "the date the employer is permitted" to make the change as proposed.

As anyone can see, H.R. 1616 is far from a mere "notice and consultation" bill. Through consultation requirements which lend themselves to tactical maneuvering and gamesmanship and government involvement in the consultation process, a vast array of business decisions will be postponed well beyond any 90-day notice period. Without doubt, the bill's cumbersome and indefinite consultation requirements will introduce substantial uncertainties and delays into the decisionmaking process.

Moreover, the notice and consultation requirements of H.R. 1616 are far from benign. Substantial financial risks and penalties are introduced into the decisionmaking equation. If after a closing or other operational change is implemented, it is later determined that the bill's requirements were violated, the employer is liable "to each employee who suffers" through civil suits brought by individuals and unions for compensatory and punitive damages, attorneys' fees, and costs. The mere threat of such lawsuits would go far to persuade management to forgo needed changes in order to avoid risking penalties and the substantial costs required to defend management decisions.

In addition to damage awards, court-imposed injunctions pose a realistic threat to the implementation of changes of operations. The Secretary of Labor is empowered by section 6 of the bill to seek Federal court injunctions against changes of operations if the Secretary has "reasonable cause to believe" that the bill's requirements have been violated. Such determinations by the Secretary, theretofore uninvolved in the consultation process, are to be made within 10 days—a totally unrealistic timeframe for the investigation of such complex matters.

The net effect of the bill's requirements, procedures, and penalties inevitably will be greater Government and union involvement in business decisionmaking. The risks and uncertainties introduced for business planners by this bill will discourage or postpone changes needed to ensure the long-range vitality of businesses.

A variety of other studies on plant closings are being completed. As Members are not doubt aware, the General Accounting Office is conducting a plant closing study. During the spring of 1986, GAO plans to testify before Congress on plant closings that occurred between 1980 and 1984, as well as layoffs, relocations, and the types of assistance provided workers in affected plants. The Bureau of Labor Statistics has contracted with eight States to identify establishments involved in large-scale layoffs and to track the subsequent work experience of affected workers. This BLS study should be completed by the end of this year. The eight-State BLS study should be completed by the end of the year and the other 42 States' survey will be completed in several years.

Because of the plant closing studies already completed or currently in progress, I believe that there is little to be gained at this time by the creation of a National Commission on Plant Closings and Worker Dislocation, as provided in H.R. 1616. As proposed, this Commission carries with it a good deal of administrative baggage which could best be avoided in the interests of economy. It is difficult to see how the Commission's broad charter and inevitably political character are likely to produce any meaningful product during its suggested 1-year life. I would suggest that it would be better and more economical to consider materials already available and to await the results of studies already in progress.

In summary, I am opposed to H.R. 1616 because I believe that the bill will interfere in a harmful way with important business judgments. Changes of operations not limited to plant closings inevitably will become bogged down in required consultations and Government enforcement proceedings. The bill's notice and consulation procedures are a Trojan horse for managers faced with the difficult decision to close a plant or make fundamental operational changes. From a bill which at first glance may appear merely to provide for notice and consultation, springs a host of procedures and potential liabilities which have the net effect of delaying fundamental operational changes or making them so onerous and unattractive that they will not be pursued.

The end result is a reduction in management's flexibility to manage and failure to promote the efficiency and economy required if American industry is to compete successfully in domestic and foreign markets. In the long run H.R. 1616 would do more to promote plant closings than to prevent them, for its effects clearly are anticompetitive. The bill's complicated restrictions would discourage capital investment in this country and favor the exportation of jobs and investment to foreign countries where such restrictions do not exist.

American industry understands the impact its operational decisions have upon workers and communities alike. I believe that in the vast majority of plant closings, management has acted responsibly toward its employees and host communities. Such obligations, however, must be balanced against the obligations management has to its owners and shareholders, and its duty to promote the wise use of resources and the economic viability of the business. This viability, not the restrictions placed on business by H.R. 1616, is the most effective means of ensuring a sound national economy and lasting job security for workers and managers.

□ 1505

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I will be glad to yield to the great economist, the gentleman from Texas, doctor, Congressman ARMEY.

Mr. ARMEY. I thank the gentleman for yielding. I have been listening with some interest. I have been aware of this bill and I appreciate the way the gentleman presented this bill. I wonder the extent to which the American people understand, and I would like to see if I have got this right.

According to the scenario the gentleman pointed out, if we pass this bill, and a plant, an industry, or a firm runs into hard times, sales drop off, or indeed even there becomes an obsolescence of their product, that in order for that firm to shut down an obsolete plant, producing a produce for which there may no longer be sales, they must have the permission of the Federal Government.

Mr. DELAY. They must have the permission of the Federal Government, as you very aptly point out.

And I might say in Europe right now, especially in France, this system is in effect, and it is seriously hampering France's ability to create jobs, because if you own a plant and these restrictions are in place, then you cannot, you will not make the decision to go into France to build a plant. You will go somewhere where these restrictions are not.

Mr. ARMEY. I think this is a very important point. The gentleman is a businessman, and obviously you know we do not save, we do not save our money and accumulate resources, borrow and assume risks to make investments for the fun of it. We do so because we seek some earnings on our investment.

It seems to me the obvious and natural thing for any well-informed, intelligent entrepreneur to do, if such a law were to be passed, is not make the investment in the first place since the risks obviously everybody understands. The best thing to do, once you find an investment has been proven to be a bad investment, is to get out of it.

Mr. DELAY. That is exactly right.

Mr. ARMEY. And to back out, but now your escape route would be blocked, not only by the employees or the union, but by the Government as well, or a combination of these forces with, indeed, even the danger of criminal penalties or other suits.

Why in the world would any intelligent, rational businessman invest under those circumstances in any plant whatsoever? I think if I were a French businessman today, I might be seeking some other investment in which to make my investments.

Mr. DELAY. I might also clarify that this could not only just be plants, as we think of huge factories, but we are talking about any business that has 50 or more employees. That could apply to a supermarket moving across town.

Do you really believe that that supermarket which finds an uneconomic situation in one part of the town and wants to move their market over to the other part of town would want to go through that situation? It would cost jobs and it may even shut the operation down altogether; therefore, not even having the capability of moving those groups from that one closed-down supermarket across town to another supermarket.

Mr. ARMEY. If the gentleman will yield for one final point, I think that at least two of us have been studying this bill and considered its potential impact, and could easily come to the conclusion that this is a grossly inequitable, inefficient, and totally unfair piece of legislation to be considered for a Nation such as ours that was built on the basis of private initiative and private enterprise.

Mr. DELAY. Absolutely. I cannot believe that this is coming before this House, the House that is supposed to stand for the free-market system. You would think that this would come before the British Parliament or in France.

Mr. ARMEY. Or perhaps Yugoslavia or Czechoslovakia. I can imagine that there are many governing bodies that would feel much more prepared to deal with that kind of legislation.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I will be glad to yield to the gentleman from Pennsylvania.

ANTIDISINVESTMENT OF SOCIAL SECURITY

Mr. WALKER. I thank the gentleman for yielding and appreciate what he has had to say in his special order, and appreciate the thought and effort that has gone into that special order.

If the gentleman will allow me, I would like for a few moments to try to explain where I think we are in the process here this afternoon, because I think it is important to begin to delineate just exactly what has taken place here as we have bounced issues back and forth this afternoon.

A few moments ago, I objected to a process that was designed by unanimous consent to bring a bill on the floor that would have raised the debt of this country by $17 billion. It was called the antidisinvestment of Social Security bill. It was, in fact, a debt increase, and it was being done as a way of escaping responsibility for what the House had just done a few minutes before, and that is delayed the process of getting a real debt limit extension passed by taking on what I regard as a totally phoney proposal and sending that to the other body. The hope was, of course, that what we were going to do was to do about three things.

First, pass the act of political sabotage on the floor attempting to sabotage the whole balanced-budget movement. Second, pass a short-term debt limit extension that allowed the Members to catch their planes and wing out of town. And third, put the onus on the other body with the House adjourned to do something about the whole mess.

□ 1520

Well, some of us feel as though this House has some responsibility in this whole process, and that while the act of disinvestment of Social Security is a major concern, the reason why we are up against the wall is in large part because the majority has not given us a clear vote on Gramm-Rudman, up until now.

Still today we could not get a clear vote on the central issue that is facing the country. The fact is that we have until midnight tonight; there could be work done in the Senate; my guess is that if in fact we would pass the rule which is about to be brought to the floor to try once again to bring the $17 billion debt increase to the floor, if we pass that rule we will move hurriedly, then, toward an adjournment of the House.

Once again what that means is that we will leave town, having left the whole matter up in the air. The chances are that we could have a situation where the Senate would not agree to the bill that we are about to bring out here, but the House would not be in town all weekend long to do anything about that matter.

I think that what we are seeing here is a series of votes set up in a way to try to tell senior citizens that, "We're concerned about you," but in reality is an act designed to simply throw the blame somewhere else rather than assuming the blame on their own.

That is the reason for the objection. I still object to the process that is being run around here that denies clear votes on central issues, and then tries to deflect blame with other issues being brought to the floor under hurry-up procedures.

We have a rule that is coming to the floor here that was literally written in minutes in the House Rules Committee and brought to the floor for consideration. The same people will bring this rule here that a few days ago were telling us about how terrible it was that Gramm-Rudman had only been looked at for 2 weeks. They are now going to bring a bill to the floor and ask us to accept it that has little more than about 20 minutes of consideration.

So I would suggest that if the Members really want to do something toward two things: Protecting Social Security and moving us toward a balanced budget, that what you may want to consider doing is voting against this rule, denying it the two-

thirds vote, and assuring that the House will be in session to try to act on something before we all clear out of town and leave the whole concept of the balanced budget behind us.

I think that the American people are awaiting a vote by this Congress now on the issue of a balanced budget, and the procedure will be very clear here; a vote for the rule is a vote to try to get out of town.

I want to also assure the Members that once we get to the point of a vote on adjournment, that there will likely be a vote there, too, because the real vote on disinvestment is whether or not we vote to pick up and leave town.

If we vote to pick up and leave town, we are voting to disinvest. If we vote to stay, what we are voting to do is to stay here until we get these matters resolved and get them resolved the right way.

The SPEAKER. The gentleman from Texas [Mr. DELAY], I understand has 30 minutes remaining. Will he yield to the House at this particular time so we can go forward with the matter?

Mr. DELAY. Mr. Speaker——

The SPEAKER. The gentleman may take the rest of his time either now or later.

Mr. DELAY. I would like to have just a little bit more time on my special order if I could, Mr. Speaker.

The SPEAKER. The gentleman is recognized.

Mr. DELAY. Mr. Speaker, I yield to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. I thank the gentleman for yielding, and I will not be long, Mr. Speaker, but I do think it is important for all the Members of this House to understand that, as the Speaker once said, very correctly, he has the power of the calendar; he has the power of recognition; in a debate we had once upon a time on bringing up ERA on a very short notice.

Similarly, there are circumstances where the minority is protected; where individual Members are protected. I know it is often difficult for Members on the Democratic side whose party has now been in power in this House for over 30 years to appreciate that when you set up the rules and you set up the committee ratios and you set up the calendar and you decide the rules of the game, that you cannot then turn and complain because we use the rules to protect ourselves.

Now let us look for a minute from our standpoint of what has happened today. I think the Democratic amendment today was a very clever devise. It did three things: It moved the date up so radically that it was almost impossible to implement; it took care of certain political allies so they would be happy; and it set up a self-destructive mechanism so that 133 of the 134 liberals who voted against agreeing with the other body, could nonetheless vote for the Democratic amendment, knowing that the way it is worded it will never, it could never go into law.

It is a very nice piece of work; a clever smokescreen.

You made one point which I simply want to demolish for a minute, and that is the whole question of whether or not setting the date for a fiscal year is a reelection effort. I say it this way: To change the spending patterns of the American Government even under Gramm-Rudman-Mack as originally designed requires that the President in January of the coming year, before the election, has to submit a budget that is more draconian than any budget in modern times.

It requires that the House and the Senate next year, before the election, has to pass a budget which is more draconian than any budget passed in modern times. It ensures that every interest group in America will know, before the election, what the consequences are.

Any argument that says "Oh, let's do it in '86" is in fact an argument by people who do not want to do it all.

Our position is very simple—let me say one last thing about Social Security. Your party sends out letters attacking us when we vote against Social Security and your party sends out letters attacking us when we vote for Social Security. You have found one of a handful of gimmicks that you think are useful and that you cling to in the age of Reagan as a straw to save you from the flood.

We are confident that no matter how we vote this afternoon on Social Security, your part will attack us.

The truth is, if you want to make sure we do not disinvest, you can do it simply: You could agree, as a Speaker who clearly has the power of scheduling could do, to bring up Gramm-Rudman for a straight up-or-down vote now. You could agree to stay in session today, to pass the debt limit. I have a feeling it will come back from the Senate, the other body, with Gramm-Rudman attached to it, and you could agree right now not to adjourn until it has come back and we passed it.

There are many ways we could get clear votes today. The only way we on our side can make the legitimate point as a minority that we object to the way you run this place, we object to the rules you rig, we object to the way you set it up, is to once again use legitimately the rules of this body which require a two-thirds vote to bring up on the same day a rule that comes out.

I hope we defeat the rule; I hope you will agree to stay in session; but if you decide to go home, I can assure you we will do everything we can to make sure that the vote to adjourn today, to have a nice weekend, becomes the vote to desert senior citizens and not do your job.

I thank the gentleman from Texas [Mr. DELAY].

Mr. DELAY. I thank the gentleman, and I return the balance of my time, Mr. Speaker.

PREVENTING THE DISINVESTMENT OF THE SOCIAL SECURITY TRUST FUNDS AND OTHER TRUST FUNDS

Mr. PEPPER, from the Committee on Rules, reported the following privileged resolution (H. Res. 306, Rept. No. 99-353), which was referred to the House Calendar and ordered to be printed:

H. RES. 306

Resolved, That upon the adoption of this resolution it shall be in order to consider the bill (H.R. 3669) to prevent the disinvestment of the Social Security Trust Funds and other trust funds, in the House, debate on the bill shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 306 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will the House now consider House Resolution 306?

The question was taken.

Mr. LUNGREN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent members.

The vote was taken by electronic device, and there were—yeas 343, nays 77, not voting 14, as follows:

[Roll No. 387]

YEAS—343

Ackerman	Bilirakis	Callahan
Akaka	Boehlert	Carney
Alexander	Boggs	Carper
Anderson	Boland	Carr
Andrews	Boner (TN)	Chandler
Annunzio	Bonior (MI)	Chapman
Anthony	Bonker	Chappell
Applegate	Borski	Clay
Aspin	Bosco	Clinger
Atkins	Boucher	Coelho
AuCoin	Boulter	Coleman (TX)
Barnard	Boxer	Collins
Barnes	Breaux	Conte
Bateman	Brooks	Conyers
Bates	Broomfield	Cooper
Bedell	Brown (CA)	Coughlin
Beilenson	Broyhill	Coyne
Bennett	Bruce	Daniel
Bentley	Bryant	Darden
Berman	Burton (CA)	Daschle
Bevill	Bustamante	Davis
Biaggi	Byron	de la Garza

Dellums	Lantos	Rogers
Derrick	Latta	Rose
DeWine	Leach (IA)	Rostenkowski
Dickinson	Leath (TX)	Roukema
Dicks	Lehman (CA)	Rowland (CT)
Dingell	Lehman (FL)	Rowland (GA)
Dixon	Leland	Roybal
Donnelly	Lent	Russo
Dorgan (ND)	Levin (MI)	Sabo
Dowdy	Levine (CA)	Savage
Downey	Lewis (FL)	Saxton
Duncan	Lipinski	Scheuer
Durbin	Livingston	Schneider
Dwyer	Lloyd	Schroeder
Dymally	Long	Schuette
Dyson	Lott	Schulze
Early	Lowry (WA)	Schumer
Eckart (OH)	Lujan	Seiberling
Edgar	Luken	Sensenbrenner
Edwards (CA)	MacKay	Sharp
Emerson	Madigan	Shaw
English	Manton	Shelby
Erdreich	Markey	Shuster
Evans (IA)	Martin (IL)	Sikorski
Evans (IL)	Martin (NY)	Sisisky
Fascell	Martinez	Skeen
Fazio	Matsui	Skelton
Feighan	Mavroules	Slattery
Flippo	Mazzoli	Smith (FL)
Florio	McCloskey	Smith (IA)
Foglietta	McCollum	Smith (NE)
Foley	McCurdy	Smith (NJ)
Ford (MI)	McDade	Smith, Robert (OR)
Ford (TN)	McGrath	
Frank	McHugh	Snowe
Franklin	McKernan	Snyder
Frost	McKinney	Solarz
Fuqua	Meyers	Solomon
Garcia	Mica	Spence
Gaydos	Michel	Spratt
Gejdenson	Mikulski	St Germain
Gephardt	Miller (CA)	Staggers
Gibbons	Miller (OH)	Stallings
Gilman	Mineta	Stangeland
Glickman	Mitchell	Stark
Gonzalez	Moakley	Stenholm
Goodling	Molinari	Stokes
Gordon	Mollohan	Stratton
Gradison	Montgomery	Studds
Gray (IL)	Moody	Stump
Gray (PA)	Moore	Swift
Green	Morrison (CT)	Synar
Guarini	Morrison (WA)	Tallon
Gunderson	Mrazek	Tauke
Hall (OH)	Murphy	Tauzin
Hall, Ralph	Murtha	Taylor
Hamilton	Myers	Thomas (GA)
Hammerschmidt	Natcher	Torres
Hawkins	Nelson	Torricelli
Hayes	Nichols	Towns
Hefner	Nowak	Traficant
Hendon	O'Brien	Traxler
Hertel	Oakar	Udall
Hillis	Oberstar	Valentine
Hopkins	Obey	Vander Jagt
Horton	Olin	Vento
Howard	Ortiz	Visclosky
Hoyer	Owens	Volkmer
Hubbard	Panetta	Walgren
Huckaby	Parris	Watkins
Hughes	Pashayan	Waxman
Hutto	Pease	Weaver
Ireland	Penny	Weiss
Jacobs	Pepper	Wheat
Jeffords	Perkins	Whitley
Jenkins	Petri	Whittaker
Johnson	Pickle	Whitten
Jones (NC)	Price	Williams
Jones (OK)	Pursell	Wilson
Jones (TN)	Quillen	Wirth
Kanjorski	Rahall	Wise
Kaptur	Rangel	Wolf
Kasich	Ray	Wolpe
Kastenmeier	Regula	Wortley
Kemp	Reid	Wright
Kennelly	Richardson	Wyden
Kildee	Ridge	Wylie
Kindness	Rinaldo	Yates
Kleczka	Roberts	Yatron
Kolter	Robinson	Young (AK)
Kostmayer	Rodino	Young (FL)
LaFalce	Roe	Young (MO)
Lagomarsino	Roemer	

NAYS—77

Archer	Fiedler	Moorhead
Armey	Fields	Nielson
Bartlett	Fish	Oxley
Barton	Frenzel	Packard
Bereuter	Gallo	Porter
Bliley	Gekas	Ritter
Brown (CO)	Gingrich	Roth
Burton (IN)	Gregg	Rudd
Campbell	Grotberg	Schaefer
Chappie	Hartnett	Shumway
Cheney	Henry	Siljander
Coats	Hiler	Slaughter
Cobey	Hunter	Smith, Denny (OR)
Coble	Hyde	
Coleman (MO)	Kolbe	Smith, Robert (NH)
Combest	Kramer	
Courter	Lewis (CA)	Strang
Craig	Lightfoot	Sundquist
Crane	Loeffler	Sweeney
Dannemeyer	Lowery (CA)	Swindall
Daub	Lungren	Thomas (CA)
DeLay	Mack	Vucanovich
DioGuardi	McCain	Walker
Dornan (CA)	McCandless	Weber
Dreier	McMillan	Zschau
Eckert (NY)	Miller (WA)	
Fawell	Monson	

NOT VOTING—14

Addabbo	Hansen	Marlenee
Badham	Hatcher	McEwen
Crockett	Heftel	Neal
Edwards (OK)	Holt	Whitehurst
Fowler	Lundine	

□ 1545

Mr. GOODLING, Mrs. MARTIN of Illinois, and Messrs. HAMMERSCHMIDT, LUJAN, SAXTON, and PARRIS changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 306.

The result of the vote was announced as above recorded.

The SPEAKER. The gentleman from Florida [Mr. PEPPER] is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes, for the purposes of debate only, to the able gentleman from Ohio [Mr. LATTA], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 306 provides for the consideration of H.R. 3669 in the House. The 1 hour of debate is to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule also provides one motion to recommit.

Mr. Speaker, H.R. 3669 provides for a temporary increase in the public debt limit of $17 billion, which will allow the Government to function through November 6, 1985. This extension is required to provide the Treasury Department with the necessary funds so that there would be no further disinvestment of surplus of the Social Security and other trust funds, which has already occurred.

As my colleagues are aware, the House and the other body are currently in disagreement over the legislation permanently extending the debt ceiling. The Secretary of the Treasury has announced that without the extension of the debt ceiling we would be forced to disinvest the surpluses of Social Security and other trust funds, which means that money that would be otherwise be bearing interest in those trust funds will not be bearing interest unless this provision is carried out.

This month's Social Security checks have been already issued. But without this extension, those checks cannot be honored.

H.R. 3669 would permit the Treasury to borrow $17 billion, as I said, negating the possibility of a further invasion of the trust fund. This short-tem extension will allow the two bodies to come to some resolution of the issues that have delayed the passage of the permanent debt ceiling extension.

Mr. Speaker, I add only that this is a very critical matter. If we ever allow invasion of the trust funds, with their sacred character and their meaningful significance, we would jeopardize the heritage of millions and millions of needy people of this country.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from California.

Mr. DANNEMEYER. The gentleman has postulated a premise whereby in order to avoid disinvesting the Social Security Trust Fund we must adopt this.

There is another alternative, is there not, really? Is not the alternative that we should pursue that which would give us a vote on Gramm-Rudman up or down and we would thereby raise the debt limit and avoid the necessity of this temporary step? Is that not the alternative?

Mr. PEPPER. All of us would like an immediate solution to this whole problem. But we rather have to proceed step by step. We have made a lot of progress in the conference that has been held for the last few days. I think there has been commendable dedication on the part of the Representatives of the House and the other body. I know the House task forces have worked hard and have produced a Democratic alternative that we can support with pride and I believe we will. This is a temporary extension to the debt ceiling to protect the Trust Funds during the interval until November 6.

Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. JONES], who is very much aware of this subject.

Mr. JONES of Oklahoma. Mr. Speaker, what we are dealing with is a political issue on what mechanism will be used to go to a balanced budget by 1990 or 1991. All the chairman is asking in this rule is that we not hold hostage the senior citizens of America while we are trying to iron out our differences.

Mr. PEPPER. I thank the gentleman.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a simple case of "the checks are in the mail." The question is whether or not they are going to be honored.

This rule is a very simple rule. You do not have to be an Einstein to understand it. It makes in order a bill that the gentleman from Illinois tried to get on the floor by unanimous consent that would extend until November 6, that is next Wednesday, the debt ceiling that we now have but, in the interim, would permit the increase of $17 billion so that we do not have to dip into those securities in the Social Security Trust Fund.

As I asked the chairman of the Ways and Means Committee when we were before the rules about this question that seems to have eluded a lot of people, that those securities that are now in the trust fund that would have to taken out are long-term securities that are in at a higher rate of interest than the securities that would replace them. That would be a tremendous loss to the Social Security Trust Fund.

So this matter has to be considered, in addition to the fact of whether or not those checks are in the mail are going to be honored.

Mr. PEPPER. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, I just wanted to make the point that we are not only holding Social Security trust funds hostage but we are also holding the civil service retirement trust fund, the military retirement trust fund, the railroad retirement trust fund, the Federal supplemental trust fund, and others, hostage.

So I hope we adopt the rule and not penalize really literally all of the elderly and disabled in this country.

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker and my colleagues, first of all, let me make several observations, because earlier in the afternoon the Speaker said there had been an agreement, and what he was talking about was the meeting that we had had in the company of the majority leader and several Members on our side and the majority side, trying earlier to lay out the scenario that might be played out this weekend. It is true, the gentleman from Illinois did agree and say that if we got to that juncture, it would be my judgment, taking all things into account, we would probably have to do this.

The gentleman from Pennsylvania was perfectly within his rights to object, feeling strongly as he does about this issue and the way it plays.

Now, if I might further make an observation. I do not question the motives of the gentleman from Pennsylvania but just the end result. Yes, by midnight tonight, it would be wonderful if what we have done today is, in my judgment, rejected by the other body, but coming back with an amendment from the other body. But we have no assurance that that can be done by midnight.

I think we would be very offended in this body if all the changes that we made, with all those task forces and all the rest, to so-called Gramm-Rudman-Hollings—we made a number of significant changes to that—and then in what we had proposed to offer later, if given the opportunity, makes additional changes that I think, frankly, are going to be agreed to by a good many on the other side of the aisle. That is why I personally refrained from engaging in the debate earlier on today, because eventually we have got to come together to do something.

So my whole objective here was one of at least giving consideration to the other body having their full opportunity to debate that issue, and knowing that body for the way it does talk endlessly from time to time, that it seemed a bit inconceivable that we could conclude this thing by midnight tonight, in which case then you get the disinvestment automatically of Social Security unless we had done something by way of this action.

So I have no problem personally with the measure that is before us, because eventually we are going to have to raise the debt ceiling.

Now, admittedly, on both sides of the aisle there are folks who have never voted for increasing the debt ceiling. I appreciate that, and I respect them for their views. But eventually a majority of this House is going to have to do that or you all know what the consequences are.

So, personally, I just wanted the Members to know the scenario that was played out earlier and we are at this juncture and I think we will work our will, hopefully.

One other thing. If the other body were to immediately discard what we have sent them and come back with an amendment that essentially embraces what we were taking about here and that were to pass the other body, as it could very well be because the earlier one was passed by 75 to 24, if we were still in session at that time I could have a preferential motion to concur with the Senate amendment at that juncture, and that would be our vote on what you Members would like to have a vote on. It takes preference over going to conference. And if that were defeated, of course, we would then go back into conference. I do not know what and where, but we would have to move again toward some kind of an agreement. But eventually what we are all aiming for here is coming to some kind of an agreement. I think in the absence of being able to do that, because we know not what the other body is going to do, at least for another couple of hours, until we get some sense of feel, I am certainly going to support the measure that is before us.

□ 1600

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I do not disagree with what the distinguished minority leader said, except that I do not think that he said it as completely as it probably ought to be represented. That is, of course, that we have already voted to disinvest the Social Security funds when we passed the Rostenkowski amendment which we know will not be accepted by the other body. And we know we are going to get something back sooner or later, and the chances are extremely good that after we pass this debt ceiling extension and all pat ourselves on the backs for saving these wonderful trust funds, that that is not going to be accepted by the other body too.

The blunt fact is that the House flunked its challenge when it refused to respond to Gramm-Rudman-Hollings in a decent way and in a sensible way when it accepted the Rostenkowski amendment. That is where we made our mistake.

If the Speaker sends us home after passing this bill, and disinvestment continues, everybody will know of course where the responsibility lies. It is quite clear, in my judgment, we can pass this bill, but do not think you have passed any responsibility on.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, I do not think there is a Member in this body who does not understand the political game that is going on. We want a vote on Gramm-Rudman; that is our request. On the merits, up or down.

The games that are being played are to prevent our side from getting that vote, because the suspicion is on the part of some Members in the body that if this body gets a chance to vote up or down on Gramm-Rudman, it might pass. When it passes, what happens? The foundation is laid for raising the debt limit. And what happens then? We avoid the necessity of disinvesting the Social Security trust funds. All of those checks that were alluded to by my colleague just a short time ago will be honored when they are presented to the bank.

All we want is a vote up or down on Gramm-Rudman, Mr. Speaker. You have it in your unilateral power to give us that vote any time the spirit moves you. I would hope that the spirit is working.

Mr. Speaker, if the smile on your face is a manifestation of the movement of the Speaker, I can only hope that it speaks truthfully, Mr. Speaker. Because you know we all want this vote.

The SPEAKER. The gentleman does not understand the rules of the House.

Mr. DANNEMEYER. I understand the rules, Mr. Speaker; I just do not understand the politics.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman.

Mr. FRANK. I just want to ask the gentleman from California, first I want to thank the Members on the other side for letting the rest of us sit in on this Republican Caucus, because that seems to be where all the disagreement is.

Second, I would like to ask the gentleman from California, why, when the minority had it within their control to frame an instruction motion to the conferees after Gramm-Rudman first passed the Senate, they did not do that? They are now clamoring for a vote. The minority had it within its power to offer an instruction, and could have instructed on Gramm-Rudman, and they decided not to.

Mr. DANNEMEYER. Would you like the answer? I may be dense but I am not dumb; you do not have to repeat it again.

Mr. FRANK. I hope the gentleman is not asking me that.

Mr. DANNEMEYER. I will tell you what, if we had framed it in the manner the gentleman has described, we all know that that vote was not binding on the conferees. Under the rules that exist in this place, the conferees could have done anything they wanted to. It would have given a vote on Gramm-Rudman that would not have accountability to it, because it would not have meant anything. We want to vote on Gramm-Rudman where it means something; where it has the debt limit attached to it. Where it has only one significance, where Members are put on record of bringing runaway spending under control in this country, and that is the issue, Mr. Speaker.

For myself and my California voters, I am prepared to stay here for the rest of the year; I get paid by the year.

Mr. PEPPER. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, I hope that we can get a vote on the matter pending before the body at this time. I would remind the House that in 1983 when we passed the Social Security bill, the administration agreed to the procedure of advanced tax transfer. That was understood and it was made a part of the bill.

Now the administration is taking that away. They are violating that agreement. They are cashing in the long-term bonds against our reserves as well as using FICA taxes to pay immediate bills. Now, that is wrong. Whatever happens with respect to a vote on the so-called Gramm-Rudman or the alternative may have not happened a little bit later. There is nothing wrong with us pushing a vote now on this to tell the American people we are not going to let you violate our trust funds.

Mr. PEPPER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Speaker, I did not anticipate speaking on this and I hope that we can proceed to vote immediately.

The gentleman from California raised an interesting point which has been expressed over and over and not rebutted and I think the American people need to know that this House, at least the Democrats in this House, will not allow a far-reaching, far-ranging, possibly permanent destructive bill like Gramm-Rudman to be brought to the floor without any debate whatsoever.

Without hearings, without anybody being able to look at it, without anybody being able to review it, without any committees of jurisdiction having anything to do with it. If the other body chose to do that, that is to their discredit. Not to the discredit of this House. I believe it is the appropriateness of what we are doing here. Giving more time for any of those proposals to be reviewed to see whether they are valid and legitimate that serves the best interests of the American people. That is what this House is doing right now.

Mr. LATTA. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I yield myself 30 seconds so I can ask myself this question: Where were the hearings held on the Democrat proposal that we worked on today? I do not even know where the bill was. The gentleman from Florida who just spoke apparently knows more about it than I do.

Mr. CRANE. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Illinois.

Mr. CRANE. I thank the gentleman for yielding.

Mr. Speaker, I think in the interest of allaying apprehensions that may have been generated by a C-SPAN coverage of this exchange, that the point ought to be stressed that no senior is going to have to worry about not getting his Social Security check.

Now, will everyone concede that point? Whether we disinvest or do not disinvest, those seniors are going to get their checks. The fact of the matter is, whether we hike this debt ceiling by our action here this afternoon and delay and wait until next Wednesday night to go through this same exercise, or whether we move it up to November 15, which is presumably the limit of the funds available in Social Security, do not try and scare those people into believing they are not going to get their checks.

Mr. PEPPER. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, what we are really talking about here is something that I call the long-range short-change. Now, think about it; that is what it is.

What is happening if the Social Security trust funds are disinvested any further than they already have been disinvested in violation of the law? In that the Social Security recipients in the outyears will not have the kind of reserves that are essential for the payment of those benefits.

Very high interest bonds are being cashed in or will be cashed in and it is going to come out of somebody's retirement check. This is the long-range short-change, and the legislation that is being considered here will correct that matter.

□ 1610

Mr. PEPPER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I do not believe this House, during the period when the two Houses are honestly and conscientiously trying to find the solution to a critical national problem, is going to force our Government to the extremity exhibited before the world of not being able to pay its debts, or in the alternative of having to invade its most sacred trust fund in order to do so.

This resolution will not permit that.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 374, nays 44, not voting 16, as follows:

[Roll No. 388]

YEAS—374

Ackerman	Bates	Bonior (MI)
Akaka	Bedell	Bonker
Alexander	Beilenson	Borski
Anderson	Bennett	Bosco
Andrews	Bentley	Boucher
Annunzio	Bereuter	Boulter
Anthony	Berman	Boxer
Applegate	Bevill	Breaux
Aspin	Biaggi	Brooks
Atkins	Bilirakis	Broomfield
AuCoin	Boehlert	Brown (CA)
Barnard	Boggs	Broyhill
Barnes	Boland	Bruce
Bateman	Boner (TN)	Bryant

Burton (CA)	Hall, Ralph	Moore
Burton (IN)	Hamilton	Morrison (CT)
Bustamante	Hammerschmidt	Morrison (WA)
Byron	Hawkins	Mrazek
Callahan	Hayes	Murphy
Campbell	Hefner	Murtha
Carney	Heftel	Myers
Carper	Hendon	Natcher
Carr	Hertel	Nelson
Chandler	Hillis	Nichols
Chapman	Hopkins	Nowak
Chappell	Horton	O'Brien
Clay	Howard	Oakar
Clinger	Hoyer	Oberstar
Cobey	Hubbard	Obey
Coble	Huckaby	Olin
Coelho	Hughes	Ortiz
Coleman (MO)	Hutto	Owens
Coleman (TX)	Ireland	Panetta
Collins	Jacobs	Parris
Combest	Jeffords	Pashayan
Conte	Jenkins	Pease
Cooper	Johnson	Penny
Coughlin	Jones (NC)	Pepper
Courter	Jones (OK)	Perkins
Coyne	Jones (TN)	Petri
Craig	Kanjorski	Pickle
Crockett	Kaptur	Porter
Daniel	Kasich	Price
Darden	Kastenmeier	Pursell
Daschle	Kemp	Quillen
Daub	Kennelly	Rahall
Davis	Kildee	Rangel
de la Garza	Kindness	Ray
Dellums	Kleczka	Regula
Derrick	Kolbe	Reid
DeWine	Kolter	Richardson
Dickinson	Kostmayer	Ridge
Dicks	LaFalce	Rinaldo
Dingell	Lagomarsino	Ritter
DioGuardi	Lantos	Roberts
Dixon	Latta	Robinson
Donnelly	Leach (IA)	Rodino
Dorgan (ND)	Leath (TX)	Roe
Dowdy	Lehman (CA)	Roemer
Downey	Lehman (FL)	Rogers
Duncan	Leland	Rose
Durbin	Lent	Rostenkowski
Dwyer	Levin (MI)	Roukema
Dymally	Levine (CA)	Rowland (CT)
Dyson	Lewis (FL)	Rowland (GA)
Early	Lightfoot	Roybal
Eckart (OH)	Lipinski	Russo
Eckert (NY)	Livingston	Sabo
Edgar	Lloyd	Savage
Edwards (CA)	Loeffler	Saxton
Emerson	Long	Schneider
English	Lott	Schroeder
Erdreich	Lowry (WA)	Schuette
Evans (IA)	Lujan	Schulze
Evans (IL)	Luken	Schumer
Fascell	MacKay	Seiberling
Fawell	Madigan	Sensenbrenner
Fazio	Manton	Sharp
Feighan	Markey	Shaw
Fish	Martin (IL)	Shelby
Flippo	Martin (NY)	Shuster
Foglietta	Martinez	Sikorski
Foley	Matsui	Sisisky
Ford (MI)	Mavroules	Skeen
Ford (TN)	Mazzoli	Skelton
Frank	McCain	Slattery
Franklin	McCloskey	Slaughter
Frenzel	McCollum	Smith (FL)
Frost	McCurdy	Smith (IA)
Fuqua	McDade	Smith (NE)
Gallo	McGrath	Smith (NJ)
Garcia	McHugh	Smith, Robert (OR)
Gaydos	McKernan	Snowe
Gejdenson	McKinney	Snyder
Gekas	McMillan	Solarz
Gephardt	Meyers	Solomon
Gibbons	Mica	Spence
Gilman	Michel	Spratt
Glickman	Mikulski	St Germain
Gonzalez	Miller (CA)	Staggers
Goodling	Miller (OH)	Stallings
Gordon	Miller (WA)	Stangeland
Gradison	Mineta	Stenholm
Gray (IL)	Mitchell	Strang
Gray (PA)	Moakley	Stratton
Green	Molinari	Studds
Grotberg	Mollohan	Sundquist
Guarini	Monson	Sweeney
Gunderson	Montgomery	Swift
Hall (OH)	Moody	Swindall
		Synar
		Tallon
		Tauke
		Tauzin
		Taylor
		Thomas (GA)
		Torres
		Torricelli
		Towns
		Traficant
		Traxler
		Udall
		Valentine
		Vander Jagt
		Vento
		Visclosky
		Volkmer
		Walgren
		Watkins
		Waxman
		Weaver
		Weber
		Weiss
		Wheat
		Whitley
		Whittaker
		Whitten
		Williams
		Wilson
		Wirth
		Wise
		Wolf
		Wolpe
		Wortley
		Wright
		Wyden
		Wylie
		Yates
		Yatron
		Young (AK)
		Young (FL)
		Young (MO)
		Zschau

NAYS—44

Archer	Gingrich	Packard
Armey	Gregg	Roth
Bartlett	Hartnett	Rudd
Barton	Henry	Schaefer
Bliley	Hiler	Shumway
Brown (CO)	Hunter	Siljander
Chappie	Hyde	Smith, Denny (OR)
Cheney	Kramer	Smith, Robert (NH)
Coats	Lewis (CA)	Stump
Crane	Lowery (CA)	Thomas (CA)
Dannemeyer	Lungren	Vucanovich
DeLay	Mack	Walker
Dornan (CA)	McCandless	
Dreier	Moorhead	
Fiedler	Nielson	
Fields	Oxley	

NOT VOTING—16

Addabbo	Hansen	Neal
Badham	Hatcher	Scheuer
Conyers	Holt	Stark
Edwards (OK)	Lundine	Whitehurst
Florio	Marlenee	
Fowler	McEwen	

□ 1620

Mr. COBEY changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to House Resolution 306, I call up the bill, H.R. 3669, to prevent the disinvestment of the Social Security Trust Funds and other trust funds, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3669

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, during the period beginning on the date of the enactment of this Act and ending on November 6, 1985, the public debt limit set forth in subsection (b) of section 3101 of title 31, United States Code, shall be increased by an amount determined by the Secretary of the Treasury as necessary to permit the United States to meet its obligations without disinvesting the Social Security Trust Funds or any other trust funds established pursuant to Federal law. No increase under the preceding sentence shall result in a public debt limit in excess of $1,840,800,000,000.

The SPEAKER. Under the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes, and the gentleman from Tennessee [Mr. DUNCAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this matter has been discussed with the leadership on the minority side. This temporary increase in the public debt is necessary to protect the fiscal integrity of the Social Security Trust Funds and other Federal trust funds.

Unless this Congress acts today to provide an additional $17 billion of public debt authority, the Treasury Department will be forced to disinvest the surpluses of the Social Security and other trust funds. The Treasury has no alternative to this course of action. This month's Social Security checks are in the mail. If banks are to honor those checks and other checks presented for payment, the Treasury must borrow an additional $17 billion.

Without action on our part, they will cancel $17 billion of long-term interest-bearing securities held in the Social Security and other trust funds. That action will reduce the amount of debt subject to limit. They will then borrow a similar amount bringing the total debt back up to the current limit of $1,823.8 billion in order to cover Social Security and other checks presented for payment next week.

The bill I have put before you will permit the Treasury to borrow the $17 billion without having to disinvest Social Security Trust Fund balances. It will not permit, however, any further roll over of existing debt beyond Wednesday, November 6. This means that on the seventh, we will have to have enacted a permanent debt limit increase or we will face the precise situation we find ourselves in today.

The future financial strength of the Social Security System depends, in part, upon the assumption that interest will be paid at the interest rates now in effect on existing trust fund balances. It is imperative that we avoid losing that interest, which could over the next 5 years amount to $1 to $2 billion.

I urge my colleagues to support this legislation.

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the chairman for his remarks, because I think by implication some people have indicated that under the Republican proposal that the Social Security Fund would not have been made

whole if the provision was there and it was also in the Democratic proposal.

So as I say, the checks will be in the mail.

Mr. GREGG. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN. I yield to my colleague, the gentleman from New Hampshire.

Mr. GREGG. Mr. Speaker, I appreciate the gentleman yielding.

I think a point should be made here that has not been made, and that is that the trust fund borrows not in the private sector but from the Government. If the Government is paying 10.3 percent for the securities that are disinvested today, if they are disinvested, and I hope they will not be, but if they are, then the Government can reimburse this and it is all coming from the same pocket. All it takes is for us to legislatively correct that problem at some point.

The credit is still there. The bonds are still there in the sense that the debt is still listed with the Social Security Fund and the money to pay that debt and the interest at which that debt is going to be paid back is simply a function of what this Congress decides to determine, and it is a very simple remedy for us to correct that problem.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. GREGG. I do not have the time, but I would be happy to refer to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I yield 1 more minute to the gentleman.

Mr. GREGG. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Speaker, the gentleman makes a good point. This is a point we thought of in the conference yesterday and the alternative that we passed in the House and sent to the other body does have that provision to mandate that the Government repay with interest, including the interest differential, to the Social Security trust fund.

My understanding in talking to the chairman of the conference, Senator PACKWOOD, is that they would accept that on their side.

Mr. GREGG. Well, Mr. Speaker, if I can reclaim my time, so does the Michel amendment.

I would simply point out because of the concern for Social Security in this House, so will anything that passes this House when we correct this debt ceiling issue.

So this whole issue of disinvestment and loss of revenue to the Social Security fund is extremely specious, because it is all coming out of the same pocket, the Public Treasury, and in the end we are going to make it up no matter what happens.

Mr. DUNCAN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Speaker, at the point we are at it is probably extremely confusing to folks who might have the opportunity to observe this. I hope that people do not believe that what we are voting on here is whether or not Social Security is going to survive. It is going to survive. It is going to be funded.

What we are doing here is voting on whether we allow ourselves and escape valve, so we can go home and not have to face the question of whether in fact there had to be a financing of certain debt via the Social Security System. The reason we want to do that is so that we will not have to stay here until midnight or beyond midnight to deal with the question of Gramm-Rudman or Gramm-Rudman-Mack or some variation thereof.

Now, some say why should we worry about that? Why not go home and deal with it next week?

Well, the fact of the matter is that we found ourselves in a similar situation just a couple weeks ago. At that particular time, the thought was, well, we will have 2 or 3 weeks to work it out. Obviously we can work it out.

It reminds me of people who want to be given the opportunity in college to take their exams when they want to take them. They will take them as far off as they possibly can. In fact, if they can get a pass-fail course without taking the exam, they will take that.

So what we have here is the Democractic Party coming to us at the last minute, the very last day, and saying that we have finally figured out our alternative to Gramm-Rudman, and here it is, and you have to buy this, because if you do not buy this at noon today, somehow Social Security is going to go bust.

So what happened? We got to vote on this new bill, which amazingly, never went through any committee, never had any hearings. We do not even know what was in it. We could not get a copy of it yesterday. We are not quite sure what it is, except the important point seemed to be on the floor of the House that it was different than Gramm-Rudman.

□ 1635

The argument had changed over 2 weeks. Two weeks ago we heard two arguments against Gramm-Rudman. One was that it was nothing but fluff; it was not effective at all. The other argument from the other side was that it was too effective; it was going to force us to cut spending in all areas.

So now what we have is this other thing, whatever it is that was voted on earlier, being sent over to the Senate. The fact is, as we know, if we take the pressure off ourselves, we will not vote on Gramm-Rudman. We will not vote on Gramm-Rudman tomorrow. We will not vote on Gramm-Rudman Sunday. We will not vote on Gramm-Rudman Monday. We may vote on something that might be like it but we have to make sure that it is not as effective as it is next week.

The whole reason for this exercise was that as long as the pressure is on, Congress will act. The distinguished Speaker of the House himself was quoted in the newspaper on numerous occasions this week saying, "If Gramm-Rudman comes to the floor, I feel confident it will pass."

So what has happened this whole time? We have done everything we can institutionally to make sure we never got a vote on Gramm-Rudman. This is another step in that process.

The SPEAKER. The time of the gentleman from California [Mr. LUNGREN] has expired.

Mr. DUNCAN. Mr. Speaker, I yield 2 additional minutes to the gentleman from California.

Mr. LUNGREN. I thank the gentleman for yielding this additional time to me.

Mr. Speaker, I understand some Members are upset that we are talking about this issue, and I can certainly understand that at 20 minutes to 5 o'clock, dealing with the question of the debt of the American people, after we have had so many votes in the past number of months, is understandable. But I would think that perhaps we might stand here and talk about it.

We have had a lot of people talk about violating the sacred trust we have with the senior citizens of America with their trust fund. I would like to hear us start talking about the trust we have with the young people of America, the trust we have with my children, the trust we have with other people my age, the trust we have with all Americans who happen to be taxed so that we can spend that money.

The trust fund we are talking about is a trust fund that is established by the money from the working men and women of America today, and they ought to be concerned as well. Yes, I concerned about senior citizens. I have the original Leisure World in my district. My city has more senior citizens percentagewise, I believe, than any outside of St. Petersburg down in Florida.

Yet, when I talk with senior citiznes, they are not so insensitive to the needs of their children and their grandchildren that they say, "Protect us at all costs and forget about our children, forget about our grandchildren." But that is what we are doing. We are saying, "We will take care of the senior citizens. We will make a big issue of Social Security. We will make a big political issue of Social Security. But we will hide about the fact that what we are saying to our children and

our grandchildren is take more debt, take more taxation.

The funny thing is, if your children come to you at Christmas time and say, "I want you to buy me some presents that are harmful to me." It is an easy thing for us to say to them, "I am not going to buy them." That is why it is easy to get rid of waste, fraud and abuse in the Federal Government. But when your kids come to you at Christmas time and say, "I want five presents," even though they are all good educational toys and you can only afford two, it is not considered to be Scrooge-like for us to tell our children we can only afford two out of five presents.

The SPEAKER. The time of the gentleman from California [Mr. LUNGREN] has again expired.

Mr. ROSTENKOWSKI. Mr. Speaker, how much time do I have remaining?

The SPEAKER. The Chair will advise the gentleman from Illinois that he has 27 minutes remaining.

Mr. ROSTENKOWSKI. And how much time does the gentleman from Tennessee [Mr. DUNCAN] have remaining?

The SPEAKER. The gentleman from Tennessee [Mr. DUNCAN] has 22 minutes remaining.

Mr. DUNCAN. Mr. Speaker, I yield 1 additional minute to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. I thank the gentleman for yielding this additional time to me.

Mr. Speaker, what happens here in the House and in the other body is that people come to us asking us for 500 programs, we can only afford 300, and yet we give them 500 and raise them 50. We are not going to deal with the budget deficit until we start dis-establishing some worthy programs or cutting some worthy programs, because that is the way we deal in our family life, that is the way we deal in our real life, and here we are putting off question after question after question and decision after decision, and voting for this proposition before you is just putting it off until next week and is encouraging us to continue in the activity we have in the past, which is to get ourselves further and further in debt, not only our senior citizens and not only ourselves, but our children and our grandchildren.

Mr. DUNCAN. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. I thank the gentleman for yielding this time to me.

Mr. Speaker, I think that in a lot of ways what we are living through is, in a sense, the last gasp of the old Democratic Party. It was interesting in the other body that one of the leading liberals in this country happened to vote for Gramm-Rudman while the leading advocate last year of new ideas in the Democratic Party thought that Gramm-Rudman was too new to vote for.

I want to really challenge the chairman of the Committee on Ways and Means because I think something he said was explicitly not accurate. He said at the beginning of his statement, and I quote:

> There is no alternative to this course of action.

That is simply not correct. There are many alternatives. The Democrats control this House and there are many things we could do this afternoon. There are many ways we could handle this issue. The fact is, this is the only alternative the Democrats decided to take.

He went on to say, and I quote:

> The future financial strength of the Social Security System depends on this.

That is simply not true. Everyone in this body knows that at some point in the next few months we will replenish whatever is spent through this process from the General Treasury. Everybody knows we are not going to let the politicians waste our grandparents' money.

The fact is that the central issue we are arguing over is whether or not the Democratic Party is going to allow a straight up-or-down vote on Gramm-Rudman-Mack, whether or not we are going to finally move toward really controlling spending.

I sometimes wonder just how dumb Democrats think the American people are. Virtually every speaker who was enthusiastic about the Democratic alternative is somebody whose voting record is consistently for more spending, with only one or two exceptions. Again and again and again, liberal big spenders got up and explained how the Democratic alternative was going to somehow improve things. The fact is, if you would give us a straight up-or-down vote on the Gramm-Rudman-Mack proposal, we would not have all these problems. The fact is, the checks are going out on Social Security, they are going to be honored, and what we have today is simply another political gimmick, another effort to create a smoke screen.

The question I want to leave you with is this: What gimmick are you going to try next week? If the other body holds firm, if the administration holds firm, if we do not take the malarkey that was passed today, if we are back in this exact same place 6 days from today, then what gimmick are you going to produce? Then what are you going to do? Because once the checks are received at home over the weekend, once they are cashed, once our grandparents know they do not have to be afraid, then the grandchildren are going to turn and say, "Yes." What is the Democratic Party, which for 34 years has controlled the House and created the spending programs that led us to this disaster now going to do about the future of the children and grandchildren of America? Pass another debt limit and another debt limit and another debt limit?

All you have done is change from the party of tax and spend, tax and spend, to the party of borrow and spend, borrow and spend, and I think they know it.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, what has just been concluded in the well is the old lawyer's adage, "If you do not have the facts, pound the table."

The gentleman's reference to what I explicitly said and how he differs with what I supposedly said has again been checked out as to its inaccuracy. What I said, as opposed to the Congress having no alternative, was that the Treasury has no alternative to this course of action, and it is the Treasury that has the fiduciary responsibility to cover the payments of Social Security.

So I just wanted to point out that the gentleman again is inaccurate.

Mr. DUNCAN. Mr. Speaker, I yield 30 seconds to the gentleman from Georgia [Mr. GINGRICH].

Mr. DANNEMEYER. Mr. Speaker, the House is not in order.

The SPEAKER. The Chair thought the House was in pretty good order.

Mr. DANNEMEYER. I thought I heard boos, Mr. Speaker.

The SPEAKER. If the gentleman would be seated, the House will proceed.

PARLIAMENTARY INQUIRY

Mr. LUNGREN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LUNGREN. Is it regular order in this House when we have hissing and an attempt to try and overtake what the person in the well is saying?

The SPEAKER. The Chair does not understand the inquiry and doubts if it is a proper question for the Chair, but in the opinion of the Chair, when the gentleman said "regular order" the House was in order. That was the opinion of the Chair and he makes the judgment on that.

Mr. LUNGREN. I thank the Speaker for his ruling.

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. GINGRICH] for 30 seconds.

□ 1645

Mr. GINGRICH. I thank the Speaker.

Mr. Speaker, I simply want to say to the very distinguished chairman of the Ways and Means Committee, the gentleman from Illinois [Mr. ROSTENKOWSKI] that the Government of the United States is a collectivity under the Constitution which includes the legislative and executive branches.

And that you have been part of a conference which at any time in the last 2 weeks could have avoided where we are at today, and that it has been a gimmick of the Democratic Party in this House to again and again refer to Reagan's deficit about billions that we have passed through this House, normally with the Democratic majority.

Mr. DUNCAN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker.

Mr. FRENZEL. Mr. Speaker, the House is not in order.

The SPEAKER. The Chair agrees that the House is not in order, and particularly speaks to the Pennsylvania delegation.

The House will be in order.

Mr. WALKER. Mr. Speaker, I appreciate the Speaker attempting to keep the House from embarrassing itself, and particularly the Pennsylvania delegation from doing so.

Mr. Speaker, the gentleman from Illinois [Mr. ROSTENKOWSKI] I think made it quite clear in his speech that we are not just talking just about Social Security here. He referred in his speech to preserving Social Security and other trust funds. He referred to paying Social Security checks and other checks.

What we are dealing here is not a Social Security issue, my friends. What we are dealing with here is a raising of the debt ceiling, pure and simple. Regardless of what the title of the bill is, this is a bill to raise the debt ceiling.

There are an awful lot of Members of this Congress who have told their constituents over and over again, "I have never voted to raise the national debt." If you vote on this bill to raise the national debt, do not make that claim again, and do not expect that that will not be an issue in those districts where raising the debt might be an issue, because that is what you are doing on this particular act. You are voting to raise the national debt by $17 billion.

I yield back the balance of my time.

Mr. DUNCAN. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, 3 weeks ago the other body sent us the Gramm-Rudman-Hollings-Mack proposal to reduce the deficit of the United States of America and ultimately balance our budget. And the House has laggered in putting together a conference committee, and finally got to work on it and made some improvements, but ultimately they decided to stonewall the other body and send over the Democrat proposal that we passed this morning, which it knew was manifestly unsatisfactory and unacceptable to the other body.

In doing so, it created, or rather extended the crisis which it caused when it originally failed to respond to Gramm/Rudman.

When we did that, in saying that we will not vote for any proposal that will reduce our budget, and I would like to remind the majority that a majority of them so voted this morning, when we did so, we allowed the crisis with Social Security and other Government funds to continue.

But now, when we have decided that we have invented the Democrat majority which will not cure our troubles, we can bail ourselves out of the crisis with a brand new Democratic invention.

Guess what the object of Democrat ingenuity was? What is this brand new Gary Hart-type idea? It is another debt extension, only $17 billion. And what those fun-loving, high-spending folks have brought to us is enough money to take us through next week with a $5 billion cushion on top. And guess what happens when that expires? What will we do again? We will have another creative, ingenious device that will extend the debt ceiling again.

There is no escaping the responsibility that has been thrust on this body by thoughtful Members of the other body and that is to make a responsive reply to Gramm/Rudman. Until that happens, this body is derelict in its responsibility to the young, and the old, and the adjustable, and the in-between, to every taxpayer and every citizen of this country. And as long as we keep skating along, raising the debt ceiling, keeping up in our spending patterns, it is only our fault, and we have nobody else to blame.

Mr. Speaker, if the Speaker and the Democrat majority allow us to go home this afternoon, knowing that the other body is not going to respond to this debt extension, then not only will we have not kept faith with the young and the taxpayers, we will not have kept faith with the old either. But since that is our habit around here, perhaps many of us will not mind.

Mr. DUNCAN. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. Mr. Speaker, I do not have an awful lot to say that has not been said already, but I would like to have your attention for just a couple of minutes.

Now what we are going to do here could be very much like the old adage, "penny-wise and pound-foolish."

The pennies one could argue might be the tens of millions of dollars that the Social Security Trust Fund forfeits by the sale of its interest-bearing securities. The pounds of foolishness might be the $17 billion that we actually spend by raising the debt ceiling for which we will try not to be accountable.

So it seems to me that the interest-bearing securities of short- and long-term interest-bearing relationships are amounts that were paid in, that become the savings account for Social Security, and it was tucked away for a rainy day.

Now literally the rainy day has arrived, just like all of us once in a while are faced for health reasons or whatever reasons with having to use some of our savings for a rainy day, and we may forfeit the interest that that passbook might have brought us had we not had to spend that money.

But it seems to me that if we ignore the old adage, "penny-wise and pound-foolish," and delay the proper work that we ought to do here, then it seems to me that we will have compounded our felony.

Mr. DUNCAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado [Mr. STRANG].

Mr. STRANG. Mr. Speaker, I rise in opposition to this proposal.

Mr. LOWERY of California. Mr. Speaker, I rise in opposition to H.R. 3669, the temporary extension of our debt limit. The House and Senate conferees of House Joint Resolution 372, which includes a gradual balanced budget measure I cosponsored, had 2 weeks in which to discuss a remedy for our spiraling deficits and to reach a compromise. Instead, House Democrats have chosen to obscure the real issue of deficit reduction with the politicization of the Social Security Trust Fund.

I wish to stress that absolutely no Social Security recipient will be affected by a simple refusal to extend the debt limit by 5 days. No checks will be delayed or deferred. This only threat to our Nation's elderly comes from House Democrats who continue to insist upon business-as-usual practices, failing to come to grips with our budget deficit dilemma.

The Federal debt, now more than $2 trillion, has quadrupled during the past 8 years because of spending bills this Congress has authorized. A large Federal debt affects all our citizens, not just the recipients of Social Security. In the last 22 years, while our population has grown 27.5 percent, prices have grown 246 percent, and the Federal budget has grown 1,000 percent. Year in and year out, we have spent more than we have taken in, creating a series of increasing deficits which have placed this Nation in economic danger.

The time for the Gramm-Rudman balanced budget proposal is at hand. There is no place left to hide, no one left to whom we can pass the buck. We can no longer afford to put off deficit reduction efforts, even for 5 days. Congress must face some tough decisions, now.

Not only do deficits indicate improper management of our Federal funds, but they also create serious difficulties for our economy. High interest rates and low economic growth interact to create an uneven field upon which our export industries and

workers must play. In this vicious cycle, the more the Federal Government spends, which many Democrats would have us believe to be beneficial, the less money there is for our economy. In short, there is no way to have full employment and balanced growth in our present budget environment.

I want to conclude, Mr. Speaker, by urging all my colleagues not to let this historic chance for real deficit reduction progress to slip away. Let us not settle for less than a real and substantial reduction in domestic spending.

Mr. DUNCAN. Mr. Speaker, how much time, may I ask, do I have remaining?

The SPEAKER. The gentleman from Tennessee [Mr. DUNCAN] has 11½ minutes remaining.

Mr. DUNCAN. Mr. Speaker, I yield whatever time he may consume to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, regardless of how we vote on this issue that will be voted on here momentarily, I assume it is going to pass, but I think it is going to be a great mistake if this body votes on this issue, this short-term extension, and then high-tails it out of town.

The papers on the bill we voted on earlier, the conference report left here going to the other body now somewhere around 3:30. They intend to take this issue up, and we are going to say we are not going to wait for you to deal with it, we are going to leave this issue hanging in the air.

We have all said how important it is, and yet we are going to put it off until another day, sometime next week that that issue would be resolved. We will be back facing this next Wednesday at the latest with the short-term extension. We ought to stay here tonight. We ought to stay here tomorrow if necessary, and this weekend, and get the job done.

So when our colleagues vote on this issue, when we vote, and right or wrong we have done our part in that effort, the intention I understand of the other side of the aisle is to have a vote on adjournment.

Well, you are going to have to vote to adjourn and run out of Dodge, but let me tell you, we think it is important, and a lot of you are bound to recognize we need to resolve this thing, and not let it go over until next Wednesday, and keep shoving it off.

Let us stay here and do our job. Vote no on adjournment if this thing passes.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I will be glad to yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, does the gentleman understand it is the leadership's intention to go home while this important matter pends, while we do not know whether the other body is going to accept this, and whether there will be continuous disinvestments of this fund that we have all pledged to secure and maintain? You mean they are going to let us actually go home?

Mr. LOTT. That is my understanding.

Mr. FRENZEL. I am shocked.

Mr. LOTT. Our leader right now is trying to ascertain what the schedule would be for the balance of the day between our colleagues on the other side of the aisle and the other body, but there is no clear impression that we are going to get that in the next 15 minutes. But we do not know for sure what is going to happen. We ought to stay and take this issue up and finish it right now.

I yield back my time.

Mr. DUNCAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, let us just clear all of the fog and burn right through to what is at issue here. The question before us is really very simple.

If we do not vote at this moment this simple 5-day extension of the national debt ceiling, at midnight tonight, we have been duly warned, the Social Security Trust Fund will be disinvested. Now if you vote against this motion, you vote against this bill, you vote to allow the disinvestment at midnight tonight of the Social Security Trust Fund.

There are some of us who believe that to be illegal. Whether it is illegal or not, it already has been done. Those who threaten it as such a dire consequence, in an apparent attempt to force the Congress into taking precipitous action of a type that it did not want to take, did not tell us that they already have invaded the Social Security Trust Fund. They have sold bonds, taken money out of that fund that was committed under the law to the social security recipients, and that they are threatening to do it again.

Now we can keep them from doing that. It is a very simple thing. We can vote a 5-day extension giving the other body ample time to consider that which we have done today. There is nothing wrong with that. Surely nobody can consider that sinister. It is open. Everybody understands it. It is not ambiguous.

If you want to avoid the disinvestment of the Social Security Trust Fund, then you vote aye and give the other body 5 days in which to deliberately, and in an orderly way, consider what we have sent to them. That is honorable, it is decent, and there is nothing wrong with it.

If you do not want to do that, face the consequences and know what you are voting to do. You are voting by voting no on this motion to disinvest the Social Security Trust Fund, to lift the heavy hand of Government into those dedicated funds, to sell long-term bonds, and to use the proceeds.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. No, I do not yield at this time. The gentleman had ample time and I did not ask him to yield. I have only a few minutes.

It is very simple now. There are those here who say that this is a game being played. There is no game being played. I ask you only to remember that this House, with the help of those on the other side as well, back in May, extended this debt ceiling, and if the other body had accepted our action, we would not be in this box today.

Instead, they attempted to hold our feet to the fire and to force down our throats a hastily considered, ill-drafted piece of legislation that would affect us for the rest of the life of the Republic, that would have taken powers away from the Congress, placed them in the hands of the Executive and future Executives, identities unknown.

We did not want to do that.

There are those here today who say that, oh, it is the fault of the Democrats or the fault of the Republicans that we are in the national debt that we are in. You can argue that either way. The truth of it is that Martin Feldstein, the Chairman of the Council of Economic Advisers for President Reagan, in testifying before our Budget Committee, said the reason we have doubled the national debt in 4½ years, adding as much as was added in the 192 years of our previous history combined, is because first, we were excessive in the tax cut of 1981 asked by this President. Second, because of the excessive or extremely large increase in military spending. And third, because of the unprecedented increase in the cost of handling the national debt through interest charges. That was his answer.

□ 1700

I don't want to quarrel with you about whose fault it is; let us talk about whose responsibility it is. All of us share the responsibility.

We are offering you a responsible alternative. You say well, you want to wait around tonight until you get to vote on Gramm-Rudman? Do you not understand that is exactly what we did just a few moments earlier? We voted on Gramm-Rudman; we voted to amend Gramm-Rudman.

The House, by a vote of 249 to 180 voted to modify it, to improve it, to perfect it. That was not an indecisive vote; that was not an equivocal vote; that was a vote on Gramm-Rudman, and we voted not to approve it in its undiluted form, but to amend it.

That is what the House frequently does to legislation sent to it by the other body. What is wrong with that?

So we have followed orderly procedure. Orderly procedure from this moment on is to save the Republic from that which is threatened by those who say "If you don't play the game our way, we're going to mess it up for everybody." We are going to thwart that effort by passing this bill, giving the other body 5 days as we think in decency we owe them, to consider what we have sent, to take deliberative action, and we will come back in here Monday and if they want us to do something else then, we will be glad to do it.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER. Pursuant to the rule, the previous question is considered as ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. DANNEMEYER) there were—yeas 195, nays 51.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 357, nays 61, not voting 16, as follows:

[Roll No. 389]

YEAS—357

Ackerman	Bryant	Dorgan (ND)
Akaka	Burton (CA)	Dowdy
Alexander	Bustamante	Downey
Anderson	Byron	Duncan
Andrews	Callahan	Durbin
Annunzio	Campbell	Dwyer
Anthony	Carney	Dymally
Applegate	Carper	Dyson
Aspin	Carr	Early
Atkins	Chandler	Eckart (OH)
AuCoin	Chapman	Eckert (NY)
Barnard	Chappell	Edgar
Bateman	Clay	Edwards (CA)
Bates	Clinger	Edwards (OK)
Bedell	Coble	Emerson
Beilenson	Coelho	English
Bennett	Coleman (MO)	Erdreich
Bentley	Coleman (TX)	Evans (IA)
Bereuter	Collins	Evans (IL)
Berman	Combest	Fascell
Bevill	Conte	Fazio
Biaggi	Conyers	Feighan
Bilirakis	Cooper	Fish
Boehlert	Coughlin	Flippo
Boggs	Courter	Foglietta
Boland	Coyne	Foley
Boner (TN)	Crockett	Ford (MI)
Bonior (MI)	Daniel	Ford (TN)
Bonker	Darden	Frank
Borski	Daschle	Frost
Bosco	Davis	Fuqua
Boucher	Dellums	Gallo
Boulter	Derrick	Garcia
Boxer	DeWine	Gaydos
Breaux	Dickinson	Gejdenson
Brooks	Dicks	Gekas
Broomfield	Dingell	Gephardt
Brown (CA)	DioGuardi	Gibbons
Broyhill	Dixon	Gilman
Bruce	Donnelly	Glickman
Gonzalez	McCloskey	Schuette
Goodling	McCollum	Schulze
Gordon	McCurdy	Schumer
Gradison	McDade	Seiberling
Gray (IL)	McGrath	Sharp
Gray (PA)	McHugh	Shaw
Green	McKernan	Shelby
Grotberg	McKinney	Shuster
Guarini	McMillan	Sikorski
Gunderson	Meyers	Sisisky
Hall (OH)	Mica	Skeen
Hall, Ralph	Michel	Skelton
Hamilton	Mikulski	Slattery
Hammerschmidt	Miller (CA)	Slaughter
Hawkins	Miller (OH)	Smith (FL)
Hayes	Miller (WA)	Smith (IA)
Hefner	Mineta	Smith (NE)
Heftel	Mitchell	Smith (NJ)
Hendon	Moakley	Smith, Robert (OR)
Hertel	Mollohan	Snowe
Hillis	Montgomery	Snyder
Horton	Moody	Solarz
Howard	Moore	Spence
Hoyer	Morrison (WA)	Spratt
Huckaby	Mrazek	St Germain
Hughes	Murphy	Staggers
Hutto	Murtha	Stallings
Ireland	Myers	Stenholm
Jacobs	Natcher	Stokes
Jeffords	Nelson	Stratton
Jenkins	Nichols	Studds
Johnson	Nowak	Sundquist
Jones (NC)	O'Brien	Sweeney
Jones (OK)	Oakar	Swift
Jones (TN)	Oberstar	Swindall
Kanjorski	Obey	Synar
Kaptur	Olin	Tallon
Kasich	Ortiz	Tauke
Kastenmeier	Owens	Tauzin
Kemp	Panetta	Taylor
Kennelly	Parris	Thomas (GA)
Kildee	Pashayan	Torres
Kindness	Pease	Torricelli
Kleczka	Penny	Towns
Kolter	Pepper	Traficant
Kostmayer	Perkins	Traxler
LaFalce	Petri	Udall
Lagomarsino	Pickle	Valentine
Lantos	Porter	Vander Jagt
Latta	Price	Vento
Leach (IA)	Pursell	Visclosky
Leath (TX)	Quillen	Volkmer
Lehman (CA)	Rahall	Walgren
Lehman (FL)	Rangel	Watkins
Leland	Ray	Waxman
Lent	Regula	Weaver
Levin (MI)	Reid	Weiss
Levine (CA)	Richardson	Wheat
Lewis (FL)	Ridge	Whitley
Lightfoot	Rinaldo	Whittaker
Lipinski	Ritter	Whitten
Livingston	Roberts	Williams
Lloyd	Robinson	Wilson
Loeffler	Rodino	Wirth
Long	Roe	Wise
Lott	Roemer	Wolf
Lowry (WA)	Rogers	Wolpe
Lujan	Rose	Wortley
Luken	Rostenkowski	Wright
MacKay	Roukema	Wyden
Madigan	Rowland (CT)	Wylie
Manton	Rowland (GA)	Yates
Markey	Roybal	Yatron
Martin (IL)	Russo	Young (AK)
Martin (NY)	Sabo	Young (FL)
Martinez	Savage	Young (MO)
Matsui	Saxton	Zschau
Mavroules	Scheuer	
Mazzoli	Schneider	
McCain	Schroeder	

NAYS—61

Archer	Dannemeyer	Henry
Armey	Daub	Hiler
Bartlett	DeLay	Hopkins
Barton	Dornan (CA)	Hubbard
Bliley	Dreier	Hunter
Brown (CO)	Fawell	Hyde
Burton (IN)	Fiedler	Kolbe
Chappie	Fields	Kramer
Cheney	Franklin	Lewis (CA)
Coats	Frenzel	Lowery (CA)
Cobey	Gingrich	Lungren
Craig	Gregg	Mack
Crane	Hartnett	McCandless
Molinari	Schaefer	Solomon
Monson	Sensenbrenner	Stangeland
Moorhead	Shumway	Strang
Nielson	Siljander	Stump
Oxley	Smith, Denny (OR)	Thomas (CA)
Packard	Smith, Robert (NH)	Vucanovich
Roth		Walker
Rudd		Weber

NOT VOTING—16

Addabbo	Hansen	Morrison (CT)
Badham	Hatcher	Neal
Barnes	Holt	Stark
de la Garza	Lundine	Whitehurst
Florio	Marlenee	
Fowler	McEwen	

□ 1710

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 1570, FAIR LABOR STANDARDS AMENDMENTS OF 1985

Mr. HAWKINS submitted the following conference report and statement on the bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that act to volunteers, and for other purposes:

CONFERENCE REPORT (H. REPT. 99-357)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that Act to volunteers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) SHORT TITLE.—This Act may be cited as the "Fair Labor Standards Amendments of 1985".

(b) REFERENCE TO ACT.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be a reference to a section or other provision of the Fair Labor Standards Act of 1938.

COMPENSATORY TIME

SEC. 2. (a) COMPENSATORY TIME.—Section 7 (29 U.S.C. 207) is amended by adding at the end the following:

"(o)(1) Employees of a public agency which is a State, a political subdivision of a State, or an interstate governmental agency may receive, in accordance with this subsection and in lieu of overtime compensation, compensatory time off at a rate not less than one and one-half hours for each hour of employment for which overtime compensation is required by this section.

"(2) A public agency may provide compensatory time under paragraph (1) only—

"(A) pursuant to—

"(i) applicable provisions of a collective bargaining agreement, memorandum of understanding, or any other agreement between the public agency and representatives of such employees; or

"(ii) in the case of employees not covered by subclause (i), an agreement or understanding arrived at between the employer and employee before the performance of the work; and

"(B) if the employee has not accrued compensatory time in excess of the limit applicable to the employee prescribed by paragraph (3).

In the case of employees described in clause (A)(ii) hired prior to April 15, 1986, the regular practice in effect on April 15, 1986, with respect to compensatory time off for such employees in lieu of the receipt of overtime compensation, shall constitute an agreement or understanding under such clause (A)(ii). Except as provided in the previous sentence, the provision of compensatory time off to such employees for hours worked after April 14, 1986, shall be in accordance with this subsection.

"(3)(A) If the work of an employee for which compensatory time may be provided included work in a public safety activity, an emergency response activity, or a seasonal activity, the employee engaged in such work may accrue not more than 480 hours of compensatory time for hours worked after April 15, 1986. If such work was any other work, the employee engaged in such work may accrue not more than 240 hours of compensatory time for hours worked after April 15, 1986,. Any such employee who, after April 15, 1986, has accrued 480 or 240 hours, as the case may be, of compensatory time off shall, for additional overtime hours of work, be paid overtime compensation.

"(B) If compensation is paid to an employee for accrued compensatory time off, such compensation shall be paid at the regular rate earned by the employee at the time the employee receives such payment.

"(4) An employee who has accrued compensatory time off authorized to be provided under paragraph (1) shall, upon termination of employment, be paid for the unused compensatory time at a rate of compensation not less than—

"(A) the average regular rate received by such employee during the last 3 years of the employee's employment, or

"(B) the final regular rate received by such employee,

whichever is higher.

"(5) An employee of a public agency which is a State, political subdivision of a State, or an interstate governmental agency—

"(A) who has accrued compensatory time off authorized to be provided under paragraph (1), and

"(B) who has requested the use of such compensatory time,

shall be permitted by the employee's employer to use such time within a reasonable period after making the request if the use of the compensatory time does not unduly disrupt the operations of the public agency.

"(6) For purposes of this subsection—

"(A) the term 'overtime compensation' means the compensation required by subsection (a), and

"(B) the terms 'compensatory time' and 'compensatory time off' mean hours during which an employee is not working, which are not counted as hours worked during the applicable workweek or other work period for purposes of overtime compensation, and for which the employee is compensated at the employee's regular rate.".

(b) EXISTING COLLECTIVE BARGAINING AGREEMENTS.—A collective bargaining agreement which is in effect on April 15, 1986, and which permits compensatory time off in lieu of overtime compensation shall remain in effect until its expiration date unless otherwise modified, except that compensatory time shall be provided after April 14, 1986, in accordance with section 7(o) of the Fair Labor Standards Act of 1938 (as added by subsection (a)).

(c) LIABILITY AND DEFERRED PAYMENT.—(1) No State, political subdivision of a State, or interstate governmental agency shall be liable under section 16 of the Fair Labor Standards Act of 1938 for a violation of section 6 (in the case of a territory or possession of the United States), 7, or 11(c) (as it relates to section 7) of such Act occurring before April 15, 1986, with respect to any employee of the State, political subdivision, or agency who would not have been covered by such Act under the Secretary of Labor's special enforcement policy on January 1, 1985, and published in sections 775.2 and 775.4 of title 29 of the Code of Federal Regulations.

(2) A State, political subdivision of a State, or interstate governmental agency may defer until August 1, 1986, the payment of monetary overtime compensation under section 7 of the Fair Labor Standards Act of 1938 for hours worked after April 14, 1986.

SPECIAL DETAILS, OCCASIONAL OR SPORADIC EMPLOYMENT, AND SUBSTITUTION

SEC. 3. (a) SPECIAL DETAIL WORK FOR FIRE PROTECTION AND LAW ENFORCEMENT EMPLOYEES.—Section 7 (29 U.S.C. 207) is amended by adding after subsection (o) (added by section 2) the following:

"(p)(1) If an individual who is employed by a State, political subdivision of a State, or an interstate governmental agency in fire protection or law enforcement activities (including activities of security personnel in correctional institutions) and who, solely at such individual's option, agrees to be employed on a special detail by a separate or independent employer in fire protection, law enforcement, or related activities, the hours such individual was employed by such separate and independent employer shall be excluded by the public agency employing such individual in the calculation of the hours for which the employee is entitled to overtime compensation under this section if the public agency—

"(A) requires that its employees engaged in fire protection, law enforcement, or security activities be hired by a separate and independent employer to perform the special detail,

"(B) facilitates the employment of such employees by a separate and independent employer, or

"(C) otherwise affects the condition of employment of such employees by a separate and independent employer.".

(b) OCCASIONAL OR SPORADIC EMPLOYMENT.—Section 7(p) (29 U.S.C. 207), as added by subsection (a), is amended by adding at the end the following:

"(2) If an employee of a public agency which is a State, political subdivision of a State, or an interstate governmental agency undertakes, on an occasional or sporadic basis and solely at the employee's option, part-time employment for the public agency which is in a different capacity from any capacity in which the employee is regularly employed with the public agency, the hours such employee was employed in performing the different employment shall be excluded by the public agency in the calculation of the hours for which the employee is entitled to overtime compensation under this section.".

(c) SUBSTITUTION.—(1) Section 7(p) (29 U.S.C. 207), as amended by susbection (b), is amended by adding at the end the following:

"(3) If an individual who is employed in any capacity by a public agency which is a State, political subdivision of a State, or an interstate governmental agency, agrees, with the approval of the public agency and solely at the option of such individual, to substitute during scheduled work hours for another individual who is employed by such agency in the same capacity, the hours such employee worked as a substitute shall be excluded by the public agency in the calculation of the hours for which the employee is entitled to overtime compensation under this section.".

(2) Section 11(c) (29 U.S.C. 211(c)) is amended by adding at the end the following: "The employer of an employee who performs substitute work described in section 7(p)(3) may not be required under this subsection to keep a record of the hours of the substitute work.".

VOLUNTEERS

SEC. 4. (a) DEFINITION.—Section 3(e) (29 U.S.C. 203(e)) is amended—

(1) by striking out "paragraphs (2) and (3)" in paragraph (1) and inserting in lieu thereof "paragraphs (2), (3), and (4)", and

(2) by adding at the end the following:

"(4)(A) The term 'employee' does not include any individual who volunteers to perform services for a public agency which is a State, a political subdivision of a State, or an interstate governmental agency, if—

"(i) the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered; and

"(ii) such services are not the same type of services which the individual is employed to perform for such public agency.

"(B) An employee of a public agency which is a State, political subdivision of a State, or an interstate governmental agency may volunteer to perform services for any other State, political subdivision, or interstate governmental agency, including a State, political subdivision or agency with which the employing State, political subdivision, or agency has a mutual aid agreement.".

(b) REGULATIONS.—Not later than March 15, 1986, the Secretary of Labor shall issue regulations to carry out paragraph (4) of section 3(e) (as amended by subsection (a) of this section).

(c) CURRENT PRACTICE. —If, before April 15, 1986, the practice of a public agency was to treat certain individuals as volunteers, such individuals shall until April 15, 1986, be considered, for purposes of the Fair Labor Standards Act of 1938, as volunteers and not as employees. No public agency which is a State, a political subdivision of a State, or an interstate governmental agency shall be liable for a violation of section 6 occurring before April 15, 1986, with respect to services deemed by that agency to have been performed for it by an individual on a voluntary basis.

STATE AND LOCAL LEGISLATIVE EMPLOYEES

SEC. 5. Clause (ii) of section 3(e)(2)(C) (29 U.S.C. 203(e) (2)(C)) is amended—

(1) by striking out "or" at the end of subclause (III),

(2) by striking out "who" in subclause (IV),

(3) by strking out the period at the end of subclause (IV) and inserting in lieu thereof ",or", and

(4) by adding after subclause (IV) the following:

"(V) is an employee in the legislative branch or legislative body of that State, political subdivision, or agency and is not employed by the legislative library of such State, political subdivision, or agency.".

EFFECTIVE DATE

SEC. 6. The amendments mady by this Act shall take effect April 15, 1986. The Secretary of Labor shall before such date promulgate such regulations as may be required to implement such amendments.

EFFECT OF AMENDMENTS

SEC. 7. The amendments made by this Act shall not affect whether a public agency which is a State, political subdivision of a State, or an interstate governmental agency is liable under section 16 of the Fair Labor Standards Act of 1938 for a violation of section 6, 7, or 11 of such Act occurring before April 15, 1986, with respect to any employee of such public agency who would have been covered by such Act under the Secretary of Labor's special enforcement policy on January 1, 1985, and published in section 775.3 of title 29 of the Code of Federal Regulations.

DISCRIMINATION

SEC. 8. A public agency which is a State, political subdivision of a State, or an interstate governmental agency and which discriminates or has discriminated against an employee with respect to the employee's wages or other terms or conditions of employment because on or after February 19, 1985, the employee asserted coverage under section 7 of the Fair Labor Standards Act of 1938 shall be held to have violated section 15(a)(3) of such Act. The protection against discrimination afforded by the preceding sentence shall be available after August 1, 1986, only for an employee who takes an action described in section 15(a)(3) of such Act.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

AUGUSTUS F. HAWKINS,
AUSTIN J. MURPHY,
W.L. CLAY,
PAT WILLIAMS,
JAMES M. JEFFORDS,
TOM PETRI,
STEVE BARTLETT,
Managers on the Part of the House.

ORRIN G. HATCH,
DON NICKLES,
ROBERT T. STAFFORD,
HOWARD M. METZENBAUM,
EDWARD M. KENNEDY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that Act to volunteers, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

PAYMENT FOR COMPENSATORY TIME UPON TERMINATION OF EMPLOYMENT

The Senate bill provides that upon termination of employment an employee shall be paid for unused compensatory time at the final regular rate received by such employee.

The House amendment provided that payment for unused compensatory time is to be at a rate not less than the average regular rate received by an employee during the last 3 years of the employee's employment.

The conference substitute combines the Senate and House provisions to provide that payment for unused compensatory time is to be at a rate not less than—

(1) the average regular rate received by an employee during the last 3 years of the employee's employment, or

(2) the final regular rate received by an employee, whichever is higher.

SCOPE OF SUBSTITUTE BILL

Under the Senate bill the rules for the treatment of hours of substitute employment apply to employees of a public agency engaged in the same activity.

Under the House amendment the rules for the treatment of hours of substitute employment apply only to employees engaged in fire protection or law enforcement activities (including activities of security personnel in correctional institutions).

The conference substitute is the same as the Senate bill.

COMPENSATORY TIME LIMIT

Under the Senate bill an employee may not accrue more than 480 hours of compensatory time.

Under the House amendment if the work of an employee included work in a public safety activity, an emergency response activity, or a seasonal activity the employee may accrue not more than 480 hours of compensatory time. An employee engaged in any other work may accrue not more than 180 hours of compensatory time.

The conference substitute provides that if the work of an employee included work in a public safety activity, an emergency response activity, or a seasonal activity the employee may accrue not more than 480 hours of compensatory time. An employee engaged in any other work may accrue not more than 240 hours of compensatory time.

SCOPE OF PROTECTION AGAINST DISCRIMINATION

The Senate bill prohibits discrimination as defined by section 15(a)(3) of the Fair Labor Standards Act of 1938.

The House amendment prohibits discrimination with respect to wages or other terms or conditions of employment.

The conference substitute adopts the House amendment with the following understandings as to the scope of protection provided by the House amendment:

The antidiscrimination provision is meant to apply where one or more employees are singled out for adverse treatment in retaliation for an assertion that they are covered by the overtime provisions of the FLSA. The provision also is intended to apply where an employer's response to the assertion of FLSA coverage is to reduce wages or other monetary benefits for an entire unit of employees. In either instance, the actual victims of discrimination must show that coverage was asserted and they also must show actual discrimination, i.e., that the employer's action constituted retaliation for the employee or employees' assertion of coverage and avoidance of the asserted protections of Federal law. If a court so finds, that conduct would be unlawful under section 8.

An employer's adjustment of work schedules to reduce overtime hours would not constitute discrimination under this provision so long as it was not undertaken to retaliate for an assertion of coverage. Such an adjustment is permissible under the Act but it does not supersede applicable requirements of State law or a collective bargaining agreement.

An employer who, after February 19, 1985, paid cash overtime at a time and one-half rate pursuant to the FLSA may not recoup these overtime payments from his employees by whatever means without violating section 8. State and local government employers are in no way obligated to comply with the Act's overtime provisions prior to April 15, 1986. But as stated in both Committee reports, nothing in this legislation, particularly the deferred effective date, is intended to encourage employers to postpone efforts to comply with the Act. Permitting employers who have voluntarily complied prior to April 1986 to negate their past compliance effort at some future date by recapturing from their employees payments already made would have precisely the effect that we intended to foreclose. Such permission also would allow unscrupulous employers to use the threat of recoupment to pressure or otherwise manipulate employees. Section 8 was meant to prohibit such retributive action.

A unilateral reduction of regular pay or fringe benefits that is intended to nullify this legislative application of overtime compensation to State and local government employees is unlawful. Any other conclusion would in effect invite public employers to reduce regular rates of pay shortly after the date of enactment so as to negate the premium compensation mandated by this legislation. The compensatory time and deferred effective date provision of these amendments are to relieve the economic impact of having to comply with the FLSA's premium rate requirements for overtime. Having provided for this relief, we agreed to preserve the same premium rate requirement that has been a part of the FLSA for nearly 50 years. We did not, at the same time, authorize employers to undermine that premium rate with impunity. In what we view as analogous circumstances, DOL regulations explicitly condemn employer efforts to adjust or recalculate regular rates of pay so as to evade the overtime requirements of the Act. (29 CFR 778.500).

This provision is not intended to prohibit State or local government employers from adjusting rates of pay at some later point in response to fiscal concerns not directly attributable to the impact of extending FLSA coverage to their employees.

This provision is intended to remain neutral with respect to any action by employees

challenging the lawfulness of an employer's unilateral reduction of regular pay or fringe benefits instituted prior to enactment of these amendments.

TIME LIMIT ON PROTECTION AGAINST DISCRIMINATION

Section 8 of the Senate bill limits the protection against discrimination to the period February 19, 1985, through April 15, 1986.

Under section 8 of the House amendment the protection against discrimination is limited to on or after February 19, 1985.

The conference substitute is the same as the House amendment with one modification. After August 1, 1986, an employee must assert coverage pursuant to section 15(a)(3) of the Act in order to be entitled to the protection against discrimination provided by the House amendment.

LIABILITY OF TERRITORIES AND POSSESSIONS FOR VIOLATIONS OF SECTION 6

Under the Senate bill and the House amendment public agencies are shielded from liability for violations of section 7 of the FLSA which occur before the effective date, April 15, 1986. The conference substitute provides the same shield with regard to violations of section 6 of the FLSA for territories and possessions of the United States.

AUGUSTUS F. HAWKINS,
AUSTIN J. MURPHY,
W.L. CLAY,
PAT WILLIAMS,
JAMES M. JEFFORDS,
TOM PETRI,
STEVE BARTLETT,
Managers on the Part of the House.

ORRIN G. HATCH,
DON NICKLES,
ROBERT T. STAFFORD,
HOWARD M. METZENBAUM,
EDWARD M. KENNEDY,
Managers on the Part of the Senate.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have taken this time for the purpose of inquiring of the distinguished minority leader as to the program for the balance of the day and the program for next week.

Mr. WRIGHT. If my distinguished friend from Illinois, the minority leader, would yield to me.

Mr. MICHEL. I am happy to yield to the distinguished majority leader, the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, this would complete our legislative schedule for the day and week.

Monday, we would meet at noon. We hope not to have votes on Monday, but I think Members should be advised it may be necessary for them to be present on Monday in order that we may take up votes at that time.

The only vote that would require our having a recorded vote would be in the event the other body might have acted upon one of the bills just passed and amended it and sent it back to us.

In that case, Members should be advised that it would be in order for a motion to be made to agree to that amendment or to agree to that amendment with an amendment.

Mr. Speaker, I do not think any Member would want to be absent if that were to occur.

Therefore, all I can do, in candor, is suggest that the Members should plan to be here Monday at noon. It would be our purpose, if there is no motion of that type from the other body, to proceed in order.

We would take up the suspensions. There are three of them listed: House Joint Resolution 36, Memorial to Women Who Served In or With the Armed Services; House Joint Resolution 142, Memorial Honoring Certain Black Americans in the American Revolution; and H.R. 2055, Korean War Memorial.

□ 1725

We would postpone those votes until either Tuesday or Wednesday.

We had hoped not to have votes prior to 2 o'clock on Tuesday in order to facilitate the convenience of Members whose States have primaries on next Tuesday.

Once again, I must advise Members that they ought to follow what is happening. You will read about it in the newspaper if the other body should pass our legislation on the debt ceiling extension in a form that would require our acting on it Monday or Tuesday. In any event, on Tuesday we would want to adopt the rule and do the general debate on the Water Resources Act of 1985, and for the remainder of the week, Wednesday, Thursday, and Friday, if necessary, we would take up the Water Resources Act and complete its consideration.

That would be the only business we have scheduled for next week except, of course, that conference reports may be considered at any time, and this program will be subject to change.

Mr. MICHEL. Mr. Speaker, Let me hypothesize for a moment.

If the other body, which I understand just a few moments ago began debating the conference report on the measure earlier today, fails to come to any agreement today, but maybe conceivably by Monday decided, as they are going to be in session Monday, I understand, probably not tomorrow, but on Monday, and if they were to conclude action, again not accepting our position but sending it back to us, then what would be the scenario for this body? Would we delay? Would there be an automatic delay until Wednesday, in view of what the gentleman has said about election day on Tuesday?

Mr. WRIGHT. It is my understanding that it would be subject to an automatic delay of that kind only by the general consent of the minority and the majority. Otherwise it would be subject to a motion to concur in the Senate amendment or to concur in the Senate amendment with an amendment, and that is a highly privileged motion. Of course, I would not want to say unilaterally to the gentleman from Illinois that the majority would prevent the bill's coming to the desk.

Mr. MICHEL. I understand.

I notice on the whip notice here that Members are advised to expect further possible action on debt limit legislation today—now, this may have been written earlier in the day, before we just took the action here—on both Monday and Tuesday. Is there something written in here that I really do not understand or perceive?

Mr. WRIGHT. Well, there may be. If so, it is something I do not perceive either. I guess we ought to amend that statement just to say that Members are advised to expect further possible action on the debt limit legislation whenever it is returned to us by the other body. It could be Monday, Tuesday, or Wednesday. Of course, the gentleman is familiar with the various scenarios. I presume that the other body is going to accept our short-term extension. If they do not, then they will unilaterally have decided to disinvest the Social Security Trust Funds. If they do or do not, they may or may not return our legislation with our amendment upon the Gramm-Rudman package approved. If they disapprove that and amend it, then we would have to vote upon their amendment one way or another. If they called for a conference, then the Chair would appoint conferees.

Mr. MICHEL. Is it the intention of the majority leader to move to adjourn when we have concluded our exchange or whenever the legislative business is concluded today?

Mr. WRIGHT. It is.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT TO MONDAY, NOVEMBER 4, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Speaker, would it be the intention of the leadership on both sides to keep the recording machine that we all rely on when we call

in up-to-date on the weekend so that if we call in on that number, we can find out? That might require staff to be here that would not normally be here.

Mr. WRIGHT. If the gentleman will yield, I thank my friend from Kentucky for a very splendid idea. I can speak for the recorders on our side of the aisle. Yes; we will undertake to do that. I feel reasonably sure that the minority leader and those in the Republican cloakroom also would be pleased to keep Members advised.

Mr. SNYDER. It would probably be necessary to only have one of them operating. But I think it would be helpful.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LOTT) to revise and extend their remarks and include extraneous material:)

Mr. DELAY, for 60 minutes, today.
Mr. SAXTON, for 5 minutes, today.
Mr. WALKER, for 60 minutes, today.
Mr. GINGRICH, for 60 minutes, today.

(The following Members (at the request of Mr. MICA) to revise and extend their remarks and include extraneous material:)

Mr. WEISS, for 5 minutes, today.
Mr. ST GERMAIN, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. NEAL, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. LOTT) and to include extraneous matter:)

Mr. CONTE.
Mr. GALLO.
Mr. WORTLEY.
Mr. MCCOLLUM.
Mr. SPENCE.
Mr. PARRIS.
Mr. VANDER JAGT.
Mr. SAXTON.
Mr. GRADISON.
Mrs. MARTIN of Illinois.
Mr. LAGOMARSINO.
Mr. QUILLEN.
Mr. GROTBERG.
Mr. DORNAN of California.

(The following Members (at the request of Mr. MICA) and to include extraneous matter:)

Mr. SHELBY.
Mr. GARCIA in four instances.
Mr. MRAZEK.
Mr. LAFALCE.
Mr. TRAFICANT.
Mr. STARK.
Mr. DYSON.
Mr. MAZZOLI.
Mr. GAYDOS in three instances.
Mr. WEISS.
Mr. FLORIO in two instances.
Mr. HUBBARD.
Mr. KANJORSKI.
Mr. RANGEL.
Mr. GUARINI.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1903. An act to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Chippewas of Lake Superior in Dockets Numbered 18-8, 18-U, 18-C, and 18-T before the Indian Claims Commission, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 145. Joint resolution designating November 1985 as "National Diabetes Month."

ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. WRIGHT].

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 207, nays 194, not voting 33, as follows:

[Roll No. 390]

YEAS—207

Ackerman	Bonker	Cooper
Akaka	Borski	Coyne
Alexander	Bosco	Crockett
Andrews	Boucher	Daniel
Annunzio	Boxer	Darden
Anthony	Brooks	Daschle
Aspin	Brown (CA)	Dellums
Atkins	Bruce	Dicks
Barnard	Bryant	Dingell
Bates	Burton (CA)	Dixon
Bedell	Bustamante	Donnelly
Beilenson	Byron	Dorgan (ND)
Bennett	Carper	Dowdy
Berman	Carr	Downey
Bevill	Chapman	Durbin
Biaggi	Clay	Dwyer
Boggs	Coelho	Dymally
Boland	Coleman (TX)	Dyson
Bonior (MI)	Collins	Early
Eckart (OH)	Leland	Roe
Edwards (CA)	Levin (MI)	Rose
Evans (IL)	Lipinski	Rostenkowski
Fascell	Long	Rowland (GA)
Fazio	Lowry (WA)	Roybal
Feighan	Luken	Russo
Flippo	MacKay	Sabo
Foglietta	Manton	Scheuer
Foley	Markey	Schulze
Ford (MI)	Martinez	Schumer
Ford (TN)	Matsui	Sharp
Frank	Mavroules	Sikorski
Frost	Mazzoli	Sisisky
Fuqua	McCloskey	Skelton
Garcia	McCurdy	Slattery
Gaydos	McHugh	Smith (FL)
Gejdenson	Mica	Smith (IA)
Gephardt	Mikulski	Solarz
Glickman	Miller (CA)	Spratt
Gonzalez	Mineta	St Germain
Gordon	Mitchell	Staggers
Gray (IL)	Moakley	Stenholm
Gray (PA)	Mollohan	Stratton
Guarini	Montgomery	Studds
Hall (OH)	Moody	Swift
Hall, Ralph	Mrazek	Synar
Hawkins	Murphy	Tallon
Hayes	Murtha	Thomas (GA)
Hefner	Natcher	Torres
Heftel	Nichols	Torricelli
Hertel	Nowak	Towns
Howard	O'Brien	Udall
Hoyer	Oakar	Valentine
Hughes	Oberstar	Vento
Jacobs	Obey	Visclosky
Jenkins	Olin	Volkmer
Jones (NC)	Ortiz	Walgren
Kanjorski	Owens	Waxman
Kaptur	Panetta	Weaver
Kastenmeier	Penny	Weiss
Kennelly	Pepper	Wheat
Kildee	Perkins	Whitten
Kleczka	Pickle	Williams
Kolter	Price	Wilson
Kostmayer	Rahall	Wolpe
LaFalce	Rangel	Wright
Lantos	Reid	Wyden
Leath (TX)	Richardson	Yates
Lehman (CA)	Robinson	Yatron
Lehman (FL)	Rodino	Young (MO)

NAYS—194

Anderson	Dickinson	Kasich
Applegate	DioGuardi	Kemp
Archer	Dreier	Kindness
Armey	Duncan	Kolbe
AuCoin	Edwards (OK)	Kramer
Bartlett	Emerson	Lagomarsino
Barton	English	Latta
Bateman	Erdreich	Leach (IA)
Bentley	Evans (IA)	Lent
Bereuter	Fawell	Lewis (CA)
Bilirakis	Fiedler	Lewis (FL)
Billey	Fields	Lightfoot
Boehlert	Fish	Livingston
Boner (TN)	Frenzel	Lloyd
Boulter	Gallo	Loeffler
Breaux	Gekas	Lott
Broomfield	Gibbons	Lowery (CA)
Brown (CO)	Gilman	Lujan
Broyhill	Gingrich	Lungren
Burton (IN)	Goodling	Mack
Callahan	Gradison	Martin (NY)
Campbell	Green	McCain
Carney	Gregg	McCandless
Chappell	Grotberg	McCollum
Chappie	Gunderson	McDade
Cheney	Hamilton	McGrath
Clinger	Hammerschmidt	McKernan
Coats	Hendon	McKinney
Cobey	Henry	McMillan
Coble	Hiler	Meyers
Coleman (MO)	Hillis	Michel
Combest	Hopkins	Miller (OH)
Conte	Horton	Miller (WA)
Coughlin	Hubbard	Molinari
Courter	Huckaby	Monson
Craig	Hunter	Moore
Crane	Hutto	Moorhead
Dannemeyer	Hyde	Morrison (WA)
Daub	Ireland	Myers
Davis	Jeffords	Nelson
DeLay	Johnson	Nielson
Derrick	Jones (OK)	Oxley
DeWine	Jones (TN)	Packard

Parris	Shaw	Sundquist
Pashayan	Shelby	Sweeney
Petri	Shumway	Swindall
Porter	Shuster	Tauke
Pursell	Siljander	Tauzin
Quillen	Skeen	Taylor
Ray	Slaughter	Thomas (CA)
Regula	Smith (NE)	Traficant
Rinaldo	Smith (NJ)	Vander Jagt
Ritter	Smith, Denny (OR)	Vucanovich
Roberts	Smith, Robert (NH)	Walker
Roemer	Smith, Robert (OR)	Watkins
Rogers	Snowe	Weber
Roth	Snyder	Whittaker
Roukema	Solomon	Wirth
Rowland (CT)	Spence	Wise
Rudd	Stallings	Wolf
Saxton	Stangeland	Wortley
Schaefer	Strang	Wylie
Schneider	Stump	Young (AK)
Schroeder		Young (FL)
Schuette		Zschau
Sensenbrenner		

NOT VOTING—33

Addabbo	Franklin	Morrison (CT)
Badham	Hansen	Neal
Barnes	Hartnett	Pease
Chandler	Hatcher	Ridge
Conyers	Holt	Savage
de la Garza	Levine (CA)	Seiberling
Dornan (CA)	Lundine	Stark
Eckert (NY)	Madigan	Stokes
Edgar	Marlenee	Traxler
Florio	Martin (IL)	Whitehurst
Fowler	McEwen	Whitley

□ 1740

So the motion was agreed to.

The result of the vote was announced as above recorded.

Accordingly (at 5 o'clock and 47 minutes p.m.) under its previous order, the House adjourned until Monday, November 4, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2203. A communication from the President of the United States, transmitting an amendment to the request for fiscal 1986 appropriations for the Department of Commerce, pursuant to 31 U.S.C. 1107 (H. Doc. No. 99-228); to the Committee on Appropriations and ordered to be printed.

2204. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-98, "Fiscal Year 1986 Follow Through Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

2205. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Army's proposed Letter of Offer to Egypt for defense articles and services, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2206. A letter from the Director, Defense Security Assistance Agency, transmitting notice of Department of the Air Force's proposed Letter of Offer to Switzerland for defense articles, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2207. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting notice of suspension of deportation of certain aliens of good character and with required residency when deportation causes hardship under section 244(a), Immigration and Nationality Act, pursuant to 8 U.S.C. 1254(c); to the Committee on the Judiciary.

2208. A letter from the Acting Fiscal Assistant Secretary, Department of the Treasury, transmitting a report on amounts actually deposited in the Panama Canal Commission Fund during fiscal year 1985, pursuant to 22 U.S.C. 3712(c)(2); to the Committee on Merchant Marine and Fisheries.

2209. A letter from the Acting Fiscal Assistant Secretary, Department of the Treasury, transmitting the final monthly treasury statement of receipts and outlays of the U.S. Government for fiscal year 1985, pursuant to 31 U.S.C. 331(c); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee of conference. Conference report on House Joint Resolution 372 in disagreement (Rept. 99-351). Ordered to be printed.

Mr. MOAKLEY: Committee on Rules. H. Res. 305. A resolution providing for the consideration of H.R. 6, a bill to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure (Rept. 99-352). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. H. Res. 306. A resolution providing for the consideration of H.R. 3669, a bill to prevent the disinvestment of the Social Security Trust Funds and other trust funds (Rept. 99-353). Referred to the House Calendar.

Mr. BROOKS: Committee on Government Operations. Identification of friend or foe in air warfare—a capability long neglected and urgently needed (Rept. 99-354). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Air Force is spending over $1 billion in poorly tested and duplicative Radar Jammer Program (Rept. 99-355). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. DOD spare parts pricing abuses at the naval air station, Miramar, CA (Rept. 99-356). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee of conference. Conference report on S. 1570 (Rept. 99-357). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI (for himself, and Mr. CHAPMAN):

H.R. 3669. A bill to prevent the disinvestment of the Social Security Trust Funds and other trust funds; to the Committee on Ways and Means.

By Mr. HOWARD (for himself, Mr. ROE, Mr. SNYDER, Mr. STANGELAND, and Mr. ANDERSON):

H.R. 3670. A bill to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure; jointly, to the Committees on Public Works and Transportation, and Ways and Means.

By Mr. FAUNTROY (for himself, Mr. DELLUMS, Mr. MCKINNEY, and Mr. BLILEY):

H.R. 3671 A bill to waive the period of Congressional review for certain District of Columbia acts and bills authorizing the issuance of revenue bonds; to the Committee on the District of Columbia.

By Mr. BATEMAN:

H.R. 3672. A bill to amend the Internal Revenue Code of 1954 to provide a special valuation of certified historic structures for estate tax purposes, and to provide an extension of time to pay estate taxes where the estate consists largely of a certified historic structure; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 3673. A bill to amend the Immigration and Nationality Act with respect to the liability of owners and operators of international bridges and toll roads to prevent the unauthorized landing of aliens; to the Committee on the Judiciary.

By Mr. EVANS of Iowa:

H.R. 3674. A bill to amend title IV of the Employee Retirement Income Security Act of 1974 to require that, in the case of participants meeting certain minimum requirements as of the date of termination of the plan, early retirement pension benefits under the plan shall be guaranteed by the Pension Benefit Guaranty Corporation and shall commence no later than as specified in applicable plan provisions; to the Committee on Education and Labor.

By Mr. REGULA:

H.R. 3675. A bill to amend title X of the Congressional Budget and Impoundment Control Act of 1974 to provide the President with a modified authority to rescind or reserve budget authority while preserving congressional control over the budget process; jointly, to the Committees on Government Operations, and Rules.

By Mr. SHUMWAY (for himself, Mr. LOWRY of Washington, Mr. FIELDS, Mr. CALLAHAN, Mr. FRANKLIN, and Mr. TAUZIN):

H.R. 3676. A bill to amend Section 912 of the Internal Revenue Code of 1954 to exempt from gross income the value of certain Panama Canal Treaty allowances; to the Committee on Ways and Means.

By Mr. SOLOMON:

H.R. 3677. A bill to amend the Clean Air Act to protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; to the Committee on Energy and Commerce.

By Mr. STUDDS (for himself, Mr. DAVIS, Mr. LENT, and Mr. BIAGGI):

H.R. 3678. A bill to require the licensing of operators of vessels that tow disabled vessels for consideration; to the Committee on Merchant Marine and Fisheries.

By Mr. BURTON of Indiana (for himself and Mr. SILJANDER):

H.J. Res. 439. Joint resolution to designate the year 1986 to be "The Centennial Year of the Gasoline Powered Automobile"; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI (for himself, Mr. DWYER of New Jersey, Mr. HORTON, Mr. NATCHER, Mr. DASCHLE, Mr. MCKERNAN, Mr. DAUB, Mr. ROE, Mr.

VOLKMER, Mr. O'BRIEN, Mr. SABO, Mr. MARTINEZ, Mr. BERMAN, Mr. TRAFICANT, Mr. LAGOMARSINO, Mr. LEWIS of California, Mrs. BURTON of California, Mr. WORTLEY, Mr. DE LA GARZA, Mr. EMERSON, Mr. RAHALL, Mr. WALGREN, Mr. FAWELL, Mr. REID, Mr. BORSKI, Mr. KOLTER, Mr. OWENS, Mr. WEISS, Mr. DYMALLY, Mr. MRAZEK, Mr. PERKINS, Mrs. BOXER, Mr. KILDEE, Mr. GINGRICH, Mr. WILSON, Mr. HAYES, Mr. ROWLAND of Georgia, Mr. CONTE, and Mr. LAFALCE):

H.J. Res. 440. Joint resolution to designate the week of December 1, 1985, through December 7, 1985, as "National Autism Week"; to the Committee on Post Office and Civil Service.

By Mr. SMITH of New Jersey:

H. Con. Res. 226. Concurrent resolution expressing the sense of the Congress regarding the jamming of western radio broadcasts by the Soviet Union, Bulgaria, Czechoslovakia, and Poland; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARPER:

H.R. 3679. A bill for the relief of the estate of John F. Schaefer; to the Committee on Judiciary.

By Mr. FRANK:

H.R. 3680. A bill for the relief of Barbara Killion Applegate; to the Committee on Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. GINGRICH.

H.R. 313: Mr. RICHARDSON.

H.R. 585: Mr. ALEXANDER and Mr. RINALDO.

H.R. 932: Mr. MOLLOHAN.

H.R. 1030: Mr. ATKINS, Mr. DONNELLY, Mr. LAFALCE, and Mr. OBEY.

H.R. 1050: Mr. KANJORSKI.

H.R. 1089: Mr. HOWARD, Mr. SAVAGE, Mr. BOUCHER, and Mr. MARKEY.

H.R. 1099: Mr. BURTON of Indiana.

H.R. 1326: Mr. BATES.

H.R. 1615: Mr. ARMEY and Mr. COLEMAN of Missouri.

H.R. 1666: Mr. REID.

H.R. 1704: Mrs. VUCANOVICH.

H.R. 1840: Mr. GRAY of Illinois, Mr. ROBERTS, Mr. SUNIA, and Mr. BEREUTER.

H.R. 1894: Mr. BURTON of Indiana.

H.R. 1977: Mr. SUNIA.

H.R. 2157: Mr. HILER, Mr. SHELBY, Mr. LIGHTFOOT, and Mr. FIELDS.

H.R. 2295: Mr. LAFALCE and Mr. TALLON.

H.R. 2325: Mr. ROBERTS.

H.R. 2603: Mr. WEISS, Mr. ECKART of Ohio, and Mr. MARTINEZ.

H.R. 2679: Mr. MORRISON of Washington.

H.R. 2833: Ms. MIKULSKI, Mr. CLINGER, Mr. MATSUI, Mr. SUNIA, and Mr. MCKINNEY.

H.R. 2854: Mrs. KENNELLY.

H.R. 2943: Mr. RAHALL, Mr. MANTON, Mr. ARMEY, Mr. LUNGREN, Mr. BATES, and Mr. GINGRICH.

H.R. 3035: Mr. YATRON.

H.R. 3232: Mr. DANNEMEYER, Mr. BURTON of Indiana, Mr. EDWARDS of Oklahoma, and Mr. KOLTER.

H.R. 3263: Mr. CARR.

H.R. 3296: Mr. BOEHLERT and Mr. CARPER.

H.R. 3305: Mr. ACKERMAN, Mr. COELHO, Mr. TOWNS, Mr. NIELSON of Utah, and Mr. WEISS.

H.R. 3438: Mr. CLINGER and Mr. BUSTAMANTE.

H.R. 3439: Mr. CONYERS and Mr. DUNCAN.

H.R. 3486: Mr. WHITEHURST and Mr. HUGHES.

H.R. 3487: Mr. MURPHY, Mr. CONYERS, and Mr. MARTINEZ.

H.R. 3510: Mr. LUNDINE, Mr. FORD of Tennessee, Mr. TAUZIN, Mr. GOODLING, and Mr. ANDERSON.

H.R. 3512: Mr. SUNIA.

H.R. 3520: Mr. PACKARD, Mr. SMITH of New Jersey, Mr. STUMP, Mr. WHITEHURST, and Mr. WHITTAKER.

H.R. 3521: Mr. HARTNETT, Mr. BREAUX, Mr. VOLKMER, and Ms. KAPTUR.

H.R. 3522: Mr. WALKER.

H.R. 3553: Mr. LAGOMARSINO and Mr. GINGRICH.

H.R. 3557: Mr. GINGRICH and Mr. LEACH of Iowa.

H.R. 3567: Mr. BARNARD, Mr. HUGHES, and Mr. WHITEHURST.

H.R. 3609: Mr. STRATTON, Mr. DORNAN of California, Mr. LIVINGSTON, Mr. BURTON of Indiana, Mr. COBEY, Mr. WALKER, Mr. WEBER, Mr. MONSON, Mr. SMITH of New Hampshire, Mrs. VUCANOVICH, Mr. ARMEY, Mr. GINGRICH, Mr. COURTER, Mr. NIELSON of Utah, Mr. EMERSON, Mr. BARTON of Texas, Mr. SWINDALL, Mr. DAUB, Mr. BLILEY, Mr. RUDD, Mr. BOULTER, Mr. KEMP, Mr. IRELAND, Mr. RITTER, Mr. CRANE, Mr. BILIRAKIS, Mr. HUNTER, Mr. WHITTAKER, Mr. DREIER of California, Mr. SOLOMON, Mr. LOWERY of California, Mr. PORTER, Mr. DICKINSON, Mr. YOUNG of Florida, Mr. MCCOLLUM, Mr. LUNGREN, Mr. ROTH, Mr. BLAZ, Mr. DELAY, and Mr. MONTGOMERY.

H.R. 3626: Mr. PORTER, Mr. GINGRICH, and Mr. VALENTINE.

H.J. Res. 101: Mr. PORTER, Mr. JEFFORDS, Mr. BONER of Tennessee, Mr. MOORHEAD, Mrs. BENTLEY, Mr. GINGRICH, and Mr. HAYES.

H.J. Res. 127: Mr. COATS, Mr. KLECZKA, Mr. REGULA, Mr. DE LA GARZA, Mr. RAHALL, Mr. CARNEY, Mr. HOWARD, Mr. ROGERS, Mr. HYDE, Mr. ATKINS, Ms. KAPTUR, Mr. HUGHES, Mr. COYNE, Mr. DYSON, Mr. BORSKI, Mr. HAYES, Mr. HOYER, Mr. JACOBS, Mr. KANJORSKI, Mr. KASICH, Mr. KEMP, Mr. LANTOS, Mr. LEWIS of California, Mr. SCHEUER, Mr. SPRATT, Mr. TALLON, Mr. SWINDALL, Mr. TAUKE, Mr. TAUZIN, and Mr. TRAXLER.

H.J. Res. 133: Mr. GREEN, Ms. SNOWE, and Mr. CLINGER.

H.J. Res. 298: Mr. DELLUMS, Mr. DONNELLY, Mr. FOLEY, Mr. GROTBERG, Mr. HOYER, Mr. KILDEE, Mr. KOSTMAYER, Mr. LATTA, Mr. LOWRY of Washington, Mr. MILLER of Washington, Mr. MOAKLEY, Mr. MORRISON of Washington, Mr. ROBERTS, Mr. SABO, Mr. STUMP, Mr. TAUZIN, and Mr. TRAFICANT.

H.J. Res. 333: Mr. LOWERY of California, Mr. MCCAIN, Mrs. ROUKEMA, Mr. SCHAEFER, Mr. IRELAND, Mr. MOORHEAD, Mr. SOLOMON, Mr. TAUKE, Mr. GILMAN, Mr. RITTER, Mr. HENRY, Mr. WALKER, Mr. WOLPE, Mr. DUNCAN, Mr. MCGRATH, Mr. PORTER, Mr. LEWIS of California, Mr. GINGRICH, Mr. PACKARD, Mr. REGULA, Mr. HAMMERSCHMIDT, Mr. WHITLEY, Mr. BILIRAKIS, Mr. MCCOLLUM, Mr. PETRI, Mr. PURSELL, Mr. NIELSON of Utah, Mr. SHAW, Ms. SNOWE, Mr. HYDE, Mr. WOLF, Mr. DIOGUARDI, Mr. LENT, Mrs. HOLT, Mr. LOEFFLER, Mr. DELAY, Mr. THOMAS of California, Mr. EARLY, Mr. MCCANDLESS, Mr. ORTIZ, Mr. FOLEY, Mr. SOLARZ, Mr. ANTHONY, Mr. STALLINGS, Mr. ANDERSON, Mr. WEBER, Mr. LIGHTFOOT, Mr. SPRATT, Mr. AKAKA, Mr. LANTOS, Mr. HEFNER, Mr. BENNETT, Mr. EVANS of Illinois, Mrs. MEYERS of Kansas, Mr. COATS, Mr. WILSON, Mr. CLAY, Mr. HEFTEL of Hawaii, Mr. O'BRIEN, Mr. RUSSO, Mr. BARNES, Mr. RICHARDSON, Mr. BURTON of Indiana, Mr. GONZALEZ, Mr. RANGEL, Mr. NEAL, Mr. FUQUA, Mr. STOKES, Mr. BIAGGI, Mr. DORNAN of California, Mr. HOPKINS, Mr. CONTE, Mr. GREGG, Mr. KEMP, Mr. BLAZ, Mr. MACK, Mr. MCDADE, Mr. RUDD, Mr. BUSTAMANTE, Mr. SLAUGHTER, Mr. BONIOR of Michigan, Mr. DYMALLY, Mr. FIELDS, Mr. BLILEY, Mr. CHENEY, Mr. DIXON, Mr. JONES of Tennessee, Mr. LEHMAN of California, Mr. MARTIN, of New York, Mr. MOODY, Mr. BOLAND, Mr. BARTLETT, Mr. STARK, Ms. OAKAR, Mr. PRICE, and Mr. LIPINSKI.

H.J. Res. 347: Mr. WEISS, Mr. FRENZEL, Mr. WOLPE, Mr. SUNIA, Mr. BONER of Tennessee, Mr. BERMAN, Mr. ADDABBO, Mr. SHAW, Mr. AKAKA, Mr. HALL of Ohio, Mr. STENHOLM, Mr. CLINGER, Mr. LEWIS of California, Mr. WRIGHT, Mr. CALLAHAN, Mr. RODINO, Mr. CARPER, Mr. MICHEL, Mrs. JOHNSON, Mr. BOSCO, Mrs. KENNELLY, Mr. FRANK, Mr. DARDEN, Mr. CLAY, Mr. FOLEY, Mr. CONYERS, Mr. GALLO, Mr. WALGREN, Mr. BRYANT, Mr. FAUNTROY, and Mr. FOWLER.

H.J. Res. 364: Mr. HORTON, Mr. TOWNS, Mr. GINGRICH, Mr. BONER of Tennessee, Mr. WOLF, Mr. DAUB, Mr. WEISS, Mr. O'BRIEN, Mr. BERMAN, and Mr. SUNIA.

H. Con. Res. 117: Mr. DAUB.

H. Con. Res. 173: Mr. MITCHELL, Mr. COATS, Mr. CROCKETT, Mrs. COLLINS, Mr. DWYER of New Jersey, Mr. ROWLAND of Connecticut, Mr. COURTER, Mr. EDWARDS of Oklahoma, Mr. BILIRAKIS, and Mr. SUNIA.

H. Con. Res. 197: Mr. DASCHLE and Mr. SCHAEFER.

H. Con. Res. 204: Mr. MRAZEK, Mr. UDALL, Mr. VOLKMER, and Mr. SMITH of Florida.

H. Con. Res. 205: Mr. MRAZEK, Mr. UDALL, Mr. VOLKMER, and Mr. SMITH of Florida.

H. Con. Res. 206: Mr. MRAZEK, Mr. UDALL, Mr. VOLKMER, and Mr. SMITH of Florida.

H. Con. Res. 213: Mr. ATKINS, Mr. ROBINSON, and Mr. VENTO.

H. Res. 164: Mr. YOUNG of Florida.

H. Res. 264: Mr. LIGHTFOOT, Mr. WEBER, Mr. ROEMER, Mr. DAUB, Mr. DYSON, Mr. THOMAS of Georgia, Mr. MITCHELL, Mr. SWIFT, and Mr. CHAPMAN.

H. Res. 268: Mr. DEWINE, Mr. EMERSON, Mr. DREIER of California, and Mr. GUARINI.

H. Res. 273: Mr. ORTIZ and Mr. COLEMAN of Texas.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6

By Mr. DAVIS:

—In Section 608, after the word "Canada," strike "in response to" and insert in lieu thereof "since".

SENATE—*Friday, November 1, 1985*

(Legislative day of Monday, October 28, 1985)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Come unto me all ye that are weary and heavy laden, and I will give you rest.—Matthew 11:28.

God of peace, manifest Yourself, Your grace, Your wisdom, Your peace, in this place and upon these people today. Something is not right. There is much activity and hard work but little progress, as though the Senate is on a treadmill. They face the farm bill with many different commodities competing for attention, as well as regions. The debt ceiling which somehow seems to defy resolution despite its inevitability. And reconciliation, the giant, which like a magnet attracts all manner of amendments.

Meanwhile Father in Heaven, Senators grow weary, discouraged, and disappointed as a Friday session upsets many plans for home State business, family, and other commitments. Someone has said it is better to be swallowed by a whale than to be nibbled to death by minnows. Gracious, Loving Lord, bestow upon leaders and Members a special measure of grace and peace, so that neither massive issues or trivia will be allowed to frustrate essentials and priorities. In His name Who promised rest for the weary. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

THE CHAPLAIN'S PRAYER

Mr. SIMPSON. Mr. President pro tempore, again our Chaplain leaves us with a pungent message and indeed he is an extraordinary person. I note more and more he understands the processes of this place as he speaks.

I have a different phrase for that marvelous allusion to the whale and minnows. I have often said that sometimes the process here is like getting pecked to death by ducks and that, of course, is a grisly fate as anyone might imagine.

SCHEDULE

Mr. SIMPSON. Mr. President, on this All Saints' Day we go ahead and grapple with the farm bill and indeed we have much to do there. We have not even come to the issues of commodities and the dairy issue and some critical tough debates. The reason we do not is that they are tough and people prefer not to deal with them, but that is our task. Again that is what we are here for. So we will be doing that.

Let me just review what we are up to this day:

We have the two leaders under the standing order of 10 minutes each; special orders in favor of the following Senators for not to exceed 15 minutes each, Senator THURMOND, Senator WILSON, Senator DOLE, and Senator PROXMIRE.

If time permits there will be a period for the transaction of routine morning business not to exceed beyond 9:45 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, it will be the intention of the majority leader to turn to the consideration of H.R. 2965, the State, Justice, Commerce appropriations bill. Votes can be expected prior to the hour of 12 noon on the appropriations bill.

At approximately 1 p.m. the Senate will then resume consideration of the farm bill, S. 1714.

Also, at some point during the day's session, the Senate could deal with the debt limit, either an extension or House Joint Resolution 372, the original debt limit extension with Gramm-Rudman-Hollings as an amendment. The House will deal with that issue at 11 o'clock this morning. When we review the results of their labors, we will better be able to advise our colleagues on both sides of the aisles as to what our procedures here will be and whether that will take more time this date than originally thought. Rollcall votes can be expected throughout the day. That is a swift review of our activities.

I reserve the balance of the leader's time. I note that my good friend from Wisconsin is here and I will certainly yield to him.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. EVANS). The acting Democratic leader is recognized.

Mr. PROXMIRE. Mr. President, first I want to say how delighted I was to hear even a slight reference by my good friend from Wyoming about dairy. There was that magic word. I loved it. He is always so friendly and so kind and so helpful that I am sure he will be able to give a little hand when that comes up, at least I hope and pray so.

HERE'S HOW THE PRESIDENT CAN ESCAPE FROM HIS ARMS CONTROL AND DEFICIT DILEMMA

Mr. PROXMIRE. Mr. President, will the United States negotiate a dramatic, far-reaching, and comprehensive arms control agreement with the Soviet Union? Superficially, the answer might seem to be an obvious and emphatic "No." After all, isn't the President of the United States the absolutely quintessential, in fact, total power when it comes to arms control negotiations by the United States? He is, indeed. There is no question about that. And doesn't this President have a long, unblemished record of opposition to every arms control agreement in the 40 years of the nuclear age—whether negotiated by Republicans or Democrats? He does. And hasn't the President advanced his own greatly preferred alternative to a nuclear arms control agreement: a strategic defense initiative or star wars? He has. And doesn't the logic of the President's complete faith in star wars as the method of defending America against a Soviet nuclear attack make reliance on an arms control agreement with the treacherous, immoral, treaty violating Communist Russians, a wholly unnecessary redundancy? It sure does. And hasn't the President's Secretary of Defense recently expressed the most explicit kind of misgivings about the value of an arms control treaty with the Soviet Union? He has. And doesn't the Secretary of Defense constantly and faithfully reflect to-the-letter the views of his Commander in Chief, Ronald Reagan? He does. In fact, Secretary Weinberger follows the President's views precisely, fully, in fact, slavishly.

In view of all this, why should any realist contend that this administration may agree to an arms control treaty with the Soviet Union? The answer, Mr. President, is that the President will have to make the hard, tough choice between no arms control

and a very big tax increase; or arms control and no tax increase. Given that choice, this Senator is betting on an admitted long shot, a Presidential decision against a big tax increase. Why will the President be faced with what he must regard as a terrible, terrible choice? Why can't he go on blithley as he has in the past with huge deficits to finance the arms race instead of a tax increase? Answer: the Gramm-Rudman-Hollings amendment that passed the Senate and is now being worked over in conference will very likely emerge with iron bound requirements for Congress to reduce the Federal deficit. The conference product will be in something like its present form. If it does so emerge, the Congress will be faced with the painful choice of either making drastic reductions in military spending or sharply increasing taxes. In a classic letter to the Washington Post on Sunday, October 27, House Armed Services Chairman LES ASPIN brilliantly describes how devastating will be the cuts mandated by Gramm-Rudman-Hollings in military spending as the amendment is presently worded. The conference committee can correct some of the Aspin exposed absurdities in the amendment that would force grossly inefficient reductions in military programs, but the conference is very unlikely to let defense off the hook. There is no way that the Congress can reduce the Federal deficit by $36 billion a year for 5 years as required by the amendment without either sharp reductions in military spending or a truly massive tax increase. A 1- or 2-year surtax or some other temporary tax hike could not do the job. Without sharp defense spending reductions the amendment would mandate a permanent increase in the tax burden the Federal Government imposes.

So how does President Ronald Reagan, who takes such pride in the Nation's defense buildup during his Presidency, solve this dilemma? How does the President who defied the Congress to "make his day" by letting him veto any tax increase handle this one? As James Reston wrote in the New York Times on October 27, President Reagan is the greatest escape artist since Houdini. He sure is. But can he escape this one? He can. Here is how: He makes an arms control agreement with the Soviet Union that is truly comprehensive. It is so comprehensive that it saves any future United States spending on star wars. And that by itself is a bundle. It also permits the President to announce a cutback in military personnel at all levels and by several hundred thousands. He will forget about the 600-ship Navy. Air Force and Army procurement will sharply drop. Result: The President will become the great peace President. President Reagan will become the man who stopped the nuclear arms race that seemed hellbent for the final Armageddon, and, best of all for millions of taxpayers, he will become the President who cut taxes and kept them cut while sharply reducing the Nation's huge economic albatross—the massive Federal budget deficits. Of course, all this will take a spectacular U turn on arms control and military spending. But why not? This way the President and his administration lands on its political feet. Any other course takes him over the cliff and onto the rocks.

This Senator does not argue this is the right course or the inevitable course. But, viewed strictly from a political standpoint, the President has an easy decision.

FLEECE FOR NOVEMBER GOES TO PENTAGON

Mr. PROXMIRE. Mr. President, today I am awarding my Golden Fleece for November to the Pentagon—now read 'em and weep on this one—for spending $162 million annually producing and buying periodicals and newspapers.

The poor taxpayer is being dogeared and sent to the bindery with this expense, especially since the Pentagon admits that many of its own publications are nonessential.

And browse over this one: $119 million of this amount was spent for purchasing about 1.9 million subscriptions to various public newspapers and magazines such as Newsweek or the Washington Post.

What we have here is evidence of the Pentagon's new motto: "Better read than dead."

When the American taxpayers hear this story, I think they will conclude that "no news would be good news." Here are the facts:

The Pentagon is the world's largest consumer of newspapers and magazines with $119.3 million spent each year to purchase an estimated 1.9 million subscriptions. There are no management controls over these purchases which are approved routinely—probably because the cost of each individual subscription is not very high. But add them all up and you get a real budget buster.

Even the Defense Department inspector general's office has concluded that "we believe that the lack of controls over commercial periodicals has resulted in the procurement of nonessential commercial periodicals."

In addition to purchases of magazines and newspapers, the Defense Department spent $20.4 million for publishing periodicals. Ten periodicals alone cost over $6.8 million annually. They are:

Soldiers; PS, the Preventive Maintenance Magazine; Army Logistician; Air University Review; All Hands; Army Reserve Magazine; Army Echoes; Airman; Driver; and Air Reservist Magazine.

Many of these publications contain similar information and are directed to the same audiences. A sample taken by an internal audit found that the military publishes 126 civilian personnel bulletins and newsletters, 25 safety bulletins, and 40 retiree newsletters and bulletins.

Why so many addressing the same questions and the same audiences? Because each military service, each major component, each recognizable group or category of individuals wants their own publications. The Army does not want to read an Air Force publication even if the information is relevant. And the Navy would not consider an Air Force publication as appropriate to their interests.

When the Pentagon reads about its reading habits as a result of this fleece, I hope they will follow the recommendations of their own inspector general auditors and take out the budget-cutting knife. There is no doubt about it—the pen had proved to be mightier than the purse at the Pentagon.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the Bhopal disaster could not happen today in the United States. That is a myth. It could very possibly happen here. Last year, Bhopal, India, suffered one of the worst environmental catastrophes of modern times.

American reporters covering the accident all asked the same question: Could a Bhopal-type accident happen here? The administration's answer was a resounding No!

According to them, our comprehensive system of environmental and safety safeguards prevents future tragedies of this type from occurring in the United States.

They are wrong, Mr. President. As shown by recent incidents at Institute, WV, and Linden, NJ, nothing could be further from the truth.

Although Congress enacted strong legislation such as the Toxic Substances Control Act; Resource Conservation and Recovery Act; Hazardous Materials Transportation Act; Safe Drinking Water Act; Clean Air and Clean Water Acts, and Federal Insecticide, Fungicide and Rodenticide Act, EPA and DOT enforcement is spotty or nonexistent.

For example, there are just a handful of Federal inspectors responsible for inspection of the over 400,000 tank trucks and 160,000 railroad tank cars which regularly carry hazardous materials. These are simply not inspected, except very, very rarely.

According to an EPA internal document, about five accidents involving leaks of toxic substances occur every day. The authors base their conclusions on a partially complete data base, the best available, which covers only part of the United States. When extrapolated to the entire country, the true accident rate is probably several times higher.

EPA is also slow in producing the emergency plans needed for preventing spills of dangerous substances into our waterways. The Agency has had since 1972 to prepare a final hazardous spill prevention plan required by the Clean Water Act but produced no regulation.

The same Agency produced only five standards for individual hazardous air pollutants since 1970, despite the hundreds which it admits are emitted into the air.

It is time to start regulating these substances before the next Bhopal happens here.

HUMAN RIGHTS IN UGANDA

Mr. PROXMIRE. Mr. President, on July 27, 1985, an army coup led by Lt. Gen. Tito Okello toppled the government of Apollo Milton Obote.

The U.S. Committee for Refugees reports that when Mr. Okello took office "1 out of every 14 Ugandans was a refugee or displaced. Approximately 300,000 Ugandans remained outside the country's borders as refugees. As many as 950,000 more were internally displaced from their homes and farms, but remained within Uganda in a refugee-like situation."

In August 1984, the U.S. Department of State publically condemned the human rights record of the Obote government as "horrendous" and "among the most grave in the world." It estimates that as many as 100,000 to 200,000 Ugandans died since the overthrow of Amin. Other sources claim casualties were between 300,000 and 500,000.

Unfortunately, Uganda's recent history is the story of failed leadership. Mr. Okello's predecessors practiced genocide. Government officials and army officers, unable to overcome religious, ethnic, and tribal differences, resorted to widespread torture and detention of civilians.

Mr. President, Mr. Okello's tenure as ruler of Uganda will be difficult. Uganda's complex political and social organizations will test his strength and resolve. I wish him well.

Uganda remains rich in potential to become a nation that safeguards human rights. Under Mr. Okello Uganda can once again reclaim its title as the "pearl of Africa." The development of human rights protection in Uganda will be slow and tedious. Behavior will not change overnight.

Mr. President, the United States must send a message of hope and caution to Mr. Okello. The U.S. Senate must ratify the Genocide Treaty making clear to him and the world that we oppose the heinous crime of genocide. Our ratification will demonstrate that we shall hold him accountable for the preservation and protection of human rights in Uganda.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the special order which was reserved for me be reserved for the Democratic leader, Senator BYRD, in view of the fact that I used his leader time this morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR WILSON

The PRESIDING OFFICER. Under the previous order, the Senator from California is recognized for not to exceed 15 minutes.

Mr. WILSON. I thank the Chair.

CONTROL OF TIME

Mr. WILSON. Mr. President, I ask unanimous consent that the special order in favor of the majority leader be under the control of the Senator from California.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. I ask unanimous consent that the special order in favor of the President pro tempore be reserved for his use later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I yield to my distinguished friend, the senior Senator from Idaho (Mr. MCCLURE).

The PRESIDING OFFICER. The Senator from Idaho.

PRESERVING DETERRENCE THROUGH U.S. STRATEGIC STRENGTH

Mr. McCLURE. Mr. President, I thank my friend from California for yielding. I also thank him for the significant leadership he is providing to the Senate in giving the opportunity to several of us to cooperate with him in the effort of examining the United States negotiating and military-foreign relations posture with respect to the Soviet Union.

Mr. President, I would like to speak again today about the U.S. strategic defense initiative and the correct, sound "fully justifiable" way to interpret the SALT I Anti-Ballistic Missile Treaty.

In September 1972, the Soviet Minister of Defense, the late Marshal Grechko, stated: "The ABM Treaty places no limitations whatsoever on the conducting of research and experimental work directed toward solving the problems of defending the country from nuclear missile strikes." I agree with President Reagan that the Soviets are way ahead of us in SDI and Asat development, and one reason they are ahead is that they have not let the ABM Treaty interfere with their SDI and Asat development and testing. Neither should the United States, because only SDI deployment is restricted under the ABM Treaty.

I believe that the State Department's unfounded "restrictive" interpretation of the SALT I ABM Treaty has crippled President Reagan's strategic defense initiative. Under the State Department's unfounded "restrictive" interpretation, the United States would spend about $26 billion for mere SDI research over the next 20 years. To do no more than mere research for 20 years would be a tragic waste of our ever scarcer defense funds. The State Department's unfounded restrictive interpretation of the ABM Treaty binding us but not the U.S.S.R. simply constitutes U.S. unilateral disarmament, as I said on the Senate floor last week.

The State Department has already in effect traded away President Reagan's SDI, even before the summit, and for no quid pro quo at all in Soviet arms restraints.

I do not support a double standard on SALT compliance for the Soviet Union, allowing their SALT I and SALT II break out violations and massive strategic buildup, while the United States is enmeshed in the self-imposed straitjacket of unilateral SALT compliance. Indeed, Mr. President, keeping the United States SDI under the restrictive interpretation is a way of putting off for 20 years a crucial decision needing to be made today, here and now, dealing with the urgent threat to America of Soviet offensive and defensive superiority. If America will not face up now to the necessity of responding proportionately to Soviet SALT break out violations and their massive military buildup, will we be any more likely or able to respond 5 years into the future, when the Soviets will be even stronger and we will be even weaker? I believe that it is imperative that the U.S. SDI Program be restructured as soon as possible to be consistent with the President's "fully justifiable" interpretation of the ABM Treaty that all SDI research, develop-

ment, and testing is fully legal. This would means U.S. SDI technology demonstration tests so soon as possible.

Mr. President, it was recently reported that the Soviets have offered to stop construction of their Krasnoyarsk ABM battle management radar, which President Reagan has confirmed is an "outright," "clear," and "direct" violation of the ABM Treaty, in exchange for the United States refraining from modernizing two overseas radars which were not even covered by the ABM Treaty.

According to Defense Department drawings of the Krasnoyarsk radar derived from U.S. Intelligence, it is externally physically already completed. Hence the Soviets could easily agree to "stop" constructing it, while secretly continuing to install its internal electronic equipment. It will be operational by 1987, without any further detectable activity. Such a brazen deception would not be uncommon at all for the Soviets, given their record of past negotiating deceptions, operational camouflage, concealment, and deception ("Maskirovka" in Russian) and outright arms control treaty violations. Already, in the last 3 years, for example, two Soviet leaders have twice proposed a unilateral Soviet moratorium on their own SS-20 deployment program, while continuing just the same with deploying SS-20's. So the United States should be wary of foregoing the perfectly legitimate modernization of the Thule, Greenland and Fryingdales, England early warning radars not even covered by the ABM Treaty, in exchange for an almost certainly deceptive Soviet concession. I ask unanimous consent that the article by William Safire in yesterday's New York Times entitled "Krasnoyarsk Chutzpah" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 31, 1985]

KRASNOYARSK CHUTZPAH

(By William Safire)

WASHINGTON.—The Soviet Union, which wants to block our space-based missile defense, has been caught redhanded with an illegal ground-based missile defense—but refuses to give it up.

On July 27, 1983, the syndicated columnists Rowland Evans and Robert Novak reported that a top-secret warning had been sent by U.S. intelligence to the White House: an immense radar system was being built in Siberia in violation of the ABM treaty.

That column turned out to be the scoop of the year. A week later, Senator James McClure wrote President Reagan asking for a closed-session briefing on what he termed "the most flagrant Soviet SALT violation yet." The next week, The New York Times confirmed the concern of intelligence officials at the satellite photos of the new radar installation the size of two football fields near Krasnoyarsk.

Three months before this disclosure, President Reagan surprised the world with his idea for changing the basis of nuclear deterrence: no longer would we rely on "mutual assured destruction," enshrining vulnerability in a balance of terror, but we would seek to build a defense against incoming missiles.

Build defenses? That notion horrified the MAD crowd, which believes that nakedness is strength. "Concerned Scientists" rushed into print with predictions that a shield could never be devised. Russians joined in the furious derogation of "Star Wars" defense, which would leapfrog the Soviet advantage in offense.

But there was a glaring weakness in the Soviet-MAD argument: the news that the Russians were building a missile-targeting radar in their heartland meant that the Soviet Union, in violation of the Antiballistic Missile Treaty of 1972, was building its own defense. If the Russians were cheating by building a secret defense, then the argument against an open U.S. defense collapsed.

That is why the American doves refused to believe the story of the Krasnoyarsk radar. It had to be a concoction of right-wing extremists bent on ruining traditional arms control doctrine. Doves preferred the Russian explanation: just listening to messages from space.

That is also why some of us hardliners have been hitting the Krasnoyarsk violation so hard. Stop for a moment of background. The Nixon-Brezhnev deal allows for "early warning" radars on the periphery of our mutual defenses, but only one local defense against missiles. The Russians chose to build a local defense around Moscow; we chose to build none. Their permitted Moscow ABM includes a battle-management radar to plot the trajectories of hundreds of incoming missiles simultaneously, enabling ground-based missiles to shoot them down.

Now here's the rub: The building in Krasnoyarsk is the same, in size and signals, as the radar installation near Moscow that the Russians freely assert is designed to target incoming ICBM's. (Russian technocrats stick to one set of plans.) The only real difference is that the radar at Krasnoyarsk is a treaty violation; it means the Russians are putting a rudimentary national missile defense in place.

In other words, they may have already begun to deploy "Ground Wars"—a ground-based defense against missiles in their reentry stage—while complaining about our prospective testing of Star Wars, a space-based defense against missiles in their launch stage.

At this point, with a summit approaching and the blatant Krasnoyarsk violation making their antidefense argument untenable, the Russians could (a) admit the violation and shut it down, (b) admit nothing but dismantle their illegal radar, (c) wreck their attack on the U.S. space-defense plan by doing nothing.

Mr. Gorbachev chose a bolder fourth course: he offers to "stop building" his defenses at Krasnoyarsk (outside, that is—inside, the electronic work goes on) in return for abandonment of U.S. plans to upgrade a couple of our early-warning radars that the treaty permits.

Talk about chutzpah: we'll hold our violation at its present level, he says, but you have to pay for it.

True to form, our MADmen embrace this cynical ploy as evidence of his conciliation, and promptly cast suspicion on modernizing our peripheral early-warning system.

Don't be fooled: the Krasnoyarsk radar defense is evidence of the Soviet drive to put a national ABM in place. It proves that Mr. Gorbachev does not care if his treaty-breaking stands exposed. Mr. Reagan is duty bound to insist on complete dismantling of "Ground Wars" before discussion of limiting deployment of other defenses can begin.

Mr. McCLURE. Mr. President, I would now like to compare Soviet strategic defenses with the United States SDI. But at the outset, we should recognize that the Soviet SDI, space-based ABM based on "other physical principles," and the Soviet Asat, are way ahead of the United States, as President Reagan has stated. Dr. Robert Jastrow has also said that the Soviets are ahead of us in SDI.

Regrettably, the President's goal of a stable transition to deployment of strategic defenses will be unattainable in the 1990's or beyond if the United States is unable to deter the Soviets from illegal land-based ABM deployments in the 1980's. The United States cannot expect to deter illegal land-based Soviet ABM deployments in the 1980's without reorienting our own strategic defense initiative.

The Soviet Union has the only operational ABM system, the only open production lines for ABM interceptor missiles and mobile ABM radars, open production lines for two types of mobile SAM interceptors and mobile radars capable of ABM use, and far more extensive air defenses and civil defenses than does the United States. Moreover, because Soviet offensive forces have over three times the warheads and six times the counterforce capability of the United States Forces, it is unrealistic for the United States to assume that modernization of United States offensive Forces alone will deter further Soviet ABM deployments. And again, the Soviets are way ahead in SDI development and testing and in Asat deployment. The United States can only deter the Soviets from additional illegal ABM deployments, if at all, by developing a capability and readiness for selective deployment of at least a limited American—and possibly also a NATO—land-based ABM system before the close of this decade. The United States SDI as currently structured under the restrictive State Department interpretation of the ABM Treaty has not deterred Soviet breakout from the SALT I ABM Treaty.

The Congress must work with the President to prevent further erosion of the U.S. strategic deterrent. Before the next Defense budget is requested in January 1986, the United States must review land-based ABM system development options, and must work jointly with NATO allies to expedite development activities before the Soviets destroy the ABM Treaty in its entirety. Those arms control commit-

ments that have any chance of surviving Soviet indifference to legal obligations depend upon United States and allied safeguards programs that strengthen incentives for arms control compliance. But even more importantly, the United States must restructure SDI into a robust, ambitious, technology demonstration program as soon as possible.

Let me review the Soviet land-based strategic defense programs of the last 20 years, before turning to the necessity of building practicality into the United States strategic defense initiative.

THE SOVIET STRATEGIC DEFENSE INITIATIVE, 1965–85

THE MOSCOW ABM SYSTEM

The Soviets began deploying the original Moscow ABM system in the early 1960's, and even before the 1972 ABM Treaty they began research on the newer Moscow system now almost fully deployed and by 1987 to be augmented by completion of the Pushkino radar.

DUAL PURPOSE SAM AND ABM MISSILE AND RADAR NETWORK

Also in the early 1960's the Soviets began development of a high altitude surface-to-air missile with a range of about 300 kilometers. U.S. intelligence calls this missile the SA-5. It became the most widely deployed surface-to-air missile in the Soviet Union. There are about 2,000 SA-5 interceptors deployed. This surface-to-air missile was the only Soviet SAM missile deployed with a range significantly greater than 100 kilometers. Credible press reports indicate that the SA-5 has nuclear warheads, and has been tested in an ABM mode over 60 times between 1973 and 1977.

The Soviets made no secret of the fact that this SA-5 rocket was designed with both an air defense and an ABM variant, but once the Soviets signed the ABM Treaty of 1972, the Soviet press began to refer to this SAM missile and associated radars only as an antiaircraft system. Why, after ABM Treaty ratification in 1972, did the Soviets continue to test the SA-5 interceptor missile concurrently with tests of ABM radars? Why, after ABM Treaty ratification, did the Soviets continue to test SA-5 radars during ballistic missile tests? Why did the Soviets resume concurrent testing of SAM system components and ABM system components, after United States complaints in 1975 in the Standing Consultative Commission? Why have the Soviets continued concurrent testing of SA-5, SA-10, and SA-12 missiles and radars in an ABM mode even after SCC agreements in 1978 and 1985 banning just such testing?

The answer should be obvious: The Soviet Union circumvented the ABM Treaty limit of 100 missile interceptors by developing and deploying dual purpose air defense and ballistic missile defense systems. And the dual purpose SA-5 SAM and ABM interceptor threat of the 1970's has been augmented by the SA-10—low altitude—and SA-12—high altitude dual purpose—SAM and ABM interceptor threat of the 1980's. Thus the Soviets have three kinds of SAM's which have a built in ABM capability, and which have been thoroughly tested in the ABM mode. And two of these systems are mobile, and all three are in mass production.

A SOVIET ADMISSION THAT SAM'S HAVE ANTI-ICBM CAPABILITIES

A Soviet military attache in Washington admitted in June 1983 to an American academic arms control expert that both American and Soviet translators have recurringly mistranslated the Russian phrase zenitnykh raketnykh kompleksov to mean antiaircraft missile complexes, when this term also applies to missiles with an antiballistic missile capability. This was an extraordinary, extremely important admission. According to the account of the American academic arms control expert:

When asked if he meant that Soviet "antiaircraft missiles" had a capability to hit U.S. ICBMs, the Soviet military attache answered "yes" and elaborated without any prompting that Soviet weapons builders had the knowledge to make "anti-aircraft missiles" effective against U.S. ICBMs and did so.

To check that we were in fact talking about the same thing, the American expert noted that the 1972 ABM Treaty and its 1974 protocol limited each country to only 100 ABM missiles. The American expert asked directly if what the Soviet military attache was saying meant that the Soviets had broken the Treaty.

The Soviet military attache responded with a question—"What did you want us to do, not use the knowledge we had?"

The American expert asked again if the Soviet military attache meant the Soviet Union had already broken the Treaty.

This time the Soviet military attache gave no verbal answer, merely shrugging his shoulders . . . .

The American expert got the impression that the Soviet military attache was fully aware of what he was saying. His English is excellent. He made no attempt to dissuade the American from the idea that the Soviets had broken the ABM Treaty.

This account is one of the best pieces of evidence that Soviet surface-to-air missiles and radars have an ABM capability. At Geneva recently, a top Soviet arms negotiator also admitted to an American official that Soviet SAM's had an ABM capability, thus confirming the 1983 Soviet military attache statement. Much technical evidence also supports this conclusion, and President Reagan has stated that it is "highly probable" that Soviet SAM's have been tested in the ABM mode.

Defense Secretary Weinberger stated yesterday on October 31, 1985, in testimony to the Senate Foreign Relations Committee that because of the SA-10 and SA-12 ABM capability, the Soviets now have "some nationwide ABM capability." But this is specifically prohibited by Article I of the ABM Treaty. So here is yet another altogether new Soviet ABM Treaty violation confirmed by the Secretary of Defense.

A CLEAR AND PRESENT DANGER TO U.S. DETERRENCE

The Soviets have deployed a multitiered system of defense against ballistic missiles that is a "clear and present danger" to United States deterrence. The Soviet program accelerated after the United States unilaterally dismantled the 100-interceptor ABM defense of a Minuteman ICBM field in 1975. Since that time the United States has had no operational ABM system. The United States has had no ABM interceptor production lines open. The United States has had no ABM development program designed for rapid deployment in event of Soviet breakout from the ABM Treaty. In short, the collapse of the U.S. ABM program in the early 1970's and the long term design of the strategic defense initiative of the 1980's under the State Department restrictive interpretation of the ABM Treaty, have left the United States without a capability to deter Soviet ABM deployments.

THE SOVIETS HAVE DEPLOYED A MULTITIERED SYSTEM OF DEFENSE AGAINST BALLISTIC MISSILES

The Soviets have illegally developed mobile ABM radar systems for at least a decade, as reported in two Presidential reports to the Congress (the GAC report, January 1984; the Interagency report, February 1985.)

As noted, the Soviets have concurrently tested ABM components and surface-to-air missile [SAM] components, and many of these tests were probable violations and some "highly probable violations" according to the Interagency Presidential report of February 1985.

The October 1985 Defense Department report, "Soviet Strategic Defense Programs," acknowledges that the Soviets have at least 10,000 air defense radars and about 12,000 SAM interceptor launchers presently deployed. The October 1985 DOD report on "Soviet Strategic Defense Programs" also acknowledges that the SA-12 and SA-10 SAM's provide a two-tiered defense, high- and low-altitude, with a capability to intercept incoming ballistic missiles. This is highly significant.

While the United States watched for ABM treaty breakout, the Soviets engaged in concurrent testing of overly capable air defense systems, deployed these dual-purpose SAM and ABM systems by the thousands, and are nearing completion of the last long lead item, the Krasnoyarsk radar, expected to be operational by 1987. A new radar

at Pushkino will give the Moscow ABM system enhanced capabilities, also by 1987. This Soviet complete, nationwide defense is only 1 short year away from being fully operational. This is an urgent, dangerous threat to U.S. deterrence.

The Krasnoyarsk ballistic missile detection and tracking radar is in the north central sector of a large ellipse containing "strategic SAM concentrations." According to the October 1985 DOD report, pages 9, 16.

We must stop thinking of this radar as the first important violation of the ABM Treaty, but rather, as the last essential phase of an illegal Soviet territorial defense. This is because the Krasnoyarsk radar system "closes the last remaining gap in Soviet ballistic missile detection coverage," as reported in the October 1985 report, "Soviet Strategic Defense Programs."

A POLICY OF UNPREPAREDNESS CANNOT DETER SOVIET BREAKOUT FROM THE ABM TREATY

If the United States limits its strategic defense program at the research phase, the United States cannot deter illegal Soviet ABM deployments, because the United States has no operating ABM system, no open production lines for ABM's, and inadequate offensive forces, at an over 6 to 1 disadvantage, to deter Soviet ABM deployments.

THE SOVIETS HAVE CIRCUMVENTED THE DEPLOYMENT LIMITS THAT ARE THE HEART OF THE ABM TREATY

As Ambassador Smith said on May 26, 1972, article III which limits ABM deployments in the heart of the ABM Treaty. But with thousands of Soviet dual purpose SAM and ABM interceptors already deployed, the Soviets have already got a prohibited nationwide and territorial ABM defense. If the deployment limits cannot be preserved from further Soviet encroachments, it is illusory to speak of unilateral U.S. restrictions on lawful SDI development activities, or "harpooning" of the ABM Treaty by exercising legal rights under it.

A U.S. DEVELOPMENT PROGRAM FOR MOBILE ABM SYSTEMS IS ESSENTIAL IF THE UNITED STATES IS TO REESTABLISH DETERRENCE OF ILLEGAL ABM DEPLOYMENTS

A U.S. testing and development program for fixed, land-based strategic defenses has always been recognized to be permissible. But such a program is, by itself, inadequate to deter further illicit Soviet ABM deployments. Fixed-site, land-based ABM systems are likely to be more vulnerable to attack than are mobile systems. The United States can proceed somewhat further with only land-based testing of components and with mobile testing of subcomponents. But is so limited a development program an effective deterrent?

OVERBREADTH OF ABM INTERPRETATION, 1977-84

It is true that in 1971 some working level negotiators wished to ban testing and development of futuristic ABM systems, but they failed to incorporate any private understandings at the working level into the treaty instruments that bind nations. Why did these negotiators fail to make an explicit part of the treaty a ban on development of "other physical principle" ABM systems? Why do the treaty instruments require predeployment discussions and why do they link this duty to article III—limiting deployments—and not to article V—limiting development? Why does agreed statement D fail to distinguish between fixed, land-based ABM systems and mobile systems?

A U.S. testing and development program for all types of strategic defenses based upon "other physical principles," is legal now, and was interpreted as not illegal in 1972 by those U.S. spokesmen authorized to bind the United States during the ABM ratification process. Every one of the statements in "Documents on Disarmament, 1972," the official annual publication of the Arms Control and Disarmament Agency, notes that it is deployment of "other physical principle" ABM systems that is prohibited. Not one of these 1972 statements by the President, the Secretary of State or the head of the SALT delegation assert that testing and development of "other physical principle" ABM components were to be prohibited. Thus the interpretation of the ABM Treaty which allows unrestricted SDI development and testing is "fully justifiable," as the President has decided. This is certainly the Soviet interpretation of the ABM Treaty as well, according to Marshal Grechko and to Soviet actions. The Soviet SDI program has been going full speed since the 1960's, no wonder they are ahead.

But starting in 1977—and thereafter reflected in both public writings and in arms control impact statements—several of the U.S. SALT I negotiators who failed to incorporate any explicit predeployment limit on "other physical principles" ABM systems within the treaty instruments, began to write in public as if they had banned the development of mobile laser and directed energy systems. These articles were immediately rebutted, however, by persons who examined both the full set of treaty instruments and the Vienna Convention on the Law of Treaties. In particular, article 31 of the Vienna Convention asks us to look only to treaty instruments if these are dispositive, and not to the intent of working level negotiators who lacked the authority to bind their nation—per article 7—and who failed to incorporate their desires in treaty instruments.

If the ABM systems defined in article II are those that were currently foreseeable with sufficient precision to regulate, then the article V limits applied to testing and development of mobile component radars, interceptors, and launchers, but not ABM systems based on "other physicial principles." These are explicitly treated only in agreed statement D, which requires discussions—and implies a need of treaty modification—preceding deployment, but not preceding development.

THE INTENTION OF CERTAIN NEGOTIATORS TO LIMIT FUTURISTIC ABM SYSTEMS WAS THWARTED BY SOVIET NEGOTIATORS

American SALT I negotiators intended to limit much of the ensuing harm of Soviet weapons development and deployment. But despite their good intentions, they failed to limit the quadrupling of the throw-weight of the SS-19 compared to the SS-11 ICBM, they failed to limit Soviet deployment of the mobile SS-16 ICBM, they failed to preclude conversion of dismantled Yankee ballistic missile submarines to even more lethal cruise missile carriers, they failed to prevent increases in defenses by means of the Moscow and Krasnsyarsk territorial ABM complexes, and they failed to prevent the deployment of thousands of dual purpose SAM and ABM interceptors that a Soviet military attaché and a Soviet arms negotiator admit were designed to destroy United States ICBM's. So it should not be surprising if despite their good intentions, certain United States negotiators found that the Soviets kept their options open by keeping out of the ABM Treaty any binding limit on development of ABM systems based on "other physical principles."

RESPONDING TO SOVIET VIOLATIONS

Between January 1984 and June 1985 the President reported on four occasions to the Congress regarding Soviet noncompliance with arms control agreements. The unclassified findings are summarized in the following table. I ask unanimous consent that the table and footnotes be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—PRESIDENTIAL REPORTS TO THE CONGRESS ON SOVIET NONCOMPLIANCE WITH ARMS CONTROL OBLIGATIONS STRATEGIC NUCLEAR ARMS AGREEMENTS

Obligation	Issue/Report	GAC report December 2, 1983(1)	Interagency January 23, 1984(2)	Interagency February 11, 1985(3)	President June 10, 1985(4)
1972 ABM Treaty	Deployment of large Krasnoyarsk radar, neither on periphery nor oriented outward, 1981 to present.	Violation	Almost certainly a violation	Violation	Violation.
	Testing and deployment of mobile Flat twin ABM radar in 1975, and continuing development 1975 to present.	Do	Do	Potential violation	Do.
	Current testing of ABM and SAM components	Do	Do	Highly probable violations	Do.
	Deliberate concealment measures	Do	Do	Do	Do.
	ABM and ABM-related actions in preparation for defense of the national territory.	Do	Do	Potential violation	Serious cause for concern.

(1) Unclassified summary report of the President's General Advisory Committee on Arms Control and Disarmament, released October 10, 1984.
(2) Unclassified summary report of NSC Verification and Compliance Interagency Group. FY85 Arms Control Act.
(3) Unclassified summary report of NSC Interagency Group, FY85 Defense Authorization Act.
(4) Unclassified summary report of the President, "Building an Interim Framework for Mutual Restraint," FY85 Defense Authorization Act.

Note: The October 1985 Defense-State Department White Paper entitled Soviet Strategic Defense Programs states on page 8: "The silo-based [Moscow ABM] launchers may be reloadable." The February, 1985 Report to Congress did not take an unclassified position on the ABM rapid reload issue. This statement entails confirmation of another probable Soviet ABM Treaty violation.

Mr. McCLURE. Mr. President the report of the President's General Advisory Committee on Arms Control and Disarmament declared the continued development of the flat twin mobile ABM radar a "violation," and the February 1, 1985 NSC-coordinated Presidential report termed as "highly probable violations" the concurrent testing of dual purpose ABM and SAM components. The GAC report, and the interagency reports of February 1985 and June 1985 all evaluate the Krasnoyarsk radar as an "outright," "direct," and "clear" "violation." And the last two reports—those of February and June 1985—term a "potential violation" and "serious cause for concern" Soviet ABM and ABM-related actions in preparation for illegal defense of the national territory of the Soviet Union,

Secretary of Defense Weinberger testified yesterday to the Senate Armed Services Committee that the evidence that the Soviet Krasnoyarsk Radar was a violation of the SALT I ABM Treaty was "incontrovertible." He added that our NATO Allies agreed, and expressed their own serious concerns about Soviet ABM Treaty violations.

Before considering whether to suspend the ABM Treaty in whole or in part, it is commendable that the executive branch has recently reviewed with care the scope of permissible activities under the ABM Treaty. If there are actions that are permitted, and that safeguard against additional and illegal Soviet ABM deployments, it is high time that the United States exercise its testing and development rights.

One Member of Congress called the outcome of this recent executive branch legal review "the most pernicious interpretation of a legal requirement since Plesy versus Ferguson," a now overturned Supreme Court case. On the contrary, the President and the executive branch are to be commended for their review of the scope and limits of the ABM Treaty duties. The interpretation of the ABM Treaty allowing research and development of ABM's based on "other physical principles," or SDI, is indeed "fully justifiable," as the President has decided. It was fully justifiable between 1972 and 1977, and it is fully justifiable today. The State Department's "restrictive" interpretation is simply wrong, and should be immediately discarded with the restructured, accelerated US SDI program.

BUILDING PRACTICALITY INTO SDI

The United States simply cannot afford to proceed without a more practical Strategic Defense Program. Soviet resistance to inclusion within the ABM Treaty instruments of any explicit limit on testing and development of "other physical principles" ABM systems has its benefits today. The United States and its NATO allies retain the opportunity to transform a long-range Strategic Defense Program that will deter no one into a practical development program.

Without an operating ABM system and without open ABM production lines, the United States has no other program that has any prospect of reestablishing a credible deterrent against further Soviet breakout from the ABM Treaty. Fixed, land-based ABM systems should be less survivable than mobile systems. But only by an ABM development program for those mobile systems that are lawful to develop, can the United States strengthen Soviet incentives for compliance with deployment limits. Otherwise, the United States will have strategic defense capabilities "too little, and too late." With the budget deficit what it is, defense research and development priorities must emphasize the practical and the attainable:

The fiscal year 1987 budget must accelerate development of components for fixed, land-based ABM systems;

More importantly, the fiscal year 1987 Strategic Defense Programs must establish a development plan for United States and NATO-coordinated development of mobile ABM systems and components based on "other physical principles," such as laser and directed energy systems;

The Secretary of Defense must, by appropriate legislation, be instructed to report to the Congress on development options for strategic defense systems, including effects of arms control obligations, and the design of strategic defense programs to strengthen incentives for mutual arms control compliance.

Mr. President, I ask unanimous consent that the following official U.S. Government documents interpreting the 1972 SALT I ABM Treaty be printed in the RECORD for reference purposes. These are excerpts from Documents on Disarmament 1972, an official U.S. Government Arms Control and Disarmament Agency publication. These excerpts include every single reference in that volume to "other physical principles" ABM systems under the ABM Treaty.

Every reference emphasizes that the regulatory line is drawn before deployment. Not once is the line drawn before development.

So the Senate that gave its advice and consent to ratify the 1972 SALT I ABM Treaty, and the Senate Foreign Relations Committee report that explained it, based its votes on a treaty-instrument derived set of limits and not on the wishful thinking of certain negotiations.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

[Enclosure 3 to Letter, Harris to Kunsberg, Oct. 1, 1985]

DOCUMENTS ON DISARMAMENT—1972

[News Conference Remarks by Presidential Assistant Kissinger and ACDA Director Smith: Strategic Arms Limitation Agreements, May 26, 1972]

DR. KISSINGER: Gentlemen, I thought that the most useful thing I could do was to give you a general background of these negotiations and of the President's view of the treaty, and Ambassador Smith, of course who has conducted the negotiations and brought them to this conclusion is in the best position to go through the details of the agreement.

First of all, let me say on behalf of the President that he certainly will take occasion to express personally that the reason we are here is the dedication and work of the delegation in Helsinki which has been led by Ambassador Smith. He has come here straight from the airport. He has been working on the final work of this agreement since 5:00 o'clock this morning. This concludes a rather hectic week for everybody who has been connected directly or indirectly with these negotiations.

Let me make a few general observations before I turn this over to Ambassador Smith.

Nothing that this Administration has done has seemed to it more important for the future of the world than to make an important first step in the limitation of strategic arms.

All of us have been profoundly convinced that to arrest the arms race is one of the over-riding concerns of this period. Now it is a subject of enormous technical complexity, and for the two great nuclear powers to make a beginning in putting their armaments under some restraint required political decisions and an enormous amount of technical work.

AMBASSADOR SMITH: * * * radar problems which some of you people perhaps felt we took too long in solving, but much of the time we have spent was in trying to wrestle with this radar problem to prevent the possibility of a nationwide system arising.

In addition to that, the two nations have made commitments not to even try for a thick or regional defense in one part of the country except as specifically permitted under the agreement; that is, to defend one's capital or to defend a relatively small number of ICBM silos.

So, although Article I looks like sort of a general statement, to my mind it is one of the most significant articles in the whole agreement.

Now, Article II defines what we are talking about and has a very important bearing on the whole question of what we call future ABM systems. This treaty has as a most significant aspect that it not only limits the present situation, but has a choking off effect on future systems which, under the terms of the treaty as we have reached understandings, futures will not be deployable unless this treaty is amended.

Article III is the heart of the treaty and deserves a great deal of study. I think we spent more time trying to wrestle with Article III than any other part of the treaty.

I will go into details later if you like, but it says both sides can have two sites with no more than 100 launchers at each site, with radar sharply limited; one site for the defensive capital and one for the ICBM's. The Soviets will agree to deploy the ICBM site well away from the capital site, so the possibility for a base of a nationwide system is very poor.

[Report by Secretary of State Rogers to President Nixon on the Strategic Arms Limitation Agreements, June 10, 1972]

DEPARTMENT OF STATE,
Washington, June 10, 1972.

The PRESIDENT,
The White House.

THE PRESIDENT: I have the honor to submit to you the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems (ABM Treaty) and the Interim Agreement between the United States of America and the Union of Soviet Socialist Republics on Certain Measures with respect to the Limitation of Strategic Offensive Arms (Interim Agreement), including an associate Protocol. It is my recommendation that the ABM Treaty be transmitted to the Senate for its advice and consent to ratification.

The Interim Agreement, as its title indicates, is an agreement limited in scope and time. It is designed to limit the aggregate number of intercontinental balistic missile (ICBM) launchers and submarine-launched ballistic missile (SLBM) launchers, and the number of modern ballistic missile submarines, pending the negotiation of a treaty covering more complete limitations of strategic offensive arms. In these circumstances, I am submitting to you the Interim Agreement and its Protocol (which is an integral part of the Agreement), with the recommendation that they be transmitted to both Houses of Congress for approval by a Joint Resolution.

The Interim Agreement can by its terms enter into force only upon the exchange of written notices of acceptance by both countries and only when and if the ABM Treaty is brought into force. Both signatories understand that, pending ratification and acceptance, neither will take any action that would be prohibited by the ABM Treaty or the Interim Agreement and Protocol, in the absence of notification by either signatory of its intention not to proceed with ratification or acceptance.

ABM TREATY

In broad outline, the ABM Treaty, signed on May 26, 1972, provides that:

A nationwide ABM deployment, and a base for such deployment, are prohibited;

An ABM deployment for defense of an individual region is prohibited, except as specifically permitted;

Permitted ABM deployments will be limited to two widely separated deployment areas in each country—one for defense of the national capital, and the other for the defense of ICBMs;

For these purposes no more than 100 ABM launchers and no more than 100 ABM interceptor missiles at launch sites may be deployed within each 150-kilometer radius ABM deployment area, for a total of 200 deployed ABM interceptors and 200 deployed ABM launchers for each Party;

ABM radars will be strictly controlled; radars to support the ABM defense of the national capital may be deployed only in a specified number of small radar complexes within the ABM deployment area; radars to support the ICBM defense will be limited to a specified number within the ABM deployment area and will also be subject to qualitative constraint.

In order to assure the effectiveness of these basic provisions of the Treaty, a number of detailed corollary provisions were also agreed:

Development, testing and deployment of ABM systems or ABM components that are sea-based, air-based, space-based or mobile-land-based are prohibited;

Deployment of ABM systems involving new types of basic components to perform the current functions of ABM launchers, interceptors or radars is prohibited;

The conversion or testing of other systems, such as air defense systems, or components thereof to perform an ABM role is prohibited.

The Treaty also contains certain general provisions relating to the verification and implementation of the Treaty and to further negotiations:

Each side will use national technical means for verification and the Parties agree not to interfere with such means and not to take deliberate concealment measures;

Development, testing, and other limitations

Article IV provides that the limitations in Article III shall not apply to ABM systems or ABM components used for development or testing, and located within current or additionally agreed test ranges. It is understood that ABM test ranges encompass the area within which ABM components are located for test purposes, and that nonphased-array radars of types used for range safety or instrumentation purposes may be located outside of ABM test ranges. Article IV further provides that each Party may have no more than a total of 15 ABM launchers at test ranges. The current United States test ranges for ABM systems are located at White Sands, New Mexico and Kwajalein Atoll in the Pacific. The current Soviet test range for ABM systems is located near Sary Shagan, Kazakhstan SSR. ABM components are not to be deployed at any other test ranges without prior agreement between the Parties.

Article V limits development and testing, as well as deployment, of certain types of ABM systems and components. Paragraph V(1) limits such activities to fixed, land-based ABM systems and components by prohibiting the development, testing or deployment of ABM systems or components which are sea-based, air-based, space-based, or mobile land-based. It is understood that the prohibitions on mobile ABM systems apply to ABM launchers and ABM radars which are not permanent fixed types.

Paragraph V(2) prohibits the development, testing, or deployment of ABM launchers for launching more than one ABM interceptor missile at a time from each launcher; modification of deployed launchers to provide them with such a capability; and the development, testing, or deployment of automatic or semi-automatic or other similar systems for rapid reload of ABM launchers. The Parties agree that this Article includes an obligation not to develop, test, or deploy ABM interceptor missiles with more than one independently guided warhead.

Future ABM systems

A potential problem dealt with by the Treaty is that which would be created if an ABM system were developed in the future which did not consist of interceptor missiles, launchers and radars. The Treaty would not permit the deployment of such a system or of components thereof capable of substituting for ABM interceptor missiles, launchers, or radars: Article II(1) defines an ABM system in terms of its function as "a system to counter strategic ballistic missiles or their elements in flight trajector", noting that such systems "currently" consist of ABM interceptor missiles, ABM launchers and ABM radars. Article III contains a prohibition on the deployment of ABM systems or their components except as specified therein, and it permits deployment only of ABM interceptor missiles, ABM launchers, and ABM radars. Devices other than ABM interceptor missiles, ABM launchers, or ABM radars could be used as adjuncts to an ABM system, provided that such devices were not capable of substituting for one or more of these components. Finally, in the course of the negotiations, the Parties specified that "In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty." (As explained below, Article XIII calls for establishment of a Standing Consultative Commission, and Article XIV deals with amendments to the Treaty.)

Undertakings in the ABM treaty

I would like to address first the ABM Treaty.

Under this treaty, both sides make a commitment not to build a nationwide ABM defense. This is a general undertaking of utmost significance. Without a nationwide ABM defense, there can be no shield against retaliation. Both great nuclear powers have recognized, and in effect agreed to maintain, mutual deterrence.

Therefore, I am convinced beyond doubt that the possibility of nuclear war has been dramatically reduced by this treaty.

A major objective of SALT has been to reduce the tensions, uncertainties, and high costs which flow from the upward spiral of strategic arms competition. While the cost savings from these first SALT agreements will be limited initially, over the long term we will save the tens of billions of dollars which might otherwise have been required for a nationwide ABM defense.

Furthermore, with an interim limitation on offensive weapons—which we hope will lead to a more comprehensive and permanent limitation—there will be a break in the pattern of action and reaction under which each side reacts to what the other is doing, or may do, in an open-ended situation. This cycle until now has been a major factor in driving the strategic arms race.

The heart of the treaty is article III, which spells out the provisions under which each of the parties may deploy two limited ABM complexes, one in an ICBM deployment area and one at its national capital. There can be no more than 100 ABM launchers, and 100 associated interceptors, at each complex—a total of 200.

The two ABM deployment complexes permitted each side will serve different purposes. The limited ABM coverage in the ICBM deployment area will afford some protection for ICBM's in the area. ABM coverage at the national capitals will permit protection for the national command authority against a light attack, or an accidental or unauthorized launch of a limited number of missiles, and thus decrease the chances that such an event would trigger a nuclear exchange. In addition, it will buy some time against a major attack, and its radars would help to provide valuable warning.

ABM radars are strictly limited. There are also important limitations on the deployment of certain types of non-ABM radars. The complex subject of radar control was a central question in the negotiations because radars are the long leadtime item in development of an ABM system.

The treaty provides for other important qualitative limitations. The parties will undertake not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based. They have also agreed not to develop, test, or deploy ABM launchers for launching more than one ABM interceptor missile at a time from each launcher, nor to modify launchers to provide them with such a capability; nor to develop, test, or deploy automatic or semiautomatic or other similar systems for rapid reload of ABM launchers; nor to develop, test, or deploy ABM missiles with more than one independently guided warhead.

Perhaps of even greater importance as a qualitative limitation is that the parties have agreed that future exotic types of ABM systems, i.e., systems depending on such devices as lasers, may not be deployed, even in permitted areas.

One of the more important corollary provisions deals with prohibiting the upgrading of antiaircraft systems, what has been called the "SAM-upgrade" problem. The conversion or testing of other systems, such as air-defense systems or components thereof, to perform an ABM role is prohibited as part of a general realistic assessment of the merits of the two agreements taken together.

The treaty contains a general commitment not to build a nationwide ABM defense nor to provide a base for such defense. This general undertaking is supplemented by certain specific provisions. By this general undertaking and the specific commitments, both countries in effect agree not to challenge the effectiveness of each other's missile deterrent capabilities by deploying widespread defenses against them. This means that the penetration capability of our surviving deterrent missile forces can be assured. This, to my mind, bears directly on concerns about a first strike against the United States. As long as we maintain sufficient and survivable retaliatory forces, this new assurance of their penetration capability makes "first strike" as a rational act inconceivable, in my judgment. I believe that this is a development of prime significance for U.S. security.

The treaty, by permitting only a small deployment of ABM's tends to break the offense-defense action-and-reaction spiral in strategic arms competition. The low ABM limits increase the deterrent value of each of our retaliatory offensive missiles. In the long run, we should be able to obtain more deterrence at less cost.

In view of the low ABM levels agreed on, it should be possible in the future to agree on mutual reductions in offensive weapons without impairing strategic stability.

The permitted ABM systems are spelled out in article III. Each party may have two ABM complexes, one in an ICBM [intercontinental ballistic missile] area and one to defend the national command authority. These complexes are limited in several ways—geographically, in numbers of ABM launchers and missiles (100 at each complex), and in specific constraints on ABM radars.

The two ABM deployments would serve different purposes. ABM coverage of an ICBM area will afford some protection for the ICBM's. ABM coverage at the national capital will provide protection for the national command authority against accidental or unauthorized launch of a small number of missiles and is consistent with the basic purpose of the 1971 U.S.-U.S.S.R. agreement on measures to reduce the risk of outbreak of nuclear war. There would also be the additional benefit of increased warning time which should afford opportunity for command decisions if there were a large-scale attack.

Other articles in the treaty supplement the basic provisions of article III. Of special interest are the limitations placed on ABM radars. As the long leadtime item in development of an ABM system, ABM radar was the subject of intense and complex negotiation. There are also limitations on the deployment of certain types of non-ABM radars in order to preclude their possible use as elements of an ABM system.

Qualitative limitations on ABM systems

As a further restraint on ABM capabilities, there are three significant qualitative limitations on ABM systems. Both sides have agreed not to develop, test, or deploy ABM launchers for launching more than one interceptor missile at a time, not to modify launchers to provide them with such capability, nor to develop, test, or deploy automatic or semi-automatic or other similar systems for rapid reload of ABM launchers.

The development and testing, as well as deployment, of sea-, air-, space-based, and landmobile devices is prohibited. Of perhaps even greater importance, the parties have agreed that no future types of ABM systems based on different physical principles from present technology can be deployed unless the treaty is amended.

To further reinforce the ban on a nationwide ABM defense, another major set of qualitative limitations is the provisions to deal with the SAM-upgrade [surface-to-air missile] problem. Both sides agree that conversion or testing of other systems, such as air-defense systems, or components thereof, to perform an ABM role is prohibited. This is part of the general undertaking not to provide an ABM capability to non-ABM systems.

I do not propose to speak about the confidence with which we can adequately monitor fulfillment of the obligations of these agreements, since I understand that this committee has discussed with previous witnesses the capabilities of our national technical means of verification. We did not work out limitations and then check to see if national technical means were adequate to verify them. We tailored the limitations to fit the capabilities of national technical means of verification.

There is a landmark commitment not to interfere with national technical means of verification. This provision would, for example, prohibit interference with a satellite in orbit used for verification of the treaty. The treaty also contains a commitment not to use concealment measures so as to impede the effectiveness of national technical means of verification. The world should be a more open place as a result of these two undertakings.

The Standing Consultative Commission established by the treaty will permit consideration on a regular basis of the operations of the treaty, including questions of compliance. This is a significant new development in Soviet-American arms control arrangements. The Commission will also have the function of considering proposals to increase the viability of the treaty. We expect that the establishment of the Commission will be a priority matter when SALT II begins.

Although the treaty duration is unlimited, either party can withdraw whenever it decides that extraordinary events relating to the subject matter of the treaty have jeopardized its supreme interests. A six-months' notice of such withdrawal, including a statement of the extraordinary events involved, is required.

SALT AGREEMENTS: CONTRIBUTE TO STRATEGIC BALANCE

The two agreements reached as a result of the ensuing year of negotiating on these difficult questions will contribute to maintaining a stable strategic balance and thereby reduce the likelihood of nuclear war.

In the ABM Treaty, both sides have committed themselves not to build nationwide or heavy ABM defenses. The importance of this undertaking is fundamental. It places both sides in a position where neither will have a substantial defense against major missile attacks. In effect, we agree to maintain mutual deterrence.

I am convinced that the possibility of nuclear war has been dramatically reduced as a result of the ABM Treaty.

BASIC PROVISIONS REVIEWED

I think it would be useful now, Mr. Chairman, for me to run through some of the basic provisions of the two agreements. I will not go into detail since the committee has before it the documents transmitted by the President, which include a detailed article-by-article analysis.

As I said at the beginning, at the conclusion of my remarks, Ambassador Smith will be glad to join with me in answering questions.

Our aim in both agreements has been—where necessary—to put detailed obligations in the texts of the agreements themselves.

If one of the sides had a preference for including clarifying material or elaboration in agreed interpretations, and this was sufficient, that approach was used.

The agreed interpretations include initialed statements and other common understandings. They have been included in the President's transmittal package to the Congress.

The transmittal package also included formal unilateral statements of U.S. views in certain cases where agreement could not be reached. There are, Mr. Chairman, and I want to make it clear, there are no secret agreements.

What we have submitted to the Congress represents the agreements that were reached between the Soviet Union and the United States.

THE ABM TREATY

Let me start with the ABM Treaty. It is a definitive agreement of unlimited duration, the central feature of which is the commitment by both sides to no more than a low level of ABM defenses, at two small and widely separated locations.

The treaty permits deployment of one ABM complex in an ICBM deployment area, and one for defense of the National Command Authority. There can be no more than 100 ABM launchers and an equal number of associated interceptors at each complex, for a total of 200.

Strict limitations are placed on ABM radars, a matter of particular importance since radars are the long leadtime item in deployment of an ABM system.

Important limitations are also placed on deployment of certain non-ABM radars to contain their potential for application to an ABM role.

Because of the technical complexity of the radar issues, intense and protracted negotiation was required to resolve them.

QUALITATIVE LIMITATIONS ON ABM'S

The commitment to low ABM levels is further enhanced by several important qualitative limitations. We and the Soviet Union have agreed not to develop, test, or deploy:

1. ABM systems or components that are sea based, air based, space based, or mobile land based;

2. Automatic or semiautomatic or other similar systems for rapid reloading of ABM launchers;

3. An interceptor missile with more than one independently guided warhead; and

4. An ABM launcher capable of launching more than one interceptor missile at a time from each launcher, or to modify launchers to give them such a capability.

Such undertakings are important. It may be of even greater importance that both sides have agreed that future types of ABM systems based on different physical principles, for example, systems depending on such devices as lasers, that do not consist of ABM interceptor missiles, launchers, and radars, cannot be deployed even in permitted areas. So there is a limitation on what may be deployed in the ABM systems now in operation and it prohibits the deployment of new esoteric systems in these areas.

I might note, Mr. Chairman, that limiting ABM's to these low levels will increase the deterrent value of each of our offensive missiles for retaliatory purposes. In the long term it should be possible to achieve greater deterrence at a lower cost.

One of our principal aims in SALT has been to reduce tensions, uncertainties, and high costs which go hand in hand with an upward spiralling strategic arms competition.

We could have maintained a strong strategic posture without the SALT agreements, but in that event, beyond continued expenditures for maintaining a sufficient defense posture in the circumstances of a very low level of Soviet ABM deployment, there would have been heavy pressures as a result of unconstrained arms competition to spend additional billions of dollars for widespread ABM systems and greater offensive forces.

COST SAVINGS FROM SALT AGREEMENTS

Cost savings from these first SALT agreements will be limited initially. It is not possible to predict when particularly significant savings can be achieved, but this is certainly our aim. * * *

[Statement by ACDA Director Smith to House Armed Services Committee, July 25, 1972.]

* * * will be afforded by the ABM coverage permitted for ICBM defense. Protection for the National Command Authority against an accidental or unauthorized launch of a limited number of missiles will be made possible by the ABM coverage at the National Capital; this will decrease the chances that such an attack might trigger a general nuclear exchange. The National Capital ABM complex would also afford a short time for decisionmaking in the event of a major attack.

To assure that these two complexes do not form the beginning of a base for a nationwide system, the two sides agreed that they must be separated by a distance of at least 1,300 kilometers. This separation requirement assures that the second Soviet ABM site will be east of the Ural Mountains.

ABM radars are an essential element of an ABM system and are the long-lead-time item in development of an ABM system. The question of limitations of radars—a highly complex subject—occupied a great deal of time in the negotiations. Specific limitations on ABM radars are spelled out in the treaty. In addition, there are limitations on the deployment of certain types of non-ABM radars in order to preclude the possibility of their use as elements of an ABM system.

In order to assure further that there would be adequate restraints on ABM capabilities, the treaty provides for significant qualitative limitations on ABM systems.

The very low quantitative limitation of 200 ABM launchers for each side cannot be circumvented through qualitative changes. The two sides have agreed not to develop, test, and deploy ABM launchers for launching more than one interceptor missile at a time, not to modify launchers to provide them with such a capability, nor to develop, test or deploy automatic or semiautomatic or other similar systems for rapid reload of ABM launchers.

An additional important qualitative limitation is the prohibition on the development and testing, as well as deployment, of sea, air, space-based and land-mobile ABM systems and components.

Of even greater importance as a qualitative limitation is the prohibition on the deployment of future types of ABM systems that are based on physical principles different from present technology.

On this point, Mr. Chairman, there is an agreed interpretation with respect to ABM systems based on different physical principles, and including components capable of substituting for those components used at present—that is, launchers, missiles and radar components. If such new systems are developed, and one or the other side wants to deploy them under the limitations of this treaty, there would have to first be a discussion of the question in the Standing Consultative Commission we are proposing to establish under this treaty, and then the treaty would have to be amended before such novel ABM systems could be deployed.

To avoid possible circumvention of the ban on a nationwide ABM defense through developments in non-ABM systems, for * * *.

[House Foreign Affairs Committee Report on the Agreement to Limit Strategic Offensive Weapons, Aug. 10, 1972.]

* * * negotiators alternated sessions between Helsinki, Finland, and Vienna, Austria, working out the details of the accords.

During the period of negotiations the Committee on Foreign Affairs was being kept fully abreast of developments. The committee chairman assigned the Subcommittee on National Security Policy and Scientific Developments as a forum for regular briefings on progress of SALT. Ambassador Gerard Smith, chief U.S. negotiator, or his representative briefed the subcommittee nine times during the 30-month negotiating period. In addition, SALT-related briefings were scheduled with officials of the Central Intelligence Agency and the Department of Defense. Several committee members actually visited the sites of the talks for special briefings. Other committees of the House and Senate similarly have availed themselves of the opportunity to be informed about, and consult on, the SALT negotiations.

In fact, the willingness of the Executive to be candid about the U.S. negotiating position and developments at SALT, together with the unblemished record of the Congress in keeping confidential the sensitive information imparted to it, have established a model of executive-legislative cooperation which might well be emulated in other areas related to national strategic policy.

THE SALT ACCORDS

The SALT accords consist of (1) a treaty limiting antiballistic missile systems [4] and (2) a five-year interim agreement which freezes the overall levels of strategic offensive missile forces pending further negotiations which are to begin in October. There is also a protocol to the interim agreement, and a number of statements of "interpretation," some agreed and some unilateral. The texts may be found in House Document 92-311.

As is customary, the treaty was sent to the Senate for its "advice and consent," while the interim agreement on offensive strategic arms has been submitted to both Houses for approval. Although the House of Representatives is being called upon to pass on only the interim agreement, the two accords are

so closely linked that an understanding of both is essential. A summary of the main provisions of each follows:

THE ABM TREATY

Each country agrees not to build an ABM system which could defend its entire territory or a major area thereof. In effect, as Secretary of State Rogers told the committee, both sides are placed in a position where neither would have a substantial defense against major missile attacks. Thus, the current mutual deterrent balance would be maintained.

Each side will limit ABM systems to two sites-one in defense of its national capital, the other in defense of an intercontinental ballistic missile (ICBM) field. Sites must be at least 1,300 kilometers (800 miles) apart. That means the Soviet ICBM field to be protected must be east of the Ural Mountains, away from major western U.S.S.R. population and industrial centers.

No more than 100 ABM launchers and 100 interceptor missiles may be deployed at each site.

Limitations are set on numbers, types, and placement of ABM radars to foreclose establishment of a radar capability for nationwide or regional defense of either country.

The two nations additionally agree to ban development, testing or deployment of sea-based, air-based, space-based or land-mobile ABM system. Nor will they deploy ABM systems or components based on new technology without prior discussion and amendment of the treaty. The parties also agree not to convert air-defense systems to an ABM role, or to build early warning radars except along the edges of each country facing outward. Both pledge not to transfer ABM systems to other states or deploy them overseas.

Each party will use its own "national technical means of verification," such as observation satellites, to monitor compliance with the accords. Each pledges not to interfere with those means or resort to deliberate concealment. There is no onsite inspection.

A Standing Consultative Commission will be established to promote implementation of the agreements and to handle questions concerning them, including compliance issues.

The treaty is of unlimited duration but either side may withdraw upon 6 months' notice to the other party that its "supreme interests" have been jeopardized.

The treaty would require the United States to cut back it ABM program from the four sites which have been approved by Congress to a maximum of two. Plans are to finish the ABM site at Grand Forks, N. Dak., which is closest to completion. Work has been halted at the other three sites and Congress has been asked to approve an ABM site for Washington, D.C. The Soviets are permitted to complete the ABM site already under construction around Moscow and to start a second site at an ICBM field.

[12th Annual Report of the U.S. Arms Control and Disarmament Agency, Jan. 31, 1973]

STRATEGIC ARMS LIMITATIONS TALKS

After two and a half years of intensive negotiations, backed by searching analyses and studies, two landmark agreements—the most important to be reached in the history of arms control negotiations—were achieved in May 1972. They are the Treaty on the Limitation of Anti-Ballistic Missile Systems and the Interim Agreement on Certain Measures With Respect to the Limitation of Strategic Offensive Arms. These agreements are the most substantial steps yet taken toward curbing the arms race, and bringing about a condition of strategic stability.

ABM Treaty

The ABM Treaty is a definitive long-term agreement which contributes in a fundamental way to our security. The possibility of nuclear war has been dramatically reduced by this Treaty. It sets forth at the outset the joint commitment not to build a nationwide ABM defense nor provide a base for such defense. In this undertaking both countries have, in effect, agreed not to challenge the credibility of each other's deterrent missile forces by deploying a widespread defense against them. This is the central consequence of this Treaty, and its importance to avoidance of nuclear war cannot be overestimated. Both major nuclear powers have agreed that they will not attempt to build a shield against penetration by the other's missile forces which serve to deter nuclear attack.

The ABM Treaty limits the United States and the Soviet Union to two ABM sites each—one for the protection of the national capital, and the other for the defense of an ICBM complex. At each site, there can be no more than 100 ABM launchers and 100 associated interceptor missiles. In addition to numerical limitations on ABM launchers and missiles at each complex, the areas permitted for ABM deployment are limited geographically and in size.

To assure that these two complexes do not form a basis for a nationwide ABM system, the two sides agreed that they must be separated by a distance of at least 1300 kilometers (800 miles). In addition, each ABM system deployment area is restricted to a radius of 150 kilometers (94 miles).

ABM radars are an essential element of an ABM system and are its long-lead-time component. Defining appropriate limits on ABM.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, I yield to the Senator from Indiana.

Mr. QUAYLE. Mr. President, I rise to congratulate my friend and distinguished colleague from California for once again bringing to the Senate's attention the importance of the meeting that will be taking place in Geneva between President Reagan and Mr. Gorbachev. I believe he very accurately pointed out five principles that we ought to be concerned about as we approach this very sensitive and important summit.

Mr. President, this is a continuation of a discussion that began last week. I think what precipitated the discussion was the administration's decision to adhere to a narrow, incorrect interpretation of the ABM Treaty. Many felt that this was the beginning of the chipping away of SDI, which the President has strongly supported, which this Senator and others have strongly supported. Senator WILSON has laid out an approach that I hope the administration will follow as they look toward Geneva. I might point out that the President's speech to the United Nations, which I thought was perhaps one of the best he has ever made, laid out in very precise terms how he was going to approach Geneva. He pointed out the regional stability problems, he pointed out the compliance problems, and he pointed out some of the problems that we have in the area of arms control. Just yesterday the President once again reaffirmed those principles. He has developed some specifics on how we can get better stability. He is talking about deep reductions but he is also talking about compliance and moving ahead with developing defense technologies.

Mr. President, I would like to concentrate a moment on the importance of the strategic defense initiative. As I travel around my State and talk to people about arms control and where we ought to be going as a nation, many people are absolutely shocked to discover that the United States really does not have any defense capability against the Soviets; large offensive forces. They really believe that we already have defenses against the Soviets' missiles and planes. I would imagine, if you think for a moment, without knowing the precise details, common sense would suggest that we ought to have such defenses. Unfortunately, we have instead relied upon the threat of offensive weapons to provide for deterrence. We have been very fortunate that that has worked for a number of years. But we all lament the fact that we have had a hair-trigger type of situation, with the instability of perhaps going to a first strike or what we keep hearing on this floor, a use-it-or-lose-it type of strategy. What we are looking for in the strategic defense initiative are defenses that could begin to provide additional deterrence instead of relying entirely on offense forces for this task.

Now, let us face it. We are never going to be able to compete with the Soviet Union in offensive capability, whether it is conventional or strategic. They are going to build more tanks, more mortars, more planes. They are going to have more missiles. They are going to have more of everything. In offensive capability, we have certain constraints, whether it is political or resource allocation, and we are not going to be able to match them on an offensive basis, no matter how far we try to build up. Where we do have a distinct advantage is defensive capability because effective defensive capabilities depend on high technology.

What we can do in that capacity is superior to the Soviets because of our inherent productivity, our advantages in technological capability, our innovation, our free enterprise system, our entrepreneurship. You talk about new small businesses starting up, they are going into this business. Kids—I have three small children—are learning about computers in the school system, growing up in this area. Our desire and willingness to innovate and to

devise new technologies gives us a tremendous advantage over the Soviets. So when we try to provide for the survival of this country, why not do what we are best suited to do? We are suited to come forth with new technology, we are best suited to look to the future. We have had deterrence based on offensive forces. This deterrence has worked but that does not mean that it is necessarily going to work for the next 20 years and, by golly, we better start thinking about moving forward. There is no doubt about it, SDI does move forward and does provide a defensive capability. It is an important step and I hope—and I anticipate—that the President would not see this as a bargaining chip. This is not a bargaining chip. This is something that is in the best interest of this country.

This is not something where you sit down and say, "Well, we are going to give it up." It is something that gives us great hope for stability and deterrence in the future.

Mr. President, as we look at the strategic defense initiative, I think we would like to get beyond the research and testing and development and eventually we want to deploy it. We are not just researching never to deploy. We want to deploy. A lot of people say, "Well, when will you deploy?" After the 1990's, it is said, in broad terms, but I would think particularly as we go to Geneva and we talk with our allies, we ought to consider that the best and earliest deployment of any kind of missile defenses might not necessarily take place in this country first. As a matter of fact, I think perhaps the first deployment would take place in Europe because the Europeans are really threatened right now against intermediate ballistic missiles of the Soviet Union, the SS-21's, the SS-22's, the SS-23's, the ones that have conventional and chemical capability, not to mention the strategic capabilities of the Soviets' SS-20's. I am looking at the conventional and chemical capabilities. We have no defensive capability in Europe against these missiles now. The Soviet Union has a defensive capability against ballistic missiles, I might add. They already have an ABM system deployed and have deployed antitactical ballistic missiles as well. Of course, sometimes we think, well, perhaps we should not do what the Soviets have already, in fact, done. But I think as we look at what missile defenses to deploy, deploying antitactical ballistic missiles in Europe probably would be the first logical step and it is something that does not have to be negotiated; we just need to go forward, certainly within the confines of anybody's interpretation of the ABM Treaty.

I think that there is, in fact, great promise as we move forward in this arena.

Mr. President, beyond the need to move ahead with SDI, the President has also rightly emphasized the desirability of first, negotiating deep offensive missile cuts, second, demanding Soviet compliance to existing arms control agreements, and third, securing regional stability.

The last of these points is critical. As the President noted, "staking our future on a precarious balance of terror is not good enough. The world needs a balance of safety * * * a peace based on averting our eyes from trouble cannot be true peace."

The balance of safety must be established by resolving the regional conflicts and the revolutionary conflicts within nations that currently threaten larger conflict. These wars—in Afganistan, Cambodia, Ethiopia, Angola, and Nicaragua—are currently fueled by Marxist ideology and Soviet and Cuban military aid.

By calling for a process of negotiation among the waring parties in these countries, the President is simply focusing attention where it belongs most—on resolving conflicts where they currently reside.

This is not to say that the President is unconcerned about efforts to control nuclear weapons. He is. Indeed, it is precisely because he is anxious to avert their possible use that he has focused our attention on the need to eliminate the regional catalysts of war.

Beyond this, though, he has demanded that our arms control negotiations focus on eliminating the Soviets' clear superiority in heavy, accurate, first-strike ballistic missiles such as the SS-17's, SS-18's, and SS-19's. It is these forces, after all, that have caused the great concern about Soviet intentions and above their efforts to develop a national ballistic missile defense system.

In fact, the Soviets now have the capacity with their offensive ballistic missile forces to threaten all of our missile silos, submarine bases, national command and control centers, and most of our bomber bases in a first strike. Unless we adopt a destabilizing launch-on-warning strategy, a Soviet attack might only leave bombers and submarines at sea to retaliate and these weapons might largely be defeated by Soviet air defense and a crude national ABM system. This is clear reason why we need defensive capability.

The United States, of course, does not have any missile defense and virtually no continental air defenses. More important, the United States does not have a first-strike missile force nor does it plan to have one. Indeed, even if all of the President's proposed strategic force modernization program was completed today, the United States would still only have enough weapons to survive a Soviet first strike and to limit the Soviets' ability to make further strikes. If we were serious about securing a first-strike force, we would need enough ballistic missile warheads to target all of the Soviets' strategic forces—missiles, bombers, bases, command centers. That is, we would need to have several times the number of warheads that even our most ambitious plans might provide.

The President has tried to correct this Soviet offensive force asymmetry. In fact, this was the purpose of his START proposal to reduce Soviet ballistic missile warheads from at least 9,000 to 5,000 and to focus most of these reductions on the Soviets' heaviest, most accurate missiles by calling for a cut in Soviet land-based missile warheads from over 6,400 to 2,500. The President's most recent proposal would go further. It would call for a ballistic missile warhead ceiling of 4,500.

This, then, brings us to the last of the President's additional points that there can be no arms control without compliance. Soviet behavior has not been good on this score. In fact, they have managed to violate no fewer than seven major arms control agreements. In the case of biological and chemical weapons, these violations have resulted in hundreds and thousands of deaths both within the Soviet Union and in Cambodia and Afghanistan. Beyond this, the Soviets have violated the SALT II limits by deploying the SS-25 and by encrypting essential verification telemetry information.

The most serious Soviet arms control violations, however, are those concerning the 1972 ABM Treaty. Here they probably violated the treaty's ban on mobile or transportable radars, clearly have on testing air defense radars in conjunction with ballistic missile flights, and almost certainly have on deploying or testing automatic rapid reload ABM launchers. Finally, and most important, they clearly have violated the treaty's prohibition against deploying early warning radars except along the periphery of their national territory and oriented outward. In a word, the Krasnoyarsk phased array radar is a battle management radar, not a warning radar, and is clear indication that the Soviets are working toward a national ABM system.

Certainly, we must demand Soviet compliance to existing arms control agreements before moving on to make more treaties. But in addition, we must be prepared for the possibility of further violations. Certainly, in case of ambiguous violations, we ought not to bind ourselves to stricter interpretations of what the treaty allows than what the Soviets themselves are acting upon.

In the case of the ABM Treaty it means something more—being prepared to deploy a national ABM

system if the Soviets should continue to break the treaty and move further toward a national ABM system themselves. Admittedly, this is serious business but then so too are Soviet actions. Again, if we allow the Soviet to deploy a national ABM system and do not limit their heavy, accurate first-strike missiles, our security and that of the world will be at stake.

Mr. ARMSTRONG. Mr. President, in the near future President Reagan will go to Geneva to meet with the leader of the Soviet Union, Mikhail Gorbachev, in the hopes of doing whatever might be possible to ensure a lasting peace and to secure the freedoms we all hold so dear.

The fact that we are willing to discuss all issues separating the United States and the Soviet Union, despite the deep—indeed, irreconcilable—differences between us, is a measure of the genuine commitment to peace of our Nation and of this administration. Even despite the repeated atrocities and acts of aggression committed by the Soviets in pursuit of the goals dictated by their Communist ideology, we again show ourselves willing to go that last mile to further the cause of peace.

Soviet goals for the Reagan-Gorbachev meeting, it appears, are not so idealistic. On the contrary, it seems the main reason they are willing to talk to us, to reverse their decision not to negotiate on arms, is the President's strategic defense initiative. This program holds the promise of abandoning once and for all the absurd notion of "mutual assured destruction" and, instead, ensuring our survival and that of our friends. Indeed, we have even offered to discuss sharing of research with the Soviets as a step toward replacing offense with defense, destruction with survival, swords with shields.

There is only one way this threatens the Soviet Union: a successful American program of strategic defenses reduces to nought a continuing Soviet effort to achieve a first-strike capability over us. They are not threatened, but their aggressive designs are. Consequently, the Soviet leaders and their international propaganda apparatus have pulled out all the stops to denounce the so-called star wars and the U.S.-instigated "militarization of space"—as if the Soviets were not themselves well along on their own research program, one designed to complement their offensive arsenal.

The heart of this propaganda effort is to bill President Reagan's meeting with Mr. Gorbachev as a "star wars summit"—as if that is all there is to talk about. Not only does such a view fall into the trap of accepting the Soviet agenda, but it erroneously treats arms and military hardware as the cause of United States-Soviet conflict.

This view is of course a complete inversion of the truth. We do not have trouble getting along with the U.S.S.R. because we are both armed: On the contrary, we are both armed because we have radically different views of what human life is all about. We are for freedom. They are a totalitarian Communist regime that denies their people the most elementary of human rights and is driven to impose the same system of slavery, atheism, poverty, and unhappiness on all other countries. And because we resist them, there is conflict, there is tension.

That is why the set of principles set out by my friend, the Senator from California, is so important. Echoing an earlier set of 14 points championed by a President of the same name, these five "Wilson principles" in my view sum up the interests of the United States and reflect American values as we go into these discussions. I hope they will guide us in all future contacts with the Soviets and will be the criteria by which we in the Senate will judge any future treaties with them. I am heartened to see that the President, in his speech before the United Nations, made some of the same points.

To begin with, we must consciously insist for our part that all negotiations or agreements must predominantly focus on the United States agenda, not the Soviet agenda. Any agreement or negotiation which focuses on the Soviet agenda is not in our country's best interests. This is a simple point but an essential one: if we do not know what we want in any negotiations, we will not achieve anything of value. If we do not look out for our own interests, the Soviets will hardly do so on our behalf. We must put a halt to our usual tendency to enter talks negotiating with ourselves, as if we were obliged to take a neutral view of what we want and what they want.

Second, any negotiation or agreements must link arms reductions with human rights, terrorism, regional aggression, subversion, and espionage. Again, President Reagan was right on the mark when he took the Soviets to task at the United Nations for their various acts of aggression around the world. We cannot trust in Soviet willingness to relax their aggressive preparations against us if they and Communists around the world continue their aggression against other free countries. We cannot trust the Soviets on nuclear arms if they continue to arm, train, and support the terrorist international. We cannot trust them when they talk peace with us when they continue their violence against the unfortunate human beings subject to their rule. We cannot trust their public declarations of peace when they continue their covert war of subversion and espionage against us.

Third, all negotiations or agreements must discuss and impose strict requirements on verifications of Soviet performance. This is common sense which has been too uncommon in our sorry history of arms control negotiations with the Soviets. Experience shows when they think they can get away with cheating, they cheat. A treaty the Soviets think they can violate with impunity but which we must live up to is the worst of all possible outcomes to any talks.

Fourth, and closely related, new negotiations and agreements must consider and redress Soviet noncompliance with existing treaties. We cannot hope to build a firm edifice for peace on a faulty foundation. If the Soviets are sincere about genuine reductions, they will come clean about their past breaches of faith with us.

Fifth and finally, negotiations and agreements must not hinder or prevent our ability to pursue research, development, testing or future deployment of systems that could defend the American people and our allies from nuclear weapons. The first responsibility of any government is to secure the lives of its citizens. For too long our Government has been derelict in this, its greatest task, preferring instead to leave us unprotected from Soviet weapons in the fatuous hope that the mutuality of any future nuclear holocaust would deter an attack. Even if in theory this mutuality of destruction were a guarantee of peace, the Soviets have long demonstrated by word and by deed that they don't buy the idea. As the President quoted a former Soviet leader, Alexei Kosygin, the Soviets believe in their right to defend their citizens—killing of Soviet citizens is apparently a state monopoly, as with other forms of enterprise in socialist countries. They have long been working on missile defense. Whether we proceed with defense or not, we have every reason to believe that the Soviets will continue in this endeavor. We, as Senators elected by the American people to safeguard their lives, have a sacred obligation to do no less on their behalf.

These are the "Wilson principles." They contain no technical mumbo-jumbo, there is nothing duplicitous about them. They are an appeal to the administration and to this House to stick by our most basic responsibilities to the American people and to world freedom. I urge all Americans to understand them and support them.

Mr. WILSON. Mr. President, I thank my friends from Idaho and Indiana and Colorado for their contribution this morning and for their very generous comment about the principles which I set forth in addressing this body on October 22. That was 2 days before the President addressed the United Nations. As Senator ARMSTRONG has noted in his remarks, it is heartening to see that the President subscribed to one of the principles

that I addressed by making the subject of his comment at the United Nations one that very clearly and in very straightforward fashion addressed the linkage that exists between a regional conflict that has been sponsored by the Soviet Union and the entire host of problems and tensions that beset our relationship. I am confident that this same attitude will guide the setting of the agenda for the meeting between President Reagan and Premier Gorbachev in the upcoming talks in Geneva.

I think, Mr. President, that the Senator from Indiana, in his remarks today, has given wise counsel not only to this President but to all who succeed him not only with respect to that technology about which we have knowledge at the present time but I think what he is making clear is the terrible mistake we make if, not knowing what promise the future holds in terms of our ability to defend against nuclear attack, we were, simply to obtain agreement, to eschew the possibility of gaining that new technology and all that it promises in the way of peace and peace with freedom.

We cannot give that point too much emphasis; we cannot give that too much time.

Mr. President, I would add but one thing to the remarks that have been made this morning: In thanking my friends and colleagues, I think I can speak for them in saying that we would agree on another principle, and that is the principle of the necessity for American patience in our dealings with the Soviets. Lest I be misunderstood, the patience to which I refer is not patience with their outrageous conduct. Very much to the contrary, it is the patience we will need—the moral stamina, the staying power—to make clear to them that they cannot outlast the United States either in an economic contest or in a military contest or in a contest of wills where we insist upon peace and where they seek their goal of world hegemony.

I think that point needs underscoring, simply because in our honest and earnest eagerness for peace, Americans are often misunderstood by those who negotiate for the Soviet Union. They think that our eagerness is such that we will make an agreement for the sake of the agreement.

Mr. President, we must make agreements that we can verify—that is, agreements under which Soviet performance is absolutely verifiable. We must make agreements that are in the interests of the United States and the interests of world peace. We must drive very hard bargains. We are not exempt from either contact or actual negotiations with the Soviet Union. A fact of life is that we share a planet with another superpower, one that not only does not share our view of what the world should be but also one that has advanced and demonstrated, by aggression and sponsorship of regional conflicts, dangerously different attitudes.

However, because we insist that peace be accomplished by freedom, we must also have the kind of stamina and staying power that an American patriot many years ago described as precluding summer soldiers or sunshine patriots.

I think that were he alive today, he would counsel us: "Go to the tables; drive a hard bargain. If they will not bargain on the very fair terms you set forward, then make clear to them they are engaging in another contest, a contest of wills that they cannot win."

That is the sort of patience American negotiators, supported by the American people, must display.

Mr. President, I yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I thank my colleague from California for yielding. Once again, I commend him for setting forth some fine and sound principles for negotiation of agreements for the impending summit conference, for the ongoing conferences on disarmament to which we are a party. I think that the statements he has made and the principles he has outlined are absolutely essential to the future security of this country.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business.

SUCCESSFUL COMPLETION OF THE IAEA AND NPT TREATY CONFERENCES

Mr. McCLURE. Mr. President, several important events occurred last month that received little attention other than brief reports in a few trade publications. However, these events have major significance for the future of nonproliferation.

First, in mid-September, the third Nonproliferation Treaty [NPT] Review Conference ended with the international community solidly endorsing the International Atomic Energy Agency [IAEA] and its activities, particularly the IAEA safeguards, and their importance and value in helping to strengthen the collective security of the parties to the NPT. Contrary to predictions that this Review Conference would be deadlocked and unproductive, the final declaration adopted by a consensus of 86 states was highly supportive of both the treaty and of the indispensible contributions IAEA makes to the treaty's implementation. This very positive outcome of the NPT Review Conference should help the treaty retain the allegiance of its current parties and attract significant new parties to the treaty. It also greatly improves prospects for the extension of the NPT beyond 1995.

Immediately following the NPT Review Conference, the General Conference fo the IAEA met in Vienna, Austria, and adopted a resolution that should serve to put behind us once and for all, the divisive Israeli issue. Resolution 765, submitted jointly by Denmark, Finalnd, Iceland, Norway, and Sweden, was based on a letter Israel submitted to IAEA Director-General Hans Blix, and an Israeli statement to the General Conference. It held that the letter and the statement "reconfirmed" that Israel, under its stated policy, will not attack or threaten any nuclear facilities devoted to peaceful purposes either in the Middle East, including Iraq or anywhere else. It also recognized IAEA safeguards as evidence of the peaceful nature of a nuclear facility, and reaffirms that any attack on a peaceful nuclear facility subject to IAEA safeguards would constitute a serious threat to the safeguards system of the IAEA.

Earlier, the Conference had defeated a resolution introduced by Iraq and others which held a contrary view and would have implemented penalties effectively impairing Israel's membership rights and privileges in the IAEA.

Thus a satisfactory resolution has been achieved at the IAEA on the Israeli issue which has distracted the United States in its relations with that Agency for the past 4 years.

In addition, one of the agency's newest members, China, reinforced its commitment to the agency and its safeguard functions. During the General Conference, China formally announced its intent to offer some of its civilian nuclear installations to the IAEA for safeguards inspection. With this announcement, China joined the other four nuclear weapons states in submitting civilian nuclear facilities to international control.

Thus, the international community has solidly and strongly demonstrated broad support of the IAEA. The time is ripe for the United States to strengthen the IAEA in all facets of its nonproliferation role by making constructive proposals and taking supportive actions. There is much that must be done in improving its personnel, the credibility of the safeguards system, the effectiveness of the technical assistance activities, and the development and implementation of programs relating to waste management, plutonium storage, and similar matters.

It is in the national self-interest of the United States to do everything possible to stop the further proliferation of nuclear weapons to nonnuclear nations. It follows that the United States should take full advantage of

the opportunity now afforded by the developments of the past month to make a major effort to provide leadership to the international community in building up the status and capabilities of the IAEA.

As James R. Schlessinger recently stated:

The IAEA, perhaps uniquely, possesses the right of onsite inspection in sovereign states. If the IAEA did not already exist, it could not be created today. It is a product of political evolution that cannot be separated from its historic roots * * *. For the United States, the International Atomic Energy Agency will continue to be an indispensable element in any national strategy for resisting the further spread of nuclear weapons.

Mr. President, I submit for the RECORD the resolution adopted by the IAEA General Conference, a letter to the Director General from the Resident Representative of Israel, and provisions of the final declaration from the NPT Review Conference that relate to the IAEA. I ask unanimous consent that this material and my remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SAFEGUARDS (ARTICLE III OF THE TREATY)

"The Conference:

"expresses the conviction that IAEA safeguards provide assurance that states are complying with their undertakings and assist states in demonstrating this compliance. They thereby promote further confidence among states and, being a fundamental element of the Treaty, help to strengthen their collective security. IAEA safeguards play a key role in preventing the proliferation of nuclear weapons and other nuclear explosive devices. Unsafeguarded nuclear activities in non-nuclear-weapon states pose serious proliferation dangers. (p. 2, para 2)

"declares that * * * the acceptance of IAEA safeguards on all peaceful nuclear activities within non-nuclear-weapon states party to the treaty pursuant to Article III is a major contribution by those states to regional and international security. (p. 3, para 3)

"specifically urges all non-nuclear-weapon states not party to the Treaty to * * * accept IAEA safeguards on all their peaceful nuclear activities, both current and future * * * The Conference further urges all states in their international nuclear cooperation and in their nuclear export policies and, specifically, as a necessary basis for the transfer of relevant nuclear supplies to non-nuclear-weapon states, to take effective steps toward achieving such a commitment to non-proliferation and acceptance of such safeguards by those states. (p. 3, para 4)

"notes with satisfaction the adherence of further parties to the Treaty and the conclusion of further safeguards agreements in compliance with the undertaking of the Treaty * * * (p. 4, para 7)

"commends IAEA on its implementation of safeguards pursuant to this Treaty and urges it to continue to ensure the maximum technical and cost effectiveness and efficiency of its operations, while maintaining consistency with the economic and safe conduct of nuclear activities. (p. 4, para 19)

"notes with satisfaction the improvement of IAEA safeguards which has enabled it to continue to apply safeguards effectively during a period of rapid growth in the number of safeguarded facilities. It also notes that IAEA safeguards approaches are capable of adequately dealing with facilities under safeguards. In this regard, the recent conclusion of the project to design a safeguards regime for centrifuge enrichment plants and its implementation is welcomed. (p. 4, para 11)

"emphasizes the importance of continued improvements in the effectiveness and efficiency of ISEA safeguards. (p. 5, para 12)

"recommends that IAEA establish an internationally agreed effective system of International Plutonium Storage in accordance with Article XII(A) 5 of its Statute. (p. 5, para 13)

"welcomes the significant contributions made by states parties in facilitating the application of IAEA safeguards and in supporting research, development and other supports to further the application of effective and efficient safeguards. The Conference urges that such cooperation and support be continued and that other states provide similar support. (p. 5, para 15)

"calls upon all states to take IAEA safeguards into account while planning, designing and constructing new nuclear fuel cycle facilities and while modifying existing nuclear fuel cycle facilities. (p. 5, para 16)

"calls upon states to exercise their right regarding proposal of designation of IAEA inspectors in such a way as to facilitate the most effective use of safeguards manpower. (p. 6, para 1)

"calls upon states parties to continue their political, technical and financial support of the IAEA safeguards system.

"underlines the need for IAEA to be provided with the necessary financial and human resources to ensure that the Agency is able to continue to meet effectively its safeguards responsibilities." (p. 6, paras 20 and 21)

PEACEFUL NUCLEAR COOPERATION (ARTICLE IV OF THE NPT)

"The Conference:

"commends the recent progress which the IAEA's Committee on Assurances of Supply has made. (p. 7, para 6)

"acknowledges the importance of the work of the IAEA as the principal agent for technology transfer amongst the international organizations referred to in Article IV(2) and welcomes the successful operation of the Agency's technical assistance and cooperation programs. The Conference records with appreciation that projects supported from these programmes covered a wide spectrum of applications, related both to power and non-power uses of nuclear energy notably in agriculture, medicine, industry and hydrology. The Conference notes that the Agency's assistance to the developing states party to the treaty has been chiefly in the non-power uses of nuclear energy. (pp. 8-9, para 14)

"welcomes the establishment by the IAEA, following a recommendation of the First Review Conference * * * of a mechanism to permit the channelling of extrabudgetary funds to projects additional to those financed from the IAEA Technical Assistance and Cooperation Fund. The Conference notes that this channel has been used to make additional resources available for a wide variety of projects in developing states party to the treaty. (p. 9, para 15)

"underlines the need for the provision to the IAEA of the necessary financial and human resources to ensure that the Agency is able to continue to meet effectively its responsibilities [under Article IV of the Treaty]." (p. 10, para 17)

LETTER TO THE DIRECTOR GENERAL FROM THE RESIDENT REPRESENTATIVE OF ISRAEL

[The attached letter dated 23 September 1985 is being circulated to all Delegates at the request of the Resident Representative of Israel.]

Dr. HANS BLIX,
Director General,
International Atomic Energy Agency.

SIR: I have the honour to refer to your statement of 23 September 1985, reporting on the efforts you made in response to the mandate given to you by Resolution 425 of the General Conference 1984, and in order to clarify the position of the Government of Israel regarding this item I would like to make the following statement:

The Government of Israel appreciates very much the major efforts you have personally made in carrying out your mandate and in striving to achieve a solution. Unfortunately, as your report has made clear, this has not as yet been achieved.

From the very beginning of your efforts, the Government of Israel has offered you its fullest co-operation and in the course of the discussions a number of basic principles were formulated with which the Government of Israel could fully subscribe.

a. One of the main tasks of the IAEA is to promote the contribution of atomic energy, health and prosperity throughout the world.

b. States developing and utilizing nuclear energy are entitled to be confident that nuclear installations devoted to peaceful purposes will not be subjected to armed attack.

c. All States must refrain from attacking or threatening to attack nuclear facilities devoted to peaceful purposes, it being understood that the safeguards system operated by the IAEA brings evidence of the peaceful operation of a facility.

d. Fora which are competent for this purpose should work out binding agreements protecting nuclear installations devoted to peaceful purposes from attack and threat of attack.

Already last year the policy of the Government of Israel specified that nuclear facilities dedicated to peaceful purposes be inviolable from military attacks, and that Israel has great respect for the manner in which the IAEA fulfills its mission in the field of safeguards.

Israel holds that all States must refrain from attacking or threatening to attack nuclear facilities devoted to peaceful purposes, and that the safeguards system operated by IAEA brings evidence of the peaceful operation of a facility.

It is within this context that Israel reconfirms that under its stated policy it will not attack or threaten to attack any nuclear facilities devoted to peaceful purposes either in the Middle East or anywhere else.

Israel will support any subsequent action in competent fora convened to work out binding agreements protecting nuclear installations devoted to peaceful purposes from attack and threat to attack.

We believe that the record demonstrates that Israel has attempted to facilitate the mission of the Director General in a very forthcoming manner.

We believe that the clear position taken by the Government of Israel as stated above fully responds to Resolution 425 and should be accepted by the General Conference as an answer to your wish as well as that of many others to see this matter behind us.

I would appreciate it very much if you would circulate this letter to all delegations under item 10 of the agenda.

S. KATZ,
Resident Representative.

[Consequences of the Israeli military attack on the Iraqi nuclear research reactor and the standing threat to repeat this attack for (a) the development of nuclear energy for peaceful purposes and (b) the role and activities of the International Atomic Energy Agency]

DRAFT RESOLUTION SUBMITTED JOINTLY BY DENMARK, FINLAND, ICELAND, NORWAY AND SWEDEN

The General Conference:

(a) Having considered agenda item 10,

(b) Taking note of Security Council resolution 487 unanimously adopted on 19 June 1981, which, inter alia, called upon Israel to refrain in the future from any such acts or threats thereof, and urgently to place its nuclear facilities under IAEA safeguards,

(c) Recalling relevant General Conference resolutions, particularly GC(XXVIII)/RES/407 and (1983) and GC(XXVIII)/RES/425 (1984), which, inter alia, demanded that Israel undertake forthwith not to carry out any further attacks on nuclear facilities in Iraq or on similar facilities in other countries, devoted for peaceful purposes, in disregard of the Agency's safeguards system,

(d) Taking note of the United Nations General Assembly resolution 39-14 and earlier relevant resolutions of the United Nations General Assembly on the same subject,

(e) Recalling that, as stated in resolution GC(XXVIII)/RES/407, it is an objective of the International Atomic Energy Agency to "seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world" and that in carrying out its functions the Agency shall "conduct its activities in accordance with the purposes and principles of the United Nations to promote peace and international co-operation, and in conformity with policies of the United Nations furthering the establishment of safeguarded worldwide disarmament and in conformity with any international agreements entered into pursuant to such policies",

(f) Reaffirming the right of all nations to acquire and develop nuclear technology for peaceful purposes for their development programmes under effective international safeguards,

(g) Considering that any attacks or threats of attack against peaceful nuclear facilities jeopardize the development and further promotion of the peaceful uses of nuclear energy, and, therefore, the achievement of one of the main objectives of the International Atomic Energy Agency,

(h) Concerned that such attacks raise fears about the safety of present and future nuclear facilities,

(i) Aware that all States developing nuclear energy for peaceful purposes need assurances against armed attacks on peaceful nuclear facilities,

(j) Reaffirming its confidence in the effectiveness of the Agency's safeguards system as a reliable means of verifying the peaceful use of a nuclear facility,

(k) Taking into account that the question of the protection of nuclear facilities against armed attack is under consideration in other international organisations, including the Conference on Disarmament,

(l) Bearing in mind the report of the Director General of the IAEA contained in document GC(XXVIII)/719,

(m) Having heard the Director General's report, in his statement of 23 September 1985, of his discussions in compliance with GC(XXVIII)/RES/425,

(n) Having studied the letter of 23 September 1985 addressed to the Director General by the Resident Representative of Israel, and circulated to the members of the Conference,

(o) Taking note of the statement made on 26 September 1985 in the General Conference by the Representative of Israel, as directed by the Minister for Foreign Affairs of Israel and on behalf of his Government according to which:

(1) Israel holds that all States must refrain from attacking or threatening to attack nuclear facilities devoted to peaceful purposes, and that the safeguards system operated by IAEA brings evidence of the peaceful operation of a facility;

(2) Israel reconfirms that under its stated policy it will not attack or threaten to attack any nuclear facilities devoted to peaceful purposes either in the Middle East or anywhere else and emphasizes specifically that Iraq is included;

(3) Israel will support any subsequent action in competent fora convened to work out binding agreements protecting nuclear installations devoted to peaceful purposes from attack and threat to attack.

1. Thanks the Director General for the skill and perseverance with which he carried out the task entrusted to him by Resolution GC(XXVIII)/RES/425;

2. Declares that all States must refrain from attacking or threatening to attack peaceful nuclear facilities in other countries;

3. Considers that the letter of 23 September 1985 from the Resident Representative of Israel and the statement by the Representative of Israel on 26 September 1985 contain undertakings on behalf of their Government in response to Resolution GC(XXVIII)/RES/425 and notes in particular the statement that Israel will not attack or threaten to attack any nuclear facilities devoted to peaceful purposes either in the Middle East, including Iraq or anywhere else;

4. Notes that Israel has thereby committed itself not to attack peaceful nuclear facilities in Iraq, elsewhere in the Middle East, or anywhere else;

5. Calls upon Israel urgently to place all its nuclear facilities under IAEA safeguards;

6. Considers that the safeguards system of the IAEA brings evidence of and an opportunity to review the peaceful nature of nuclear facilities subject to such safeguards;

7. Reaffirms that any attack on a peaceful nuclear facility subject to IAEA safeguards would constitute a serious threat to the safeguards system of the IAEA;

8. Appeals to competent international organs to take steps, in accordance with their mandates, to ensure the inviolability of peaceful nuclear facilities and to contribute thereby to the safe developemnt of nuclear energy;

9. Affirms the readiness of the International Atomic Energy Agency to assist the competent international organs, if they so request, in any technical and safeguards aspects of this matter;

10. Declares that if such attacks or threats of attack were to occur again, the matter will be examined by the International Atomic Energy Agency in accordance with its Statute and the relevant resolutions.

EXPLANATION OF GRAMM-RUDMAN VOTE

Mr. BINGAMAN. Mr. President, I would like to take the opportunity to state the reasons why I voted against the Gramm-Rudman deficit reduction propsal recently passed by the Senate and now under consideration by a joint House-Senate conference committee.

First, let me say that in no way do I condone the $200 billion-plus budget deficit that exists today. A deficit of this size is completely unacceptable and I support action to reduce it. Moreover, I supported the budget resolution and efforts to achieve even greater deficit reduction than that represented by the reconciliation legislation that is before the Senate. Indeed, I have supported further efforts to reduce the deficit by cutting what I believe are worthy Federal programs such as revenue sharing and job training that I otherwise would have supported were it not for the huge deficit and the overwhelming need to reduce it.

Let me also say that had I thought the Gramm-Rudman process would work to reduce the deficit, I would vote for it without hesitation. But I don't believe it will work, nor do I feel it is good policy.

We, in the Congress, tend to look for the automatic fix to serious problems. Such "automatic fixes" are attractive because they appear to provide simple and painless solutions to otherwise difficult problems. Unfortunately, they usually don't solve the problem and often create new problems.

Well, as the President is fond of saying, "Here we go again." In one fell swoop, we appear to have fixed the exorbitant budget deficits. The distinguished Senator from Texas, Senator GRAMM, and others have put forward, and the Senate has passed by a vote of 75-24, an automatic spending reduction plan that promises a balanced budget in 1991. A neat "glidepath" of declining deficits is laid out, and it is argued that passing this single piece of legislation we either cause the Congress and the President to meet those deficit targets or we put the wood to them by triggering an "automatic fix" for their lack of polictical courage.

But before we jump to embrace the "automatic fix," we need to think about its ramifications.

THE GRAMM-RUDMANN PROPOSAL

The proposal is virtually irresistible as a political statement whose time has come.

During each of the next 5 years, the bill mandates the President to present, and the Congress to adopt, budgets with deficits no larger than targeted amounts. The targets for these deficits decline by $36 billion each year from $180 billion in 1986 fiscal year to $0 billion in fiscal year 1991.

At the beginning of each new fiscal year (October 1), the Congressional Budget Office and the White House Office of Management and Budget report to the President whether they expect deficit targets to be met in that fiscal year, and if not, how much of an "overage" they anticipate. When an overage is predicted, it is to be eliminated by an order from the President "sequestering" or impounding the necessary funds to meet the deficit target. The President would eliminate up to one-half the overage by withholding part or all of the cost-of-living adjustments for entitlement programs (excepting Social Security). We would eliminate the balance of the overage by an across-the-board "sequestering" of funds in accounts recognized by the Congress as relatively controllable.

THE ECONOMIC PROBLEM WITH GRAMM-RUDMAN

The first problem with Gramm-Rudman is economic.

In theory, the passage of Gramm-Rudman fixes the deficit problems. A failure of will by the President and Congress to meet the deficit targets is anticipated and accounted for if it does occur. In effect, we have seen the failures of both the President and Congress to keep the Nation on a responsible course with our fiscal policy and we have opted for the next 5 years to put the fiscal policy of the country on automatic pilot.

There is much to commend Gramm-Rudman: It sets goals for reduction of the deficit; it requires adherence to those targets by both the President and the Congress; and now, in its substantially revised form, it at least tries to spread the spending cuts across more spending categories than originally contemplated, though still not enough.

But inherent in it is a major economic risk that it will try to conform our fiscal policy to a preset, inflexible course when the economic weather we encounter may require a different, more flexible course.

Senator GRAMM correctly points out that the "overage" of the anticipated deficit above the target for any year would occur for one of three reasons:

"First, we use faulty economic assumptions or something changed; second, we had phony savings; or third, the spendout rates were different than we thought."

If the "overage" occurs for reasons two or three; that is, "phony savings or inaccurate spendout rates"; then I would agree that something like this "automatic fix" more broadly applied might be just what the doctor ordered. The mechanism proposed would take the President and Congress to the woodshed and correct the problem.

However, in truth, any significant overage will not occur for reason two or three. It will occur for reason one, that is, either we recognize we have been using overly optimistic economic assumptions or we recognize that economic conditions have changed for the worse. A worsened economic situation from the spring when the Congress is marking up its budget resolution to the fall when the CBO and OMB are required to report could cause a dramatic increase in the "overage." A declining gross national product [GNP] and growing unemployment could very likely take a genuine effort by Congress to reach the deficit targets and turn that into a miscalculation of $30 to 50 billion for the upcoming fiscal year. Under the Gramm-Rudman proposal, the greater the worsening of economic conditions, the larger the automatic "sequestering." In other words, when the economy contracts, the bill would impose a legal requirement for additional contraction. The economic decline would be exacerbated by this "procyclical" automatic fix to the deficit problem. As economist Walter Heller has stated, Gramm-Rudman would take a deteriorating economy and administer to it a "swift kick in the groin."

Much of the monetary and fiscal policy pursued by this administration and all prior administrations is designed to buffer the economy from highs and lows and keep us on a steady growth path. The Government tries to counter the economic cycles in order to help keep inflation and unemployment down and GNP growth up.

Senator GRAMM's prescription for economic health is just the opposite. He argues that when the economy's health deteriorates we should bring out the leeches and bleed the patient. When the economic circumstances change for the worse, impose discipline on the economy by issuing an order that it conform to the automatic glidepath that Congress has mandated. The flexibility needed to match our policy with reality would be lost.

The sponsors of the measure argue that the bill contains an escape hatch which permits the President to avoid issuing an order of "sequestration" if OMB predicts two quarters of negative real growth in the GNP. We set up OMB in 1970. Since that time, we've had five recessions, and OMB has never once predicted two quarters of negative real growth in the GNP. Taking the 1982 recession as an example, we, in fact, experienced five quarters of negative real growth and all OMB predictions from the peak of GNP growth in July 1981 to its nadir in November 1982 were for rosier days just ahead.

THE GRAMM-RUDMAN DEFENSE PROBLEM

There is also a second problem with the Gramm-Rudman proposal. As Congressman ASPIN has pointed out, it would cause chaos and waste in our defense program. Like domestic programs, defense will face disproportionate cuts because of the decision to exclude Social Security and tax loopholes from any cutbacks at all. But the effect on defense is further ballooned by the decision to include existing defense contracts in the pool of funding to be cut, while excluding most existing contracts for domestic programs.

Across-the-board cuts in defense programs are going to be tremendously disruptive. Cuts in military and civilian personnel will be disproportionately large, as will cuts in training and readiness programs. Across-the-board cuts in procurement programs are going to lead to "plain bad management," as Congressman ASPIN put it. Already inefficient production rates will become even more so. Instead of canceling or delaying the start of lower priority programs, all programs will be continued at reduced funding levels. Secretary Lehman's 600-ship Navy will become totally unachievable as disproportionate cuts hit the shipbuilding program because of the fact that it takes a long time to build ships.

Barring a serious international crisis, I favor restraint on defense spending. I supported a no-real-growth budget this year, and we may end up after the appropriations conference with a cut for the first time in President Reagan's tenure. Given the deficit crisis, continued zero real growth may be the best that can be achieved in future years. But the Gramm-Rudman meat-ax approach is not the way to achieve restraint in the defense budget. At a time when the Defense Department will least be able to afford waste, the Gramm-Rudman approach will guarantee waste on a scale which will make past stories about exorbitant prices for spare parts pale in comparison.

THE GRAMM-RUDMAN FAIRNESS PROBLEM

There is also a third problem with the proposal. In practice, it may unfairly allocate the sacrifices needed to deal with the deficit. Serious deficit reduction has been stalled by what my colleague, Senator PETE DOMENICI, calls political gridlock. Everyone wants to cut the deficit, but most are only willing to do so while exempting their particular pet concerns. The President wants no new taxes and wants the defense budget spared. The House wants to hold the line on spending cuts for domestic programs, believing that we have already seen 5 years of relative decline in those programs. And neither the President nor the Congress has shown a willingness to restrain the growth of Social Security benefits to the same extent as other benefit programs.

The theory of Gramm-Rudman is that it would be neutral in the ongoing fights for these different priorities. In practice, I fear a very different result.

First, one must calculate whether the President is serious in his determination to resist tax increases. I believe he is, because that's what he repeated-

ly says. If that is so, then Gramm-Rudman provides him with a clear escape valve from any need to negotiate with the Congress a balanced deficit reduction package which would include additional revenue.

Second, one must calculate whether either the President or the Congress is going to consider, or should be willing to consider, the major and chaotic cuts in defense spending described above during the last 3 years of this administration. I think not. Neither the President nor the Congress is going to stand still for the major cuts in defense spending such as would be mandated under Gramm-Rudman. In my view, the 60-percent vote needed in each House to waive Gramm-Rudman as it applies to defense funding will be attainable once the disruptions and waste caused by its application are evident. Accordingly, any claim to across-the-board application of Gramm-Rudman will be hollow, indeed.

So, if the President is not under pressure to negotiate with the Congress on a deficit package that includes new taxes, and if the 60-percent vote is present to waive Gramm-Rudman as it applies to defense spending, then the effect of Gramm-Rudman will be to authorize major disproportionate new cuts in the domestic programs targeted for reductions or elimination by the administration since January 1981. Deficit reduction, which we all support, is pursued under this plan, and may be even partially accomplished. But it would be done on the President's terms and in a way that furthers his priorities. Veterans, enviromental protection, energy, education, health, and farm programs will be gutted. Even such domestic programs as space research and law enforcement, which the President has supported, will face serious problems if the burden of deficit reduction is placed only on domestic programs.

THE BETTER OPTION

The growing national debt does demand extraordinary measures. And the three problems I have pointed out with Gramm-Rudman can be addressed while its beneficial aspects are retained.

We should keep the deficit target goals and keep the requirement that the President and the Congress meet those targets. But if a target is missed because of deteriorated economic conditions, rather than lack of political will, we need to provide greater flexibility to adjust our policy to meet the new reality. Instead of requiring OMB to predict two quarters of negative real growth in the GNP before the President has the option to withhold his order, we should adopt the escape provision from the Chiles-Byrd proposal and provide automatic suspensions for any year in which there are two consecutive quarters of actual declining GNP, since OMB has never projected negative real growth.

The defense problem with Gramm-Rudman might be lessened by permitting more flexibility in the implementation of the mandated defense cuts. No one can doubt the President's and Secretary Weinberger's commitment to a strong defense. They should be allowed the management flexibility to attempt to minimize the damage caused by the disproportionate Gramm-Rudman cuts on defense.

The fairness problem can be addressed by broadening the list of items subject to spending restraint if sequestering occurs to include Social Security, by mandating that some portion of the overage be made up from additional revenues and by closing tax loopholes when a triggering occurs, and by changing the waiver requirement for additional spending requests from the President from a 60-percent vote to a two-thirds majority. Tax loopholes, costing the Government over $400 billion a year and benefiting primarily special interests, are estimated by the Joint Economic Committee to increase $40 billion each year—$4 billion more than the mandated annual deficit reductions required by Gramm-Rudman. We can't afford to leave them out of the deficit reduction equation.

Happily, Gramm-Rudman focused our attention on the need to give the deficit problem our first priority. Unfortunately, the bill as introduced in the Senate, and as passed by a large majority on October 9, is deficient for the economic risks it subjects us to, for the chaos and waste it will cause our defense program, and for the inherent unfairness of its provisions. The modified version of the bill offered by Senators DOMENICI and CHILES was vastly better, but still needs improvement if it is to serve the ends of economic prosperity and fairness. I hope the conference committee will now succeed in crafting something which in substance begins to approach effective, sound deficit reduction.

SYNTHETIC FUELS CORPORATION

Mr. WARNER. Mr. President, I rise today to oppose the further rescission of funds available to the Synthetic Fuels Corporation [SFC] as advocated by the Senators from Washington [Mr. EVANS] and Ohio [Mr. METZENBAUM].

This is not a position at which I have arrived lightly but instead it is the product of careful analysis because I am convinced that every Federal program must be carefully scrutinized for potential savings in our pressing drive to reduce Federal spending.

But I am convinced, Mr. President, that further rescissions in the SFC are not only unjustified but would be counterproductive.

Only 11 months ago under the able leadership of the Senator from Idaho [Mr. MCCLURE], Congress and the administration agreed to rescind $7.375 billion from the SFC and restructure the program.

The new SFC board has moved expeditiously to tighten up SFC management and implement the intent of Congress.

I ask unanimous consent to have printed at this point in the RECORD excerpts from two articles by former SFC critic Milton Copulos, a senior analyist with the Heritage Foundation spezializing in energy issues, which appeared in the October 22 and 23, 1985, Washington Times.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Times, Oct. 22, 1985]

ENERGY RESOURCE DILEMMA

(By Milton Copulos)

Leaded regular—95.9. That sign, which is appearing on more and more gasoline pumps in the Washington area, says more about the recent decline in OPEC's fortunes than all the instant analysts who have become a regular feature on the nightly news put together.

For the moment at least, it seems that the consumer can expect some temporary respite from the spiraling oil prices of the 1970s. Nor is this respite illusionary. The fact is that prices have declined to their lowest level in real terms (constant dollars since 1979), and even the nominal price of gasoline now averages less than in 1983. More important, the drop has taken place in the face of hefty increases in state and local taxes that add as much as $1.30 to the price of an average fill-up.

Still, although Americans might find some justifiable satisfaction in OPEC's current disconfiture, there is little cause for complacency. The energy crisis may be in remission, but it has not gone away. It is true that steps taken by the Reagan administration to help eliminate barriers to a free market in energy put a stop to the rapid deterioration of America's energy security, and even to an extent improved it. But the job is far from over, as a quick review of our current import situation readily reveals.

The United States continues to rely on imported petroleum heavily—using nearly the same proportion today that it did just before OPEC lowered the boom. For example, during the first half of this year, almost 30 percent of our petroleum came from abroad, only 5 percent less than the 1973 import figure. Nor should the fact that OPEC's overall contribution to U.S. oil imports has dramatically declined be seen as an end to the import problem.

While less than 2 percent of total U.S. oil imports now come from the volatile Persian Gulf—good news indeed—nearly half of our import total is produced by nations bordering the Caribbean Basin. In addition, on average 44 percent of all Alaskan crude oil is shipped to East Coast and Gulf Coast refineries via the Panama pipeline, an easy target for terrorists. As a consequence, fully one-third of all U.S. oil supplies are afloat on tankers in the Caribbean at any given

moment—a body of water that is anchored by Cuba on one side and Nicaragua on the other.

The potential to disrupt this tanker traffic is best illustrated by our experience during World War II.

During 1942, a handful of German submarines operating out of European bases succeeded in sinking 2½ percent of all Allied shipping in the Caribbean each month—or 30 percent for the year. This, mind you, was accomplished without the sophisticated capabilities of contemporary undersea craft, or the luxury of local bases. That this point of vulnerability is recognized by America's enemies was made clear by the Marxist attempt to take over Grenada, an island that sits astride the principal ship channel used by tankers leaving Venezuela.

Therefore, while the shift in the locus of U.S. oil imports does represent a marginal improvement in our overall energy security, there remains an element of vulnerability we can ignore only at our peril.

Perhaps the greatest irony related to America's continued oil-import dependences is that there is no need for such a dependence to exist. Unlike most of our allies, the United States is richly endowed with energy resources. It remains the most prolific producer of oil in the Free World—in fact, it is second only to the Soviet Union in output. We often forget that it was not until after World War II that oil imports began to play an important role in the U.S. energy mix, and not until the 1970s that they reached a level sufficient to pose a security threat.

Moreover, like the proverbial child in a candy store, it is not so much that we are lacking in resources, as that we can't seem to make up our minds as to which we want to use.

In addition to our large petroleum resources, America holds even larger reserves of natural gas. Conventional natural-gas supplies are more than adequate to support current levels of consumption well into the next century. When so-called "unconventional" natural-gas sources, such as gas from tight sands or coal seams, are taken into account, the supplies could last two centuries or more. But even our conventional gas supplies pale in comparison with our coal reserves.

America has been dubbed the "Saudi Arabia" of coal, and rightly so. It has fully one-third of the Free World's proved reserves. If properly utilized, they represent a resource sufficient to meet all our fossil-fuel needs for the foreseeable future. Similarly, we hold vast reserves of oil shale, tar sands, and heavy oil. We also have among the world's largest proved uranium reserves—which were doubled a few years back when a major discovery was made in Virginia. So why then is there a problem? The answer, in a word, is government.

Except for a brief period during the middle and late 1970s, when a constituent pressure led to a flurry of largely counterproductive government actions on the energy front, Congress by and large has done whatever it could to hamstring the domestic energy industry. Viewing it alternately as a polluting nuisance or a "deep pocket" for pet projects, it has tried its best to tax and regulate domestic energy producers out of existence.

Yielding to pressure from self-styled environmentalists and Eastern labor unions, for example, it placed so many restrictions on coal use that one former federal power commissioner was led to exclaim in frustration, "Coal is a great fuel, except that you can't mine it, transport it, or burn it."

Incentives to spur the search for oil supplies have been systematically removed from the tax code, while at the same time, more and more new taxes have been piled on the oil industry, making it the most heavily taxed sector of the domestic economy today.

Congressmen, eager for a "free" environmental vote, have imposed an increasingly stringent set of restrictions on federal leasing policies, foreclosing vast, promising areas of the Outer Continental Shelf and offshore federal lands to oil and gas exploration.

This despite the fact that geologists estimate that up to 60 percent of America's future oil and gas supplies must come from these regions. Nonsensical regulatory policies by the Nuclear Regulatory Commission have all but sounded the death knell of the domestic nuclear industry, even though it was the United States that gave birth to the technology. Worse, they haven't even helped to improve safety.

Regulations restricting the industrial and utility use of natural gas, put in place during the Carter years when the misimpression existed that supplies were in imminent danger of exhaustion, remain in effect, even though there is a glut of natural gas today, and new reserves estimates indicate that it will continue into the foreseeable future.

In brief, as Pogo once said, "We have met the enemy and they is us."

Still, there are ways to eliminate America's energy Achilles heel, if only Congress will find the wisdom to adopt them. All we really need do is make full use of what we have. That, however, may be a task easier said than done.

[From the Washington Times, Oct. 23, 1985]

BOOSTING ENERGY SECURITY

(By Milton Copulos)

Yet another example of congressional overreaction is found in some of the recent attacks on the ill-conceived Synthetic Fuels Corp.

The SFC was a classic example of how Congress in its rush to "do something" about the energy crisis proceeded to confuse motion with progress. Conceived as an $88 billion program to create a whole synthetic fuels industry from scratch, the basic concept of the SFC was wrong-headed from the outset, and yet, although Congress has finally come to recognize it as such, in their rush to bring about its well-deserved demise, they are ignoring a fundamental fact.

The lion's share of the monies allocated for synthetic fuels projects were under a provision of the original law which mandated that the Department of Energy fund a number of programs while the SFC itself was being organized. The rationale for this provision was that it would allow the SFC to get a running start when the DOE-sponsored projects were transferred to its control. Unfortunately, by and large, the DOE selections were turkeys of the first order, and have either been abandoned or, at a minimum, show no hope of ever proving economic.

By contrast, the projects actually selected and approved by the SFC itself, have by and large experienced few technical or financial problems. Moreover, they represent a small proportion of the initial funds the agency was authorized to spend. Yet, in its rush to shut the SFC down, it appears that Congress is prepared to abandon even those with some prospect of proving technically successful, thereby losing the entire federal investment, and in effect throwing the baby out with the bath water.

While no one would argue that the technologies would be economically viable today, if they are proven technically, they could be on the shelf as a sort of insurance policy against the day that they are needed. Moreover, this could be accomplished by merely meeting a few existing commitments and then shutting the SFC down for good.

Regardless of what steps are taken to help secure the nation's energy future, however, and this column has mentioned only a few, nothing can happen in the absence of a recognition by Congress that the potential for trouble exists.

Yes, there is good news on the energy price front, and yes, we have made progress. We have a Strategic Petroleum Reserve, and we are less dependent on oil from the Persian Gulf area. But these facts are no cause to become complacent. The oil-drilling industry is in a tailspin, with even long-established companies in danger of bankruptcy. U.S. proved reserves have stabilized, but production is level as well. Massive strides have been made in conservation, but there is a limit to how much we can conserve.

We have the alternatives which can prevent a repetition of the energy crisis of the 1970s, but we must begin to act now. Otherwise the gasoline lines might be back sooner than we think.

Mr. WARNER. Mr. President, Mr. Copulos points out that the projects now selected by the SFC have actually experienced relatively few technical and financial problems and represent a very small percentage of the original obligational authority of the SFC.

By abandoning these projects at this time, we would be losing the entire Federal investment and eliminating the possibility that the United States could have a synthetic fuels capability if and when that becomes necessary.

As a member of both the Senate Armed Services Committee and the Senate Energy and Natural Resources Committee, I have a particular interest in assuring that the United States has a sufficient domestic energy supply to meet its national security needs.

I ask unanimous consent to have printed at this point in the RECORD a letter which I wrote to Secretary of Defense Caspar Weinberger and his response.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, October 4, 1985.

Hon CASPAR W. WEINBERGER,
Secretary of Defense, The Pentagon, Washington, DC.

DEAR MR. SECRETARY: The Senate will shortly be considering the future of the synthetic fuels program. Opponents of the program are proposing that the U.S. Synthetic Fuels Corporation be abolished and all but $500 million of its remaining funding authority be rescinded.

One argument in favor of this action is the suggestion that the Union oil shale project in Parachute, Colorado cannot produce sufficient fuel or technical gain to justify support by the federal government.

It is my understanding that DoD has identified liquid hydrocarbons derived from shale oil as having the greatest potential near-term value for meeting the Department's future fuel needs. I also understand that DoD has a contract with Union Oil to receive jet and diesel fuel refined from shale oil produced as the Parachute site.

I would appreciate knowing the Department's views of the technological feasibility of the Union process and the strategic relevance it may have to providing for the Department's future supplies of premium liquid mobility fuels.

This issue could come to the Senate floor as early as next week. As a result, I will need this information as soon as possible.

Sincerely,

JOHN W. WARNER.

THE SECRETARY OF DEFENSE,
Washington, DC, October 23, 1985.

Hon. JOHN W. WARNER,
U.S. Senate, Washington, DC.

DEAR JOHN: Thank you for your letter of October 4 regarding the Union Oil Company's shale oil project in Colorado. You are rightly concerned, as we are, about this project and the synfuels program in general.

Under a Department of Energy (DOE) contract of many years ago, Union Oil Company of California (Unocal) agreed to develop the Parachute, Colorado, synthetic crude oil facility. DOE agreed to a system of guarantees that would make the oil marketable when it became available. DoD agreed to be a customer for the fuel produced from this oil because we felt the need to verify the results of our research on the suitability of shale-derived fuels in our weapons systems. This is still the case; when suitable supplies of these fuels become available, we will need to perform this verification.

As part of the contract, the Department of Defense was entitled to up to 10,000 barrels per day of jet and diesel fuels from Union Oil Company. Once Union's synthetic crude oil facility became operational, that oil was to be upgraded by Union and purchased by DoD from a nearby refiner, Gary Refining, Inc. Union did not plan to refine the products themselves. To date, DoD has received petroleum-derived fuels from Union, but no synfuels.

When DoD and DOE joined the Union venture, the near-term energy situation in the United States appeared bleak. Now, of course, only the longer term supply situation appears likely to make synfuels a significant U.S. national asset. If, or when, that condition develops, synfuel will be as important to the national economy on the whole as it will to DoD. Therefore, our interest in synfuels is the same as that of U.S. transportation industries. DoD believes that its needs may be met in part in coming decades by synfuels, which is why we continue to research the compatibility of these types of fuels with our equipment. But a shift to synfuel will not occur in DoD without a corresponding shift in overall U.S. supplies. Thus, the only unique impact on DoD of not receiving synfuel from Union would be our inability to execute our operational validation programs in Colorado, Utah, and Idaho for shale-derived jet and diesel fuels.

Union's synthetic crude oil process has been plagued by difficulties that arose when the company scaled up from its pilot plant to the commercial plant. When it did so, it altered some system designs, and it is in these systems that problems continue to develop. We believe the project can be completed successfully, given a continued Unocal commitment. We do not believe the Government should support the project, except perhaps through limited price supports or loan guarantees. Although I cannot comment on the details of their action, this was the approach taken by the Synthetic Fuels Corporation on October 16. I must point out, however, that at present Gary Refining facility slated to refine the Unocal synthetic crude oil is facing bankruptcy because of Unocal's delays. If the refinery closes permanently, I am uncertain whether DoD will be able to use the Unocal crude.

I hope this letter is useful to you in the upcoming debate. Please do not hesitate to contact me if I may be of additional assistance regarding this issue.

Sincerely,

CASPAR W. WEINBERGER.

Mr. WARNER. Mr. President, the letter addresses the Department's views of the technological feasibility of the Union Oil Shale project and the strategic relevance it may have to providing for the Department's future supplies of premium liquid mobility fuels.

As pointed out in Weinberger's letter, the Union project is of particular importance to the Defense Department, and I quote from Secretary Weinberger's letter:

> . . . the unique impact on DOD of not receiving synfuel from Union would be our inability to execute our operational validation programs in Colorado, Utah, and Idaho for shale-derived jet and diesel fuels.

The Secretary goes on to say that the only support the Government should provide is limited price supports or loan guarantees.

Of course, that is exactly the approach taken by the SFC with the Union project on October 16 and indeed does address Federal budgetary concerns while, at the same time, assist in the development of a synthetic fuels industry.

In summary, Mr. President, a domestic synthetic fuels industry is a prudent investment in our national security.

I am convinced that the existing scaled-down synthetic fuels program is the appropriate approach, and I urge my colleagues to reject this attempt to wipe out the possibility of the United States ever receiving any return on the Federal investment in synfuels.

SYNFUELS: A KEY TO OUR ENERGY FUTURE

Mr. DIXON. Mr. President, I rise today in support of the amendment by the chairman and the ranking Democrat of the Energy Natural Resources Committee to preserve the remaining obligational authority for the Synthetic Fuels Corporation.

In a period of mounting deficits, a proposed cut of $6.9 billion may at first seem like a prudent fiscal endeavor. However, this misguided attempt at budget-trimming may ultimately endanger our national security.

The Synthetic Fuels Corporation [SFC] was formed in 1980 under the Energy Security Act to, in the words of its president, "stimulate and leave behind a viable private sector synthetic fuels industry." Avoiding direct payments of taxpayer moneys and instead favoring loan and price guarantees, the Corporation was—and is—meant to foster trust and cooperation between private industry and Government while helping build an energy-independent America.

Since 1980, over 100 proposals have been submitted by private corporations willing to develop new sources of fuel that can effectively tap this Nation's energy reserves.

Mr. President, only a small fraction of the Nation's energy reserves are in conventional petroleum. In the United States, over 90 percent of our reserves are in coal and oil shale, in tar sands, or in heavy oils that cannot presently be extracted. My State of Illinois, for example, is blessed with reserves or at least 182 billion tons of coal, much of which could be used for synthetic fuels production. If converted to liquids, our national reserves, experts surmise, can represent about five to six times the entire reserve potential of the Middle East.

To extract this energy, a capital-intensive effort requiring Government-business cooperation is essential. Because research, development, and extraction costs make the marketing of synthetic fuels slightly more expensive than that of conventional fuels, Government initiative through the SFC is crucial in spurring private interest and production and in firmly establishing the industry as a solely private venture. For that purpose, the Synthetic Fuels Corporation is intended as a catalyst that can launch the industry on a prosperous course for the future. The unreasoned hacking of much of the remaining funding in the SFC budget would cripple the chances for a successful synfuels program to become fully operational.

At this time the United States has abundant energy resources and sufficient reserves. However, as I have emphasized for a long time, international energy markets are volatile and unreliable. Living in a world fraught with terrorism and uncertainity, this Nation and its allies must be assured that supplies will never be cut off. As long as the Middle East crises continue to flare and as long as the piracy in the Strait of Hormuz drags on, I reiterate that the United States must make all reasonable efforts to fully unshackle itself from the addictive- and expensive-habit of energy dependence.

I remember clearly, Mr. President, the suffering that the citizens of Illinois and this entire Nation endured as a result of the 1973 oil embargo. How-

ever, because of the continuing possibility that our supply lines may be severed unexpectedly, this Nation undertook an energy conservation and diversification program that placed synfuels development at the forefront of future policy. Virtually all experts agree that someday soon synfuels will be both vital and economical and an essential cog in the energy chain that fuels industry and private homes and helps us maintain a strong web of national security. To achieve our objectives, the remaining funding must be maintained.

Mr. President, the proponents of this massive cut are unknowingly attempting to steer us on a course that could leave the United States virtually helpless in case of a national energy emergency within the next several decades. Our commitment must, of course, mean that we will continue to iron out any problems that crop up as we help lay the foundation for a multibillion dollar industry. And though growth of the industry has not proceeded as quickly as possible, due partly to rigorous evaluation of proposals by the SFC, the vision for a bright future remains.

The fact remains that we must develop synthetic fuel technologies now so that we know that they will be available when the next national energy emergency occurs. The leadtime in developing a new oil shale and coal plants, for example, take about 6 to 10 years to be constructed. For tar sands facilities, the leadtime is about 5 years.

Mr. President, a visionary energy policy seeks to encourage emergency preparedness, research and development, and conservation. This compromise amendment that is being offered today preserves the obligational authority of the Synthetic Fuels Corporation. Any other proposal to strike all the money for the SFC would only hurt this Nation by derailing the substantial public and private efforts that have been invested in the program and is neither wise nor visionary.

I urge my colleagues, upon careful consideration, to support this compromise amendment.

PROPOSED SALE OF CONRAIL TO NORFOLK SOUTHERN CORPORATION

Mr. HEINZ. Mr. President, I would like to direct the attention of my colleagues to what I think is an excellent article published yesterday in the Philadelphia Inquirer concerning the proposed sale of Conrail to the Norfolk Southern Corp.

This article notes, correctly in my view, that the plan for a quick sale of Conrail to Norfolk Southern has slowed to a snail's pace in the Congress. There are good and ample reasons for congressional hesitancy and skeptical examination of the Norfolk Southern offer.

I believe that most Members of the Congress support to return of Conrail to the private sector. However, many reserve justifiable concern that a Conrail-Norfolk Southern merger will have serious anticompetitive effects on rail freight transportation all along the eastern seaboard. In fact, a recent report by the Interstate Commerce Commission clearly shows that even if Norfolk Southern sells off nearly 1,600 miles of track to Guilford Transportation Industries and the Pittsburgh & Lake Erie railroads in an effort to preserve rail competition in the Northeast, these two smaller rail lines were driven out of business by the economic power of a dominant Norfolk Southern.

In addition, the jury is still out regarding Justice Department concerns over the antitrust implications of the Norfolk Southern bid. Also, Norfolk Southern has yet to conclude a labor agreement with Conrail workers. In consideration of all these unanswered questions and unresolved problems regarding the Norfolk Southern-Conrail bid, it is clear why the Norfolk Southern-Conrail purchase train has slowed at the congressional crossing.

Mr. President, I commend this excellent article to my colleagues, and I ask unanimous consent that the text of the article be entered in the RECORD in full.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIME MAY BE RUNNING OUT ON NORFOLK SOUTHERN'S OFFER FOR CONRAIL

(By Tom Belden)

Although executives of the Norfolk Southern Corp. express optimism publicly, the chances grow slimmer by the day that they will succeed in their dream of taking over Conrail from the federal government.

Even Norfolk Southern chairman Robert B. Claytor privately expressed doubt recently that Congress is ready or willing to make a decision on selling the Philadelphia-based freight rail system, either to his company or to anyone else.

Claytor last week reiterated his warning of last summer that Norfolk Southern's management and board are unwilling to devote much more time and money lobbying for passage of legislation that would enable them to buy Conrail.

Claytor said Norfolk Southern's directors badly want, at the least, to see an affirmative vote in the Senate this year, as a sign the complex legislation is making some progress through Congress.

Neither Norfolk Southern officials nor anyone else following the sale expect the House—where legislation has not even come up for a committee vote—to act before the Senate.

Even in the Republican-controlled Senate, however, there has been a loss of much of the momentum that Transportation Secretary Elizabeth H. Dole had going for her last spring after her sale plan was approved by the Commerce, Science and Tranportation Committee.

Norfolk Southern and Transportation Department officials, along with Senate supporters of the legislation, still believe that a majority of senators would approve the sale, which would return the Northeastern and Midwestern rail system to the private sector after a decade of government stewardship.

But there also is a solid core of opponents of Norfolk Southern's offer to pay $1.2 billion for the government's 85 percent share of Conrail, including some senators willing to filibuster in an effort to kill the legislation.

Sen. Howard Metzenbaum (D., Ohio), an outspoken opponent of Norfolk Southern's bid, has promised to lead the debate. Sens, Arlen Specter and John Heinz (R., Pa.), who also are against a Norfolk Southern deal, probably would be participants in a filibuster.

Specter went so far as to write to Dole last week, suggesting it would be better part of valor simply to give up the fight now and withdraw the Norfolk Southern legislation.

It would take 60 votes in the 100-member Senate to cut off a filibuster and force a vote on any legislation empowering Dole to conclude a sale, and Norfolk Southern officials say they have that much support.

"As a matter of public policy, this [the Conrail sale] is a national issue," Norfolk Southern vice president Magda Ratajski said last week. "But from a Senate perspective, this . . . is an issue only in the Northeast," and that is where the opposition is centered, she contended.

Opponents of the Norfolk Southern deal believe that they have the votes to keep a filibuster from being cut off. According to an aide to one opponent, there are no more than 45 senators, and perhaps fewer, who would vote to sell Conrail to the Virginia-based rail-holding company.

The Senate currently is scheduled to debate the Conrail sale in early December. But it is doubtful that the legislation will be on the lawmakers' calendar even then unless answers are forthcoming to some key questions about the anti-competitive impact of the deal, among other problems.

If any single issue has been instrumental in generating new opposition to a Norfolk Southern sale it has been renewed questioning of the antitrust issues.

If combined, the Conrail and Norfolk Southern systems would have more than 30,000 miles of track, making the system the nation's largest. The Justice Department's antitrust division last January told Dole that merging the two companies would illegally destroy too much inter-rail competition unless there were divestitures of certain stretches of track to other railroads.

Since Sept. 1, there have been numerous fresh challenges to the plan Norfolk Southern devised to sell off about 1,600 miles of track in the upper Midwest, northwestern Pennsylvania and New York state to two smaller railroad companies.

The two smaller roads, Guilford Transportation Industries and the Pittsburgh & Lake Erie (P&LE), ostensibly would replace the competition that now exists between Conrail and Norfolk Southern.

The Interstate Commerce Commission, however, concluded in a report to Rep. James J. Florio (D., N.J.), chairman of the House transportation subcommittee overseeing the sale, that both of the smaller railroads are likely to be driven out of business by the Conrail-Norfolk Southern system.

The ICC report said that the financial viability of both the smaller companies is open

to question, and they could be expected to compete only a short time against the economies of scale the larger railroad could offer customers.

"In the long run, it does not appear that Guilford will be a financially viable carrier," the report said. Later in the report, it added, "P&LE is not now a financially viable carrier and its acquisition of the new lines will not enable it to reverse its already precarious financial position."

In an effort to solve part of the problem, Norfolk Southern and Guilford struck a revised agreement, giving Guilford the right to run freight trains over a 500-mile main-line track that now is operated by Conrail. The line, which is in first-class condition, runs from Toledo, Ohio, to St. Louis and has a 70-mile-per-hour speed limit.

A NEW DEAL

Under the new agreement, Guilford would only have to pay a fee, based on usage, to operate over the main-line track. Under the old agreement, Norfolk Southern would have sold Guilford a different, roughly parallel track, now in the Norfolk Southern system, that has a 39-mile-per-hour speed limit, for $15 million. The track needs an estimated $40 million in rehabilitation in order to bring it up to speeds competitive with the Conrail main line.

Adding to the challenges that Norfolk Southern deal faces, the Justice Department's antitrust division, under a new chief, Douglas Ginsburg, in late September expressed unhappiness with the Norfolk Southern divestiture agreements.

Even with the revised Norfolk Southern agreement with Guilford, Ginsburg said he still was worried about how much serious competition the Norfolk Southern-Conrail system would have.

Ginsburg's reservations were based largely on work done for Justice by R.L. Banks & Associates, a consulting firm, that investigated the financial strength of Guilford and P&LE and helped assess how competitive they could be.

Needless to say, Ginsburg's final assessment of the whole transaction and its potential aftermath is eagerly awaited by all those following the sale, since the Senate is unlikely to vote on the Norfolk Southern deal before that happens, according to observers.

"Politically, the supporters of Norfolk Southern can't get a vote in the Senate with the Justice Department still out," said one government official, who asked not to be identified. "And it's unlikely that Jusatice will sign on this for at least two months."

Several other factors also are working to keep either house of Congress from voting on a sale to Norfolk Southern this year, including the fact that the would-be Conrail owner still has no agreement with organized labor. The railroad's employees control the 15 percent of Conrail's stock the government does not own.

"There's going to be a lot of pressure in December [in the Senate] to adjoun," said one congressional staffer. "And there's going to be a lot of people asking, 'Why do I have to vote for this now?' Justice has not signed off, Norfolk Southern doesn't have a deal on the divestitures and it doesn't have a deal with labor."

NORTH DAKOTA ADMISSION DAY

Mr. ANDREWS. Mr. President, I rise today in honor of North Dakota's 96th anniversary of statehood. Our history as a territory and a State is both long and proud.

In 1682, the French explorer Robert Cavelier claimed all the land drained by the Mississippi River for the glory of France. This included the area that would become southwestern North Dakota near the Missouri River, which eventually flows into the Mississippi. The French also claimed a vast area south of Hudson Bay that encompassed the northeastern portion of the Dakota territory. In 1713, France ceded the Hudson Bay territory to Great Britain.

The French Canadian Pierre Gaultier de Varennes made the first European exploration of what later became the Dakota territory in 1738. While looking for a westward route to the Pacific, Gaultier reached an Indian settlement at the modern-day site of Mandan, ND. Today, one can visit the restored Mandan Indians' dome-shaped lodges noted by archeologists for their unique design and extreme utility.

Between 1762 and 1800, France and Spain exchanged their lands west of the Mississippi. In 1800, France again claimed the territory for its own. The mostly native Americans and the few white fur trappers and traders in the area in 1800 had already lived under the flags of two continental powers three different times. In 1803, the United States took ownership of this territory from France as part of the Louisiana Purchase.

Meriwether Lewis and William Clark almost immediately began the exploration of the territory for the American Government in the Nation's quest for passage to the Pacific Ocean. They reached the Dakota Territory in October 1804 and built Fort Mandan on a bank of the Missouri River, across from present-day Stanton. Except for a contingent of Scottish and Irish families, who left soon after all of present-day North Dakota became U.S. territory, there was almost no new settlement of the territory until the 1860's.

President Lincoln created the Dakota Territory in 1861. It included present-day North Dakota and South Dakota and much of Montana and Wyoming. In 1863 the territory was opened for settlement, but the lure of free land was tempered by limited transportation and hostile relations with the Indians, which kept the population sparse. With the surrender of the great Sioux chief, Sitting Bull, to the U.S. Cavalry in 1881, and the establishment of "bonanza farms," large wheat farms ranging from 3,000 to 65,000 acres, the land rush to the North Dakota territory began.

For example, in 1870, 5 years before large-scale farming began, the territorial population was 2,405 persons. Only 20 years later, in 1890, the population had grown to 190,983. Farming had become firmly rooted as the State's major industry. It is estimated that North Dakota is the most agriculture-dependent State in the Nation, responsible for four-fifths of the value of all goods produced.

With the advent of grain production in North Dakota, the territory was on its way to statehood—it had found its industry and its soul. In 1889, on November 2, North Dakota became the 39th State; South Dakota became the 40th State on that same day. The land gave North Dakota territory its soul. Grain gave it its industry. Bountiful harvests gave it an ingathering of peoples from New England, the middle States, Scandinavia, and Northern Europe. On November 2, 1889, North Dakota became the 39th State in the Union. Our roots, our values, our traditions are uniquely North Dakotan. They are also in the best traditions of our heritage as a nation and as a people.

COMPREHENSIVE TEST BAN

Mr. LEAHY. Mr. President, if President Reagan and Mikhail Gorbachev are to succeed in devising a formula to significantly limit nuclear and space weapons, they should first take a very fundamental step. That is to immediately resume the negotiation of a Comprehensive Test Ban Treaty.

A comprehensive test ban [CTB] with rigorous onsite inspection and provisions could pave the way toward a freeze on the production and deployment of nuclear weapons. It could help put an end to the constant parade of destabilizing nuclear innovations, which have failed to enhance our security.

That is why I joined a bipartisan group of Senators in introducing Senate Joint Resolution 179, calling upon President Reagan to propose to the Soviet Union "the immediate resumption of negotiations toward conclusion of a verifiable Comprehensive Test Ban Treaty."

The administration abandoned CTB negotiations claiming that such a treaty would pose serious verification problems.

Yet the administration has failed to admit to the significant progress which had been made with the Soviets in resolving issues which had seemed insurmountable, on terms proposed by the United States.

Indeed, prior to U.S. withdrawal from CTB negotiations the Soviets had accepted a U.S. plan for conducting onsite inspections to help resolve compliance questions.

This was truly a historic achievement. Failure to reach agreement on the issue of onsite inspections was one of the main reasons it was possible to only conclude a partial rather than a comprehensive test ban in 1963.

In another major breakthrough on verification, the Soviets had accepted a U.S. proposal for deployment of a network of sophisticated seismic monitoring stations on their territory. Such seismic facilities inside the Soviet Union combined with our impressive existing national technical means of verification would give us a very effective basis for verifying a CTB Treaty.

In addition, Soviet willingness to accept these seismic stations on their territory represents a dramatic advance in Soviet attitudes toward verification, with significant implications for future arms control agreements.

Mr. President, as vice chairman of the Senate Select Committee on Intelligence, I can tell my colleagues that the kind of cooperative measures which the Soviets have agreed to in previous CTB negotiations would serve as very valuable principles for our negotiators in Geneva—if they are implemented.

It is ironic that an administration which refuses to have arms control without progress on verification issues would refuse to implement significant breakthroughs that improve the verification capabilities of the United States.

Mr. President, last summer Premier Gorbachev proposed a 5-month moratorium on nuclear testing, through December of 1985. Rather than dismiss Gorbachev's offer as the administration did, it could have used the Soviet proposal as a starting point for the resumption of the CTB negotiations. We could have insisted that the Soviets begin to implement some of the significant onsite inspection procedures to which they had previously agreed in the CTB negotiations.

These are objectives that can be achieved in Geneva. They are small steps which can have significant impact in creating the momentum required for the negotiation of a new treaty. We must have the courage to take these small steps.

THE JERUSALEM COMMITTEE

Mr. KENNEDY. Mr. President, 15 years ago, Teddy Kollek, the mayor of Jerusalem, appointed an international committee to advise him on the planning of the city of Jerusalem. A distinguished collection of planners, architects, theologians, artists, and political administrations from diverse national, religious backgrounds and intellectual persuasions have grappled with the critical planning issues facing any city today—yet in Jerusalem those difficulties are magnified by the unique historic political and religious complexities of the great city of Jersualem.

A recent article in the Boston Globe by the distinguished Brandeis professor of law at Harvard University, Charles M. Haar, outlines many of the unique characteristics of the city of Jerusalem and underscores the great difficulties in preserving a proud cultural heritage within the ferment of social and demographic change.

As Professor Haar writes:

Modern Jerusalem is a quilt of many cultures, nationalities, religious, and ideologies. Old and new, ancient and modern, eternal and changing all express a diversity and largeness of spirit that the world, growing increasingly nationalistic and exclusionary, could well circulate. Thus Jerusalem, long a symbol of enduring values, continues to be a symbol of survival and cohesion in these troubled times.

I urge my colleagues to read Professor Haar's informative article and ask unanimous consent that it may be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Aug. 20, 1985]

PLANNING A BLEND OF THE OLD AND NEW IN JERUSALEM

(By Charles M. Haar)

Fully 15 years have passed since the irrepressible mayor of Jerusalem, Teddy Kollek, appointed an international committee of distinguished planners, architects, theologians, artists, and political administrators from diverse national and religious backgrounds and intellectual persuasions to advise him on the planning of the city. If this takes political courage in any other city it does so tenfold in the great city of Jerusalem.

Jerusalem has countless faces and multiple realities. There is the metaphysical Jerusalem, the city of utopia arid apocalypse, of memory and desire, transformed by the imaginative power of saints, artists, scholars, and visionaries into a beacon to light the eternal aspirations of humanity. And there is the everyday city with over 400,000 inhabitants grappling with the mundane exigencies of water and sewerage, housing and transportation, and the jobs, facilities, and services that modern urban populations require.

These two themes are in constant public view, both at the grand scale of Jerusalem as a whole and at the smaller scale of Arab-Jewish coexistence at the neighborhood and community level.

This juxtaposition of the grand and the intimate has marked the deliberations of these international gatherings since 1970. The most recent meeting of the Jerusalem Committee this spring was no exception as it went about its task of reflecting on the design of this world center. The focus of the assembly has shifted over time. By comparison with the initial plans, when grandiose visions for the city called forth schemes for urban clearance and development, the emphasis has become more social and less physical, more concerned with how to accommodate diverse urban populations than with creating impressive architectural codes. Still, the framework created early on has been retained—the city-wide parks and greenbelts, the landmark buildings, the glowing stone, all help to preserve the city's historic as well as human scale.

At this year's meeting, the focus on the city's Arab-Jewish relations and on the location and social composition of neighborhoods, both in the center and on the outskirts, made questions of human needs in urban settings central to the discussions. The critical planning issues faced by Jerusalem are, of course, present in many parts of the world. The difference is that in Jerusalem they are magnified by the unique historic, political and religious complexities of this special citadel.

As Jerusalem struggles to fulfill the needs and aspirations of its citizens, age-old questions reemerge. What can phyical planning, architecture, and urban design contribute to the pressing problems of the day? How can a proud cultural heritage be preserved within the ferment of social and demographic change? How can human beings, divided into ethnic enclaves within separate neighborhoods, flourish as one community?

This past year, the stunning revitalization of the Old City culminated in the archeological revelation of the Tower of David. This slender tower looms in the dusk redolent with ancient promises and hopes of multitudes, a symbol of Jerusalem the eternal.

And then there is the contemporary metropolis. Unlike many U.S. cities, Jerusalem suffers no urban sprawl, no devouring of the land by profit-hungry speculator, no waste of the infrastructure. Instead, it has managed to preserve both agricultural land and open space, scenic vistas and historic monuments. Not that Jerusalem has completely avoided sporadic flirtations with freeways or highrises, but in part because of Mayor Kollek's prescience, respect for meeting the human needs within the existing fabric has won out.

Modern Jerusalem is a quilt of many cultures, nationalities, religions, and ideologies. Orthodox Jews vie for space and place with recent immigrants from Ethiopia: Arab populations coexist with settled European communities; scientific and technological centers jostle ancient sites. Old and new, ancient and modern, eternal and changing all express a diversity and largeness of spirit that the world, growing increasingly nationalistic and exclusionary, could well emulate. Thus Jerusalem, long a symbol of enduring values, continues to be a symbol of survival and cohesion in these troubled times.

ADDRESS BY ROBERT J. FITZPATRICK, DIRECTOR OF LOS ANGELES FESTIVAL

Mr. PELL, Mr. President, I would like to call my colleagues' attention to a very fine address given by Robert J. Fitzpatrick, director of the Los Angeles Festival to the National Conference of the American Council for the Arts.

In his address, Mr. Fitzpatrick makes the point that the United States is a world leader, not merely in science, technology and business, but also in the cultural and artistic fields. It is an asset, however, on which we have failed to capitalize. The entire budget of the Arts America Program, that part of the U.S. Information Agency responsible for artistic and cultural exchange, is less than $3 million.

Yet our cultural preeminence can be one of our most effective tools abroad, particularly behind the Iron Curtain and in Third World countries. In Eastern Europe and in the Soviet Union, American visitors are often accosted by citizens of those countries eager to

learn more about American art, American literature, and other aspects of American culture. Showings of American films, or American theatrical performances, are invariably sold out. Even in Moscow, an exhibition of American books can create something approaching a mob scene.

In this address, Mr. Fitzpatrick offers a number of practical suggestions to enhance American cultural diplomacy. In addition to urging a modest increase in the financial resources going to this purpose, Mr. Fitzpatrick puts forward the idea of creating a "super cultural affairs officer" in some of our major Embassies. As Mr. Fitzpatrick points out, other countries have undertaken such a program and have benefited greatly from it.

As a result of legislation I offered, and with the strong support of USIA Director Charles Wick, our educational exchange programs have nearly doubled since 1981. As a result, the numbers of participants in the Fulbright academic exchange programs and in the international visitor programs have approached their historic high of the mid-1960's. The benefit of having teachers, scholars, and leaders in other countries familiar with American society and political life is certain to be significant in the years to come.

It is long past time for us to undertake a similar rebuilding of our artistic and cultural diplomacy.

Mr. President, I ask that the text of Mr. Fitzpatrick's remarks be included in the RECORD.

The text follows:

NEW CONNECTIONS IN THE ARTS: A CULTURAL FOREIGN POLICY FOR AMERICA

(Address by Robert J. Fitzpatrick)

Quite simply stated, the current practice of cultural diplomacy by the United States is clearly inadquate and frequently embarrassing. The United States is a world leader, not just in agriculture, science, technology and business, but also in most cultural and artistic fields; unfortunately, however, this country does not begin to derive the benefits which our position could offer. We consistently fail to use those things which could create a climate of tolerance and understanding, interest and excitement which could only be beneficial to the United States.

At the same time we are often ignorant of other cultures in a way that has become extremely dangerous for us. In a country with a substantial and growing Hispanic population, we remain willfully ignorant of the language, literature and culture of Latin and South America. For parts of Texas, Florida and California, where the Latin population will be a majority by the year 2000, this is a dangerous kind of ignorance that can make a city unliveable.

In addressing these problems I am not suggesting the creation of a Ministry of Culture nor necessarily suggesting the removal of cultural relations from the USIA or the State Department

I am suggesting, however, that it is totally inappropriate to tell cultural attachés that their principal task is to explain the foreign policy of this President and to suggest that if they want to get involved with "cultural activities" it should be done in spare time.

I recognize the legitimate and genuine need for an effective information program to support our foreign policy, but I lament the failure to distinguish between propaganda needs and those of a cultural program which has different objectives, different methods and a decidedly different time frame.

I think the time has come for a serious public examination of our cultural foreign policy.

I think the time has come to separate the propaganda and information function from the intellectual and artistic responsibilities of cultural attachés.

I think the time has come to evaluate the selection, training, mandate, and supervision of our cultural affairs officers abroad.

I think perhaps the time has even come to appoint a "super cultural affairs officer" in some of our major embassies, and to invite some of America's distinguished artists and intellectuals to participate in public service for two or three years.

Mexico did not find its foreign policy weakened by having Octavio Paz as its Cultural Attaché and subsequently Ambassador in several foreign countries. France did not find its interests poorly served by having Saint Jean Perse and other distinguished artists and intellectuals serving in embassies from Washington to Moscow. Greece did not find it inappropriate to appoint Melina Mercouri to be Minister of Culture with a mandate to engage in cultural diplomacy in major capitals of the world. America would not be embarrassed by having its poets and playwrights, painters, photographers, choreograpers and dancers, serving in embassies in Budapest, Brasilia or Beijing.

Any successful effort to improve our cultural diplomacy, however, must be a joint public-private undertaking. In this we differ from other nations. Our diplomatic relations are public and official, but our cultural life springs decidedly from the private sector with little or no government involvement and certainly no government control.

There is another reason for private sector involvement, and that is money. It is unlikely that the American government in the immediate future will devote substantial new dollars for cultural diplomacy, yet present funding for international exchange is clearly not enough.

The budget of Arts America, the division of the United States Information Agency responsible for international exchange, is less than $3 million for 150 countries. This translates into a cultural exchange budget for a country like Ireland of $17,000 of which $16,200 was used one year for advance work for a Presidential trip. It means less than $20,000 for a country like Italy whose help we need in host of areas, and scarcely more for a country like Japan where we desperately need to make friends and create a better understanding of our culture.

Present policy is so perverse that we seem interested in fostering exchanges only with our moderate enemies and not with our friends nor with countries like the Soviet Union where our problems are the most severe.

During the four years and 400,000 miles involved in organizing the Olympic Arts Festival and now in organizing the 1987 Los Angeles Festival, the most frequent question from ministers of culture and heads of state is, "Why is the United States so disinterested and so unwilling to share its culture and to welcome others?"

Jack Lang complains with considerable justification that France is asked not only to fund French artists coming to the United States but American artists coming to France. Sekou Touré, the late President of Guinea, complained that he could get an agricultural advisor within two weeks but in ten years he had not been able to get a single cultural group to his part of Africa. Melina Mercouri, in conversation today, indicated that in order to change the somewhat anti-American sentiment in Greece she would like to organize an American festival in Greece and a Greek festival in the United States, but she could find no interlocutor, no government agency with an interest, a mandate or a budget to become involved in the project.

Other countries have wisely taken a different approach. When the President of China visited the United States recently, the first item on his agenda with Mayor Bradley of Los Angeles was to ask if another Chinese performing company could participate in the 1987 Festival, since the Chinese appearance during the Olympic Arts Festival in 1984 had resulted in so much good will and a better understanding of China.

The United States has paid attention to cultural foreign policy only as negative leverage. It is used as the first and mildest form of diplomatic rebuke in difficult times, but it is hard to imagine there is anyone inside the government or out who truly believes that peace is fostered, detente encouraged and understanding increased by denying Soviet artists the right to perform in the United States and by preventing American artists from performing in the U.S.S.R. It is hard to imagine that linking the signing of a cultural exchange agreement between the United States and the U.S.S.R. with other agreements on air safety and a host of other issues has contributed to better relations between our two countries.

In 1961, shortly after he was inaugurated, John Kennedy stated, "Art is not a form of propaganda but an instrument of truth . . . in a free society, art is not a weapon."

It is worth remembering this caveat today as we seek to develop for the first time an American cultural foreign policy.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I have been discussing the program for today with the distinguished minority leader, and I think his suggestion is a good one, that we take up the State Department, Justice, and Commerce appropriations bill and set aside the farm bill until at least 1 o'clock. If we are near completion at 1 o'clock on the appropriations bill, we can even extend that period.

I also advise my colleagues who may be monitoring in their office that we do have the debt-ceiling problem

today. My understanding is the House of Representatives may have their first vote around 12:30 p.m. and then, depending on what happens on the first vote on the so-called Democratic plan, if that fails, then there will be a Republican plan that will come at 3:30 p.m. or 4 p.m., and that has to be sent over to the Senate, and we have to take action of some kind.

I urge my colleagues or at least alert my colleagues that there is a possibility of a late afternoon or evening session. So they can adjust themselves accordingly.

It is also my hope that we can have a vote on the farm bill today, at least on the pending amendment, one way or another get a vote on that amendment to indicate that we are making progress. It seems to me once we have a vote on the commodity section many of the other 60-some amendments will disappear.

I think I have clearly stated the initial agreement. Is that correct?

Mr. BYRD. Mr. President, I thank the distinguished majority leader. If he would specifically suggest 1 o'clock rather than "at least."

Mr. DOLE. I said not before 1 o'clock.

Mr. BYRD. I thought the Senator said at least 1 o'clock. If he said 1 specifically there would be no objection.

Mr. DOLE. By 1 o'clock. We stay on this bill until 1 o'clock and maybe beyond if we are making real progress.

Mr. BYRD. As I understand the request, then, the farm bill would be temporarily laid aside until 1 o'clock.

Mr. DOLE. That is correct.

Mr. BYRD. I thank the majority leader.

Mr. DOLE. I also indicate to my colleagues we will probably have at least two or three votes on the pending bill. One will come very quickly on the amendment of the distinguished Senator from New Jersey.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1986

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 338, H.R. 2965, the State-Justice-Commerce appropriations bill and that under the earlier agreement with the distinguished minority leader we stay on this bill until 1 o'clock at least.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2965) making appropriations for the Departments of Commerce, Justice, and State, and Judiciary, and related agencies for the fiscal year ending September 30, 1986, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate resumed consideration of the bill.

Pending:

Helms-Armstrong Amendment No. 884, to provide that no funds provided under the Act shall be used to pay for abortions for which Federal funds are not available under the Medicare program (title XIX of the Social Security Act).

Mr. RUDMAN. Mr. President, the pending business at this time is the Helms amendment; is that correct?

The PRESIDING OFFICER. That is the pending amendment.

Mr. RUDMAN. There has been unanimous consent to lay aside the committee amendment in order to consider the Helms amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Senate be allowed to lay aside the pending Helms amendment and that at the conclusion of the consideration of the next amendment, it then again become the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 941

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] (for himself and Mr. BRADLEY) proposes an amendment numbered 941.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, after line 23, insert the following new section:

SEC. 105. None of the funds made available in this or any other Act shall be obligated or expended to plan to relocate, or to relocate the National Marine Fisheries Service's Sandy Hook Laboratory, or any of its activities or programs, out of New Jersey.

Mr. LAUTENBERG. Mr. President, I have a simple amendment which I understand is acceptable to the managers of this bill.

Mr. President, a few weeks ago, on September 22, 1985, a fire destroyed a portion of the Sandy Hook Laboratory. This laboratory conducts research which has led to significant advances in our understanding of the marine ecosystem. My amendment provides for the building of this important research facility in New Jersey.

The laboratory, which was established by Congress in 1960, is devoted to the study of marine life. Its work has led to significant advances in our understanding of the marine ecosystem and to addressing marine pollution problems off the New Jersey coast. Over the last 4 years, the Congress, recognizing the importance of this laboratory, has consistently rejected the administration's attempts to discontinue funding for some of the laboratory's research efforts.

The Senate Appropriations Committee was concerned about the loss of this facility and the impact this loss will have on ongoing efforts to increase our understanding of the marine environment. To begin to address this loss, the committee's report on the Commerce, State, Justice appropriations bill requests that the Administrator of the National Oceanic and Atmospheric Administration submit to the committee by February 1, 1986, a report outlining options and associated cost estimates for permanently replacing the facility in New Jersey, and the agency's preferred option. The report also shall discuss the adequacy of the remaining facilities of the laboratory for conducting research activities.

Unfortunately, I understand that there have been some efforts to use the fire at the laboratory as an excuse to dispose or eliminate its functions. These efforts are inconsistent with the language in the Senate Appropriations Committee report which assumes NOAA will replace the destroyed facility in New Jersey.

My amendment will preclude any efforts to move the Sandy Hook Laboratory. It prohibits NOAA from spending any funds to plan to move the laboratory or any of its programs or activities out of New Jersey. This will give NOAA an opportunity to prepare the report requested by the Senate Appropriations Committee and will provide the committee with a chance to review the various options for rebuilding the destroyed building in New Jersey.

Mr. President, New Jersey has a long coastline of some 370 miles. Along this coastline are some of the most beautiful beaches on the east coast, a fragile ecology, and extensive fisheries resources. New Jersey's economy is heavily dependent on keeping our coastal waters healthy. Our tourist industry, along with a more than $1 billion per year commercial and recreational marine fishing industry, depend on the health of our coastal waters. The Sandy Hook Laboratory's research and monitoring efforts have played a critical role in identifying the sources of degradation of these waters and addressing marine pollution problems off

our coast. It is essential that the Sandy Hook Laboratory continue to perform these functions.

Mr. President, I ask unanimous consent to have printed in the RECORD an article describing the valuable work of the Sandy Hook Laboratory from the Newark Star Ledger.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOSS OF LAB IN FIRE LEAVES A BIG VOID IN MARINE SCIENCE

(By Kitta MacPherson)

The giant, Victorian-sized windows that once looked out on the cobalt-blue harbor of Sandy Hook Bay are gone now. Only a charred hulk of the three-story building remains, looking as forlorn as any shipwreck.

Gone also are the pipes that supplied running sea water and the holding tanks for the schools of bluefish that were once housed in the structure. The everyday equipment that almost defines laboratory life like test tubes, microscopes and vials of chemicals are nothing more than black rubble now. Of all the debris, most disquieting though are the scraps of lab notebooks containing scientific data accumulated through countless experiments, expeditions and random thoughts.

The National Marine Fisheries Center at Sandy Hook is still operating shy of its principal laboratory building which was gutted in a deliberately set fire Sept. 21. That is, its displaced scientists have been moved into makeshift quarters at the lab's administration building, which had already contained some labs. The principal task before the relocated researchers is to sort through what has been retrieved and to assess the extent of the loss and what must be done to recover.

It is an immense task.

In some cases, it is difficult to know where to begin. The library had housed 35,000 volumes representing the best collection anywhere concerning marine science. With the card catalog among the missing, it will be difficult, to say the least, to reassemble such an assortment. The lack of a facility also handicaps researchers working on studies in the highly inter-disciplinary marine sciences, since they must go elsewhere every time they need to consult reference material.

Samples representing the catches of month-long scientific voyages up and down the East Coast were killed in the blaze. Research reports that took months of interpreting data, making calculations and culling reference materials are gone.

No one is sure just what the impact on science will be. The 25-year-old lab, funded by the federal National Oceanic and Atomospheric Administration (NOAA), represented to many an unbiased, objective eye on the state of the East Coast marine environment. One of the tops of the country in its discipline, its responsibilities covered the habitat between Cape Hatteras and Nova Scotia.

Perhaps more than most areas, New Jersey residents benefited enormously from the lab's research. To speak the obvious, the Jersey shore is an integral part of the state's economy. It's contribution to the tourism industry, through recreational fishing and swimming, as well as the booming population growth in the regions close to it, have been well documented. In short, it is vital to the Garden State that the marine environment be preserved. Nobody wants to swim in or eat fish out of dangerously polluted water. Nobody will want to live near it either.

Without the power to regulate or really to point fingers, scientists at the lab for years have been quietly studying our changing marine environment. The area known as the 12-mile dump site a dozen miles east of Sandy Hook where New York and New Jersey dump their concentrated sewage has been a focus of study for the scientists for years. Now that the states under congressional mandate are preparing to release the sludge farther out in the ocean, the lab's continued research in the area will be of particular importance.

Of course, the science spans more than sludge sites. If cod eggs are changing for the worse, or if the bluefish breeding off New Jersey's shores should move elsewhere to breed, the scientists will know and they will try to understand why. They have the expertise and years of data to back up their findings. Commercial and recreational fishermen also know they have friends in the lab's scientists, who have always consulted with them.

A lot of people besides lab personnel are worried about the facility's future. The 99-year-old building that contained the lab, built as an Army hospital, may be unfit for renovation since it is deemed "historic" and is the property of the National Park Service which manages Gateway National Park at Sandy Hook.

Legislators are trying to do their part Sen. Frank Lautenberg (D-NJ) and Rep. James Howard (D-3d Dist.) have launched efforts calling upon Congress to underwrite the restoration of the laboratory. But the federal funding picture is uncertain. The federal budget deficit is a key topic this year, making funding outlays difficult to engineer. Also, NOAA has not been a big winner in the budget battles of recent years.

It is time for New Jersey to step in. The New Jersey Marine Sciences Consortium, operating through federal and state funding, already exists in the state with its scientists conducting research. In addition, the New Jersey Commission on Science and Technology this summer established a "technology extension center" in fisheries and aquaculture to aid and eventually help modernize the industry.

But these programs are hardly enough to represent what should be the true scope of the state's research investment in marine science. Perhaps a "center of excellence" including the efforts underway as well as the federal laboratory is what is needed.

If the fire-gutted lab flounders because of funding problems, we will have ourselves, among others, to blame.

Mr. LAUTENBERG. Mr. President, just to summarize the statement that I made. This amendment reconfirms the building of this important research facility in New Jersey.

Mr. President, I urge adoption of this amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. RUDMAN. Mr. President, the amendment offered by the Senator from New Jersey is acceptable on this side and I believe it is acceptable on the other side as well.

Mr. HOLLINGS. Mr. President, it is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 941) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 942

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the amendment?

Mr. RUDMAN. Mr. President, I renew my unanimous-consent request that the pending amendment offered by the Senator from North Carolina [Mr. HELMS] and the committee amendment both be temporarily laid aside and they become the pending business at the conclusion of the discussion and action on the amendment to be offered by the Senator from New Jersey.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes an amendment numbered 942.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . The United States' share of amounts budgeted by the United Nations and its specialized agencies for projects or entities which benefit the Palestine Liberation Organization shall be withheld from funds provided in this Act for assessed contributions to International Organizations.

Mr. LAUTENBERG. Mr. President, this amendment will prohibit U.S. dollars contributed under the assessed U.S. contribution to the United Nations from being provided to the PLO. U.S.-assessed contributions go to support the U.N. Secretariat among other functions. The Secretariat includes the division on Palestinian rights and the committee on the exercise of the inalienable rights of the Palestinian people. The committee holds meetings and symposia and lectures at schools and colleges on Palestinian issues; the division on Palestinian rights provides administrative services to the committee. My amendment will make clear that the United States does not intend for any of its assessed dues to go toward support of these units of the Secretariat.

Mr. President, I have discussed this amendment with the managers of the bill and they have no objection to it. However, I believe that this issue is important enough, given recent events, that the Senate should go on record on the amendment. Therefore, at the conclusion of my remarks, I will ask for the yeas and nays.

Mr. President, this amendment is consistent with longstanding U.S. policy that we do not provide financial support to the PLO. For the last several years, the foreign assistance appropriations bill has prohibited the use of U.S. voluntary contributions to the United Nations for any programs for the PLO. Voluntary contributions to the United Nations, unlike assessed contributions, are determined by each donor country. This year's foreign assistance appropriations bill carries similar language as bills in prior years. No U.S. voluntary contributions to the United Nations can be used for programs for the PLO.

In addition, since 1980, the State Department authorization bill has contained language that reduces the U.S. assessed contribution, which is 25 percent of the U.N. budget, by the amount that would have otherwise been committed to projects that benefit the PLO. Pursuant to this restriction, the State Department has been withholding approximately $1 million from the United Nations and UNESCO until we withdrew from UNESCO in the first of the year.

My amendment is consistent with the policy established in the State Department authorization bill. It is important that this prohibition of use of U.S. funds by the United Nations for assistance to the PLO be reaffirmed in the Commerce, Justice, State appropriations bill because the appropriations process is the final arbiter of how this country actually spends its money.

We must reaffirm that America will not provide financial support to the PLO since the PLO represents the antithesis of American values and morality. It is committed, on paper and in practice, to the destruction of one of our closest allies, Israel. And terror is its chosen means of achieving its goals. Recent events only confirm this conclusion.

Mr. President, the PLO charter, which sets out the operating principles of the organization, makes this crystal clear. The PLO charter defines all of Israel as part of Palestine, and describes "armed struggle" as the only way to liberate Palestine. The charter asserts that participation in the armed struggle is the first priority for Palestinians, and that the Palestinian people reject all solutions which are substitutes for total liberation of Palestine.

The PLO's actions confirm its belief in that charter. The PLO recently jettisoned a planned meeting with British Foreign Secretary Sir Geoffrey Howe because its representatives would not sign a statement acknowledging Israel's right to exist and renouncing terrorism. And the PLO's role in the hijacking of the *Achille Lauro*, where hundreds of innocent vacationers were terrorized for 2 days and a wheelchair-bound American Jew was brutally killed, becomes daily more apparent.

In addition, the PLO has claimed responsibility for hundreds, if not thousands, of terrorist acts against innocent civilians, not only Israelis, over the last decade. The Israeli Government recently released a document containing classified intelligence indicating that since the February 11, 1985, signing of the Hussein-Arafat agreement, 380 terror attacks or attempted attacks have been launched against Israel, resulting in 19 deaths and more than 100 persons wounded.

The PLO is committed to terrorism, not peace. They reject U.N. Resolution 242. They reject direct negotiations with Israel. They reject American peace proposals. They are committed to the promotion of terrorism against Israel and anyone who may be blackmailed into supporting their goals. They do not deserve our aid. Yasir Arafat's continued failure to indicate his acceptance of U.N. Resolutions 224 and 338 only confirms these conclusions.

Mr. President, if America is truly opposed to terrorism, we should put our money where our mouth is. We should stop financing groups whose modus operandi is terrorism. I urge my colleagues to support this amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that Senator WILSON of California, may be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, the Senator from New Jersey is correct. The managers of the bill are in agreement with the Senator from New Jersey. I understand his desire to demonstrate the strong support of the U.S. Senate for the position articulated in the amendment. I believe we are probably ready for a vote, unless my friend from South Carolina wishes to comment.

Mr. HOLLINGS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the clerk will call the roll.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COHEN). Without objection, it is so ordered.

The question now recurs on agreeing to the amendment of the Senator from New Jersey. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. HEINZ], the Senator from Alaska [Mr. STEVENS], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. HEINZ] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Connecticut [Mr. DODD], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Montana [Mr. MELCHER] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 90, nays 2, as follows:

[Rollcall Vote No. 271 Leg.]

YEAS—90

Abdnor	Garn	Metzenbaum
Andrews	Glenn	Mitchell
Armstrong	Gore	Moynihan
Baucus	Gorton	Murkowski
Biden	Gramm	Nickles
Bingaman	Grassley	Nunn
Boren	Harkin	Packwood
Boschwitz	Hart	Pell
Bradley	Hatch	Pressler
Bumpers	Hatfield	Proxmire
Burdick	Hawkins	Pryor
Byrd	Hecht	Quayle
Chafee	Heflin	Riegle
Chiles	Helms	Rockefeller
Cochran	Hollings	Roth
Cohen	Humphrey	Rudman
Cranston	Inouye	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
DeConcini	Kennedy	Simpson
Denton	Kerry	Specter
Dixon	Lautenberg	Stafford
Dole	Laxalt	Stennis
Domenici	Leahy	Symms
Durenberger	Levin	Thurmond
Eagleton	Long	Trible
East	Lugar	Warner
Evans	Mattingly	Weicker
Exon	McClure	Wilson
Ford	McConnell	Zorinsky

NAYS—2

Goldwater	Mathias

NOT VOTING—8

Bentsen	Johnston	Stevens
Dodd	Matsunaga	Wallop
Heinz	Melcher	

So the amendment (No. 942) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I yield to the majority leader.

ANNOUNCEMENT ON DEBT LIMIT EXTENSION

Mr. DOLE. Mr. President, I want to make an announcement for some of my colleagues who were not around earlier. We indicated earlier that we hoped to complete our action in the Senate today by 4 o'clock. That is still our hope. I want to alert my colleagues on both sides that there is another little ingredient we did not anticipate. That is the debt limit extension. The House is not going to start voting until around 12:30 today. That is the first vote. There could be a second vote to come around 3:30. We will have to take some action.

I suppose I should apologize to my colleagues for not anticipating that, but I am at least alerting them that what we hoped would be 4 o'clock departure could be postponed depending on the House action.

If that package then comes to the Senate, it is hoped we could have a vote fairly soon, but that is a possibility that may happen.

Mr. BYRD. Mr. President, I wish to underline what the distinguished majority leader has just said. Senator CHILES is here. If he would like to say anything on this point, I think it is urgent that Members on both sides be well aware of what the problems are and what the probabilities may be and then schedule their departures accordingly.

Mr. DOLE. Mr. President, I am happy to yield to the Senator from Florida.

Mr. CHILES. Mr. President, I just concur in what the majority leader said. That is that I have learned from the House that it will probably be at least 3 p.m. before they finish any action they take and by the time the papers can get here, it has to be after 4. I think Members ought to be on notice that if we are going to do something about the debt limit today, it might not be a good time to be home if we had not done something.

Mr. DOLE. That is correct. I think it is a tough situation. My view is that Members ought to catch later flights.

COMMERCE, JUSTICE AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS, 1986

The Senate continued with consideration of the bill (H.R. 2965).

Mr. RUDMAN. Mr. President, I ask unanimous consent that the pending Helms amendment and the pending committee amendment be temporarily laid aside but would then be in order as the next order of business at the conclusion and disposition of the next amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—AMENDMENT NO. 943

Mr. RUDMAN. Mr. President, before yielding the floor, I wish to ask the distinguished Senator from Rhode Island if he can tell us how long this amendment might take. My understanding is that it might take 10 or 15 minutes on this side.

Mr. CHAFEE. That is not my understanding. On this side, I would think it would take a half to three-quarters of an hour because we have several people wishing to speak. Therefore, that would add up to an hour and a half equally divided, which would be agreeable to me. If the other side were shorter, fine. If we are shorter, we can yield back, but I shall have to let them decide.

If there is a time urgency here—are there amendments stacked up? I got the impression that we are waiting for things around here. I would feel more confortable with an hour and half equally divided, but if this is a strain, I would take an hour equally divided.

Mr. RUDMAN. Mr. President, if I could respond to the Senator from Rhode Island, it is my belief we could probably dispose of this within an hour, assuming it is all right on the other side of the aisle, and I think it is.

If we could agree on a 1 hour timeframe we could possibly propound a unanimous-consent request.

Mr. CHAFEE. All right, let us go with an hour equally divided.

Mr. RUDMAN. Mr. President, I ask unanimous consent that on the Chafee amendment, which I believe will be the next amendment to be considered, the time be 1 hour divided equally, 30 minutes to a side.

Mr. BYRD. Mr. President, reserving the right to object, and I shall not, if it is agreeable with the two managers, could we add a provision that there be no amendments in order to this amendment?

Mr. RUDMAN. I would be amenable to that.

Mr. BYRD. I am concerned that some strange amendment might come in with no time left to debate it.

Mr. RUDMAN. I so amend my unanimous-consent request, Mr. President.

Mr. CHAFEE. Mr. President, since it is my amendment, I would like to be consulted. What is the request?

Mr. HOLLINGS. That there be no amendment to the Senator's amendment.

Mr. CHAFEE. I agree to that.

The PRESIDING OFFICER. Without objection, it is ordered.

AMENDMENT NO. 943

(Purpose: To cut funding for the Economic Development Administration)

Mr. CHAFEE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE] for himself, Mr. HUMPHREY, Mr. ARMSTRONG, Mr. DOMENICI, Mr. BOSCHWITZ, Mr. NICKLES, Mr. SIMPSON, and Mr. PROXMIRE, proposes an amendment numbered 943.

On page 2, beginning with line 23, strike out all through line 10 on page 3.

On page 3, line 14, strike out "$24,450,000" and insert in lieu thereof "$15,000,000".

Mr. CHAFEE. Mr. President, the cosponsors of this amendment are Senators HUMPHREY, PROXMIRE, ARMSTRONG, DOMENICI, BOSCHWITZ, NICKLES, and SIMPSON.

Mr. President, if I could have order, please?

The PRESIDING OFFICER. The Senate appears to be in order; more order than I have seen this morning.

Mr. CHAFEE. That is splendid. I hope it continues to be that way.

What this amendment does is delete funding for the Economic Development Administration. The Economic Development Administration is no longer needed and, under the budgetary constraints the Nation is currently operating under, we can no longer afford it. Frankly, Mr. President, if we were starting from scratch with a $200 billion deficit and somebody came to this floor and said, "Let us start an EDA program," it would not get a single vote, in my judgment. We would not launch into this program. What my amendment does is delete $160 million in appropriated funds for EDA's grant assistance programs.

It also terminates authorization for a loan guarantee program of up to $150 million. We retain $15 million to provide salaries and expenses for 1 year during the termination phase.

Mr. President, in May, the Senate adopted a budget plan to reduce the deficit by $56 billion in the next fiscal year and by nearly $300 billion over the next 3 years. The Senate plan provided for greater savings than both the House budget and the final conference agreement.

The greatest distinction of the Senate's plan was that it provided for a sense of priorities. If we can characterize that sense of priorities, it was that we supported people programs and cut back on "thing" programs. Mr. President, this is clearly a "thing" program. It does not help provide nutrition for expectant mothers, it does not help poor families on welfare, it does not provide educational opportunities for

youngsters in America. It is a "thing" program. I just believe that there comes a time when there has to be a sense of priorities.

At this time, Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Times of March 31, 1985, which reports on a very fine speech that was given by the senior Senator from Massachusetts [Mr. KENNEDY] at Hofstra University, Long Island. This is what the senior Senator from Massachusetts said:

"The mere existence of a program is no excuse for its perpetuation—whether it is a welfare plan or a weapons system," he continued. "Too much of the public housing that was built in past decades, too many of our public service jobs and public assistance programs have done too little to break the cycle of poverty and dependence, and too often they have proved to be counterproductive."

He warned his party "against simply imitating Republican programs. 'We must offer new ideas.'"

Mr. President, what the Senator from Massachusetts was saying is that because a program is there does not mean it has to be perpetuated.

Mr. Kennedy's remarks were welcomed today by Robert C. Byrd, the West Virginia Democrat who is the Senate Minority Leader.

Senator George J. Mitchell, Democrat of Maine, echoed that view. "Sure I agree with him," he said of Mr. Kennedy.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW APPROACHES ASKED BY KENNEDY

(By Fay S. Joyce)

Senator Edward M. Kennedy, who for many years has symbolized Democratic Party Liberalism, has summoned his party to search for "new approaches" to the needs of the country, if it is to win back the faith of the people.

In a speech at Hofstra University on Long Island Friday and in remarks to a group of other Democratic Senators yesterday in West Virginia, Mr. Kennedy apparently sought to shift both his party and his own political image toward the center.

"One thing is certain," he said in the Hofstra speech. "We cannot and should not depend on higher tax revenues to roll in and redeem every costly program. Those of us who care about domestic progress must do more with less."

"The mere existence of a program is no excuse for its perpetuation—whether it is a welfare plan or a weapons system," he continued. "Too much of the public housing that was built in past decades, too many of our public service jobs and public assistance programs have done too little to break the cycle of poverty and dependence, and too often they have proved to be counterproductive."

It was the Massachusetts Senator's first policy address since Walter F. Mondale's crushing defeat in the 1984 Presidential campaign, and it reflected continuing debate within the party over how the Democrats can best recover from that loss.

In an interview from Shepardstown, W.Va., where he joined 36 other Senate Democrats meeting to assess their party's needs, Mr. Kennedy said his views should not be seen as an abandonment of trandditional liberal concerns for equality, comparison and assistance for the poor. "We cannot abandon the fundamental values," he said.

But in several areas, including welfare reform, hospital costs, and education, he continued "you could get more value for the dollar." In Massachusetts, programs like educational training are helping to cut welfare rolls, he said, and such programs should be preserved.

As he took a break from the Democratic meeting, Mr. Kennedy said he hoped that the Friday address he gave in Hempstead, LI., had outlined "useful paths" for the Democratic Party to guide them in debates before Congress and in winning back public confidence.

SOME FAILURES CITED

He asserted that some of his party's programs had failed. He called on the party to "reinvigorate itself" with new ideas and shed its image as the captive of constituency groups such as labor, women and minorities.

"We must understand that there is a difference between being a party that cares about labor and being a labor party," he said. "There is a difference between being a party that cares about women and being the women's party. And we can and we must be a party that cares about minorities without becoming a minority party."

"We are citizens first—and constituencies second," he said to sustained applause.

He also warned Democrats against simply imitating Republican programs. "We must offer new ideas, but they must be more than retreads of the reactionary postrums of this day," the Senator said.

"Our truest challenge is not to abandon our identity, but to be what we have been at our best—an agent of progress, ready to refine our policies, anxious to refresh our faith and unwilling to retreat from fundamental principles," he told an audience gathered at Hofstra to study the Administration of his slain brother, John F. Kennedy.

With speculation already beginning about who might run for President in 1988, the Senator's remarks reflected his determination to be at the forefront of the debate over the party's future. Mr. Kennedy has been keeping open the possibility that he might seek the Presidency again and aides said that regardless of whether he does, he intends to help shape the party's course.

COMMENTS ON REAGAN

Mr. Kennedy's remarks were welcomed today by Robert C. Byrd, the West Virginia Democrat who is the Senate Minority Leader. "I think everybody knows some programs have failed," he said in an interview, "but the Democratic Party has always been willing to experiment."

Senator George J. Mitchell, Democrat of Maine, echoed that view. "Sure I agree with him," he said of Mr. Kennedy. Reflecting the growing consensus among Democrats that the party must be seen as standing for something other than protecting popular spending programs, Mr. Mitchell asked, "Is there anyone who hasn't said that in the last six months?"

In his Hofstra address, Mr. Kennedy credited President Reagan with restoring the presidency "as a vigorous, purposeful instrument of national leadership." Although he criticized the president on a number of foreign and domestic policy fronts, he suggested the Republican's victory had been a genuine one and not a victory based on an effective television presence.

"The critical question" is not what voters failed to see, he said, "but what we failed to show."

Mr. CHAFEE. Mr. President, the Economic Development Administration is a program whose time has come and gone. At least we thought it was gone. Mr. President, I serve on the authorizing committee for this program, which is the Environment and Public Works Committee. That committee has jurisdiction over EDA. The committee that oversees the program has not seen fit to reauthorize it since 1982. Yet, it shows extraordinary resilience for some peculiar reason. It is the Rasputin of Federal programs. It cannot be killed off for some reason. It refuses to die. Since 1982, when the committee stopped authorizing it, it keeps coming back, despite the annual growth of the deficits from $127 billion to currently over $200 billion.

Now, the bill before us includes, as I say, $160 million for EDA next year. That may not sound like a mammoth sum; cutting out $160 million is not going to balance the budget. I agree with that, but again let me say, Mr. President, if EDA did not exist and somebody came to this floor and said, "I propose the commencement of a program called EDA," despite the fact we are running $200 billion deficits, I doubt if it would get a vote. I doubt if those who are going to rise with emotional appeals for the sustenance of EDA would vote for the commencement of this program if it were not there.

Mr. President, here we are, right down to really a gut choice. Do we want to do something about the deficits? Do we want to do something about the handicaps that are placed upon our manufacturers who are trying to compete abroad with the high dollar, with high interest rates? Or, do we want to get the deficit down so that our manufacturers abroad can complete in a more equitable fashion? Every dollar we add to the deficit means fewer jobs for American workers. It means a decline in our standard of living.

Mr. President, I ask if the Chair would be good enough to let me know when 10 minutes of my time have expired. How much time has gone now?

The PRESIDING OFFICER. The Senator has consumed 6 minutes.

Mr. CHAFEE. I thank the Chair. If the Chair would alert me at 10 minutes, I would appreciate it.

Mr. President, EDA was created to spur public works investment in our Nation's most distressed communities. I call the Chair's attention to this statistic. This was a program to help depressed areas of our Nation. At the outset, 12 percent of the Nation was

eligible. But since no self-respecting Congressman or Senator could pass up this pork, they kept enlarging the definition of depressed areas so that currently 85 percent of the United States of America is classified as a depressed area in order to qualify for this money. I do not know whether Grosse Pointe is in there, I do not know whether Palm Springs is in there, or Stuart, FL, but I would not be surprised if they are there to get a little bit of this handout.

Mr. President, we have here a report from the inspector general regarding the performance of EDA in connection with a program that we passed in 1983. It does not pertain to the overall performance of EDA in connection with every program. It is a report on EDA's performance in just one program, but gives us an indication of what kind of an agency it is. Now, that report deals with the Emergency Jobs Act we passed 2 years ago. EDA was handed $100 million. The goal of the Jobs Act was to stimulate employment quickly in areas suffering high unemployment. What have been the results? Listen to these findings on that particular program:

The EDA Jobs Act program equated to employing 294 people for a year at a cost to the Federal Government—

This is the report of the inspector general of the Commerce Department.

—of $334,000 for every job created. Nearly 2 years after the passage of the act, EDA had only distributed about $54 million of the $100 million for the emergency jobs program. No effort was made—

This is not my language. This is the report language.

No effort was made to target the jobs to the unemployed. EDA refused to heed warnings in a previous audit report which could have improved its administration of the program.

The inspector general's report adds to the evidence that EDA is not accomplising its No. 1 goal, which is the creation of jobs.

Now we move to the guaranteed loan program for various EDA projects. It has been an unmitigated disaster. Of EDA's $560 million portfolio of direct loans or acquired loan guarantees, 60 percent are now delinquent. It has approved loans for poor projects with little assurance about the borrower's ability to repay them and has given little attention to debt collection.

The PRESIDING OFFICER. The Senator has consumed 10 minutes.

Mr. CHAFEE. One more minute, Mr. President.

In 1981 EDA attempted a bulk sale of some of its loans and was offered less than 15 cents on the dollar.

Now, funding for EDA was eliminated, as I say, in the Senate budget plan this year. During the debate an amendment was offered to restore funding for EDA and several other programs, and that was rejected by a vote of 52 to 44.

Mr. President, in conclusion, let me say that there may be somebody who can get up on this floor and say EDA has done something splendid in Columbia, SC, or Augusta, ME, or someplace else. But the point of the debate, Mr. President, is would we go ahead with this program if it did not exist? Should we continue funding a program that has not been authorized since 1982 and spend $160 million, plus guarantees of $150 million?

Mr. PROXMIRE. Will the Senator from Rhode Island yield for 5 minutes?

Mr. CHAFEE. I yield to the Senator from Wisconsin 5 minutes.

Mr. PROXMIRE. Mr. President, I rise in enthusiastic support of the amendment by the Senator from Rhode Island. He is absolutely right. Get that figure he had to rush through, $334,000 for each job. You could invest that at 10 percent interest and finance two jobs. This is only one job that EDA can come up with at $334,000.

Now, I congratulate the Senator from Rhode Island for offering the amendment. If we cannot cut off money for the EDA, then we might as well run up the white flag and surrender to the deficit. If you are looking for waste, a purest ray serene, as the poet who is presiding over the Senate today might put it, then the EDA is the real McCoy. It is to waste and abuse what the North Pole is to ice and snow.

Mr. President, if we give the EDA any more of the taxpayers' money to waste, then shame on us. There is an old saying, "Fool me once, shame on you; fool me twice, shame on me."

EDA has fooled us a number of times. Let me give some examples.

Back in 1979, the EDA helped build a community center, spending $179,000 of the Federal taxpayers' money. Mr. President, that center was so utterly useless that when it collapsed, no one noticed it. That is right—it fell down, but no one noticed that it was gone.

HUD and EDA started on this fiasco in 1975. They paid for a building and a road to it.

Days passed, months went by, the seasons changed, snows fell and melted, and no one used the community center or even knew it was there.

Finally, in 1979, a sharp-eyed woodsman noticed a collapsed building, forlorn, deserted, and clothed in weeds. Guess what? It was the EDA-HUD community center. No one could tell when it collapsed, only that it was in ruins.

The EDA wasted a cool $179,000 on that horror story.

Then, in 1979, the EDA approved a $200,000 project to build a replica of the Great Wall of China in Indiana. That is right—the Great Wall of China. This was a big PR ploy for the limestone industry and was paid for with the taxpayers' money.

Hold on to your hat, though, because that project was only an afterthought to another limestone promotion gambit, a proposal to build a 10-story replica of the Great Pyramid with Indiana limestone.

Tut, tut, you might say—or even King Tut-Tut—surely no one would give the OK to such a wild-eyed scheme. But you would be wrong. EDA bought this one, hook, line, and sinker, and buried $500,000 of the taxpayers' money in it.

Was either one ever finished? Not on your life. All that remains of the taxpayers' money are some limestone blocks sitting in an empty field.

Finally, Mr. President, the EDA makes loans, as the Senator from Rhode Island knows. Is their record here any better? Listen to this. One private company got a $2.5 million loan from EDA. It used the money for a $500,000 interest-free loan to the company's sole stockholder. It purchased a fancy $300,000 helicopter for that stockholder. It was not needed by the company. It acquired a $65,000 lakeside cabin for that pampered, sole stockholder.

Mr. President, I wish these examples—all of which earned one of my Golden Fleece Awards—were unusual. They are not. As the Senator from Rhode Island pointed out, the problems at EDA are endemic. Giving them a Golden Fleece is like shooting at sitting ducks: there is no sport in it.

Someone once said that no matter how often the human goose is plucked, it grows a new crop of feathers. Is it not time we made an exception to this and stopped plucking the taxpayer?

There is no better place to start than with the EDA. If there was ever an amendment designed to show whether we are serious about reducing the deficit, this is it. I hope it carries by an overwhelming vote.

I thank the Senator from Rhode Island, and I yield back whatever time I have remaining.

Mr. CHAFEE. Mr. President, I yield 4 minutes to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, I shall not consume that amount of time.

The Senator from Wisconsin has just rendered a powerful indictment of the program, and the Senator from Rhode Island has done a beautiful job of expressing what I have seen in my time here with regard to EDA.

It is certainly a classic example of eternal life. The program has not been authorized since 1982; that is 4 years. Yet, it continues to rise from the ashes and spend evermore unauthorized moneys.

We have about $900 million in this outfit without proper authorization. Yes I know that it has been reduced. I will hear the arguments presented. They will say we are cutting it down and cutting it back, and we promise to get it in tow and tighten it up. But this program, in every sense, has outlived its usefulness, and we should let this anacronysm perish. This little caper has contributed $9.4 billion to the deficit over the past 4 years. We have heard the delinquency rates. They are hideous. We could have done a lot more with this money in some other place.

It was designed to target money to specific depressed areas. All of us have been in Congress long enough to know that if there is any way possible, there will surely be 50 States with depressed areas. So we took all the targeted stuff in EDA and expanded it, and I think all the States finally got their fingers into the pie with their own depressed areas?

Even under this new proposal, we are still insisting on keeping 80 percent of the country eligible for assistance, and we have done that for over a decade. That is where it all fell into the pit, when we all tried to stretch it into our own States.

The original idea was great. But it is not worth the expense, even if you tighten it up.

My State has benefited. I would be the last to admit that were not so. Over the course of years the State of Wyoming received over $45 million through EDA. But even if we were in tough economic times, we will be able to live without this program, as can the rest of the Nation.

How Wyoming ever got on the list is beyond me. We have a severance tax and a permanent mineral trust fund. We have extraordinary circumstances there which are beneficial to our citizen taxpayers, with our severance tax, and yet here is Wyoming, over the years designated as a targeted area eligible for assistance because it is depressed.

Here is an opportunity to junk this one. It was not as painful in July when we did it in, and here is a chance now to do it in again. Proving that nothing ever dies around this place, we might still apply one more chop at the head of the snake, and I urge my colleagues to do so.

Mr. CHAFEE. Mr. President, I reserve the remainder of my time.

Mr. HOLLINGS. Mr. President, we have 30 minutes on this side, and I expect to yield to the Senator from Maine, the Senator from Arkansas, the Senator from New York, the Senator from New Jersey, and the Senator from Mississippi. Before yielding I will use some time myself.

Mr. President, the President has proposed elimination of EDA since 1981. As an alternative, he offers the National Economic growth and the enterprise zones.

Despite the overall national economic health, there are 458 counties in the United States with unemployment greater than 12 percent. I just looked at the latest information and Marlboro County, SC, is still experiencing unemployment at a rate of 15.2 percent.

Obviously, the national economic health is not evenly distributed. Trickle down is not reaching Marlboro County or the other nine counties in South Carolina with unemployment above 10 percent. EDA is the only lifeline the rural areas have to bring about economic development of these communities.

Furthermore, when you look behind that grand national average of 7.1 percent unemployment, you find 17.8 percent unemployment among our youth, and an astounding 38.3 percent unemployment among black youth. The President has got to get out from behind the bunting and rallies and out to the America you can't see from the TARMAC

For 5 years, President Reagan has promoted enterprise zones. While I am interested in that additional tool, the Congress has not attached sufficient priority to that legislation to enact it into law. EDA must be retained until there is a sufficient alternative.

If the turbulent sixties taught us anything, they showed us what happens when a vast segment of the American people lose hope. An EDA of only $160 million is scant hope indeed but it is at least there for our communities to maintain their economic development hopes.

Mr. President, all of us have benefited from the vital assistance EDA provides. I have with me listings of the 219 public works projects, in 219 communities in 46 States that EDA assisted in fiscal 1985. How about that for distributing the funds.

The 219 public works projects approved in 1985 amounted to $129,977,000 in EDA funds, $32,494,000 in other Federal funds, and $235,717,000 in local funds for a total investment of $398,188,000. That's really leveraging the dollar.

I also have a list of 66 projects authorized for $38,700,000 of EDA funding that could not be reached within the funds available last year that are to be funded from the 1986 appropriation.

Some of my newer colleagues may not be as familiar with EDA since the funding has been constrained over the last 5 years. As in any program, there have been a few projects not as noteworthy as some.

In South Carolina, there has been long and strong support for EDA at every level of Government, and we are quite proud of the projects that EDA has helped us with. In my home city of Charleston, we have under construction the Charleston center project. The $4 million that EDA provided is truly the mortar that holds the bricks together of this $75 million project.

Last year EDA provided $750,000 toward the overall $1,550,000 needed for the interceptor on the Florence sanitary sewer system. This improvement allowed Leggs to provide 20 new jobs and for the Koppers Co. to retain 130 permanent jobs in Florence. EDA also provided $500,000 to extend industrial roads and utilities in the city of Orangeburg that, together with a grant from SBA, led the Quality Brooch Co. to establish a new facility that is expected to produce 350 jobs over the next 5 years. An EDA-assisted sewer project in Anderson County truly led to the Robert Bosch Corp. of West Germany to invest $2 million in a new plant that will have 300 jobs when at full capacity.

While I leave it to my colleagues to relate the value of the similar assistance that EDA has rendered to their States and communities, let me note some particular recent examples:

During my tenure as chairman of this subcommittee, we provided funds for local development revolving loan funds. All told, EDA has capitalized 165 local revolving funds.

On September 27, 1982, the distinguished Senator from Rhode Island took great pride in announcing that EDA had granted $750,000 to the Providence Industrial Development Corp. to establish a revolving loan fund. Obviously this was of great assistance as my distinguished colleague indicated obtaining the grant was a long, tedious process.

Back in 1982, EDA put up $100,000 for a feasibility study of the employees taking over the management of the hard-pressed Weirton Steel Corp. Wierton Steel is now the Nation's largest employee-owned company and in February, posted a $60,600,000 profit. In 1981, EDA established the Oregon Productivity Center with the object of improving the effectiveness and efficiency of manufacturing and service firms throughout Oregon. Gov. Victor Atiyeh has honored the center for its help to more than 300 businesses and organizations to become more effective, productive, and profitable. The center's help has been extended for electronic firms, manufacturing firms, including 3M, and service organizations.

As I indicated in my opening comments on the overall bill on October 24, EDA has been reduced by $500 million since 1981. All we have left is $160 million, which conforms to the amount assumed in the budget resolution.

This amendment rejects all the prior consideration by Congress in develop-

ing the budget resolution. Congress rejected the President's zeroing out the EDA in the budget resolution. I urge my colleagues to sustain that judgment by rejecting this amendment today.

Mr. President, I now yield 5 minutes to the distinguished Senator from Maine.

Mr. MITCHELL. I thank the Senator.

Mr. President, I oppose the proposal of the distinguished Senator from Rhode Island. I think it is important to put this program and the current level of funding into perspective.

In 1980, the EDA level of funding was in excess of $500 million. It has been reduced each year. Last year, the funding level was $259 million. The proposed level of funding in this bill is $184 million. So this is not a program that has grown; it is a program that has been cut back in each of the last 5 years.

Second, the arguments made by the Senator from Rhode Island and the Senator from Wyoming deal with aspects of the program that those of us who support it have tried to correct, but they have refused to help in correcting the very abuses which they now complain of.

The bill I have introduced would eliminate the loan guarantee program, which the Senator from Rhode Island says is the problem with it, Yet, he refuses to assist in correcting the problem.

As to the areas that are eligible for assistance, the Senator from Rhode Island rightly complains about 80 percent of the areas in this country being eligible for assistance. I have introduced legislation to reduce that by more than half. He refuses to assist in doing that.

What they want is not to change and improve the program, so that they can continue to complain about those aspects that are wrong. I say we should be improving it and continuing it.

In his remarks, the Senator from Rhode Island specifically mentioned Augusta, ME and Charleston, SC. He said he was sure there are people here who would mention programs in those States as being beneficial. Of course, he did not mention any place in Rhode Island. He did not mention Providence or Westerly or the other places in Rhode Island which have received funds for which he took credit.

As Senator HOLLINGS indicated, in 1982, if you read the Rhode Island business magazine and the Providence Journal, you find EDA grants. They mention the Senator from Rhode Island as the person fighting for those grants and getting those grants for Rhode Island. So we have a situation now in which he suggests there is something wrong about projects being approved in Augusta, ME or Charleston, SC, but he conspicuously exempts Rhode Island from that funding.

Here is a big headline in the Providence Journal: "Industrial Development Corporation Gets $750,000 From U.S. for Loan Fund."

The course of the article tells us what a tough process it was for him to get the money, "Senator CHAFEE said."

Mr. CHAFEE. May I interject one moment on my time here for 30 seconds, if the Senator will yield?

Mr. MITCHELL. On the Senator's time.

Mr. CHAFEE. Let me assure the Senator from Maine if there is pork around I am going to do everything I can to get some for my State. There is no question about it. If this program is continued I will continue to be in there. When I say it is a tough job to get it, you bet it is tough to get it, when I have been attacking the agency all these years. What I say is we have gotten our share. We will hopefully get our share, if this program is appropriated funds.

Again I am saying let us stop the whole business.

Mr. MITCHELL. Mr. President, I only wish to say in conclusion that the Senator from Wisconsin cites a few anecdotes of instances where loans have gone bad, and we all respect his diligence in ferreting out instances where some things fail.

If we begin to adopt the premise that any Government program that has an abuse in it should be eliminated, that does not make any sense. What we should be doing is trying to improve the program and make it more meaningful.

As I said to the Senator from Rhode Island, as he knows, we had this debate over the last 6 years in the committee and in this Chamber. There still is a situation in this country where over 7 percent of the people are unemployed. Millions and millions of Americans are out of work. There are substantial pockets of high unemployment and low per capita income in this country.

For 200 years we have as a nation adopted an economic policy that says we will help those areas that need help. It is that economic policy which is the foundation of this program and that in fact has provided enormous benefit to areas throughout this country, including the Senator's State of Rhode Island.

So I urge the Members of the Senate not to approve this, and I remind everyone again, and I close with what I opened, that we started with $500 million in this program, it has been cut back substantially, it is now at $184 million, and I urge the Senator from Rhode Island and others who have spoken against the program to support this.

The PRESIDING OFFICER (Mr. STAFFORD). The Senator's time has expired.

Mr. HOLLINGS. I yield 2 additional minutes to the Senator from Maine.

Mr. MITCHELL. Instead of continuing to oppose this and to cite as instances of abuse those parts of the program which we are trying to improve, to join with us in helping to improve it, to eliminate the loan guarantees which were the subject of the Senator's criticism as Senator HOLLINGS and I have tried to do, to restrict the criteria which the Senator opposes as too liberal, as Senator HOLLINGS and I have tried to do. What we have here are people who do not want to work to improve anything but rather want to work against improvements so they can continue to try to scuttle the program.

I say what we need is improvement in the program to correct the abuses but still help the millions and millions of Americans across this country who do not have jobs and who need jobs.

That is what we are trying to do.

Mr. CHAFEE. Mr. President, on my time, will the Senator yield for a question?

Mr. MITCHELL. I yield.

Mr. CHAFEE. Mr. President, I have reviewed the amendments that are before the body here and I do not see an amendment by the Senator from Maine to eliminate the Loan Guarantee Program. Does he have such an amendment?

Mr. MITCHELL. I have introduced legislation, S. 526, with reference to this, which I tried to get before the committee which the Senator has opposed in committee every time.

Mr. CHAFEE. Does the Senator have an amendment? He is castigating the Loan Guarantee Program. Does the Senator have an amendment before this body or that he is proposing to eliminate? Here is the chance. Does he have an amendment to eliminate the loan guarantee on this bill?

Mr. MITCHELL. I think I will introduce a bill to do that. I would be glad to offer it as an amendment. Will the Senator join me as a cosponsor?

Mr. CHAFEE. I certainly will.

Mr. MITCHELL. There we go. Maybe we can get it accepted on both sides.

Mr. CHAFEE. We smoked him out. Splendid. We got that far. That can be another amendment this morning.

Mr. MITCHELL. The Senator spent 6 years in the Environment and Public Works Committee opposing the legislation and now he says he will support it.

I thank the Senator for that. We have a recent conversion and I appreciate that.

Mr. President, I have gone on beyond my time and I now yield back my time to Senators who oppose this.

Mr. HOLLINGS. Mr. President, I yield now 5 minutes to the distinguished Senator from New York.

Mr. D'AMATO. I will take less than 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. D'AMATO. Mr. President, I thank my distinguished colleague from Maine who has hit upon the main thrust of what our attempts should really be, and that is an honest effort to deal with those situations that call for reform.

I commend our colleagues to look at H.R. 10, which the House of Representatives has approved, which is a package of reforms dealing with EDA.

No one is going to attempt to defend the situation with the abuses of the past. To attempt to equate a program today, we are talking about $184 million which has been cut substantially year after year, with the intitial implementation of a program where there were serious shortcomings is simply not fair.

I suggest that even during a time when we have gone beyond some economic process EDA has a proper place. It can be used wisely.

Our counterparts in the House of Representatives have done what we should be doing, and that is to eliminate the abuses, to see to it that the program meets its full potential, especially since there still exists a proper role for EDA today in this Nation, given what our economic situation is.

So, Mr. President, I hope we defeat this amendment and get to the business of making this program more effective. That is what the Committee on Environment and Public Works should be addressing itself to as opposed to an attempt to scuttle this entire program.

Let me conclude with one other sentence. If we had been cutting other areas of Government grants and programs as have been the reductions in EDA we would not have this huge budget deficit.

There are those who say look at the billions we have spent, but the fact of the matter is that there have been economic gains and that we have been cutting back on this program. If other programs in other areas had been making similar reductions the deficit would be nowhere near what it is today.

We should not attempt to lay on the altar of the EDA programs the substantial deficit that we continue to accumulate year after year. That simply is not the case.

I yield back any further time.

Mr. HOLLINGS. Mr. President, I yield now to the distinguished Senator from New Jersey, 5 minutes.

Mr. LAUTENBERG. Less than 5 minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 5 minutes.

Mr. LAUTENBERG. I thank the Senator.

Mr. President, I rise in opposition to the amendment that is offered by the Senator from Rhode Island. We do not disagree too many times, but on this one I do sharply disagree.

The bill is not over budget. It contains $184.5 million for EDA. It is a cut of 28 percent from fiscal year 1985 levels and the funding contained in the bill is consistent with the budget resolution.

Mr. President, the Senator from Rhode Island is concerned about targeting EDA projects, and this is an appropriate concern. But 80 percent of the Nation is not facing as acute economic distress as some areas we have in my State, and there are enough stories about that throughout the country to make a case. Some are facing acute economic distress and plants have closed down in the face of foreign competition and people have lost jobs. It has taken longer and longer for those people to find work.

We know what the statistics are. Sometimes it gets lost in the numbers. But 8 million people are out of work and we need whatever assistance we can get, and existing law provides the Secretary of Commerce with more than adequate opportunity to monitor where these funds are going.

If it is a problem, then we have to consider legislation to make further reforms in the program. We should not throw it away simply because there have been abuses. There is not a program in Government that has not been abused.

It is our responsibility and the responsibility of the administration, the executive, to supervise these things in better fashion.

When we have a debate on economic development, the opponents of these programs always stress the horror stories, and they are easy to find, but I wish to point out that in the State of New Jersey, by way of example, we have had some fantastic programs that have resulted in investment, restoration of jobs, restoration of opportunity. EDA funded a marine research laboratory in an appropriately named place Bivalve in New Jersey to revitalize the oyster industry in the Delaware River. The Oyster Lab, as it is known, was funded in cooperation with our principal university, Rutgers, in hope that it would bring back economic boom to a county called Cumberland County, the worst off county economically in our State, with far higher unemployment rates than the national average. These people need this kind of investment to restore some economic sanity.

We have industrial parks in Millville, Princeton, NJ, supported by EDA, that brought thousands of jobs in towns with chronically high unemployment.

In Newark, NJ, considered the most poverty stricken city in the United States, we have an industrial park where they converted an old Ford Motor Car Co., 88 acres, into an industrial park for new employees, and we have already taken 500 jobs generated from that program and are still growing.

Elizabeth, another urban center with very severe problems, has developed a food processing plant within an industrial park with EDA support. There is tire recapping and electronic jobs as well. The result is we have 1,000 new jobs in one of the most distressed areas in the country.

Mr. President, if an anecdotal reference is necessary, we can find lots of good and compare them to the bad. But, on balance, I think this is a program that has its merits. It needs to be closer supervised, I agree. If it needs reform, let us do that.

Mr. President, I urge my colleagues to reject this amendment and I thank the manager for yielding me time.

Mr. HOLLINGS. I now yield to the distinguished Senator from Tennessee.

Mr. SASSER. Mr. President, I rise today to join my colleagues in urging the continuation of the much needed programs of the economic development administration.

From its very beginning, this administration has tried to abolish the Economic Development Administration. This amendment is another misguided attempt to eliminate economic development programs in this country.

Opponents of economic development funding say the programs are not cost effective, that they do not produce jobs. But when I travel across my State of Tennessee, I find plenty of evidence of the benefits of economic development administration programs. Many industrial parks have been made possible by EDA grants to provide required water and sewer facilities. Those industrial parks provide the jobs that the opponents of EDA have such trouble finding.

Economic development funds create permanent, private-sector jobs. The money is used for construction which means jobs for a community—expansion of water and sewer lines, factory renovation, and improvement of schools and other public buildings. These and similar projects create an infrastructure which allows a community to attract new industry.

Since 1966, EDA has funded over 570 projects in Tennessee, resulting in benefits to the State of over $230 million. Some 90,000 jobs have been created, basically in service and light manufacturing industries. Quite simply, EDA is one of the most cost-effective job development programs that we have.

These are benefits which have directly built up the economy of Tennessee. For our workers, it has meant the difference between unemployment and a steady job. For established businesses, it has meant the ability to take advantage of opportunities which otherwise would have been lost. For marginal businesses, it has often been the difference between success and failure.

A perfect example of the benefits of EDA can be seen in Clinton, TN. Clinton recently received an EDA grant of $440,000 to be used for site preparation for an industrial park—theeseextension of water and sewer lines, and the building of roads. They are combining the EDA grant with surplus property obtained from the Tennessee Valley Authority to bring jobs to the community and broaden their tax base.

These and similar projects create an infrastructure which allows a community to attract new industry. I don't believe the 5,600 people of Clinton feel that EDA is wasting money.

Earlier this year I held budget hearings across my State on the proposed elimination of these programs and the impact this would have on the local economy. The testimony I received from local officals only served to reinforce what I had already heard while traveling in the State. Namely, that there is overwhelming bipartisan support for these programs which cut across both political and ideological lines.

What I heard was concrete evidence of the results of economic development programs. I invite those who oppose these programs to listen to the local officials who know only too well the value of EDA.

In Monroe County, EDA funds recently provided site preparation, water, sewer, and rail services which enabled Overhead Door Co. to locate and provide 300-plus jobs.

In Knox County, EDA funds provided water, sewer, rail, and roads for the folks of the river industry park. This has resulted in $37,892,000 in private capital investment and 3,216 jobs in 27 industries.

In Sevier County, EDA grants for improvement of the Sevier County industry park have provided 1,024 new jobs and seven companies.

Mr. President, I do not believe this is a waste of money and I don't believe the people of Monroe, Knox, or Sevier County do either.

However, we still have areas of this country which do not share in times of national prosperity. In one area of the eastern part of my State, per capita income is still 25 percent below the national average. In one of the counties in that area, Hancock County, per capita income is only 43 percent of the national average. Hancock County and many other rural Tennessee counties need and deserve a strong, effective EDA program.

The Economic Development Administration has already been cut 72 percent in the last 5 years. It does not need to be cut any more. I strongly urge my colleagues to oppose this amendment which seeks to abolish the programs of the Economic Development Administration.

Mr. HOLLINGS. Mr. President, I yield such time as necessary to our distinguished senior Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator from South Carolina for yielding me these few minutes.

Mr. President, this is not a theory that we are debating. We are debating practical realities, by and large, of trying to help relatively small communities to gather together enough funds from some source and to use them to build a little enterprise or a little factory or something that will afford its people that live there jobs of some kind.

I know this program since I have served on the Public Works Committee. Let me say first I do not claim any credit for having always voted for the low budget figures, but over the years, I have been up front in reducing amounts here and there in our drive for economy. I think I have done my share. I know I have done a good bit of voting for the remedial phases of this transition we are going through.

But I am satisfied we will never get out of this distressing—distressing to me—situation that we are in with reference to our budget. We are not going to get out by dealing with relatively small amounts like this, relatively small amounts that afford the people something tangible, some jobs, something to do, something to earn their way. We are not going to get out by abolishing those kinds of programs.

These are human beings, Mr. President, we are dealing with. They are not cattle. The are not stock of some kind. They are not pine trees. But these are people, they are human beings, they have families. They are dependent upon conditions that exist in lots of ways now, good and bad.

Let me give an illustration about the effectiveness of the Economic Development Administration. Right in my home area—and we do not have any great abundance of this money being spent in my State—but right in the nearby area, I know the people who got together enough money to build a little factory. Under modern conditions, there is a requirement for a high-grade water pump, and the equipment that goes with it—necessary to meet the requirements of a first-class water supply for fire protection—that cost them more than the little factory itself did. It is a requirement placed on the country and it has got to go in before they can comply with the law in order to make a living for the people there.

As I say, they are not looking for a prize of some kind, but are looking for a way to make a living. I voted for about as many reductions as anyone, but I think this program, EDA, should be among the last to abolish, rather than among the first.

I have very high regard for the Senator that offered this amendment. I know his great sincerity and his hard and consistent work. But if we really want to get down and dig and find the reasons and answers to this situation we are in—unemployment, lack of new jobs and losing current jobs in some areas—we are going to have to set our sights on some of these little but important programs.

I notice no one or no group has voted to not fund this program in 1986, even though it was not recommended, as I understand, in the budget. So it is bound to have something good about it, something useful, something constructive, and something with a payoff to it.

In closing, I reemphasize we are talking about jobs now for human beings, for people to make a living for themselves and their family.

I thank the Senator for yielding time to me. I hope this amendment will be defeated.

Mr. CHAFEE. Mr. President, I yield 5 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 5 minutes.

Mr. HUMPHREY. I thank the Senator from Rhode Island.

Mr. President, I must say, in my view, with all due respect to my colleagues, all this talk about creating jobs is just so much bunk. If we really want to create jobs, let us cut spending, let us cut deficits, let us cut Government borrowing, and let us, in so doing, reduce the interest rates, and then you will see real jobs creation. And the creation of jobs is determined by the private sector and not by Government bureaucrats or guarantees.

Mr. President, I commend the Senator from Rhode Island for offering this amendment. And I want to point out that this Agency, EDA, is, in a sense, a renegade Agency, inasmuch as to has not been reauthorized in years. And we see, once again, the Appropriations Committee, in my opinion, exceeding its authority, funding a program that has not been authorized this year nor in any of the recent years.

It seems to me that is violative of good judgment, if not Senate procedure.

Mr. President, as chairman—not that it matters, because the Appropriations Committee ignores us—as chairman of the Subcommittee on Re-

gional and Community Development, which has oversight authority over this program, I am delighted that we have an opportunity, once again—I am not too optimistic—but we are going to try finally to terminate this wasteful, inefficient, and inept Federal Agency called the Economic Development Administration.

The Senate has recently been overcome with a refreshing wave of fortitude in budget cutting. I can assure my colleagues that the Nation would be far better off if EDA were to be taken away in this wave and washed far, far away.

The fact of the matter is the EDA is one of the biggest misnomers around this city. The name rivals the greatest misnomers of all times, such as "budget reform" or "United Nations." Based on my examination of an almost unmatched record of mismanagement and waste for which we have spent over $9 billion, I would propose that we rename EDA the "Economic Disaster Administration."

Just last month, Mr. President, the Inspector General of the Department of Commerce severely and harshly criticized—the Inspector General—severely and harshly criticized EDA for its administration of the fund under the Emergency Jobs Act. In the IG's report, it was stated:

> The Economic Development Administration's Emergency Jobs Act program will not alleviate unemployment to any meaningful extent. The major goals specified in the legislation—immediate jobs for the unemployed and rapid disbursement of funds—have not been accomplished.

That from the Inspector General.

Further, the report stated:

> Twenty-two months after passage of the act, EDA has disbursed only $54 million of its $100 million appropriation. We estimate that no more than $3.5 million of the appropriation will eventually "trickle down" as salary payments to the unemployed and underemployed targeted by the act.

That is, 3.5 percent of the funds, according to the IG, will ultimately reach the hands of those intended by Congress.

What the Inspector General has reported is nothing new. In fact, it is business as usual at EDA. This is a program that started with a congressional mission to target economically "distressed" areas of the Nation. Mr. President, at one time that meant about 12 percent of our Nation. Today, 85 percent of the Nation qualifies for EDA funds as being "distressed." That is ridiculous on its face. No one can support that contention, and yet that is the reality confronts us. It has lavishly spent funds on industrial parks which stand empty, on golf courses and even on a boat marina—all in the name of economic development.

Consider the story of the Bedford, IN, pyramid. As the Chicago Tribune reported over the summer, "It was supposed to be spectacular. There would be an exact replica of an Egyptian pyramid, 200 feet of the Great Wall of China and, for good measure, a Mayan Temple, all carved out of Indiana limestone. Nobody could resist the idea—not even the Federal Government. But now, 7 years and almost $700,000 later, officials of the Economic Development Administration, which funded the proposal call Merle Eddington's building project, 'a spectacular failure' "—to use the FDA term. That characterizes the history of EDA itself, Mr. Presidsent, in the opinion of this Senator.

Mr. President, we have an opportunity now to have a clear vote one way or the other to terminate this agency. The President has requested it. The Committee on Environment and Public Works, chaired by the distinguished occupant of the President's chair this morning, and the chairman of the subcommittee have concurred in that recommendation.

For heaven's sake, if we really want to create jobs, if we really want to do something about spending, deficits, borrowing, and interest rates, let us eliminate programs with which we can do without.

I thank the Chair.

Mr. CHAFEE. Mr. President, I reserve the balance of my time.

Mr. HOLLINGS. Mr. President, I yield now to the distinguished Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, in these times of budget constraints it is not easy to stand up here to defend any program. This program has not been perfect. The Senator from Rhode Island makes some very legitimate points about some things that have been wrong. A lot of the debate has been debated by exception.

It reminds me of some people buying vodka with food stamps. Therefore, ergo, everybody buys vodka with food stamps. That is not the case here. There have been some abuse in this program, as in all programs. Some of these loans are indeed sour, and no one in this body can take pride in any program, EDA or otherwise, which is not tightly administered in keeping with the original intent of Congress.

But I could tell you one of the reasons I rise to oppose this amendment is due to the experience we have had in my State. A year ago, Senator, in 1 day, my State lost nearly 2,100 textile employees. Three plants closed. On that day, 950, 900, and 200—2,500 jobs— were suddenly gone. I am telling you, in the State of Arkansas, that is a hit.

One of those communities was Morrilton, AR, with a population of 6,000 or 7,000. And Crompton Mills closed down, putting 950 people out of work in a town of 6,000 or 7,000 people. All the industrial planners and consultants who came in there said we might be able to find somebody to take this plant, but not until the water situation was straightened out. Morrilton was told that at least 4 or 5 million gallons of good water a day must be made available.

They are now taking water out of the Arkansas River, which poses a serious health threat because at that particular point you never know what the pollution rate or salinity level is. So they went to work to try to come up with $4 million to find a new source of water, and bring it into that city, so hopefully one day more jobs could be put back into that mill where over 900 once worked.

For almost 6 months all of the funding has been in place except $1.1 million for which they had applied from the Economic Development Administration. This story has been a happy ending. The day before yesterday, EDA approved a $1.1 million grant for Morrilton and Conway County, AR. They are going to build a water system, and at least they have a fighting chance to reduce their employment rate, which is now around 15 to 20 percent. Without EDA, they had no chance at all.

You can argue by calling this case an exception, if you want. But Morrilton, AR, is not the only success. Let me tell you what else has happened with EDA. First, we have cut it from over one-half billion dollars in 1980 to $160 million today. This includes a 20-percent cut for this fiscal year—1986.

We have cut it and cut it and cut it. I am not sure about the loan program, Senator. I will look into that. I am not going to stand up and defend programs that have a 50-percent default rate. But I want to tell you what has happened in my State in the grants program.

Since 1965, with one employee—one employee—serving the entire State of Arkansas for the past 20 years in our Economic Development Administration office, there have been 447 projects funded, at a cost of $165 million. It has generated 80,000 jobs; 79,630 to be precise; and for the $165 million we have put into those programs we now have an annual payroll of almost 4 times that much—$645 million.

And the annual taxes—annual taxes—generated by those 79,000 jobs is $129 million. In other words, we are recovering almost as much every year in taxes, to say nothing of the jobs, as we have put in the whole program in 20 years. Does that sound like a program that has failed? Seventy-nine thousand jobs have been created in my State at a cost of $2,077 per job, assuming the jobs were $4 an hour. Who else is creating jobs in this country for $2,000? Nobody. That is who.

If the program needs tightening up, tighten it up. I know we are not going to solve all the unemployment problems for $160 million in this country. But to torpedo a program which has had this absolutely unbelievably amazing result in my State would not only be folly, but it would be shameless.

So I stand here defending the program, because when you can administer that many programs, that many projects, that many jobs, generate that much income, and generate that much tax revenue with one employee, you have a real success. I defy any other agency of the U.S. Government or any State to match those figures.

Mr. President, I ask unanimous consent that the summary from my State be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IMPACT OF JOB-PRODUCING PROJECTS FUNDED BY ECONOMIC DEVELOPMENT ADMINISTRATION IN ARKANSAS 1965–85

[Prepared February 15, 1985]

Economic development district	Number of projects	Jobs created	EDA dollar amount	Annual payroll generated [1]	Annual taxes generated [2]
Central Arkansas Planning and Development District	47	13,207	$22,644,258	$109,882,240	$21,976,448
East Arkansas Planning and Development District	106	6,980	29,753,161	58,073,600	11,614,720
Northwest Arkansas Economic Development District	44	10,687	18,703,405	78,261,860	15,652,372
Southeast Arkansas Economic Development District	85	8,644	20,459,471	71,918,080	14,383,616
Southwest Arkansas Planning and Development District	30	15,824	14,877,088	131,655,680	26,331,136
West Central Arkansas Planning and Development District	46	9,877	17,359,320	75,855,360	15,171,072
Western Arkansas Planning and Development District	34	6,700	23,025,393	55,744,000	11,148,800
White River Planning and Development District	55	7,711	18,564,154	64,155,520	12,831,104
Totals	447	79,630	165,386,250	645,546,340	129,109,268

[1] Annual payroll generated assumes an average hourly wage of $4.
[2] Tax return assumes 20 percent of annual payroll generated.

Assuming the total of $165,386,250 as EDA dollars invested in job-creating projects, the job cost ratio is: $165,386,250÷79,630=2,077.

Mr. BUMPERS. Mr. President, I yield the floor.

Mr. HEINZ addressed the Chair.

Mr. HOLLINGS. Mr. President, I yield 2 minutes to the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 2 minutes.

Mr. HEINZ. Mr. President, I rise in opposition to Senator CHAFEE's amendment.

I do so as one who does not 100 percent endorse the EDA program. Indeed, when I was faced with whether to substantially reduce, eliminate the funding, or keep it exactly as it was during the consideration of the budget, some of the problems I saw with some of the programs led me to vote for the former rather than the letter.

But I must tell you that was before this and the other body made some significant changes in the support that we give communities. I am referring to the decision by both the House and the Senate to stop revenue sharing at the end of the next fiscal year, and even cut it somewhat this fiscal year.

That was before the urban development action grant moneys where we decided as a body to give one-third of those moneys not to distressed areas but to projects simply based on merit, based on the merit of the individual project whether they were located in an area of bad economic conditions or not.

I must say that with those two programs very much under fire, there are very important elements in the EDA program, such as the planning grants under title III, which foster development of long-term strategy for stimulating private enterprise; title I, public works grants; title IX, economic adjustment grants, which are very important given the changes that the Congress has decided to make in those other programs, which affect many communities in my home State of Pennsylvania, particularly those suffering from economic depression, as many are in the steel-producing areas of my State.

I hope that my colleagues will recognize that this is a very different proposition than the one we were faced with back in May. A lot of things have changed in terms of our assumption about what we were going to do and what we were not going to do.

For those reasons, I urge my colleagues to defeat the Chafee amendment.

Mr. HOLLINGS. I now yield to the junior Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I am pleased to have this opportunity to express my support of the Appropriation Committee's action to continue funding of the Economic Development Administration. All of us understand the severe budget constraints under which the congressional decisionmaking process must take place. EDA and many other programs are being reduced in funding. However, the important thing is that EDA is being continued at a reasonable level. I commend the Committee on Appropriations for taking this affirmative action.

The funding of EDA in this bill and in the bill passed by the House of Representatives helps to insure that communities and States will still be able to undertake vital developmental activities with the assistance of the Federal Government. It will insure that we maintain in place an economic development agency of the Federal Government upon which future programs can be built. In this regard, I am hopeful that the Committee on Environment and Public Works will act on H.R. 10, a measure passed by the House of Representatives on July 17 to reauthorize the programs of the Economic Development Administration and the Appalachian Regional Commission. That measure modifies the EDA program and reauthorizes it for 3 years.

Mr. President, the Economic Development Administration is 20 years old. Its programs have helped thousands of communities and created hundreds of thousands of jobs since 1965. Our country has benefited from this work.

Yes, there have been mistakes made in the EDA programs as there have been in all other Federal programs. But the accomplishments of EDA far surpass any mistakes that have been made.

EDA helps build and rebuild the infrastructure of this country. It is a program that is working. It is an investment in our Nation's future.

In my State of West Virginia, EDA, in its 20-year life, has funded 492 projects with an investment of $178,887,000. These projects have included industrial parks, water and sewage systems, convention centers, recreation activities, transportation development, community centers, and business development. There are businesses and manufacturing facilities which provide thousands of jobs which would not exist today, if it were not for the Economic Development Administration.

Last year, EDA invested $4,940,400 in five public works projects; $1 million in two revolving loan projects; $130,000 in two technical assistance proposals; and $434,400 in nine planning projects. This EDA funding of

$6,504,800 resulted in a total project investment of $13,167,203.

EDA is important to a State like West Virginia; I am very frank about that point. It is just as farm programs are very important to certain States and maritime programs are particularly important to other States. These are just two examples.

EDA is not just a program of the last two decades; it is a program for the future. There has been a need and a vital role for this agency in the past and the need for it in the future substantially reduced over the past several years and again this year, I hope that we will come to a point in time when we will be able to expand EDA activities. I will continue to work toward this objective.

Again, Mr. President, I support the committee's action to fund EDA in this fiscal year. It is within the budget resolution and should be approved by the full Senate.

Mr. KASTEN. Mr. President, I rise in opposition to the Chafee amendment.

The EDA program is working in Wisconsin, and it is working in many other communities across the country. It deserves our support.

Consider an EDA grant recently approved for the city of Stevens Point, WI, to assist the Woodward Governor Co. in constructing an industrial park. It is estimated that this $711,600 grant will lead to the creation of almost 500 jobs over 5 years.

In September, an EDA grant was approved to assist the city of Milwaukee in creating a small business incubator center; 150 jobs could be created.

In August, the city of Ashland was granted EDA money for development of a small boat harbor that could create more than 50 jobs.

Eau Claire, Florence County, and Rice Lake have all recently received EDA money to help create industrial parks. In Milwaukee, EDA money is helping finance business development and is responsible for the spectacular skywalk which gave a boost to the downtown shopping district.

Every time I go home to Wisconsin, I see the EDA program at work. Because of EDA, thousands of jobs have been created, cities have been revitalized, and businesses have grown.

That's why the EDA program must be continued.

I know the program has had its problems, and there were many examples of waste and abuse in years past. But significant reforms have been made at the agency, and in the administration of the program, and I believe the EDA program now deserves our support.

Mr. President, I urge my colleagues to join me in defeating the Chafee amendment.

Mr. CHAFEE. Mr. President, I believe I have 5 minutes left. I will take 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. CHAFEE. Mr. President, we are in a classic situation in which people have come forward and said EDA has helped them in their town, in their city, in their State, in some instances. The Senator from Arkansas gave an excellent speech about how many jobs had been created in Arkansas. Somehow the suggestion is there was not a job created in Arkansas until EDA came along. Of course, that is nonsense. If EDA were not there, some way would be found to create these jobs.

These Senators get up and say, "We cut it back and cut it back and it is still a marvelous program so do not cut it any more."

You would think they wanted to increase it.

Mr. President, we are in a situation in the United States of America where we are running a $200 billion deficit. The jobs in Arkansas that the distinguished Senator pointed out were lost because textile mills closed. Those textile mills closed because of imports. Why did the imports manage to overcome those plants in Arkansas and cause threats throughout the Nation as they do to my State? It is because of the high interest rates caused by the deficit, the high dollar. We just have to get this Nation's deficits under control or there will be repetition after repetition of closures in manufacturing industries.

Mr. BUMPERS. Will the Senator yield for a question?

Mr. CHAFEE. Yes, on the Senator's time.

Mr. BUMPERS. Did the Senator vote to torpedo UDAG?

Mr. CHAFEE. The Senator did.

Mr. BUMPERS. I am pleased to hear that. UDAG grants went to corporations who used them to build plants they would not otherwise build. Let me ask this, where would Morrilton, AR, get the $1.1 million they did the day before yesterday? Tell me. I would like to know.

Mr. CHAFEE. I am not going to get into anecdotal discussions. I am sure that Arkansas has an economic and development administration of its own. Arkansas has voted industrial development bonds as have other States. I do not believe that every job in Arkansas has been brought about by EDA.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CHAFEE. The Senator from South Carolina waived time to the Senator from Arkansas.

Mr. HOLLINGS. How much time have I remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. BUMPERS. How much time does the Senator from Rhode Island have remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 4 minutes remaining.

Mr. CHAFEE. I yield myself 1 minute.

The PRESIDING OFFICER. The Senator is recognized for 1 minute.

Mr. CHAFEE. Mr. President, we are just right at the brink of deciding now whether we want to do something about the deficits or if we are going to talk about them and say, "Hit some other program, hit that program."

Mr. President, I do not know where everybody comes from in the Senate, but I do believe that if there is a question of cutting back on some programs like Head Start or Education of the Handicapped or nutrition programs for children or expectant mothers, or welfare programs, people programs, I think this Senate would say no. If we have to cut, we do not want to cut those.

So, Mr. President, I have brought a program before us that has been replete with disastrous examples of waste—not all waste. It is easy to say "Sure, just spend all the money and something good will come out of it somewhere."

But here is a program, Mr. President, that I believe can be dispensed with. Some good comes out, perhaps. But when we are facing these hard choices of whether to fund children's nutrition, Head Start or a program like this, I think the decision clearly should be to terminate this program. I hope the Senate will support my amendment.

Mr. NICKLES. Will the Senator yield?

Mr. CHAFEE. I yield 1 minute.

Mr. NICKLES. I thank my good friend. I commend him for his amendment.

Mr. President, I ask unanimous consent to be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. I commend the Senator because, one, he has the courage and guts to say, yes, we need to be serious about reducing the deficit so let us terminate a program.

That, a lot of times, is not the easiest thing to do. Will Rogers once said that the Government programs have three things in common. They all have a beginning, they all have a middle, and they all have no ending.

I think the Senator is trying to say that this is a program that we can no longer afford to keep on the books. I commend him for it. I hope it will pass the Senate.

Mr. HOLLINGS. I yield to the distinguished minority leader.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I support funding for the Economic Development Administration. It has been a good program for my State of West Virginia and for other States which have experienced distress resulting from high unemployment and low-income problems over a period of several years.

The Senator from Rhode Island speaks of a people program. He expresses support for "people programs." He says if this were a people program, he would support it. This is a people program.

West Virginia has suffered, particularly during the recent recession, when unemployment reached a level of 21 percent.

These are people without jobs. They have children. We are talking about a people program. We are talking about a program to help people help themselves.

Currently, we have an unemployment rate of more than 12 percent. West Virginia and other similarly affected States would have suffered even more if this agency, a job-creating agency, had not been there to help.

Over the past 20 years, the Economic Development Administration has funded 550 projects for a total investment of $222 million in West Virginia. This has resulted in thousands of new jobs being created for the State and additional thousands of jobs being retained.

A people program, jobs. We are talking about jobs. People who have jobs have children. People who are out of work also have children. So, Mr. President, we are talking about a people program, and we are talking about a children program. We are talking about programs that help industries to help themselves and States to do likewise.

This $222 million reflects investment for needed community facilities, business loans to help expanding companies, and planning and technical assistance grants for long-range economic development programs.

Nationally, EDA has provided funds for needed public facilities in every one of our 50 States. In its 20-year history, it has invested over $13 billion nationally in job-creating and saving programs.

EDA's investments are investments in the future of America and result in additional tax dollars being paid to local, State, and Federal Governments. Each EDA dollar granted to a community brings a manifold return to all levels of government as well as individual benefits for our citizens in terms of jobs, income, and improved standards of living.

To allow this program to be eliminated when our country is just recovering from a recent recession, and from which many of the States in the United States are slow in catching up, would be shortsighted. It would ignore the traditional need for programs which promote economic development to benefit our citizens and our communities throughout the country.

I urge my colleagues to defeat the amendment offered by the Senator from Rhode Island Mr. CHAFEE.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, what is the track record of EDA? In 1985, 219 public works projects in 219 communities in 46 States. These projects involved $129 million in EDA funds and they have generated a total investment of $398,188,000. We have 66 qualified projects amounting to $38,700,000 that are unfunded standing there waiting.

The poor get poorer and the rich get richer.

I hear all this talk about deficits. The entitlement programs in the last 5 years have jumped 55 percent, to the tune of $166 billion.

National defense has jumped $118 billion by a tune of 26 percent.

In light of those increases, we have cut this 75 percent and we have not paid for those increases of entitlements in defense.

I have tried to raise revenues in an amendment offered on the floor that was rejected. This year, we are giving another tax cut, revenues that we do not have, we are going to have to go out and borrow. As a result, interest cost on the national debt has grown $80 billion. There is the difficulty: The rich are getting richer and the poor are getting poorer.

We have this little chance here for the impoverished areas of America that will not be taken care of with the Senator's particular amendment. I think they ought to be taken care of. I think the amendment ought to be rejected.

The PRESIDING OFFICER. All time has expired on the opposing side.

Mr. CHAFEE. Mr. President, the argument here is that the program has had at best a checkered record, at worst it has been disastrous. It is a program that Congress has not seen fit to reauthorize in 4 years. It is a program that Congress itself has seen fit to cut back and cut back.

I listened to my distinguished colleagues from the other side of the aisle talk and you would think that this was the greatest thing since sliced bread. But they do not vote to increase it. I just wonder where these programs are that the Senators talk about eliminating.

As the distinguished minority leader said in West Virginia, "I think everybody knows some programs have failed."

For every program that comes along, there seems to be a reason to resuscitate, to pump a little more life into it. Here is a program that has not been authorized. For some reason, the Appropriations Committee just goes along and funds it. Mr. President, here is a little step we can take to reduce the deficit. I do hope I receive support for my amendment.

I yield back the remainder of my time.

I ask for the yeas and nays on the amendment, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from New Hampshire [Mr. HUMPHREY] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The PRESIDING OFFICER (Mr. GORTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 57—as follows:

[Rollcall Vote No. 272 Leg.]

YEAS—39

Armstrong	Glenn	Murkowski
Boren	Goldwater	Nickles
Boschwitz	Gorton	Pressler
Chafee	Gramm	Proxmire
Cranston	Hatch	Quayle
Danforth	Hecht	Roth
DeConcini	Helms	Rudman
Dole	Kassebaum	Simpson
Domenici	Laxalt	Stafford
East	Lugar	Symms
Evans	Mattingly	Trible
Exon	McClure	Warner
Garn	McConnell	Wilson

NAYS—57

Abdnor	Gore	Melcher
Andrews	Grassley	Metzenbaum
Baucus	Harkin	Mitchell
Biden	Hart	Moynihan
Bingaman	Hatfield	Nunn
Bradley	Hawkins	Packwood
Bumpers	Heflin	Pell
Burdick	Heinz	Pryor
Byrd	Hollings	Riegle
Chiles	Inouye	Rockefeller
Cochran	Kasten	Sarbanes
Cohen	Kennedy	Sasser
D'Amato	Kerry	Simon
Denton	Lautenberg	Specter
Dixon	Leahy	Stennis
Dodd	Levin	Stevens
Durenberger	Long	Thurmond
Eagleton	Mathias	Weicker
Ford	Matsunaga	Zorinsky

NOT VOTING—4

Bentsen	Johnston
Humphrey	Wallop

So the amendment (No. 943) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. Mr. President, I remind our colleagues that we are operating under a unanimous-consent agreement that this bill will be on the floor only until around 1 p.m.

I therefore hope that we might move expeditiously.

Mr. President, I ask unanimous consent that the pending Helms amendment and the pending committee amendment be laid aside for the purposes of considering an amendment to be offered by the Senator from New York [Mr. MOYNIHAN] and that, at the conclusion and disposition on that amendment, the Senate return to the pending Helms amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire.

Mr. ARMSTRONG. Mr. President, reserving the right to object, could the manager of the bill tell us the expectation for handling amendments beyond the Moynihan amendment?

Mr. RUDMAN. I will be pleased to respond to my friend from Colorado. We have the Moynihan amendment which will require a rollcall vote. We will then have a few minor amendments that we can handle in a period of 10 or 15 minutes. After that, it would be my expectation that the Helms amendment would then be considered, hopefully for a relatively brief period of time.

That amendment is to be followed by the Humphrey amendment and then some technical amendments to be offered by the committee.

Mr. ARMSTRONG. If the manager will yield further, is it his expectation that we will be able to do this in the next hour or so?

Mr. RUDMAN. Assuming that we dispose of the Moynihan amendment, including the rollcall vote, by around 12:30 p.m., I believe we probably could get to the Helms amendment just before 1 p.m. That, of course, assumes that we can get unanimous consent to extend the time for debate on this measure beyond 1 p.m.

Mr. ARMSTRONG. Mr. President, I thank the manager and I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York is recognized.

AMENDMENT NO. 944

(Purpose: To earmark $1 million for the purpose of protecting the security of American telecommunications from foreign surveillance by foreign diplomatic missions)

Mr. MOYNIHAN. Mr. President, I send to the desk an amendment for myself and Mr. PROXMIRE, Mr. THURMOND, Mr. HOLLINGS, Mr. SARBANES, Mr. BUMPERS, Mr. ROCKEFELLER, Mr. SASSER, Mr. BAUCUS, and Mr. WALLOP, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for himself and Mr. PROXMIRE, Mr. THURMOND, Mr. HOLLINGS, Mr. SARBANES, Mr. BUMPERS, Mr. ROCKEFELLER, Mr. SASSER, Mr. BAUCUS, Mr. WALLOP, Mr. SYMMS, Mr. CHAFEE, Mr. LEAHY, Mr. HART, Mr. DIXON, Mr. GLENN, and Mr. GOLDWATER, proposes an amendment numbered 944.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, line 10, after "expenses", add the following: : *Provided*, That of the funds appropriated by this section, not less than $1,000,000 shall be spent for the purpose of countering the interception of domestic American telecommunications by agents of the Soviet Union and its allies, from foreign missions maintained in the United States by those governments; Provided further, that by June 1, 1986 the Director of the F.B.I. shall submit to the appropriate committees of the Congress a report on the F.B.I.'s capabilities and efforts to counter the electronic interception of American telecommunications by foreign agents.

Mr. MOYNIHAN. Mr. President, I know of no reason we cannot meet the timetable that the distinguished manager of the legislation has proposed.

Mr. RUDMAN. I appreciate the Senator from New York offering that.

Mr. MOYNIHAN. Mr. President, this proposal is a very direct and simple one. It states that, of the $1.2 billion appropriated for the FBI in this legislation, not less than $1 million shall be spent "for the purpose of countering the interception of domestic American telecommunications by agents of the Soviet Union and its allies." It also states, that, by June 1 of 1986, the Director of the FBI will submit to the appropriate committees of Congress "a report on the FBI's capabilities and efforts to counter the electronic interception of American telecommunications by foreign agents."

Mr. HART. Mr. President, will the Senator from New York yield for a request?

Mr. MOYNIHAN. I yield.

Mr. HART. Mr. President, will the Senator from New York be agreeable to adding the Senator from Colorado as a cosponsor?

Mr. MOYNIHAN. I will be honored.

Mr. HART. I thank the Senator.

Mr. MOYNIHAN. Mr. President, the Senator from Colorado wishes to be added as a cosponsor, and I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I am able to state that this proposal has the solid support of the Director of the Federal Bureau of Investigation. I have spoken with Judge Webster within the hour, and he has stated to me, not just that he is solidly behind this measure, but he has repeated what many Members in this body will know is his concern that the American public's privacy is currently being invaded in the most massive espionage activity in the history of our Nation. It happens in New York from the Soviet Union's United Nations facilities in Glen Cove, Manhattan, and the Bronx and Riverdale; it is carried out here in Washington by the Soviet Embassy on 16th Street and will soon be possible from the Mt. Alto Embassy. We have in consequence heard from the National Security Agency that upwards of 60,000 telephones costing $35,000 each are going to be installed to protect the communications of Government while simultaneously leaving the public and, if I may say, Congress, for that matter, exposed to this massive violation of what is generally thought to be our constitutional right to privacy. And it is being done by an unfriendly foreign power and a foreign totalitarian power at that. No doubt the Soviets think they are doing to Americans no more and no less than they do to their own citizens. But we ought not stand idly by while hostile intelligence services abuse Americans' fourth amendment right to be secure in the privacy of their communications. We would not stand by if it were the American Government that were doing this. We would not, and we did not.

Mr. President, I was on hand at a ceremony in the Rose Garden in October 1978 when the President signed into law the Foreign Intelligence Surveillance Act, in which the most elaborate procedures were adopted—including the establishment of a special panel of Federal judges—to govern counterintelligence activities in this country to intercept telephone calls having to do with espionage activities. The FBI has to get a Federal judge to authorize it to eavesdrop on a suspected spy. But Soviet spies can listen in to anybody, at any hour, all day long, and have been doing so for a decade and more.

Mr. President, 10 years ago, Nelson Rockefeller, as Vice President of the United States and Chairman of the

Commission on CIA Activities within the United States, reported this fact to the Nation. Then-Governor Ronald Reagan was a member of that Commission.

The Commission concerned itself with domestic activities that were properly its concern but in its June 1976 report, the Commission went on to warn of a much more serious matter. It said:

While making large-scale use of human intelligence sources, the communist countries also appear to have developed electronic collection of intelligence to an extraordinary degree of technology and sophistication for use in the United States and elsewhere throughout the world . . . Americans have a right to be uneasy if not seriously disturbed at the real possibility that their personal and business activities which they discuss freely over the telephone could be recorded and analyzed by agents of foreign powers.

Mr. President, I ask unanimous consent that at this point in the RECORD this passage from the Commission report be printed.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMISSION ON CIA ACTIVITIES WITHIN THE UNITED STATES

Vice President Nelson A. Rockefeller, *Chairman.*—John T. Connor, C. Douglas Dillon, Erwin N. Griswold, Lane Kirkland, Lyman L. Lemnitzer, Ronald Reagan, Edgar F. Shannon, Jr.

David W. Belin, Executive Director.

Senior Counsel.—Harold A. Baker, Ernest Gellhorn, Robert B. Olsen, William W. Schwarzer.

Counsel.—Marvin L. Gray, Jr., George A. Manfredi, James N. Roethe, James B. Weidner.

Special Counsel.—Ronald J. Greene.

Staff Members.—R. Mason Cargill, Peter R. Clapper, Timothy S. Hardy.

Special Counsel to the Vice President.—Sol Neil Corbin.

Counsel to the Vice President.—Peter J. Wallison.

[Excerpts]

FOREIGN INVASIONS OF UNITED STATES PRIVACY

This Commission is devoted to analyzing the domestic activities of the CIA in the interest of protecting the privacy and security rights of American citizens. But we cannot ignore the invasion of the privacy and security rights of Americans by foreign countries or their agents. This is the other side of the coin—and it merits attention here in the interest of perspective.

Witnesses with responsibilities for counterintelligence have told the Commission that the United States remains the principal intelligence target of the communist bloc.

The communists invest large sums of money, personnel and sophisticated technology in collecting information—within the United States—on our military capabilities, our weapons systems, or defense structure and our social divisions. The communists seek to penetrate our intelligence services, to compromise our law enforcement agencies and to recruit as their agents United States citizens holding sensitive government and industry jobs. In addition, it is a common practice in communist bloc countries to inspect and open mail coming from or going to the United States.

In an open society such as ours, the intelligence opportunities for our adversaries are immeasurably greater than they are for us in their closed societies. Our society must remain an open one, with our traditional freedoms unimpaired. But when the intelligence activities of other countries are flourishing in the free environment we afford them, it is all the more essential that the foreign intelligence activities of the CIA and our other intelligence agencies, as well as the domestic counterintelligence activities of the FBI, be given the support necessary to protect our national security and to shield the privacy and rights of American citizens from foreign intrusion.

The Commission has received estimates that communist bloc intelligence forces currently number well over 500,000 worldwide.

The number of communist government officials in the United States has tripled since 1960, and is still increasing. Nearly 2,000 of them are now in this country—and a significant percentage of them have been identified as members of intelligence or security agencies. Conservative estimates for the number of unidentified intelligence officers among the remaining officials raise the level to over 40 percent.

In addition to sending increasing numbers of their citizens to this country openly, many of whom have been trained in espionage, communist bloc countries also place considerable emphasis on the training, provision of false identification and dispatching of "illegal" agents—that is, operatives for whom an alias identity has been systematically developed which enables them to live in the United States as American citizens or resident aliens without our knowledge of their true origins.

While making large-scale use of human intelligence sources, the communist countries also appear to have developed electronic collection of intelligence to an extraordinary degree of technology and sophistication for use in the United States and elsewhere throughout the world, and we believe that these countries can monitor and record thousands of private telephone conversations. Americans have a right to be uneasy if not seriously disturbed at the real possibility that their personal and business activities which they discuss freely over the telephone could be recorded and analyzed by agents of foreign powers.

This raises the real spector that selected American users of telephones are potentially subject to blackmail that can seriously affect their actions, or even lead in some cases to recruitment as espionage agents.

2. The Testing of Communications Intercept Systems Within the United States

Monitoring of foreign conversations is an important aspect of modern intelligence collection. Several new systems developed by the Agenda for use overseas have been tested in the United States. In the process of this testing, private communications, presumably between United States citizens, have sometimes been overheard.

In many cases conversations were overheard but not recorded. In other cases, conversations were recorded for evaluation purposes but the recordings were kept only until the testing was concluded, at which time they were destroyed.

No evidence was found that any such tests were ever directed against persons for the purpose of learning the content of any communication. In most instances, the speakers were never identified. Nor was any evidence found that the Agency disseminated or even attempted to exploit the contents of any intercepted or recorded conversations.

Mr. MOYNIHAN. I do not want to take the Senate's time further. I see the distinguished Senator from Arizona rising.

Mr. GOLDWATER. Will the Senator from New York yield to me?

Mr. MOYNIHAN. I am happy to.

Mr. GOLDWATER. Mr. President, the Senator from New York is reporting on a very, very serious matter. Espionage by eavesdropping in this country is so vast, believe me there is no way to describe it. The Soviet Embassy occupies one of the highest hills in Washington. If you fly over their building in a helicopter, it is covered with intercepting antennas. I dare say they can intercept any telephone conversation in Washington. Not only that, it is possible to eavesdrop anyplace in this country on the microwave long distance system used by all telephone companies. Not only that, it is possible to eavesdrop on the satellite transmissions both to the satellite and from the satellite.

I think it is high time—in fact the Senator and I used to talk about this when we both served on the Intelligence Committee, about the danger to our country and the ability of our President to stop it. And yet it has not been stopped and it continues, and it is to the total detriment of our country.

The Soviets or any other country know literally everything we are doing. Not only that, you think we have privacy on our telephones. We do not. I can buy a radio for $25 and let you listen in on any conversation you want to. I think the Senator is doing a great favor for our country, not just the Senate or the Congress, but our country which is the important thing, by calling attention to this. And I hope that we are able to do something about it. I thank the Senator.

Mr. MOYNIHAN. Mr. President, I thank my friend.

I conclude my remarks in two ways. As if to confirm what the Senator from Arizona, my distinguished, revered colleague on the Intelligence Committee said, Walter G. Deeley, Deputy Director of the National Security Agency, was reported by the New York Times on October 20 to have said of this matter—and he was speaking of the Soviets:

They are having us for breakfast. We are hemorrhaging. Your progency may not enjoy the rights we do today if we do not do something.

Second, Mr. President, I would like to note with great concern and dismay that there has been a tendency evident within our Government—the previous administration and this one alike—to try to separate the interests of Government from the rights of our people. There seems to be some in Government who believe that if they

protect themselves, the public may go unprotected. That is not our kind of Government and that is not our kind of President. He would not be allowing that, as you know.

That is why I am happy to say that Judge Webster, who speaks for the administration in such matters, has said he is "solidly" behind this. The FBI will, of course, be the judge of what expenditures are to be allocated to this purpose. We have complete confidence in the Director in this matter.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Mr. President, will the Senator from New York yield?

Mr. MOYNIHAN. I am happy to yield.

Mr. LEAHY. Mr. President, I also ask that I may be added as a cosponsor to the amendment of the Senator from New York.

Mr. CHAFEE. Might I join in that request, also?

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that my two former colleagues on the Intelligence Committee, Senator LEAHY and Senator CHAFEE, be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I congratulate the Senator for bringing this forward.

Mr. LEAHY. Mr. President, the Senator from New York should be complimented for bringing this forward.

What the Senator from Arizona has said is absolutely so. Someone asked me once if I might be overreacting to the suggestions that I have made, along with the Senator from New York and the Senator from Arizona, that the Soviets use their facilities here in the United States to spy electronically. I asked them if they really think they have those extra 20 or 30 antennas on the Embassy so they could get better HBO reception. There has to be a reason more than watching Saturday Night Live or Monday Night Football for all those antennas.

The fact is that with the new Mr. Alto setup they can listen to any transmissions out of the White House, the Pentagon, the CIA, the Treasury, the Capitol itself, and virtually anything else in between. We, of course, put our Embassy in a swamp in Moscow.

Mr. MOYNIHAN. On the banks of the Moscow River.

Mr. LEAHY. Yes.

We say, "Gosh, fellows, we don't want to offend you by making anything difficult for you." It is sort of like the opposition to the Leahy-Cohen amendment to cut down on the number of diplomats, we might offend them.

I am worried that the only thing we can do to show our displeasure is to tell the Soviet Ambassador he is going to have to park out front, rather than in the garage. I am sure when that news gets out it will strike fear in the hearts of the Politburo.

I would like to see us do something more. I compliment the Senator from New York.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the names of the distinguished Senator from Arizona, Mr. GOLDWATER, be added as a cosponsor, and want to note the cosponsorship of the distinguished Senator from South Carolina, Mr. HOLLINGS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I am mindful of the managers' schedule in this regard.

Mr. RUDMAN. Mr. President, I thank the Senator from New York. The subcommittee fully supports the amendment offered by the Senator from New York. Furthermore, I have assured my friend from New York that we have every intention, when we get to conference with the House of Representatives, of making every effort to ensure that this amendment is preserved. I understand that the Senator from New York would nonetheless like to have a RECORD vote on this issue.

Mr. MOYNIHAN. I am very grateful for the manager's expression of determination to see that this emerges from conference intact. I prefer a rollcall, because the last time we accepted it, it was dropped in the conference committee. I think we should say the Senate is solid on this matter.

Mr. HOLLINGS. Mr. President, I believe a record vote is appropriate on this issue. I believe the Senator from New York is bringing us into the real world. It is tough. It is not a question of whether or not we are protective or destablilizing. It is a question of whether or not we are going to maintain the security that we should have and, really, in regards to this kind of intercept, the respect and dignity of freedom that we enjoy in this land of ours.

So I fully support the amendment.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that Senators DIXON and GLENN be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New York [Mr. MOYNIHAN].

The yeas and nays been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announced that the Senator from Wyoming [Mr. WALLOP], is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Louisiana [Mr. JOHNSTON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 273 Leg.]

YEAS—96

Abdnor	Goldwater	Melcher
Andrews	Gore	Metzenbaum
Armstrong	Gorton	Mitchell
Baucus	Gramm	Moynihan
Biden	Grassley	Murkowski
Bingaman	Harkin	Nickles
Boren	Hart	Nunn
Boschwitz	Hatch	Packwood
Bradley	Hatfield	Pell
Bumpers	Hawkins	Pressler
Burdick	Hecht	Proxmire
Byrd	Heflin	Pryor
Chafee	Heinz	Quayle
Chiles	Helms	Riegle
Cochran	Hollings	Rockefeller
Cohen	Humphrey	Roth
Cranston	Inouye	Rudman
D'Amato	Kassebaum	Sarbanes
Danforth	Kasten	Sasser
DeConcini	Kennedy	Simon
Denton	Kerry	Simpson
Dixon	Lautenberg	Specter
Dodd	Laxalt	Stafford
Dole	Leahy	Stennis
Domenici	Levin	Stevens
Eagleton	Long	Symms
East	Lugar	Thurmond
Evans	Mathias	Trible
Exon	Matsunaga	Warner
Ford	Mattingly	Weicker
Garn	McClure	Wilson
Glenn	McConnell	Zorinsky

NAYS—1

Durenberger

NOT VOTING—3

Bentsen	Johnston	Wallop

So the amendment (No. 944) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the pending Helms amendment and the pending committee amendment be temporarily laid aside for the purposes of, first, considering an amendment to be offered by the Senator from Idaho [Mr. SYMMS], and, second, to consider an amendment to be offered by the Senator from New York [Mr. D'AMATO] and that at the conclusion of action on those two amendments the pending business then be the Helms amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. Mr. President, I have no objection. We have cleared both amendments on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 945

(Purpose: To express the sense of the Senate toward Romania's contempt of religious freedom and the repression of national minorities)

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS] proposes an amendment numbered 945.

Mr. SYMMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end thereof add the following new section:

The Senate finds that: The following events document Romania's attitudes toward religious and ethnic rights:

1. Father Geza Palfi, a Roman Catholic priest of Hungarian nationality, was arrested on December 26, 1983 because he mentioned in his Christmas Day sermon that Christmas Day should be a public holiday, instead of a working day. At the time of his arrest he was savagely beaten by the Romanian secret police (Securitate) outside of his parish church. Father Palfi died three months later of internal injuries sustained during his beating.

2. Daniel Cantarama, a minister of the Seventh Day Adventist Church, was sentenced to ten years in prison for "embezzlement" charges made by government officials, despite the fact that Cantaram's former employers signed an affidavit that he was a model employee, always "honest and disciplined." Both Christian Response International and Amnest International investigated the charges and found them baseless.

3. Under pressure from Western churches and governments, the Romanian government agreed to receive 10,000 Hungarian Bibles from the World Reformed Alliance to be distributed among the congregations of the Hungarian Reformed Church in Romania. The Romanian Ambassador repeatedly pointed to the permission to distribute the Bibles as an example of his government's goodwill toward religious freedom. Most of the Bibles vanished, however, reappearing as toilet paper sold in Romanian stores. This contemptuous, cynical action demonstrates the utter disregard of the Romanian government to both internationally given promises, and to the sacred book. The grinding up of Bibles into toilet paper constitutes a heinous degradation of religion, unparalleled even among communist governments.

4. The Romanian government bulldozed a number of churches, including Orthodox, Baptist, Pentecostal, and Roman Catholic churches in Romania, most recently in Bucharest, Timisoara and Arad. The largest Baptist church in Europe, at Oradea is scheduled to be demolished in the near future.

5. Five leading Baptist pastors in Bucharest have all been falsely accused of "embezzling" congregational funds which they spent with the full knowledge and consent of their congregations, but without the approval of the Ministry of Cults.

6. Klaus wagner, of Sighisoara, a member of the Brethren Church, and Maria and Fibia Delepeta of Carpinis, members of the Army of the Lord/Romanian Orthodox Church, were arrested October 1, 1981 and sentenced to six years, five years, and five years imprisonment respectively for their "illegal" religious activities.

7. A number of Christians in Romania, among them Silviu Coitata and Costel Georgescu from Ploesti, have been arrested and sentenced for distributing Bibles.

8. John Tedosiu from Cluf-Napoca was arrested and charged on December 16, 1981 for espionage, because of his activities in compiling information for various human rights organizations relating to the arrests and persecution of religious believers in the Socialist Republic of Romania. He has been held incommunicado by the secret police and his present fate today is unknown.

9. Relatives of Christian believers are often compelled to sign statements that could subject their loved ones, solely because of their religious beliefs—to treatment and detention in psychiatric hospitals.

10. In past years, and even today, a number of Christians are subject to repeated interrogations, beatings, torture and electric shock treatments.

The following facts document the Romanian government attitude toward the national minorities in Romania:

1. In the province of Transylvania, where the overwhelming majority of Romania's national minorities live, including the 2.5 million Hungarians, the Romanian government pursues a policy of denationalization toward the nationalities.

2. Education in the mother tongue is severely limited despite international agreements which Romania has signed guaranteeing it. There are practically no courses in Hungarian in the institutions of higher learning, and only very limited instruction in Hungarian in the high schools and vocational schools. About half of the Hungarian high school students are deprived of education in the mother tongue.

3. There is open discrimination against graduates of Hungarian school sections on the high school and university levels. Those who survive and receive a diploma are sent to the Romanian parts of the state for employment.

4. There are no more Hungarian television programs, with the exception of a 30-minute news broadcast on Radio Bucharest. Hungarian theaters and dance troupes are largely to play or perform translations from Romanian plays and dance programs.

5. Documents of the Hungarian history of Transylvania from over a millennium are under government lock and key, and even baptismal records of the Hungarian Reformed Church have been confiscated by the Romanian state in the western dioceses and are being collected in the eastern diocese.

6. There is substantial discrimination against Hungarians and other nationalities in the labor and housing markets which is widely documented. At the same time, there are large-scale settlements of Romanians in the nationality areas.

These reprehensible and blatantly evil practices occur in spite of the fact that in the Paris Peace Treaty of 1947, Romania undertook the solemn obligation not to discriminate on the "basis of race, religion and national origin," and that in the Declaration of the Heads of State at Helsinki on August 1, 1975, Romania agreed "to recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion of belief acting in accordance with the dictates of its own conscience." Similar obligations were undertaken by Romania in the International Covenant of Civil and Political Rights which the Romanian government had ratified in 1974. In accordance with Section 402 of the 1974 Trade Act, Romania's emigration and human rights record is required to be studied annually by the administration, as well as both Houses of Congress in determining its eligibility for Most Favored Nation trading status.

Therefore, it is the Sense of the Senate that:

1. The United States should play an active role in restoring the human rights and cultural and religious rights to the Romanian people in accordance with the Helsinki Accords and the International Covenant of Civil and Political Rights and the principles of religious freedom on which this country was founded.

2. These acts of religious oppression and persecution taken by the government of the Socialist Republic of Romania are barbaric and repugnant to the community of civilized nations, and in violation of the intrinsic rights of all men.

3. These actions are particularly objectionable because they are in blatant violation of the Helsinki Accords and the International Covenant of Civil and Political Rights. Romania's outright contempt for international agreements should be taken into consideration during the future bilateral agreements between this country and the Socialist Republic of Romania.

4. In the event that there has been no improvement in Romania's attitude toward religious freedom, at the next opportunity under Title IV of the Trade Act of 1974, the President should actively consider such human rights violations in deciding whether to re-extend Most Favored Nation trading status for Romania.

Mr. SYMMS. Mr. President, the amendment I am offering today concerns an issue which has come to public attention to an increasing degree in recent months. The amendment I am offering is a sense of the Senate resolution which urges the President, in the absence of improvements in Romania's attitude toward religious freedom to consider human rights violations in deciding whether to reextend most-favored-nation trading status for Romania.

The Finance Subcommittee on International Trade held a hearing on the issue of MFN status for Romania this summer on July 23, and excellent testimony was delivered by our former Ambassador to Romania, David Funderburk, as well as a number of other experts in the field on this subject.

It is clear to me, and to many of my colleagues, that Romania is undeserving of MFN status. The Jackson-Vanik agreement, which tied MFN to emigration and respect for human rights, was sound in its basis. It told Communist countries that the United States would take its internal policies seriously in making decisions on trade relations.

Unfortunately, MFN can easily be taken for granted unless the Congress keeps a watchful eye on recipient countries' behavior. It is apparent that Romania has assumed, because Congress has been remiss in its oversight responsibilities, that it can persecute religious worshippers, trample on human rights, and ignore our protestations, because all our words are meaningless. MFN status is leverage that has the potential to improve the conditions of life for people in Romania, but leverage is useless unless the United States employs it. To ignore human rights abuses, and to let MFN become gratuitous is to tolerate torture, intimidation, and state terrorism, and to turn our shoulder to the suffering of the Romanian people and to others that pray and hope that the United States will exert pressure on their governments to change things for their betterment.

Romania needs the United States; it does not work in the reserve. While total two-way trade, and I am now quoting from testimony delivered by Dr. Juliana Pilon on July 23 before the International Trade Subcommittee, increased from $450 million in 1976 to over $1.21 billion in 1984, United States exports to Romania have held virtually steady from $249 million in 1976 to $246 million in 1984. Romania receives United States Export-Import Bank and Commodity Credit Corporation credits to purchase United States exports, and is eligible for political risk insurance from the Overseas Private Investment Corporation.

So the United States has a large trade imbalance with Romania, while our exports to that country are subsidized by U.S. taxpayers.

Romania capitalizes on its profitable, one-sided relationship with the United States, and its repressive regime is in essence financed by United States aid. As Dr. Richard Pipes has expressed so well in his many publications about the Soviet Union, Communist countries only move to improve their internal conditions when sufficient pressure is exerted upon them externally. Romania is no exception to that rule. The United States Government has protested vocally about human rights in certain countries, most recently about South Africa. There is no comparison between human rights in Romania and in South Africa. Romania has the worst record of human rights in the Eastern bloc. Romania's Dictator, Ceausescu, sanctions such notorious tactics as incarceration in psychiatric hospitals, torture, political assassination. Amnesty International and Helsinki Watch have cited instances of the imprisonment of people who are exercising their right to freedom of expression in a nonviolent fashion. The beating and murder of a priest who simply stated that Christmas should be made a public holiday typifies the atrocities common to the Ceaucescu regime. The abuses seem endless; the reports are so commonplace as to harden many of us in the West about the frequency of their occurrence.

Mr. President, I urge adoption of this amendment and thank my colleagues in advance for their support.

Mr. RUDMAN. Mr. President, the amendment offered by the Senator from Idaho is acceptable on this side.

Mr. HOLLINGS. It is acceptable on this side, Mr. President.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 945) was agreed to.

Mr. RUDMAN. I move to consider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 946

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO], for himself, Mrs. HAWKINS, and Mr. SYMMS, proposes an amendment numbered 946.

At the appropriate place, insert the following new section:

SEC. (a) The Congress finds and declares that—

(1) Miroslav Medvid, a Soviet merchant seaman serving aboard a merchant ship, the *M.V. Marshal Konev,* jumped into the Mississippi River and swan ashore on Thursday, October 24, 1985;

(2) upon reaching shore Medvid contacted a New Orleans Police Department station and indicated he was a Soviet citizen;

(3) Medvid was turned over to the United States Border Patrol which had a contract interpreter interview him by telephone in Ukrainian;

(4) the interpreter states that Medvid clearly stated under questioning that he desired to remain in the United States and that the interpreter informed the Immigration and Naturalization Service Officers on the scene of Medvid's wishes;

(5) despite being informed of Medvid's desire to remain in the United States, the U.S. Border Patrol took him aboard a launch and attempted to return him to the *Marshal Konev;*

(6) Medvid jumped overboard from the launch and again attempted to swim to shore;

(7) the United States Border Patrol pulled Medvid out of the Mississippi River and forcibly returned him to the *Marshal Konev,* reportedly "kicking and screaming";

(8) the Department of State was not informed of the incident until 3:40 P.M. Friday, nearly half a day after Medvid was returned to the ship;

(9) Medvid remained in Soviet custody aboard the *M.V. Konev* for two days until he was interviewed on Monday, October 28, 1985 by a State Department official, both on board the Soviet ship and later aboard a U.S. Coast Guard cutter alongside;

(10) Medvid stated during those interviews and a subsequent interview on Tuesday, October 29, 1985, after a night's rest at a U.S. Navy shore facility, that he wanted to return to the Soviet Union;

(11) there were Soviet officials present at every interview between Medvid and U.S. officials except the first interview during which Medvid stated that he wished to remain in the United States;

(12) the Department of State Office of Asylum Affairs has established formal procedures for handling potential defectors;

(13) the Immigration and Naturalization Service did not follow these procedures and has announced an investigation into this incident; and

(14) this incident appears to follow generally the same pattern as the Simas Kudirka incident, a situation President Nixon stated should never recur.

(b)(1) All Federal agencies, including the Border Patrol and the Immigration and Naturalization Service, shall review their policies for handling persons potentially seeking political asylum.

(2) The Immigration and Naturalization Service shall establish clear, formal rules and procedures for its personnel and for Border Patrol personnel in order to prevent the forced return of any person seeking political asylum to the jurisdiction of the country he or she is fleeing before formally determining, in consultation with the Department of State, whether such person has a well-founded fear of persecution.

(3) Those agencies not having formal procedures for handling persons seeking political asylum or having reason to doubt the effectiveness of their procedures should consult the State Department's Office of Asylum Affairs for assistance.

(4) The Immigration and Naturalization Service shall pursue an active and impartial investigation into the facts and circumstances of the Miroslav Medvid case.

(5) If it is determined by the Immigration and Naturalization Service's investigation that there are gounds to discipline any officials under their jurisdiction for their roles in the Miroslav Medvid incident, appropriate personnel actions to achieve such discipline should be undertaken promptly and effectively, respecting all of the rights of the persons involved, so that any recurrence of improper handling of a political asylum case may be discouraged.

Mr. D'AMATO. Mr. President, I rise today to offer an amendment to this bill to express the sense of the Senate regarding the recent incident in Louisiana where a Soviet sailor tried to defect. My amendment expresses the sense of the Senate that all U.S. personnel, especially personnel of the Immigration and Naturalization Service, shall follow established procedures when confronted with a potential defector.

On October 24, a Soviet sailor, Miroslav Medvid, jumped from his ship, the MV *Konev,* and swam ashore. He was picked up by the border patrol to

be brought back to the MV *Konev*. On the way back, however, he once again jumped overboard and swam to shore. According to official accounts, INS officials did not understand him, so they returned him to the Soviet ship. The State Department came down after the sailor was returned, and only then were proper procedures followed. Unfortunately, this was too little and too late. Medvid remained in Soviet custody aboard the MV *Konev* for 2 days until he was interviewed by U.S. officials on Monday, October 28.

Yesterday, a fellow Helsinki Commissioner, Congressman DON RITTER, brought to public attention, Irene Padoch, the original translator for Miroslav Medvid. What she said, Mr. President, is unbelievable.

Irene Padoch, who works part time as a translator for the Immigration and Naturalization Service, was called in New York to translate by phone for the Soviet sailor. When asked why he jumped, Medvid stated that he would "like to stay in an honest country." He also stated that he could not explain in only a few minutes over the phone why he could not return to the Soviet Union.

Irene Padoch also stated that she made it clear to INS personnel that Mr. Medvid wanted political asylum. Shortly after Ms. Padoch finished her phone conservation with the Ukrainian and the INS officials, Miroslav Medvid was inexplicably returned to the Soviet ship.

I find it hard to understand how U.S. officials can strongly insist that since Medvid had every opportunity to defect and did not, the matter is closed.

Mr. President, the matter is not closed. U.S. officials had a window of opportunity with Miroslav Medvid, and they blew it. The second he was returned to the Soviet ship, his chances of asylum were gone. We should have a complete accounting of events on this matter. I highly commend the President for ordering a complete investigation of this incident.

I do not think there is any doubt that Miroslav Medvid was coerced into changing his mind. We all know it is not difficult for Soviet authorities to change a Soviet citizen's mind. If they did not threaten Mr. Medvid personally, then they threatened his entire family. With this specter over his head, I am not surprised he signed a statement denying his desire to defect.

The Soviet ship is to head back to the Soviet Union tomorrow. What will happen to Mr. Medvid? Most likely, he will disappear, possibly become a nonperson. If he is to face such a demise, the fault will only be ours.

U.S. Officials at the INS and the border patrol, and any other officials who deal with possible asylum situations, must be better educated to respond to such situations. Where none exist, formal procedures for U.S. agencies regarding the handling of persons seeking political asylum must be established. Current procedures should be revised as well, to ensure that there will not be a repeat of this incident.

Mr. President, this matter has been cleared by both the majority and minority. I thank them for their support. I move in the adoption of this amendment.

Mr. RUDMAN. Mr. President, the amendment of the Senator from New York is acceptable on this side.

Mr. HOLLINGS. Mr. President, the amendment is acceptable to us.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 946) was agreed to.

Mr. RUDMAN. I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 884

THE PRESIDING OFFICER. The question recurs on the pending business, the amendment of the Senator from North Carolina [Mr. HELMS].

The Senator from New Hampshire?

Mr. RUDMAN. I thank the Chair.

Mr. President, today I shall raise a point of order challenging the constitutionality of the pending Helms/Armstrong amendment. I am using this unusual procedure because I believe it brings into focus the serious constitutional questions raised by that amendment. This is different from any other instance that Congress restricted the funding for abortions since it involves women whose liberty the Government has curtailed by incarceration in the Federal Prison System. I believe the eighth amendment and the case law clearly requires the Bureau of Prisons to provide a standard of medical care for its inmates that would include the right to provide funding for abortions.

It has long been established that the eighth amendment's prohibition on cruel or unusual punishment requires that medical prisoners receive adequate medical care. The Supreme Court specifically addressed this issue in 1976 in the case, Estelle versus Gamble. In the Estelle case, an inmate sued the Texas Department of Corrections on the grounds that he received inadequate treatment for a back injury. While finding that the plaintiff had in fact received adequate care, the Court laid out the guiding principles of this area of the law. The Court said:

> . . . elementary principles establish the Government's obligation to provide medical care for those whom it is punishing by incarceration. An inmate must rely on prison authorities to treat his medical needs; if the authorities fail to do so, those needs will not be met. In the worst cases, such a failure may actually produce physical "torture or a lingering death," . . . the evils of most immediate concern to the drafters of the amendment. In less serious cases, denial of medical care may result in pain and suffering which no one suggests would serve any penological purpose . . . The infliction of such unnecessary suffering is inconsistent with contemporary standards of decency as manifested in modern legislation codifying the common-law view that "it is but just that the public be required to care for the prisoner, who cannot by reason of the deprivation of his liberty, care for himself."

Mr. President, I believe this decision runs totally against the Helms amendment. In addition, cases decided since the Estelle case have served to strengthen my position. In a case decided in 1977 in New York, Todaro versus Ward, the second circuit stated:

> Noting that inmates are utterly dependent upon their custodians, the court was careful to observe that the eighth amendment forbids not only deprivations of medical care that produce physical torture and lingering death, but also less serious denials which cause or perpetuate pain. To assert otherwise would be inconsistent with contemporary standards of human decency. It is clear from this principle that a constitutional claim is stated when prison officials intentionally deny access to medical care or interfere with prescribed treatment.

Mr. President, the last sentence is crucial—a constitutional claim of a violation of the eighth amendment arises when prison officials intentionally deny access to medical care. Yet, this is precisely what the Helms/Armstrong amendment would do—it would intentionally deny incarcerated women the ability to have an abortion, a medical procedure that is legal under the laws of the United States.

Mr. President, Congress does not have the right to violate an individual's constitutional rights by legislation, nor can it require the Bureau of Prisons to do so.

I want to add that this right to medical care for inmates is fairly broad. Numerous cases have ruled that dental care is included as well as psychological care. Regarding physical care, courts have ruled that the constitutional right to care arises whenever there is a "serious" medical need. A "serious" medical need is defined by the courts as "one that has been diagnosed by a physician as requiring treatment or one that is so obvious that a lay person would easily recognize the necessity for a doctor's attention," or medical treatment of one type or another that would be legal under the law.

Clearly, a pregnancy is so obvious a lay person would recognize the need for medical treatment. Clearly, a pregnancy far exceeds the needs for medical attention than dental work. As such, although the courts have never

addressed the specific issue of abortion in the Federal Prison System, I believe they would have no choice but to rule that an abortion is a serious medical need that must be protected for inmates.

The Bureau of Prisons has reviewed the matter in detail. Based on the statutes and the case law, the Bureau's policy regarding the medical care provided for its inmates is that each inmate is entitled to at least the same level of medical care that is available to the average citizen of the United States. Anything less, they believe, would violate the inmates' eighth amendment rights. Since abortions are available to the average citizen of the United States, they feel they must also be available to their female inmates.

This analysis is not at all inconsistent with the McRae decision which upheld the Hyde amendment for Medicaid. In that case, the Court found that the restriction on Federal funds did not create an absolute barrier to the ability of a woman to have an abortion pursuant to the exercise of her privacy rights as recognized in Roe versus Wade. If the Helms/Armstrong amendment is adopted, the restriction placed on Federal funds would in fact, create an absolute barrier to indigent prisoners seeking abortions.

In short, Mr. President, we have a unique situation here that is different from other cases where Congress restricted Federal funds for abortions. When the Federal Government incarcerates a woman for committing a crime, it severely limits her liberties. This, in turn, brings into play constitutional protections whereby society guarantees her shelter, food, and minimum adequate medical treatment. I believe the case law would unequivocally include an abortion under the definition of minimum adequate medical treatment. If we in Congress, pass the Helms amendment, we would prohibit her from receiving that medical care since she has no option to go elsewhere.

For all these reasons, I believe the pending amendment would directly violate the eighth amendment of the U.S. Constitution. We cannot do our job as Senators if we create such a situation. Therefore, I shall raise the point of order that the amendment is unconstitutional and I urge all my colleagues to support me.

CONSTITUTIONAL POINT OF ORDER

Mr. President, I raise a point of order that the pending amendment (No. 884) is in violation of the Constitution.

The PRESIDING OFFICER. Under the precedents of the Senate, dating back to Vice President John C. Calhoun, the question of constitutionality is submitted to the judgment of the Senate.

Mr. RUDMAN. Mr. President, I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. METZENBAUM. Mr. President, will the Senator from North Carolina yield for a moment, or perhaps he would like to ask for the yeas and nays?

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, does the Senator from Ohio wish to be recognized? I will yield to him.

Mr. METZENBAUM. For a brief statement. That will be very gracious on the Senator's part.

Mr. HELMS. Mr. President, I yield to the Senator, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. I thank the Senator from North Carolina for yielding to me.

Mr. President, I support the constitutional point of order raised by the distinguished Senator from New Hampshire. I believe that the point he has made so eloquently and has explained so well, having to do with the legal aspects of the question, provides a convincing case as to why it would be unconstitutional for the Senate to adopt this amendment. Probably there is no more appropriate legislation we could find in which it would be more inappropriate for us to add an unconstitutional amendment than one having to do with Justice Department appropriations.

Having said that, let me reiterate what I said the other day. It is my strong belief that the U.S. Congress has had a plethora of abortion amendments over the past 9 years. As a matter of fact, we have averaged about one a week, either an amendment or a bill, and I believe that enough is enough.

I hope the Senate will see fit not to act favorably in connection with the Helms-Armstrong amendment. I think it would probably be more appropriate if the matter were disposed of on the basis raised by the Senator from New Hampshire, and that is that it would deprive the women who are incarcerated in prison of their constitutional rights.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, my friend from Ohio said there has been a plethora of amendments over the past several years with respect to efforts to try to protect innocent human lives. He is correct—and I suggest to him that they are going to continue as long as Federal funds are used for the deliberate termination of innocent human life.

He and I happen to disagree on this question, and I hope we can continue to disagree agreeably.

As for my able friend from New Hampshire, there is no one in this Chamber whom I respect more than WARREN RUDMAN. He has brought a breath of fresh air to the Senate. He is a vigorous, creative, imaginative Senator, and I admire him very much. He raises the question of the constitutionality of this amendment cosponsored by the distinguished Senator from Colorado [Mr. ARMSTRONG] and me.

This amendment simply applies the Hyde amendment to the Bureau of Prisons. I am not a lawyer, and that may be one of my few virtues around this place. Of course, the Constitution is not the exclusive domain of lawyers. As a matter of fact, the vast majority of people who framed the Constitution of the United States were not lawyers, so I cannot submit to a suggestion that only lawyers can understand the Constitution. I know that the Senator from New Hampshire has not contended that.

I have been struck over the years by the speciousness of editorial writers of this Nation with respect to what they call court stripping. If you want a bunch of constitutional experts who do not know anything about the Constitution, just look on the editorial pages of the major newspapers of this country.

There has been a constant effort by this Senator and others, over the past several years, to restore school prayer, I say to my friend from New Hampshire. Each time we raise it, the specter of an unconstitutional act is raised. Not so.

Article III of the Constitution is written in very clear English. The Founding Fathers, the drafters of the Constitution in my judgment, recognized that there was such a thing as judicial tyranny. Therefore, they included in article III not only the explicit congressional authority but also, in my judgment, the duty to rein in a runaway Supreme Court. This is an opinion not held solely by JESSE HELMS or anybody else. I have consulted countless constitutional scholars.

Sam Ervin did not agree with me about the school prayer issue; but he told me over and over again, "Your approach is right," whether it be with respect to school prayer or whatever.

So I hope that Congress, and certainly the Senate, will not this day embark on a misinterpretation of the Constitution of the United States. I, of course, hope that the point of order raised by the Senator from New Hampshire will not be sustained by the Senate.

The Constitution is the charter for the Federal Government, entered into

by all Americans—lawyers and nonlawyers—and those of us in Congress should have a particular regard for it because we take an oath to uphold it and to obey it.

Let me address just one or two things that my friend from New Hampshire said. He talked about unnecessary suffering at one point.

I say to my friend that we are not talking about some abstract thing such as an appendectomy or an ingrown toenail procedure. We are talking about the deliberate termination of innocent human life. That is what an abortion is.

The Hyde amendment certainly ought to be applicable to the Bureau of Prisons. That is what the Senator from Colorado and I are trying to do. We are simply asking the Senate to provide that the Bureau of Prisons is not to use Federal funds, the taxpayers' money, appropriated under this bill, for the purpose of abortion. Through this legislation, Congress will be placing a restriction on funds we propose to appropriate.

I do not think it takes a constitutional scholar, self-appointed or otherwise, to understand article I, section 9 of the Constitution, because it clearly, and without any ambiguity whatsoever, gives Congress the power of the purse. In part, that section provides:

No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.

If we approve the amendment by the Senator from Colorado and myself, we will be saying that no money shall be drawn from the Treasury to terminate innocent human life in Federal prisons. I say that in this case we are on the firmest of constitutional ground.

In addition, the Supreme Court has already concurred in this judgment in the landmark case of Harris versus McRae.

It is 448 U.S. 297, 1980.

That case stands for the proposition that congressional restrictions against spending appropriated moneys for abortions violates no provision of the Constitution.

Among other things, the Court said in McRae, "Whether freedom of choice that is constitutionally protected warrants Federal subsidization is a question for Congress to answer, not a matter of constitutional entitlement. Accordingly, we conclude that the Hyde amendment does not impinge on the due process liberty recognized in Wade."

Mr. President, in no way do I concede the validity of Roe versus Wade in citing this section of the McRae case. As far as I am concerned, Roe versus Wade has no basis whatsoever in the Constitution. It was in the judgment of this Senator an unconstitutional usurpation of power by the Supreme Court and has led to the destruction of innocent human life on a scale totally unprecedented in the history of this country.

But the point is that the Supreme Court in McRae, the case I just cited, held that there is nothing inconsistent between its holding in Roe versus Wade and congressional restrictions against funding abortions.

But let us get back to the bottom line, Mr. President.

This vote will put Senators on record one way or the other as to whether they favor using Federal funds for the purpose of deliberately terminating innocent human life.

The PRESIDING OFFICER. If the Senator will withhold, under the unanimous-consent agreement, pursuant to which this appropriation bill came to the floor, consideration of the bill will terminate at this time.

Mr. RUDMAN. Mr. President, will the Senator from North Carolina yield for the purpose of an inquiry of the Chair?

Mr. HELMS. I yield.

Mr. RUDMAN. Mr. President, in a moment I am going to suggest the absence of a quorum. The agreement we had with the majority and minority leaders was that at 1 o'clock, if we had not finished, they would want to give us a time certain for extension.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. RUDMAN. I withhold.

Mr. HELMS. Mr. President, let me yield the floor so others may take it after the Senator has consulted with the leadership about the extension of time.

Mr. RUDMAN. I thank the Senator.

Mr. HELMS. I thank the Senator.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CHAFEE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the time to consider this bill be extended until the time of 2 p.m.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire?

Mr. LAUTENBERG. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Colorado is recognized.

Mr. ARMSTRONG. Mr. President, I wish to take a few minutes to tell you why the point of order propounded by the Senator from New Hampshire is off the mark and why I hope and believe that the Senate will not sustain the point of order, but before I do so I wish to relate an experience that I had 20-some years ago when I was a new member of the State legislature.

I do intent to explain exactly and I think it is perfectly clear that the amendment offered by the Senator from North Carolina and me is constitutional, but I do so with this reservation that no one knows with any certainty what a court will do. No one knows for sure if the same set of circumstances, for example, that were present in Roe versus Wade were present to this Court or some future Court whether they would hold the same way or find some reason, some excuse to enter a different order under seemingly identical circumstances.

But the episode that I wish to recall is that when I was I think in my first term in the State legislature about two decades ago, the Colorado General Assembly was going to consider some legislation relating to redistricting and reapportionment, and we called in every legal scholar for 250 miles around, and they all came in and solemnly predicted exactly what the court would do, and all of them were 100 percent dead wrong.

The point is this, that when it comes to really knowing for sure particularly on close questions what some court is going to do, the fact is we do not know. And this issue of the constitutional status of abortion legislation is an area of the law that is evolving and very clearly both in the public consciousness and in the courts the direction in which this matter is evolving is toward a less permissive attitude toward abortion.

It seems very clear that even some people who in the past have been favorable to abortion, who have favored abortion on demand, who have favored permissive resort to this surgical procedure, are having second thoughts. Indeed, many have completely changed their mind in the light of medical evidence which I think impartial observers would agree is increasingly persuasive that the unborn fetus is not just a something, it is a person, it is a human living baby.

So, it appears to me, Mr. President, while I am now going to take a moment to explain why I think this amendment is constitutional, it does, nonetheless, appear to me that this is really an intellectual cul de sac that Senators should not primarily make their decision on how to vote on this point of order based on someone's observation about its constitutionality because in reality this is a policy issue. Does the Senate wish to provide Federal funding for abortion? That is the issue. It is not primarily a question of what happened in the McCrae case or what happened in the other cases which are being cited here today.

With that reservation, Mr. President, let me just make the following

points about the constitutional status of this amendment.

First of all, I wish to note just as a matter of historical record that the abortion lobby has argued that every amendment that has ever been proposed which sought to restrict funding for abortion is unconstitutional. You will remember that they argued that the Hyde amendment was unconstitutional and at one point even found a Federal district court that agreed with that point of view, although the Supreme Court subsequently affirmed the authority of Congress to refuse to pay for abortions and that, my friends, is the issue in this amendment.

It is not whether or not any persons in or out of prison shall have a right to abortion. The question is whether they have a constitutionally protected right to have the Federal Government pay for it.

Second, I wish to point out that Congress, after suitable consideration, has decided not to pay for abortions of women on welfare, Medicaid, and that is the issue in the McRae case, Federal employees, our own staff, Peace Corps personnel, or military personnel and their dependents.

So far as I know, no one seriously argues that we have a constitutional responsibility to provide such funding, even though it would appear to me that someone could argue at some level that we might have a greater constitutional obligation to provide generous funding for these persons than for Federal prisoners.

The reality is that abortion is an elective procedure. The amendment paralleling the Hyde restriction against Medicare funding of abortion leaves room to deal with the life-of-mother situation.

The question is for an elective procedure whether or not we should pay for such procedures out of the Federal revenues.

In the statement presented by the Senator from New Hampshire in support of his point of order, the Senator makes the following observation with which I thoroughly disagree. He said, "If the Helms-Armstrong amendment is adopted, the restriction placed on Federal funds would, without a doubt create an absolute barrier to indigent prisoners seeking abortions."

I do not think that is correct. Even if it were correct, I do not think it steps across the line of what is constitutionally permissible, because it is analogous to the same situation that people who are not prisoners face; that is, the Federal Government does not necessarily pay for such abortions. We have not said, well, there is Medicaid or in some other way that the Federal Government is so obligated.

But I want to make it absolutely clear to anybody who might be following this or who is interested in the issue, that we are not talking about whether or not a prisoner has a right to an abortion. The question is whether or not a prisoner has a right to have it paid for by the Federal Government. That distinction is important because, as a practical matter, funds are available, regrettably, in my judgment, to pay for such abortions, even for prisoners.

Mr. President, I do not want to draw this out at any great length. I think most Senators will understand this is not primarily a constitutional question. It is a policy issue at this point. Those who think it is wise for the Federal Government to pay for abortions will vote to sustain the point of order. Those who think it is unwise will not do so.

The underlying question, however, as the Senator from North Carolina has said today and as he has so often forcefully made the case, is one of life. If Senators believe that the fetus is something less than human, then I do not see how a Senator can vote to in any way restrict the right of a pregnant mother to have this kind of help. Indeed, it is an invasion of privacy, which I think is justified only if one concludes that the fetus is in fact a living, helpless human baby. And the evidence in support of that point of view is so strong, so massive at every level, including the medical level, that I am convinced that not only a majority of Senators, but a growing number of people in every line of work, in every section of the country of every political persuasion really feel that to terminate such a life is wrong and to do it with Federal funds is not a policy which we want to support.

So I hope the point of order will not be sustained.

Mr. WEICKER. Mr. President, I am going to be very brief, because I understand everybody agrees we should get to the vote on the point of order. Indeed, if that is not sustained, we will have a chance to debate the merits of the proposal. So I hope we would vote on the point of order almost immediately.

But I want to make a couple of remarks in relation to the comments of the distinguished Senator from Colorado.

No. 1, whether the Senator likes it or not—and he and our colleague, the distinguished Senator from North Carolina, do not like it—the fact is Roe versus Wade is the law of the land.

Point No. 2, when the Senator mentions elective, that implies that one has a freedom to choose. That is the reason the constitutional issue arises here. This is not a question, in other words, of poor versus rich, such as the Medicare law. That was decided by the Court and I disagree with that decision. That decision regarding Federal funding said that those who cannot afford it will not get an abortion; those who can, can still go out and get an abortion.

The issue here however, between the free and the imprisoned. There is no election involved as far as the individuals are concerned. They do not have the choices. They are in prison. They have lost their freedom.

So, obviously, the constitutional issue raised under the eighth amendment comes up in terms of cruel and unusual punishment. Whatever they may be denied is clearly set forth in law within the bounds of this amendment.

But please let us understand the Senator's portrayal here. It is as if the same choices were available to the inmate as are available to anyone of us, no matter what our category. But this is just not so, and he raises an entirely new issue under the Constitution.

Mr. ARMSTRONG. Will the Senator yield just so we can pin down the area of our disagreement on this?

Mr. WEICKER. Yes.

Mr. ARMSTRONG. I think that we have a real disagreement, not only about the policy, but about the effect of this amendment. So far as I am aware, there is nothing in this amendment that prohibits a prisoner who is seeking an abortion from arranging for such an abortion, getting the funds for it through relatives, friends, their father, their children, or through some proper abortion philanthropist. I do not personally approve of an abortion financed that way. I have already made it clear that I feel abortions are morally wrong in almost all cases.

But this amendment does not go nearly that far. This simply says the Federal funds should not be used. As a practical matter, we are talking about several dozen abortions a year, for which adequate funds are readily available through proper abortion philanthropic sources, even though I might not approve of them. So I hope the Senator from Connecticut would reconsider his concern, at least to that extent.

Mr. WEICKER. No; I cannot reconsider my concern, because to say that means a prisoner has a choice; a full range of options for his or her care. The prisoner does not have that choice. That is exactly the point I am making. They cannot, on their own volition, run to see any physician or exercise a choice to have whatever diet they want. The prisoner does not have those choices.

The Senator is imposing his standard—and I respect that and I have no problem with that, because I am a free man. I can fight back in a variety of ways.

A prisoner is not a free person. That is the difference. That is the constitutional issue.

Mr. President, I yield the floor.

Mr. PACKWOOD. Mr. President, Senator HELMS' amendment to the State, Justice, Commerce appropriation bill would prohibit funds appropriated under the act from being "used to pay for abortions for which Federal funds are not available under the Medicaid Program * * *" The intent of the amendment appears to be to place a "Hyde-type" restriction on the ability of prison authorities to pay for abortions. While such restrictions have been upheld in public benefit programs in the Harris versus McRae case, I do not believe it can be constitutionally applied in the context of the Federal prisons.

The Supreme Court held in Estelle versus Gamble that "deliberate indifferences to serious medical needs of prisoners constitutes the unnecessary and wanton infliction of pain" is in violation of the eighth amendment proscription against cruel and unusual punishment.

While the Court left open the question of what treatment a prisoner is entitled to receive in a particular instance, it is clear that "serious medical needs" is not limited to life threatening illness and is intended to include medical conditions that threaten health or cause pain and suffering. Against this backdrop, it is clear that the Helms' amendment, which would mandate "deliberate indifference" to medical needs for which abortion is indicated except in instances of life endangerment, violates the eighth amendment.

The McRae decision, which upheld the constitutionality of the Hyde amendment is not relevant. In that case, the Supreme Court held that a restriction on the use of Federal Medicaid funds for abortion did not violate the Constitution because it did not create an absolute barrier to the exercise of the privacy right recognized in Roe versus Wade. It simply removed the Federal subsidy. In theory—although rarely in practice—a Medicaid recipient may pay for the abortion herself or seek other sources of funding. A Federal prisoner has no such alternative. She must "rely on prison authorities to treat [her] medical needs; if the authorities fail to do so, those needs will not be met."

I urge my colleagues to vote against this amendment on the grounds that it is in violation of the eighth amendment to the Constitution.

Mr. HELMS. Mr. President, if there is no other Senator who wishes to speak, I intend, on behalf of Senator ARMSTRONG and myself, to move to table the point of order. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion to table the matter: Is the point of order well-taken that the amendment violates the Constitution and, for that reason, is not in order?

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Wyoming [Mr. WALLOP] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Arizona [Mr. DECONCINI], the Senator from California [Mr. JOHNSTON], and the Senator from Louisiana [Mr. LONG] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 47, nays 48, as follows:

[Rollcall Vote No. 274 Leg.]

YEAS—47

Abdnor	Ford	McClure
Andrews	Garn	McConnell
Armstrong	Gore	Melcher
Biden	Gramm	Mitchell
Boren	Grassley	Murkowski
Boschwitz	Hatch	Nickles
D'Amato	Hatfield	Pressler
Danforth	Hawkins	Proxmire
Denton	Hecht	Quayle
Dixon	Heflin	Roth
Dole	Helms	Symms
Domenici	Humphrey	Thurmond
Durenberger	Kasten	Trible
Eagleton	Laxalt	Wilson
East	Lugar	Zorinsky
Exon	Mattingly	

NAYS—48

Baucus	Harkin	Packwood
Bingaman	Hart	Pell
Bradley	Heinz	Pryor
Bumpers	Hollings	Riegle
Burdick	Inouye	Rockefeller
Byrd	Kassebaum	Rudman
Chafee	Kennedy	Sarbanes
Chiles	Kerry	Sasser
Cochran	Lautenberg	Simon
Cohen	Leahy	Simpson
Cranston	Levin	Specter
Dodd	Mathias	Stafford
Evans	Matsunaga	Stennis
Glenn	Metzenbaum	Stevens
Goldwater	Moynihan	Warner
Gorton	Nunn	Weicker

NOT VOTING—5

Bentsen	Johnston	Wallop
DeConcini	Long	

So the motion to table was rejected.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. METZENBAUM. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I had asked for the yeas and nays on the point of order. Depending on the feelings of the Senator from North Carolina and the Senator from Colorado, I would ask unanimous consent to vitiate the yeas and nays and go to a voice vote.

I yield to the Senator from Colorado.

Mr. ARMSTRONG. Has the Senator from North Carolina spoken on the question?

Mr. HELMS. No, I have not.

Mr. ARMSTRONG. I would be happy to follow the Senator from North Carolina.

Mr. HELMS. Go ahead.

Mr. ARMSTRONG. Mr. President, my thought is it is well to vitiate the yeas and nays. We have had a clear vote, though it is disappointing to me. Perhaps we can vote on this matter another day when all 100 Senators are present. But for now, I believe that view will prevail.

Mr. RUDMAN. Mr. President, I thank my friend from North Carolina and my friend from Colorado for their courtesy.

Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, I ask for the immediate consideration of the pending question.

The PRESIDING OFFICER. The question is, Is the point of order well taken?

All those in favor, say, "aye"; opposed, "no."

The ayes appear to have it. The ayes have it.

The amendment (number 884) falls.

Mr. RUDMAN. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, what is the pending business?

COMMITTEE AMENDMENT ON PAGE 69

The PRESIDING OFFICER. The question is on the committee amendment on page 69.

Mr. RUDMAN Mr. President, am I correct in that the committee amendment is now the pending business?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. It is my understanding that the Senator from New Hampshire, my colleague, Mr. HUMPHREY, has an amendment he wishes to offer to the committee amendment. I yield the floor.

AMENDMENT NO. 947

(Purpose: To limit the use of funds appropriated by this Act tro the Legal Services Corporation to be used to participate in any litigation with respect to abortion)

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Is there just one committee amendment remaining?

The PRESIDING OFFICER. There is one committee amendment to strike and insert language.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 947.

On page 69, after line 24, add the following:

(c) None of the funds appropriated by the Act to the Legal Services Corporation may be used by the Corporation or any recipient of the Corporation to participate in any litigation with respect to abortion.

Mr. RUDMAN. Mr. President, will my colleague yield?

Mr. HUMPHREY. I yield to my colleague.

Mr. RUDMAN. I just want to say to those Senators who may be interested that it will probably be at least a half to three-quarters of an hour before we are able to get to final passage. We have this amendment and a number of technical amendments.

I thank my colleague for yielding.

The PRESIDING OFFICER. The Senator from New Hampshire [Mr. HUMPHREY] is recognized.

Mr. HUMPHREY. Mr. President, the amendment now before the Senate has a simple purpose. That is to further restrict the Legal Services Corporation in matters of litigation involving abortion. Congress in the past has applied some restrictions which, from the point of view of a number of Senators, have proven to be insufficient to the challenge.

The fact of the matter is that the Legal Services Act can still be interpreted in such a way as to permit Legal Service grantees—that is, its attorneys—to permit them to litigate in matters of abortion.

The act as it is presently constituted does not permit Legal Services grantees to be involved in nontherapeutic abortions; that is, those abortions which are not medically indicated. The difficulty is that nowadays, a woman seeking an abortion can invariably find a doctor or doctors who will certify that it is in the interest of her mental health as opposed to physical health. Therefore, the stricture against Legal Services appropriations involvement in nontherapeutic abortions is really a nullity, since all abortions can be reclassified, if you will, as therapeutic simply by finding a doctor who will state that it is in the interest of a mother's mental health to have an abortion. Of course, it is very difficult for anybody to argue against that finding.

Mr. RUDMAN. Mr. President, will my colleague yield?

Mr. HUMPHREY. I yield to my colleague.

Mr. RUDMAN. I say to my colleague that my understanding of the amendment as it has been sent to the desk is not as it has been presented. As there are no other amendments in order, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, in a private conversation a moment ago, the Senator from Ohio expressed some concern about the amendment as drafted. I invite him to express that concern to the Senate perhaps we can address it by modifying my amendment.

Mr. METZENBAUM. Mr. President, let me see if I can discuss where we are. The Senator from New Hampshire has offered an amendment restricting the Legal Services Corporation from expending any of their funds to participate in any litigation with respect to abortion.

The language of the law at the present time provides that no funds can be used to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual institution to perform any abortion or assist in the performance of an abortion or provide facilities for the performance of an abortion contrary to the religious beliefs or moral convictions of such individual institution. That language is in the law, and I am frank to admit that I do not think it should be in the law. I do not think the Legal Services Corporation should have those restrictions upon its activities. But I rose the other day to indicate that I was not prepared to come to the floor of the Senate at this point to battle to improve the law or to change it, that I thought we had gone far enough.

Now we have had the Helms-Armstrong amendment having to do with abortions in prisons. Fortunately, the Senate saw fit, in a very close vote, to find that that was not constitutional. We now have before us the Humphrey amendment.

The Humphrey amendment would extend, over and beyond the present language, the restrictions on the Legal Services Corporation. It does not actually provide the exception which is provided in the Hyde amendment having to do with abortions relating to preserving and protecting the life of the pregnant woman.

Do I understand correctly that the Senator from New Hampshire is willing to amend his amendment in order to provide the same language which is presently to be found in the Hyde amendment?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. METZENBAUM. I yield.

Mr. HUMPHREY. Mr. President, it is now well established, by a great many votes in both Houses of Congress, that it would appear to be prudent policy to include the so-called Hyde exception, the life of the mother exception, and matters of a kind which are now before us. I have my personal preference, as has the Senator from Ohio. I would prefer no exception. But I know about the expressions of sentiment on the part of Members of this body in recent years, and I am aware that the amendment now before the Senate would be a good deal more palatable not only to the Senator from Ohio but also to many others if I were to modify it, as requested, to include the usual Hyde language exception.

If it is agreeable to the Senator from Ohio, I will now send a modification to the desk, to modify it in that respect.

Mr. METZENBAUM. I thank the Senator from New Hampshire for his cooperation. I look forward to taking another look at the amendment.

The PRESIDING OFFICER. The amendment is so modified.

The modified amendment is as follows:

On page 69, after line 24, add the following:

SECTION 607. None of the funds appropriated by the Act to the Legal Services Corporation may be used by the Corporation or any recipient to participate in any litigation with respect to abortion except where the life of the mother would be endangered if the fetus were carried to term.

Mr. WEICKER. Mr. President, I find it a rather interesting approach to the law in this Nation that there is an availability to the law of a certain dimension for one category of citizens and then, if you are poor, apparently the availability to the law is slightly different from another category of citizens. That, in essence, is what you are doing here.

If you have legal services, it seems to me that you have legal services, period. This issue has been nibbled away at in other areas, not just abortion.

I want to put myself on record as saying that what I think Congress is doing is, on the basis of income, on the basis of economic status, applying a different standard of the law to one constituency as compared to another.

That is not my idea of the law nor the way the law is to be applied, nor the way availability of the law is to be applied.

Point No. 2: I think it must be clear to everybody in this Chamber that the votes really no longer exist on either side of this abortion issue, either to roll back the legislation achieved in the last several years by those who are termed pro life—and I find that objec-

tionable, because I do not think it accurately describes the situation—and I do not think the votes are here for any further extension of the law than that which presently exists.

I urge my colleagues, whether they are on this floor or whether they are listening in their offices, that the time has come to give a rest to this whole issue. Nobody is going to achieve less than exists in the law today; nobody is going to achieve more than exists in the law. All we are going to achieve is to take time and attention away from the issues that are truly pressing to this Nation.

Assurances have been given by my colleague from North Carolina and others that they will not see any pullback in the areas in which they have achieved gains over the years, and I respect that. However, speaking for those of us on my side of these issues, let me assure my colleagues that under no circumstances are we going to go any further on this issue.

So let us get on with the business we have in many other areas and be done with this issue, at least for the time being. The votes are on neither side—or, to put it another way, there are plenty of votes on both sides to make sure that we waste a lot of time and achieve nothing for it.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the time for consideration of the farm bill be moved forward to either 2:30 or at such time as action is completed on this measure, whichever is sooner.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. RUDMAN. Mr. President, I clarify that request by saying that in referring to this measure, I mean the pending bill.

I inquire of the Senator from New Hampshire and the Senator from Ohio whether or not we are ready for action on this. I understand that we are not.

I say to everyone that we are going up against a real deadline. I am told that at 2:30 we will go back to the farm bill, so I hope we might be able to get action on this matter fairly soon.

I yield the floor.

Mr. HELMS. Mr. President, I have been reviewing the provisions in this bill for the Legal Services Corporation [LSC]. I am glad to note that this year the committee wisely acted to remove riders from last year's appropriations bill which had the effect of unnecessarily tying the hands of the management at LSC.

Congress is not and should not be in the business of managing in detail any Federal agency or federally created and funded private corporation. To involve Congress in day-to-day management decisions is demonstrably not only inefficient and burdensome, but subject to political winds.

Therefore, I commend the committee's hands-off approach regarding LSC. As we all know the Corporation now has in place responsible senior management, individuals who share a commitment to providing legal aid to those unable to afford access to our Nation's courts. The management is further enhanced by a broad-based, bipartisan, and Senate-confirmed Board of Directors.

Mr. President, with this in mind, it is all the more appropriate that we in Congress remove ourselves from the temptation to, for lack of a better word, "micromanage" the Legal Services Corporation. And while I feel the legislative language clearly does resist this temptation, I am troubled by the report language I read on pages 76 and 77 of the committee report. It seems to be doing the very thing that the bill is avoiding—making or influencing management decisions.

After months of public testimony, extensive debate, and open and careful deliberations, the Board of Directors made some difficult budget decisions. In fact, Congress itself might want to learn from their example. Fully appreciating the deficits before the Congress, the LSC Board did not come asking for more. They asked for the same funding they had last year. They were willing to attempt to do more with less.

Now the Appropriations Committee, in one quick judgment, has determined that certain Board decisions were premature, or based on an incorrect interpretation of data, and that the Elderlaw Program, which has been funding law clinics, specifically designed for our elderly, should be eliminated.

Whether I or anyone else agree or disagree with the Board's funding decisions or other actions is immaterial. What is relevant is this: Congress has no business superimposing our judgment about day-to-day management or the exercise of fidiciary duties on the LSC Board of Directors and its management.

For example, the LSC Board has studied the issue of funding for legal services to migrant farmworkers for the past year. Some of my colleagues, I am certain, disagree with LSC's decision that the migrant programs are currently overfunded. These colleagues want no reduction in the funding of migrant programs. I personally am not convinced that LSC should fund any programs specifically geared to migrants. Migrants are included within the eligible clients served by the general legal services grantees. Furthermore, from what my constituents tell me, these migrant programs may be involved in improper activities.

Obviously there are many facets to this one problem. But one thing is clear. Political considerations should not be factors in these types of decisions. It is for that very reason that Congress created the Corporation.

We are not dealing with a Federal agency. We are not dealing with a department in the executive branch. We are dealing with an independent, nonprofit, federally funded corporation. Therefore, Mr. President, we must refrain from tampering with decisions made by an independent and Senate-confirmed Board of Directors—decisions made within the congressionally established framework.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the clerk read the amendment as modified.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The legislative clerk read as follows:

Amendment No. 947 has been modified as follows:

On page 69, after line 24, add the following:

SEC. 607. None of the funds appropriated by the Act to the Legal Services Corporation may be used by the Corporation or any recipient to participate in any litigation with respect to abortion except where the life of the mother would be endangered if the fetus were carried to term.

Mr. HUMPHREY. Mr. President, I trust that that relieves the concern of the Senator from Ohio and others of like mind. It is certainly meant in good faith to do that.

I understand the sentiment of the Senator from Connecticut and others. I think we are all proceeding in good faith by acting in conscience in this matter. We happen to differ, unfortunately, but we are acting in good conscience.

From my point of view, I see no reason to compel taxpayers to provide funds for this purpose, except with respect to the present modification, where the life of the mother is threatened by carrying the fetus to term. That is a well-established precedent in the Senate. I wish it were not, but I am willing to accept that.

I do not know that there is need for a great deal more debate on this side. Perhaps the Senator from Ohio cares to add something.

Mr. METZENBAUM. Mr. President, the Senator from New Hampshire has certainly been cooperative in modifying his amendment.

I am frank to say that the amendment is still something about which I feel very strongly. But I am also realist enough to recognize what the previ-

ous vote was, and that was on the constitutional issue. I do have some concerns as to whether, if the matter were put to a vote, we would prevail on this issue. Since the Senator from New Hampshire has seen fit to modify the amendment to include the language that is presently in the law, I cannot say that I look with favor upon accepting the amendment; but I have said previously that I would not object to going as far as the present law goes.

Strictly speaking, this goes further because it adds it to the Legal Services Corporation, where it is not at the moment. But the limitations on the Legal Services Corporation at the present time are so strict with respect to abortion that I do not believe there will be much additional proscription of their activities by reason of this amendment. Under the circumstances, I do not deem it appropriate to tie up the Senate for hours or ad infinitum discussing that issue.

I hope that those who see fit to bring abortion amendments to the floor on Monday, Tuesday, Wednesday, Thursday, or Friday, whenever, we are in session, might understand that if that be the continued practice, then we are indeed going to take the only alternative available, and that is to discuss the issue at length.

Mr. RUDMAN. Mr. President, I believe that all of the parties to this amendment now are in agreement. We are willing to accept the amendment on this side of the aisle.

I understand that my friend from South Carolina is also willing to accept this amendment.

Mr. HOLLINGS. We accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 947), as modified, was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, the Senator from Utah [Mr. HATCH] wanted to be here to offer this amendment himself, the amendment is acceptable to the committee. He is concerned about the use of carryover funds by the Legal Services Corporation. The amendment which I will offer in his behalf, states that funds provided by the Legal Services Corporation for fiscal year 1986 could not be expended until carryover funds have been expended.

AMENDMENT NO. 948

(Purpose: To assure that recipients of funds from the Legal Services Corporation expend carryover funds)

Mr. RUDMAN. Mr. President, I send to the desk an amendment on behalf of the Senator from Utah [Mr. HATCH] and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for Mr. HATCH, proposes an amendment numbered 948.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 59, line 21, before the period, insert a colon and the following: *"Provided further,* That none of the funds appropriated in this Act to the Legal Services Corporation and made available to grantees may be expended by any recipient of such funds until such recipient has expended all funds carried over from previous fiscal years, unless the failure to expend the funds carried over from previous fiscal years has been approved by the Legal Services Corporation".

Mr. HATCH. Mr. President, the amendment I am offering today would clarify one nagging question concerning funds which have been carried over from one fiscal year to the next by grantees of the Legal Services Corporation.

It states that recipients of funds provided by the Legal Services Corporation for fiscal year 1986 could not be expended until the recipient has expended all funds carried over from previous fiscal years. The amendment would resolve the ongoing debate as to the status of various funds that some Corporation recipients have segregated in order to fund activities prohibited by restrictions enacted by Congress first in 1983.

As we all know, congressional restrictions concerning the Legal Services Corporation have changed in the last several years in order to eliminate alleged loopholes in previous appropriation and authorization statutes which allowed Corporation recipients to circumvent congressional intent. Some grantees, aware of congressional action, have chosen not to spend Federal funds provided in previous years on the legal needs of the poor in order to build a reservoir of money to finance activities which today are prohibited.

The amendment I am offering today would resolve this issue by requiring a recipient of Corporation funds in fiscal year 1986 to expend all funds carried over from previous years before it could spend any 1986 moneys. It would ensure that there would be one standard of compliance, one standard of prohibited activities for Corporation recipients and would eliminate any lingering doubt as to what is and is not prohibited.

Mr. RUDMAN. Will the Senator yield for a question?

Mr. HATCH. I gladly yield to the Senator from New Hampshire.

Mr. RUDMAN. I understand the purpose of your amendment is to ensure that there will be one standard of prohibited activities applied to Corporation recipients, the standards found in H.R. 2965, as reported by the Senate Committee on Appropriations. Would a recipient which does not segregate its funds and thus might not be aware of exactly which dollars are carried over and which are not, would such a recipient satisfy the requirements of your amendment if it agreed that all funds it may have are subject to the restrictions found in the H.R. 2965?

Mr. HATCH. Yes, such a stipulation would be a practical method for complying with this amendment with regard to existing cash balances. If, however, the recipient you have described is keeping funds in Treasury bonds, savings accounts, unneeded real estate, or other such holdings, then the recipient would be required to convert and expend these funds prior to spending any money made available under this act. I think that recipients should not be allowed to hold funds in reserve, as some have done, but instead spend the money on meeting the legal needs of the poor.

I should note, Mr. President, that the amendment does provide an exemption where the failure to expend the funds carried over from previous fiscal years has been approved by the Legal Services Corporation. I would note that recipients are already required to secure LSC approval to carry over a fund balance in excess of 10 percent of their annual grant. The exemption simply builds on that process and I believe it will insure that the amendment does not have an unintended, arbitrary consequence.

In sum, Mr. President, the amendment will resolve the issue of the proper standard of compliance for carried-over funds and will make available to eligible clients at the very least an estimated $5 million now being held in reserve.

The amendment I am proposing today has been endorsed by the Legal Services Corporation. I urge my colleagues to join me in voting to adopt this amendment.

Mr. RUDMAN. Mr. President, I ask for immediate consideration of the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire?

Mr. HOLLINGS. No objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 948) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, we have a few more matters that we are going to have to take up. We will do that in a few minutes. I look foward to being able to move to final passage of this bill.

I see the Senator from Florida is here and he may seek recognition. I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

AMENDMENT NO. 949

(Purpose: To set aside funds under the Bureau of Prisons for a prison for illegal alien felons)

Mr. CHILES. Mr. President, I send to the desk an amendment to the bill and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] proposes an amendment numbered 949.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 21, on line 10 after $46,063,000, add the following: $7.1 million of Bureau of Prison funds shall be used to renovate or construct a facility to be used as a maximum security penitentiary for the incarceration of illegal alien felons.

PRISON FOR ILLEGAL ALIEN FELONS

Mr. CHILES. Mr. President, I rise to offer an amendment to the State, Justice, Commerce appropriations bill for 1986 for the purpose of providing funds for a prison for illegal alien felons.

Last night, 115 Mariel criminals rioted at the Krome North INS detention facility in south Florida. After injuring 7 guards, 46 of these criminals escaped from detention by climbing over the barbed wire fence.

This should come as no surprise to anyone. It certainly wasn't a surprise to me and I don't think it was a surprise to the Department of Justice, especially the Bureau of Prisons.

Krome North is an INS detention and processing center—at the most it is a minimum security facility that is intended to house 525 aliens who are awaiting determinations on their entrance eligibility to the United States. In these facilities, most of the detainees' only crime is to have crossed our borders without proper documentation. Yet, illegal alien felons like the Mariel criminals are being placed in such facilities because the administration claims there is no room in more secure prisons.

For several years, this country has struggled with the dilemma of what to do with illegal aliens who commit a felony and cannot be deported. A good example of such felons are the Mariel criminals who were forced upon the United States by Castro during the Mariel boatlift of 1980. Many of these criminals have been convicted of crimes since being in the United States and have become a major burden on our State and local prisons. We cannot deport them so we are forced to incarcerate them. And, we are faced with the serious question of what to do with them after they serve their sentences.

Mr. President, these people are not eligible for entry, let alone residency, in the United States. Many of them are hardened criminals whom law enforcement officials have described as the worst they have ever seen. This Government must make a decision about what to do with them.

I do not believe the dangerous Mariels should be paroled or let out on the streets. They have demonstrated that they are a serious threat to our communities. They should be held in maximum security facilities until our Government can negotiate their deportation.

But, someone within the Department of Justice keeps saying there are no rooms in our prisons and have opted to house these criminals in facilities like Krome North. This is like keeping a brahma bull in my backyard—it's only a matter of time before he kicks down the fence. Allowing such criminals to be housed with other detainees in limited security facilities like Krome is equivalent to putting them on the streets. This policy is a direct threat to our citizens.

Mr. President, my amendment would set aside $7.1 million from the Bureau of Prisons funds for the renovation or construction of a facility to be used as a maximum security prison for incarcerating illegal alien felons. Such a facility is needed to reverse the current practice of holding or detaining illegal alien felons in U.S. detention centers such as El Paso, TX, or Krome North, FL. In accordance with this facility, the Attorney General shall establish guidelines for the placement of illegal alien felons in such maximum security facilities to ensure that such criminals are not held in detention facilities or other facilities with inadequate security.

Mr. President, I regret that such criminals gained entry to our country.

I also regret every dime we have had to spend to incarcerate them.

But, I regret most the hideous crimes they have imposed upon our people.

The Department of Justice says we do not have room in our prisons for them—we cannot afford additional space. I say we cannot afford to have such criminals on our streets. I believe my view will be less expensive for the future—the safety of our people cannot be jeopardized by a price tag.

Mr. President, this amendment would be for the purpose of providing some funds for a prison for illegal alien felons.

Last night, Mr. President, 115 Mariel criminals rioted at the Krome North INS detention facility in south Florida. After injuring some 7 guards, 46 of these criminals escaped from detention by climbing over the barbed wire fence.

This should come as no surprise to anyone. It clearly was not a surprise to me.

I do not think it was a surprise to the Department of Justice, especially the Bureau of Prisons.

Krome North is an INS detention and processing center at the most a minimum security facility intended to house 521 aliens who are waiting determination of entrance eligibility to the United States.

In these facilities most of the detainees' only crime is to have crossed our borders without proper documentation. Yet illegal alien felons, and I stress that, Mr. President, felons like the Mariel criminals are being placed in such facilities because the administration claims there is no more secure prison.

I have discussed this with the manager and ranking minority member.

I seek to earmark some funds out of the Bureau of Prison capital account so that something can be done to house these particularly illegal alien felons.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Florida has been forcefully bringing this to our attention over the past several years as a member of our Subcommittee on Appropriations. We have even had staff visitation to go down and look at it, and it is just exactly as described by the distinguished Senator from Florida, and we have recommended improvements to the extent we could under our budget allocation.

Now the Senator from Florida has within the amount recommended fashioned an allocation which will be within the budget but will be earmarked for something that we can get

a more security facility for these illegal alien felons.

I commend the distinguished Senator from Florida in his persistence in bringing it to our attention today. He has been doing it and to some extent we have been holding up, but I think we cannot hold up any longer. I support the amendment.

The PRESIDING OFFICER. (Mr. WILSON). The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, I join in the remarks of my friend from South Carolina, the ranking minority member of the subcommittee.

The Senator from Florida approached us today. I would remark that this is one of the more timely amendments that I have seen, since this incident happened last night. But the fact is that it is one of a continuing series of incidents——

Mr. CHILES. Absolutely.

Mr. RUDMAN [continuing]. That the Senator from Florida has talked to the subcommittee about. We believe that the people of Florida certainly need the kind of protection that the Senator from Florida is suggesting, and ask for immediate consideration of the amendment.

Mr. CHAFEE. Mr. President, I wish to ask a question if I may.

As I understand it, this amendment takes moneys from within this bill setaside for the Bureau of Prisons and designates that x dollars, is it $7.1 million, go to these facilities? In other words, it does not add money. It merely earmarks money from the Bureau of Prisons.

Mr. RUDMAN. The Senator is correct. We believe due to the size and flexibility of that account that it is a reasonable request in light of recent events.

Mr. CHAFEE. The figure is $7.1 million. As I understand it, the total appropriation for the Bureau of Prisons is probably something like $46 million. Is that correct?

Mr. RUDMAN. The Senator is correct.

Mr. CHAFEE. Forty-six million dollars. So this sets aside one-sixth of it or a little more, and I assume that the Bureau of Prisons has arrived at the $7.1 million figure. That is where it came from.

Mr. CHILES. The figure did come from what they said it would take.

Mr. CHAFEE. That is what they said it would take to meet the goal.

Mr. CHILES. Yes.

Mr. CHAFEE. I thank the Senator.

Mr. RUDMAN. If there be no further debate, I ask for immediate consideration of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 949) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 949, AS MODIFIED

(Later the following occurred.)

Mr. RUDMAN. Mr. President, regarding the previous amendment offered by Senator CHILES, there was a drafting error in that amendment. I ask unanimous consent that the amendment, as agreed to, be modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. It is a purely technical change.

The amendment (No. 949), as modified, reads as follows:

(Conclusion of later proceedings.)

On page 21, on line 10 after $46,063,000, add the following: of which $7.1 million shall be used to renovate or construct a facility to be used as a maximum security penitentiary for the incarceration of illegal alien felons.

AMENDMENT NO. 950

Mr. HOLLINGS. Mr. President, on behalf of the distinguished chairman, the manager of the bill, the Senator from New Hampshire and myself, I send a technical amendment to the desk and ask the clerk to state it.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for himself and Mr. RUDMAN proposes an amendment numbered 950.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 12, line 5 strike "$71,200,000" and insert in lieu thereof "$72,710,000" and on page 19, line 15 strike "$600,000,000" and insert in lieu thereof "$598,490,000".

On page 23, line 6 strike "including salaries and expenses in connection therewith,".

Mr. HOLLINGS. Mr. President, let me state that this is a technical amendment. It corrects the bill in three instances.

First, in the Department of Justice we moved $1,510,000 from the Immigration and Naturalization Service to the general administration account.

In committee we provided for the Immigration and Naturalization Service staff at the new Oakdale, LA, facility and at that time we inadvertently included $1,510,000 for eight additional immigration judges and associated staff instead of adding to the general administration where such costs are now budgeted. So that requires changing the bill in the two places.

Mr. President, in addition, the other change deletes the phrase "including salaries and expenses in connection therewith" from the bill.

The House of Representatives had approved and earmarked for juvenile justice and delinquency prevention activities that included the associated salaries and expenses. In marking up the bill we consolidated all the salaries and expenses of the Office of Justice Assistance in one place.

We neglected to delete this phrase in sending the bill to the printer. So that makes the other particular correction.

I yield to the distinguished Senator from New Hampshire, if he would like to comment.

Mr. RUDMAN. Mr. President, I simply join in the remarks of my friend from South Carolina. This amendment is one that I join him in offering and I certainly support it. I ask for the immediate consideration of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 950) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 951

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO] proposes an amendment numbered 951.

Mr. D'AMATO. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, after line 10 insert:

In addition, for "Economic development assistance programs"; $32,100,000, to remain available until expended, of which $11,100,000 is for a grant to the Rochester Institute of Technology in Rochester, New York, for construction, equipment, and all related development costs of a Center for Microelectronic Engineering and Imaging Sciences; of which $4,000,000 is for a grant to Lexington County, South Carolina, for

all expenditures related to the development of a state-of-the-art fiber optics/medium power cable research and development facility in Lexington County; of which $13,500,000 is for a grant to Northeastern University, Massachusetts, for the construction and related costs of the University's Southwest Corridor Economic Development and High Technology Resource Center; and of which $3,500,000 is for a grant to the School of Engineering at the University of Nevada, Las Vegas, for construction, equipment, and all related costs to develop instructional and research computing systems and enlarge engineering facilities on the University of Nevada, Las Vegas campus.

Mr. D'AMATO. Mr. President, the Office of Technology Assessment, the Business-Higher Education Forum and other sources warn that the competitive position of American electronics and engineering is threatened by foreign competition. America's share of the world's high technology exports has been steadily declining over the last 10 years. At the same time, there is a chronic and growing shortage of entry-level engineers in the highly sophisticated specialty of microelectronic engineering. This amendment addresses this and other problems which our Nation's universities are tackling.

This amendment provides $11.1 million for the Rochester Institute of Technology's Center for Microelectronic Engineering, $13.5 million for Northeastern University's Economic Development and High Technology Resource Center, $4 million for the proposed research and development facility in Lexington County, SC, and $3.5 million for the University of Nevada, Las Vegas.

The present need for microelectronic engineering is estimated to be about 2,000 people, with a subsequent need for 400 additional microelectronic engineers each year.

In addition to the almost commonplace integration of microelectronic components in manufactured goods, the need for microelectronic engineers is critical to this Nation's efforts in developing new computer architectures, such as applications for supercomputers and for networking the proposed strategic defense initiative [SDI]. Without qualified microelectronic engineers to conduct groundbreaking research in these areas, the widespread application of supercomputers and the goals proposed in the SDI will be virtually impossible.

Rochester Institute of Technology's Microelectronic Engineering Program can combine the unique resources of RIT in photographic sciences with the areas of electronic engineering and computer science to provide curriculum that responds to the need for microelectronic engineers. An article in USA Today illustrates this fact, May 17, 1985, USA Today:

Hi-Tech grads lead charge in chip battle with Japan

When five seniors clutch their diplomas Saturday morning, USA education will graduate to the information Age.

Trained by Rochester (N.Y.) Institute of Technology and 13 high-tech firms, these grads:

The USA's first with microelectronics degrees

Have precisely the skills computer chipmakers need to battle Japan.

Because chips are the life-blood of the high-tech economy, that's one battle the USA can't afford to lose.

Firms like Motorola and Texas Instruments typically hire chemical or electronics engineers, then spend a year—and thousands of dollars—retraining them. Not any more. "It's time U.S. universities lead rather than follow," Richard Kenyon, RIT dean of engineering.

Job offers clearly show RIT's success. Graduate Kevin Venor, 24, who studied six months at IMB Corp. and six months at Hewlett-Packard Co., steps into a $32,000 job at H-P. Don Hess, 24, applied to five companies and got offers from four. "The capabilities of these students are just amazing," said Mary Anne Potter, a TI manager.

The RIT program, dreamed up over lunch by a TI manager and an RIT professor, shows how USA industry is spawning, even supervising university work. Dozens of schools—including Stanford, MIT and Texas—may follow RIT, which plans to graduate 50 to 60 students a year from the program.

The schools are turning to industry for two reasons. Federal funds are slipping and high-tech education is costly. Firms have contributed $7 million to RIT's program. Says Kenyon, "None of this would have occurred without their help."

The payoff for industry is getting, fresh from college, the ingenuity to move ahead of Japan. Says Fred Tucker, a Motorola general manager, "They will help us do it better and right the first time."

Although primarily a teaching institution, RIT is also an important resource for applied research. RIT conducts applied research efforts in several functional areas: electronics, energy, graphic arts, computer science and engineering, and productivity.

The purpose of the center for microelectronic engineering is to develop an interdisciplinary program that incorporates components of photolithography and photographic science, chemistry, physics, electrical engineering and computer engineering to achieve five objectives: First, provide undergraduate and graduate degree programs in microelectronic engineering to address the urgent need for engineers in this specialized field; second, conduct applied research and testing projects in cooperation with industry in order to enhance the productivity of the electronic industry; third, provide ongoing professional development opportunities for the engineering profession, focusing on new developments in process engineering and manufacture of integrated circuits; fourth, offer seminars, conferences and special programs to hasten the communication of new technological developments and to enhance the productivity of the microelectronic engineering work force; and fifth, create a model laboratory for the design and fabrication of integrated circuits.

RIT's center would also include an interdisciplinary program for research and training: the Center for Imaging Science, it involves the collaboration of several RIT colleges, including: the Colleges of Imaging and Photographic Science, Engineering, Applied Science and Technology, and the School of Fine and Applied Arts.

The center will focus on RIT's record of expertise in digitalized imaging, microphoto lithography and remote sensing to further develop research and training in the areas of chemistry, color, remote sensing, optics and densitometry. These areas are critical in electro-optics and machine vision.

Mr. President, America's share of the world's high technology exports have declined from 25 to 20 percent during the last 10 years. These trends in international economic competition are paralleled by the continuing demand for new engineers in U.S. industries and a chronic shortage of entry-level engineers in the highly sophisticated specialty of microelectronic engineering. We need the kind of cooperative educational, research and training efforts that would result from the center for microelectronic engineering. Our Nation desperately needs microelectronic engineers and high technology industries if we are to be successful in foreign competition.

Excellence in science and engineering depends upon cooperative partnerships between institutions of higher education and private industry. RIT's center fits this description.

Their proposal was developed in close cooperation with a number of major companies, among them: Texas Instruments, IBM, Motorola, National Semiconductor, and Eastman Kodak. RIT's unique and unparalleled expertise in photolithography is the core of a network of educational resources that also makes this institute specially suited to meet the personnel requirements of the microelectronics industry. Support for this amendment will increase the number of microelectronic engineers.

This amendment promotes U.S. technological strength and advances our economic and physical security. Therefore, I ask my colleagues to join me in supporting this amendment.

LEXINGTON COUNTY, SOUTH CAROLINA FIBER-OPTICS RESEARCH AND DEVELOPMENT FACILITY

Mr. HOLLINGS. Mr. President, I am pleased that the distinguished junior Senator from New York [Mr. D'AMATO] has included within his amendment $4 million to assist in the construction of a 40,000-square-foot advanced communications research and development facility that will be located in Lexington County, SC. Lex-

ington County officials, in cooperation with the South Carolina research authority, have been working with the private sector toward the establishment of a state-of-the-art R&D center. Construction of this facility is expected to begin next summer at a total cost of $9.5 million and will join a $21,200,000 Pirelli Cable Corp. manufacturing facility in Lexington that began construction in August 1985.

Pirelli already has facilities in Abbeville, Beaufort, and Greenwood, SC. This fiber-optics R&D facility will provide new jobs for Lexington County and help South Carolina remain in the forefront of high technology manufacturing in the Nation. The fiber-optics facility will be closely linked to the University of South Carolina in a cooperative student research program. It is, therefore, an investment in the future of our Nation by providing urgently needed scientific skills for those being trained in this high technology industry.

Mr. RUDMAN. Mr. President, the amendment as offered has been cleared on both sides by the distinguished Senator from South Carolina and by the majority.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 951) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 952

(Purpose: To pay claims pursuant to Section 7 of the Fisherman's Protective Act for 2 U.S. shrimp boats seized by Brazil and a U.S. tuna boat seized by the Solomon Islands)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 952.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9 line 1: strike "$1,800,000." and insert in lieu thereof the following: "$4,200,000, of which $2,400,000 is to be derived from the general fund of the Treasury and of which $1,800,000 is"

Mr. HOLLINGS. Mr. President, this amendment provides $2,400,000 for the Fisherman's Protective Act.

As the Senate will recall, the Fisherman's Protective Act section 7 program is funded by a combination of industry fees and direct appropriations. In recent years, until we appropriated $2,500,000 in the recent Supplemental Appropriations Act, all of the funding has come from the industry fees. The program has operated in recent years at an annual level of approximately $1.8 million.

Calendar year 1984 was an unusually active year with several seizures of shrimp boats by Brazil and a tuna boat seizure by the Solomon Islands. Three shrimp boats were confiscated by Brazil after lengthy detentions and the tuna boat was released after being confiscated and then sold back to the owner. There is an obligation under our policy to reimburse these boats seized within the so-called arbitrary limits involving both Brazil and the Solomon Islands.

Because of the unusually high number of seizures in 1984, the resulting claims, processed in 1985, exhausted the funds available in the Fisherman's Protective Act section 7 program for fiscal year 1985. Earlier this year, the administration requested a fiscal year 1985 supplemental appropriation of $2.5 million for these claims, which I said earlier, was included in the fiscal year 1985 supplemental appropriation bill.

Unfortunately, NOAA underestimated the amount of the tuna claim which will now substantially exceed the $2.5 million. The claim grew because the vessel owner could not complete repairs and go fishing again until he received payment on his claim which was delayed until the supplemental appropriations bill was passed. The claim thus increased every day because of increased lost fishing time. Consequently, the supplemental appropriation will not cover the two remaining shrimp boat claims.

NOAA now needs an additional $2.4 million of direct appropriations to be added to the fiscal year 1985 appropriation to cover these additional claims. The two shrimp vessel claims are $843,400 for the *Condor* and $866,500 for the *Sea Horse.* In addition, I understand that $600,000 to $700,000 is needed for the tuna vessel. The Department of Commerce has informally verified these amounts.

It was an oversight in the markup of the bill.

Mr. President, does the Senator from New Hampshire have any comments? Otherwise, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 952) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I yield back to my friend from South Carolina.

AMENDMENT NO. 953

Mr. HOLLINGS. Mr. President, I have one further amendment, which makes the necessary offsets to the outlays added to the bill total by actions on the Senate floor.

I will read it. Then the clerk may report it.

On page 34, line 21 strike "$36,400,000" and insert in lieu thereof "$29,400,000".

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 953.

On page 34, line 21 strike "$36,400,000" and insert in lieu thereof "$29,400,000".

Mr. HOLLINGS. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 953) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, we are nearly at the point of final passage. However, a problem has developed which I believe can be straightened out.

Mr. President, I ask unanimous consent that Senator D'AMATO be listed as a cosponsor of the Chiles amendment (No. 949) which has been adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPROPRIATION FOR THE LEGAL SERVICES CORPORATION

Mr. GRASSLEY. Mr. President, I am pleased to note that H.R. 2965, the appropriation bill for the Legal Services Corporation [LSC], rids itself of language from past bills that has undermined the independence and leadership of the Board of Directors for the Corporation. For example, last year's appropriation, Public Law 98-411, required the Corporation to maintain a specific level of funding to all grantees. H.R. 2965 also discards a funding formula in last year's bill that required the Corporation to allocate funds at a specific level to each grantee. With these restrictions on author-

ity absent from this year's appropriation bill, the LSC Board of Directors can move ahead with greater flexibility and the assurance of the confidence that Congress has placed in them.

Last spring, this body confirmed the LSC Board nominees and, is so doing, expressed its trust and optimism in what marked a new beginning of self-management for the Corporation. With Congress no longer the micro-manager of LSC, the Board will realize its intended authority and discretion provided for in the Legal Services Corporation Act of 1974.

While H.R. 2965 provides $306,400,000 to be appropriated for the Corporation, the language of the bill sets forth restrictions for certain class action suits, lobbying activities, representation of certain aliens, training activities, refunding and defunding procedures, and governing board composition. These restrictions contribute to the integrity of this bill by ensuring compliance with the purpose of LSC's existence—that is to provide legal assistance to individual poor persons. These restrictions receive widespread, bipartisan support from both Houses.

I am disappointed, however, by language in the report (99-150) which accompanies H.R. 2965. This language states that the Appropriations Committee recommends the elimination of the Elderlaw Program, a $1 million spending proposal by the Corporation in their fiscal year 1986 budget submission. There Elderlaw Program has at least two significant benefits. First, it provides specialized legal services to a group who are in particular need of such services—the elderly. Second, it offers law students an opportunity to gain needed experience in the practice of law and heightens their sensitivity to serving the public. I certainly hope that the conferees on this bill will reconsider this report language.

I am pleased to see the favorable support that H.R. 2965 has attracted and am confident that the Board of the Legal Services Corporation will make the most of the opportunity that presents itself through this measure.

● Mr. LAUTENBERG. Mr. President, I rise in support of H.R. 2965, the appropriation bill for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

This bill is accompanied by report language that I offered in the subcommittee, to halt efforts to close the National Weather Service station in Newark. In May, the Department of Commerce published its intention to close the Newark station. This month or next, it was going to issue requests for proposals to provide local weather observations by private contractors.

But, Mr. President, over 75 percent of the man-hours at the station are dedicated to functions other than observations. These would have to be relocated, or simply terminated. The result would be added expenses at other stations, or a dimution in service to the people of New Jersey.

The airport station plays a key role in the area's flood warning system. That system is critical to the health and safety of citizens in flood-prone northern New Jersey. The station also provides adaptive local forecasting, tailoring general New York forecsts to the particular geography, and climate of New Jersey.

The station also provides on-the-spot weather information for air transportation. There have been a disturbing number of air traffic accidents this year—many of them, weather related. We should not risk the safety of air travelers, by reducing our ability to monitor the latest breaking weather developments affecting air transportation.

Mr. President, the Department has presented no evidence that the contracting out of this station would result in the most efficient means of providing essential weather service. I am not opposed to contracting out, where the private sector can accomplish the same goals more efficiently.

But, what we have here is not a case of Government for less cost. At best, we have a case of less Government for less. And how much less? One unofficial estimate put the potential savings at less than $30,000 a year. That's $30,000 a year to put the flood-prone areas of New Jersey at risk; to put New Jersey air travelers' at risk; and to deny New Jersey locally oriented weather service.

At worst, we have a case of less Government for greater cost, as the Department will have to hire new people in New York and elsewhere to pick up some of Newark's functions, while paying contractors to conduct observations in New Jersey.

For all these reasons, I offered and the report includes language that directs the Department to cease its efforts to contract out weather observations at Newark, and to close down the station. It directs the Department not to proceed with its plan or otherwise reorganize weather service functions at Newark unless it first secures the Committee's prior approval. Last, the language requires the Department to supply the analysis that has been lacking thus far on how existing weather service and public safety functions would be continued, what impact the contracting out would have, and what real cost savings would result.

Mr. President, I am pleased that the report includes this important provision, preserving essential weather service to northern New Jersey. I urge my colleagues to support the bill.●

CENSUS BUREAU

● Mr. SPECTER. Mr. President, House Report No. 99-197 directs the Census Bureau to "* * * cease research and valuation efforts of noncash benefits, which are inkind benefits received as food stamps, school lunches, Medicare, public housing, employer contributions for pension and health plans, and other forms.". Senate Report No. 99-150 reaffirms the commitment of the Congress, as expressed in Public Law 96-536, to a Census Bureau program of collecting data on participation in federally funded, inkind benefit programs.

Mr. President, I do not agree with the suggestion of the House that we should cease research and valuation effort on the measurement of noncash benefits. However, I believe legitimate concerns have been raised regarding the methods used in determining the value of inkind benefits, as well as the extent to which specific noncash benefits are included in the official income data series of the Census Bureau. I believe it is important that, until the many conceptual and empirical problems associated with the valuation of inkind benefits are resolved, the Census Bureau carefully distinguish between studies of such income and official income data series. I would also be seriously concerned about any effort by any agency to determine program eligibility, benefit levels, program allocations, and so forth on the basis of such relatively untested data. Moreover, in carrying out Congress' mandate to study inkind benefits as income, the Census Bureau should be encouraged to obtain advice not only from technical experts, but also from the general scientific community, interested citizens, and congressional committees that care to participate.

I believe these views express the intent of Congress in adopting Public Law 96-536. I would welcome the thoughts of the distinguished subcommittee chairman on these matters.

Mr. RUDMAN. Mr. President, I cannot contradict my friend from Pennsylvania and I share many of his concerns. I agree that it is important to continue the research the Census Bureau has begun. Certainly, there can be no objection to, and there is much to commend, seeking a broad range of input on valuation techniques, and in broadening the kinds of benefits that are studies.

Mr. SPECTER. I thank the Senator.●

STATE JUSTICE INSTITUTE ACT

● Mr. HEFLIN. Mr. President, I am pleased to note that H.R. 2965 includes the first appropriation for the State Justice Institute. The initial sum is a modest one, but it represents an historic milestone in the Development of American federalism because it recognizes for the first time the importance of the separation of powers doctrine in relations between the Federal Government and State judiciaries. In addition, it recognizes the critical role

State courts play in our dual systems of justice, a role too often overlooked by Congress which necessarily focuses its attention on the Federal courts except when there are complaints about the manner in which the State systems are functioning. Then, we are too prone to propose Federal solutions that may increase the burdens of the Federal courts or that increase the problems of the equally burdened State court systems.

By creating and funding the State Justice Institute, Mr. President, Congress has recognized that the best solutions to many national problems, including many problems of the Federal courts, may be found through improved operation of the State courts or in changes or improvements in relations between the State and Federal systems.

There are no limits to the tasks that face the institute, Mr. President, and it is important, particularly in light of the limited funds that will be available, that the institutes's initial board of directors be free to set priorities and launch a program that will assure attention over the long term to the most critical issues facing the Federal judicial system. In this regard, I am pleased to see that the committee's report contains no special directives and places no restrictions on the board of directors, leaving it free to devise the initial agenda as it deems best.

I am glad to see the State Justice Institute is finally coming to fruition, but it could not have been passed, and the funding been approved, without the active and continuing support of colleagues from both sides of the aisle. These have included Senators THURMOND and BIDEN of the Judiciary Committee; Senators DOLE and EAST as chairmen of the Subcommittee on Courts; and Senators HATFIELD, STENNIS, LAXALT, RUDMAN, and HOLLINGS of the Appropriations Subcommittee on Commerce, Justice, State, and the Judiciary.

I would also like to acknowledge the assistance of Mr. John Shank, Mr. Rick Spees, and Mr. Warren Kane of the subcommittee staff for their invaluable service.

I urge my colleagues to join with me in giving their unqualified support to the State Justice Institute.●

DEA LAB

Mr. SPECTER. Mr. President, I would like to direct the attention of the distinguished floor manager of the bill, the Senator from New Hampshire [Mr. RUDMAN], to the section of the bill dealing with the Drug Enforcement Administration.

The bill as reported includes $28.7 million more than the budget request for the DEA, which is to cover the costs of new drug enforcement initiatives. The Senator from New Hampshire is aware as I am of a problem at the DEA mid-Atlantic laboratory.

This laboratory is responsible for analyzing all drug exhibits confiscated in the Washington, DC, metropolitan area and a three-State region, but because of the unique relationship of the Federal Government and the D.C. criminal justice system it also handles the exhibits brought in by the D.C. Metropolitan Police. This is because the U.S. attorney for the District of Columbia is also the local prosecutor.

Mr. President, the U.S. Attorney's Office tells me that from March through August of this year filings in felony drug cases are up 27 percent over the same period in 1984. It has been reported in the Washington Post that some drug misdemeanor cases have been dismissed in D.C. Superior Court as the result of delays in receiving drug analysis reports. This is totally unacceptable.

In order to rectify this situation, I am informed that 11 additional staff, 8 chemists, 2 clerical and 1 professional/technical are required, along with the necessary laboratory equipment. The cost would be $959,900. My question to the Senator is that within the increase provided to the DEA in the bill would it be our intention that this type of situation be corrected and that we should earmark this amount for those positions and equipment at the mid-Atlantic lab?

Mr. RUDMAN. Mr. President, I am indeed aware of the situation regarding the DEA mid-Atlantic laboratory. As far as I know, the Senator from Pennsylvania has correctly stated the situation.

In answer to his question, the type of corrective action which he describes, is what we have in mind and I would hope that DEA officials will look on this discussion as an expression of the Senate's intent that those resources be allocated to the mid-Atlantic lab.

Mr. SPECTER. I thank the Senator for his comments on this matter.

VERTICAL PRICE RESTRAINTS

Mr. HOLLINGS. Mr. President, I join my colleagues in support of section 605 of the House bill relating to resale price maintenance, as well as the new language addressing the Department of Justice enforcement guidelines.

The House language, like its predecessors in past approriations bills, prohibits funding for any activity to alter the per se prohibition on resale price maintenance now in effect under Federal law.

The new language, which was adopted in the Senate Appropriations Committee, addresses the guidelines in three ways. First, it states the sense of the Congress that the guidelines are contrary to existing antitrust law and should be given no force and effect by the courts. Second, it urges the Department of Justice to recall the guidelines and not reissue them until interested parties are given an opportunity to comment on the policies expressed in the guidelines. Third, it clearly states that any antitrust policy guidelines issued by the Department of Justice cannot supersede existing law.

Mr. President, during the summer, the National Association of Attorneys General adopted a resolution strongly disapproving of the guidelines. I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, the United States Department of Justice published antitrust enforcement guidelines entitled "Vertical Restraints Guidelines" on January 23, 1985, which have been circulated to the judiciary, business community, and the public at large; and

Whereas, such Guidelines were issued with the avowed purpose of clarifying the enforcement policy of the Department of Justice's Antitrust Division with regard to nonprice vertical restraints of trade and in so doing have purported to interpret and state what the current federal law is in the area of vertical restraints; and

Whereas, the Antitrust Division has not filed any lawsuits challenging vertical restraints of trade in the past 55 months; and

Whereas, the Antitrust Division engaged in an "amicus intervention program" in the period 1981-1983, intervening in private antitrust suits where defendants were charged with vertical price-fixing, urging the courts to abandon the settled law that such price-fixing agreements were *per se* unlawful, and continued such amicus filings until Congress barred further activity in the Department of Justice appropriation for fiscal year 1984; and

Whereas, despite the stated purpose of clarifying policy in the area of non-price vertical restraints and despite the Supreme Court's recent refusal to overturn the rule that vertical price-fixing is *per se* unlawful in the case of *Monsanto* v. *Spray-Rite Service Corp.* 104 S. Ct. 1464 (1984), the Guidelines clearly apply to certain vertical price-fixing agreements and treat these as subject to the "rule of reason" rather than settled *per se* rule; and

Whereas, the Guidelines misstate the law applicable to vertical restraints by totally excluding anticompetitive effects in intrabrand markets from the rule of reason analysis; and

Whereas, the Guidelines treat certain horizontal restraints of trade that are *per se* unlawful as though they were vertical restraints subject to rule of reason analysis; and

Whereas, the Guidelines adopt the position that certain vertical restraints are always lawful, when the lawfulness of such restraints can only be determined after a full rule of reason inquiry and such restraints have in certain cases been found unreasonable and illegal, thereby jeopardizing business that might rely upon the Guidelines in adopting these restraints; and

Whereas, the Guidelines misstate the rule of *per se* illegality applicable to certain restraints of trade and adopt an unprecedented modified rule of reason test in relation to

certain restraints that are *per se* unlawful; and

Whereas, the Guidelines misstate the law applicable to tying arrangements despite the fact that the applicable law was recently clarified by the Supreme Court in the case of *Jefferson Parish Hospital District No. 2* v. *Hyde*, 104 S. Ct. 1551 (1984); and

Whereas, the Guidelines misstate the law concerning the liability of corporations for acts of responsible corporate employees;

Now, therefore, be it resolved, That is is the sense of National Association of Attorneys General that:

(1) The Vertical Restraints Guidelines issued by the Department of Justice on January 23, 1985, do not accurately reflect the judicial interpretation of the federal antitrust laws with regard to non-price vertical restraints of trade, vertical price-fixing agreements, the relevance of intrabrand competition, the application of *per se* rules, tying arrangements, the distinction between horizontal and vertical restraints, and the liability of corporations for the acts of responsible corporate employees; and

(2) The Guidelines should not be accorded any force of law or treated by the courts of the United States or of any state as persuasive; and

(3) The Guidelines are a danger to the business community in that reliance thereupon might encourage businesses to adopt restraints of trade that might be actionable and ultimately held unlawful, exposing the defendants to treble damages and litigation costs; and

Be it further resolved, That the National Association of Attorneys General directs its Executive Director and General Counsel to furnish copies of this resolution to the Administration, Congress, leaders of the business community, and other interested individuals.

Mr. LAUTENBERG. Mr. President, I rise in support of H.R. 2965, the appropriations bill for Commerce, Justice, State, and the Judiciary and related agencies.

This bill includes funding for several key agencies charged with implementing our Nation's trade policy. Unfortunately, Mr. President, the administration's trade policy, such as it is, is a failure. September's trade deficit was announced yesterday. It was a record breaking $15.5 billion.

We need to make a number of a major changes to reverse this worsening trend. We need to get the value of the dollar down, and market intervention has begun to do that, but in the long term, we need to get our fiscal house in order, and we need to reconsider the basic international financial framework. We also need to push more aggressively, to open markets abroad, and to free our businesses to compete, and to combat unfair trading practices.

This week, the Democratic trade policy working group, on which I serve, announced a significant proposal, that calls for fundamental reform of the GATT, and reform of the international financial system. Separately, I have proposed legislation to combat piracy and conterfeiting of American intellectual property, America's innovation, which lies at the core of its comparative advantage.

This bill maintains funding for the Department of Commerce, including its International Trade Administration; the International Trade Commission, which is charged with adjudicating a rising number of unfair trade complaints and pleas for trade relief; and the Office of the U.S. Trade Representative, the administration's key trade negotiator.

Even in a time of great fiscal constraint, we have tried to maintain adequate funding for these key instruments of trade policy. The bill includes $1.6 million over the budget request for the USTR. The bill provides an increase of $2.9 million over last year's funding for the International Trade Commission.

The committee report also includes two other provisions, which I offered in committee, which will have an impact on our trade picture. One pertains to the $4 million for development of an automated system for export licensing and export controls. The committee included directions to the Commerce Department to provide for: prompt licensing; access by exporters for electronic filing of applications; access by exporters to information on the status of their applications; support for the foreign availability program.

Mr. President, our Export Licensing Program should be operated as efficiently as possible. While maintaining important security interests, it should not unduly impede the efforts of our business community to export and to compete in foreign markets. For that reason, the committee also asks the Department to conduct a review of the staffing and experience levels of those responsible for implementing this high technical area.

These are small steps, Mr. President, in addressing a major economic problem. However, for those companies manufacturing and selling sophisticated, high technology products—the kinds of products where America can compete—improving the operation of our export licensing system can be critical.

Mr. President, I urge adoption of the bill.●

PROPOSED INS REORGANIZATION

● Mr. BOSCHWITZ. I rise in support of a relatively modest provision in the Commerce, Justice, and State appropriations bill.

The Immigration and Naturalization Service has proposed closing the northern regional office in Minneapolis/St. Paul. Several of my colleagues and I requested that the Appropriations Committee prevent funding for 1 year for the reorganization of the INS regional offices and specifically the closing of the northern regional office, because of our grave concerns about the effect of the closing of that office.

The northern regional office is one of the most efficient of the regional offices, with a staff of experienced and dedicated immigration personnel. Close working relationships between the northern regional staff and Canadian authorities have developed over the years, along with regional expertise on problems unique to this area. Also, this reorganization appears to leave our northern border weak and vulnerable, giving the majority of attention to the southern border.

If the northern regional office closes, there will be no regional office with experience in policy planning and responsibility for the northern border and large interior enforcement areas. Consequently, northern border and large interior enforcement areas will suffer a decline in INS coverage.

By delaying the reorganization for 1 year, Congress will have the opportunity to thoroughly and thoughtfully consider all the ramifications of this most complex proposition.●

●Mr. SPECTER. Mr. President, I am very concerned about a matter currently under consideration by the Securities Exchange Commission, whose appropriation is included in this bill.

The SEC has promulgated a proposed regulation which seeks to overturn the recent decision of the Supreme Court of Delaware in the case of Unocal Corp. against Mesa Petroleum Co. In that case, the Delaware Supreme Court upheld Unocal management's use of a selective issuer self-tender as lawful under Delaware State corporate law. The SEC's proposed "all holders" rule would make such a maneuver illegal in future takeover contests.

Mr. President, I believe that if the Federal Government is to take the extraordinary step of modifying State corporate law, it should be by Congress, not the SEC. The SEC's role in takeover battles traditionally has been limited to regulation of disclosure, and States have been left free to regulate specific offensive and defensive tactics as they see fit.

● Mr. RUDMAN. Mr. President, Congress, however, has taken action in the tender offer area before. For example, so-called golden parachute contracts have been limited by Federal statute.

● Mr. SPECTER. That is true, and that was perfectly appropriate. I certainly do not mean to say that Federal regulation in the takeover area is inappropriate. To the contrary, I strongly believe that comprehensive reforms are needed in this area, where we have seen such a proliferation of questionable tactics, both offensive and defensive. But I believe such reforms should come from Congress, not the SEC.

The amendment that I have discussed with my colleagues on the Appropriations Committee would prohibit the SEC from expending any of the

funds from this act to implement its all holders rule.

● Mr. RUDMAN. Mr. President, my understanding is that the Senator does not intend to offer such an amendment to this bill.

● Mr. SPECTER. That is correct. I am extremely concerned about this situation, and I know that many of my colleagues are equally concerned, but I do not feel it is an issue which should be decided as part of the appropriations process, where it cannot receive the full consideration it requires. I merely want to indicate my very serious concerns, and my intention of pursuing the matter in the proper authorizing committee.

● Mr. D'AMATO. While I do not necessarily agree with my colleague from Pennsylvania on the merits of this issue, I do agree that it is an important one, which deserves our consideration. In the past, the SEC has promulgated rules that govern the tender offer process and I do not question their authority to do so in this area. However, I can assure him that the Banking Committee's Subcommittee on Securities, which I chair, will devote attention to the "all holders" rule.●

CLAIRTON AND OTHER CITIES

Mr. SPECTER. Mr. President, the Senate Appropriations Committee report accompanying H.R. 2965 identifies $15.5 million for title IX sudden and severe economic dislocation grants through the Economic Development Administration. Although the recommended funding level for the Economic Development Administration is well below that for fiscal 1985, I was pleased the committee has decided to maintain this program at only a slightly lower level than current appropriations. This is of particular importance to me given the problems being faced by Clairton, PA, and other cities in Pennsylvania. Clairton's situation is illustrative of problems faced by many Pennsylvania cities. Clairton's economy has long revolved around the steel industry. With the decline of steel, tax assessments of steel production facilities in Clairton have fallen precipitously. Along with the decline of the industry have come lowered county assessments on homes and businesses, reduced employment, and an aging population. In 1960, Clairton's population was 18,389. By 1980, the population had declined to 12,188, for a loss of 33.7 percent. A further 6-percent loss is projected by the year 2000. And in 1980, 17.2 percent of the population was over 65 years old. The decline in the city's ratables has produced a fiscal crisis of the first order, to the extent that health and safety are now endangered. The city of Clairton is projecting a deficit of $600,000 by year end, or nearly one-third of the city's $3.2 million budget. As of September 10, 1985, there was only $3,000 remaining in the city's bank account, which was not enough to pay its 13 police officers and 10 firefighters. State police and volunteer firefighters now constitute the city's sole safety forces.

It is obvious that Clairton meets the sudden and severe economic dislocation program eligibility requirements. I believe Clairton should receive assistance from this program to ameliorate its fiscal crisis. A number of cities in Pennsylvania, such as Aliquippa, Homestead, West Homestead, Duquesne, Dravosburg and others have similar problems. I believe that $1, million from the program should be used in this hard-hit area to ameliorate the fiscal crisis of these cities. Accordingly, I would ask the acting chairman to join me in urging EDA to come forward with a plan for addressing the problems faced by these cities and similarly situated cities in this area depressed by problems in the steel industry.

Mr. RUDMAN. Mr. President, clearly the problems being experienced by the cities identified by the Senator from Pennsylvania are a good example of the need for EDA's sudden and severe economic dislocation program. I strongly urge the Economic Development Administration to give every possible consideration to providing a grants to those cities for $1 million at the earliest possible date. And I believe that coming up with a plan of the kind you suggest would be a very constructive step.

Mr. SPECTER. Mr. President, I thank the acting chairman of the subcommittee for his courtesy and cooperation.

Mr. ARMSTRONG. Mr. President, will the acting chairman of the subcommittee, the distinguished Senator from New Hampshire, yield for a colloquy?

Mr. RUDMAN. I would be pleased to yield to the Senator from Colorado.

Mr. ARMSTRONG. The Senate Appropriations Committee report accompanying H.R. 2965 directs the National Oceanic and Atmospheric Administration to provide $2,250,000 for State weather modification activities, including grants to the State of North Dakota, Illinois, Nevada, and Utah. The State of Colorado has been involved in similar efforts in the past few years, and has recently indicated an interest in joining the existing four States in the program.

Mr. HART. Will the Senator yield on that point?

Mr. ARMSTRONG. Certainly, Mr. President.

Mr. HART. I have also been aware of Colorado's continuing efforts in weather modification research. Such research offers important opportunities for understanding and possibly controlling adverse weather patterns in Colorado and throughout the West. Is it my colleague's understanding that Colorado would like sufficient funds in 1986 to begin planning its full partnership in the program in 1987 and beyond?

Mr. ARMSTRONG. Mr. President, that is my understanding. However, Senator HART and I are well aware of the tight budget constraints faced by the acting chairman of the subcommittee, the Senator from New Hampshire. Therefore, we would propose that the National Oceanic and Atmospheric Administration make available up to $100,000 from available funds to allow Colorado to begin planning its participation in the State weather modification program. Would such a proposal be acceptable to the Senator from New Hampshire?

Mr. RUDMAN. Mr. President, I deeply appreciate the understanding of the Senators from Colorado. It would be acceptable to me if the National Oceanic and Atmospheric Administration were to make up to $100,000 available to Colorado for program planning purposes, assuming the State submits a grant application detailing the proposed use of the funds.

Mr. HART. Is it the acting chairman's intention that this grant be derived from the funds appropriated for the State weather modification program?

Mr. RUDMAN. Mr. President, I believe it is only fair that we not penalize other programs of the National Oceanic and Atmospheric Administration in order to accommodate this enhancement. The Appropriations Committee is recommending $2,250,000 for State weather modification grants, and it is my intention that Colorado's planning grant be derived from these funds. It is also my intention to attempt to clarify this issue in conference with the House. In that regard, I cannot guarantee the House will find this proposal acceptable; however, I will attempt to persuade them of its wisdom.

Mr. ARMSTRONG. Mr. President, Senator HART and I would like to thank the Senator from New Hampshire for his gracious accommodation of our request.

Mr. WILSON. Mr. President, I am pleased to see that the committee has recommended a guaranteed loan program level of $150 million for the Economic Development Administration in fiscal year 1986. It is my understanding that the committee intends that these funds be used to leverage private sector investments to promote successful development of labor intensive industry, to reduce dependency upon social welfare programs, to encourage self-reliance through economic development, and to generate new tax revenues.

Mr. CRANSTON. I join my colleague in calling attention to the funding for the EDA Guaranteed Loan

Program. In the past this EDA Program has successfully stimulated private sector investment in areas hard hit by unemployment due to plant closures and layoffs in the heavy manufacturing industries.

Mr. WILSON. I would like to pinpoint a perfect example of what my colleague refers to—the shutdown of the General Motors assembly plant in the city of South Gate which has driven the unemployment rate up to as high as 26 percent in the surrounding communities. Through the use of an EDA guaranteed loan, EDA has the opportunity to assist in the acquisition and infrastructure development of this site.

Mr. CRANSTON. It is my understanding that with EDA assistance, this project would stimulate in excess of $80 million in private investment and would generate more than 6,000 permanent jobs over the next 5 years.

Mr. WILSON. In all, I believe that such possibilities are well within the intended scope of the program as recommended by the committee.

Mr. RUDMAN. Based upon the description of this project, I believe that it falls within the legislative scope intended for the EDA Guaranteed Loan Program, and I think the EDA ought to take it under serious consideration when the occasion arises. I appreciate the Senator calling it to my attention today as we take up H.R. 2965 and its accompanying Report 99-150. I know I can count on his strong support for its passage.

● Mr. GORTON. Mr. President, I want to thank the managers of the bill for their time and energy in responding to my concerns. Their help on issues of importance to the State of Washington are greatly appreciated.

I am concerned specifically about the Fishing Gear Reduction Program, commonly referred to as the Vessel Buy-Back Program. As my colleagues know, this program was intitiated in response to Federal court decisions granting Washington State Indian Tribes treaty rights to half of all the salmon in the State. This program was designed to: First, mitigate the severe dislocation created by the court decisions; and second, reduce the non-Indian fishing effort by one-third.

The Vessel Buy-Back Program was authorized for a 5-year period when it was enacted with the Salmon and Steelhead Conservation and Enhancement Act (Public Law 96-561). The total 5-year authorization was $37.5 million. The House included $2.5 million for the program in its fiscal year 1986 appropriation bill. It is my hope that when H.R. 2965 is considered in conference, the committee will recede to the $2.5 million provided for in the House bill. This program expires in fiscal year 1986, and this, therefore, will conclude the need for future appropriation requests.

● Mr. RUDMAN. I thank the Senator for his excellent explanation of the Vessel Buy-Back Program. I appreciate his concerns. While I cannot give an absolute commitment that we will recede to the House language in conference, I can offer assurances that I will look favorably on the request made by the Senator from Washington and do my best to accommodate him.

● Mr. GORTON. Again, I thank the chairman and committee members for their attention on this matter of great importance to Washington State.●

THE COASTAL MARINE MAMMAL PROGRAM

● Mr. WILSON. Mr. President, as this Chamber considers the appropriation of funds for the National Marine Fisheries Service, I would like to draw attention to the valuable efforts of the Service's Coastal Marine Mammal Program in determining the potential damage of gill net fishing off the California coast. For those of my colleagues who are unfamiliar with the practice of gill netting, I should explain that it is a fishing technique employed by commercial fishermen in which fish that swim into the net are entangled in effort to swim out.

The problem with this technique is that what works for the fish also works to capture and kill endangered species. Large numbers of birds and marine mammals are accidentally drowned annually by becoming entangled in gill nets. Endangered gray whales, sea otters, sea lions, and rare harbor porpoises are among the species that are affected by gill netting, and there is additional concern that a variety of fish stocks—both target and nontarget species—may be depleted by the use of gill nets.

Through its studies, the Coastal Marine Mammal Program has and will continue to provide important information on the threat of gill netting. This is critical information that is needed to design a fishery program that will, to the fullest extent possible, mitigate the damages to the affected species. This program is administered jointly by the southwest center and southwest region of the National Marine Fisheries Service and by the California Department of Fish and Game.

It is imperative that sufficient operating funds be made available to the southwest center to continue the Coastal Marine Mammal Program. These funds should be used to study possible mitigation of marine mammal impact on fisheries, incidental take of marine mammals in gill and trammel net fisheries, harbor seal and harbor porpoise population surveys, and elephant seal population dynamics.

It is my understanding that it is the intention of the Subcommittee on State, Commerce and Justice that $190,000 in operating funds be targeted for these kinds of studies by the southwest center of the National Marine Fisheries Service in the Coastal Marine Mammal Program.

Mr. President, I ask the Senator. Do we agree that this is the intention of the committee?

● Mr. RUDMAN. My friend from California is correct and the intention of the committee is exactly as he has stated it.●

MONK SEAL FUNDING

Mr. INOUYE. Mr. President, I would like to address the funding for endangered species conservation included in the NOAA portion of the appropriations bill. Funding for Hawaiian monk seal research is included in this account and funded annually at $325,000. I noticed, however, that in the committee report on the bill, no specific reference is made to monk seal research. Is it the chairman's understanding that the committee has included in the endangered species line item level funding—$325,000—for this program?

Mr. RUDMAN. I thank my colleague for raising this matter. It is indeed the committee's intention that $325,000 be spent for monk seal research from the total funding for the endangered species conservation line item.

Mr. DANFORTH. Mr. President, I request clarification of page 15 of the Appropriations Committee's report relating to funds for the National Oceanic and Atmospheric Administration's research on bowhead whales. A portion of that text discusses the law controlling the Alaska Eskimo bowhead whale hunt.

As chairman of the Commerce Committee with jurisdiction of both the Marine Mammal Protection Act and the Whaling Convention Act, I note that the cooperative agreement between the National Oceanic and Atmospheric Administration and the Alaska Eskimo Whaling Commission, as well as the regulations governing bowhead whaling, cite both statutes for authority. I would, therefore, be grateful if the acting chairman of the Appropriations Subcommittee would assure me that the language on page 15 is not intended to be construed as in any way influencing the determination of the law applicable to bowhead whaling.

Mr. RUDMAN. Mr. President, I am pleased to give the Senator from Missouri the assurance he has requested.

Mr. BINGAMAN. Mr. President, I wish to again bring to the Senate's attention a matter of continuing concern to New Mexico and other States where American Indian art is produced and sold.

Last year I requested that the Department of Commerce initiate a study to determine the extent of the import, export, and sale of imitation American Indian-style jewelry. In coordination with the U.S. Customs

Service and the Federal Trade Commission, the Commerce Department completed its report and submitted it to the Congress this past summer. I wish to thank the distinguished acting chairman for his help and support in getting this accomplished.

Mr. RUDMAN. I am pleased to have been of assistance.

Mr. BINGAMAN. Although we have not solved the counterfeit problem I believe we have a better idea of how to approach this matter, and certainly the Commerce Department's study provides some guidance.

The Commerce Department report found that unmarked counterfeit Indian jewelry siphons an estimated $40-$80 million from the $400-$800 million generated annually by genuine articles produced by native craftsman.

Several remedies were specified by the Department, such as: stricter enforcement of the Federal Trade Commission Act; the preparation of consumer pamphlets on Indian jewelry by the Federal Trade Commission; the use of trademarks and design patents; the enforcement of the criminal statutes for misrepresentation of goods; and a ruling from the U.S. Customs Service to require permanent country of origin marking on imported American Indian-style goods. These are positive steps, but they may not be enough to solve the problem.

Mr. HOLLINGS. Mr. President, what does the Senator from New Mexico see as the next step Congress should take?

Mr. BINGAMAN. Unfortunately, this is not a problem that will simply go away. Further attention is needed to stay abreast of the situation. As a result, I would ask that the chairman of the Commerce, Justice, State, and the Judiciary Subcommittee and the ranking minority member join with me in writing to the three Federal agencies involved in the initial study—the Department of Commerce, the Treasury Department, and the Federal Trade Commission—and urge their vigorous enforcement of the available remedies. Further, I would like to ask the agencies for a follow-up report detailing the success of these remedies to better determine what future action may be necessary. The Commerce Department observed that no additional Federal legislation is needed at this time and I believe that the agencies need an opportunity to address this issue. For example, the U.S. Customs Service has received a ruling request from the American Indian Craftsmen and Dealers Coalition to require permanent labeling of imported Indian-style jewelry and arts and crafts.

I am informed that the Customs Service is now studying this request and I understand that it will soon be making a final decision. I certainly urge that the ruling be completed as soon as possible and that it require permanent labeling.

Mr. RUDMAN. I would be pleased to join the Senator from New Mexico in his request to write the Commerce Department and other agencies involved in the counterfeit Indian jewelry problem. Also, a follow-up report would be beneficial to the Senate to see whether we are making progress and I too am hopeful a ruling request will soon be forthcoming.

Mr. HOLLINGS. I would be pleased to join the Senator from New Mexico and the chairman.

Mr. BINGAMAN. I would like to thank both distinguished Senators for their support on this. Thank you, Mr. President.

Mr. HUMPHREY. Mr. President, the human rights situation in Afghanistan today is deplorable and shows no signs of improving. Violations of human rights have been widely documented by many visitors to that troubled nation. Despite international condemnation for their murderous policies in Afghanistan, the Soviets have pursued a "business as usual" approach. The frightening and disturbing reality, however, is that this has gone largely unnoticed by the vast majority of the world. This is no accident. The Soviet Union has succeeded in bringing down a dark curtain which masks their barbarities from the rest of the world. The story of the Afghan people must be conveyed to the world at every opportune moment. Yet the Soviet Union has employed every tactic possible to conceal this story from the rest of the world. Soviet Ambassador to Pakistan Vitaly Smirnov has gone so far as to warn journalists: "stop trying to penetrate Afghanistan with the so-called mujahedin. From now on, the bandits and the so-called journalists—French, American, British, and others—accompanying them will be killed." The Soviets have followed through with their threats as we saw with the brutal murder of American journalist Charles Thornton last month. Mr. Chairman, would you agree, that given this state of affairs, it is imperative that the United States should exploit every opportunity to shine light on these Soviet barbarities.

Mr. RUDMAN. Yes; I would agree that it is unfortunate that the Soviets have so ardently concealed this war from the rest of the world and I believe that this Nation must devote greater attention to the Afghan tragedy.

Mr. HUMPHREY. Mr. President, the U.S. Information Agency is charged with the dissemination abroad of information about the United States, its people, and its policies, through press, publications, radio, motion pictures, and other information media. Therefore, I believe that USIA has unique expertise in disseminating information about the enormity of the crisis in Afghanistan in terms of the enormous number of casualties, human rights violations, and the refugee population. However, given the fact that the Soviet Union is engaged in the systematic destruction of the Afghan people, I believe that there is much more that USIA can do to help the Afghans spread their story throughout the world. Would the Senator agree that USIA should devote more time and resources to the Afghan issue.

Mr. RUDMAN. I would agree that the USIA should devote more resources to the Afghan issue.

Mr. HUMPHREY. Mr. President, due to the structure of USIA, and due to the manner in which specific issues are handled within the overall USIA Program guidelines, it is very difficult to determine the amount spent on the specific issue of Afghanistan. In light of the fact that we believe that more emphasis should be placed upon the Afghan issue within USIA, I believe that the Senate should request a written statement by USIA Director Charles Wick which outlines specifically past efforts of USIA on the Afghan issue and planned activities for fiscal year 1986 in this regard. I also believe that the report by the Director should outline total expenditures on Afghan related projects in fiscal year 1985 and fiscal year 1986. I believe that it is not unreasonable for the Senate to expect such a report within 45 days of enactment of this legislation.

Mr. RUDMAN. I agree that it is not unreasonable for the Senator to be informed directly by the Director of USIA on USIA's activities on Afghanistan as you have described.

Mr. HUMPHREY. I hope that the Senator would be amenable to the consideration of such an earmark of USIA funding if it can be determined that USIA should devote additional attention to the Afghan issue. I thank the Senator for his attention to this important matter and I look forward to closely reviewing the Director's report to the Senate.

Mr. EVANS. Mr. President, the Senate Foreign Relations Committee unanimously accepted an amendment to earmark $750,000 for fiscal year 1986 and $750,000 for fiscal year 1987 for the World Commission on Environment and Development. The committee authorized this earmark with the understanding that it be taken out of the total authorization for international organizations and conferences in the Department of State. This provision was accepted by the conference committee on H.R. 2068 and has been signed into law by the President.

The exact language reads:

SEC. 107. World Commission on Environment and Development.

Of the amounts authorized to be appropriated for "International Organizations and Conferences" by section 101(2), $750,000 for each of the fiscal years 1986 and 1987 shall be available only for a voluntary contribution to the World Commission on Environment and Development.

This language does not give the Department of State any choice: $750,000 must be used as the U.S. contribution to the World Commission. This is my reading of the authorizing language. This is the reading of the authorizing committee, the Foreign Relations Committee. And yet, for reasons that have yet to be adequately explained, the Department of State believes it can ignore congressional direction and, in this case, the law.

The Department of State will soon come before the Foreign Relations Committee requesting a multimillion dollar authorization to improve embassy security. I certainly support all efforts to improve the security of our overseas installations but I must wonder why the Department finds it necessary to seek the Foreign Relations Committee's approval in that case and chooses to ignore the committee's and Congress' direction in other cases.

I would ask my friend and colleague, the able chairman, for his view of this matter.

Mr. RUDMAN. The Senator from Washington is correct. The authorizing language does not leave the Department of State any choice. These funds must be used as the U.S. contribution to the World Commission on Environment and Development. It is also my belief that additional language in this appropriations bill will not strengthen the requirement already set in law.

I certainly expect the Department of State to comply with the law. I would remind the Department of State, as the Senator from Washington has already noted, this is not the last time we will consider fiscal year 1986 funding for the Department.

Mr. DOMENICI. Mr. President, I support the Commerce, Justice, State, and the Judiciary appropriation bill as reported by the committee.

I would like to commend my distinguished colleague, the Senator from New Hampshire, for the fine work he has done to bring this bill to the floor.

H.R. 2965, provides $11.9 billion in budget authority and $9.7 billion in outlays for the Departments of Commerce, Justice, and State, as well as the Judiciary. The bill also funds related agencies such as the Small Business Administration, the U.S. Information Agency, and the Legal Services Corporation.

Taking into account outlays from prior-year budget authority and other adjustments the Commerce, Justice, State subcommittee is below its section 302(b) allocation by $0.1 billion in budget authority and over by $0.1 billion in outlays.

Mr. President, I support the bill despite this overage in outlays because it is within $50 million of the total assumed in the budget resolution. It comes that close because of an amendment, adopted during full committee markup, reducing appropriations by $68 million.

I commend members of the subcommittee for taking a second look at this bill and finding ways to reduce spending even further.

Let me remind the Senate that the bill, as reported, already exceeds the subcommittee's 302(b) allocation for outlays under the budget resolution. I therefore urge my colleagues to reject any amendment that would increase the outlay total for this bill.

Mr. President, I ask unanimous consent that two tables showing the relationship of the reported bill to the congressional budget, the House-passed bill, the President's budget request, and a summary of total appropriations action to date, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMERCE, JUSTICE, STATE SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[In billions of dollars]

	Fiscal year 1986—	
	Budget authority	Outlays
Outlays from prior-year budget authority and other actions completed	(1)	2.6
H.R. 2965, as reported in the Senate	11.9	9.7
Adjustment for pending action on reconciliation:		
SBA disaster loans		−.1
Adjustment to conform mandatory programs to budget resolution assumptions	−(1)	−.2
Subcommittee total	11.9	12.0
Subcommittee 302(b) allocation	12.0	11.9
House-passed bill	12.1	12.1
President's request [2]	11.4	11.6
Subcommittee total compared to:		
Subcommittee 302(b) allocation	−.1	+.1
House-passed bill	−.2	−.1
President's request	+.5	+.4

[1] Less than $50 million.
[2] Adjusted to reflect President's actual request for Legal Services Corporation.

Note: Details may not add to totals due to rounding.

STATUS OF APPROPRIATION BILLS IN THE SENATE

[In billions of dollars]

Subcommittee	Appropriations Committee's 302(b) allocation		Adjusted bill totals [1]		Bill compared to crosswalk		Bill status
	Budget authority	Outlays	Budget authority	Outlays	Budget authority [2]	Outlays	
Agriculture	28.2	25.2	28.2	25.2	−(2)	−(2)	Senate-passed.
Commerce, Justice	12.0	11.9	11.9	12.0	−0.1	+0.1	Senate-reported.
Defense	285.5	252.2					Do.
District of Columbia	0.5	0.5	0.5	0.5	+(2)	+(2)	
Energy-Water	15.3	15.6	15.3	15.6	−(2)	−(2)	Conference.
Foreign Ops	15.2	14.7					
HUD-Independent	58.7	61.2	58.7	62.0	+(2)	+.8	Senate-reported. [3]
Interior	8.2	8.9	8.2	9.3	+(2)	+.4	Do.
Labor-HHS	108.0	115.3	108.0	115.3	−(2)	−(2)	Do.
Legislative Branch	1.7	1.7	1.7	1.7	−(2)	−(2)	Senate-passed.
Military Construction	9.0	7.6					
Transportation	10.5	26.6	10.0	26.7	−.5	+.1	Senate-reported.
Treasury, Postal	13.1	13.1	13.1	13.1	−(2)	−(2)	Senate-passed.
Unassigned	1.2	0.4			−1.2	+.4	
Total, Appropriations Committee	567.1	554.1	255.8	281.5	−1.7	+1.8	

[1] In addition to the bill, includes outlays from budget authority enacted in prior years, possible later requirements, adjustments to conform mandatory items to the budget, resolution level, and other adjustments.
[2] Less than $50 million.
[3] Scoring of the Senate-passed HUD/Independent Agencies bill has not been completed as of this time.

Source: Senate Budget Committee Staff.

Note: Details may not add to totals due to rounding.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, before we go to third reading, I just want to thank members of the staff on both sides for their extraordinary work during the last number of months getting this bill to the floor.

I do not believe there are further amendments.

I wonder if my friend from South Carolina has anything to say before we go to third reading.

Mr. HOLLINGS. Mr. President, we have only a minute, so I want to say, right to the point, the distinguished Senator from New Hampshire has come right in and taken over from our distinguished chairman, Senator PAUL LAXALT, and in a short time, mastered the bill and done an outstanding job. It is a privilege to work with him. I compliment him particularly and his staff, Rick Spees, John Shank, and Santal Manos and, of course, our good staff, Warren Kane. I thank him very much.

Mr. RUDMAN. Mr. President, let me say to my good friend from South Carolina that working on this committee with Senator HOLLINGS as ranking member is not only a pleasure, but often a delight.

The PRESIDING OFFICER. Are there further amendments to be offered? If there be no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. HOLLINGS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The PRESIDING OFFICER (Mr. LAXALT). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 84, nays 10, as follows:

[Rollcall Vote No. 275 Leg.]

YEAS—84

Abdnor	Garn	McConnell
Andrews	Glenn	Melcher
Armstrong	Goldwater	Metzenbaum
Baucus	Gore	Mitchell
Bingaman	Gorton	Moynihan
Boren	Grassley	Murkowski
Boschwitz	Harkin	Nunn
Bradley	Hart	Packwood
Bumpers	Hatch	Pell
Burdick	Hawkins	Pressler
Byrd	Hecht	Pryor
Chafee	Heinz	Quayle
Chiles	Hollings	Riegle
Cochran	Inouye	Rockefeller
Cohen	Kassebaum	Rudman
Cranston	Kasten	Sarbanes
D'Amato	Kennedy	Sasser
Danforth	Kerry	Simon
Denton	Lautenberg	Simpson
Dixon	Laxalt	Specter
Dodd	Leahy	Stafford
Dole	Levin	Stennis
Domenici	Long	Stevens
Durenberger	Lugar	Thurmond
Eagleton	Mathias	Trible
East	Matsunaga	Warner
Evans	Mattingly	Weicker
Ford	McClure	Wilson

NAYS—10

Exon	Humphrey	Symms
Gramm	Nickles	Zorinsky
Heflin	Proxmire	
Helms	Roth	

NOT VOTING—6

Bentsen	DeConcini	Johnston
Biden	Hatfield	Wallop

So the bill (H.R. 2965), as amended, was passed.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. LAXALT] appointed Mr. RUDMAN, Mr. LAXALT, Mr. STEVENS, Mr. WEICKER, Mr. HATFIELD, Mr. SPECTER, Mr. HOLLINGS, Mr. INOUYE, Mr. BUMPERS, Mr. CHILES, and Mr. LAUTENBERG conferees on the part of the Senate.

Mr. RUDMAN. Mr. President, I express my appreciation to the majority leader and Democratic leader for assisting the subcommittee in getting this bill finally considered and voted on.

Mr. HOLLINGS. Mr. President, I also thank our distinguished minority leader here, along with the majority leader, and appreciate the help they gave us.

Mr. DOLE. Mr. President, if we could have order, I might be able to alert my colleagues what may happen the remainder of the day.

As I understand the pending business—what is the pending business?

AGRICULTURE, FOOD, TRADE, AND CONSERVATION ACT OF 1985

The PRESIDING OFFICER. The Clerk will state the pending business.

The legislative clerk read as follows:

A bill (S. 1714) to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Dole motion to recommit the bill, with instructions to report back forthwith, with Dole Amendment No. 939, dealing with intermediate export credits.

Dole Amendment No. 940 (to Amendment No. 939), of a perfecting nature.

Mr. DOLE. And there is a pending amendment?

AMENDMENT NO. 940

The PRESIDING OFFICER. The pending amendment of the majority leader is No. 940.

Mr. DOLE. Mr. President, it is my hope we can get an expression of interest in this amendment. For that reason I am going to move to table my own amendment and vote against the tabling motion.

I think it is time we find out. It is time the American farmers find out precisely what we have in mind for agriculture this year. We have been up and down this hill dozens of times in the last several months. There is no reason we should not express our views on whether we are willing to support a particular program or whether we just want more time, whether we want to kill a program, whether we want to participate, and I think we need a vote so we can determine where we go from here.

If in fact the motion to recommit is tabled, then that would indicate there is not enough support for this approach. It would mean going back into each program one at a time and taking a look at wheat, cotton, dairy, sugar, peanuts, soybeans, rice, and all the other commodity programs one at a time. It would mean taking a look at payment limitations, reducing the maximum amount with reference to all crops, whether it is wheat, whether it is sugar, or whatever it might be. It would mean taking a look at some cap on loans. Under the present sugar programs you can borrow up to $4 million. That is the loan limit. Should it be that high? Some people do not think so.

Either we are going to get a farm bill or we are not going to get a farm bill. I happen to believe there are a number of us on both sides of the aisle who want a farm bill.

There has always been a bipartisan coalition around here when it came to

agriculture. That may be one reason it is in so much trouble.

But if there is not that coalition, then I think those of us who have an interest in specific commodities should have to fend for ourselves. We have had meetings without any result at all. Everyone is interested in one thing, protecting his own commodity. It is all right to cut the other program but do not touch ours.

Mr. President, I move to table the motion to recommit.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. Mr. President, will the majority leader yield for a question?

Mr. DOLE. It is not debatable.

The PRESIDING OFFICER. No debate is in order.

Mr. BYRD. Mr. President, I will suggest the absence of a quorum. It seems to me the Senator from Nebraska should be at least in a position to speak for a minute or two. We are going to take longer than that for this quorum call.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I ask unanimous consent to withhold the quorum and yield 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nebraska.

Mr. EXON. Mr. President, if I understand correctly, the majority leader still has the floor, is that correct?

Mr. DOLE. For 5 minutes to speak.

Mr. EXON. Mr. President, I wish to ask the majority leader if we are anxious to move the farm bill ahead why do we not get right into the farm bill as was reported out by a majority vote of the Agriculture Committee?

I know that the distinguished majority leader is a member of this committee, and he does not like the bill that came out of the committee. I know that the distinguished chairman of the committee does not like that bill.

But is there some reason that we are going through this game playing without going directly to a vote on the bill as it came out of the Agriculture Committee?

Mr. DOLE. Mr. President, I just say we are trying to end the game playing. That is the whole reason for this approach. We have been playing games with the American farmers for 5 or 6 months. We tried to pass a bill in July. We could not do it.

I think either we are going to have a farm bill this year or we are not. I would say to all those who think their commodities are sacred nothing is sacred.

This motion to recommit, I might add, includes a number of the provisions that were available to all of us and a number of provisons to reduce spending. The distinguished Senator from Montana indicated earlier he had a number and we put in nearly every one of those he suggested.

So it is sort of a bipartisan bill in that respect. It saves about $7.6 billion. That may not be the last savings we are able to obtain. There is still sugar and there is the peanut program and there is the dairy program. Everyone else is taking a cut. Others do not want to cooperate.

So my view is we go out and do the best we can.

Mr. EXON. Mr. President, if I may ask a further question, I ask the majority leader once again, Why do we not go to the consideration of the bill that was reported out of the Agriculture Committee? This Senator for one does not agree with the majority leader that there are those of us who are trying to protect only our basic commodities. I think the bill that came out of the Agriculture Committee is a long ways from perfect, but I think it was a generally well-balanced bill, and I think we should face up to the fact that the main reason we are going through this game playing is that there are those on that side of the aisle, particularly, who do not want a 4-year freeze on target prices.

If there is remaining time, I wish to have my colleague from Montana ask a question because I know he is anxious to get involved in this short-term debate.

Mr. DOLE. I would be happy to provide 5 minutes to the Senator from Montana.

Mr. MELCHER. I thank the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

Mr. MELCHER. Mr. President, I have looked through the 168-page amendment, and I want to just express my judgment on a couple of points. The 1-year-target price freeze is in this package and that is very vigorously opposed by farmers and farm organizations no matter who they are and is really questioned by their creditors, whether they are banks or PCA's. So that is a negative point for the amendment.

The farmers need to express their judgment on this proposal and we have not had, of course, time to do that.

I am advised, however, by the various commodity groups, by their national organizations, that wheat and those commodity groups involving feed grains vigorously oppose the amendment. The same is true of rice and cotton.

Mr. President, while there has been a lot of charges of delaying tactics, we have waited all yesterday afternoon to see what this proposal will be. I do believe the expressions of these commodity groups should be taken rather seriously right now and that we do have some opportunity to get back to them to see whether this kind of a proposal should ever be adopted. The tabling motion, if it fails—which I hope it does not fail. The majority leader is trying to table his own amendment. That is fine with me. It will be an expression of where the votes are, and so we will know that.

If the proposal is going to be adequately debated, we are going to need that feedback. If these national organizations located here in Washington are correct and that they oppose it, then I would suggest there is some big flaws in it. If they can take an instant reading like that and say, "Oh, no, we couldn't go for that," it must have some pretty big flaws. Those commodity organizations live this stuff day in and day out and, in most instances, they seem to represent the prevailing view of the farmers that produce those types of commodities, whatever it is, rice, cotton or feed grains or wheat.

Finally, the savings are in here, and the savings, as I read them, I have no objection to except one, and it is the $2 billion that is saved by having the 1-year target price freeze. There are many other areas in the bill to get that type of savings. The package that I have put together was not the end game. There are more that can be found without wrecking the programs of the various commodities. But that added up to $7.6 billion. The majority leader is correct. He has taken $5.3 billion of those $7.6 billion and put it in his own amendment. He gets the other $2.3 billion by putting in the 1-year target price freeze.

There are possible savings in this bill to add up more than enough to bring it within the budget without doing that. We will have that opportunity to offer those savings under any event. We will have the opportunity on the 4-year target price to offer a corrective amendment on that one feature if it should prevail.

The majority leader has indicated that perhaps there are votes to come on the $50,000 payment limitation, on the honey program, or on the milk program, or what have you. On all of those, those of us who have worked with this bill will stick with the provisions that are in that bill. And the votes to do that will be here on this side, plus whatever is necessary to make a majority on that side.

I thank the majority leader for yielding.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOLE. Mr. President, I ask unanimous consent for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, this is not a debate, but I appreciate the comments of both Senators. Let me indicate, first of all, that this is an effort worked out with the chairman, with Senators COCHRAN, LUGAR, and HELMS, myself, and a number of our colleagues on this side to sort of bring this matter to a head.

The chairman advised me he had about 5 months of hearings on this proposal, and it has passed the House. It is November 1. We are going to be tied up on reconciliation, the debt ceiling, and a number of other things the next couple of weeks. If we are going to pass a farm bill this year, we have to make some decisions.

All we are doing is offering an amendment. This is all you do when you bring a bill up, I say to my friend from Nebraska. We are not circumventing anything. We are trying to offer an amendment.

I hope those of us who come from farm States would take a look at it. There are some commodities not in this proposal. Some people objected because we did not put sugar in because they would like to see the sugar program changed in some way. Others are objecting because we even thought about putting it in. Peanuts are not in the program. The peanut people do not know what to do. They like what they have because they got more than anybody else. They even got an increase in the committee when everybody else was taking a decrease. So they are pretty happy. They do not want anybody to know about peanuts. "Don't mention peanuts; somebody will find out there are peanuts in the bill."

We have already discovered the peanuts. And we discovered the sugar. It is very costly.

Mr. BRADLEY. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. BRADLEY. The amendment as proposed contains no provision on sugar whatsoever; no change in the loan rate, no change in the transportation subsidy?

Mr. DOLE. No; it is identical to the amendment offered by the distinguished Senator from Indiana, which contained nothing about sugar. It is a 1-year freeze for certain commodities. It is sort of a TOP program, Target Option Program, for wheat. It is a conservation reserve and it is the savings many of us have talked about, Senator MELCHER has talked about, as well as Members on this side.

Mr. BRADLEY. The Wheat Program is different than the amendment offered by Senator LUGAR?

Mr. DOLE. This amendment saves more money.

Mr. BRADLEY. I thank the majority leader.

The PRESIDING OFFICER. The 2 minutes of the leader have expired.

The question is on the motion to table.

Mr. BYRD. Will the majority leader get another minute or so, so that I might ask a question?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. The question I have is: In light of the fact that we sought on our side of the aisle to be able to offer some amendments to this farm bill, the distinguished majority leader, exercising his right of recognition—and I have no problem with that; that is the way it ought to be—lined up a motion to recommit and amendments thereto, thus shutting out all other Senators from offering amendments, why that was all lined up last night and without any debate on the farm bill today and all of a sudden there is the motion to table this motion to recommit and amendments, I cannot understand that. Why are we not having some debate on the majority leader's amendment?

Mr. DOLE. I say to the distinguished minority leader that we have been debating this for 7 months and most of us from farm States understand it and we are afraid that some of the people from urban States may begin to understand part of it. They are already getting on to the sugar program and the peanut program. They are starting to understand some of it.

But we believe it is time we have a vote. Our farmers have already got their wheat in the ground in my State. I would be willing to debate it, if I could get an up-or-down vote later today. But it seemed to me that we ought to have a test vote to find out today whether this was going to fly. If not, maybe somebody else has a better idea.

But I know Senator MOYNIHAN and Senator HAWKINS have dairy amendments. There are at least 60-some additional amendments. We certainly do not want to preclude other amendments.

But it just seemed to me consideration of this amendment would be a good thing to do.

Mr. BYRD. If the distinguished majority leader will indulge me further, it seems to me that we are being asked to table an amendment we have had no debate on. We started for a while last night to read the amendment, then we called off the reading at my suggestion.

What I cannot understand is why we are moving now to table the majority leader's amendment, which has been in the Senate less than 24 hours. I was told that it is a comprehensive compromise or new farm bill.

I am not from a farm State. So I do not understand the content of the measure as well as do most other Senators, I am sure. But the distinguished majority leader calls his amendment up, will not let others call theirs up, and then overnight decides to table his own amendment.

Mr. DOLE. Mr. President, I want to vote against tabling. If it is not tabled, we will have a lot of time for debate.

Mr. BYRD. Mr. President, is the distinguished majority leader not going to offer other amendments if his pending amendment is tabled?

Mr. DOLE. If this is tabled, I may have another one.

Mr. BYRD. Is this going to be tabled by the distinguished majority leader after a little while?

Mr. DOLE. I hope this is not tabled. There is a lot of work in this. I would like to have it considered. I hope my colleagues on both sides will take a careful look at the amendment. I think it has the makings of a good bipartisan farm bill.

So I hope it is not tabled.

Mr. BYRD. I did not know we were playing games around here until the distinguished majority leader said that that is what we are doing. So I understand that now this is just another play in the game playing.

Mr. DOLE. Well, it is a small one. I have not learned how to play the big ones yet.

Mr. BYRD. I thank the distinguished majority leader.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas to lay on the table the amendment (No. 940) of the Senator from Kansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI] and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The result was announced—yeas 45, nays 49, as follows:

[Rollcall Vote No. 276 Leg.]

YEAS—45

Baucus	Glenn	Melcher
Bingaman	Gore	Metzenbaum
Boren	Grassley	Mitchell
Bradley	Harkin	Moynihan
Bumpers	Hart	Nickles
Burdick	Heflin	Nunn
Byrd	Hollings	Pell
Chiles	Inouye	Pryor
Danforth	Kennedy	Riegle
Dixon	Kerry	Rockefeller
Dodd	Lautenberg	Sarbanes
Durenberger	Leahy	Sasser
Eagleton	Levin	Simon
Exon	Long	Stennis
Ford	Matsunaga	Zorinsky

NAYS—49

Abdnor	Boschwitz	Cohen
Andrews	Chafee	Cranston
Armstrong	Cochran	D'Amato

Denton	Humphrey	Roth
Dole	Kassebaum	Rudman
Domenici	Kasten	Simpson
East	Laxalt	Specter
Evans	Lugar	Stafford
Garn	Mathias	Stevens
Goldwater	Mattingly	Symms
Gorton	McClure	Thurmond
Gramm	McConnell	Trible
Hatch	Murkowski	Warner
Hawkins	Packwood	Weicker
Hecht	Pressler	Wilson
Heinz	Proxmire	
Helms	Quayle	

NOT VOTING—6

Bentsen	DeConcini	Johnston
Biden	Hatfield	Wallop

So the motion to table amendment No. 940 was rejected.

Mr. DOLE. Mr. President, regular order.

Mr. President, I move to reconsider the vote.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUMPERS. Mr. President, what was the vote?

Mr. DOLE. I moved to reconsider the motion to table.

Mr. BUMPERS. Mr. President, a parliamentary inquiry. The Chair just stated that the motion to lay on the table was agreed to. Is that correct?

Mr. DOLE. The motion to table the motion to reconsider was agreed to.

The PRESIDING OFFICER. Does the Senator from Arkansas understand?

Mr. BUMPERS. Yes, Mr. President.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I am advised that we have now received a message from the House. Is that correct?

The PRESIDING OFFICER. The Senator is not correct.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I understand that the conference report has not yet arrived. Is that correct?

The PRESIDING OFFICER. We have a message from the House. The conference report has not appeared.

ROUTINE MORNING BUSINESS

Mr. DOLE. While we are awaiting the conference report, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond 4:30 p.m., with statements therein limited to 5 minutes each, with the exception of the distinguished Senator from South Carolina, who would like 10 minutes.

Mr. MELCHER. Mr. President, reserving the right to object, I only do this, I tell the majority leader, to get some feel as to when we return to the farm bill or when we would expect to return to the farm bill.

Mr. DOLE. As I have indicated, we have a reconciliation matter, we have the debt ceiling, which will come ahead of the farm bill. I hope sometime on Monday.

Mr. MELCHER. I thank the majority leader.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. DOLE. I yield.

Mr. BYRD. We have the House message. Does anyone know where the conference report is? Not too long ago, a conference report walked out of the east door over there. I hope that is not the case today.

Mr. DOLE. I have checked around. We cannot find it on this side, anyway. We have not checked the safe yet.

Mr. BYRD. All right.

SENATOR LUGAR—STRONG HELMSMAN

Mr. BOSCHWITZ. Mr. President, in today's Wall Street Journal my colleagues will find an article on DICK LUGAR, the chairman of the Foreign Relations Committee. The article compliments the chairman on his efforts to bring back to the Foreign Relations Committee to a position of prominence. Rightly so. In this past year, the committee has once again become a place not only where the major foreign policy issues of the day are debated, but where substantive legislation is considered and passed upon.

In the beginning of the year, as the article notes, the committee undertook a series of comprehensive hearings on American foreign policy. Immediately thereafter, the committee turned to its major regular pieces of legislation, the foreign assistance bill and the Senate Department authorization bill. Both of these bills gained broad bipartisan support in the committee, and both ultimately passed the Senate by overwhelming margins.

In addition, the committee has reported out the Genocide Convention; resolved, for the time being at least, the legislative situation with regard to South Africa; and has dealt with other controversial issues like the Jordan arms sale in a manner remarkably free of contention and with great skill

Mr. President, today's Journal article casts considerable light upon the reasons for the chairman's success. It points to his calm, patient, and thoughtful approach to the issues which confront American foreign policy. I commend the article to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article ordered to be printed in the RECORD, as follows:

SENATOR LUGAR IS GAINING NEW PRESTIGE FOR PANEL ON FOREIGN RELATIONS

(By Robert S. Greenberger)

WASHINGTON.—During a recent roast of Sen. Richard Lugar, who is known as a competent but colorless legislator, and old friend served up a one-liner that brought down the house.

"Dick has maintained that childhood capacity of walking into an empty room and blending right in," joked William Ruckelshaus, former administrator of the Environmental Protection Agency. Mr. Ruckelshaus, who has known the Indiana Republican since kindergarten, says, "I used to go over to his house and push him off his swings."

But since becoming the chairman of the Senate Foreign Relations Committee last January, Dick Lugar has been doing the pushing. By finding consensus positions on foreign-policy issues and selling them to the White House, he has restored some of the credibility and clout that the once influential panel lost in recent years.

SOUTH AFRICA AND JORDAN

Some examples of his pushing:

As racial violence grew in South Africa, Mr. Lugar saw the political and diplomatic risks in the Reagan administration's policies toward that country and pressed a reluctant White House to imposed economic sanctions.

He saved the White House from an embarrassing defeat by forging a compromise to delay a showdown on a controversial arms sale to Jordan.

He crafted a bipartisan consensus on a $12.8 billion foreign-aid authorization bill, the first such bill that the committee had been able to clear since 1981.

"Everyone knows he has made the committee more effective," says Sen. Joseph Biden, a liberal Delaware Democrat who is a member of the panel. "He can make judgments and take the committee with him."

As a result, Mr. Lugar and his committee have an unusual opportunity to fill any gaps in the administration's foreign policy. The White House hasn't achieved significant successes in the Middle East following its involvement in Lebanon. It is struggling to find ways to promote orderly change in the Philippines. And its policy in the arms-limitation talks with the Soviet Union has been marked by internal disarray; if an agreement is reached, the committee is expected to play a decisive role in the drive for Senate ratification.

Mr. Lugar is well positioned to strengthen the role of the committee, which has been more liberal than the rest of the Senate for much of the past two decades. A man of the middle and a man of the Senate, he reflects the nation's conservative mood and enjoys the trust of colleagues on the left and the right.

He also has the confidence of the administration. He breakfasts every other week with Secretary of State George Shultz, when their schedules permit, and has long telephone conversations with him nearly every weekend. When the White House decided to impose economic sanctions on South Africa, Mr. Shultz, nattily attired in yellow pants and green golf shirt, sought out Sen. Lugar in his Capitol hideaway office late on a Saturday afternoon to deliver the news.

Mr. Lugar notes that the committee has the respect, too, of the Senate membership, "There is a sense of confidence on the part of members on both sides of the aisle that the committee is thoughtful in what it does," he says. This trust is important because senators often rely on the panel for guidance on many issues they don't have time to master.

"Senators don't want to be mouse-trapped into votes that can be used destructively against them by somebody back home in a campaign," Mr. Lugar explains.

SCOUT AND SCHOLAR

Dick Lugar, a 53-year-old one-time Eagle Scout and Rhodes Scholar, brings considerable energy to his post. After becoming chairman, he set out to meet as many foreign ambassadors to Washington as possible and on some days had "three or four of them stacked up in his office" waiting to see him, an aide says. Last summer he spent the five-week congressional recess pounding out a still-untitled book on foreign policy.

Mr. Lugar contends that most Senate members are ready to follow the panel's lead and that even on minor issues his influence is growing. A few months ago, he recalls, a conservative senator complained at the Republicans' weekly Tuesday luncheon about rumors that a Soviet ship with nuclear weapons was heading toward a Mexican port. The irate senator vowed to introduce a resolution cutting off aid to Mexico if the ship was permitted to dock. Sen. Lugar, understanding that such a resolution would needlessly strain U.S.-Mexican relations, convinced the senator that he would quietly pass the word to the State Department to look into the matter.

"I don't know whether the story was true or not, but I do know that you can't conduct foreign policy on the lam, no matter how strongly you feel," he says.

Sen. Biden says that his Indiana colleague is "a masterful chairman. He's a good strategist for this administration because he's able to keep the committee out of issues the administration doesn't want it involved in." At times, though, Sen. Lugar seems too deferential to the administration and too eager to do its bidding.

For instance, in a bizarre incident on the Senate floor in September, Mr. Lugar tarnished the bipartisan image he had built during his successful effort to persuade the White House to impose economic sanctions on South Africa. To prevent a procedural vote on tougher, congressional sanctions after the White House had imposed its own penalties. Mr. Lugar, at the behest of Sen. Robert Dole, the majority leader, put the official copy of the tough bill in his jacket pocket and left the Senate floor to place it in his safe.

Mr. Lugar says the parliamentary maneuver was borrowed from the Democrats, but his opponents were enraged. "It was an arbitrary act by one senator—a one-person veto," grouses Sen. Alan Cranston, a liberal California Democrat.

LOW EXPECTATIONS

When Mr. Lugar became chairman—after an unsuccessful bid to become Senate majority leader—many panel members had low expectations. Although he had been on the Foreign Relations Committee since 1979, he hadn't played a particularly active role on the panel. Staff aides considered him a rubber stamp for the administration and said he usually was active only on those issues on which the White House asked for his help. When the panel under Sen. Charles Percy, the previous chairman, pushed to attach conditions to aid Turkey, for example, it was Mr. Lugar who was the administration's point man in opposing the plan.

But he soon surprised colleagues with his skill and evenhandedness in balancing the divergent views on the committee. When Sen. Jesse Helms, the ultraconservative North Carolina Republican, objected to language in a genocide treaty that has languished in the Senate for 37 years, Mr. Lugar worked patiently with him and met some of his concerns in a package that passed the panel. The two senators work closely together often; Mr. Lugar is the second-ranking GOP member on the Agriculture Committee, which Mr. Helms heads.

At the same time, Mr. Lugar works well with the Foreign Relations Committee's liberal Democrats. When Sen. John Kerry of Massachusetts, the panel's junior member, pushed an amendment limiting military aid to the Philippines and linking it to that nation's human-rights record, Mr. Lugar listened patiently. The amendment was defeated in committee, but Mr. Lugar honored a pledge to support a Kerry resolution designed to pressure the Philippines into improving its human-rights record and moving toward democracy. The Senate passed the resolution.

BEATING LINDSAY

Throughout his political career the soft-spoken Mr. Lugar has turned to his advantage a general inclination to underestimate him. In 1969, when he was the mayor of Indianapolis, he successfully mounted a surprise challenge to New York's Mayor John Lindsay, the prototype of 1960s charisma, to become the vice president of the National League of Cities. He became its president a year later. In 1982, he edged out the highly respected Sen. Bob Packwood of Oregon to head the National Republican Senatorial Committee, which raises and spends money for GOP senators.

Now he is devoting his energy to reestablishing the Foreign Relations Committee's leadership in shaping a bipartisan foreign policy. The panel's role has diminished since the heady days when Sen. J. William Fulbright, the Arkansas Democrat who ruled it for 15 years, helped turn the nation against the Vietnam War with televised hearings.

After Vietnam—and Mr. Fulbright's defeat in a 1974 primary—other committees nibbled away at the panel's foreign-policy turf. In 1979, when the Senate debated the Salt II treaty (which Mr. Lugar opposed), the Armed Services Committee aggressively moved in to hold hearings, even though the Foreign Relations panel had clear jurisdiction.

The decline in power was accelerated by a succession of Foreign Relations Committee chairmen who lacked Mr. Fulbright's stature. First came two Democrats, John Sparkman of Alabama, a caretaker chairman in the twilight of his career, and Frank Church of Idaho, a liberal whose personality was too abrasive for some colleagues. Then, when Republicans won control of the Senate in 1980, Sen. Percy of Illinois became the panel's chairman. He was perceived as ineffective and weak and was badly distracted by a growing electoral challenge in his home state that eventually led to his defeat.

In the committee's good old days, Mr. Fulbright used to complain that members frequently missed hearings because they were off running for the presidency. John F. Kennedy was the last committee member to win the White House; Eugune McCarthy, Hubert Humphrey, George McGovern and Mr. Percy were panel members who didn't make it. In the last decade, however, the committee lost some of its appeal and some potential new members worried that service on the panel could be a liability because "foreign policy was becoming less of an asset back home and membership on the committee could end up being an electoral albatross," observes Norman Ornstein, an expert on Congress at the American Enterprise Institute.

Last January, in his first major action as chairman, Mr. Lugar convened a set of hearings on American foreign policy. An aide says Mr. Lugar wanted to get the attention of panel members, whose attendance at hearings had been slipping, and also to raise the committee's visibility by signaling that the panel, once again, would become the forum for comprehensive foreign-policy debates. The hearings also reflected Mr. Lugar's view that it was necessary to redefine an American consensus in foreign policy after the turmoil of the Vietnam era.

Although generally serious, Mr. Lugar occasionally shows a glimmer of humor. On the morning that President Reagan changed course because of Senate pressure and announced sanctions against South Africa, Mr. Lugar held a news conference. When asked if the administration had buckled to congressional pressure, he looked at his watch and replied: "No, I think this was an independent action. The Senate isn't due to convene for another hour and a half."

SEPTEMBER TEXTILE AND APPAREL IMPORT FIGURES

Mr. THURMOND. Mr. President; throughout the debate that has surrounded the Textile and Apparel Trade Enforcement Act of 1985, both in the Congress and in the media, a considerable amount of attention has been given to what the administration has done to keep American textile and apparel jobs in America. The administration has boasted that it has made numerous "calls", and negotiated or imposed 300 quotas.

Well, Mr. President, what has happened to the American textile and apparel worker while the administration has worked so hard in their behalf? I'll tell you what has happened. Over 350,000 of them have lost their jobs, their livelihoods, their ability to provide for themselves and their families. That is what has happened over the last 5 years.

Today, Mr. President, I have the sad responsibility of reporting to my colleagues the most recent textile trade figures. September 1985, was the second highest textile import month on record. Total imports of fiber, textiles, and apparel soared to 1,062 million square yard equivalents. Over 1 billion square yards in 1 month. That 1 billion plus square yards is 22 percent above the September 1984, level.

Disturbing to me, Mr. President, is the fact that the 1 billion plus square yards of foreign produced fiber, textiles, and apparel that came into the

United States last month represents 100 thousand lost job opportunities for American workers—workers who desperately need those jobs. I repeat: The textiles and apparel which came to the United States last month alone represent 100,000 lost job opportunities for American workers—workers who desperately need these jobs.

However, the most disturbing thing, is that the September import figures represent a continuation of the recent trends.

The September import figures mean that we can expect 1985 to set a new import record; and why not? 1983 set a record over 1982. 1984 set a record over 1983. Why should 1985 be any different?

It also means that we can expect more textile and apparel operations to cut back on production or close. We can expect to see more workers working short-weeks or being laid off. In short, Mr. President, we can expect to see the further displacement of American workers and the further decline of one of our basic, most important industries. It is for these reasons that we introduced the Textile and Apparel Trade Enforcement Act of 1985. Likewise, it is for these reasons that I will continue to do all that I can to see the bill enacted.

What we are talking about here is jobs—American jobs. That is all there is to it. Are these jobs going to stay in America or be sent abroad? American jobs—that is what the textile bill is all about. That is the bottom line. Without the assistance the textile bill would provide, we will lose a vitally important domestic industry, the 2 million jobs directly dependent upon that industry, and, in addition, the 2 million jobs in related and supporting industries.

Mr. President, as I have said on this floor so many times, the papers in my home State of South Carolina, and in other States, report plant closings and layoffs on an almost daily basis. Just this past Monday, October 28, 1985, an article appearing in the State newspaper was headlined "Abbeville, Greenwood to lose 350 plant jobs." That seems to be a weekly occurrence.

Those towns are hurting, Mr. President. The people who live there are hurting. They cannot understand why this administration has not taken steps to help. They cannot understand why the administration keeps talking about so-called "free trade" when it does not exist. They cannot understand why or how an administration sits idly by while their jobs are being destroyed, while their families are suffering, while their communities are suffering, while their way-of-life is being destroyed. Neither can I, Mr. President.

I hope the administration will soon awaken to the reality of what is going on. If they had done so, the Textile and Apparel Trade Enforcement Act of 1985 might not have been necessary. However, they have not. The bill is necessary. The textile and apparel industry is in a crisis situation.

The largest fabric manufacturer in the Nation—one of the most modern and efficient textile companies in the world—Burlington Industries, just reported a loss for its fourth quarter. They had a loss in the fourth quarter of last year as well. Compared to last year, their total earnings have fallen by 80 percent.

I hope the Members of the Senate will hear this. Burlington Mills, the largest in the Nation, had a loss in the fourth quarter of this year, and compared to last year, their total earnings have fallen by 80 percent.

They are having to close plants. They are having to layoff people who have spent their entire working lives in textiles. These people have no where else to go. This is happening despite the fact that Burlington is one of the most modern, efficient, productive companies in the World.

Mr. President, this simply can not be allowed to continue. It must be stopped. If imports are allowed to continue to flood our domestic markets, we will end up with no domestic textile and apparel industry. We will end up with millions of unemployed workers.

Mr. President, the textile bill is desperately needed. The Senate should pass it immediately, and the President should sign it as soon as it reaches his desk.

Mr. President, I wish to speak further with regard to trade in general in this country as I have just spoken about the textile industry. I wish to say further that the trade deficit now is the highest in history, with $15.5 billion in imports for the month of September alone, which is up 57 percent over August. The largest portion of the deficit was in the manufacturing sector which has lost 340,000 manufacturing jobs this year. I repeat—340,000 American jobs lost this year.

Japan yesterday announced a record trade surplus for the first half of its fiscal year.

Mr. President, I just do not see any sense in the way the administration is handling America's trade policy. Here we are losing more and more jobs. We have already lost 340,000 this year. And what did Japan do? Yesterday they announced a record trade surplus for the first half of the fiscal year. While the Japanese are reporting a record surplus, our Nation is reporting a record deficit.

Mr. President, I think that we need to take action, and the only place I see that we are going to get action is in Congress.

We offered this textile bill as salvation. The textile industry is struggling to survive. We have to do something.

I think American jobs should come first, Mr. President. It is not right to the American people to allow these jobs to continue to go overseas, and that is what they have done.

When the President gave me a commitment on textiles, he said he favored keeping the import growth in line with the domestic growth. What is the import growth—33 percent. What is the domestic growth—3 percent. Because of this ever increasing import growth, the mills are closing and thousands of people in our country are losing their jobs.

I hope that the administration will change its policies and preserve these jobs for our American citizens who deserve the first consideration. Passage of the Textile and Apparel Trade Enforcement Act of 1985 is necessary to prevent the further displacement of American workers and the further decline of one of our basic, most important industries.

CASE OF THE SOVIET SEAMAN, MYROSLAV MEDVID

Mr. HUMPHREY. Mr. President, the Senator from New Hampshire has been desperately seeking to convince the administration to reopen the case of the Soviet seaman, Myroslav Medvid, who is about to be Shanghaied out of this country, no doubt to his death.

In that context, Mr. President, I want to read into the record a document which has become available just within the last few hours relative to this case. It is an affidavit from Mrs. Irene Padoch, who was the first interpreter retained by the Immigration Service to interview Seaman Medvid.

What is contained in this affidavit contradicts the statement of the Immigration Service. It contradicts the statement that Mr. Medvid did not ask for political asylum in this country.

The following is a verbatim reading of the affidavit:

AFFIDAVIT

The affiant, first being duly sworn, deposes on oath and states as follows:

1. I am of sound mind and lawful age and make this affidavit of my own free will.

2. I reside at 71 East 7th Street, New York, New York 10003.

3. I am employed on a contract basis as a certified English-Ukrainian-Polish interpreter by the Immigration and Naturalization Service, U.S. Department of Justice.

4. On or about 11:45 p.m. on the evening of Thursday, October 25, 1985, I received a telephone call from an INS officer in Louisiana. He informed me that he was holding an individual who needed a Ukrainian interperter.

I asked the as yet unidentified individual whether he heard me. He said yes, I hear you beautifully. He said, you have to come to me here immediately. I replied, I am too far, I am in New York.

I asked all the questions asked by the INS officer. We started with name, and he answered Myroslav Vasiliovych. I asked his

family name and he replied, Medvid, like the animal. [Medvid in Ukrainian means bear.] His father is Vasyl Medvid, his mother, Anna Lakhovsky Medvid stated if I could not understand, he could speak in Polish, because his mother was of Polish ancestry. The conversation continued in Ukrainian, by agreement.

He stated he was from Lviv oblast (region), Ukraine. He stated he was from the Sokal region, village of Silets. He was there. His father lives in that village and he was born there as well.

There were no questions asked regarding his education. I had difficulty hearing the INS officer, who appeared to be on a second phone. I had to repeat various questions and answers several times on numerous occasions. The conversation took a long time, about one hour.

I had no difficulty in hearing and understanding Medvid. I asked him before each question whether he heard and understood me. He replied affirmatively each and every time.

He was asked how long he had been on shore. Medvid could not tell. He suggested 4-6 hours, and added, that the official should know, unless he can't see that I (Medvid) am still wet.

He stated he did not see any Immigration officials board the ship and said the ship was standing in line. He said he did not see any inspection.

He said he jumped because he wanted to live in an honest country. In response to the question regarding the particular reason for jumping, Medvid responded there were many reasons which could not be told in a short time. The INS officer tried to get some more particulars, but the response was the same: a lot of reasons.

The INS officer became impatient and asked me to ask whether he wanted political asylum, because he could keep him here only under those circumstances. I asked him that and he unhesitatingly responded "yes."

The INS officer asked again and the response was the same.

Medvid stated he was very much afraid and wanted to know what would happen to him. The INS officer told me to calm him down and no harm would come to him. Medvid would be arrested and he would stay that way until the next morning when INS would call me again.

I told the officer that I would be leaving New York next afternoon.

Medvid protested his arrest; said he did nothing wrong and was never arrested in his life.

The officer said he would call again the next day. He did not call, despite my waiting. I did not leave New York until Saturday morning.

I gave a 5-page statement under oath to INS investigators who came to my summer house on Sunday morning, before 6:00 a.m., on October 27, 1985.

One of the agents told me that "somebody goofed and that he should jump into the Mississippi himself."

Further affiant sayeth not.

That is a sworn affidavit by Mrs. Irene Padoch, the first interpreter to interview Seaman Medvid at the request of INS. Despite the assertion of the INS that Mr. Medvid did not request asylum at that point, it is perfectly clear from this sworn affidavit that he did in fact request asylum.

It is outrageous, Mr. President, the shameful way in which this matter has been handled. A human life is in dire jeopardy and our national honor is disgraced. There is but one honorable solution and that is for the administration to reopen this matter using the same statutory authority it used in the first place to remove the seaman from the ship and this time to give him sufficient days of rest to permit any drugs which may be in his body to be removed and to permit this unfortunate young man a chance to gather his wits about him and to make a fateful decision about the balance of his life.

Mr. SIMON. Will the Senator yield?

Mr. HUMPHREY. I shall be happy to yield.

Mr. SIMON. Mr. President, I have been one of those who, for a long time, has been saying we ought to have improved relations with the Soviet Union. I am one of those who welcomes the summit. But my fear is, and I guess the fear of the Senator from New Hampshire, that because of the summit coming up right now we do not want to do anything that might embarrass us or embarrass the relationship. The reality is if we are to have improved relations, we have to be open with each other, we have to be candid with each other. And our stand in the area of human rights is a very different stand from that of the Soviet Union.

I do not know that I would agree with the Senator from New Hampshire that this person faces death when he goes back there, but I think he faces a grim future at the very least. I feel very uncomfortable with the way our Nation has handled this matter. Certainly, if the statement of the interpreter is correct, and I have no reason to believe that it is not correct, it has been very badly mishandled.

I hope that the administration would listen to my colleague from New Hampshire and that somehow we can diplomatically, tactfully, but firmly, say somehow, this seaman has to have a little bit of chance. At least for a few weeks, let us let him stay here and see what the situation is. I do not know what the full situation is. I have discussed briefly tonight with the chairman of the Immigration Committee's Refugee Subcommittee, Mr. SIMPSON, the possibility of our subcommittee doing something. But clearly, something ought to be done quickly by the administration.

I join my colleague from New Hampshire in urging that the administration, in some way—I do not know what it is. I do not want to embarrass ourselves diplomatically nor does the Senator from New Hampshire. But in some kind of a gesture of good will, we should try to make, we should try to seal the fate of this seaman who has shown unusual courage. I thank my colleague from New Hampshire.

Mr. HUMPHREY. Mr. President, I thank the Senator from Illinois. On a few points it is clear that we broadly agree, at least that this matter deserves examination. It is true that there is fear of appearing belligerent or troublesome in advance of the summit. That can be finessed, I think. Perhaps as I have suggested to President Reagan, Mr. Medvid could be turned over to a neutral country such as Switzerland so there can be no appearance of trying to embarrass the Soviet Union. That ought to be seen as reasonable by both sides.

In any event, it seems to me we have an obligation to which we are bound by honor and decency to open this case for further and more thorough examination, which would give this unfortunate man a real chance. I understand the man is exhausted. I understand he is injured. He may well have been drugged. The poor fellow needs a week at least to make a reasonable and prudent decision about what he wants to do.

Mr. SIMON. Would the Senator yield?

Mr. HUMPHREY. Certainly.

Mr. SIMON. I commend my colleague. I think the suggestion he has just made that Mr. Medvid be turned over to a neutral nation—Switerland, Sweden, or some nation like that—would clearly not embarrass us diplomatically. The decision does not need to be made until next week, or we could wait a month. But it is a way of saying we are not just going out and luring people away, which I am sure is how Pravda is going to be portraying things. The gentleman could be turned over to a neutral nation, people in another country can make that decision. I think that really makes sense.

The United States and the Soviet Union could even agree on what nation should do it. I think the Senator has made an excellent suggestion. I hope those in the administration who monitor what is going on here, if anybody does monitor what is going on here, will heed the call of the Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I appreciate the remarks of the Senator from Illinois. I urge my colleagues who may be listening over the intercom to phone the White House, phone Don Regan, phone Ed Meese. Unfortunately, we are racing the clock. The ship moved up river this afternoon from Belle Chasse to a place I am told called Reserve, where the Soviet ship began taking on its cargo. It takes 36 hours once it is commenced, I am told. So the clock is running out. We cannot afford to waste this weekend.

I simply urge my colleagues to call the White House and beg, as I have, that this case be reopened.

Mr. President, I suggest the absence of a quorum.

DOLE AMENDMENT 940 TO FARM BILL

Mr. DURENBERGER. Mr. President, I rise in opposition to the amendment offered by my good friend, the distinguished majority leader. I do so reluctantly, as I have great faith and confidence in the Senator from Kansas' ability to fashion a farm compromise acceptable to midwestern farmers. Unfortunately, this compromise does not maintain farm income at its current level, is not acceptable to the Minnesota farmers I have spoken with, and ought to be rejected by the Senate.

Under the Dole amendment target prices for the 1986 crop of corn and feed grains would be frozen at their 1985 level, after which they would be reduced by 5 percent in 1987, 1988, and 1989. For Minnesota corn producers, who will harvest 750 million bushels this fall, those 5-percent cuts will result in a cut in farm income of $112 million in 1987, $217 million in 1988, $315 million in 1989, and $412 million in 1990. And if you add it up, Minnesota corn growers could expect $1 billion less in income over the next 5 years under the Dole amendment, than they would under the committee bill. So, while a 5-percent cut in target prices may sound like a reasonable reduction, it represents an unconscionable attack on one of the most important sources of farm income for Minnesota's struggling farmers.

Mr. President, the Dole amendment also creates the possibility of a fairly significant cut in planted acres, a move which many feel is counterproductive to the market-oriented thrust of this legislation. While the end of all acreage reduction programs in 1989 may seem to offset those cutbacks, the reality is that a large, upfront land retirement program could create an incentive to bring additional land into production in the Southern Hemisphere. And once that land is brought into production, this Nation's farmers might as well reconcile themselves to ever larger, income-reducing, acreage-reduction programs in the years ahead.

In the final analysis, Members of this body have to decide what they want a farm bill to do. Those who support this amendment are telling America's farmers that they believe cutting spending is more important than preventing farm income from falling below its currently depressed level. Well, this Senator has spent a lot of time in rural Minnesota, and has come to the conclusion that amendments like this one ought to be rejected. So I will vote against this amendment. I hope a majority of the Members of this body will join me. Because our hardworking farmers deserve better.

THE BALANCED BUDGET BILL

Mr. KENNEDY. Mr. President, the House has sent us a strong and thoughtful balanced budget bill, and it deserves our support in the Senate. Building from the Gramm-Rudman-Hollings deficit control act, the House has made important changes while retaining the fundamental commitment to swift and certain action to bring the Federal budget into balance.

Each of the modifications by the House serves to strengthen the crucial deficit reduction process, while maintaining the Nation's commitment to those who need our help the most.

The measure before us ensures that we will begin the process of deficit reduction sooner—and reduce the deficit more rapidly if economic growth is sustained. The deficit is a problem that must be addressed today, and it will only worsen if we wait for the next election.

The House proposal takes specific steps to protect a small, carefully chosen number of vital programs. The Senate had already agreed that our fundamental obligation to our senior citizens should not be breached. The measure before us extends that essential protection to the young, the poor, and the ill.

Other modifications improve our ability to respond to changing economic conditions and strengthen the budget process.

The House has taken an important measure—one which I supported in the Senate—and improved it with many of the safeguards we sought to add in the Senate debate.

The Senate has an opportunity now to cast a historic vote, a vote for fiscal responsibility and for fundamental fairness. We should do so enthusiastically—and unanimously.

ELECTION OF HAWAII'S BISHOP EDMOND LEE BROWNING AS PRESIDING BISHOP OF THE EPISCOPAL CHURCH OF THE UNITED STATES

Mr. MATSUNAGA. Mr. President, I take this opportunity to bring to the attention of my colleagues the elevation of a dear friend to a post of national leadership. As an Episcopalian and, as you are well aware, from the State of Hawaii, I am doubly proud to note that Hawaii's own Bishop Edmond Lee Browning has recently been elected to be the 24th presiding bishop of the Episcopal Church of the United States. For the next 12 years, Bishop Browning will serve as chief executive officer of the 2.8-million-member church. I am confident that the people of all faiths and beliefs will applaud the selection by the house of bishops.

Having experienced an unusually diverse career, Bishop Browning has been able to observe much of the world's cruelty and discourtesies along with its warmth and spirituality. Born in Corpus Christi, TX, he was educated at the Episcopal-related University of the South and the School of Theology in Tennessee, graduating in 1955. He received his ordination to the priesthood in 1955 in his birthplace of Corpus Christi. Three years later he served as a missionary in Okinawa, where he became first missionary bishop in 1968. In 1971, he was appointed bishop in charge of American Episcopal Churches in Europe, serving mostly military bases. He spent much time there counseling Vietnam-era draft resisters and deserters. Following his 3-year term, Bishop Browning served the national and world mission of the Episcopal Church in New York. Serving as its executive until 1976, he gained high national visibility. Since then, he has been serving the 10,000 Episcopalians of the 50th State.

Bishop Browning has stated that the diocese of Hawaii and his 9 years as its bishop has been very meaningful for him and his family. It was during this time, he said, that he experienced tremendous personal growth, as he gained an appreciation of the rich qualities of the diverse cultures represented in Hawaii and a better understanding of the diversity of the human family. The bishop has also noted that the 9 years spent in the Aloha State gave him a chance to put his personal priorities together because the islanders set their priorities in terms of the time spent on work, leisure, and with their families.

Through his travels, Bishop Browning has seen both the good and the bad of life's situations. He has experienced everything from living on warm, friendly islands, to the cruelty of South Africa's racism. In the process, Bishop Browning has become a humanitarian in the finest sense of the word. By responding theologically and Biblically, he will address such issues as the nuclear arms race, racism, poverty, and hunger from the vantage point of religious faith. As a member of his diocese, I am highly optimistic about the future of the Episcopal Church in America with Bishop Browning at its helm.

Mr. President, at the installation of the next presiding bishop of the Episcopal Church on January 11, 1986, at the National Cathedral here in Metropolitan Washington, the people of Hawaii and the Episcopal Church will stand proud. Hawaii will not be losing a bishop, but will instead be providing the Nation an opportunity to experience the warmth, openness, and spirituality that Bishop Browning shared with the people of the Aloha State for nearly a decade.

By these remarks I extend my heartiest congratulations to Bishop Edmond Lee Browning and wish him Godspeed

in the accomplishment of his most challenging mission.

I yield the floor.

Mr. THURMOND. Mr. President, I understand the Democratic side has now cleared the conference report.

MILITARY CONSTRUCTION AUTHORIZATION

Mr. THURMOND. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1042.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives.

Resolved, That the House insist upon its amendment to the bill (S. 1042) entitled "An Act to authorize certain construction at military installations for fiscal year 1986, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Aspin, Mr. Dellums, Mr. Montgomery, Mr. Hutto, Mr. Leath of Texas, Mr. Dickinson, Mr. Whitehurst, and Mr. Kramer be the managers of the conference on the part of the House.

Mr. THURMOND. Mr. President, I move that the Senate insist upon its amendments, agree to conference with the House on S. 1042, the fiscal year 1986 military construction authorization bill, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer [Mr. DURENBERGER] appointed Mr. THURMOND, Mr. WARNER, Mr. HUMPHREY, Mr. EAST, Mr. BINGAMAN, Mr. STENNIS, and Mr. HART conferees on the part of the Senate.

Mr. THURMOND. Mr. President, I yield the floor.

TRADE

Mr. BUMPERS. Mr. President, I compliment the Senator from South Carolina on his remarks a moment ago on the question of trade. The statistics he cited are enlightening to me and should be alarming to everyone.

Anyone who picked up the paper this morning saw that in September the United States experienced the biggest trade deficit in the history of the world by any country.

I have said many times that I find myself in an uncomfortable position in championing the limitation of imports from any country of any product. I do so for textiles and shoes only because I know that we cannot go on allowing imports into this country to increase at an exponential rate.

Who is going to pay for the $150 billion trade deficit we are accumulating this year, a trade deficit that is heading for $180 billion in 1986? Who is going to pay off that debt?

Senators in this body have talked for the last several years about nations such as Argentina, Brazil, Mexico, and other Third World nations and the staggering debt that they owe.

Now for the first time in 70 years, the United States itself is a debtor nation; that is, we owe other countries more than they owe us. At the present trend, by 1990 we will be sending $100 billion overseas a year just to pay interest on what we owe to other nations.

This debt has nothing to do with the national budget deficit which we have been debating here all year. That trade debt is an entirely different item. I am talking about $100 billion of cash outflow a year from the United States to other countries to pay for these enormous trade deficits we are running.

I think, in a sense, the President is dancing with a gorilla. You know that old story: "You don't quit when you want to; you quit when the gorilla wants to."

But here is where we are in a catch-22 position. If we limit imports, we also limit the amount of money that people who are selling us products can invest in this country. Right now we are running $200 billion budget deficits. How are we financing these $200 billion deficits? To a large extent we're financing it with foreign funds.

Five years ago, President Reagan said, "It is impossible to finance a $50 billion budget deficit without interest rates going through the roof." And 5 years later a $50 billion deficit would look to us like the greatest thing since night baseball.

I will tell you how we are financing our budget deficits. We are financing half of it, or $100 billion, with the money we are paying these countries for what they are exporting to us. They are sending their goods and money here and investing in the United States.

I have this sneaking suspicion that somebody is whispering in the President's ear:

"Mr. President, if you stop imports, you are going to limit the amount of money foreign investors will invest in Government securities to help us in financing the debt. And if you do that, two things are going to happen. No. 1, inflation is going to return, because it is imports that are keeping the price of goods down in this country. And, No. 2, since they are not going to be investing in Government securities to help us finance our debt, you are going to have to call Paul Volcker over at the Federal Reserve Bank and say, 'Mr. Chairman, start the presses and start printing money and don't quit until I call you.' "

What does that mean? Well, ask somebody who was alive in Germany in 1921 when it took a wheelbarrow full of money to buy a loaf of bread. And that means you get inflation another way, not because you have limited the importation of cheap goods, but because you are printing money. When you do that, money becomes cheaper and that rekindles inflation.

So, as I say, the President is riding a tiger and he finds it very difficult to get off. But it is the same problem, whether it is the trade deficit or it is the national deficit, we have to start dealing with it.

I get a lot of mail saying, "Senator, you know that protectionism is not the answer." So-called protectionism is not the answer, but what I am talking about on textiles and shoes is not protectionism.

In the textile and shoe import legislation we are considering, no nation is going to be badly hurt. On shoe imports under that legislation, we roll back imports to where they were a year ago, to about 65 percent of the U.S. market. Today, at this moment, about 80 percent of all the shoes sold in this country are imports.

I cannot believe that Taiwan, Korea, and Hong Kong are going to sink if we roll back the number of shoes they can export to this country to where they were a year ago. I doubt seriously that they would have to close any shoe plants, as we have done. Four plants have closed in my State already this year. We lost 2,100 textile jobs in Arkansas in 1 day earlier this year.

The other day Reynolds Aluminum and Alcoa, two of the biggest employers in my State, virtually shut down; 950 of the highest paying jobs in my State. Why? Because they cannot compete with $2 an hour wages. Why have we lost all the shoe plants? Because they cannot compete with low foreign wages.

Critics of this legislation say, "Well, they will retaliate." Will they? Do you think Japan or Korea or Taiwan or any of the other countries that enjoy our open market are going to retaliate? Are they going to shoot their best friend, their best customer? They're running the trade surpluses; we aren't.

Well, of course, they are not going to retaliate. They are going to do two things: They are going to live with our trade restriction, and they are going to open their markets up to our products.

Now all of this, Mr. President, does not give us the luxury of not dealing with our budget deficits, because our deficits are keyed to the high dollar and the high dollar is the thing that keeps us from being competitive in international trade.

One of my sons went to school in Germany for a couple of years and then the mark was worth 75 cents. And we were shipping an awful lot of merchandise to Germany then. Today, the mark is worth about 30 cents and we are shipping virtually nothing to Germany. Germany is shipping everything here.

So I just want to say, this problem is not going to be solved by the President

acting as though it does not exist. It is not going to be solved by the President repudiating every recommendation the International Trade Commission sends to him.

The industrial base of this Nation is being eroded and we are now to the point where there is not one single item manufactured in this country that is not threatened by imports.

The Commerce Department had the temerity to tell a furniture manufacturer in my State that it ought to consider going offshore and enjoying the fruits of cheap labor. What kind of a country is this when that kind of advice comes out of the U.S. Commerce Department?

I do not like the idea of Congress, on an ad hoc basis, passing legislation today on textiles, tomorrow on shoes, the next day on aluminum, the next day on timber, and the next day on steel. Trade policy ought not to be set that way. But the President has left this body with no alternative.

THE INVESTIGATION CONCERNING THE SOVIET DEFECTION

Mr. BUMPERS. Mr. President, I saw in the paper this morning where Attorney General Meese has called for an investigation of the problem of the defecting Soviet sailor off a Soviet cargo ship in New Orleans. But if I am reading the paper correctly, this is a post mortem investigation. Here you have a sailor who jumps ship, who was carried, kicking and screaming, back onto a boat to the ship, and then who jumps overboard a second time and tries to reach shore, only to be collared again and taken back and put on board ship. Then, without the American people being told anything about what he said, what the true facts were, he is forced back on the Soviet ship, which is going to be leaving within 24 to 48 hours.

I do not think it is satisfactory to tell the American people we are going to investigate this after the ship has left. That is one of the most pathetic responses to occur in this country in a long time. I would not like to think that one person is being sacrificed on behalf of the upcoming summit. I am hopeful and optimistic about the summit and I hope it succeeds.

But you cannot convince me that when somebody jumps overboard and swims to shore that he is not wanting to defect. And not one single newspaper account that I have seen says anything except the administration is reasonably satisfied that this sailor did not want to defect.

I can tell you as a former trial lawyer that I would certainly hate to try to convince a jury of that proposition. The time to investigate what is going on there and whether or not this sailor actually wanted to seek asylum ought not be made 2 days after that ship leaves. It ought to be made now.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that the Senate now go into executive session to consider the following nominations on the Executive Calendar: Calendar items No. 371, Charles A. Trabandt; No. 498, C. Everett Koop; No. 499, C.M. Naeve; No. 501, Edward R. Korman; No. 502, Robert E. Cowen; No. 503, William J. Zloch; and No. 504, Jane R. Roth.

There being no objection, the Senate proceeded to the consideration of executive business.

Mr. SIMPSON. Mr. President I ask unanimous consent that the nominations identified be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, there is no objection to the nominees who have been named by the distinguished assistant Republican leader. There is no objection on this side also to considering the nominations en bloc and to confirming them on bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF ENERGY

Charles A. Trabandt, of Virginia, to be a member of the Federal Energy Regulatory Commission.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

C. Everett Koop, of Pennsylvania, to be Surgeon General of the Public Health Service.

DEPARTMENT OF ENERGY

C. M. Naeve, of Virginia, to be a member of the Federal Energy Regulatory Commission.

THE JUDICIARY

Edward R. Korman, of New York, to be U.S. district judge for the eastern district of New York.

Robert E. Cowen, of New Jersey, to be U.S. district judge for the district of New Jersey.

William J. Zloch, of Florida, to be U.S. district judge for the Southern District of Florida.

Jane R. Roth, of Delaware, to be United States District Judge for the District of Delaware.

Mr. SIMPSON. I move to reconsider the vote by which the nominations were considered and confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to those nominations.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

CONFIRMATION OF CHARLES A. TRABANDT AND CLIFFORD M. NAEVE

Mr. McCLURE. Mr. President, I am pleased to bring before the Senate the nominations of Charles A. Trabandt and Clifford M. Naeve to be members of the Federal Energy Regulatory Commission.

On July 29, 1985, the Committee on Energy and Natural Resources held a hearing on Mr. Trabandt's nomination. On July 30, 1985, the committee ordered the nomination favorably reported by a vote of 17 yeas, 1 nay.

Mr. President, Mr. Trabandt brings to the Federal Energy Regulatory Commission a solid background in Federal energy and natural resource policy and a lengthy career in public service. His legal and technical training began in the early 1960's at the Naval Academy, after which he served as an officer in the U.S. Navy Submarine Force in the Atlantic and Pacific Fleets and as an intelligence and operations officer in the Directorate of Science and Technology at the Central Intelligence Agency.

Mr. Trabandt's subsequent experience in energy matters includes 10 years as a congressional staff member, beginning as a committee staff counsel in the House of Representatives and ending in the Senate where he served as chief counsel to the Senate Energy and Natural Resources Committee from 1981 to 1984. Mr. Trabandt left the committee to join the Department of the Interior as Executive Assistant to Secretary William P. Clark. He is currently counselor to the controller at that Department.

Mr. Trabandt has fully complied with the committee's rules requiring submittal of a financial disclosure report and a detailed information statement. His experience and comprehensive knowledge of energy issues, and his commitment to public service, qualify him to be a member of the Federal Energy Regulatory Commission.

Mr. President, on October 31 the Committee on Energy and Natural Resources, by a vote of 18 to 0, reported the nomination of Clifford M. Naeve

to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1989. Mr. Naeve's nomination hearing was held on October 24. He has fully complied with the committee's rules requiring submittal of a financial disclosure report and a detailed information statement.

Mr. Naeve holds a bachelor of science degree in mechanical engineering from the University of Texas, a masters degree in public affairs from the L.B.J. School of Public Affairs at the University of Texas, and a J.D. degree from George Washington University.

Since June of last year, Mr. Naeve has been a practicing attorney with the firm of Skadden Arps in Washington, DC. From 1982 to 1984 he was vice president of Mid-Continent Oil and Gas Association, and from 1980 to 1982 he was the Washington representative from Aminoil, U.S.A. Mr. Naeve was employed on the Senate staff for 3 years, first as a professional staff member on the Committee on Environment and Public Works from 1977 to 1978, and then as legislative director for Senator LLOYD BENTSEN from 1978 to 1980.

From this background and experience in the energy field, Mr. Naeve has gained extensive knowledge of the oil and gas industry and the intricacies of natural gas regulation. He is clearly well qualified to be a member of the Federal Energy Regulatory Commission.

I would also note that during his confirmation hearing, Mr. Naeve displayed his understandings of the importance of balanced decisionmaking as a part of the regulatory process. He stated:

> Although my representation of energy companies has made me familiar with their problems and concerns, it has not made me callous to the needs of consumers or the problems of the less fortunate. As a FERC Commissioner, I will always be mindful of my responsibility to energy consumers.
>
> I will also be sensitive to the important environmental issues which arise in connection with energy development projects. As a former staff assistant to the Senate Environment and Public Works Committee, I have a broad understanding of the major federal statutes in this area. I intend to insure that the Commission complies with both the letter and the spirit of these statutes.

Mr. Naeve's nomination comes at a time of major change in natural gas regulation. The entire natural gas industry is facing the effects of increased competition in the marketplace, and the Commission is now in the process of deciding how the regulatory process should be changed in order to accommodate and take advantage of that competition. Important decisions are being made by the Commission at a fast-moving pace. Mr. Naeve's background and experience in the natural gas industry will enable him to begin contributing to the Commission's work immediately upon his confirmation.

Mr. President, I would like to return to a particular issue I raised 2 weeks ago when the nomination of another FERC commissioner, Anthony G. Sousa, was pending before the Senate. I expressed my opinion that a Commissioner's vote on a matter pending before the Commission would be of doubtful legality if the commissioner had not been a member of the Commission during the period when hearings had been held on that particular matter. I have since been advised that there are well-established precedents in the case law pertaining to a newly appointed commissioner's ability to act on pending matters. It is my understanding that a new commissioner may vote on a pending case even after the record has closed. There is a presumption that a new commissioner's vote is based upon the record available to him even though it was completed before his appointment. I am also advised that administrative agencies, including the Federal Energy Regulatory Commission, have routinely allowed new members to participate in cases after the close of the record.

Mr. President, having clarified that point, I am pleased to recommend, on behalf of the Committee on Energy and Natural Resources, that the Senate approve the nominations of Charles A. Trabandt and Clifford M. Naeve to be members of the Federal Energy Regulatory Commission.

Mr. BENTSEN. Mr. President, it gives me great pleasure today to urge my colleagues to support a very fine, capable, and highly principled man whom the President has nominated to be a commissioner on the Federal Energy Regulatory Commission, Clifford Milo (Mike) Naeve. I have had the pleasure of knowing Mike like no other Member of the Senate. He served as a staff member of mine from May 1977 until June 1980.

During his tenure within my office, Mike performed to the highest standards which I expected. He is a man of keen intellect and vast experience in the energy area, which will enable him to serve our country well. More than anything, I found Mike to be fairminded, willing to look at all sides of an issue, and an individual of high integrity. Those characteristics will enable him to perform well in this position.

Mike's educational and professional background also suit him well to serve on the Commission. He graduated No. 1 in his class at George Washington University Law School, which he attended while working full time. He also has a master of public affairs from the L.B.J. School of Public Affairs, and a bachelor of science in mechanical engineering from the University of Texas. Mike is currently an attorney with the Washington office of Skadden, Arps, Slate, Meagher & Flom. He also has served as the vice president of Mid-Continent Oil & Gas Association.

Mr. President, I can think of no one who is better qualified, more highly motivated, and thoroughly familiar with the task before him than Mike Naeve. It is my distinct pleasure to endorse his nomination and recommend him to my colleagues as a commissioner of the Federal Energy Regulatory Commission.

CONFIRMATION OF ROBERT E. COWEN

Mr. LAUTENBERG. Mr. President, I rise to support the confirmation of Robert E. Cowen, a magistrate of the U.S. District Court for the District of New Jersey, to be a judge of that court.

Magistrate Cowen is a skilled and experienced lawyer, a dedicated public servant, and a respected and fairminded member of the judiciary. He was engaged in the private practice of law for 10 years in New Jersey. He then served as an assistant county prosecutor, and as a deputy attorney general. He directed legal ethics and judicial administration in the administrative office of the courts in New Jersey. Since 1978, he has served as a U.S. magistrate.

The Senate is considering a nominee who enjoys a high reputation among the practicing bar in New Jersey. He is known to be hard working, studious, and dedicated. The bar finds him fairminded and even tempered.

He would be a most welcome addition to the ranks of the district court judges in New Jersey. Some 518 new cases were filed last year for each judge in the district, the largest volume per judge of any district in the third circuit.

The appointment of someone who would bring to the bench such solid experience in the conduct of trials and proceedings would surely assist in enhancing the efficient administration of justice in our State. The appointment of someone who would bring to the bench a reputation for fairness, and a reputation for solid scholarship, would also enhance the quality of justice, and the public's respect for the judicial system.

I support the nomination of Robert E. Cowen and urge my colleagues to confirm him.

Mr. SIMPSON. Mr. President, it has been my privilege to come to know Jane R. Roth in my time here. She is the delightful wife of our colleague, Senator BILL ROTH. She is an extraordinarily capable woman and a noted lawyer. Now, I am sure she will be a noted jurist. I am very proud to know her. She is an intelligent and spirited lady and will serve this country with great distinction. I want to share that. There literally could not have been a finer or sounder choice.

CONFIRMATION OF JANE ROTH

Mr. DOLE. Mr. President, I am pleased to rise in support of the confirmation of Jane Roth to be U.S. district judge for the district of Delaware. The President's selection of her for this post can be described as nothing short of outstanding.

Jane Roth's legal career has been long and distinguished. After traveling extensively as an employee of the State Department, Jane entered Harvard Law School in 1962 where she was a classmate of my wife, Elizabeth. Three years later, she graduated magna cum laude and joined the highly reputable law firm of Richards, Layton, and Finger. She has engaged in an extremely successful law practice since that time, serving as a senior partner of her firm since 1973. But she has also taken time out from the demands of her legal career to devote to public service for those stricken by arthritis—work for which she has been twice honored.

Jane is the first wife of a Senator to become a Federal judge—a point which has raised the eyebrows of a few. But in light of her strong credentials and extensive experience as a practicing attorney, I would say that if anything, her appointment is overdue. It should be noted that her nomination had the strong support of the Delaware Bar Association. In fact, the president of the State bar personally testified in her behalf. The nomination was also endorsed through a bipartisan resolution in the Delaware General Assembly.

Jane is the 23d woman to be appointed to the Federal bench by President Reagan. I was pleased to recently learn that Deanell Tacha, a distinguished law professor at the University of Kansas, may soon become the 24th woman to be appointed since President Reagan has decided to nominate her to the 10th circuit. These appointments demonstrate that the Reagan administration has been vigorously seeking out women candidates for the Federal bar and doing so with success.

My heartfelt congratulations to Jane Roth on her confirmation. I know she will serve with distinction.

NOMINATION OF ROBERT E. COWEN FEDERAL DISTRICT COURT JUDGE

Mr. BRADLEY. Mr. President, I am pleased that the Senate will today confirm a qualified New Jerseyan who has been nominated to fill a vacancy on the Federal District Court for New Jersey. Robert E. Cowen currently serves as U.S. Magistrate for the district of New Jersey, a post he has held since 1978.

In his present capacity Judge Cowen has been praised by members of the bar and our Federal district judges fo. his diligence, dedication and legal knowledge. He has done a remarkable job of forging settlements among disputants and has done so in a way that has earned him the respect of all who know him. At a time when our federal judiciary in general, and the New Jersey district in particular, are suffering from an explosion of cases, these talents are sorely needed.

In addition Judge Cowen brings a breadth of experience that will be invaluable to our district court. He was asked to set up and head the Office of Ethics and Professional Responsibility for the New Jersey Supreme Court. His 5-year tenure as head of this office brought a new standard of excellence for the judiciary and lawyers subject to the commission's jurisdiction. He has demonstrated his deep concern for the need to require the highest ethical standards for those involved in the enforcement of justice.

Judge Cowen served as a deputy attorney general in New Jersey and as an assistant county prosecutor in Essex County where he gained valuable experience prosecuting criminal law violations. In his private practice before that, he gained considerable experience in civil law matters. Extensive litigation experience, combined with his tenure as U.S. Magistrate make him exceptionally well qualified to sit on the Federal district court.

I am confident that Judge Cowen will provide New Jersey with excellent judicial service.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I move that the Senate resume legislative session.

The motion was agreed to and the Senate resumed the consideration of legislative business.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. PACKWOOD. Mr. President, it is my intention shortly—not right away; there will be a quorum call first—it is my intention shortly to call up the debt ceiling extension that the House has sent us; to move to adopt two amendments, one of which is technical and the other is the Boren amendment on the minimum tax; to adopt the conference report, and then to strip out of it the main provision that the House passed on the $161 billion debt ceiling and threw in every thing that could possibly be sequestered, to strike out and to move to substitute a package reasonably similar—I do want to say very similar, but reasonably similar—to the package that passed the Senate earlier. There are some differences, and those will be explained when we start on the conference report.

Mr. President, it would be my hope that we could pass this tonight. I would hope we would not be subject to extensive debate. The changes are not complicated. There may be people in disagreement. The changes are not complex.

If we can get this measure back to the House tonight and the House can act on it—the House is still there—we can prevent any disinvestment of the Social Security Trust Fund. That is if the Senate will act.

If we wait until Saturday, Sunday, or Monday to act, it appears that there will be disinvestment of the trust fund and bonds will be sold to pay Social Security claims. But I hope it is not the Senate that holds up this process. If we send it to the House, they still may not adopt it. I hope it will not be the Senate that holds up this measure, so that at least we can say that we were not responsible for the disinvestment of the trust funds.

CALL OF THE ROLL

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. PACKWOOD. I yield.

Mr. BYRD. Mr. President, this should be a live quorum. We are taking up a very important matter here. We should not vote on it with our eyes closed.

I, too, hope we can take action this evening, especially on the short-term extension, which would give us time to give more careful consideration to the other package. But I must say that we want a live quorum. I want Senators to know what is in this package. I will vote on it, and I want to know what I am voting on. I hope we will act accordingly.

So I suggest that this be a live quorum. I will object to calling it off until then.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 20 Leg.]

Boschwitz	Durenberger	Grassley
Burdick	Evans	Long
Byrd	Exon	Packwood
Chiles	Gorton	

The PRESIDING OFFICER. A quorum is not present.

Mr. PACKWOOD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon (Mr. PACKWOOD) to instruct the Sergeant at Arms to request the attendance of absent Senators.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS], the Senator from Oregon [Mr. HATFIELD], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Michigan [Mr. LEVIN] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 85, nays 3, as follows:

[Rollcall Vote No. 277 Leg.]

YEAS—85

Abdnor	Gorton	Mitchell
Armstrong	Gramm	Moynihan
Bingaman	Grassley	Nickles
Boren	Harkin	Nunn
Boschwitz	Hart	Packwood
Bradley	Hatch	Pell
Bumpers	Hawkins	Pressler
Burdick	Hecht	Proxmire
Byrd	Heflin	Pryor
Chafee	Heinz	Riegle
Chiles	Helms	Rockefeller
Cochran	Hollings	Roth
Cohen	Humphrey	Rudman
Cranston	Inouye	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
Denton	Kerry	Simpson
Dixon	Lautenberg	Specter
Dole	Laxalt	Stafford
Domenici	Leahy	Stennis
Durenberger	Long	Stevens
Eagleton	Lugar	Symms
East	Mathias	Thurmond
Evans	Matsunaga	Trible
Exon	Mattingly	Warner
Ford	McClure	Wilson
Garn	McConnell	Zorinsky
Glenn	Melcher	
Gore	Metzenbaum	

NAYS—3

Goldwater	Quayle	Weicker

NOT VOTING—12

Andrews	DeConcini	Kennedy
Baucus	Dodd	Levin
Bentsen	Hatfield	Murkowski
Biden	Johnston	Wallop

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not anwswer the quorum call, a quorum is now present.

DEBT CEILING EXTENSION

Mr. PACKWOOD addresed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, as I indicated earlier, we are going to be on the extension of the debt ceiling tonight. I would like to be able to send it back to the House tonight in the hopes that they might still be in session and adopt it. The debt ceiling extension that we will consider here is similar, although not identical, to the debt ceiling extension that we passed with the Gramm-Rudman amendment in it a short time ago.

There has been some modification and some clarification. It is much easier now to tell whether the provisions are in category I or category II. Senator CHILES and Senator LEVIN have caught two—I do not want to say errors in the bill, but obvious questions—questions which we have remedied, one relating to the severability provisions, and then another relating to the existing contracts as to whether or not they can be sequestered. In both cases, their amendments are good amendments. They have been added to the bill.

We have changed slightly the provision as to how you estimate your economic figures before sequestration takes forth.

As you will recall, we had in the bill a combination procedure involving the Congressional Budget Office and the Office of Management and Budget. They each took their figures, compared their figures, and it was not quite an average. Roughly, you figured out the difference between the two, and that became the basis for your economic projections.

There was some question as to its constitutionality, an argument being from the House Members—they have a letter from Lawrence Tribe, a good constitutional scholar at Harvard, that is based upon Buckley versus Valeo in the Federal Election Commission in the appointment of executive officers to do executive duties—that the use of the Congressional Budget Office as it was then put forth in our bill was unconstitutional, and the Democrats make that claim in conference.

I might add as an aside, I was intrigued with their offer that they passed in the House considering the fact that they had raised the issue of constitutionality. What they have sent back to us is a provision that the Congressional Budget Office, all by itself, and not in consultation with OMB, shall determine the figures upon which the President must act. I thought if ours might have been unconstitutional because it compelled CBO and OMB—and they raised the issue of constitutionality on that, now they send us back one that has only the Congressional Budget Office by itself setting out the figures ordering the President to act—theirs is clearly unconstitutional.

Then, we have the normal constitutional provisions of severability. If one part is found to be unconstitutional, the rest stands. Theirs is not severable. If one part of the whole process is found to be unconstitutional, it all falls. They have given us a provision that they think is obviously unconstitutional.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. PACKWOOD. I yield for a question.

Mr. LONG. Is the Senator aware of any severability clause that any legislative body has adopted that says if any part is wrong, the whole thing is wrong?

Mr. PACKWOOD. No; that is the first time I have ever seen that provision in it. So we added a provision in ours over here tonight that says CBO, OMB, and in the GAO—which indeed is an executive agency—has to certify the results of the CBO and the OMB.

We think that cures the allegation of unconstitutionality. But if it does not, we have an alternative procedure. We say if it first strikes that down, the alternative procedure is, figures will be expanded by a joint resolution of Congress. The President has to sign that. No one argues that is unconstitutional. That clearly is OK. That will be an alternative procedure, if the court were to consider our trigger and find that unconstitutional.

There are expedited judicial reviews for anybody who wants to bring suit, the Congress notwithstanding, and I have to comment on a particular provision of the Senator from Michigan that I thought was really ingenious as to what he found was wrong with the bill.

You know the argument that has been raised about the President has a constitutional right if he chooses not to sequester defense, even though the law says he has to. His right as Commander in Chief overrides that. If he does not want to sequester defense, he does not have to. Most of us thought that particular statement coming from one of the Cabinet did not portray what we thought to be an accurate description of the law.

We thought probably the law would constitutionally agree that it is mandatory that he must sequester, and that he sequester across the board. He cannot use the defense of Commander in Chief not to sequester defense.

The Senator from Michigan came up with what I thought was a very good

amendment. This is what he said—the normal opposite of severability. He said if the President exercises that claim, and he does not sequester defense, but he sequesters domestic spending—and that goes to court and the court holds that the President was right—he does have a constitutional right not to sequester defense. Then the amendment of the Senator from Michigan says, in that case, the President's right to sequester domestic spending falls because it was very clearly the intent of this body to have the act fall as evenly as possible when there is a sequester overall.

We exempted Social Security. No one is arguing about that. We all know why we exempted Social Security. We clearly exempt interest on the debt. It is a contract. You have to pay it. You cannot sequester that. There is, for those who want to see it, a long list of other items that are exempt. No one argues about that—neither Republican, Democrat, liberal, nor conservative. They are basically insurance funds—the Federal Deposit Insurance Corporation and other funds of that nature, where money is being received to pay out claims. There is quite a list. But the controversial exempt one was Social Security. That is exempted.

So that is taken care of. Medicare, there is a difference of opinion on this floor as to what category it was in. I will go through again the categories. First, the exempt category, you cannot touch it, period. No. Then you have what we call category I. Those were basically COLA programs. We said if there is a sequestration on the COLA programs, you could sequester no lower than a freeze. They had a 3-percent increase due because of a cost-of-living adjustment, but there is a 5-percent sequester. You can only go down to 3 percent. You could not go below that. That is the category I programs. Almost all statutorial indexed programs are in that category.

Category II are what we call the controllables. It is almost all the other programs in Government. There was the debate as to whether Medicare was in category I, the COLA Program, or category II. As you read the debate on the floor, the sponsors of the bill indicated that they thought Medicare was in category II. Several Members thought it was in category I. As we debated the language, it was clear there was a difference of opinion.

This particular amendment that we will offer puts it in category II with one slight exception. It is subject to a controllable sequester like all others, and all other expenses with the exception of about 3 percent of Medicare that is statutorially indexed. That got us into the category I with all of the other statutorially indexed programs. That means that Medicare is sequestered 5 percent. What you do is pay out 5 percent less to doctors and 5 percent less to hospitals.

Yet our feeling was that everyone ought to be touched evenly.

Then there is the debate as to whether or not the action of the Senate covered existing or future contracts. Here the argument was about defense, the MX, and basically the big military weapons systems.

So we adopted an amendment of the Senator from Florida, Senator CHILES, that certainly it was legal to sequester them. They would be subject to sequester unless there was a penalty provision that would have required that in sequestering them the cost of sequestering would be not as great as a penalty you would pay to do it, in which case there would be no sequester.

We thought that took care of the problem with existing contracts, and we thought we meant the penalty provision to be in the year of sequestering.

Initially, the administration did not like the Chiles amendment at all. They did not like it when it was offered. They opposed it when it was offered.

Later on, after they looked at it and saw the penalty provision, they decided they could live with it. What happened was they first thought to themselves the penalty provision does not apply in just the year that you sequester but it applies to the life of the contract. You know the argument on defense contracts. If you cut them down this year and spread them out it costs more money in the long run. Therefore, if we sequester it this year, we save 15 percent this year and at the end of 5 years it would cost you 17 percent more to do it. That means that the Government was subject to penalty.

Well, they did not mean that.

So Senator CHILES put in a provision curing that. If you want to know how it is cured, he will be happy to tell you.

Basically how he cures that is if existing contracts are sequestered and if the penalty in the year of sequester is greater than what we save, you do not sequester. If it is less, you do.

Then we discovered the administration thought to itself, "Wait a minute. As to future contracts, if we write them all with a penalty provision so severe that in the year of sequester the penalty would be greater than the savings, we can write all future contracts with that sequester and not only military contracts. We can do it with NIH grants and contracts. We can do it to all the entitlement contracts if we wanted to, and nothing would be subject to penalty."

The amendment just says that all future contracts will be written subject to sequestering and they cannot put in a provision that would escape it. That solves the problem on that issue. But the Senator from Florida still has other questions. He thinks Medicare should be in category I and he has some others he wants to put in category I. I think we have solved the contract problem.

For the Senator from Michigan I think we have solved the severability problem.

I have now mentioned the major differences.

They are in Medicare, category I and category II, a significant difference. But in terms of the process, it is more refined, it is more explicit than what we passed here. But in the way the bill works the theme of the amendment is not significantly different from what we have.

Mr. STAFFORD. Will the Senator yield?

Mr. PACKWOOD. I yield.

Mr. STAFFORD. I am deeply concerned, I will say to my friend the chairman of the committee, in connection with the effect of Gramm-Rudman on educational programs in general and on the Guaranteed Student Loan Program in particular since, in effect, long-range contracts are involved.

A banker loans money to a student and the Federal Government guarantees the interest while he is in college, and then he is required after graduation to pay off the debt.

The fear is that if these contracts are subject to sequestering in terms of a contract between a borrower and a bank, and can be changed in the future.

I am advised recently that in view of that fact the banks of this country have advised they will not participate in guaranteed student loans if this impact occurs as far as the Guaranteed Student Loan Program is concerned.

That worries me since I am chairman of the Education Subcommittee. I am going to have to explain this back home.

If the American banking system drops out, some 3 or 4 million kids will not have the opportunity to go to college that we believe they ought to have. I wonder if the distinguished Senator can comment on that.

Mr. PACKWOOD. I can comment. Even though the Senator from Alaska was not with us, he was with us on most of the negotiations. The Senator from Texas is more familiar with that program than am I. I yield to him.

Mr. GRAMM. I thank the chairman for yielding. We recognize the special problems in two types of contracts, the CCC contract and the guaranteed student loan contract.

Basically, students borrow the money when they start in September. They have a contract through the year. They have made their plans. So we could not very well come in during

the middle of the process and cut back their loan.

The same was true under CCC. The Senator from Oklahoma came up with what I thought was an ingenious solution to the problem. Under CCC we could not have somebody negotiate a price and have things change in the middle of the process. It was not fair to let one grouping be covered and another one be cut off in the middle.

Our solution was that contracts would not be interrupted. The sequester order would apply only once the contract had expired. It would apply for 12 months thereafter to all new contracts so that we did not disrupt the process and so that we did not create financial uncertainties.

It was really due to the Senator from Oklahoma that we addressed that problem and I think dealt with it well.

Let me make a point clear to the distinguished chairman of the Education Subcommittee.

The House made some fundamental changes in this bill and in the program they adopted. One of those fundamental changes was exempting a lot of programs. The guaranteed student loans were not among those programs. But every program that was exempt means that larger reductions would be made in every other program that was part of the process.

In fact, as best we can figure, and it is hard to figure because no one saw their bill until about 30 minutes before it was introduced. As best we can figure our sequester pot has about $600 billion in it. Their sequester pot has about $250 billion in it. So you can figure that somewhere between 2 and 2½ times larger cuts on those things that are in the sequester pot would be required under their reconciliation as compared to ours.

That is especially important when you get to programs like guaranteed student loans or defense, and especially as it relates to personnel.

Mr. STAFFORD. Would the Senator allow me to ask one more question?

Mr. GRAMM. I will be happy to.

Mr. STAFFORD. This will be a brief question.

Following what has been said by the Senator, I would understand that there would be no attempt to sequester in the first year of a student's entry into college, when the student has entered into a contract for that year?

Mr. GRAMM. The distinguished chairman is absolutely correct. In fact, the language of the bill specifically prohibits the contract that has been entered into from being affected and requires that the sequester order come only at the end of that contract.

Mr. STAFFORD. That is what I am coming to next. Would a contract in which a student is getting a guaranteed student loan be considered to be a 4-year contract, which is how I would consider it, rather than a 1-year contract? If not, then the student would be subject to sequester in each of the 3 succeeding years, would he not?

Mr. GRAMM. As I understand, it would be a 1-year contract and the student would be subject to a new set of rules based on, again, how well we performed our duties. But I want the distinguished chairman to understand that a student would know in advance and the financial institutions would know in advance. There would be no change in the rules of the game during the period of time that a contract has been signed, but certainly the program would be affected, as would every other program on budget, though the impact on guaranteed student loans under our sequester order would be less than half of what their sequester would be because of the things they leave out.

Mr. STAFFORD. I thank the Senator.

Mr. PRYOR. Mr. President, I have a question for the distinguished Senator from Texas. I do not know if he is the person who would answer. Perhaps the distinguished assistant majority leader who I see in the Chamber at this time might be the appropriate person to answer.

The House of Representatives, moments ago, passed by 207 to 194 the motion to adjourn. There is no House of Representatives on the other end of the Capitol at this time. I am wondering what might be the thinking of the distinguished majority leader if we go into the night on this issue and attempt to send something back over there and no one answers the door.

Mr. SIMPSON. Mr. President, often, we knock and there is no one there. But we keep coming back like a song.

Let me say that the distinguished chairman of the committee is meeting at the present time with the majority leader in order to determine the position of the administration, I believe—there is further discussion with the administration on their position. It is the intention, at least it seems to the assistant majority leader without having had a visit with the leader within the last half-hour, that we are going to go forward with our work, which is to have the question addressed as to the temporary extension, the brief several days, extension of the debt limit.

There has been, in my consultation with the minority whip, no intent to determine how that will come out. We are well aware that we have a sizable number of our Members here to do our business.

The House had their Members here; in fact, they were almost all here. That vote signifies a little bit of that essence.

It is our intent to go forward with a vote—at least, it was my last knowledge that we would go ahead with the vote on the issue of extension and then also go forward with the package that the chairman of the Finance Committee will present to us. That is still the order of the day.

I wish I could tell my colleagues something more specific. It is hoped that we certainly would not be in session tomorrow. But we feel, I think on our side of the aisle and many people on that side of the aisle feel that at 12 midnight, people have said to us there will be a disinvestment of Social Security funds. But not much banking is done in America on Saturdays and Sundays. Perhaps that would take care of itself. But I think that is the situation as I express it to my good friend from Arkansas.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. SIMPSON. Yes.

Mr. CHILES. I just want to say to my good friend, the assistant majority leader, that we as yet, on our side, do not have a copy of the latest version of the Gramm-Rudman proposal. The last version we saw was 88 pages. It is going to take us and our staff some time to go over that. We know it was worked on last night, we know it was worked on this morning. We know it was still in the legislative counsel's office at 3 o'clock or so this afternoon. We need some opportunity to go over that.

My Members are asking us what is in it, how does it differ? We have had a brief description from the distinguished chairman of the Committee on Finance, which was good, but there is no alternative to being able to look at the language. We pay people a lot on our side to do that. We would like to have them earn their money and at least have a look over that.

So, at some stage, Mr. President, I think it would be nice if we could have a copy; also my description that would go with it. Then I think we are going to need 45 minutes to an hour.

I hope we would get some time before we say we are going to start on that, that we could have a chance to look at it and determine what is in it.

Mr. SIMPSON. Mr. President, I think it would be important for the Members to continue to make their inquiry of the sponsors of the measure. I have not been involved in the conference activity. I cannot answer those specific questions that might be raised.

I can say that the majority leader will return to the floor very shortly and give an expression of where we are. There is no intent to foreclose gaining of knowledge as to what is in the amendment. Certainly, copies will be furnished momentarily.

Mr. BUMPERS. Will the Senator from Texas yield for a couple of questions?

Mr. GRAMM. I would be happy to yield, Mr. President, if the distinguished leader is finished. We will face a decision within the next couple of hours as to whether to substitute the Senate package as amended in conference for the package that was adopted by the House. Chairman PACKWOOD asked me to review what was in the House package and I would like to do that very briefly if I may, although I shall withhold if our distinguished assistant leader wants.

Mr. BUMPERS. Would the Senator answer a couple of specific questions for me? I do not want to preempt his discussion of this.

He made a statement a while ago that the Senate version had a $600 billion pot for sequestering—that is, from which to draw the sequestering funds—and that the House version only had $250 billion.

Mr. GRAMM. Those are rough numbers, but the best we can ascertain at this time.

Mr. BUMPERS. That is a difference of $350 billion. I know they took out a host of programs that are generally for the poor, such as food stamps, I think Medicaid was in it, WIC, immunizations.

I was wondering, what is the book on $350 billion? That is a big difference.

Mr. GRAMM. Well, if I may, I shall begin on that point.

The House made several substantial changes when they adopted their version of this bill. They exempted a range of programs—food stamps, supplemental security income, AFDC, child nutrition, veterans' pensions and compensation, community and migrant health centers, WIC, and commodity supplemental food programs. The exempted Medicare and Medicaid. Since they do not have automatic increases, they moved them to category 1.

They exempted the CCC Program, they exempted all existing contracts, both military and civilian. In addition, they made a series of other changes. But before I go on to those, let me reiterate what happens when you shrink the size of the pot as they have.

For example, in the area of defense, by exempting all defense contracts from prior years and all nondefense contracts, obviously, the cuts that hit defense hit operation and maintenance and personnel. Whereas our sequester order cutting $25 billion would produce about a 5-percent reduction, theirs would produce about a 10-percent reduction. So as best we can figure under their program, a $25 billion sequester order, according to figures provided by the chairman of the Armed Services Committee in the House, could produce the elimination of about 600,000 military personnel. That is three times as large as the Marine Corps.

I think it is an interesting commentary on the priorities of the House that they exempt all of these other programs and prior contracts but not veterans' health care. They exempted migrant health centers which serve in many cases, as we by these centers know, illegal aliens, though certainly American citizens are served and they did not exempt veterans' hospitals. Apparently, the House feels that migrant health centers are of a higher order of importance. These centers ought not to be part of dealing with the deficit. Veterans' hospitals which serve those who have fought and bled and died for America, and their dependents, are less important than all these other programs.

The important thing is that by making the pot small and letting the chosen many out of the pot, they produce some fairly substantial results. By exempting social programs and contracts, the House alternative decimates veterans' programs in terms of medical care if you have a big sequester order. Let me give an example.

With a $25 billion sequester order, you would have roughly a 10-percent cut in veterans health care expenditures.

If you take that down to what is provided, it could mean the potential layoff of 19,400 VA employees, 3,300 nurses, and 1,200 doctors. It could eliminate hospital care being provided to 140,000 veterans and outpatient care for 400,000 veterans.

In terms of the fairness issue, which I have talked about earlier and we debated on this floor, once you start granting special privilege to the few, then there is always the question about why somebody else was not given the benefits. Why are programs such as migrant health centers more important than veterans' health care programs? Why have some been chosen rather than others? And, of course, we decided in the Senate to the extend of our ability to include everything in the pot.

Finally, there are several other provisions of the House bill that I think are important. As you remember, the first charge we heard from Chairman Rodino was that our bill was unconstitutional. The most serious constitutional challenge was based on the inclusion of the Congressional Budget Office which of course we had done with OMB for balance, since that was not an executive agency of Government. In fact there had been a unanimous decision by the Supreme Court to that effect.

We responded to that by changing our language as part of the conference process with the House to bring in the General Accounting Office to certify the numbers of OMB and CBO and to provide additional procedures should that be struck down. But I think the House provision indicates an effort to kill the bill. While they had warned us about the problem with the Congressional Budget Office participation, they struck OMB's participation, and left only the Congressional Budget Office involved in the certification process, in clear violation of the warning they had given us about constitutionality. Then they added the extraordinary provision to the bill that if any part of it was held to be unconstitutional, the whole bill would fall. Those in the other body who 2 weeks ago were saying this bill is unconstitutional had three arguments. The most serious one was the involvement of the Congressional Budget Office. We went to conference in good faith and came up with a provision to solve that problem. When they introduced their so-called substitute on the floor today they included only CBO, which they had notified us would be clearly unconstitutional, and then they added the extraordinary provision that if any element of the bill was ruled unconstitutional, the whole bill would fall.

Now, I leave it to my colleagues to determine how disingenuous this whole process was.

Finally, an additional change that is included in the House bill was the rather extraordinary decision that after having adopted a budget of $171.9 billion, with no binding process involved in it whatsoever, where we have not met reconciliation requirements in either House of Congress—and there is growing concern, of course, that that whole process is jeopardized—the House decided that they wanted to shoot for a target in the first year of $161.9 billion.

Now, I remind my colleagues as we discussed it at great length on the floor of the Senate, many things have happened since that budget was adopted in June. No. 1, some of the savings that the House included have turned out to be somewhat questionable. There was the $10 billion in their proposal for contracting in, where we were going to save $10 billion by having the Government hire more people and do more. There was the provision of taking money off budget and giving three-fifths of it to the States and lowering the deficit. We also had the problem that now as a result of a reestimate undertaken in August that agriculture is up by $6 billion, it is clear that we are going to be $3 billion over in the transportation function and that revenues are $8 billion below the level that we assumed by assuming a 4-percent real growth. So the truth is that the deficit today is somewhere between $190 billion and $200 billion. DRI, for example, an outside private sector group that makes projections, projects the deficit at $201 billion. We have had other outside groups project the deficit at $205 bil-

lion. Now, I remind my colleagues that on this very floor at 3 o'clock in the morning we passed a historic deficit reduction package that saved $52 billion. We had the requirement for reconciliation as part of that package which made those savings permanent. We went to conference with the House and in the process ended up reducing our mandated savings through reconciliation by a substantial amount.

Now, having gone through the whole process, had the budget process completed, had the fiscal year start, all of a sudden after fighting every effort for deficit reduction for the last 9 months, after having killed all of our efforts, the House not only would like to make the deficit $171.9 billion, which we promised—all of a sudden they want the deficit to be $161.9 billion. The only problem is they do not tell us how we are going to get there. In fact, what they have done, which again I think suggests some contradiction on their part, is that they have exempted social programs, they have exempted contracts, they have exempted 90 percent of the farm program, and now they have said we want you in the next 30 days to lower the deficit $40 billion.

Now, we are not talking about pie in the sky, when we talk about a $40 billion deficit reduction in a budget where revenues are growing by $70 billion, remembering that this year we spent $40 billion of that $70 billion and we claimed other savings. They are saying, with no revenue assistance whatsoever, now that we have prevented you from saving money substantially for 9 months, we want $40 billion of extra savings in 30 days and we want you to cut across the board to get it except do not cut any of the programs that we have exempted,

Now, finally, and I do not want to be critical of our colleagues in the other body, but I think it is very clear what is happening here I would like to sum up and take questions. No. 1, they raised a constitutional question. We responded to it, and when they wrote their bill they wrote it in such a way that it would be deemed unconstitutional, and they added a provision that the whole bill would be thrown out.

No. 2, while we attempted to have an across-the-board approach including everything in the pot, though clearly in trying to put together the language it has been a long and difficult process but we have it, they go through and exempt most of the social programs, clearly an effort to attract votes from those who want to exempt those programs. They exempt contracts, maybe trying to attract those who are engaged in performing the contracts, and then I guess in one final effort to attract representatives from the rural areas they exempt the agriculture program. But all the time, as the pot for sequestering is getting smaller and smaller and smaller, they are saying we want you to cut more. We want you to cut $40 billion in 30 days. That $40 billion sequester order would produce roughly about an 18-percent across-the-board reduction in the pot as best we can figure.

Now, does anybody really believe that the House of Representatives wants to see the spending that remains in that pot cut by 18 percent across the board or 15 percent across the board? I submit that they do not. I submit that this is a political sham that was aimed at trying to make the shoe so tight that we would never get it on, trying to make the bill unconstitutional so it would be struck down if we ever did get it on.

Finally, rather than setting out a target that would reduce the deficit systematically, they say that if we have bad times, we do not have to cut as much.

Interestingly enough, we have always assumed good times so that we would not have to cut as much. But under their bill, you assume bad times so you would not have to cut as much. In the current rate of growth, they would not get to the balanced budget in 1990.

Mr. RUDMAN. Mr. President, will the Senator yield for a question?

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. GRAMM. I yield first to the Senator from Arizona and then to the Senator from New Hampshire.

Mr. GOLDWATER. The Senator mentioned that there are 19,000 people in the Veterans' Administration. I am wondering if there is any effect in the House bill in CHAMPUS.

Mr. GRAMM. In looking at the bill, CHAMPUS would not be exempt, so there would be an effect there.

The point I was making is what extraordinary results you produce when you exempt vast quantities of the budget from the process and simply bear down more and more on a limited amount of the pot.

Interestingly enough, some of the most vocal spokesmen for veterans in the House stood up and heralded this bill, which exempted the COLA's on the pension, as a program to protect veterans when, in fact, with all the other stuff it left out, it decimates the veterans' health program with sequestering.

The PRESIDING OFFICER (Mr. TRIBLE). The Senator from New Hampshire.

Mr. RUDMAN. Before I ask the question, I simply say that anyone who has a fine appreciation of irony really should read this, as I just have.

I say to the Senator from Texas that 10 days ago we heard that this was unconstitutional, that it was draconian, that it was severe. What we have tonight is something that is more unconstitutional, more draconian, more severe, and it is going to happen right now.

I ask the Senator from Texas whether or not I understand this draft correctly, in that all existing contracts are exempt.

Mr. GRAMM. That is correct.

Mr. RUDMAN. Which, of course, is totally different not only from the bill as passed by the Senate but also totally different from the bill as improved by the Chiles amendment. Is that correct?

Mr. GRAMM. So far as I understand, it totally exempts contracts. It flies in the whole face of the Chiles amendment and the concerns that were raised on this floor about defense contracts being exempted. I remind my colleague that when you exempt the contract side of defense, you absolutely decimate the personnel side.

Mr. RUDMAN. Am I also correct that essentially, whereas we had a long discussion on this floor to make sure the farm program was treated fairly but equally, we had treated the CCC Program in a way that it would have been reached, and it now has been exempted? Is that correct?

Mr. GRAMM. The so-called Whitten amendment, for all practical purposes, exempted CCC from the process and, as a result, exempted 90 percent of the farm program from any sequester order whatsoever.

Mr. RUDMAN. I have one last question, and it is derived from the discussion I had with the Senator from Arkansas [Mr. BUMPERS] during the day, and it relates to a question he asked again this evening.

Am I correct that, talking rather specifically, all that is left in the pot under this House bill would be those discretionary programs that are not poverty programs and that part of the defense budget that is not contracts, period?

Mr. GRAMM. Well, I cannot say it with that degree of specificity, but certainly most of the means test programs that come to mind are exempt.

Clearly, the veterans' hospital system is not exempt. Clearly, general Government programs and economic infrastructure programs that the minority substitute sought to protect are not exempt and would be decimated by this program.

Mr. RUDMAN. I conclude by saying to the Senator from Texas that I thank him for yielding.

I believe tht the Senate, on both sides of the aisle—and in particular during the conference that has gone on—has made a good-faith effort to improve the product the Senate passed, and I believe the Senate did that. I do not believe anyone ought to be fooled. We will judge this so-called House package for what it is. I hate to say it, but it is a sham.

Mr. BUMPERS. Mr. President, will the Senator yield?

Mr. GRAMM. I yield.

Mr. BUMPERS. I have two or three questions.

If, under the House bill, all contracts are exempt, how much would that leave in the defense budget subject to being sequestered?

Mr. GRAMM. I have that number here somewhere in this big stack. It would probably be better for me to just try to give a general ballpark figure. It would leave all the personnel accounts, all operation and maintenance, and those new contracts that we enter into in the process. It would certainly exempt at last $100 million in defense spending, probably more, but I will try to get that number and get it to the Senator.

Mr. BUMPERS. If the figure exempt is $100 billion out of a roughly $300 billion defense budget, does that mean that of the $250 billion the House left in the pot, $200 billion would be defense? I am not sure of this, so I am really asking an honest question.

Mr. GRAMM. I would say that somewhere between $150 and $250 would be defense.

Mr. BUMPERS. Out of the total pot of $250?

Mr. GRAMM. Out of the total pot of roughly $250, as best we can figure, maybe $300. We are talking in that range—roughly one-half. We have always said we thought it was between $500 and $600. It is probably between $250 and $300.

Mr. BUMPERS. The House has placed Medicare, as I understand it, in the automatic increase category, category A. Is that correct?

Mr. GRAMM. They have. But let me remind the Senator that Medicare does not have an automatic COLA; and, as a result by putting it in category 1, Medicare is made exempt, and that is a huge program.

Mr. BUMPERS. I think the Senator's point is well taken. But I was wondering if we move it into category 2, in the controllables—as I understood it, when Gramm-Rudman left here, there were roughly $8 billion subject to sequestration in category 1. Once you take that and move category 2, it was understood that roughly half of category 2—that is, the controllable list—was defense. Is that a fair statement? It might not be precise, but I think we talked in general terms.

Mr. GRAMM. Certainly in terms of the actual sequester order, the way our numbers have always worked out, including contracts, was that after you took out the COLA, about 50 percent was going to be defense.

Mr. BUMPERS. That is right. That was my point. When the bill left here, Medicare was not in the COLA category, was it?

Mr. GRAMM. Let me remind the Senator—and I do not wish to try to gloss over what was clearly a rough edge—that I felt, and many who supported the bill felt, that the way it was written, Medicare was in category 2. The dispute came about a simple misunderstanding or disputed area. Medicare does not have an automatic COLA.

That COLA is granted by the President through the Secretary of Health and Human Services. The Secretary at HHS also has the ability within a range to actually reduce that reimbursement by as much as 4 percent.

So it was always my belief and the belief of the two principal cosponsors of this bill that it was in category 2.

It is also equally clear that there are many who thought that it was in category 1.

What we have done here to clarify, however, is that we have put everything on budget that does not have an automatic COLA in category 2 and, therefore, in this version there is no question about the fact that Medicare, the part that is the payment to doctors and to hospitals—no person is denied a benefit or an eligibility—but the payment to doctors and hospitals is just like the payment to people under CCC, just like the payment to people under numerous other programs, is part of the sequester process.

Mr. BUMPERS. Let me make one other point. One of the things that has always concerned me about this bill and how we would treat defense was I had a feeling we were moving toward where the House came down, and this concerns me more about the House bill than anything else. If you remove all contracts and you wind up coming with the necessity of an 18 percent, say, across-the-board cut, it is going to come right out of readiness items which the Defense Department has always slighted anyway. Since the memory of man runneth not, they love weapons but they do not care anything about readiness. And what we are going to be doing here—and this really troubles me about this—there are some things I like about the House bill, but we will be cutting readiness items very dramatically if this is passed in its present form.

Mr. GRAMM. If the Senator will yield back, let me make it clear that it is clear to me that the House of Representatives put together a political deal and the political deal was they exempted contracts for the people who were interested in defense contracts, they exempted agriculture for the rural people, and the social programs for the urban people, but the problem is the way it is now written any sequester order would hit personnel in O&M twice as hard under their program as under ours.

I want to assure the Senator from the point of view of any influence I might have that I am not going to support that House language.

I think a failure to take into account the contracts so severely distorts this whole process that it would be a disaster for national defense and for the whole process itself.

Mr. BUMPERS. Let me just say, in closing, so far as my concerns are concerned. I voted for the Exon amendment when it came up originally because the Exon amendment said let us start now if we really are serious about budget reductions. Let us not wait until 1987 and until 1986 elections are passed. I am up in 1986 and I do not have any great desire to alienate my constituents by cutting a lot of programs that they are enjoying, but I do think that the deficit problem is of such a magnitude we do not have any choice unless we just prefer to continue the way we have been going and do nothing.

So I like that part of it. I think the House of Representatives has gone too far. Obviously, by cutting the pot and lowering the target it does make the whole thing virtually impossible.

The only way, as I see it, that you could possibly meet that without just creating real social disaster and dislocation in this country would be for a sizable tax increase. We keep talking under Gramm-Rudman as though we must cut. In my opinion the cuts always under Gramm-Rudman are trying to reach roughly $40 billion a year. As W.C. Fields said, "That hain't a beanbag." This body has not shown a great amount of courage in cutting and that is going to be an awful lot.

So I think if the House version were adopted it would literally mandate a combination of cuts and tax increases because you could not possibly meet the target without really creating more havoc than people on either side of this aisle are willing to undertake.

Mr. GRAMM. If I might respond, and I wish to respond to this point, because I think it is critically important.

Mr. BUMPERS. Before the Senator does, I compliment him on the clarity of this explanation tonight. He gave, I think, a fine explanation of the difference between the two bills.

Mr. GRAMM. I thank the Senator.

One of the early charges that was made against this bill I think as people were beginning to read it was this charge that nothing happened until after the election. I think it sent the House charging off to prove that they were as much macho cutters as we were.

The problem is the bill does a lot before the election. With our current targets in the bill, it would be very difficult to avoid an across-the-board cut within the next 4 weeks as the bill passed the Senate. It would be very difficult to avoid an across-the-board

cut. It would be a manageable size cut but it would be significant.

The President under this bill will have to submit the toughest budget of his Presidency, saving over $45 billion on January 15. By April 15, we will have had to have adopted a budget with a deficit no greater. We will have reconciliatiuon by June 15. And then on October 1, a month before the election, if we did not do it right, we would have an across-the-board sequester order 30 days away from the voters.

So whoever started this idea that we do not do anything before the election in this Senate bill simply did not understand it.

Second, let me say this: I do not think there is any doubt. The Senator from Arkansas is correct in believing that the House bill is written in such a way that they believe they would force the President to raise taxes.

But I think it is a very dangerous game of chicken because if you were President and you were in the first year of a 6-year process aimed at setting priorities, and the first thing out of the chute in the first year Congress sent you a big whopping tax increase, would you sign it?

I submit that there would be tremendous pressure not to do it out of the belief that every year for 6 years thereafter, if you signed the tax increase the first year, you would never get any spending restraint, and I think what the House of Representatives has done here is a combination of trying to out-macho us in terms of deficit reduction, a little bit of trying to make the shoe so tight it will not fit, but finally I think if their bill were adopted—and I am grateful in my knowledge that it will not be and so are they—that we would have literally in the next 30 days a crisis in hundreds of Federal programs that probably could not be avoided. And that is why when we wrote this bill we set it up to tighten down this first year to force the President to exercise these vetoes, to keep the deficit down, and then start out in January with a process that would come to fruition before the election.

But the way the bill is written from the House of Representatives it would not work in that manner.

Mr. BUMPERS. I thank the Senator.

Mr. GRAMM. Mr. President, I suggest the absence of a quorum.

Mr. ARMSTRONG. Mr. President, will the Senator withhold that a moment?

Mr. GRAMM. I am happy to withhold.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GRAMM. I yield to the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, I hope that this information might get through to the majority leader as well as the leadership on that side of the aisle.

Please understand, since I am for the Gramm-Hollings-Rudman amendment, I agree with everything the Senator said in his speech and I am ready to vote with him on the matter, as far as the Senator from Louisiana is concerned.

But I do not believe we can settle this matter tonight because Mr. CHILES, and I assume others, want to see the language. They would like a little time to analyze it, and it is certainly reasonable for them to have enough time to study the language and see if it does what they are told it will do.

But even if we do all that, the House of Representatives has still gone out. We do not have the power to bring the House back. Even the President does not have the power to bring the House back before Monday.

So I do not see how we can resolve the difference between the Gramm-Rudman amendment and the House substitute tonight, because the House is not here to resolve it with us.

It is all right with me either to vote on the 5-day extension or not. As far as I am concerned, if the leadership wants to vote on it, fine, we will vote on it. If they do not want to vote on it, that is all right, too.

But I really do not see any point in us staying here until late hours tonight. I just do not think that we are going to achieve anything at all.

We have nobody to do business with. It takes two to tango, and one has gone.

So I hope that, after those who would like to express their views have managed to do so, we would make our plans to go home tonight. I do not see that we are going to conclude this issue tonight. It will be all right with me if we can, but it does not seem to be in the cards.

I do not see much point in keeping Senators late on a Friday night when this is something that will have to be resolved next week. Does the Senator agree with that? What is his attitude about that?

Mr. GRAMM. Let me say to the distinguished Senator from Louisiana that, unfortunately, he is talking to a private in the army. I have no authority on these matters. I am just here to talk about what is in this deficit package.

Mr. ARMSTRONG. Will the Senator yield for a different but related question?

Mr. GRAMM. Yes.

Mr. ARMSTRONG. Could the Senator confide to us what on Earth the House was thinking about when they adjourned?

Mr. GRAMM. I think it is clear that the House hoped to put us in a very difficult position.

Mr. ARMSTRONG. Surely, they did not attempt that. [Laughter.]

Mr. GRAMM. By a fraudulent proposal and then passing a 5-day debt ceiling and then breaking and running to commingle with the traffic and the working people of the Nation, whom they tried to victimize here. I think their clear effort was to try to put us in a very difficult position.

Mr. ARMSTRONG. If the Senator will yield further, I, of course, have no way to know whether or not his suspicions are well founded, although they sound well founded, do they not?

But I would suggest that Members of the House may find that tactic is going to backfire, because over the weekend somebody is liable to find out what is in that package they voted for. And I am going to guess that the people in the House who voted for this package could be mighty uncomfortable when the truth begins to seep out, because it is not a very attractive proposition. It may have looked attractive politically to do so this afternoon, but I will guess by Monday morning when the impact of this becomes clear, that they will begin to scramble around to try to change that position.

Mr. GRAMM. If I might note, I think it is relevant to the point the distinguished Senator from Colorado made, as far as I can ascertain, only one person who voted for this budget reduction package voted to adjourn.

Mr. HOLLINGS. Will the Senator yield?

Mr. GRAMM. I am happy to yield to the Senator from South Carolina.

Mr. HOLLINGS. While the leadership is maneuvering and trying to determine what the course of action for the evening is going to be, I would like to make a few remarks. I was not a member of the conference. But I certainly know the intent and the intent here of all of us is to try to get some kind of forced discipline, whereby we would then have a known target to shoot at with respect to reducing these deficits in an orderly and realistic fashion.

We tried the other way. You know it and I know it. I have tried for 5 years to have a budget freeze adopted. I started off again at the beginning of this year with revenues, plus a freeze across the board. We would have held back on COLA's and everything else.

But, having tried that, yes, we now have a precedure that gets into the complexities of the Federal Government, which is somewhat different than our State government, but in a similar way get a certificate from the Comptroller that the expenditures were within the revenues and, if not, you would cut, sequester, whatever, in an even fashion across the board.

Now, the Senate did a masterful job. There have been some improvements.

The distinguished Senator from Oregon has pointed them out in a very cogent fashion.

But, it is quite obvious to me that the House is trying to play a game here and they are not going to get by with it. They ought to be ashamed of themselves. They know better.

I went over to my Democratic colleagues on the House side 3 days before we enacted the Gramm-Hollings-Rudman measure on the Senate side. We had some leaders there. We had my friend, the distinguished Congressman, DAVID OBEY, plus LEON PANETTA, and many members from the Budget Committee. There were 65 to 70 Democratic Members. I told them that our efforts were to try to propound a realistic, workable, balanced, impartial discipline. If they could improve on the realism or the impartiality, fine business, we had no particular pride of authorship and we were all working a new ground and a new area.

But many of those opposing us have launched onto a program first of lining up all the interest groups on the outside, which they did, saying, "You have cut me, you have cut me, you have cut me," and we proved to them, rather than cutting, we had given them a $20 billion cushion, which was intentional. It was intended not to put us in an impossible position this fall because we had not played, as we said in the original debate, with real bullets when we adopted the budget resolution in August and, knowing that, we began adjusting.

We first ran up the $171.9 billion deficit to $180 billion. We then ran the 5-percent procedure for statistically significant measurement up to 7 percent and then we ran the period of time to balance the budget from 5 years to 6 years.

We kept giving. To keep what? To keep who? To keep us on board, to get our votes, so that you could not say we were cutting; that we were giving you a realistic proposition where you would not have to pull this kind of charade of going out here in the next 30 days and cutting—my friend from Texas says $40 billion, I say about $30 billion at least. Be that as it may, if it runs $192 billion and you have to cut back to $161 billion you have to cut $30 billion, you have to get $20 billion out of defense and $10 billion out of education, and then we will see the education people write the letters.

I have been legislating for 35 years. I did not start last year. So I know that budget.

But they have the distinguished Senator from Vermont now asking the questions because the letters are all flowing in—and there must be some truth to it, because the House has voted it. That is exactly right, yes, it would have to cut the heck out of education. No one intended that. We intended a rational, impartial, realistic kind of discipline to keep us all on board. We kept the President in with the revenues, making them optional and not mandatory, because the President was not going to be mandated to raise revenues. We kept TIP O'NEILL and a certain group on board, I thought, by doing away with Social Security. We have heard that for 5 years, so no use getting into that argument.

But we were keeping all of us on board by giving us something that was real and plausible and could be done. Now the House, having tried the tactic originally and found out that we made it realistic and workable, they said, "We are going to make this unrealistic, unworkable, and outrageous nonsense and an absolute sham."

The Senator from New Hampshire is exactly right. No one should hesitate—the Washington Post is not a newspaper. It is a conspiracy. I could not get an article in there to make sense on this budget item, what we were doing in here in this Congress, to save my life. You never have seen it written. Hobart Rowen? Where in the world is that fellow about destroying Government? He destroys the truth. We wanted truth in budgeting.

What we were going to say is, "Look, the game is over. We are going to speak the truth to the American people. And when we pass a budget, it is going to be the truth and we are all going to be on notice."

There is not going to be, I say to the Senator from Florida, a $30 billion cut on Medicare of the $50 billion sequester indicated in your letter. Where is that letter?

Here is what the Senator from Florida says. He joins in the game. "For instance, under the $50 billion sequester order,"—who in the world is talking about a $50 billion sequester order? Nobody. We are talking about a 1-percent to 2-percent sequester. We know if we do not do our duties, if it goes over the 5-percent trigger, that it is going to be that kind of a cut, which is not going to be any $50 billion out of anything. It will be $5 billion to $10 billion. If we run over $50 billion, we will never have passed a budget.

So, there is no use to use these wild examples here about Medicaid or about $50 billion. We know that we are going to have to reduce it by $36 billion from fiscal year 1986 to fiscal year 1987 and we put on notice that the President has got to submit that kind of budget.

As the Senator from Texas said, it has to be done now. The President is working on that budget. He sees the 1986 limits.

Mr. President, I will be glad to yield to the Senator from Oregon.

Mr. PACKWOOD. No; go ahead. I want to make a point. The Senator is doing fine.

Mr. HOLLINGS. Mr. President, the President is going to have to look at every one of these appropriation bills, and see that they come in under this particular budget. But to run pell-mell down the road, and talk about a $50 billion sequester order means that we did not pay any attention to the law under the discipline, and we did not do anything.

I can see—yes—a man of goodwill get to $5 billion to $10 billion over, but not $50 billion.

Mr. PACKWOOD. Mr. President, if the Senator will yield, he is absolutely right. Under the provisions, let us assume for round figure purposes a total budget of $1 trillion. About one half of it will be exempt under the provision. We have $500 billion.

Mr. HOLLINGS. That is right.

Mr. PACKWOOD. If by chance we end up $10 billion or $15 billion short, we are talking about a relatively, slightly 1, or 2 percent.

Mr. HOLLINGS. Two percent. That is right.

Mr. PACKWOOD. Anybody's figures—CBO or OMB or anyone else—that appear to be in the neighborhood we are in——

Mr. HOLLINGS. That is right. That is where we will be, at best. We can make those misjudgments, and miscalculations. We are going to make them better. We have exceeded the budget resolution by an average of $28 billion and that is the average without any discipline. We have exceeded on average $28 billion over the budget that we actually predicted for 1985, 1984, 1983, 1982, and 1981—that is the track record with no discipline.

How are you going to run over $50 billion with the discipline? The whole idea is to make a half-truth in budgeting.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. CHILES. I am stepping off the floor for a moment. If the Senator would like to whip me a little more, I will come back.

Mr. HOLLINGS. I will give the truth. I am not going to join the game. The Senator voted against this. He is not for it. I would like to have been on the conference committee. They did not put me on it. They put the opposition on—the minority. I am not whipping them. I am tired of this nonsense going on.

It is Friday night. We are serious people. We have work to do. I hope that the House will cut out the charade. They know what they are doing. They are trying to give an overload, and sink this. The President of the United States would not sign it. A House Member would not sign this nonsense.

Mr. RUDMAN. Mr. President, will the Senator yield?

Mr. HOLLINGS. Yes.

Mr. RUDMAN. Mr. President, I got here about 5 minutes after the Senator started speaking.

Has the Senator from South Carolina looked at the provision that the House has drafted as to how it will estimate the numbers—the CBO only provision? Has the Senator looked at that?

Mr. HOLLINGS. I know generally speaking about the CBO. I think the Senator from Oregon has made an important point. We are all talking about CBO, OMB, and everything else. We have the GAO. It is an executive body. It can make orders.

I am not worried. I do not think we ought to spend another 2 days and nights running over all of those little things. It is obvious that they had no idea of actually going along with any kind of fiscal discipline in that House vote. What they wanted to do was rewrite a budget.

We are not rewriting the budget. I can list all of the programs which I would like to take off. Do you know what I mean?

Mr. RUDMAN. Mr. President, will the Senator yield for one last question?

Mr. HOLLINGS. Give it all to defense. I might list all of defense, and put it all on something else.

Mr. RUDMAN. Mr. President, I have to leave the floor before the Senator can finish. Am I fair in concluding that the Senator from South Carolina does not like the House plan?

Mr. HOLLINGS. Look, I do not like the House charade and nonsense, and strategy here because they are not acting in good faith. They know that no one is going to accept this. They know it. After 1 week of debate, and reading it in the local newspapers they think they have done something sensible. That is the bad part of this life up here.

Nobody would accept that. You could not get away with this in the city hall. You could not get down the front steps. If you were in the State house, you would never get home safe. You would need the Secret Service. But up here you can get away with this nonsense.

It is terrible to have this thing go on and on after having to go through it line by line, and item by item. In a general sense, I will get into it later because I have it listed down, if the people want to argue the different points. This is an outrageous sham.

It should not be debated long. The Senator from Oregon has given a very cogent and very understandable explanation—better than any of us could have. He understands it. He has a grasp of it. He has given a fair assessment.

If the body wants to vote Medicare, put it in category I, and let them do it. The world is not going to end over that.

But to give these extreme examples in order to make your point is just puffing their gills over there. They are engaged in the game. It is a political game they have going. We know it is not going to be done unless it is bipartisan.

We are not going to solve the people's problem in this land on this deficit unless it is bipartisan, and democratic, Senator, we are never going to get back in the majority until we start acting with some kind of sense of responsibility on the economic welfare of the United States.

We are just off base on a spend-and-spend proposition. We will not face up to any blooming discipline. They all act, and wonder why. They put if off to the great communicator. It is not the great communicator. It is what we have been communicating that keeps us in this minority. The quicker we understand it, the quicker we will understand that we are cutting our own programs year in and year out. We have been doing it.

Next year, we will vote, if we do not act and do not do anything, $25 billion, or 3 percent real growth in defense, and $30 billion more on interest costs. That is $55 billion; $15 billion on health is $70 billion; another $15 billion—well, it is already $16 billion this year on COLA's in an election year. So you have $20 billion there. That is $90 billion. So you are looking for $90 billion more.

That is where we are headed on down the stream.

How do you get it to no revenues in an election year? Get that House list. We have to cut.

They have been cutting their own throats, and they do not even understand it. That has been happening for 5 years. I am getting tired of their stupidity.

Mr. PACKWOOD. Mr. President, if the Senator will yield, in the conference when the first House offer was tentatively suggested, they put the poverty programs, and almost all of those programs not on the list, the COLA's—they put it in with Social Security. They could not touch it at all; $70 billion was put off limits in addition to everything else.

Mr. HOLLINGS. Mr. President, their idea was to rewrite the budget. We never had that in mind.

Mr. PACKWOOD. What was left was that we could sequester the MX. That was the sum total of what was left.

Mr. GRAMM. Mr. President, will the Senator yield?

Mr. HOLLINGS. I am delighted to yield.

Mr. GRAMM. Mr. President, today to get the votes they needed to pass their sham package they exempted the MX because under this amendment the MX could not be sequestered because they do not allow contracts to be sequestered.

Mr. HOLLINGS. That is what the news media ought to be writing. We never did try to rewrite the budget. I did not like the budget we passed. I was taking this budget—or any year's budget—and it really was like we were talking about a 1-percent or 2-percent overage in the deficit with a forced discipline where we all have to quit playing tricks on the American public about what a great job we did, how we saved programs, and how we also cut back on the deficit.

Yet it continues to go up, to $212 billion where it is now. It is just wrong. We know it.

All of this trade and farm deficit, and all our troubles go back to this irresponsibility. They like to write these clever articles about how we are cutting all of the things and everything else. We have not cut anything. The whole intent is not to trigger anything right now, but frankly to get the votes to get some kind of a set discipline so we will all know and understand. We are playing for real.

But they do not want to allow that. They think it is a one-upmanship to save certain social programs, or whatever they are bent on. They have no idea of discipline whatsoever.

They will bring down the Republic. Economically we are in deep trouble.

I hope we will act a little more seriously about it, and this particular House proposal coming over.

Mr. DOMENICI. Mr. President, will the Senator yield? I will share an observation with the Senator.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Thank you, Mr. President.

I want to compliment the distinguished Senator. He got right to the heart of it.

You know, we are sitting there, the chairman, Senator PACKWOOD and I wondering. Can they be serious talking about $161 billion as the trigger?

We had one of our conferences, and the distinguished Senator from Louisiana also gets right to the heart of things. I can remember him sitting there. He said, well, maybe we just ought to do it ourselves.

Well, we changed the subject and went on to something else.

I was telling the chairman, "Do you know what we ought to suggest here this afternoon? They want $161 billion, now, with 2½ months left in the year. We have almost finished everything. We have done almost all the damage we can do. Maybe we ought to suggest we ought to do it ourselves."

So we brought up the subject, why not have a reconciliation bill, a new

one, and let the Congress find that $30 billion? Why do we go through here and cut all the programs? We will all be mad at the President, worrying about him abusing his discretion. What can he do under theirs, when they take everything off budget and tell him to save $31 billion?

They have left on about $300 billion out of $1 trillion, and they already start with the known fact that he has to sequester the $31 billion. That is more than 10 percent across the board.

All that is left in there are the middle-class programs for all middle-class America. Research for cancer, education—they will be clobbered. And defense? Clobber it good. They even took out MX. They do not want contracts in there.

You can get rid of all the O&M, all the ammunition, and everything else.

And they run around the country touting they did a magnificent job. They are saving $31 billion.

To top it off, they wrote in a constitutional provision. They wrote in a provision for sequestering with the CBO as the only operative factor and had a legal opinion saying that is one that is illegal. They wrote it in there and then they said, "If that goes to court, that new provision," and they had a Harvard professor, I believe——

Mr. PACKWOOD. The Harvard professor said that that process was unconstitutional.

Mr. DOMENICI. They wrote in that if it was unconstitutional, the whole bill falls.

I cannot really believe they were serious.

Nonetheless, let me suggest that clearly the idea of setting ourselves on a path where we are going to get to $144 billion next year and another $36 billion more, and we have 9 months to take care of this, the Senator is absolutely right. We should not be sequestering 10 percent, but we will have a hard time getting to the $144 billion. If we wanted to sequester 10 percent over there in 1987, then we will have admitted we could not do the job.

Mr. PACKWOOD. Is it not basically this situation in the House: first they say, "This is a terrible process. We are going to give this to the President, with absolute unfettered discretion. It is an awful thing, an irresponsible way to govern. But if we are going to do it, let us do it bigger and faster."

Mr. DOMENICI. That is right. It is terrible. It is the worst thing we have ever had. It is probably unconstitutional.

"We are going to make sure that it is unconstitutional, but we can tell the people of America, we did this magnificent job for you and we will save the country."

We have produced a pretty good job with amendments and the work of bipartisan Senators and 2 weeks of hearings. We got some very good amendments. Clearly our bill can be executed, it can be carried out and we will know what we are doing.

If people do not want Medicare in category 2, let us vote.

If they do not want AFDC in, let us vote.

If they do not want some of the others, let us vote and get off with the idea of whether we want it or not.

I guarantee you there will be a sequestering this year because we cannot get the number down. We did not cut very much this year and besides we will lose about $8 billion in taxes that we assumed. We will have to sequester.

We are hopeful we will bring a responsible number in here with a responsible triggering mechanism and the rest of the process for 5 years left intact with us having 9 months to carry out our own work and do what we want.

In that 9 months, the only thing off the table is Social Security, for all intents and purposes. There is a long list of trust fund items but basically that is all. We have the rest which, from my standpoint, should go in.

I voted to put it all in, but clearly the House asked us once or twice what about Social Security and we said we took it out. They said, "Why?" We should have said, "We took it out because of you," but we did not tell them that. We were more generous. We should have said, "It was politics."

The answer was, "We put it in once but we got beaten under the oak tree. We saw you with the President. We do not want more oak trees. If the President wants it back in, let him send a message. If you want it in, make a motion."

They did not make a motion. They did not even wiggle, much less made a motion. So we are stuck.

But we do have a good bill.

I really think it is also constitutional. That may scare some of them. I think it is constitutional because we really did some work. We got some expert advice.

In our proposal with CBO and OMB going to GAO for certification, that is unconstitutional? We do not think it is but if it is, we said, "OK, we will not let the Congress certify."

That is clearly constitutional.

So anybody who voted for this tonight contrary to all those people voting in the House, they are voting for it and it is going to be carried out. Those people can vote for it and say, "We have cut the budget" and go into the backroom and say, "There is no way it can be carried out because it was unconstitutional."

They could have gotten $150 billion in savings knowing they produced an unconstitutional bill. Ours is constitutional.

Mr. GORTON. Will the Senator yield?

Mr. DOMENICI. I do not have the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. METZENBAUM. I thought he yielded the floor.

Mr. DOMENICI. I do not need the floor. I am pleased to yield.

Mr. METZENBAUM. I wanted to ask you to yield for some questions.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. METZENBAUM. The rules provide that the first person on his feet is entitled to recognition unless it is the majority leader or the minority leader. Those are the rules. Let us stay with them.

The PRESIDING OFFICER. The rule is that it is at the discretion of the Chair.

The Senator is out of order. The Senator from New Mexico has the floor unless he yields it.

Mr. METZENBAUM. The Senator said he yielded the floor.

Mr. DOMENICI. Mr. President, I retain the floor.

Mr. METZENBAUM. I raise the point of order that he cannot retain the floor after he has yielded.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. DOMENICI. I yielded the floor and then I sought recognition before the Chair recognized the Senator from Ohio. I thank the chairman for following the rules of the Senate but I do not need the floor so I yield the floor.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. I thank the Chair. This debate has been rather one-sided because everyone who has spoken so far has been on one side of the issue. It sounds to me as if there is a lot of anguish on the side of those who support the Gramm-Rudman approach because I think the House has done a good job. The House has done what you say you want to do, to cut the deficit. The problem is that the Gramm-Rudman proposition wants to cut the deficit, but not now. It wants to cut it sometime off in the future.

Basically, in the view of this Senator, the Gramm-Rudman crowd wants to try to sneak past the next election, if possible.

What has happened is that the House today really called your cards on that. They said, "All right, let us cut the budget. Let us get the deficits down. Let us do it on a somewhat different basis, a different kind of pattern," and I think a much better pattern for cutting.

The House said, "Let us do it now."

All of a sudden, those big budget cutters on the other side of the aisle do not like the idea of cutting the budget so much if it has to be done right now. It was interesting the other day when Professor Modigliani testified on this issue. Here is a man in his sixties who has studied economics for decades now, and is now recognized as being the No. 1 economist, at least according to the Nobel Committee at the present time, in the entire world.

He came forward and said what needs to happen right now is exactly what the House has done, that we need a big deficit reduction and we need it now.

He talked in terms of cutting the deficit in half, cutting it from roughly $200 to $100 billion and doing it right now, rather than pushing the responsibility off to past the next election or pushing the unpaid bills off on our children and grandchildren.

I think he is right. I think the problem is now, not in the future. He is not the only one saying that. Paul Volcker is saying it. The entire business community is saying it. Most respected conservative economists are saying it.

Virtually everybody who studied this problem at any length is saying it is time to cut these deficits.

It is very interesting what the professional opinions are that have come back in from people out there who study these issues.

Take James Kilpatrick as a case in point, hardly a person that you would call a liberal. This is what he has had to say about the Gramm-Rudman package, which is what the House, I think very wisely, took, changed, and improved and made real rather than political as it was in terms of pushing the problem off in the future.

What James Kilpatrick said was—this is referring specifically to the Gramm-Rudman bill:

> The pending deficit reduction bill is monumentally stupid. It probably is unconstitutional. If it can be made to work at all, it will work gross inequities. And its potential impact upon national defense is nothing short of catastrophic.

That is very interesting, coming from James Kilpatrick. He goes on to call it "reckless and irresponsible legislation." In a fairly lengthy piece, he goes on to explain why he feels that way.

But he is not the only person who feels that way. We have had people ranging from columnist George Will to any number of other people who would be seen as conservatives or people who are very concerned about the fiscal condition of the country, pointing up the obvious shortcomings of Gramm-Rudman. Time and time again, what they have said is that basically, it is a political device; it is an effort to sneak past the next election, it is an incumbent's protection bill. It is basically designed to take the Republican Senate off the hook on the big deficit problem until the next election is over.

That is why everybody has come back and said, "If you are serious about this, do it now; let us do the cutting today."

What is so interesting to me is I heard all of these cries of alarm coming from all these great big deficit cutters; why? Because the House has said, OK, let us do it; in fact, let us go even further than you have talked about going.

You know what has happened, Mr. President? Now everybody has changed their tune. Now people do not want to cut the deficit. They like it when it is a concept. They like it when it is in the future. I am not surprised that President Reagan likes the Gramm-Rudman proposal, because it says we will balance the budget, but not now; not during his term of office. We will get it done in 1991, 3 years after President Reagan leaves office.

And you know, you cannot help but remember, if you go back to 1980, when the President was elected, he was elected in very large part on the notion that he was going to come in to balance the budget. Well, of course, that has not happened. It is more out of balance than it has ever been. The national debt has doubled.

Now we have a plan here where we are going to balance the budget, only we are not going to do it: not this Congress, not the next Congress; in fact, not even the Congress after that.

We are going to get the job done in 1991.

That has been the story since 1980. That is always push it off into the future, we will do it some other time, we cannot do it now, it is too hard to do it now.

It seems to me that what the big cutters here ought to do and the big deficit reducers ought to do is let us pass the House bill tonight. Let us pass it. If you are interested in reducing the deficits, if you are serious about it and you think they are bluffing, you should call their bluff. They just called your bluff.

So there is a lot of squawking going on around here, but I do not see anybody standing up and saying, "You know, they have done us one better. Let us go right ahead and do it; let us get into this big deficit cutting right away and let us get it done; let us get it done before the next election."

Then it seems to me the Republican Senate would have an issue they could take to the country. They could say we have really bitten into this problem, we have really cut the deficit, we have cut it in half.

I would say to my friends on the other side of the aisle that the cold, hard fact of the matter is you do not want to cut it in half. Not now. You would like to cut it in the future, you would like to balance the budget sometime in the next decade. You would like to see the next President that follows this one get the job done but you do not want to strap it on yourselves and you do not want to strap it on this administration.

That is what is going on here, Mr. President. But nobody is fooled by that. Not the people who pay attention around the country. I have editorial after editorial from newspapers around the country. I was told of one today from Nebraska, one of the most conservative newspapers in the country, a very traditional newspaper. They have come out strongly against the original Gramm-Rudman proposal because they see it for what it is; that is, a kind of fraud in the sense that it postpones the day of reckoning because it wants to sneak past this next election. They see that for what it is and say, if you want to do something about the deficit, do it now.

What the House did today was take that step. My hat is off to the House. It was not easy to put that package together as quickly as they did, especially when this thing came along without any hearings in the Senate, not a single day of hearings in the Senate on it before it was unveiled on the Senate floor. So in the short time they had to work on it, they produced, I think, a very sound proposal.

Is it tough? You bet your life it is tough. Does it have pain? It has all the pain I ever heard any Republican Senator say he wanted to have. In fact, the problem is it has more reality than they want to see. They like pain until the pain is there. They like pain a year from now or a little longer than a year from now, just as long as it is past November 1986. That is when they want the pain. They want the pain of what it takes to get to the balanced budget not any time soon, but 6 years from now, when we have a new President.

So it seems to me the House has done exactly what it should have done today. That is, they have taken real action on the deficit issue. They have done some real bullet-biting over there and sent it back over here. All of sudden everybody here who has been posturing on this issue for a very long time is in a very uncomfortable position. So I hope those who say they want to see a deep deficit reduction would call the House bill up. Let us enact it. Let us start cutting now.

You say it is tough. It is tough. It is very tough. But everybody that I have talked to in the financial markets say that is the kind of medicine that is needed. They are not saying do it a year from now or 5 or 6 years from now. They are saying do it today. So we have an opportunity to do that now.

I hope that we would not pass it up. I hope that we would take the advice

of everybody from James Kilpatrick to Tom Wicker to George Will to the newspaper out in Nebraska to Hobart Rowen and any number of other people who have written about it in recent days and really do the job.

Let me say one other thing before I yield to the floor. That is that there was a lot of talk in here a while ago about whether or not Gramm-Rudman as it was devised is better or more favorable to veterans and veterans' programs than what the House did today. I can tell you I think the record will show that the people who are most sensitive on the veterans' program historically over the years in the House of Representatives voted for this package today because the package voted in the House does a better job of looking after veterans' programs than does the Gramm-Rudman proposal. The way to check that out is to take all the programs that effect veterans, all of them, then try to examine percentagewise which package, the House package or Gramm-Rudman as it passed the Senate, does a better job of meeting the commitments we have made to our service men and women over the years. These are people from World War II, the Korean war, the Vietnam war and other periods, to whom commitments were made, not only in terms of health services and VA loans, but also in terms of pensions that have been earned, disability benefits, and the whole range of veterans' programs.

I think the record will show that the House package, taken as a whole, does a better job of protecting more veterans' programs than does Gramm-Rudman. If not, we will have a chance to vote on it. I think that would be a good one for us to vote on. So if we end up passing Gramm-Rudman in some other form tonight. I hope we can have an opportunity to vote on a package that would in fact take care of the veterans.

I just add one other thing. That is citing some of the editorial comment, one of the most interesting comments I saw was in the Wall Street Journal. You would have assumed on the face of it that the Wall Street Journal would have thought Gramm-Rudman was a great idea, a great package. That is not their view.

They have editorialized against it. One of the things that they are concerned about is that it does not bite into the deficit problem deep enough soon enough.

Well, we have the chance to do that now because the House has taken this matter and they have developed something that will get the job done. I say to my friends on the other side of the aisle, here is your chance. You have talked for a long time about deficit reduction. You have got virtually every economist in the country saying that this is the magnitude of the cuts that are needed now and now you are the ones arguing for delay. You are saying it is too late in the fiscal year now; we cannot do it now; it does not have anything to do with the 1986 election.

Well, you can do it now if you want to, if you are serious about it, if it is not just a political ploy. You can do it now, and the American people would appreciate having it done now.

I yield the floor.

INCREASE THE PERMANENT PUBLIC DEBT LIMIT—CONFERENCE REPORT

Mr. PACKWOOD. Mr. President, there is a conference report at the desk to accompany House Joint Resolution 372, the debt limit extension, and I ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislation clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt, having met, after full and free conference, have been unable to agree.

Mr. PACKWOOD. Mr. President, I move the adoption of the conference report.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the conference report is presently before the Senate, is it not?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. The conference report is debatable.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Whether the Senate votes up or votes down the conference report does not really make a lot of difference, because the conference report is just an empty shell. Is that correct?

The PRESIDING OFFICER. That is the procedural effect.

Mr. BYRD. So what really counts here are the amendments in disagreement. That is where the Senate will have to make its decisions. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Would it take unanimous consent to get the short-term extension before the Senate?

The PRESIDING OFFICER. Unanimous consent would be required.

Mr. BYRD. That would be required in any case, whether the conference report was before the Senate or not. Am I correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Because there is a 1-day rule. This is also a bill that has come from the House but has not been read three times, and has not been on the calendar 1 legislative day. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. So the only option that the distinguished majority leader has is to stay on the conference report, vote it up or down, then go to the amendments in disagreement, and those are House amendments, and thus they are both amendable and debatable. Am I correct?

The PRESIDING OFFICER. Those amendments are debatable and amendable.

Mr. BYRD. And they are each amendable in two degrees.

The PRESIDING OFFICER. The minority leader is correct.

Mr. BYRD. So, Mr. President, this is an option for the distinguished majority leader, and it is for him to decide. That is to get unanimous consent to take up the short-term extension. May I say that I urge the distinguished majority leader to do this. I would hope that he would consider carefully this option. The reasons why we should do this are these:

First of all, there is the House amendment to the Gramm amendment and that amendment I speak of in the singular, but it could very well be a multiple amendment. I have not looked at it. I assume it will be.

The distinguished Senator from Florida was not furnished a copy of the proposed amendment by the other side, am I correct, or was it the copy of the House amendment? He was not supplied that until just an hour and a half ago.

Mr. CHILES. 6:30 p.m.

Mr. BYRD. We do not know what is in it.

We are all Senators. I can only speak for one. I have an obligation to vote up or down on issues here. If I do not vote up or down, the Senate can, under the rules require, me to state why.

I have never voted "present" in my 27 years in the Senate.

But we can ease the concerns and the worries of the elderly people of this country by passing the short-term extension this evening. The House has gone out. The House will not be back in until noon on Monday. It just does

not make sense for us to stand here and tell the Senate that it has no alternative but to act on the Gramm amendment or the House amendment to the Gramm amendment tonight.

I hope we are not going to let outselves be stampeded or intimidated into voting on that matter tonight or as far as this Senator is concerned until tomorrow or Monday, or whatever, until we at least have some better understanding of what it is all about and also what the Republican amendment thereto will contain. We on our side have not seen the Republican amendment yet, except for Mr. CHILES, and it was given to him only an hour and a half ago.

In the meantime, we do not have to have the old folks all over this country scared about disinvesting the Social Security Trust Fund surpluses which have been invested in Government securities. We do not have to do that because we have a short-term extension that has been sent over here by the House. That is the instrument whereby we can relieve all of those people of those worries and assure them that the Government is not going to disinvest the Social Security Trust Funds. We can do that here in the next 10 minutes if the Senate wants to do it. There is nothing difficult about that. Everyone can understand that.

Then that will give us a little time, 5 days—that is not unreasonable, in view of the fact that we have a brand new bill here, one might say.

But under the pressure of this deadline which is nearing, we are expected to close our eyes and vote blindly on something that we haven't seen and do not understand, and I do not propose to do that.

This is not a threat to the distinguished majority leader. But we just are not going to vote, as far as this Senator is concerned, on the Republican amendments to House amendments tonight.

I hope that the distinguished majority leader—if he wants to stay here a while and debate this, that is fine—but at some point before daylight tomorrow morning, actually before midnight tonight, at some point I hope he will call up that short-term extension sent over by the House and vote on it. So we will not have all the Halloween stories, the scary stories and the horror stories as to what will happen if we do not vote on Gramm-Rudman tonight.

Surely it is not asking too much to allow Senators a few days, 3 or 4 or 5, to debate amendments to Gramm-Rudman. Passage of the short-term extension at this time would resolve the immediate problem and, at the same time, give us a few days in which to act on the amendments in disagreement.

I am not going to be stampeded, Mr. President. I do not care what threats are made to keep the Senate in all night.

This is one Senator who has never been intimidated, and I do not intend, at the age of 68, to start being intimidated.

I know a little something about conference reports, what can be done, what cannot be done, what can be done on amendments in disagreement. We just do not have to swallow this hook, line and sinker, without some debate. I want to know what is in this bill.

In the meantime we do not have to hold this sword of Damocles over the Senate and say the old folks are going to be out, we are going to start taking their money, we are going to disinvest the invested moneys; if we do not pass the Gramm-Rudman package all these things are going to happen. That is baloney.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. BYRD. Not yet.

That is baloney. I say this with due respect to the majority leader. He has a tough job. I know. He is not the master of his ship. He is the servant of all those who elected him. That is the same way with this Senator.

But each of us still retains his rights, his prerogatives, and answers to his responsibilities and duties as a Senator.

So, whatever the distinguished majority leader and the majority party wish to decide, that is up to them, but this Senator, if anyone thinks the Senate is going to pass this thing tonight, forget it. The House is out. Why should the Senate be asked to pass this package tonight? If we amend it, the House cannot do anything about it until Monday. They are not back in until noon Monday. Why the rush on this?

Mr. President, I hope that I have not offended the distinguished majority leader. I am simply stating what I think is the fair thing to do, and the reasonable thing to do, and the thing that we can do to put the minds of the old folks and everyone else at rest. We can get a little rest over the weekend and have an opportunity to study this matter before we cast our votes thereon.

So in the meantime let us pass the short-term extension, and come back on Monday better prepared to act on the larger measure.

Mr. DOLE. Mr. President, I appreciate the comments of the distinguished minority leader, and I do not quarrel with any of the statements with reference to what can and cannot be done with a conference report.

But we find ourselves with the House just taking off Friday afternoon. They have only been in session six Fridays this year. They adjourned by a vote of 207 to 194.

They passed a little 5-day extension and said, well, we will just dump it back in the lap of the Senate. We will go home. We will adjourn until Monday, and we will at least leave the Senate there to worry about it.

It is obvious if the minority leader does not want to pass the conference report, we will not pass the conference report. I do not quarrel with those who think they ought to have a right to look at it. And it has not been made available. I do not quarrel with that.

I think the Senator from Florida got it about the earliest. We did not know what they were going to pass in the House. That was one of the problems, but I assume I will be available.

So I do not suggest—I think I did say at one time do not read it, just vote for it.

But now that we are in the home stretch maybe you ought to take a look at it.

But in any event, I am not certain I can pass any 5-day extension. The minority leader properly reflected the role of the majority leader or the minority leader. It would take unanimous consent to get it up.

Perhaps the better part of wisdom would be to agree to vote on this conference report, say, at 2 o'clock on Tuesday. That would give everyone a weekend to look at it, debate it on Monday, debate it Tuesday morning, vote at 2 o'clock and we could go home here very quickly.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. CHILES. If an arrangement like that can be made, would it make sense to, as part of that arrangement, agree to extend the debt ceiling? Is there some reason that we want to cause a divestiture of the trust funds?

The House has now passed the budget deficit reduction plan. That is kind of new. That is the first time, in effect, they have done that, but they have done that.

They have sent that to the Senate with the deficit reduction plan. Obviously, we have to go to conference with the House, regardless of what we do here unless we want to take up their plan and pass it as it is, and I do not think the majority leader is suggesting that. If we could come to some kind of a time agreement, should we not at the same time have this temporary extension? Then it seems to me that allows the senior citizens and the people not to be concerned.

It makes us look like we are more prudent, that we are not costing any money out of those trust funds.

I have looked at the last page of the plan now. I have not had a chance to read it all, but I noticed on the last page you are now talking about the same thing that the House talked about, the same thing Senator RIEGLE has been talking about for days, that we ought to pay back the trust fund

for the invasions that have taken place to date and for any that take place in the future. But, knowing we are doing that, should we not incur that expense? I do not think it makes us look very good as a legislative body to do that if we can pass the temporary debt ceiling. I think we might shop on our side and come up with some reply to the Senator's unanimous-consent request.

I better yield to the minority leader on that.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. Mr. President, let us go ahead and vote on the conference report, vote it up or down. That is a shell. We can do that right now, so that the majority leader will have his conference report.

The key questions arise when we get to the amendments in disagreement. Voting on the conference report is nothing. Let us vote it up or down. Then let us pass the extension. Maybe we can work out some agreement on the rest.

Mr. CHILES. I do not think there is anybody on our side who wants any unreasonable delay. It sounds like Tuesday afternoon is a very fair time, as far as this Senator is concerned.

Mr. DOLE. As I understand it, the one amendment in disagreement really is not a problem and the other amendment in disagreement is Gramm-Rudman, as modified. And that is the part, I believe, that Senators properly want to reflect on on both sides, even though I am certain that those who are conferees probably know pretty much about every provision. They were there, but they were only 9 out of 100.

So maybe what I would suggest is that we see if we cannot reach some agreement, but I am not certain, again, about the 5-day extension. I want to check the impact of that first. We do have this provision now in each bill.

Obviously, we do not want to incur an expense if that is not necessary.

Mr. CHILES. I think it just does not make us look very good. We are talking about we are saving money. Why should we incur this expense? If we are going to delay until Tuesday, if we know then we have to go to conference with the House, obviously it is going to take us literally the rest of the 5 days to do that. If we see all of that before us, we do not look like very prudent managers, if seems to me, to say we are going to incur that expense even if we are paying it back.

Mr. DOLE. We had a meeting earlier, a number of us on our side, and indicated if we passed the conference report and the amendments in disagreement were disposed of, then we might be willing to pass the extension. Now it is obvious that we are not going to complete that. The distinguished minority leader said we are not going to vote tonight. If he says that, he can prevent that.

But, I think in the interest of trying to achieve some accommodation that is realistic, we might want to be prepared to do that if we had an agreement when we were going to vote on the matter we are discussing now. But just to leave that open does not have any appeal to me.

Mr. CHILES. I wonder if we should not have a quorum call and have a chance to sit down to see if something like that could be worked out.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. DOLE. Yes.

Mr. BYRD. The distinguished majority leader understands, that I will do everything I can to reach some kind of a time agreement on the amendments in disagreement so we may vote on them, vote on the amendment that the majority leader probably will offer for the other side, and any amendments that Senators may wish to offer on this side. In the meantime, get unanimous consent and pass the 5-day extension, and give ourselves an opportunity to study what is in this measure over the weekend.

Mr. DOLE. Mr. President, let me suggest that we have a quorum call and let the principals—Senator CHILES, Senator DOMENICI, Senator PACKWOOD, Senator LONG—see if they can suggest some agreement. I know there are some on my side—I have had a brief discussion with one of the authors of the bill.

Mr. GRAMM. Will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. GRAMM. I would like to suggest there may be another alternative. I think the House passed a sham bill and ran off into the country. I would like to suggest we stay here tonight, that we debate this issue as long as there is anybody here that really wants to know what is in it—basically very little has changed from when we passed it from the conference—and that we have the President use his constitutional powers to call the House back into session tomorrow morning and let the House come back and deal with this crisis. Let us adopt our bill tonight, send it back over to them, let them meet in the morning, and let us deal with the problem this weekend.

The distinguished majority leader made the point that this is the first time they have seen it dark in Washington on a Friday this year. I think the American people are concerned about this problem. I think the American people want it dealt with.

I am willing to be here tomorrow and I am willing, quite frankly, to stay here all night, as long as there is anybody who wants to know what is in this bill, and I am willing to call on the President to call the House back into session tomorrow and let us get on with the people's business.

I am distressed that we had the House try to foist off a sham that clearly represents an attempt to derail a process that has the support of the American people and now we have those who do not even want to move forward on our part.

I thank the majority leader.

Mr. DOLE. Mr. President, let me indicate that that was one of the moderates speaking on our side. [Laughter.]

We are trying to keep the hardliners off the floor.

Mr. LEVIN. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. LEVIN. Mr. President, speaking as one of the conferees and one who voted for the package, Gramm-Rudman-Hollings had bipartisan support in the Senate and had a majority of Senators in both parties voting for it. Hopefully, it will stay that way. I think it is healthy to stay that way. It is obvious that the best way for it to stay that way is to follow a course of action similar to one which the Senator from West Virginia, the minority leader; the Senator from Florida, and, indeed, the majority leader himself have been outlining. I think that raises the best prospects of maintaining a bipartisan atmosphere and bipartisan support for an ultimate product.

Mr. DOLE. Mr. President, I certainly do not want to leave any other impression, because there was a majority on each side that supported the initial amendment and we hope to preserve that. That is one reason I am urging this alternative approach.

Mr. CHILES. Mr. President, I just wanted to say to the distinguished majority leader that the meeting we had just prior to breaking up the conference and agreeing to the disagreement, that was an agreeable meeting; we were going to disagree agreeably, because it looked like we were not going to accomplish anything. It was pretty well said that if the House passed either their plan or the Gramm-Rudman plan and sent it over with a short-term extension, that that would be received in the Senate and would attempt to be extended.

Certainly, the chairman of the Finance Committee cannot speak for the Senate, but I think that representation was generally made to the House in the spirit of those who were at that conference. So I think the House had reason to believe that if they passed a plan, either Gramm-Rudman or their own plan, and sent it over with a short-term extension, the Senate would deal with that extension and we would go to conference on that plan.

I think that was what the House felt was the way the game plan was going to go.

Mr. DOLE. I want to thank the distinguished Senator from Florida, along with the Senator from New Mexico, and others for working night and day on this. I certainly do not expect us to trot in here and say OK, everybody vote. But I will suggest the absence of a quorum and hopefully the principals can——

Mr. BOSCHWITZ. Mr. President, will the majority leader yield?

I must tell the majority leader that I feel constrained to object to taking up a 5-day extension because I believe that a 5-day extension will lead to a 4-day extension, and that will lead to another extension.

I think we simply have to deal with it. I am of the same mind of the Senator from Texas. We have to move forward. We have to press forward. The Members know this issue. They can within the next hour or two certainly inform themselves, and be as well informed about it as they will be by next Tuesday. They will go here and there for the weekend, and they are not going to vote in any event. We can come back later, if possible, on Monday. So I am for doing it tonight.

I would object, Mr. Leader, in the event that he wants a 5-day extension.

Mr. DOLE. Let us in any event see if we can. I have to leave the floor right now. I will leave any other discussion. I think we would be better off if we had a quorum call, and let the Members who have a direct interest try to resolve it.

Mr. DOMENICI. Will the leader withhold just a moment?

I want to report to the majority leader with reference to the amendment. We did not get the House amendment which is a full amendment until sometime around 11:30 or 12 o'clock this morning. Even then, we did not get it in its full text. We had to take our amendment that we had introduced in to the conference, and make some modifications to it. It is about 98 percent what we had introduced to the conference, and rejected by the opposition party. We now have 100 copies. The general premise is well outlined and well understood. We welcome inquiries about its details. But there is one on every desk now.

If that will accommodate any unanimous consent which I believe the leader has in mind as he proposed, it is clearly there in full now.

Mr. DOLE. I hope the copies will be distributed.

If we cannot work out anything, we will have all night to debate.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSOR OF AMENDMENT NO. 934

Mr. CHAFEE. Mr. President, the junior Senator from California, Senator WILSON, wished to be added as a cosponsor to the amendment that I presented this morning. I ask unanimous consent that he be so included.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BOSCHWITZ). Is there objection? Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST

Mr. DOLE. Mr. President, let me indicate to my colleagues who are present that we have had a number of discussions this evening with Republicans, Democrats, Democrats with Democrats, Republicans with Republicans, in an effort to reach some satisfactory conclusion and disposal of House Joint Resolution 372 and also H.R. 3669, the 5-day extension sent to us late this afternoon by the House. I believe we have now reached an agreement. I would hope that those who are not here will understand that we have spent several hours on it and that we believe it is a satisfactory way to dispose of the so-called extension and a number of amendments to House Joint Resolution 372, the debt limitation extension. So let me go through the unanimous-consent agreement and then, if there are questions, I will be happy to respond to questions.

Mr. President, I ask unanimous consent that immediately following entering into the agreement with respect to House Joint Resolution 372, the Senate proceed to the consideration of H.R. 3669, the 5-day extension of the debt limit, and that one amendment be in order to be offered by the chairman of the Finance Committee, Mr. PACKWOOD, to provide for a 5-day extension.

I further ask unanimous consent that once the Senate has disposed of the Packwood amendment, the Senate proceed to third reading and final passage of H.R. 3669 without any intervening action.

I ask unanimous consent that the conference report to accompany House Joint Resolution 372, the debt limit extension, be considered adopted.

I further ask unanimous consent that the first amendment in disagreement be considered agreed to.

I also ask unanimous consent that immediately following the disposition of the first amendment in disagreement, the Senate proceed to a motion to concur in the second amendment in disagreement, dealing with minimum tax, and that only two amendments be in order, one to be offered by Senator BOREN and one to be offered by Senator METZENBAUM.

I ask unanimous consent that immediately following the disposition of the second amendment in disagreement, the Senate proceed to the third amendment in disagreement, and that the Senator from Oregon [Mr. PACKWOOD] be recognized to offer a motion to concur in the House amendment with an amendment, and the following amendments be the only amendments in order to the Packwood amendment, and limited to the following time agreements:

Chiles—Medicare, 2 hours.

Chiles—Medicaid, 1 hour.

Chiles—AFDC, 1 hour.

Riegle—Lower 86 target, 1 hour.

Gramm—Alter the sequester process, 1 hour.

Levin—Alter recession language, 1 hour.

Riegle—Veterans' programs, 1 hour.

Byrd—House Democratic alternative, 1 hour.

Hart—Defense, 40 minutes.

Gramm—Modified Gramm-Rudman with relevant provisions, 1 hour.

Dole—Modified Gramm-Rudman with relevant provisions, 1 hour.

I further ask unanimous consent that a vote occur on the Packwood motion as amended, if amended, no later than 2 p.m. on Wednesday, November 6, and that no motions to recommit with instructions be in order, and that the foregoing be contingent on passage of H.R. 3669.

Mr. BYRD. I did not hear that.

Mr. DOLE. That the foregoing be contingent on passage of H.R. 3669.

The PRESIDING OFFICER (Mr. HECHT). Is there objection.

[The following proceedings occurred after midnight.]

Mr. MOYNIHAN. Mr. President, reserving the right to object, I would like clarification of what the distinguished majority leader just said.

There have been negotiations around this body, not on the floor, and I do not clearly understand what the final proposal is. With great respect, may I ask what the unanimous-consent agreement means in practical terms?

Mr. DOLE. What we would hope to do, if we can reach the unanimous-consent agreement, is to call up the 5-day extension of H.R. 3669.

We have had a lot of discussion. We think the House was mistaken in the

language forwarded to the Senate. There will be an amendment offered by Senator PACKWOOD which, in our opinion, would indicate that by midnight of November 6, action must be taken. That is not clear in the version sent to us by the House.

Following that, if that amendment is adopted, we would proceed to passage of H.R. 3669; and if that is passed, we would go through the conference report.

There are amendments in disagreement. The first is a technical amendment. The second deals with a minimum tax, and that would be subject to amendment by Senators BOREN and METZENBAUM.

Then we would move to the second amendment in disagreement, which is the major amendment in disagreement, and that would be open to amendment. We are advised by the leadership on the Democratic side that amendments would be offered by Senators CHILES, RIEGLE, LEVIN, BYRD, and HART. In some cases, three amendments or two amendments by Members on that side. There would be amendments on this side by Senator GRAMM and the Senator from Kansas, the majority leader.

Once these amendments are disposed of, we would have final passage no later than 2 p.m. on Wednesday, November 6.

Mr. MOYNIHAN. With great respect to the majority leader, for whom I have a very high regard, I believe that some of us have been on this floor for much of the evening and have not been consulted in this matter. Accordingly, I object. I would like an opportunity to offer an amendment of my own. If I could have an hour in that sequence, equally divided, I would be willing.

Mr. DOLE. An amendment on what topic?

Mr. MOYNIHAN. On the subject of the legislation involved and the specifics thereof.

Mr. BYRD. Could the distinguished Senator indicate the subject matter?

Mr. MOYNIHAN. The subject matter will have to do with the economic assumptions involved in the whole sequence.

Mr. DOLE. There is no objection.

Mr. BYRD. No objection.

Mr. MOYNIHAN. I thank the majority leader.

The PRESIDING OFFICER. Is there objection?

Mr. ARMSTRONG. Mr. President, if the Senator will yield, as I understand the situation that is evolving, a new element has sort of surfaced.

As I understand it, the entire unanimous-consent agreement fails or is nullified if H.R. 3669 does not pass. That is not something that particularly appeals to me, since I do not intend to vote for H.R. 3669.

It seems to me somewhat a one-way proposition to suggest that one measure may not even be considered and brought up and brought to a vote in a timely manner unless another matter is passed. Would it be agreeable to make the same understanding about passage of the other—that is, to condition H.R. 3669 on the passage of House Joint Resolution 372? I assume that that would not be acceptable to Senators. But why is it fair one way and not the other?

Mr. DOLE. I say to my colleague that I would prefer to have final disposition of H.R. 3669 rather than final passage. I do not have any strong feeling whether it passes or not. The only difference is that if it does not pass, we will not have a unanimous-consent agreement, and we could probably spend a week or two on going over this whole territory again. I guess it is the price you pay for condensing it to a day and a half.

Many of us felt that we could amend the House-passed extension with a significant amendment which Senator PACKWOOD will explain, and have a voice vote, or do it by unanimous consent; but Members on this side wanted a vote, and I think they have a right to have a vote. If it is defeated, it is defeated. We will try something else, like tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. ARMSTRONG. Mr. President, I would like to further reserve the right to object.

Mr. DOLE. The others will be brought up on Monday.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent to proceed for 30 seconds.

Mr. DOLE. Yes.

Mr. ARMSTRONG. Mr. President, I do not think this is a very good deal. I do not like it. I do not like the procedure. I do not like anything about it.

On the other hand, somebody has to set out the schedule, and in this case the majority leader made the best deal he can, and I am not going to object. I also am not going to vote for the short-term extension.

I hope the unanimous-consent agreement will permit me 2 or 3 minutes to explain why I will vote against the extension, which I think is a mistake. Frankly, I am not that hot on getting a unanimous-consent agreement on the other matter, either.

I say to the majority leader that I am not going to throw a monkey wrench into the works, but I also am not going to vote for the debt limit extension.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Has Senator MOYNIHAN's 1 hour been taken care of?

Mr. DOLE. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOLE. Mr. President, I thank my colleagues and I indicate there is no time limit on H.R. 3669. So we have plenty of time if Members wish to discuss it.

The remainder of the agreement is contingent on passage.

Mr. FORD. Mr. President, if the majority leader will yield, will the majority leader do the Senator from Kentucky a favor? Can he do this and get us moving?

Mr. DOLE. Yes.

TO PREVENT DISINVESTMENT OF THE SOCIAL SECURITY TRUST FUNDS

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3669) to prevent the disinvestment of the Social Security Trust Fund and other trust funds.

The Senate proceeded to consider the bill.

AMENDMENT NO. 955

Mr. PACKWOOD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD] proposes an amendment numbered 955.

Mr. PACKWOOD. Mr. President, I will take a shot at this and see what happens and move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. ARMSTRONG. Mr. President, in the first place, the very title of this is in its essence misleading. I believe I heard that the clerk recited that this is an act to prevent the disinvestments of certain funds and in fact that disinvestment, I guess, has already occurred, has it not, at midnight, that action went into effect automatically? Even if we had passed this legislation prior to 12 o'clock and the bill had been enrolled, which as it turned out would have been impossible because the House enrolling officials are not available to us to get the bill enrolled, even if that has happened and it had gone to the President and been signed, it would not have changed the outcome one iota.

I hope, Mr. President—may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order.

Senators take their seats.

The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, the impression has been created that somehow this so-called disinvestment which, by the way, is not an accurate term for what is about to occur or

what has occurred at midnight, that somehow Social Security recipients are placed at a disadvantage. So far as I am aware that is not the case. Nor is the general fund placed at a disadvantage. We are talking about whether or not funds will be redeemed from the sale by the Social Security Fund of Treasury obligations, and this is a normal process. It happens all the time, and there is a constant rolling over of funds being invested and matured and the moneys that are freed up by the maturing of the Treasury obligations, the so-called disinvestment, are then used to pay the obligations of the Social Security Fund, that is to say the recipients. It is a normal thing.

There is nothing worrisome about it.

If this went on for 2 or 3 days, 1 week, 2 weeks, 1 month, really nothing would be damaged, nothing would be lost.

But there is this false note of crisis about this particular Treasury funding procedure which I for one regret.

I just do not think the sky is falling in and the impression that perhaps it is is unfounded, in my judgment.

Someone might arise to point out that perhaps the Social Security Fund would lose a few days' interest on a small fraction of their total funds. I do not dispute that. The interest gained thereby would be to the general fund, and if it were the desire of Congress at some point to make the Social Security Trust Fund whole, it could do so by subsequent legislation, so we are not losing control of anything by failing to pass this. It is just a question of whether or not we want to act on it at this hour and in this way and under this kind of deadline pressure.

The second question is whether or not the other operations of Government are going to grind to a halt, and they are not. If we do not do anything Treasury has through this so-called disinvestment procedure come up with enough cash to go for another couple of weeks.

So I think, first of all, this is a vain act for us to pass this legislation. It is in vain. It will not solve any practical problem. Nor is it really intended to. What it is intended to do is to solve a perception problem, the belief that somehow the House has passed an extension of the debt limit and, by gosh, the Senate just did not have guts enough to do that. The reality of it is we are not solving any kind of real problem. We are just trying to get ourselves off the hook.

Now, by doing so we may make ourselves and perhaps others feel a little better over the weekend, but we are compounding the problem that we face next week, because the leverage we have to pass the so-called Gramm-Rudman-Hollings amendment is precisely the debt limit and what we are saying by the passage of this, if we pass it, is that when the House sends us a bill, whatever it is, whatever its content, whatever its intellectual substance, if it deals with this subject, if they pass it late in the day or Friday afternoon and go home for the weekend, we will conform to their wishes.

In other words, we are going to look them right in the eye, as one of our Members put it, so, well, we are going to blink, and if we blink again tonight what is to say we are not going to blink again next Wednesday, or next Thursday. And that is the question I put to the manager of the bill who I know shares my concerns about the long-range outlook, and who shares my desire that we get some measure of meaningful budget reform. How do we know that we are not going to blink again next week, and I would address that to the Senator from Oregon, but I will be happy to yield the floor.

Mr. PACKWOOD. Mr. President, could I ask the clerk to read that again?

The PRESIDING OFFICER (Mr. WARNER). The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof: That, during the period beginning on the date of enactment of this Act and ending on November 6, 1985, the public debt limit set forth in subsection (b) of section 3101 of title 31 United States Code, shall be increased by an amount determined by the Secretary of the Treasury as necessary to permit the United States to meet its obligations without any accelerated redemption of securities held by the Social Security Trust Fund or any other trust funds established pursuant to Federal law. No increase under the preceding sentence shall result in a public debt limit in excess of $1,840,800,000,000. During this period the United States may not redeem nonmarketable securities held by any trust fund authorized by law. The Secretary of the Treasury shall use the borrowing authority resulting from the increased debt limit in this Act to restore with interest nonmarketable securities which have been redeemed after October 31, 1985 and prior to the date of enactment of this Act. The debt limit shall revert to $1,823,800,000,000 on November 6, 1985.

Mr. PACKWOOD. Mr. President, very simply let me explain what this does. The reason we are passing this is apparently the House sent us a defective bill. We got it. We looked at it. Indeed, there is a wide range of legal opinion, but a great portion of legal opinion says it is not a 5-day extension. It is a 2-month extension. I know they did not intend that but that is what they sent us. We could not send the bill back. The enrolling clerk is gone. They have gone out for the night. We are sending a cleaned up version.

What this does is raise the debt limit to avoid disinvestment or "redemption" is the better term between November 1 and November 6.

The maximum debt limit increase allowed is $17 billion. The $17 billion increase sunsets on November 6, and the Secretary shall use the $17 billion to eliminate any disinvestment that occurred from November 1 to the date of enactment and it is repayable with interest so the trust fund is whole during this 5- or 6-day period. That is all the amendment does.

Mr. MOYNIHAN. Mr. President, will the Senator yield for a question?

Mr. PACKWOOD. I yield.

Mr. MOYNIHAN. As the distinguished chairman knows yesterday I had asked if there might be a meeting of the subcommittee on Social Security of which the distinguished Senator from Colorado is the chairman and I am the ranking minority member, I had hoped that we might lay out this question in public, which is complicated as these things go, and it is being misrepresented and perhaps misunderstood in many quarters.

The term "disinvestment," do I correctly understand, is simply a form for a word in Treasury vocabulary for redeeming bonds purchased with Social Security funds?

Mr. PACKWOOD. I wish we used the word redemption all along because disinvestment has a South African connotation to it and somehow using that word we have given it an odious meaning.

Mr. DOLE. The media likes it.

Mr. PACKWOOD. The media likes it. You know it.

Mr. MOYNIHAN. It means redemption.

Mr. PACKWOOD. Picture this situation. You have one box on one side. That is the Social Security Trust Fund. And you have another box on the other side, which is the Treasury, the general fund. Because the Social Security Fund has surpluses from time to time, it buys these Treasury notes, holds them, and the Treasury pays them interest.

Week in, week out, these bonds go back and forth.

Mr. MOYNIHAN. If the Senator will not mind my saying, it is not quite the case that they go back and forth week to week.

Mr. PACKWOOD. No.

Mr. MOYNIHAN. Under the 1983 legislation, it has been the practice, that on the first of the month the Treasury advances to the Social Security System the anticipated revenues for the full month, and this has made it unnecessary in normal cirumstances to redeem these bonds at all.

Mr. PACKWOOD. That is correct.

Mr. MOYNIHAN. Inasmuch as the system is in surplus and not from time to time in surplus; it has been regularly in surplus since that legislation was enacted.

Now, sir, two things I ask the Senator to be aware of because one I know he is aware of and the second I only learned today: first, the redemption of long-term bonds poses a prospect of interest lost over a 5- and 10-year period much larger than the short-term $10 million that might be involved. As much as $1.5 billion could be involved if in consequence of the failure of the Treasury to be able to abide by the law and make the first of the month advance, the redemption has to take place.

Mr. PACKWOOD. So long as you say, "Inasmuch as." I saw the story on Congressman JONES' hearing and talked with him. I suppose, under the worst possible scenario, that could happen over 10 years. I doubt the amount would be that much.

Mr. MOYNIHAN. That is something that could be measured.

Second, does the distinguished chairman know that we learned today that twice this autumn this "disinvestment" has taken place and without the knowledge of our committee? He need not answer "Yes" if he does not know.

Mr. PACKWOOD. The Senator from New York is right. There is a common process that has been going on. I do not know who has been familiar with it.

Mr. MOYNIHAN. Up against this deadline, it has happened.

Mr. PACKWOOD. I was familiar with it; you were familiar with it.

Mr. MOYNIHAN. No, I was not, nor has the Secretary's officials who appeared before us on our committee on this matter told us about it.

I, with great regret, question the good faith.

Mr. PACKWOOD. Either I am not following the Senator's train of questions or I am not understanding him correctly.

Mr. MOYNIHAN. According to the CBO, twice this autumn this disinvestment procedure has taken place while up against a debt ceiling. These were the only times ever in our knowledge this has been done in this context, and we were not told. And the prospect of it happening this time has been presented to us as the first time ever.

Mr. PACKWOOD. I am not sure I can answer that.

Mr. MOYNIHAN. I should not be surprised that you cannot, I say to my friend, because it was learned by us at midday and we did not know about it even yesterday when I was asking if we might have a public hearing today.

May I just make three points? One is that there is a question of whether the public trustees knew about this. There is a question whether our committee knew about this. And there is, indeed, a question of the long-term consequences that would arise in terms of interest return.

The Senator has agreed, generously and characteristically, that there will be a meeting next week, Thursday, I believe, is the day. May I say to the Senator that we have perhaps needlessly jeopardized the appearances of the matter with regard to the Social Security Trust Fund and I would have hoped it would not have happened. But I dare to say it has happened.

Mr. ARMSTRONG. Mr. President, I do not think this is the moment to go too deeply into this, but I do not want to leave the RECORD in quite that state. I do think there has been some unnecessary appearance of a problem created, but I do not think it was the Treasury that created that appearance.

Mr. CHILES. Will the Senator yield?

Mr. ARMSTRONG. I am yielding the floor.

Mr. CHILES. I just ask the Senator, because he has talked about this being a perception problem and there being no real reason to pass this extension because all we were dealing with is a perception problem. Now, I understand the perception problem is no fault of the Treasury at all. I will read you an AP wire story on October 28.

> We are running up against the possibility that we might have to divest the Social Security Trust Fund, shortchanging that Trust Fund of accumulated interest, all because of the unexcusable dithering and delay in meeting the responsibility about raising the debt ceiling.

That is the Commander in Chief, Ronald Reagan, who made that statement.

Now, if there is a perception problem—and I agree there is—I would say to my good friend from Colorado that that perception problem comes from the top, the very top, at the head of Pennsylvania Avenue.

We are trying to respond to that perception problem. Yes; we are trying to reassure some senior citizens that their trust fund will not be depleted. And, yes, we have to respond to that because we do have a perception problem.

But it may be more than that, I say to my good friend from Colorado, because I note that there is some language in the amendment by the chairman of the Finance Committee that says that "the Treasury shall use the borrowing authority resulting from the increased debt limit in this act to restore with interest nonmarketable securities which have been redeemed after October 31, 1985, and prior to the date of enactment of this act."

So we think enough about it that we are putting something in this amendment saying we are going to pay the money back. And we have the Commander-in-Chief saying that we are dithering around and because of that there will be this terrible word "disinvestment" of these funds. I will say that if there is a perception problem it comes from the top.

Mr. ARMSTRONG. If the Senator will yield, the point I made earlier—and perhaps, with fatigue, I did not make it clearly—is that to remedy whatever underlying problem there is, we can solve that next Monday or next week or next month if there is a desire of doing so. There is no emergency, no doubt of the checks going out or Social Security benefits being paid.

As I pointed out, to the extent interest may be lost, if it is the desire to make the trust fund whole for that, we can do that in any subsequent legislative enactment.

Mr. DANFORTH. Mr. President, I wonder if I could ask the Senator from Oregon a question or two. It is my understanding that no matter what we do tonight, whether we pass the House bill or whether we pass the House bill as amended by the Senator from Oregon, whatever we do will not become law tonight; is that correct?

Mr. PACKWOOD. It cannot become law tonight because we are changing the House bill that they sent to us and they have gone out for the night and cannot receive it.

Mr. DANFORTH. Even if we passed the House bill as it has come to us?

Mr. PACKWOOD. It still would not become law tonight.

Mr. DANFORTH. Why is that?

Mr. PACKWOOD. Assuming that we did not change it a bit and sent it back, they have gone out. Their enrolling clerk is gone. They have no one there to receive it. They have got to receive it, enroll it, and take it to the President.

Mr. DANFORTH. So, in other words, when we are here at 12:30 in the morning, we create this great sense that this is an emergency and that we must take care of the emergency right now or else something terrible will happen, but, regardless of what we do tonight, it would be sometime on Monday before anything would become law; is that correct?

Mr. PACKWOOD. The House could come back tomorrow.

Mr. DANFORTH. The House could come back tomorrow?

Mr. PACKWOOD. Later today, I should say.

Mr. DANFORTH. But I believe they have recessed until noon on Monday.

Mr. PACKWOOD. But if it is a true emergency, they could come back.

Mr. DANFORTH. That is correct. Is there any sense of emergency in the mind of the Senator from Oregon? Do you believe that there is any possibility that a single Social Security beneficiary will have a single check delayed by a minute or reduced by a penny?

Mr. PACKWOOD. No.

The PRESIDING OFFICER. The question is on the amendment.

Mr. MOYNIHAN. One quick remark. The issue of lost interest is a legitimate issue to the trust fund. It would be in the smallest community and the smallest amount. It is not a question of whether we wish to address it. We must address it. And I have asked the Treasury to come to us on Thursday with legislation that does. We cannot and we ought not have any question about whether we will do this. We will do it. I wonder if the chairman does not agree that, of course, we will do this.

Mr. PACKWOOD. The chairman does not agree what?

Mr. MOYNIHAN. That, of course, we will see that the trust funds are made whole.

Mr. PACKWOOD. That is even in the debt limit extension that we have; yes.

Mr. MOYNIHAN. I thank the Senator for his response.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 955) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from South Dakota [Mr. ABDNOR], the Senator from North Dakota [Mr. ANDREWS], the Senator from Maine [Mr. COHEN], the Senator from New York [Mr. D'AMATO], the Senator from North Carolina [Mr. EAST], the Senator from Arizona [Mr. GOLDWATER], the Senator from Oregon [Mr. HATFIELD], the Senator from Nevada [Mr. LAXALT], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Indiana [Mr. QUAYLE], the Senator from Delaware [Mr. ROTH], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Vermont [Mr. STAFFORD], the Senator from Alaska [Mr. STEVENS], the Senator from Wyoming [Mr. WALLOP], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], the Senator from Missouri [Mr. EAGLETON], the Senator from Iowa [Mr. HARKIN], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Arkansas [Mr. PRYOR], the Senator from Mississippi [Mr. STENNIS], the Senator from Maryland [Mr. SARBANES], and the Senator from Massachusetts [Mr. KENNEDY] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 51, nays 22, as follows:

[Rollcall Vote No. 278 Leg.]

YEAS—51

Bingaman	Gramm	Mitchell
Boschwitz	Hart	Moynihan
Bradley	Hatch	Murkowski
Bumpers	Hawkins	Nunn
Burdick	Hecht	Packwood
Byrd	Heinz	Pell
Chafee	Hollings	Pressler
Chiles	Kassebaum	Riegle
Cochran	Kerry	Rockefeller
Dixon	Lautenberg	Rudman
Dodd	Leahy	Simon
Dole	Levin	Simpson
Domenici	Long	Thurmond
Durenberger	Lugar	Trible
Ford	Mathias	Warner
Garn	Matsunaga	Wilson
Gore	Melcher	
Gorton	Metzenbaum	

NAYS—22

Armstrong	Glenn	McConnell
Baucus	Grassley	Nickles
Boren	Heflin	Proxmire
Cranston	Helms	Sasser
Danforth	Humphrey	Symms
Denton	Kasten	Zorinsky
Evans	Mattingly	
Exon	McClure	

NOT VOTING—27

Abdnor	Goldwater	Quayle
Andrews	Harkin	Roth
Bentsen	Hatfield	Sarbanes
Biden	Inouye	Specter
Cohen	Johnston	Stafford
D'Amato	Kennedy	Stennis
DeConcini	Laxalt	Stevens
Eagleton	Murkowski	Wallop
East	Pryor	Weicker

So the bill (H.R. 3669) as amended was passed.

Mr. DOLE. I move to reconsider the vote by which the bill was passed.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I thank my colleagues. Now that we have done this, it is probably safe to say it does not mean anything. In any event, I understand that if the House even would act tonight or tomorrow, Treasury would still not be in default until the 14th of November. Had we not acted, they would not be in default until the 14th of November. Had we acted on the House-passed bill, it would not have been in default until the 14th of November. Had we acted as we did act it would not be in default until the 14th of November. So it has been interesting, but not very productive.

Having said that, Mr. President, I think it is fair to say that it seemed to some of us that the unanimous-consent agreement is important. Otherwise, we would spend another week or more on this issue. Under the unanimous-consent agreement, we will now be able to complete action and send it back to the House, where I assume they will be in conference until the 14th of November. So we will see what happens.

ORDERS FOR MONDAY, NOVEMBER 4, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, November 4, 1985, the reading of the Journal be dispensed with; no resolutions come over under the rule; the call of the Calendar be dispensed with; and following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from South Carolina [Mr. THURMOND], the Senator from Wisconsin [Mr. PROXMIRE], and the Senator from Tennessee [Mr. GORE], for not to exceed 15 minutes each, to be followed by a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not more than 5 minutes each; provided further that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL SCIENCE, ENGINEERING, AND MATHEMATICS AUTHORIZATION ACT OF 1986

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 1210.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 1210) entitled "An Act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes", with the following amendment:

In lieu of the matter proposed by said amendment, insert:

That this Act may be cited as the "National Science, Engineering, and Mathematics Authorization Act of 1986".

TITLE I—NATIONAL SCIENCE FOUNDATION AUTHORIZATION

SHORT TITLE

SEC. 101. This title may be cited as the "National Science Foundation Authorization Act for Fiscal Year 1986".

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) There are authorized to be appropriated to the National Science Founda-

tion, for the fiscal year 1986, the sums set forth in the following categories:

(1) Advanced Scientific Computing, $46,230,000.

(2) Astronomical, Atmospheric, Earth, and Ocean Sciences, $359,670,000.

(3) Biological, Behavioral, and Social Sciences, $262,010,000.

(4) Engineering, $169,796,000.

(5) Mathematical and Physical Sciences, $408,820,000.

(6) Scientific, Technological, and International Affairs, $37,770,000.

(7) Program Development and Management, $72,230,000.

(8) Science and Engineering Education, $50,550,000.

(9) United States Antarctic Program, $110,080,000.

(b)(1) Notwithstanding any other provision of this Act, from the amounts authorized under subsection (a)—

(A) not less than $1,000,000 are authorized only for the purposes of the ethics and values in science and technology program; and

(B) not less than $3,000,000 are authorized only for purposes of the Policy Research and Analysis program.

The Foundation shall report to the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate on the distribution of the funds made available under subparagraph (A) of this paragraph not later than December 30, 1986.

(c) In the obligation, use, and expenditure of the amounts appropriated for Biotic Systems and Resources under the authority provided in subsection (a)(3) and for Atmospheric Sciences under the authority provided in subsection (a)(2), emphasis shall be placed on basic scientific research to support a better understanding of the phenomena that contribute to acid rain.

SCIENTIFIC REVIEW PRIOR TO CLOSURE OF A NATIONAL FACILITY

SEC. 103. Of the funds authorized to be appropriated in section 102, no funds shall be expended with respect to closure of a National facility without appropriate scientific review, including review by the National Science Foundation's appropriate advisory committee or committees and the National Science Board.

AVAILABILITY

SEC. 104. Appropriations made under authority provided in sections 102 and 106 shall remain available for obligation for periods specified in the Acts making the appropriations.

OFFICIAL EXPENSES

SEC. 105. From appropriations made under authorizations provided in this Act, not more than $3,500 for fiscal year 1986 may be used for official consultation, representation, or other extraordinary expenses at the discretion of the Director of the National Science Foundation. The determination of the Director shall be final and conclusive upon the accounting officers of the Government.

FOREIGN CURRENCY AUTHORIZATION

SEC. 106. In addition to the sums authorized by section 102, not more than $1,000,000 for fiscal year 1986 are authorized to be appropriated for expenses of the National Science Foundation incurred outside the United States, to be drawn from foreign currencies that the Treasury Department determines to be excess to the normal requirements of the United States.

TRANSFERS AUTHORIZED

SEC. 107. (a) Funds may be transferred among the categories listed in section 102(a), so long as the net funds transferred to or from any category do not exceed 10 percent of the amount authorized for that category in section 102.

(b) The Director of the Foundation may propose transfers to or from any category exceeding 10 percent of the amounts authorized for that category in section 102. An explanation of any such proposed transfer must be transmitted in writing to the Speaker of the House, the President of the Senate, the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate, and the Committee on Science and Technology of the House of Representatives. The proposed transfer may be made only when thirty calendar days have passed after submission of the written proposal.

DATA COLLECTION AND ANALYSIS

SEC. 108. The National Science Foundation is authorized to design, establish, and maintain a data collection and analysis capability in the Foundation for the purpose of identifying and assessing the research facilities needs of universities. The needs of universities, by major field of science and engineering, for construction and modernization of research laboratories, including fixed equipment and major research equipment, shall be documented. University expenditures for the construction and modernization of research facilities, the sources of funds, and other appropriate data shall be collected and analyzed. The Foundation, in conjunction with other appropriate Federal agencies, shall conduct the necessary surveys every 2 years and report the results to the Congress. The first report shall be submitted to the Congress by September 1, 1986.

NATIONAL SCIENCE FOUNDATION ADMINISTRATIVE AMENDMENTS

SEC. 109. (a) The last sentence of section 4(e) of the National Science Foundation Act of 1950 (42 U.S.C. 1863(e)) is amended by striking out "by registered mail or certified mail mailed to his last known address of record".

(b) Section 5(e) of the National Science Foundation Act of 1950 (42 U.S.C. 1864(e)) is amended to read as follows:

"(e)(1) The Director may make grants, contracts, and other arrangements pursuant to section 11(c) only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

"(2) Any delegation of authority or imposition of conditions under the preceding sentence shall be effective only for such period of time, not exceeding two years, as the Board may specify, and shall be promptly published in the Federal Register and reported to the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives. On October 1 of each odd-numbered year the Board shall submit to the Congress a concise report which explains and justifies any actions taken by the Board under this subsection to delegate its authority or impose conditions within the preceding two years. The provisions of this subsection shall cease to be effective at the end of fiscal year 1989.".

(c) Section 12 of such Act (42 U.S.C. 1871) is amended—

(1) by striking out "(a)" after "SEC. 12."; and

(2) by striking out subsection (b).

(d) Section 9 of the National Science Foundation Act of 1950 (42 U.S.C. 1868) is amended to read as follows:

"SPECIAL COMMISSIONS

"SEC. 9. (a) Each special commission established under section 4(h) shall be appointed by the Board and shall consist of such members as the Board considers appropriate.

"(b) Special commissions may be established to study and make recommendations to the Foundation on issues relating to research and education in science and engineering.".

(e)(1) Section 14 of such Act (42 U.S.C. 1873) is amended—

(A) by striking out subsection (b);

(B) by redesignating subsections (c) through (i) as subsections (b) through (h), respectively; and

(C) by adding at the end thereof the following new subsection:

"(i) Information supplied to the Foundation or a contractor of the Foundation by an industrial or commercial organization in survey forms, questionnaires, or similar instruments for the purposes of subsection (a)(5) or (a)(6) of section 3 may not be disclosed to the public unless such information has been transformed into statistical or aggregate formats that do not allow the identification of the supplier. The names of organizations supplying such information may not be disclosed to the public.".

(2) Sections 3(b) and 15(b)(1) of such Act (42 U.S.C. 1862(b), 1874(b)(1)) are each amended by striking out "14(g)" and inserting in lieu thereof "14(f)".

(f) Section 10 of the National Science Foundation Authorization Act, Fiscal Year 1978 (42 U.S.C. 1873(a)), is repealed.

(g) Section 6(a) of the National Science Foundation Authorization Act, 1976 (42 U.S.C. 1881a(a)) is amended—

(1) by striking out "not to exceed $50,000 per year for a period not to exceed three years" in the last sentence; and

(2) by adding at the end thereof the following new sentence: "The National Science Board will periodically establish the amounts and terms of such grants under this section.".

(h) Section 6 of the National Science Foundation Authorization Act, Fiscal Year 1978 (42 U.S.C. 1884), is repealed; and sections 7, 8, 9, 11, 12, 13, and 14 of such Act are redesignated as sections 6 through 12, respectively.

(i) Section 9 of the National Science Foundation Authorization Act for Fiscal Year 1980 (42 U.S.C. 1882) is amended by inserting "and the National Science Board" after "the Director of the National Science Foundation".

AMENDMENT TO THE NATIONAL SCIENCE FOUNDATION ACT OF 1950 RELATING TO ENGINEERING

SEC. 110. (a) The National Science Foundation Act of 1950 (42 U.S.C. 1861 through 1875) is amended as follows:

(1) Section 3(a)(1) (42 U.S.C. 1862(a)(1)) is amended—

(A) by striking out "engineering,";

(B) by inserting after "other sciences," the following: "and to initiate and support research fundamental to the engineering process and programs to strengthen engineering research potential and engineering education programs at all levels in the various fields of engineering,"; and

(C) by striking out "such scientific and educational activities" and inserting in lieu thereof "such scientific, engineering, and educational activities".

(2) Section 3(a)(2) (42 U.S.C. 1862(a)(2)) is amended by striking out "in the mathematical, physical, medical, biological, engineering, social, and other sciences" and inserting in lieu thereof "for study and research in the sciences or in engineering".

(3) Section 3(a)(3) (42 U.S.C. 1862(a)(3)) is amended—

(A) by inserting "and engineering" after "scientific"; and

(B) by inserting "and engineers" after "scientists".

(4) Section 3(a)(4) (42 U.S.C. 1862(a)(4)) is amended—

(A) by inserting "and engineering" after "scientific"; and

(B) by inserting "and engineering" after "sciences".

(5) Section 3(a)(5) (42 U.S.C. 1862(a)(5)) is amended by inserting "and fields of engineering" after "sciences".

(6) Section 3(a)(6) (42 U.S.C. 1862(a)(6)) is amended by striking out "technical" each place it appears and inserting in lieu thereof "engineering".

(7) Section 3(a)(7) (42 U.S.C. 1862(a)(7)) is amended by inserting "and engineering" after "scientific".

(8) Section 3(b) (42 U.S.C. 1862(b)) is amended by inserting "and engineering" after "scientific" each place it appears.

(9) Section 3(c) (42 U.S.C. 1862(c)) is amended—

(A) by inserting "and engineering" after "scientific" in the first sentence; and

(B) by inserting "and engineering research" after "applied scientific research" in the second sentence.

(10) Section 3(d) (42 U.S.C. 1862(d)) is amended by striking out "basic research and education in the sciences" and inserting in lieu thereof "research and education in science and engineering".

(11) Section 3(e) (42 U.S.C. 1862(e)) is amended by inserting "and engineering" after "sciences".

(12) Section 4(c) (42 U.S.C. 1863(c)) is amended—

(A) by inserting "and engineering" after "scientific" in clause (3) of the first sentence;

(B) by inserting "and engineers" after "scientists" in the second sentence; and

(C) by inserting "the National Academy of Engineering," after "National Academy of Sciences,", and inserting ", engineering," after "scientific", in the third sentence.

(13) The first sentence of section 10 (42 U.S.C. 1869) is amended by striking out "scientific study or scientific work in the mathematical, physical, medical, biological, engineering, social, and other sciences" and inserting in lieu thereof "study and research in the sciences or in engineering".

(14) Section 11 (42 U.S.C. 1870) is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsections (c), (d), and (i);

(B) by striking out "technical" and inserting in lieu thereof "engineering" in subsection (g); and

(C) by striking out "scientific value" and inserting in lieu thereof "scientific or engineering value" in subsection (g).

(15) Section 12 (42 U.S.C. 1871), as amended by section 109(c) of this Act, is further amended by inserting "or engineering" after "scientific".

(16) Section 13(a) (42 U.S.C. 1872(a)) is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in the first two sentences;

(B) by inserting "or engineers" after "scientists"; and

(C) by striking out "scientific study or scientific work" and inserting in lieu thereof "study and research in the sciences or in engineering".

(17) Section 13(b) (42 U.S.C. 1872(b)) is amended by inserting "or engineering" after "scientific".

(18) Section 14 (42 U.S.C. 1873), as amended by section 109(e) of this Act, is further amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsection (e); and

(B) by striking out "technical" in subsection (f) and inserting in lieu thereof "engineering".

(19) Section 15(b) (42 U.S.C. 1874(b)) is amended—

(A) by striking out "technical" in paragraph (1) and inserting in lieu thereof "engineering"; and

(B) by inserting "or engineering" after "scientific" in paragraph (2).

(b) Section 2(b) of the National Science Foundation Authorization Act, 1976 (42 U.S.C. 1869a) is amended by inserting "or engineering" after "science" each place it appears.

AMENDMENT TO SCIENCE AND TECHNOLOGY EQUAL OPPORTUNITY ACT RELATING TO ENGINEERING

SEC. 111. (a) The first section of the National Science Foundation Authorization and Science and Technology Equal Opportunities Act (42 U.S.C. 1861, note) is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(b) Part B of the National Science Foundation Authorization and Science and Technology Equal Opportunities Act (42 U.S.C. 1885 to 1885(d)) is amended as follows:

(1) Section 31 (42 U.S.C. 1885) is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(2) Section 32(a) (42 U.S.C. 1885(a)) is amended—

(A) by striking out "technology" and inserting in lieu thereof "engineering"; and

(B) by striking out "scientific talent and technical skills" and inserting in lieu thereof "scientific and engineering talents and skills".

(3) The first sentence of section 32(b) (42 U.S.C. 1885(b)) is amended—

(A) by striking out "skills in science and mathematics" and inserting in lieu thereof "skills in science, engineering, and mathematics";

(B) by striking out "technical" and inserting in lieu thereof "engineering";

(C) by striking out "scientific literacy" and inserting in lieu thereof "scientific and engineering literacy"; and

(D) by striking out "technology" and inserting in lieu thereof "engineering".

(4) The second sentence of section 32(b) (42 U.S.C. 1885(b)) is amended—

(A) by striking out "highest quality science" and inserting in lieu thereof "highest quality science and engineering"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(5) The third sentence of section 32(b) (42 U.S.C. 1885(b)) is amended by striking out "technology" and inserting in lieu thereof "engineering".

(6) Section 33 (42 U.S.C. 1885a) is amended—

(A) by striking out "technology" and "technical" each place they appear and inserting in lieu thereof "engineering";

(B) by inserting ", engineering," after "science" in paragraph (2);

(C) by inserting "and engineers" after "scientists" each place it appears;

(D) by inserting "and engineering" after "science" in paragraph (10); and

(E) by striking out "science, engineering, and technology" in paragraph (11) and inserting in lieu thereof "science and engineering".

(7) Section 34 (42 U.S.C. 1885b) is amended—

(A) by striking out "science education" and inserting in lieu thereof "science and engineering education"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(8) Section 36 (42 U.S.C. 1885c) is amended—

(A) by striking out "TECHNOLOGY" in the heading and "Technology" and "technology" each place they appear, and inserting in lieu thereof "ENGINEERING", "Engineering", and "engineering", respectively; and

(B) by striking out "scientific engineering, professional, and technical" and inserting in lieu thereof "scientific, engineering, and professional".

(9) Section 37(b) (42 U.S.C. 1885d(b)) is amended—

(A) by striking out "technical" each place it appears and inserting in lieu thereof "engineering"; and

(B) by striking out "Technology" in paragraph (3) and inserting in lieu thereof "Engineering".

(10) The heading of such part B is amended by striking out "TECHNOLOGY" and inserting in lieu thereof "ENGINEERING".

PRIVATE SECTOR SURVEY REVIEW

SEC. 112. Within 90 days after the date of the enactment of this Act the Director of the National Science Foundation shall review the recommendations of the President's Private Sector Survey on Cost Control and such other recommendations as may be included in the OMB report "Management of the United States Government—1986", and shall submit a report to the Speaker of the House of Representatives, the President of the Senate, and the appropriate Committees of the House and Senate on the implementation status of each such recommendation which affects the National Science Foundation and which is within the authority and control of the Director.

TITLE II—EDUCATION FOR ECONOMIC SECURITY REAUTHORIZATION

PART A—NATIONAL SCIENCE FOUNDATION MATHEMATICS AND SCIENCE PROGRAMS

MATHEMATICS, SCIENCE, AND ENGINEERING EDUCATION PROGRAMS

SEC. 201. Title I of the Education for Economic Security Act (Public Law 98-377) is amended to read as follows:

"TITLE I—NATIONAL SCIENCE FOUNDATION SCIENCE AND ENGINEERING EDUCATION

"POLICY

"SEC. 101. (a) The Congress declares that the science and engineering education responsibilities of the National Science Foundation are—

"(1) to improve the quality of instruction in the fields of mathematics, science, and engineering;

"(2) to support research, fellowships, teacher-faculty-business exchange programs in mathematics, science, and engineering;

"(3) to improve the quality and availability of instrumentation for mathematics, science, and engineering instruction;

"(4) to encourage partnerships in education between local and State education

agencies, business and industry, colleges and universities, and cultural and professional institutions and societies; and

"(5) to improve the quality of education at all levels in the fields of mathematics, science, and engineering.

"(b) In exercising its responsibilities to strengthen scientific and engineering research potential and science and engineering education programs at all levels, the Foundation shall avoid undue concentration of support for research and education activities.

"FUNCTIONAL OBJECTIVES; USES OF FUNDS

"Sec. 102. (a) In carrying out its science and engineering education responsibilities, the Foundation shall have the following functional objectives: public understanding of science and technology, faculty enhancement, student education and training, instructional development and instrumentation, and materials development and dissemination.

"(b) Funds under this title shall, consistent with such functional objectives, be used for—

"(1) enhancement of public understanding of science and engineering through informal education activities using a variety of mediums such as broadcasting, museums, clubs, and amateur science societies;

"(2) development of new science and engineering faculty resources and talents;

"(3) enhancement of the quality of science and engineering instruction in colleges of teacher education;

"(4) development of four-year college faculty and instructors in high technology fields;

"(5) development of two-year community college faculty and instructors especially in high technology fields;

"(6) development of precollege mathematics, science and engineering education and training;

"(7) encouragement of potential students, including underrepresented and underserved populations, to pursue careers in mathematics, science, engineering, and critical foreign languages;

"(8) development of instructional instrumentation and systems for postsecondary technical, engineering, and scientific education; and

"(9) development of science, engineering, and education networks to aid in the development and dissemination of successful curricula, methods, and materials.

"TEACHER INSTITUTES

"Sec. 103. (a) The Foundation shall, in accordance with the provisions of this title, make competitive grants to institutions of higher education, businesses, nonprofit private organizations (including schools), local education agencies, professional engineering and scientific associations, museums, libraries, public broadcasting entities (as defined in section 397(11) of the Communications Act of 1934), and appropriate State agencies to support institutes and workshops for supervisors and teachers in public and private elementary and secondary schools for the purpose of improving the subject knowledge and teaching skills of such teachers in the areas of mathematics and science.

"(b) In making grants under this section, the Foundation shall assure that there is an equitable distribution among States of institutes established and operated with funds made available under this section. The Foundation shall award not less than one institute in each State, except that the Foundation may waive this requirement if there is no proposal from a State which meets the requirements of this title. Proposals which exceed $300,000 in any fiscal year incorporating the services or resources of more than two entities in the design and operation of the institute, may be funded at the discretion of the Director of the Foundation.

"(c) Institutes assisted under this title may, to the extent possible, involve the cooperation of advanced technology businesses and other businesses which are able to supply assistance in the teaching of mathematics and science.

"(d) In making grants under this title, the Foundation shall require assurances that local education agencies will be involved in the planning and development of the institute in the case of applications submitted by other eligible applicants described in subsection (a) of this section, or that one or more such applicants will be involved in the planning and development of the institute in the case of applications submitted by State or local education agencies.

"MATERIALS DEVELOPMENT AND METHODS RESEARCH FOR MATHEMATICS, SCIENCE, AND ENGINEERING

"Sec. 104. (a) The Foundation is authorized, in accordance with the provisions of this title, to award competitive grants to institutions of higher education, businesses, nonprofit private organizations, local education agencies, professional engineering and scientific associations, museums, libraries, public broadcasting entities (as defined in section 397(11) of the Communications Act of 1934), and appropriate State agencies—

"(1) for instructional curriculum improvement and faculty development in mathematics, science, and engineering;

"(2) for programs designed to enhance public understanding of mathematics, science, and engineering, including the use of public broadcasting entities; and

"(3) for research on methods of instruction and educational programs in mathematics, science, engineering, and critical foreign languages.

"(b) Studies conducted under subsection (a)(3) may include—

"(1) teaching and learning research and its application to local and private sector instructional materials development and to improved teacher training programs;

"(2) research on the use of local and informal science education activities;

"(3) research on recruitment, retention, and improvement of mathematics, science, engineering, and critical languages faculties; and

"(4) analysis of materials and methods for mathematics, science, and engineering education used in other countries and their potential application in the United States.

"(c) Funds awarded for such competitive grants shall be expended through a system requiring matching of the grant. The minimum amount required as a match shall be equal to a percentage of the grant that is determined by the Foundation. Funds made available for matching purposes may include in-kind services or other resources.

"(d) In making grant applications for materials or methods research for the purposes described in subsections (a)(1) and (a)(3), the Foundation shall assure the involvement of appropriate State or local education agencies in the case of applications submitted by other entities described in subsection (a), or that one or more of such other entities will be consulted in the case of applications submitted by State or local education agencies.

"GRADUATE FELLOWSHIPS

"Sec. 105. The Foundation is authorized, in accordance with the provisions of this title, to establish and carry out a program of graduate fellowships for the purpose of encouraging and assisting promising students to continue their education and research in mathematics, science, and engineering.

"OTHER FUNCTIONAL ACTIVITIES

"Sec. 106. (a) The Foundation is authorized to expend up to 15 per centum of the funds available for science and engineering education for applications which the Foundation determines will meet one or more of the functional objectives described in section 102(b).

"(b) Such programs may include a program for the exchange of mathematics, science, or engineering faculty between institutions of higher education (particularly institutions having nationally recognized research facilities) and eligible institutions. For the purposes of this section, the term 'eligible institution' means an institution of higher education which—

"(1) has an enrollment which includes a substantial percentage of students who are members of a minority group, or who are economically or educationally disadvantaged; or

"(2) is located in a community that is not within commuting distance of a major institution of higher education; and

"(3) demonstrates a commitment to meet the special educational needs of students who are members of a minority group or are economically or educationally disadvantaged.

"SCIENCE AND ENGINEERING EDUCATION STRATEGIC PLAN

"Sec. 107. The Foundation shall develop a five-year strategic plan for science and engineering education, to be up-dated on an annual basis, and submitted to the Committee on Labor and Human Resources of the Senate, and the Committee on Science and Technology of the House of Representatives by November 30 of each year.

"APPROVAL OF PROPOSALS

"Sec. 108. The Foundation shall adopt approval procedures designed to assure that awards are made on the basis of the scientific and educational merit as determined by the peer review process. To the maximum extent possible, the Foundation shall assure that there is an equitable distribution of resources with respect to institutions and geographical areas.

"SPECIAL CONSIDERATION OF UNDERREPRESENTED AND UNDERSERVED POPULATIONS

"Sec. 109. In providing financial assistance under this title, the Foundation shall make every effort to ensure that consideration is given to proposals which contain provisions designed to meet the needs of underrepresented and underserved populations.

"AVAILABILITY OF FUNDS

"Sec. 110. Funds to carry out this title for any fiscal year shall be made available from amounts appropriated pursuant to annual authorizations of appropriations for the National Science Foundation for Science and Engineering Education. For fiscal year 1986, funds to carry out this title shall be available from amounts authorized by section 102(a)(8) of the National Science Foundation Authorization Act for fiscal year 1986.

"PROHIBITION AGAINST THE FEDERAL CONTROL OF EDUCATION

"Sec. 111. The provisions of section 432 of the General Education Provisions Act, relat-

ing to prohibition against Federal control of education, shall apply to each program and award authorized by this title.

"PARTICIPATION OF TEACHERS FROM PRIVATE SCHOOLS

"SEC. 112. The Foundation shall, after consultation with appropriate private school representatives, make provision for the benefit of teachers in private elementary and secondary schools in the programs authorized by this title, in order to assure equitable participation of such teachers.".

PART B—EDUCATION FOR ECONOMIC SECURITY

DEFINITIONS

SEC. 221. Section 3(1) of the Act is amended by striking out "section 195(2) of the Vocational Education Act of 1965" and inserting in lieu thereof "section 521(3) of the Carl D. Perkins Vocational Educational Act.".

PROGRAM REAUTHORIZATION

SEC. 222. (a) Section 203(b) of the Act is amended—

(1) by striking out "and", and

(2) by inserting after "1985" a comma and the following: "and $350,000,000 for each of the fiscal years 1986, 1987, and 1988".

(b) Section 205 of the Act is amended by striking out "the fiscal years 1984 and 1985" each place it appears and inserting in lieu thereof "the fiscal years 1984, 1985, 1986, 1987, and 1988".

STATE ALLOTMENTS

SEC. 223. (a) Section 204(a)(2) of the Act is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by striking out "the remaining 10 per centum" and inserting in lieu thereof "9 per centum of such amount"; and

(3) by adding at the end thereof the following new subparagraph:

"(B) The Secretary shall reserve the remaining 1 per centum to carry out the provisions of subsection (c).".

(b) Section 204(c) of the Act is amended to read as follows:

"(c)(1) From the amount reserved for each fiscal year under subsection (a)(2)(B), the Secretary shall allot—

"(A) not less than one-half of that amount to whatever agency the Secretary determines appropriate for programs authorized by this title for children in elementary and secondary schools operated for Indian children by the Department of the Interior; and

"(B) the remainder of that amount among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title.

"(2) The Secretary shall make payments under paragraph (1)(A) on whatever terms the Secretary determines will best carry out the purpose of this title.".

ELEMENTARY AND SECONDARY EDUCATION PROGRAM

SEC. 224. (a) Section 206(b)(1)(A) of the Act is amended by striking out "inservice training" and inserting in lieu thereof "training, inservice training,".

(b)(1) Section 206(b)(1)(B) of the Act is amended to read as follows:

"(B) if the local educational agency determines that the agency has met its need for training, inservice training, and retraining under subparagraph (A), subject to the provisions of section 210(c), such training, inservice training, and retraining in the fields of computer learning and foreign languages, and the acquisition of instructional materials and equipment related to mathematics and science instruction.".

(2) The third sentence of section 206(b)(1) is amended by striking out "private" before "organizations,".

(3) The fifth sentence of section 206(b)(1) of the Act is amended by inserting "training," before "inservice training".

(c) Section 206(b)(2)(A) of the Act is amended to read as follows:

"(2)(A) The State educational agency shall distribute 50 per centum of the funds available under this subsection to local educational agencies according to the relative enrollments in public and private nonprofit schools within the school district of such agencies. Such relative enrollments may be calculated, at the option of the State educational agency, on the basis of the total number of children enrolled in public schools and (i) private nonprofit schools, or (ii) private nonprofit schools desiring that their children and teachers participate in programs or projects assisted under this title. Nothing in the preceding sentence shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within their school districts in order to determine whether such schools desire that their children and teachers participate in programs or projects assisted under this title.".

(d) The first sentence of section 206(d) of the Act is amended—

(1) by striking out "for demonstration and exemplary programs" in the matter preceding clause (1); and

(2) by inserting "demonstration and exemplary programs for" immediately after the clause designation in clauses (1), (2), and (3), respectively.

HIGHER EDUCATION

SEC. 225. (a) Section 207(b)(2)(B) of the Act is amended to read as follows:

"(B) retraining of secondary school teachers who specialize in disciplines other than the teaching of mathematics, science, foreign languages, or computer learning to specialize in the teaching of mathematics, science, foreign languages, or computer learning, including the provision of stipends for participation in institutes authorized under title I; and".

(b)(1) Section 207(b)(2)(C) of the Act is amended by striking out "and science" and inserting in lieu thereof a comma and the following: "science, foreign languages".

(2) The second sentence of section 207(b)(2) of the Act is amended by inserting after "science" a comma and the following: "foreign languages".

(c) The first sentence of section 207(c)(1) of the Act is amended—

(1) by striking out "private nonprofit organizations" and inserting in lieu thereof "nonprofit organizations"; and

(2) by inserting "computer learning" immediately before "and critical foreign languages".

STATE ASSESSMENT

SEC. 226. (a)(1) The second sentence of section 208(a) of the Act is amended by striking out "section 210" and inserting in lieu thereof "section 210(b)".

(2) The fourth sentence of section 208(a) of the Act is amended by striking out "first" and inserting "preliminary".

(b) Section 208(c)(1)(E) of the Act is amended by striking out "public" and inserting in lieu thereof "nonprofit".

(c) Section 208 of the Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall prepare and submit to the Congress a summary report of the final version of the assessments submitted by States under subsection (a) as soon as practicable after the receipt of such assessments.".

STATE APPLICATION

SEC. 227. Section 209(b) of the Act is amended—

(1) by striking out "sections 207 and 208" in clause (1) and inserting in lieu thereof "sections 206 and 207";

(2) by striking out "sections 207 and 208" in clause (3) and inserting in lieu thereof "sections 206 and 207";

(3) by striking out "by local educational agencies, institutes of higher education, junior or community colleges, and other organizations for programs described in section 206" in clause (4)(A) and inserting in lieu thereof "for programs described in sections 206 and 207"; and

(4)(A) by striking out "of such funds, be available for" in clause (6) and inserting in lieu thereof "of such Federal funds, be available from non-Federal sources for";

(B) by striking out "sections 207 and 208" in clause (6) and inserting in lieu thereof "sections 206 and 207"; and

(C) by inserting before the semicolon in clause (6) the following: "from non-Federal sources".

LOCAL EDUCATION ASSESSMENTS

SEC. 228. The first sentence of section 210(c) of the Act is amended—

(1) by striking out "retraining" and inserting in lieu thereof "training, retraining,"; and

(2) by striking out "its funds" and inserting in lieu thereof the following: "all or a portion of its funds".

PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE SCHOOLS

SEC. 228A. (a) Section 211(a) of the Act is amended by inserting "nonprofit" before "elementary".

(b) Section 211(b) of the Act is amended by inserting "nonprofit" before "elementary".

(c) Section 211(c) of the Act is amended by inserting "nonprofit" after "private".

SECRETARY'S DISCRETIONARY FUND FOR PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 229. (a) Section 212(a) of the Act is amended to read as follows:

"(a) From the amount reserved by the Secretary under section 204(a)(2)(A), the Secretary is authorized to carry out directly, or through grants, cooperative agreements, or contracts, projects which are authorized by this section.".

(b) Section 212(b)(1) of the Act is amended—

(1) by striking out "make grants to" in the first sentence and inserting in lieu thereof "make grants to and enter into cooperative agreements with"; and

(2) by striking out "awarding of grants" in the third sentence and inserting in lieu thereof "awarding of grants and cooperative agreements".

PAYMENTS

SEC. 230. Section 213(a) of the Act is amended by striking out "section 211" and inserting in lieu thereof "section 212".

PART C—PARTNERSHIPS IN EDUCATION FOR MATHEMATICS, SCIENCE, AND ENGINEERING

ADMINISTRATIVE AMENDMENT

SEC. 231. Title III of the Act is amended by striking out "Foundation" wherever it appears (other than in section 303(3)) in such title and inserting in lieu thereof "Secretary".

DEFINITIONS

SEC. 232. Section 303 of the Act is amended:

(1) by inserting "and" at the end of clause (2);

(2) by striking out clauses (3), (4), and (5); and

(3) by redesignating clause (6) as clause (3).

PARTNERSHIP PROGRAM AUTHORIZATION

SEC. 233. Section 304(b) of the Act is amended to read as follows:

"(b) There are authorized to be appropriated $50,000,000 for each of the fiscal years 1986, 1987, and 1988, to carry out the provisions of this title.".

PART D—PRESIDENTIAL AWARDS

AUTHORIZATION AND AVAILABILITY OF FUNDS

SEC. 241. (a) Section 403(a) of the Act is amended to read as follows:

"(a) Funds to carry out this title for any fiscal year shall be made available from amounts appropriated pursuant to annual authorizations of appropriations for the National Science Foundation for Science and Engineering Education. For fiscal year 1986, funds to carry out this title shall be available from amounts authorized by section 102(a)(8) of the National Science Foundation Authorization Act for fiscal year 1986. Not more than $1,000,000 are authorized to be available to carry out this title.".

(b) Section 403(b) of the Act is amended by inserting after "subsection (a)" the following: "and amounts made available under subsection (a)".

PART E—EXCELLENCE IN EDUCATION

PROGRAM REAUTHORIZATION

SEC. 251. Section 604(b)(1) of the Act is amended by striking out "the fiscal years 1984 and 1985" and inserting in lieu thereof "the fiscal year 1984 and each of the succeeding fiscal years ending prior to October 1, 1988,".

PART F—MAGNET SCHOOLS ASSISTANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 261. Section 701 of the Act is amended by striking out "and 1986" and inserting in lieu thereof "1986, 1987, and 1988".

STATEMENT OF PURPOSE

SEC. 262. Section 703 of the Act is amended to read as follows:

"STATEMENT OF PURPOSE

"SEC. 703. It is the purpose of this title to support, through financial assistance to eligible local educational agencies—

"(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial portions of minority students; and

"(2) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.".

USES OF FUNDS

SEC. 263. Section 706 of the Act is amended to read as follows:

"USES OF FUNDS

"SEC. 706. Grants made under this title may be used by eligible local educational agencies for—

"(1) planning and promotional activities directly related to expansion and enhancement of academic programs and services offered at magnet schools;

"(2) the acquisition of books, materials, and equipment including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools; and

"(3) the payment of or subsidization of the compensation of elementary and secondary school teachers who are certified or licensed by the State and who are necessary for the conduct of programs in magnet schools;

where with respect to clauses (2) and (3), such assistance is directly related to improving the knowledge of mathematics, science, history, English, foreign languages, art, or music, or to improving vocational skills.".

MODIFICATION OF PROHIBITION

SEC. 264. Section 709 of the Act is amended to read as follows:

"PROHIBITIONS

"SEC. 709. Grants under this title may not be used for consultants, for transportation, or for any activity which does not augment academic improvement.".

TITLE III—LIBRARY SERVICES PROGRAM

LIBRARY SERVICES AND CONSTRUCTION ACT AMENDMENTS

SEC. 301. (a) Section 3(12) of the Library Services and Construction Act (20 U.S.C. 351a(12)) (hereafter in this title referred to as the "Act") is amended by striking out "five-year program" and inserting in lieu thereof "program of not less than three nor more than five years".

(b) Section 3(15) of the Act is amended—

(1) by inserting "by the Secretary of the Interior" after "recognized"; and

(2) by striking out ", as determined by the Secretary after consultation with the Secretary of the Interior".

APPLICABILITY OF PUBLIC LIBRARY PROVISIONS TO HAWAIIAN NATIVE PROGRAM

SEC. 302. (a)(1) The first sentence of section 5(d)(2) of the Act (20 U.S.C. 351c(d)(2)) is amended by striking out "sections 403" and inserting in lieu thereof "sections 402(b), 403,".

(2) The second sentence of section 5(d)(2) of the Act is amended by inserting immediately before the period ", to contract to provide public library services to Native Hawaiians, and to carry out any other activities authorized under this sentence by contract".

(3) Section 5(d)(2) of the Act is amended by adding at the end thereof the following new sentence: "The Secretary shall issue criteria for the approval of applications and plans but the criteria may not include an allotment formula and may not contain a matching of funds requirement.".

(b) Section 6(b)(4) of the Act (20 U.S.C. 351d(b)(4)) is amended by inserting "(as defined in section 703(a) of the Bilingual Education Act)" after "limited English-speaking proficiency".

CORRECTION OF ADMINISTRATIVE COST MISINTERPRETATION

SEC. 303. (a) The references in section 8 of the Act (20 U.S.C. 351f) to "such titles" mean, and shall be construed as meaning, the immediately preceding reference to "titles I, II, and III".

(b) The matter preceding clause (1) of section 102(b)(1) of the Act (20 U.S.C. 353(b)(1)) is amended by striking out "this title" and inserting in lieu thereof "this Act".

MAJOR URBAN RESOURCE LIBRARY RESERVED AMOUNTS

SEC. 304. Section 102(c)(1) of the Act (20 U.S.C. 353(c)(1)) is amended by inserting "(excluding the amount made available for Indian tribes and Hawaiian natives)" after "section 4(a)".

SERVICES TO TRIBES IN STATES WITHOUT INDIAN RESERVATIONS

SEC. 305. Title IV of the Act (20 U.S.C. 361 et seq.) is amended by adding at the end thereof the following new section:

"SERVICES IN STATES WITH INDIAN TRIBES NOT RESIDING ON OR NEAR RESERVATIONS

"SEC. 406. The provisions of this title requiring that services be provided on or near Indian reservations, or to only those Indians who live on or near the Indian reservations, shall not apply in the case of Indian tribes and Indians in California, Oklahoma, and Alaska.".

TITLE IV—MINORITY INSTITUTIONS; MIGRATORY CHILDREN PROGRAM

MINORITY INSTITUTIONS SCIENCE IMPROVEMENT PROGRAM AUTHORIZATION

SEC. 401. The General Education Provisions Act is amended—

(1) by redesignating section 406A (as added by the Education Amendments of 1980; 94 Stat. 1497) as section 406B; and

(2) by inserting after such section the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

"SEC. 406C. There are authorized to be appropriated $5,000,000 for each of the fiscal years 1985 and 1986 for the purpose of carrying out the Minority Institutions Science Improvement Program transferred to the Secretary of Education from the National Science Foundation by section 304 of the Department of Education Organization Act.".

MIGRATORY CHILDREN RECORDS SYSTEM

SEC. 402. Section 143(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by striking out "grants to, or enter into contracts with," and inserting in lieu thereof "enter into contracts with"; and

(2) by adding at the end thereof the following: "For the purpose of ensuring continuity in the operation of such system, the Secretary shall, not later than July 1 of each year, continue to award such contract to the State educational agency receiving the award in the preceding year, unless a majority of the States notify the Secretary in writing that such agency has substantially failed to perform its responsibilities under the contract during that preceding year. No activity under this section shall, for purposes of any Federal law, be treated as an information collection that is conducted or sponsored by a Federal agency.".

TITLE V—HARRY S TRUMAN MEMORIAL SCHOLARSHIP PROGRAM

PROGRAM AMENDMENT

SEC. 501. Section 8 of the Harry S Truman Memorial Scholarship Act is amended by striking out "$5,000" and inserting in lieu thereof "$10,000 (adjusted annually to reflect increases, if any, in the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics)".

TITLE VI—EDUCATION OF THE HANDICAPPED ACT

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS

SEC. 601. (a) Section 611(c)(2)(A)(II) of the Education of the Handicapped Act (20 U.S.C. 1411(c)(2)(A)(i)(II)) is amended by striking out "300,000" and inserting in lieu thereof "350,000".

(b) Section 611(c)(1)(B) of such Act is amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

EFFECTIVE DATE

SEC. 602. The amendment made by section 601(a) shall take effect on July 1, 1985.

TITLE VII—CARL D. PERKINS VOCATIONAL EDUCATION ACT TECHNICAL AMENDMENTS

TERRITORIAL HOLDHARMLESS

SEC. 701. Section 101(a)(3)(D) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2311(a)(3)(d)) (hereafter in this title referred to as the "Act") is repealed.

STATE ALLOCATION

SEC. 702. Section 102 of the Act is amended to read as follows:

"WITHIN STATE ALLOCATION

"SEC. 102. (a)(1) Each State shall reserve from its allotment of funds appropriated under section 3(a) for each fiscal year an amount that does not exceed 7 percent of the allotment for State administration of the State plan. If the cost of carrying out the provisions of section 111(b) exceeds 1 percent of a State's allotment of funds appropriated under section 3(a), the State may reserve that excess amount from that allotment in addition to the 7 percent authorized by the preceding sentence.

"(2) The amount reserved under paragraph (1) shall be considered as part of that portion of the State's allotment that is retained for State activities and is not distributed under section 113(b)(4).

"(b) From the remainder of its allotment of funds appropriated under section 3(a), each State shall reserve for each fiscal year—

"(1) 57 percent for activities described in part A of title II; and

"(2) 43 percent for activities described in part B of title II.".

STATE COUNCIL ON VOCATIONAL EDUCATION

SEC. 703. (a) Section 112(b) of the Act is amended to read as follows:

"(b) The State shall certify to the Secretary the establishment and membership of the State council by the beginning of each State plan period described in section 113(a)(1).".

(b) Section 112(d) of the Act is amended by striking out "(d)" and all that follows through clause (1) and inserting in lieu thereof the following:

"(d) During each State plan period described in section 113(a)(1), each State council shall—

"(1) meet with the State board or its representatives to advise on the development of the subsequent State plan;".

(c)(1) Section 112(f)(1)(A) of the Act is amended by striking out "From" and inserting in lieu thereof "Except as provided in subparagraph (B), from".

(2) Section 112(f)(1)(B) of the Act is amended to read as follows:

"(B) From the amounts appropriated pursuant to section 3(c), for each fiscal year, the Secretary shall make grants of $50,000 to the State councils of the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

STATE PLANS

SEC. 704. Section 113(b)(9)(C) of the Act is amended by striking out "not less than" and all that follows through "year" and inserting in lieu thereof "the projects, services, and activities supported under this Act of not less than 20 percent of the participating eligible recipients within the State in each fiscal year".

WITHIN STATE ALLOCATION

SEC. 705. Section 203(a)(3) of the Act is amended to read as follows:

"(3) The State board shall ensure that each eligible recipient that receives funds under paragraph (2) uses those funds to provide vocational education services and activities for individuals with limited English proficiency at least in proportion to the number of such individuals enrolled by that eligible recipient in the fiscal year preceding the fiscal year in which the determination is made as compared to the total number of disadvantaged individuals, including individuals with limited English proficiency, so enrolled in that fiscal year.".

CONSUMER AND HOMEMAKING EDUCATION

SEC. 706. (a) The heading of part B of title III of the Act is amended to read as follows:

"PART B—CONSUMER AND HOMEMAKING EDUCATION".

(b)(1) The first sentence of section 311 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking".

(2) The heading of section 311 of the Act is amended to read as follows:

"CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(c)(1) Subsection (b) of section 312 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking" both places it appears.

(2) The heading of section 312 of the Act is amended to read as follows:

"USE OF FUNDS FROM CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(d) The table of contents of the Act is amended by striking out the items relating to part B of title III and sections 311 and 312 and by inserting in lieu thereof the following:

"PART B—CONSUMER AND HOMEMAKING EDUCATION

"Sec. 311. Consumer and homemaking education grants.

"Sec. 312. Use of funds from consumer and homemaking education grants.".

CONSUMER AND HOMEMAKING EDUCATION STATE LEADERSHIP

SEC. 707. Section 313(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

CAREER GUIDANCE AND COUNSELING STATE LEADERSHIP

SEC. 708. Section 333(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

AUTHORIZATION OF GRANTS

SEC. 709. Section 342(c) of the Act is amended by striking out "subsection (b)(2)" both places it appears and inserting in lieu thereof "subsection (b)(3)".

MODEL CENTERS FOR VOCATIONAL EDUCATION FOR OLDER INDIVIDUALS

SEC. 710. Section 417(b) of the Act is amended by inserting "shall" immediately after "subpart".

FEDERAL SHARE

SEC. 711. (a) Section 502(a) of the Act is amended in the introductory clause by striking out "shall be" and inserting in lieu thereof "shall not exceed".

(b)(1) Section 502(a)(2) of the Act is amended by striking out "not to exceed".

(2) Section 502(b) of the Act is amended by adding at the end thereof the following new sentence: "The non-Federal contributions for the costs of vocational education programs, services, and activities for the disadvantaged from local sources may be in cash or in kind, fairly valued, including facilities, overhead, personnel, equipment, and services, if the eligible recipient determines that it cannot otherwise provide such contribution.".

TRANSITION

SEC. 712. The matter preceding clause (1) of section 3(a) of Public Law 98-524 (98 Stat. 2487) is amended to read as follows: "Until July 1, 1986, a State or eligible recipient may use funds received under the Vocational Educational Act of 1963 or the Carl D. Perkins Vocational Education Act to—".

TECHNICAL AMENDMENTS

SEC. 713. (a)(1) Section 113(b)(10) of the Act (20 U.S.C. 2323(b)(10)) is amended by inserting "of 1981" after "Education Consolidation and Improvement Act".

(2) Section 113(b)(11) of the Act is amended by inserting "provide assurances" before "that".

(3) Section 504(d)(1) of the Act is amended by striking out "section 434(c)" and inserting in lieu thereof "section 453".

(4) Section 521(15) of the Act is amended by inserting "or language" immediately after "speech".

(b)(1) Section 4(a)(1)(A) of Public Law 98-524 is amended by striking out "section 4(15)" and inserting in lieu thereof "section 521(19)".

(2) Section 4(a)(6)(D) of Public Law 98-524 is repealed.

EFFECTIVE DATE

SEC. 714. (a) The provisions of this title shall take effect July 1, 1985.

(b) The amendment made by section 703(c)(2) of this Act shall not apply to funds appropriated before the date of the enactment of this Act.

TITLE VIII—HIGHER EDUCATION PROGRAMS

NATIONAL DIRECT STUDENT LOAN APPORTIONMENT

SEC. 801. (a) Section 12 of the "Student Financial Assistance Technical Amendments Act of 1982" is amended—

(1) by inserting "(a)" after the section designation; and

(2) by inserting at the end thereof the following new subsection:

"(b) Notwithstanding subsections (a) and (b) of section 462 of the Higher Education Act of 1965, if in the fiscal year 1986 the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 are less than the sums appropriated pursuant to such section for the fiscal year 1980, the Secretary shall apportion the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 for such fiscal year among the States so that each State's apportionment bears the same ratio to the total amount appropriated as that State's apportionment in fiscal year 1980 bears to the total amount appropriated pursuant to section 461(b)(1) for the fiscal year 1980.".

(b) The amendments made by this section shall take effect October 1, 1985.

NATIONAL GRADUATE FELLOWS PROGRAM

SEC. 802. The last sentence of section 931(a) of the Higher Education Act of 1965 is amended to read as follows: "In the fiscal year beginning October 1, 1985, and each succeeding fiscal year, all funds appropriated in each fiscal year shall be awarded to students by April 1 of the fiscal year for which the funds were appropriated. All funds appropriated in a fiscal year shall be

obligated and expended to the students for fellowships for use in the academic year beginning after July 1 of the fiscal year for which the funds were appropriated. The fellowships shall be awarded for only 1 academic year of study and shall be renewable for a period not to exceed 4 years of study.".

Mr. HATCH. Mr. President, I am very pleased to present to the Senate the National Science Foundation Authorization Act for fiscal year 1986. This bill represents the combined efforts of four congressional committees: the Senate Labor and Human Resources, and Commerce, Science and Transportation Committees; and the House Science and Technology, and Eduction and Labor Committees. We believe this is a good piece of legislation.

As my colleagues know, we have not passed NSF authorizing legislation for 5 years. The absence of congressional direction has been taking its toll on several of NSF's programs; lack of an authorization has created ambiguity and confusion regarding congressional intent. I hope that enactment of this legislation will rectify this situation and will give legitimacy to NSF's activities in basic research as well as science and math education.

In addition to authorizing specific funding levels for each NSF activity, the bill also reauthorizes the Education for Economic Security Act. We have made some changes in this legislation. First, we have better defined the obligations of NSF in science, math, and engineering education. These are to: Conduct teacher institutes, assist in materials development and methods research, promote programs for the public understanding of science and technology, award graduate fellowships, and administer the Presidential Awards for Excellence in Science and Mathematics Teaching. The Foundation is also authorized to expend up to 15 percent of the funds allocated for science and engineering education for projects which it determines meet one or more of the specified functional objectives.

Second, we have clarified our intention with regard to the partnership concept built into the Education for Economic Security Act. Rather than require joint applications, we have amended Public Law 98-377 to require only that those who apply for the NSF grants from the institute, or materials and methods development programs include the appropriate education agencies in planning the project. Institutions of higher education, professional scientific societies, museums, libraries, or others need the input of local school administrations and of classroom teachers who are the ultimate user of these resources. Likewise, educators need the expertise and fresh ideas which higher education, professional societies, and museums and others can supply.

It should be noted that there is no financial or in-kind match required for teacher institute programs, although Congress believes the commitment of funds or facilities more clearly demonstrates a strong partnership. There is a mandatory match for materials development or methods research grants. The percentage is not specified to allow NSF flexibility in awarding the most promising proposals. However, the Congress feels strongly that the match requirement is necessary to promote cooperation among diverse entities among whom there have been few previous connections.

The Partnerships in Education Program, title III of the Education for Economic Security Act (Public Law 98-377), has been moved to the Department of Education where it is expected to find a home in the Office of Educational Research and Improvement. This change was made to take advantage of each agency's particular strengths in program administration. The Congress has high hopes for this program.

While NSF has long carried out a program of graduate fellowships, such a program has never been formally authorized. The amendment of the House adopts the Senate's provisions making a program for graduate fellowships one of the three main activities of the Science and Engineering Education Directorate.

This bill also reauthorizes the other provisions of the Education for Economic Security Act, with some technical amendments. These provisions include the Block Grant Program administered by the Department of Education to help State and local education agencies develop teacher training, retraining, and inservice training programs in math and science education, the Excellence in Education Program, and the Magnet Schools Program. The amendment also includes technical amendments to such ongoing education programs as the Harry S. Truman Scholarships, Education for the Handicapped, Library Services, and the Carl Perkins Vocational Education Acts.

In closing, Mr. President, I want to take a minute to thank my colleagues in the Senate for their outstanding participation and cooperation, especially Senators STAFFORD, QUAYLE, KENNEDY, and PELL from the Labor and Human Resources Committee, as well as Senators DANFORTH, GORTON, and HOLLINGS from the Commerce, Science and Transportation Committee. I would also be remiss not to recognize our staffs who have worked diligently to put the pieces of this legislation together. In particular, I want to thank Polly Gault, Liz Hackett, Ellen Congleton, Betsy Brand, Mona Sarfaty, David Evans, Sandy Crary, Ann Young, Cassie Phillips, Pat Windham, and Kris Iverson. Also, we have had excellent meetings with our counterparts on the House side, and I want to thank Representatives DON FUQUA, DOUG WALGREN, MANUEL LUJAN, SHERWOOD BOEHLERT, JOE SKEEN, GUS HAWKINS, DALE KILDEE, JIM JEFFORDS, and BILL GOODLING for their efforts. Rob Ketchum, Grace Ostenso, Joyce Freiwald, Maryanne Bach, Jack Jennings, Nancy Kober, Beth Buehlmann, and Andy Hartman represented them well. We had some real teamwork getting this bill passed and, as chairman of the Labor Committee, I am very proud to have been a member of the team.

Mr. President, I move the adoption of H.R. 1210 as amended.

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

Mr. DOLE. I move to reconsider the vote.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 91

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed

notice, stating that the Iran emergency is to continue in effect beyond November 14, 1985, to the *Federal Register* for publication. Similar notices were sent to the Congress and the *Federal Register* on November 12, 1980, November 12, 1981, November 8, 1982, November 4, 1983, and November 7, 1984.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. Although the international tribunal established to adjudicate claims of U.S. nationals against Iran and of Iranian nationals against the United States continues to function, full normalization of commercial and diplomatic relations between the United States and Iran will require more time. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of implementing the January 1981 agreements with Iran and in the eventual normalization of relations with that country.

RONALD REAGAN

THE WHITE HOUSE, *November 1, 1985.*

MESSAGES FROM THE HOUSE

At 11:05 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the text of the bill (H.R. 505) to amend title 38, United States Code, to improve the delivery of health care services by the Veterans' Administration, and for other purposes, with an amendment, in which it requests the concurrence of the Senate, and that the House agrees to the amendment of the Senate to the title of the bill.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3629. An Act making appropriations for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

At 12:12 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 145. Joint resolution designating November 1985 as "National Diabetes Month."

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. THURMOND].

At 2:22 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 1078) to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House: Mr. DINGELL, Mr. FLORIO, Ms. MIKULSKI, Mr. BROYHILL, and Mr. LENT; and as additional conferees, solely for the consideration of subsections 16 (b), (c), and (d), and section 17 of the Senate bill, and modifications thereof committed to conference: Mr. WAXMAN and Mr. MADIGAN; and as additional conferees, solely for the consideration of sections 16 and 17 of the Senate bill, and modifications thereof committed to conference: Mr. MOAKLEY, Mr. FROST, and Mr. LOTT.

The message also announced that the House insists upon its amendments to the bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that act to volunteers, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. HAWKINS, Mr. CLAY, Mr. MURPHY, Mr. WILLIAMS, Mr. JEFFORDS, Mr. PETRI, and Mr. BARTLETT as managers of the conference on the part of the House.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 207. A concurrent resolution to recognize the twentieth anniversary of the Higher Education Act of 1965 and reaffirm its purpose.

At 3:26, a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House recedes from its disagreement to the amendment of the Senate numbered 3 to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt, and agrees thereto, and that it recedes from its disagreement to the amendments of the Senate numbered 1 and 2, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 1903. An act to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Chippewas of Lake Superior in Dockets Numbered 18-S, 18-U, 18-C, and 18-T before the Indian Claims Commission, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

At 5:41 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3669. An act to prevent the disinvestment of the Social Security Trust Funds and other trust funds.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3629. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes; to the Committee on Appropriations.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, November 1, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 145. Joint resolution designating November 1985 as "National Diabetes Month."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. TRIBLE (for himself and Mr. ARMSTRONG):

S. 1817. A bill to suspend temporarily most-favored-nation treatment to Romania; to the Committee on Finance.

By Mr. DENTON (for himself and Mr. DECONCINI):

S. 1818. A bill to prevent sexual molestation of children in Indian country; to the Committee on the Judiciary.

By Mr. ARMSTRONG (for himself and Mr. HART):

S. 1819. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Cache la Poudre River and the South Fork of the Cache la Poudre River in Colorado as a component of the National Wild and Scenic River System; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI:

S. 1820. A bill to provide financial assistance to State and local educational agencies for the development and expansion of demonstration chemical and substance abuse prevention programs in the public elementary and secondary schools of such agencies, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LEAHY:

S. 1821. A bill entitled the Nuclear Waste Reform Act of 1985"; to the Committee on Environment and Public Works.

By Mr. THURMOND (for himself, Mr. LEAHY, Mr. LAXALT, Mr. HATCH, Mr. GRASSLEY, Mr. SPECTER, Mr. MCCONNELL, Mr. SIMON, Mr. SASSER, Mr. DIXON, Mr. DANFORTH and Mr. QUAYLE):

S. 1822. A bill to amend the Copyright Act in section 601 of title 17, United States Code, to provide for the manufacturing and public distribution of certain copyrighted

material; to the Committee on the Judiciary.

By Mr. ROCKEFELLER (for himself, Mr. MATSUNAGA and Mr. BINGAMAN):

S. 1823. A bill to strengthen the technological literacy of the Nation through demonstration programs of technology education; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TRIBLE (for himself and Mr. ARMSTRONG):

S. 1817. A bill to suspend temporarily most-favored-nation treatment to Romania; to the Committee on Finance.

SUSPENSION OF MOST-FAVORED-NATION TRADE STATUS FOR ROMANIA

Mr. TRIBLE. Mr. President, I am introducing legislation today together with my friend and colleague from Colorado, Senator ARMSTRONG, which addresses the ongoing religious persecution in Romania by suspending most-favored-nation status toward that country for 6 months.

Romania severely proscribes all forms of political and religious freedoms. And the right of religious belief and worship is under the most severe attack today.

Despite constitutional guarantees of religious freedom, the exercise of that fundamental freedom is greatly limited by the Romanian State. The Romanian Department of Cults licenses and monitors all clergymen and must also approve all requests for new church construction, additional clergymen, and extra religious publications.

The shortage of such publications in Romania is severe. Bibles are in short supply, and their importation is tightly regulated. Moreover, as the preamble to the bill I am sponsoring points out, reports have reached the United States of Romanian Bibles having been recycled for the production of toilet paper.

In addition, the activities of Christian activists in Romania are strictly controlled. Telephone conversations of Romanian religious dissidents are often tapped or interrupted and Romanian citizens are frequently denied the right to travel to religious gatherings.

Despite this record of oppression, Romania continues to reap the benefits of most-favored-nation status with the United States, which significantly reduces tariffs on Romania.

Pursuant to the Jackson-Vanik amendment, the administration is required to certify that Romania is making progress in human rights in order for that nation to continue to receive MFN privileges.

It is true that Romania recently released Father Gheorgle Calciu, a priest who had been imprisoned by the Romanians for more than 21 years. And for that we can rejoice, for one more of the world's religious dissidents has joined the ranks of free men.

But Father Calciu's plight is but one example of the suffering that Romania continues to inflict on religious believers. The vast majority of Christians in Romania remain at risk. The release of one brave man is not enough to ease the plight of all religious believers in Romania.

Consider the following cases:

Keston College reported several weeks ago on an attack by Romanian authorities on a Roman Catholic priest who refused to make incriminating statements about his parishioners. Father Janos Csilik was beaten severely.

Rev. Istavan Tokes, an international respected theologian and a senior official of the Hungarian Reformed Church, after strong official pressure, was fired in November 1983 from his position as professor at the Protestant Theological Seminary, and in May 1984 was dismissed from his post as assistant bishop. He continues to be monitored.

Rev. Laszlo Tokes, son of Istvan Tokes and also a minister of the Hungarian Reformed Church, was banisned from his congregation in Des to a remote village in May 1984.

Felicia Russo, a convert to the Pentecostal Church in Lugoj, has been repeatedly harassed by authorities since her conversion. She was expelled from the university and denied a passport. Currently, she can get only menial jobs for which, church sources report, she is paid approximately $4 (U.S.) a month.

This kind of religious persecution has influenced Senator Armstrong and one to sponsor this legislation to temporarily suspend Romania's MFN status for 6 months. During that time, the President must assess the status of religious liberty and political freedom in Romania, and recommend whether sufficient progress has been made to warrant the restoration of MFN status.

Mr. President, this legislation will strengthen America's commitment to human rights and religious liberty. It is identical to a bill sponsored in the House by Representatives FRANK WOLF, CHRIS SMITH, and TONY HALL, who recently traveled to Romania, and I urge my colleagues to join Senator ARMSTRONG and me in cosponsoring this important legislation.

Mr. ARMSTRONG. Mr. President, the continuation of most-favored-nation status for Romania comes before the Senate each year, and every year we once again allow continuation regardless of the fact that the Ceausescu regime violates the conditions for its continuation—namely free emigration and basic human rights for Romanians.

As my colleagues will remember, when the Trade Act of 1974 passed attached to it was the so-called Jackson-Vanik amendment. This amendment prohibits granting MFN treatment, government credits or investment guarantees, or the negotiation of commercial agreements to a nonmarket country that fails to promote human rights, particularly the right to emigrate.

In 1975, we gave MFN status to Romania because of a number of promising developments in that country. Romania had refused to become fully integrated with the Council of Mutual Economic Assistance [COMECON] of the Soviet bloc and it began to show nationalistic tendencies rather that rotely following Moscow's agenda in the international community. Over the years, Romania has continued to step out of the Soviet line on occasion such as adopting diplomatic relations with Israel, following a less anti-Western voting record in the United Nations, and only participating in a limited manner in Warsaw Pact activities.

Unfortunately, the trend toward progress has not only stopped, it has reversed itself. Last year, Romania's voting record in the United Nation was more anti-Western than the Soviet Union. According to news reports, the Soviet Union is now actively involved in a growing number of internal Romanian activities—including broad overview of the economy even to the factory level, close ties with the Romanian secret police, and the borrowing of technology Romania receives from the West.

Romania's human rights record is even more appalling. In fact, the Helsinki Watch Committee has stated, "Romania is generally considered to be one of the most egregious human rights offenders in Eastern Europe." Clearly, the Jackson-Vanik amendment sought an improvement in human rights in the Soviet bloc. Romania has made a mockery of our generosity.

Emigration, the primary concern of Jackson-Vanik, has been severely restricted. While it is true that emigration numbers are up, those receiving permission to leave are not the people I believe Senator Jackson and Congressman Vanik had in mind. According to former Ambassador to Romania David Funderburk,

> We were outfoxed by [Romanian President] Ceausescu. He in effect dumped people on us like a mini-Marie—Cuban boatlift. Hundreds of those approved for emigration were undesirables. Meantime, many of those we wanted out are still waiting for official permission.

The consequences of legitimately applying for permission to emigrate are severe. During the lengthy processing delays—sometimes for years—many lose their jobs, are evicted from their houses, are denied education for their children, and lose their medical benefits.

Romania's record on other human rights is not better. The Ceausescu government is steadily increasing its denial of religious freedom. Travel to religious gatherings and funerals is forbidden. Clergy have been imprisoned, held under house arrest, beaten, and some have simply disappeared.

Several years ago the World Reformed Alliance sent 20,000 Bibles to the Hungarian Reformed Church in Romania. They did so because the government has not allowed the printing of Bibles and hymnals for years. The Bibles which were sent mysteriously disappeared. After a long silence, the Bibles reappeared in the form of toilet paper.

Labor has also experienced the denial of basic human rights. Virtually no expression of worker dissatisfaction is tolerated. In 1977, a large-scale strike by 35,000 coal miners was swiftly, brutally suppressed. Thousands of workers were fired or forced to leave the area and the leaders were arrested. In a 1979 attempt to form a trade union, two leaders of the movement were confined to psychiatric institutions while a third was imprisoned.

Minorities have, for all practical purposes, become nonpersons. The largest minority, the Hungarians, have had their schools closed, are forced into less desirable jobs, have been denied television broadcasting in their own language, and live in constant fear of the secret police.

At one time, it made some sense for the United States to grant favors to Romania in the hope of getting something in return. But quite clearly, progress is not being made and the denial of human rights is growing. In addition, Romania no longer exhibits any more than token independence from Soviet policy.

According to the State Department and many Eastern Bloc experts, the Ceausescu regime desperately wants to keep most favored nation status. However, it is not willing to live by the conditions under which MFN status was granted. Therefore, I believe we in the Congress must firmly state that concrete progress must be made before most-favored-nation status is granted.

Today I am joining Senator TRIBLE in introducing legislation to suspend MFN status to Romania for 6 months. During that interval, the President is directed to assess the status of civil liberties and human rights in Romania and recommend to Congress whether the suspension should be extended and, if so, for what period.

MFN status can be strong leverage for improving the civil liberties and human rights of people suffering under Communist tyranny. It should be granted only after serious deliberation, and it should be continued only when significant progress is made in furthering basic rights. MFN status is a privilege. Until significant, consistent progress is exhibited in Romanian Government policy, this privilege should not be granted.

I ask unanimous consent related materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 26, 1985.

WHY ROMANIA NO LONGER DESERVES TO BE A MOST FAVORED NATION

INTRODUCTION

"We were outfoxed." This is how David Funderburk, the recent United States Ambassador to Romania, describes U.S. relations with that Soviet bloc country. Funderburk's charges are very serious. Bucharest has enjoyed special treatment from Washington for decades, ostensibly as a reward for improving the human rights condition of Romanians and for pursuing a foreign policy independent of the line that Moscow imposes on the rest of Eastern Europe. It is now, however, the judgment of Funderburk and an increasing number of experts that while the U.S. has lived up to its part of the deal and granted Bucharest generous credit and trade benefits, Bucharest has reneged on its part. The past decade, for instance, has seen steady deterioration rather than improvement of Romanian human rights. Emigration remains carefully controlled and very restricted. And Romania's claim of following an independent foreign policy is an elaborate charade.

In short, for two decades the U.S. has been swindled in its bargain with Romania. It thus is time to rethink this deal. The place to start is with the Most Favored Nation (MFN) trade status, which Romania has enjoyed with the U.S. since 1975, something of enormous economic and symbolic benefit to Bucharest. The Reagan Administration should reverse a policy that has failed to improve the lot of Romanians or to help the U.S. diplomatically. The Administration should ask Congress to deny Romania Most Favored Nation privileges now that MFNL is up for its annual review.

ROMANIA'S RECORD

Romania's human rights record is among the worst in the Soviet bloc, surpassed perhaps only by the U.S.S.R. itself. The regime persecutes religious believers; it uses psychiatric hospitals for political purposes; censorship is ubiquitous; free labor unions are totally forbidden. The situation has deteriorated seriously since MFN was granted in 1975. Jeri Laber, Executive Director of the U.S. Helsinki Watch Committee, for instance, told the House Foreign Affairs Subcommittee on Human Rights and International Organizations in 1982 that his Committee's "reports are becoming increasingly difficult to compile because reliable information about events in Romania is becoming increasingly scarce. Romania is a closed society."

To be sure, since 1962 when Romania first resisted pressure to integrate with the Communist bloc economies completely under Soviet control, Bucharest has appeared to be something of a maverick in foreign affairs. It has made overtures to China; it maintains relations with Israel; it sent its team to the 1984 Los Angeles Olympics. These gestures of seeming independence from the USSR, however, must be balanced against such other factors as: Romania is believed to reexport to the USSR American goods whose sale to Moscow is banned; Romania has been campaigning for increased Soviet presence in the Middle east negotiations; and the Romanian secret service, the CIE, is totally integrated within the Soviet KGB.

In fact, according to former CIE Deputy Director and special advisor to President Nicolae Ceausescu, General Ion Mihai Pacepa, who defected to the U.S. in 1978, all significant information gathered by the CIE is offered directly to the KGB. Pacepa also estimates that "of the Romanian trade personnel abroad (in 1978), 70 percent were intelligence officers . . . . Every cooperative or joint venture with Western companies is intensively used to infiltrate to the West numerous intelligence officers and agents, for the purpose of illegally obtaining Western technology."[1]

The Soviet presence in Romania, meanwhile, is much more extensive than some State Department officials are willing to admit. U.S. Ambassador Funderburk, for example, has testified that by checking schools, registries, and license plates the U.S. Embassy in Romania found "an ungodly number" of Soviets—including Soviet agents in factories monitoring Romanian exports to the Soviet Union.[2]

And now comes the revelation that some 20,000 Bibles sent by the World Reformed Alliance to the Hungarian Reform Church in Romania were turned into toilet paper. This is one more insult to Romanian citizens who are virtually forbidden to practice their various religions.

WHY MFN STATUS FOR ROMANIA?

In 1962, Romania surprised the international community by refusing to become fully integrated with the Council for Mutual Economic Assistance (COMECON) of the Soviet bloc. Because of its domestic energy resources, Romania apparently felt that it could develop a policy somewhat different from Moscow's. The leadership hoped to gain some support from a population not only deeply anti-Russian but basically anti-communist.[3]

During the 1960s, Ceausescu came to realize that nationalism was a powerful means of gaining popular support. He thus developed a foreign policy with nationalist overtones that deviated on occasion from the Soviet line. This policy was aided at the beginning by a growing economy. But since the 1970s, Romania's energy supplies have been shrinking, and the country now must import oil. In 1983, Romanian oil imports were 12,395,000 tons, and in 1984, 10 million tons, mostly from the Middle East. Prior to 1975 Romania exported to the Soviet Union as much as 4 million tons of oil annually, but now it is seeking to import about 6 million tons from the USSR.[4] As such, Bucharest no longer is so economically independent of Moscow.

Interpreting Romania's foreign policy moves to be a sign of liberalization, the U.S. in 1975 waived for Romania the section of the 1974 Trade Act known as the Jackson-Vanik Amendment. This amendment prohibits granting MFN treatment, government credits or investment guarantees, or the negotiation of commercial agreements to a

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[1] I.M. Pacepa and Michael Ledeen, "Romania Reaps Rewards of Hi-Tech Thefts," Human Events, March 16, 1985.

[2] The Washington Post, May 15, 1985.

[3] Robert King, in his "History of the Romanian Communist Party" (Stanford, California: Hoover Institution Press, 1980), states that the Party's membership in August 1944 was a negligible 1,000.

[4] See RFE/RL, "Situation Report" 5, March 13, 1985, pp. 7-10.

communist country that fails to promote human rights, particularly the right to emigrate.[5] The President may waive the prohibition annually, subject to congressional approval, and extend MFN status to a communist country. Presidents and Congresses have waived the ban on Romania since 1975 and on Hungary since 1978.

The waiver originally was granted to Romania in an effort "to create a viable framework and favorable atmosphere for the development of trade and economic cooperation."[6] And more recently, another aspect was clarified by Gary Matthews, Deputy Assistant Secretary for Human Rights and Humanitarian Affairs: "This administration and the three preceding it have looked to Romania's relatively independent foreign policy as a significant factor in the evolution of Eastern European relations with the Soviets."[7] As examples, Matthews lists Romania's dissent from the Soviet line on such Warsaw Pact and COMECON issues as: Romania's Warsaw Pact military participation is more limited than that of other members; it sent a team to the 1984 Olympics; it has maintained diplomatic relations with Israel since 1967; it hosted Israeli Prime Minister Perez in February 1985; its votes in the U.S. General Assembly have diverged more from Soviet positions that those of other Eastern European countries; and it has allowed considerable Jewish emigration.

For such actions, Romania has benefited from U.S. extension of MFN status. Politically, MFN bolsters the image of Ceausescu, one of the Eastern bloc's most ruthless dictators and the only true Stalinist left in power. Economically, total two-way trade between the U.S. and Romania increased from about $450 million in 1976 to over $1.21 billion in 1984, though U.S. exports to Romania have held virtually steady from $249 million in 1976 to $246 million in 1984. Romania has received U.S. government Export-Import Bank and Commodity Credit Corporation credits to purchase U.S. exports, and is eligible for political risk insurance from the Overseas Private Investment Corporation. U.S. imports provide Romania with products needed to help its disastrous economic situation. These include grains and seeds, coal, electric machinery, chemicals, and cattle hides.

Western economic concessions, however, provide no incentives to Ceausescu to decentralize Romania's economy or to pay heed to the human rights of its citizens. Instead, MFN and other concessions allow him to continue his harsh, repressive policies.

HUMAN RIGHTS SITUATION

"Romania is generally considered to be one of the most egregious human rights offenders in Eastern Europe. Nor has the situation improved over the past few years. A severely deteriorating economy, a corrupt bureaucracy, an omnipresent secret police network, and the 'cult of personality' surrounding the Ceausescu family have resulted in increasing misery for Romanian citizens." So says the U.S. Helsinki Watch Committee, a nongovernmental organization that monitors human rights, in a May 14, 1985, report to Congress. In every area, Romania disregards international human rights standards and even its own laws. In its 1984 Country Reports on Human Rights Practices, the State Department emphasized that "in the area of human rights major discrepancies persist between Romania's Constitution, law, public pronouncements and international commitments on the one hand, and the civil liberties and human rights actually allowed by the regime on the other."[8]

To stifle dissent, for example, Ceausescu's regime employs such tactics as: beatings, jailing, incarceration in psychiatric hospitals, torture, even political murder. In April 1984, for example, Father Geza Palfi was beaten to death by security police for suggesting that Christmas should not be a workday. Amnesty International continues to receive reports of people who are imprisoned or harassed for the nonviolent exercise of their right to freedom of expression.[9]

Religious persecution

The State Department knows of many cases of Romanians forbidden from traveling to attend religious gatherings and funerals. The International League for Human Rights cites cases of religious leaders singled out for repression by administrative action.[10] Among them:

Father Calciu-Dumitreasa, a Romanian Orthodox priest and professor of theology, was released from prison in August 1984, after serving a ten-year sentence for nonviolent human rights activity. Since then he has been placed under virtual house arrest. He is unemployed, deprived of outside contacts, denied a passport, and subject to strict surveillance.

Reverend Istvan Tokes, an internationally respected theologian and a senior official of the Hungarian Reformed Church, after strong official pressure, was fired in November 1983 as professor at the Protestant Theological Seminary, and in May 1984 was dismissed from his post as Assistant Bishop. He is under continuing surveillance.

Felicia Russo has been harassed repeatedly by authorities since she converted to the Pentecostal Church. She was expelled from the university and denied a passport. She now can get only menial jobs for which, church sources report, she is paid approximately $4 a month.

The League also reports that on April 26, 1985, Reverend Petru Popescu, known for his criticisms of the state's anti-religious policies, disappeared from a train station platform; his whereabouts are unknown. On April 19, Constantin Sfatcu, a Baptist lay leader was imprisoned for distributing; Radu Filipescu, a Romanian engineer, is currently in prison for distributing leaflets critical of the regime. These are but a few examples of the routine repression of Romanians attempting to practice their religion.

The latest and perhaps most dramatic example of Romania's blatant disregard for religious liberty is the revelation that some 20,000 Bibles sent by the World Reformed Alliance to the Hungarian Reformed Church in Romania never reached the approximately 1 million church members. Instead the Bibles were sent to the paper mill in Braila to be recycled into toilet paper. Since many original words and letters remained intact, the fate of the Bibles became known in the West.[11] Meanwhile, religious believers in Romania are deprived of Bibles in violation of the Helsinki Accords and the peace treaties after World War II.

Nor is the situation likely to improve. For at the 13th Congress of the Romanian Communist Party last November, Ceausescu vowed to "take firm measures against various mystical and obscurantist manifestations." Indeed, the Romanian administrative body dealing with religious matters is known as "the Department of Cults."

Repression of minorities

The New York-based Committee for Human Rights in Romania has been monitored effectively the increasingly desperate situation of the 2.5 million Hungarian nationals in Romania (out of a total population of 20 million).[12] In the past year, all television broadcasting in Hungarian has been stopped. Hungarian schools are being closed. The government routinely assigns Hungarian graduates of universities and trade schools to jobs outside the community, creating an acute shortage of Hungarian teachers and language experts in the Hungarian areas. The persecuted dissident Karol Kiraly summarized the situation of the Hungarian minority in an interview in October 1984:

The atmosphere of terror is beyond description. It permeates every aspect of everyday life. The most arbitrary and extreme measures are taken with respect to education, housing, cultural and religious activities, in total disregard of established laws and regulations. The fear which the secret police has managed to instill in every citizen makes even the simplest act become incredibly risky and complicated. Making a long distance telephone call to Hungary, for example, is itself already considered a suspicious activity. . . . Distrust is so prevalent that no one dares communicate to anyone. Those who dare to trust someone risk their jobs, their homes or anything they might hold dear.[13]

Emigration: The dark story

"Illegal" emigration is forbidden. To attempt it and fail is an offense punishable with up to three years in jail.

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[5] A careful reading of the amendment indicates that it was intended to cover more than one particular human right, freedom of emigration. Section 402 of the 1974 Trade Act states its objectives to be "to assure the continued dedication of the United States to fundamental human rights." It then defines the means for achieving these objectives, citing emigration as a condition for the extension of trade benefits. On May 23, 1985, Congressman Mark Siljander (R-MI) introduced H.R. 2596, which would deny MFN status to countries that discriminate on ethnic, cultural, or religious grounds.

[6] Hearings before the Subcommittee on Trade of the Committee on Ways and Means, House of Representatives, June 22 and July 9, 1979, p. 43.

[7] Hearings before the House Foreign Affairs Subcommittee on Human rights and International Organizations, May 14, 1985.

[8] "Country Reports on Human Rights Practices," Department of State, February 1984, p. 1077. It may be argued, however, that Romanian law does not guarantee any human rights, once the provisos are read in the proper context. See Juliana Geran Pilon, "The Romanian Distinction between Negative and Positive Liberty," Studies in Soviet Thought 23 (1982), pp. 131-140.

[9] See the prepared statement of Amnesty International, USA, on Amnesty International's Concerns in Romania, to the House Subcommittee on Human Rights and International Organizations, May 14, 1985.

[10] Cited in the Testimony of the International League for Human Rights before the Subcommittee on Human Rights and International Organizations by Nina Shea, Program Director, on May 14, 1985, p. 6.

[11] Further information on Romania's religious persecution may be obtained from Rev. Dr. Alexander Havadtoy, minister at the Calvin Church in Fairfield, Connecticut, and Professor at the Yale University Divinity School.

[12] See, for example, the extensive testimony of Laszlo Hamos, Chairman of the Committee for Human Rights in Romania, in Hearing of the International Trade Subcommittee of the Senate Committee on Finance, August 8, 1984, pp. 159-239.

[13] Shea, op. cit., p. 12.

Legal emigration has many facets. Since the early 1960s, according to General Pacepa, Ceausescu has been engaged in what amounts to "selling Romanians" as an expert commodity.[14] That is in exchange for emigrants Romania has received from the governments of Israel and West Germany thousands of dollars in cash along with low interest credits issued through the CIE for increased emigration quotas. Since 1972, charges Pacepa, hundreds of millions of dollars have been received for bartering Romanian Jews and Germans behind political scenes and have been deposited in a personal account of Ceausescu, some in the Romanian Foreign Trade Bank, some in Switzerland.

The number of Romanians allowed to emigrate to the U.S. is not an accurate indicator of the situation. The figure has grown from 980 in 1975 to 4,545 last year. But many of those allowed to leave reportedly are criminals "dumped" on the U.S., agents instructed to infiltrate the emigre community, or dissidents forcibly exiled. Bona fide emigrants, by contrast, are encountering increased harassment. Inordinate delays are standard. Applicants for permission to emigrate often are fired from their jobs, demoted to lower paying jobs, evicted from their homes or given inadequate housing, or denied medical care and other benefits.[15] Their children, meanwhile, are not allowed to enroll in schools.

The U.S. was ready to deny MFN status in 1983 after Ceausescu announced in November 1982 the possible imposition of an education tax on prospective emigrants to reimburse the state for the cost of educating those seeking to leave. Ronald Reagan announced that MFN status would end if the policy were not canceled. Only days before the deadline, the tax was rescinded. In retrospect, many observers agree with Jeri Laber of the U.S. Helsinki Committee that the controversial tax was likely a ploy. Explains Laber: "By first imposing the education tax and then lifting it, the Romanian government is distracting attention from other impediments to freedom of emigration and from its worsening human rights record in general, things which endangered MFN long before the education tax became an issue."

What is worse, the tax seems to have returned through the back door in the form of bribes. The International League for Human Rights has documented reports of government agents demanding bribes of up to $3,200 from individuals before they are permitted to emigrate. This is confirmed by Western diplomatic sources. These payments, charges League Program Director Nina Shea, "are a substitute for the Education Tax."

Repression of workers

The Ceausescu regime tolerates virtually no expression of worker dissatisfaction. In August 1977, a large-scale strike by 35,000 coal miners in the Jiu valley in southwest Romania was swiftly, brutally suppressed. Thousands of workers were fired or sent back to their native villages; the leaders were arrested.[16] An attempt in 1979 to form a Free Trade Union of Romanian Workers was also quickly quashed. According to Amnesty International, two leaders of the movement, Iona Cana and Gheorghe Brasoveanu, were confined to psychiatric institutions, while a third was sentenced to eighteen months imprisonment.[17]

A new decree now places those entering the labor force in what amounts to indentured servitude. All are forced to remain at their first assigned jobs for at least five years or forfeit half of the wages. Students are forced to work. Last summer, three million young people were sent into the countryside to help with the harvesting.[18]

Censorship

Censorship has been intensified in recent years from its already high level. Because all publications are controlled by the government, Romania may be the only East European country without a *samizdat* or underground literature. Citizens are required to register their typewriters. These can be confiscated if that is deemed "in the interest of the state." The author of a book critical of the Ceausescu regime, Adevarul (The Truth), was arrested in June 1984. He has not been heard from since.

Assassinations

A critic of the Romanian regime does not escape the long arm of Ceausescu's ire even by exile or emigration. Paul Goma, the dissident writer expelled to France in 1977, was targeted for assassination in 1982. His would-be assassin, Matei Haiducu, revealed to the French secret service the details of his mission. This is not the only such case. In 1980, West Germany arrested a man who spied on Romanian emigrants for Romanian intelligence; in February 1981, parcel bombs were sent to the homes of prominent Romanian exiles in Paris and Cologne, injuring two of them and a police bomb expert; in July 1981, Emil Georgescu, an outspoken Romanian program editor at Radio Free Europe in Munich was stabbed 22 times. Other Radio Free Europe personnel who have been beaten or targeted for assassination include Monica Lovinescu and Sergiu Manoliu.[19]

In July 1978 General Ion Pacepa was instructed personally by Ceausescu to conduct secret assassinations by mailing plastic explosives to exiles critical of the Ceausescu regime. Pacepa refused and defected. Since his 1978 defection, he has been the target of at least seven assassination attempts.

The repression of Romanian citizens, even beyond Romania's borders, makes it seem especially inappropriate for the U.S. to bestow preferential MFN status on the Ceausescu regime.

HOW INDEPENDENT OF THE USSR IS ROMANIA?

Romania's political behavior is surely motivated mainly by a need to compensate for domestic economic and human rights shortcomings and to rally some popular support for the ruling Communist Party. Romania's ruthless internal repression, in fact, is a key reason for Moscow's tolerance of Romania's occasional gestures defying the Soviet foreign policy line. According to Romanian-born political science professor Aurel Braun, now of the University of Toronto, Moscow is willing to condone some dissent, provided that the country is governed with an iron, Leninist fist and that the USSR can reap other benefits.[20]

More important, some of Romania's seemingly independent moves actually may support Moscow's policies. While it is true, for instance, that Ceausescu appeared to have upset Moscow by asserting that no state has the right to intervene in Poland, he also strongly condemned the activities of the Solidarity trade union movement in language echoing Moscow's. And though it has received little attention, Romania approved the imposition of martial law in Poland.

In Middle East matters, Romania also hardly displeases Moscow. Romania supports an international conference organized by the U.N., in which the Soviet Union and the Palestine Liberation Organization would participate. Earlier this year, Ceausescu told *The Jerusalem Post* that he favored increased Soviet involvement in the Middle East.

Though Romania has yet to exchange ambassadors with Nicaragua, Bucharest was one of the first to recognize Nicaragua's communist regime. According to a Czechoslovak report, Romania has joined other Warsaw pact countries in sending 28 tons of food and medicine to Nicaragua aboard a Soviet Aeroflot plane.[21] It is believe that Romania also has sent military aid to Nicaragua.

Romania generally has backed, with political and material aid, Marxist and other radical leftist movements throughout the world.[22] This policy, probably motivated by Ceausescu's attempts to become a world leader, suits Moscow very well.

Most dangerous to the U.S. and the West is the integration of the Romanian secret service within the Soviet bloc intelligence services. To be sure, the Romanian CIE no longer technically reports to Moscow. But General Pacepa reports that the CIE has extensive ties to the Soviet KGB. Experts believe that the CIE is a very important ally in the KGB's espionage network, including inside the U.S. In addition, the CIE has secret agreements with the Hungarian, Yugoslav, and Bulgarian secret services for smuggling high technological commercial and military equipment into Romania and for sending drugs and arms abroad. In 1977 and 1978 alone, the Romanians sold Western smugglers more than 200 pounds of narcotics.[23]

Romania's voting record at the U.N. is cited by some State Department officials as an example of Bucharest's independence from Moscow. In 1983, for example, while the U.S. and Soviet Union voted together 13.8 percent of the time in the General Assembly, Romania voted with the U.S. 16.3 percent of the time. But in 1984, Moscow actually voted with the U.S. 13.2 percent of the time compared to 10.1 percent for Romania.

In view of its growing economic dependence on the Soviet Union, Romania can be

[14] "Human Events," p. 225.

[15] Over the years, Rabbi Jacob Birnbaum, head of the Center of Russian and East European Jewry in New York, has documented the harassment of Jewish prospective emigrants in particular. He also notes that 1983-1984 saw the resurgence of the rash of anti-Semitic writings in 1980. A long, insidious article in the Communist Youth League newspaper *Scinteia Tineretului* in April 1983, for example, discusses a Jewish "plot against the specificity of the Romanian Spirit." See Senate Hearing, *op. cit.*, Aug. 8, 1984, pp. 153-159 and 476-489.

[16] Vladf Georgescu, "Istoria Romanilor" (The History of the Romanians) (Los Angeles, American Romanian Academy of Arts of Sciences), p. 336. See pp. 310-345 for an excellent summary of Romania's current situation and policies.

[17] Al Annual Report 1981 (London), p. 314.

[18] RFE/RL "Situation Report" 7, April 9, 1985, p. 14.

[19] See Ion Pacepa's comments on these acts in "Le Matin" February 4, 1985.

[20] Aurel Braun, "Romanian Foreign Policy Since 1970: The Political and Military Limits of Autonomy" (New York: Praeger, 1978).

[21] "Cetka," August 6, 1979; cited in RFE/RL "Situation Report" 3, February 8, 1985, p. 7.

[22] RFE/RL "Situation Report" 3, February 8, 1985.

[23] "Human Events," p. 230.

expected to toe the Moscow line even more carefully. Ceausescu has been seeking increased fuel supplies from the Soviet Union. Radio Free Europe researcher Paul Gafton notes that Moscow "seems to be maintaining a deliberate gap between its oil exports and Romania's expectations in this domain, an obvious economic lever aimed at influencing Romania's political behavior." [24]

The Soviet presence in Romania, meanwhile, apparently is mounting. Reports Ambassador Funderburk:

Our guys observed a large Soviet presence in Romania that was not welcome news to some officials in Washington. On our own initiative, we looked in registries, checked schools, traced license plates and came up with an ungodly number of resident Soviets, including Soviet agents in factories monitoring Romanian exports to the Soviet Union.[25]

Funderburk also cites evidence that Romania has transferred to the Soviet Union technology obtained from the U.S. This is confirmed by Commerce Department officials.

CONCLUSION

At one time, it might have made sense for the U.S. to grant favors to Romania in the hopes of getting something in return. For a decade, however, the U.S. has waited patiently for Bucharest to live up to its end of the deal. Instead, Romania remains probably Eastern Europe's most repressive nation—except for the USSR. Romanian human rights are systematically abused, and emigration is rigidly restricted. Routinely in Romania there are psychiatric incarcerations and torture of political dissidents, harassment of would-be emigrants and religious believers, assassinations, and a fraudulent emigration record that includes a large number of forced exiles, criminals, and agents of the secret police.

Romania's much-touted "independent" road in foreign affairs, meanwhile, is a charade. The Romanian secret service, its high technology espionage efforts, its illegal drug trafficking efforts, are all closely integrated with the KGB. Many of Romania's actions, moreover, directly benefit Moscow, including its attempts to involve the Soviet Union in Middle East negotiations and the reported transfer to the Soviet Union of high technology obtained from the U.S.

As such, the U.S. should start treating Romania as the hard-line Stalinist state that it is. Washington should not enhance the Ceausescu regime by giving it the gift of Most Favored Nation trade status. To deny MFN to Romania would signal to the Romanian government that the U.S. no longer is fooled and no longer will encourage Bucharest's repressive internal policies and foreign policy deceptions.

JULIANA GERAN PILON, Ph.D.,
Senior Policy Analyst.

By Mr. DENTON (for himself and Mr. DECONCINI):

S. 1818. A bill to prevent the sexual molestation of children in Indian country; to the Committee on the Judiciary.

PREVENTING THE SEXUAL MOLESTATION OF CHILDREN IN INDIAN COUNTRY

Mr. DENTON. Mr. President, I rise today, along with my distinguished colleague from Arizona, Senator DECONCINI, to introduce a bill to prevent the sexual molestation of children in Indian country.

Specifically, the bill is designed to fill a gap in the Major Crimes Act, 18 U.S.C. 1153, with regard to serious sexual conduct directed at children. Currently, section 1153 reaches the crimes of rape, involuntary sodomy, and carnal knowledge of a female under the age of 16, when those crimes are committed by an Indian in Indian country. Although recently amended by Public Law 98-473 to add the offense of involuntary sodomy, the statute sill lacks adequate coverage of nonforcible sexual conduct involving children.

Serious offenses that are not covered include various types of sexual contact with male or female children other than carnal knowledge. Many U.S. attorneys have reported a troubling increase in incidents on Indian reservations. Amendment of the Major Crimes Act is necessary to permit effective enforcement, since without the amendment these serious offenses, which nearly all States treat as felonies, are prosecutable only in a tribal court, which may administer punishment only up to 6 months' imprisonment according to 25 U.S.C. 1302(7).

Moreover, amendment of the Major Crimes Act is necessary to increase the protection for children on Indian reservations and to equalize the punishment for such crimes between Indian and non-Indian offenders. A non-Indian who commits the crime of sexual molestation of a minor in Indian country is punishable under the far more stringent provisions of State law, either in State court when the victim is a non-Indian, or in Federal court by assimilation under 18 U.S.C. 1152 when the victim is an Indian.

The bill adds the offense of "felonious sexual molestation of a minor" to section 1153, thus permitting State law to be used in Federal court to prosecute Indian as well as non-Indian sexual molesters of children in Indian country. The description of the offense as "sexual molestation of a minor" is, like the recent addition of "involuntary sodomy," meant to be generic in nature. Thus, it would not matter whether the particular State denominated its offense as "sexual molestation" or by some other title such as "indecent liberties" or "sexual contact" with children.

So long as the State has on its books a felony offense that proscribes the conduct of nonforcible sexual abuse of the person of a minor, also as defined by State law, that offense will be incorporated into section 1153. The offense must, however, be a felony. This qualification ensures that, as with all other offenses in section 1153, only the major varieties of the offense will be subject to Federal jurisdiction, maintaining exclusive tribal jurisdiction over the lesser offenses.

Mr. President, as the U.S. Supreme Court noted in the famous case of New York versus Ferber, "the prevention of sexual exploitation and abuse of children constitutes a Government objective of surpassing importance." It is with that objective in mind that Senator DECONCINI and I introduce this bill to prevent the sexual molestation of children in Indian country and to give those children the same protections enjoyed by non-Indian children.

The bill has the strong endorsement by the National Congress of American Indians, as indicated by a resolution adopted at their recent annual meeting. The bill is also endorsed by the Alabama Indian Affairs Commission and the U.S. Department of Justice.

I ask unanimous consent that the text of the bill and the resolution by the National Congress of American Indians be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1153 of title 18, United States Code, is amended by inserting "felonious sexual molestation of a minor," after "involuntary sodomy," each place it appears.

RESOLUTION No. T-86-46/H

NATIONAL CONGRESS OF AMERICAN INDIANS

A resolution urging Congress to amend the Major Crimes Act by adding the crime of child sexual molestation.

Whereas, recognition of Child Sexual Abuse Problems on Indians Reservations and Alaskan Natives is an important initial step in facing and taking steps to resolve this pervasive social problem; and

Whereas, Child Sexual Abuse situations disrupt families and causes serious and permanent psychological damage to Indian children; and

Whereas, Tribal Social Services Offices, Tribal Prosecutor's Offices, and the Bureau of Indian Affairs and Tribal Law Enforcement Office, must cooperate to fully prosecute persons committing child sexual abuse crimes on Indian Reservations; and

Whereas, at the present time many Tribes do not have specific Child Molestation laws in their criminal codes and if an Indian is convicted of child sexual molestation, the maximum penalty available in Tribal Courts is six months incarceration, a five hundred dollar fine, or both; and

Whereas, an Indian committing a child molestation crime which is not considered Rape, Assault with Intent to Commit Rape, or Incest may not be charged with a federal Major Crime pursuant to 18 U.S.C. 1153; and

Whereas, it is necessary and crucial to effective law enforcement on Indian Reservations and to protect the mental health and physical well-being of Indian to have the United States Congress enact into law as part of the Major Crimes Act Molestation law.

Now therefore be it resolved:

[24] RFE/RL "Situation Report" 5, March 13, 1985.
[25] "The Washington Post," May 15, 1985.

1. The National Congress of American Indians hereby urges the United States Congress to enact into law an amendment to the Major Crimes Act, 18 U.S.C. 1153, making child molestation by an Indian to an Indian child occurring on an Indian Reservation, a federal crime justiciable in the federal courts and providing the federal courts the power to punish Indian offenders.

2. The National Congress of American Indians hereby urges the United States Congress to enact into law an amendment to the Indian Civil Rights Act, 25 U.S.C. § 1302(7), enlarging the penalty and punishment power of tribal courts to imprisonment for a term of one year or a fine of $1,000, or both.

3. The National Congress of American Indians hereby authorizes its duly elected officers to take all appropriate steps to urge Indian Tribes, Indian organizations, the Bureau of Indian Affairs, the Department of Justice, and the United States Congress to support amending the Major Crimes Act to include the crime of Child Molestation.

By Mr. LEAHY:

S. 1821. A bill entitled the "Nuclear Waste Reform Act of 1985"; to the Committee on Environment and Public Works.

NUCLEAR WASTE REFORM ACT

● Mr. LEAHY. Mr. President, I would like to introduce today the Nuclear Waste Reform Act of 1985. This legislation will make major changes in our existing nuclear waste policies.

I will also introduce in the CONGRESSIONAL RECORD at this point testimony I delivered before the Environment and Public Works Committee which explains this legislation and provides background information on why it is being introducted, and I ask unanimous consent that the testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR PATRICK J. LEAHY BEFORE THE ENVIRONMENT AND PUBLIC WORKS COMMITTEE ON THE NUCLEAR WASTE POLICY ACT OF 1982, OCTOBER 30, 1985

Before I begin to discuss my views on the Nuclear Waste Policy Act, I want to thank the Chairman of the Committee, my colleague from Vermont, Bob Stafford, for scheduling these hearings. As he knows, the Department of Energy's nuclear waste program has been very controversial in Vermont. Hundreds of Vermonters have turned out at meetings throughout the state on the Department's plans.

It will be no surprise to the Senators here today to learn that many strong feelings were expressed in those meetings. But those meetings did much more than vent feelings. Many of the speakers raised fundamental questions about the wisdom and fairness of the present radioactive waste program. The concerns raised by those Vermonters have made it clear to me that the Nuclear Waste Policy Act needs to be thoroughly reviewed by the Congress. Two broad issues need to be addressed.

First, has the Department of Energy implemented the Nuclear Waste Policy Act as Congress intended?

Second, does the Nuclear Waste Policy Act need to be fundamentally altered?

I urge the Committee to address each of these issues. I have come to the conclusion that the act needs to be fundamentally altered and that the Department has not implemented the existing act in a manner that should be accepted by the Congress.

The Nuclear Waste Policy Act had two basic premises. The first was that the Congress must establish a program to dispose of nuclear wastes quickly. This urgency existed because the lack of a demonstrated method of radioactive waste disposal threatened the viability of nuclear power in the United States. Indeed, at the time the act was being written, the Supreme Court was considering whether to overturn the California statute, which conditioned the expansion of nuclear power on the demonstration of such a solution. The nuclear industry viewed the passage of the Nuclear Waste Policy Act as part of an effort to win that lawsuit and overrule the Calfornia statute.

The second premise of that legislation was that the radioactive waste problem was a political problem and not a scientific one. Thus, it was necessary to create a system that would overcome the political obstacles through deadlines and similar mechanisms. It was assumed that an acceptable geological site could be found.

I do not agree with either of these premises. When the Congress writes nuclear waste legislation, I believe that its premise should be the health and safety of the American people. I believe that the determination of whether or not a safe geological site can be found for nuclear waste is a matter that must be solved by scientific research and not legislative fiat.

Let me give three examples of how the premise that the nuclear waste disposal problem must be solved quickly has created an unsound and unfair process.

The act requires that the second set of repositories be chosen by 1989. Now that may seem like a long time. However, when you start to realize, as the Department of Energy now does, all the work that has to be done to make such a decision, it becomes a very short deadline. DOE has already slipped the deadline by two years. Because of the time pressures built into the act, the Department of Energy had to choose to look for the second repository where it had already completed an initial geological survey. Its completed studies had only looked at eastern granite. Therefore, in its search for new candidates for the second round of sites, it only looked at crystalline rock (granite) east of the Mississippi. In making this arbitrary decision only to look at granite east of the Mississippi, it ignored two-thirds of the granite deposits in the United States. Then in limiting the candidate areas to crystalline rock, it ignored the huge areas of shale that it now believes may be acceptable repositories. Why did it not look at these other types of rocks? Because it did not know enough about shale when it began the second round process.

If the Nuclear Waste Policy Act were written on the premise that it is more important to find a safe site than it is to find a site soon, the process would be very different. All of the various possibilities for geological disposal would have been thoroughly researched first, and then the entire United States would be searched for candidate sites.

The time pressure to find a nuclear waste dump has created other problems as well. In section 960.3-2-1 of the regulations, it states: "To identify a site as potentially acceptable, the evidence shall support a finding that the site is not disqualified in accordance with the application requirements set forth in Appendix III of this part." This is completely backwards. Ignorance is not bliss. A site should only be considered acceptable if the evidence shows that it is acceptable.

Think of a small town in Vermont that believes that its granite has severe structural problems that would make it an unsafe waste dump. It would cost hundreds of thousands and possibly millions of dollars to establish definitely whether or not the fault exists. But under the Department of Energy's regulations, the town bears the burden and the cost of proving that it is not an acceptable site.

Why does DOE not bear the burden of proof? Because if it did, the whole process would be brought to a standstill.

The drive to find an acceptable radioactive waste site quickly has also meant that the procedural safeguards usually available to protect citizens from arbitrary and unwise governmental action have been short circuited. Normally if citizens and states believe that an agency is proceeding unfairly, they can use the environmental impact process and the courts to protect their rights and force the agency to address their concerns. However, the Nuclear Waste Policy Act has been written so that environmental impact statements, and probably court action, are precluded until very late in the process. This makes the process go more smoothly, but it also means that the process may very well be scientifically unsound and fundamentally unfair.

I hope that the Committee will consider the issues that I have raised this morning. I hope it will carefully examine both the premises of the Nuclear Waste Policy Act and its implementation.

In order to assist the Committee in this endeavor, I will be introducing legislation today which proposes several changes in the act. Some of these changes are generic. Others speak directly to how the Department's regulations have been implemented in Vermont.

First, the Area Recommendation Report, which will narrow the candidate list this fall from over 200 to 15 or 20 sites should be subject to the full NEPA process and court review.

Second, section 112(B)(1)(c) should be amended to require DOE to examine all potential disposal sites wherever they exist in the country.

Third, section 960.3-2-1 should be changed to require that sites not chosen as priority sites for round two should be eliminated from consideration for twenty-five years. This will free communities from the limbo created by existing regulations.

Fourth, the existing regulations must be amended to place the burden of proof to develop the evidence needed to show that a site is qualified on the Department of Energy, and not on the local town to prove that it is disqualified.

Fifth, several of my colleagues in the House and the Senate have pointed out that poor transportation facilities should preclude certain sites from consideration. The Department of Energy has refused to use transportation problems as disqualifying criteria. The legislation would correct this situation.

Sixth, the Department of Energy, because it does not understand our governmental structure in Vermont, has failed to exclude from its consideration for the second repository 34 towns in Vermont with populations of 2,500 or more. The bill corrects this error.

Seventh, as we have learned from our hearings in Vermont, the location of a nuclear waste dump along our Canadian border will cause serious problems with our neighbors. Large numbers of Canadians have appeared at meetings in Vermont to express their opposition to a site on the border. The Canadian Energy Minister has also objected to the location of a site along the Canadian border. The legislation addresses this issue by requiring that the Department consider Canadian population density and preclude from consideration sites along the border which would require geological testing in Canada to determine their suitability.

Finally, the regulations state that a nuclear waste repository should not be located in the National Park system. The National Scenic Trail system, which includes the Appalachian Trail, is, by law and regulation, part of the National Park system. The legislation orders the Department not to locate the nuclear waste depository on or adjacent to this important national recreational resource.

Since 1980 when I held hearings on the potential impact of the Department's plan to locate a nuclear waste dump in rural areas, I have been concerned that the Department of Energy does not understand nor is it inclined to undertake the search for a nuclear waste depository in a manner that recognizes the value of rural America. Unfortunately, our experience in Vermont has confirmed this concern. I urge the Committee to comprehensively review and reform the Department's nuclear waste programs.●

By Mr. ARMSTRONG (for himself and Mr. HART):

S. 1819. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Cache la Poudre River and the South Fork of the Cache la Poudre River in Colorado as a component of the National Wild and Scenic River System; to the Committee on Energy and Natural Resources.

CACHE LA POUDRE WILD AND SCENIC RIVER DESIGNATION

● Mr. ARMSTRONG. Mr. President, today, I am introducing a bill which would amend the Wild and Scenic River Act of 1968, to include portions of the Cache la Poudre River located in north-central Colorado as part of the national wild and scenic river system. This bill is identical to H.R. 3547, which was introduced in the House by my colleague Congressman HANK BROWN on October 10, 1985.

The Cache la Poudre River is a marvelously unique, free-flowing body of water representing the largest remaining stretch of undeveloped river in the United States east of the Rocky Mountains. Beginning at the Continental Divide in Rocky Mountain National Park, the River flows east through Roosevelt National Forest and the Colorado cities of LaPorte, Fort Collins, and Greeley, before joining the South Platt River. In 1973 the river was one of 12 Colorado rivers authorized for Federal study for wild and scenic designation through legislation (Public Law 93-621) sponsored by the late Senator Peter Dominick of Colorado.

The Forest Service began studing the river for wild and scenic designation in 1977. The draft environmental impact statement and proposed recommendations, covering 83 miles of the upper reaches of the river, were issued for public comment in early 1980—over 1,300 comments resulted. Last spring, the White House recommended that 62 miles of the river be designated. The bill I am introducing today would designate 75 miles.

Beginning at the river's source at Poudre Lake in Rocky Mountain National Park, the bill would preserve the Cache la Poudre through the town of Poudre Park. In honor of Senator Dominick, this bill would label the first 18 miles of the river as the "Peter H. Dominick Wild River Area." The bill proposes designating thirty-one miles of the river as "wild" and 44 miles as "recreational". The legislation provides that nothing in the act would affect storage and hydroelectric projects downstream of the designated portions of the river, and also includes authorization for land acquisition from willing sellers along the designated portions of the river. Private property rights are protected by the bill, with acquisitions of public rights-of-way and scenic easements occurring only where necessary and only when owners wish to sell. The legislation would additionally grandfather existing water developments to insure that conflicts in the maintenance and management of those projects do not occur.

As Congressman BROWN said recently:

This legislation is the result of long negotiations between the northern Colorado water community and local and national environmental groups—It represents the best spirit of compromise in terms of the long-term interests of all of Northern Colorado. The individuals involved should be proud of their contribution to our future.

Consequently, the legislation being introduced today is identical to that recommended by this group of water and environmental interests, and I ask that a letter from this group dated October 7, 1985, to Congressman BROWN be included in the RECORD following my statement.

It is my honor to introduce this legislation which, I believe, will establish the first of many wild and scenic river designations for Colorado. I am very pleased that this compromise was reached and commend all of the parties involved on their spirit of cooperation. I particularly want to commend Congressman BROWN for his tenacity and outstanding leadership on this issue.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 7, 1985.

Hon. HANK BROWN,
U.S. House of Representatives,
Washington, DC.

DEAR HANK: Enclosed is our carefully drafted offering of a Wild & Scenic River bill for the Cache la Poudre. We hope you will find it acceptable. As you well know, we have spent several months reaching this agreement. While we recognize it may not be perfect, we present it to you as a statement of our compromise and we are pledged to support it as written.

We appreciate your continued support and encouragement. We will be available to testify in favor of this legislation at the earliest opportunity. We have heard that there are currently scheduled hearings on two other rivers on October 22. If possible, we would like to suggest that as a date that we could be in Washington to testify on the bill.

Sincerely,

Larry D. Simpson, for the Northern Colorado Water Conservancy District; John M. Sayre, for the Northern Colorado Water Conservancy District; Gregory J. Hobbs, Jr., for the Northern Colorado Water Conservancy District; Maggie Fox, for the Sierra Club Southwest Office; Chuck Wanner, for Preserve Our Poudre; Charles B. White, for Sierra Club, Preserve Our Poudre.●

By Mr. DECONCINI:

S. 1820. A bill to provide financial assistance to State and local educational agencies for the development and expansion of demonstration chemical substance abuse prevention programs in the public elementary and secondary schools of such agencies, and for other purposes; to the Committee on Labor and Human Resources.

STUDENT CHEMICAL SUBSTANCE ABUSE PREVENTION ACT

● Mr. DECONCINI. Mr. President, today I am introducing the Student Chemical Substance Abuse Prevention Act of 1985. Ths is a straightforward piece of legislation intended to prevent the use of illegal drugs by our Nation's children.

Over the past two decades, the use of illegal drugs in the United States has accelerated at an unprecedented rate and has reached into every segment of our society. We, as adults, seem unable to formulate an effective campaign to reverse the trend. However, after many months of discouraging and futile efforts we are beginning to mount an attack on the enemy called illegal drugs. We have come to realize that by working together we can make a real difference—we can build a better future for the American public.

Mr. President, the Student Chemical Substance Abuse Prevention Act is one of many strategies we can use to respond to the problem of drug abuse which plagues our Nation's young people. It is my belief that the approach outlined in this legislation will prove to be one of the most effective methods to achieve that objective.

This bill provides funding for a 3-year demonstration project to State educational agencies for the purpose of developing and expanding drug abuse prevention programs by the local school districts. It is intended to offer a means to integrate into the public schools ongoing drug abuse prevention education programs which emphasize the destructive effects of drugs on our health and well-being. The program will include the participation of parents, teachers and administrators, civic groups, local officials, business and industry, health care professionals, law enforcement personnel, and the students themselves * * * all of which are essential components for an effective educational program. It is my hope that this demonstration program will become a model which will be replicated in every school and community, every family and by every person close to the problem. That means all of us. I believe in the old saying, "An ounce of prevention is worth a pound of cure."

The Federal Government has made notable contributions toward the eradication of the drug abuse problem during the past 10 years or so, but we must do more in the area of prevention. This program is not meant to diminish the work being done by such agencies as the National Institute on Drug Abuse [NIDA], the National Institute on Alcohol Abuse and Alcoholism [NIAAA], and ACTION which have the primary responsibility for implementing Federal drug abuse prevention and treatment programs. Many, many other Federal agencies make contributions in the effort as well.

But according to a report released in June of this year by the GAO, Federal dollars for drug abuse prevention and treatment programs have decreased significantly since 1982. This decrease came about, according to the report, as a result of the implementation of the alcohol, drug abuse, and mental health [ADAMH] block grant in 1982. Despite the fact that a number of Federal agencies are active in the overall effort to impede drug abuse, in my opinion, there is not enough being done in the schools where the students are a captive audience. For example, the GAO report states that:

The National Institute of Mental Health [NIMH] supports research on relationships between mental health and drug or alcohol abuse.

The State Department's Bureau of International Narcotics Matters [INM], in cooperation with NIDA, supports international efforts to reduce the worldwide demand for drugs.

The Department of Defense conducts extensive drug and alcohol abuse prevention programs for military personnel.

The Food and Drug Administration [FDA] directs educational efforts at the proper use of prescription and over-the-counter drugs.

Mr. President, these are all worthy programs which deserve our support but this Senator is appalled by the fact that the Department of Education received less than $2.9 million last year to maintain 5 regional training centers to serve all 50 of our States. These training centers were developed to assist school officials and parents in the establishment of alcohol and drug abuse programs for their schools. They have been able to serve only about 4,500 communities throughout the U.S.A.

Although this is a meaningful effort, I am extremely concerned by the fact that 1 out of every 18 high school seniors uses marijuana daily and over 2 million young people between the ages of 18 and 25 currently use cocaine. In addition, about 3 million young adults between the ages of 14 and 17 are problem drinkers. The 1983 high school survey prepared by the National Institute on Drug Abuse underscores the seriousness and scope of the problem. It revealed that 87 percent of students used alcohol, 42 percent used marijuana, 25 percent used stimulants, and 11 percent used cocaine. These statistics suggest to me that our young people are the most vulnerable while attending our elementary and secondary schools where they are under great social pressure to experiment with drugs.

Mr. President, I believe that the Student Chemical Substance Abuse Prevention Act will bring into focus the need to concentrate our drug prevention programs in our schools. This is where our children learn about and obtain access to drugs. And this where we must stop the epidemic. The development of quality drug information and education programs for use in our schools is vital to changing the environment and climate which fosters drug use by our young people. The collaboration of parents, teachers, community agencies, and the students in a collective effort is crucial if we hope to change the attitudes of our youth about the use of drugs.

This bill authorizes $5 million to be appropriated in each of the fiscal years 1987-89 for grants to State educational agencies for assistance in the development and expansion of demonstration chemical substance abuse prevention programs in the public elementary and secondary schools.

I invite my colleagues to review this legislation and determine whether they want to participate in a strategy to solve the drug and alcohol abuse problem which plagues our school population or choose to look the other way and hope the problem will disappear.

Mr. President, I realize that we are in a budget crunch and it's difficult to fund all the worthwhile initiatives which will enhance the quality of life for our youth and society as a whole. However, I strongly feel that funding this program will result in long-term health care savings by deterring our young people using illegal drugs.●

By Mr. THURMOND (for himself, Mr. LEAHY, Mr. LAXALT, Mr. HATCH, Mr. GRASSLEY, Mr. SPECTER, Mr. MCCONNELL, Mr. SIMON, Mr. SASSER, Mr. DIXON, Mr. DANFORTH, and Mr. QUAYLE):

S. 1822. A bill to amend the Copyright Act in section 601 of title 17, United States Code, to provide for the manufacturing and public distribution of certain copyrighted material; to the Committee on the Judiciary.

MANUFACTURE AND PUBLIC DISTRIBUTION OF CERTAIN COPYRIGHTED MATERIAL ACT

Mr. THURMOND. Mr. President, today, Senator LEAHY and I, joined by a number of our distinguished colleagues, introduce legislation that would extend indefinitely the manufacturing clause of the Copyright Act and add needed modifications.

The manufacturing clause is not new. It has been part of the copyright law since 1891. This clause is an obscure part of the U.S. copyright law which provides that in order to get full U.S. protection of a copyright on a "preponderantly nondramatic literary works" in the English language by an American author, the work must be printed in the United States. Mr. President, this means that an American author cannot distribute a book, magazine, or other printed material which is copyrighted and which is comprised of more words than pictures unless that material is printed in the United States.

If the manufacturing clause is allowed to expire, the printing industry would suffer a devastating blow. During consideration of the manufacturing clause in the 98th Congress, a Department of Labor study estimated that eliminating the clause would cause a loss of up to 172,000 jobs in the printing industry and a total loss of as many as 367,000 job opportunities throughout our economy as a result of foreign competition. Stated simply, Mr. President, that is what this bill is all about—jobs, American jobs. Will the American jobs in the printing industry be saved or will they be stamped out by unfair foreign competition?

The U.S. printing companies have virtually no access to tariffs as a means to control imports. The United States is a party to the Florence agreement and other United Nations agreements that obligate the United States not to assess tariffs on "educational or cultural material." The tariffs assessed on the scant variety of other printed material is minimal. The manufactur-

ing clause is the last bastion of hope for the U.S. printing industry to negotiate with other countries for specific trade concessions in printed products.

If the manufacturing clause expires, the U.S. printers who survive would be forced to rely primarily on time-sensitive printed material for most of their work. Other printed material, such as books, catalogs, directories, commercial printing, business forms, and periodicals, would be highly vulnerable to low-wage competition.

My proposal, Mr. President, would have the manufacturing clause cover "printed material" by U.S. authors and avoid the cumbersome phrase—"copies of a work consisting preponderantly of nondramatic literary materials." In addition, this legislation would provide for an exemption to those printed imports from countries that provide copyright protection to U.S. authors and that are certified by the U.S. Trade Representative as having no material nontariff barriers to trade in printed material. Also, this proposal would close a loophole that currently exists in the manufacturing clause which allows a U.S. author to transfer rights of reproduction to a foreign agent and thereby circumvent the intent of the clause by exercising the transfer rights given by the U.S. author. This bill would prohibit this type of activity that violates the very spirit of the manufacturing clause.

I would like to commend the able Senator from Vermont, Senator LEAHY, for the fine work and support he has contributed to this legislation.

Mr. President, this bill enjoys strong bipartisan support and I urge my colleagues to join us in approval of this important legislation and ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Manufacture and Public Distribution of Certain Copyrighted Material Act".

SEC. 2 (a) The heading for section 601 is amended by striking out "copies" and inserting in lieu thereof "printed material".

(b) Section 601(a) of title 17, United States Code, is amended by—

(1) striking out "Prior" through "except" and inserting in lieu thereof "Except";

(2) striking out "copies" through "literacy" and inserting in lieu thereof "printed";

(3) striking out "or Canada." and inserting in lieu thereof "or unless—"; and

(4) adding at the end thereof the following:

"(1) the United States Trade Representative has certified to the Congress that the country of export currently is providing adequate and effective means under its laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in copyrights; and

"(2) either—

"(A) the United States Trade Representative has certified that the country of export currently imposes no material nontariff barriers and, to the extent inconsistent with tariff bindings entered into by the country of export with the United States, imposes no tariff barriers to trade in printed material; or

"(B) the country of export has in force a free trade agreement with the United States governing trade in printed material entered into pursuant to section 401 of the Trade and Tariff Act of 1984.

"(3) any certification made pursuant to this subsection shall be withdrawn if any of the matters certified to cease to exist.".

(c) Section 601(b) of title 17, United States Code, is amended by striking out paragraphs (6) and (7) and inserting in lieu thereof the following:

"(6) where importation is sought for works described in, and in accordance with the requirements of, Article II, paragraph 1, of the Agreement on the Importation of Educational, Scientific and Cultural Materials (the Florence Agreement) of Article IV, paragraph 5, of the Protocol to the Agreement on the Importation of Educational, Scientific and Cultural Materials (the Nairobi Protocol).".

"(d) Section 601(c) of title 17, United States Code, is amended by striking out "or Canada" each place it appears.

"(e) Section 601(d) of title 17, United States Code, is amended to read as follows:

"(d) In the event that any work is imported in violation of this section, in addition to other remedies available, an infringer shall have a complete defense in any civil action or criminal proceeding for infringement of the exclusive right to reproduce and distribute copies of the work if the infringer proves—

"(1) that copies of the work were imported in violation of this section;

"(2) that the infringing copies were manufactured in the United States; and

"(3) that the infringement was commenced before the effective date of registration for an authorized edition of the work.".

"(f) Section 601(e) of title 17, United States Code, is amended by striking out "or Canada".

"(g) The items relating to section 601 in the table of sections for chapter 6 of title 17, United States Code, is amended to read as follows:

"601. Manufacture, importation and public distribution of certain printed material.".

SEC. 3. This Act and the amendments made by the Act shall be effective on the date of enactment, and the provisions of section 601(a), as amended by this Act shall apply to imports on or after the date of enactment.

Mr. LEAHY. Mr. President, 4 years ago I joined with my distinguished colleague, Senator THURMOND, in a successful effort to extend the manufacturing clause of the Copyright Act over the President's veto. That measure received overwhelming bipartisan support in both the House and Senate.

I rise again today to express my strong support for legislation to extend the manufacturing clause, which has been vital to the development and continued vitality of American printing. This is no time to cut off its protection for American producers of copyrighted works who are faced with piracy and high tariffs abroad. Nor is it time to jeopardize American jobs by encouraging printing to move offshore in search of cheap labor.

This bill extends the manufacturing clause indefinitely. In addition, it contains a mechanism for any country to become exempt from the clause if the country provides copyright protection for the works of American authors, and has no material tariff or nontariff barriers to the printing trade. The bill will also expand coverage of the clause to all printed works, rather than to only nondramatic literary material.

These are effective methods to protect American producers and discourage piracy and trade barriers abroad, while encouraging an overall fair trade policy. At a time when our trade deficit has reached record proportions, we cannot afford to grant an unreciprocating concession to countries that have imposed barriers to keep American printing from reaching their markets.

Another bill, to simply extend the manufacturing clause in its present form, H.R. 3465, has been introduced in the House by Congressman BARNEY FRANK. Were it not for the administration's opposition, H.R. 3465 might be easier to pass than the bill offered today by Senator THURMOND and myself. The past 4 years have shown that a straight extension bill is warranted, and I will vote for it if it reaches the Senate floor. But Senator THURMOND'S bill, requiring reciprocal conduct by countries to obtain an exemption from the clause, may answer the concerns of critics who opposed a straight extension in 1982.

I support both of these bills and will vote for whichever one has the best chance of becoming law. They are alternative proposals but not in conflict with each other. Each will extend the important protection of the manufacturing clause indefinitely, which I favored 4 years ago.

This is important throughout the United States as well as in my own State of Vermont, where many individual Vermonters would be directly affected by the expiration of the manufacturing clause. It has worked well in the past and we will continue to need it in the future.

By Mr. ROCKEFELLER (for himself, Mr. MATSUNAGA, and Mr. BINGAMAN):

S. 1823. A bill to strengthen the technological literacy of the Nation through demonstration programs of technology education; to the Committee on Labor and Human Resources.

TECHNOLOGY LITERACY ACT

● Mr. ROCKEFELLER. Mr. President, I rise here today on behalf of Mr. MATSUNAGA, Mr. BINGAMAN, and myself, to introduce the Technology Literacy Act of 1985. This bill address-

es what I consider to be one of the crucial issues of our time: the education of our youth in technology.

For the past several years Congress has wisely voted to strengthen science and mathematics programs in our public schools, colleges, and universities. Due to this effort, we are developing and creating innovative curricula, training teachers and getting our children involved in math and science at a very early age. We have not, however, made a concerted effort in a closely related area: technology education.

Experience has shown us that, although technology goes hand in hand with scientific and mathematical knowledge, it may develop from a practical need and an imaginative mind. It is this talent for innovation and the ability to find technological solutions that we need to instill in our students if we are to compete in the world market and enhance our own future. Indeed, I believe that teaching students about technology, its impact on our culture, its place in our history and its promise for the future will go a long way in achieving these goals.

In a recent report, the Carnegie Foundation noted that we are running the risk of jeopardizing this country's economic security by raising a "technologically illiterate" generation. Mr. President, it is imperative that our country, which led the world into the age of technology, maintain its technological edge and provide its children with the skills they need to compete in an increasingly technological world.

The bill I am introducing today and H.R. 3102, the companion bill introduced by Mr. BOUCHER, address these concerns by promoting the teaching of technology as part of the secondary curriculum.

Our act establishes 10 technology education demonstration programs in secondary schools throughout the country. These programs will develop new courses in technology education which would include the historical role of technology as well as the changing technologies of our time. Perhaps more importantly, the courses will emphasize hands-on experience of technological principles. Furthermore, this act provides for teacher training programs which will equip today's teachers with the background and skills necessary for comprehensive technology instruction for our secondary students.

Finally, under the grants provided in the Technology Literacy Act, all the research, coursework development and training materials will be made available for distribution statewide. This aspect of the bill is particularly appealing because it promotes the dissemination of the material and the practical knowledge acquired in the 10 original demonstration programs—making the original investment pay off very quickly.

Mr. President, I believe this legislation will help open the door of opportunity for our students and our country. It is our hope that the Technology Literacy Act of 1985 will also serve as a catalyst for nationwide action to provide technology education. Efforts like this will prepare us for the challenges of a society in which science and technology will undoubtedly be increasingly important in our daily lives and in our relationships to the rest of the world.

Mr. President, I urge my colleagues to support the Technology Literacy Act of 1985, it is a responsible answer to the challenges which we face today and will continue to face in the future.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Technology Literacy Act of 1985".

PURPOSE

SEC. 2. It is the purpose of this Act to assist the States in developing a technologically literate population through instructional programs in technology education.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "technology education" means a comprehensive educational process designed to develop a population that is knowledgeable about technology, its evolution, systems, techniques, utilization in industry and other fields, and cultural significance;

(2) the term "local educational agency" has the meaning given such term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(3) the term "State educational agency" has the meaning given such term in section 198(a)(17) of the Elementary and Secondary Education Act of 1965;

(4) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965; and

(5) the term "Secretary" means the Secretary of Education.

TECHNOLOGY EDUCATION DEMONSTRATION PROGRAM

SEC. 4. (a) ESTABLISHMENT.—Subject to the availability of appropriations under this Act, the Secretary of Education shall establish a program of grants to local educational agencies, State educational agencies, and institutions of higher education to establish not to exceed ten demonstration programs in technology education for secondary schools.

(b) APPLICATION.—A local educational agency, State educational agency, or institution of higher education which desires to receive a grant under this Act shall submit an application to the Secretary. Applications shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe and may be approved only if such application—

(A) describes a demonstration program for carrying out the purposes under subsection (c);

(B) contains an estimate of the cost for the establishment and operation of the program;

(C) sets forth such policies and procedures as will ensure adequate evaluation of the activities intended to be carried out under the application;

(D) contains assurances that Federal funds made available under this Act will be so used as to supplement and, to the extent practicable, increase the amount of State and local funds that would in the absence of such Federal funds be made available for the uses specified in this Act, and in no case supplant such State or local funds; and

(E) provides for making such reports, in such form and containing such information, as the Secretary may reasonably require.

(2) Amendments of applications shall be subject to approval in the same manner as original applications.

(3) In making grants under this Act the Secretary shall consider the equitable geographic distribution of such grants.

(c) USES OF FUNDS.—(1) Funds made available under this act may be used to develop a model demonstration program for technology education addressing the components described in paragraphs (2) and (3).

(2) Educational course content shall be based on the following:

(A) An organized set of concepts, processes, and systems that is uniquely technological.

(B) Fundamental knowledge about the development of technology and its affect on people, the environment, and culture.

(C) Instructional content drawn from introduction to technology education courses in one or more of the following areas:

(i) communication—efficiently using resources to transfer information to extend human potential;

(ii) construction—efficiently using resources to build structures on a site;

(iii) manufacturing—efficiently using resources to extract and convert raw or recycled materials into industrial and consumer goods; and

(iv) transportation—efficiently using resources to obtain time and place utility and to attain and maintain direct physical contact and exchange among individuals and societal units through the movement of materials, goods, and people.

(D) Assisting students in developing insight, understanding, and application of technological concepts, processes, and systems.

(E) Educating students in the safe and efficient utilization of tools, materials, machines, processes, and technical concepts.

(F) Developing student skills, creative abilities, confidence, and individual potential in utilizing technology.

(G) Developing student problem-solving and decisionmaking abilities involving human and material resources, processes, and technological systems.

(H) Preparing students for lifelong learning in a technological society.

(I) Activity-oriented laboratory instruction which reinforces abstract concepts with concrete experiences; and

(J) A combined emphasis on the practical application of carrying out technological work.

(3) Each project shall include the following developmental activities:

(A) A program for the purpose of developing teacher capability in the area of technology education.

(B) Research and development of curriculum materials for use in technology education programs.

(C) Multi-disciplinary teacher workshops for the interfacing of mathematics, science, and technology education.

(D) Statewide implementation plan for disseminating exemplary materials and practices.

(E) Optional employment of a curriculum specialist to provide technical assistance for the program.

(d) LIMITATION ON FEDERAL ASSISTANCE.—Federal assistance to any program or project under this Act shall not exceed 75 percent of the cost of such program in any fiscal year. Non-Federal contributions may be in cash or kind, fairly evaluated, including facilities, overhead, personnel, and equipment.

(e) NATIONAL DISSEMINATION OF INFORMATION.—The Secretary shall disseminate the results of the programs and projects assisted under this Act in a manner designed to improve the training of teachers, other instructional personnel, counselors, and administrators.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. There are authorized to be appropriated $3,000,000 for fiscal year 1987 and for each of the succeeding fiscal years ending prior to October 1, 1991 to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 6. The provisons of this Act shall take effect October 1, 1986.●

ADDITIONAL COSPONSORS

S. 1392

At the request of Mr. DECONCINI, the names of the Senator from Mississippi [Mr. COCHRAN], and the Senator from Hawaii [Mr. MATSUNAGA], were added as cosponsors of S. 1392, a bill to amend title 28 United States Code regarding judicial annuities.

S. 1527

At the request of Mr. STEVENS, the names of the Senator from Maryland [Mr. MATHIAS], the Senator from Maine [Mr. COHEN], the Senator from Mississippi [Mr. COCHRAN], the Senator from Georgia [Mr. NUNN], the Senator from Florida [Mr. CHILES], the Senator from Ohio [Mr. GLENN], the Senator from Michigan [Mr. LEVIN], the Senator from Tennessee [Mr. GORE], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Missouri [Mr. EAGLETON] were added as cosponsors of S. 1527, a bill to amend title 5, United States Code, to establish a new retirement and disability plan for Federal employees, postal employees, and Members of Congress, and for other purposes.

S. 1551

At the request of Mr. DURENBERGER, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1551, a bill to amend title XVIII of the Social Security Act to provide for administrative appeals and judicial review under part B of Medicare.

S. 1574

At the request of Mr. LUGAR, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1574, a bill to provide for public education concerning the health consequences of using smokeless tobacco products.

S. 1680

At the request of Mr. QUAYLE, the names of the Senator from Kentucky [Mr. MCCONNELL] and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 1680, a bill to phase out the honey price support program.

S. 1710

At the request of Mr. HOLLINGS, the names of the Senator from South Dakota [Mr. ABDNOR] and the Senator from Florida [Mr. HAWKINS] were added as cosponsors of S. 1710, a bill to establish a motor carrier administration in the Department of Transportation, and for other purposes.

S. 1734

At the request of Mr. COCHRAN, the names of the Senator from Kansas [Mr. DOLE], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. HATCH], the Senator from North Carolina [Mr. HELMS], the Senator from Nevada [Mr. LAXALT], and the Senator from Indiana [Mr. QUAYLE] were added as cosponsors of S. 1734, a bill to prevent distortions in the reapportionment of the House of Representatives caused by the use of census population figures which include illegal aliens.

S. 1742

At the request of Mr. TRIBLE, the names of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1742, a bill to improve the enforcement of the restrictions against imported pornography.

S. 1754

At the request of Mr. GLENN, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from North Dakota [Mr. ANDREWS], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 1754, a bill to ensure adequate verification of peaceful uses of nuclear exports from the United States to the People's Republic of China, and for other purposes.

S. 1794

At the request of Mr. THURMOND, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1794, a bill to amend revised statutes section 722 (42 U.S.C., sec. 1988) to exempt State judges and judicial officers from assessment of attorneys' fees in cases in which such judge or judicial officer would be immune from actions for damages arising out of the same act or omission about which complaint is made.

S. 1806

At the request of Mr. BOREN, the names of the Senator from Arizona [Mr. DECONCINI], and the Sentor from Florida [Mr. CHILES] were added as cosponsors of S. 1806, a bill to amend the Federal Election Campaign Act of 1971 to change certain contribution limits for congressional elections and to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes.

S. 1807

At the request of Mr. BRADLEY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1807, a bill consenting to a modification in the Delaware River Basin Compact relating to the rate of interest on bonds issued by the Delaware River Basin Commission.

S. 1810

At the request of Mr. SYMMS, the name of the Senator from Nevada [Mr. LAXALT], was added as a cosponsor of S. 1810, a bill to require U.S. representatives to international financial institutions to oppose assistance by such institutions for the production of agricultural commodities in competition with U.S. produced agricultural commodities, and for other purposes.

SENATE JOINT RESOLUTION 74

At the request of Mr. THURMOND, the names of the Senator from Delaware [Mr. BIDEN], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Joint Resolution 74, a joint resolution to provide for the designation of the month of February 1986, as "National Black (Afro-American) History Month."

SENATE JOINT RESOLUTION 188

At the request of Mrs. KASSEBAUM, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 188, a joint resolution to designate July 6, 1986, as "National Air Traffic Control Day."

SENATE JOINT RESOLUTION 198

At the request of Mr. MATHIAS, the names of the Senator from Oregon [Mr. HATFIELD], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 198, a joint resolution to designate the year of 1986 as the "Sesquicentennial Year of the National Library of Medicine."

SENATE JOINT RESOLUTION 213

At the request of Mr. FORD, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of Senate Joint Resolution 213, a joint resolution to designate January 19–25, 1986, "National Jaycee Week."

SENATE JOINT RESOLUTION 217

At the request of Mr. HEINZ, the names of the Senator from Arizona [Mr. GOLDWATER], and the Senator from Mississippi [Mr. COCHRAN] were

added as cosponsors of Senate Joint Resolution 217, a joint resolution to designate the week of December 2, 1985, to December 8, 1985, as "National Emergency Medical Air Transport Week."

SENATE CONCURRENT RESOLUTION 69

At the request of Mr. DANFORTH, the names of the Senator from Washington [Mr. EVANS], the Senator from Arkansas [Mr. BUMPERS], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Concurrent Resolution 69, a concurrent resolution to recognize the National Camp Fire Organization for 75 years of service.

AMENDMENTS SUBMITTED

COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION, 1986

LAUTENBERG (AND BRADLEY) AMENDMENT NO. 941

Mr. LAUTENBERG (for himself and Mr. BRADLEY) proposed an amendment to the bill (H.R. 2965) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 11, after line 23 insert the following new section:

SEC. 105. None of the funds made available in this or any other Act shall be obligated or expended to plan to relocate, or to relocate the National Marine Fisheries Service's Sandy Hook Laboratory, or any of its activities or programs, out of New Jersey.

LAUTENBERG (AND WILSON) AMENDMENT NO. 942

Mr. LAUTENBERG (for himself and Mr. WILSON) proposed an amendment to the bill H.R. 2965, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . The United States' share of amounts budgeted by the United Nations and its specialized agencies for projects or entities which benefit the Palestine Liberation Organization shall be withheld from funds provided in this Act for assessed contributions to International Organizations.

CHAFEE (AND OTHERS) AMENDMENT NO. 943

Mr. CHAFEE (for himself, Mr. HUMPHREY, Mr. PROXMIRE, Mr. ARMSTRONG, Mr. DOMENICI, Mr. BOSCHWITZ, Mr. SIMPSON, Mr. SYMMS, and Mr. NICKLES and Mr. WILSON) proposed an amendment to the bill H.R. 2965, supra; as follows:

On page 2, beginning with line 23, strike out all through line 10 on page 3.

On page 3, line 14, strike out "$24,450,000" and insert in lieu thereof "$15,000,000".

MOYNIHAN (AND OTHERS) AMENDMENT NO. 944

Mr. MOYNIHAN (for himself, Mr. PROXMIRE, Mr. THURMOND, Mr. HOLLINGS, Mr. SARBANES, Mr. BUMPERS, Mr. ROCKEFELLER, Mr. SASSER, Mr. BAUCUS, Mr. WALLOP, Mr. HART, Mr. SYMMS, and Mr. DENTON) proposed an amendment to the bill H.R. 2965, supra; as follows:

On page 18, line 10, after "expenses", add the following: ": *Provided*, That of the funds appropriated by this section, not less than $1,000,000 shall be spent for the purpose of countering the interception of domestic American telecommunications by agents of the Soviet Union and its allies, from foreign missions maintained in the United States by those governments; *Provided further*, That by June 1, 1986 the Director of the F.B.I. shall submit to the appropriate committees of the Congress a report on the F.B.I.'s capabilities and efforts to counter the electronic interception of American telecommunications by foreign agents.".

SYMMS (AND OTHERS) AMENDMENT NO. 945

Mr. SYMMS (for himself, Mr. LEAHY, Mr. CHAFEE, Mr. GOLDWATER, Mr. HOLLINGS, Mr. DIXON, and Mr. GLENN) proposed an amendment to the bill H.R. 2965, supra; as follows:

At the end thereof add the following new section:

The Senate finds that:

The following events document Romania's attitudes toward religious and ethnic rights:

1. Father Geza Palfi, a Roman Catholic priest of Hungarian nationality, was arrested on December 26, 1983 because he mentioned in his Christmas Day sermon that Christmas Day should be a public holiday, instead of a working day. At the time of his arrest he was savagely beaten by the Romanian secret police (Securitate) outside of his parish church. Father Palfi died three months later of internal injuries sustained during his beating.

2. Daniel Cantarama, a minister of the Seventh Day Adventist Church, was sentenced to ten years in prison for "embezzlement" charges made by government officials, despite the fact that Cantarama's former employers signed an affidavit that he was a model employee, always "honest and disciplined." Both Christian Response International and Amnesty International investigated the charges and found them baseless.

3. Under pressure from Western churches and governments, the Romanian government agreed to receive 10,000 Hungarian Bibles from the World Reformed Alliance to be distributed among the congregation of the Hungarian Reformed Church in Romania. The Romanian Ambassador repeatedly pointed to the permission to distribute the Bibles as an example of his government's goodwill toward religious freedom. Most of the Bibles vanished, however, reappearing as toilet paper sold in Romanian stores. This contemptuous, cynical action demonstrates the utter disregard of the Romanian government to both internationally given promises, and to the sacred book. The grinding up of Bibles into toilet paper constitutes a heinous degradation of religion, unparalleled even among communist governments.

4. The Romanian government bulldozed a number of churches, including Orthodox, Baptist, Pentecostal, and Roman Catholic churches in Romania, most recently in Bucharest, Timisoara and Arad. The largest Baptist church in Europe, at Oradea is scheduled to be demolished in the near future.

5. Five leading Baptist pastors in Bucharest have all been falsely accused of "embezzling" congregational funds which they spent with the full knowledge and consent of their congregations, but without the approval of the Ministry of Cults.

6. Klaus Wagner, of Sighisoara, a member of the Brethren Church, and Maria and Fibia Delepeta of Carpinis, members of the Army of the Lord/Romanian Orthodox Church, were arrested October 1, 1981 and sentenced to six years, five years, and five years imprisonment respectively for their "illegal" religious activities.

7. A number of Christians in Romania, among them Silviu Coitata and Costel Georgescu from Ploesti, have been arrested and sentenced for distributing Bibles.

8. John Tedosiu from Cluf-Napoca, was arrested and charged on December 16, 1981 for espionage, because of his activities in compiling information for various human rights organizations relating to the arrests and persecution of religious believers in the Socialist Republic of Romania. He has been held incommunicado by the secret police and his present fate today is unknown.

9. Relatives of Christian believers are often compelled to sign statements that could subject their loved ones, solely because of their religious beliefs—to treatment and detention in psychiatric hospitals.

10. In past years, and even today, a number of Christians are subject to repeated interrogations, beatings, torture and electric shock treatments.

The following facts document the Romanian government attitude toward the national minorities in Romania:

1. In the province of Transylvania, where the overwhelming majority of Romania's national minorities live, including the 2.5 million Hungarians, the Romanian government pursues a policy of denationalization toward the nationalities.

2. Education in the mother tongue is severely limited despite international agreements which Romania has signed guaranteeing it. There are practically no courses in Hungarian in the institutions of higher learning, and only very limited instruction in Hungarian in the high schools and vocational schools. About half of the Hungarian high school students are deprived of education in the mother tongue.

3. There is open discrimination against graduates of Hungarian school sections on the high school and university levels. Those who survive and receive a diploma are sent to the Romanian parts of the state for employment.

4. There are no more Hungarian television programs, with the exception of a 30-minute news broadcast on Radio Bucharest. Hungarian theaters and dance troupes are largely to play or perform translations from Romanian plays and dance programs.

5. Documents of the Hungarian history of Transylvania from over a millennium are under government lock and key, and even baptismal records of the Hungarian Reformed Church have been confiscated by the Romanian state in the western dioceses and are being collected in the eastern diocese.

6. There is substantial discrimination against Hungarians and other nationalities in the labor and housing markets which is widely documented. At the same time, there are large-scale settlements of Romanians in the nationality areas.

These reprehensible and blatantly evil practices occur in spite of the fact that in the Paris Peace Treaty of 1947, Romania undertook the solemn obligation not to discriminate on the "basis of race, religion and national origin," and that in the Declaration of the Heads of State at Helsinki on August 1, 1975, Romania agreed "to recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion of belief acting in accordance with the dictates of its own conscience." Similar obligations were undertaken by Romania in the International Covenant of Civil and Political Rights which the Romanian government had ratified in 1974. In accordance with Section 402 of the 1974 Trade Act, Romania's emigration and human rights record is required to be studied annually by the administration, as well as both Houses of Congress in determining its eligibility for Most Favored Nation trading status.

Therefore, it is the Sense of the Senate that:

1. The United States should play an active role in restoring the human rights and cultural and religious rights to the Romanian people in accordance with the Helsinki Accords and the International Covenant of Civil and Political Rights and the principles of religious freedom on which this country was founded.

2. These acts of religious oppression and persecution taken by the government of the Socialist Republic of Romania are barbaric and repugnant to the community of civilized nations, and in violation of the intrinsic rights of all men.

3. These actions are particularly objectionable because they are in blatant violation of the Helsinki Accords and the International Covenant of Civil and Political Rights. Romania's outright contempt for international agreements should be taken into consideration during the future bilateral agreements between this country and the Socialist Republic of Romania.

4. In the event that there has been no improvement in Romania's attitude toward religious freedom, at the next opportunity under Title IV of the Trade Act of 1974, the President should actively consider such human rights violations in deciding whether to re-extend Most Favored Nation trading status for Romania.

D'AMATO AMENDMENT NO. 946

Mr. D'AMATO (for himself, Mrs. HAWKINS, and Mr. SYMMS) proposed an amendment to the bill H.R. 2965, supra; as follows:

At the appropriate place, insert the following new section:

SEC. (a) The Congress finds and declares that—

(1) Miroslav Medvid, a Soviet merchant seaman serving aboard a merchant ship, the M.V. Marshal Konev, jumped into the Mississippi River and swam ashore on Thursday, October 24, 1985;

(2) upon reaching shore Medvid contacted a New Orleans Police Department station and indicated he was a Soviet citizen;

(3) Medvid was turned over to the United States Border Patrol which had a contract interpreter interview him by telephone in Ukrainian;

(4) the interpreter states that Medvid clearly stated under questioning that he desired to remain in the United States and that the interpreter informed the Immigration and Naturalization Service officers on the scene of Medvid's wishes;

(5) despite being informed of Medvid's desire to remain in the United States, the U.S. Border Patrol took him aboard a launch and attempted to return him to the Marshal Konev;

(6) Medvid jumped overboard from the launch and again attempted to swim to shore;

(7) the United States Border Patrol pulled Medvid out of the Mississippi River and forcibly returned him to the Marshal Konev, reportedly "kicking and screaming";

(8) the Department of State was not informed of the incident until 3:40 p.m. Friday, nearly half a day after Medvid was returned to the ship;

(9) Medvid remained in Soviet custody aboard the M.V. Konev for two days until he was interviewed on Monday, October 28, 1985 by a State Department official, both on board the Soviet ship and later aboard a U.S. Coast Guard cutter alongside;

(10) Medvid stated during those interviews and a subsequent interview on Tuesday, October 29, 1985, after a night's rest at a U.S. Navy shore facility, that he wanted to return to the Soviet Union;

(11) there were Soviet officials present at every interview between Medvid and U.S. officials except the first interview during which Medvid stated that he wished to remain in the United States;

(12) the Department of State Office of Asylum Affairs has established formal procedures for handling potential defectors;

(13) the Immigration and Naturalization Service did not follow these procedures and has announced an investigation into this incident; and

(14) this incident appears to follow generally the same pattern as the Simas Kudirka incident, a situation President Nixon stated should never recur.

(b)(1) All Federal agencies, including the Border Patrol and the Immigration and Naturalization Service, shall review their policies for handling persons potentially seeking political asylum.

(2) The Immigration and Naturalization Service shall establish clear, formal rules and procedures for its personnel and for Border Patrol personnel in order to prevent the forced return of any person seeking political asylum to the jurisdiction of the country he or she is fleeing before formally determining, in consultation with the Department of State, whether such person has a well-founded fear of persecution.

(3) Those agencies not having formal procedures for handling persons seeking political asylum or having reason to doubt the effectiveness of their procedures should consult the State Department's Office of Asylum Affairs for assistance.

(4) The Immigration and Naturalization Service shall pursue an active and inpartial investigation into the facts and circumstances of the Miroslav Medvid case.

(5) If it is determined by the Immigration and Naturalization Service's investigation that there are grounds to discipline any officials under their jurisdiction for their roles in the Miroslav Medvid incident, appropriate personnel actions to achieve such discipline should be undertaken promptly and effectively, respecting all of the rights of the persons involved, so that any recurrence of improper handling of a political asylum case may be discouraged.

HUMPHREY AMENDMENT NO. 947

Mr. HUMPHREY proposed an amendment, which was subsequently motified, to the bill H.R. 2965, supra; as follows:

On page 69, after line 24, add the following:

SEC. 607. None of the funds appropriated by the act to the Legal Services Corporation may be used by the corporation or any recipient to participate in any litigation with respect to abortion except where the life of the mother would be endangered if the fetus were carried to term.

HATCH AMENDMENT NO. 948

Mr. RUDMAN (for Mr. HATCH) proposed an amendment to the bill H.R. 2965, supra; as follows:

On page 59, line 21, before the period, insert a colon and the following:

"Provided further, That none of the funds appropriated in this Act to the Legal Services Corporation and made available to grantees may be expended by any recipient of such funds until such recipient has expended all funds carried over from previous fiscal years, unless the failure to expend the funds carried over from previous fiscal years has been approved by the Legal Services Corporation".

CHILES (AND D'AMATO) AMENDMENT NO. 949

Mr. CHILES (for himself and Mr. D'AMATO) proposed an amendment which was subsequently modified, to the bill H.R. 2965, supra; as follows:

On page 21, on line 10 after, $46,063,000, add the following:

Of which $7.1 million shall be used to renovate or construct a facility to be used as a maximum security penitentiary for the incarceration of illegal alien felons.

RUDMAN (AND HOLLINGS) AMENDMENT NO. 950

Mr. RUDMAN (for himself and Mr. HOLLINGS) proposed an amendment to the bill H.R. 2965, supra; as follows:

On page 12, line 5 strike "$71,200,000" and insert in lieu thereof "$72,710,000" and on page 19, line 15 strike "$600,000,000" and insert in lieu thereof "$598,490,000". On page 23, line 6 strike "including salaries and expenses in connection therewith,".

D'AMATO AMENDMENT NO. 951

Mr. D'AMATO proposed an amendment to the bill H.R. 2965, supra; as follows:

AMENDMENT No. 951

On page 3, after line 10 insert:

In addition, for "Economic development assistance programs"; $32,100,000, to remain available until expended, of which $11,100,000 is for a grant to the Rochester Institute of Technology in Rochester, New York, for construction, equipment, and all related development costs of a Center for

Microelectronic Engineering and Imaging Sciences; of which $4,000,000 is for a grant to Lexington County, South Carolina, for all expenditures related to the development of a State-of-the-art fiber optics/medium power cable research and development facility in Lexington County; of which $13,500,000 is for a grant to Northeastern University, Massachusetts, for the construction and related costs of University's Southwest Corridor Economic Development and High Technology Resource Center; and of which $3,500,000 is for a grant to the School of Engineering at the University of Nevada, Las Vegas, for construction, equipment, and all related costs to develop instructional and research computing systems and enlarge engineering facilities on the University of Nevada, Las Vegas campus.

HOLLINGS AMENDMENT NOS. 952 AND 953

Mr. HOLLINGS proposed two amendments to the bill H.R. 2965, supra; as follows:

AMENDMENT No. 952

On page 9, line 1, strike "$1,800,000," and insert in lieu thereof the following: "$4,200,000, of which $2,400,000 is to be derived from the general fund of the Treasury and of which $1,800,000 is"

AMENDMENT No. 953

On page 34, line 21, strike "$36,400,000" and insert in lieu thereof "$29,400,000".

AGRICULTURE, FOOD, TRADE, AND CONSERVATION ACT

BOREN (AND OTHERS) AMENDMENT NO. 954

(Ordered to lie on the table.)

Mr. BOREN (for himself, Mr. GOLDWATER, Mr. HART, Mr. LEVIN, Mrs. KASSEBAUM, Mr. RUDMAN, Mr. STENNIS, Mr. DECONCINI, and Mr. CHILES) submitted an amendment intended to be proposed by them to the bill (S. 1714) to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure an abundance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes; as follows:

At the appropriate place in the bill, add the following new section:

SEC. (a) Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 is amended by striking out "$1,000" and inserting in lieu thereof "$1,500".

(b) Section 315(a)(2) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) striking out "$5,000." in subparagraph (C) and inserting in lieu thereof "$3,000;"; and

(3) by adding at the end the following new subparagraphs:

"(D) to any candidate and his authorized political committees with respect to—

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commisioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $100,000 ($125,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election) when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $25,000 when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such runoff election; or

"(E) to any candidate and his authorized political committees with respect to—

"(i) a general or special election for the office of Senator (including any primary election, convention, or caucus relating to such general or special election) which exceed the greater of $175,000 ($200,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election) or the amount equal to $35,000 times the number of Representatives to which the State involved is entitled, when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election);

"(ii) a runoff election for the office of Senator which exceed the greater of $25,000 or the amount equal to $12,500 times the number of Representatives to which the State involved is entitled, when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such runoff election; or

"(iii) a general or special election for the office of Senator (including any primary election, runoff election, convention, or caucus relating to such general or special election) which exceed $750,000 when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election)."

(c) Section 315(a)(8) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out "person" the second place it appears and inserting in lieu thereof "person and also the intermediary or conduit."

(d) Section 315(a)(8) of the Federal Election Campaign Act of 1971 is amended—

"(1) by adding at the end of the paragraph the following subparagraph:

"(A) Notwithstanding any other provision of this Act, each multicandidate political committee which makes an independent expenditures in a federal election in connection with such candidate's campaign, shall not do so in any newspaper, magazine, broadcast or other media advertisement without the following notice placed on, or within such advertisement:

"This message has been authorized and paid for by (name of committee/or any affiliated organization of the committee), (name/title of treasurer and/or president). Its cost of presentation is not subject to any campaign contribution limits."

(e) Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(2) by inserting immediately after subsection (a) the following:

"(b)(1) If any licensee permits a person to utilize a broadcasting station to broadcast material which either endorses a legally qualified candidate for any Federal elective office or opposes a legally qualified candidate for that office, such licensee shall, within a reasonable period of time, provide to any legally qualified candidate opposing the candidate endorsed (or to an authorized committee of such legally qualified candidate), or to any legally qualified candidate who was so opposed (or to an authorized committee of such legally qualified candidate), the opportunity to utilize, without charge, the same amount of time on such broadcasting station, during the same period of the day, as was utilized by such person.

"(2) For purposes of this subsection, the term 'person' includes an individual, partnership, committee, association, corporation, or any other organization or group of persons, but such term does not include a legally qualified candidate for any Federal elective office or an authorized committee of any such candidate.".

(f) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by striking "section" and inserting in lieu thereof "subsection".

(g) Section 315(e) of the Communications Act of 1934, as so redesignated by subsection (a) of this section, is amended to read as follows:

"(e) For purposes of this section—

"(1) the term 'authorized committee' means, with respect to any candidate for nomination for election, or election, to any Federal elective office, any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000 and which is authorized by such candidate to accept contributions or make expenditures on behalf of such candidate to further the nomination of election of such candidate;

"(2) the term 'broadcasting station' includes a community antenna television system; and

"(3) the term 'licensee' and 'station licensee' when used with respect to a community antenna system mean the operator of such system.".

(h) Section 301(17) of the Federal Election Campaign Act of 1971 is amended to read as follows:

"(17) The term 'independent expenditure' means an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

"(A) For the purposes of this subsection, 'cooperation or consultation with any candidate, with respect to an election cycle means, but is not limited to the following—

"(i) the person making the independent expenditure communicates with, advises, or

counsels the candidate at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(ii) the person making the independent expenditure includes as one of its officers, directors, or other employees an individual who communicated with, advised or counseled the candidate at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office; and

"(iii) the person making the independent expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office."

(i) If any provision of this Act or the application of it to any person or circumstance is held invalid, the remainder of the Act and the application of the provision to any other person or circumstance shall not be affected by such invalidation.

(j) The amendments made by such sections (a) through (i) of this section shall apply with respect to general, special, and runoff election occurring after December 31, 1986.

PREVENTING DISINVESTMENT OF THE SOCIAL SECURITY TRUST FUNDS AND OTHER TRUST FUNDS

PACKWOOD AMENDMENT NO. 955

Mr. PACKWOOD proposed an amendment to the bill (H.R. 3669) to prevent the disinvestment of the Social Security Trust Funds and other trust funds; as follows:

Strike all after the enacting clause and insert in lieu thereof:

That, during the period beginning on the date of enactment of this Act and ending on November 6, 1985, the public debt limit set forth in subsection (b) of section 3101 of title 31 United States Code, shall be increased by an amount determined by the Secretary of the Treasury as necessary to permit the United States to meet its obligations without any accelerated redemption of securities held by the Social Security Trust Fund or any other trust funds established pursuant to Federal law. No increase under the preceding sentence shall result in a public debt limit in excess of $1,840,800,000,000. During this period the United States may not redeem nonmarketable securities held by any trust fund authorized by law. The Secretary of the Treasury shall use the borrowing authority resulting from the increased debt limit in this Act to restore with interest nonmarketable securities which have been redeemed after October 31, 1985 and prior to the date of enactment of this Act. The debt limit shall revert to $1,823,800,000,000 on November 6, 1985.

NOTICE OF MOTION TO SUSPEND THE RULE

Mr. BYRD. I hereby give notice of my intention to move to suspend the following provisions of rule 14, paragraphs 2 and 3, for the consideration of H.R. 3669:

In paragraph 2:

"Every bill and joint resolution shall receive three readings previous to its passage which readings on demand of any Senator shall be on three different legislative days, . . .",

and in paragraph 3:

". . . bills and joint resolutions from the House of Representatives, shall be read once, and may be read twice, if not objected to, on the same day for reference, but shall not be considered on that day nor debated, except for reference, unless by unanimous consent."

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SURFACE TRANSPORTATION

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Friday, November 1, to conduct a meeting on Oversight of the Staggers Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Friday, November 1, 1985, in closed executive session, in order to conduct a hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Friday, November 1, to hold a hearing to examine the condition of the farm credit system.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

AMERICA'S NEWSPAPERS OPPOSE SELLING CONRAIL TO NORFOLK SOUTHERN

● Mr. DIXON. Mr. President, in the period between May 1 and September 20 of this year, newspapers in 32 States editorialized 166 times on the proposed sale of Conrail; 56 of the editorials favored the Morgan Stanley proposal, 59 favored keeping Conrail independent, 27 advocated doing nothing, 13 argued that Conrail is worth more than has been bid so far, and only 11 endorsed the sale of Conrail to the Norfolk Southern Railroad.

This means that newspapers around the country favored the Morgan Stanley proposal over the Norfolk Southern proposal by a margin of well over 5 to 1, and favored keeping Conrail independent over selling to Norfolk Southern by an overwhelming margin of over 12 to 1.

This strong opposition to the Norfolk Southern proposal from the pages of newspapers both large and small located in the Conrail or Norfolk Southern territory, or outside it demonstrates the inadequacy of the Department of Transportation's recommendation.

Our newspapers have taken a careful look at the idea of selling Conrail to Norfolk Southern, and simply put, they do not like it. They understand the antitrust problems it raises, and they understand the problems it would cause for shippers and railroads that would connect with the combined carrier. In short, these independent voices are convinced that a sale of Conrail to Norfolk Southern is not in the public interest.

In the days to come, Mr. President, some of my colleagues and I will be including copies of many of these editorials in the CONGRESSIONAL RECORD. I am sure the Senate will find the arguments they make very persuasive.●

THE DRUG WAR IN CENTRAL AMERICA

● Mr. GOLDWATER. Mr. President, I would like to bring to the attention of my colleagues a speech given by Ambassador Lewis Tambs at a commencement address to the Ravenscroft School in Raleigh, NC. Ambassador Tambs, who is the former U.S. Ambassador to Colombia and is the current U.S. Ambassador to Costa Rica, addresses the subject of the ongoing drug war in Central America. He does so perhaps better than any man I have ever listened to on the subject and his comments bear reading. For that reason Mr. President, I ask that Ambassador Tambs' speech be printed in the RECORD.

The speech follows:

A WAR THAT MUST BE WON—DRUGS AND SOUTH AMERICA

(By Lewis A. Tambs, former United States Ambassador to Colombia and Ambasador Designate to Costa Rica delivered as the commencement address to Ravenscroft School, Raleigh, North Carolina, June 1, 1985)

Ladies and Gentlemen, Graduates of the Class of 1985. I would like to talk to you about war, a war against you, your children, and your families. It is also a war against democratic governments in Latin America, a war financed by drug dollars. This is a narcotics war which is destroying the youth,

the society, and the productivity of western civilization in the United States, in western Europe, and in Latin America. This is a world-wide war which ranges from the Golden Triangle in Burma to the Bakka Valley in Lebanon, and on to the Eastern llanos (plains) of Colombia, as well as to Peru and Bolivia.

It is incidential as to whether this seductive subversion is a conspiracy, whether it is engendered by corruption or by chance or circumstance. It is a fact, and that is all that matters. Colombia, sensing the danger to its institutions, has emerged as a model in anti-narcotics efforts—a role model in educating its young people to the dangers of self-destruction through narcotics, a role model in extradition, which Mr. Holding mentioned, and interdiction of narcotics being shipped to the United States, Canada and Western Europe. Colombia, moreover, is eradicating cocaine and marijuana cultivations. Colombia is eliminating drug processing laboratories and Colombians also have made a determined effort, under President Belisario Betancur Cuartas, to terminate money laundering activities through the banks and other international financial institutions.

Colombia used to be noted for Juan Valdes and coffee. Now it is notorious for narcotics. In 1978, cultivation and processing of cocaine commenced in the eastern part of the country. Much of this area was and is controlled by communist insurgents. Many Marxists-Leninists, however, have a certain strain of Puritanism; that is, they initially tried to resist or eliminate this traffic. But, eventually they came to the conclusion that it could be very profitable and enable them to arm and equip their guerrilla warriors against the democratically elected Government of Colombia. So after a few clashes with the narco trafficantes by 1982 the communists and the drug dealers arrived at a modus vivendi.

Communist insurgents, either by levying a liberation tax for protection or actually being engaged in drug business, are financing the procurement of weapons and training for their guerrilla fighters to overthrow a friendly, democratic society. Two presidents, both Liberals, President Turby-Ayala and President López-Michelsen—expressed their concern to me about what was occurring in their country. They understood that communist terrorists, financed by drug dollars, were training and arming and infiltrating into a region of the country.—the Media Magdalena—an area which if it became a communist stronghold, would have controlled over 30 percent of the national economy.

Guerrilla forces were increasingly better trained, better armed, better shod, better fed and equipped than the police and the military. Where did the money come from? It come from narcotics. The colombian government determined to take a strong stand. In March of 1984, working with U.S. agencies, they launched the biggest drug raid in history in the Eastern Ilanos and destroyed, along with seven large laboratories and airstrips, some 14 tons of refined cocaine. At the seventh airfield and drug laboratory, the Colombian Armed Forces found a rifle range, an obstacle course, a soccer field, and a tailor shop, belonging to one of the major communist insurgent groups. The subversives also left behind three names marked for assasination. Col. Ramírez of the National Police Force, my name, and the Minister of Justice. The young Justice Minister's name was Rodrigo Lará. He was in his early 30's. He had a wife and three children. Six weeks later, he was gunned down in Bogota, assassinated by the narco-terrorists. Only two weeks earlier, I was chatting with him in his office. He told me that he estimated that the narco-guerrillas in two areas alone had netted $110 million in one year and that they were using these ill gotten gains to overthrow the democratic government which he served. He paid for his courage with his life. I buried him. Nevertheless, the Colombian government continued its strong stance. But the terrorists were still active. a few weeks after the assassination of Rodirigo Lara, the United States Embassy was bombed twice, as was my own residence.

I would like to take this moment now to ask you to pay tribute to the Foreign Service Officers, the DEA (Drug Enforcement Agency) agents, the FBI, the Defense attaches and other governmental agencies which stood fast in their efforts in spite of terrorists threats to them and their families to save you in this room.

Insurgency financed by drug dollars continued. In July 1984, the Colombian Armed Forces undertook a major marijuana operation against the M-19 near the Venezuelan border. Also in July a singular event occurred when one of Colombia's major drug dealers, Pablo Escobar-Gaviria, was photographed loading refined cocaine in Nicaragua for transshipment to the United States. He was aided by a Nicaraguan government official, Federico Vaughan who worked for the Minister of Interior in Communist Nicaragua. Tomás Borge.

This is not the first time Carribean communists were involved in narcotics trafficking. In 1981 the Cuban Ambassador to Colombia, Revelo, was expelled from Bogota because he was engaged in exporting narcotics. He, along with six other Cuban officials are under indictment in Miami, Florida on drug related charges.

Communist Cubans and Nicaraguans are clearly implicated in international drug dealing. Nicaragua is also the scene of a betrayed revolution. The original Sandinistas were composed of Liberals and Conservatives, Social Democrats and Social Christians. But in July 1979, the communist commandants seized power. They had the guns. The military-Marxists have built up a formidable military machine. In Nicaragua, as of June 1985, the military-Marxists have 110 T-55 and 20 T-76 tanks some 200 armored personnel carriers supported by 30 helicopters including the latest Soviet model counter-insurgency Hind helicopter, the MIG-24, and over 100 field artillery pieces. Additionally the nine of the military-Marxist junta have at their disposal some 64,000 regular troops and another 60,000 armed militia.

In the worst days of Somoza, the tyrant Somoza, his National Guard never exceeded 12,000 men backed by three artillery pieces and three World War II vintage tanks. Nicaragua has become an armed camp, and is exporting revolution to its neighbors in El Salvador and to other countries in Central America.

Central America is important to us. It is important to the United States because of the Panama Canal and our strategic Caribbean sea lanes. Moreover, the construction of the airbase at Punta Huete on Lake Managua—an airfield capable of handling the largest long-range Soviet bombers—will give the Soviets the capability of launching reconnaissance missions from Siberia, patrolling the Pacific coast of the United States and refueling and returning from Nicaragua. Soon you may have a similarity with America's Atlantic Coast where Soviet aircraft fly along the Eastern seaboard of North Carolina. Basing on Nicaragua, Soviet Bear bombers may soon be doing the same off America's Pacific shore.

Central America is important to the development and defense of democracy. There are three constitutional democracies: El Salavador, Honduras, and certainly Costa Rico. Guatemala is moving toward constitutional government. The United States government believes that democracy is essential for the stability of the region. For, in general, democracies do not export revolution. They do not declare war on their neighbors. Under the Jackson Plan, what the U.S. seeks in Central America is democracy, development, demilitarization and the departure of foreign forces. The Administration hopes to achieve this through dialogue. The Sandinista government, the Junta, the Nine, the military-Marxists—and since they always wear uniforms that should tell you something about them—have broken all their prior promises. Promises they made to hold free, open, democratic elections. Promises they made to respect human rights. Promises they made to establish an independent and impartial judiciary. These promises were made to the Organization of American States in July 1979. More importantly they were made to the Nicaraguan people.

Foot people are fleeing Nicaragua. When the communists take over, ten percent of the people leave. Indochina, Afghanistan, Ethiopia, eastern Europe and Cuba are examples. Currently, Central America is pursuing this pattern. There are 25 million people in Central America: 75 million more in Mexico—a hundred million people. And if these poor souls seeking to survive, following freedom, begin to move, the United States is going to be faced with mass migration—which, in the long run, may aid the United States because these refugees are willing to work and are generally anti-communist. Nevertheless, this migration could present grave social and economic problems in the short term. Therefore, there is danger to the South, danger to the democratic states of Central America, and danger to the democratic states of South America, like Colombia.

In Colombia, I noted that the United States had worked with the Colombians in the big bust of March 1984. Late last year there was reactivation of one of the airfields and laboratories. On October 12 Colombian National Police, aided by the military, helicoptered in to destroy the cocaine laboratories which were being rebuilt along with the 120 drums of precursor chemicals which process this death-dealing drug. The first two days Lieutenant Neyra and a paratrooper died from sniper fire. I buried them. The next day Lieutenant Alvarez was killed. I buried him too. But, nevertheless, the Colombians pressed on and finally were successful in winning through. But what did the Colombians find? They found literature and account books, which belonged to a communist insurgent group. Therefore, once again there is a direct correlation between insurgency and drug dollars. Once again, I'm not interested in whether it's conspiracy, whether it's chance, or whether it's corruption, it's a fact.

Attacks against the U.S. mission continued. In November 1984, the narco-terrorists launched a car bomb against the United States Embassy in Bogota. One unfortunate woman was killed. She, of course, was an in-

nocent bystander. But, the U.S. mission stood fast. We were, however, obliged to initiate the evacuation of our women and children.

And then in December 1984, Ivan Mariano Ospina, the military leader of the M-19, a Colombian communist Castroite group, surfaced in Mexico City. He called not only for the assassination of U.S. diplomatic personnel in Columbia, but also clearly stated his desire to collaborate with the drug trafficker, in attacking the United States.

Again in January 1985, Carlos Ledher, one of the major drug traffickers, voiced the same opinion. He singled out the President of Colombia, Belisario Betancur Cuartas, for assassination. Nevertheless, the President forged ahead. The threats continued in April and in May. In April on TV in Paris, the leader of the Moscow line insurgent group Manuel Marulanda, Tirofijo stated that he now had 40,000 men that he was preparing to launch against the Colombian government.

Where did the money come from, you should ask. Well, I think you can guess by now.

And then again in May, just a few days ago, two Colombian military helicopters were shot down by communist insurgents in an area which has long been noted for its drug trafficking. The Colombians are taking the casualties. But U.S. citizens are taking the casualties too. With regard to consumption of cocaine, most of it occurs in this country in the age group of 28-42. This is the managerial, the entrepreneurial, the economic elite, the so-called productive class; it can afford to buy this debilitating and demoralizing drug.

Do you wonder why U.S. industry may be in trouble if the scientific business and academic elite is sniffing its minds away up their noses on cocaine? We have the destruction of our youth. And I ask you how much do you think it costs for rehabilitating a person who is a cocaine addict? The minimum is $20,000 if they are salvageable. It may go as high as a $100,000 in some cases. What are we going to do with these zombies? We are a people in the Judeo-Christian tradition. We are going to have to take care of the unfortunates. We are going to have to warehouse them. And that money could be used for other things. It could be used for your education. It could be used for social services. It could be used for research and development or new production facilities.

So, therefore, ladies and gentlemen, we are talking about a war—a war which involves not only a direct assault on democratic governments in Latin America like Colombia, financed by drug dollars, but also a generalized war against the future. You the young people are the future of western civilization, and the war is against our managerial skills, our productivity, our creativity, our tomorrow.

We, therefore, are faced with conflict. We are faced with a crisis. And the fact is that basically, it is a spiritual, a metaphysical problem. You should love yourself and your neighbor, because people who live themselves generally do not get involved in narcotics—either as users, abusers, or dealers.

Therefore, ladies and gentleman. I ask you for your sakes, your children's sakes, for your nation's sake, to remember we are taking about war. We are talking about a war, a war which must be won.

Thank you very much.●

REDISTRIBUTION OF WEALTH

● Mr. SIMON. Mr. President, the Peoria Journal Star is one of the most influential newspapers in the State of Illinois.

It published an editorial recently which commented on something that seems to have escaped the attention of most editorial writers and Members of this body.

The reality they are talking about is the massive redistribution of wealth that is taking place with our immense deficits and interest payments.

Their sensible editorial is worth reading. I urge my colleagues to do so. I ask that the Journal Star editorial be printed in the RECORD.

The editorial follows:

[From the Peoria Journal Star, Oct. 6, 1985]

THE RICH: DEFICITS REDISTRIBUTE OUR MONEY UPWARDS

Sen. Paul Simon, D-Ill., has called attention to an important byproduct of the federal deficit that rarely gets mentioned.

It is the massive redistribution of income now going on in America in which the federal government takes money from people of modest and limited income and gives it to the rich and the well-to-do. This is something that will be going on for a long time into the future.

We all know that the federal government, because it is spending about $200 billion a year more than it gets in taxes, has to borrow that much money to pay its bills. We also are well aware that the total federal debt now amounts to nearly $2 trillion.

Like any of us, when the government borrows money it has to pay interest. In the fiscal year that we are just now beginning, Washington will pay $181 billion in interest.

That many tax dollars go toward no government program whatever; they don't pay soldiers' salaries or elderly Americans' pensions or the cost of rebuilding after hurricanes or anything like that. They are merely interest payments given to people who loaned the government the money that it didn't have but wanted to spend anyway.

Who gets the interest? Obviously, people who can afford to buy Treasury bills, because selling them is the way the government borrows. The ones who buy these bonds are mostly people (and institutions) of means who have enough money on hand to lend to Uncle Sam.

Ordinary people, who pay the bulk of the taxes that are used to pay the interest, cannot afford to get in on this bonanaza. They give, and the others take.

Every time you send the federal government $100 in income taxes, $20 of it is sent to some Treasury-bill holder as an interst payment. You might just as well send $80 to Washington and mail $20 directly to some retired physician in Fort Lauderdale.

Simon calls this "a government-sanctioned redistribution of such immensity that no feudal lord of the Middle Ages could have dreamed of anything like it."

That is not an exaggeration. We would not want to believe that the president and Congress have been doing this deliberately, but, on the other hand, we can't help but notice that they have not been doing anything significant to stop it.●

HANDICAPPED BASEBALL

● Mr. D'AMATO. Mr. President, it brings me great pleasure to rise today to call the attention of my colleagues to an example of the great achievements and successes which can be achieved by our friends and neighbors who are handicapped. These are individuals who, through either physical or cerebral impairment, are engaged in a constant struggle to cope with life's difficulties on a day-to-day basis. The many conveniences of life we too often take for granted are frequently difficult or next to impossible for the handicapped to employ.

We, as individuals in a society full of complexities and sophistication, have taken advantage of technological innovations, such as the telephone, in order to make life as easy for ourselves as possible. There is nothing wrong in exploiting the use of such a tool, as long as it is accessible to everyone. We, as a nation, must see to it that those of us who are handicapped are given equal access to the conveniences of daily living. The strength of the individual lends to the strength of the Nation.

For this reason, I have cosponsored S. 402, legislation to require all telephones to be compatible for use with hearing aids. S. 402 also requires that common carriers provide specialized equipment for telephone service for use by persons whose hearing, speech, vision, or mobility is impaired. The strength of this legislation is its encouragement of individual capability and productivity—factors vital to fostering the synergistic development of individuals, which lead to a stronger Nation.

There are many organizations dedicated to helping handicapped individuals. This aid often involves the teaching of self-confidence and self-esteem. These organizations encompass a broad range of institutions from hospitals to group homes, but I would like to call attention today to one small, but effective, organization—a baseball team—which amply serves as an example of what a little time and a little caring can mean to a handicapped individual.

The story of this baseball team, written and published by Newsday this past summer, describes a group of special athletes who come together on weekends to compete. These children are learning how to deal with the frustrations which make it difficult for consistent social interaction with other children. I would like to share this article, as it brings out the best in these children. We must support these children, just as we must make certain that all Americans remain strong. This is the strength of our Nation.

Mr. President, I request that this article be printed in the RECORD in its

entirety at the conclusion of my remarks.

The article follows:

THE HANDICAPPED CAN PLAY, TOO

(By Joe Krupinski)

When 9-year-old Steven Geers reached first base safely, he celebrated by stomping on it with both feet.

Before 8-year-old Kristin Soiners batted, she remembered to first blow a kiss to her mother on the sideline.

Tiny Stephanie Santino determinedly pounded a fist into her glove before catching a thrown baseball, just as her uncle had taught her.

Mike Ferrer, his cap askew, gave a high-five to his coach when he scored. Nobody had to tell him that was the thing to do.

Such incidents are commonplace in hundreds of Little League baseball games throughout Long Island every spring. Except that this particular game, played on a recent Saturday afternoon in Lindenhurst, was special. The players all are handicapped, physically or mentally, because of cerebral palsy, Down's Syndrome, autism and other forms of mental retardation or learning disability.

"Something's missing," Nassau County police officer Richard Northorn said to himself last summer, after his two normal sons, Richie (10) and Larry (7), had completed another season with the Lindenhurst National Little League. "I was doing some volunteer work at the Nassau Rehabilitation Center [in Woodbury] and thought, "These kids would *also* benefit from playing ball like other kids. A handicapped child only wants what every child wants—a sense of belonging. They want to have friends, and the best way to make friends is through sports."

It took an extraordinary effort by Northern and others to promote interest in such a program, however. While officials of the local Little League readily accepted the idea of sponsoring a special team, parents of the handicapped children were reluctant to join in right away. "By nature, these mothers and fathers are overly protective of their handicapped youngsters," Northern said. But by the May 4 Opening Day, the "Lindenhurst Pioneers" team had 21 players between the ages of 6 and 16, coming from communities as far away as East Meadow.

Northern, who knows all his charges by name and disability, acts as the manager with the assistance of a dozen volunteer coaches, one for every child or two. The weekly two-hour session begins with warmup exercises ("just like the major-leagues do," he urges the kids) and individual running of the bases ("to give them a feel of the game"). The group breaks up for catch-and-throw practice along the baselines. Then the actual "game" takes place, with players using a batting tee for the time being. The workout is happily ended with sodas all around. Players hug and kiss their coaches, promising to be back on time next week.

"This is beautiful," said LIRR conductor William Washington of Copiague, whose 10-year-old son, Billy, was born with cerebral palsy and communicates by sign language. "The neighborhood kids play ball in the street and he watches over the yard fence. They don't understand him. Average kids don't get along that well with handicapped kids because they're different. Kids like everybody to be the same."

Alex Santino of Lindenhurst, whose 6-year-old daughter Stephanie was born with Down's Syndrome and is the smallest member of the program, admitted that he was "skeptical about anybody being able to put a thing like this together. I thought it would fizzle because it takes so much time and patience. But look how many people they've got involved. There's a civic pride here."

The players were provided with the same uniforms (shirts, pants and socks) as all the other Little Leaguers in Lindenhurst. Four dozen caps were donated by the Nassau Policemen's Benevolent Association. The Lindenhurst Lions Club has promised to deliver a pair of portable restrooms to the Niagara School field. The Knights of Columbus has made a $100 donation and the Hempstead Village Police have given 200 free tickets to a summer concert featuring music of the '50s for the participants and their families.

One of the coaching volunteers is Stephanie's uncle, James King, who arranges for a friend to take over his hot-dog stand business on weekends so that he can be with her. "Whatever Stephanie wants, Uncle Jimmy gives," said Stephanie's mother, Cookie Santino. "She used to watch her older sister play softball. Now she says, 'My turn, my turn.' She wanted to put on her uniform at 8 o'clock this morning."

Another enthusiastic team member is 7-year-old John Ketchum of Amityville, who has an IQ of 135 but suffers limited use of his right hand and right leg because of cerebral palsy. "We have him in therapy to deal with his handicap, which he hasn't been able to do because it's so frustrating to him," said his father, John. "Some kids tease him and call him a dummy at school. On the other hand, others pick up his books and help him with his coat. He likes all sports. He can tell you the statistics of half the players in the major leagues."

Matthew Gagnon, 9 of Hicksville might be physically able to play baseball as well as other boys his age, but is hampered by autism, a learning and behavioral disorder. "He gets upset at a moment's notice," said his father, Bruce. "This morning he told us, 'I'm not going to play today.' But two hours later he was anxious to come. Once he sees the other children, he enjoys it. He generally doesn't have this opportunity for socialization. This is great for him."

Matthew accidentally collided with a fielder while running to first base and began crying. But young John Ketcham, who was helping to coach at first, stopped his tears by whispering, "When any of these kids hit you, let me know." With their parents anxiously watching the exchange from the sideline, the two boys spontaneously hugged each other on the field. "I think he's made a friend," Bruce Gagnon told his wife with an unmistakable lump in his throat.

His adoptive parents beamed while infielder Frank Watson of Wantagh, a 13-year-old with Down's Syndrome, smoothly scooped up a ground ball and threw the runner out. The Sunday before, Joseph and Elizabeth Watson, who adopted Frank six years ago since their own five children had grown up and married, had watched their son. ("We first got him as foster parents when he was a baby.") win two events in the Naasau County Special Olympics track and field meet at Mitchel Park.

"He tends to be hyperactive," Elizabeth Watson confessed, "and this is a wonderful outlet for him. He loves sports of any kind, including basketball and soccer, too. He copies what he sees on television, the batting stance and the whole bit. He used to like Reggie Jackson when he was with the Yankees. Now his hero is Darryl Strawberry of the Mets."

As the baseball game comes to a close, it is difficult to determine who has had a better time, the kids or their coaches. "Their joy is our joy," said 26-year-old Lori Zeller of Hicksville, who was told about the Lindenhurst program by a friend. "When you see them smile after catching a ball, it's worth it. You know they're building more confidence by being here. It makes us feel special to give them some of our time. There's no place else I'd rather be at this moment."

Since the season continues through June 29, there's still time and room for more players and coaches in this special program, which is held each Saturday at the Niagara Avenue Elementary School in Lindenhurst. Donations are also welcome. Contact Richard Northern, 120 North Jefferson Ave., Lindenhurst 11757 (call 516/884-4971).

There also is a program for mentally retarded youth called the North Babylon Trailblazers. Contact Tony Siracuse, North Babylon Youth League, PO Box 2023, Deer Park Avenue, North Babylon 11703 (516/587-8479).

With teams from North Bellmore and North Merrick forming, plans are being made to establish a traveling league for all teams next spring.●

THE INTERNATIONAL ECONOMY TO 1999

● Mr. HART. Mr. President, earlier this week, Prof. Gary Hufbauer of Georgetown University delivered an extraordinary address on the occasion of his appointment as the first Marcus Wellenberg professor of international financial diplomacy. I wish to share that speech with my colleagues today.

Professor Hufbauer's address is noteworthy in two respects.

First, it is one of the clearest arguments for elevating the role of international economics in our foreign policy. Professor Hufbauer, an economist, recognizes what too many foreign policy experts overlook. He notes that many of America's greatest postwar accomplishments in world affairs have been in economics: our leadership to expand world trade through GATT, to create the institutions of international economics at Bretton Woods, and to draw developing nations into the economy of the Free World. He also correctly observes that our economic strength provides a tremendous edge over the Soviet Union—an edge we should better exploit in our continuing competition with the Soviets.

Second, Professor Hufbauer offers a cogent argument against protectionism and other constricting approaches to international economics. He argues that our Nation and other Western nations exacerated the economic collapse of the 1920's and 1930's by responding with tariffs and other policies that reduced world economic activity rather than increasing it. He concludes we can overcome the likely economic challenges of the next two decades if we resist pressures for such policies and steer instead toward policies that expand trade, reduce unfair trade

practices by our competitors, and modernize our own industrial profile.

Professor Hufbauer's address, entitled, "The International Economy to 1999," provides an excellent portrait of the economic possibilities for our future, and I recommend it to all my colleagues. Mr. President, I ask that Professor Hufbauer's remarks be reproduced in full at this point in the RECORD.

The remarks follow:

THE INTERNATIONAL ECONOMY TO 1999

(Address by Prof. Gary Clyde Hufbauer)

I. PROLOGUE

Father Healy, Dean Krogh, Peter Wallenberg and members of the Wallenberg family, Ambassador Wachtmeister, distinguished guests. It is a signal honor to be named the First Wallenberg professor at Georgetown. The Wallenberg family of Sweden is one of the great families of Western society. It has been compared to the Rockefellers of the United States, the Rothschilds of France, and the Medicis of Italy. In this comparison, Marcus Wallenberg may be singled out as a twentieth century Lorenzo the Magnificent. He was a trusted emissary for his nation during the difficult years of the Second World War, a patron of the arts and sciences on a magnificent scale. A champion player on the Wimbledon courts, a pioneer leader of Swedish finance and industry, and a dedicated exponent of liberal international policies. Marcus Wallenberg was born in 1899. I propose to celebrate his centennial birthday early by reflecting on the shape and dimensions of the world economy over the century ending in 1999.

The printed invitation to this ceremony billed the title of my address as "The International Economy in 1999." You are here under false pretenses. In fact, the title is "The International Economy to 1999." As we now embark on a tour of history, you will discover what a big difference a small preposition can make.

The international economy is built on the simple fact that each country can improve its national life through exchange with foreign countries:

Most obviously through the exchange of goods;

But also through the migration of people and the flow of capital from one nation to another;

And equally important by the exchange of ideas to inspire fresh insights on the organization of business and society at large.

In the years since 1899, economic life has vastly improved for most countries, and international exchange has made a major contribution to those gains. If the rules of international commerce over the past century had been written by small- and mid-sized countries—such as Canada, Sweden, and Korea—quite possibly the world economy would have witnessed uninterrupted integration in all its dimensions. The great majority of successful small- and mid-sized countries depend on the world economy.

But the rules of the international system have been written by the major players—in recent years, the European Community, Japan, and the United States. Prosperity in large countries does not visibly depend on outward-looking economic policies. As a consequence, large countries have sometimes tolerated measures that damage the world economy. Today, for example, Japanese telecommunications policy, the European common agricultural policy, and the U.S.-inspired Multifiber Agreement all serve to disrupt international commerce.

What consideration guide the major powers in choosing between liberalization and protection?

One set of considerations involves macroeconomic disturbances—boom, depression, commodity price shocks, and exchange rate fluctuations. Macroeconomic events do influence the choice between liberal and protective policies, but macroeconomic events are not the whole story. In different eras, the major powers have responded in quite diffeent ways to similar macroeconomic disturbances. To explain these different policy responses it is useful to remind ourselves that large countries often regard international commerce as an instrument of foreign policy. This was notably true of British economic diplomacy in the nineteenth century, and American economic diplomacy after the Second World War.

II. A CENTURY OF INTERNATIONAL TREMORS

Over simplified, the international economy of the past century can be divided into five episodes, each marked by central features of economic integration or disintegration, reflecting the play of forces between macroeconomic events on the one hand and the foreign policy concerns of the major powers on the other. Let me try to capture the central features of each of those five periods. Those who dread history should not be alarmed, for I shall compress more than 80 years into less than eight minutes.

1. The first period, 1879–1920, was an age of overseas investment and emigration, camouflaging a slow rise of trade protection.

The last quarter of the nineteenth century and the first decades of the twentieth were not years of liberal trade policy. The decisive step came in 1879 when Germany, the country which had gone farthest down the road to free trade, adopted the Bismarch tariff, a measure that brought huge political advantage to the Chancellor, but set in motion a slow rise of retaliatory protection.

Nevertheless, under the umbrella of British diplomacy, a large measure of free trade was maintained and other features of the international economy were positively buoyant. Emigration and capital flows from Europe providing a driving force. Scaled to the present-day U.S. economy, immigration at the rates of the pre-First World War period would require about 11 million immigrants into the United States per decade—about twice recent rates of legal and illegal immigration combined. Again, if the United States today were to invest abroad at the rates achieved by Britain in the pre-war period, it would require net capital outflows of $200 billion per year. Instead, U.S. net capital inflows may reach $200 billion annually in the years ahead. We have come a very long way from the halcyon period of British diplomatic supremacy.

2. In the second period, 1920–1929, only the flow of capital remained unfettered.

After the First World War, political leaders reacted to events, and they gave little thought to the construction of an enduring world economy. The major powers erected a new barrage of tariffs and nontariff barriers. The movement of people was restricted as well. American policy surrendered to crude prejudice against the supposed "flood" of southern European immigrants.

The outstanding positive characteristic of the international economy in the 1920's was the movement of capital, associated both with war reconstruction and postwar development. As late as 1929, it seemed that the cornucopia of finance centered in New York would sustain the world economy for years to come. But world prosperity could not be indefinitely nourished by a financial bubble that fed on itself. In 1930, all collapsed.

3. The third period, 1930–1950, was an era of cataclysm and reconstruction.

The failures of the 1930's were spectacular. First there was market failure. Disaster began with the U.S. stock market crash of 1929, followed by bank failures in Europe and the United States. Financial rout was accompanied by plummeting industrial production.

Next there was policy failure. The United States Federal Reserve Board, the Bank of England, and the Bank of France proved remarkably inept in handling the financial crisis: They failed to act as lenders of last resort, they failed to expand the money supply in the face of collapsing production; and they engaged in destructive exchange rate competition.

As national economies collapsed, the international economy all but disappeared. Trade was devastated by an avalanche of tariff restrictions and exchange controls, triggered by the Smoot-Hawley tariff of 1930.

Neither France, nor the United Kingdom, nor the United States saw the preservation of the international economy as a key objective of foreign policy. France was preoccupied with a resurgent Germany; the United Kingdom was concerned with preserving an empire; and the United States was consumed by isolationist sentiment.

Out of the cataclysm emerged a constructive attitude. With tiresome persistence, Secretary of State Cordell Hull advocated tariff reduction as the central instrument of U.S. foreign policy. After the Second World War, the United States and the United Kindom saw their foreign policy interests served by rapid reconstruction of the world economy. This was their strongest and best answer to a menacing Soviet Empire. They created a network of magnificent institutions to promote economic integration: The International Monetary Fund, the World Bank, the GATT and the OECD. Marcus Wallenberg was a visionary actor in the postwar reconstruction of Europe.

4. The fourth period, 1950–1970, so familiar to most of us, was a golden age of trade and investment.

In the postwar years, expanding trade and growing capital flows, and the spread of multinational firms powered the international economy. The network of international institutions, together with memories of interwar mismanagement, served to buffer the system against inevitable but unforeseeable shocks.

5. The fifth and most recent period, 1971 to the present, can be characterized as an era of successful damage control policies.

In August 1971, faced with a growing external deficit, President Nixon closed the gold window and imposed a 10 percent surcharge on imports. Fortunately, instead of engaging in destructive retaliation, the major powers transformed the Bretton Woods system of fixed exchange rates into the current system of floating exchange rates.

When the oil shocks of 1973 and 1979 hit the international economic system, the major powers showed the good sense not to corner available supplies of traded oil. Instead, they cooperated with one another in sharing the burden of shortages and higher prices.

When the developing country debt crisis hit the world economy in the summer of 1982, responsible policies were again pursued. The International Monetary Fund and the Federal Reserve Board skillfully averted financial panic.

In the written version of these remarks, I present a tabular score card that summarizes the major episodes of integration and disintegration over the past century. This score card gives cause for modest optimism. The worst outcomes occurred when failing markets were met with restrictive policies. Those outcomes occurred in the 1930's, when collapsing trade and capital flows were reinforced by the Smoot-Hawley tariff and its progeny, and by widespread exchange controls. Conversely, the best outcomes occurred when market integration was reinforced by liberal policies, most conspicuously in the years immediately after the Second World War.

Recent years are characterized by more constructive episodes than destructive episodes. Based on this experience, we may speculate that the international system has developed workable damage-control mechanisms. The major powers may squabble with one another over steel, wheat and telecommunications, but the international economy of the 1980's contains a far stronger immune system than it enjoyed in the 1930's.

III. CHALLENGES TO THE YEAR 1999

With this retrospective survey in mind, I shall try to sketch the international economy in the years remaining to 1999. This sketch must start with an outline of future macroeconomic disturbances—no easy task.

In 1913, who foresaw shifting roles of Europe and the United States as suppliers of world capital? In 1972, who foresaw the coming oil shocks? Undaunted by the hazards of forecasting, let me suggest looming areas of strength and weakness in the world economy.

Economists often delight in their reputation as practitioners of the dismal science. Two well-known Wall Street economists have been nicknamed Dr. Doom and Dr. Gloom.

Nevertheless, the world economy exhibits several areas of strength. To start with, certain problems of recent years seem unlikely to return. Ample supplies of oil and minerals, together with an abundance of foodstuffs, promise a long period of stable commodity prices. Meanwhile, industrial firms are more often plagued with surplus capacity than shortages. The leading central banks have seemingly banished the spectre of printing press inflation. The Thatcher-Reagan revolution has arrested the upward spiral of social welfare programs, while congressional and parliamentary skeptics have stalled the outsized growth of military spending.

Taken as a whole, these background circumstances favor a long period of noninflationary expansion. This favorable background is complemented by at least three buoyant forces in the world economy: First, a rising entrepreneurial spirit; second, a dynamic pacific economy; and third, a communications revolution. Let me say a few words about each of these buoyant forces.

The liberal economic philosophy embraced by Western nations for two centuries was built on a continuing process of innovation. In turn, innovation has largely depended on private entrepreneurs, illustrated so well by the Wallenberg family.

Governments seldom succeed in their own attempts at commercial innovation, but they can do much to encourage or to thwart private initiative. In some countries, such as Nicaragua under Somoza or the Philippines under Marcos, political power has been used to extract huge amounts of wealth from business, crushing private initiative in the process. In other countries, such as India and parts of Scandinavia, a heavy overlay of regulation stifles entrepreneurial efforts.

The bright feature of the late 1980's and the 1990's is the worldwide spread of government policies that support private entrepreneurs. Pro-business attitudes have captured government thinking not only in the industrial countries, but also in such far flung places as New Zealand, China, and Argentina. This contagion can only bode well for the world economy.

Carrying the entrepreneurial banner, the Pacific Basin promises to become the growth center of the world economy. The Japanese success story is widely known and rightly celebrated. Other East Asian countries have delivered equally spectacular performances. In two decades, Korea has increased its income per capita by almost four times.

The growth push in the Asian-Pacific region will powerfully stimulate the rest of the world economy in the years ahead. Equally important, the region serves as a modern lesson on the conduct of economic policy. The successful countries in the region have two important characteristics in common: They rely on private firms and they are tied to the world economy. The triumphs of East Asia clearly favor the capitalist-internationalist model of development over the Socialist-Isolationist model, a lesson now widely noticed in India, China, and parts of Latin America.

A wealth of technical innovations will transform the world in the next 15 years. From the standpoint of the international economy, perhaps the most far-reaching innovation is the communications revolution.

Transcontinental communications enable the vast interchange of human services across long distances, a powerful twentieth century echo of nineteenth century immigration. Bookkeeping operations will be performed in Sri Lanka for companies in Sweden; legal briefs will be drafted in New Delhi for filing in New York; the Mayo Clinic will diagnose medical cases in Nairobi; company engineers in White Plains will direct smart robots in Sao Paulo. In short, the communications revolution will facilitate specialization and low cost production on a global scale.

Unfortunately, the combination of favorable background circumstances and buoyant forces does not compel the conclusion that the world economy can look forward to an era of smooth sailing. Here I must put on the garb of the dismal science. You may think of this gown as my doomsday robe.

Macroeconomic contradictions are now the foremost danger. At one time it was thought that a world of floating exchange rates would permit each nation to pursue its own vision of fiscal and monetary policy, and that gently moving exchange rates would ensure approximate balance in each nation's external accounts.

Recent events have shown three things: First, that exchange rate changes are anything but gentle; second, that the free flow of capital can lead to exchange rates that satisfy financial markets but are badly overvalued or undervalued in terms of trade competitiveness; and third, that the major nations can experience significant and persistent trade imbalances. In short, while floating exchange rates can indeed reconcile contradictory macroeconomic policies, they do so at great political cost to the international economic system. Seventy-nine percent of Americans now blame foreign trade for the loss of jobs. Even more important, elite circles in San Francisco, New York, and Washington now tolerate protectionist arguments.

The accord reached at the Plaza Hotel in September represents an important first step in correcting the misalignment of exchange rates. But it is possible that none of the tough backup policy decisions will be taken, and that the world economy will witness a scenario of enormous U.S. trade deficits exceeding $200 billion annually through the rest of the 1980's. This scenario presents two dangers. On the one hand, there is the danger that the collapse of the dollar in the late 1980's could generate much the same shock wave consequences on world financial markets that the collapse of the U.S. stock market inflicted in 1929. On the other hand, there is the danger that, if the dollar does not fall quickly, the major powers, led by the United States, will embrace irreversible policies that strangle the growth of world trade and choke off the integration of world capital markets.

If the present situation degenerates into restrictions on trade movements and capital flows, or if huge exchange rate movements lead to another round of double-digit inflation, new approaches will be required.

The major powers might ask the International Monetary Fund to take on the vestiges of a world central bank. As a start, the IMF could serve as the forum for meaningful consultation on the fiscal and monetary policies of the major nations. In time, the major nations might grant the IMF discretionary powers over the issue of special drawing rights for the purpose of intervention in exchange markets.

Rising debt burdens pose another danger to the world economy. The debt bubble could burst with the involuntary extinction of debt claims on a global scale, through the mechanisms of bankruptcy and its international analogues. Alternatively, a return to inflation could solve the problems of this generation of debtors, but create another and larger generation in its wake. More constructive, the debt bubble could be gradually deflated through policies that reduce real interest rates and encourage a return to equity finance on a world scale.

Signs can be found that the major powers are adopting the necessary transitional support for a slow deflation of the debt bubble. In the 1985 bank-fund meeting, the United States offered plans for bolstering the World Bank. But will the fiscal discipline so necessary for ensuring a gradual deflation of the debt bubble be put in place?

A third area of weakness is the management of structural adjustment. Europe, Japan, and the United States have all done very badly at rationalizing agricultural production. The abundance of biotechnology, coupled with the bounty of public finance, now threaten to give the world unwanted oceans of milk and mountains of grain. Meanwhile, a parade of industries face stiff competition from China, India, Brazil, and other emerging countries.

The major powers need new solutions to their sunset industries and their uncompetitive farms. I favor an approach that would dedicate revenues from temporary "escape clause" tariffs to the adjustment of troubled industries and high-cost agriculture. Japan, for example, might inaugurate an exit pro-

gram for its rice farmers and petrochemical workers; the United States might downsize its carbon steel and apparel factories; while Brazil and India might reduce the hothouse protection of their computer industries.

IV. THE INTERNATIONAL ECONOMY IN 1999

To conclude: Conditions are in place for a long period growth in the world economy. Whether this promise is realized depends on how our statesmen face the challenges ahead. None of the challenges I have mentioned is insurmountable. The problems stem from financial imbalances and high-cost industries, not scarce resources and capacity shortages. The solutions require sensible economics, not technological miracles. The central problems facing the world can be solved in positive ways that point to a greater integration of the world economy, much as was done in the tumultuous years between 1971 and 1985.

But the tremors ahead will not be met in a constructive fashion unless the leading countries see their political interests served by liberal policies. And here I have my doubts. Each of the great liberalizing movements of this country—the reciprocal trade agreements program of 1934, the Bretton Woods system, and European economic integration—emerged from the bold designs of pioneering statesmen. They were not the result of a close calculation of costs and benefits by professional economists.

As the 1930's recede into a more distant past, a new generation of Western Statesmen has come to view the international economy as a pleasant background feature, not a central concern deserving the same priority attention as star wars.

These priorities are wrong. The triumphs of American and European Diplomacy since the Second World War are economic triumphs, not military triumphs. One need only contrast Bretton Woods, the vast growth of trade, and the appearance of capitalism in China, with Suez, Vietnam and Lebanon to see the point.

Our leaders have shown that they will rebuff crude protectionism. But will they embark on ambitious new efforts at integrating the world economy? In his April address at Princeton University, Secretary of State George Shultz spelled out a bold vision to meet the economic challenges of our time. It is not evident that his words carried to Capitol Hill, much less to Tokyo and Brussels.

I conclude that the world economy will need to suffer at least one dramatic shock before the major powers will concentrate their attention on overhauling the international machinery. We in Washington have an unfortunate but enduring expression: "If it ain't broke, don't fix it." On present evidence, the international machinery needs to be visibly broke before it will be properly fixed.

When the shock occurs, can the spirit that led to Bretton Woods and European economic integration be rekindled? Our leaders must grasp four essential facts: First, with proper policies, the West can easily surpass the Soviet Empire in the economic arena; second, the magnetic pull of an open trading system will gradually detach parts of that empire; third, both those goals can be achieved with budget outlays that are a small fraction of the Pentagon's expenditure; but fourth, however, hard we try, and however much we spend, we will never regain a comfortable margin of military security against the possible misdeeds of the Soviet Union.

I believe that when the leaders of Europe, Japan, and the United States grasp these crucial facts, they will rediscover the political importance of a thriving world economy. They will embrace the vision of a great industrial free trade area, with free movement of people and capital, and coordinated economic policies. But the way will not be easy.

In his 1980 address to Georgetown University, Marcus Wallenberg spoke on the need of statesmanship in government and in business. I will close with his wise advice:

We need new Trumans, new Marshalls, new Adenauers, and new Monnets to recreate the right environment for new Fords, new Andersens, new Rothschilds, and new Morgans, who will see the opportunities and create the new resources we need to cope with our domestic and our global problems.

Thank you.●

THE 1985 MAN OF CONSCIENCE AWARD

● Mr. D'AMATO. Mr. President, I rise today to call attention of my colleagues to the annual award dinner of the Appeal of Conscience Foundation honoring Giovanni Agnelli that took place on October 15 at the Pierre Hotel in New York City. My distinguished colleagues, Senators LUGAR and KENNEDY, spoke at this dinner to celebrate the occasion of Giovanni Agnelli's receiving the 1985 Appeal of Conscience Foundation's Man of Conscience Award for his life-long effort to improve the human condition—and to advance the cause for human rights, social justice, international cooperation, and peace worldwide.

Celebrating its 20th anniversary, the Appeal of Conscience Foundation continues to work diligently to promote human rights and human dignity. This foundation has supplemented efforts of the United Nations, and has consistently assisted in the reduction of those tensions which have so often led to suspicion, hatred, and war.

As president of the Appeal of Conscience Foundation, Rabbi Arthur Schneier presented Giovanni Agnelli with the 1985 Man of Conscience Award and addressed the capacity-filled grand ballroom of the Pierre Hotel. His words echoed through the open doors, and into the streets. Speaking not only for those in attendance, but for all the world to hear, Rabbi Schneier paid tribute to a man, Giovanni Agnelli, who represents the undying quest for freedom and peace worldwide that all nations must pursue.

Mr. President, I ask that Rabbi Arthur Schneier's address be printed in the RECORD in its entirety at the conclusion of my remarks.

The address follows:

ADDRESS AND PRESENTATION TO GIOVANNI AGNELLI FOR THE APPEAL OF CONSCIENCE FOUNDATION ANNUAL AWARD DINNER

Address by Arthur Schneier, President, Appeal of Conscience Foundation

This year we extend Columbus Day with Agnelli Day. My dear friend and past recipient of the Appeal of Conscience Award Coretta King has had the experience of having a day declared for Martin Luther King. It is not easy to add a National Holiday. We, at the Appeal of Conscience Foundation, are delighted to proclaim henceforth Giovanni Agnelli Day following Columbus Day.

It is Providential that we honor Italy's foremost citizen with the Man of Conscience Award tonight.

The management of terrorism has preoccupied U.S.-Italian relations these last few days. Governments make mistakes and leaders may blunder but the friendship between people endures. It is significant that we honor Giovanni Agnelli, who has devoted his life to strengthening the bonds between Italy and the United States. Tonight, through him, we reaffirm the ties between our two nations and note with great pride the enormous contributions of the Italian community to America.

We are also gratified to observe the Twentieth Anniversity of the Appeal of Conscience Foundation. It is encouraging to see this Grand Ballroom filled to capacity with men and women representing different races, religions, nationalities, ideological and political persuasions.

All of us are aware of the need to live together and strive together to assure the survival of humanity. There is the realization that we either swim or sink together. We heard this evening from Mayor Ed Koch, Senator Lugar, and we will be hearing from Senator Kennedy. These political leaders are with us to stress the importance of conscience in world affairs. I would like to use a Biblical frame of reference. The first fratricide quoted in the Bible between Cain and Abel has an important lesson for all of us. When God questioned Cain about his brother, he replied: "I know not, am I my brother's keeper." (Genesis IV:9). The credo of the Appeal of Conscience Foundation—we are our brothers' keeper when it comes to defending religious freedom and human rights. Another lesson from the Bible—God questioned Adam why he ate the Forbidden Fruit. He offered an alibi. It was Eve my wife—the woman you created, she made me do it. And when God turned to Eve she blamed it on the serpent. It is human nature to find excuses and alibis. We affirm tonight—there cannot be nor do we accept any excuses when it comes to assuming responsibility for justice and human dignity. We reaffirm the principle that we are all responsible for one another. This is the principle of collective responsibility that has guided Giovanni Agnelli in his business, career and public life. As head of FIAT he presides over not only the destiny of an industrial giant of 400 companies but also fulfills his responsibility with compassion and concern for the world and humanity. He is a citizen of Italy but acts as a citizen of the world with a global and not fragmented view—he looks at humanity as a whole, and is determined to better the human condition.

Giovanni Agnelli lost his father at the age of 14 and his grandfather, Senator Giovanni Agnelli the founder of FIAT, became his guardian, and mentor who molded and shaped the views and philosophy of his grandson. From his grandfather he inherited much more than an industrial enterprise but a value system that has freedom, liberalisim and a love for humanity at its core. These values motivated Giovanni Agnelli to join the Allies Armed Forces Forth Army in the Campaign for the liberation of Italy and was awarded the Italian Cross. He and his gifted wife Marella, are patrons of the arts

and culture. They have two children, Edoardo and Magherita.

The word Agnelli means lamb—a symbol of peace. The Agnelli headquarters remains in the City of Turin. Its symbol torro—the bull—represents power and strength. Giovanni Agnelli uses his industrial power to advance the cause of peace, human dignity, social justice and international cooperation. This is why we are happy to salute him as a "Man of Conscience" who in all his endeavors has not lost sight of the human dimension.

It is a great pleasure for me to present you, Mr. Agnelli, with this Steuben Crystal Star with the inscription: "More things are wrought by prayer than this world dreams of."

May God give you and your wonderful family health and happiness to go from strength to strength.●

NICARAGUA

● Mr. SIMON. Mr. President, Tom Wicker frequently has thoughtful, perceptive articles in the New York Times.

That is certainly true of one he wrote recently commenting on the Nicaragua situation.

I have been one of those who has consistently opposed aid to the Contras. I am proud of that stand.

But the Sandinistas seem to go out of their way to make it difficult for those of us who believe that the United States should not be in the business of trying to overthrow governments in other countries.

Tom Wicker's column basically says that the policy of the United States is wrong, and the policy of the Government of Nicaragua is wrong.

I agree with both of those assumptions.

I urge my colleagues to read the Tom Wicker column, and I ask that it be printed in the RECORD.

The article follows:

(By Tom Wicker)

THE WORST ENEMY

Those Americans who consider it illicit and unwarranted for the U.S. to intervene militarily in the affairs of Central American nations have a heavy burden to bear in Nicaragua's Sandinista Government. Its heavy-handed suspension of civil liberties has made that burden much harder to bear.

The Sandinista Government is admittedly Marxist and closely allied with Cuba and the Soviet Union. But Nicaragua is a weak and impoverished country that poses no discernible threat to the U.S. other than in President Reagan's nightmares. Its threat, if any, to other nations in Central America—certainly to the Panama Canal—could be countered easily by U.S. military assistance and guarantees.

Since the Sandinistas came to power, Nicaragua has not been a democracy—nor was it ever, except cosmetically, under the autocratic and sometimes despotic Somoza regime so long supported by the U.S. Human rights abuses chargeable to the Sandinistas are in no way comparable to those the Somoza regime perpetrated, or to those of South Africa; and they are surely no worse than those under other governments the U.S. has found acceptable—South Korea, for instance, or Chile or the Philippines.

Nonetheless, the Reagan Administration has maintained (and there is some evidence to suggest it created) a military insurgency (the so-called contras), heavily tainted with old Somocistas, that operates from sanctuaries in Honduras across the border into Nicaragua. All but openly, the Administration has conceded that its aim is to overthrow, or at least to "change the form" of, the Sandinista Government—which it pictures not only as a threat to its neighbors but whose purpose is to extend Marxist revolution and Soviet power north to the Rio Grande.

It is this overwrought attitude and the Administration's resulting attempt to overthrow a Government it does not like that many Americans, and most Latin American nations, have strongly opposed. Most do not admire the Sandinistas or the regime they have created; but they deplore this new example of lawless U.S. intervention in a region where gringo dominance backed by military muscle has often been detrimental to the well-being of the region's people.

The Sandinistas have sought occasionally to build up this kind of internal and international dissent against Reagan Administration interventionism. But more often they have seemed to go out of their way to lend plausibility to Administration charges against their regime. For example:

When they held national elections, they insisted on doing so under rules that caused the major opposition parties to withdraw. Thus, the Sandinistas not only made themselves appear afraid to test their strength; when they won, as assured by their own rules, they failed to prove the kind of popular support many observers believed they really had.

Just when Congress had rebelled and defeated Mr. Reagan's request for further aid to the contras, President Daniel Ortega Saavedra imprudently flew off to Moscow, dramatizing Sandinista links to the Communist world. Congress immediately reversed itself and reopened the aid pipeline to the insurgents. That may say much about U.S. politicians' fear of being thought "soft on Communism"; nevertheless, Mr. Ortega's ill-timed trip rescued Mr. Reagan's Nicaraguan policy just when it had encountered deep trouble.

Now the Sandinistas, in an apparent victory for their hardest-line faction, have suspended civil liberties to an extent not before seen during their regime. Mr. Ortega's decree said this step was necessary because of "the brutal aggression by North America" and the contras. So, to some extent, it may have been; but the decree in fact lends substance to Mr. Reagan's charges that the Sandinistas systematically abuse human and civil rights. Therefore, the decree will further diminish U.S. and international opposition to his determined campaign against them.

If the new restrictions are strictly enforced, moreover, they will put an effective end to the political liberty that has remained surprisingly vigorous in Nicaragua; that can only drive more internal *political* critics of the Sandinistas into the military insurgency against them.

Thus, if Ronald Reagan is not, the Sandinistas surely are their own worst enemy. Under this pressure, they needed to prove to the world that they were not the repressive dictators he said they were; instead, they seem almost determined to fit his description.●

VLADIMIR BRODSKY AND ROALD ZELICHONOK

● Mr. BINGAMAN. Mr. President, I rise today to take part in the ongoing effort organized by the distinguished Senator from Minnesota, Senator BOSCHWITZ, to use this forum to remind the world of the human rights abuses perpetrated by the Soviet Union.

I would like to talk about a couple of individuals whose plight is not well known in this country. They are Vladimir Brodsky and Roald Zelichonok. Both were sentenced in August to 3 years in Soviet labor camps on trumped up charges.

During my visit to the Soviet Union in August, I had the chance to meet with the wives of both of these men. I met Vladimir's wife Dina by chance outside Moscow's only synagogue. She was expecting their first child and pleaded to me to raise her husband's case with Soviet officials and to request clemency for him. Vladimir was then on a hunger strike as he awaited trial for the offense of "hooliganism." His real crime, however, was that he has been a peace activist, who has visibly campaigned for reductions in the Soviet and American arsenals.

I did appeal to the Soviet Ministry of Foreign Affairs on Mr. Brodsky's behalf. The only response I ever received came in the Washington Post. A few days after my return to the United States, I read that Mr. Brodsky had been sentenced on August 15. He continued his hunger strike and eventually after losing 40 pounds, Soviet prison officials began to force-feed him. I am concerned about his well-being as he faces the remainder of his term in a labor camp. His fasting has aggravated his ulcer and generally weakened him. His wife will face the hardship of raising their child, who must be due any day, alone.

The plight of Roald Zelichonok is quite similar to that of Vladimir Brodsky. Roald is a mainstream, well-respected refusenik who resided with his wife Galina in Leningrad. He was convicted on the charge of slandering the Soviet state and its social system. His real crime was his involvement in the promotion of Jewish culture. He was arrested and tried as a warning to others that such involvement will not be tolerated by the Soviet security authorities. His physical condition is very poor. Yet, he has already endured solitary confinement and has been denied all medical treatment and medicine, even vitamins. There are doubts that he will survive his 3 years at the labor camp. His wife Galina periodically has had all mail cut off and has been harassed in various other ways. I met her in Leningrad the day after her husband had been sentenced. She herself is an invalid, who is very nearly blind. I was impressed with her

strength in the face of the adversity which the Soviet security services had imposed upon her and Roald.

Mr. President, these are people whose problems cry out for justice. It is truly amazing that the Soviet Government feels it must repress Jewish culture and peace activism in a small segment of its society. How can these individuals constitute such a threat to that Government that they must be confined to labor camps? Are the beliefs they hold or the ideas they espouse so frightening to the Soviet Government and Soviet Communist Party? If so, why not allow these people to emigrate to countries where such beliefs are not only tolerated, but welcomed? It is tragic that the Soviet Government will not accept the challenge of building a society which tolerates dissent. The proliferation of cases such as these only does further damage to relations between the Soviet Union and the West. Some day there must be a reversal in the trend.

Perhaps, we have seen a glimmer of such a reversal this week in the news of Mrs. Elena Bonner's permission to leave for medical treatment in the West and of Mrs. Irina Grivnina's arrival with her family in Amsterdam. These are very small steps and may simply be related to improving the atmosphere leading up to the summit and, in the case of Mrs. Grivnina, to the Dutch decision on whether to go ahead with cruise missile deployment.

We will only be able to tell in the weeks and months to come whether these cases do signal a turning point in Soviet human rights policy. If this week's events are followed by such actions as the release and emigration of prisoners of conscience like Yuriy Orlov and their families, the emigration of long-term refuseniks like Dr. Alexander Lerner and Dr. Alexander Ioffe and their families, and the cessation of punitive actions against potential emigrants and those trying to preserve Jewish culture, then a very heavy weight will be lifted from United States-Soviet relations and the prospects for progress in other areas of the relations and the prospects for progress in other areas of the relationship would be enhanced. I sincerely hope that we will see such a change in course, and that the Vladimir Brodskys and Roald Zelichonoks of the Soviet Union will be given their freedom.

Until there is clear evidence of such a change, we must continue to impress upon Soviet officials at every opportunity our revulsion toward Soviet human rights abuses. The President will speak for this entire body when he raises this issue with Mr. Gorbachev 3 weeks hence at the summit. We all hope Mr. Gorbachev will have the vision to respond positively to the President's and our call for change.●

TRIBUTE TO LOUIS RICCI OF CHICAGO

● Mr. SIMON. Mr. President, I rise today to pay tribute to a fellow citizen of my home State of Illinois: Mr. Louis Ricci. This year, Mr. Ricci will retire after serving for 28 years as the band director of St. Rita High School.

For more than a quarter of a century, Mr. Ricci has taught his band members the discipline, dedication, and teamwork necessary for a successful performance. This Thursday evening his former students are demonstrating their appreciation to this remarkable man with a celebration in his honor.

Over the years, the bands of St. Rita High School have won several awards. In 1963, they served as honor band for President Kennedy during his visit to Chicago. They performed before halftime crowds at countless Chicago Bear football games, as well as DePaul, Loyola, and Notre Dame football and basketball contests. In 1983, the St. Rita band was crowned the champion of Chicago's annual Music Bowl competition.

But St. Rita bands have been known for much more than their proud list of achievements. Mr. Ricci instilled in his students a sense of family. He taught then that the skills they learned as good band members would serve them for a lifetime. Hard work, practice, and striving toward a common goal are all elements of any successful career, and Mr. Ricci's musicians learned these lessons well.

Since 1957, The Marching Mustang Band has entertained loyal crowds with everything from Gershwin ballads to the marches of Souza. And through them all, Lou Ricci has been the strong voice in front of these hopeful young people. Shakespeare once wrote, "If music be the food of love, play on." Play on St. Rita and Lou Ricci. You have enriched the lives of thousands and you deserve our thanks and recognition on this special evening.●

GREECE ACTS ON UNITED STATES TIP—ARRESTS SUSPECTED SPIES

● Mr. SIMON. Mr. President, some people in this country have questioned the position of the Government of Greece on a number of important issues. It is useful to note for the record that Greece has recently taken steps against terrorists and against spies which are helpful to the United States. These steps should be commended.

The Washington Post reported September 19 that "two Greek electronics experts were charged today with spying for the Soviet Union," and "a Greek naval officer has been arrested on suspicion of spying for a foreign power." The Post quotes Greek news reports which state that Washington had given Athens new information about Soviet espionage, and that Athens authorities had acted on the tips and caught the suspected spies. Also, the Greek Government has subsequently summoned the Soviet chargé d'affaires to Athens in order to lodge a formal protest with the Soviet Union.

This is not the first time in recent months that Greece has acted cooperatively with the United States. This summer, Prime Minister Papandreou sent Greece's top antiterrorists experts to the United States for meetings and cooperative work with America's top antiterrorist experts. Together, the two nations are concerned about terrorists and spies and share information necessary to apprehend them. This is in our best interest and in the interest of the Government of Greece, and I commend the Greek Government for these welcome steps.

I ask that two articles from the Washington Post, "Greece Charges Three as Spies After U.S. Tip," and "Athens Protests Spying," be printed in the RECORD.

The articles follow:

[From the Washington Post, Sept. 19, 1985]

GREECE CHARGES THREE AS SPIES AFTER U.S. TIP

ATHENS, September 18.—Two Greek electronics experts were charged today with spying for the Soviet Union, and the government confirmed that a Greek naval officer had been arrested on suspicion of spying for a foreign power.

Alternate Defense Minister Antonis Drosoyannis, who announced the officer's arrest, did not specifically name the Soviet Union as the nation that had received the information, but he did say the affair was linked with a Soviet diplomat who defected to the United States four months ago.

Greek news reports said Washington had given Athens new information about Soviet espionage since the defection of Sergei Bokhane. Press reports have said that Bokhane was the second-ranking officer in the KGB intelligence branch of the Soviet Embassy here.

Police Minister Athanasios Tsouras named the two electronics experts as Michael Megalokonomos, 37, and businessman Nikos Pipitsoulis, also 37.

Drosoyannis identified the arrested officer as a lieutenant commander who until recently had worked in the data processing unit at Greece's defense headquarters. He told reporters that the officer had access to information about Greek defense but not to sensitive NATO data.

Tsouras said Megalokonomos had worked for ITT, then for the Hewlett-Packard company and then for a subsidiary of ITT called Standard Electric Hellas.

At the prosecutor's office, Megalokonomos denied charges that he had sold information to Moscow.

Pipitsoulis' said he had sold an electrical device to Soviet officials for $43,000 but said he saw nothing wrong in what he considered a normal commercial arrangement.

Tsouras said Megalokonomos had been found to possess spying equipment such as codebooks, a microfilm reading device, a

radio for picking up special frequencies and instructions on how to work a radio transmitter.

[From the Washington Post, Sept 20, 1985]

ATHENS PROTESTS SPYING

ATHENS. The government formally protested alleged Soviet espionage after two electronic experts and a naval officer were arrested and charged with selling defense secrets and computer equipment to Soviet diplomats, a Foreign Ministry spokesman said.

The spokesman, Costas Laliotis, told Greek reporters that Vladimir Pushkin, the Soviet charge d'affaires, was summoned to the Foreign Ministry Wednesday night.

Laliotis did not say whether the government planned to expel any Soviet diplomats.●

ALTERNATIVE DISPUTE RESOLUTION

● Mr. McCONNELL. Mr. President, the problem faced by corporations large and small in this country of dealing with the ever increasing burdens of civil litigation are immense. The last quarter of a century has seen dramatic changes in the laws and regulations affecting the rights and obligations of one corporation to another, as well as a dramatic expansion in the basis for recovery in actions ranging from product liability, securities regulations, shareholders disputes, and others that were unknown or uncommon in the not too distant past. It is anyone's guess what the next 25 years will bring, but one thing we can be sure of is that it will involve the courts, the legal system, and an incredible amount of the resources and energy of this nation's businesses.

Indeed, few corporations have been unaffected by the change in the legal community. But where once law firms were large when they had 50 to 75 lawyers, now the 200- and 300-lawyer law firms are common. Needless to say, the number of paralegals, law clerks and support staff employed by these law firms is tremendous. And to a large extent, this vast array of people, knowledge, and technology is devoted to the process of corporate battle in the Nation's courtrooms, with thousands of man hours and millions of dollars devoted to a single case.

Indeed, the number of lawsuits filed in our Nations courts has more than doubled since 1975. More importantly, or more notably, the number of complex cases has gone up many times greater, and the expense of these complex cases is enormous.

What is equally enormous, but probably unquantifiable, is the incredible drain on productivity that these cases represent. Lawyers spend large segments of their careers on a single case, and the worse cases, corporations can be nearly consumed by the defense or prosecution of the major, complex case at hand. While no one knows the extent of lost productivity, everyone knows that in such cases, high level managers, top level executives, and mid to lower level staff can spend days and weeks in depositions, going through the most routine and mundane aspects of their employment, examining countless documents, merely for the exercise of identifying them and the notations on them, and to reconstructing, to the extent humanly possible, the events of many years earlier—events that at the time seemed insignificant. The extent of time lost in these "discovery" proceedings is equalled only by the extent of time and energy lost in preparation for them.

Partly because of the explosion of such complex civil litigation, the workload of the U.S. courts of appeals and district courts has been burdened with thousands of additional cases. Despite the addition of a great many judges, Federal magistrates, and other support personnel, the courts generally find themselves straining under an enormous backlog of cases.

This situation resulted in hearings before the Subcommittee on Courts in the Senate Committee on the Judiciary in the 98th Congress. Among the items discussed in those hearings was the concept of alternatives to the civil litigation process. Perhaps the most promising of those alternatives is the notion of privately conducted alternative dispute resolution [ADR]. The concept of ADR encompasses a wide range of private practices, all of them designed to prevent, manage and resolve disputes in a more cost-effective manner than through the normal process of civil litigation. It is not, however, simply an arbitration procedure. Rather, ADR employs a business-oriented managerial approach to problem solving, along with reliance on top-level business executives to participate in fashioning a solution to legal problems that had previously been solved in a legal slugfest.

One of the most promising examples of the use of ADR in resolving civil disputes is the notion of the minitrial. The minitrial is a nonbinding settlement procedure structured to convert a legal dispute into a business matter. In essence, the civil litigation process that normally culminates in a trial is condensed into a much shorter and more manageable time frame. Rather than presenting the case to a judge and jury, the lawyers for either side, after agreeing on a set of ground rules, present their cases to the executives of the corporate principals, persons who have settlement authority on behalf of their companies. In addition, depending on the agreement reached between the parties, there may be a neutral participant, frequently a respected judge, lawyer, or businessman in the community involved, who assists in the evaluation of the evidence presented by both sides.

If, after the presentation of the evidence, the parties themselves are not able to settle the matter, the neutral participant may render an advisory opinion. Such an advisory opinion often acts as a catalyst toward settlement that might otherwise not have been possible, yet it has none of the binding affects of an arbitrators decision, nor none of the legal consequences of a judge's or jury's decision.

Perhaps the most remarkable aspect of the minitrial procedure is that the entire process, from presentation of the evidence to resolution of the dispute, frequently takes as little as 2 to 3 days. This, in contrast with the 3 weeks to 3 months that are not all uncommon when the matter is committed to the civil litigation process.

Mr. President, I believe that it is to the advantage of American businesses, American workers and Americans in general to encourage the use of alterntive dispute resolution techniques such as the minitrial. American business now knows that it must be more efficient to compete in the international market, and that when faced with a flood of imports from businesses that know few of the legal and regulatory disputes that are so common in this country, as well as businesses that are to one extent or another subsidized by their home governments, there is no room in the present business climate for useless, counterproductive litigation when the matters can in so many instances be resolved quickly and sensibly by the managers themselves. ADR is a concept whose time has come, and one the merits of which are being recognized by business and lawyers alike throughout this country. The Center For Public Resources [CPR] in New York City is a coalition of general counsels of major corporations, leading law firms and prominent academic organizations. That group has developed a legal program to encourage and assist in the use of alternatives to high cost litigation. CPR, founded in 1979, is one of the leading proponents of methods to resolve major corporate disputes in a pragmatic and economical matter, outside the courtroom.

Indeed, through the guidance of the CPR, more than 140 corporations have signed a formal policy known as the ADR corporate statement. In so doing, the chief executive officers and general counsel from these companies have declared that they would explore the use of ADR or earlier settlement talks before pursuing full-scale litigation with another company that has already signed the statement. In addition, the National Association of Manufacturers has supported this policy. By subscribing to this policy, because each side recognizes that an initial settlement offer is merely a pragmatic, exercise, not a submissive one, each

litigant overcomes the perception that naturally follows from an early settlement offer that its case is weak.

Naturally, the use of ADR minitrials is voluntary, since in criminal as well as in civil litigation the litigants have a constitutional right to a trial in a court of law. Nevertheless, there are numerous ways in which the Government can and should encourage the use of ADR. For instance, a great deal of commercial and civil litigation occurs within the context of Federal contracts, and the Justice Department and various litigating entities within the Federal Government can build incentives for the use ADR into their procurement codes and litigation strategies. Recently, for example, the Army Corps of Engineers had a very successful experience with the use of ADR. In September of this year, following the completion of a major piece of litigation through minitrials, the office of the chief counsel of the Corps produced and circulated to each of its offices an engineer circular entitled "Alternative Dispute Resolution: Minitrials." In connection to that circular, the Corps of Engineers has prepared a sample agreement for use between the Corps and the appellant in a construction claim. Mr. President, I ask that the sample agreement provided by the Corps be printed in its entirety in the RECORD at the completion of my remarks.

The Justice Department has been conducting a pilot program designed to determine the extent to which ADR can be successfully used in Government contract litigation. The civil division has more than 400 lawyers doing one form of Government contract work, including its tort work and procurement cases. In addition, each of the executive agencies has thousands of lawyers who are involved in litigation, and I'm convinced that the use of ADR in Government contract cases would be a significant step toward shortening the time involved in completing cases, and ultimately increasing productivity of our Nation's industry. Very shortly, I will be introducing legislation designed to provide incentives for the use of ADR in Government contract cases. In the meantime, I will be considering additional ways to encourage the use of ADR in purely private litigation, and may have legislative proposals designed to effect significantly greater progress in that area as well.

We all benefit by increasing the efficiency of our Nation's industries, and by allowing business to devote more of its resources to productive use, and less toward fueling the engines of litigation, engines that turn at a furious pace but go nowhere. I encourage my colleagues to join with me as we consider new ways to meet that goal.

The sample agreement follows:

[Appendix A]

MINI-TRIAL AGREEMENT BETWEEN THE UNITED STATES ARMY CORPS OF ENGINEERS AND APPELLANT

This mini-trial agreement dated this —— day of ——, 19—— is executed by ——, Division Engineer, United States Army Corps of Engineers on behalf of the Corps, and by ——, on behalf of —— hereinafter referred to as ——.

Whereas: On the —— day of ——, 19——, the parties hereto entered into Contract No. —— for the ——;

Whereas, under the Disputes Clause (General Provision No. 4) of that contract, Appellant on —— ——, 19—— filed a claim with the contracting officer alleging ——;

Whereas, Appellant certified its claim in accordance with the requirements of the Contract Disputes Act of 1978;

Whereas, in a letter dated —— ——, 19—— the contracting officer issued a final decision denying appellant's claim;

Whereas, on —— ——, 19—— Appellant appealed the contracting officer's final decision to the —— Board of Contract Appeals where the appeal has been docketed as (ASBCA) (ENG BCA) No. ——;

Whereas, the Corps has instituted an Alternative Contract Disputes Resolution Procedure known as a "Mini-Trial", which procedure provides the parties with a voluntary means of attempting to resolve disputes without the necessity of a lengthy and costly proceeding before a Board of Contract Appeals nor prejudicing such proceeding; and

Whereas, the Corps and Appellant have agreed to submit (ASBCA) (ENG BCA) No. —— to a "Mini-Trial".

Now therefore, subject to the terms and conditions of this "Mini-Trial" agreement, the parties mutually agree as follows:

1. The Corps and Appellant will voluntarily engage in a non-binding mini-trial on the issue of ——.

The mini-trial will be held on —— ——, 19—— at ——.

2. The purpose of this mini-trial is to inform the principal participants of the position of each party on the claim and the underlying bases of such. It is agreed that each party will have the opportunity and responsibility to present its "best case" on entitlement and quantum.

3. The principal participants for the purpose of this mini-trial will be —— for the Corps, and —— for appellant. The principal participants have the authority to settle the dispute. Each party will present its position to the principal participants through a trial attorney(s). In addition, —— will attend as a mutually selected "neutral advisor".

4. The role of the neutral advisor is that of an advisor. The neutral advisor will not be actively involved in the conduct of the mini-trial proceedings. The neutral advisor may ask questions of witnesses only if mutually agreed to by the principal participants. Upon request by either principal the neutral advisor will provide comments as to the relative strengths and weaknesses of that party's position.

5. The Government trial attorney will provide the neutral advisor with copies of this agreement and the Rule 4 appeal assembly. Other source materials, statements, exhibits and depositions may be provided to the neutral advisor by the trial attorneys, but only after providing the same materials to the other trial attorney. Neither trial attorney shall conduct ex parte communications with the neutral advisor.

6. The fees and expenses of the neutral advisor shall be borne equally by both parties. Except for the costs of the neutral advisor, all costs incurred by either party in connection with the mini-trial proceedings shall be borne by that party, and shall not be treated as legal costs for apportionment in the event that the dispute is not resolved, and proceeds to a Court or Board determination.

7. Unless completed prior to the execution of this agreement, the parties will enter into a stipulation setting forth a schedule for discovery to be taken and completed —— weeks prior to the mini-trial. Discovery taken during the period prior to the mini-trial shall be admissible for all purposes in this litigation, including any subsequent hearing before any Board of competent authority in the event this mini-trial does not result in a resolution of this appeal. It is agreed that the pursuit of discovery during the period prior to the mini-trial shall not restrict either party's ability to take additional discovery at a later date. In particular, it is understood and agreed that partial depositions may be necessary to prepare for the mini-trial. If this matter is not resolved informally as a result of this procedure, more complete depositions of the same individuals may be necessary. In such case the partial depositions taken during this interim period shall in no way foreclose additional depositions of the same individual into the same or additional subject matter for a later hearing date before a Court or Board.

8. No later then —— weeks prior to commencement of the mini-trial, —— shall submit to the Corps a quantum analysis which identifies the costs associated with the issues that will arise during the mini-trial.

9. The presentations at the mini-trial will be informal. The rules of evidence will not apply, and witnesses may provide testimony in the narrative. The principal participants may ask any question of the witnesses that they deem appropriate. However, any such questioning by the principals shall be within the time period allowed for that party's presentation of its case as hereinafter delineated in paragraph 10.

10. At the mini-trial proceeding, the trial attorneys have the discretion to structure its presentation as desired. The form of presentation may be through expert witnesses, audio visual aids, demonstrative evidence, depositions and oral argument. The parties agree that stipulations will be utilized to the maximum extent possible. Any complete or partial depositions taken in connection with the litigation in general, or in contemplation of the mini-trial proceedings, may be introduced at the mini-trial as information to assist the principal participants understanding of the various aspects of the parties' respective positions. The parties may use any type of written material which will further the progress of the mini-trial. The parties may, if desired, no later than —— weeks prior to commencement of the mini-trial, submit to the representatives for the opposing side, as well as the neutral advisor, a position paper of no more than 25 8½ x 11 double spaced pages. No later than —— week(s) prior to commencement of the proceedings, the parties will exchange copies of all documentary evidence proposed for utilization at the mini-trial, inclusive of a listing of all witnesses.

11. The mini-trial proceedings shall take —— day(s). The morning's proceedings shall

begin at —— a.m. and shall continue until —— a.m. The afternoon's proceedings shall begin at —— p.m. and continue until —— p.m. (A sample two day schedule follows:)

Schedule

Day 1	
8:30 a.m.–12:00 Noon	Appellant's position and case presentation.
12:00 Noon–1:00 p.m.	Lunch.[1]
1:00 p.m.–2:30 p.m.	Corps' cross-examination.
2:30 p.m.–4:00 p.m.	Appellant's re-examination.
4:00 p.m.–5:00 p.m.	Open question and answer period.
Day 2	
8:30 a.m.–12:00 Noon	Corps' position and case presentation.
12:00 Noon–1:00 p.m.	Lunch.[1]
1:00 p.m.–2:30 p.m.	Appellant's cross-examination.
2:30 p.m.–3:00 p.m.	Corps' re-examination.
3:00 p.m.–4:30 p.m.	Open question and answer period.
4:30 p.m.–4:45 p.m.	Appellant's closing argument.
4:45 p.m.–5:00 p.m.	Corps' closing argument.

[1] Flexible time period for lunch of a stated duration.

11. Within —— day(s) following the termination of the mini-trial proceedings, the principal participants should meet, or confer, as often as they shall mutually agree might be productive for resolution of the dispute. If the parties are unable to resolve the dispute within —— days following completion of the mini-trial, the mini-trial process shall be deemed terminated and the litigation will continue.

12. No transcript or recording shall be made of the mini-trial proceedings. Except for discovery undertaken in connection with this appeal, all aspects of the mini-trial including, without limitation, all written material prepared specifically for utilization at the mini-trial, or oral presentations made, between or among the parties and/or the advisor at the mini-trial are confidential to all persons, and are inadmissible as evidence, whether or not for purposes of impeachment, in any pending or future Court or Board action which directly or indirectly involves the parties and this matter in dispute. However, if settlement is reached as a result of the mini-trial, any and all information prepared for, and presented at the proceedings may be used to justify and document the subsequent settlement modification. Furthermore, evidence that is otherwise admissible shall not be rendered inadmissible as a result of its use at the mini-trial.

13. The neutral advisor will be instructed to treat the subject matter of this proceeding as confidential, and refrain from disclosing any of the information exchanged to third parties. The neutral advisor is disqualified as a witness, consultant or expert for either party in this and any other dispute between the parties arising out of performance of Contract No. ————.

14. Each party has the right to terminate the mini-trial at any time for any reason whatsoever.

15. Upon execution of this mini-trial agreement, if mutually deemed advisable by the parties, the Corps and Appellant shall file a joint motion to suspend proceedings of thsi appeal before the ———— Board of Contract Appeals. The motion shall advise the Board that the suspension is for the purpose of conducting a mini-trial. The Board will be advised as to the time schedule established for completing the mini-trial proceedings.

Dated	Dated
By:	By:
Principal participant for Corps	Principal participant for Appellant
Attorney for the Corps	Attorney for Appellant

Note: This agreement reflects a mini-trial which involves a neutral advisor. In the event a neutral advisor is not used, you should eliminate all references to the neutral advisor.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, October 29, 1985.

In reply refer to: I-15502/85.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-07 and under separate cover the classified annex thereto. This notification replaces Transmittal No. 85-45 (advance Transmittal No. 85-BT, dated 3 July 1985, still applies) and concerns the Department of the Army's proposed Letter of Offer to Korea for defense articles and services estimated to cost $61 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 86-07]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(6) OF ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Korea.

(ii) Total estimated value:

	Million
Major defense equipment	0
Other	$61
Total	61

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Modification kits for 28 Battery Sets of the HAWK Product Improvement Program (PIP) PHASE II, concurrent spare parts, training, and services to install the kits.

(iv) Military department: Army (XUM).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid:

(vi) Sensitivity of technology contained in the defense articles of defense services proposed to be sold: See annex under separate cover.

(vii) Section 28 report: Included in report for quarter ending 31 March 1985.

(viii) Date report delivered to Congress: October 29, 1985.

POLICY JUSTIFICATION

KOREA—MODIFICATION KITS

The Government of Korea has requested the purchase of modification kits for 28 Battery Sets of the HAWK Product Improvement Program (PIP) PHASE II, concurrent spare parts, training, and services to install the kits. The estimated cost is $61 million.

This sale will contribute to the foreign policy objectives of the United States by helping to improve the security of a key friendly country in Eastern Asia. The sale of this equipment and support will enhance deterrence and contribute to the preservation of peace and stability on the Korean peninsula.

The product improvement program modification kits proposed in this sale will upgrade the I-HAWK batteries used in the Republic of Korea (ROK) for air defense. Since the North Korean Air Force enjoys more than a 2:1 numerical advantage in combat aircraft, this sale is vital to offset this quantitative disadvantage. Korea will have no difficulty absorbing these modification kits into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Raytheon Corporation of Andover, Massachusetts.

Implementation of this sale will not require assignment of any additional U.S. Government personnel; however, 25 contractor representatives will be required for 24 months in Korea.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

FOR ACCOUNTABILITY IN POLITICAL ADS

● Mr. DANFORTH. Mr. President, the Senate Commerce Committee has begun a series of hearings on S. 1310, the Clean Campaign Act of 1985. This bill is a reflection of the deep concern that the cosponsors and I have about the lack of accountability and balance in modern political campaigns.

At our first hearing we were fortunate to have Charles Guggenheim, a noted political consultant and film producer, among the witnesses. Mr. Guggenheim's testimony was very thought-provoking and valuable to our committee's deliberations, and I am pleased to see that his views have been given wider circulation in an op-ed piece that appeared in the New York Times on October 15.

Mr. President, I recommend Charles Guggenheim's article to my col-

leagues, and I ask that it be printed in the RECORD.

The article follows:

FOR ACCOUNTABILITY IN POLITICAL ADS

(By Charles Guggenheim)

WASHINGTON.—Every year at this time, I used to look forward to the political season just as I look forward to the World Series and the symphony opening. Thank goodness for baseball and good music. American political campaigning is sick.

In the last 10 years, Americans have been forced to endure an epidemic of negative political advertising. Visual and audible manipulation abounds. Every tool of the advertising craft has been exercised to prove opponents lazy, dishonest, unpatriotic, dumb, cruel, unfeeling, unfaithful and even criminal. It takes so little skill to condemn someone on radio and television commercials that there has been a proliferation of media consultants—many carrying their wares from one state to another. Only the names of the commercials need to be changed.

As one who has been involved as a media consultant in more than 100 elections, I do not disparage everything that has taken place since the advent of paid television in politics. There have been some fine moments. Paid political announcements have made it possible for a new breed of independent candidates to enter public life. The smoke-filled room has all but disappeared as paid television has replaced it as the forum for political choice. Party bosses have been moved to the back row. Handpicked candidates have become and endangered species. The sins of McCarthyism, Watergate and Vietnam have far less chance of returning, knowing they face trial in the living rooms of America.

My concern is not that we have replaced one group of influence makers with another but that in making this change we have created a system of political campaigning that is eroding the dignity of the election process.

Up to 70 percent of what Americans hear and see in a political campaign today comes via 30- and 60-second paid political announcements. In 1984, candidates paid the broadcast industry more than $300 million for the privilege of discussing the issues in 60 seconds or less.

Ask any seasoned media adviser and he will tell you what he can do best given 30 seconds. Create doubt. Build fear. Exploit anxiety. Hit and run. The 30- and 60-second commercials are ready-made for the innuendo and half-truth. Because if their brevity, the audience forgives their failure to qualify, to explain, to defend.

There is another reason why our campaigns are becoming increasingly mean: the use of anonymous surrogates to deliver negative advertising. Candidates themselves do not produce commercials. Candidates leave that task to their hired media directors, who are free to craft their 30-second inquisitions in the remote darkness of their editing rooms.

Having surrogates represent office seekers is not new. Abraham Lincoln never left Springfield during the Presidential campaign of 1860. Others did his campaigning for him. But today's surrogates are different. Faceless, they craft their messages in anonymity, delivering their accusations via actors, music, special effects and photography—all without fear of personal accountability either to themselves or to the candidates who hire them.

What can be done? Strip away the anonymity of negative political advertising. Put the face and voice of the accuser on the screen and you will move in the direction of decency for the American political process overnight. Insist, also, that paid political announcements be no fewer than two minutes in length—and you will see a dramatic change in the tone of the political dialogue in this country.

Political campaigning in America has never been free of rancor and unfairness. We should not attempt to purify the system, nor should we interfere in the public dialogue. But Government has an obligation to establish processes that do not encourage the demeaning of the political process.

In Britain, commercial broadcasters do not make the rules—a forum of British subjects does. In two British elections in which I took part, paid political broadcasts were confined to 10 minutes in length. Stations were required to provide prime time—free. No advocacy broadcasts could begin prior to three weeks before the election.

The British system may in some ways be too restrictive. But we have a lot to learn from it. The rules in Britain allow room for substance, give range to criticism, discourage unfairness. Equally important, the British provide something Americans seldom if ever do—more that 60 seconds for political advocacy in prime time.

There are many complications, perhaps risks surrounding suggestions for reforming the present system. The First Amendment is a precious document and it should not be tinkered with. But we have already placed arbitrary restrictions on self-expression in this country by allowing the broadcast industry to set ground rules that frequently stifle substance and encourage specious attacks. The First Amendment was intended to protect individuals who wished to speak for themselves, not individuals who hire others to hide in the wings and speak for them.

By accepting the status quo, Government has not avoided interference in the democratic process. It has merely abdicated its responsibility to an arbitrary system that brings little distinction to the political process and the American people.●

THE 75TH ANNIVERSARY OF NEW JERSEY BLIND MEN'S ASSOCIATION

● Mr. BRADLEY. Mr. President, I am pleased to offer my congratulations to the New Jersey Blind Men's Association as they celebrate their 75th anniversary. This extraordinary organization has provided important services to over 300 blind New Jerseyans each year. Some of these services are obtainable through Camp Happiness. This unique camp began in 1915 and was the first program of its kind to offer free services for the blind. This camp provides an atmosphere where the participants can work together to find solutions to commonly shared problems. The Blind Men's Association has a strong tradition of providing quality education, social, legislative, recreational, administrative, and counseling services for blind adults throughout the State of New Jersey. It also has a fine vocational rehabilitation program which enables the blind to acquire needed skills that will help them be competitive in the job force. Its expanding vocational facility offers a transitional work program as well as an extended employment program.

This New Jersey association has exhibited unselfish dedication and service to the blind. I applaud the efforts of the association and I salute them on the occasion of their 75th anniversary.●

SOCIAL SECURITY DISINVESTMENT, PAST AND FUTURE

● Mr. MOYNIHAN. Mr. President, yesterday, I spoke in this Chamber about the financial implications of various forms of disinvestment of securities held in the Social Security trust funds—and there are several such forms—that the Treasury may be forced to in the event we do not promptly approve an increase in the debt ceiling. Today, more information has come to light regarding recently past Treasury disinvestments from the trust funds.

It appears that the Treasury did cash in considerable amounts of long-term bonds in September and October, to get sufficient cash to cover the Social Security checks mailed in those months: $7 billion in long-term securities were cashed in in September, and $4 billion more in October. This information comes from the Congressional Budget Office, based on the Treasury's monthly statements of the public debt, and has been confirmed by Harry Ballantyne, chief actuary of the Social Security Administration. The Treasury Department has not yet publicly explained these decisions, but has said that all such financing activities are undertaken to meet benefit payments.

As best as I can understand, these disinvestments began when Treasury found itself running into the debt limit, as early as September. To create room under the debt limit for the Treasury regular financing issue, the Department decided to not follow a procedure required under the 1983 amendments to the Social Security Act, called normalized tax transfers. Under this procedure, at the beginning of each month the Treasury is required to credit the trust funds with however much money the Treasury expects to collect from Social Security payroll taxes over the course of the month. This procedure was designed to improve the trust funds' cash flow situation, and usually these tax transfers are used to pay benefits. It appears that the Treasury did not undertake full normalized tax transfers in September and October, because to so do might have prevented the Department from meeting other Government obligations. In addition, it appears, the

moneys which Treasury did transfer in September and October under this procedure—which is not merely a practice, but a requirement of law—were not fully invested in interest-bearing Government securities, as also required under the Social Security Act. Treasury could not do so, it is maintained, because of the debt limit.

Because Treasury, then, did not carry out full normalized tax transfers, Social Security could not meet benefit payments without redeeming some of its securities for cash. And so, Treasury apparently redeemed about $7 billion in long-term bonds from the trust funds in September and another $4 billion in October.

Treasury has said that neither its inability to make full normalized tax transfers, nor its inability to fully invest such transfers, will adversely affect the trust funds, because the Social Security Act provides a special accounting device to offset any such effect. This device, it is said, allows the Treasury to keep its books as if full normalized tax transfers were made, fully invested, and earning interest. The statute, however, does not appear to specifically grant the Treasury this particular authority.

These Treasury decisions certainly followed from the Department's proper concerns that all benefits be paid, and on time, in September and October. And nearly as certainly, over a long term, such disinvestment could cost the trust funds considerable interest income. This long-term interest loss, the subject of my floor statement yesterday, will follow if the funds raised from cashing in long-term bonds from the trust fund portfolios must be later reinvested at a lower interest rate. In point of fact, we will not know the extent, if any, of these losses until next June 30, when all of Social Security's short-term assets are rolled over into long-term bonds. According to the analysis prepared by Chief Actuary Harry Ballantyne of the Social Security Administration, these losses could reach some $800 million over 15 years, based on the economic assumptions of the midsession review.

I ask that the full text of Mr. Ballantyne's memorandum be printed in the RECORD.

There are, then, many questions of significance to be examined and understood—and which I trust can be so done at the hearings to be held next Thursday by the Senate Finance Subcommittee on Social Security and Public Assistance:

First, should Congress be notified of any Treasury difficulties or inability to make full normalized tax transfers, or any Treasury decision to disinvest trust fund assets?

Second, is the Secretary of the Treasury, as managing trustee for the Social Security trust funds, authorized under any circumstances to not make normalized tax transfer payments?

Third, does the Treasury Department have the authority, under the normalized tax transfer process, to repay interest income lost to the trust funds, as a result of not making full normalized tax transfers or not fully investing such?

Surely, it is critical that an impartial estimate be made of how much long-term interest income could be lost to the Social Security trust funds as a result of disinvestment. This may be a role for the two public trustees of the system. Such an impartial estimate is necessary, so Congress can take action to protect the trust funds.

The memorandum follows:

MEMORANDUM

OCTOBER 30, 1985.

From: Harry C. Ballantyne, Chief Actuary, SSA.

Subject: Effect of Current Debt-Limit Problems on Interest Earnings of the Social Security Trust Funds—Information.

If the debt ceiling is not increased by November 1, the Treasury Department plans to alter its usual trust-fund disinvestment procedures so that OASDI benefits for October can be paid on that date. The unusual procedures will have both short-term and long-term effects on the interest earnings of the trust funds. The long-term effects, in particular, are extremely sensitive to the interest rate applicable to investments made in June 1986. This memorandum presents estimates on the basis of two sets of assumptions—the intermediate (alternative II-B) assumptions of the 1985 OASDI Trustees Report, and the assumptions used for the Mid-Session Review (MSR) of the President's 1986 Budget.

On November 1, Treasury intends to disinvest enough trust-fund assets to cover the entire amount of benefits payable in early November. This amount is about $13.5 billion for the OASI Trust Fund, and about $1.4 billion for the DI Trust Fund. After the disinvestment, the public debt will be about $14.9 billion below the debt ceiling, enabling Treasury then to borrow that amount on the open market to cover the benefit payments. The usual procedure would be to borrow the amount first and then disinvest trust-fund assets on three dates: the payment date (November 1), 4 business days after the payment date (November 7), and 5 business days after the payment date (November 8). The amounts of disinvestment on each date would be about $6.8 billion, $4.9 billion, and $3.2 billion, respectively. However, the usual procedure cannot be followed because borrowing before disinvestment would cause the debt limit to be exceeded. The disinvestment of the entire amount on November 1, rather than over the normal schedule, will result in a short-term interest loss of about $15 million to the OASI and DI Trust Funds.

The long-term effect, which is not so apparent, results from disinvesting securities with various interest rates and replacing them—after the debt-ceiling crisis has passed—with new securities at different rates. The uninvested balances will initially be reinvested in short-term certificates of indebtedness, but on June 30, 1986, these certificates will be "rolled over" into long-term bonds bearing a coupon rate determined by a formula in the Social Security Act. The yields on those bonds cannot be known at this time, but the rate assumed for purposes of estimating the future operations of the trust funds was 10.75 percent for alternative II-B, and 9.875 percent for the MSR. If the Treasury on November 1 were to follow its usual procedures regarding disinvestment—earliest maturities first, and lowest rates first within any year of maturity—then a large long-term interest loss would occur because about $3.5 billion in 13.75-percent bonds scheduled to mature during 1991-97 would be redeemed. The Treasury, however, has announced that a special procedure will be followed in order to mitigate the interest loss. Specifically, they will disinvest the securities with the lowest rates first—most of which are at 10.375 and 10.75 percent—without regard to maturity date. The following table shows the estimated effect on interest earnings, year by year, on the basis of the two sets of assumptions—alternative II-B and MSR. The table shows direct effects only and not the indirect effects resulting from interest lost or gained because of the direct change in interest eanings, i.e., "interest on interest."

EFFECT ON INTEREST EARNINGS OF THE OASI AND DI TRUST FUNDS

[In millions of dollars]

	Alternative II-B	Mid-session review
Year ending June 30:		
1987	43	−86
1988	43	−86
1989	43	−86
1990	43	−86
1991	43	−86
1992	42	−85
1993	40	−73
1994	35	−61
1995	24	−53
1996	17	−41
1997	15	−29
1998	13	−17
1999	10	−14
2000	8	−11
Total	421	−815

Note: Totals may not equal sums of rounded components.

Clearly, the estimated effects on interest are extremely sensitive to the interest rate assumed to be applicable to investments made in June 1986. The trust funds could incur a loss or realize a gain in the hundreds of millions or even billions of dollars. The Congress is currently considering an amendment to the bill raising the debt ceiling that would restore the trust funds to the position in which they would have been in the absence of debt-limit problems. We are not certain that this amendment would apply to the long-term issue just described, however.

HARRY C. BALLANTYNE.●

PROTECTIONIST TRADE BARRIERS

● Mr. HART. Mr. President, today the Wall Street Journal published an article on trade that I would recommend to my colleagues. The article argues there has been an increase in protectionist trade barriers here in the United States over the past few years, and that these barriers cost American consumers billions of dollars while ultimately saving few, if any, American jobs.

We all realize how the unfair trade practices of our competitors penalize

American workers and businesses. Japan's spider web of bureaucratic barriers, Europe's subsidies for crop exports, the domestic content laws for automobiles in a score of nations—all these practices undermine our prosperity as they endanger the viability of an expanding world trading system.

But the lesson of today's Journal article is clear: Protectionism is no better an answer to our trade problems than the administration's laissez-faire indifference over the past 5 years. Protectionism fuels inflation, invites foreign retaliation, and eliminates jobs in unprotected industries. If we are to find a long-term and constructive solution to our record trade deficits, we must reduce our overvalued dollar, modernize our industries, push for elimination of unfair foreign practices, increase the demand abroad for American products, and protect our workers from global economic forces beyond their control.

Mr. President, I ask that the full text of the Journal article be inserted at this point in the RECORD.

The article follows:

[From the Wall Street Journal, Nov. 1, 1985]

NATIONAL DUTY: AS FREE-TRADE BASTION, U.S. ISN'T HALF AS PURE AS MANY PEOPLE THINK

(By Alan Murray)

In Sault Ste. Marie, Ontario, a Canadian shopper can buy a four-kilogram bag of white cane sugar at New Dominion Stores Ltd. for about $1.50 (U.S.).

But across the St. Marys River in Sault Ste. Marie, Mich., a 10-pound bag (4.54 kilograms) of the same sugar sells at Norden's Foodland for $3.55, roughly double the Canadian price.

The reason is simple: protectionism. To support domestic sugar producers, the U.S. imposes stiff quotas on sugar imports, keeping the domestic wholesale price far higher than the world price. "It's glaring discrepancy," says Francis Mansfield, director of the Sault-area Chamber of Commerce.

The current congressional debate over trade legislation rings with complaints that the U.S. is the last bastion of unfettered international trade in a world of protectionists. "The United States has permitted imports to gush ashore freely while not demanding comparable access abroad," asserts Sen. Lloyd Bentsen, a Texas Democrat.

AN ARRAY OF BARRIERS

But the U.S. isn't the pure free-trader that many in Congress and business seem to think. Sugar quotas are just one example of a large array of trade barriers the U.S. has built to restrict imports. High tariffs and other restrictions provide substantial protection to producers of books, benzenoid chemicals, ceramic tiles, canned tuna, rubber footwear, steel, textiles, motorcycles, peanuts, dairy products and more.

Indeed, significant trade barriers cover more than a quarter of all manufactured goods sold in the U.S., and cost American consumers more than $50 billion a year, or $450 for every working man and woman, according to Gary Hufbauer, a Georgetown University professor, in a book to be published later this year.

"We probably do less" to block imports than most of our major trading partners, Mr. Hufbauer says. "But we do a lot. We certainly protect a heck of a lot more than most congressmen say we do."

During most of the postwar period, the U.S. has been the world's leading force for free trade. Under its leadership, worldwide tariffs have been reduced sharply and trade has boomed. Average U.S. tariffs have fallen from 50% of the imports' value in the days of the Smoot-Hawley tariffs during the 1930s, to about 5% today; and European and Japanese tariffs have been reduced to about the same level.

"NEW PROTECTIONISM"

But in recent years, the U.S. has been caught up in the global trend toward a "new protectionism," establishing quotas, "voluntary" import restrictions and other barriers rather than tariffs to shield its domestic industries from foreign competition. By Mr. Hufbauer's estimate, the percentage of U.S. imports covered by protection has risen to 21% today from 8% in 1975.

"My sense is that on net, trade restraints continued to drop through most of the 1970s," says William Niskanen, chairman of the Cato Institute, a Washington think tank. "But starting in the 1980s, the increase in nontariff barriers has been greater than the reduction in tariffs."

The trend toward protectionism has accelerated in the last five years, thanks largely to the dollar's steep rise in value relative to other currencies. The strong dollar has encouraged a flood of imports by making them cheaper, increasing domestic industries' demand for protection. Although the Reagan administration claims to be vigorously opposed to trade barriers, it has found it politically impossible to fully resist these protectionist pressures.

"I think it is probably true that we are less protectionist" than both Europe and Japan, says Robert Lawrence, a senior fellow at the Brookings Institution. "Nonetheless, we have a lot of protectionism. We ought not to be necessarily as self-righteous as we are."

FOREIGNERS' VIEW

Not surprisingly, foreign officials agree with Mr. Lawrence's assessment. Says Sir Roy Denman, head of the European Communities delegation in Washington: "The good Lord did not ordain that sin only started east of Cape Cod or west of Alaska."

America's trade barriers impose large costs on U.S. consumers. And while they may save jobs in protected industries, economists say barriers reduce jobs elsewhere in the economy. As President Reagan pointed out at a recent press conference, "No one ever looks over their shoulder to see who lost their job because of protectionism."

Clothing tariffs and quotas provide a dramatic example of the high costs of U.S. protectionism. During the 1970s, the U.S. negotiated import quotas with all the major apparel-producing nations, and in 1983 those quotas were tightened substantially. The U.S. also has a tariff averaging 26% of the value on all clothing imports.

As a result, the cost of imported clothing here is more than double what it would be if the U.S. had no trade barriers, according to a recent study by the Federal Reserve Bank of New York. The study, which conservatively assumes that trade barriers don't raise the price of domestically manufactured clothes, estimates that consumers pay a tax of as much as $12 billion a year to protect the U.S. textile industry. A more comprehensive measurement, according to Georgetown's Prof. Hufbauer, puts the figure at $27 billion, or $42,000 for every job saved.

Much of that money goes to foreign companies. Textile-producing nations receive import quotas to allocate to manufacturers. Those quota rights are often auctioned off among producers, and the cost of the quota is passed on the American importer. When demand is strong, the quotas guarantee manufacturers who hold them a hefty profit.

Clothing quotas are particularly troublesome for those who sell imported apparel. Retailers say they can tolerate tariffs because they are predictable; but quotas produce wide price fluctuations and sometimes block imports altogether.

Spiegel Inc., for example, has encountered many problems since the Reagan administration tightened quotas in 1983. Leo Sansone, the company's assistant vice president for merchandising, recalls that last year the catalog company arranged to buy wool sweaters from Hong Kong at a time when sweater demand was expected to be light, and quota rights—which are auctioned off daily in Hong Kong—were selling at about $1.50 per sweater. By the time the company decided to reorder more sweaters, strong demand had caused the quota price to soar to $6.50. As a result, Spiegel had to pay $18, including shipping and tariffs, for a sweater it had expected to cost only $10.

Spiegel also recently had a shipment of wool slacks from Taiwan confiscated by U.S. officials, who said the shipment exceeded the island's quota for such slacks. The Taiwanese manufacturer authorized the shipment at the end of 1984, counting it against the 1984 quota. But U.S. Customs counted it against the 1985 quota, which it says has run out. As a result, says Terry Covone, Spiegel's import manager, "we have 150 dozen wool slacks that we've already paid for sitting in a bonded warehouse because we can't get them through customs."

Walter Killough, the company's senior vice president for merchandising, complains that "the way quotas are administered now, it's almost as if the people just want to create problems for us."

ECONOMIC IMPACT

Economists argue that such protectionist policies probably eliminate as many jobs in other parts of the economy as they save in the protected industry. For one thing, when consumers must pay more for clothes, they have less to spend on other items, leading to less employment in other industries. Most economists also believe that import restrictions usually result in reduced U.S. exports.

"I happen to believe there are no jobs saved in the economy as a whole" as a result of protectionist measures, says Mr. Lawrence of the Brookings Institution. Mr. Niskanen of the Cato Institute agrees. "By and large, the number of jobs in the economy is invariant to trade measures," he says.

Some other imported products that are protected by U.S. trade barriers:

Steel. The U.S. signed a quota agreement with the European Communities in October, 1982 limiting steel imports. At about the same time, Japan initiated a system of "voluntary" steel export restraint to avoid more-direct U.S. trade action. These measures substantially reduced European and Japanese steel shipments to the U.S., but shipments from developing countries soared in their place. In September 1984, the U.S. began negotiating more "voluntary" export restraints with other steel suppliers designed to limit total steel imports. The New

York Fed conservatively estimates that these restraints cost consumers about $2 billion a year by adding 5% to steel prices.

Book manufacturing. The U.S. book printing industry is largely shielded from foreign competition. To be eligible for U.S. copyright protection, virtually all books and periodicals published in this country must also be printed and bound here. According to Professor Hufbauer, that restriction costs consumers an estimated $500 million each year.

Ceramic tiles. Makers of ceramic floor and wall tiles are protected by tariffs that average about 25% of the import value. The cost to consumers, Mr. Hufbauer says, is about $116 million a year.

Peanuts. To prevent imports from undermining its peanut price support program, the government has kept a strict quota on imported peanuts since 1953. The approximate annual cost to the consumer, according to Mr. Hufbauer's research: $170 million.

Shipping: The Jones Act, which dates back to the 1920s, bars foreign ships from carrying passengers or freight between any two U.S. ports. This protects coastal carriers from lower-cost foreign shipping lines.

Rubber shoes. The U.S. rubber footwear industry is shielded by high tariffs that in some cases have changed little since the days of the Smoot-Hawley tariff act of 1930. The cost to consumers: $230 million. Mr. Hufbauer says.

Motorcycles. In 1983 President Reagan imposed temporarily high tariffs, starting at 49.4%, on Japanese motorcycles with engines exceeding 700 cubic centimeters. Mr. Hufbauer estimates that the tariff, designed to protect about 2,500 Harley-Davidson Motor Co. workers, cost consumers $104 million last year.

Trucks. Foreign-manufactured light trucks face a stiff 25% tariff when they cross U.S. borders. The tariff prompted creation of the Subaru "Brat," which escaped the tariff by putting bucket seats in the truck bed to qualify as a car.

Autos. Under a "voluntary" agreement, Japan began restricting auto exports to the U.S. in April 1981. As a result, according to the New York Fed, Japanese car export prices rose more than $2,000, and cost consumers an estimated $4.5 billion in 1984. That restraint agreement formally expired last March, but most observers believe the Japanese continue to restrain auto exports to prevent a flare-up of further protectionist pressure. As a result, many Japanese auto dealers in the U.S. continue to add as much as $2,000 or $3,000 in "additional dealer markup" onto the sticker price of the cars they sell.●

PROGRAM

Mr. DOLE. Mr. President, the Senate will convene at 10 a.m. on Monday, November 4, 1985.

As indicated previously, the leaders have 10 minutes each under the standing order. There will be three special orders, and routine morning business until 11.

Following routine morning business, the Senate will resume consideration of the farm bill. I urge my colleagues who wish to debate that bill—there were some here today who wanted to debate it—to be here at 11 on Monday morning. Votes are expected on Monday, I would say probably not before 2 o'clock, 2:30. We will have a couple of votes on minimum tax amendments and perhaps we can debate other amendments on the debt limit extension and transfer those votes until Tuesday, but we will work that out on Monday.

ADJOURNMENT UNTIL 10 A.M. MONDAY

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move we stand in adjournment until Monday, November 4, at 10 a.m.

The motion was agreed to; and, at 1:01 a.m., the Senate adjourned until Monday, November 4, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 1, 1985:

Department of Education

Wendell L. Willkie II, of the District of Columbia, to be general counsel, Department of Education, vice, Maureen E. Corcoran.

U.S. Arms Control and Disarmament Agency

Michael H. Mobbs, of the District of Columbia, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency, vice Henry F. Cooper, Jr., resigning.

Federal Maritime Commission

James J. Carey, of Illinois, to be a Federal Maritime Commissioner for the term expiring June 30, 1990, reappointment.

National Mediation Board

Charles L. Woods, of California, to be a member of the National Mediation Board for the remainder of the term expiring July 1, 1986, vice Robert Oberndoerfer Harris, resigned.

U.S. Institute of Peace

William R. Kintner, of Pennsylvania, to be a member of the Board of Directors of the U.S. Institute of Peace for a term of 2 years expiring January 19, 1987, new position.

Panama Canal Commission

Walter J. Shea, of Maryland, to be a member of the Board of the Panama Canal Commission, vice William Sidell.

In the Army

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Robert C. Kingston, [redacted], age 57, U.S. Army.

In the Marine Corps

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. George B. Crist, [redacted], U.S. Marine Corps.

In the Army

The following-named officers for promotion in the Reserve of the Army of the United States to the grades indicated under the provisions of article II, section 2, clause 2, of the Constitution of the United States of America:

ARMY PROMOTION LIST

To be colonel

Aanenson, James H., [redacted]
Adkinson, William E., [redacted]
Almonte, Joseph D., [redacted]
Almquist, Tod F., [redacted]
Arce, Jorge A., [redacted]
Arness, Franklin D., [redacted]
Atkinson, John K., [redacted]
Ballin, Arthur F., [redacted]
Baucum, William N., [redacted]
Bohne, Melvin B., [redacted]
Braunbach, Kenneth, [redacted]
Broach, Vance C., [redacted]
Brogan, James A., [redacted]
Buck, Richard S., [redacted]
Burtch, Lloyd D., [redacted]
Byrd, Lonnie D., [redacted]
Campbell, James D., [redacted]
Carter, Robert J., [redacted]
Cedeno, Francisco J., [redacted]
Chalfant, Bertram H., [redacted]
Chrissinger, John E., [redacted]
Cimino, Anthony J., [redacted]
Clapp, Donald, [redacted]
Clark, Errol E., [redacted]
Cobleigh, Gerard P., [redacted]
Cocchiola, Philip A., [redacted]
Cook, Alan W., [redacted]
Couch, James C., Jr., [redacted]
Counts, Walter D., [redacted]
Coverdale, Charles, [redacted]
Cox, Wallace G., [redacted]
Crane, Lawrence W., [redacted]
Crockett, Bruce L., [redacted]
Cummings, Paul L., [redacted]
Cunningham, Darrel, [redacted]
Daly, Hugh P., [redacted]
Darpino, Ernest R., [redacted]
Davis, Charles H., [redacted]
Dean, Benjamin F., [redacted]
Decker, Thomas E., [redacted]
Demartini, Frank J., [redacted]
Diaz, Rafael E., [redacted]
Dillard, Hugh B., [redacted]
Dipompo, Michael, [redacted]
Disney, Richard O., [redacted]
Donohue, Edward P., [redacted]
Drabik, Stephen F., [redacted]
Drake, Harry E., [redacted]
Duerr, Richard D., [redacted]
Duncan, Bobby S., [redacted]
Durkac, Valentine T., [redacted]
Eachus, Alan C., [redacted]
Echols, Charley N., [redacted]
Engels, Dennis W., [redacted]
Evans, Blythe H., Jr., [redacted]
Fanatico, Nicholas, [redacted]
Farrell, Paul J., [redacted]
Fawn, Kenn, [redacted]
Fitzgerald, James H., [redacted]
Fleming, Edward L., [redacted]
Fong, Ronald H., [redacted]
Ford, Joe M., [redacted]
Fox, Barry P., [redacted]
Fox, William I., Jr., [redacted]
Franke, Aurel W., [redacted]
Frazee, Robert M., [redacted]
Funderburk, Ronald, [redacted]
Gallagher, David R., [redacted]
Gannon, Peter A., [redacted]
Geiger, John W., [redacted]
Genthe, Charles V., [redacted]
Gentry, Lloyd R., [redacted]
Gibbs, James B., [redacted]
Gisla, John F., [redacted]

Goodden, Royal T., xxx-xx-xxxx
Goos, William J., xxx-xx-xxxx
Greenfield, William, xxx-xx-xxxx
Grinnell, John F., xxx-xx-xxxx
Grove, Richard L., xxx-xx-xxxx
Guerin, Robert L., xxx-xx-xxxx
Hagerup, Eric, xxx-xx-xxxx
Haworth, David S., xxx-xx-xxxx
Hayes, Floyd E., xxx-xx-xxxx
Hearn, Frank C., xxx-xx-xxxx
Hill, John H., xxx-xx-xxxx
Hixson, Luther T., xxx-xx-xxxx
Hjort, Gary J., xxx-xx-xxxx
Holmes, William W., xxx-xx-xxxx
Hopkins, George A., xxx-xx-xxxx
Idol, Tony G., xxx-xx-xxxx
Jacobson, Bruce T., xxx-xx-xxxx
Jambon, Orleans A., xxx-xx-xxxx
James, Dennis W., xxx-xx-xxxx
Janelle, Gerald F., xxx-xx-xxxx
Janssen, Wayne G., xxx-xx-xxxx
Johnson, John R., xxx-xx-xxxx
Kelsey, John P., xxx-xx-xxxx
Kiekhaefer, James S., xxx-xx-xxxx
Killgore, William, xxx-xx-xxxx
King, William O., xxx-xx-xxxx
Kirkwood, Jammie L., xxx-xx-xxxx
Kirshner, Eugene, xxx-xx-xxxx
Kludt, Ronald A., xxx-xx-xxxx
Koba, Roger B., xxx-xx-xxxx
Krigbaum, Phillip W., xxx-xx-xxxx
Landrum, Jimmy P., xxx-xx-xxxx
Lansford, Robert M., xxx-xx-xxxx
Larkin, Francis J., xxx-xx-xxxx
Leone, Frank Jr., xxx-xx-xxxx
Longoria, Ezekiel, xxx-xx-xxxx
Lott, Cleveland B., xxx-xx-xxxx
Lum, Franklin Y., xxx-xx-xxxx
Lytle, Thomas S., xxx-xx-xxxx
Madden, Donald R., xxx-xx-xxxx
Manassero, Michael, xxx-xx-xxxx
Mariniello, Joseph, xxx-xx-xxxx
Marshall, Lee C., xxx-xx-xxxx
Martin, Gerald R., xxx-xx-xxxx
McAlister, James H., xxx-xx-xxxx
McCluskey, Lawrence, xxx-xx-xxxx
McCracken, Charles, xxx-xx-xxxx
McDaniel, Darel W., xxx-xx-xxxx
McIlroy, Daniel F., xxx-xx-xxxx
McKiniry, James J., xxx-xx-xxxx
McManamy, James P., xxx-xx-xxxx
McNairy, John L., xxx-xx-xxxx
McNamara, Andrew T., xxx-xx-xxxx
Melia, John F., xxx-xx-xxxx
Mercer, Thomas K., xxx-xx-xxxx
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CONFIRMATIONS

Executive nominations confirmed by the Senate November 1, 1985:

DEPARTMENT OF ENERGY

Charles A. Trabandt, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

C. Everett Koop, of Pennsylvania, to be Surgeon General of the Public Health Service for a term of 4 years.

DEPARTMENT OF ENERGY

C.M. Naeve, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1989.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Edward R. Korman, of New York, to be U.S. district Judge for the eastern district of New York.

Robert E. Cowen, of New Jersey, to be U.S. district judge for the district of New Jersey.

William J. Zloch, of Florida, to be U.S. district judge for the southern district of Florida.

Jane R. Roth, of Delaware, to be U.S. district judge for the district of Delaware.

EXTENSIONS OF REMARKS

UNITED STATES-MEXICAN RELATIONS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GARCIA. Mr. Speaker, the Christian Science Monitor has been running a four-part series on Mexico this week by reporter Dennis Volman. I am inserting in the RECORD part three of that series.

From the Christian Science Monitor, Oct. 30, 1985]

GROWING UNEASE IN RELATIONS WITH US

(By Dennis Volman)

MEXICO CITY.—Carlos, a successful young Mexican painter, explains the anti-Americanism felt by many Mexicans this way:

"Ever since I've been a child we have been told about US invasions and interventions. We have been brought up with it," Carlos says. "One can't deny that among the Mexican population as a whole there is a general feeling of anti-Americanism, and every time the US puts more pressure on Mexico, that sentiment increases."

Today that is precisely the perception—that the Reagan administration is putting increasing pressure on this country.

At the same time, Mexico's economic crisis is making the country increasingly dependent on the United States—a development that adds to the discomfort many Mexicans feel towards their relationship with the US.

Mexicans are aware that US attitudes—governmental and public—toward their country have changed considerably since the late 1970s. Then, Mexico felt the US was more cooperative about issues such as trade and immigration and less likely to interfere in Mexico's relations with Central America.

But the international economic uncertainty of the 1980s has prompted US concern over a variety of issues; immigration, drug traffic, trade relations, potential Mexican instability, and how such instability might affect the US.

ISSUES DIVIDING THE US AND MEXICO

Many prominent US and Mexican academic analysts feel the Reagan administration is translating these concerns into a more conservative, nationalistic, and interventionist approach in Mexico than has been seen in many years. Mexican views on most of these issues are often the antithesis of US views.

Every year 4 to 6 million unemployed Mexicans illegally cross the border to work in the US. For Mexico this represents a crucial escape valve. It lessens otherwise intolerable population pressure and produces a needed influx of dollars, since the migrants send money to their families back home.

The US reaction, however, is more complex. US labor unions denounce US workers' loss of employment, and Congress has passed a series of law attempting to stop illegal immigration. But these laws are difficult to enforce, because the cheap labor provided by illegal immigrants serves the purposes of an important sector of the US economy.

Mexico's relations with Central America particularly concern the US. The US considers left-wing subversion and Soviet maneuvering to be the main problems in Central America. The US says that poverty is at the root of much of the area's political unrest. But it believes that poverty can be overcome with time, money, and the free-enterprise system if only the left-wing subversion is controlled.

Mexico views the key problem in Central America as social injustice, which can be lessened by, among other things, profound social change. Only when social injustice is substantially reduced, Mexican leaders say, can the region become less explosive.

Mexico's ruling party, the Institutional Revolutionary Party (known by its Spanish initials, PRI), has traditionally been more inclined to sympathize with radical Central American revolutionaries than with the conservative oligarchies and the military.

Having experienced its own revolution in 1910, Mexico believes other countries have the right to revolution.

Throughout the '70s, as the Mexican government's policies remained distinctly nonradical at home, the more liberal elements of Mexico's ruling elite were partially mollified by Mexico's increasingly militant foreign policy. This ambiguous situation prompted some cynical observers in the region to state that Mexico promoted revolution in Central America in order to avoid it at home.

Many Mexican analysts stress that divergence on basic issues between the US and Mexico is nothing new.

"There is a large history of issues in which, for basic structural reasons, the interests of both countries are contradictory," says Lorenzo Meyer, a Mexican academic expert on US-Mexican affairs.

"If unchecked, this US desire to more actively shape and manipulate Mexican foreign and domestic policy will become a key source of tension between Mexico and the US in the remainder of this decade and beyond," says Wayne Cornelius, director of the Center for US-Mexican Studies at the University of California in San Diego.

However, "the relationship is not bad [between the US and Mexico]," one Western diplomat says, "It is just going through one of its phases of misunderstanding. Most people in Washington don't understand Mexico and most people in the Mexican government don't understand 'the crazy gringos.'"

"The Mexicans don't really want to have to deal with us. They don't understand [the US] system, which is different from what they know," he says. "If they understood it, they would have a lobby in Congress to make their case. But they have a lot of psychological hang-ups which stem from their history and have to do with excessive national sensitivity and the fear of appearing to approach the US hat in hand. So they don't have any lobbyists, and this holds them back."

US-Mexican relations reached a low point last spring after the murder in Mexico of US drug enforcement agent Enrique Camarena.

Most Mexicans believed that Washington used the issue of drugs entering the US from Mexico as an excuse to flex its muscles and make clear to Mexico the immense leverage which the US has on that country's economy. Many Mexicans were convinced that Washington was sending their country a message to back down from its Central American policy, which does not line up with US policy.

Also last spring, before Mexico's July midterm congressional and gubernatorial elections, the PRI became increasingly distressed with the US because it feared that the US had a new view of what it wanted in Mexico.

MEXICAN VIEWS OF US AIMS

Mexican leaders believed that, after decades of accepting the Mexican system as it is, the US wanted to change the basic rules of the political game here. Based on their interpretation of actions taken by Washington and what they say as interventionist public statements by the US ambassador to Mexico, John Gavin, Mexicans came to believe the US wanted to change Mexico from a one-party to a two-party state—a change favoring the right-wing National Action Party (PAN) and its conservative allies in the private sector.

But a Western diplomat here denies that this was the US aim. "The idea that Mexico should become a two-party system was being discussed in Washington . . . ," this diplomat says. "This, however, was the talk of individuals and did not reflect any real official policy santioned by the Reagan administration."

What Mexico sees as deliberate policy, this diplomatic analyst suggests, is simply the reflection of a widespread mood of nationalism and political conservatism in the US.

"Many Americans feel that unless the Mexicans support US-style democracy and the private sector, the US should not help Mexico out," he says.

Since the elections, the main concern has become economic, especially Mexico's repayment of its $96 billion debt, most of which it owes to the US. The debt issue came to new prominence earlier this year when oil prices fell and a new round of inflation damaged the Mexican economy and its ability to pay back the money owed.

THE UNSPOKEN INFLUENCE

In one way, the most important US influence on Mexico is one that is almost never explicitly stated.

In many ways, the US helps define the basic rules of Mexico's economic and sociopolitical structure, say some analysts here. Specifically, it limits the ways structure can be altered. When Mexico's leaders consider ways Mexico's economic and political system can be changed to work better, some alternatives must be ruled out because of the US.

After Mexico's economic crisis peaked in 1982, newely elected President Miguel de la Madrid Hurtado decided to ease the situation by encouraging an export-oriented

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

economy based on renewed foreign—largely US—investment. Many Mexicans crticize this policy as one that increases dependence on the US without raising the living standards for most of Mexico's population.

If the Mexican ecomomy becomes more open to foreign trade, if trade barriers are lowered, if tariffs fall, critics say the US will benefit. US goods will flood the Mexican market. Many Mexicans fear that the jobs produced by Mexican industries, which export goods to the US will not be balanced by the jobs destroyed by the import of American-made goods.

These critics, many of them within the ruling PRI, want a more radical but noncommunist alternative that involves greater economic self-reliance and stricter economic controls to prevent the private sector from shipping its money abroad.

But ultimately, even proponents of this approach doubt that Washington would ever "permit" Mexico to take such a course. They know that the US possesses enough economic leverage to express its displeasure by reducing the Mexican economy to a shambles.

The issue of Mexican private-sector money leaving the country exemplifies how the US limits Mexico's alternatives.

In 1982-83 when Mexico was faced with an economic crisis, José López Portillo, then President, shook private-sector confidence by nationalizing the banking system. Mexico's upper and middle classes sent about $28 billion in savings and investments abroad, mostly to the US. It would have taken tremendous efforts by both governments to control capital flight from Mexico to the US.

Even if Mexico continues on its present course, some analysts at the San Diego Center for US-Mexican Relations say, excessive US concern with Mexican economic stability and a conservative ideology in Washington might prevent Mexico from taking the kinds of populist measures (wage hikes and more expansionist economic policies) necessary for political stability as it begins recovering from its economic crisis.

These observers expect US opposition to become more intense if the government takes measures that would address longstanding popular demands for fairer income distribution in Mexico. This could lead to a serious situation in the long run, because, as Wayne Cornelius says, "Most independent analysts of modern Mexico concur that this problem [of fairer distribution] *must* be addressed forthrightly and effectively by future Mexican governments if serious social disorders and militarization of the political system are to be prevented."

MEXICO'S STABILITY

"The US is forgetting where the stability and basic legitimacy of the Mexican political system comes from," says one moderate Mexican columnist and political analyst. "It comes not just from the private sector and the other powerful interest groups represented in the ruling PRI coalition, but also from the great mass of the Mexican people."

Much of the US impulse to intervene in Mexican politics stems from a basic fear that the Mexican political system is headed for rough times and possibly even disintegration. Some sectors within the Reagan administration fear that the kind of political instability and guerrilla warfare occurring in Central America could spread to Mexico.

US critics do not look at longstanding structural problems with the Mexican development model when analyzing Mexican weaknesses. Instead, as Mr. Cornelius says, they "focus on weaknesses within the Mexican state: corruption, misallocation or inefficient use of resources, irresponsible political leaders . . . the ossified ruling party, etc."

"As in the past, the US will be tempted to take advantage of this situation: to turn Mexico into a virtual ward of the US, denying the need for major structural changes to correct imbalances in the Mexican economy and society, and rejecting the legitimacy and domestic political importance of a Mexican foreign policy that is independent of Washington," Cornelius says.

Economic issues are a possible source of controversy between the US and Mexico. A Mexican academic expert says that the US has, especially under the Reagan administration, been pressing Mexico to open up its market to more trade with and investment by the US, a strategy that might entail a severe political cost for President de la Madrid.

If de la Madrid's export-oriented recovery strategy is to succeed, there will have to be a continued strong growth of the US economy and increased access to US consumer markets. But the trend in US-Mexican trade relations has been, and probably will continue to be, toward greater rather than less protectionism in the US, say US and Mexican academic and diplomatic analysts.

Next: Mexico and Central America.

THE 90TH ANNIVERSARY OF CHIROPRACTIC HEALTH CARE

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. VANDER JAGT. Mr. Speaker, we recently marked the 90th anniversary of the practice of chiropractic health care. On September 18, 1895, the first chiropractic patient, Harvey Lillard, of Davenport, IA, was examined and treated by Daniel David Palmer, the father of chiropractic health care. Since that time chiropractors have been making invaluable contributions to the physical well-being of many Americans. I appreciate this opportunity to salute the members of this fine profession in connection with this important milestone in their history.

Those who have ever suffered with spinal problems or back pain and have sought chiropractic treatment know how important their contribution to American health care has been. This chiropratic profession could not have survived and thrived over the years without the courage and dedication of those of its profession. Today, chiropractors are licensed to practice in all 50 States and their education consists of a total of 6 academic years following high school graduation. In my home State of Michigan alone there are 1,800 chiropractors who serve over 1.5 million patients.

I think the outstanding work of chiropractors for the last 90 years is an excellent example of how one group can make a significant difference in our society. Their commitment and devotion to excellence in health care is worthy of our highest praise. It is with great admiration that I congratulate the chiropractic doctors and their professional associations on their 90th anniversary.

I am also proud, at this point, to include in my statement an excellent letter by Dr. Nikolas K. Dreliozis, DC, of Muskegon, MI, the largest city in our ninth congressional district, which appeared in the Muskegon Chronicle. Dr. Dreliozis presented very interesting information on this special 90th anniversary. His letter follows:

CHIROPRACTIC CELEBRATES 90TH ANNIVERSARY

Chiropractic is 90 years old this month, but the benefits of chiropractic were foreseen before the turn of the century.

Although chiropractic was in its infancy at the time, having been founded in 1895, Thomas Edison saw its method as a dynamic new approach to healing. When you consider the fact that spinal adjustment was a new concept and the world had a tendency to be prejudice against anything new and different, you realize it took men of great scientific mind to understand the benefits of normal nerve functions.

Thomas Edison predicted chiropractic's role in the healing arts when he said, "The doctor of the future will give no medicine, but will interest his patients in the care of human frame . . . and in the cause and prevention of disease."

Over 90 years ago, when the first chiropractic adjustment was made, the average male's life expectancy was 44 years. Today it is 73 years.

With strides being made in health care, thanks to research and technology, our average life span will be greatly expanded. Indeed, it is probable that within the next 75 years the average male can look forward to living to be 100 years old.

Despite optimism toward the healing profession's ability to lengthen the individual's life span, I am concerned over mass "killing" factors.

Our society is faced with several counteracting dangers which must be corrected if we are able to enjoy the benefits of modern scientific advances. We must do away with the poisons of air pollution, water pollution and body pollution.

Body pollution which results from the careless intake of drugs and medications is as great a hazard to human life as air and water pollution. The chiropractic profession does not depend on drugs for treatment.

Thousands of doctors of chiropractic throughout the world are using this 90th anniversary year to rededicate themselves to the health needs of humankind. I urge the public to pay more attention to their health and seek the benefits of advancements made in health technology.

MR. PRESIDENT, NO ARMS TO JORDAN

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. SAXTON. Mr. Speaker, there has been much discussion in this body and in the media about the President's decision to pursue strategic arms sales to Jordan.

I have joined many Members of the House in expressing our opposition to this

sale through a resolution. However, I felt it was important to share my personal views with the President. I would like to share with my colleagues the following letter I sent to President Reagan regarding this sale:

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES,
Washington, DC, October 24, 1985.

Hon. RONALD W. REAGAN,
President of the United States,
Washington, DC 20500

DEAR MR. PRESIDENT: Congress has received the notification of your intention to sell some of our most advanced aircraft and air defense systems to Jordan. I have been pleased to support many of your efforts in the House, but I must inform you that, with all due respect, I am distressed with this particular request.

Mr. President, I believe that selling a major weapons package to Jordan undermines the search for peace. I oppose this measure for several reasons: (1) It reduces the incentives for King Hussein to enter the peace process. (2) It escalates an already staggering arms race in the region and heightens the likelihood of conflict. (3) Until King Hussein makes peace with Israel, a Jordanian arms buildup adds to the threat to the Jewish state. (4) It narrows Israel's margin of security and weakens the Peres government's ability to take risks for peace. (5) It deepens Israel's dependence on West Bank facilities to insure her security and it adds to the burden on Israel's economy.

Mr. President, I am joining many of my colleagues in cosponsoring a resolution opposing this sale. This resolution is being introduced today, and it serves as an indication of how widespread this opposition is in Congress. Furthermore, I wanted to make this personal appeal to you to reconsider this matter. The most vital of all U.S. foreign affairs objectives is peace in the Middle East. I will continue to work with you for constructive solutions, but I feel strongly that selling sophisticated arms to Jordan is the wrong way to go.

Sincerely,

H. JAMES SAXTON,
Member of Congress.

SCOTTDALE PUBLIC LIBRARY MARKS 75TH ANNIVERSARY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GAYDOS. Mr. Speaker, I have no greater admiration than for those exceptional individuals blessed with the vision to see beyond their time who leave behind a legacy to enrich the lives of their fellow citizens for generations to come.

Such a man must have been Mr. A.L. Keister of Scottdale, PA. Seventy-five years ago this gentleman presented his community a gift, a gift of inestimable value—a public library

Mr. Keister will be remembered by the citizens of Scottdale on Thursday, November 7, when the library holds an open house to commemorate the anniversary of its founding and the man who made it all possible.

Although Mr. Keister was responsible for establishing the library it was not long before local school officials recognized its value and agreed to supplement its operation. Still later, as the use of the library grew, the Borough of Scottdale voted to support it and in 1921 a share of the local tax revenue was allocated toward the funding of the library.

From the outset Mr. Keister's gift to the people of Scottdale was a success. Library records show that within a month of its opening it was circulating more than 2,600 books. Today, there are more than 18,000 volumes on its shelves and the library offers a variety of services to the public, including record albums, films, and so forth. All this in a community of less than 6,000 people.

The initial prosperity of the library was due, of course, to Mr. Keister and its first librarian, Miss Daisy Mary Smith. Its continued expansion, however, reflects with great credit upon their successors, up to and including the present officials: Joanne E. Guesman, libarian; Jean Snyder, assistant librarian, and the board of directors—Eugene J. Beran, president; Mimi Finnerty, secretary; Reva Jane Beadling, treasurer, and Mary O'Laughlin and Judith A. Ermine.

Mr. Speaker, former President John F. Kennedy once said of libraries:

Good libraries are as essential to an education and an informed people as the school system itself. The library is not only the custodian of our cultural heritage but the key to progress and the advancement of knowledge.

I like to think President Kennedy had libraries such as Scottdale's in mind when he made that statement for the Scottdale Public Library has become much more than just a circulation center for books. It is a community center—owned by the people, rendering services to all.

A DEMOCRATIC PROGRAM FOR TRADE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. MAZZOLI. Mr. Speaker, in 1985, the U.S. trade deficit is expected to reach a staggering $150 billion. Tens of thousands of U.S. jobs have been lost to imports. And, only a severe restructuring of wages and working conditions has spared—at least temporarily—tens of thousands of other jobs.

I share the impatience and frustration of labor and industry alike at this state of affairs. Government needs to do something to help. But, here's the rub: what should it do?

Enactment of rigid import barriers, like those included in H.R. 1562, the Textile and Apparel Trade Enforcement Act, is not the answer. Even the staunchest advocates of protectionism privately agree that it is not a satisfactory approach. Such measures offer, at best, short-term relief. But, long term, such measures invite retaliation from other nations and lead to a loss of more jobs than they save.

But, Government cannot, either, do nothing and let U.S. jobs dry up, allow factories to dim and workers to go on relief.

There is, however, an approach which lies between the extremes of protectionism and total free trade.

Congress must adopt and the administration must implement a comprehensive trade policy which moves against the problem of the imbalance in our export-import trade on several fronts.

An excellent outline or blueprint for such a policy is contained in the recommendations of the House Democratic trade task force issued October 17.

It deftly takes a middle course between the Scylla and Charybdis of foreign trade: doing nothing in a blind adherence to free trade and doing too much in a futile effort to protect failing and inefficient domestic industries and products.

I understand legislation which incorporates many of the legislative suggestions of the task force report will soon be introduced. I will proudly cosponsor the Democratic program for trade and I feel that if it is adopted and implemented vigorously, this comprehensive trade package will go far to return America to a competitive position among the world trading nations and to do it with fullest safeguards and protections to the men and women whose jobs are on the line.

I ask permission to include, at this point in the RECORD, an article which I have written describing the trade problem and also to include the trade task force's October 17, 1985, report an recommendations.

CONGRESSMAN RON MAZZOLI DISCUSSES AMERICA'S TRADE POLICY

The unfolding drama of trade policy occupies center stage in Washington these days. All the spotlights converge on it. Unfortunately the actors in this drama are either ardent free-traders or committed protectionists. I think we need a new script and some new actors so this drama can have a happy ending.

No matter what stance on the trade issue one takes, there is general agreement on this: the stakes are sky high. Whatever the Federal Government does—or fails to do—on trade issues will profoundly affect America's economy for decades to come.

It is not apocalyptic ranting to suggest that wrong choices today could produce a second Great Depression tomorrow.

For our discussion, let's frame the extreme on the trade policy issue.

One side argues that Congress must protect American industry at all costs from lower-priced imports otherwise, millions of American jobs will be lost. America's manufacturing and industrial base will be destroyed, and, as a consequence, it will lose its position as the world's leading economic and military power. Protectionists also argue that free-traders are insenstive to the human factor of unemployment and factory shut down.

The other side argues that the United States has always been a mercantile nation, that it must continue its historical policy of free trade or our trading partners will resort to retaliatory counter actions. Free traders

also argue that protecting inefficient, noncompetitive domestic industries stifles competition which, over our Nation's history, has given U.S. consumers the highest quality goods at the lowest possible price.

In my opinion, neither of these arguments offers the answer. A new policy is needed. And the seeds of a new trade policy can be found in the dusty pages of a 25-year-old document: The Democratic Party platform of 1960, a platform on which John Kennedy ran successfully for President of the United States.

Here are a few quotes from that platform:

"World trade is more than ever essential to world peace . . . world trade raises living standards, widens markets, reduces costs . . . and builds political stability and international economic cooperation.

However, . . . the Democratic administration will help industries (and communities) affected by foreign trade . . . our Government should press for reduction of foreign barriers to (American) products . . . (we) will seek international agreements to assure fair competitive and fair labor standards . . . for our workers . . . and workers elsewhere.

To sell we must buy. We, therefore, must resist the temptation . . . to deny American producers and consumers access to world markets . . ."

I believe this document provides the blueprint for a trade policy which incorporates elements from both extreme arguments but which offers a vision and a flexibility which neither offers. This new policy will advantage the United States over the long haul even though it cannot completely avoid some painful domestic dislocations and retrenchments.

Speaking of the short term situation: the Federal Government, in my judgment, has a solemn responsibility to cushion the impact on the U.S. work force of the transition our national and the international economy are now undergoing. They need and deserve Government help in finding comparable new jobs, in training for new types of jobs, in receiving extended and enhanced unemployment compensation, medical benefits and the like until they are gainfully back at work.

The trade policy outline included in the 1960 Democratic platform contemplated a world which would grow even more interdependent and interconnected. That's just what has happened during the 25 years since it was written.

Today, what happens to our most geographically distant, most socially diverse trading partner inevitably affects our own economy. And, it affects it sooner rather than later because of the speed-of-light communications net which girdles the glove, and the supersonic jet and the ubiquitous computer.

America cannot for these technological reasons—and political ones too—run and hide. It cannot withdraw into a redoubt (the old "fortress America") and wait out the trade storm. America cannot—and should not—attempt to solve the trade problems by protecting its people and businesses from foreign competition.

Protectionism risks economic calamity for the Third World—the emerging nations in Central and South America, in Asia and Africa. They must acquire dollars, earned through trade with the United States, in order to pay their U.S. creditors, mostly the banks. Cut off the export income of these LDC's (less developed countries) and default could result—default which would collapse the debtor and threaten the stability of the creditor.

There is another clear and convincing reason why I believe a trade policy molded along the lines of the 1960 democratic platform is the answer rather than free trade or protectionism.

If the U.S. erects a trade "picket fence" to keep out foreign goods and protect domestic producers, LDC's will lose markets. And, they will lose jobs and opportunities for their people. Their teeming populations (fertility rates are typically higher in LDC's than developed nations) will be prey to the rhetoric of rebellion and revolution. The resulting political and social unrest would be far costlier to the United States than allowing LDC's continued access to U.S. markets.

Where does this discusson lead us? Does the United States actually face stark and irreconcilable choices as some argue: open our doors to foreign goods and lose U.S. jobs and industrial base; or, close our doors to foreign goods and consign U.S. consumers to higher prices and lower quality and workers abroad to bleak futures.

I believe that our options are not so limited. As I have suggested earlier, there is a third alternative: A trade policy which encourages world trade but assures that our trade is based on principles of fairness and reciprocity.

Such a farsighted trade policy outlined in the 1960 platform document was augmented, and updated in a report released last month by a House Democratic task force, chaired by Congressman DON BONKER of Washington.

Key elements of the Democratic trade plan are: (1) to place the U.S. dollar—now much over-valued—on a better balance with foreign currencies so American products can compete at home and abroad; (2) to ecourage American exports by providing attractive financing and other Government assistance to U.S. exporters; (3) to move aggessively and unapologetically against any trading partners which maintain barriers against U.S. exports, which "dump" their products in our markets or which grant their companies illegal subsidies and concessions; and (4) to provide expanded retraining, relocation and trade adjustment assitance to U.S. workers who lose their jobs as a result of imports.

If you wish a copy of this task force report, please call (582-5129) or write me (551 Federal Building, Louisville, Kentucky 40202).

This recommendation offers a real breakthrough in the increasingly emotional and largely unavailing debate over trade policy. I intend to work extra hard in the remaining months of the 99th Congress to secure adoption of this program.

America opened the West. It built a continental network of railroads and canals against daunting obstacles. Had Liberty ships in the water only days after Pearl Harbor. Put astronauts on the moon. Explored space. Invented the computer. Conquered disease. In short, America can do what it resolves to do.

America can resolve to retreat from world markets and hunker down behind import barriers. That would be a serious mistake.

Or, America can resolve to compete for world markets and make the changes and adopt the techniques necesaary to get the job done. This is the correct choice. And, it is the choice I hope Congress and the Nation makes before it is too late.

REMEMBERING EL SALVADOR

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GARCIA. Mr. Speaker, the October 30 edition of the the Christian Science Monitor ran an editorial on the present state of affairs in El Salvador.

The editorial stated that President Duarte should resume peace talks with the Salvadoran left. It goes on to lay out the conditions and the issues to be discussed at such talks. I believe the Monitor offers a clearheaded assessment of what ought to take place between the warring factions in El Salvador. I submit it to the RECORD for my colleagues' perusal:

DISORDER'S COST IN EL SALVADOR

After six weeks of negotiations to secure the return of his kidnapped daughter, El Salvador's President José Napoleón Duarte can finally turn to other pursuits. The main one should be to move vigorously to resume peace talks with the guerrillas, originally held a year ago.

The ball is in the President's court. But in offering to hold new meetings he should not accede to power-sharing conditions laid down by the guerrillas.

Preconceptions about possible talks have altered over the past two months.

The foremost change is in the viewing of prospects for success. Both sides apparently bargained in good faith to obtain the release of persons kidnapped by the guerrillas or captured by the Salvadorean Army. Prisoners were released by both sides, largely as expected.

If they could strike a deal on this particular issue, could the government and the guerrillas not use the increased trust as an aid in negotiating a agreement on something more basis, an accommodation in the draining war?

The guerrillas would move into any such talks in a somewhat strengthened position. Their ability to kidnap Inés Guadalupe Duarte Durán, and to mount several recent guerrilla assaults, makes clear that their forces are not on the verge of collapse, as had been thought.

President Duarte, on the other hand, is slightly weakened by the kidnaping affair: He expended political capital to get the military to go along with the release of guerrillas in order to obtain the return of his daughter and former local government leaders.

There are some issues on which the government, in bargaining, should accede to rebel demands. One is land reform, begun but far from complete. Another is a complete end to death squad activity, diminished but not ended. A third is shrinking the still-strong power of the landowners, a major ultraconservative force in the nation, and of the Army.

For their part the guerrillas ought in return to forswear violence and contribute not to rendering the nation but to unifying and strengthening it.

None should be naive about the difficulty in reaching agreement. And if accommodation is attained, the actions of some of the far-left rebels should be watched closely, to keep them from seizing power. Nothing would be gained from replacing the past

authoritarianism of the right with dictatorship of the left.

KNOW-NOTHING LEGISLATION

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. LAFALCE. Mr. Speaker, a recent article by Hobart Rowen in the Washington Post summarizes many of the weaknesses and flaws of the proposed Gramm-Rudman amendment to balance the Federal budget by 1991. I urge my colleagues to think carefully about Mr. Rowen's observations before rushing to judgment on this ill-conceived piece of legislation.

KNOW-NOTHING LEGISLATION

If you ever wondered what the Gramm-Rudman balanced-budget proposal is all about, take a look at the American Economic Association's 1974 Directory of Members. There, in response to a routine request to list is "current research project," economist (now Texas Republican senator) Phil Gramm let it all hang out. His goal, Gramm said, is "How to Get Rid of Government."

Not how to get government off your backs, mind you. Just: Get rid of it.

That has been Phil Gramm's long-term interest in life—as an academic, as a Democratic congressman who switched parties to make the grade in Texas politics, and now as the co-author of one of the most irresponsible pieces of legislation ever to surface in Congress: the Gramm/Rudman proposal to mandate annual budget-deficit reductions of $36 billion until a balanced budget is reached in 1991.

No one can doubt the urgent need to cut back sharply on the deficit. But to do it by rigid formula, without regard to the relative importance of programs or to the actual state of the nation's economy, is sheer madness. And who says that the budget must be actually balanced, rather than brought down to decent proportions?

The president would be required to submit a budget that meets the Gramm/Rudman targets, and Congress would be required to pass a budget resolution conforming to the same targets. If it didn't, automatic spending reductions enforcing the targets go into effect—come hell or high water, prosperity or depression.

But there are exemptions: Social Security benefits, contracts already agreed to (which shields big-ticket weapons systems accounting for 38 percent of the defense program), interest payments on the national debt, and "tax expenditures" (read that tax loopholes). These exemptions throw a disproportionate share of the spending cuts on everything else.

Most reductions that are made in defense would fall not on hardware but on operations and maintenance monies—which already get the short end of the stick. Moreover, as Robert Greenstein, director of the nonpartisan Center on Budget Policy and Priorities, points out, the starting point for Gramm/Rudman cuts is a defense budget with 3 percent real growth built in, whereas many civilian programs are frozen. So while there would be some impact on defense, the real burden of moving toward a balanced budget would continue to fall heaviest on nondefense programs.

But Congress' slickest trick, if it buys Gramm/Rudman, will be bragging to the voters that it has balanced the budget when in reality it bucked responsibility for enforcing the cuts to the president.

Senate Republicans Pete Domenici of New Mexico and Bob Packwood of Oregon, as well as Democratic liberals Edward M. Kennedy of Massachusetts and Paul Simon of Illinois, support Gramm/Rudman in the mistaken notion that if President Reagan is faced with a legal mandate to cut the deficit, he finally will opt to raise taxes rather than cut defense.

They underrate Reagan's anti-tax, promilitary fervor—and endorsement of Gramm's "Get Rid of Government" philosophy. Secretary of Defense Caspar Weinberger has warned, plainly, that Reagan "would have to retain the authority to request the amounts" that he considers vital to national security.

Let us not be naive: there would be plenty of ways out for the president, who could pressure Congress with a declaration of national emergency. He also gains enormous leverage because of the automatic-reduction feature of Gramm/Rudman.

As Greenstein put it on a National Public Radio broadcast, "He can say to Congress, 'If you don't give me a budget plan I can approve, I'll veto it, triggering the automatic reduction, which will hit housing or health care for the elderly hard.' So if Congress wants to avoid that, they have to give him a very light hit on defense, and no tax increases."

The worst part of the whole Gramm/Rudman deception is that House Democrats, who understand that it is bad economics to cut spending automatically if a recession is under way or in prospect (and that's what the legislation requires), were trapped by their gutless colleagues in the Senate. "Once Teddy Kennedy caved in," says a key House committee staffer, "we were licked. Now, we can't get 217 votes for anything, unless we have a zero deficit at the end of the line."

Otherwise, some 90 House Democrats have concluded, their Republican opponents will mount devastating radio and TV campaigns against them in next year's election.

That's why Gramm's dream of getting rid of government is coming to fruition: the first priority of legislators—including many Democrats who helped Reagan create the massive budget deficit by voting for and expanding the tax giveaway act of 1981—is to save their jobs. Saving the country from know-nothing legislation is less urgent.

OLD BERGEN CHURCH IN JERSEY CITY MARKS 325TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GUARINI. Mr. Speaker, this week, New Jersey's oldest religious institution, the Old Bergen Church, in Jersey City, is celebrating its 325th anniversary.

This magnificent edifice, whose pastor is Rev. Dr. E. Royden Weeks, has seen the birth and development of our Nation, and has witnessed the very beginning of America, working with those who laid the foundations, rearing the soaring arches of our great Republic with vigorous, indomitable and all-encompassing faith in God. They have helped develop a solid rock which stands unmoved sparking the minds and actions of freedom-loving men and women.

Its parishioners have gone to the four corners of the Earth, preaching and living the need for dignity of all individuals.

Pastor Weeks, with the assistance of Ms. Elizabeth Foley, of the Jersey Journal, has provided me with the history of this grand heritage.

During the week of October 27, 1985, the congregation of Old Bergen Church in Jersey City will pause to celebrate the 325th anniversary of its witness and work in the same neighborhood where Dutch forebears founded the first permanent European settlement in New Jersey. It has been the custom of the people of the church for over a century to mark each 25 years of their continued life with a time of special thanksgiving to God for His continued help and favor.

Convinced that "Because we look to the future, we have a past to celebrate," the congregation is grateful to God for the steps it has been led to take over the past quarter century to insure its continuing vitality in Christian ministry. A special service of Thanksgiving will be held on the morning of October 27 at morning worship and later in the week on Reformation Day, October 31, a festive banquet for many friends will take place.

The dramatic changes in urban life over the past 25 years have called for both strength and vision in churches and their leaders. Under the pastoral guidance of the Reverend Dr. John J. Soeter, the congregation at Old Bergen moved, in 1968, to explore a union with Trinity United Presbyterian Church, which was serving the same area of the city. In a recognition of their greater unity in Jesus Christ, the two congregations formed a union in 1970, committed to throwing their common resources into the struggle to enhance the quality of life for the people within the boundaries of the parish and beyond. The Presbyterian Church and the Reformed Church heartily supported this work by supplying supervisors like the Reverend Dr. Gordon Markey and the Reverend Gerard C. Pool.

The union congregation called, as its pastor, the Reverend Dr. Emrys Royden Weeks, who was charged by the congregation to broaden its ministry to the community. Under his leadership, the doors of the church were opened to various groups in the neighborhood which were committed to serving the needs of the people. Through grants and loans, the church tried to help worthy organizations and programs to stay in the immediate community so that all could benefit. It provided space and opportunity for community meetings and political debate. It served as dormitory and training center for 60 young men and women who staffed the Christian Neighborhood Summer Program for 6 weeks each summer. Over the years, the church has sought out and joined with other congregations in organizing such services as a local

center for "Contact," a telephone helpline, and "Let's Celebrate," a group of 23 churches in the city which supplies 13 emergency food pantries and runs a soup kitchen 5 days each week. The people of Old Bergen have also formed a close association with other Reformed churches in the city for mutual support and common purpose.

This sense of the close relationship between a church and its community is a thread which ties the last 25 years to the previous 300; Old Bergen has always been closely involved with the settlement, then village, then town, and finally the city which has grown around it.

Under the evenhanded but cautious administration of Peter Stuyvesant, Director-General of the New Netherlands, permission was granted in August 1660 for the establishment of a fortified settlement near an old Indian maize field in the hills overlooking the Hudson River. The place was named "Bergen" after a small town in the Netherlands, and was inhabited by November of that year, and worship was begun around that time. A burying ground was set aside and about 4 acres of land was designated for the church. The stockade was completed in April 1661, and already the people were petitioning the Director-General for the regular ministrations of a "Dominie," as the Dutch clergy were called. By 1662, 417 guilders had been raised by taxation for the erection of a church.

The church grew along with the village, and in 1680, a octagonal, sandstone church was built to house the congregation of 134 persons. The small number of ordained clergy in this new land meant that the people saw a Domine only a few times each year. Regular services were conducted by a lay leader called a "Voorleser." The Bergen Church lived with this arrangement for over 90 years. It was not unitl 1753 that the congregation called its first pastor, Dominie William Jackson. Under this powerful preaching, the congregation continued to grow, and soon needed a larger building, which was erected on the same spot in 1773. During the Revolutionary War, Jackson was an outspoken patriot. On one occasion, he was arrested for his inflammatory remarks, and taken before Lord Howe, the British Commander of New York. Howe dismissed him with a rebuke, but noting more serious. Dominie Jackson continued to serve the congregation until 1789, when illness forced him to retire.

He was succeeded by John Cornelison who remained as pastor until his death in 1828. Cornelison is well remembered for the great interest he took in nurturing young people and in ministering to the black slaves who lived in the neighborhood. He held services for the slaves in his home, and taught several of them how to read. Some were admitted to the communion of the church.

A few months after the death of Cornelison, the Reverend Benjamin C. Taylor was installed as pastor of Old Bergen Church. Under his leadership, the church continued to grow, and the first formal Sunday School was organized. By 1840, the building was once more too small for the number of people, so a third building was erected, this time about 100 yards award from the first two edifices. It is this church building which the congregation continues to use to this day.

After a short period of leadership under the Reverend James L. Ammerman, who left to become a missionary to Japan, the congregation called the Reverend Dr. Cornelius Brett, who would serve the congregation for the next 42 years. Dr. Brett was also a powerful and persuasive speaker; as a young man, he had supported Lincoln's candidacy for a second term and had gone on the stump for him throughout central Jersey. Taking up the pastorate at Old Bergen in 1876, Brett continued the church's commitment to young people through the founding and support of various organizations guiding them into constructive adulthood. He also served as a chaplain in one of the local Army regiments.

Dr. Brett retired in 1918, and was followed by two pastors who served the congregation for relatively short tenures: Dr. Willard P. Soper and Dr. James S. Kittell.

In 1927, another dynamic leader came to the pulpit of Old Bergen in the person of the Reverend Dr. F. Raymond Clee, who would serve the congregation through the Great Depression and into the years of World War II. Under Dr. Glee's enthusiastic guidance, the church became a place where people found strength and hope and a sense of personal worth in an otherwise discouraging period for millions in our country. Each Sunday, Dr. Clee led a Men's Bible Class which came to number 3,000 members, representing every religious persuasion. With the coming of our involvement in World War II, the congregation sent 189 of its young men and women into the services, and in 1943, after 16 years at Old Bergen, Dr. Clee accepted a call to serve the First Church in Albany, NY.

It was for the Reverend Thomas Lamont, a Canadian born in Ireland, to take up the task of leading the congregation into the postwar years. He was installed in 1944 and kept the church in touch with its people, then serving all over the world. He, too, was a dynamic preacher, and led the congregation until called to another pastorate in 1957.

In the autumn of 1957, the Reverend Dr. John J. Soeter was installed as pastor, and began to lead this people into the present period of their life and work, facing the problems of the changing urban community.

The congregation of Old Bergen Church is no longer large. It has learned to bear the burden of its heritage lightly while taking its responsibilities for the present and future seriously. It continues to believe that the life of church and community are closely woven together. Hence, their slogan for this 325th anniversary: "Because we look to the future, we have a past to celebrate."

It is my pleasure to present to Pastor Weeks and parishioners of Old Bergen Church a framed copy of the Great Seal of the United States of America. With the 13 stars enclosed in the ring in the light above the eagle, symbolically it represents the religious freedom sought by our Nation's founders. America was born out of faith in God and its freedom will continue to exist as long as that faith remains forthright and strong. It must remain unmoved—like a solid rock, despite the many sliding sands throughout the world.

It is awesome to remember that Old Bergen Church existed long before George Washington prayed in the snow at Valley Forge, and Ben Franklin, when he suggested a Continental Constitution, urged that we have prayers every morning.

I am certain that all my colleagues here in the House of Representatives want to join me today in this salute to Old Bergen Church, its pastor, and its members. Their services over the years indeed echoes the words of James Russell Lowe who wrote in "America's Gospel.":

Our country hath a gospel of her own
To preach and practice before all the world—
The freedom and divinity of man
The glorious claims of human brotherhood,
And the soul's fealty to none but God.

ANTHROPOLOGY IN LIMBO

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. MCCOLLUM. Mr. Speaker, I am submitting for the RECORD an article transmitted to me by Mr. John B Fisher, a constituent from Maitland, FL. The article discusses the existence of a number of anthropological films which have been lying unused at the Smithsonian Institution's Museum of Natural History. These films, according to the article, could uncover untold information about the social patterns and practices of fast-disappearing cultures such as the Jyapu people in Nepal and the Canela Indians of Amazonia in Brazil.

I am sure that others will find this an interesting piece.

[From Science, July 19, 1985]

UNIQUE ANTHROPOLOGY FILMS LIE IN LIMBO—SMITHSONIAN'S RECORDS OF VANISHING CULTURES ARE UNFINISHED, UNFUNDED, AND INACCESSIBLE TO SCHOLARS

(By Constance Holden)

A unique repository of anthropological films—which will soon be the only source of knowledge about aspects of social behavior in fast-disappearing cultures—has been lying unusued for two years in the bowels of the Smithsonian Institution's Museum of Natural History. Created by anthropolgist E. Richard Sorenson, the collection has not been edited or annotated, and under terms of agreements with various countries, access to the films is denied to scholars until the work is complete.

The films were mostly made during the 7-year existence of the National Human Studies Center, which was disbanded in 1982 for budgetary and bureaucratic reasons. They are now in limbo: although Sorenson, who

quit the Smithsonian in 1973, owns the data, the institution owns the films. Until descriptive material is incorporated with them, they will be nothing but "Rorschach tests," open to any interpretation, says Sorenson. Time is of the essence because additional material must be gained from the people in question before their cultures are dissolved by the tide of modernization.

Sorenson has been filming remote societies around the world for almost 20 years. He discovered his calling while serving on an epidemiological team in Papua New Guinea that was sent by the National Institutes of Health to investigate kuru, the brain disease that was subsequently found to be spread by cannibalism. Sorenson was intrigued by the fact that the children of the tribe almost never cried, so he started carrying a camera around with which he recorded a wide range of childhood interactions and behavior. It was there that he spawned the notion that the islanders' approach to child development produced rather serene children with "innovation-ready" personalities quite distinct from the "innovation-questing" personality of the Western world. (The cannibalism, by the way, was of an unusual "familial" type unrelated to hostility and aggression.)

Sorenson subsequently got a doctorate in anthropology at Stanford University and, with the support of the late anthropologist Margaret Mead, moved his work to the Smithsonian. The current situation is the result of a protracted internecine battle at the institution in which the museum anthropologists, whose priorities are more oriented toward the maintenance of material culture collections, prevailed over the Margaret Mead faction. The Smithsonian, which has been getting anxious letters from the countries involved, has proposed making videotapes of some of the films and sending them to the countries for editing. But Sorenson claims this violates the original agreements and is technically unworkable.

The films—1.5 million feet of them—are records of the manners, gestures, expressions, and social adaptations of traditional cultures in Asia, New Guinea, and Brazil. They represent a pioneering approach to anthropological film-making, providing detailed records of nonverbal behavior that no other medium can supply. Moreover, they offer detailed glimpses into societies many of which are no longer accessible, either for political reasons, or—more often—because they have already been contamination by modern civilization.

Some developed nations have come to recognize the importance of preserving the remnants of indigenous societies, not only for humane reasons but because of their cultures and special knowledge of their environments. Sorenson carries this concept a step further, pointing out that these goups have, over millennia of developing in isolation, evolved unique patterns of social as well as environmental adaptation. Just as scientists are storing gene banks of indigenous forms of crop plants that are being replaced by new varieties, he says, so too should they be taking measures to document "the behavioral and expressional potential of our own human species." While modern societies cannot expect to learn to eliminate crime or family strife, traditional ones can offer new insights contributing, for example, to early childhood intervention programs.

"Every society I have visited has a special aspect of human potential they've refined," says Sorenson. Some examples:

Adaptation to an exceedingly harsh tropical environment with severe dietary and health conditions in Papua New Guinea.

A form of highly industrious, and at the same time highly social, productivity among the Jyapu people in Nepal—where children much preferred the stimulation of working in the fields to going to school. ("Everybody in the world is interested in productivity," notes Sorenson.)

An unusually cohesive social pattern of mutual personal regard and respect among Tibetan stock people.

Strong social solidarity coexisting with a high degree of individuality and personal freedom among the Canela Indians of Amazonia in Brazil. The two concepts tend to be mutually exclusive in Indo-European languages, says Sorenson; yet among the Canela they are mutually reinforcing.

Patterns of mutual respect and interpersonal harmony among even densely populated groups in the Western Caroline Islands of Micronesia.

Sorenson has a somewhat Rousseauean view of the virtues of traditional societies. Nonetheless, one need only look at the facial expressions of young monks he has photographed during rituals at Tibetan monasteries—expressions reflecting various mixtures of awe, pensiveness, and rapture—to perceive the extraordinary range and subtlety of culturally conditioned emotional expression. People are beginning to recognize that environmental diversity must be preserved if humankind is to keep its options open. Sorenson's message is that the same principle applies when it comes to preserving knowledge about the emotional and behavioral diversity of human beings.

Sorenson has been described as a "genius," and a "lone wolf" type whose uncompromising approach to his work does not stand him in good stead when it comes to attracting political support. Smithsonian official Wilton Dillon, an anthropologist, also observes that his work stands outside the trends in modern anthropology which, "like other disciplines, has become so specialized that it has become divorced from its humanistic past." Sorenson is planning to sell his collection of Asian and New Guinean artifacts to finance further travel. Says Dillon: "if there was anybody who ever needed a patron, he is that."

A TRIBUTE TO E.G. GUENTHER

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. QUILLEN. Mr. Speaker, the passing of my good friend, Ed Guenther, leaves a void in my heart and in the hearts of the people of my hometown, Kingsport, TN and the entire area. He was a great American and a dedicated individual to the cause of others. He was not only a neighbor, but a close friend and advisor over the years. He will be sorely missed, but the footprints he leaves are landmarks of greatness for others to follows.

To his wife, Lillian, his son, Larry, and his daughter, Linda, and their families, my deepest condolences.

At this point, Mr. Speaker, I would like to insert into the RECORD the following article describing the many achievements and contributions to society made by Ed Guenther, which appeared in the Kingsport Times-News on October 31, 1985:

E.G. GUENTHER

E.G. Guenther, a retired Tennessee Eastman executive, died Tuesday morning at Holston Valley Hospital & Medical Center. A native of St. Louis, Mo., Guenther came to Kingsport in 1918 after earning a B.S. degree and professional degree in mechanical engineering from Case Institute of Technology. He served the city of Kingsport as an alderman and as vice mayor, and served on the City Planning Commission and Library Commission.

Guenther was a member and Fellow in the American Society of Mechanical Engineers and was a member of the American Institute of Chemical Engineers, American Society of Lubrication Engineers, National and Tennessee Societies of Professional Engineers and the American Defense Preparedness Association. He was also a licensed professional engineer in Tennessee.

He was an executive vice-president and works manager for Tennessee Eastman Company at the time of his retirement on April 1, 1975.

In 1958, Guenther was appointed general superintendent for the Filter Products, Kodel Fiber and Plastic Processing Divisions. He became assistant works manager of Tennessee Eastman Company in 1966, was named vice-president and works manager in 1969, and became an executive vice-president and works manager in 1974. He had also served as a director, vice president, and president of Bays Mountain Construction Company.

He had been a member of the Executive Board of the Sequoyah Council, Boy Scouts of America, and had received Scouting's Silver Beaver Award. He was also a member of the First Broad Street United Methodist Church and an associate member of Moorings Presbyterian Church in Naples, FL.

Surviving are his wife, Lillian Guenther, Kingsport, a son, Dr. Anthony L. Guenther, Frederick, MD.; a daughter, Mrs. Linda Christopher, Charlotte, NC.; three grandchildren.

Services will be conducted at 2 p.m. Thursday at the First Broad Street United Methodist Church with Dr. Ralph Mohney and the Rev. Steven P. Lorimer officiating.

Entombment will be at Oak Hill Mausoleum.

Memorial contributions may be made to the First Broad Street United Methodist Church.

Hamlett-Dobson Funeral Home is in charge of arrangements.

GETTING TOUGH ON TRADE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GAYDOS. Mr. Speaker, protectionist fever, national pride—call it what you will—is at a flash point in Congress.

In the face of a trade deficit heading toward $200 billion, more than 200 bills have been introduced in this Congress to get tough on trade; to stop the slide toward America's economic colonization and industrial domination by foreign interests.

As one who has long fought to impose controls on the import of any foreign prod-

uct that endangers domestic industries or the jobs of their workers, I take no satisfaction in the crisis that has precipitated the demand for strong, tough trade legislation. I support the need for such measures but I do so knowing it would not be necessary had our Government enforced the Nation's trade laws in the past.

Instead, the Government stood by, turning a deaf ear and a blind eye, to blatant violations of four trade laws as some of our major industries—steel, auto, glass, footwear, electronics—fell one after another before the onslaught of uncontrolled, cheaper products from abroad.

Those of us who early recognized the danger and who attempted to sound the alarm were ignored or ridiculed. We were called protectionists, isolationists, and even "trade warmongers." Trading partners, our critics claimed, would retaliate by barring U.S. products from their home markets.

Such charges are ludicrous in the face of facts. Our goods already are effectively barred from many world markets through antitariff barriers and other restrictions. And the American market, even under the most stringent of the trade law proposals now before Congress, would remain the freest in the world.

The dictionary defines a war as "any active hostility, contention, struggle or conflict." War is not limited to armed military operations. There are many kinds of wars: Wars against disease, wars against injustice; wars against a nation's economic and industrial base.

The president of a major domestic auto company last year made headlines by declaring America was in a trade war and in danger of losing it. He was right, of course. But, he was not the first to recognize it or publicly say so.

American industry and American workers have been at war for more than two decades. Specifically targeted by foreign competitors, they have been the victims of illegal dumping—selling below cost—Government subsidies and other weapons utilized by our trading partners.

More than 14 years ago in an article in the CONGRESSIONAL RECORD I stated, in part:

The American worker * * * knows we are in a trade war. He knows we are losing the battle today and will lose the war tomorrow if we continue to pursue our antiquated trade policies. His job and his future are at stake and he will lose both if we continue to permit foreign manufacturers to glut the American market without regard for the ultimate consequences.

I repeated the warning in a newsletter sent to residents of the 20th Congressional District of Pennsylvania in 1977. Entitled, "The Silent War," the newsletter observed:

For nearly 20 years, the U.S. has been at war. A silent war. One fought not with weapons but with wares. The struggle is economic, not military. It is a trade war. And, we are losing it.

What has happened in the ensuing years?

The United States has lost 25 percent of its steel market to imports. It has lost 70 percent of its shoe market, 60 percent of its radio and TV market and nearly 30 percent of its car market.

Two-thirds of every IBM personal computer is made in Japan or Singapore. Half of all our machine tools come from overseas. Eastman Kodak, under the Kodak name, sells copier machines made by a Japanese firm. General Motors and Chrysler have joint ventures with Japanese and Korean companies to import parts for cars assembled here.

Even the high-tech industry, thought by some to be the Nation's economic cure, is under assault from imports. Domestic plants are closing, workers are being laid off and the job market in that relatively new field already is becoming limited.

And, this year, for the first time since World War I, America became a debtor nation. That means it now is dependent upon foreign governments and foreign investors for the financing of its national debt. The economic future of our country is in the hands of foreign interests.

Confronted with such irrefutable facts, the present administration recently announced a new, hardline policy on trade. It would not, the administration vowed,

Stand by and watch American businesses fail because of unfair trading practices abroad * * * (it) would not stand by and watch American workers lose their jobs because other nations do not play by the rules.

The announcement was dramatic—but does it have any substance? Does it signify a new commitment on the part of the Federal Government to protect and defend American industry and American jobs? Or is it merely an echo of what has been heard before from this and other administrations?

Although they have the obligation to enforce the Nation's laws, including its trade laws, recent administrations, regardless of political persuasion, have not exercised their responsibility in this area. Consequently, I have doubts about this latest pronouncement from the White House.

After all, it comes from the same administration which last spring refused to press for an extension of voluntary controls on Japanese auto shipments to the United States. Naturally, Japan increased her exports here. It is the same administration which last summer rejected quotas on foreign shoes, despite a recommendation for such restrictions from the United States International Trade Commission.

It is the same administration which in 1984 scuttled my bill proposing mandated quotas on foreign steel in favor of voluntary agreements that promised to reduce steel imports to 18.5 percent of the domestic market. Today, more than a year later, the foreign share of the American steel market is 25 percent.

And, it is the same administration which has not yet acted on a petition for relief from imports filed by the National Tool Builders' Association more than 18 months ago.

Mr. Speaker, I am not anti free trade. I never have been. The world is too small today for any nation to delude itself into thinking it can live along behind a brick wall of restrictive trade legislation. But, neither do I believe in myths or fairy tales—and that is what the international practice of free trade is today, a fairy tale.

We must get tough on trade. If the administration will not wilingly enforce our trade laws—and the track record has been dismal in this respect—then Congress must force it to do so through legislation. And, the time to get tough is now.

SPEECH OF JOSE NAPOLEON DUARTE TO THE NATIONAL PRESS CLUB

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. LAGOMARSINO. Mr. Speaker, yesterday El Salvador President Jose Napoleon Duarte spoke to the National Press Club.

The entire speech is noteworthy but I especially commend to my colleagues the President's comments regarding Nicaragua.

SPEECH BY JOSE NAPOLEON DUARTE, PRESIDENT OF THE REPUBLIC OF EL SALVADOR BEFORE THE NATIONAL PRESS CLUB

Good morning ladies and gentlemen. I am pleased to be at the National Press Club once again. I am in Washington to tell the American people of a new situation that has come about in El Salvador, whose problems have worsened by the commitment of the Salvadoran subversion to anti-humanistic principles waged by international terrorism, which have frequently in the recent past, been felt deep in the hearts of many Americans.

Events of the past years have lead to brutal actions of the past weeks, making it crystal clear that in El Salvador a battle is being fought between diametrically opposed principles: Humanism and terrorism.

Terrorism has grown as a world wide cancer. With few exceptions democratic nations have been unable to eliminate or significantly reduce its criminal consequences and disastrous effects.

I must make clear here today, something that no well-meaning individual can dare reject. There is a symbiotic relationship between totalitarianism and terrorism. This is possible thanks to those who promote, use, protect and guarantee its impunity. Moreover, totalitarianism feeds endlessly on terrorism.

As a counterpart to totalitarianism, there exist in open societies laws and principles based in humanism: A frame of reference within which the human beings can develop as individuals and as members of society. Nonetheless, open societies are susceptible to threats. To danger and to the thirst for power of those who profess totalitarian doctrines. To attempt against these rights, is to attempt against humanity.

The language used by totalitarians and terrorists who are one and the same, may at times sound suggestive, but I invite you to bear in mind at all times that those who preach and practice hatred and violence cannot or will not ever be champions of justice.

No one is free from the risk of terrorism. Terrorists are not concerned with age, condition, gender, or any other characteristic of

a potential victim. Their sole objective is to reach power through that criminal methodology, terrorize the community or destroy the will to defend freedom, democracy and humanism. Humanism is the essence and the back bone of democracy; because a political system that does not have the individual as beginning and end of its purpose, cannot be democratic. To consider a different purpose for the activity of a state would necessarily result in totalitarian doctrines that disregard human condition. When this takes control and becomes more important than the government, the political parties or the state's security, we return to the dark ages when a human being was ignored, his rights disregarded, and all hopes for fulfillment of humanity destroyed.

Thus, in no way could we allow the human being to lose its essential condition to become a mere link in the political machine. We must understand that in democratic nations the state and its political components exist by the people and for the people. That its purpose is to search the improvement of the human race and will always be limited by a human dimension that should never be invaded, trampled or abused.

Terrorism is irrational, inhumane, indiscriminating. Today any individual, anywhere, any time may be victimized. Today men, women, children, the elderly, and the handicapped have no protection, nor the least respect for their being. Universal rights that the world has adopted on the basis of religion or ideology through centuries of consideration are questioned and ridiculed. Victims do not matter; what is really important is how much fear they can inflict, and how much publicity they can achieve. This is the dialectic of terrorism, the theory of power at any price, the politics of violence, the doctrine of indiscriminate destruction and of public intimidation.

We need to reflect upon the conditions that allow terrorism to proceed unpunished. It would not be possible or viable for terrorists to carry on with their activities if they did not have sanctuaries and did not receive material and economic support. Those sanctuaries which are part of the international network of terrorism, must be publicly and universally denounced.

To better understand the process that has brought my country to the present confrontation between humanism and terrorism, let me remind you that the extreme left in El Salvador has gone through three different easily identifiable stages.

In the fist stage, it publicly declared war against what the subversives termed the "national oligarchy," and the extreme left expressed its intent to fight for a democratic and representative government. These positions won them the support of leaders of parties within the Socialist International and of some free-thinking intellectuals around the world. However, when the Salvadoran Government enacted the land reform which turned over large land holdings to campesino cooperatives and the rented land to the tenant farmers, when it nationalized the banks and foreign trade, the extreme left turned to assassinations of campesino leaders, to burning crops picked by the cooperatives. When the first free elections in national history were held, the guerrillas shot against civilians who were in line to cast their ballots, burned ballot boxes and put fire to city halls and schools where balloting was taking place.

The people of El Salvador confronted the threats of the Marxist guerrilla and in the midst of bullet fire turned out to cast their votes in larger numbers than ever.

In the second stage, faced with the will of the Salvadoran population, the extreme let changed its objectives and stated that its fight was against the armed forces and the Government who it considered "puppets of Yankee imperialism." The guerrillas then, besides their military operation, committed themselves to the merciless destruction of our infrastructure—blowing up bridges, schools, health care centers, city halls, railroads, electric pylons, water reservoirs, roads and anything in their path—that, to a poor nation as mine, required the efforts of generations to build. In indiscriminately denying the population of the basic services such as water, education, health, electricity and telephones, the Communists, in saying that these were military objectives were damaging the majority of the Salvadorans that not only have turned their backs to subversion but had defied it openly in the elections. During that period, the violent actions of the extreme left, in their alliance against democracy, joined with the violence of the extreme rightist individuals who bluntly and in the name of Nazi inspired anti-communism and fascism tortured and killed civilians through their infamous death squads.

Two facts altered the strategy of the extreme left and of their foreign allies. The people of El Salvador enacted a new Constitution, elected freely a President and a new Congress in an electoral contest that gave a resounding victory to the Christian Democratic Party to which I am proud to belong. At the same time, the armed forces increased its capacity through unprecedented technical improvement and demonstrated its commitment to law and the Constitution.

As the air we breathe and the freedom we enjoy, peace can only be appreciated in its full context when it is missing, when it is lost. The fight for national peace was not only the result of my devotion for the human being but a mandate that the people had given me at my election. Because of that mandate, on October 15, 1984, as the world witnessed our fervent desire for peace, I called in the United Nations for a serious and honest dialogue with the subversives to serve as a vehicle for them to become part of the democratic process and to compete for power through elections.

I left our meeting at the church in La Palma feeling optimistic and satisfied that my idealism had been vindicated. Among other factors, had the dialogue continued only among Salvadorans, if the guerrillas had not had so many commitments to their patrons in Cuba, Nicaragua, Bulgaria, the Soviet Union, Libya, the P.L.O., and others, then, even in the midst of the storm, we would have found a rainbow of peace.

Criticized by national and international opinion, stunned by the improvement of our soldiers and weakened by the will of the people, the Salvadoran guerrillas accepted Yasar Arafat's thesis of terror as submitted to the Palestinian leadership. In this third stage they have joined the criminal fanatics who believed they could obtain their goals by murdering a handicapped old man aboard the *Achile Lauro*, those who kicked to death a young sailor in the TWA flight, and those who have placed bombs in airports.

This is not different from what is happening in El Salvador. The guerrillas have begun this third stage by spraying bullets on innocent people in a sidewalk cafe and by terrorizing families, including my own. They kidnapped many Salvadorans among which were 33 mayors and municipal employees of small villages, young Ana Cecilia Villeda Sosa and my daughter Ines Guadalupe—mother of three young children, arguing that they too were military objectives. I will not speak today about my suffering. I have vivid memories of the tears in my grandchildren's eyes when they asked about their mother.

Obviously, these kidnappings were not only a declaration of war. They had a well-defined objective: To provoke repression, introduce disagreement within the armed forces and my government, and to frighten the civilian population by showing that no one, not even the President was safe from terrorism.

I rejected the idea to capture the families of the guerrilla commanders, because of my Christian and humanitarian convictions.

The spontaneous solidarity nationally and internationally in rejecting the condemnable act of kidnapping was so overpowering that the ex-guerrillas and now terrorists at first even denied the act, as P.L.O. terrorists initially denied the murder of Mr. Leon Klinghoffer.

This crime against helpless individuals underscored the irrelevancy of the F.M.L.M.'s political arm, the "Democratic Revolutionary Front" (FDR). The President of the F.D.R., when interviewed by reporters and members of the International Socialist, answered that we did not know anything about the kidnapping and later that he could not order or propose the release of the kidnapped. But a year ago, on October 15, 1984, in La Palma, the same president of the F.D.R. maintained that the guerrillas and the F.D.R. were the same thing, indivisible.

To prove that their crime was not an isolated case but a new stage of terrorism, the FMLN-FDR in El Salvador kidnapped last Saturday Colonel Omar Napoleon Avalos, the Director of Civil Aviation, when he was with his children, and thus unable to defend himself without endangering their lives.

In Central America, in my own country, countless persons from all walks of life, and in the case of my family, my daughter Ines Guadalupe, would not have been victims of the merciless violence of the terrorists if terrorists did not have the support, direction, approval and timely protection of the terrorist dictatorship in Nicaragua. Nicaragua is the Central American source for totalitarianism and violence, and is the sanctuary for terrorists.

The Salvadoran guerrillas, whose headquarter is in Managua, have been trained, sheltered, armed, helped by the totalitarian governments of Nicaragua and Cuba with the support of the P.L.O. and countries such as Libya.

I ask if terrorism could be possible without the assistance given by governments that, like Nicaragua, show total disregard to all the prinicples and rules of international law.

Besides international terrorism, it is important to single out other political forces for their irresponsible positions on terrorism. These forces preach their commitment to democratic pluralism, participate in the political action of open societies, enjoy the welfare of the Western World and, nonetheless, come to the defense of terrorists in international fora and governments like that in Nicaragua. I believe that the time has come for international political organizations to reflect on this evil that is being spread upon all of humanity.

I stress that while there are still governments such as Cuba, Libya, Nicaragua, or groups as the terrorists within the P.L.O. that not only tolerate but also support, train, arm, and direct terrorists without international disapproval, the democratic nations have to act effectively, without endangering the principles of democracy and the rule of law, to defend themselves and act against terrorism.

Civilized governments on Earth, the democratic organizations, the churches, and all men of good will must reflect and unite to confront the dangers that threaten mankind.

To the members of the press here this morning I must say this: As terrorists seek publicity for their crimes to terrorize nations, the press in the Free World must assume a responsible role and should not allow the pages of their newspapers, their television and radio stations to be manipulated by terrorism. We must remember that terrorists are not Robin Hoods, they are not Joans of Ark, they are sick individuals acting diabolically against humanity.

The FMLN/FDR have ironically claimed a victory for the kidnapping and murder of innocent women, children and civil authorities. Ladies and gentlemen, this is not the case. If these criminal acts were to change my commitment to establish in El Salvador a pluralistic democracy with a full participation of all political ideologies, then the terrorists could claim victory before the world.

If these actions from terrorists of the extreme left and the violent right were to decrease our love for the poor and our will to reduce to a minimum social injustice, then, and rightly so, they could consider us defeated.

If we were to abandon our efforts to achieve peace, to re-establish brotherhood among Salvadorans and respect for our ideological differences as part of democracy, then the terrorists and their allies in the F.D.R. would have the right to consider themselves the winners.

I say that we have won, that the principles of humanism have prevailed, that democracy has been strengthened, that all men of good will who shared my ordeal can take heart because we accept a divine will that assures that good always prevails over evil.

I declare to you today that terrorism in El Salvador is being defeated by humanism. Building schools, health centers and creating employment is superior to sabotaging the economic infrastructure and destroying existing schools and municipal buildings. Promoting cooperation and brotherhood is greater than kidnapping and assassination. The vast majority of the Salvadoran people and my government are committed to establishing firmly our system of constitutional democracy and to improving the living standards and welfare of our people. We are winning our battle. Humanism and love for mankind will triumph over terrorism. I invite all the nations on Earth and all men of good will to join with us in this struggle so vital for freedom and prosperity.

Thank you.

THE CONTINUING SIDESHOW OVER THE ABM TREATY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. COURTER. Mr. Speaker, as my friend from the other body, ORRIN HATCH, points out in his essay from the October 31 Washington Times, it is indeed quite an unseemly spectacle being played out on the interpretation of the ABM Treaty. The usual parties take the usual sides both within and outside the administration, while the Soviet Union blithely presses on with its own, well-established SDI Program.

Indeed, as Senator HATCH says, "The Soviets must be laughing their heads off inside the Kremlin as they watch U.S. policymakers" trying to come to an agreement on the meaning of a treaty which the Soviets have virtually rendered meaningless through their violations. The best way to respond to this Soviet behavior is to press on with the kind of research and development which is clearly permitted under the proper interpretation of the ABM Treaty, and to cease the pointless internal squabbling over this vital program. I urge my colleagues to read Senator HATCH'S essay and to consider the points that he makes:

A SIDESHOW OVER THE ABM TREATY

The administration's recent about-face on the interpretation of the ABM Treaty is a serious setback for the Strategic Defense Initiative. On the Oct. 6 segment of "Meet the Press," Bud McFarlane explained what was then the administration's view, namely that the ABM Treaty does not prohibit the testing or development of new technologies such as laser beams and kinetic or directed-energy weapons associated with SDI.

Eight days later, George Shultz reversed Mr. McFarlane's position. While acknowledging that the administration is legally justified in applying a "broad interpretation" of the treaty, Mr. Shultz stated that the president has decided to continue to abide by a "restrictive interpretation" of the treaty.

This "restrictive interpretation" supposedly does not interfere with the current SDI research program. However, if the administration chooses to continue to tie its own hands by adhering to this line of reasoning, the future development of the SDI will be effectively shelved.

Practically speaking, the "restrictive interpretation" limits future SDI testing in at least three ways: (1) tests must be conducted at reduced power levels (thereby limiting the information obtained), (2) the development of prototypes or "breadboard models" is prohibited, and (3) a number of technical restructions apply, such as a prohibition on automatic reloading.

The critics of the so-called "broad interpretation" of the ABM Treaty argue that the development of advanced technology systems and components is prohibited by Article V, section 1, of the treaty, which states: "Each Party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based."

The key to interpreting this section is the definition of the term "ABM systems or components." Article II of the treaty defines "ABM systems or components" as those technologies used in ABM systems at the time of the 1972 treaty. Therefore, Article V does not apply to the development of weapons based on post-1972 technology, such as the advanced or "exotic" technologies contemplated for the SDI. The proponents of the so-called broad interpretation point out that these technologies are dealt with in another ABM Treaty provision, "Agreed Statement D," which provides that ABM systems "based on other physical principles . . . created in the future" would be subject to discussion between the United States and the U.S.S.R.

While the U.S. press has been focusing on the "knock-down, drag-out meeting" in the Oval Office between George Shulz and Cap Weinberger over the interpretation of the ABM Treaty, the Soviets continue to develop their own strategic defense program, which has been proceeding for decades, and to enhance their offensive nuclear arsenals. The Pentagon reports that in the past 20 years, the Soviets have spent about as much on strategic defense—including missile defense, civil defense, and air defense—as they have spent on strategic offense (about $40 billion a year). According to a recently released, unclassified publication entitled Soviet Strategic Defense Programs, co-authored by Secretaries Weinberger and Shultz, important Soviet activities in developing a system of strategic defense include:

Upgrading and expansion of the world's only operational Anti-Ballistic Missile (ABM) system around Moscow;

Construction of the Krasnoyarsk ballistic missile detection and tracking radar in violation of the 1972 ABM Treaty.

Maintenance of the world's only operational anti-satellite (ASAT) system;

Modernization of their strategic air defense forces; and

Extensive research into advanced technologies for defense against ballistic missiles, including laser weapons, particle-beam weapons, and kinetic-energy weapons.

The Soviets' own research efforts into SDI technologies such as high-energy lasers, particle-beam, radio-frequency weapons, and kinetic-energy weapons, long antedate our own. In fact, some of the Soviet scientists most active in signing declarations against our SDI program are themselves leading the Soviet military research in the same technologies. The Soviets must be laughing their heads off inside the Kremlin as they watch U.S. policymakers once again urge "unilateral restraint" while they continue to develop their own version of Star Wars and to enhance their offensive capabilities.

If the administration continues to adhere voluntarily to a "restrictive interpretation" of the ABM Treaty, President Reagan's plan to develop a purely defensive system designed to destroy weapons—not people—could end up on the scrap heap of history.

We must not allow that to happen. The best way to ensure our own national security interests and to deter the Soviets from even thinking about nuclear blackmail is to continue research and development of the SDI and stop the internecine sideshow over the interpretation of the ABM Treaty.

When Secretary Weinberger testifies before the Senate Foreign Relations Committee this week, he will probably be asked how the future development of the SDI will be limited by the administration's restrictive interpretation of the treaty.

Many of us in the Senate are anxious to learn his answer.

SUPPORT FOR ARGENTINA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GARCIA. Mr. Speaker, the other day the Christian Science Monitor ran an editorial on Argentina's most recent crisis. As the Monitor's editorial clearly points out, President Alfonsin has shown that, "Democracy, like authoritarianism can be strong when it has to be."

The people of Argentina have been supportive of their President. Thus far, he has earned their support. The United States has also committed itself to support the Argentine democracy. It deserves our support now more than ever, as it faces this most recent crisis. I am submitting the Monitor's editorial for the RECORD in solidarity with President Alfonsin and the people of Argentina.

[From the Christian Science Monitor, Oct. 30, 1985]

ORDER'S PRICE IN ARGENTINA

When the elected head of a struggling state is supported by a wide majority of his countrymen, but is bitterly, even violently, opposed by a handful of the powerful, how can order best be retained?

That is the problem now being dealt with in Argentina, in a situation with some similarities to El Salvador and other third-world nations.

The response by Argentine President Raúl Alfonsin is to attempt to show that democracy, like authoritarianism, can be strong when it has to be. Through controversial legal maneuvering, including declaring a state of siege, he is attempting to jail 12 persons, on the political right, whom his government holds responsible for a month of terrorism and threats, often against people involved in human rights activities.

A prime challenge to Mr. Alfonsin now is to employ the restraint he has promised, in applying the state of siege and detaining suspects. Although some critics call it overreaction, he insists the effort is necessary to preserve democracy. His future conduct will determine the way the world sees his actions.

In other nations such suspensions of human rights have too often been widely applied, thus leading to the demise of democracy from within. Argentina's siege should be lifted as quickly as possible, perhaps shortly after Sunday's elections.

For weeks the right has been trying to stop these legislative and regional contests. Alfonsin is determined that the balloting shall be held as scheduled.

The President's backers are expected to do well in the voting, and the far right badly, which may indicate why the latter resorted to violence. The right has little popular support. Recent polls indicate that Alfonsin is extremely popular, largely owing to his success in dampening inflation and reining in military excesses.

The right, including both military and police elements, objects to the progress Alfonsin has made in reforming the military. Recent violence indicates that he may not have gone far enough.

The right also objects to Alfonsin's insistence on trying nine of the previous regime's top military leaders on human rights charges. The verdicts are expected in a few weeks.

The military is unlikely to try to overthrow Alfonsin, at least while he retains popularity. In the past it has revolted only after civilian leadership has lost popular support.

DAY-CARE PROGRAM FOR ELDERLY

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. MRAZEK. Mr. Speaker, I'd like to call to the attention of my colleagues a program in my district which meets the needs of a large and special segment of our society.

Recently, the town of Huntington has established a day-care program for the elderly. Through a variety of activites and interaction with peers, the program has literally brought new life to seniors, as the following letter from a constitutent, Doris Johnston, will attest.

Mrs. Johnston's letter also speaks to another important facet of the program. While the great majority of us would willingly assume the significant duties involved in the care of elderly loved ones, it would be less than honest to suggest that this constitutes a trivial undertaking. Great expenditures of time and effort are required to meet the needs of our elderly loved ones, a commitment which cannot be taken lightly.

The value of this program, as Mrs. Johnston points out, can surface in many ways, including mental stimulation, physical activity and social interaction. Indeed, Mrs. Johnston's mother-in-law seems to have undergone a virtual metamorphosis following her participation in the day-care program.

I offer this information, Mr. Speaker, in hopes that my colleagues will pass along the idea to municipalities in their own districts. Two of my constituents, Maurice Gaughran and John McDonald, were highly instrumental in establishing this program in the town of Huntington, and I have only the highest praise for their efforts. I'm certain that both Mr. Gaughran and Mr. McDonald would be pleased to provide information on the program to interested parties, and I will be happy to help facilitate this exchange of information.

To Maurice Gaughran and John McDonald, I offer my congratulations for the implementaton of a brilliant concept, as Doris Johnston's letter suggests:

HUNTINGTON, NY,
July 19, 1985.

ADELAIDE SILKWORTH,
Director, Suffolk Office, County Office for Aging, Central Islip, NY.

DEAR MS. SILKWORTH: The town program for the frail elderly is one of the finest and best and most needed programs in Huntington.

I have been taking care of my mother-in-law for 3 years. When I got her the family was involved in seeking a nursing home for her as they could no longer handle the burden of a zombie-like-little lady. Through physical therapy, nutrition and almost complete with drawl of drugs my husband and I were able to get her out of the wheelchair and able to get her out to restaurants, movies and shopping. As I work for Merrill Lynch Realty, Carll Burr, Inc. I was able to set up an office in my home. Thank goodness, as Agnes requires much care. I have to bathe, dress her and take her to the bathroom. I have become an efficiency expert. There is never any freedom from the schedule than an older person imposes on you. She is unable to walk unassisted and for obvious reasons—however at least she is walking.

I tried games with her, painting—blocks—as I work this was not consistent.

The new frail elderly program for Agnes (86 years) has been fantastic and achieved what my time could not. She now reads newspapers, discusses news with us, talks about the past and plans what dress she is going to wear to the club. We call it her club as anything with senior citizen just annoys her.

June 27th and 28th she attended her grandson's wedding and rehearsal dinner in Conn. She amazed everyone. She was happy and contented and even toasted the Bride and Groom. She also participated in the church service (getting up and down) and when she marched down the aisle with my husband and myself—behind the Bride and Groom I had to keep myself from crying as it was such a triumph for her to have made such a comeback. She also presented 20 wrapped presents for the immediate family—presents she had made at the club or won using her mind. She was a total amazement to all at the wedding.

She has become one of the champions of words at the club and it is not unusual for her to make 80 words from one word.

I guess what my point is—that for all the nutrition and love it wasn't enough. The club has provided her with an outlet and makes her feel wanted and vital. She looks forward to going and is so happy all the time. The relief to my system is incredible. It is also great knowing that instead of sitting in a chair all day long in my kitchen—she is out having a ball and giving us relief on the homefront.

So I really say thank you for the marvelous program and do keep up the good work. Carmie and her ladies are the best. The love given by them is marvelous and so generous. This is a real factor in Agnes's willingness to go and participate. The bus drivers give me 2 hours (coming and going) to my day and are so good with the frail elderly. Joe, of course, our regular, is our favorite.

There is such a need in the community and the need will grow in time. Carmie says this is a pioneer program and I say it's long overdue. Please do everything in your power to keep the program vital, growing and there.

Thank you for reading this.

Sincerely yours.

DORIS JOHNSTON.

RAILROAD SERVICE RETIREMENT CREDIT ACT OF 1985

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. LELAND. Mr. Speaker, on October 29, I introduced H.R. 3638, the Railroad Service Retirement Credit Act of 1985 which, if passed, will rectify an inequity involving employees who worked in the railroad industry and later in the Federal Government.

Five agencies of the Federal Government employ a small number of experts hired from the railroad industry specifically because those individuals have special technical railroad knowledge. These employees make contributions to the railroad retirement system and then make contributions to the civil service retirement system. When they retire, they receive an annuity for each system. However, the total amount of the two annuities is often significantly less than if a single annuity were computed on the total years of service under both systems.

This inequity was widened by the Social Security Amendments of 1983. The tier I railroad retirement benefits—Social Security—will be offset after 1985 by civil service retirement benefits. Certainly, this was not the effect Congress intended when it passed the 1983 Social Security Act Amendments nor when it passed numerous other statutes recognizing the Government's need to employ persons whose technical expertise was gained through years of railroad employment.

The Congress has long recognized the need to employ individuals in the Federal service who are highly knowledgeable in the construction, maintenance, repair, and operation of railroads. Since 1911, the authority to employ experts to promote the safe transportation of employees and travelers upon railroads has been granted to the Interstate Commerce Commission [ICC], the Department of Transportation's Federal Railroad Administration [FRA], and the National Transportation Safety Board [NTSB]. Further, the National Mediation Board [NMB] and the Railroad Retirement Board [RRB] have been authorized to employ experts from the railroad industry in order to accomplish the missions assigned those agencies. There is now a group of about 500 employees in these five agencies who have a uniform background of work experience in the railroad industry and who are now responsible for carrying out a multitude of programs established by the Congress.

Most of the employees in this group are employed as safety inspectors at the GS–12 grade level in the FRA. That agency, along with NTSB—accident investigators—is frequently faced with the need to recruit highly trained individuals for staffing headquarters and performing field assignments essential to the pursuit of agency missions. When the need to recruit arises, the agencies turn to the railroad industry, the historical source of personnel trained in disciplines not available elsewhere. In reality, in every section of the country, the accomplishment of agency functions is vastly facilitated by reliance on staff not trained at Government expense. But, those who embark on a civil service career and contribute their unique knowledge to public service, are disadvantaged in their retirement years.

While in the railroad industry, these employees contributed to and, after 10 years, are vested in the railroad retirement system. Then in the Federal sector, they contributed to and, after 5 years, are vested in the civil service retirement system. Employee contributions to both of these Federal retirement systems have been substantially the same over the years.

Since these employees subscribed in serial fashion to two Federal retirement programs having substantially equal contributions, it is only reasonable to assume that benefits at retirement age should likewise be equal. However, the net impact is that an employee is considerably less well off receiving annuities from the two systems than he would be with service either wholly railroad oriented or entirely under the civil service system.

Congress has already established a special relationship for certain Federal employees in the Railroad Retirement Act. It is only fitting that this relationship assure comparative rewards for these employees and their families in their retirement years. Equality of retirement annuities would be achieved if service years in the railroad industry is made portable to an employee that is vested in the civil service retirement program. The bill I have introduced will facilitate such equality.

The number of persons who could be effected by this legislation is less than 500 and the cost would, therefore, be insignificant. I urge all who are concerned with this important matter to actively support this measure and help bring about this much needed change.

TRIBUTE TO THE MOUNT STERLING, AL, COMMUNITY

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. SHELBY. Mr. Speaker, I would like to share with my colleagues in the House of Representatives a story that appeared in the Mobile Press Register, written by Darla Graves.

It is a fascinating story about the Mount Sterling, AL, community, and its history. Following is the article as it appeared in the paper.

TRIBUTE TO THE MOUNT STERLING, AL, COMMUNITY

(By Darla Graves)

MOUNT STERLING, Ala.—It used to be a thriving community in Choctaw County. Today, Mount Sterling is now a laid-back kind of town with only the outer shells of two of the old stores and the original Methodist church building.

Mount Sterling, with a population over 300, once boasted a post office, several stores, two doctors, two academies (one for boys and one for girls), a Baptist church, a Methodist church and several fine homes.

Located about five miles east of Butler, Ala., Mount Sterling's rich history dates back to the days when the Choctaw Indians ruled the land. The community is within the old Choctaw Indian Domain and is claimed to have been the capital city of that tribe. It was at Tuscahoma Landing, four miles to the east on the Tombigbee River, that an Indian treaty for free trade was made with Pushmataha, chief of the Choctaw Indians.

The first white people to enter the area landed at Tuscahoma Landing, where they lived for a short time before moving west to the old Indian settlement that was to become Mount Sterling. Tuscahoma Landing became one of the regular stops made by steamers carrying passengers and freight to and from Mobile and Columbus, Miss. The Indian trail from Tuscahoma Landing to the Indian settlement, later became the old stage coach road from east of the Tombigbee River to Meridian, Miss. Mount Sterling, therefore, became the gateway to the west from Tuscahoma Landing on the Tombigbee River.

One of the first white settlers here was Sanford E. Catterlin, who was born in Hamilton, Ohio, in 1810. Catterlin came to Marengo County, Ala., in 1828. He had nothing so far as property was concerned, but plowed and worked for farmers in the vicinity at the rate of $12 a month until he had accumulated some money. He then moved to Washington County and married a daughter of James Mills in 1831. He built a home and established a post office on Oct. 26, 1838. The post office was named Mount Sterling; presumably for Mount Sterling, Ky., where Catterlin bought mules and horses to be used on his plantation. He also built a sawmill that gained him wealth in the lumber industry.

Treaties signed by the Choctaw Nation of Indians in 1805 and 1830 ceded Indian territory to the white man. Choctaw County was carved from this territory.

In 1847 the town was surveyed and laid out. A public square was left for a courthouse; many thought Mount Sterling would be selected as the seat of the new county.

Also in 1847, the Gilead No. 81 Masonic Lodge of Mount Sterling was issued to Jacob Boyd, George Washington, Benjamin J. Brown, J. McCarty, Jr., Robinson Kidd, J.T. Foster, William Brown, David M. Dunlap and John W. Overstreet. This lodge used the upper story of the male academy, Choctaw County Seminary for its meetings.

In 1854 the academy was purchased by a group of Baptists. The Baptists organized a church. The Baptists built a new academy and G.F. Smith chartered the institution.

The Methodist church was constructed in 1859 and held services until 1976, when it was closed because membership was steadily decreasing. According to Charles Heffernan, a member of the Choctaw County Historical Society, until 1976, the Methodist church withstood the ravages of the Civil War, the Great Depression, numerous hurricanes and the destructive nature of man intent on making way for more modern structures.

The land on which the church building is located was deeded to the trustees for the Methodist Episcopal Church, South, by Sanford E. Catterlin and Mary A. Catterlin,

in 1985. This is the same Catterlin who named the town of Mount Sterling.

After the church closed, it stood idle and without attention for a number of years. The grounds became unruly and overgrown; the church building began to show the results of neglect. In 1980, the Methodist Conference deeded the church building and two acres of land to the Choctaw County Historical Society.

The society is now working toward restoring the interior of the church, but work is at a standstill until more funds are made available to the historical society. Work on the exterior is already complete. When restored the building will house and display books, manuscripts, pictures, artifacts and other materials collected by the society. It will be available for weddings, receptions, meetings, special church services, family reunions and other civic gatherings.

Behind the church building are the tombstones of four graves. The oldest is a flat sandstone slab over the grave of David Gregg, who died March 2, 1814. Another stone bears the name John W. Manning, who died August 18, 1863. The back side of this stone bears the inscription, Robert Milton, son of John W. and F.J. Manning, who died Feb. 11, 1866. Another stone bearing the letters A.B. McN, but with no dates or inscriptions, has been unearthed.

All these stones have been cleaned and reset in concrete. According to Heffernan, other stones must be buried in the area, as many of the old timers remember when there were 20 or more stones standing near the existing stones.

"A missing link in our search," Heffernan said, "is the source of this cemetery. Remember, the church was not constructed until 1859, yet, one of the graves dates to 1814. It is believed that some sort of religious meeting place existed in the area prior to the construction of the existing building, as the names on the tombstones do not hint that it was a family burial place."

The third and final church in Mount Sterling is St. John's Christian Methodist Episcopal Church and cemetery. St. John's recently celebrated its 115 anniversary. It was established in 1870.

Residents of present-day Mount Sterling speak fondly of recollections and stories told by family members about the town in its heyday.

One resident, Virginia Singley, said, "This was a booming town at one time. We had a hotel and two doctors; and they (townsmen) were even going to put the courthouse here. The community still owns a piece of property right out here that we call the square."

Although only five of the town's original homes are still standing, many residents recognize and appreciate the historical significance of these homes.

The oldest Mount Sterling home is the Roach Home. At one time it served as the girls' dormitory for the Mellen Academy.

Another old residence is the McAllister Home. Plunk Adams built the home as a hotel; the year of construction is not known. The second owners were two brothers, Forest and Watters Allen. The third owner was Gross Turner. The fourth owner was Charles McAllister (from which the house got its name). The fifth owner was James Buckalew. The sixth and present owner is David C. Parten. Plunk Adams was a relative of Mrs. Parten.

The three other homes that have historical significance are the Linder Home, the Jackson Home and the Mills Home.

Most of the people who now live in Mount Sterling are employed by either James River Corp. (Naheola Mill), Vanity Fair Mill, MacMillan-Bloedel, Inc., American Can Corp. or C.F. Littlepage Lumber Co., Inc.

At one time cheap land, mild climate and good timber attracted people who cultivated the fertile sandy loam. They raised corn, oats, peas, peanuts, cotton, wheat, sweet potatoes, hay and vegetables. But now there are no more farmers in Mount Sterling. The main industry today is tree farming.

Connie F. Littlepage of Littlepage Lumber Co. Inc. is from one of the first families in Mount Sterling. He's been running his mill since 1956.

It used to be "When the mill ran full blast we employed about 58 people. But now we're mechanized and have modern equipment. It used to take about 12 to 15 people in the mill. We can run that mill now with eight men in there and everything else is operated mechanically. Altogether, we employ about 26 people," Littlepage said.

Mount Sterling has one grocery store owned by Wayne Turner. According to Turner, the best time of the day for his business is quitting time at Littlepage's mill.

Mount Sterling has no educational facility today. The children of the community attend school in Butler, Ala. The fact that Mount Sterling has no school does not bother most residents. What does bother them is the fact that the young people have nothing to entertain them other than schoolrelated events.

This, according to Louise Heffernan, is a problem in the community.

"When I was a little girl we had to work in the corn fields until we were too tired to do anything but rest. On Saturdays we usually had a fish fry or chicken fry and invited friends over and danced or sang to the piano. Now young people don't have anything to do around here. That usually means they entertain themselves by gathering in parking lots and standing around with time on their hands."

The water system servicing 265 families in the Mount Sterling area was installed in 1984. It is known as the Mount Sterling Water and Fire Protection Authority. This system enabled residents to have their own personal fire hydrants installed on their property at a cost of $1,000 per hydrant. Some residents chose to share the expense with other neighbors, but most all are protected. Residents have fire hydrants because there is no town fire department.

Many Mount Sterling residents are considering incorporation. Others think Butler would like to annex Mount Sterling, but general consensus leans toward incorporation.

Mr. Speaker, Alabama's history is full of interesting stories and places such as this fine community and its citizens. It is an honor for me to share this story with my colleagues in the House of Representatives.

ENSURE FAIR TAX REFORM

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. HUBBARD. Mr. Speaker, I have been receiving letters from hundreds and hundreds of individuals from the State of Kentucky and from my First Congressional District about the proposed tax reform simplification plan.

I would like to share with my colleagues the excellent letter that I received from a fellow Kentuckian, attorney Paul L. Humphrey of Louisville, KY, who has contacted me about his suggestions to ensure our tax system is fair to all Americans.

As you know, our colleagues on the House Committee on Ways and Means are currently considering tax reform legislation. I urge my colleagues to read the timely views of Paul L. Humphrey about his concerns on fair taxation.

The letter from Mr. Humphrey follows:

SEPTEMBER 9, 1985.

The PRESIDENT,
Honorable MEMBERS OF CONGRESS,
Washington, DC.

DEAR MR. PRESIDENT AND MEMBERS OF CONGRESS: A great opportunity now exists for a revolutionary overhaul of the incomprehensible hodgepodge known as the Internal Revenue Code. A better word than "overhaul" is "replacement."

This great nation is founded on the principle of equality and fairness, including fair taxation. Such is not the case under the existing tax code. The time has come, indeed it is long past, when the Congress of this great nation, the elected representatives of *all the people,* must address their responsibility to enact fair tax laws.

We begin with the premise that all taxes must and do derive from income and the tax base, to be equitable and fair, must include *all income* from *all sources* and *from all people.* For example, the taxes paid by the factory worker from his income, include not only the direct tax withheld from his wages but also the tax paid by him at the gasoline pump.

The time has come when the elected representatives of *all the people* must face up to their responsibility to represent the true "special interests" of this country, i.e., the workers who earn a living for themselves and families, who go to the polls and vote for candidates who they hope will represent all the people, who give freely of their time, talents and material goods to help their less fortunate neighbors and who have historically *paid more* than their fair share of the cost of government—the so called "middle class."

The existing tax code and implementing regulations, which I understand fills more than 10,000 pages, can be replaced with an equitable document of less than one hundred pages.

Starting with the proposition that all taxes must and do derive from income, the matter of fair taxation becomes relatively simple:

1. First there must be protection for low income people. This can be accomplished by exempting from taxation an amount sufficient to provide the necessities of life for the individual and family.

2. All other income, from whatever source, above the exempted amount, would be taxed on a graduated scale at three to six levels with the percentage of tax increasing from level to level to a maximum rate.

3. There would be no deductions from taxable income, from whatever source derived, because once the fringe is removed from the dike of deductions, the flood gates open and we would soon be back in the same mess we are now in.

I am a lawyer, not a actuary, so will leave the computation of exempt income and percentage of taxable income needed in the various tax brackets to the experts in that

field. However, the principle is sound and such tax system would be productive.

Application of the necessary tax rates to *all* of the taxable income of *all* the people, whether natural or corporate, would not only balance the Federal Budget forthwith, but would in reasonable time retire the national debt.

Our country is blessed with the most productive people, the greatest natural resources, the most advanced technology and the greatest wealth of any nation on this earth. There is no excuse for our "living on credit" and leaving our descendants with a financial burden beyond the comprehension of the average man.

I am aware that it is the policy of the Administration to not increase taxes. That policy is laudable considering the welfare of present taxpayers. But who is looking out for the interest of future taxpayers? We have no right to incur annual deficits upwards of two hundred billion dollars and charge them to the account of future generations, born and unborn.

Mr. President and Honorable Members of Congress, I implore you to seriously reflect on the ideas set forth herein. Our great country must be saved from chaos.

Respectfully,

PAUL L. HUMPHREY.

CITY COLLEGE OF NEW YORK CLASS OF 1937 YIELDS UNHERALDED THREE NOBEL PRIZE WINNERS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. BIAGGI. Mr. Speaker, as the senior New York member of the House Education and Labor Committee as well as the New York congressional delegation, I have great reason to be proud today. I wish to bring to my colleagues' attention two recent developments to come out of public education in New York City.

When this year's Nobel Prize winners for chemistry were recently announced, a truly unheralded honor was pinned upon the City of College of New York in uptown Manhattan. This year's winners, Dr. Herbert A. Hauptman and Dr. Jerome Karle, became the second and third Nobel Prize winners from City College's 1937 graduating class. Another of their classmates, Dr. Arthur Kronberg, was awarded the coveted prize for medicine in 1959. Never before have three Nobel Prize winners emerged from one single graduating class of any college. In addition, this year's two winners now meritoriously bring to seven the total number of Nobel Prize winners City College has produced—a total unmatched by any other public institution in the Nation.

I'm sure my colleagues can understand my enthusiasm. The mid-1930's were lean years. Many students who attended then were offspring of poor immigrants, those who ardently pursued education as a ticket out of the ghetto. City College was able to provide this ticket for future success by way of challenging, rigorous academic standards—all for 50 cents a semester.

With these examples before us, there can be no greater argument for our continued support for public education. When a taxpayer-financed institution invests in and produces seven people who turn around and advance the course of mankind, the payoff is great and all of us as citizens are clearly the winners.

The second development I wish to bring to the fore is one which exemplifies the effectiveness of private participation in the educating process. Five years ago, a truly philanthropic industrialist, Eugene Lang, told sixth-graders at Harlem's Public School 121 that he would pay their college tuitions provided they finish high school. Mr. Lang, having grown up in East Harlem, as I did, unilaterally sought to save these youngsters from the prevailing dropout rate in their economically depressed neighborhood. At a very young age in their lives, he instilled in them the promise of higher education. He harnessed their young and not-yet-jaded dreams of success. He delivered it all by monitoring and providing for their academic achievement, counseling them and their families, and putting money aside for each. This past Sunday, the Washington Post lauded this man and reported that 51 youngsters remaining in New York are now in the 11th grade and only one does not plan on attending college.

Mr. Lang must be commended for his patronage and commitment to these children and their families. He has given them something not always available from their immediate surroundings—hope and motivation. The extraordinary perseverance they have demonstrated in these last 5 years of their young lives will provide them with a college education which in turn will open up thousands of possibilities heretofore unavailable.

Mr. Speaker, I am deeply impressed by these two educational milestones discussed today. I believe the two together demonstrate the necessity for public and private partnerships in grooming the next generation of well-educated Americans. Together, the public and private sectors can encourage educational incentives by providing funds and resources which allow a young student to grow to his or her absolute potential. We must remember what we are doing when we give a youngster the opportunity to receive an education. We are investing in our own future. A public college has given the world seven Nobel Prize winners by 1985. A private industrialist's promise in 1980 in now buttressing 50 Harlem youngsters and laying open huge possibilities for them, their families and community 4 or 5 years from now. I hope my remarks today will serve to illustrate the importance of public and private participation in our educational institutions. In conclusion, let me not forget to extend my congratulations to Drs. Hauptman and Karle and my deepest gratitude to Mr. Eugene Lang.

A TRIBUTE TO DR. AARON E. HENRY

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. DOWDY of Mississippi. Mr. Speaker, I would like to direct the attention of my colleagues to the distinguished career of a fellow Mississippian, Dr. Aaron E. Henry. For the last 25 years Dr. Henry has served as the state president of the National Association for the Advancement of Colored People. As you know, these years have been trying for our State and through them Dr. Henry has proven a strong and effective leader.

Dr. Henry is a graduate of Xavier University in New Orleans, LA, and is the recipient of three honorary doctor of humanities degrees. He is married to the former Noelle Michael and they have one child, Rebecca Elizabeth.

Throughout the past quarter of a century, Dr. Henry has made a historical contribution to the advancement of racial equality in our State and Nation. His leadership in the NAACP, the Mississippi State Legislature, and the United Methodist Church has truly improved the lives of many.

I know you will want to join me in paying tribute to this outstanding American.

A DESPICABLE ACT

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. FRANK. Mr. Speaker, Alex Odeh, the California director of the Arab-American Anti-Discrimination Committee, was recently murdered by a terrorist's bomb. Any murder is horrifying, Mr. Speaker, but we in Congress have a particular duty to speak out when murder is committed for the furtherance of political ends. Our society is based on the notion that one should only advance one's political goals through nonviolent means. This is a fundamental principle, the common bond between all of us in Congress, and indeed between all Americans, with the exception of some disturbed individuals. No matter how strong our commitment to particular political goals, our first responsibility is to denounce those who use terror to advance their ends.

In particular, many of us in this country have a strong emotional involvement in the problems of the Middle East. That involvement may be strong, but our attachment to the principle above is always stronger. Mr. Speaker, I ask that an editorial by the Near East Report be reprinted here. The Near East Report is a pro-Israeli publication which is substantively in disagreement with the Arab-American Anti-Discrimination Committee and has disputed its contentions on many occasions. On the matter of Alex

Odeh's tragic death, however, the Near East Report, and all good citizens, join with the committee in solidarity. Our political differences are transcended by our opposition to terrorism.

A DESPICABLE ACT

The murder of Alex Odeh, California director of the Arab-American Anti-Discrimination Committee, is a tragedy for his family (including three small children), his friends, and his community. However, even beyond those who knew him, the reverberations of Odeh's murder can be felt. Alex Odeh was killed because of his political views. He was murdered because he exercised his Constitutionally-protected right of free speech.

This type of murder strikes at more than just one man. It strikes at what this entire country is about. In much of the world, individuals do not dare speak out on political issues because they fear a violent response. But the United States is different. Here, radio call-in shows and letter-to-the-editor columns give all Americans the opportunity to express themselves as citizens of a free country. People call and write letters safe in the knowledge that their views (even if they are wrong) will not land them in prison or on someone's hit list.

Alex Odeh's killing is a tragic reminder that this precious right to free speech can be taken away by thugs. Terrorism is not limited to Israel or Lebanon or any of the other places where terrorists have struck. It can happen here—and it has. The killer or killers of Alex Odeh—who destroyed a man but threaten a whole way of life—must be apprehended and brought to justice quickly. Terrorists must not be permitted to rob us of freedoms, we must never take for granted.

THE ILLINOIS NATIONAL GUARD

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. DURBIN. Mr. Speaker, next year will mark the 350th anniversary of the U.S. National Guard, an organization of citizen-soldiers whose members have defended this country since before its independence. To honor this remarkable record of service, I recently cosponsored a resolution (H. Res. 245), introduced by Representative THOMAS HARTNETT, of South Carolina, which would call upon the Postmaster General to issue a commemorative stamp to honor the National Guard.

The National Guard was organized in Boston in 1636 as a local militia. Later, of course, the Guard defended the colonists against the British during the American Revolution, and has fought in every war, and almost every battle, since. But although I support this effort to celebrate the National Guard's anniversary, I am sure my colleagues agree, it is insufficient honor to mark such an illustrious history.

We in Illinois can share in our Nation's pride on the Natonal Guard's anniversary, for the Illinois National Guard is very nearly as old. It also boasts two former Presidents of the United States among its ranks.

The Illinois National Guard was born in 1712 as the Provincial Militia of the Illinois District of the Province of Louisiana, when the territory still belonged to the French. It was organized by Pierre Duque Boisbriant in Cahokia and Kaskaskia. Territorial militiamen joined the fight against the British in the Revolution, and our State National Guard has served in every American conflict since.

The Illinois Military and Naval Department, which comprises the Illinois National Guard, has published a fascinating account of the National Guard careers of two of our State's most famous citizens, Abraham Lincoln and Ulysses Grant. A pamphlet authored by Dr. Wayne C. Temple highlights the contributions they made through their service in the Guard.

Abraham Lincoln and a group of his friends answered the Governor's call for volunteers to fight in the Black Hawk War, and Lincoln was appointed captain of his rag-tag regiment near Pleasant Plains, IL, on April 21, 1832. The regiment immediately set off for Beardstown, but their planned encounter with the Indians never materialized. In fact, later in his career, Lincoln joked that mosquitoes caused his only loss of blood in the Black Hawk campaign.

Although Lincoln remained a member of the Illinois National Guard for the rest of his life, his next promotion, according to Dr. Temple, came on March 4, 1861, when he became President and Commander-in-Chief of the entire U.S. Army Forces. Certainly, that was the biggest promotion in U.S. history.

Ulysses Grant began his service in Springfield, at the outbreak of the Civil War. Gov. Richard Yates, impressed by the fact that Grant had attended West Point, made Grant his military aide and gave him a desk job in the adjutant general's office. Grant, however, wanted to see combat, and in June 1861, Governor Yates gave Grant his commission, as colonel of 21st Infantry Regiment of the Illinois State Militia. Grant proved himself well, and rose quickly through the ranks. He was promoted to brigadier general later in 1861, and took command of the entire Union Army less than 3 years later. Surprisingly, though, Grant was not made a full general until 1866—after the Civil War had ended. In 1869, he too became President of the United States and Commander-in-Chief.

Today, the Illinois National Guard is at the disposal of the Governor and the President, and helps to maintain order in time of storm, public disorder, or other emergency. The State spends about $4 million annually for the National Guard, while the Federal Government contributes more than $52 million. Men and women between the ages of 17 and 35 are eligible to join, and serve one weekend each month and 2 weeks each year.

The National Guard also offers a full college scholarship and job training to high school students, age 17 and older. Students are eligible in their junior year, and can receive immediate pay and training one weekend per month while they finish school. Upon graduation, they continue weekend service, but also can receive a full 4-year scholarship to any Illinois State-run college or university.

The National Guard provides an excellent opportunity for national service, and represents the highest ideal of the citizen-soldier.

HUMAN RIGHTS IN THE SOVIET UNION AND EASTERN EUROPE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 30, 1985

Mr. KEMP. Mr. Speaker, first of all, I would like to thank my good friend and colleague, the gentleman from New Jersey, JIM COURTER, for giving us this opportunity to focus attention on the continuing human rights violations taking place in the Soviet Union. The timing is crucial; our representatives are presently meeting at the cultural forum in Budapest with the representatives of the other 34 countries who signed the Helsinki Final Act, and we are on the threshold of the meeting in Geneva between President Reagan and General Secretary Gorbachev. We have also recently heard encouraging news about the possibility of a 3-month exit visa for Dr. Elena Bonner for medical treatment.

I interpret the news about Dr. Bonner as a possible sign that perhaps the Soviets do not wish to appear as intransigent as they have in the past. However, I think we, as a people, must be careful not to be taken in by Gorbachev's apparent charm, facility with words, and ability to deal with the press. The Soviets finally have someone in power who knows the value of good public relations but we cannot let an affable demeanor and a Western attitude toward the press cloud the real issues. We need to see real progress in the area of human rights before we can even think about any agreement.

This is why linkage is so important. Any agreement we enter into with the Soviets must be predicated on a prior and concurrent condition of tangible human rights efforts. Dr. Bonner's exit visa may appear to be a kind act, but it is no more than what any civilized country would have done years ago. I must also point out that this is only one visa, and there are hundreds of thousands waiting to leave. Dr. Bonner's visa is only temporary, and even if it were permanent, it would be valueless without a corresponding exit permit for her husband, Dr. Andrei Sakharov. And one for Anatoly Shcharansky and one for Ida Nudel and one for Iosef Begun and one for Vladimir Volvovsky and one for each of the hundreds of thousands of refuseniks and prisoners of conscience, Christian and Jewish and any other ethnic or religious minority. And one for each individual who would wish to leave but feared the reprisals of a punitive and repressive system.

NATIONAL AUTISM WEEK

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. BIAGGI. Mr. Speaker, today I am introducing, along with 38 of my colleagues from boths sides of the aisle, a resolution which would designate December 1 to 7, 1985, "National Autism Week."

It is altogether fitting that such a commemoration take place and that this resolution receive the support of all Members of the Congress. Autism is a physical brain disorder which afflicts over 350,000 children and adults in the United States. This resolution would help in dispelling the myth that autism is a form of mental illness. It is not.

National Autism Week would also coincide with the 20th anniversary of the National Society for Children & Adults With Autism. Founded in 1965, NSAC has been dedicated to the education and welfare of all persons with severe disorders of communication and behavior. Along with other committed individuals, NSAC has helped to bring autism out of the darkness of despair and into the daylight of education, training, and rehabilitation.

Autism is a severely incapacitating, lifelong, developmental disability whose symptoms include unusual sensory responses, lack of understanding of speech and visual language, extreme emotional responses, and social withdrawal. It occurs in approximately 15 of every 10,000 births and is four times more common among males than females. Although there is no known cure for autism, with continued research it can be treated. NSAC is at the forefront of promoting such research and treatment.

It is for these reasons I am urging my colleagues to support this resolution commemorating December 1 to 7, 1985, as National Autism Week. The time has come for each one of us, as responsible public servants, to recognize the enormous contributions of NSAC and to bring autism further into the light of education and understanding.

BAPTIST MINISTER CHALLENGES ROMANIANS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. SMITH of New Jersey. Mr. Speaker, in today's edition of the Washington Post, reporter Jackson Diehl has written a story detailing the extent of religious repression in Romania as experienced by Buni Cocar, a Baptist minister seeking to hold religious services in Bucharest.

Last summer, Mr. Speaker, I had the privilege of meeting with this courageous man as the leader of a congressional delegation to investigate human rights in Romania. The treatment Buni Cocar has received at the hands of the Romanian Government stands as a tragic testament to the true status of church-state relations in Romania.

Contrary to the image Romania has so carefully cultivated in the West, religion is systematically suppressed within that country. As the Post reporter states, "In austere, ruthlessly regimented Romania, even the quiet reshaping of a chapel on a disheveled back street is a glaring exception to state controls over religion and its practice."

I urge my colleagues to read this excellent article relating the chain of events leading to the state demolition of the Holy Trinity Church in Bucharest. I think they will be shocked to learn that life in Romania as a practicing Christian or Jew does not resemble the rosy picture the Romanian Government has painted for us.

Having witnessed this repression with my own eyes, together with Mr. HALL and Mr. WOLF, we have introduced legislation to temporarily suspend MFN status for Romania for 6 months in the hope that they might reconsider their policy of harassment and repression. After 6 months, the President can make a determination as to whether MFN status should be granted again.

Mr. Speaker, I am confident that those who learn of the extent of religious repression in Romania, as I have, will agree with me that the U.S. Congress must no longer condone these practices by routinely extending MFN status to Romania. Once again, Mr. Speaker, I urge my colleagues to read the article, which follows:

[From the Washington Post, Nov. 1, 1985]

BAPTIST MINISTER CHALLENGES ROMANIANS

(By Jackson Diehl)

BUCHAREST.—Baptist minister Buni Cocar insists that he never meant to challenge Romania's Communist government. He never wanted to break the law, he says, and he certainly never expected that in the end he would be cornered by bureaucrats, bulldozers and police in the ruins of an old backstreet chapel.

All he ever wanted, the Rev. Cocar says, was to rebuild his Holy Trinity Church.

"We were growing, and there was no room for all the people anymore," Cocar explained one recent morning, pacing restlessly atop the rusting tin roofing of Holy Trinity, a one-room concrete structure tucked between small family homes in northeast Bucharest.

"We wanted to do something nice, to make a proper building. We didn't want to make a revolution. We just tried to put up a new roof."

Such a project might seem common in a capital where thousands of old buildings and whole neighborhoods are being flattened and reconstructed. But in austere, ruthlessly regimented Romania, even the quiet reshaping of a chapel on a disheveled back street is a glaring exception to state controls over religion and its practice.

As a result, helmeted militia and demolition crews arrived at Holy Trinity one Saturday morning this summer, tore down its new roof and annex, and prohibited its volunteer builders from putting up so much as a canvas to cover the gaping hole left in its side wall.

Cocar, the church's pastor, was fined heavily and ordered to leave Bucharest, and the church's two deacons were fired from their state jobs after being detained and beaten by police.

Now, Cocar and his congregation find themselves in a test of wills with government authorities. They have resolved to remain in their church through the winter, and the 33-year-old clergyman, who left Bucharest briefly, has defiantly returned. "We'll get by somehow," Cocar said. "But we won't abandon the church. These people here have nothing more to lose."

The standoff has little political significance in a country whose Communist president, Nicolae Ceausescu, has consolidated a formidable structure of personal power and eliminated virtually all signs of dissent. Yet Cocar's crusade illustrates how some Romanian churches have become the homes of independent-minded communities willing to challenge the government aggressively on issues of expansion, proselytism and control over religious organizations.

"The churches are becoming more appealing, and the more aggressive they are, the more people they attract," a western diplomat here said. "It is a reaction to the stagnant and hopeless situation the regime has brought people to."

Romania has the largest church attendance among Eastern European countries after Poland, and many church leaders believe membership has been growing in recent years. While the Orthodox Church, followed by approximately 70 percent of all Romanians, generally avoids all confrontation with the government, many of the country's 13 other recognized denominations show more independence despite state controls over their finances and activities.

The Baptists, whose growing numbers have been estimated variously between 100,000 and 300,000, have sought in recent years to expand churches or build new ones all over the country, often in defiance of official restrictions.

Authorities often have responded toughly. Several churches, like Holy Trinity, have suffered from official demolitions, and international human rights groups have reported a number of instances of persecution of Baptist activists.

At the same time, western diplomats here say, government repression of church activities often has been restrained carefully, perhaps in deference to the interest taken in Romanian Protestant churches by fundamentalist groups in the United States.

"It's a game that's played here," a diplomat well acquainted with church activities said. "The churches try and get away with things, and the authorities sometimes let them. The times when the authorities react more violently are those when they perceive a direct provocation."

In Cocar's case, the provocation seemed to arise from the very energy of a young minister intent on multiplying the numbers of his followers and impatient with formal restrictions. The son of a pastor from the interior town of Medias, Cocar finished divinity school in Bucharest in 1978, then was licensed by authorities to live and work in the oil-mining town of Petrosani.

Cocar took over a Baptist church there with 70 members and more than doubled the size of its congregation in a yearlong campaign. Then, in 1980, he decided to return to Bucharest and revive the Holy Trinity Church, which had stagnated for years while its congregation sank from 150 to 20.

Authorities refused to grant the ambitious young preacher permission to live in the

capital and stripped him of his religious license. But the determined Cocar stayed anyway, making his own contract with Holy Trinity's remaining members.

For several years, his presence in the poor, aged neighborhood of Giulesti was tolerated. Attendance at Holy Trinity grew until up to 500 persons were crowded into its chapel and tiny side yard for thrice-weekly services.

Even before Cocar's arrival, Holy Trinity had been denied permission to expand its chapel or even to repair structural damage from a 1977 earthquake. But Cocar quietly led volunteers in building expansions that extended the chapel by a third and widened it across the yard.

Finally, Cocar and church leaders decided last February to launch a definitive renovation. Using plans drawn up by a friendly architect and materials bought from state construction companies, 100 church volunteers worked in teams with 20 moonlighting specialists to put up a new, arching roof 35 feet high at its peak—the beginning of a local landmark.

The project was already well into its fifth month and new interior walls for the church were being prepared when Bucharest's mayor called in Cocar and told him he had gone too far. Shortly afterward, the demolition crews arrived and went to work despite the occupation of the chapel by several dozen members of Holy Trinity.

Fined more than 30,000 Romanian lei, or about $2,000, for offenses ranging from living in Bucharest to violating zoning codes, Cocar was forced back to Petrosani. But he came back to the city in September, and shortly afterward, a large tent appeared alongside the damaged chapel, covering the partially disassembled side wall.

Authorities soon appeared and ordered the tent removed. But Cocar has remained in Bucharest and doggedly gone on planning for the coming winter.

"We'll buy some overcoats," Cocar said. "Maybe we'll find another canvas to cover the side. The old ladies will have to stay home and wait for spring. But the majority will stay here, whatever happens."

ARMED FORCES RESERVE—AN INVALUABLE ASSET FOR NATIONAL STRENGTH

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. DOWDY of Mississippi. Mr. Speaker, I would like to direct our attention today to the invaluable service to our country performed by the men and women of the Armed Forces Reserve. Over 1.5 million of these dedicated people spend their time and talents to help ensure that America has adequate manpower on which to rely in the event of military conflict.

In August of this year, one of these committed servicemen brought his long and distinguished career to an end. Earnest L. Cockrell served a total of 42 years in the Armed Forces. His service included the U.S. Army, the Enlisted Reserve Component, and the Army Reserve. For his distinguished career, Mr. Cockrell was recently awarded the Meritorious Service Medal.

Let us make no mistake in assessing the strengths of our military capability.

In all our striving to attain a technologically-advanced system of defense, we must not lose sight of the fact that protection of our Nation will always depend on the willingness of men such as Mr. Earnest L. Cockrell to devote their lives in the maintenance of our peacetime and wartime military.

SAVE AMERICA'S SYNFUELS PROGRAM

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. CLINGER. Mr. Speaker, rarely has more misinformation and hyperbole surrounded a seemingly concrete public policy question than the future of the U.S. Synthetic Fuels Corporation. Opponents of the SFC make the spurious claim of immediate and vast budget savings if the Corporation were abolished and supporters wax philosophic on the energy security of our Nation. Closer to the middle of these arguments lies the truth; abolishing the Corporation would lead to some short-term budget savings but the effects on U.S. energy security could be dramatic and efforts toward energy independence may be severely crippled.

Back in July, the House of Representatives voted to effectively kill the Synthetic Fuels Corporation. Unfortunately, surrounding that legislative battle was a campaign of misinformation asserting that the immediate budget impact of scuttling the SFC would be savings of the total $7.9 billion reserved for the program or at least of the $744 million slated for action by the Board. I do not believe our President or the Senate will be deceived by these claims. The Congressional Budget Office reports that abolishing the SFC now would yield a savings in fiscal year 1986 of only $14 million and over 5 years of possibly $332 million. The key element most often ignored by opponents of SFC is the type of financial aid given by the Corporation to synfuels project sponsors. The assistance given is not an immediate outlay of funds. Projects receive price supports and loan guarantees which occur over a period of years, in many cases over the course of a decade. Those who claim an immediate $7.9 billion deficit savings are simply not correct.

Another major argument leveled against the SFC is that it has been wasteful and guilty of administrative bungling. No one can deny that there have been flaws in the program but opponents of SFC seen to be struck in the past, dismissing two important events which have helped to put the program back on the track. First, last year Congress and the administration took the initiative to cut the program by 45 percent. This has lead to a significant scaling back of projects supported by the Corporation, saving taxpayer dollars and moving away from the "subsidy-starved white elephants" cited by SFC detractors. For example, the Union Oil oil shale project originally slated for two separate plants demonstrating divergent technologies has been condensed into a single project at a far lower price tag. Congress further provided that 50 percent of the savings from scaling down projects would be returned to the Treasury. The point is that we have already used a scalpel to carve a more efficient U.S. Synthetic Fuels Program. That action was barely 1 year ago. Abolishing the SFC before those reforms have been allowed to work would be wielding a butcher knife on the energy security of the United States.

The second factor in SFC's reform is the new Board of Directors and their comprehensive strategy for the Corporation. The Board has cut their staff, exercised more direct control over the operations of the Corporation, and has shown a hands-on determination to approve projects, many of which have been on drawing boards for years, to get a visible, operating Synthetic Fuels Program in place.

In addition, the comprehensive strategy is designed to provide a diversity of synfuels technology on a commercial scale but at more cost-effective and efficient levels than ever before. These factors are particularly important. Although opponents of SFC deride the commercial scale of SFC supported projects and would opt for more research and development, the ability to scale-up these small commercial projects and the variety of technologies available become critical in the face of a petroleum supply disruption. That is one of the most compelling reasons to support the reorganized SFC and it demonstrates the Board's responsible and effective approach to our Synthetic Fuels Program, taken at the explicit direction of Congress last year. Are we willing to so quickly forget the oil embargoes of the 1970's and waiting in gas station lines at dawn? How likely is it, then, that we will be vulnerable to energy supply disruptions similar to those of the last decade.

The desire to eliminate the SFC, crippling a commercial scale synfuels program, and to ignore the lessons of the past is a prime example of looking to the short-term rather than to the long-term security brought by energy self-sufficiency for the United States. If anyone doubts the necessity for a viable, commercial scale synfuels program in the United States, we need only look at the increases in U.S. domestic consumption of petroleum products in 1984—they were up 5 percent. In addition, U.S. oil imports were up 8 percent during the same period. And when we talk about the deficit, it is important to note that oil imports contribute a full $60 billion to our enormous trade deficit. Consumption is up, imports are up and at the same time the Congressional Office of Technology Assessment reports that domestic exploration and finding rates are down, along with a sharply declining offshore reserve base for oil and gas. Simply put, we cannot afford the luxury of waiting until another energy

supply crisis occurs. We have to take steps now to ensure our future.

Opponents of SFC point to adequate supplies of low-cost oil available now in world markets. What this line of reasoning fails to recognize is that dropping prices do not necessarily mean guaranteed supply. Some of our best oil analysts conclude that by 1990 we can expect over half of our oil imports to once again come from OPEC nations, and most of that is produced in the Middle East. The high degree of risk associated with that region is readily apparent and the lessons of the 1970's should not be ignored. If we do not develop a cost-effective alternative to imported petroleum we will allow ourselves once again to be vulnerable to the supply disruption crises. That is why the commercial scale projects supported by SFC are so important.

In the next few weeks, the President and the Senate will be making decisions on the future of the U.S. Synthetic Fuels Program, not just on the SFC. Our Nation has the opportunity to be proactive, taking steps to avoid future crises. The alternative is to be reactive, acting in haste to future supply disruptions. We cannot afford to repeat the mistakes of the past. A responsible, cost-effective Synfuels Program is now in place and the President and the U.S. Senate can show some cost-effective vision by supporting a leaner, meaner, more efficient SFC.

TWELVE YEARS OF NIGHT IN CHILE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. MARKEY. Mr. Speaker, I commend to my colleagues attention an article recently published in the New York Times by our respected colleague, Robert F. Drinan S.J. During his service in the House, Father Drinan distinguished himself as a champion of human rights. Today, as a professor of law at Georgetown University and prolific writer and commentator on the important issues of our day, Father Drinan continues to speak out on these topics of concern.

Following a recent trip to Chile on a mission for the International League for Human Rights, Father Drinan authored the following essay which outlines the vast problems facing that nation, and the responsibility and opportunity before us.

Father Drinan continues to be a bold and moral voice for human rights, and I commend his article to my colleagues' attention.

[From the New York Times, Sept. 11, 1985]

12 YEARS OF NIGHT IN CHILE

(By Robert F. Drinan)

WASHINGTON.—What will opposition forces in Chile do today, the 12th anniversary of the coup that brought Gen. Augusto Pinochet to power? I found no clear answers to that question during a visit last month. But I saw water cannons waiting to quell demonstrators. I saw, too, deep frustration among the 11.8 million people, who are humiliated by the torture, murders, harassment and the exiling of citizens who are heirs to one of the richest democratic traditions in Latin America.

I do know the United States has an important role in Chile's future. The arrival shortly of a new ambassador offers the Administration an opportunity to change its policy, in which pieties about a democratic transition are coupled with acts that bolster General Pinochet. We must now press unmistakably for civilian rule.

President Reagan owes Chilean citizens no less. The disintegration of freedom in the last dozen years has been appalling. In 1973, more than 50 percent of all workers belonged to labor unions; today, only 8 percent. In 1973, the external debt was $4 billion; today, $22 billion. The media are censored. Torture touches hundreds each year but intimidates millions. Political parties are suspended.

Aside from the United States, about the only source of hope in Chile is the Roman Catholic Church. At a dinner in the home of Raúl Silva Henríquez, the 78-year-old retired Archbishop of Santiago, this venerable figure reviewed his efforts to deter terror from 1973 to 1983 and concluded by saying that the Government's oppression of the church is as bad as persecution of the church in the Roman Empire in the early centuries of Christianity. Chile is harassing the church because, almost alone among social institutions, it represents the tortured, the exiled, the unemployed and the poor.

Nearly everyone in Chile wonders when the dark night will end. Now 68 years old, General Pinochet will not go voluntarily because he has no place to go. If he remains in Chile, he could be tried for countless crimes just as generals and admirals of Argentina have been tried. If he wants to go abroad, there is no place to go except possibly Paraguay.

I have hundreds of memories of the people I talked with. But the one I shall never be able to forget is a man I met in a line outside a jail in Valparaiso while waiting to visit 42 political prisoners.

He told me he was waiting to visit his two sons, both imprisoned on unspecified charges of subversion. After two years, no trial date had been set. Torture had been used, but he obviously did not want to talk about it. As I moved out of the line into the prison, he ended our conversation by stating, "What happens to my sons depends on decisions to be made by the President of your country."

WILL THE PRESIDENT TAKE SOME SOUND ADVICE ON THE ORIGINS OF THE DEFICIT?

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. TRAXLER. Mr. Speaker, I would like to bring the attention of my colleagues to a column by the syndicated conservative columnist, George F. Will, an acknowledged adviser to the Reagan team. It appeared in the Saginaw News on October 27.

The fact that Mr. Will is an ardent conservative and Reagan supporter lends added credibility to his remarks. I think that Mr. Will is to be applauded for his integrity in making these remarks.

BLAME THE PRESIDENT, PLEASE—HE'S RESPONSIBLE FOR RUINOUS DEFICIT, AND MAKING IT WORSE

(By George F. Will)

WASHINGTON.—It is said we owe to the Middle Ages humanity's two most destructive inventions—gunpowder and romantic love. But let this be said for the Middle Ages: People understood government. They especially understood that kings (read: presidents) not parliaments (read: Congress) are the principal impediments to reasonable public finance.

Kings were constantly siphoning off the nation's wealth to build palaces, or liberate Jerusalem or, even more peculiarly, to explore what was to become Florida. Parliaments tried to pull the purse strings.

After 500 years of enlightenment, there is less understanding. Americans think Congress is the big deficit-maker. Never mind Lyndon Johnson's guns-and-butter choice, and never mind Ronald Reagan's guns-and-tax cuts choice. And never mind that while Reagan has been presiding over the production of more than half of this nation's federal debt, he has not found much to veto on budgeting grounds. This is because Congress has spent about what he has requested. And Congress has enacted as many balanced budgets as he has submitted.

Of course, presidents veto for other than budgetary reasons. Still, it is indicative that FDR averaged 43 vetoes a year, Eisenhower 23, and Reagan in his first term only 10 a year. Ten of this century's 15 presidents have used the veto more regularly than Reagan. But as this written he is threatening to veto something, in part because of a provision that would reduce the deficit and cancer.

In 1951, the tax on a pack of cigarettes was put at 8 cents. In 1982, it was raised to 16 cents, which because of inflation was much less in 1982 than 8 cents was in 1951. The 1982 law stipulated a return to 8 cents. However, one provision of the current deficit-reduction effort is to keep the tax at 16 cents. This provision was included in exchange for lavish tobacco subsidies.

Much of the deficit-reduction bill rests on cooked books yielding fudged numbers. The reduction number of $85.6 billion over three years is highly suspect. The $4.9 billion from the tobacco tax is real. But Reagan regards tax cuts the way Mark Twain regarded bourbon: "Too much is barely enough." Hence his insistence on cutting the tobacco tax. This will increase the annual cost of smoking-related diseases, which now stands at $35 billion.

This is tax folly compounded. The administration's tax-reform plan is, by supply-side criteria, an irrational rearrangement of burdens. It would cut $25 billion from taxes on consumers, who demand goods and service; and it would increase taxes on businesses, which supply goods and services.

Folly is compounded, then cubed. The administration knows taxes alter incentives and believes they should be used to encourage behavior that is socially useful, such as saving and investing. Yet it wants to drive down a tax (on cigarettes) that discourages a behaviorally related disease.

H.R. 1145

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GALLO. Mr. Speaker, I have recently joined many of my colleagues as a cosponsor of H.R. 1145, the Information Dissemination and Research Accountability Act of 1985. If enacted, I believe this legislation will go a long way to ensure the humane treatment of animals in our Nation's laboratories and to reduce the waste of taxpayers' money caused by repetitive experiments.

Thousands of animals die each year because of unnecessary duplications in experimental research programs, even though sufficient data on the results of these experiments have already been collected.

And if that is not bad enough, we, the taxpayers, have been paying for this fatal duplication through research grants awarded each year by the Federal Government.

My support for this bill is based on the idea that we can save countless numbers of animals and reduce the Federal deficit at the same time.

This bill creates a National Center for Research Accountability in the National Library of Medicine to collect and store the results of thousands of experiments already conducted.

Any requests for Federal research grants would be screened for duplication and rejected, if sufficient data have already been collected.

A centralized data system would benefit the scientific community by streamlining their experimentation efforts, saving time and making it possible to build on pre-existing research efforts.

Although the exact amount of savings is not known, I am confident that the savings will more than outweigh the cost of creating the centralized data bank, estimated to be $300 million over 10 years.

In addition to the dollars-and-cents savings involved, the time saved by creating the data bank could be a critical factor in our search for lifesaving treatments in a number of areas.

I have received letters and cards from hundreds of people in Essex, Morris, Sussex, and Warren Counties who are very concerned about the unnecessary deaths of thousands of animals. This bill will go a long way toward finding the full scope of the problem and taking steps to prevent this unfortunate situation.

I urge my colleagues to join with me in cosponsoring this humane and economically sound legislation—H.R. 1145.

THE 100TH MEETING BETWEEN THE AMHERST AND WILLIAMS FOOTBALL TEAMS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. CONTE. Mr. Speaker, on Saturday, November 9, in the beautiful Berkshire hills of western Massachusetts, a football game will be played. Not just an ordinary football game, but the 100th meeting between the greatest small college rivals in the country—Amherst and Williams. The opening kickoff will take place at 1:30, marking the 100th such kickoff since the first meeting between these two schools in 1884.

In that first battle in 1884, Williams won 15 to 2, and has gone on to win 52 games, while Amherst has won 43. The two teams have tied four times. But Amherst has won the last four Williams-Amherst contests, and this year's meeting promises to be an exciting, bitterly fought contest.

What is so special about this event, however, is not the game itself but all that it represents. For these two schools, athletics—while viewed as an important component of the schools' programs—have always been of secondary importance to academics. At a time when there has been a great hue and cry about the overemphasis on athletics in schools throughout the Nation, Amherst and Williams have kept their athletic programs in perspective. These two small schools place emphasis on participation in athletics, rather than specialization. In fact, over half of the students at these schools participate in intercollegiate sports. And at the same time, these two highly selective colleges have maintained topnotch liberal arts programs ever since their founding.

Williams College was founded in 1793, which makes it the second oldest college in Massachusetts. In 1821, the president of Williams, Zethaniah Swift Moore, left the secluded town of Williamstown with a number of Williams' faculty members, and headed down to the Connecticut Valley to found a new college. That new school became Amherst College in Amherst, MA; and ever since then, the two schools have maintained a fierce—yet healthy—rivalry.

At the turn of the century, Dartmouth College in New Hampshire joined Amherst and Williams to form the original "Little Three," but this football rivalry was short-lived. Dartmouth began placing too much emphasis on its sports' programs for the more academically minded Amherst and Williams. So in 1910, another small New England school, Wesleyan University in Middletown, CT, which more closely reflected the priorities of the two western Massachusetts colleges, joined them to form a new "Little Three." Currently, Williams also leads this Little Three competition with 30 wins to Amherst's 24, Wesleyan's 12 and five triple ties.

The beautiful setting for Saturday's 100th meeting between Amherst and Williams will be Weston Field at Williams. For most of the football season up at Williams, the field is surrounded by trees ablaze with Berkshire fall foliage. Unfortunately, however, this Saturday's game is late in the season, so the colors have dulled and the leaves fallen. But the crowds of alumni, parents, and friends will still come—over 10,000 people enjoying tailgate parties and reunions with old friends, telling stories, talking politics, and even watching a little football.

I wish that all of my colleagues could come up to this beautiful spot in the Berkshire hills of western Massachusetts to view this historic contest—a contest between two great rivals: The Lord Jeffs of Amherst, led by Jim Ostendarp in his 27th year of coaching, and the Ephmen of Williams led by Coach Bob Odell in his 15th season. As the proud representative of both of these fine institutions, it would be impolitic for me to take sides in this upcoming battle; but the real winners are the fine students of both schools who are participating in this historic event. In any case, may the best team win.

FRUSTRATION VERSUS CONVICTION

HON. WILLIS D. GRADISON, Jr.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GRADISON. Mr. Speaker, when it comes to Gramm-Rudman it seems that one either loves it or hates it. On the one side are the doomsayers. They are clearly in the minority today.

On the other side are the euphorics, who think a law patterned after Gramm-Rudman would guarantee a balanced budget, one way or another—that is, either by normal legislative procedures, or by force of law as implemented by sequestration orders.

Mr. Speaker, both sides are wrong. As law, Gramm-Rudman would carry significantly more clout than our usual toothless budget resolutions. But we have passed other laws and we have changed the rules of the Congress before, and we have made bold promises to the American people before, only to find that the leadership is lacking to impliment either the letter or the intent of the law.

I'm reminded of the Humphrey-Hawkins legislation, which also required and mandated certain actions to reduce unemployment. I remember 1980, when Congress adopted a balanced budget resolution, which made some people, but not many actually believe Congress would balance the budget. And year after year, we pass reconciliation instructions in a budget resolution only to see them ignored.

Mr. Speaker, I do not stand here today to tell my constituents we are about to balance the budget should this legislation pass and be signed into law. Gramm-Rudman carried a very limited warranty.

There's only one way to truly balance the budget, and that's to actually vote for spending reductions as opportunities present themselves, which are no infrequent.

The Founding Fathers did not, in my opinion, want a Federal Government put on auto-pilot.

The hard fact is that it takes little gumption to vote for something like Gramm-Rudman; it will take a lot more to let it work. And notwithstanding the overriding intent of the Gramm-Rudman approach—to force the Congress and the President to do their duty and thereby avoid the mindless hit of sequestration orders, historical evidence teaches that the political courage in Congress to assure implementation of Gramm-Rudman may be as lacking as are the votes to cut spending.

This is not to argue that Gramm-Rudman, as the law of the land, would rank as a minor nuisance. In the short run, it could fundamentally change the way legislation is considered at the Federal level. In the longer run, however, I fear business as usual and support it as much out of frustration as conviction.

THE WALKER PLEA-BARGAINING DECISION: A TRAVESTY OF JUSTICE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. MAZZOLI. Mr. Speaker, I am greatly distressed by the Government's decision to plea-bargain with spy John Walker and his son Michael and I have written both the Attorney General and the Secretary of Defense in protest of this outrageous travesty of justice.

My letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, November 1, 1985.

Hon. EDWIN MEESE III,
Attorney General, U.S. Department of Justice, Washington, DC.

DEAR MR. ATTORNEY GENERAL: I was shocked and appalled to read of the government's decision to plea-bargain with spy John Walker and his son, Michael.

I understand the importance of gleaning information about the extent to which the Walker gang's treacherous activities compromised the nation's intelligence and defense capabilities, although I, for one, seriously doubt that we will ever really know all the damage done.

But, there are certain crimes which when committed—and treason is one such crime—deserve only one response: stern, resolute, and harsh punishment. No more, no less.

I cannot fathom how an Administration which holds itself out to be "tough on crime" would even contemplate plea-bargaining on this heinous crime—a crime which endangered the lives of thousands of American service men and women and perhaps even the entire U.S. population. A crime where a citizen sold out his country!

Secretary of Navy Lehman makes the point that the information John Walker gave the Soviets could have cost American lives during the Vietnam War.

To excuse this reprehensive, treasonous action to any degree is unacceptable. It sends the completely wrong and inappropriate message to others who may be involved—or are thinking about becoming involved in—similar acts of high treason.

It also sends the completely wrong and inappropriate message to our fighting men and women who risk their lives every day keeping the vigil over our freedoms—like those talented and committed fliers from the aircraft carrier *Saratoga* who intercepted the *Achille Lauro* hijackers and the thousands of others like them that the U.S. Is fortunate to have posted all around the world.

The cheers, back-slapping and handshaking over the flawless and heroic performance of the Navy's fine pilots had hardly died down when the terribly unfortunate—really outrageous—decision was reached in the Walker case.

In all respect, but in all earnestness, I deplore and protest your action. If there is any way it can be reversed, it should be reversed and withdrawn promptly. Pure and simple, it is a travesty of justice.

Sincerely,

ROMANO L. MAZZOLI,
Member of Congress.

THE WAR AGAINST DRUGS IS AMERICA'S GREATEST CHALLENGE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. TRAFICANT. Mr. Speaker, I spent the better part of 10 years as a drug counselor, as director of the Mahoning County Drug Program in Ohio. During my tenure there, I gained unforgettable experience and exposure to the tragic problem of drug abuse and drug dependence. In my estimation, drug abuse is America's No. 1 problem—because not only is it ravaging our youth and destroying people's lives; drug trafficking has reached uncontrollable proportions and the crime level associated with the drug trade has reached alarming levels. While our youth are being poisoned with deadly drugs, drug kingpins are masterminding drug deals and plotting against our law enforcement officers in the field.

Mr. Speaker, I am not alone in my concerns. A recent Roper Poll published in the October 29, 1985, edition of USA Today showed that 80 percent of those polled felt that the Government's No. 1 priority should be to solve drug problems and crime. The drug problem in America has reached epidemic proportions—both from a social and a criminal standpoint. As a drug counselor I have had a firsthand look at how drugs can destroy a young person's life and how drugs can tear families apart. Drug abuse is threatening the very social fabric of our Nation.

In addition to having extensive experience as a drug counselor, I also served as the sheriff of Mahoning County for 4 years. As sheriff, I was exposed to the very real threat drug trafficking poses to the civilian population and the law enforcement community. Invariably, more and more drug busts across the country are uncovering huge caches of deadly automatic and semi-automatic weapons. In many cases the drug traffickers are better armed than the police. Tragically, the drug traffickers have been acting more brazenly in countering the heroic efforts of our law enforcement officers in the field. Earlier this year we were all outraged over the brutal murder of Drug Enforcement Agency agent Enrique Salazar Camarena at the hand of international drug traffickers. Simply put, our law enforcement agents fighting to combat illicit drug activity have become open targets for drug kingpins fighting to protect their turf and expand their volume of trade.

What concerns me the most is this increased volume of drug trade. With more and more deadly drugs on the market, our children are becoming increasingly exposed to the deadly drugs. With increased trade comes easier accessibility. The ever-increasing amount of narcotic drugs poses an immeasurable threat. Clearly, Mr. Speaker, stiff action is necessary to stem the drug trade, protect our law enforcement officers, and put away the vile drug traffickers. I recognize the fact that the Congress took significant steps last year to stiffen the penalties for drug traffickers. But the drug problem in America continues to grow at such a disturbing rate and is permeating every sector of our society that we need to build upon the framework that was set last year.

I have introduced legislation, H.R. 2954, the Controlled Substances Penalties Act of 1984, that builds upon the excellent work that was done during the last Congress. H.R. 2954 would set a new category of penalties for drug offenses involving: First, 2 or more kilograms of cocaine; second, 1 kilogram or more of any other controlled substance in schedule I or II, that is, heroin; third, 1 kilogram or more of PCP; and, fourth, 25 grams or more of LSD. Those convicted for any of the later offenses would be subject to up to 30 years in prison and/or a fine of up to $500,000. Second offenders would be subject to a maximum sentence of life in prison. Most importantly, my bill would require that those arrested on these charges automatically be denied bond—thus insuring that they stand trial. This last provision is quite important—because it would mandate that bond be denied in cases involving bulk transactions of illegal drugs—instead of leaving it to the judge's discretion. This provision would ensure that the drug kingpin—who usually has access to immense financial resources and international contracts—remains in custody and stands trial. All too often the powerful drug dealer is able to post bond—many times reaching over $1 million—and then flee the country, only to return to continue poisoning our youth with deadly drugs. My bill would send out a powerful message to all those involved in the drug trade that America has had enough. America is going to take harsh action against those involved with drug trafficking and that those who threaten the

lives of our law enforcement agents will be dealt with severely.

H.R. 2954 is a measure that deserves every Member's close attention and support. Currently, 46 of my colleagues have signed on as cosponsors to this important bill. In addition, this legislative initiative has the support of the following police organizations: Fraternal Order of Police, International Association of Women Police, National Sheriff's Association, National Association of Police Organizations, National Associations of Chiefs of Police, and the International Association of Chiefs of Police.

I urge my colleagues to lend their full support to H.R. 2954 and join me in the fight to save our society from drugs and protect our law enforcement community.

DOUBTS RAISED ABOUT PROTECTION AGAINST INSURANCE COMPANY INSOLVENCIES

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. FLORIO. Mr. Speaker, insurance companies are unique among financial institutions in this country in that they are regulated almost exclusively at the State level. There is no dual system of Federal and State regulation of insurance such as there is with respect to the banking and securities industries. Nor is there any Federal system, like the Federal Deposit Insurance Corporation, established to secure the obligations of insolvent insurers.

Customers of insurance carriers are protected only if their State has an insurance guarantee fund, and then only if that fund covers the type of policy they were issued.

The following article written by a New York State senator discusses how the present incomplete system of State-sanctioned insurance guarantee funds is not protecting individual and corporate insurance consumers.

GUARANTEES OF SAFETY FOR THE INSURANCE INDUSTRY

(By John R. Dunne)

ALBANY.—A recent report from Washington disclosing that 10 percent of the nation's savings institutions are effectively bankrupt has further diminished public confidence in the nation's banking system. This revelation comes on the heels of the failure of state-sanctioned bank guarantee funds in both Ohio and Maryland to protect savings and loan depositors earlier in the year.

While the collapse of more thrift institutions would be bad enough, threatening the lifetime savings of many depositors, there is an even greater danger close at hand: the possible insolvency of some members of the biggest of all financial institutions—the nation's $700 billion life and health insurance industry.

When the National Association of Insurance Commissioners checked the financial condition of 5,000 United States insurers at the end of 1984, it found that more than 1,100 companies were in questionable health and would require careful monitoring. That's a 68 percent increase over 1983, and the list included an unusually high number of large companies.

Unlike banks, thrifts and securities firms, there is no Federal system to rescue a failed insurer. Because Congress has delegated to the individual states the primary authority to regulate the insurance business, policyholders must look for help to state-sanctioned insurance guarantee funds. Regrettably, however, these funds are based on an incomplete, uneven and disparate patchwork of state laws. Even more alarming is the fact that 15 states, including New Jersey, California and Ohio, have no laws at all to guarantee benefit payments to insurance companies' policyholders, even though the insurers are licensed and regulated by the states.

When an insurance company is declared insolvent, the delays and confusion spawned by conflicting state laws too often leave policyholders and claimants facing prolonged anxiety and, in some cases, even financial ruin. Two recent examples tell the story. Policyholders of the Iowa State Traveler's Mutual Assurance Company of Des Moines have had nothing but unfulfilled promises since the company was declared insolvent in 1983. Nearly $50 million in claims have gone unpaid, and those policyholders residing in states without guarantee fund protection may ultimately receive only about 20 cents for each dollar of unpaid claim.

Similarly, the almost 100,000 customers who paid some $3 billion for annuities from two insolvent Baldwin-United life insurance companies face an uncertain future. Arkansas, home to one of the insurance subsidiaries, has no guarantee fund law; meanwhile, some state guarantee fund laws don't cover the type of policies sold by Baldwin's subsidiaries.

Since 1941, when New York enacted the first life and health insurance guarantee fund law, the states have tried to build a comprehensive state-by-state guarantee network. Success, however, has eluded them. State insurance commissioners, acting through their national association, have failed repeatedly to agree on model guarantee fund legislation. Such legislation, if enacted in each state, would sew up the safety net and eliminate the gaping holes in coverage that now exist.

Recognizing the weakness in New York's own guarantee fund, state lawmakers moved this year to modernize the 1941 law, which, for example, protected California customers of New York insurers, but not New York customers of carriers in California. The Republican-sponsored legislation, which has been signed into law by Gov. Mario Cuomo, insures the protection of New York residents regardless of where an insurance policy is purchased. It also broadens the scope of the coverage and increases to $500 million the financial resources that are available to protect policyholders.

What has been done in New York should be duplicated elsewhere. In California, for example, the insurance industry has managed to kill similar proposals, claiming that such legislation would be a "subsidy for bad management."

This attitude can only frustrate further reform. Moreover, the next big failure could lead to loud cries from individual and corporate consumers for a Federal guarantee system. The Ohio and Maryland episodes show how quickly state leaders will seek refuge in a Federal solution. Others will surely follow suit unless states that do not now have guarantee funds move rapidly to establish them, while states that do have such funds take steps to improve them.

IN SUPPORT OF MOAKLEY-DeCONCINI

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GARCIA. Mr. Speaker, the turmoil in Central America over the past 6 years has had a devestating affect on the people of that region and no where is this more prevelant than in El Salvador.

Not everyone in El Salvador is involved with that nation's political turmoil. Many want no more than to be able to live normal lives, raise their families in relative peace and security. Unfortunately, the situation in El Salvador prohibits them from fulfilling this simple desire. To a certain extent, our policy toward the region, and El Salvador in particular, has contributed to the disruption of the lives of hundreds of thousands of people. To the extent that we are responsible, we must begin to aid the innocent victims of the conflict in El Salvador.

Estimates run as high as 1 million displaced persons and refugees—20 percent of El Salvador's population—as a result of the conflict. Approximately half that total have come to the United States to seek sanctuary. Yet, most have not been granted political asylum; none have even been granted extended voluntary departure, that is, temporary asylum.

There is now pending in Congress legislation that would help these suffering masses, H.R. 822, more commonly known as the Moakely-DeConcini bill. Our colleague, JOE MOAKLEY, has worked tirelessly to see that justice is served in the case of the many Salvadorans in the United States who have come to escape the violence in their own country. The bill is simple in its intent: it instructs GAO to study the situation regarding Salvadoran refugees, and in the interim would permit them to remain here temporarily.

I urge my colleagues to support this worthwhile legislation, and I hope the Judiciary Committee's Subcommittee on Immigration, Refugees, and International Law will consider it expeditiously.

H.R. 3128, THE DEFICIT REDUCTION ACT OF 1985

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. LIGHTFOOT. Mr. Speaker, although H.R. 3128 contained a Medicare provision which I have been fighting for since the beginning of the year, I voted against this bill because it is not a deficit reduction bill. This bill would create 10 new programs at a cost of $2.5 billion over 3 years. I find it hard to believe that the House wants to create new programs when we are having a difficult time funding existing programs.

As I have stated, however, this bill does contain a provision which would help the hospitals in my district. This provision, which I strongly support, requires the Department of Health and Human Services to implement a new gross wage index for Medicare's prospective payment system, also known as the DRG system.

Since the enactment of this system in 1983, rural hospitals have been unfairly compensated for treating Medicare patients. The reimbursement formula which is now being used does not accurately reflect the costs of using part-time employees in rural hospitals. Because of this flawed formula and other yet uncorrected deficiencies in the system, hospitals in my district are receiving over 50 percent less in Medicare payments than nearby urban hospitals, although all are performing the same procedures.

In an effort to correct at least this inequity in the DRG system, my colleagues and I were successful in getting language added to H.R. 3128 which requires HHS to implement the revised index. I commend Congressman DAUB for his work in the Ways and Means Committee to make sure that this language remained in the bill.

Although the adoption of this provision is a step in the right direction, I firmly believe that further changes are needed in the DRG system to ensure that rural hospitals are compensated fairly for treating Medicare patients. I therefore urge members of the Ways and Means Committee to study the DRG system further and to adopt changes which would ensure that rural hospitals receive the same breaks as urban hospitals.

Unfortunately another little-debated provision included in the bill would adversely affect Iowa's rural hospitals. This provision calls for an extension of the transition from hospital-specific payments, that is the old system, to the new system of national rates. When Congress approved this new reimbursement system in 1983, a 3-year transition was established. Now, after 2 years into the transition, the Ways and Means Committee has called for a 1-year delay in the transition.

According to the Health Care Financing Administration, this delay will not help the hospitals in my district. Iowa is 1 out of 23 States which would not benefit from this provision. Iowa's hospitals are already feeling the effects of a poor agriculture economy and an unfair Medicare reimbursement formula, yet they are now being asked to stick with this inequitable transition for another year.

In conclusion, Mr. Speaker, while many of the provisions of this bill do call for constructive changes, I could not possibly support the bill because of the new programs. I hope that I will be able to support the House-Senate conference bill.

IN HONOR OF THE 50TH WEDDING ANNIVERSARY OF MR. AND MRS. JOHN F. WOOD, SR.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. DYSON. Mr. Speaker, I would like to share with my colleagues a very special and joyous occasion which is to take place on November 10, 1985, at Mechanicsville Social Hall, in Maryland's First Congressional District.

On this proud day, Mr. and Mrs. John F. Wood, Sr. will join with friends and family to celebrate their golden wedding anniversary. In marking 50 years of blissful union, the Wood's will look upon an ever growing family, which now includes several great grandchildren, 26 grandchildren, as well as their 6 children, John F. Sr., James M., Lewis H., Margaret A. Hayden, Mary Virginia Tennison and Jeanne Bisco.

It is with great pleasure that I express these few words of praise to Mr. and Mrs. Wood. I congratulate the Wood's on this happy occasion and wish them both continued happiness.

THE 350TH ANNIVERSARY OF THE U.S. NATIONAL GUARD

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. DURBIN. Mr. Speaker, next year will mark the 350th anniversary of the U.S. National Guard, an organization of citizen-soldiers whose members have defended this country since before its independence. To honor this remarkable record of service, I recently cosponsored a resolution (H. Res. 245), introduced by Representative THOMAS HARTNETT of South Carolina, which would call upon the Postmaster General to issue a commemorative stamp to honor the National Guard.

The National Guard was organized in Boston in 1636 as a local militia. Later, of course, the Guard defended the colonists against the British during the American Revolution, and has fought in every war, and almost every battle, since. But although I support this effort to celebrate the National Guard's anniversary, I am sure my colleagues agree, it is insufficient honor to mark such an illustrious history.

We in Illinois can share in our Nation's pride on the National Guard's anniversary, for the Illinois National Guard is very nearly as old. It also boasts two former Presidents of the United States among its ranks.

The Illinois National Guard was born in 1712 as the Provincial Militia of the Illinois District of the Province of Louisiana, when that territory still belonged to the French. It was organized by Pierre Duque Boisbriant in Cahokia and Kaskaskia. Territorial militiamen joined the fight against the British in the Revolution, and our State National Guard has served in every American conflict since.

The Illinois Military and Naval Department, which comprises the Illinois National Guard, has published a fascinating account of the National Guard careers of two of our State's most famous citizens, Abraham Lincoln and Ulysses Grant. A pamphlet authored by Dr. Wayne C. Temple highlights the contributions they made through their service in the Guard.

Abraham Lincoln and a group of his friends answered the Governor's call for volunteers to fight in the Black Hawk War, and Lincoln was appointed captain of his rag-tag regiment near Pleasant Plains, IL, on April 21, 1832. The regiment immediately set off for Beardstown, but their planned encounter with the Indians never materialized. In fact, later in his career, Lincoln joked that mosquitoes caused his only loss of blood in the Black Hawk campaign.

Although Lincoln remained a member of the Illinois National Guard for the rest of his life, his next promotion, according to Dr. Temple, came on March 4, 1861, when he became President and Commander in Chief of the entire U.S. Armed Forces. Certainly, that was the biggest promotion in U.S. history.

Ulysses Grant began his service in Springfield, at the outbreak of the Civil War. Governor Richard Yates, impressed by the fact that Grant had attended West Point, made Grant his military aide and gave him a desk job in the adjutant general's office. Grant, however, wanted to see combat, and in June 1861, Governor Yates gave Grant his commission, as colonel of the 21st Infantry Regiment of the Illinois State Militia. Grant proved himself well, and rose quickly through the ranks. He was promoted to brigadier general later in 1861, and took command of the entire Union Army less than 3 years later. Surprisingly, though, Grant was not made a full general until 1866—after the Civil War had ended. In 1869, he too became President of the United States and Commander in Chief.

Today, the Illinois National Guard is at the disposal of the Governor and the President, and helps to maintain order in time of storm, public disorder, or other emergency. The State spends about $4 million annually for the National Guard, while the Federal Government contributes more than $52 million. Men and women between the ages of 17 and 35 are eligible to join, and serve one weekend each month and 2 weeks each year.

The National Guard also offers a full college scholarship and job training to high school students, age 17 and older. Students are eligible in their junior year, and can receive immediate pay and training one weekend per month while they finish school. Upon graduation, they continue weekend service, but also can receive a full 4-year scholarship to any Illinois State-run college or university.

The National Guard provides an excellent opportunity for national service, and repre-

sents the highest ideal of the citizen-soldier.

WYOMING VALLEY EX-POW'S

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. KANJORSKI. Mr. Speaker, on Wednesday, I had the opportunity to meet with 80 members of the Greater Wyoming Valley Chapter of the American Former Prisoners of War. I would like to draw the attention of my colleagues in the House of Representatives to this fine group of men and their families.

Held as prisoner during World War II, these men represent the finest quality of heroism our Nation has to offer, and every American has them to thank for the freedom we all enjoy today. Too often we forget the sacrifices made by the members of our military in the service of our country. As I spoke with these men who endured unimaginable hardships while imprisoned, I was again reminded of the extraordinary valor they possess. One member of the famous 508th Parachute Infantry of the 82d Airborne Division shared with me the terrible experience of his drop into Normandy and his subsequent capture by the Nazis. He witnessed the massacre of scores of his fellow soldiers and miraculously survived 3 months of captivity in a harsh German prison camp.

As we debate weapons systems and defense contracts, let us not forget the true strength of the American military—those men and women who have dedicated their lives to defend our Nation. I take great pride in the quality of our Armed Forces, and I am proud to honor these veterans here on the floor of the House of Representatives. They have given so much to our Nation, and I would like to take this opportunity to remind my colleagues of how important it is for us to continue our support of them.

Mr. Speaker, I am glad I had the privilege of meeting these former prisoners of war. Led by Mr. Joseph Makar of Avoca, PA, the Wyoming Valley chapter of the American Ex-POW's is a group of veterans and their families who exemplify those qualities of the United States of which we can all be most proud.

HONORING THE WORKMEN'S CIRCLE

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. WEISS. Mr. Speaker, several Sundays ago I was privileged to be present at the dedication of a new wing of the Workmen's Circle Home for the Aged in the part of my district that is in the Bronx. It is not unusual for those of us in public life to help dedicate new wings, new buildings, new roads or new libraries.

But this was different. On October 13, the Workmen's Circle, the world's largest Jewish labor fraternal order, commemorated its 85th anniversary. About 80 years ago it dedicated the first sanitorium for workers afflicted with tuberculosis, which was then a scourge in America. No government aid, no big trade union donations, no industrial grants were involved. This was an innovative effort by Jewish workers, most of them sweatshop workers, to help each other. Many of them were victims of this dread disease or had family members or friends who were afflicted.

Innovation has been a part of their history ever since. There was no Medicare or Medicaid in existence when the Workmen's Circle initiated its own medical centers and doctors' panels with hospitalization plans. The centers, throughout the United States, are still in existence, and have been models for the many health plans now in operation. At a time when workers were forced to be buried in Potters' fields, its low cost funeral and burial services also became prototypes.

The greatest leader of Jewish labor, cultural achievements and the arts, including the great Sholem Aleichem, are buried in the Workmen's Circle Cemetery in old Mount Carmel in Queens, as well as the tragic victims of the infamous triangle fire. Sections of this particular Workmen's Circle Cemetery are known as Labor's Parthenon. Every major Jewish labor leader is buried there including Ab. Cahan, author of "The Rise of David Levinsky" and editor of the Jewish Daily Forward.

The Workmen's Circle has extended its fraternalism beyond its own membership. It has perpetuated Yiddish culture and, this year, the Folksbiene—a critically acclaimed theatrical troupe—recently celebrated its own 70th anniversary.

If you look back to the beginnings of the Workmen's Circle, some 85 years ago, when summer camps were unknown, you can thank the innovationess of its young Jewish immigrants who built a network of such facilities in New York, California, Michigan, Illinois and Georgia. Many of these summer camps still exist today.

In the days of the fledgling labor movement in this country, the Workmen's Circle was "the Red Cross of the labor movement". It provided the havens for strikers in labor lyceums with soup kitchens and clothing and organization bases.

In the 1930's when Hitler was on the rise, the now faded pages of its periodicals were ablaze with warnings of the rising menace in Nazi Germany. Workmen's Circle was involved from the beginning of the anti-Nazi boycott movement to the rescue of Hitler's victims before, during, and after World War II.

In 1952, during the infamous Slansky trials and before, it signaled the plight of Soviet Jewry and the problem of Soviet anti-Semitic propaganda. Workmen's Circle has been in the forefront of many of the progressive social causes which we take for granted today. They were there carrying the signs for the 8-hour day, for the minimum wage, for the rights of women, for the rights of minorities of all colors and ancestries. Their work, their dedication, and their vision has made a difference in all our lives today.

MATTIE WHITSITT HONORED FOR OUTSTANDING COMMUNITY SERVICE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. ANDERSON. Mr. Speaker, I would like to take this opportunity to salute Mattie Whitsitt, who for 40 years has graced the South Bay area with her selfless efforts toward community betterment. Mattie is to be honored at a dinner-dance in San Pedro on November 8.

The former Mattie Tubbs was born in Marion, AL to a farming family. As a child, work on the family farm limited her schooling to a few months each year, but she nonetheless began her education at a farm school in her hometown of Marion.

Alabama's loss was California's gain when, in 1945, Mattie—now Mrs. Clinton Whitsitt—came and first settled in San Pedro where she immediately went to work. While living in the housing projects in Wilmington, she saw firsthand the urgent need to promote fellowship, citizenship, and community spirit. Her work with the community council, the Community Chest and the United Methodist Church began a career of voluntarism which stands out even in the South Bay area, which has shining examples of such exemplary citizenship.

By doggedly attending evening classes after work, Mattie graduated from Banning High School. She worked for the Los Angeles Health Department in the physio-therapy department, retiring in 1974 from the Los Angeles County hospital in North Long Beach.

Mattie joined the Church of Jesus Christ in 1964, and since that time has been active in numerous church-related organizations. In addition to her participation through the church, she has donated her time and efforts unselfishly to a number of other organizations dedicated to community welfare, including the Women's Chamber of Commerce of Wilmington, the YWCA of Wilmington-San Pedro, the Coordinating Council of Wilmington, and Friends of the Library.

She has shown special dedication to the cause of bettering the welfare of the aging. She is on the Council of Aging for the City of Los Angeles, and has lobbied the State legislature in Sacramento as well as the U.S. Congress in Washington, DC. Her persistent efforts spurred the Congress to pass the All-American Act which now provides various programs for the aging.

I know that I speak for the citizens of our area in expressing the great admiration and affection we feel toward Mattie Whit-

sitt. My wife Lee joins me, as well as a host of our friends and neighbors, in wishing Mattie, her sons Luther, John, and Willie, and her four grandchildren and a great grandson all the best in the years ahead.

THE LOSS OF JACK PARADEE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. FLORIO. Mr. Speaker, the rail labor movement and the railroad industry recently lost a valued advocate with the passing of Jack Paradee.

Many of us knew Jack from his years of service as a legislative representative for the United Transportation Union, working with Jim Snyder, the UTU's national legislative director. In addition, Jack was the State director for the UTU from Delaware. He retired in 1982 after 42 years of railroad service.

During his years in Washington, Jack was a key adviser on many railroad issues. He worked on legislation to improve rail safety, preserve Amtrak and Conrail, and save the railroad retirement system. Even after his retirement, he provided valuable counsel, particularly on issues concerning the treatment of alcohol and drug abuse among railroad employees.

While Jack's efforts and advice will be greatly missed, his many contributions will live on.

NADEZHDA FRADKOVA

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GEPHARDT. Mr. Speaker, this month President Reagan will meet with Secretary Gorbachev. This meeting gives us an important opportunity to raise the issue of human rights and convey to the Soviets our concern about their treatment of the refuseniks, the Soviet Jews who wish to emigrate in search of a better life.

Four hundred thousand Soviet citizens have unsuccessfully asked for permission to emigrate. Often the Government has responded by harassing or incarcerating them. In spite of this intimidation, however, many refuseniks persist in their attempts to emigrate legally.

In particular, I would like to bring attention to one Leningrader Nadezhda Fradkova, for whom my wife Jane—through the Congressional Spouse's Committee of 21—has deep concern. Nedezhda, now 38, is a mathematical linguist who has endured two hunger strikes, job loss, and incarceration in her attempt to emigrate legally to Israel.

Nadezhda first applied for the right to emigrate in 1977. Permission was refused, apparently because her father works in the Soviet Space Program—an inexplicable reason since until recently she had had no contact with him since early childhood.

Following her application to emigrate, Nadezhda was dismissed from her job. She commenced a hunger strike in support of her application on March 1, 1983. Forty-five days later she was removed from her apartment, force-fed and kept in a hospital for 3 weeks.

That December, Nadezhda began a second hunger strike. In early January 1984, she was again placed in the reanimation ward of a city hospital, force-fed, injected with heavy tranquilizers and subjected to anti-Semitic abuse. In February, her father visited her in a vain effort to dissuade her from emigration.

In April she was released. She was taken back in July, and in a note she managed to get to friends, she spoke of threats and intimidation by authorities trying to get her to renounce her application.

Nadezhda is currently serving a 2-year sentence in a labor camp for parasitism.

Together with many of my distinguished colleagues, led by Congressmen LANTOS and KEMP, I plan to send a letter to President Reagan asking that he raise the issue of legal emigration in his discussions with Secretary Gorbachev. The text of my letter follows.

NOVEMBER 1985.

Hon. RONALD REAGAN,
President of the United States, The White House.

DEAR MR. PRESIDENT: I hope you will be able to convey to Secretary Gorbachev in your upcoming meeting the concern that all of us share regarding the refusal of the Soviet government to allow the refuseniks to emigrate.

In particular, I hope you will bring to Secretary Gorbachev's attention the case of one Leningrader, Nadezhda Fradkova, for whom my wife Jane—a member of the Congressional Spouse's Committee of 21—has great concern. Fradkova has endured two hunger strikes, job loss and potential imprisonment in her attempt to emigrate legally to Israel.

Nadezha first applied for the right to emigrate in 1977. Permission was refused, and Nadezhda was dismissed from her job. In March, 1983, Nadezhda commenced a hunger strike in support of her application. Forty-five days later she was removed from her apartment, force-fed and kept in the "reanimation ward" of a hospital for three weeks.

That December, Nadezhda began a second hunger strike. In early January 1984, she was again placed in a reanimation ward, force-fed, injected with tranquilizers and subjected to anti-Semitic abuse. In February, her father visited her in a vain effort to dissuade her from attempting to emigrate. After an April release, she was taken back in July. In a note she managed to get to friends, she spoke of threats and intimidation by authorities trying to get her to renounce her application.

Nadezhda is currently serving a two year sentence in a labor camp because of her conviction on charges of "parasitism."

We all share abhorrence of the continuing harassment to which the refuseniks are subjected. I hope you will be able to raise this important issue with Secretary Gorbachev and impress upon him the seriousness with which we view these continued violations of human rights.

ARGONNE NATIONAL LABORATORY AND THE INTEGRAL FAST REACTOR

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. O'BRIEN. Mr. Speaker, when scientists around the world speak of Argonne National Laboratory, their words are filled with deep respect and admiration.

Since its foundation, and spanning nearly half a century, Argonne National Laboratory has risen to international prominence in many strategic fields of scientific research and development. Through its dedication to excellence in science and through its outstanding accomplishments, Argonne has reached what many consider the pinnacle. Creative vision, excellence, dedication, and innovation have become its hallmarks.

Argonne is the birthplace of civilian nuclear energy. It is where essentially every type of reactor that has proven practical for power or defense purposes was orginally conceived and developed. And now, from this leading laboratory comes a new reactor concept called the integral fast reactor (IFR).

The IFR is the most innovative nuclear reactor concept of its kind today. It has great promise as the new leader in the next generation of nuclear reactors, and it is believed to have the potential to provide our Nation with an inexhaustible source of energy at a competitive cost, and all with vastly improved safety.

No other conventional energy source now in use is capable of supplying this Nation's long-term energy needs, and many see the IFR as the answer. Among them is the nuclear physicist and Nobel Laureate, Dr. Hans Bethe, who has given the concept and its development a strong personal endorsement. Even Energy Secretary John Harrington has praised the IRF, calling it the best technology in the world.

The October edition of Nuclear News, the scholarly publication of the American Nuclear Society, features a special cover story on the integral fast reactor entitled: "IFR: A fresh look at an old concept." This well-written and in-depth article examines the promising new technology and discusses the many benefits that are certain to come with its eventual commercial development. I commend this article to my colleagues and will be pleased to make copies available upon request.

PUT A ZIPPER ON IT!

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. GAYDOS. Mr. Speaker, the October 29 issue of USA Today carried a lead story on the first page of its business section

about the slide of the domestic zipper industry.

While American firms' share of their home markets was going down that of foreign competitors was on an upward surge. Using their tried and true method of undercutting domestic prices, zipper imports increased their hold on the American market from 1.9 percent in 1981 to 5.2 percent today.

But that is only part of the story. The article notes the dominant zipper maker in the country today is a subsidiary of a Japan based firm—and its share of the domestic market is 52 percent. The company in Japan makes the component parts and the zipper is put together here.

The domestic industry knew it was in trouble 10 years ago. In 1975, it petitioned the U.S. International Trade Commission for relief from imports, according to USA Today, but no action was ever taken on its request. Because our zipper market remained open the situation grew worse. We had 50 domestic zipper companies in 1975; today we have just 8.

Domestic zipper makers were trying to retain their hold, using methods that have become common among American industries trying to fight the invasion. They are laying off employees, reducing production, and increasing productivity by eliminating jobs through automation of their facilities.

It is the same story Congress has heard from the steel industry, the textile industry, the footwear industry, the electronic industry, the machine tool industry, and a host of others.

But despite the mounting evidence of closed factories and lost jobs because of unfair trade practices and law enforcement of our trade laws, Congress is told: "Don't do this! Don't do that! You'll trigger retaliation and start a trade war! You'll hurt the feelings of our trading partners, et cetera!"

As one who supports strong trade laws and tough enforcement of them, I say: "put a zipper on it!"

H.R. 3128, DEFICIT REDUCTION AMENDMENTS ROSTENKOWSKI AMENDMENT

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. WORTLEY. Mr. Speaker, I want to commend my colleague from Illinois, Mr. ROSTENKOWSKI, for the amendment he offered yesterday to H.R. 3128, the deficit reduction amendments, to reform the single-employer pension plan termination provisions of the Employee Retirement Insurance Security Act [ERISA]. Although I could not support the entire bill, I wholeheartedly support this provision.

Reform is sorely needed in the administration of ERISA, and this amendment is a step in the right direction. My only reservation about the amendment is that it not go far enough. What we really need is to give the responsibility and power of administering and enforcing ERISA to one Government agency.

ERISA's annual cost to the Government is somewhat in excess of $43.2 billion a year, yet there is no executive branch office or legislative committee with oversight duties.

ERISA contributions are the biggest single corporate tax deduction taken, yet we don't know whether real retirement income is actually being produced for workers.

The administration of ERISA is currently shared by three Government entities: the IRS, the Labor Department, and the PBGC. I realize this is hard to believe, but the three do not coordinate well. The IRS is not interested because ERISA does not generate revenue. The Labor Department says it doesn't have the manpower to oversee the program. The PBGC says it doesn't have solid regulatory power.

The magnitude of the problem is illustrated by a few quick facts. Sixty-five million workers currently participate in 785,000 private pension plans in the United States. The assets of these plans total approximately $1 trillion, the largest single pool of capital in the world. It is estimated that ERISA funds own almost one-third of the equity in publicly traded U.S. corporations. These assets are expected to rise to $2.2 trillion by the year 2000.

Mr. Chairman, my district is witnessing—and suffering—the consequences of the current system of overseeing and enforcing ERISA. Accurate Die Casting, a manufacturing firm in my district, stopped payments to its retirees without any warning in August. Since that time, it has become abundantly clear just how badly ERISA needs to be reformed.

Accurate Die Casting has blatantly failed to fund its pension plan since 1980. No one questioned its failure to file required reports, and no oversight was in place to discover its failure to fund its pension plan as required under ERISA. No one—at least no one outside the management of Accurate Die Casting—knew anything was wrong until retirees failed to get their pension checks in the mail.

The problems didn't stop there. After the deficiency was exposed, the responsible Federal agencies were extremely reluctant to step in. The Department of Labor said it had no oversight responsibility, and the IRS just wasn't interested. The Pension Benefit Guarantee Corporation was at first uncertain whether or not the pension plan was insured. When it finally decided the plan was insured, it had to go through the courts to be able to take over benefit payments.

This is not an isolated incident. It is an illustration of how badly the administration of ERISA needs to be reformed.

Mr. ROSTENKOWSKI's amendment prevents a business from taking the easy way out by declaring bankruptcy by requiring an employer who terminates an underfunded plan—and does not go out of business—liable to the Pension Benefit Guarantee Corporation for the plan's guaranteed benefits even if these exceed the current statutory maximum of 30 percent of the employer's net worth. It imposes a 5-percent excise tax on the payment of deficiency for employers who fail to fulfill their termination plan liability.

These steps are necessary, but reform must not stop here.

PERSONAL EXPLANATION

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. SCHEUER. Mr. Speaker, due to circumstances beyond my control, I missed today's rollcall No. 388 on the rule to allow consideration of H.R. 3669 to prevent the disinvestment of the Social Security Trust Fund and other funds.

Because the Members' elevator nearest to my office was not in operation, although there was no sign to indicate it was malfunctioning, I reached the House floor after the vote was completed. I notified the superintendent's office about the problem and they apologized.

Had I had the opportunity to vote on rollcall No. 388, I would have voted with the majority agreeing to the resolution.

DEFENSE CONTRACTORS AND LONG-TERM CONTRACTS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. FEIGHAN. Mr. Speaker, hidden in the larger debate over tax reform is a provision concerning the way defense contractors account for profits on long-term contracts. The present system, which has proven beneficial in bringing in tax revenues, faces elimination.

Defense contractors can now base their tax liability on completed contracts. The proposed accounting method would force the defense industry to estimate their profits or losses before a contract has been completed. This is at best a speculative proposition. These contracts involve many financial and technological variables which make it difficult, if not impossible, to determine with any degree of accuracy the amount of profit or loss for the contract as a whole. Thus, eliminating the completed contract method of accounting would force contractors to speculate on the final profit or loss of each contract, and to pay taxes based on their speculation.

The defense industry uses the completed contract method of accounting to defer tax payment until either a profit or loss is realized on the work. This tax deferral contributes to each contractor's ability to raise working capital to pay for research and development programs and new capital investment. Paying taxes based on speculative profits would drain the defense con-

tractors of this valuable capital requiring them to borrow money to pay taxes.

Critics, acknowledging this problem, have suggested that if the completed contract method were eliminated, progress payments received by many contractors could be used to help pay taxes. However, the vast majority of progress payments are cost based. Thus, the company receiving the money only is reimbursed for its costs. These payments are meant to give the contractor valuable working capital, taxing the very payments meant to provide this capital is counterproductive and will be far more expensive for the Government in the long run.

Reforms made in this area by the last Congress have increased Treasury revenue by $5.6 billion. These reforms were so severe that they had to be phased in over a period of 4 years. They have however, been successful and now many former tax avoiders have become taxpayers. Indeed, a study of seven major defense contractors who use the completed contract method indicates that in the aggregate these companies started paying substantial taxes in 1983. I ask unanimous consent that this report be inserted in the RECORD at the end of my statement.

Finally, there is every reason to believe that with just a little fine tuning, the Government will be able to raise another $5 billion from the defense contracting system over the next 5 years. I think that it makes more sense to tighten the rules and raise $5 billion without affecting the cost of procurement than it does to eliminate the completed contract method of accounting and face higher procurement costs.

MILLER & CHEVALIER,
Washington, DC, September 23, 1985

THE COMPLETED CONTRACT METHOD OF ACCOUNTING DOES NOT PERMIT DEFENSE CONTRACTORS TO AVOID TAX

The completed contract method of accounting has been criticized as the means by which major defense contractors avoid paying tax, while at the same time they are reporting large financial earnings under the accrual or percentage of completion methods of accounting. *The facts do not support this criticism.*

On behalf of the Aerospace Industries Association we have compiled data supplied by seven major defense contractors who use the completed contract method of accounting. These companies represent a significant segment of the aerospace industry. They have reported over $7 billion in pre-tax financial earnings over the past three years and have projected pre-tax earnings of over $16 billion for 1985–1988.

The data collected show that the changes made by the Tax Equity and Fiscal Responsibility Act of 1982 have caused, and will continue to cause, defense contractors to report significant income for Federal income tax purposes. The information collected includes pre-tax financial earnings and taxable income before the net operating loss deduction. Taxable income before the net operating loss deduction has been used because tax losses of companies within this group which have a tax loss in any particular year have been used to reduce the composite taxable income amount of the group for that year. This avoids the issue whether the loss is carried back to a prior year or only available to offset future income. It assumes that an immediate tax benefit is derived from the loss.

The following table reflects the composite book income and taxable income or loss for the seven companies providing information. The effective rate of tax has been derived by applying a 46 percent rate to the taxable income amount and dividing the computed amount by book income before tax. Thus, the effective rate of tax is expressed as a percentage of book income before tax.

[In millions of dollars]

Year	Book income before tax	Taxable income or loss	Effective rate of tax (percent)
1982	1,682,215	(801,037)	0
1983	2,422,996	1,331,504	25
1984	2,955,693	2,655,299	41
1985	3,549,977	2,157,431	28
1986	3,858,978	2,549,642	30
1987	4,178,055	3,987,702	44
1988	4,420,482	4,022,296	42
1989	(1)	(1)	44

[1] Partial data.

JOHN S. NOLAN.
ALEXANDER ZAKUPOWSKI, JR.

HONORING BERNIE MORAN

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. KOSTMAYER. Mr. Speaker, I rise today to bring to the attention of my colleagues and to pay tribute to Mr. Bernie Moran, who is retiring after a lifetime of dedication and excellence in the service of his city and his country.

Members of the Pennsylvania delegation are already well aware of the dedicated service of Bernie Moran who for 35 years has had a knack for getting the job done and getting it done right. From his first days as a pipefitter on Navy submarines being overhauled in the back channel of the Philadelphia Naval Shipyard to today, when, as a group superintendent of production, he holds one of the most important jobs in the shipyard, Bernie has been the kind of public servant who has kept this Nation great. No matter what the type of job, or the pay grade it carried, Bernie has served this Nation quietly and efficiently, making sure that the job of keeping our Navy fit, and our Nation safe, was done the best it could be done.

Mr. Speaker, there is no finer shipyard in the Navy than the Philadelphia Naval Shipyard. When we go looking for the source of that quality, we should not seek it in the physical plant, or in any one shop. Instead, when we seek the source of PNSY's capabilities and skills, we should look to the people of the shipyard, people like Bernie.

I am proud to be saluting Bernie Moran, a man who has worked tirelessly as a leader, a manager, an arbitrator, a liaison, and a friend. An outstanding professional, Bernie was never too busy to help out with the little things and for that I am personally grateful. With the unbeatable combination of experience, knowledge, energy, and a never ending sense of commitment, Bernie Moran has done an outstanding job at the Philadelphia Naval Shipyard and I want to congratulate him on his most successful and distinguished career and wish him all the best in his well deserved retirement.

SUPPORTED EXTENDED VOLUNTARY DEPARTURE FOR SALVADORANS

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. LOWRY of Washington. It is my understanding that the Judiciary Committee's Subcommittee on Immigration, Refugees, and International Law plans to hold a hearing on H.R. 822 in the near future. This bill would require the Attorney General to grant extended voluntary departure to Salvadorans who have sought refuge in the United States because of the violence, human rights abuses, and danger in their own country. These individuals would return home when conditions there improve. I hope that the subcommittee and full committee will act swiftly on this important bill.

As long ago as 1983, Congress passed legislation that included a provision urging the Attorney General to take this action. Mr. Smith, and later Mr. Meese, refused. In response, a bipartisan coalition of Members introduced legislation to require the granting of extended voluntary departure to Salvadoran nationals.

At various times, extended voluntary departure status has been granted to people from Afghanistan, Cambodia, Cuba, Chile, Ethiopia, Iran, Nicaragua, Poland, Uganda, Vietnam, and other countries. We can be proud that our country was willing to use this temporary method of helping these people. I believe that we should live up to our Nation's humanitarian traditions by helping Salvadorans in the same fashion.

DETERRENCE: FROM FEAR TO INTERDEPENDENCE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. BROWN of California. Mr. Speaker, as we approach the time when President Reagan and Secretary Gorbachev meet to discuss the relationships between our two nations, it is appropriate that we all reexamine the causes of the unstable and dangerous situation that exists today.

One respected observer who has done that is Edward F. Snyder, an attorney and the executive secretary for the Friends Committee on National Legislation. Mr. Snyder also serves as the cochairperson of the Coalition for a New Foreign and Military Policy. His views are set forth in an

article published last month in the Bulletin of the Atomic Scientists.

As a representative of the Friends, or Quakers, Mr. Snyder has devoted much of his adult life to helping achieve the conditions for peace in the world. He is a worthy follower of a tradition of Quaker concern for peace which predates the founding of our country.

Mr. Snyder's views may strike some as provocative because, in an effort to focus on the fundamental causes of our problems with the Soviets, he downplays the importance of the arms control negotiations now taking place. He makes a point that arms control, without a reduction in the climate of fear that now pervades our relationship, is unlikely to bring about the conditions for peace, and he suggests a more positive approach to changing that climate of fear.

I commend the article to all of my colleagues for their thoughtful attention.

The article follows:

[From the Bulletin of the Atomic Scientists, October 1985]

DETERRENCE: FROM FEAR TO INTERDEPENDENCE

(By Edward F. Snyder)

The fear underlying both the arms race and deterrence has overriden other powerful motives for accommodation, such as survival and economic self-interest.

The United States' survival, and even the fate of the world, now depend on the flawless operation of deterrence by fear of retaliation—the cornerstone of U.S. military and security policy. Much of the discussion about deterrence, however, concentrates too much on military hardware, or relies too heavily on legal formulas or on arms control and arms limitation measures. The psychological, political, and economic structures resulting from human frailties, and nearly 40 years of reliance on deterrence by fear, are so deeply entrenched that measures which do not alter basic assumptions will have little effect in reversing the arms race.

Observers from left to center to right confidently assert that "deterrence works." Their view is usually based on the fact that there has not been a nuclear war since 1945. But that pragmatic conclusion is questionable on several grounds. The passage of 40 years does provide some evidence, but 40 years is a very short time in human history to validate a doctrine. Drawing conclusions from the mere passage of time is especially hazardous when dealing with a policy in which the consequences of just one failure would be so catastrophic. Indeed, the deterrence doctrine has a built-in assumption that it may fail. If that possibility were not present, the party would cease to be deterred.

The thesis that "deterrence works" also overlooks the possibility that restraint may have been exercised by one or both parties for more positive motives than fear of retaliation. Further, this view of deterrence spares the homelands of the superpowers; they carry on their conflicts in conventional proxy wars, while the people of Indochina, Afghanistan, Central America, and elsewhere do most of the fighting and dying.

But the most persuasive evidence to me that deterrence is not working lies in the dangerous trend in international affairs. Thirty years ago, when the United States was in the midst of its first nuclear weapons buildup, many members of Congress, editorial writers, and others expressed the view that increased military forces were temporary expedients necessary to "buy us time" and provide a "shield." Behind this shield and with this time, the United States and other nations would work toward world disarmament under effective international controls and international law. Today that rationale is seldom heard. More often, weapons systems are rationalized as useful to buy time to build more weapons. The vision of a disarmed world under law is receding further and further into a distant future, and we seem to be resigned to an endless arms race which we can only hope against hope will not end in disaster.

Even those international controls on nuclear weaponry which were put in place some 15 years ago, like the Nuclear Non-Proliferation Treaty and the ABM Treaty, are weakening. The Threshold Test Ban, the Peaceful Nuclear Explosions, and SALT II Treaties have never been approved by the Senate. Nuclear proliferation is a constant danger. Few people today are even aware of the landmark 1961 McCloy-Zorin agreement on principles for general and complete disarmament under international control. Indeed many "freeze" advocates argued against reference to the McCloy-Zorin agreement in the 1983 House freeze resolution, fearing it would hamper chances for passage. In 1981 the House almost succeeded in deleting the word "disarmament" from the title of the Arms Control and Disarmament Agency.

Moreover, efforts to create international institutions and multinational alternatives are being undermined. The United States has restricted the role of the World Court in the Nicaragua dispute. It has withdrawn from UNESCO, has drastically reduced U.S. support for the World Bank affiliate, the International Development Association, and is now proposing a 50 percent cut in the U.S. contribution to UNICEF. At the same time, the Third World is increasingly militarized and impoverished by regional arms races.

How did we get into such a fix? How can it be that with skilled negotiators on both sides, with the survival of their own nations and even of civilization at stake, humanity continues to slide toward catastrophe? Reasonable people can differ as to the cause. I myself do not ascribe the primary cause to intransigence, malevolence, greed, technology, or power-hungry policies of either party. Rather, fear is the root cause of the current arms race; and the doctrine of nuclear deterrence by fear of retaliation, which lies at the heart of our national security policy, is the engine driving us toward destruction.

Fear is a corrosive emotion. It clouds good judgment and breeds suspicion, mistrust, and irrational behavior. President Franklin Roosevelt sought to rescue the nation from fear's grip on domestic policy in 1933, declaring: "The only thing we have to fear is fear itself." Eight years later in his State of the Union message, he identified "freedom from fear" as one of the "Four Freedoms." To achieve this freedom, he called for "a world-wide reduction of armaments to such a point and in such a thorough fashion that no nation will be in a position to commit an act of physical aggression against any neighbor anywhere in the world." We have retained that goal but are now using fear as an implement to achieve it.

The creation and maintenance of fear is what deterrence is all about. Reliance on deterrence became the centerpiece of U.S. security policy when the Soviet Union developed hydrogen bombs deliverable by intercontinental bombers, and then missiles. Since it was no longer possible for the Defense Department physically to prevent all Soviet bombs from being delivered on U.S. targets, it became necessary to devise a policy to prevent—that is, deter—them from being launched in the first place. The focus of U.S. defense policy thus shifted away from objective criteria for military adequacy and centered instead on the minds and perceptions of Soviet decision-makers. As the Scowcroft Commission report put it: "Deterrence is the set of beliefs in the minds of Soviet leaders, given their own values and attitudes, about our capabilities and our will."

The U.S. capability to inflict terrible retribution became available in the 1950s. Demonstrating a continued will or readiness to use these awesome weapons has been more difficult. The huge numbers of powerful weapons added to the U.S. and Soviet arsenals in the last three decades, the escalating military budgets of both countries, and the suggestion of ever more provocative policies such as "limited nuclear war" and "warfighting" are more readily comprehensible when seen as part of this continuing demonstration of national will.

Ironically, short-run success of the nuclear deterrent breeds long-term problems. The fear created in the minds of the adversary nation's leaders may deter immediate attack or prevent intimidating threats, but it also brings mistrust and suspicion. The weapons which the builder intends only for its defense deterrent purposes appear to the other to be part of an aggressive policy. Not surprisingly, countermeasures lead to a spiraling arms race. The mutual fears generated by this process are very likely to breed dangerous misperceptions, denial of reality, and irrational behavior. Yet the deterrence theory requires leaders to respond with rationality and perceptivity, especially in time of severe crisis

Perhaps most importantly, deterrence requires that a high level of fear and mistrust be maintained among U.S. citizens so they will pay taxes to buy ever more destructive weapons and support belligerent actions and policies which help to demonstrate a continuing will to use these weapons of mass destruction. But for citizens to be willing to accept responsibility for the enormity of the use of nuclear weapons, which would result in casualties in the tens of millions, they must be conditioned to regard the "enemy" as dehumanized. Hence reports of Soviet transgressions are almost always magnified, while reports of cooperative efforts are minimized. Having an enemy, an outsider, on whom to project our own frustrations and inadequacies is also a most useful rationalization to avoid accepting responsibility for our own internal failings and our own role in international conflicts.

This climate makes it extremely difficult to negotiate arms reductions. Even the modest SALT II Treaty, agreed to by generals and admirals in Washington and Moscow, was never approved by a Senate which was responding to that part of the public which had been conditioned by more than three decades of fear and suspicion.

The theory has been that it is possible to have a two-track, arm-while-parleying approach. Thirty years ago, even 10 years ago, one could have argued that such a policy might be successful in reversing the arms race. But this rationale is wearing thin. The record shows that the dynamics of deterrence give high priority to arming and a distant second place to parleying. We passed the point of a "stable" or "minimum" deterrent without even pausing to notice. Various

"gaps" and bargaining chips have come and gone. The arms race, having exhausted most earthbound aspects, is now moving into space. Meanwhile, the Geneva negotiators are settling in for a very long, frustrating, undproductive talk-fest on strategic, intermediate-range, and space weapons. The nearly completed talks on a comprehensive test ban have been shunted aside, and the chemical weapons race is heating up.

What is the alternative? We in this nuclear-space age are much like the bird transfixed by the snake. Our fear paralyzes us, and our fascination with the danger of nuclear weapons makes it almost impossible to avert our gaze and find a path to safety.

Certainly Soviet leaders must be deterred or, more accurately, dissuaded from launching an attack on the United States or using weapons of mass destruction for political intimidation. And our own leaders must be similarly dissuaded.

Perhaps a clue to how this may be done lies in the way the three Western nuclear powers—the United States, Britain, and France—avoid the deadly politics of fear. Each of these countries could use its nuclear weapons to obliterate completely or at least wreak terrible havoc on the others. But such acts are unthinkable. These nations have many conflicts, but the pressures they apply never include the nuclear dimension. The threat to use nuclear weapons on Paris, London, or Washington by any of these three is simply beyond any range of acceptable options. Each nation is effectively deterred, or dissuaded, by a relationship of interdependence and a sense of common security and common humanity.

The United States is, of course, far from such a relationship with the Soviet Union, but this model offers a clearer sense of direction. Survival and economic self-interest provide two powerful motives for accommodation, but so far they have been overriden by the politics of fear.

How do we create a relationship that moves toward common security? Specifically, a policy of deterrence—or dissuasion by interdependence—might incorporate the following points:

Maintain all existing arms control treaties and stop building or deploying new weapons which can be perceived as part of a first-strike policy.

Move current arms control negotiations to the back burner, reducing expectations for their success until the political atmosphere has improved. Meanwhile, support efforts by third-party nations to play a mediating role in U.S.-Soviet arms negotiations, and push ahead on various modest proposals for crisis-control centers and military confidence-building measures in Europe.

Give certain so-called "peripheral" or "long-range" aspects of U.S.-Soviet policy, which involve communication, cooperation, and attitudinal change, the high priority they deserve. These programs are sometimes belittled in comparison with arms control efforts. Yet, by any test, more progress has been made toward better relations via these programs in the past 30 years than through abortive efforts to reduce arms. These are important national security programs in their own right. With respect to this last point, the United States should seek to:

Increase communications and exchange of persons, including meetings between President Reagan and General Secretary Gorbachev, members of Congress and Soviet political leaders, high-level military officers, regional and local government officials, scientists, educators, youth—the whole range of professional, cultural, and private life. The need to understand the other side's world view must be stressed continually and with the highest priority, no matter how much one may disagree with it.

Expand the bilateral scientific and technical exchange programs begun under the Nixon-Brezhnev agreement of 1972 and publicize the many mutually beneficial aspects of these programs. Six are currently operative in the fields of medical science and public health, agriculture, environmental protection, housing, and peaceful uses of atomic energy.

Review the five programs which expired. These pertain to space cooperation, world oceans, energy, transportation, and scientific and technical cooperation.

Stop linking constructive programs to odious Soviet actions. The practice of terminating or postponing significant cooperative endeavors in order to express displeasure demeans the importance of these programs, which are essential in creating a climate for avoiding nuclear war.

Remove restrictions on trade in peaceful goods with the Soviet Union. U.S.-Soviet trade is clearly a political as well as an economic issue. Normalization of that trade is one important indication of progress toward better relations, as is currently being demonstrated between the United States and the People's Republic of China. Unfortunately, U.S.-Soviet trade is still inhibited by the Jackson-Vanik amendment of 1974 and the Stevenson amendment of 1975.

Recognize that Soviet and U.S. actions and reactions in Afghanistan, Indochina, the Mideast, Angola, Cuba, and Central America have played a dominant role in worsening U.S.-Soviet relations. A major effort should be made to develop a feasible U.S.-Soviet *modus vivendi* in the developing world. It should include bans on the use of combat troops outside national borders, on proxy states' combat troops, and on direct or covert mercenary, paramilitary, or "volunteer" forces. Military aid, advisors, and arms shipments should also be restricted. Self-determination, human rights, and the wishes of the people in the region must be respected.

Since deterrence by fear is leading us inexorably toward catastrophe, we must shift to a new goal of interdependence and common security. The first steps on that road require modest, but proven, programs of joint cooperation and mutual benefit. In an improved political climate, undergirded by a new psychological maturity, significant arms reductions can then take place.

BLACK PARENTS PREPARE THEIR CHILDREN FOR PRIDE AND PREJUDICE

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. LELAND. Mr. Speaker, I would like to submit for my colleagues' review excerpts from an article published last Sunday in The New York Times Magazine. "The World Ahead: Black Parents Prepare Their Children For Pride and Prejudice" examines black parents and their changing responsibilities as teachers of racial and ethnic identity. It also describes the current attitudes of black youth and their level of awareness of racial discrimination.

The article was of particular interest to me, since it features two of my good friends, Dr. Deborah Prothrow, formerly of Houston and her husband, Rev. Charles R. Stith, with their three children. The experiences they relate as a contemporary black family were most informative.

I urge my colleagues to read this thoughtful article. It provides invaluable insight into a little discussed problem.

The article follows:

[From the New York Times Magazine, Oct. 27, 1985]

THE WORLD AHEAD; BLACK PARENTS PREPARE THEIR CHILDREN FOR PRIDE AND PREJUDICE

(By Thomas Morgan)

The memory of the motel sign is still vivid despite the years. Neatly printed black letters on white spelled a puzzling message for a young black boy from suburban St. Louis traveling with his parents through sleepy Arkansas towns with the rural charm of Norman Rockwell paintings.

The sign read "Whites Only." When the boy asked about it, his mother answered resignedly, "It means we can't stay there, son."

Nearly 30 years have passed since I saw that sign and pondered its message. I have grown and prospered because my father, a postal employee, and my mother, a public-school teacher, sent me, like Moses through the bulrushes, to the shores of new opportunity created by the civil-rights movement. I was one of two blacks to integrate a suburban elementary school in 1958. Later, a White ninth-grade English teacher encouraged me to become a journalist because she saw a spark of writing talent.

After college, I served as an Air Force Lieutenant and White House military social aide under President Ford, which allowed me, in a position other than that of a servant, to see the gracious pomp and ceremony surrounding the First Family. In the late 1960's and early 70's, with the implementation of affirmative-action programs, I was among those blacks who found entry-level jobs in professions that, for the most part, had been closed to our parents.

Despite the advances in race relations that my life may exemplify and my close friendships with several whites, I cannot in good conscience tell a young black child he can succeed by merit alone. Nor could I tell a black child to expect, in general, the same opportunities as whites, because prejudice, though waning, lingers.

I still see the sign, "Whites Only," but it is not hanging from some Southern motel. The words "Whites Only" come to mind when I go as a journalist to cocktail parties and other events where crucial contacts and decisions are being made and I am the only black not serving the hors d'oeuvres. I see the sign when I hear racially insensitive comments by white acquaintances who profess a knowledge of black culture, love the 60's and the Motown sound and reject the idea of discrimination, but who have no real black friends or who do not socialized with blacks outside professional settings.

It is an enigma to me, a 34-year-old middle-class black man, because although I have benefited from civil-rights advances and better relationships with whites than my parents, the reality I see from my own experiences, and one that is supported by recent surveys and polls, is that America re-

mains a divided society outside the office. This reality is even more difficult for young, middle-class, professional blacks, who came of age in the 1960's and still feel racism of a subtler nature both at work and in recent Policy positions taken by the Federal Government. Although a recent New York Times-CBS News poll shows that President Reagan's approval rating among blacks has increased from 10 percent in 1982 to 28 percent this year, 60 percent of blacks still disapprove of his performance.

At social gatherings, church events and in the privacy of their own homes, black parents are discussing a dilemma: How to explain discrimination to their children, who have different racial experiences. Parents want to know how to help them establish a black identity and pride while they are learning white mainstream cultural values through the influences of television, popular music and friendships with whites. These parents, many better educated and more politically sophisticated than their parents, feel that they must prepare their children, the next generation growing up in integrated environments, for prejudice and teach them how to deal with it.

Dr. James P. Comer, Maurice Falk Professor of Child Psychiatry at Yale University Child Study Center, says that he co-authored a book, "Black Child Care," with Dr. Alvin F. Poussaint of Harvard University in 1975 because he had received repeated requests for advice from black parents. "I did it," he says, "because I was dealing with so many parents at cocktail parties who asked me questions like, 'The kid comes home and says, "I wish I was white."' Or, 'He comes home and says, "The white kids called me names."'

"It's hard to go around dealing with the race problem all the time. Some parents don't want to. The world tells you there is no race problem, the President tells you the same thing and says that black civil-rights leaders only want to keep their jobs. Schools don't talk about it, and for all different reasons, white school-teachers say that discussing the issue is too painful for them.

"I was a grown man before I could handle matters of race without consuming a large amount of energy," Dr. Comer says, "Much of it was frustration and anger about the whole racial situation.

"I realized that was hurting me, and as a consequence of that I really began to think about how that is a problem for blacks in general. The amount of energy consumed and the distraction that racial prejudice presents are enormous."

Dr. Deborah Prothrow Stith, a 31-year-old Harvard-trained Boston internist specializing in adolescent medicine, and her husband, the Rev. Charles R. Stith, pastor of the interracial 500-member Union United Methodist Church in Boston's South End, are raising three children. Both grew up in the South and met while he was at Atlanta's Interdenominational Theological Center and she at nearby Spelman college.

"I lived in black Atlanta," says Dr. Stith, "My parents went to a black college. Their friends were black. My father worked for a black company and his boss was black. And when I went to the white high school in eighth grade, it was not on the level of 'Let's go be friends with these people.' It was on the level of 'We've got to show them that black folks can be as good as, if not better than, they are.' It was a totally different dynamic."

Dr. Stith, who lives in Roxbury, a black community in Boston, says she asked her 7-year-old son, Percy, when he was 5 who his best friend was. "He said, 'Evan,' his friend at school, Evan Pressman," says Dr. Stith, who also has a 3-year-old daughter, Mary Mildred (Mimi). "I said, 'But Percy, Evan's white." Percy said, 'So what?' And I thought for a moment and said, 'Percy, you're right. So what?'"

"It really struck me because when I was 5 years old, I didn't have a white best friend," she says.

James (Trey) Edmondson, 15, the Stith's nephew and ward, listens to his aunt with an expression of amusement. Later, he says he has heard this all before. A sophomore at Boston Latin School, a distinguished preparatory institution, Trey says he has not encountered any racist situations at school. He dismisses racial epithets he has heard as jokes blacks tell about whites and whites tell about blacks.

"Older people talk too much about discrimination," observes Trey, shifting uncomfortably in an overstuffed chair in the Stith living room. "They talk so much about it because of their past experiences. I haven't seen any racial situations."

"But what about the play, Trey?" Dr. Stith asks.

"Oh yeah, the play," he says, his puzzled frown turning into a smile of recognition. "About two years ago, at the William Monroe Trotter school, there was a play, a school production, 'The Wizard of Oz.' None of the black kids had any of the major roles. The black kids played the role of monkeys, without masks. Only one white kid played a monkey, and he had a gorilla mask on."

Dr. Stith, who had taken Trey and Percy to the play, says she was livid and later wrote to school officials and a local newspaper protesting the casting of black children as evil characters or monkeys. She used the incident to teach Trey about discrimination. But even now Trey seems unperturbed.

All of the black parents I interviewed are basing the advice they give their children not on statistics, which show that blacks in general are not keeping pace economically with the white population, but rather on their perceptions of what is happening around them.

Charles Stith, who is also president of the Organization for a New Equality, an interracial Boston-based national civic organization, tells Percy and Trey that "in a society that is still race-conscious, black folks should be inculcated with a sense of self-esteem—that is a statement against discrimination.

"I tell the boys they are as good as anybody else, that they have a responsibility to help those who do not have the opportunities and options that they have, and that they really have to deal with people on the basis of their humanity, and that includes white people."

In sharp contrast to the vivacious and feisty manner of his wife, Charles Stith is controlled. His advice reflects his active involvement in trying to improve troubled relations between Boston's whites and blacks.

Raised in St. Louis, Stith says his earlier experiences influence his thinking about race. "My mother was very explicit about the race thing," Stith says. "She said, "I expect you all to marry black women". Her position had nothing to do with white folks being less than us, or our ability to deal with anyone's humanity. Her position was, 'I'm not going to work this hard to put you through school and do all that and not have you keep these things within the race.'

"Some of the stuff that comes down now is not racist, but part of that dog-eat-dog ethic. It requires different strategies. And if the situation you are dealing with is the corporate dog-eat-dog thing and you go into your race thing, it's just not appropriate."

In spite of Percy Stith's friendship with Evan Pressman, his mother believes her son will eventually face racism. "My biggest worry is that he will internalize other people's low expectations of him," Dr. Stith says. "I always had black teachers who were supportive. When I got to Spelman, they were very clear about this: All you had to do was make a couple of A's, and they said, "Let's grab her, she's got some talent. What do you want to do? Be a doctor? Let's try to get her into Harvard."

"We're telling our kids to deal with people as humans, that things are not always cut and dry." Dr. Stith says, "So much of what black kids see today that is new or good or takes money is all white and when they go into the black community, they see trash and things not looking as well. We've got to figure out how to help them feel good about being black and yet deal with white folks on a human level and go beyond that to a world that's inclusive. That's scary, because there is a part of me that says I still can't trust white folks."

AIDS RANKS WITH CANCER AS TOP HEALTH PROBLEM

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 1, 1985

Mr. DORNAN of California. Mr. Speaker, ABC News just released a poll revealing that Americans rank AIDS along with cancer as the greatest health problem facing this Nation.

According to the poll, the AIDS epidemic has prompted U.S. citizens to approve something unusual. Poll results show that while Americans are usually adamantly opposed to tax increases to reduce the budget deficit, they are so concerned about AIDS that 71 percent say they would pay more in taxes if the money was used to find a cure for the disease.

Mr. Speaker, I urge my colleagues to read the complete poll data which I insert here in the RECORD. The results send a clear signal that Americans want action on AIDS.

[From the ABC News/Washington Post Poll]

AIDS RANKS WITH CANCER AS TOP HEALTH PROBLEM—PUBLIC OK'S TRADE LIMITS

(By Peter Begans)

Americans now rank AIDS along with cancer as the greatest health problem facing this nation, according to the lastest poll ABC News/Washington Post Poll.

And fear of the disease, much of it fed by wrong information, appears to be approaching epidemic proportions. Four out of five Americans feel AIDS now poses a threat not just to homosexuals and drug addicts but to the public as a whole. And a quarter are afraid they themselves will pick up the killer virus.

Americans are so worried that seven in 10 say they would pay more taxes if the money were used to find a cure for AIDS.

Methodology—The ABC News/Washington Post poll was conducted Sept. 19 through 23, 1985 by telephone among 1,512 men and women in the continental United States. The margin of error for the entire survey is plus or minus three percentage points and slightly higher for smaller subgroups.

Threat—Fear of AIDS has grown so much in the four years since the disease was discovered that 31 percent of the public now rank it as the nation's greatest health problem. Only cancer, cited by 32 percent of the public, is named by as many Americans. Heart disease, the nation's number one killer, is named by only seven percent as the country greatest health threat.

That is rather remarkable when you consider that only about 13,000 cases of AIDS—mostly among gay males—have been diagnosed in the United States. Yet reported cases of AIDS have been doubling every year, and 79 percent of Americans believe AIDS is spreading so that it now threatens everyone.

Indeed, a large segment of the public—26 percent, representing about 44 million people—say they now fear they themselves will become victims. Young and old, men and women all seem about equally afraid.

Ignorance—Much of this fear has fed on ignorance of the the scope of the disease and they way it is passed. Almost three in 10 (29 percent) think that the number of cases of AIDS is closer to a million than to 10,000.

And even though most people know that AIDS can be contracted through blood transfusions, intimate sexual contact and sharing intravenous needles, many believe it can also be passed by kissing, drinking from the same glass, being sneezed on, sitting on a toilet seat or shaking hands with someone—ways medical experts say are impossible to pass the virus. In fact, 36 percent believe AIDS is just as contagious or more contagious than the common cold.

HOW TO CATCH AIDS

[In percent]

	Yes	No
Blood transfusions	95	2
Intimate sexual contact	95	2
Sharing intravenous needles	92	3
Kissing	50	36
Using same drinking glass	28	55
Being sneezed on	22	62
Sitting on a toilet seat	16	69
Shaking hands	7	85

Knowledge—most Americans are aware that AIDS has singled out certain groups in society so far. Seven in 10 Americans (69 percent) know that AIDS has predominantly affected homosexuals (about three-quarters of AIDS victims are gay men). Another 17 percent are aware that drug addicts and recipients of blood transfusions like hemophiliaces are disproportionately affected.

Our survey points out that a small percentage of the public—six percent representing 10 million people—say they personally know an AIDS victim. As might be expected, a disproportionate number of them are people who associate with gays on a professional or social basis or are gay themselves. But only 11 percent of those who have a gay friend say they are afraid they might catch AIDS from that friend.

Gay—The male respondents to our survey were asked if they themselves were gay. In response, three percent of men said they were attracted to members of their own sex, and another one percent said they were attracted to members of both sexes.

Lifestyle—While most Americans—77 percent—are not doing anything to avoid catching AIDS, 22 percent of the public, representing about 37 million people, say they have changed their lifestyle in some way to avoid catching the disease. But many of the things they said they are doing will not help them avoid AIDS, according to medical experts.

The most mentioned action taken to avoid AIDS is not using public restrooms which the experts say accomplishes nothing when it comes to the disease. Very few mention the things the experts say are good preventative measures. For example, less than one percent of single people said they have started to use condoms.

Fear—Fear has become more epidemic than the disease itself. Two-thirds of the public say they are afraid to get a blood transfusion, even though tests have now been developed to screen blood from AIDS donors.

And more than a third of the public—36 percent—feel it is unsafe to associate with AIDS victims, even though doctors have repeatedly stated AIDS can only be passed through intimate contact.

Large segments of the public want AIDS victims removed from society. Twenty-eight percent favor quarantining AIDS victims away from the general public. In addition, 44 percent say they would be upset if a housing and treatment center for AIDS victim was set up in their neighborhood.

Schools—But more than anywhere else, AIDS has become a stick of dynamite in the schools, especially in New York City where parents have kept their children home from school this year because an unidentified seven-year-old girl with AIDS has been allowed to attend classes in Queens. (See New York Survey Below.)

Nationwide, Americans, by two to one, favor allowing children with AIDS to attend school if health officials say there is no danger. However, a quarter of the parents of school age children say they would keep their children home if a child with AIDS was assigned to the local school

And Americans nationwide strongly feel (78 to 19) that parents should be informed if an AIDS child is attending classes. New York school officials have refused to disclose which school in Queens the little girl is attending.

A large percentage of Americans nationwide (47 percent) also favors removing school employees with AIDS from their jobs. It was reported in New York City that eight school employees came down with AIDS last year.

Nation vs. New York City—One-third of all diagnosed AIDS cases have come from New York City, and stories about the disease have been front page New York news for weeks now. In early September, WABC-TV and the New York Daily News surveyed 505 New Yorkers on the subject of AIDS, using many of the same questions posed in this September ABC News/Washington Post national poll. The results show America's cosmopolitan hub is wrestling with a bout of AIDS paranoia far worse than that found in the country as a whole.

Either due to ignorance or skepticism, New Yorkers are more likely than the public-at-large to say AIDS can be passed from casual contacts, including some specifically rejected by the medical establishment such as sharing a drinking glass or toilet seat and being sneezed on.

And, while a 57 to 36 percent majority of Americans nationwide agree that it is safe to associate with an AIDS victim as long as there is no intimate contact, New Yorkers split down the middle: 46 percent say that's okay—but 44 percent think there's a danger.

The result: over four-in-10 New Yorkers (42 percent) think they personally are in danger of catching the AIDS virus while only a quarter of the public-at-large (26 percent) express such a fear. And 35 percent of the New Yorkers surveyed admitted they were changing their lives to avoid becoming infected. Only 22 percent of our national cross-section are altering their lifestyle.

Not suprisingly, New Yorkers are more prone to advocate steps aimed at identifying and isolating those with the AIDS virus, including quarentining AIDS victims and barring them from public school employment.

Finally New Yorkers are three times more likely to know an AIDS victim—16 percent say they know one versus only six percent nationwide. And New York men are more likely to admit being homosexual or bisexual—nine percent compared to four percent nationwide.

Money and Research—The AIDS outbreak has caused the public to advocate something rare. Americans, who are adamantly opposed to raising taxes to reduce the budget deficit, are so frightened by AIDS that 71 percent say they would pay more in taxes if the money was used to find a cure for the disease. And a majority of 52 percent believe that the government would be spending more money to find a cure if AIDS did not primarily effect gay men.

Despite that, 41 percent approve of the job Reagan is doing handling the disease while 26 percent disapprove and a large 32 percent are not sure how they feel.

AIDS POLL AT A GLANCE

The following results are from an ABC News/Washington Post poll conducted Sept. 19-23, 1985 by telephone among 1,512 men and women in the continental United States. The margin of error for the entire survey is plus or minus three percentage points. The New York City comparative figures are from a New York Daily News-Eyewitness News poll of city residents completed Sept. 17.

	Percent
America's biggest health problem:	
Cancer	32
AIDS	31
Heart disease	7
Drug addiction/alcohol	3
Pollution	3
Cigarettes	3
Hunger/poverty/starvation	3
Health care costs/Medicare/Medicaid	3
Obesity	1
Fitness	1
Elderly health care and disease	1
Other mentions	5
Unsure	7
How much do you know about AIDS:	
Little or nothing	52
Good amount or better	48
What they really know:	
Less contagious than a common cold	56
Just as contagious	19
More contagious	17
Think number of cases near 10,000	63
Think number of cases near a million	29

[In percent]

	Yes	No	Unsure
You catch AIDS from:			
Intimate sex	95	2	4
Blood transfusions	95	2	2

[In percent]

	Yes	No	Unsure
Sharing hypo needles	92	3	5
Kissing	50	36	14
Drinking glasses	28	55	16
Sneezes	22	62	16
Toilet seats	16	69	15
Shaking hands	7	85	9

	Percent
Who Gets AIDS? Three quarters (74 percent) say that certain groups in society are most likely to catch AIDS. The groups they named:	
Homosexuals	93
Drug addicts	23
Hemophiliacs	23
Haitians	13
Other (includes prostitutes)	35
Fears of AIDS:	
AIDS is threat to everyone	79
AIDS is NOT threat to everyone	18
Not afraid they will get AIDS	73
Afraid they may get AIDS some day	26
Safe to associate with victims	57
Not Safe to associate with victims	36
Oppose quarantining AIDS victims	65
Favor quarantining AIDS victims	28
NOT upset if AIDS Treatment Center set up in their neighborhood	53
Would be upset by a treatment center in their neighborhood	44
Afraid to get transfusion	67
Not afraid to get transfusion	31
AIDS and the Schools:	
Favor allowing AIDS kids in schools	62
Oppose AIDS kids in schools	31
Parents should be told if AIDS kid placed in their child's school	78
Should not tell parents if AIDS kid placed in their child's school	19
Remove School employes with AIDS	47
School employes with AIDS can stay	45
AIDS Prevention—What Are They Doing?	
Doing nothing to avoid catching AIDS	77
Changing lifestyle to avoid AIDS	22
What that 22 percent is doing:	
Avoiding public restrooms	25
Avoiding homosexuals	17
Socializing less/avoiding strangers	14
Cutting down on sex	11
Avoiding blood transfusions	11
Sticking to one partner	10
Limiting number of partners	6
Not using hypodermic needles	6
Washing hands more/personal hygiene	5
Avoiding restaurants	4
Avoiding public athletics facilities	3
Stopped giving blood	3
Using condoms	2
Avoiding all sex	2
Cleaning home/office more	1
Changing places I visit	1
Avoiding prostitutes	1
No oral sex	(*)
No anal sex	(*)
AIDS Politics and Government:	
Would pay more taxes to find a cure	71
Would NOT pay more taxes to find a cure	25
Government would spend more on AIDS if didn't mainly affect gay men	52
Government wouldn't be spending more on AIDS if affected all groups	39
Approve Reagan on AIDS handling	41
Disapprove of Reagan on AIDS	26
Unsure	32
Direct Contact:	
Know an AIDS victim	6
Have a gay male friend (but only 11 percent say they are afraid of catching AIDS from that friend)	8
Describe themselves a gay male	3
Describe themselves as bi-sexual	1

WHO'S MOST AFRAID AND ILL-INFORMED?

Summary: Higher percentages of women and old people are ill-informed about how the virus is transmitted than are men and young people. Black people seem especially worried by AIDS. New Yorkers, who live in the city with the highest number of AIDS cases and who have been exposed to a constant stream of AIDS stories in the local media, are noticeably more upset by the AIDS situation. Some examples follow:

[In percent]

	Men	Women
AIDS is as contagious as a common cold:		
Agree	12	21

	Age 30 or less	Age 61 plus
Percent agreeing can catch AIDS from:		
Sneezes	19	30
Toilet seats	18	25
Drinking glass	27	38

	Percent
Percentage of following groups who are afraid they'll catch AIDS someday:	
Blacks	36
Less than High School education	33
Earn under $12,000	30
Earn more than $50,000	25
Whites	23
Some college or more	22

	White	Black
Doing something to avoid AIDS?		
Yes	19	38

[In percent]

	USA	NYC
Is AIDS now threat to general public?		
Yes	79	79
No	18	17
Afraid you may pick up AIDS virus?		
Yes	26	42
No	73	57
Safe to associate with AIDS victim?		
Yes	57	46
No	36	44
Favor or oppose allowing AIDS students to attend school?		
Favor	62	39
Oppose	31	55
If AIDS child in school, would you keep your children home?		
Keep them home	26	48
Send them to school	68	46
People with AIDS should be quarantined		
Agree	28	42
Disagree	65	48
School should tell parents if AIDS child attending school?		
Agree	78	79
Disagree	19	18
Public school employees with AIDS should be taken off the job?		
Agree	47	66
Disagree	45	26
Doing anything to avoid AIDS?		
Yes	22	35
Know anyone who has contacted AIDS?		
Yes	6	16
Homosexual or bisexual male?		
Yes	4	9

HOUSE OF REPRESENTATIVES—*Monday, November 4, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Be exalted, O Lord, in Thy strength! We will sing and praise Thy power.—Psalm 21:13.

We admit our weaknesses, O God, and we know our limitations. In this, our prayer, we ask that Your boundless power will encourage us to rise above the common level of life to do those things that give meaning to honor, truth, and justice. Leave us not comfortless but may Your spirit lift us to levels of service to all Your people. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3669. An act to prevent the disinvestment of the Social Security Trust Funds and other trust funds.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to the bill (H.R. 1210) "An act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes."

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1042), "An Act to authorize certain construction at military installations for fiscal year 1986, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THURMOND, Mr. WARNER, Mr. HUMPHREY, Mr. EAST, Mr. BINGAMAN, Mr. STENNIS, and Mr. HART to be the conferees on the part of the Senate.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-122)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

(For message, see proceedings of the Senate of Friday, November 1, 1985, at page 30299.)

CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar. The Clerk will call the first bill on the Consent Calendar.

ADAM BENJAMIN, JR., VETERANS' ADMINISTRATION OUTPATIENT CLINIC

The Clerk called the bill (H.R. 1361) to designate the Veterans' Administration Outpatient Clinic to be located in Crown Point, IN, as the "Adam Benjamin, Junior, Veterans' Administration Outpatient Clinic."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LUNGREN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DIRECTING THE SECRETARY OF THE INTERIOR TO RELEASE CERTAIN RESTRICTIONS IN A PREVIOUS CONVEYANCE OF LAND TO THE TOWN OF JEROME, AZ

The Clerk called the bill (H.R. 1593) to direct the Secretary of the Interior to release on behalf of the United States certain restrictions in a previous conveyance of land to the town of Jerome, AZ.

There being no objection, the Clerk read the bill, as follows:

H.R. 1593

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior shall release, by quitclaim deed or other good and sufficient instrument, on behalf of the United States, with respect to the land described in subsection (b) which was conveyed by the United States to the town of Jerome, Arizona, by a patent numbered 497894, all conditions on such patent which required that such land be used for cemetery or park purposes.

(b) The land referred to in subsection (a) which was conveyed to the town of Jerome, Arizona, on November 8, 1915, by a patent numbered 4978894, is all of the southeast quarter of section 30, township 16 north, range 3 east of the Gila and Salt River meridian, Arizona, containing forty acres.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXEMPTING CERTAIN LANDS IN THE STATE OF MISSISSIPPI FROM A RESTRICTION SET FORTH IN THE ACT OF APRIL 21, 1806

The Clerk called the bill (H.R. 1795) to exempt certain lands in the State of Mississippi from a restriction set forth in the act of April 21, 1806.

There being no objection, the Clerk read the bill, as follows:

H.R. 1795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the restriction set forth in the proviso in section 5 of the Act of April 21, 1806 (2 Stat. 401) shall not apply to—

(1) the land conveyed by the Yazoo Mississippi Valley Railroad Company to the City of Natchez by a deed dated June 20, 1945, and recorded on page 177 of deed book 5-J in the records of Adams County in the State of Mississippi; and

(2) the land conveyed by the City of Natchez to Sim C. Callon by a deed dated June 12, 1984, and recorded on page 402 of deed book 16-J in the records of Adams County in the State of Mississippi.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIRECTING THE SECRETARY OF THE INTERIOR TO RELEASE A REVERSIONARY INTEREST IN CERTAIN LANDS IN ORANGE COUNTY, FL

The Clerk called the bill (H.R. 1740) to direct the Secretary of the Interior to release a reversionary interest in certain lands in Orange County, FL, which were previously conveyed to Orange County, FL.

There being no objection, the Clerk read the bill, as follows:

H.R. 1740

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RELEASE OF REVERSIONARY INTEREST.

(a) RELEASE.—

(1) TO ORANGE COUNTY, FLORIDA.—The Secretary of the Interior, on behalf of the United States, shall release to Orange County in the State of Florida the reversionary interest of the United States contained in the deed described in paragraph (3).

(2) REVERSIONARY INTEREST.—The reversionary interest referred to in paragraph (1) is the condition which provides that title to the lands described in the deed shall revert to, and revest in, the United States if the lands cease to be used for recreational purposes or if such lands are deemed to be necessary for national defense.

(3) DEED.—The deed referred to in paragraph (1) is the quitclaim deed dated February 11, 1972, by which the United States conveyed to Orange County, Florida, a site of approximately 1,200 square feet on the Apopka-Vineland Road, formerly used by the United States as a radar site.

(b) CONDITION OF RELEASE.—The Secretary shall release the reversionary interest described in subsection (a)(2) only if Orange County, Florida, agrees to use any proceeds from the sale of the land referred to in subsection (a)(3) for park and recreation purposes (including the construction of buildings and facilities for the storage of equipment and materials used for park and recreation purposes).

With the following committee amendment:

Page 2, line 17, strike "1,200" and insert "12,000".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GORDON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

WHAT COAST-TO-COAST NEWSPAPERS HAVE TO SAY ABOUT GRAMM-RUDMAN

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I had time this weekend to spend going through newspapers in all parts of this country and find our what they had to say about the Gramm-Rudman plan.

I wish I could tell you each part; all I can say is they go from coast to coast; from North to South. What we really find here is that when neutral people on the outside have had time to look at the Gramm-Rudman plan, here are some of the things they have called it.

"A shameful sham: political, fiscal and moral nonsense; a fiscal farce; Mickey-Mousing; a tinker toy; mockery; a public relations gimmick; posturing; risk Abracadabra; a debtor's game; a slap-dash measure; game playing; no-nothing legislation; deception; slickest trick; sheer madness; boomerang"; and on, and on, and on.

Basically it is not a deliberative document dealing with the deficit. Basically, that is what the House alternative is. I hope that people look at these newspaper reviews and study them with great care because we certainly are beginning to see that they are deliberating over this much more than the other body did.

A LOST WEEKEND FOR SOCIAL SECURITY

(Mr. ROBERT F. SMITH asked and was given permission to address the House for 1 minute.)

Mr. ROBERT F. SMITH. Mr. Speaker, I think Congress ought to pay for its own days off.

I am now preparing legislation to assure that the Social Security Trust Fund is repaid every last nickel of interest lost because of this Congress' urge to take a weekend off. I hope I'm not the only person here who feels a responsibility.

Last Friday, faced with a choice of staying here to settle the problem of a national debt ceiling or taking the weekend off, leadership threw open the door of this Chamber over my objections and the objections of virtualy every Republican in this House.

The cost of our 2 days' relaxation was $10 million in lost trust fund interest.

Mr. Speaker, the time I have with my family is priceless. Maybe it is worth $5 million a day. But this isn't my money, and I don't think anyone in this House has a right to steal from Social Security to pay for our days off.

I urge my colleagues here to join me in legislation which guarantees that Social Security will not lose because of our irresponsibility.

VOTE TO DEAUTHORIZE THE ELK CREEK DAM

(Mr. WEAVER asked and was given permission to address the House for 1 minute.)

Mr. WEAVER. Mr. Speaker, I want to ask my friends and colleagues if we are really serious about cutting the deficit or whether it is just rhetoric. We are going to have a test on Wednesday in an amendment to H.R. 6, the water projects bill.

A once-valued project, the Elk Creek Dam in Oregon is no longer considered worthwhile by the Corps of Engineers. They think it is a waste of money. Thirty-two million dollars has been appropriated but not spent. It is Gramm-Rudman real dollars sitting there to be saved.

The construction of the dam has not begun. You can vote to save that money and another $70 million needed later by deauthorizing Elk Creek Dam. Here is what the leading newspaper in Oregon, the usually propublic works Oregonian said:

It is such irresponsible and overvalued projects that have given legitimate western water projects a bad name.

The Oregonian wants to build good projects; they do not want to build this one. Save 32 million real Gramm-Rudman dollars. Vote "yes" to deauthorize the Elk Creek Dam.

LEAK OF ALLEGED CIA PLAN AGAINST COLONEL QADHAFI

(Mr. WORTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WORTLEY. Mr. Speaker, according to press reports, someone has apparently violated the trust placed in them and leaked classified information and materials regarding a plan to destabilize the Libyan Government of Colonel Qadhafi.

Colonel Qadhafi actively supports and sponsors terrorism in other nations and is an aggressor against his neighbors. In my opinion, a plan to combat his activities—even if it means destabilizing his government—would be no more than a justifiable response to the terror, pain, and suffering he has caused in his own nation, the Middle East, and several other countries around the world.

But, Mr. Speaker, regardless of whether or not the infamous source provided accurate information, it is extremely disturbing that sensitive policy options cannot be discussed without the possibility—and even the probability—of some disgruntled individual leaking information. This is neither an appropriate nor an honorable way for participants in policy formulation to express their opposition to policy decisions.

The person responsible for the leak should be found and punished. The majority of people with access to sensitive information argue their positions in an honest manner and behave responsibly if, in the end, the policy decision goes against their advice. But a single leaker can jeopardize a policy and the entire system of policy formulation. Without corrective action, the effect could be paralysis. I congratulate the administration on its determination to find the source of the leak.

This incident contributes to serious concerns about the adequacy of the

current system of protecting sensitive information. I firmly believe it is time for us to take a long and hard look at this problem and have introduced H.R. 3626, to establish a National Commission on Classified Information and Security Clearance Procedures for this purpose. I urge my colleagues to cosponsor this bill and support action on it.

DISINVESTMENT OF SOCIAL SECURITY

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, the Senate was willing to concur with the House-passed temporary extension of the debt ceiling, a measure which I opposed, on Friday. The Senate attempted to call the House Clerk and the House enrolling clerk at 10 p.m., on Friday to make arrangements to have the extension signed. The Senate was told that there was no one around to enroll the bill or sign it to be sent to the President. Everyone had gone home.

The Senate found a discrepancy in the House bill, cleaned it up, and passed a temporary extension. Because the House had adjourned, Mr. Speaker, the Treasury Department proceeded with disinvestment. The process of disinvestment cannot be reversed.

The leadership in this House acted irresponsibly, Mr. Speaker, and allowed the Social Security Trust Fund to be exposed to disinvestment by adjourning and leaving no one here to process the bill from the other body.

There was a near unanimous vote by the Republicans against adjourning the House on Friday. The version of the temporary extension passed by this body was not the version which is printed in the CONGRESSIONAL RECORD, Mr. Speaker. I refer to the RECORD, page No. 30188.

Mr. Speaker, we were sent here in January to do a job. We have not done it for 10 months. We had an opportunity on Friday and we muffed it.

The SPEAKER. The Chair would like to state that the House is always available to receive messages. The Clerk is within 5 minutes. The Senate has the Clerk's telephone number. That is the normal procedure that has always been followed. There was no dissidence on the part of the House.

Mr. STANG. I thank the Speaker.

GRAMM-RUDMAN STILL DESERVING OF SUPPORT

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, despite the harsh denunciations we have heard earlier, both today and last week, I am rising in support of the Gramm-Rudman plan to reduce the deficit.

Some call it a desperate proposal, and even worse, but, Mr. Speaker, our country is facing desperate circumstances. The deficit currently stands at around $200 billion, and the Government spends $2.6 billion every day. I cannot understand how anyone can doubt that the seemingly irresistible force of Federal spending will soon crowd our private savings and investments, sapping the United States of jobs and productivity.

Unlike some of my colleagues, I am not satisfied with the congressional response to this dilemma. According to an optimistic forecast by the Congressional Budget Office, the congressional budget resolution for fiscal year 1986 would leave the deficit at an obese $120 billion in fiscal year 1990. We should compare that figure to the $36 billion in Gramm-Rudman for fiscal year 1990 or the balanced budget it lays out for fiscal year 1991.

Now, of course, we have the Democratic alternative, but the Democratic House alternative basically guarantees its own unconstitutionality. In other words, from that side we have a new theory: If you make it broke, it will never work.

Mr. Speaker, liberals and other naysayers do not want the President to ride shotgun over the deficit, but I am afraid that without him the rampaging legislators in the House and the Senate may rob America of its economic vigor.

HOUSE MAJORITY FAULTED FOR SOCIAL SECURITY DISINVESTMENT

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, here it is Monday. We shut this place down Friday. Most Members on the Republican side voted against adjourning because we wanted to give the Senate an opportunity of considering the 5-day debt extension that the House passed. Unfortunately, the House adjourned before the Senate could even take it up on Friday evening, and so the fact that disinvestment of Social Security Trust Funds took place rests on the Democratic majority here in the House of Representatives.

They are the ones who are going to have to explain to the recipients of Social Security all over this country why this loss from the Social Security Trust Funds has been sustained, because had we stayed in session for several hours longer on Friday evening, it is quite likely that the modification made in the bill by the Senate in order to correct some defects in the House version which would have left the extension not at 5 days but perhaps longer would have been corrected. The Senate did that, but, unfortunately, when they sought to find somebody in the House to have them implemented, we were gone, all long gone back around the country.

Mr. Speaker, it is an unfortunate experience, and I hope that we can resolve this difference soon by giving the Members of the House an opportunity of voting up or down on the Gramm-Rudman proposal which will mandate procedures for implementing the reduction of this deficit. I only hope that sooner, rather than later, we will get to that option.

REPUBLICAN CHAMPIONS OF SOCIAL SECURITY WELCOMED

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, I think that this national financial crisis has brought about one thing, and that is a metamorphosis of the Republican Party to the support of the Social Security system. For the last 5 years, at every bend in the road, whenever Social Security was under attack, and it often was by President Reagan or others, we did not find a willing partner among our Republican colleagues in regard to assuring older Americans that Social Security would be protected.

So I am pleased to note the outstanding vocal support this past few days that has been voiced for the Social Security system which we Democrats have been fighting to create and maintain these past 50 years, and I hope that this new GOP support will be reflected in future actions as we attempt to restore and to maintain this all-important Social Security commitment for all Americans.

HOUR OF MEETING ON TOMORROW

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 1 p.m. on tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are

ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, November 6, 1985.

MEMORIAL BILLS

(Ms. OAKAR asked and was given permission to address the House for 1 minute.)

Ms. OAKAR. Mr. Speaker, I have asked for this time in order to engage in a colloquy with my distinguished friend, the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, will the gentlewoman yield for a colloquy on the three memorial bills that are going to be considered today?

Ms. OAKAR. I am happy to yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, as I read the bills and the reports, your committee is recommending that these memorials be authorized so that the sponsoring organizations can begin their efforts to secure the necessary funds for the design of the memorials. But, I ask the gentle lady from Ohio if the legislation in any way designates where—what specific location—these memorials will be located?

Ms. OAKAR. The answer to that question is, No. The determination as to which lands might be suitable for the erection of these memorials is a matter for consideration of other committees. We do not intend to direct where these memorials should be erected.

Mr. VENTO. Mr. Speaker, I appreciate that response. I chair the Subcommittee on National Parks and our subcommittee is very concerned about the proliferation of memorials on national park lands. It is possible that new memorials could encroach on existing memorials or that they could be incompatible with other uses of the limited lands involved.

Furthermore, the maintenance and protection of these memorials places a considerable burden and expense on the administering agency. These are some of the reasons that the members of the Interior and Insular Affairs Committee are so concerned with the placement of additional memorials on national park lands. In the months ahead, I am hopeful that the Subcommittee on National Parks can look carefully at this entire problem and that it can develop meaningful legislation to deal with the future placement of memorials on the national park lands.

Again, I appreciate the fact that the House Administration Committee has left the site designation for these memorials open for consideration at a future time by the committees having jurisdiction. As I understand the gentle lady, once the sponsoring organization has secured the funds, it will then seek approval for the design of the memorial by the National Capital Planning Commission. The question of its location may, in fact, require further consideration or legislation. Is that correct?

Ms. OAKAR. Yes. I believe that is correct.

Mr. VENTO. I thank the gentle lady for yielding and for this opportunity to address this question.

□ 1220

MEMORIAL TO HONOR WOMEN WHO HAVE SERVED IN OR WITH THE ARMED FORCES

Ms. OAKAR. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 36), authorizing establishment of a memorial in the District of Columbia or its environs, as amended.

The Clerk read as follows:

H.J. RES. 36

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF MEMORIAL.

(a) IN GENERAL.—The Women in Military Service for America Memorial Foundation is authorized to establish a memorial on Federal land in the District of Columbia or its environs to honor women who have served in or with the Armed Forces of the United States.

(b) SITE, DESIGN, AND PLANS.—In carrying out subsection (a), the Foundation shall be responsible for selecting a site for the memorial and preparing the design and plans for the memorial, each of which shall be subject to the approval of the Commission of Fine Arts and the National Capital Planning Commission.

SEC. 2. PAYMENT OF EXPENSES.

The United States shall not pay any expense of establishment of the memorial. The Foundation shall not begin construction of the memorial until, as determined by the Comptroller General, amounts available to the Foundation from non-Federal sources are sufficient to carry out this resolution.

SEC. 3. EXPIRATION OF AUTHORITY.

The authority to establish the memorial under this resolution shall expire at the end of the five-year period beginning on the date on which this resolution becomes law, unless construction of the memorial begins during that period.

The SPEAKER pro tempore (Mr. MONTGOMERY). Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Ohio [Ms. OAKAR] will be recognized for 20 minutes and the gentleman from Minnesota [Mr. FRENZEL] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all, I would like to compliment the minority leader of our task force for the work and support that he has done on these memorials, as well as members of our committee, for their unanimous agreement.

Mr. Speaker, in January, I introduced a resolution which will authorize the establishment of a memorial to honor the thousands of women who have served in the Armed Forces. The Federal Government would provide the land in the District of Columbia, while the funding of the memorial itself would come from private services.

Mr. Speaker, women have served in a variety of military occupations in the Armed Forces since the American Revolutionary War where more than 20,000 women served.

Women also experienced combat action in the Civil War. One of the most famous soldiers of that time was Sarah Edwards, who disregarded the customary social mores of the 19th century and performed the functions of a courier, nurse, and soldier. Other women, such as Clara Barton, also made their mark in history tending to the sick and wounded. Clara Barton, as we all know, went on to establish both the Arlington National Cemetery and the Red Cross.

However, women have not been considered official participants in the military services since the formation of the Army Nurse Corps in 1901 and the Navy Nurse Corps in 1908.

Even in World War II, the urgency of defending our country gave reason to the military for women's broader participation within the armed services. Performing a myriad of duties, women like pilot Cornelia Fort proved their bravery and dedication to our country, some losing their lives in the process. In World War II alone, 350,000 women served in the services, as well as many others who performed and served in kind of a quasi-military support unit. For example, the Women's Air Force Service pilots, the WASPS, engaged 800 female pilots, from applications of over 25,000, to ferry warplanes around the world. Women also performed traditionally male tasks such as changing tires, repairing planes, rigging parachutes. In fact, they did everything that any other soldier did.

Many do not know, for example, that the first Women's Army Corps unit, the WACS, landed in Normandy 38 years after D-day. Furthermore, 65 women were taken captives as POW's from December 1941, to February 1945.

In light of their distinguished service, women veterans have throughout history, frankly, been largely overlooked in the military and in Government. Even today, there is very little research information available on female veterans. Today, there are over 1,150,000 women veterans. In the United States alone, they account for

more than 4.1 percent of all living American veterans.

So the story of women veterans in American history is one in which all women can take pride for they have indeed performed with pride and courage in the defense of their country. They have suffered the dangers and agonies of war in combat, combat support, and combat service support in many regions of the world. In spite of this, very often women's roles in various areas of national defense in peacetime situations have remained very limited.

We know that the issue of peace in the world is of paramount importance to women as mothers, wives, sisters, and daughters. They have sacrificed their own lives, along with the lives of their sons, their husbands, their brothers, their fathers, and their loved ones.

So we believe, Mr. Speaker, that women deserve to hold leadership positions and become an integral part of the military decisionmaking process.

Likewise, with the increasing number of women in the military, we must make sure that equality is ensured in the areas of benefits, rights, and opportunities.

I believe that we are about 200 years too late in memorializing women who have served their country with distinction, but I think this memorial is a small way to express what we owe to them as a country.

Mr. Speaker, at this point, I would like to reserve the balance of my time so that we can hear from the minority.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 36, of which the principal author is the distinguished gentlewoman from Ohio, Ms. OAKAR, the chairman of the task force, was unanimously approved by the task force and by the Committee on House Administration. All of the membership felt that such a memorial was deserving.

Mr. Speaker, with respect to these particular bills emerging from the House Administration Committee, it ought to be said that the committee takes a look at a large number of these bills each year. All of them are meritorious, but we have only a certain amount of land that is available to us. There are a large number of entities, including departments of Government and commissions, et cetera, that have some jurisdiction over the land that is available. Each of the groups that brings a request to us wants prime space on the Mall and, obviously, not all of them can have it.

The committee has determined, under the leadership of the gentlewoman from Ohio, that we will follow some responsible guidelines; that is, in each case, the sponsoring group will have to raise enough money to pay for an appropriate memorial by itself, without having the Federal Government kick in.

We have determined that certain agencies of Government must review the memorial to see that it is fitting and appropriate for display on Federal land, and finally, there are other committees of jurisdiction, one of whom was recently heard from, which may have to make another decision both on location and how the memorial is cared for.

So it is a long process; not every worthy applying group gets through that process successfully. We are presenting three of them today which we believe are worthy.

Mr. Speaker, I believe that this particular resolution should be promptly passed.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. OAKAR. Mr. Speaker, I yield such time as she may consume to my friend and colleague, the gentlewoman from Colorado [Mrs. SCHROEDER], one of the few women ever to serve on the Armed Services Committee.

Mrs. SCHROEDER. Mr. Speaker, I cannot tell you how delighted I am that this bill is up today, because I think there is a myth in America that all American women sat out all wars on a pedestal somewhere. History does not show that to be the case; but the incredible thing is how deep you have to dig in history to find out what the real role of women has been in the different wars that America has had.

I doubt there are many people who know that the only Revolutionary soldier buried at West Point is a woman.

I doubt that many people know that George Washington came in front of the Continental Congress and asked for full military pensions for some women because of their incredible performance during the Revolutionary War. Granted, they went in disguised as men, but their valor was so incredible that when they were discovered, they decided they should not be penalized because they had served so readily.

Most people do not know, too, that in the combat zones of the West where I came from back when we were out trying to win the West, out in those different forts, we had some very interesting laws in the Army at that time. That was, there had to be a woman in the fort for every 7½ men that were there. Now, we hear all this about protecting women from combat and how we cherish them and everything. What was the purpose of these women being in the fort?

Well, they were there to do laundry. It was really very interesting that when it came down to whether or not the men had to do laundry or to put a woman in a combat zone, we put women in combat zones, and thank you very much. They were not going to have detergent hands for male soldiers; but nevertheless, these women in those forts suffered right along with everyone else. When the forts were overrun, when different things happened, they, too, were taken prisoner or they, too, were shot or whatever. They were not protected. They were there on the front lines.

We know the role that nurses have played, and they certainly have been in the front lines over and over again.

We see women today constantly moving into new areas in our armed services and the constant amazement by some people that they were able to do it and that they were able to perform well and that in many instances, they test out better than some of the men that are there.

For so long, we have grown up with slogans in the military of "A few good men," absolutely refusing to recognize that there have also been a few good women right alongside.

I think American women, from day one, have come here not asking for special privileges, not asking to walk in front of men, not asking to behind them, but to walk alongside. Their role throughout every war in America from the Revolutionary War on has been of walking alongside, doing whatever they could or whatever they were allowed to do.

So I think this memorial in Washington, DC, pointing out the real role and not the mythical role of sitting on a pedestal somewhere, but the real role of being there, carrying their burdens and doing whatever they could, is long overdue.

I compliment the gentlewoman from Ohio for bringing this forward and to the committee for bringing it forward at this time.

Ms. OAKAR. Mr. Speaker, I yield such time as he may consume to my friend, the gentleman from Texas [Mr. BUSTAMANTE], who is one of the first cosponsors of the bill and who does such a great job in representing the military in that wonderful part of our country in southern Texas.

Mr. BUSTAMANTE. Mr. Speaker, I thank the gentlewoman from Ohio.

Mr. Speaker, I rise in support of this legislation to establish a memorial honoring women who have served in the Armed Forces. I want to thank, in particular, the gentlelady from Ohio [Ms. OAKAR] for her efforts to bring this worthy bill to the floor of the House.

Women have served our country throughout its history. They have given their skills, their energy, and their lives to defend our Nation. As early as the American Revolution, women lent their skills to the war effort, with 20,000 serving in artillery units in the Continental Army. Today, more than 200,000 women serve in active duty in the Armed Forces. More

than 101 million women are war veterans. Women serve in every capacity in the Armed Forces, except in duties directly related to combat. They range in rank from private E-1 to brigadier general. They have distinguished themselves in every area.

The history of women in the armed services is filled with stories of adventure, sacrifice, and achievement. In this century, the role of women in the Armed Forces has changed dramatically. During World War I, most women served as nurses. But this situation changed during World War II when nearly 350,000 women gave their strength to the war cause. Responding to the slogan, "Free a man to fight," women literally kept America running for the fighting men in Europe. Women played almost as active and extensive a role in the Armed Forces then as they do today. There was even a unit of women pilots, the Women's Air Force Pilots Service, who proved their skills in the air. It was not until 1977, however, that women in this unit finally received military status.

During World War II, women proved that they could handle military jobs traditionally restricted to men. Yet it was not until the 1970's, with the growth of the women's movement, that the number of women in the armed services truly began to grow. From 40,000 in 1971, the number has climbed to more than 200,000 today. During the 1970's, women entered the military academies. The class of 1980 contained the first women graduates, and as early as 1983, a woman had already achieved the highest academic honor in her Naval Academy class.

Our Capital is filled with monuments to war heroes and war victims. But no monument stands to honor the women who have served and who continue to serve our Nation so well. Women worked to defend our country and they deserve our thanks.

I urge my colleagues to support this worthy legislation.

□ 1235

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume.

I would just like to conclude by saying one of the joys in sponsoring this legislation was that we had a number of people from both sides of the aisle cosponsoring the legislation from all segments of our political philosophy who felt very, very strongly that we ought to have a memorial honoring the women who have served our country so valiantly.

If we take a look at the variety of memorials, whenever they depict people, they very seldom are women who are depicted in the memorial, and that is one of the reasons why we have memorials. We have memorials simply to say thank you for a job well done, and that is what the spirit of this legislation and the other pieces of legislation which we will be taking up is all about, to say thank you to our American patriots who served our country so nobly.

Mrs. LONG. Mr. Speaker, today I rise in support of House Joint Resolution 36, to authorize the establishment of a memorial in the District of Columbia to honor thousands of women who have served in the Armed Forces.

As a veteran myself, I know the contributions women have made to our country in both times of war and peace. During World War II I served in the Navy as a pharmacist's mate attending the sick and wounded. I was only one of the many thousands of women who served in the military during the Second World War. Today there are 1.2 million female veterans, representing 4.1 percent of the overall veteran population.

Women have always contributed to America's Armed Forces. In 1775 the Continental Congress authorized women to provide medical support to the newly formed Army. This tradition continued through the Civil War, Spanish-American War, World War I, World War II, the Korean war, as well as the Vietnam war. In 1901, the outstanding record of nurses in wartime prompted Congress to establish the Army Nurse Corps.

In World War I, the military began to utilize women for jobs other than nursing to release men for combat duty. During this war, 12,500 women enlisted in the Naval Reserve, and 300 in the Marine Corps Reserve. These enlisted women filled important clerical and administrative jobs in the Navy and Marines.

During World War II, 265,000 women were recruited into the armed services. During 1942 and 1943 the Women's Army Auxiliary Corps [WAAC], the Women's Army Corps [WAC], the Navy Women's Reserve [WAVES], the Coast Guard Women's Reserve [SPAR's], Women's Air Service Pilots [WASP], and the Marine Corps Women's Reserve were established.

Women were assigned to the United States and overseas. They performed in a great number of roles, including communications, administration, education, parachute rigging, aviation, control and ground crew support, link training, and gunnery instruction. Several women received the Purple Heart and others were decorated for meritorious service.

Women also played a vital role in the Korean war. At the peak of the crisis women in the service numbered over 33,000. During the Vietnam war, Congress repealed the 2-percent ceiling for women in the Armed Forces. At the height of the conflict women in the service numbered over 33,000 as well.

In the early 1970's women made great strides in the military. During this time the Army appointed the first three women general officers, the Air Force appointed two, and the Navy promoted one woman to flag rank. Since then more women have achieved command rank in the Armed Forces, making tremendous contributions to the efficiency and diversity of the service.

Mr. Speaker, throughout history women have served this Nation with distinction and honor. I think it only fitting that the Congress honor women veterans with a special memorial. This action is long overdue.

Mr. WHITEHURST. Mr. Speaker, it is my pleasure to join with my colleagues in expressing my support for House Joint Resolution 36, which establishes a memorial to women who have served in the armed services.

As long ago as the Revolutionary War, when 20,000 women contributed to the fight for independence, women have played an invaluable role in our Nation's defense.

The current duties of women in our service branches have changed greatly from the days when Clara Barton and her colleagues did so much to treat the sick and wounded during battle.

It has been a decade now since the first women were admitted as plebes to West Point, and they have taken their rightful place alongside their male counterparts at our military academies.

The women serving our country today are extensions of the women who came before them and were an integral part of the effort during World War II. More than 86,000 women served in a variety of capacities during the Second World War, bringing to previously male-only jobs the highest degree of skill and dedication possible.

It is only fitting that we establish a memorial in the Nation's Capital to honor those whose contributions to our Nation deserve the highest of recognition.

Mr. KINDNESS. Mr. Speaker, I would like to express my support for the passage of House Joint Resolution 36, which would authorize the establishment of a memorial to honor the service of American women in the U.S. Armed Forces.

Now is the time for the Congress and the American people to acknowledge the tremendous contributions of women who throughout our history have played such an important role in the defense of the United States and freedom abroad. Over 200,000 American women now serve in active military duty, indicating that the opportunity for continued contributions by American women to our national defense is on the rise.

As with the legislation to authorize a Korean War Memorial, there are no costs associated with enactment of House Joint Resolution 36. I hope my colleagues will join me in supporting House Joint Resolution 36.

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 36, authorizing the establishment of a memorial in the District of Columbia to honor the thousands of women who have served in our Armed Forces. I thank the gentlelady from Ohio [Mrs. OAKAR] for introducing this fitting tribute, and for her tireless efforts in bringing this bill before us today.

Mr. Speaker, while women have played a crucial role in the defense of our Nation, that Nation has not yet seen fit to recognize their enormous contributions. Women

were integral to this Nation's first efforts for independence with 20,000 women serving in the artillery units of the Continental Army. Women also experienced combat action during the Civil War and can boast of as their own, one of the most famous soldiers of that time: courier-soldier-nurse Sarah Edwards. Clara Barton the founder of the American Red Cross and the Arlington National Cemetery, and World War II pilot Cornelia Fort both continued Sarah Edward's legacy, illustrating through their perseverance and courage that women can and do serve our nation with pride and distinction.

The advent of the Second World War saw the role of women in the military change when women entered and mastered jobs previously restricted to men. During World War II, 265,000 women were recruited into the Armed Forces serving our Nation through their work in communications, administration, education, parachute rigging, aviation, control and ground crew support, link training, and gunnery instruction.

Today more than 200,000 women serve on active duty in the Armed Forces; more than 101 million women are war veterans representing 4.1 percent of the veterans population. It has been over a decade since the first women were admitted to West Point where they have taken their rightful place alongside their male counterparts at our military academies heralding women's entry into the highest policymaking bodies within our military. Indeed, women serve in every capacity in the armed services except those duties directly related to combat. Women hold ranks from private to brigadier general and have demonstrated time and again their willingness and ability to serve our Nation with the highest caliber of skill and dedication.

In accordance with this resolution, the Federal Government will provide land for the memorial in the District of Columbia while the funding of the memorial itself will come from private services. I urge my colleagues to join me in supporting House Joint Resolution 36 so that we can pay a long overdue tribute to those brave women who dedicated themselves to protecting and serving our Nation.

Ms. OAKAR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and pass the joint resolution, House Joint Resolution 36, as amended.

The question was taken.

Mr. LUNGREN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

KOREAN WAR MEMORIAL ACT

Ms. OAKAR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2205) to erect a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean war, as amended.

The Clerk read as follows:

H.R. 2205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF MEMORIAL.

(a) IN GENERAL.—The American Battle Monuments Commission is authorized to establish a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces, of the United States who served in the Korean conflict, particularly those who were killed in action, listed as missing in action, or held as prisoners by hostile forces.

(b) SITE, DESIGN, AND PLANS.—In carrying our subsection (a), the Commission shall be responsible for selecting a site for the memorial and preparing the design and plans for the memorial, each of which shall be subject to the approval of the Commission of Fine Arts and the National Capital Planning Commission.

SEC. 2. PAYMENT OF EXPENSES.

The United States shall not pay any expense of establishment of the memorial. The Commission shall not begin construction of the memorial until, as determined by the Comptroller General, amounts available to the Commission from non-Federal sources are sufficient to carry out this resolution.

SEC. 3. EXPIRATION OF AUTHORITY.

The authority to establish the memorial under this Act shall expire at the end of the five-year period beginning on the date of the enactment of this Act, unless construction of the memorial begins during that period.

The SPEAKER pro tempore. Pursuant to rule, a second is not required on this motion.

The gentlewoman from Ohio, [Ms. OAKAR] will be recognized for 20 minutes and the gentleman from Minnesota [Mr. FRENZEL] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there were 54,000 Americans killed and 103,000 wounded in Korea. Today there are approximately 5 million living U.S. veterans who fought in Korea, and during the Korean conflict, which lasted only 3 years, there were nearly as many lives lost as in the 10-year Vietnam conflict.

This bill would provide a very belated memorial to honor these Americans.

Mr. Speaker, on a personal note, I do not think there are many in my own age bracket who did not have a brother or some relative who served in Korea. My brother-in-law served on the front lines in Korea. He was one of the lucky ones who was able to get back home safely. My brother served during the Korea conflict as well. They were teenagers, literally. They were 18-year-old fellows who all of a sudden found themselves in a distant land.

I think it is very, very appropriate that we honor these individuals like the two I have mentioned. We have a number of distinguished Members of Congress who have also served our country with great distinction. One of them is one of the major sponsors of the bill, the gentleman from Mississippi [Mr. MONTGOMERY]. Many people do not realize that Congressman MONTGOMERY was a general in the armed services and served our country in not only the Korean conflict but, if I am not mistaken, the World War II conflict as well.

So, Mr. Speaker, it is a pleasure to yield such time as he may consume to our distinguished chairman of a very, very important committee, who has worked as valiantly on this effort, my friend, the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. I thank the gentlewoman for yielding time to me.

Mr. Speaker, I certainly want to thank the gentlewoman from Ohio for those kind remarks, and I appreciate her thoughts. I would like to say, Mr. Speaker, how much I appreciate the efforts of the gentlewoman from Ohio [Ms. OAKAR] as chairwoman of the task force on libraries and memorials to bring this long overdue legislation before the House for consideration.

MARY ROSE OAKAR has spent more time than anybody else in this House trying to work this out, because we have had some problems on this legislation. She has had patience and she has worked with all the Members. Thanks to her, this legislation is before us.

Let me mention also, and she did touch on it briefly, that her brother served in the Korean conflict, as well as other members of her family.

Mr. Speaker, I would like to thank the gentleman from Illinois [Mr. ANNUNZIO], the chairman of the full committee, and the gentleman from Minnesota [Mr. FRENZEL], for their support of this legislation.

Actually, the gentleman from New Jersey [Mr. FLORIO] will follow me. He is really the chief author and I am a cosponsor of his legislation. Mr. FLORIO served in the Korean conflict with distinction, and Members will hear from him, as well as the gentleman from Virginia [Mr. PARRIS], who also served in the Korean war and had a terrific war record during the Korean war.

My colleague, the gentleman from Arkansas, JOHN PAUL HAMMERSCHMIDT, is also a sponsor of this bill and serves as the ranking minority member on the Committee on Veterans' Affairs.

As the gentlewoman from Ohio said, I am proud myself to have served in World War II and in the Korean war.

This past July we commemorated the 32d anniversary of the signing of the treaty that really ended the Korean conflict. Thirty-two years have passed and we still have no national memorial to the persons who served in Korea, plus the 54,000 Americans who died in Korea. There were 6 million U.S. military servicemen called up during the Korean conflict; 1 million actually made it to the theater, and 5 million of those Korean veterans are alive today. Many of these veterans did serve in World War II as well as the Vietnam war.

The memorial would stand as a reminder to future generations of the human cost of war and would properly express the Nation's gratitude for the honorable manner in which those veterans served and, too often, died.

I would like to make this point very strongly. The deeds of our veterans of the Korean conflict are often overshadowed by World War II that had just ended, and after that we had the Vietnam conflict, which is still fresh in the minds of the American public. The Korean veterans have been the silent veterans, the ones who served and then slipped back into civilian life practically unnoticed. They have earned this recognition.

This legislation would authorize the American Battle Monuments Commission to establish the memorial, to select a site, prepare the design, and erect the memorial. The Committee on Veterans' Affairs, which I chair, has jurisdiction over the American Battle Monuments Commission, and we would certainly take the responsibility to have oversight hearings to be sure that the design and construction could proceed on a timely basis in honor of all Korean veterans.

I am pleased to see that the Senate Committee on Energy and Natural Resources is now considering a similar measure introduced by Senator ARMSTRONG and strongly supported by Senator JOHN GLENN and other distinguished Members of the other body.

We hope that in the very near future, under the leadership of the gentlewoman from Ohio [Ms. OAKAR] that we can come up with a bill that is acceptable by both bodies. It is long overdue. It has been on the back burner for these Korean veterans and we hope we will get the total support of the House on this Korean War Memorial.

□ 1245

Mr. FRENZEL. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, 35 years ago, last June 25, the Korean war began. The face of America and the lives of at least 5.7 million of her citizens were changed forever.

The Korean war was just that—a war. The terms "police action" and "conflict" do not adequately represent the personal sacrifice which members of the armed services, their families, and their friends made for our country and for the ideals of freedom and self-determination—the ideals which form the foundation upon which this Nation rests and from which it gets its sustenance. More than 5.7 million Americans served in the Korean war, more than 54,000 of whom made the ultimate sacrifice. In addition, over 103,000 were wounded and more than 5,000 were either captured or were missing in action.

It is deeply disturbing to me that, after 35 years, there is not yet a memorial in the Nation's Capital to honor these brave veterans of the Korean war—the only group of war veterans not to be so honored. These individuals have been leapfrogged by time and it is within our power to see that this disservice is not permitted to go unremedied.

In May of this year, I introduced a bill authorizing the American Battle Monuments Commission to provide for the design and construction of a suitable memorial in Washington, DC, to be constructed with Federal funds. In just 3 short months, more than 170 of our colleagues, from both sides of the aisle, signed onto this important legislation as cosponsors.

The bill before us today under suspension of the rules was also introduced around that time and shares a similar level of strong bipartisan support. While this bill was different from mine, it was improved during markup before the House Administration Task Force on Libraries and Memorials on October 23.

However, on October 29, in markup before the Committee on House Administration, H.R. 2205 was seriously threatened in its ability to perform the task of completing a memorial to the Korean war veterans at an early date.

Reluctantly, for the good of the cause, I will support this bill presently before us. Not because I feel it is the best bill—in its present form it is not—but because it is an acceptable bill. It is my profound hope that, in voting for this bill, the damage done in committee on this side of the Capitol may be rectified in conference. As such, I urge passage of H.R. 2205 and I commend the chairwoman of the task force, the gentlewoman from Ohio, [Ms. OAKAR], who has been extremely helpful in this matter.

However, in conference, at least the following points must be clarified:

Who is charged with the responsibility of soliciting private contributions? The ABMC is authorized to accept private contributions, but is not organized to solicit contributions. Contributions simply will not occur without effort and organization.

Why place a 5-year limitation on the AMBC in authorizing this memorial without giving it any of the tools and responsibility to complete the job within that period?

The committee stripped this bill of Federal funding. The Government sent our men and women to Korea at a cost of hundreds of millions of dollars and tens of thousands of lives, and yet several million dollars for this memorial cannot be found. Through the United Nations, we sent $4 million to Ethiopia for handicraft industries and leather development, and we cannot come up with $3.5 million for a memorial to those who served and those who were killed in the Korean war.

If given the time, Mr. Speaker, I could go on all day, but the point is very simple. Are our priorities placed in this Congress in terms of this matter? It has been 35 years. The time is now for this memorial, Mr. Speaker, not in another 35 years.

If you will pardon again a very brief personal note, as has been suggested by the gentlewoman from Ohio, I was one of those who flew the jets in Korea in what surely was a time of the early history of jet aerial warfare.

Even though it has been a very long time, Mr. Speaker, I can still hear the voices that I heard on more than one occasion. I followed one down until it hit the ground. I can close my eyes and see things that I would prefer to forget. I can smell, like I had it for breakfast, the napalm that we used 35 years ago.

I have seen grown men—whose courage was never questioned—sit in a cockpit and cry.

Let us just get on with our responsibilities to those who did their duty for this Nation when called upon.

Ms. OAKAR. Mr. Speaker, I yield such time as he may consume to the major sponsor of the legislation, a distinguished member of the Veterans' Affairs Committee and one who also was a soldier during the Korean war conflict era, the gentleman from New Jersey [Mr. FLORIO].

Mr. FLORIO. Mr. Speaker, I thank the gentlewoman from Ohio [Ms. OAKAR] for her cooperation as well as the time being offered at this point.

Mr. Speaker, on April 24 of this year, I introduced a bill which would honor those Americans who served in the Korean war. The bill, H.R. 2205, the Korean War Memorial Act, authorizes the erection of a memorial on federally owned land in or around the District of Columbia which would honor the several million Americans who served in Korea.

I would like to extend my sincere thanks to the chairman of the House

Veterans' Affairs Committee, SONNY MONTGOMERY, and the ranking minority member of the Veterans' Affairs Committee, JOHN PAUL HAMMERSCHMIDT, for their unwavering support of this effort. Both gentlemen were original cosponsors of this legislation. I would also like to thank my colleague from Ohio, Congresswoman MARY ROSE OAKAR, the very able Chair of the Task Force on Libraries and Memorials of the Committee on House Administration. Without her assistance and interest, it is unlikely that this bill would be here today on the House floor. We are deeply indebted to her for her efforts.

Mr. Speaker, on this list is a compilation of names. They are names of American heroes. They are those who fell in combat in Korea during that conflict. It marks the first time that these now sacred names have entered this Chamber and it is one which should be well marked by all of us. These men and women have now finally been brought home by the Nation which sent them to that remote land 8,000 miles away. It is for those honored dead and their equally honored surviving brothers that I am here today.

In the 7 months since this bill was introduced, I have gained a new insight into the necessity of a Korean War Memorial. I have been contacted by many veterans from around the country, many of whom I hope are watching these historic proceedings on C-SPAN today. As I go on in this debate, I would like all present in this Chamber and the millions watching us on television to remember these papers and the thousands of names on this list.

Mr. Speaker, the Korean war lasted a total of 36 months. In that 36 months, a total of over 54,000 Americans died. The Vietnam conflict lasted over 11 years and over 58,000 Americans died. The severe brutality and fierceness of the fighting in Korea is a matter of record. The numbers speak for themselves.

The sacrifices made by the people of the United States in the Korean war are remarkable. In Korea, U.S. Forces fought under the flag of the United Nations. The United Nations this year is celebrating its 40th anniversary. In 1950, when South Korea was invaded by North Korea, the United Nations was barely 5 years old. Yet the United States responded. We responded in a way that must have stunned our enemies. Never did they think that America would sacrifice the lives of over 50,000 of its sons and daughters in the name of an ideal which had thus far only existed on paper.

They were wrong, Mr. Speaker. The blood of those Americans and the efforts of their fellow military personnel are the cement that binds the United Nations today. Had America shrugged and left South Korea to its own fate, is there anyone who can seriously believe that the United Nations would be able to celebrate its 40th birthday today? Never.

It is impossible to overestimate the importance of the sacrifices made by our troops, sailors, and airmen in Korea. The infant world organization, so highly touted by the Western allies following the devastation wrought by World War II, was tested for the first time. A generation earlier, the United Nations' predecessor, the League of Nations, had failed its test—and the greatest carnage yet seen on this planet was certainly a cause of that failure.

We didn't fail. The world saw, not for the first time, the determination of an America sure to live up to its commitments. It saw, once again, the ability this Nation has to rise to any occasion to defend freedom in the face of stark aggression. It was a lesson well learned and hard earned.

I urge my colleagues to act expeditiously and approve H.R. 2205. The bill has 145 cosponsors who share my hope that the names of the heroes on this list will finally be recognized and that their memory be finally proudly honored. It has been far too long for those forgotten veterans and their fallen comrades who have yearned to be recognized for their accomplishments. The world is safer today because of their sacrifices.

Mr. Speaker, I am hopeful that we can go forward with this piece of legislation as rapidly as possible, we can reconcile differences that people may have about the form of this legislation, and then we can see this memorial, as the gentleman from Virginia [Mr. PARRIS] indicated, established as rapidly as possible. Too long of a period of time has already expired, and the time for action, the time for a suiting memorial for these individuals is now.

Mr. FRENZEL. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I was one of those American service personnel who spent time in Korea during the period in question. I think this is an important bill, and I am delighted that the House is going to pass this either today or Wednesday, depending on whether there is a vote or not.

I, too, had classmates and friends who did not come back from Korea, at least not alive. All of us remember the enormous sacrifices.

We remember, too, the sacrifices for our allies who sent troops to fight with us there at our side. It is interesting to note, I think, that the Koreans themselves, the citizens of the Republic of Korea, have done so much to memorialize this particular chapter in Korean and American history, and it is delightful, I think, now that the United States is finally going to have its memorial.

□ 1300

With respect to the comments of the gentleman from Virginia [Mr. PARRIS] who has been a strong advocate for the memorial, I think it is fair to say in response that at least as long as I have been on this committee, the committee has never authorized the expenditure of taxpayers' funds for these memorials.

It has always been interested Americans who have come forward; and whether it is a unit of the armed services, or whether it is a group of individual Americans and whether they are building a memorial to black veterans of the Revolutionary War or women veterans of all of our wars, these groups have come forward and raised the money spontaneously for these memorials.

The Federal Government's position has been to provide the space and to provide care for the particular memorial. I think it is a good system; I hope that it will be maintained.

I now yield such time as he may consume to the distinguished gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. I thank the gentleman for yielding, and I will not take a lot of additional time with this debate, Mr. Speaker. We discussed it at some considerable length in the hearings held by the gentlewoman from Ohio [Ms. OAKAR] and on the other side of the Capitol in the other body.

The question is whether or not to use Federal funds for this purpose. I have suggested, Mr. Speaker, that I will, as one Member of this Congress, vote to spend whatever funds are reasonable and appropriate to memorialize the sacrifices for every war that this Nation has had.

That is considerably different than the requests of many other groups or committees to form a communication of one kind or another. I think any war is an important event in American history. For this purpose, Mr. Speaker, I went to the Internal Revenue Service and asked: If you take the Vietnam Memorial situation as an example of the numbers of dollars involved, and if approximately that amount of dollars were given for this purpose, and if those contributions were deductible which, under our Tax Codes as they currently exist they would be, if you lost that many dollars in deductible, charitable contributions, what would be the net loss to the Treasury of this Nation?

Well, as happenstance would have it, Mr. Speaker, the answer was almost exactly identical to the estimated cost of the memorial. For those reasons, it just seemed to me that it would be appropriate in this instance to provide Federal funds in that amount.

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The committee did not see it that way, and in an honest difference of judgment and opinion between the gentleman from Minnesota [Mr. FRENZEL] for whom I have the highest possible regard, and myself, and for whose help in the passage of this legislation I greatly appreciate.

I would have liked to just step up and bite the bullet and see it done; let us get on with it after 35 years. The committee saw it the other way. As I have indicated in my earlier remarks, I am hopeful that justice and reason will prevail in the conference, and that it can in the final analysis be done in the manner which I would prefer.

Mr. FRENZEL. I thank the gentleman for his thoughtful and slightly wrong contribution, and I reserve the balance of my time.

Ms. OAKAR. Mr. Speaker, I have no further requests for time.

I yield myself such time as I may consume. I would like to say that, in passing these memorials, what we attempted to do is get a bipartisan spirit behind it so that we did not have any internal conflicts about it, and that is why we did reach conclusions that may not have been what my friend, the gentleman from Virignia [Mr. PARRIS] who did introduce a bill, a very worthy bill as well, was disappointed in; and frankly, I do not have a problem with it on a personal level in using taxpayers money for this, but I do think it is important to have a bipartisan spirit.

At this time, I yield to the distinguished chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. I thank the gentlewoman for yielding.

Mr. Speaker, I basically supported what the gentleman from Virginia [Mr. PARRIS] was doing as well as the Florio bill.

What we were trying to do was to proceed to build the monument with appropriated funds in order to avoid some of the problems that happened in the building of the Vietnam Memorial. That is why our bill authorized $5 million for the construction of the memorial.

The Vietnam Memorial was built from volunteer donations. As I recall more than $9 million were raised. About $2.5 million was spent for fundraising; only about $3.8 million really went into the construction of the memorial. We included a provision in the bill allowing the American Battle Monuments Commission to accept contributions from the general public and those contributions could be offset against the $5 million authorization contained in the legislation; many people of this country would like to give to the memorial and be part of it.

That was the reason we authorized the $5 million, but the committee felt differently, and we certainly support what is before the House now.

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may use.

One reason to avoid any question about how the funds are being used and so on, one reason that the legislation is very specific about the American Battle Monuments Commission in collecting these funds is to dissuade any conflicts relative to the collecting of the funds; that if everyone who wants to give can give to the central commission that has a very fine reputation; it is in fact under the jurisdiction of the distinguished Veterans' Committee, that will avoid any kind of problem in the correction of the funds. Is that not correct?

Mr. MONTGOMERY. If the gentlewoman will yield, that is exactly right, and that is why we recommend that the Battlefield Monuments Commission be involved; the great reputation it has, the tremendous job it has done around the world on cemeteries and memorials, and we felt this was the proper way to go.

As I said earlier, Mr. Speaker, what the committee has done is satisfactory and we need to move ahead.

Ms. OAKAR. I thank the gentleman and all the people who sponsored the legislation, and at this time I have no further requests for time.

Mr. Speaker, I reserve the balance of my time.

Mr. FRENZEL. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, there was controversy on how this monument was to be financed, and the gentleman from Virginia [Mr. PARRIS], and aided by the gentleman from Mississippi, the distinguished chairman of the Committee on Veterans' Affairs [Mr. MONTGOMERY] and the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT] were very strong in requesting a monument to be paid for by the taxpayers.

The committee opted instead for the traditional method by which other memorials had been erected in Washington on Federal property; I still stand by that. I would agree with all of the people who have spoken that it is most important that we move ahead rather than exactly how I hope the alternative of allowing the Battlefield Monuments Commission to accept the money will prevent people from giving money which is used up in, with excessive fundraising costs, and I hope that the memorial will be a fine one that Americans will be proud of for many years into the future.

I hope the bill will be promptly passed.

Mr. MOLINARI. Mr. Speaker, I am a strong supporter of H.R. 2205, legislation which will authorize the construction of a memorial to honor those American Armed Forces who served in the Korean war. I was pleased to be an early cosponsor of this bill and to submit testimony before the Task Force on Libraries and Memorials when a hearing was conducted on this bill on July 10, 1985. I have been concerned about this issue for a long time and am pleased that the House is considering this bill today.

As one walks about Washington with its many war memorials and monuments, it soon becomes obvious that something is missing—a fitting tribute to our Korean war dead and those who served in that conflict. More than 30 years have passed since the end of the Korean war and we should, as a nation, express our appreciation and gratitude to the Americans who served in Korea and memorialize the loss of those who never returned. A memorial to our servicemen who fought so bravely under severe personal hardships is long overdue. Having served in Korea myself, I saw firsthand many examples of extraordinary courage and sacrifice by my fellow Americans.

When the North Korean Army attacked across the 38th parallel on June 25, 1950, with 100,000 troops armed and trained by the Soviet Union, America and many of our allies responded to the crisis. Three years later, with both sides claiming victory, a peace agreement was signed. However, the price we paid for that peace was high. In those few years, 54,246 Americans lost their lives, 4,600 were taken prisoner and over 103,000 were wounded. Approximately 5 million American veterans were involved in that war, a war about which most Americans, unfortunately, quickly became apathetic.

This memorial is a deserving one and will serve to show that we fully recognize, and will not forget, the contribution of our Korean veterans. I believe that this legislation will provide the proper means of funding, site selection, and design to erect a proper memorial and I urge passage of H.R. 2205 today.

Mr. KINDNESS. Mr. Speaker, as a cosponsor of H.R. 2205, to authorize a memorial in the District of Columbia to honor those Americans who served this country so proudly and well in the Korean war, I wanted to express my support for the passage of this legislation today.

That we have yet to honor those brave Americans who over 30 years ago traveled thousands of miles from our shores to defend freedom and to deter Communist aggresion is regrettable. Our Korean war veterans, including over 54,000 who lost their lives in this war, deserve to be honored, and I am pleased to have been a part of this effort to recognize those veterans with a Korean war memorial.

There are no costs associated with the passage of this legislation. Over 30 years have passed without suitable recognition, and it seems that authorizing construction of a Korean war memorial is most appropriate. I urge my colleagues to support this legislation.

Mr. YOUNG of Florida. Mr. Speaker, I rise in support of H.R. 2205, the Korean War Memorial Act.

This is legislation I have cosponsored to honor the more than 5 million Americans

who proudly served our Nation during the Korean war. Thirty-two years have passed since the end of the Korean war, but we have never appropriately honored those who bravely fought to preserve freedom in South Korea.

The toll of the 3-year battle was high as 54,000 Americans died and 103,000 were wounded. Despite their valiant service, Korean war veterans are the only group not to be honored with a memorial in our Nation's Capital.

The legislation before us today authorizes the American Battle Monument Commission to erect a memorial so that all Americans can pay tribute to those who fought in Korea to oppose Communist aggression.

There are 273,000 veterans of the Korean war in Florida, and 21,940 living in Pinellas County, which I represent, so I know of the special contribution these Americans have made to our Nation. We cannot make up for the years that have passed without properly honoring those who served in Korea, but with the swift enactment of this legislation we can move forward with the establishment of a monument befitting their courageous service.

Mr. GILMAN. Mr. Speaker, it is a privilege to rise today in support of H.R. 2205, authorizing the erection of a memorial in or around the District of Columbia to honor the several million loyal Americans who served in Korea. I know I speak for many of my constituents, as well as for millions of veterans and their families across this Nation, when I extend my sincere appreciation to the gentleman from New Jersey [Mr. FLORIO], for introducing this legislation and for bringing it before the House in such a timely manner.

In the 3 short years between 1950 and 1953, 53,000 Americans made the ultimate sacrifice representing our Nation in Korea. As a point of comparison, the Vietnam conflict lasted 11 years and claimed 58,000 American lives. More than 5.7 million American servicemen and servicewoman served under the flag of the then-infant United Nations, selflessly defending the principles of freedom and self-determination halfway across the world. It is impossible to overstate the sacrifices made by these fine Americans. The Korean war illustrated America's willingness and ability to answer her commitments; this would have been impossible without the brave men and women who served in the Korean war. An appropriate memorial to those who served in the Korean war is a long-overdue, much-deserved tribute.

As one of 145 cosponsors of H.R. 2205, I am grateful that those heroes who lost their lives in Korea will finally be recognized and that the House has considered this legislation in such a timely manner. Accordingly, I urge my colleagues to vote aye on adoption of H.R. 2205, the Korean War Memorial Act.

Mr. FRENZEL. Mr. Speaker, I have no further requests for time, and I yield the balance of my time.

Ms. OAKAR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and pass the bill, H.R. 2205, as amended.

The question was taken.

Mr. LUNGREN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

BLACK REVOLUTIONARY WAR PATRIOTS MEMORIAL

Ms. OAKAR. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 142) to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens, as amended.

The Clerk read as follows:

H.J. RES. 142

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF MEMORIAL.

(a) IN GENERAL.—The Black Revolutionary War Patriots Fundation in authorized to establish a memorial on Federal land in the District of Columbia or its environs to honor the estimated five thousand courageous salves and free black persons who served as soldiers and sailors or provided civilian assistance during the American Revolution and to honor the countless black men, women, and children who ran away from slavery or filed petitions with courts and legislatures seeking their freedom.

(b) SITE, DESIGN, AND PLANS.—In carrying out subsection (a), the Foundation shall be responsible for selecting a site for the memorial and preparing the design and plans for the memorial each of which shall be subject to the approval of the Commission of Fine Arts and the National Capital Planning Commission.

SEC. 2. PAYMENT OF EXPENSES.

The United States shall not pay any expense of establishment of the memorial. The Foundation shall not begin construction of the memorial until, as determined by the Comptroller General, amounts available to the Foundation from non-Federal sources are sufficient to carry out this resolution.

SEC. 3. EXPIRATION OF AUTHORITY.

The authority to establish the memorial under this resolution shall expire at the end of the five-year period beginning on the date on which this resolution becomes law, unless construction of the memorial begins during that period.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Ohio [Ms. OAKAR] will be recognized for 20 minutes and the gentleman from Minnesota [Mr. FRENZEL] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as early as 1652, blacks were fighting as members of the Militia in Colonial America, thus beginning their history of achievement and heroism for our country. Yet, history books in American schools have for the most part omitted the contributions of black soldiers since the Revolutionary War, to our most recent conflict in Vietnam.

This memorial to these black Americans is a small tribute to their bravery and valor, an important part of the founding of our country.

Mr. Speaker, I want to commend the two major sponsors of this legislation, my friend, the Congresswoman from Connecticut [Mrs. JOHNSON] who did such a splendid job, and my colleague from New York [Mr. RANGEL], who is the other major sponsor of the legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. FRENZEL. Mr. Speaker, I yield such time as she may consume to the distinguished author of this legislation, the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON. I thank the gentleman for yielding to me.

Mr. Speaker, I rise in support of House Joint Resolution 142, honoring the contribution of black Americans to the American Revolution.

I would like to thank the gentlewoman from Ohio [Ms. OAKAR] and the gentleman from Minnesota [Mr. FRENZEL] for their great support and patience and encouragement and leadership in getting this resolution to this point, and for their support today on the floor.

I would also like to thank my colleague, the Congressman from New York [Mr. RANGEL], my cosponsor, for his help and support and for the gentleman from Maryland [Mr. MITCHELL] for his eloquent testimony and encouragement, and I know that he will be a part of this discussion in a few minutes.

In addition, I want to thank a private citizen. Because in America, government is indeed only a reflection of the desires and demands of its citizenry; and this is a perfect example of how government elected officials in partnership with constituents can make important changes in our Nation and provide opportunities that would otherwise not be available.

So today, Mr. Speaker, I recognize the contribution of Maurice A. Barboza, one of my friends and constituents, without whose energy and dedication this resolution would not be before us today.

It is important for a nation to understand, to recognize, and to value its

roots; the sources of its strength. I represent a very diverse, highly ethnic community, and take great pride and pleasure in recognizing with my constituents their own national heritages and the contribution that their cultures and traditions have brought to our Nation, and the strength that they have given us over many decades.

□ 1310

It is in great measure because we have been less able to recognize the contributions of black Americans than we have been able to recognize the contributions of German-Americans and Polish-Americans and others that we stand here today. Indeed, we have recognized inadequately in textbooks that our children read, in the commonly read records of our history of the gaining of our independence, the enormous contributions that black Americans made to achieving that victory that has provided such hope to the world. It is because of this lack of recognition in our own records and daily consulted textbooks and because, in addition, of the lack of recognition right here in Washington, DC—and I would remind the House that there is only one small statue to a black American, that of Mary McCloud Bethune—that we have this legislation before us, because it is through this array of national monuments that millions of tourists, year in and year out, refresh their memory, revitalize their ties, and enhance their understanding of our Nation's founding and of those important episodes in our history. Indeed, I am pleased to say that last night in the rain my family and I were down at the Vietnam Memorial and up at the Lincoln Memorial, and we had a chance to remember once again how important what we are doing here today on all three counts is. In that process of moving from monument to monument, we do reactivate our own deepest commitment to America as a Nation, to our own freedom, to our responsibilities as citizens. It is important that there be an appropriate recognition of the contributions of the black Americans at the time of the Revolutionary War to the success of that venture. It is a noble record. It is a record of courageous action and dedication and commitment and one that today, from this moment forward, will have the recognition that it deserves.

Mr. Speaker, I do mention that my original bill requested that this monument be built in Constitution Gardens. I personally, and many of us, feel very strongly about that, we believe that this monument should be right at the heart of that part of our Capital City at which we have those monuments that deal with our founding and those forces that created us as a Nation.

I appreciate the implications of the colloquy that preceded consideration al all three resolutions and the objections of many Members to setting the precedent of passage of site-specific legislation. So my resolution has also been amended to eliminate the specific reference to the site. But I think the committee for the language in the committee report that does indicate that the committee's intention was, and I ask my colleague from Ohio if this is not her understanding of the motivation of the committee, that the committee felt that this memorial should be placed in a setting of great prominence in Washington, a setting of such prominence as Constitution Gardens.

Ms. OAKAR. Mr. Speaker, will the gentlewoman yield?

Mrs. JOHNSON. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentlewoman for yielding.

As the gentlewoman knows, the Department of the Interior, the Planning Commission, the Fine Arts Commission do recommend the site. But we did put in the report language, and it is the committee's feeling, that an appropriate site would be Constitution Gardens.

It is my personal hope that it is there.

Mrs. JOHNSON. I thank the gentlewoman very much.

Mr. Speaker, I commend my colleagues for their work and their support here today in creating the possibility for a monument that will indeed move a step further toward changing our national perception of our own roots and recognizing the reality of all those who made our freedom and independence possible and who have made our Nation the beacon of hope that it is to so many around the world.

Mr. Speaker, I yield back the balance of my time.

Ms. OAKAR. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Maryland [Mr. MITCHELL] who was one of our star witnesses at our hearings and was extraordinarily eloquent.

Mr. MITCHELL. First let me thank these two persons who have been in the forefront on this legislation, Congressperson JOHNSON and Congressperson OAKAR. They have done a remarkable service, I believe, to Congressman RANGEL, you have done a remarkable service to our Nation. I think that this legislation comes at a very appropriate time when many of us in the black community feel that there is no longer as strong a national commitment to end some of the problems that we have in our communities. So this comes at a time really to give us a sense of encouragement and sense of hope.

The one thing that I would like to stress is that those who would criticize black Americans have never ever been able to criticize our patriotism.

You know, it is remarkable to me that those men who died in that Revolutionary War, in many of the colonies were not even considered as human beings, they were slaves. Yet, there was in those persons who were regarded as less than human beings the desire to stand with others who sought freedom for this Nation.

I suppose it is that same sense of patriotism that characterized blacks in all the wars.

I remember very distinctly when I was wounded, and I still bear the scars of the sharpnel wound, and I thought to myself as I was recuperating in the hospital: "Why should I do this? Why should I have jeopardized my life," when in many of the States at that time I was not given full and equal access to all that this Nation affords.

Yet I realized that by making that sacrifice, just as those men did in the war for our independence, I realized that by so doing maybe, maybe we could create a climate in which this country could one day achieve its true potential for greatness.

I am very, very grateful to all of the sponsors and cosponsors of this legislation. I just hope that it will be passed very quickly.

We have a situation in which we are getting very close to Veterans Day. Frankly, what I would like to see is the other body move very quickly, get this bill to the President, and maybe we could celebrate this monument, this memorial, at the same time we celebrate our Veterans Day.

Mr. Speaker, I want to commend the Committee on House Administration for expeditiously reporting House Joint Resolution 142, a bill to authorize the establishment of a memorial to the black patriots and freedom seekers of the American Revolution. This important honor has been a longtime coming. With Veterans Day just a week away, I hope that it will be possible for the Senate to follow our lead so that this bill will be on the President's desk for signature by November 11.

More than 20 public witnesses joined me and 6 of our colleagues on June 13 in testifying before the task force on Libraries and Memorials in strong support of the Patriots Memorial. Brilliantly coordinated by the distinguished chairperson, Representative MARY ROSE OAKAR, this hearing clearly raised public conciousness about the little-known contributions of blacks to American Independence. Those of us who are among the 116 cosponsors are receiving inquiries from schoolchildren, teachers and history-minded citizens of all backgrounds seeking more information and applauding the effort to honor these forgotten patriots.

While the memorial would honor black patriots who have been dead for over 150 years, an equally important purpose is to make current and future generations aware of the fact that from the Revolution to Vietnam, black people have been fighting and dying for America. Throughout the Na-

tion's history, we have been freedom loving, patriotic, and willing to make sacrifices to preserve our way of life although, at the time, we might not have been fully enjoying its benefits.

The Patriots Memorial will be an important symbol to Americans of all races and is not just an effort to bolster the image of blacks for blacks. This memorial will tell all Americans of our common heritage and mutual struggle to win and preserve freedom by participation in wars and civil rights battles, from our earliest history. It will show how more than 12 generations of history should bind us together as a country and define us to the world as a distinct nationality.

Because this message is central to the building of closer ties among Americans of all races in the decades ahead, the memorial must be placed in an important and visible location. House Joint Resolution 142, as introduced, designated Constitution Gardens—between the Lincoln Memorial and Washington Monument—as the site of the memorial. However the committee decided that it would be preferable to specify the site in its report rather than in the legislation itself. It is my understanding that the committee clearly intends to direct the Secretary of the Interior to authorize the establishment of the memorial at an appropriate site in Constitution Gardens. It is with this understanding that I vote in support of this legislation.

Placing the memorial in an obscure location or one that does not integrate it with other symbols of the history and period to which it relates would be tantamount to not building the memorial at all. The Constitution Gardens site will allow the memorial to interact with the Washington Monument, Lincoln Memorial, Signers Memorial and DAR Constitution Hall. The ground where these landmarks sit has a special meaning to all Americans, especially to black people, because of events which have occurred there over the past 50 years and the history the people they honor helped fashion. In this setting, the memorial will make an accurate statement and convey to visitors a clear understanding of how blacks were an important part of the history of Washington's and Lincoln's eras. Moreover, it will show how they kept alive the spirit of the Declaration of Independence long after the Revolution had ended.

I urge my colleagues to support this important legislation which has come to the floor on the strength of a strong bipartisan coalition led by Representatives JOHNSON, RANGEL, OAKAR, FRENZEL, CLAY, BATES, and GINGRICH.

Mr. HOYER. Mr. Speaker, I would like to speak in support of the memorial honoring the more than 5,000 black persons who served in the American Revolution.

The black American, as soldier and civilian, was central to the war effort. By the war's end, approximately 5,000 black soldiers had served in the Colonial Army of 300,000. Black troops had fought in most major battles and had garnered honors and praise from their commanders.

Though each of the 13 Colonies sent black soldiers to fight in the Revolution, I would like to cite two soldiers who served from Maryland.

One man who deserves to be recognized is George Buley, who was born in Prince Georges County, MD, in 1761. Mr. Buley enlisted in the Army in 1781 at the age of 20 and fought bravely at the battle of Yorktown, where independence was won. Mr. Buley was honorably discharged after the war, and returned to his native Maryland where he received a pension from both the Federal and State governments in recognition of his service.

Another black Marylander who fought in the Revolution was James Robinson. Mr. Robinson was born a slave in Maryland in 1753. When war broke out, Mr. Robinson asked to serve in the Army, where he also fought in the battle at Yorktown, as well as at Brandywine. For his service in the battle which secured the surrender of General Cornwallis at Yorktown, he was decorated for military valor by General Lafayette. After the war, Mr. Robinson was returned to slavery and sent to Louisiana.

With the start of the War of 1812, Mr. Robinson again offered his services to his country. Despite his contributions in two American wars, Mr. Robinson did not become a free man until after the Civil War. Once freed, he moved to Detroit where he resided until his death at the age of 115.

For the thousands of others who fought, service in the military brought freedom and land grants to a few. But in large, their contributions were soon forgotten by the society at large. Of the blacks who died and gave brave and honorable service to their country, none were given suitable recognition or declared to be national heroes.

These thousands of black patriots contributed much to the victory of the American Revolution. These black Americans fought valiantly and deserve to be honored, even as belatedly as this honor is. Their contribution should not be forgotten, and therefore, I strongly urge my colleagues to support the building of this memorial in the District of Columbia to honor and commend these patriots for their service to their country.

Mr. OWENS. Mr. Speaker, I rise in support of House Journal Resolution 142, which would authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia to honor the estimated 5,000 slaves and freed blacks who served in the American Revolution. Blacks served as soldiers, sailors, guides, spies, artisans, and support personnel. The majority of blacks served in the northern campaigns which occurred earlier in the war. When the fighting moved to the South as the end of the war neared, there was no known effort to recruit blacks.

After the Revolution ended, the black veterans seemed to have disappeared as a group. In the New England States, their identity as slaves disappeared as slavery ceased to be a legally enforceable institution. In New York, where my district is, slavery was still a legally enforceable institution but it is generally believed that the veterans were granted their freedom. Most of the blacks who had come from the northern States probably settled in urban areas where freed black craftsmen and artisans had settled before.

Blacks who fought with the British did not fare so well. Their fates were determined by factors such as previous ownership—Tory or Revolutionary—skills and the geographic accident of where they were when the war ended. Some were viewed as troublemakers and shipped to the West Indies where they remained as slaves.

Blacks have fought in every war that other Americans have fought in. Although their roles have varied with the needs and prejudices of the times, they have contributed their efforts to the defense of their country. Their contributions should be recognized and I urge my colleagues to join me in supporting House Joint Resolution 142 to honor the blacks who fought in the Revolutionary War.

Mr. Speaker, I yield back the balance of my time.

Ms. OAKAR. Mr. Speaker, I yield such time as he may consume to the distinguished major sponsor of the legislation, the gentleman from New York [Mr. RANGEL] who put his prestige and energy behind getting this passed. This Chair is very grateful to him for all his hard work as well.

Mr. RANGEL. I thank the Madam Chairman. I think this is a historic day. Mrs. JOHNSON is to be commended for cosponsoring this legislation which merely attempts to correct American history. I think the day is historic because just preceding this bill we had the Korean War Memorial Monument up for discussion before this group and that we have "SONNY" MONTGOMERY chairing the debate this afternoon. We know that veterans throughout our great history have sometimes been passed over when the final history books were written. So those of us who served in Korea sometimes had felt that it was not really dramatized as a real war but, rather, a police action.

I can imagine how those who are relatives or related somehow to those black patriots who, although denied citizenship, fought in the Great Revolution to make this great country of ours became a reality, how they must feel to see that their loved ones who died and gave their lives and were wounded, did not properly get their place in history.

So I guess this great Nation of ours always has to somehow correct what has been an oversight, to give new hope to those who follow us, and to be able to say on Veterans' Day or any day that blacks in this country have played an important role, from cotton fields to battlefields, where democracy was at stake.

Mr. Speaker, I thank the chairwoman of the committee for expediting the legislation on this calendar. I am certain it is going to become law, and I feel like a better American for making some small contribution to see that when we do pass the historic gardens of our great Capital, we will be able to see that monument there for all to adore.

I thank the gentlewoman.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill was approved unanimously by the Committee on House Administration and by its task force on libraries and memorials.

You have heard speeches from the authors of the bill, Mrs. JOHNSON, Mr. RANGEL, and others, who have described eloquently the need for the memorial and the feeling that this country will get when it can observe the memorial, and in that memorial be reminded of the needs of the people who helped create this great, free republic of ours.

I would like to make a short statement that relates to that of the gentlewoman from Connecticut about the site of this particular memorial.

As I indicated when we began discussion of the three memorials today, the committee has certain jurisdictions and certain specifications that it follows when it processes authorizing bills for these memorials. One of the things we cannot do is to designate a specific site, for if we do, it would mean that the bill would have to be rereferred a couple of times after it left our committee.

The committee is, as the distinguished chairwoman of the task force, the gentlewoman from Ohio [Ms. OAKAR], pointed out, very sympathetic with the request of the sponsors of the legislation for a site in Constitution Gardens. And it is the hope, I think, of all of the members of the Committee on House Administration that when the final site is selected, it will be in that particular area, and all of us regret greatly we were not able to work that into the body of the bill itself.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. OAKAR. Mr. Speaker, I simply would like to conclude, after debating the three resolutions relative to memorials, by saying that our committee gets requests for a lot of memorials to be built on Federal land in Washington. The committee had hearings and passed on three, mainly because we had truly bipartisan support for the Women's Memorial, the Korean War Veterans' Memorial, and the Memorial Honoring Black Patriots Who Served in Our Revolutionary War.

We hope that the other body will act on all three memorials, that they will not be provincial and choose one over the other. We think all three are worthy memorials that have had a host of cosponsors on both sides of the aisle, and we also hope that if it is possible after we pass ours, and I am confident that we will pass ours by recorded vote this Wednesday or possibly even tomorrow, that we do so in a bipartisan way and pass these memorials unanimously and ask the other body to try to get theirs passed by Veterans' Day, if it is possible, which is November 11.

Mr. Speaker, they have had the hearings already on these three memorials. We have tried to act as expeditiously as possible, and I hope the other body, with their distinguished chairman, and members of their committee, will do the same and act on all three memorials and send them over here, and we will reconcile our slight differences and get on with honoring the host of veterans who have so nobly and patriotically served our country.

Mrs. KENNELLY. Mr. Speaker, I rise in support of House Joint Resolution 142, legislation to authorize a Black Revolutionary War Patriots Memorial to honor the black soldiers and sailors of the Revolutionary War as well as the thousands of black men, women, and children who struggled for their freedom during this time.

Over 5,000 black patriots served in the American War for Independence. In fact, a black man, Cripus Attucks, was the first American to die in the American Revolutionary War. In my own State of Connecticut, blacks served in 25 of Connecticut's militia companies. Among those patriots was Lemuel Hayes of West Hartford who fought with Ethan Allen and the Green Mountain Boys at the Battle of Ticonderoga. Hayes went on to become one of the best-known congregational ministers of his day and was the first black to receive an honorary masters degree in this country.

And, the plight of slaves who wanted nothing more than their personal freedom and their struggle to achieve that freedom is a heartbreaking one. I believe that Harriet Beecher Stowe, a long-time resident of Hartford, CT, captured that struggle in her famous book, "Uncle Tom's Cabin."

Mark Twain, who lived for many years in Hartford, once remarked that it is "better to deserve honors and not have them than to have them and not deserve them." However, I believe if Mr. Twain were alive, he would agree that in the best of all possible worlds those who deserve honors have them. I urge my colleagues to adopt this legislation to honor the black men and women who struggled for national independence and personal freedom during the Revolutionary period. It is an honor that is well-deserved and long overdue.

□ 1325

Ms. OAKAR. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and pass the joint resolution, House Joint Resolution 142, as amended.

The question was taken.

Mr. LUNGREN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings of this motion will be postponed.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. GILMAN] is recognized for 5 minutes.

Mr. GILMAN. Mr. Speaker, I regret that I was unavoidably detained and therefore was not present for Rollcall Vote No. 384 on approving the journal. Had I been present I would have voted "aye."

ANDREA LYNN SHIMER IN CHILDREN'S HOSPITAL IN PHILADELPHIA IS IN DESPERATE NEED OF LIVER TRANSPLANT

The SPEAKER pro tempore. Under a pervious order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Mr. Speaker, last week it was brought to my attention that a new baby girl, who was born on September 2, in New Jersey, was in desperate need of a liver transplant. Last week, Mr. Speaker, I called on the Members of the House, when they went home for the weekend, to do all they could to spread the word of this baby, who is going to die if she does not receive a transplanted liver within the next few days or weeks.

Over the weekend, while I was home, the outpouring of support from my district for this little girl was just overwhelming. I would like again to impress upon the Members of the House the importance to Andrea Lynn Shimer and her family of the successful search for such a liver. Andrea has type O blood, and the liver must be compatible. It must be from a baby of not more than 15 pounds.

Mr. Speaker, some months ago, together with a number of my colleagues, I ventured to the Senate side of the Capitol Building, and I signed a little card with the American Council of Transplantation, where many of us said that in the case of deaths that we wished to have our organs as may be necessary made available so that others could live, and on that card it says, "In the hope that I may help others I hereby make this anatomical gift, and if medically acceptable, to take effect upon my death."

I know that it is one thing to make that pledge yourself. I know that it is

still another for a family in a tragic situation to commit the liver of such a young baby to another; but it is a vital message that I bring to the Members to continue this search as aggressively as possible.

Andrea is in the Children's Hospital in Philadelphia. The number there is (215) 596-9100. If my staff is busy on the telephone, as I hope the staff of some of the other Members are, and if a liver is found, you can call either the Children's Hospital in Philadelphia at that number, which I will repeat again (215) 596-9100, or you can call my office here in the Capitol Building at 225-4765.

Again, Mr. Speaker, I make this plea with the utmost of sincerity and hope that together across this country we can find a liver that will sustain Andrea's life.

WHERE IS CONRAIL GOING?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker and Members of the House, I have requested the management of Conrail to issue an immediate moratorium on any further transfers or reductions of personnel at the Enola-Harrisburg complex. I do so because my support of the public offering sale of Conrail has always been dependent upon the belief that indeed the number of jobs and the level of economic activity at the Enola complex would only be increased under disposition of Conrail under the plans of Congress.

But yet every day, it seems, I get another rumor or another notification of some action to be taken by the present management to transfer jobs, good jobs, at the Enola complex to Philadelphia, and other employee actions that only serve notice on me that perhaps my support of the public offering disposition of Conrail is misplaced.

What good does it do for us to continue to object to the plan of the Secretary of Transportation to dispose of Conrail on the strength of the belief that the present management is going to be able to keep the number of employees stable and increase economic activity up and down the line, so to speak, of the present system?

For me, who is interested in job security and the economic activity of the area which I represent in the Enola complex and all it means to central Pennsylvania, perhaps it is best for me to try to get the best deal out of the proposed buyers of Conrail as to what is going to occur in that Enola-Harrisburg complex. I need assurances from the present management that this bleeding off of jobs is going to stop immediately. I can no longer openly support the public offering under the gun of more and more removals of positions from the Enola complex.

So I am asking, in the letter that I have forwarded to Mr. CRANE to issue this moratorium, for a full plan, for a full kind of project projection, if you will, of what is going to happen to the Enola complex should a public offering result, a sale take place and the present management of the present system be retained. If indeed the other offeror can show us increased activity in the north/south portions of the system, together with the existing east/west business activity, why should not this Member of Congress have the option of looking at what is the best that can occur for the people of central Pennsylvania.

So let us remove the cloud that is hanging over the employees' heads in our area by issuing this moratorium and sitting down together to evaluate where is Conrail going and what lies in the future.

So I say to this management, which so desperately wants to remain in the leadership of the present system, let us see whether or not we can sit down together and work out assurances that the sale of Conrail through a public offering is not going to result in wholesale disposition of jobs and economic activity at the Enola complex.

QUESTIONS ON TREASURY DEPARTMENT HANDLING OF SOCIAL SECURITY FUNDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. JONES] is recognized for 15 minutes.

Mr. JONES of Oklahoma. Mr. Speaker, I take this special order in order to bring my colleagues up to date on the invasion of the Social Security Trust Fund which occurred last Friday, as well as in October and in September, in order to keep the Government afloat.

I want to review what has happened in the past few days and what we have in store over the next few days.

As my colleagues recall, last Friday afternoon, the House of Representatives took action to raise the debt limit on a temporary basis in time for the Treasury to not have to invade the permanent reserves of the Social Security Trust Fund.

Our action was sent to the other body, and they had several hours in which to act on that temporary extension; and had they accepted the House action, it would have laid to rest the anxieties of the Social Security beneficiaries and working contributors about the safety of present and future benefit payments.

Unfortunately, because the legislation was not cleared by the Senate before midnight on November 1, the Social Security Trust Fund reserves available to pay benefits have been reduced to $8 billion, according to the Treasury Department figures.

□ 1340

This amount is not enough to cover the December benefit checks. We must keep in mind that only 8 weeks ago the Social Security System held over $35 billion in long-term reserves. Social Security had and continues to have enough monthly payroll revenues to meet the benefit claims. It is a system that clearly is able and does pay its own way.

But over the last several weeks, it has not only paid its own way, it has paid the rest of Government as well. As a result, the long-term reserves have been drained from a healthy reserve of $35 billion to a mere $8 billion.

Now, it is clear that the Social Security System is only in this dangerous situation because the Treasury Department has, for the last 4 weeks, used the incoming Social Security revenues, in other words, the payroll tax, to pay for non-Social Security expenses of the Government. Indeed, the Treasury officials confirmed publicly on November 1 that they have been using the payroll tax revenues to cover the operating expenses of Government for the last several weeks.

By failing to transfer to the trust fund on October 1 an amount of money equal to the expected October payroll tax revenues, in other words to be used for the October benefit payments, the Secretary of the Treasury, by his own Department's admission, violated the law. His subsequent failure to reserve payroll tax receipts to pay benefits on November 1 meant that long-term reserves of the trust fund had to once again be redeemed as was done to a lesser extent on October 1 in order to meet the benefit claims.

Through this manipulation of trust fund money it appears that the Treasury Secretary has used the Social Security System to keep the Government out of default since late September. This is not a new phenomenon that just happened last Friday.

The implications of this series of events are serious and extremely troubling. First, as this series of Treasury actions constitute a usurpation of the congressional power to raise the debt limit. Second, has the Treasury Secretary breached his fiduciary duty to the Social Security Trust Fund by ignoring the legal requirement that he make advance tax transfers on the first of each month, and also by canceling long-term securities to cover benefit payments instead.

Third, does the use of the payroll tax revenues during October to keep the Government operating rather than to repay the trust funds for the bonds that were needlessly canceled at the beginning of that month, does

that constitute a further violation of the law which requires the use of payroll tax revenues only for Social Security purposes?

Treasury's actions and statements over the last 2 weeks have raised so many grave questions about their handling of the Social Security Trust Funds that I have asked the General Accounting Office to undertake an expedited investigation of Treasury's cash management policies with respect to the Social Security System. I also intend to hold further hearings in the Social Security subcommittee on this issue, and particularly to explore how Treasury's handling of Social Security Trust Funds compares with the requirements and the standards that trustees of pension funds in the private sector must abide by.

One of our colleagues on the floor last Friday, when it was explained what the Treasury Department was doing and invading the trust funds of Social Security, acknowledged that he had managed a pension fund in the private sector before he came to Congress, and he said if he were to manipulate his pension trust fund in the same manner that Treasury appears to be, it would be a legal violation and clearly a breach of fiduciary duty. We intend to explore that further.

Finally, I expect to raise this issue in connection with my legislation to make the Social Security Administration an independent agency when this legislation reaches the full Ways and Means consideration. We may want to consider restructuring the Board of Trustees to insure that the Social Security Trust Funds are carefully managed in the future. What we know so far raises serious questions about whether the role of the Secretary of Treasury, as the managing trustee of the Social Security Trust Fund, places him in a situation of conflict of interest with his role as fiscal manager of the U.S. General Treasury.

We need to get a complete understanding of how Treasury has used the trust funds during the past 6 weeks. We need to know what Congress was and was not told during this period of time. We need to know how Treasury used the Social Security System to keep the Government afloat by giving IOU's to the Social Security Trust Fund. We need to know why this apparent disregard of the law took place because it is critical that the millions of beneficiaries relying on the Social Security Trust Fund as assured that those funds are not to be used as simply a cash management tool of the General Treasury.

There are strict rules which we expect our financial institutions to observe in managing of our personal assets. There is no reason that our Government should be held to any lesser principle when managing the taxpayers' dollars.

Mr. Speaker, there have been several questions surrounding the use of these Social Security Trust Funds. This morning's New York Times has an excellent article which answers several of the questions which have been raised, and I would now like to include an article at this point in the RECORD:

[From The New York Times, Nov. 4, 1985]

How U.S. Manipulated Social Security Funds

WASHINGTON, November 3.—Experts on Social Security raised many questions today about the Reagan Administration's manipulation of Social Security trust funds and payroll tax receipts to avoid default on the Government's financial obligations.

Representative James R. Jones, Democrat of Oklahoma who is chairman of the House Ways and Means Subcommittee on Social Security, said the moves appeared to be illegal. Two of the nation's leading experts on the subject, Robert M. Ball, a former Commissioner of Social Security, and Robert J. Myers, executive director of the National Commission on Social Security Reform, created by President Reagan in 1981, also expressed doubts about the legality of the moves.

Treasury officials say they had the necessary legal authority.

Here are some of the key questions, with answers to the extent they could be ascertained.

Q. What are the Social Security trust funds?

There are separate trust funds for retirement benefits and disability benefits, and the money is not available to the Treasury for the general purposes of government. Money equivalent to payroll tax receipts is normally deposited in the trust funds each month, and monthly benefits are paid out of the trust funds. While the Federal Government is running a deficit over all, the trust funds have a surplus. The surplus is normally invested in Government securities, which pay interest to the trust funds. The invested surplus was $37 billion a few months ago.

Q. What is the relation between Social Security and the debt limit?

The securities held by the Social Security trust funds are a form of debt subject to the statutory limit, just like Government bonds and notes issued to individuals and other investors.

Q. Exactly what happened with the Social Security trust funds Friday?

The funds' managing trustee, Treasury Secretary James A. Baker 3d, cashed in $13 billion of Government securities that the funds had held. Because the Government no longer owed the trust funds the $13 billion, that permitted the Treasury to borrow money from other sources without producing any net increase in the total Federal debt or breaching the statutory debt ceiling of $1,824 billion. The funds' trustees used the money mainly to pay monthly benefits for Social Security, railroad retirement and Civil Service retirement.

Q. What happens when Government securities are cashed in?

The Treasury wipes the obligation from its books. Since the Government has repaid the debt that the securities represented, the Treasury does not pay interest on them any more.

Q. Can't Congress just raise the debt limit?

That is indeed the normal procedure. But this year many lawmakers, faced with the prospect of increasing the debt limit above $2 trillion and with the likelihood of future increases, tried to establish a statutory requirement for a balanced budget by the end of the decade. The routine increase in the debt limit has been caught in the impasse over the budget-balancing proposal.

Q. What are Government securities, and why do Federal trust funds invest in them?

Government securities are obligations of the Federal Government. They are a form of public debt, subject to the statutory debt limit. The social security trust funds invest in two types of Government securities, short-term certificates of indebtedness and longer term bonds. The purpose is to earn interest for the trust funds.

Q. Why don't the trust funds invest in private companies?

Members of Congress have generally believed the money was safer when it was invested in Government securities. In addition, they wanted to avoid the investment of large sums of Government money in industry.

Q. Isn't the Treasury really just shifting money from one pocket to another when it cashes in securities held by the Social Security trust funds? Does it have any practical effect?

It is mainly a bookkeeping transaction. In practice, the chief significance is that the trust funds lose interest income they would otherwise have received. Treasury officials said the immediate loss Friday was about $10 million. The Congressional Budget Office has estimated that the loss over five years could total $1.1 billion.

Q. Why do some people say that cashing in the securities was illegal?

First, they note, the Social Security Act requires the Treasury Secretary, as manager of the trust funds, to "invest such portion of the trust funds as is not, in his judgment, required" to pay current benefits. Under another section of the law, they say, the Secretary must transfer to the trust funds, on the first day of each month, an amount of money equal to the payroll tax revenues expected that month.

Q. Did Secretary Baker make the transfer of payroll taxes last month?

Treasury officials say he did not transfer the payroll tax receipts last month or this month. Rather, they say, the money was kept in the general fund of the Treasury to help pay regular operating expenses of the Government. It was not invested in Government securities, but the Social Security trust funds did receive credit for the money.

Q. What is the justification for Secretary Baker's steps?

Treasury officials say the alternatives were even worse: failing to pay Social Security benefits or defaulting on Government obligations.

Q. Should Social Security beneficiaries be worried about these developments?

Experts such as Mr. Ball, the former Commissioner of Social Security, say there is reason for concern, but not alarm. "Administration officials do not take seriously enough the fact that Social Security is financed by payroll taxes on employers and employees," Mr. Ball said. "This money is supposed to be sequestered in a trust fund. They have just used it for other purposes." Some members of Congress say the trustees of a private trust fund could not legally use its assets that way.

Q. Can the Social Security trust funds recover the interest income they lost?

Yes, but it would probably require a special law. Congress could appropriate money to make up for the lost and could direct the

Treasury to reissue securities identical to those it canceled.

Q. How unusual is the bond redemption?

Treasury Department officials say the redemption of long-term bonds to finance Social Security benefits is not an unusual practice. But Representative Jones says it was done in the past only to meet the financial needs of the Social Security system, whereas now it is being done to avoid the debt ceiling. This, he said, is "a new and unusual practice."

Q. Doesn't the Secretary of the Treasury have a conflict of interest in all this?

Some people, in and out of Government, think so. As head of the Treasury, he may wish to minimize interest paid on Government securities, but as a trustee of Social Security, he would want to maximize the interest earned by the trust funds. Treasury officials say Mr. Baker did what he did Friday because his overriding duty was to make sure that Social Security beneficiaries were paid on time. The interest could later be repaid to the trust fund, they said, but many elderly people could have suffered if they did not get their checks.

Q. What is the Federal debt?

It is the accumulated total of borrowing by the Government. If Federal revenue falls short of spending in any year, as it usually does, there is a budget deficit, and the Government must borrow more money from the public, which is added to the debt.

Q. Did the Government slip over the debt ceiling Friday before the Treasury canceled some of the debt it had issued to the Social Security trust funds?

Treasury officials say the Government did not go over the limit. On Friday, the Treasury formally issued $13 billion in new debt, just a few hours before it canceled $13 billion in securities held by the trust funds. But neither transaction was officially recorded until the end of the day, when the Government tallied the results of millions of transactions, such as the cashing of Government checks and the sale and redemption of savings bonds.

Mr. Speaker, two of our colleagues who have been leaders in preserving the soundness and the financial stability of the Social Security Trust Fund are on the floor today. The gentleman from Texas [Mr. PICKLE] who is my immediate predecessor as chairman of the Social Security Subcommittee, and the gentlewoman from Ohio [Ms. OAKAR] who has taken the leadership on so many issues affecting older Americans.

I yield to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. I thank the gentleman for yielding to me.

Mr. Speaker, many of us are deeply disturbed about the action that has taken place in the Treasury which was concluded with the announcement Friday that the Treasury was actually borrowing against Social Security funds.

Despite the legislative initiatives of the House to raising the debt ceiling and calling for mandatory deficit reductions which would result in a balanced budget by fiscal year 1990, the other body has refused to accept our proposal. The Department of the Treasury has once again used the Social Security Trust Funds to avoid going into default.

These actions by the Secretary of the Treasury are of questionable legality, and I have joined with Chairman JIM JONES and others in seeking judicial review of this issue.

Furthermore, using the Social Security Trust Funds to avoid the limits imposed by the Federal debt ceiling is terrible public policy. It breaks the commitment we have honored for over half a century to use Social Security contributions only for Social Security benefits. It raises once again the fears and doubts of many of today's workers that through misuse and mismanagement, Social Security will not be available when they are ready to retire.

In addition, it has an immediate adverse financial impact on the trust funds. Because nearly $29 billion of bonds held by the trust funds have already been cashed in by the Department of the Treasury, the Social Security system stands to lose in excess of $1.1 billion over the next 5 years unless the Congress passes special corrective legislation.

The Secretary of the Treasury has said this action was taken only because of the extraordinary circumstances we find ourselves in today. But there is nothing extraordinary about the need to raise the debt ceiling, this is a crisis of our own creation. What is extraordinary is that the administration and the other body would continue to hold the Social Security Trust Funds hostage to their other unrelated legislative goals.

Last Friday I reminded the House, that, without any public notice or warning to the Congress, the Department of the Treasury began converting the Social Security Trust Fund reserves into cash, and using this money to pay benefits. At the same time the Department began using FICA tax receipts to pay the current operating expenses of the Federal Government. As a result, the Social Security Trust Funds will have been reduced from $37 billion to $8 billion or less, and they will be insufficient to pay Social Security benefits due in December unless something is changed and changed immediately.

This administration has deliberately chosen to continue spending billions of dollars more than it receives each month, and, since it can no longer borrow these billions from the money lenders, it is misappropriating them from the Social Security Trust Funds.

This financial shell game is robbing the trust funds of interest payments to which they are legally entitled. Because the interest bearing Treasury bonds held by the trust funds are being drawn down, and will likely be reinvested at a lower interest rate, the trust funds face the loss of $1 to $2 billion in interest over the next 5 years.

Finally, this economic flimflam cannot help but undermine public confidence in the stability of the Social Security System. President Roosevelt may have designed a system immune from the meddling of any politician, but not the sharp pencils of this administration's desperate accountants.

Congress must act immediately to stop this outrage, to restore all the money taken from the trust funds, and to prohibit any administration from resorting to this kind of shameful bookkeeping trickery in the future.

□ 1350

Mr. Speaker, I was going to put into the RECORD an insert from the New York Times this morning on the accountability of the Social Security action. I want to ask the gentleman from Oklahoma [Mr. JONES], was that the insert he has asked for permission to put into the RECORD?

Mr. JONES of Oklahoma. I believe that is right. It is the one that has several questions raised?

Mr. PICKLE. Yes; it is a series of questions and answers about how the United States manipulated the Social Security Trust Fund.

Mr. JONES of Oklahoma. That is correct.

Mr. PICKLE. Mr. Speaker, since the gentleman has already asked that that be made a part of the RECORD, I will not ask that it be included.

I will close by making this summation. The New York Times article says that this is questionable practice. The Treasury official says that this disinvestment can be explained in a strict legal sense, and they go to a great deal of trouble to explain how they would twist the law to say it was legal. Perhaps Members could take the position that the gentleman from Oklahoma [Mr. JONES], the gentlewoman from Ohio [Ms. OAKAR], and gentleman from Florida [Mr. PEPPER], and I take and say that this is not proper. The cold fact of the matter is that this procedure causes fear and doubt and distrust to the recipients of Social Security benefits throughout the land. In every home, in every senior citizen residence center, in every hamlet of the country, the lives of people are being clouded with doubt and suspicion that they will not get their Social Security Trust Fund benefits.

We have never had this now in nearly 50 years of operation. This ought not to be. We ought to put a stop to it immediately and do whatever is necessary. The Congress ought to say to the Treasury, "You have got to back up, restore these funds, and stop this practice forever."

Mr. Speaker, I am pleased that the gentleman from Oklahoma [Mr. JONES] took this special order. It ought to be done, and we cannot say it more forcefully to the administration

than what we have said today, except by action, and I hope the House will take action on it this week.

Mr. Speaker, I thank the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Speaker, I thank the gentleman from Texas [Mr. PICKLE] very much for his comments.

I recall in the mid-1970's, when the Social Security trust fund was under some pressure due to economic conditions extending into the early 1980's, that many senior citizens asked me and our colleagues whether or not the Social Security trust funds were being used for purposes other than Social Security. I recall looking it up and finding that until about 1962 the Secretary of the Treasury was using Social Security trust funds when he had a temporary problem financing the general cost of Government, but the law was changed in roughly 1962, and the Secretary of the Treasury was to have a fiduciary responsibility to the trust funds and not invade them. That was further explained in the 1983 amendments to Social Security, making those Social Security trust funds totally sacrosanct and to be used only for Social Security purposes.

Now, here we are 2 years later, without any notice to Congress, and again we find that, for the purposes of operating the Government, the Treasury Department has invaded the Social Security trust funds. It is wrong. It is again causing fears, as the gentleman said, among senior citizens, and it ought to be stopped.

Mr. Speaker, at this point I yield to the gentlewoman from Ohio [Ms. OAKAR].

The SPEAKER pro tempore. The time of the gentleman from Oklahoma [Mr. JONES] has expired.

Does the gentlewoman from Ohio ask unanimous consent that the time of the gentleman from Oklahoma be extended?

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. JONES] be allowed to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding.

First of all, Mr. Speaker, I would like to commend my friend, the gentleman from Oklahoma [Mr. JONES], the chairman of the Subcommittee on Social Security, for his vigilance in this issue and indeed commend the gentleman from Texas [Mr. PICKLE] for the same type of effort on the Committee on Ways and Means. Without this kind of vigilance, we could easily not have the protection of those trust funds that indeed all Americans assume we are having.

I just want to make a couple of relevant points. First of all, with regard to the debt ceiling bill that was passed in the House, we provided that we would extend the debt ceiling for a few days so that the Treasury Department would not have to dip into those trust funds any more than they already have.

Second, in the Democratic version, the alternative to the so-called Gramm-Rudman bill, the gentleman from Oklahoma [Mr. JONES] and I added appropriate amendments that would restore the interest that has been used on Social Security and the interest for the Federal civil service retirement, the military retirement, the railroad retirement trust funds, and also the Federal supplemental insurance funds. We provided in our bill, as a great distinction from the Senate bill, that those trust funds would be paid back.

Mr. Speaker, I think the manipulation by the Treasury Department of this country, along with the manipulation of the trust funds by the Federal Financing Bank, is absolutely a disgrace.

I just wanted to make a few further comments. My friend, the gentleman from Oklahoma, has already talked about Social Security, and, of course, we are all very, very concerned about that. But there are other trust funds that have been manipulated, and I think the American people have a right to know that with respect to civil service retirement and military retirement alone, those trust funds are losing $2 million in interest every day that we extend this further debate on Gramm-Rudman, et cetera, and indeed since October 1 we have lost $8 million a day—I should say the figure is $8 million—in interest never to be restored unless our version, our Democratic alternative, is passed.

So I think it is very, very important that we understand exactly what is happening here. We want to have a Department of Treasury that will assure the senior citizens of this country that their faith need not be shaken. Without the leadership of the gentleman from Oklahoma [Mr. JONES] and others on this issue, their faith should be shaken, but we are going to see to it, I think, that they will not get away with what they are doing right now. That is why the gentleman from Oklahoma called this special order, and I commend the gentleman for his leadership on this issue.

Mr. Speaker, I might add that this Wednesday our Subcommittee on Civil Service is going to have hearings on what has happened to the civil service trust fund in addition to those funds.

Mr. Speaker, I am appalled by the administration's actions on Friday to take approximately $17 billion from the Social Security, Civil Service and Military Retirement, Federal Supplemental Insurance, and Railroad Retirement Trust Funds and use it to pay other Federal financial obligations. The $17 billion would have normally been used for investments to those trust funds. The administration could have avoided robbing these trust funds if the Senate had acted in a responsible manner and passed the House's alternative to the Gramm-Rudman deficit reduction legislation.

While the administration's action has sent panic throughout the country to those Americans who rely on these programs for the majority of their financial support, the disinvestment and reinvestment policy is not new. Since October 1, the Treasury Department has taken $28 billion from the Civil Service and Military Retirement Funds and the Federal Supplemental Fund and failed to reinvest it. In addition, Congressman JIM JONES, chairman of the Social Security Subcommittee discovered during his hearing last Wednesday, that similar actions were taken with the Social Security Trust Funds, as almost $2 billion in interest could be lost over the next 5 years due to a transfer of long-term interest bearing notes. Coupled with the $2 billion that could be lost in interest to the Social Security Trust Funds, the Civil Service and Military Retirement Trust Funds and the Federal Supplement Trust Fund have lost $248 million since October 1.

In an attempt to restore order and confidence to these trust funds, Congresman JIM JONES and I offered language during the conference committee on Gramm-Rudman to ensure that money that was not invested in the trust funds and money that might have been disinvested in the trust funds will be paid back by the Treasury Department. While the language was accepted in the conference and was made part of the Democrats' alternative, the issue remains unresolved.

Mr. Speaker, it seems that we, as Representatives of the people, have an obligation to the retirees of this country. They have worked hard and paid into Social Security and other pension plans to guarantee a better life for themselves and their families during their later years. And, for years they have been plagued by threats of freezes and reductions to these programs. Today, they awake to news that more money has been taken from their programs, with no guarantees that the money will be returned. Isn't it time that we intervene and say enough is enough, protect these funds from further piracy.

On Wednesday, I will chair a hearing in my subcommittee on compensation and employee benefits on the status of the Civil Service Trust Fund. Like Chairman JONES' hearing on the Social Security Trust Fund last week, I hope to receive the most current information on the trust funds and the ramifications of failure to reinvest.

Finally, Mr. Speaker, I cannot assure that my hearing will allay the fears of Federal retirees and employees. All I can say is that as a conferee to the Gramm-Rudman legislation, I am committed to protecting these trust funds.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, relative to the three bills on memorials that were previously considered today.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

REPORT ON THE SITUATION AT THE EMBASSY IN AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 60 minutes.

Mr. MICA. Mr. Speaker, I had asked to take the floor originally to give a report on the situation that just came to a conclusion in Afghanistan. I will do that, but first I would like to say that the speakers who preceded me expressed my concern and I would like to be associated with their comments.

The Social Security Trust Fund is all too often the area or the item that the Government looks after first for money when we have a problem and we turn toward fulfilling our needs. I would simply say that at any time in the course of a legislative day the other body could stop the business of Government if it so desired. Their rules provide very liberally for delaying tactics. To choose an item that would hurt the senior citizens of our Nation, I think, was inappropriate, is inappropriate, and should not be allowed to continue.

This body did indeed pass an extension of the debt limit some months ago so we would not have to face this situation, and here we are being told that because of inaction by the Congress the functioning of Government and Social Security Trust Funds are in jeopardy. That is not correct. I would restate the fact that at any time Congress could stop the Government. In fact, I think either body could stop the Government if it so desired, but it was only done at this time when it would really hurt those who could least afford it.

With regard to the situation in Afghanistan, let me say that it has come to a conclusion. I do not think it was a successful conclusion, but nonetheless it is a conclusion. The young Soviet soldier is out, off the grounds of the Embassy, the power, the electricity, is on, but I believe the fallout has just begun.

□ 1400

I have great concern not only about the details that had been reported to me about this incident, but really about the Soviet reaction. Let me take just a moment to express those concerns.

The incident, as my colleagues may or may not know, started last Thursday when a young Soviet soldier entered the U.S. Embassy in Kabul, Afghanistan, and was not sure whether he wanted asylum in the United States or wanted to just simply get out of Afghanistan and return to his home in the Soviet Union. Before he had an opportunity to make up his mind and even sit down and visit with the Soviet officials under appropriate international accords, the power at the U.S. Embassy was cut, the Embassy was surrounded with troops. During the night floodlights were focused in the windows to harass our people and essentially international agreement after international agreement was broken.

Now, the Soviets sent a representative into the Embassy and said to this young man, "If you will return to the Soviet Union, we won't punish you. We will sign an agreement of amnesty of sorts if you would just go home and put the matter behind you."

I am told by the people at the State Department that this young Soviet soldier was pretty smart and capable and he questioned whether or not the Soviets really would live up to an agreement that they signed. After he has done this and returns home, what really will happen to him?

I think that is the whole point of why I am here today. We should continue like that young Soviet soldier to question all the agreements that are signed by the Soviets, all the promises that are given. Here a minor, if you will, diplomatic incident, covered by dozens of treaties, covered by international agreements and volumes of diplomatic language, that when someone from one country wants to defect or leave for another country, there is an agreement, and the Soviets without so much as the blink of an eye or any concern cut off the power, violated an agreement, turned on the spotlights, violated agreements, surrounded it with troops.

Now President Reagan is going to Moscow, going to Geneva to talk about signing an agreement, an arms control agreement, that really affects the future of mankind. A young soldier is not sure they are going to keep an agreement of not prosecuting him; a Korean airliner was shot down, clearly marked, but a violation of international law; Major Nicholson was shot in plain sight in violation of all our agreements.

It just leads me to question what I have always known and what most Americans know, that all these agreements and all this talk about Geneva and signing on paper what we will and will not do in a given situation, really does not mean much if when it comes down to the test that without the blink of an eye they will shoot down an airliner, they will cut off the power in an embassy in a basic diplomatic squabble, and violate agreement after agreement.

So I think the fallout from this Afghan situation is this. Americans ought to insist that the Government when negotiating arms control agreements, when discussing problems in Geneva, put no faith in the agreements signed by the Russians, but make sure that we can verify, and that means we look and we are able to check on the agreements; make sure that every word is mutual, that we both agree, and that we really do not sit back with some piece of paper and say, well, the Russians have signed it, because they sign diplomatic agreements to say that if their citizens seek asylum, they would follow normal diplomatic protocol and what makes us think that when it comes to nuclear weapons that they would be any stronger, any more appropriate?

What we have seen is a demonstration of character, character that says we have no problem with violating any agreement, be it minor or major.

So I hope we keep this in mind. I hope the incident in Afghanistan does not fall off the front pages and into the back of the minds of those who are negotiating our treaties.

I know we need to proceed. I have supported these procedures at Geneva and the arms control talks, but we need to remember, we have a different way of thinking in this country. Sometimes Americans have lived their lifetimes because they knew a handshake meant something, because that is our morality, that is our approach, that is the way we were brought up. Others need a signed contract, because that is our law and that is what we abide by. To still others in this world, be it a handshake, a contract, or an international treaty, it means absolutely nothing.

ESTABLISHING HUNTING AND FISHING MANAGEMENT AREA IN CENTRAL OREGON RAJNEESH RANCH AREA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WEAVER] is recognized for 30 minutes.

Mr. WEAVER. Madam Speaker, I have just introduced a bill to establish a hunting and fishing management area in the central Oregon area wherein the Rajneeshis ranch is located. This ranch, a 64,000-acre ranch, called the Big Muddy Ranch, was purchased by the cult of the Rajneeshis around 5 years ago and along one of the canyons they built a city called Rajneeshpuram. They extended this area on to the John Day River, one of the great wild and scenic rivers of this country, and had plans to build a city of 100,000 people on this ranch.

Now, this is arid land, desert land of huge bluffs and deep canyons and crevices and along the John Day River in central Oregon the red rock faces are some of the most magnificent scenery in our Nation.

The State of Oregon has named the John Day as a wild and scenic river. In fact, when there was some development on the east side of the John Day across from Rancho Rajneesh, the State of Oregon condemned the land that was to be developed to keep it from development to safeguard the John Day.

My bill would take the eastern portion of the ranch all the way to the John Day River, purchase those lands presently owned by the Rajneeshis, incorporate them with the Bureau of Land Management public land holdings and make a hunting and fishing area to be Managed by the Bureau of Land Management to protect the John Day River and have that land completely open and available to the public for hunting, fishing, and recreation.

If the Rajneeshis had built their city of 100,000 people, it will have brought an urban growth area into land that should never have even come close to that kind of inhabitancy. They would have built thousands of condominium units along the John Day River, desecrating the scenic values of that great river for our lifetime.

I investigated this summer a land slot between the Rajneeshis and the Bureau of Land Management. It is an understandable land slot. The lands in those areas are called checkerboards. In other words, here is a 640-acre section of privately owned lands, in this instance owned by the Rajneeshis, and then next door will be a 640-acre section owned by the public—the Bureau of Land Management. There are checkerboards throughout the area like that.

The BLM likes to incorporate all its lands together for management purposes. This will then trade the white checkerboard squares for the black checkerboard squares, so you have private land on one side and public land on the other.

Well, this land swap met with most people's approval, even though many people did not like the Rajneeshis and questioned whether the Rajneeshis should then have access for grazing and other uses on the public lands; so I went in August and spent a number of days in the area, flew over it in helicopters, boated the John Day, walked the John Day, went all over it in a pickup truck. The roads there are barely ruts. It takes a good, strong four-wheel-drive vehicle to get through most of the area, and I pored over the maps at night and realized that if the BLM had made the land swap with the Rajneeshis, it would have enabled them to build their city of 100,000 or more, because it would have incorporated the Rajneeshis' lands in areas they needed in order to develop and would have allowed the Rajneeshis to develop along the John Day River. It would have given the Rajneeshis access to the two other ownership areas, allowing them to develop those other areas.

So I went back home to Eugene in Springfield where I live. I called up the Bureau of Land Management, the Director of the Oregon BLM, and I said, "I am withdrawing my support of the land slot and I want you to withdraw it as well. I think it would seriously endanger the values of the John Day River and would also allow a huge buildup of population in this desert area."

The Bureau of Land Management subsequently, 2 days later, accepted my request and withdrew the land slot. There is a lot of history after that. A few days later, the female leader, Ma Anand Sheela, absconded with several other of her cohorts to Europe and, a few weeks after that, the cult leader, the Bhagwan Shree Rajneesh, tried to flee the country in a jet plane. They have both been apprehended and I am certain will be investigated for serious crimes.

But that land issue is still out there. It is still a checkerboard land. The Rajneeshis still have the potential to use the powers of Rajneesh, the city of Rajneeshpuram, to zone the land in any way they wish and it could possibly be developed, either by the Rajneeshis themselves or some future owner, into a huge condominium resort along the John Day or a city of 100,000 if anybody so sees the value of that.

So, for this reason and for the reason of providing an exclusive hunting, fishing, and recreation area along the John Day, I have introduced this bill today to take Rajneesh lands on the east end of the ranch and incorporate them with the BLM lands to create one public ownership all the way from the county road running north-south to the John Day River, including the lands along the John Day now owned by the Rajneeshis, and make them publicly owned and exclusive hunting, fishing, and recreation areas. There would be no motor vehicle usage allowed. No helicopters could fly over the area.

One of the tricks the Rajneeshis constantly pulled was to harass ranchers and recreationists in the area by flying their helicopters low over them. One day last May their Rajneesh helicopter flew 23 times over fishermen and swimmers in the John Day River harassing them. My bill would prohibit low-flying helicopters as well as motorized vehicles in this area and make the land along the John Day publicly owned, to protect the John Day.

Now, the Rajneeshis have built one garden area along the John Day, an area of about 80 acres that they have put into row crops—irrigated row crops. We all commend that kind of agriculture, so I have not included that garden area in the taking provisions of the bill.

□ 1415

The bill does provide a scenic easement for that area so it never could be developed into condominium units or highrises or whatever.

As I say, there is a precedent for the condemnation of the land because the State of Oregon condemned land directly across the river from Rancho Rajneesh on the John Day about 3 or 4 years ago. My bill would, either through negotiated purchase or condemnation, take the Rajneesh land in the eastern portion of the ranch and incorporate it with the BLM land into a hunting, fishing, and recreation area.

One of the reasons I do not want to see a huge city built up there, besides its environmental effects on the land and the water resources in that arid area of the country and the protection of the John Day, is that the Rajneeshis themselves are very dangerous people. When I was over in the area last August investigating the land swap, one of the local ranchers, John Bauerman, told me that a year ago his wife was pregnant and about to give birth, and the Rajneeshis had taken huge floodlights across the river and shined them into their bedroom windows at night from across the weir, frightening them, shining them into their other child's bedroom and frightening her, deliberately harassing these people.

There is an incident of a county commissioner, or several county commissioners of Wasco County, coming down to inspect the sanitation facilities at Rajneeshpuram, drinking water given them by the Rajneeshis, and subsequently coming down with a violent poisoning, and Commissioner Bill Halse was hospitalized for 4 days and was near death.

Subsequent to that, there was the poisoning of the entire city of The Dalles. The Dalles is the county seat of Wasco County and sits on the Columbia River north of Rancho Rajneesh, a town of around 11,000 people; 750 people were hospitalized in The Dalles from this outbreak of salmonella typhymurium coming from eight salad bars over a 1-week period.

I made a speech on the floor of the House last February in which I said that this was deliberate poisoning. I suspected the Rajneeshis did it, and I made that speech for one reason and one reason only, because I believe these people to be extremely dangerous. I believe the lives and the safety

and the health of thousands of Oregonians were in danger because the Rajneeshis could have come in and done the same poisoning to Eugene, or to Springfield, or to Medford, or to Portland, or to any other place. We believe that they actually tried to poison the water supply of the city of The Dalles, although the people running the water system of The Dalles cut off that source of water, making it impossible for the Rajneeshis to poison the water supply in that situation, but they did poison the town of The Dalles by putting this extremely dangerous bacteria in the salad bars and sent 750 people to the hospital.

Today, the newspapers in Oregon are filled with the story that a Rajneeshi informant has said that he or she was involved in this, had direct knowledge of the poisoning of The Dalles, and took part in the actual putting of the bacteria in the salad bars.

When I made that speech last February, I did so, as I said, because I thought an extremely dangerous situation existed in Oregon, that thousands, tens of thousands of people could have become sick or died from subsequent poisonings by the Rajneeshis and I wanted the police authorities to investigate further. I asked the FBI several times, "Please go in. Please go to the medical laboratory in Rajneeshpuram and see what they are doing there," and no investigation of that kind was made.

One of the main reasons no investigation of that kind was made was because the health authorities of the State of Oregon, in investigating the salmonella poisoning, concluded that absolutely and categorically no sabotage was done. When I made my speech on the floor of the House last February saying the town was poisoned, it was deliberate, and probably the Rajneeshis did it, the health authorities said there was absolutely no possible reason to suspect sabotage, it was not done, and people reading this thought I was wrong and the police authorities said if the health authorities say there was no possibility of poisoning, there must not have been.

I asked the health authorities, I said, "For heaven's sake, you cannot say that. How else can you explain a sudden outbreak of salmonella poisoning in eight different restaurants at the same moment with no common food source?" They came up with the weak idea it was the food handlers, when everybody knows salmonella is not passed around from hand to hand. It takes ingestion of food containing the bacteria to give you the food poisoning from salmonella, and yet these health authorities squashed, in effect, any policy investigation, meaning that for 1 year the lives of tens of thousands of Oregonians were in danger.

Thank goodness we know of no other widespread outbreak. The Rajneeshis either did not try one, or they were not successful in trying it, but they certainly could have. They did it once or twice, and they could have struck again. We have information now that they were culturing AIDS in their laboratory under a code name "Moses-5." I think you know what Moses-5 would mean. Moses would mean the Ten commandments and 5 would mean the fifth commandment, and the fifth commandment is, "Thou shalt not kill." Their idea almost certainly was to kill off as many people in this country as they possibly could with the AIDS culture.

That takes further investigation. We have only several informants to tell us that, and I raise the issue here on the floor of the House simply to show the potential of their danger.

But the Oregon State health authorities, Dr. Googins and Dr. Larry Foster, after I made my speech on the floor of the House and said the people are dangerous, we must investigate them, we must watch them, these health authorities came out and said, "No, no. No possibility of sabotage whatever," when it was obvious. I did an intensive investigation of the health data from that outbreak of salmonella in The Dalles and it was very clear that there was almost no other possibility than sabotage. I do not see how these health authorities could come up with any other possibility but sabotage. They did not have evidence. I understand that. They did not have conclusive, smoking-pistol-in-the-hand evidence, but the conclusion was so obvious there was no other real cause that could be imagined.

The Rajneeshis, on the very week of the poisoning, were saying that they were going to kill 15 Oregonians for every 1 of them. That was a statement made by Ma Anand Sheela on September 14, the very weekend that the salmonella poisoning occurred in The Dalles. "We are going to kill 15 Oregonians for every 1 of us."

Was the hint not enough to the health authorities and to the police authorities that these people were dangerous and capable of the salmonella poisoning? Why did we have to wait a year to find out from stoolpigeons inside their own camp that, yes, indeed, they had done the poisoning.

Why did 9 months go by after my speech on the floor of the House of Representatives saying they did it, there was a deliberate poisoning of the whole town, 750 people sent to the hospital, our lives are in danger in Oregon, and no investigation because the health authorities quashed it by saying, "Oh, no. WEAVER is wrong. WEAVER does not have any base to go on."

I say this was irresponsible and jeopardized the lives of many Oregonians. We do not know now whether the danger is past. Ma Anand Sheela and her group of evil maniacs have absconded to Europe. She is now under arrest. The Bhagwan Shree Rajneesh has tried to flee the country. What greater confession of sins is there than that? But there are still several thousand followers at Rajneeshpuram, leaderless, but may they want to avenge their guru? Who knows? The danger is not past and we must be extremely cautious and aware.

But if the authorities had gone in, as I had asked them to, I made one specific request when I made my speech last February. I said, "At least go into the medical laboratory. That you have the right to do. It is, in effect, a public laboratory licensed by the State. Go into that medical laboratory and find out what is going on there."

□ 1425

"Oh, we would not find out anything," said the authorities, so they did not do it.

Well, now we find out, and this is documented fact, that the Rajneeshis had been buying cultures of various kinds of bacteria from the Warm Springs Indian Reservation Laboratory a few miles away for the last 3 years, and had been making inquiries to the Warm Springs medical facilities about things like salmonella bacteria, and had been making inquiries about various other diseases. This certainly should have aroused a suspicion, if anyone had heeded my words and gone in and made an investigation.

So I say this was irresponsible of the health authorities. They should not have quashed the investigation. Instead, they should have undertaken a thorough investigation themselves. They should, of their own initiative, have gone into the laboratory at Rajneeshpuram and should have asked and made inquiries at the Warm Springs Reservation if the Rajneeshis had made any inquiries, and they would have found out a very frightening thing then. The Rajneeshis were culturing deadly poisons in their laboratories and were using them on American citizens.

So I think you can understand why I believe that it serves a various number of purposes to incorporate the eastern end of Rajneesh Ranch into a hunting and recreation and fishing reserve to be managed by the BLM on behalf of the public, along the John Day River, the great wild and scenic river of central Oregon.

I think this is a valuable bill, one that will enhance the recreational values of central Oregon and allow the public easy access. It is not easy to get in there. You have to climb some tall bluffs and do some hiking, but it is worth it. It is beautiful country; magnificent country. And, also, boating the John Day is one of the great experiences if you so choose.

By incorporating this land and buying it from the Rajneeshis, those checkerboards that they own, and incorporating the whole thing all along the river, everywhere east of the county road, it is around 5,000 acres of Rajneesh land that we would be taking. The cost should not be more than minimal because, frankly, that land is arid land. You cannot even graze a cow on it, and the value is very low. It would cost the taxpayer a very small amount of money. I would not know how much right now that would be, but very nominal, very nominal; less than we pay for the tail fin of a bomb.

But I would hope that we can speed the bill along its way, because, once that bill is enacted into law, one of the things that occurs is it will no longer be possible for the Rajneeshis to build their big, huge city, or anyone else. The dream of a city state at Rajneeshpuram all by itself, threatening outsiders with things like salmonella poisoning, that day will be over.

Mr. Speaker, I yield back the balance of my time.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. WEAVER, for 30 minutes, today.

(The following Members (at the request of Mr. STRANG) to revise and extend their remarks and include extraneous material:)

Mr. GILMAN, for 5 minutes, today.

Mr. SAXTON, for 5 minutes, today.

Mr. GEKAS, for 5 minutes, today.

Mr. STRANG, for 60 minutes, November 5.

(The following Members (at the request of Ms. OAKAR) to revise and extend their remarks and include extraneous material:)

Mr. JONES of Oklahoma, for 15 minutes, today.

Mr. RAY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HUBBARD, for 5 minutes, today.

Mr. OBEY, for 60 minutes, November 4.

Mr. OBEY, for 60 minutes, November 5.

Mr. OBEY, for 60 minutes, November 6.

Mr. MICA, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. STRANG) and to include extraneous matter:)

Mr. GINGRICH.

Mr. FRENZEL in five instances.

(The following Members (at the request of Ms. OAKAR) and to include extraneous matter:)

Mr. FRANK.

Mr. KOSTMAYER.

Mr. LELAND.

Mr. MARKEY.

Mr. DURBIN.

Mr. LOWRY of Washington.

Mr. MAZZOLI.

Mr. HOYER.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. DE LA GARZA in 10 instances.

Mr. HAMILTON in 10 instances.

Mrs. LLOYD in five instances.

Mr. RODINO.

Mr. GARCIA in two instances.

Mr. SCHUMER.

Mr. SIKORSKI.

BILLS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following day present to the President, for his approval, bills of the House of the following title:

On November 1, 1985:

H.R. 2942. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1986, and for other purposes, and

H.R. 1903. An act to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Chippewas of Lake Superior in dockets Numbered 18-S, 18-U, 18-C, and 18-T before the Indian Claims Commission and for other purposes.

ADJOURNMENT

Mr. WEAVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 30 minutes p.m.) under its previous order, the House adjourned until tomorrow, Tuesday, November 5, at 1 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

2210. Under clause 2 of rule XXIV, a letter from the Special Coordinator for International Disaster Assistance, Agency for International Development, transmitting a report on the use of funds by the Department of State and the Agency for International Development for drought and famine relief in Africa, pursuant to 22 U.S.C. 2291q nt., was taken from the Speaker's talk and referred to the Committee on Foreign Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X.

Mr. WEAVER introduced a bill (H.R. 3681) to manage certain lands within the Prineville District of the Oregon Division of the Bureau of Land Management for hunting, fishing and recreational purposes, and for other purposes, which was referred to the Committee on Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 43: Mr. BEREUTER.

H.R. 314: Mr. GALLO.

H.R. 512: Mr. MANTON.

H.R. 2768: Mr. BLILEY.

H.R. 3172: Mrs. ROUKEMA.

H.R. 3474: Mr. SKELTON and Mr. TALLON.

H.R. 3522: Mr. SKEEN, Mr. YOUNG of Florida, and Mr. LIVINGSTON.

H.R. 3555: Mr. LAGOMARSINO, Mr. MYERS of Indiana, Mrs. HOLT, Mr. WEAVER, Mr. BEDELL, and Mr. MARTINEZ.

H.J. Res. 297: Mr. HANSEN, Mr. BARNES, Mr. DEWINE, Mr. HUBBARD, Mr. MAZZOLI, Mr. HOYER, Mr. JONES of Tennessee, Mr. BUSTAMANTE, Mr. BURTON of Indiana, Mr. LEVINE of California, Mr. O'BRIEN, Mr. PRICE, Mr. BEDELL, Mr. YATES, Mr. APPLEGATE, Mr. AKAKA, Mrs. KENNELLY, and Mr. SHUMWAY.

H.J. Res. 424: Mr. ACKERMAN, Mr. BORSKI, Mr. SUNIA, Mr. BROYHILL, Mr. PORTER, Mr. SHUMWAY, Mr. BLAZ, Mr. COURTER, Mr. DANNEMEYER, Mr. DELAY, Mr. DREIER of California, Mr. FIELDS, Mr. GILMAN, Mr. GREGG, Mr. HARTNETT, Mr. IRELAND, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LATTA, Mr. LEACH of Iowa, Mr. LEWIS of California, Mr. LIGHTFOOT, Mr. LOWERY of California, Mr. LUJAN, Mr. LUNGREN, Mr. MADIGAN, Mr. MCCANDLESS, Mr. MCCOLLUM, Mr. MCEWEN, Mr. MCKINNEY, Mrs. MEYERS of Kansas, Mr. PACKARD, Mr. PETRI, Mr. ROBERTS, Mr. RUDD, Mr. SAXTON, Mr. SHAW, Mr. SLAUGHTER, Ms. SNOWE, Mr. SOLOMON, Mr. SWEENEY, Mr. TAUKE, Mr. THOMAS of California, Mrs. VUCANOVICH, Mr. WEBER, Mr. WHITTAKER, Mr. WORTLEY, Mr. ROSE, Mr. SCHEUER, Mr. HAYES, Mr. VALENTINE, Mr. OWENS, Mr. KOLTER, Mr. FOGLIETTA, Mr. MORRISON of Connecticut, Mr. MACKAY, Mr. SYNAR, Mr. MOLLOHAN, Mr. MRAZEK, Mr. TALLON, Mr. PENNY, Mr. GUARINI, Mr. SCHUMER, Mr. TORRES, Mr. BROWN of Colorado, Mr. CHENEY, Mr. CRANE, Mr. DUNCAN, Mr. GALLO, Mr. HILER, Mrs. JOHNSON, Mr. PURSELL, Mr. ROGERS, Mr. ROWLAND of Connecticut, and Mr. WYLIE.

H.J. Res. 436: Mr. DURBIN, Mr. HEFNER, Ms. MIKULSKI, Mr. YATES, Mr. BEREUTER, Mr. KANJORSKI, Mr. WHEAT, Mr. HAYES, Mr. ERDREICH, Mr. DYSON, Mr. THOMAS of Georgia, Mr. AUCOIN, Mr. SCHUMER, Mrs. BOXER, Mr. JONES of Oklahoma, Mr. OWENS, Mr. LIGHTFOOT, Mr. BUSTAMANTE, Mr. KOSTMAYER, Mr. TRAFICANT, Mrs. KENNELLY, Mr. PETRI, Mr. OBERSTAR, Ms. OAKAR, and Mr. FORD of Michigan.

H. Con. Res. 211: Mr. CONYERS, Mr. KOLTER, Mr. TOWNS, Mr. HAMILTON, Mr. LANTOS, Mr. DORGAN of North Dakota, Mr. WAXMAN, Mrs. BURTON of California, Mr. SWIFT, Mr. MOODY, Mr. RAHALL, Mr. FRANK, Mr. HOWARD, Mr. ACKERMAN, Mr. SABO, Mr. AKAKA, Mr. COYNE, Mr. BATES, Mr. TORRES, Mr. MITCHELL, Mr. BUSTAMANTE, Mr. WEISS, Mr. BERMAN, Mr. NEAL, Mr. MRAZEK, Mr.

ROE, Mr. MILLER of Washington, Mr. DICKS, Mr. RANGEL, Mrs. BOXER, Mr. BROWN of California, Mr. BORSKI, Mr. BARNES, Mr. PENNY, Mr. KASTENMEIER, and Mr. LAFALCE.

PETITIONS, ETC.

Under clause 1 of rule XXII,

246. The SPEAKER presented a petition of the National Criminal Justice Association, Washington, DC, relative to the Fair Labor Standards Act; which was referred to the Committee on Education and Labor.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6

By Mr. CONTE:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670).)

Page 199, line 19 insert a period after "wildlife" and delete all thereafter through "lesser." on line 21.

Page 200, line 4 insert the following after the period: "The Secretary shall, under the terms of this section, obligate no more than $30,000,000 in any fiscal year.".

Page 312, line 9 strike "protection and".

Page 312, lines 10 and 11 strike ", mitigation of project-caused fish and wildlife losses (including habitat),".

Page 312, line 12, insert a comma before "shall".

Page 341, line 1, strike "involves" and insert in lieu thereof "necessitates the mitigation of fish and wildlife losses, including".

Page 341, line 4, after "such" insert "mitigation or enhancement, including acquisition of the".

Page 341, line 4, after "shall be" insert "undertaken or".

Page 341, line 6, after "shall be" insert "undertaken or".

By Mr. EDGAR:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670)).

Page 108, line 13, after the period add the following sentence: "For purposes of this section each element of the project for flood control, Mississippi River and tributaries, shall be considered as a separate project.".

Page 310, line 15, insert "and" after the comma.

Page 310, line 16, change the comma to a period and delete all thereafter through page 311, line 8.

Page 311, line 22 after the period delete all through line 25.

Page 312, lines 1 and 2, strike "water resources study" and insert in lieu thereof "feasibility report".

Page 350, lines 12, and 13, strike "a high unemployment rate" and insert in lieu thereof "substantial and persistent unemployment".

Page 351, strike lines 1 through 7 and insert in lieu thereof:

"(2) A labor market area has substantial and persistent unemployment whenever the Secretary of Labor finds that the current rate of unemployment, as determined by appropriate annual statistics for the most recent 12 consecutive months, is 6 percent or more and has averaged at least 6 percent for the qualifying time periods specified in paragraph (ii); and that annual average rate of unemployment has been at least: (i) 50 percent above the national average for three of the preceding four calendar years, or (ii) 75 percent above the national average for two of the preceding three calendar years, or (iii) 100 percent above the national average for one of the preceding two calendar years.".

Page 365, line 7, insert "(a)" after the second period.

Page 365, after line 12, add the following new subsections:

"(b) The Secretary, in consultation with the Secretary of the Treasury, shall promulgate by rule provisions governing penalties and interest for any payments by non-Federal interests required pursuant to Section 211(b) of the Flood Control Act of 1970 that may fall delinquent.

"(C) No funds appropriated to the Corps of Engineers for operation and maintenance, including operation and maintenance of the project for flood control, Mississippi River and Tributaries, shall be used for the particular benefit of projects within the jurisdiction of any non-Federal interest when such non-Federal interest is in arrears for more than 24 months in the payment of charges due under an agreement entered into with the United States pursuant to Section 211(b) of the Flood Control Act of 1970.".

Page 367, line 13, insert the following after "demonstration project": ", project modification, or other water resources project.".

Page 399, after line 5, add the following new section:

"SEC. 1199J. Within one year of the date of enactment of this section, the Secretary shall promulgate rules pertaining to the preparation and application of cost allocation procedures applicable to all water and related land resource projects undertaken by the Secretary. Final publication of such rules shall follow public notice and opportunity to comment in accordance with the Administrative Procedure Act (5 U.S.C. 551-706) except that section 553(a)(2) shall not apply.".

Page 399, after line 5, add the following new section:

"SEC. 1199J. Upon request of the Governor of a State, or the appropriate official of local government, the Secretary is authorized to provide designs, plans, and specifications, and such other technical assistance as he deems advisable, at Federal expense, to such State or local government for its use in carrying out projects for renovating navigable streams and tributaries thereof, by means of predominantly non-structural methods judged by the Secretary to be cost-effective, for the purpose of improved drainage, water quality, and habitat diversity.".

Page 399, after line 5, add the following new section:

"SEC. 1199J. (a) Each contract entered into or amended subsequent to the date of enactment of this Act by the Secretary or his designee pursuant to the Water Supply Act of 1958, as amended (43 U.S.C. sec. 390b), shall require the non-Federal party entering into such contract to develop and implement a water conservation program. This section shall apply to all such contracts regardless of their duration or any other prior contracts entered into by the Secretary or his designee.

(b) For purposes of this section, a water conservation program shall—

(1) apply to all uses of water which is provided from, or conveyed through, federally constructed or federally financed facilities;

(2) contain definite goals;

(3) include loss reduction measures and demand management practices which ensure that the available water supply is used in an economically efficient and environmentally sensitive manner;

(4) contain time schedules for meeting program goals and delineate actions to be taken by the Secretary or his designee in the event such schedules are not met; and

(5) provide for review and modification of the plan at not-to-exceed five-year intervals.".

Page 399, after line 5, add the following new section:

"SEC. 1199J. No officer of the United States shall dispose of any vendible commodity or service, the provision of which is an authorized purpose of a water resources project constructed by the Secretary, at less than the full cost incurred by the United States in its provision, unless and to the extent provided by law.".

Page 399, after line 5, add the following new section:

"SEC. 1199J. (a) Section 301(b) of the Water Supply Act of 1958, as amended (72 Stat. 319), is amended further as follows:

(1) Insert the following after the first proviso: *"Provided further,* That any letter of assurance required by law or regulation of State or local interests with regard to the inclusion of storage for municipal or industrial water in any reservoir project pursuant to this Act shall include a declaration of intention of the time when such interests are going to use any future water supply storage and repay the costs allocated thereto:".

(2) Strike the third proviso and insert in lieu thereof: *"And provided further,* That not to exceed 20 per centum of the total estimated cost of any project may be allocated to anticipated future demands where before construction or modification of any project including such storage is initiated, State or local interests contract for the use of such storage and the repayment of the costs allocated thereto within the life of the project:".

(3) In the fourth proviso, strike the "(1)" and strike all beginning with "and (2)" to the period at the end of the sentence, and insert in lieu thereof: "but in no case shall the payment-free period exceed ten years.".

(4) After the first sentence insert the following: "All annual operation, maintenance, and replacement costs for municipal and industrial water supply storage under the provisions of this section shall be reimbursed from State or local interests on an annual basis;".

(5) Strike the second sentence and insert in lieu thereof: "The interest rate used for purposes of computing interest during construction and interest on the unpaid balance shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the repayment period of the contract.".

(b) Nothing in this section shall be deemed to amend or require amendment of any valid contract entered into pursuant to the Water Supply Act of 1958 and approved by the Secretary of the Army or the Secretary of the Interior prior to the date of enactment of this Act.".

By Mr. HOWARD:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670)).

—At the end of title XI, add the following new section:

SEC. 1199K. (a) The Secretary shall make a grant of $50,000, subject to an appropriation for that purpose, to the Governor of

the State of Florida for the establishment of a Miami River Management Commission to develop a comprehensive plan for improving the water quality of the Miami River, Florida, and its tributaries and managing all activities which affect the water quality and use of such river and tributaries. The commission shall be composed of seven members appointed by the Governor.

(b) There is authorized to be appropriated to carry out this section $50,000 for fiscal years beginning after September 30, 1985.

Page 3, line 21, after the period insert the following: "Notwithstanding section 105(d) of this Act, the cost of any relocations described in such section which are necessary for construction of such project shall be at full Federal expense.".

Page 6, line 3, after "Service," insert "the National Marine Fisheries Service,".

Page 8, line 15, strike out "65" and insert in lieu thereof "70".

Page 12, strike out line 9 and all that follows through line 2 on page 12 and insert in lieu thereof the following:

KILL VAN KULL AND ARTHUR KILL, NEW YORK AND NEW JERSEY

The project (1) for navigation, Kill Van Kull and Newark Bay Channels, New York and New Jersey: Report of the Chief of Engineers, dated December 14, 1981, at an estimated cost of $260,000,000 and (2) for navigation, Arthur Kill, New York and New Jersey: Draft report of the District Engineer for New York, dated May 1983, except that such project shall extend the Arthur Kill Channel at a depth of 40 feet to the Fresh Kills in Carteret, New Jersey, and such easing of bends as the Secretary determines are necessary to enhance navigation, at an estimated cost of $85,000,000. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, the project described in clause (1) if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. The project described in clause (2) shall include any modifications that may be recommended by the Secretary with respect to such project under section 103 of this Act.

Page 16, line 17, strike out "$60,000,000" and insert in lieu thereof "$145,000,000".

Page 35, after line 23, insert the following:

(9) Notwithstanding any other provision of law, the Secretary shall not collect fees or other charges from non-Federal interests for the disposal of dredge material resulting from the construction, operation, or maintenance of any project authorized by this Act into the Craney Island dredge disposal facility, Virginia.

Page 38, line 12, insert "(1)" after "to".

Page 38, line 14, strike out the period and insert in lieu thereof the following: ", (2) the construction or modification of the four anchorages authorized as part of the Channel to Newport News, Norfolk Harbor, and Thimble Shoal Channel, Virginia, project, authorized by the Rivers and Harbors Act of 1965, and (3) the construction of the anchorage authorized as part of the project for navigation, Norfolk Harbor and Channels, Virginia, authorized by section 101 of this Act.".

Page 66, line 2, after the period insert the following: "The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after January 1, 1978, and before the date of the enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.".

Page 68, after line 12, insert the following:

RIO PUERTO NUEVO, PUERTO RICO

The project for flood control, Rio Puerto Nuevo, Puerto Rico: Report of the Board of Engineers for Rivers and Harbors, dated September 4, 1985, at an estimated cost of $180,000,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

Page 104, strike out lines 3 through 12.

Page 104, line 13, strike out "(2)" and insert in lieu thereof "(m)".

Page 93, strike out line 15 and all that follows through line 8 on page 95 and insert in lieu thereof the following:

The project for flood control, Santa Ana River Mainstem, including Santiago Creek, California: Report of the Chief of Engineers, dated January 15, 1982, and as modified by the Report of the District Engineer, dated September, 1985, at an estimated cost of $1,100,000,000, including such measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary shall study (1) the feasibility and environmental impact including conservation storage at the end of the winter storm season at Prado Dam as a project purpose, (2) the effects of such storage on recreation and leasehold interests at Prado Reservoir and on riparian rights downstream of such dam, and (3) any water supply benefits associated with such storage. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study. The right-of-way taking line for Prado Reservoir shall be limited to elevation 566 feet. Funds may be appropriated to the Environmental Protection and Mitigation Fund pursuant to Section 1104 of this Act and to the construction fund for engineering and acquisition of real property. Actual physical construction of the project may commence upon adoption of resolutions of agreement for said construction by the non-federal sponsoring agencies. Any relocation of the Talbert Valley Channel undertaken in connection with the project shall be constructed with a channel capacity sufficient to accommodate a 100-year flood.

Page 99, line 3, after the period insert the following: "The Secretary is authorized to undertake reasonable measures for mitigation of fish and wildlife losses in connection with the measures undertaken under this paragraph.".

Page 99, line 9, after the period insert the following: "The Secretary is authorized to accept funds from a project cosponsor in connection with construction of such project.".

Page 115, after line 2, insert the following:

SEC. 308. The Secretary shall include as part of the non-Federal contribution of the project for flood control, Fairfield Vicinity Streams, California, authorized in accordance with section 201 of the Flood Control Act of 1965, the cost of any work carried out by non-Federal interests on the project after December 31, 1973, and before the date of the enactment of this Act, if the Secretary determines such work is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

Page 115, after line 21, insert the following:

ORCHARD BEACH, NEW YORK

The project for beach erosion control, Orchard Beach, New York: Draft Report of the District Engineer, New York District, dated July 1985, at an estimated cost of $2,480,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

Page 119, after line 20, insert the following:

PINELLAS COUNTY, FLORIDA

The project for beach erosion control for Pinellas County, Florida: Report of the Board of Engineers for Rivers and Harbors, dated April 23, 1985, at an estimated cost of $14,000,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

Page 124, line 24, after the period insert the following: "In addition, the Secretary is authorized and directed to conduct necessary reconnaissance studies and feasibility studies on extending such project from Lawrence, Massachusetts, to Haverhill, Massachusetts, and from Haverhill, Massachusetts, to the mouth of the Merrimack River.".

Page 129, line 14, after the second comma insert the following: "except that such project shall be constructed, operated, and maintained at full Federal expense,".

Page 141, strike out lines 3 through 6.

Page 152, line 4, after the period insert the following: "In addition, for the purpose of providing improved flood protection, the Secretary, on an emergency basis, shall alter Beatties Dam in Little Falls, New Jersey, by installation of flood gates or make other improvements to such dam and shall remove the existing rock shelf in the vicinity of such dam, at an estimated cost of $15,000,000.".

Page 168, line 25, strike out "consisting" and all that follows through the period on line 4 of page 169 and insert in lieu thereof the following: "consisting of one or more of the reclamation project alternatives (other than the ocean outfall alternative) included in the Final Environmental Impact Report, Sonoma County Wastewater Reclamation Project, adopted by the Sonoma County Board of Supervisors, April 21, 1981, that the Secretary considers appropriate, at an estimated cost of $150,000,000. Such project shall only be constructed after consultation with affected local governments.".

Page 173, line 3, after "of" insert "the Virgin Islands,".

Page 173, line 8, strike out "four" and insert in lieu thereof "five".

Page 173, line 19, after the period insert the following: "Any funds made available under this section for a study for any such jurisdiction which is not needed for such study shall be available to the Secretary to construct authorized water resources projects in such jurisdiction and to implement the findings of such study.".

Page 176, line 19, strike out "in response to" and insert in lieu thereof "subsequent to".

Page 186, after line 24, insert the following:

(d) Notwithstanding any other provision of law (including the Water Supply Act of 1958), the Secretary may not enter into any contract for the sale of storage to be reassigned to water supply in any water resource project under the jurisdiction of the United States that is not based on—

(1) repayment of the portion of the original construction cost of such project, including interest during construction that has been reallocated to water supply, and

(2) the interest accrued on the construction cost from the date of construction to the date of such reallocation,

until completion of the study under this section and enactment of a law after the date of enactment of this Act which authorizes the Secretary to enter into such a contract. The interest rate during construction and accrued construction cost interest shall be determined by the Secretary of the Treasury for the fiscal year in which construction of such project was initiated.

—At the end of title V, add the following new section:

SEC. 542. The Secretary is authorized to take such measures as may be necessary to maintain a harbor of refuge in Port Ontario, Sandy Creek, New York. Non-Federal interests shall provide a public wharf and such other facilities as may be necessary for a harbor of refuge which shall be open to all on equal terms and such other requirements as the Secretary deems necessary.

Page 192, line 8, strike out "restore" and insert in lieu thereof "construct".

Page 193, line 23, strike out "$425,000" and insert in lieu thereof "$1,600,000".

Page 204, line 25, after "River" insert "and take such other actions as may be necessary".

Page 205, line 6, after the period insert the following: "The Secretary is authorized and directed to conduct further study and design on such project."

Page 209, line 1, strike out "to" and all that follows through "facility," on line 4 and insert in lieu thereof "to dredge the modified harbor area,".

—At the end of title VI, add the following new section:

SEC. 631. (a) The Secretary shall conduct a feasibility study on providing flood protection along the James River, South Dakota.

(b) Not later than two years after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of such study together with such recommendations as the Secretary determines to be appropriate.

Page 213, strike out lines 23 and all that follows through line 2 on page 214 and insert in lieu thereof the following: "Secretary to dredge and maintain a 250-foot wide channel in the Upper Newport Bay to the boundary of the Upper Newport Bay State Ecological Preserve to a depth of 15 feet mean lower low water, and to deepen the channel in the existing project below the Pacific Coast Highway bridge to a depth of 15 feet mean lower low water, at an estimated cost of $2,500,000.".

Page 220, line 6, after the period insert the following: "The Secretary is authorized to reimburse the non-Federal interest for the cost of the dredging and maintenance incurred by the non-Federal interest in advance of this modification if the Secretary determines that such work is reasonably compatible with the project.".

Page 226, after line 23, add the following new section:

SEC. 782. The project for Fishtrap Lake, Pike County, Kentucky, authorized as part of the flood control project for the Ohio River Basin by section 4 of the Flood Control Act approved June 28, 1938 (52 Stat. 1217), is modified to authorize the Secretary, notwithstanding the completion of such project in 1986, to acquire by purchase any property in the drainage area for Fishtrap Lake, Kentucky, which is being used as a residence and any property in such drainage area which is being used as a cemetery and to relocate the owners of any property so acquired and any cemetery so acquired.

Page 226, after line 23, insert the following:

SEC. 782. The Sabine River channel of the Sabine-Neches Waterways, Texas, authorized by the River and Harbor Act of 1954, is modified to authorize an extension of such channel at a depth of 30 feet and a width of 200 feet, from its present upstream terminus opposite Green Avenue in Orange, Texas, generally following the present river alignment a distance of approximately one and one quarter miles to a point opposite Little Cypress Bayou.

—At the end of title VII, insert the following new section:

SEC. 782. The project for flood control, Clarks Hill Reservoir, Savannah River Basin, Georgia and South Carolina, authorized by the Flood Control Act approved December 22, 1944, is modified to include recreation and fish and wildlife management as project purposes. Project lands which are managed or reserved as of the date of the enactment of this section for the conservation, enhancement, or preservation of fish and wildlife and for recreation shall be considered as lands necessary for such purposes.

—At the end of title VII, insert the following new section:

SEC. 782. The project for flood control, Red Rock Dam and Lake, Iowa, authorized by the Flood Control Act approved June 28, 1938, is modified to authorize the Secretary—

(1) to acquire by purchase fee simple interest in real property, and

(2) to acquire additional flowage easements in real property,

which is subject to periodic flooding in connection with the operation of the project.

—At the end of title VII of the bill, insert the following new section:

SEC. 782. The project for navigation, Cape Charles City Harbor, Virginia, authorized by the River and Harbor Act approved March 2, 1945 (59 Stat. 15), is modified to provide that the local interests shall not be required—

(1) to provide bulkheads, or

(2) to reserve berthing space for general public use, along a greater distance of the shoreline than such bulkheads are provided or such berthing space is reserved on the date of the enactment of this Act.

Page 226, after line 23, insert the following:

SEC. 782. The project for navigation, East Chester Creek, New York, authorized by the River and Harbor Act of 1950, is modified to provide that the Secretary, out of any amounts made available to the Secretary for operation and maintenance of water resources projects, shall dredge within two years after the date of the enactment of this Act, and maintain thereafter, the Y-shaped portion of such project, at an estimated cost of $500,000.

Page 286, strike out lines 15 through 17.

—At the end of title IX, add the following new section:

SEC. 916. The Patoka Reservoir, Wabash River, Indiana, authorized by the Flood Control Act of 1965 shall hereafter be known and designated as the "Vance Hartke Reservoir". Any law, regulation, document, or record of United States in which such reservoir is referred to shall be held to refer to such reservoir as the "Vance Hartke Reservoir".

—At the end of title IX, add the following new section:

SEC. 916. The Stinson Creek Recreation Area which is to be constructed by the Army Corps of Engineers as part of the Columbus Lake portion of the Tennessee-Tombigbee Waterway project and which is located in Lowndes County, Mississippi, shall hereafter be known and designated as the "DeWayne Hayes Recreation Area". Any law, regulation, document, or record of the United States in which such recreation area is referred to shall be held to refer to such recreation area as the "DeWayne Hayes Recreation Area".

Page 256, strike out lines 11 through 13.

Page 260, strike out lines 15 through 19.

Page 264, after line 9, insert the following:

That portion of the project for navigation, Tampa Harbor and Hillsborough Bay, Florida, authorized by the Act of August 8, 1917, which portion consists of the turning basin at the junction of Garrison Channel, Seddon Channel, and Hillsborough River.

Page 265, strike out lines 17 through 19.

Page 269, strike out lines 4 through 6.

Page 269, strike out lines 16 through 22.

Page 287, strike out lines 12 through 16.

Page 299, strike out lines 3 and 4.

Page 306, strike out lines 9 through 11.

Page 309, after line 20, insert the following:

(c) The interest rate used for purposes of analyzing the costs and benefits of any water resources project for which an agreement under section 215 of the Flood Control Act of 1968 has been entered into before the date of the enactment of this Act shall be the applicable interest rate at the time such agreement was entered into.

Page 323, line 13, strike out "2,400" and insert in lieu thereof "2,500".

Page 325, line 17, after the period insert the following: "Such approval shall not constitute authorization of any recommendation contained in such master plan."

Page 326, after line 13, insert the following:

(3) For the purpose of ensuring the coordinated planning and implementation of programs authorized under subsections (e) and (h)(2) of this section, the Secretary shall enter into an interagency agreement with the Secretary of the Interior to provide for the direct participation of the Fish and Wildlife Service and any other agency or bureau in the Department of the Interior in the planning, design, implementation, and evaluation of such programs.

Page 326, line 14, strike out "(3)" and insert in lieu thereof "(4)".

Page 326, line 20, after "recommendations" insert "and offer other recommended changes to the master plan".

Page 326, line 22, after "comments" insert "and other recommended changes".

Page 326, line 23, after "comments" insert "and other recommended changes".

Page 327, line 1, after "with" insert "the Secretary of the Interior and".

Page 327, line 14, after "with" "the Secretary of the Interior and".

Page 328, strike out line 18 and all that follows through line 2 on page 329.

Page 329, line 3, strike out "(7)" and insert in lieu thereof "(6)".

Page 329, line 11, after "Secretary" insert ", in consultation with any such agency,".

Page 330, line 1, before "any agency" insert "the Secretary of Transportation and".

Page 330, line 13, after "with" insert "the Secretary of the Interior and".

Page 330, lines 22, and 23, strike out "for each of the ten fiscal years beginning after the date of the enactment of this act".

Page 331, strike out lines 10, through 18.

Page 331, line 19, strike out "(2)" and insert in lieu thereof "(j)".

Page 331, line 20, strike out "paragraph (1) of this subsection," and insert in lieu thereof "subsection (d)(3) of this section,".

Page 332, after line 3, insert the following:

(k) Any sum authorized to be appropriated for a specific fiscal year by this subsection but not appropriated during such fiscal year is authorized to be appropriated for succeeding fiscal years until such sum has been appropriated. Any funds appropriated to carry out this section shall remain available until expended.

(l) This section may be cited as the "Upper Mississippi River Management Act of 1985".

Page 358, line 22, strike out the comma and all that follows through the period on line 24 and insert in lieu thereof a period.

Page 359, line 1, strike out "Hydroelectric" and all that follows through the period on line 4 and insert in lieu thereof the following: "The Secretary shall include in this study funds appropriated by previous Congresses, as well as any funds appropriated by the 99th Congress, as sunk costs.".

Page 359, line 19, after the period insert the following: "As part of such study the Secretary shall consider appropriate measures to increase reliance on the private sector in the conduct of the water resources program of the Corps of Engineers.".

Page 359, line 20, strike out "such capabilities" and insert in lieu thereof "the capabilities referred to in the first sentence of this section".

Page 360, line 25, strike out "to" and all that follows through the period on line 3 on page 361 and insert in lieu thereof the following: "may be used to pay the non-Federal share of any other Federal grant-in-aid program."

Page 395, line 9, after "jurisdictions" insert "or by a regulated public utility".

Page 396, lines 14 and 15, strike out "the purchase" and all that follows through the period on line 16 and insert in lieu thereof "$32,000,000.".

Page 397, strike out line 11 and insert in lieu thereof the following:

(g) Subsection (b) shall become effective on the earlier of—

(1) the 90th day following the date on which the Governor of the State of Florida certifies to the Secretary that such State has met the conditions set forth in subsection (h) unless the Secretary determines within such 90-day period that the State has not met such conditions; or

(2) the date of the final order in any action commenced by such State in a Federal district court for such State which includes a finding that such State has met such conditions.

(h) In order for subsection (b) to become effective the following conditions must first be met:

Page 397, line 24, after "such State" insert "or the Canal Authority of such State".

—At the end of title XI of the bill, add the following new section:

SEC. 1199K. The Secretary shall remove from the Miami River and Seybold Channel in Miami, Florida, between the mouth of the Miami River and the salinity control structure of 36th Street, any abandoned vessels and any vessels under the control of the United States by reason of their seizure or forfeiture. The Secretary shall enter into an interagency agreement to facilitate the removal of any vessel under the control of the United States with the head of any Federal department, agency, or instrumentality which has control of such vessel.

—At the end of title XI, add the following new section:

SEC. 1199k. The Secretary is authorized to undertake streambank erosion protection measures in Illinois along the Ohio River, from the mouth of the Ohio River to Uniontown Dam, and along the Wabash River, from the mouth of the Wabash River to its confluence with the Little Wabash River.

Page 399, after line 5, insert the following:

SEC. 1199k. Any funds appropriated after the date of the enactment of this Act to complete the Brewerton Extension of the Baltimore Harbor and Channels (connecting channels to the Chesapeake and Delaware Canal) authorized by the River and Harbor Act of 1958, which are not needed to complete such project because of savings resulting from the redesign of the project shall be used to carry out maximum maintenance dredging of the Inland Waterway from the Delaware River to the Chesapeake Bay, Delaware and Maryland (Chesapeake and Delaware Canal), authorized by the River and Harbor Act of 1954.

—At the end of title XI, add the following new section:

SEC. 1199k. Section 88(c) of the Water Resources Development Act of 1974 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", except for encroachments which are transportation facilities or other public facilities and which do not significantly change the flood plain boundaries or significantly reduce the capability for recreation of such areas.".

—At the end of title XI, add the following new section:

SEC. 1199k. The Secretary is authorized to construct necessary repairs on the Marsh Creek Bridge near Foster Joseph Sayers Lake, Centre County, Pennsylvania, at an estimated cost of $47,000.

Page 399, after line 5, insert the following:

SEC. 1199K. That portion of the waterway in which is located Dark Head Creek in the community of Middle River, Baltimore County, Maryland, lying northwest of a line extending south 68 degrees 37 minutes 56 seconds west from a point (227.50 feet from the northeast corner of the existing bulkhead and pier line) whose coordinates in the Maryland State Coordinate System are north 544967.24 and east 962701.05 (latitude north 39 degrees 19 minutes 42 seconds and longitude west 76 degrees 25 minutes 29.5 seconds) and thence south 44 degrees 48 minutes 20 seconds west, 350.12 feet to a point (at the southwest corner of the existing bulkhead and pier line) whose coordinates in the Maryland State Coordinate System are north 544635.94 and east 962242.46 (latitude north 39 degrees 19 minutes 39 seconds and longitude west 76 degrees 25 minutes 35.4 seconds), is declared to be a nonnavigable water of the United States for purposes of the navigation servitude.

(b) The line described in subsection (a) shall be established as a combined pierhead and bulkhead line of Dark Head Creek.

(c) Any project heretofore authorized by any Act of Congress, insofar as such project is within the boundaries of Dark Head Creek as described in subsection (a), is not authorized after the date of enactment of this Act.

(d) The right to alter, amend, or repeal this section is hereby expressly reserved.

Page 399, after line 5, insert the following:

SEC. 1199K. (a) Notwithstanding any other provision of law, if the agreement described in subsection (b) is executed by all parties described in subsection (b), the Cherokee Nation of Oklahoma may design and construct hydroelectric generating facilities (described in the report of the Chief of Engineers dated December 23, 1981) at the W.D. Mayo Lock and Dam on the Arkansas River in Oklahoma, in conformance with design and construction standards established by the Secretary.

(b) The Secretary and the Secretary of Energy shall enter into a binding agreement with the Cherokee Nation of Oklahoma under which—

(1) the Cherokee Nation of Oklahoma agrees—

(A) to design and initiate construction of the generating facilities referred to in subsection (a) within three years after the date of such agreement;

(B) to reimburse the Secretary for the costs incurred in—

(i) approving such design and inspecting such construction, and

(ii) providing any assistance authorized under subsection (c)(2); and

(C)(i) to release the Federal Government from any claim or cause of action which may arise from such design or construction, and

(ii) to indemnify the Federal Government from any liability which may arise from such design or construction;

(2) the procedures and requirements for approval and acceptance of such design and construction are set forth;

(3) the rights, responsibilities, and liabilities of each party to the agreement are set forth; and

(4) the amount of the payments under subsection (g), and the procedures under which such payments are to be made, are set forth.

(c)(1) No Federal funds may be expended for the design or construction of the generating facilities referred to in subsection (a) before the date on which title to such facilities are accepted by the Secretary under subsection (e).

(2) Notwithstanding any other provision of law, the Secretary may provide, on a reimbursable basis, any assistance requested by the Cherokee Nation of Oklahoma in connection with the design and construction of the generating facilities referred to in subsection (a).

(d) The Secretary is authorized—

(1) to approve the design of the generating facilities referred to in subsection (a), and

(2) to inspect (as may be necessary) the construction of such facilities.

(e) Notwithstanding any other provision of law, upon completion of the construction of the generating facilities referred to in subsection (a) and final approval of such facilities by the Secretary—

(1) the Cherokee Nation of Oklahoma shall transfer title to such facilities to the United States; and

(2) the Secretary shall—

(A) accept the transfer of title to such generating facilities on behalf of the United States, and

(B) operate and maintain such facilities.

(f) The Southwestern Power Administration shall market the power produced by the generating facilities referred to in subsection (a) in accordance with section 5 of the Act of December 22, 1944 (58 Stat. 890; 16 U.S.C. 825s).

(g) Notwithstanding any other provision of law, the Secretary of Energy may pay to the Cherokee Nation of Oklahoma, in accordance with the terms of the agreement entered into under subsection (b), out of the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration—

(1) all of the costs incurred by the Cherokee Nation of Oklahoma in the design and construction of the generating facilities referred to in subsection (a), including the capital investment in such facilities and interest on such capital investment; and

(2) for a period not to exceed 50 years, a reasonable annual royalty for the design and construction of the generating facilities referred to in subsection (a).

(h) Notwithstanding any other provision of law, the Secretary of Energy may—

(1) construct such transmission facilities as necessary to market the power produced at the generating facilities referred to in subsection (a) with funds contributed by non-Federal sources; and

(2) repay those funds, including interest and any administrative expenses, directly from the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration.

(i) As used in this section, the term "Secretary of Energy" means the Secretary of Energy, acting through the Southwestern Power Administration.

(j) There are authorized to be appropriated for the fiscal year in which title to the generating facilities is transferred and accepted under subsection (e), and for each succeeding fiscal year, such sums as may be necessary to operate and maintain such facilities and to market the power from such facilities.

Page 399, after line 54, insert the following:

SEC. 1199K. The Secretary of the Interior, acting through the Fish and Wildlife Service, is authorized and directed to sell surplus water which may be available at the Devil's Kitchen Lake project, Illinois, for municipal use to the city of Marion, Illinois, on such terms and at such rates as such Secretary determines to be reasonable based upon comparable rates in the area of southern Illinois.

Page 399, after line 5, insert the following new section:

SEC. 1199K. The property described in subsection (b) of this section is declared to be not a navigable water of the United States within the meaning of the Constitution and the laws of the United States.

(b) The property referred to in subsection (a) of this section consists of the following two parcels of land:

(1) All that piece or parcel of land, containing 120.54 acres, situate, lying and being in the city of Jersey City, Hudson County, State of New Jersey, upon or around that certain lot or piece of land known as the Caven Point Area, being more particularly described as follows:

Beginning at a point in the southeasterly right-of-way line of Caven Point Road, said point being the southwesterly corner of a tract of land owned now or formerly by Tankport Terminals, Inc.;

thence along the southwesterly line of the aforesaid tract of land south 52 degrees 39 minutes 04 seconds east, a distance of 733.07 feet to a point, said point being marked by a found galvanized nail set in concrete;

thence along lands now or formerly of the State of New Jersey (Department of Environmental Protection) south 27 degrees 13 minutes 11 seconds east, a distance of 364.72 feet to a point, said point being marked by a found monument;

thence still along said lands south 54 degrees 22 minutes 11 seconds west, a distance of 155.40 feet to a point, said point being marked by a found monument;

thence still along said lands south 13 degrees 06 minutes 47 seconds east, a distance of 197.51 feet to a found monument;

thence still along said lands south 11 degrees 10 minutes 08 seconds east, a distance of 202.01 feet to a point in the center of Caven Creek;

thence along the centerline of Caven Creek in a general northeasterly direction the following ten courses:

north 72 degrees 56 minutes 02 seconds east, a distance of 0.67 feet;

north 62 degrees 23 minutes 54 seconds east, a distance of 7.44 feet;

north 64 degrees 27 minutes 24 seconds east, a distance of 14.20 feet;

north 68 degrees 20 minutes 06 seconds east, a distance of 9.14 feet;

north 66 degrees 13 minutes 24 seconds east, a distance of 44.49 feet;

north 65 degrees 55 minutes 31 seconds east, a distance of 18.62 feet;

north 52 degrees 14 minutes 36 seconds east, a distance of 32.36 feet;

north 47 degrees 53 minutes 41 seconds east, a distance of 33.25 feet;

north 52 degrees 44 minutes 00 seconds east, a distance of 18.17 feet;

north 63 degrees 21 minutes 24 seconds east, a distance of 5.62 feet;

thence along a new line south 04 degrees 53 minutes 00 seconds west, a distance of 141.80 feet to a point;

thence still along a new line south 10 degrees 11 minutes 02 seconds east, a distance of 203.89 feet to a point;

thence still along a new line south 04 degrees 53 minutes 00 seconds west, a distance of 350.00 feet to a point;

thence still along a new line south 02 degrees 42 minutes 32 seconds east, a distance of 410.00 feet to a point;

thence still along a new line south 19 degrees 14 minutes 44 seconds east, a distance of 105.40 feet to a point;

thence still along a new line south 05 degrees 44 minutes 29 seconds east, a distance of 151.21 feet to a point;

thence still along a new line south 09 degrees 29 minutes 34 seconds east, a distance of 270.90 feet to a point;

thence still along a new line south 0 degrees 45 minutes 47 seconds east, a distance of 224.44 feet to a point;

thence still along a new line south 06 degrees 49 minutes 07 seconds west, a distance of 123.96 feet to a point;

thence still along a new line south 22 degrees 04 minutes 07 seconds west, a distance of 531.58 feet to a point in the southerly edge of an existing 41.30 foot wide concrete pier;

thence south 44 degrees 26 minutes 38 seconds west, a distance of 6.87 feet to a point;

thence north 47 degrees 47 minutes 04 seconds west, a distance of 231.00 feet to a point;

thence south 44 degrees 16 minutes 49 seconds west, a distance of 26.34 feet to a point;

thence along the northeasterly line of lands now or formerly of the United States Government (Caven Point Marine Base) north 45 degrees 30 minutes 22 seconds west, a distance of 1,000.00 feet to a point;

thence along the northwesterly line of lands now or formerly of the United States Government (Caven Point Marine Base) south 43 degrees 36 minutes 47 seconds west, a distance of 100.00 feet to a point in the northeasterly line of an existing 100 foot sewer easement granted to the City of Jersey City (Richard Street Sewer) as set forth in Deed Book 1402, Page 449;

thence along the same north 45 degrees 37 minutes 46 seconds west, a distance of 553.25 feet to an angle point;

thence still along said sewer easement line north 14 degrees 24 minutes 21 seconds west, a distance of 195.88 feet to a point, said point being the intersection of the sewer line with the projection of the northeasterly line of the above mentioned lands now or formerly of the United States Government (Caven Point Marine Base);

thence along said projected new line north 45 degrees 30 minutes 22 seconds west, a distance of 186.13 feet to a point;

thence along a new line north 88 degrees 14 minutes 02 seconds west, a distance of 1,184.70 feet to a point;

thence along lands now or formerly of the Trustee of the Lehigh Valley Railroad north 49 degrees 07 minutes 25 seconds west, a distance of 340.40 feet to a point in the southeasterly right-of-way line of Route 185;

thence along a new line north 54 degrees 19 minutes 18 seconds east, a distance of 253.59 feet to a point;

thence still along the smame north 54 degrees 53 minutes 41 seconds east, a distance of 100.00 feet to a point;

thence still along the same north 54 degrees 19 minutes 18 seconds east, a distance of 395.99 feet to a point;

thence still along the same south 86 degrees 50 minutes 15 seconds east, a distance of 177.10 feet to a point;

thence still along the same south 45 degrees 31 minutes 04 seconds east, a distance of 57.24 feet to a point;

thence still along the same north 44 degrees 28 minutes 56 seconds east, a distance of 50.00 feet to a point;

thence still along the same north 05 degrees 16 minutes 41 seconds east, a distance of 210.44 feet to a point;

thence still along the same north 54 degrees 19 minutes 18 seconds east, a distance of 444.08 feet to a point;

thence still along the same north 53 degrees 44 minutes 55 seconds east, a distance of 100.00 feet to a point;

thence still along the same north 54 degrees 19 minutes 18 seconds east, a distance of 233.24 feet to a point of tangency;

thence still along the same and along a curve to the left having a radius of 10,061.00 feet, an arc distance of 100.61 feet to a point of compound curvature;

thence still along the same and along a curve to the left having a radius of 4,061.00 feet, an arc distance of 50.76 feet to a point of compound curvature;

thence still along the same and along a curve to the left having a radius of 2,661.00

feet, an arc distance of 102.35 feet to a point of compound curvature;

thence still along the same and along a curve to the left having a radius of 2,061.00 feet, an arc distance of 428.08 feet to a point in the southwesterly line of Caven Point Road;

thence still along the same south 52 degrees 42 minutes 47 seconds east, a distance of 48.66 feet to an angle point;

thence still along the same north 37 degrees 17 minutes 13 seconds east, a distance of 50.00 feet to an angle point;

thence still along the same north 52 degrees 42 minutes 47 seconds west, a distance of 47.22 feet to an angle point;

thence still along the same north 31 degrees 21 minutes 52 seconds east, a distance of 359.61 feet to the point and place of beginning.

(2) All that piece or parcel of land, containing 18 acres more or less, situate on the northwesterly side of New Jersey State Highway Route 185, more particularly described as follows:

Beginning at a point in the southeasterly right-of-way line of lands now or formerly of Lehigh Valley Railroad Company (National Docks Branch), said point being the intersection of said line with the southwesterly lines (if projected) of lands now or formerly of the United States Government (Caven Point Army Terminal);

thence south 45 degrees 37 minutes 46 seconds east along said southwesterly line of U.S. Government property 830.84 feet to a point in the northwesterly right-of-way line of New Jersey State Highway Route 185;

thence along the same line south 44 degrees 28 minutes 56 seconds west along a line 39.06 feet to a point;

thence along the same line south 05 degrees 16 minutes 48 seconds west along a line 210.45 feet to a point;

thence along the same line south 54 degrees 19 minutes 18 seconds west along a line 427.65 feet to a point;

thence along the same line south 53 degrees 44 minutes 55 seconds west along a line 100.00 feet to a point;

thence along the same line south 54 degrees 19 minutes 18 seconds west, along a line 182.76 feet to a point of intersection with a northeasterly line of land now or formerly of the trustee of the Lehigh Valley Railroad;

thence north 49 degrees 07 minutes 25 seconds west along said line and also along lands now or formerly of the Linden Urban Renewal Association 724.48 feet to a point in the aforesaid southeasterly right-of-way of the Lehigh Valley Railroad Company;

thence north 37 degrees 13 minutes 52 seconds east along the same line 953.84 feet to the point or place of beginning.

Page 399, after line 5, insert the following:

SEC. 1199k. (a) The Secretary may enter into a contract providing for the payment or recovery of an appropriate share of the costs of a project under his responsibility with a Federal Project Repayment District or other political subdivision of a State prior to the construction, operation, improvement, or financing of such project. The Federal Project Repayment District shall include lands and improvements which receive identifiable benefits from the construction or operation of such project. Such districts shall be established in accordance with State law, shall have specific boundaries which may be changed from time to time based upon further evaluations of benefits, and shall include the power to collect a portion of the transfer price from any transaction involving the sale, transfer, or change in beneficial ownership of lands and improvements within the district boundaries.

(b) Cost recovery pursuant to the provisions of this section shall be deemed to meet cost recovery requirements of our provisions of Federal law if the economic study required by subsection (c) of this section demonstrates that income to the Federal Government equals or exceeds that required over the term of repayment required by that cost recovery provision.

(c) Prior to execution of an agreement pursuant to subsection (a) of this section, the Secretary shall require and approve a study from the State or political subdivision demonstrating that the revenues to be derived from a contract under this section, or an agreement with a Federal Project Repayment District, will be sufficient to equal or exceed the cost recovery requirements over the term of repayment required by Federal law.

(d) The Secretary is authorized to participate with appropriate non-Federal sponsors in a project to demonstrate the feasibility of non-Federal cost sharing for ports and harbors under the provisions of Subsection (a) through (c). Such project shall consist of the project for navigation, flood control, and protection of the Seal Beach Naval Weapons Station at Sunset Beach Harbor, Bolsa Chica Bay, California at an estimated cost of $89,600,000, including such modifications as the Secretary may determine are advisable and upon execution of agreements by the State of California and/or local sponsors for preservation and mitigation of wetlands areas and appropriate financial participation. The Secretary may not undertake construction without the concurrence of the Secretary of the Navy on measures to protect the Naval Weapons Station. The Secretary shall, not later than two years after the date of enactment of this Act, make a determination of financial feasibility of the project and transmit a copy of a final feasibility study and a copy of any final environmental impact statement required by section 102(2)(c) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. No appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee. Agreements for local financial participation shall include the repayment agreements set forth in subsection (a) so as to meet up front cost contributions as required by federal law together with full amortization of the remaining federal investment including costs of project feasibility studies.

—At the end of title XI, insert the following new section:

SEC. 1199K. The Secretary is authorized and directed to remove polluted bottom sediments, at full Federal expense, from the Miami River and Seybold Canal in Miami, Florida, between the mouth of the Miami River and the salinity control structure at 36th Street. Local interest shall furnish all lands, easements, rights-of-way, relocations, and alterations necessary for initial dredging and subsequent maintenance before the Secretary removes any such sediments.

—At the end of title XI, add the following new section:

SEC. 1199K. The Secretary is authorized to rehabilitate the Eisenhower and Snell Locks, Saint Lawrence River, Massena, New York, in accordance with the Reconnaissance Report prepared for the Saint Lawrence Seaway Development Corporation by the district engineer for the Buffalo District, dated November 1984 and revised February 1984, at full Federal expenese.

By Mr. WEAVER:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670)).

Page 308, after line 23, insert the following:

SEC. 1006. (a) The project for Elk Creek Lake, Rogue River Basin, Oregon, authorized by the Flood Control Act of 1962, is not authorized after the date of the enactment of this Act.

(b) Notwithstanding subsection (a), the Secretary is authorized to complete construction of any road that was begun before the date of enactment of this Act as part of the project described in subsection (a).

Page 308, after line 23, insert the following:

SEC. 1006. (a) The project for Elk Creek Lake, Rogue River Basin, Oregon, authorized by the Flood Control Act of 1962, is not authorized after the date of the enactment of this Act.

SENATE—*Monday, November 4, 1985*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Blessed be the name of God forever and ever; for wisdom and might are His: He changeth times and seasons; He removeth kings, and setteth up kings; He giveth wisdom to the wise and knowledge to them that know understanding * * *.—Daniel 2:20-21.

Almighty God, sovereign Ruler of history and nations, we beseech Thee for wisdom at this trying time of legislation when agreement looks impossible. It is not uncommon in our culture, Lord, to compartmentalize God, to relegate Him to the Sabbath and the sanctuary, feeling He has nothing to do with common sense or the daily routine. But Thou art the God of every day, of the road, the market place, the office, the shop. As Thou dost know better than they the complex issues with which the Senators wrestle, grant to them knowledge, understanding, and wisdom. Do what is impossible, Lord, when they have reached the limit of the possible. Help them to find consensus when it looks like there is none. Show them that You are not only a God far off and unreal, but a God who is near, available, and relevant to practical affairs. For Thy namesake. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

SCHEDULE

Mr. SYMMS. Mr. President, today, under the standing order, the two leaders will have 10 minutes each.

I ask unanimous consent to reserve that time for the majority leader and the minority leader.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SYMMS. After the majority leader and the minority leader have used their time, there will be special orders, for not to exceed 15 minutes each, for Senators THURMOND, PROXMIRE, and GORE.

Routine morning business is not to extend beyond 11 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following routine morning business, the Senate will resume the consideration of S. 1714, the farm bill.

At some point during the day, the Senate will resume consideration of House Joint Resolution 372, the debt limit extension.

For the information of Senators and members of their staffs who might be listening in their offices, a unanimous-consent agreement was reached late Friday night, and they may refer to the CONGRESSIONAL RECORD and see what the provisions of that unanimous-consent agreement are.

The majority leader also wishes to announce that we can expect votes during today's session.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

(Mr. SYMMS assumed the chair.)

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR THURMOND

The PRESIDING OFFICER. Under the previous order, the Senator from South Carolina is recognized for not to exceed 15 minutes.

EFFECT ON CONSUMER PRICES FROM PASSAGE OF THE TEXTILE AND APPAREL TRADE ENFORCEMENT ACT OF 1985

Mr. THURMOND. Mr. President, opponents of the Textile and Apparel Trade Enforcement Act of 1985 have erroneously charged that enactment of that measure would cost the American consumer billions of dollars. The results of surveys conducted by Market Research Corp. of America clearly refute this allegation. These surveys reveal that in many retail stores nearly identical items, some produced in the United States and others produced overseas, are sold side by side in the same store for the same or nearly the same price. In fact, the imported products are often higher.

Mr. President, for the benefit of my colleagues, I ask unanimous consent that a table presenting the results of these surveys be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average price at retail	1982	1983	1984
MEN'S OUTERWEAR			
Slacks:			
Imported	$20.04	$18.13	$18.12
Domestic	18.00	18.55	18.07
Knit sport tops:			
Imported	10.43	11.41	10.41
Domestic	6.99	7.62	7.86
WOMEN'S OUTERWEAR			
Slacks:			
Imported	16.27	16.22	16.51
Domestic	14.43	14.21	14.02
Skirts:			
Imported	15.88	18.22	18.02
Domestic	17.45	17.47	17.01
Dresses:			
Imported	26.80	30.71	31.49
Domestic	28.53	28.77	29.18

Mr. THURMOND. Mr. President, those who charge that stemming the flood of imported textile and apparel products into this country would increase the price of goods to the consumer argue that this is so because competition would be reduced. In reality, Mr. President, under the revised version of S. 680, imports would still account for over 42 percent of the domestic market. Imports of that magnitude are certainly much more than enough to provide sufficient quality and price competition to keep domestic producers on their toes. Furthermore, even if there were only minimal imports, domestic competition in the textile/apparel industry is already intense.

There are over 5,000 textile manufacturers and over 12,000 apparel manufacturers still producing in this country. No one company accounts for over 5 percent of the domestic production. With that kind of healthy competition, it is unlikely that prices would rise as a result of legislation providing for orderly import growth.

Mr. President, the Congressional Budget Office [CBO] recently completed a report for the House Ways and Means Committee analyzing the economic effects of the House version of the textile bill. The CBO report found that enactment of that legislation (H.R. 1562) would have little effect on consumer prices. In fact, Ways and Means Committee Report 99-293 states that the bill "would have a negligible inflationary impact on prices and costs in the operation of the general economy."

Actually, prices may rise and consumers could lose if the bill does not pass. Consider the fact that within hours of the import-caused bankruptcy of America's last surviving velveteen manufacturer, Japan announced a 33 percent increase in the cost of imported velveteen. Think what would happen to the prices of other textile and apparel products if our domestic

manufacturers disappeared and foreign suppliers controlled our market.

Mr. President, a strong, viable domestic textile industry is vital to our Nation's security. We cannot allow this basic industry to be wiped out by unfair foreign competition. Two million jobs are at stake. The time has come to draw the line. Prompt passage of the Textile and Apparel Trade Enforcement Act of 1985 will keep America working and keep consumer prices competitive.

Mr. President, I wish to emphasize again that within hours of the import-caused bankruptcy of America's last surviving velveteen manufacturer, Japan announced a 33-percent increase in the price of imported velveteen.

Mr. President, what does that mean? That means that when the last manufacturer of velveteen in this country quit manufacturing velveteen, the Japanese ran the price up 33 percent on the consumer, and that is exactly what could happen with slacks and shirts and other men's and women's clothing. The fact that the Japanese increased the price of velveteen 33 percent when the last manufacturer here could not compete is an indication that countries will run prices up once they get a monopoly.

That is exactly what they will have unless something is done to preserve the textile and apparel industry in this country. There will be a monopoly by the foreign manufacturers and that will hurt American consumers.

We have heard so much about how this bill will hurt the consumer. The fact is the bill will help the consumer. It will certainly help in the long run because our manufacturers here will continue to be in business and will continue to employ millions of Americans. Whereas, now they are being closed down just like when the Japanese ran the velveteen manufacturers here out of business. Remember, there was a 33-percent price increase as soon as our velveteen manufacturers quit manufacturing. Unfortunately, the same thing could happen in shirts, dresses, pants, Army uniforms, Army tents, Army parachutes, and all other things that are made from textiles.

Mr. President, I hope the people of this country think about that because the retailers are claiming that prices are cheaper because of imports. Well, who is making the money? It is not our manufacturers making it, as these figures from an unbiased survey show. It is the retailers who are making the money. They are buying cheaper overseas and making bigger profits. As a result, the American consumer is paying as much or more than if it were manufactured here.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

The Senator from Wisconsin.

PRESIDENT REAGAN'S NON-ARMS CONTROL AGENDA

Mr. PROXMIRE. Mr. President, we now have a terse, one sentence description by the President of the United States of his arms control position. President Reagan said on Thursday, October 31:

> I would characterize our arms control position as deep cuts, no first strike advantage, defensive research and no cheating.

How does that sound? It sounds great. It is a public relations masterpiece. But let us take it apart in relation to the Reagan long established record.

DEEP CUTS

First, the President calls for deep cuts. Why isn't that good news? Isn't it true that no previous arms control agreement has actually cut back the superpower's two immense nuclear arsenals? So why isn't this a beginning and a good one? Answer: Pentagon defenders of U.S. nuclear politics for the past 20 years have argued that while we have not agreed to any reduction in nuclear weapons with the Soviet Union, the United States has unilaterally cut back both this country's nuclear megatonnage and the number of its nuclear warheads. We have done so unilaterally. Assistant Secretary of Defense Richard Perle had contended that this cut back has enfeebled our nuclear deterrent and given the Soviets a comparative advantage. If this Perle interpretation of the change in the U.S. magatonnage and war heads figures were correct, the American people could properly conclude that a series of Presidents and Congresses have betrayed this country's security interests by weakening our ability to deter war with our nuclear arsenal. But what is the truth? The truth is that Congress during these years has appropriated, and Presidents have spent hundreds of billions of dollars to enormously strenghen the invulnerability, the accuracy and the lethal punch of the U.S. nuclear arsenal. But have we or haven't we reduced our megatonnage and the number of warheads? The answer is yes. We have, indeed, reduced both. Of course, in doing so we have emphatically not weakened our nuclear arsenal. We have immensely strengthened it. So we have already unilaterally made "deep cuts." But those deep cuts have permitted both a huge increase in the effective power of our nuclear arsenal, and a mamouth multibillion dollar expenditures for additional nuclear weapons. In precisely the same way, the United States can easily comply with the Reagan objective of "deep cuts" in nuclear weapons while massively strengthening our nuclear arsenal. Over the next 3 or 4 years the United States and the Soviet Union will each unilaterally retire much of their present aging arsenals, perhaps as much as 50 percent of it. Will that stop the arms race? No. Will it slow the arms race? No. Both superpowers will continue to pour tens of billions of dollars into improving the capability of new, more reliable, more accurate, and far more deadly weapons. The superpowers will do this even if they agree to a "deep cut" in megatonnage and warheads. How can I be so sure this will be the fate of any "deep cuts" arms control agreement? Because it would fit perfectly the past and present policies of this country. It would also enable the administration to claim that it had achieved an historical first in arms control—actual reductions of weapons on both sides.

NO FIRST STRIKE ADVANTAGE

President Reagan's second arms control objective is "no first strike advantage." How will U.S. pursuit of that objective affect arms control? It will require both sides to aim for a nuclear weapons agreement that would prevent either superpower from achieving an ability to destroy a sufficient proportion of the adversary's nuclear deterrent so that retaliation would not be of sufficient power to destroy the inital aggressor. This objective would fit weakly into an agreement that achieve deep cuts on both sides in stationary, land-based missiles. Why? Because such missiles are extraordinarily vulnerable. A first strike would certainly succeed against such a deployment of a superpower nuclear arsenal than against less vulnerable land-based mobile missiles. Of course, the most survivable of all are submarine and bomber based missiles. Clearly the United States could happily advance and live with that kind of arms control agreement since three quarters of the U.S. nuclear deterrent is either in submarines or in bombers, while nearly three quarters of the Russian deterrent is inland-based missiles. Why would the Soviets accept such an apparently pro-United States proposition? The answer is this: The Russians already recognize the extraordinary vulnerability of their present nuclear missile deployment. They are empha-

sizing a buildup of cruise missiles launched by submarines and bombers. The agreement for deep cuts in land-based missiles would fit this strategic change. It would strengthen the credibility of the Russian deterrent. Such an agreement would enable them to appear to be peacefully cooperative in making deep cuts in their increasingly obsolete stationary, land-based missiles. And they could move as they are consciously doing anyway to a much more survivable position. This kind of arms control agreement would achieve a "no first strike advantage." But it would simply redirect the arms race. It would neither end it, not slow it.

DEFENSIVE RESEARCH

The third Reagan objective in arms control is "defensive research." That, of course, means continuation of the SDI or star wars program. If the so-called defensive research is to have any purpose at all, it would require testing of ABM components and eventually the production of hardware and the deployment of hardware in space. The resultant antiballistic missile system would directly and bluntly destroy the currently preeminent arms control agreement, the ABM Treaty. It would probably provoke a vigorous increase in research, testing, production and deployment, of a defensive system by the Soviets. It would certainly initiate a strenuous effort on both sides to develop offensive nuclear systems that could penetrate any SDI defense. So star wars seems almost certain to provoke a new arms race in space and to raise the cost of the nuclear weapons competition enormously.

NO CHEATING

The last ingredient in the Reagan arms control proposal is for an agreement that prevents cheating by requiring effective verification. The President is dead right in making this an objective of his arms control agreement. It is essential. It will require a vigorous and constant application of the latest technology to monitor the activities of both superpowers. It will also take an aggressive use of an agency like the Standing Consultative Commission. The SCC has been established to permit both signatories to appeal to an expert panel of American and Russian scientists to make a determination in case of alleged cheating. It has been used by both superpowers to challenge alleged violations; it has worked. It has succeeded either in persuading the alleged violator to modify his behavior or to allay the suspicions of the other party to the agreement. Unfortunately, the superpowers have not given the SCC the standing it requires. They have neglected it. Instead of using this excellent arbitration panel they have resorted to public charges against each other. If President Reagan will now change that policy and seek through the SCC to determine the validity of evidence of cheating by the Soviet Union and the Soviet Union does the same with their suspicions, arms control agreements may work. Both countries must, of course, keep in reserve the ultimate sanction against cheating. That is the willingness to renounce the agreement.

SUMMARY

The President's summary of his arms control objectives is a public relations masterpiece. It has the following shortcomings:

First. "Deep cuts" may result in both superpowers retiring the obsolete old missiles they would retire in any event. Far from slowing the arms race, this policy could simply clear away the old models for more up-to-date, more lethal and less vulnerable nuclear arsenals.

Second. The "no first strike advantage" provision recognizes the reality that the arms race is moving toward less vulnerable air and sea deployments for nuclear missiles. This objective will tend to steer the superpowers in the precisely same direction they were moving anyway. It will accelerate that move to a more survivable deterrent. It will tend to make both deterrents more credible. But it will certainly not slow down or stop the arms race.

Third. "Defensive research" is another way of saying star wars here we come. That means the arms race will move into space. It means greater emphasis is on offensive missiles to penetrate defenses as well as mammoth spending on defensive systems. Defensive research obviously moves this country toward colossal deficits and king-size taxes.

Fourth. "No cheating" is an essential arms control ingredient. It should mean vigorously applying our latest technology to verification. It will, if pursued, also require a far more aggressive use of the Standing Consultative Commission to challenge alleged violations. And it will require an expressed and sincere willingness to renounce the agreement if the other superpower insists on violating it.

WHY CONGRESS MUST ADOPT A DEFICIT REDUCTION PROGRAM EVERYONE HATES

Mr. PROXMIRE. Mr. President, there is overwhelming criticism by newspaper editorial writers, by columnists, and by the country's outstanding economists of the efforts the Congress is making to provide some kind of mandatory framework that will force the Federal Government to bring our budget under control. The criticism is wise and thoughtful. It is also dead wrong. What both the House and Senate are doing in mandating spending reductions seems harsh, arbitrary, and unfair. Why? Because it is harsh, arbitrary, and unfair. It is also necessary.

Mr. President, you have to serve in this body for several years to understand that, because we have to go back to our constituents to be reelected, we will not cut excessive spending of popular programs, unless we have to do so. We will not raise taxes, unless we are forced to do it. Those of us who serve here have learned that. That is exactly why the U.S. Senate, by an overwhelming 3-to-1 vote, decided against the advice of the country's most thoughtful observers to put these severe restraints into effect.

What were the principal reasons for the opposition of the experts to the Gramm-Rudman proposal? Most of the critics contended that Gramm-Rudman much too severely constrained the budget by making cuts in too short a period. There was also a strong consensus that the Senate had made so many exceptions to the proposed reductions that the burden would fall much too heavily on the nonexempted areas of spending.

Now the House has passed an alternative deficit reduction proposal. How does this House proposal square with the critics' sharp denunciations of the Senate Gramm-Rudman approach? Does the House bring the Senate proposal into closer alignment with the criticsim by economists and editorial writers? No. On the contrary, the House requires an even quicker and more draconian reduction in the budget deficit than the Senate did. Does the House broaden the proportion of spending the Congress would subject to reduction? No indeed. It sharply expands the exempted programs. In fact, it reduces the programs that would be subject to reduction by eliminating more than half the Senate covered spending from reduction. Where the Senate bill, as modified, would have permitted reductions in more than $500 billion of annual Federal spending programs, the House cut that down to about $250 billion.

The House proposal does seem to enjoy one critical economic advantage over the Gramm-Rudman proposal. The House proposal would attempt to relate the size of the deficit reduction each year to the over-all growth of the economy. If the economy were expected to grow by 3 percent in real terms, that is allowing fully for inflation, then the deficit reduction required would be $42 billion annually, only $6 billion more than required in the Senate version. If growth were expected to be 1 percent, on the other hand, the House bill would require no reduction. Suppose growth were forecast at 6½ percent, as occurred in fiscal 1984, then the reduction required in the deficit would exceed $100 billion in that single year. Since both the Congressional Budget Office and the Office of

Management and Budget are forecasting economic growth over the next 5 years in excess of 3 percent, and since the House would put the deficit reduction plan into effect a year earlier, the House version, theoretically, aims at a balanced budget by 1990, instead of the Senate goal of 1991.

So what is wrong with the House version? Is it not better to reduce the deficit in tandem with economic growth? That way spending and taxing restrains inflation when the economy is moving exuberantly. Most important, Federal fiscal policy will not plunge the economy into deep recession by reducing the economic stimulation of deficits in recession. So why is not the House bill preferable to the Senate bill? Answer: First, the House version confines reductions to only about one-fourth of the total budget. That will require reductions in that one-fourth of the budget that will be so severe that either the Congress, the President, or both will flatly refuse to accept them. It is one thing to make a $36 billion reduction in a $500 billion segment of the budget. That would require a severe but in most cases a manageable 7 percent reduction. It is something else when the $36 billion must come out of only a $250 billion segment of the budget. That means a 14 percent reduction.

But the real weakness of the House proposal is that it relies on forecasts of the growth of the economy by CBO. Will these forecasts be accurate?

Let us take a look at the record. What does it show? It shows that both agencies rely on the judgment of highly competent, widely respected economists. But how good have been the forecasts of those economists? The forecasts have been just about worthless. It is a great year when a forecast by either one of these agencies has come within 25 percent of the actual performance of the economy. A 50-percent error is much more common. Fifty percent, Mr. President, Frequently, these economic soothsayers have been off by more than 100 percent. And never, Mr. President, never, ever have these agencies been able to forecast a recession, never, not once.

But it gets worse. If the Congress should enact the House proposal, a new and very disturbing element would destroy whatever objectivity and professional integrity these forecasts might otherwise have. Why? Here is why: You would then have a situation where the spending and taxing policy of the United States would depend not on the decisions of the country's elected officials, not on the determination of the President of the United States, and not on the law established by the Congress of the United States. The U.S. budget policy would hinge on the forecast of unelected unaccountable, invisible economists. What power. What a temptation for the economists. Their objective forecasts would obviously be corrupted by the realization that what they announced as their forecasts would determine whether the Government spent hundreds of billions of dollars and whether the Government raised or lowered taxes by hundreds of billions of dollars. Congress would surrender its determination, as expressed in the Senate bill, to reduce the deficit by $36 billion per year. It would leave the determination of whether the Congress would reduce the deficit by $75 billion or $50 billion or $20 billion or not at all; to whom? To economic forecasters whose records show their forecasts are grossly in error. If we pass the House bill, a Member of the Senate interested in exerting real power in this country would be tempted to quit the Senate and apply for a job as chief forecaster for the CBO. That is where the real power will be.

Mr. President, it is perfectly obvious that both the Gramm-Rudman proposal and the House proposal are seriously, very seriously flawed. Either will, when carried out, enrage Nobel economists and such media gurus as George Will, James Kilpatrick, John McLaughlin, and Robert Novak. Far more importantly for the political future of Members of this body, they will enrage much of the electorate. Both are a prescription for terminal political illness for all of us who subscribe to them. But both also include exactly what the country needs, a tough, cruel, hard dose of political pain!

Just think of it. They require that we cut spending on programs that benefit tens of millions of American voters. Politically, you have to be nuts even to think about doing what both the House and the Senate require. Increase taxes on this country's more than one hundred million Federal taxpayers? Again, how politically crazy can you be? Well, this is precisely what we have to do.

I will vote for the Senate version for the reasons I have given and also because with its severability provisions, it will survive the certain Supreme Court constitutionality challenge that we know will come. The House bill will not survive that challenge. Why? Because if any part of the House bill is found by the Court to be unconstitutional, the entire bill falls. And there is no question that there are several parts of that bill that are unconstitutional the way the House has done it. The Senate bill would survive such a court finding of partial unconstitutionality. I will also vote for the Senate version because it spreads the budget cutting pain over a much broader area and, therefore, makes it much more likely than a mandatory deficit reduction program will go into effect.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day today is that the budget resolution sets a spending target that is even roughly truthful. Passage of this resolution sets off a weary celebration, perhaps a sigh of relief is more accurate, that the budget is finally out of the way.

The Nation's newspapers are full of stories about congressional budget making. A year and a half later, when the fiscal year is over, the Treasury Department issues a statement which spells out how much the Government actually spent. That statement gets a paragraph or two of attention and is quickly forgotten.

Recently, the Treasury issued their final accounting for fiscal year 1985 and that prompted me to see how accurate were the targets we set last year. Do we meet those targets or are they merely an exercise in myth making?

Mr. President, in 3 of the past 5 years, our estimates of spending growth were off by more than 100 percent. That is right. The estimates were more than 100 percent wrong. The Budget Committee's theme song should be "Call Me Unreliable." From 1980 to 1981, the budget resolution projected spending would increase by 3.7 percent—it jumped by 13 percent. From 1981 to 1982, the resolution declared spending would edge up by 2.5 percent—it skyrocketed by 9 percent. Then, from 1982 to 1983, the budget confidently forecast a 3.2-percent increase—it went up by 8.4 percent.

For the last 2 years, estimates were more accurate. Between 1983 and 1984, they were off by only 6 percent, while 1984 to 1985 estimates were off by 20 percent.

Should these more accurate projections be a source of solace? No, Mr. President, just the opposite. We had a sparkling economic recovery underway during these 2 years. That recovery helped hold down spending on such programs as unemployment compensation, food stamps, and other programs which alleviate economic distress. Yet even under these ideal circumstances, the Congress still underestimated spending and by a growing margin.

Looking ahead, the budget resolution passed in August estimates that spending between 1985 and 1986 will increase by a paltry 2.2 percent. What a myth! Our economic expansion is aging and showing signs of it. The demands for additional spending are ever louder. Who wants to bet that next October, after our hopes have been tested by reality, that spending will have increased by 5 to 6 percent at a minimum? These data demonstrate why the budget process we recently approved may bite a lot sooner than expected.

THE SURRENDER OF GEORG GAERTNER

Mr. PROXMIRE. Mr. President, on September 12, the Washington Post reported that Sgt. Georg Gaertner of Field Marshal Erwin Rommel's Africa Korps surrendered to the U.S. Immigration and Naturalization Service, 40 years after fleeing a prisoner of war camp in New Mexico.

According to the Washington Post, he was the "last of 2,000 escaped prisoners of war to be recaptured in the United States."

Mr. Gaertner, better known as Dennis Whiles even to Jean his wife of 21 years, deliberately designed his surrender to coincide with the release of his new book, "Hitler's Last Soldier in America."

While Mr. Gaertner's surrender gained publicity for his new book, it nevertheless reminds us of the horrors of World War II and the Holocaust.

The cold, calculated, premeditated, destruction of Europen Jews ranks as the darkest hour in the history of mankind. Six million men, women, and children of Jewish ancestry perished.

Mr. President, in 1984, the U.N. Assembly, with the enthusiastic support of the U.S. delegation, unanimously adopted the Genocide Convention. This document protects the most fundamental right known to mankind, the right to live.

The Genocide Treaty exists because the International Military Tribunal at Nurenberg determined that consideration of genocide was outside the charter that established their tribunal.

The 96 nations that have already ratified the Genocide Treaty must wonder why we have delayed so long, and why we still refuse to sign the treaty. It is a blemish on our human rights record and it should be corrected.

Mr. President, the U.S. Senate must ratify the Genocide Treaty, making clear to the world that we abhor the heinous crime of genocide. The Holocaust must never happen again.

VITIATION OF SENATOR GORE'S SPECIAL ORDER

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the special order reserved for Senator GORE be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with statements therein limited to 5 minutes each.

THE CALDER SCULPTURE IN THE HART BUILDING

Mr. STAFFORD. Mr. President, earlier this week I received a letter from our former colleague, Hon. Nicholas F. Brady, of New Jersey.

As my colleagues know, Senator Brady and two friends have joined to make a most generous and wonderful gift to the Senate and to the American people.

Their gift is the last work created by the great sculptor, Alexander Calder. This work of art, called "Mountains and Clouds," is now being fabricated in the atrium of the Hart Senate Office Building.

Because of the great generosity of Senator Brady, as well as the excitement this major work of art will bring to the Hart Senate Office Building, I know the Senate will be interested in some of the background Senator Brady related to me.

For that reason, Mr. President, I ask unanimous consent that portions of Senator Brady's letter be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OCTOBER 23, 1985.

Hon. ROBERT T. STAFFORD,
U.S. Senate,
Washington, DC.

DEAR BOB: The activity in the Hart Building atrium is the initial work being done on the installation of the Alexander Calder sculpture, "Mountains and Clouds." It is expected that the construction which is being conducted in the protected work area of the atrium will be completed by mid-December 1985. * * *

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The Hart Building atrium measures 90 by 120 feet and is some 90 feet high. The stabile (the "mountains") will be 51 feet to the peak of the highest "mountain," and the mobile (the "clouds") has a 75-foot maximum spread and a 50-foot minimum spread along its north/south axis.

The mobile is being fabricated by Nelson Young of Crystalizations Systems, Inc. of Long Island, New York, from "aircraft aluminum" with an aluminum honeycomb core, a process that he helped devise during work on Mr. Calder's mobile for the East Building of the National Gallery of Art. It consists of four planes balanced at suspension points and motorization to enable the entire assembly to rotate. The latter consists of an impulse stepper motor with a computerized control system to enable the movement of the "clouds" to be random and adjustable in speed.

The materials used in the construction of the "clouds" are certified for use in airframe and aerospace construction. The entire assembly will weigh approximately 4,300 pounds and will be assembled with 21,000 flush riets.

The stabile, the work of Carmen Segre of Segre's Iron Works, Inc., Waterbury, Connecticut, is being constructed of sheet steel and, because of its immense weight (about 35 tons), will rest on bearing plates that will be recessed in the atrium floor. Carmen Segre was an intimate associate of Sandy Calder and fabricated most of the artist's works in the United States.

Following Calder's specifications, both pieces will be painted black. His choice of black for the pieces juxtaposes the sculpture with the striking white qualities of the marble construction.

The need for a sculptured work of art for the atrium became apparent in the course of the design of the Hart Building. The advice of museum curators of modern sculpture and others in the sculpture field, including representatives of the Smithsonian Institution and the National Gallery of Art, was sought in order to develop a list of prospective sculptors.

A competition was held and five sculptors were selected for final determination: Nevelson, Calder, Rickey, Lippold and Liberman. The selections were made on the basis of the appropriateness of their past work, the contemporary nature of their designs, their reputation in the art world and, finally, their amenability to working with the available space in order to relate the artwork to the architecture, as well as having it stand on its own as a separate work of art.

Individual interviews were held with each of the sculptors, who were shown a model of the building and drawings of the space in which the sculpture was to be located. Each of the five artists submitted their ideas in the form of drawings or maquettes, or both, which were critically reviewed. Because of the high quality of each of the submissions, the selection panel faced a difficult task but ultimately chose Calder's work.

During the initial interview, when Sandy Calder was asked what he could do that was different, he replied that he had never done a stabile and a mobile as a single sculpture. And it was in that vein that he was encouraged to proceed, to see what he might create! The result was "Mountains and Clouds."

On November 10, 1976, Mr. Calder met in Washington with the Architect of the Capitol and the Associate Architects for the Hart Building, John Carl Warnecke and Associates, to review and refine his one-half-inch scale maquette. At that time, discussion ensued regarding the relative location of the stabile and mobile to each other and within the atrium itself, as well as about other physical aspects of the work, including the movement of the mobile, which Calder intended to move in a random fashion, as clouds would around mountains.

The mobile needed some adjustment; it was not well balanced and Calder was given a pair of pliers and metal shears so that he could make whatever adjustments he felt necessary. He bent one or two of the connections so that it would balance a little bit better and also so that the pieces would not hit one another as the mobile rotated. He specifically mentioned that, although in the maquette the clouds were not exactly horizontal, the final product would be balanced so that they would be.

When everyone was satisfied that the maquette was the way Sandy Calder wanted it, the group went to lunch with him. He then returned to New York and that night he died.

The maquette, which will be displayed in the Hart atrium in a case that is scaled in the same proportions as the room, will serve as a reminder of this great artist—it being not only his last work, but also the only one of his creations that combines a mobile and a stabile in a sculptural work.

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Sincerely,

NICHOLAS F. BRADY.

Mr. STAFFORD. Mr. President, the letter is directed to the Senator from Vermont because I am currently serving, and have been for the last 2 years, as chairman of the Hart Building Commission.

HEALTH CARE PROFESSIONAL LIABILITY REFORM ACT

Mr. PRESSLER. Mr. President, I rise today to join in cosponsoring the Health Care Professional Liability Reform Act of 1985. This is extremely important legislation not only for our nurses, doctors, and other health care professionals, but also for millions of Americans who have been suffering from skyrocketing medical costs. These cost increases are due in large part to the particular legal problems this leglislation is designed to address.

Unwarranted claims and excessive damage awards in the medical malpractice area increase medical costs and hamper medical care in a number of ways. For example, the cost of liability claims and insurance must be passed on to health care recipients. Also, because of a number of bizarre court decisions, health care professionals are forced to run tests they might otherwise consider unnecessary. To do otherwise would be considered "negligent" by some courts. What we have is a situation where some judges have decided to "play doctor" without any medical training or commonsense thinking about the extra expense their decisions impose on medical care consumers. Finally, with the huge explosion of litigation in this area, health care professionals are spending more and more of their valuable time in America's courtrooms rather than the operating room. Again, the health care consumer is compelled to pick up the bill.

Mr. President, this problem has reached crisis proportions. Able health care professionals are being forced out of business, forced to provide what in their own best judgement they consider excessive or unnecessary service, and forced to spend more of their time and resources defending themselves against frivalous suits rather than providing health care. All this results in higher costs and, ultimately, poorer care for patients. The problem is huge. It needs to be addressed now. I urge my colleagues to join me in cosponsoring this important legislation and pushing for its swift passage.

It provides a good starting point to debate on a package that will fully address this problem. I oppose unnecessary Federal involvement in State issues. But action is needed now. Some changes in the procedural aspects of this bill may be needed, as well as in some of the language dealing with State control over professional boards. But I support the purpose of this legislation and will be proud to fight for its enactment. I have long advocated reform in this area, and will be conducting Senate hearings soon on the overall liability insurance problem, its causes and prospects for cure.

Soaring health care costs are magnified in the less populated areas like my home State of South Dakota. Many small hospitals are fighting for their very survival. Medicare reimbursements received in urban population centers. The lower reimbursement rates for rural areas are sometimes as much as 23 percent lower than the reimbursements received in urban population centers. The lower reimbursement rate, and the skyrocketing cost of liability insurance, make it impossible for medical professionals to provide services which are greatly needed in our rural areas.

We have unfortunately allowed our litigious propensities to get away from us. A system which was designed to help solve people's problems instead has created more of them. We must step back to gain a better perspective on what our legal system is and what it should accomplish. If our goal is to serve and protect the American public, we are in desperate need of reform in this area.

With that, Mr. President, I thank our colleagues and once again urge them to join me in cosponsoring this important legislation.

HEEDING RUSSELL BAKER'S WORDS

Mr. MOYNIHAN. Mr. President, for getting on to a generation now, Russell Baker has been just about the sanest observer of American life that we've had. He has been gentle with us, forgiving, understanding. He has told us truths in ways we have been willing to hear, which is to say he has been humorous. And so on the rare occasion that he turns to us with a terrible visage of near rage and deep disappointment, we do well to listen all the harder.

He did just that Saturday in the New York Times. Congress, he said, is in the process of surrendering to the Presidency the most fundamental of its powers: that of taxing and spending. The decision that such power could only rest with the people's representatives in Parliament or in Congress is as fundamental as it is ancient; absent that, we commence to fritter away the essentials of free government forged in the hardship and danger and struggle over the two centuries from the reign of Elizabeth the First to the adoption of the American Constitution.

It is not too late; but almost too late. I ask unanimous consent that Mr. Baker's words be reprinted in the CONGRESSIONAL RECORD, and I pray God he may be heeded.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 2, 1985]

TAKING THE KING'S SIDE

Government is about money. It has always been about money. The great questions are, and always have been:

1. How is the money to be raised?
2. How is the money to be spent?
3. Who is to decide how the money will be raised and spent?

Of these, the first two questions are the meat and potatoes of the day's news. They always concern everybody. The way they are answered determines who gets taxed on the hilt, who gets off easy, who goes scot-free and who gets the lion's share of the gravy.

Few people are much interested in the third question, although it is the one whose answer determines the kind of political system that governs us.

It is the fundamental issue, for it determines whether there will be dictatorship or democracy. If power to decide how to raise and spend money is given to the executive arm of government, as it is given to the Communist Party in the Soviet Union, dictatorship results.

The nature of dictatorship is to tax people for the money needed to perpetuate the dictatorship. In modern times this means vast expenditures for police, military and other security forces required not only to protect the dictatorship from assault, but also to crush any proposal to give the nation's taxed population a voice in deciding how money will be raised and spent.

If we seldom think about this ultimate question, it is probably because it has been satisfactorily answered in the United States for so long that it no longer seems to be a question.

Here the decisions about how much money to raise, what taxes to levy, how to distribute the tax burden and how to spend the money are powers of Congress.

News reporting that speaks of "the President's budget," "the President's tax plan" and so forth, may create an impression that this ultimate power lies with the President; it does not.

If it did, the Presidency would be quite different from the office so widely respected and admired by most Americans. It would probably not be the police-state dictatorship that has become so commonplace since Mussolini and Lenin blessed humanity with their varying versions of Socialism applied with the truncheon.

Or would it? It is too improbable a possibility to try to imagine. The question of who has power to set taxes and direct the spending was settled for us too long ago—in England more than 100 years before anyone on this continent even dreamed of forging colonies into a Republic.

There the Parliament first began seriously challenging the King's money powers soon after the death of Queen Elizabeth, while the first American colonies were being planted.

The resistance of the Stuart kings, James I and his son Charles I, led to the English revolution, military defeat for the King's army, the beheading of King Charles I and 11 years of parliamentary rule that effectively settled for all time, at least in the English-speaking world, the right of the people's elected representatives to have the final say about taxing and spending.

When the Englishmen who created the United States drew up their system for governing, they adopted the measures won generations earlier by their forefathers. The President could only propose; Congress had the power to dispose. But then, of course, they gave the President the power to veto if the disposing displeased him.

It is possible, given its druthers, that the present Congress would exercise its taxing powers to reduce the immense deficit created by tax cuts and spending increases it authorized at President Reagan's request.

If it did, though, the President has said he would veto it. In a reckless moment of campaign debate with Walter Mondale last year, he swore off any possibility of raising taxes, and so both Congress and President are stuck with their immense deficit.

Now there is a scheme to end it. Congress will pass an act surrendering all of its most precious rights. Abandoning its power to decide taxing and spending policy, it will order fixed percentage cuts in spending over the next five years until a budget balance automatically occurs in 1991.

Thus the Congress gives up the central power granted to the people's representatives in a democracy. President Reagan, who doesn't care much about history but hates taxes, is ready to go along despite warning that it may entail cuts in his big rearmament program.

What a shabby performance, especially by our Congressional representatives, surrendering the power that so many died to give them, and all because they are afraid that using it will hurt their chances of being reelected next year.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the time for the transaction of routine morning business be extended until 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EVANS). Without objection, it is so ordered.

COL. J. NORMAN PEASE: BEGINNING HIS 101ST YEAR

Mr. HELMS. Mr. President, this past Friday, November 1, a distinguished North Carolinian, and a good friend of mine, Col. James Norman Pease, Sr., celebrated his 100th birthday. Colonel Pease founded one of North Carolina's leading engineering firms, J.N. Pease & Associates, in 1938. At the age of 90, he retired from active work at the firm but remains an honorary life director. He continues to come to the office almost daily. He is a registered professional engineer in several States, and is a charter member of the Professional Engineers of North Carolina.

Mr. President, Colonel Pease is a delightful man and, as I said earlier, a treasured friend of mine. Throughout his life, he has generously shared his talents, skills, and resources with others. He served his country in both world wars, distinguishing himself as a colonel in command of the 369th Engineer Regiment during World War II. For his service at Guadalcanal and in the Philippines, he was awarded the Bronze Star for meritorious service.

Colonel Pease is an active and vigorous business and civic leader in the city of Charlotte. He has served on the boards of the Charlotte Chamber of Commerce, the North Carolina Industrial Development Foundation, the Charlotte Symphony Society, and many others. Currently, he is a member of the advisory board of the Salvation Army, a director of the Central Piedmont Community College Foundation, and a board member of the Charlotte Good Fellows Club. He is an elder of Myers Park Presbyterian Church.

Mr. President, I convey my respect and admiration to Colonel Pease as he begins his 101st year. He has served his city, State, and country with distinction. I know the U.S. Senate joins in wishing this respected centenarian many more good years as he begins his second century.

SOME THINGS SHOULD BE SECRET

Mr. NICKLES. Mr. President, this past Sunday's Washington Post had an article on the front page that went into great detail concerning alleged activities by the Central Intelligence Agency in regard to Libya. Their "sources" were not named; "high level sources," I think was used in the article. Also, in today's New York Times, there is a similar article.

I rise today to express my outrage that we evidently have Members in Congress, and we do not know whether it is on the House side or the Senate side, or if they are Members or staff members, who are divulging very sensitive information, whether it be correct or not.

I hope that this matter will be investigated not only by the Justice Department, but also by the Members and appropriate committees in the House and the Senate to find out who is responsible. If it is a Member of the Congress, either on the House side or the Senate side, I would hope that, at the bare minimum, they would be censured, it not expelled, from Congress. If it is a staff member, Mr. President, I would hope that, at a very minimum, they would be dismissed.

Again, I think there are some things that should not be divulged; certainly this is one, and I hope the House and the Senate will take appropriate action to see that further security information is not divulged in this manner.

MIROSLAV MEDVID

Mr. HUMPHREY. Mr. President, last Friday night the Senator from New Hampshire introduced into the RECORD an affidavit sworn to by Mrs. Irene Padoch, who was the first interpreter used by the Immigration and Naturalization Service in its interview of the Soviet seaman Miroslav Medvid, and in that sworn statement the interpreter, Mrs. Padoch, made it quite clear that, contrary to the INS statement, in her interview with seaman Medvid he asked for political asylum. the INS claims that he did not. She, a contract interpreter for the Immigration and Naturalization Service, in a sworn statement says that he did twice ask for political asylum, unequivocally, and further stated his fears of what would be his fate if he were to be returned.

Just this morning, Mr. President, a statement came into my hands—I believe it was issued last Friday, as a matter of fact—on the part of the organization Helsinki Watch, a prestigious and respected organization in this country which looks after human rights particularly in the context of the Helsinki accords. I want to read that statement into the RECORD:

STATEMENT OF HELSINKI WATCH REGARDING THE CASE OF MR. MIROSLAV MEDVID, NOVEMBER 1, 1985

The Helsinki Watch calls on United States officials to take further action in the case of Miroslav Medvid, the seaman who jumped ship, to assure that he is not returned to the Soviet Union involuntarily, if he has a well founded fear of persecution.

In the view of the Helsinki Watch, the hurried processing of Mr. Medvid did not give him an adequate opportunity to obtain advice about his rights nor to consider in a calm atmosphere the consequences that he might suffer. We urge a delay in which Mr. Medvid would have an opportunity to determine how he wishes to exercise his rights.

The obvious contradiction between Mr. Medvid's behavior when he was forcibly put back on a Soviet freighter and his reported decision subsequently to return to the U.S.S.R. underscores the need for a less hurried consideration of his legal rights.

If Mr. Medvid is returned the United States should receive assurances that the United States Embassy personnel in the U.S.S.R. can see him to ascertain his well being.

The Helsinki Watch is a citizens organization that monitors and promotes compliance with the human rights provisions of the 1975 Helsinki Accords in the thirty-five nations that signed them. It's Chairman is Robert L. Bernstein; its Vice-Chairmen are Orville Schell and Aryeh Neier; its Executive Director is Jeri Laber.

Mr. President, so there is yet another statement added to those of many Members of Congress expressing concern about the way in which this case was handled and making the recommendation that the case be reopened, this time from a prestigious organization with an excellent track record in the area of human rights, drawing attention to the distinct difference between Mr. Medvid's behavior, indeed his stated request to the INS interpreter, Mrs. Podoch, that he be given asylum on the one hand, and the opinion and the claim on the part of the INS on the other that he did not seek asylum.

Mr. President, I repeat what I said Friday night. This is a shameful, shocking episode and once again I call upon the administration to once again use the statutory authority by which it boarded that ship in the first place last week and removed Mr. Medvid. It is still there. It was not prejudiced by having been used once. We can use it again fully in accord with our own laws and international treaties as well, particularly the International Law of the Sea Treaty.

Mr. President, I urge my colleagues who might hear my remarks in this matter to do all they can, to call the White House and to plead with the chief of staff, with the Attorney General, indeed to call the President and to plead with him to reopen this case, that we might give Mr. Medvid a better opportunity to recover from his exhaustion, to recover from the effects of any drugs which might have been administered, to be fully apprised of his rights, to be fully assured that this Government will do all it can to ensure the safety of his family, if he is worried about the safety of his family back home; indeed, their safety might have been threatened, to give this man an opportunity to make a clear-headed and reasoned decision about his future, to give him a chance and, at the same time—and just as important—to clear the Nation's honor, to erase this foul mark against the record of this country.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FARM BILL

Mr. MELCHER. Mr. President, the odyssey on the farm bill here on the Senate floor merits a clear recording of the matters that are considered in it and the matters that interfere with its consideration.

On Friday, October 25, a number of amendments were accepted. This was really the first day of actual debate. Some amendments were voted upon but were also easily accepted on a voice vote concerning the amendments. That took up Friday.

Then on Monday, we started a procedure of laying down cargo preference amendments and considering them. By unanimous consent, on Wednesday, October 30, the cargo preference amendments were laid aside and the Lugar amendment was taken up. The Lugar amendment was simply to modify the bill to have target prices at the current levels for only 1 year, the so-called 1-year freeze on target prices. We voted on that at 5:20 on that date, last Wednesday, and the proposed amendment was defeated, which put us right back on cargo preference.

The balance of that day was taken up by considering whether or not other amendments would be brought up. When we were taken out and brought back on Thursday, October 31, we were brought back on to the farm bill at 7:36 p.m. with a motion by the majority leader to recommit the bill and adding two of his amendments to that motion of recommittal. We finished out the Halloween evening with a reading of the amendment, not all of it was read, a portion of it was read, and we adjourned.

Friday morning, we went to the State, Justice, Commerce appropriations bill and we were on it until 3:04 p.m., when we went back on to the farm bill. At 3:21, just a few minutes later, 17 minutes later, the majority leader made a motion to table his own amendment, and the tabling motion did not prevail. After that vote was completed, at 3:51 p.m., we went off the bill and we are still not back on it.

It should be made clear that the reason we are not on it is that the pending business before us is the debt ceiling bill with the Gramm-Rudman-Hollings amendment attached to it. Under the agreement which was entered into by unanimous consent, we would be on that until several amendments are disposed of and final passage is voted, sometime, presumably, on Wednesday evening.

So if we are going to have much debate on the farm bill, I guess it is going to be during the morning hour, because there is no opportunity, in the position we are in, for getting back to the farm bill without regular order being called for, and I would not anticipate that any of us would want to call for regular order since it is clear, under the unanimous-consent agreement, that we are determined to dispose of the debt ceiling and the Gramm-Rudman provision.

The pending amendment, in the form of a motion for recommittal with two of the Dole amendments attached to it, should be properly understood by the Senate. First of all, the Dole amendment calls for a 1-year target price freeze for feedgrains, cotton, and rice.

For wheat, there is a different deal. It is called the flexible parity concept. The wheat farmers, in return for setting various amounts of land aside, would receive deficiency payments from the Treasury for the wheat produced on the remaining part of their farms. This special wheat program works this way: for instance, for setting aside 25 percent of the land, the wheat farmer would have a target price of $4.60 for the 1986 crop, and $4.35 for the target price for the succeeding year's crops.

What is the advantage to the wheat farmer? The wheat farmers of a particular size, depending upon their acreage and their production, might be in favor of this program, this so-called flexible parity for wheat.

For instance, if the acreage were quite large you could have a target price of $5.50, substantially higher than that contemplated by any bill for your production by setting aside 40 percent of your acreage.

Forty percent of the acreage of a small farm might look like some sort of targeting procedure to help a small wheat farmer. I do not think most larger farmers will think it is targeted for small wheat farmers. I think they are going to believe it is targeted for them because they would set aside whatever fits their case. If they can make more money on the deficiency payments by setting aside 40 percent, they will go for the $5.50. However, if they make more money by setting aside only 15 percent of their land and make more money getting a $4.20 target price they will pencil it out and make their own choice.

The National Association of Wheat Growers has reviewed the flexible parity concept for wheat a number of times. They tell me that they still reject it and reject it rather vigorously because they believe that there must be some supply control and that if we are going to target the program for the smaller producers we ought to go at it in a different way. That is what we did in the Senate Agriculture Committee, we did target it for the smaller producers with the Boren amendment which allows for the slightly higher target price for production up to 20,000 bushels and then reduces it for production over that. That is calculated to assist the small wheat producers

more than it would the larger wheat producers.

The point is that as far as the National Association of Wheat Growers are concerned, this particular proposal will have some appeal to large wheat producers and perhaps some to small wheat producers misled on the promise that it somehow helps them more than large wheat producers. The National Association of Wheat Producers does not view it that way. They look at it as a mechanism that would increase the supply of wheat at a time when we would like to see the supply decreased that is produced in the 1986-88 crops. Therefore, they view it as detrimental and moving in the wrong direction.

I have said, Mr. President, that the National Association of Wheat Growers has looked at this amendment several times over the past several years. The Senate in fact did pass it in 1978. When we passed it here in the Senate in that year, the House rejected the proposal 2 to 1. I am told that the House managers were encouraged at that time by the author of the flexible parity concept proposal to drop it out of the bill and that resulted in the 2-to-1 vote of rejection by the House.

Nevertheless, it is before us again so we will have the opportunity, I would hope, to review it very much in detail and consult with wheat producers in various States that we represent to see what their particular view is on it now.

Going to the rest of the Dole amendment, there are several points that should be made about the amendment. Some are good and some are bad.

First of all, it picks up a number of savings, that is, savings out of the Treasury and cost of the farm bill over the life of the bill in order to bring it under the budget resolution adopted by the Senate. That is commendable.

Beyond that, there are some concerns. First of all, the concerns of the corn and feed grain people, the rice people, and the cotton people covered by the provisions of the Dole amendment should be noted.

The Dole amendment says that the maximum acreage set-asides of 15 percent for feed grains, 20 percent for cotton, and 35 percent for rice for the 1986 through the 1988 crop years would be retained, but the authority for set-asides would terminate beginning with the 1989 crop for wheat, feed grains, cotton, and rice.

That particular provision, where the authority for set-asides would terminate beginning with the 1989 crop for these basic commodities, is disturbing to these various associations of producers. They are not sure that in 1989 we would want to have the authority for set-asides to be terminated. It is on that basis that most of the questions are raised against the Dole amendment, other than the questions on the flexible parity concept for wheat.

Naturally, Mr. President, there is a grave apprehension by farm producers throughout the country that ending the target price with a 1-year freeze and then lowering it for the basic commodities after that time is taking their own chance for recovery into rather harsh and rough treatment. So for the most part they have come out very vigorously opposed to the Dole amendment.

I would like to continue with what I believe is a more constructive line of saying what the farm bill can do in the mess we are—the agricultural mess—in this country, to make it a decent, good bill, which will hopefully bring some alleviation to the problems which are affecting American agriculture.

It really goes against the grain, and I do not mean any pun by that, Mr. President, to have American agriculture surplus commodities piling up while prices drop and people go hungry. That fact offends everyone's common sense, good business practices, public policy, and, additionally, humanitarian values.

Lumping them all together as farmers do, the question is, Why do we not change the course and use these real strong assets of surplus food to our advantage and to the advantage of hungry people?

U.S. American agriculture is neither a new organization or movement nor a new phenomenon. We are so strong in agriculture that we dominate the world in food production. Contrasted with 70 years in U.S. domination in producing cars, steel, and airplanes, U.S. agriculture domination has not slipped. We are No. 1. U.S. farmers produce more cost effectively than any others abroad. If there is a Rambo, it is U.S. American agriculture.

But the circumstances of 3 years' decline in exports have pitched prices on a precipitous path. This year's decline of both export and prices is even more steeply downward. One-fourth of U.S. agricultural producers fear a liquidation. Virtually all of the other three-fourths of them are going into sort of an intensive-care status as far as their cash flow is concerned.

Coming at a time when Federal deficits plague the entire economy, we find that as commodity prices drop, the Farm Program's safety nets are stretched and strained with bigger Treasury payments to maintain minimum net income for producers. These price support safety nets of the Farm Program cannot absorb these precipitate price drops in commodities without increasing the Federal payments for farm income protection. Unless exports turn around quickly, the liquidation of producers will be disastrous, and the Treasury payments to maintain any semblance of income stability will increase. The exports and the domestic nutrition programs for the poor must absorb much more of the surplus commodities before there can be any price stability. The method of utilizing surplus food for domestic needs is generally through charitable food banks, senior citizens centers and the schools.

There are several means of exporting the surplus commodities to foreign countries: cash sales, concessionary sales with low interest, multiyear payments, or donations to friendly countries. Using wheat as an example, the U.S. exported through all of the above means 30 percent less, or 12 million metric tons, last year than was the case in 1983 and so far this year, we have dropped to less than 50 percent of last year. Much of that is blamed on the strong dollar, but the bottom line is that much of it is due to the State Department's alarming policy of setting requirements of only private business within the purchasing country being eligible for making the purchases or even receiving the donations. This policy, developed by the Reagan administration over the past 2 years, prevents purchases by at least 30 developing countries which have no significant private enterprise system or at least insufficient capital, warehousing, or processing to handle the large quantities that they need. The slowing down, decreases in amounts, or outright blocking of sales by this U.S. Government policy has caused the surplus in this country to mount and, since we are the dominant country in supplies, prices continue to skid.

The farm bill now before the Senate can only succeed if it, first, stabilizes prices and farm income and, second, shows, that in the future, prices will strengthen. Exports can be increased by changing U.S. policy to allow cash and concessionary sales to go without impediments at the present low world prices. Second, donations to friendly countries can be increased to effective levels that friendly governments and private voluntary organizations and cooperatives say that they need and can prudently handle. Then U.S. food abundance can serve America's interest in reversing the trade deficit, helping the Federal deficit with reduced Federal payments, and be an effective foreign policy.

We gain because world commodity prices are so low as to discourage and prevent economic survival for developing countries. With wheat selling on the world market at around 5 cents per pound—and I remind my colleagues that a pound of wheat has 1,400 calories and that is quite a buy for a nickle—there is not only a lack of incentive but a barrier for producing food in the developing country that can match that price. In other words, if it is that low and other commodities are reflecting that low a price, then there is no incentive whatsoever for

production of food in the developing countries.

Furthermore, as these prices are low here for our producers, they are low the world round for all agricultural producers.

Mr. President, without food, economic recovery in any country is at a standstill. So the quicker we chart a course of transferring U.S. food abundance to where it is needed, the quicker the stage is set for economic recovery. That goes for them and for us. Our trade imbalance started with declines in farm exports and the reversal in the trade imbalance, obviously, should start with an increase in these exports. That trade with countries whose economies are moving downward is the foundation for trade increases in other products. That is basic stabilization; hence the farm bill, if it is allowed to become law in the form needed, is fundamental economics. Those fundamental points are: hold on to the farmers and stabilize both commodity prices and Treasury payments with increased usage of the surplus food at home and abroad.

They all go together. Then we can use the strength of the United States of America's agriculture for the common good.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DANFORTH). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 1985 FARM BILL

Mr. STENNIS. Mr. President, I seek recognition.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I expect to speak something in the neighborhood of 30 minutes on a matter which we have to resolve this year—that is the farm bill.

First, I want to especially thank, Mr. President, the membership who have worked long and hard under most difficult circumstances on a subject matter that is far reaching and of utmost interest to all the people of the Nation, and the staff of the committee who deal with this problem day after day and night after night.

Mr. President, I do not want to take a lot of the Senate's time today, but I do want to make a few comments about this farm bill and the farm situation in general. I feel like I have some knowledge about farming since I grew up on a farm in Kemper County, MS. Back then, cotton farming was the predominent means of earning a living in that county and so I was able to see first hand, not only how it affected me and my family, but how it affected the entire community, the State, and great parts of the United States.

Ever since I was a small boy, I have known America as a great place for agriculture with such an abundance of rich soil and flat land suitable for growing crops. No other major nation that I know of is more blessed with an abundant water supply than is this Nation. Weather plays such an important part in agriculture and many times can be disastrous; but, on the whole, the United States has a climate that is very well suited for the production of food and fiber. These natural resources have made it possible throughout the years for America to lead the world in agricultural production.

In addition to the natural resources of our country, we have the world's most advanced technology. Every year we are able to grow finer corn, better grades of cotton, more healthy grain, and so on down the list of commodities produced, as the agricultural scientists in our universities and industries are continuously coming up with improvements in agricultural production.

So, Mr. President, it would seem that with all of these valuable resources we should have no problem developing an agriculture policy that will insure an adequate living for those who produce the food and fiber on which we so desperately depend. But as you know, such is not the case. There are other factors which make, the farm bill one of the hardest pieces of legislation with which we have to deal.

Since we wrote the 1949 farm bill, farm programs and farm problems have become dramatically more complex. This is easy to see just by a simple comparison of the 1949 farm bill with the one we are now considering. As a matter of interest, I had someone make me a copy of the 1949 law. Eleven pages was all there was to it and it was the controlling legislation for our farm program for the entire Nation. The farm bill we are considering today contains 459 pages without any amendments added.

So ours is not an easy task, but we must, this year of all years, develop a program that will guide our farm policy over the next 4 years, and it must be a program that addresses the real problems of agriculture.

Let us take a look at these problems. What I have seen in the last 10 years is a real change in the farm industry. Some 10 years ago we were encouraged to plant "fence row to fence row." The future looked bright, agricultural exports were way up, and the expectations were that they would continue to escalate. Then, interest rates were extremely low, prices were good, and even the weather seemed to be cooperating. During most years farmers made fair returns.

But things changed. Those escalating foreign markets stopped escalating. Many began to dry up. Commodity prices began to decline, but not the cost of production. This cost continues to increase. A major reason for the increase in production cost was that these heretofore low-interest rates were no longer low, instead reached all time highs.

In an attempt to get over what was then viewed as a temporary slump, farmers began to borrow money based on their land value which was very high at the time. But as this temporary slump stretched out and farmers were unable to repay those loans, the situation began to look somewhat worse. Many farmers reached their borrowing capacity and still could not pay their debt, so they were forced into selling their land. As more and more farm land went up for sale, the land values began to decline.

These things have every ring of reality to me. I have lived right in the midst of it. The people who have these experiences are my friends, longtime friends. I have known them and their families all my life. I know something about their character, their honor, their willingness to work, their ability, their earnestness. I could not have written this had it not been from personal experience with them.

Many of those farmers who were able to barely get by, based on the value of their land, found that the value of their land was not what it used to be, and they too could not pay their debts.

There were other problems during this time. Because of the high technology that I mentioned earlier as an asset, and because they had been encouraged to grow "fence row to fence row," farmers produced record-breaking crops, creating surpluses and further driving down the prices. We passed a farm bill in 1981 that was supposed to begin to solve some of these problems, but we have changed that farm bill almost every year leaving farmers uncertain of what the policy will be from one year to the next.

Thus, many of the problems our farmers face today are not ones that they created for themselves, and it is not fair to blame them for these troubles. Real interest rates, for example, have continued at levels far above their historic average. The combination of these high interest rates in a time of declining land values and falling crop prices have aggravated the cash-flow difficulties faced by many good and productive farmers.

The Soviet grain embargo caused a major disruption in our export trade, and while we have now resumed a very active trade with the Soviet Union, we

have not fully recovered from the long-term effects of this embargo. Because of the embargo, and the new production it stimulated in other countries, our farm products now find themselves competing with an unprecedented quantity of commodities grown in other countries.

Finally, all of our farm commodities currently suffer from the high value of the dollar. I understand that many countries would prefer to buy cotton grown in Mississippi, but because of the value of the dollar, they simply cannot afford to do so. Instead, they buy cotton grown in the People's Republic of China. Similarly, our own textile mills find it cheaper to import foreign-grown cotton instead of processing domestic cotton.

Mr. President, this matter of high interest rates to which I have referred, this matter of getting our own Federal budget in balance, or very close to balance, and how long it will take, and whether or not certain calamities will occur before we do reach that point—all those questions may fail to add up being half as serious as the problem we have with reference to foreign trade. With respect to the restoration of the level of foreign trade we have enjoyed so long and benefited by so much, the question is, How long it will take us to get a semblance of it restored.

I do not think I am a pessimist about these things, but we have to look at the realities. The question is, How long it will take us to get that part of our business world and our association with nations straightened out. That is the most immediate question and perhaps the gravest question we face today.

As can be seen, Mr. President, these are problems far beyond any farmer's ability to control. Many of them, like high interest rates and export competition, stem directly from the fiscal and budget policies of the Federal Government.

We have the opportunity to make a new start. The bill that we pass here in the Senate, work out with the House, and eventually send to the President will be the agriculture policy for the United States of America, beginning as soon as the President signs it. Think about that. We have the chance to look at our past, to see what successes and failures there have been in our prior agriculture policies, and to develop a new policy based on that experience. I have heard some say, "Let's just continue the policy we have now for another year." That is nonsense. Now is the time to pass a new bill, and we must do it, and I think we will do it.

We must consider the long-term future of agriculture in this country. Our farmers need stability in their planning. I am for a bill that takes a long-term look at agriculture and provides a way to work ourselves out of this crisis that we are now in.

Part of that new policy should include ways to strengthen the market for our agricultural goods. There was a time when our agriculture trade balance with foreign countries was over $40 billion in our favor. While our overall trade balance with other countries is now far in the red, agriculture still has a positive balance; but, it is down to less than $15 billion. In order to increase our export markets, we need to have an aggressive trade policy. Not only do we need to look for new places to sell our products and new customers; but, we must be tougher negotiators with our current customers. After all, the whole world knows that our products are the best.

I am not bringing a list of complaints here, with a story of woe and despair, but I want to mention a somewhat related problem.

This problem in our country, particularly in the southeast area, involves the growth of timber, especially pine timber. I live in an area that has a lot of timber, log size. We also have the short size in pulp wood. We have almost everything in that field that is grown. There are large mills, small mills, and in-between mills, as well as places for pulp wood. Many of those businesses in my home county are closed down today—no one there, no one buying, no one selling, no one hauling, no one cutting timber, not moving at all. It is a calamity.

There needs to be an adjustment, some kind of negotiated agreement with Canada.

I am not here just to spill out troubles but to illustrate what we are up against.

I know that the President already has representatives negotiating for the Nation on some of these matters, including this timber issue. It is a tough job, but in the course of time I believe we will find a way that will be of advantage to all sides, and we will work our way out.

America, as we know it today, cannot continue the standard of living, the way of living, we now enjoy, unless we are going to have an abundance of foreign trade to which I have made reference.

So I emphasize, Mr. President, this farm bill needs to look out not just for the farmer, but we need not kid ourselves—we are not going to reduce the Federal deficit with this farm bill.

I am not boasting of anything, but I have tried to do my part by voting for the low figures to help adopt a policy that requires less money to operate the Federal Government. I have never voted outside of such a pattern as that. I have stood up to the financial demands the best I knew how as I understood it and have done my part, my people's part, with reference to bettering our financial affairs, our economy, our way of making a living. I said from the beginning we could make some reductions, a small percentage, which is across the board, and if necessary, pass additional tax so as to ensure income. You cannot balance this thing out, I do not think, by trying to do it all through income, or all through cutting down on outgo. It takes both to work together to get that success.

I still believe that something along that line is necessary.

But my point here is on behalf of the lifeblood for a great part of our economy and for the things that go to make up the economy, the food and fibers and related matters, and I speak for some Federal assistance. That is what it takes in this farm program, some financial assistance to make the thing work, to make the ends meet, and to bring about results.

There is no way to provide a sound agricultural policy now without cost to the Federal Government. It is just in a stage when that part must come. That is not to say that we should not be frugal in our decisions and look for the least expensive ways to accomplish our goals. But we cannot simply get the Government out of farming regardless of the effect it has on our farmers and our people as a whole.

Perhaps a market-oriented farm program is the best policy, but we are a long way from that point now. We cannot abruptly eliminate a reasonable price support program for our growers of these commodities. They are entitled to our help, and it is in the national interest that we provide it. We are not only helping them, we are helping ourselves and other people that cannot help themselves.

Finally, Mr. President, this new farm bill needs to take into account the vlaue of farmland to our Nation. Somehow we must protect and preserve that land for agricultural use. I have mentioned before that I would favorably consider some far-reaching type of a trust, a trust in which we could place at least some of our rich productive land so that it is protected for future generations, and I emphasize the plural of that word "generations."

In spite of all the things that have beset us in my time, we had this redeeming factor here—the land brought us through. The land made the difference. The land produced a profit as a whole, and provided the necessary food items that were necessary for our civilization, so to speak.

We cannot assume, Mr. President, that this will continue for another 100 or hundreds of years. We celebrate the 500th anniversary of Columbus discovering America here in about 6 more years. After all, 500 years is not such a long time. But if you add 500 years to our present land and if we do not take care of it and use it correctly rather

than abuse it, then we are riding for a downfall that we cannot overcome.

Mr. President, the bill before us is not perfect, but we will make some improvements in the measure as we debate it, and the bill contains much that is good for agriculture and the Nation. All of us have a stake in a sound and workable agricultural program, one which will permit our farmers to continue to grow food and other products for all of us. When American agriculture is in trouble, America is in trouble.

Someone said to me, maybe jokingly, "Well, it is up to you fellows to bring out a farm bill that has meaning and will solve our problems. Then we can set the thing off to a side and get the benefit of it, and will not have any more problems with the big expense."

He was talking through his hat. I am not expecting all those to happen, not real quick and not in 1 year, 2 years, or 3 years. We have to get on top of this matter and pass a farm bill which will make the equivalent of a new start—an agricultural policy that is for the next 4 years anyway, and one that is intended to be the beginning of a real effective constructive policy. One that looks to the future. And then maybe we can get to where we do not have to have these annual farm bills.

I intend to support this effort generally and to vote for a farm bill, not because I think it is perfect, but because through compromise and hard work both on the part of the committee and the entire Senate, it will be the bill that best meets the needs of America.

In the larger sense, it is the farmer who subsidizes the rest of the country by providing Americans with a cheap food bargain. Americans spend, according to the record, only 10.8 percent of their disposal income for food, while people in Western Europe—more typically like us, perhaps, than anywhere else, with land very similar—spend over 20 percent for food and most other countries spend over 30 percent for food. In the Soviet Union, people spend about 50 percent of their disposal income for food.

So let us be thankful for our inheritance, Mr. President, and continue to battle this real problem with zeal, with determination, and with a positive purpose in the face of setbacks and, in the face of disappointments. Those who grow pay the high prices now, the high price of fertilizer, machinery, labor, and everything else. The farmer himself has a battle ahead, and if he does not want to face that battle, he better get into something else. But we are talking now about the whole Nation and about the individual farmer who is willing to pay the price and effort and has the determination to stay with it.

So I am confident that we will come away from here with some kind of a constructive measure and that it will do good and we will come nearer finding a way after having taken the drubbing that we had in this field of world trade.

Mr. President, I am going to be here continuing to attend these sessions and look forward to the votes that we are going to have. I will be with those who are working for the bill that is thought to be sound all the way through.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. STENNIS. I am happy to yield to the Senator.

Mr. MELCHER. I thank the Senator for yielding. I commend the distinguished Senator from Mississippi for a statement that is right on target. His long years of experience not just before this body but in representing the people of Mississippi from the inception of his career in public office has been one of integrity and outspoken efforts to better the livelihood of the people in Mississippi and throughout the country.

I wish to commend him on that long career of service to the Nation and to make one comment on my own behalf that Montanans find themselves joined together with Mississippians to understand agriculture, understand forestry, and understand the needs of this country. So I commend the Senator for a very profound statement.

Mr. STENNIS. I thank the Senator very much.

Much of what I have learned about the farm bill and the so-called farm problems, I learned from the Senator from Montana. The Senator is a knowledgeable leader and a very valuable one, he is responsible for what he says and knows his subject. I have learned to love the West anyway. I know you fellows from the West. I know one of the first things I was told when I came here, "If you want to get a Senator from the South to come to the floor, send him word that the cotton amendment is up. And if it is a westerner you want in a hurry, tell him you have up a water bill."

So the Senator and I are still going down that same road and we want to do our best. I thank the Senator very much for what he does here year after year so effectively.

Mr. MELCHER. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. METZENBAUM. Mr. President, it is 10 minutes after 2 and I think we have not done anything all day. I think it is time that we get on about our business.

I am pleased to note that the chairman of the Committee on Finance just walked on the floor and I guess we are about to get on with our business. It seems to me that when we come into session on Monday, we ought to have a working session if some of us see fit to come back. The majority leader indicated that he expected there would be votes today. I hope we are going to go forward and do just that.

If the chairman of the Finance Committee wishes at this time to gain the floor, I shall yield the floor to him so that maybe we can start our work.

Mr. PACKWOOD. Mr. President, I want to ask a question. Yes; I am prepared to go forward.

As I understand it, all we are going to vote on this afternoon is a minimum tax proposal, as I recall the unanimous consent, is that correct?

Mr. METZENBAUM. Mr. President, I think that is the understanding, although there was some talk about the economic assumptions or recession protection provisions.

Mr. PACKWOOD. The Moynihan thing?

Mr. METZENBAUM. No; not the Moynihan one, the Levin one. I am not sure how that was left, whether we agreed to do that today or tomorrow.

Mr. PACKWOOD. I cannot remember.

Do I understand correctly that the Senator from Ohio and the Senator from Oklahoma have combined into one amendment? Or are there two?

Mr. METZENBAUM. The Senator from Oregon is correct, we have combined them into one amendment.

Mr. PACKWOOD. Then, Mr. President, if I may have a quorum call for 3 or 4 minutes, I believe we are ready to go.

Mr. METZENBAUM. Very good.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. If there is no further morning business, morning business is closed.

INCREASE IN PERMANENT PUBLIC DEBT LIMIT

The Senate proceeded to consider House Joint Resolution 372, which was received from the House of Representatives in a message on Friday, November 1, 1985, containing certain amendments in disagreement. By unanimous consent on Friday, November 1, 1985, the Senate agreed to the first amendment in disagreement (CONGRESSIONAL RECORD, p. S14672), the text of which is as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid resolution, and concur therein with amendments as follows:

(1) On line three of the said amendment, strike out [Notwithstanding], and insert: *(a) Notwithstanding*

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

The second House amendment to Senate amendment No. 1 to House Joint Resolution 372, a joint resolution increasing the statutory limit on the public debt.

The text of the second House amendment to Senate amendment No. 1 follows:

(2) After line 12 of the said amendment, insert:

(b) Notwithstanding any other provision of this joint resolution, the Committee on Ways and Means is directed to report to the House of Representatives legislation providing for payment of an alternative minimum corporate tax by corporations based upon the broadest feasible definition of income to assure that all of those with economic income pay their fair share of taxes: *Provided*, That, The Committee on Ways and Means shall report such legislation prior to October 1, 1986.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, we are now on the debt limit conference report, and I am appreciative of that fact. We will have an amendment, I advise my colleagues, to those listening on both sides of the aisle, on which we should have a rollcall vote I believe within the hour, hopefully. Senator PACKWOOD is here to manage the legislation, and an amendment will be pending.

I yield to the Senator from Oregon.

Mr. PACKWOOD. I might say for those who are listening, I have talked with the Senator from Ohio and we are waiting for the Senator from Oklahoma to come, but they have combined in the amendment. It is our hope that we might be able to get a time agreement of no more than an hour, a half-hour on a side, but we will not know that until the Senator from Oklahoma arrives. So I am prepared to yield the floor and let the Senator from Ohio offer the amendment.

AMENDMENT NO. 956

Mr. METZENBAUM. Mr. President, I send to the desk an amendment on behalf of Senator BOREN and myself and I specifically request that the desk handle it as the Boren-Metzenbaum amendment. I do that because we are dealing with that which was originally the Boren amendment on the minimum tax, and since the Senator from Oklahoma is not yet on the floor I want to make it clear that, indeed, it is his amendment and I am a cosponsor.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself and Mr. Boren moves that the Senate concur in the House amendment to Senate amendment No. 1 to H.J. Res. 372 with an amendment numbered 956.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out the language proposed to be inserted and insert the following:

Notwithstanding the preceding sentence or any other provision of this joint resolution, the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives shall, not later than April 15, 1986, report to the Senate and the House of Representatives, respectively, legislation which—

(1) provides for payment of an alternative minimum tax on corporations based on the broadest feasible definition of income to assure that all corporations with economic income pay their fair share of taxes, and

(2) takes effect not later than July 1, 1986.

Any revenue raised by such legislation shall be applied to reduce the Federal deficit.

Mr. METZENBAUM. Mr. President, we have a subject before us today that is not new. It has been talked about, and as you travel around the Halls of Congress you get the feeling of almost unanimity that there ought to be a meaningful minimum tax on corporations; that there is something wrong with the fact that literally hundreds—actually thousands—of corporations in this country are making substantial profits and paying no taxes at all. And so we continue to come to the floor and talk about a minimum tax. Back as long ago as 1982, the President of the United States called for a minimum tax and has done nothing more about it. We have been calling for minimum taxes and doing nothing more about it. We are long on words and short on action. As a consequence, between 1981 and 1984, 129 profitable major corporations paid absolutely nothing in Federal income taxes and some of them actually received a rebate in at least 1 of the 4 years. These companies earned combined profits of $66.5 billion. And how much did they pay in taxes? They paid nothing. In fact they received rebates of $6.5 billion over the 4-year period. Nine companies with profits of $8.890 billion paid nothing or received rebates in each of the 4 years.

I ask unanimous consent, Mr. President, that the list of those nine companies be included in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

1981–84

[Dollar amounts in millions]

	Profit	Rebate	Tax rate (percent)
Boeing	2,099	285	−13.6
ITT	815	178	−21.8
General Dynamics	1,580	104	−6.6
Transamerica Corp	749	94	−12.5
First Executive Corp	444	44	−10.0
Mitchell Energy	459	41	−9.0
Greyhound Corp	420	10	−2.5
Grumman Corp	653	0	0
Lockheed	1,671	0	0
Total	8,890	756	

Source: Citizens for Tax Justice, "Corporate Taxpayers & Corporate Freeloaders" (August 1985).

Mr. METZENBAUM. And now let us take a look at the major defense contractors. According to a study conducted by Citizens for Tax Justice, five of the largest defense contractors, General Dynamics, General Electric, Lockheed, Boeing, and Grumman paid nothing at all or received refunds.

Now, it is not bad enough that they live at the public trough by getting so much of their dollars from the Federal Government, it is not bad enough that we have story after story in the newspapers about the overcharges and the padding of bills and so many other problems, some of which have brought forth the indictments, some of which have brought forth plea bargaining, but in addition to all of their actions which are the subject of public criticism throughout the entire country, they paid nothing at all or received refunds.

During the first term of the Reagan administration these companies earned $15.7 billion in profits, paid no taxes, and received refund checks totaling $487 billion. And who among us is not aware of the loud statments, the strong statements, and the public commentaries made by the banks and the financial institution heads of this country who tell us that we have to balance the budget. But during the 1981–84 period, it should be pointed out that the banks earned profits of $4.8 billion and collected rebates of $139 million. That means that the banks paid no taxes but, rather, paid an effective tax rate of minus 2.9 percent. Citicorp, the Nation's largest bank, paid more in taxes last year to foreign governments, $540 million, than to the United States, $28 million. That means they paid almost 20 times as much to foreign governments in taxes last year as they paid in this

country. E.F. Hutton last year earned almost $21 million but they collected $66.8 million in tax refunds. E.F. Hutton did better business last year with the U.S. Treasury than it did with its own clients.

There is a man in this country who has made a career out of telling Congress what a bad job we are doing. He goes all around the country making speeches to the effect that we in Congress are irresponsible because we in Congress are not willing to stand up and be counted and meet our responsibilities. As the head of a committee appointed by the President, he put out a great report telling Congress what they should be doing and climbing all over the bureaucrats and telling you what they are not doing and saying what this Nation needs is somebody with the courage and the willingness to balance the budget, and that we have to eliminate waste.

Oh, he makes some great speeches. He appears on all the TV programs. He is very much in demand as a speaker. He is bombastic. But let us look at what he did or did not do.

Peter Grace heads up the W.R. Grace & Co. What did they do about helping us balance the budget? Nothing. If there is a company president who does not have the right to stand up and say to the American people that we are not doing our job, it is Peter Grace.

When he appeared before our committee, I said to him, "What are you going to do about the corporations that are not paying their fair share of taxes?" He indicated that that was not within the realm of responsibility of the commission he headed.

I became a little curious about how this great paragon of virtue was handling the matter of his own corporation's responsibility in helping us balance the budget. What a surprise I found! What a surprise!

Between 1981 and 1984, W.R. Grace & Co. earned $803 million. The average taxpayer in this country pays about 20 percent, so that would be about $160 million if you were just an average working bloke. The top corporate tax paid in this country is around 50 percent. But W.R. Grace & Co. did not pay at a rate which is the same as the average working person pays, $160 million. W.R. Grace & Co. did not pay 10 percent of that $160 million, which would be $16 million. It paid 1 percent of that 20 percent average rate, or it paid all of $1.6 million in taxes on $803 million—an effective tax rate of not 20 percent, not 2 percent, but 0.2 percent.

The Senate does not like this kind of action. It believes that people who make money and large profitable corporations should pay their fair share. That is, that is what we say; but, as I pointed out earlier, our actions do not match our words.

We have twice failed to enact a minimum tax.

On April 12, 1984, the Senate tabled a Metzenbaum-Kennedy amendment to the Deficit Reduction Act by a vote of 62 to 30. That measure would have raised $9.7 billion over 3 years.

I know that some might say, "Well, they probably just wanted some big tax. They were probably being unreasonable. If they had been more fair about it, that would have been different."

I point out to my colleagues that we were so fair that all we did was pick up the President's own tax proposal of 1982; and this crowd here, which is supposed to be so supportive of and responsive to the President of the United States, overwhelmingly turned it down by a vote of 62 to 30.

I should point out that those on the other side of the aisle were close to unanimous in their opposition.

We came back on the issue. On May 10, 1985, the Senate tabled my amendment to the first budget resolution, which provided $10.5 billion in additional revenues from a minimum tax, by a vote of 61 to 37. We did a little better; we got seven more votes this time.

The only action that the Senate has been willing to take and has taken to date is to pass nonbinding sense-of-the-Senate language. You can go home and make great speeches about the resolutions we passed, but you cannot make nearly as good speeches if you talk about the reality of what we have not done.

On May 2, 1985, the Senate adopted a Packwood-Dole-Rudman amendment to the first budget resolution, which expressed the sense of the Senate that a minimum tax should be imposed, with the revenues used to reduce individual income tax rates. That was fine. That was by the chairman of the Finance Committee, another prominent Member of the Senate, and the majority leader. You would have thought we would get some action. We did not get any action. We got a resolution.

On October 8, several months later, the Senate adopted an amendment to the pending debt limit bill that instructed the Finance Committee to report legislation by July 1 to impose a corporate minimum tax to apply to tax years commencing October 1, 1986, and providing that revenues be used to reduce the Federal budget. We have not as yet seen that, but it is only fair to point out that July 1, 1986, is still a number of months away.

Now what do we have? Now we have the Boren amendment which was adopted originally and which had a July 1, 1986, date in it, and it went to the conference committee. What do you think came out of that? Did they say: "Oh, July 1, 1986, is too late; it is getting too close to an election year; we ought to accelerate the period; it is getting too close to the end of the session"? Oh, no, they did not do that. They moved it back and said that the Finance Committee and the Ways and Means Committee were to act by October 1, 1986.

Now, who is kidding whom? Does anybody really believe that if the Finance Committee and/or the Ways and Means Committee were to act by October 1, 1986, there would be any chance whatsoever of getting that bill passed before we adjourned sine die? We go out of business at the end of 1986, and we then have to start all over again in 1987. We do not continue over with our legislative proposals.

So, by putting in the October 1, 1986, date, which is the issue before the Senate at the moment, we have sent out a loud and clear message that the Congress of the United States is unwilling to pass a corporate minimum tax. We have before us, on the next vote that is coming up, the amendment offered by the original proponent of the corporate minimum tax legislation, Senator DAVID BOREN, and myself. What we are saying is, let us either put up or shut up. We are not saying do it tomorrow. We know that the Finance Committee and the Ways and Means Committee are busy. We know that they have other things on their platter. We are saying that if you really do intend to pass a corporate minimum tax, get the job done by April 15, 1986. If it is done by April 15, 1986, and is brought to the floor of the Senate, we have a chance to make it into law.

What we are saying is that it should be effective as of July 1, 1986. We do not want to catch anyone by surprise and go backward. We are willing to make it prospective between April 15, 1986, or some earlier date, and July 1, 1986. The corporate world should have no difficulty in understanding what is happening. But even if they did not know, would it really be so bad? Would it be so bad for those corporations that are making substantial profits and paying no share of the corporate tax burden to be taken by surprise? That really would not be the world's worst thing. But we are not even asking that to happen.

Our amendment provides that the Finance Committee and the Ways and Means Committee are directed by April 15, 1986, to bring forth a corporate minimum tax proposal to be effective as of July 1, 1986.

Before we ask the poor, before we say to the disabled, before we claim that the elderly must sacrifice, we must first insure that every profitable corporation is paying not its fair share of the tax bill but at least is paying some share of the tax bill, because I am not optimisitic enough to believe that a corporate minimum tax is going to set a high enough rate, a fair rate. I

think it will be a modest rate. I do not think it will really provide a corporate minimum that this Senator believes is sufficiently significant. But even that will be better than nothing.

I do not think it makes sense to wait more than a year in order to get a corporate minimum tax into existence. It is time to tell the corporate welfare freeloaders that enough is enough.

I can think of no more appropriate time to show the American people that we are serious about a minimum tax on profitable corporations than on that significant date, April 15, when all others must stand up and pay their taxes. Let us say, too, on that day when all others make their final settlement for the previous year, that on that very date the Finance Committee and the Ways and Means Committee will also be called upon to let those taxpayers know there will not be any future corporate freeloaders. On the day that the American people must file their tax returns and pay their tax bill, they have a right to know that General Dynamics, W.R. Grace & Co., General Electric, E.F. Hutton, and other profitable corporations will be asked to pay their fair share.

That is what this amendment does. I urge my colleagues to support it.

Mr. BOREN. Mr. President, I thank my colleague from Ohio for joining with me in this effort. This is an effort that he has made for many months and indeed many years throughout his Senate career. I compliment him on the remarks that he has just made.

How in the world can we talk about joint sacrifice on the part of all Americans, and that is what it is going to take if we are ever going to bring the budget deficit in line, and turn around and exempt those who are making huge profits from sharing in this effort to bring down the budget deficits? How can we adopt a proposal for across-the-board cuts on spending programs, including programs that have bearing on our Nation's security, our national military strength, as well as those programs that are designed to help those with the greatest need, the Food Stamp Program and other programs which are aimed at providing the food necessary to sustain a healthy existence for those at the poverty level, and turn around and totally exempt from any contribution back to this society corporations that are making huge profits?

When this matter was before the Senate a few weeks ago, as we originally passed the so-called Gramm-Rudman proposal, I offered a proposal at that time which was adopted by the Senate on a very large majority vote. At that time I pointed out some of the same facts that have just been mentioned by Senator METZENBAUM.

According to an article by Dale Russakoff in the Washington Post, reporting a study by Citizens for Tax Justice, 50 of the Nation's largest corporations, with combined profits of more than $56 billion, paid no net Federal tax from 1981 to 1984, and 48 had enough extra tax breaks to receive refunds totaling $2.4 billion.

That is not to say that all corporations in this country do not pay their fair share. That is not to say that all business enterprises do not contribute. Indeed, there are other major companies of the same size, the same situation relatively as those that paid no tax, that are paying very heavy tax burdens. For example, Whirlpool paid a 42.4-percent effective tax rate on their profits, the Ralston Purina Co. paid over 42 percent, and I could name several others.

So it is not only a matter of fairness between all segments of our society that would demand that we take action on this matter, it is also a matter of fairness even between corporate taxpayers themselves.

Why should some be shouldering such a heavy burden in terms of the percentage of taxes levied on their profits while others avoid paying any tax and, indeed, are able to get tax refunds?

When the matter was before the Senate before I again cited a chart which appeared in the Washington Post using the Citizens for Tax Justice as the source. It pointed out several glaring examples. The Boeing Co., for example, from 1981 to 1984, made $2.99 million in profits, and they paid no tax; they received $285 billion in refunds. The General Electric Corp., and this is a staggering figure, with $9.5 billion in profits, paid no taxes and in fact received a refund of $98 million. And we could go down the list and talk about others.

As I said a while ago, I think the only way we can bring about reduction of the deficit is for all of us to help. This Senator even took the action that some considered to be a foolhardy effort in suggesting Social Security recipients even should do their part in terms of bringing down budget deficits. I think that all Americans should contribute.

And if we are going to ask all Americans to contribute proportionately to do something to bring down these deficits, certainly we cannot make that request among those with the fewest resources in this country when we are not exacting some contribution from those that are taking the largest returns out of this free economy, that are taking maximum advantage of the opportunities that our political and economic system provides for them. They should do their share to support the maintenance of this system and at the same time in which our country is facing such a challenge in terms of bringing the budget deficits under control, at a time in which the economic well-being of this country is in imminent danger because of our inability to balance the Federal budget and to bring down the deficits, we certainly cannot afford to continue to allow these companies to provide nothing toward this effort.

If we cannot indeed afford at this day and time the same level of public assistance to those in need, how in the world can we continue to afford welfare for millionaires or more appropriately for billionaires in terms of the capital profits that these large corporations are making?

The continued compliance with the Tax Code in this country and the ability of the Tax Code to function as a vehicle for collecting revenues to maintain this Government rests upon the perceived fairness in the tax system on the part of the American people. If the American people were to decide that the tax system was so unfair, so patently unfair, that it no longer had any moral standing to compel voluntary compliance to it, we could not possibly hire enough investigators and auditors to enforce compliance with it.

It is because the vast majority of the people of this country believe that they owe something back that they should make a contribution to the maintenance of this society, and that the Tax Code while it has its problems remains basically fair enough to demand their compliance, that we are able to have a functioning tax system at all.

Every day that we wait to enact a reasonable minimum tax on those who have huge profits and income and pay no tax at all is another day in which we eat away at public acceptance and public support for that Tax Code. We eat away at the very social fabric that holds us together and binds us together as a community with a sense of obligation to one another.

It is no wonder that persons on fixed income or that persons working at two or three jobs in an effort to provide the money to educate their children, paying taxes on an income of perhaps $20,000 a year from two or three jobs combined at a high rate of taxes, stop and ask themselves why in the world should they be asked to pay when a company that made $9 billion in profits over a 3-year period paid nothing at all and, indeed, got a refund.

I am not saying that—my coleagues know my record very well—there is no room in the Tax Code for appropriate incentives. I do not believe that. I believe that it is right for the Tax Code to encourage certain kinds of behavior, behavior that is socially beneficial. It is right for the Tax Code to encourage charitable contributions. It is right for the Tax Code to encourage saving capital formation and investment. It is right for the Tax Code to encourage economic activities like the rebuilding of inner cities by the private sector as

opposed to creating huge new bureaucracies to do the job. But there are limits.

I am not suggesting that we should have a minimum tax proposal so radical that it wipes off the Tax Code any effective incentives whatsoever. There are justifiable incentives.

But what I am saying is this: No company, by the fortuitous combination of incentives, should be able to totally avoid paying any tax at all or an appropriate minimum level of tax when they are reaping huge profits from our economic system. That is an unintended result through a combined use of incentives that, standing alone, may have some reason for existing on their own. It is a result that is unintended and it is a result that must be corrected.

We passed a very modest proposal when we were considering the Gramm-Rudman budget mechanism. We simply provided that the Finance Committee should report no later than the first of July a reasonable corporate minimum tax with the broadest possible definition, fair definition, of all economic income, and that that bill be adopted by the full Congress and put in place prior to October 1, 1986.

Why did we select that date? We selected that date because that was the triggering date for across-the-board cuts that were to be made in other programs under the Gramm-Rudman mechanism. How in the world can it be fair to target deep cuts in other programs which impact those who, in many cases, are simply not able to stand the full level of sacrifice without feeling the pain and at the same time continue to exempt those with billions of dollars in profits who pay nothing? Therefore, we wanted to make it sure and certain that before that mechanism went into effect, before those other cuts and other sacrifices were required, that we could stand before the American people and tell them with certainty, "Those who have been avoiding paying any tax at all while reaping billions of profits from our system are going to be forced to pay their fair share before we ask you to step up to the plate and make sacrifices in your own individual cases." That is only fair.

And now we have this come back out of the conference committee and what does it say? It says the Ways and Means Committee will report no later than the first of October 1986. If the Ways and Means Committee reports in October 1986, it is going to be much later before the Finance Committee acts. It is going to be much later before the Congress acts, and we will be left again in a situation of going to the American people and asking others to sacrifice, asking that other vital programs be cut while we have yet to ask those who are perhaps most able, most able of all the American people, to join in the sacrifice to do anything on their own. So I think it is imperative that we go back to a proposal that is more in line with the one we adopted before.

I appreciate Senator METZENBAUM joining in this effort. We have set, as he has said, the reporting date from the two committees at April 15. Again, I cannot think of any action that we could take prior to April 15 of next year, which is the date on which most Americans, millions of Americans will be filing their individual income tax returns, that would do more to end and to reverse the creeping cynicism that the American people feel about our own tax system and our own Government than to say that we are going to require those who are reaping such profits to pay their fair share; that we are no longer going to ask the lady who cleans the floors or the man who cleans the floors of the largest corporate offices in America to pay more taxes than those corporations for which they work. I think it is appropriate that we set those dates.

We have then set the first of July 1986 as the date for final action in both Houses of Congress. That should give us time for thoughtful consideration. And then we require that the proceeds be used to reduce the deficit of this country, which, of course, is the most pressing need for any funds that we could obtain through the tax process at the current time.

This will give the committees time to deliberate, time to consider what the fair level of the corporate minimum tax might be, and time to assess the impact of that tax and various incentives that would be involved so that we can strike the appropriate balance in the Tax Code between encouraging those kinds of economic and social activities that we want to encourage with the Tax Code, while, at the same time, insuring that we maintain the proper balance of fairness in the entire system.

So I urge my colleagues to adopt this proposal, to adopt this amendment in disagreement, so that we can send a very clear message, not a message of additional postponement, not just a swing at the problem, saying, "Oh, yes, and sometime, after we have asked all other Americans to sacrifice, after we have asked that person on food stamps to sacrifice, after we have asked that disabled veteran to sacrifice, after we have coped with the task of paring down those programs for national defense that might be important to our national security, after we have done all that, then we will begin to study, perhaps, in a very slow and ponderous fashion the need to ask these companies, these 50 companies that made $56 billion in profits, to perhaps make a small contribution back to this country."

I do not think that is the message we want to send. We want a contrary message, and that is we are going to ask them to step up now and do their fair share. Then when we go to the rest of the American people and ask for a common sacrifice on the part of all of the rest of us, it will have much more credibility than any request we made while letting those who are earning such huge profits off the hook.

I thank my colleague from Ohio for joining with me in this effort and I urge my colleagues to support this amendment.

I ask for the yeas and nays on the amendment in disagreement.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. PACKWOOD. Mr. President, I thank my distinguished colleagues from Oklahoma and Ohio. It is my intention to accept this amendment. The yeas and nays have just been ordered. I hope we will be able to work out a unanimous-consent agreement, both to prohibit any further amendment to this amendment and a time certain for voting. It think within the next 5 to 10 minutes, we will be able to work out that agreement. My guess would be the vote may occur around 4 o'clock.

Mr. METZENBAUM. Will the manager of the bill yield for a question?

Mr. PACKWOOD. Yes.

Mr. METZENBAUM. I do not think I heard the Senator say—but maybe I did hear the Senator say—did he say something about amendments to the amendment? Is it the Senator's understanding the unanimous-consent request would be that we vote on this amendment without any additional amendments?

Mr. PACKWOOD. Yes, that is what I did say; that there be no further amendments.

Mr. METZENBAUM. I misunderstood, then. I appreciate the clarification.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I want to bring to the attention of the Senate an editorial that appears in today's issue of U.S. News & World Report, dated November 11, 1985.

In their back page editorial, they have written on the Gramm-Rudman proposal, calling it a "Fiscal Frankenstein." It reads as follows. I will not necessarily read all of it. I want to

read some of it because I think it is relevant to the issues that we are weighing today and tomorrow.

I will just start at the beginning. It reads this way:

Some really scary, grinning ghouls and goblins were around this Halloween. You ain't seen nothing yet. The Thing they have been conjuring up on Capitol Hill out of hot air, tumbleweed and the dried bones of Southern senators is Jaws III with knobs on, a fiscal Frankenstein with three fathers that, once animated, will devour its own creators.

That is the first paragraph. It goes on to say as follows:

The Gramm-Rudman-Hollings deficit-eating machine has not been sold to the country quite like that. It is retailed more in the manner of the fairground circus. Roll up and see the great Fat Lady, weighing some 200 billion dollars. Does she want to eat more? Watch the flesh disappear in the amazing slimming machine. See her shrink by 36 billion dollars a year so that by 1991 she is nothing but a big smiling 0. And a big smiling America where each citizen is now paying $780 a year in taxes for interest on a federal debt that has nearly doubled in four years.

The elephant in the circus may remember that only four years ago it was Gramm-Latta, in a budget amendment, which helped to convince everyone that the nation could combine tax cuts and reductions in social spending along with huge increases in defense outlays because growth would automatically take care of resulting deficits. Can we now have automated fiscal responsibility?

The robot that will take over if Congress or the President tries to spend too much has been built in panic and confusion before the clock strikes midnight. And the entrails from the House amendments will have to be read. But this much is clear. The Thing does not have two microchips to rub together. It is a crude, clanking monster with the eye of a Cyclops and the moral sense of a skunk.

It cannot raise revenues. It cannot see two thirds of the federal outlays. It cannot touch Social Security where cost-of-living increases for rich and poor alike are bleeding the system. It cannot touch the billions in tax loopholes for the wealthy and large corporations, which will increase by 192 billion dollars between 1984 and 1989, outpacing inflation. Its mean eye can see only the programs for the really poor, the farmers, schoolchildren, sick veterans, blacklung coal miners and the like. These groups will have to bear a share of automatic spending cuts equal to twice their share of the overall budget. It has no eye for the big weapons contracts, but its gaze will burn into national defense by damaging military readiness. It will handicap the war against terrorism and slow research into AIDS and cancer.

I am reading, parenthetically, from today's editorial on the back page of U.S. News & World Report, which is a relatively conservative economic magazine, I think one would tend to say.

It goes on as follows:

So much for programs. As a tool of economic management, it is like the scythe to brain surgery. It is activated by simple numbers, not by the reality of economic activity. Deficit is inescapable in recession as tax revenues fall and welfare benefits rise. The Thing would be blind to that. Its recession-escape mechanism is too primitive. The President and Congress would have to respond with spending cuts so that recessions would spiral into slumps. The cure for the cough would be a week on an Alaskan glacier.

Has everyone voting for the Thing fallen under some terrible spell? No. They are admitting impotence. The grotesque nature of the beast is merely a reflection of the grotesque failure of the President and Congress to control spending or raise the money to pay for it. It is to this pass we have come: The world's most prosperous democracy needs a Frankenstein to frighten it to its senses.

That is the bad news. The good news is that none of the awful things will happen if Congress does the job it is supposed to do. Nobody can any longer believe that reason and argument alone can prevail to stop the rot; there was no sanction, and now there will be.

The logic of it all may seem newfangled. But it was in 180 9 that the Duke of Wellington summed up the basic idea when he reviewed a draft of troops sent to him in Spain. He remarked: "I don't know what effect these men will have upon the enemy, but, by God, they terrify me." Congress now has to terrify itself enough to keep Frankenstein forever in his iron cage.

I will just add one other personal thought; that is, that this editorial in today's issue of U.S. News & World Report is really consistent with editorials that we have seen from James J. Kilpatrick, U.S.A. Today, the Wall Street Journal, the Omaha Herald newspaper from Nebraska, and a long, long list of other commentators, magazines, and newspapers and many with a conservative bent that have virtually uniformly come to the conclusion that the Gramm-Rudman package is really a monstrosity.

In the words today in the U.S. News & World Report, they chose the phrase "the fiscal Frankenstein."

So from time to time, I will put other things like this in the RECORD before we finally dispose of these matters because I think thoughtful opinion from outside analysts are important for us to consider at this point.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. PACKWOOD. Madam President, I ask unanimous consent that the vote on the pending amendment occur at 4 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Madam President, and that no amendments be in order.

Mr. PACKWOOD. Madam President, I do not think there are any other amendments in order, but I ask unanimous consent that no other amendments be in order to this amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PACKWOOD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Madam President, I understand there may be some other amendments that could be dealt with this afternoon; a Levin amendment to alter recession language—and I understand they may be able to accept that amendment—an amendment by Senator HART, an amendment by Senator MOYNIHAN. It may be that we can dispose of those without record votes. If it can be done, it may take care of 3 or 4 hours on this amendment and we may be able to finish it by early evening tomorrow.

I understand the distinguished Senator from Florida is not yet ready on Medicare-Medicaid and AFDC.

Most of them are amendments from the other side. I think, in any event, amendments on this side could be offered depending on what might happen to amendments on that side. I hope we can dispose of at least those three amendments this afternoon. Then we will take up the Kozinski nomination later in the day.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOSCHWITZ. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOSCHWITZ. Madam President, I ask unanimous consent that the vote scheduled for 4 o'clock commence at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment (No. 956) being a motion to concur, with amendment. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. AN-

DREWS], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Washington [Mr. GORTON], the Senator from Georgia [Mr. MATTINGLY], and the Senator from Virginia [Mr. TRIBLE], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Illinois [Mr. DIXON], the Senator from Colorado [Mr. HART], the Senator from Hawaii [Mr. INOUYE], and the Senator from Massachusetts [Mr. KENNEDY], are necessarily absent.

I further announce that the Senator from New Mexico [Mr. BINGAMAN] is absent on official business.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois [Mr. DIXON] would vote yea.

The PRESIDING OFFICER (Mr. HECHT). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 72, nays 15, as follows:

[Rollcall Vote No. 279 Leg.]

YEAS—72

Abdnor	Ford	Murkowski
Armstrong	Glenn	Nickles
Baucus	Gore	Nunn
Bentsen	Grassley	Packwood
Biden	Harkin	Pell
Boren	Hatfield	Pressler
Boschwitz	Hawkins	Proxmire
Bumpers	Heinz	Pryor
Burdick	Hollings	Quayle
Byrd	Johnston	Riegle
Chafee	Kassebaum	Rockefeller
Chiles	Kasten	Rudman
Cochran	Kerry	Sarbanes
Cohen	Lautenberg	Sasser
Cranston	Leahy	Simon
D'Amato	Levin	Simpson
Danforth	Long	Specter
DeConcini	Mathias	Stafford
Dodd	Matsunaga	Stennis
Dole	McConnell	Stevens
Domenici	Melcher	Thurmond
Eagleton	Metzenbaum	Warner
Evans	Mitchell	Weicker
Exon	Moynihan	Wilson

NAYS—15

Denton	Hecht	Lugar
East	Heflin	McClure
Garn	Helms	Roth
Gramm	Humphrey	Symms
Hatch	Laxalt	Wallop

NOT VOTING—13

Andrews	Goldwater	Mattingly
Bingaman	Gorton	Trible
Bradley	Hart	Zorinsky
Dixon	Inouye	
Durenberger	Kennedy	

So the amendment (No. 956), being a motion to concur, with an amendment, was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Oregon is to be recognized.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. DOLE. Mr. President, let me indicate as I did earlier that we are still here, we still would like to take up amendments. I understand there are still some that we can do. The distinguished Senator from Michigan has one we can dispose of on a voice vote.

I now understand that we can get unanimous consent on the Kozinski nomination. I shall make that request when the distinguished minority leader is on the floor.

AMENDMENT NO. 957

(Purpose: The amendment to accompany the motion to concur in the amendment proposed by the House of Representatives, with an amendment)

Mr. PACKWOOD. Mr. President, I move to concur in the House amendment with a further amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD], for himself and Mr. DOMENICI, proposes an amendment numbered 957.

Mr. PACKWOOD. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed under amendments submitted in routine morning business.

Mr. PACKWOOD. Mr. President, this is an amendment that we offered last Friday, that we have had a chance to look over over the weekend. This is the amendment to which Senator LEVIN will have an opportunity to offer his amendment.

Basically, so everybody understands, this is the proposal of Gramm-Rudman modified, that I explained on the floor. With the adoption of the Levin amendment and the Chiles amendment, there are some changes that were put into it. This is the amendment to which the unanimous consent agreement was appended by which, as I recall, about 10 or 12 amendments were to be added.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, my understanding is that the distinguished Senator from Michigan has an amendment to the amendment.

Mr. LEVIN. Mr. President, if the majority leader will yield, I do have an amendment which I understand has been cleared and it is only now arriving, so at the appropriate point, I am prepared to offer that amendment.

AMENDMENT NO. 958

(Purpose: To modify the recession provisions to allow for a joint resolution suspending or revising Gramm-Rudman if real economic growth for two consecutive quarters is less than 1 percent)

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN] proposes an amendment numbered 958.

On page 57, line 5, strike "zero" and insert in lieu thereof "one percent."

Mr. LEVIN. Mr. President, I understand that this amendment has been cleared by the floor managers. I shall briefly outline it.

This is a very simple one-line amendment relative to the recession trigger, which is an extremely important part of the Gramm-Rudman-Hollings amendment. This amendment retains the basic framework of that recession trigger in Gramm-Rudman, but—and this is the critical "but"—it provides Congress with more flexibility to respond to periods of slow economic growth.

Right now, under Gramm-Rudman, there could be a joint resolution which could suspend or revise any portion of Gramm-Rudman if the economy has experienced two consecutive quarters of less than zero percent real growth. The joint resolution would be considered by the Congress through an expedited procedure.

It has concerned me about Gramm-Rudman that it did not adequately deal with periods when we are not actually in a traditional recession but where the economy is experiencing only very slow real growth. Some economists refer to this as a growth recession. It could even be marked by a slight increase in unemployment. Congress should have the opportunity to consider in an expedited fashion whether it wants to hold firm to every aspect of Gramm-Rudman, including the amount of spending cuts required during this period. Congress should have the opportunity to consider whether the size of the spending cuts envisioned by Gramm-Rudman would be too large to be borne by a weak economy, thereby risking turning a period of slow economic growth into actual recession. The amendment which I am offering will give Congress that opportunity to be flexible in a period of very slow real growth or a growth recession.

It would modify the Packwood amendment by changing less than zero to less than 1 percent growth as the trigger for when Congress could consider a joint resolution by a simple majority, with the expedited review provisions of Gramm-Rudman.

Mr. President, the House has done all this somewhat differently. There are advantages and disadvantages to the House approach to the recession trigger, but I believe it is more likely to succeed here if we continue to follow the process which has been laid out in the Gramm-Rudman-Hollings amendment for dealing with recessions and if we, rather than trying to change to the House approach, fine-tune the Gramm-Rudman approach.

That is what this amendment does. It is consistent with the intent of the Gramm-Rudman process but does inject greater flexibility for dealing with periods of slow economic growth.

Mr. CHILES. Will the Senator yield?

Mr. LEVIN. I am happy to yield.

Mr. CHILES. I compliment the Senator on his amendment and the movers of the resolution, the position that they will take on this amendment. I think this certainly does help the provision. I think already it has been changed some from the time it passed the Senate and when we complained that there was no provision for suspending the deficit goals in the event of a recession. I think the Senator from Michigan has further improved it. Certainly if you can see and know and the numbers are all indicating that you are heading for a recession, you should not have to wait until you are actually there before you can do something about it. I compliment the Senator and I hope the movers of the bill will accept the amendment.

Mr. LEVIN. I thank my friend from Florida.

Mr. DOMENICI. Is the distinguished Senator from Michigan finished?

Mr. LEVIN. I am indeed.

Mr. DOMENICI. Let me first say to the Senate my view in terms of the Senator's work on this proposal. Once again, as he did right in the heat of the debate, he has come up with something that I think is very constructive from my standpoint and the standpoint of those of us who are managing on this side. We are willing to accept it. Let me explain to the Senate very briefly why and what it does.

As Senators who have been following this know, one of the problems that we had from the very beginning was defining how we would change the automatic nature of our efforts at deficit reduction if indeed we suffered substantial economic downturns that were not contemplated when we started this process at the beginning of the year. And of course the word that everybody uses is "recession." What if you have a recession that you did not contemplate and at the beginning of this process you were expecting 4 percent real growth but you had a sudden downturn halfway through the year. Anybody who is familiar with the budget of the United States knows that all bets are off. Revenues fall off normally rather dramatically, costs of Government that are automatic go up rather significantly and so whatever you contemplated as being good for the country, that is, deficit reduction aimed at getting rid of a recession, keeping it from happening, you are in the middle of it and clearly something should be done.

Those who have applied common sense to this said it is not enough to have a recession predicted when you start that budget resolution and so there was a very big compromise that said, obviously, if you predict it, let us have a process for taking it off. If it really occurs while you are in the middle of it, let us solve it. So we came up with the two consecutive quarters as a point when we would stop and take a look. And all the Senator is saying is we accept all that but the two quarters and the definition of a recession is not growth below zero but, rather, growth below 1 percent. Everything else in the bill is intact. The mere fact that it would get to ninetenths of 1 percent would not mean that we automatically abandon the process, but, rather, that there is a procedure by simple majority—nonetheless, we would have the vote. Both bodies would vote by simple majority in a joint resolution making the finding that we now have the trigger of two quarters of 1 percent or less and then the two institutions could vote to act accordingly and we would not have the binding process but, rather, what the joint resolution adopted by the two Houses by majority vote so determined.

I think in these days when things are very difficult to predict and when we are counting on 4 percent growth—we already know that even this year it will be less than that but not as low as some people thought, however, still holding very firmly—this is a very good compromise. What we are doing is defining for ourselves, regardless of the conventional definition, two successive quarters of 1 percent or less or an up-front prediction right at the beginning of the resolution process of two quarters in advance of 1 percent or less. If I understand it correctly, I say to my friend from Michigan, then we are willing to accept it and we need not vote this evening other than by voice vote.

Mr. LEVIN. The Senator is correct. To make sure I understand him, it would be less than 1 percent real growth, instead of less than zero real growth?

Mr. DOMENICI. That is correct.

Mr. LEVIN. The Senator is indeed correct with that understanding and I thank him for his comments. This is a way of keeping the general framework of the Senate approach to this recession trigger, building in a little more flexibility for the Congress to act through these expedited procedures which are in the process of Gramm-Rudman. That is the critical part of it. Rather than attempting at this point to offer the House approach to a recession trigger as an alternative, and there are advantages and disadvantages to the House approach, I thought this was a better way to approach it in the Senate because we have already walked down this road. It does add some flexibility to it. We have already designed it. I thank my friend from New Mexico for his support.

Mr. DOMENICI. I move the adoption of the amendment of the Senator from Michigan.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan.

The amendment (No. 958) was agreed to.

Mr. LEVIN. I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SCHEDULE

Mr. DOLE. Mr. President, when we were here early Saturday morning, about 1 a.m. or whatever, we indicated that on Monday we would dispose of three amendments. We did not indicate that there would be three rollcall votes. But I think it is fair to say for the record—because I have been pilloried by one Member on my side for not having more votes—that we have disposed of three amendments. Two were combined and the third was accepted, and there was one rollcall vote. So the record should reflect that we did accomplish what we indicated we would do; and there is no need to have votes, in my judgment, when you are willing to accept an amendment, unless you are trying to punish someone on either side who may not be here.

So I suggest that the pending amendment is open to amendment, pursuant to the unanimous-consent agreement; and if anyone has amendments, we are open for business.

If not, I would like to at least get unanimous consent that we dispose of the nomination of Alex Kozinski to be U.S. circuit judge for the ninth circuit.

Senator LEVIN had some objections, and he has now proposed that we dispose of this nomination in 2 hours and 30 minutes; 2 hours under his control and 30 minutes under the control of Senator THURMOND, with a rollcall vote.

We believe we are also making progress on the nomination of Winston Lord to be Ambassador to the People's Republic of China, and on the nomination of James W. Spain to be Ambassador to Sri Lanka. We may

be able to resolve the differences there. These are important nominations, and they should be disposed of.

I have indicated to Members on both sides that we are going to start taking up nominations, maybe late evening or early morning, unless in some cases there is good reason to delay. But where that delay has been rather extensive, we would like to move on the nominations, and the President has indicated a desire to do that. So I hope we can have that agreement.

Mr. President, a parliamentary inquiry: What is the status of the farm bill?

The PRESIDING OFFICER. The farm bill is the unfinished business.

Mr. DOLE. We have not completed it? [Laughter.]

The PRESIDING OFFICER. Upon a call for regular order, it would be completed by the Senate.

Mr. DOLE. So if someone called for the regular order, we would be on the farm bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. I have just discussed the farm bill with the chairman, and we want to ascertain when it might be possible for the distinguished ranking minority member, Senator ZORINSKY, to be available, so we will be checking on that.

Again I indicate that I think we have an opportunity on the farm bill to put together a pretty strong bipartisan group, and hope we can complete that bill this week.

I am advised by the chairman of the Budget Committee that we can probably wrap up reconciliation this week.

Is that correct?

Mr. DOMENICI. If the Senator can find about 15 or 20 real hours.

I say to the majority leader that, aside from the textile issue and the time required to vote, I think the amendments would require about 7 hours—for all kinds of amendments. There are a lot of votes, so we would have to add in that time.

We have not disposed of the textile bill, but there are no other amendments to be offered, other than those I have described.

Mr. DOLE. In addition, the distinguished minority leader at one time talked about a motion to strike the so-called extraneous provisions. If that were divided, there would be 123 additional votes, or something like that. That would be a lot of votes.

Mr. DOMENICI. Perhaps what we had better do, even though we have inquired, is to ask the minority leader or ask Senator CHILES if he wants to add that to the ones I have described. I am not sure if he still does.

(Mr. GRAMM assumed the chair.)

THE ARMS TALKS

Mr. GORE. Mr. President, every one of us is praying that the signs of progress in the arms talks are real and that these hopeful trends will not be reversed. I say this with special force of emotion, because the President could not have come to this moment without bipartisan support, because I have championed that support and because it has not been easy to do so.

Obviously the recent Soviet counterproposal is unacceptable in its present form. We can expect the administration to reject the Soviet demand that the United States count forward-based systems as if they were strategic forces, and we should do so. We can expect the administration to reject the Soviet demand that we give up all prospective forms of modernization, and we should do so; and their demand that we give up research in its entirety, and we should also reject that demand.

Just as obviously, we should interpret these propositions on the part of the Soviets as throwaways which they will give up if they are otherwise happy with an outcome to which we will consent.

Moreover, when we take the Soviet proposal and apply it to strategic forces as they should be defined, the results are very promising. Indeed, the implied consequences of the Soviet proposal amount to a response to the United States build-down proposal, which the President adopted in 1983, on the strong advice of Senators NUNN and COHEN and former Senator Percy; and Members of the House, Congressmen ASPIN, DICKS, and myself.

In late October, I prepared an analysis along these lines, which I privately conveyed to a number of administration officials, including Ambassador Nitze and Mr. McFarlane. As recently as a week ago this Saturday in private, one-on-one discussions, I discussed this analysis in some depth with Mr. McFarlane. I now feel free to make this analysis available to my colleagues and the interested public.

In doing so, my purpose is to draw attention to a particular part of that assessment. Calculations showed that in any likely United States-Soviet reductions proposal, there would inevitably remain disparities that would leave United States ICBM forces at risk to a Soviet first strike of the sort the President has always considered to be intolerable. That is the theoretical first strike risk which has been such a large part of the stategic debate in our country for the last 20 years.

The report which I conveyed to the administration officials noted that, in this event, there would be only two ways to make the treaty whole. One way would be to deploy the Midgetman missile, as recommended by the Scowcroft Commission, and as agreed to by the President in a letter to various Members of Congress dated May 11, 1983, a copy of which I shall submit for publication in the RECORD.

Mr. President, the Senate Armed Services Committee is awaiting delivery of a classified report on the characteristics of the Midgetman system. That report is now more than 1 month overdue, owing to certain objections within the Office of the Secretary of Defense. Hopefully, it has been delayed long enough, and can soon be made available to this body.

Without violating security, it is possible for me to characterize the findings of that report only in very general terms. But even thus obscured, the message is clear. The Midgetman system has progressed to the point where we know that its design and deployment can be accomplished. We also know that the Midgetman, with its mobile hardened launcher, would be highly resistant to any conceivable Soviet first strike, even one which caught the system totally by surprise. Indeed, when the numbers are available to this body, I expect they will show that Midgetman would have rendered a first strike theoretically absurd—and particularly so in the event of Soviet reductions below today's base line.

To drive home this point, my analysis shows that if you study the very same arms control outcome from the perspective of strategic stability, that agreement can be either stable as a rock on a flat table, or wobbling with first strike incentives, depending upon the presence or absence of the Midgetman in our future force structure.

One assumes the Soviets will do their own analysis, but I should like to point out that the outcome for them is the same as the outcome for us. If the Soviet Union chooses to radically cut the number of its silo-based ICBM launchers, and does not deploy mobile systems, then its silo-based systems would be vulnerable to our D-5 missile alone, not to mention the land-based forces we would retain, even if that missile is deployed in reduced numbers as the consequence of an agreement.

Let me underscore this point by examining an illustrative United States and Soviet force posture that would be consistent with published accounts of our latest proposal. On the U.S. side, 4,500 ballistic missile warheads would be allocated as follows in an illustrative force posture: 1,812 reentry vehicles on silo-based systems consisting, in theory, of the MX, as well as the existing Minuteman II and III missiles; and 2,688 reentry vehicles—presumably all of them on D-5 missiles—aboard 14 *Ohio* class submarines. On the Soviet side, our proposal could imply 2,500 reentry vehicles on 700 ICBM's in silos, comprising a mix of the existing SS-18, and the new SS-24's and 25's deployed without their

mobile launchers. Soviet SLBM reentry vehicles would number approximately 2,000. If we assumed that just two-thirds of the United States D-5 force is at sea there are enough warheads in that single system alone to destroy the Soviet Union's ICBM silos several times over if they were deployed as they are in this illustration. As to the Soviets, the same would be true of their ICBM force as directed in a first strike against the ICBM silos of the United States.

In other words, Mr. President, given the numbers of silos and launchers on both sides permitted and implied in the counterproposal which our Nation has just advanced the outcome would be mutual vulnerability with mutual first-strike advantages, and the opposite of strategic stability to which we have supposedly been committed for several years now.

There are two ways to escape that kind of vulnerability. The first is for both nations to deploy single warhead mobile missiles. Such systems require such a heavy expenditure of warheads by the attacking nation that a first strike would become impossible for either nation given the low levels to which we would reduce under either the Soviet or United States proposal.

Mr. President, the other way which one might try to neutralize this vulnerability is by deploying an antiballistic missile system for the defense not of our cities but for our ICBM's. What needs to be understood by all of us, however, is that such defensive systems together with still quite large strategic forces make for an enormously unstable combination, in which huge risks must be accepted in a crisis if one decides not to strike first.

It also needs to be noted that such a defense could not be erected without abrogating the ABM Treaty, even as redefined by the President. As for the cost, no reliable estimates exist. But to all appearances even a partial system would run into the many hundreds of billions of dollars.

My colleagues may be interested, and I draw their attention, to an article in the New York Times of Sunday which indicates that SDI would require thousands of pieces of machinery in space. Those of us who are familiar with the cost of even one intelligence satellite can thus draw conclusions about the expenses involved in orbiting thousands of pieces of machinery at least as complicated as an intelligence satellite of the present generation.

Therefore, in offering to give up the Midgetman, the administration proposes to abandon one avenue toward achieving stability through much smaller forces. It quite clearly prefers to leave open only one other solution—erecting an enormously costly and destabilizing ballistic missile defense system. Let me therefore spell out the implications.

The President proposes to bring to the Senate, if the Soviets allow it, an agreement which preserves—indeed, enhances—the possibility of a first strike by each side against the other. One cure for this, which enjoyed strong bipartisan support, was to deploy the Midgetman. The other proposed cure, or better to say alleged remedy, would be a limited version of star wars clearly destined to be a matter of the most bitter dispute in this body, in the Congress, and in the Nation as time progresses.

Up until last Friday, the administration was publicly committed to pursuing a strategic policy aimed at stability, with the definition of stability being one proposed by the Scowcroft Commission; that is, a strategic arrangement in which neither the United States nor the Soviet Union could gain any conceivable or theoretical advantage from launching a first strike.

On several occasions in explaining his commitment to this definition of stability, the President has spoken of reducing the ratio of warheads on one side, and the silos on the other side. And the administration has publicly made clear that it was committed to reducing that ratio below the threshold that would give either side an advantage from a first strike.

The new proposal that has been reported in the newspapers over the weekend abandons that definition of stability, and abandons the strategic consensus offered by the Scowcroft Commission that many of us have worked hard for.

I can only hope that the President will reconsider the implications of an abandonment of mobility. One justification offered in news accounts by administration spokesmen for this new proposal has to do with the difficulties of verifying the number of mobile systems deployed. However, Mr. President, it has long been known to the administration that there is a relatively simple way to verify the numbers of single warhead mobile missiles deployed.

The method consists of the mutual establishment of designated deployment areas, and an agreement by both countries that no mobile missiles will be deployed outside of the bounded designated area. The discovery of even a single mobile missile outside of the designated area would therefore constitute a violation.

The estimates of the number of missiles inside the deployment area could be improved with cooperative measures agreed to by both sides. But even if the estimates were not exactly precise, cheating at the margin with single warhead systems would not carry with it implications that were threatening to the overall strategic balance.

The existence of mobile MIRV'd systems would raise additional concerns, of course.

Many have agreed with the administration's expressed concerns about the Soviet SSX-24 system, which is MIRV'ed and is intended to be rail mobile. But up until this weekend, no one has raised serious objections about the possibility of verifying the numbers of single warhead vessels.

Mr. President, throughout the remainder of this week, I intend to discuss other aspects of this new departure in strategic policy encompassed in the administration's arms control counterproposal which has been reported in the press this weekend.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the President, dated May 11, 1983.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, May 11, 1983.

Hon. ALBERT GORE, Jr.,
House of Representatives,
Washington, DC.

DEAR AL: Thank you for your recent letter on our strategic modernization program and its relationship to our arms control proposals. Your letter represents the bipartisan spirit which I believe will help achieve our common goals of ensuring effective deterrent forces and equitable and verifiable arms reductions.

The fundamental U.S. goal in negotiations concerning arms reduction, and especially in our approach to the START negotiations, is to seek agreements that would enhance security and stability by reducing overall force levels while permitting modernization of U.S. forces necessary for a credible deterrent. As you know, the Scowcroft Commission noted that elements of our START proposal are consistent with and supportive of the Commission's findings. I agree wholeheartedly with the essential theme of the Scowcroft Commission's approach to arms control: the attainment of stability at the lowest possible level of forces.

The Scowcroft Commission's recommendations on modernization and arms control are integrally related. Our action with respect to these recommendations must be equally comprehensive. That is why I am now conducting a review of our START proposal with the intention of developing such modifications as are necessary to reflect the Commission's approach, which I share. To cite just one example, the Commission report recommended that the proposed limit on deployed ballistic missiles currently contained in the U.S. START position be reassessed since it is not compatible with a desirable evolution toward small, single-warhead ICBMs. There are a number of alternative approaches available to integrate this and the other Commission recommendations into our approach to arms reductions. As modifications are made to our START proposal, I will continue to seek stability at the lowest possible level of forces.

The planned deployment of the Peacekeeper missile as proposed by my Administration is compatible with the long-term ob-

jective of the Scowcroft Commission Report. The Peacekeeper missile, deployed in a mix with small single-warhead ICBMs, would permit us to maintain the effectiveness of our deterrent and enhance stability while serving as a hedge against Soviet temptation to exploit their present advantage.

At the same time, let me emphasize that we do not seek a first strike capability. To this end, we have constrained the number of Peacekeeper missiles that we plan to deploy to the minimum number needed to assure the effectiveness of our deterrent and no more. Our task, of course, would be much easier if the Soviets would agree to work with us to reduce the ratio of accurate warheads to missile silos. Clearly, consistent with our national security requirements, the overall level of Peacekeeper deployment will be influenced by Soviet strategic programs and arms reductions agreements.

In addition, I fully recognize the central role that the small, single-warhead ICBM plays in the overall modernization program recommended by the Scowcroft Commission Report. We will promptly undertake a major effort to bring the proposal of a small, single-warhead ICBM to fruition on a high priority basis.

In considering the implementation of the essential ICBM modernization program, the Scowcroft Commission also recognized that a series of decisions involving both the Executive Branch and the Congress would be necessary in the months ahead in order to determine the future shape of our ICBM force. Further, it noted that not all of these decisions can or should be made in 1983. The deliberate approach to decision making proposed by a number of members of Congress is fully in keeping with the intent of the Scowcroft Commission Report. I fully recognize that a lasting consensus on such an important issue must be built up carefully and I intend to take the time necessary to forge that lasting consensus.

I urge all concerned, however, to keep in mind that if we draw out critical elements of the decision-making process unnecesarily, we encourage the Soviets to delay in negotiations while continuing apace in their own weapons modernization programs. To avoid this, I am seeking a clear show of support from Congress to signal U.S. resolve. A case in point is the clear necessity of approving funds promptly to procure Peacekeeper missiles. Working together, this should be achievable while simultaneously meeting our mutual desire to deal with deployment issues, whenever possible, in a careful, deliberate manner.

Finally, I want to stress the extraordinary contribution made by the Scowcroft Commission. It provides an opportunity for nonpartisan analysis of an exceptionally difficult issue as a prelude to obtaining necessary bipartisan support for critically needed modernization of our strategic forces. While not prescribing the details or the timing, the Commission report suggested certain directions that the continued evolution of our complementary strategy for arms reduction could take. Over the short term, follow-on arrangements involving members of the Commission, as well as close coordination with the Congress, will be extremely helpful both technically and politically in thinking through this evolution. However, we are giving careful consideration to determining which follow-on arrangements best meet our common objectives.

In this regard, I do see merit in a panel with bipartisan composition and with staggered terms of membership to provide advice and continuity in this area. I will work with the Congress, building upon the experience of the Scowcroft Commission, to strengthen and supplement our consultative and advisory processes to assure a lasting, national, bipartisan consensus concerning arms control initiatives—a consensus which will deserve to be sustained from one Administration to the next.

Sincerely,

RONALD REAGAN.

Mr. GORE. I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unamious consent that the order for the quroum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent to proceed as if in morning business.

THe PRESIDING OFFICER. Without objection, it is so ordered.

S. 1826—TO PROTECT THE SOCIAL SECURITY TRUST FUNDS FROM ATTEMPTS TO EVADE THE DEBT LIMIT

Mr. KENNEDY. Mr. President, in recent weeks, the administration has employed a number of dubious expedients and shell games to evade the requirements of the debt ceiling. The most objectionable of these expedients is the raid on the Social Security Trust Funds that has unnecessarily alarmed senior citizens concerned about the integrity of their retirement benefits and the very future of the Social Security system itself.

The Social Security Trust Fund represents a sacred compact between the senior citizens of our Nation and the Federal Government. It is a promise that citizens who pay Social Security taxes during their working years will be able to count on stable, secure, inflation-protected income when they retire.

We all know that the present administration has made numerous attempts in recent years to violate the Social Security compact. Fortunately, each of these previous attempts has failed. Yet now the Treasury Department is seeking once again to invade the trust funds and use them artificially to reduce the massive budget deficits that the administration's policies have caused.

In my view, this latest cynical maneuver violates both the letter and the spirit of the Social Security Act, while doing nothing to address the real problem of the mushrooming Federal deficit. Litigation is currently under way to challenge the actions of the Secretary of the Treasury—and the courts may well rule that his action was illegal and in violation of his fiduciary responsibility to the Social Security system.

The revenues lost to the trust funds by these manipulations are difficult to calculate at this time, and Congress will certainly act to guarantee that the trust funds will be made whole. But more important than the direct monetary loss to Social Security is the violation of an important principle: Neither this administration nor any other administration must be permitted to tamper with Social Security. The trust funds are there to pay the retirement income to our senior citizens, and their integrity must be respected.

No administration should be permitted to use the Social Security Trust Funds as a slush fund to cover failures and shortages in other branches of the Government. Our senior citizens who depend on Social Security deserve to know that Social Security is safe from manipulations of any kind.

We have all heard the soothing words of those who say that nothing has happened, and that the trust funds are intact. But these are the same persons who have sought so often in the past to slash Social Security benefits and undermine the Social Security system.

It is obvious that Congress bears its share of responsibility for the present impasse. Some in the Senate have made no secret of their willingness to prevent any increase in the debt ceiling unless their version of deficit reduction legislation is also enacted.

The American people will judge who has acted responsibly and who has acted irresponsibly in these circumstances. But at least we can enact legislation that tells the administration unequivocally—"If you are going to play High Noon with the debt ceiling and the very functioning of the Federal Government, at least keep your hands off Social Security."

The bill I am introducing today on behalf of myself and Senator MOYNIHAN, is intended to prohibit any recurrence of this unfortunate incident. The assets of the Social Security system should be used for the purposes for which they are intended and for nothing else. I urge my colleagues to join us in support of this important legislation.

Mr. President, I ask unanimous consent that the text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is prohibited from engaging in any activities which reduce the assets or earnings of, or delay any payments to, the Social Security Trust Funds or other retirement funds in order to

meet obligations which could not otherwise be met without violating the statutory limit on the public debt.

For purposes of this Act, the term "Social Security Trust Funds or other retirement funds" means that Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, the Railroad Retirement Account, the Civil Service Retirement and Disability Funds, and the Department of Defense Military Retirement Fund.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we shall soon be announcing tomorrow's schedule, but I think it is fair to say that we will be in recess until 8:45 a.m. on Tuesday; then we shall have special orders and hope to be back on the bill by 10 o'clock and hope to have at least one or two votes prior to the noon policy luncheons tomorrow. We would like to finish this bill and get it out of the way by tomorrow.

We do have some other business and as soon as the distinguished minority leader is here, we shall go into that.

THE HOUSE AND THE SOCIAL SECURITY TRUST FUND

Mr. DOLE. Mr. President, I was just listening and I heard the distinguished Senator from Massachusetts [Mr. KENNEDY] indicating that because of something that happened, we had invaded the Social Security Trust Fund. I advise my colleague from Massachusetts that had the House not adjourned at 5:47 p.m. Friday, November 1, all that could have been avoided. I know it is difficult for the House to meet on Friday, particularly after dark, but had they stayed in session on Friday we might have resolved the short-term debt extension legislation—we were held until 1 a.m. Saturday morning. Most of us were here. The distinguished Senator from Massachusetts was not. I suggest that had the House put in a full day, there would not have been any necessity to have any advanced redemption by Treasury.

I understand the politics of it and certainly, it is something that many of my colleagues like to discuss on a daily basis, but I indicate that the Social Security Trust Fund is in good hands, it is safe, it is intact.

I hope the Senator from Massachusetts, who was an original supporter of the Gramm-Rudman-Hollings resolution, has not indicated that he may be backing away from what I feel may be a rather positive, strong position. But to my colleague, let me say I hope that he would send a letter to the House suggesting that because they adjourned at 5:47 on Friday, left us little chance to take any further action and finalize the legislation.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Edward V. Hickey, Jr., to be Federal Maritime Commissioner.

The PRESIDING OFFICER. Without objection——

Mr. BYRD. Mr. President, if the Chair will just take his time, be a little more patient, I shall have an opportunity to look at this and represent the other 46 Senators on this side.

The PRESIDING OFFICER. Yes, sir.

Mr. BYRD. Mr. President, there is no objection on this side.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

FEDERAL MARITIME COMMISSION

The legislative clerk read the nomination of Edward V. Hickey, Jr., of Virginia, to be a Federal Maritime Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was considered and confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Mr. President, I ask the distinguished minority leader if he is in a position to consider any of the following calendar items: Calendar No. 374 (S.J. Res. 130); Calendar No. 376 (S.J. Res. 213); Calendar No. 378 (H.J. Res. 126); Calendar No. 383 (S. Res. 250); Calendar 384 (S. Res. 251); Calendar 385 (S. Res. 252); and Calendar No. 386 (S. Res. 253).

Mr. BYRD. Mr. President, all those enumerated by the distinguished majority leader have been cleared on this side.

NATIONAL BLOOD PRESSURE AWARENESS WEEK

The joint resolution (S.J. Res. 130) designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 130

Whereas diseases resulting from hypertension cause needless mortality and morbidity which can be reduced if hypertension is discovered through blood pressure screening;

Whereas sixty million Americans are hypertensive;

Whereas hypertension is a major factor in five hundred thousand strokes and one hundred and seventy-five thousand stroke-related deaths annually as well as more than one million five hundred thousand heart attacks and five hundred and sixty-seven thousand heart attack-related deaths annually;

Whereas the prevalence of hypertension in black males is 33 per centum higher than in white males, and the prevalence of hypertension in black females is twice that of their white counterparts;

Whereas twenty-nine million workdays, representing $2,000,000,000 in earnings, are lost each year because of cardiovascular diseases;

Whereas the risk of the major cardiovascular diseases is directly related to hypertension and even mild elevation in blood pressure may result in substantial risk of illness;

Whereas much of the 30 per centum reduction in mortality between 1970 and 1980 for stroke, hypertension heart disease and other cardiovascular system disease can be partially attributed to increased awareness and better control of blood pressure; and

Whereas increased blood pressure screening will identify greater numbers of Americans at risk for hypertension-related cardiovascular disease and encourage these Americans to seek treatment to control their blood pressure: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on November 10, 1985, is hereby designated as "National Blood Pressure Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL JAYCEE WEEK

The joint resolution (S.J. Res. 213) to designate January 19 through January 25, 1986, as "National Jaycee Week" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 213

Whereas the United States Jaycees and its affiliated State and local organizations, have set aside the week of January 19 through January 25, 1986, to observe the founding of the Jaycees sixty-six years ago; and

Whereas the civic bodies and service organizations of our community and the departments of government recognize the contributions to the United States by the Jaycees; and

Whereas this organization of young people has contributed materially to the betterment of the United States through such programs as Individual Development and Community Service for the past year; and

Whereas more than two hundred and sixty-eight thousand Jaycees in six thousand five hundred and fifty chapters in our fifty States serve this time honored ideal in a modern setting, dedicating their free time to faith, brotherhood, and freedom, and the service of their fellow citizens: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Week of January 19 through January 25, 1986, is designated as "National Jaycee Week". The President is requested to issue a proclamation calling upon the people of the United States for the observance of this week with appropriate ceremonies and activities.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL DRUG ABUSE EDUCATION WEEK

The joint resolution (H.J. Res. 126) to designate the week of November 3, 1985, through November 9, 1985, as "National Drug Abuse Education Week," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the House joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO ALBEN A. FLATT

The resolution (S. Res. 250) to pay a gratuity to Alben A. Flatt, was considered, and agreed to; as follows:

S. RES. 250

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Alben A. Flatt, widower of Jeannine H. Flatt, an employee of the Senate at the time of her death, a sum equal to eight months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO PAULINE WASHBURN

The resolution (S. Res. 251) to pay a gratuity to Pauline Washburn was considered and agreed to, as follows:

S. RES. 251

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Pauline Washburn, widow of Elwood C. Washburn, an employee of the Senate at the time of his death, a sum equal to ten and one-half months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO REILLY B. FLAHERTY AND ARDELLA M. S. FLAHERTY

The resolution (S. Res. 252) to pay a gratuity to Reilly B. Flaherty and Ardella M. S. Flaherty, was considered, and agreed to, as follows:

S. RES. 252

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Reilly B. Flaherty and Ardella M. S. Flaherty, parents of Terrence R. Flaherty, an employee of the Senate at the time of his death, a sum to each equal to one-half of one years' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO STEPHANIE L. ROGERS SMITH

The resolution (S. Res. 253) to pay a gratuity to Stephanie L. Rogers Smith, was considered, and agreed to, as follows:

S. RES. 253

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Stephanie L. Rogers Smith, widow of Kenneth R. Smith, an employee of the Senate at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL HUMANITIES WEEK

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 377, Senate Joint Resolution 219.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S.J. Res. 219) to designate the week of November 3, 1985, through November 9, 1985, as "National Humanities Week, 1985."

The Senate proceeded to consider the joint resolution.

AMENDMENT NO. 960

(Purpose: To designate the week of February 9, 1986, through February 15, 1986, as "National Humanities Week, 1986")

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from Utah [Mr. HATCH] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. HATCH, proposes an amendment numbered 960.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 7, beginning with "November" the first place it appears strike out through the word "and" on line 8 and insert in lieu thereof the following: "February 9, 1986, through February 15, 1986, is designated as 'National Humanities Week, 1986', and ".

Mr. HATCH. Mr. President, on October 17, several colleagues and I introduced Senate Joint Resolution 219 to establish November 3 through November 9, 1985, as National Humanities Week. We believe this is an appropriate way both to celebrate the 20th anniversary of the establishment of the National Endowment for the Humanities and to proclaim anew our Nation's commitment to the promotion of progress and scholarship in the humanities. To accommodate passage of this resolution on the House side, we are amending our resolution to celebrate February 9, 1986, through February 15, 1986, as "National Humanities Week, 1986."

When the 89th Congress established the National Endowment for the Humanities, it stated that our "democracy demands wisdom and vision in its citizens." At that time, Congress recognized that, throughout the ages, study of the humanities has stimulated thoughtful discourse about our common human experience. Although it has a small budget, since its inception, NEH has been the strongest voice promoting the humanities. The Endowment has become a forceful and persistent advocate for the highest standards in teaching, scholarship, and general audience programming. Thus, it is fitting for us, the 99th Congress, to reaffirm the importance of the humanities in our national life and to honor the Endowment for its 20 years of excellence and success.

The Endowment has been the chief Federal sponsor of the humanities in education, research, and public programming. In education, the Endowment supports improvements in humanities instruction in our schools and colleges. In research, it enables scholars and teachers to undertake independent scholarly work, facilitates collaboration between scholars, and encourages the organization and conservation of humanities resources. The Endowment also promotes public understanding of the humanities by sponsoring programs of Federal interest.

For example, in my own State, the Utah Endowment for the Humanities, with support and leadership from the NEH, has sponsored humanities programs in rural communities and large cities. These programs were presented by small clubs and large universities, by young people and senior citizens, by informal social groups and professional associations. The Utah Endowment for the Humanities, in fact, was one of six programs in the Nation to receive a special Merit Award last year.

Like Utah, all States benefit from NEH programs. Humanities committees in each of the 50 States, Puerto Rico, and the District of Columbia receive grants from the Endowment which they then re-grant to support a variety of humanities programs at the local level.

Because of its strong leadership and insistence on excellence in the programs it supports, the Endowment has also had remarkable success in encouraging private-sector funding of the humanities. Federal dollars are only a small segment of humanities funding across the Nation. The Federal dollars from the Endowment are multiplied many times by its challenge grant and the project-matching programs, giving cultural institutions and organizations the opportunity to enhance their financial stability and ensure their future. Significantly, for example, because of the Endowment's successful summer seminars for high school teachers, the Mellon Foundation donated $500,000 to help expand this program.

Not only has NEH built solid, well-functioning programs in the past 20 years, it also is continually responding to new needs of the humanities community. Three weeks ago, Senator SIMON and I joined Mr. John Agresto, Acting Chaiman of the Endowment, to launch a two-pronged initiative to further encourage humanities study in the schools. This initiative, entitled "Understanding America" and "Understanding Other Nations," will promote the study of the language, literature, and culture of America and of foreign countries. I expect the Endowment to continue to improve and add to its programming to meet new circumstances.

The National Endowment for the Humanities has an excellent record and deserves our recognition. It has met Congress' expectations and played a leading role in educating Americans about our heritage and tradition and thus about our political freedoms and duties. I ask all my colleagues to consider favorably Senate Joint Resolution 219. A "National Humanities Week" is an excellent way to applaud the Endowment's good work for the past 20 years and to reaffirm the importance of the Humanities to our Nation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 960) was agreed to.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 219), with its preamble, is as follows:

S.J. RES. 219

Whereas the United States celebrates the twentieth anniversary of the establishment of the National Endowment for the Humanities;

Whereas the overriding goal of this small but important Federal agency is the promotion of humanities scholarship and programming;

Whereas the study of the humanities increases the understanding of the great traditions of civilization and of the intellectual heritage of mankind;

Whereas in partnerships with State and local governments, private foundations, and corporations, the National Endowment for the Humanities has, over the past two decades, provided critical leadership and direction for the individuals and institutions seeking to improve our understanding of the humanities; and

Whereas as a Nation we have benefited from the fruits of this humanities programming in a variety of ways, through improvements in humanities education at all levels, through scholarly achievements at the cutting edge of humanities research, and through programming in museums, libraries, television, and radio which fosters a heightened understanding of the humanities across the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to note the importance of the humanities in the lives of all Americans and acknowledge the significant role the National Endowment for the Humanities has played in sustaining and enriching our cultural heritage, the week of November 3, 1985, through November 9, 1985, is designated as "National Humanities Week, 1985" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week, with appropriate conferences, programs, ceremonies, and activities.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I send a title amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amend the title so as to read: "A joint resolution to designate the week of February 9, 1986, through February 15, 1986, as 'National Humanities Week, 1986'.".

The PRESIDING OFFICER. The question is on agreeing to the amendment to the title.

The amendment was agreed to.

SURFACE FREIGHT FORWARDER DEREGULATION ACT OF 1985

Mr. DOLE. Mr. President, I ask unanimous consent the Senate turn to Calendar No. 264, S. 1124, to reduce regulation of surface freight forwarders.

The PRESIDING OFFICER. Is there objections?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1124) to amend title 49, United States Code, to reduce regulation of surface freight forwarders, and for other purposes, reported with an amendment.

The Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Surface Freight Forwarder Deregulation Act of 1985".

PURPOSE

SEC. 2. This Act is part of the continuing effort by Congress to reduce burdensome and unnecessary government regulations and to ensure the competitiveness and efficacy of transportation services of surface freight forwarders in the United States.

FINDINGS

SEC. 3. The Congress finds that—

(1) a safe, sound and competitive surface freight forwarder industry is important to the national transportation system;

(2) the statutes governing Federal regulation of the freight forwarder industry are outdated and must be revised to reflect present and future transportation needs and realities;

(3) protective regulation has resulted in anticompetitive pricing and has restricted the range of price and service options available to shippers;

(4) in order to reduce the uncertainty experienced by the Nation's transportation industries, the Interstate Commerce Commission's remaining responsibilities for the regulation of surface freight forwarders should be eliminated in accordance with this Act; and

(5) Legislative and resulting changes should be implemented with the least amount of disruption consistent with achieving the reforms enacted.

DEFINITIONS

SEC. 4. Section 10102 of title 49, United States Code, is amended—

(1) in paragraph (2), by inserting, ", and a freight forwarder" immediately before the period;

(2) in paragraph (6), by inserting ", and a freight forwarder" immediately before the period; and

(3) in paragraph (9)—

(A) by inserting ", excluding persons using transportation of an air carrier subject to chapter 20 of this title," immediately after "compensation";

(B) by inserting "and" at the end of subparagraph (A);

(C) in subparagraph (B), by striking "; and" and inserting in lieu thereof a period; and

(D) by striking subparagraph (C); and

(E) by redesignating paragraphs (10) through (30) as paragraphs (11) through (31), respectively, and by inserting immediately after paragraph 9 the following new paragraph:

"(10) 'household goods freight forwarder' means a freight forwarder of one or more of the following commodities: (A) household goods; (B) unaccompanied baggage; or (C) used automobiles;".

INTERSTATE COMMERCE COMMISSION ADMINISTRATION

SEC. 5. (a) Section 10328(b)(2) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(b) Section 10329 of title 49, United States Code, is amended—

(1) in subsection (a)(2), by inserting "household goods" immediately before "freight forwarder";

(2) in subsection (c)(3), by inserting "household goods" immediately before "freight forwarder" wherever it appears; and

(3) in subsection (d), by inserting "household goods" immediately before "freight forwarder".

JURISDICTION

SEC. 6. (a) Section 10521(a) of title 49, United States Code, is amended by inserting ", except by a freight forwarder (other than a household goods freight forwarder)," immediately after "transportation" the second time it appears.

(b) Section 10523 of title 49, United States Code, is amended—

(1) in subsection (a)(1)(B)(iii), by inserting "household goods" immediately before "freight forwarder";

(2) in subsection (a)(1)(C), by inserting "household goods" immediately before "freight forwarder";

(3) in subsection (a)(2), by inserting "household goods" immediately before "freight forwarder";

(4) in subsection (b)(1)(B)(iv), by inserting "household goods" immediately before "freight forwarder"; and

(5) in subsection (b)(2), by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(c) Section 10561 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(d)(1) Section 10562 of title 49, United States Code, is repealed.

(2) The section analysis of chapter 105 of title 49, United States Code, is amended by striking

"10562. Exempts freight forwarder service."

and inserting in lieu thereof

"10562. Repealed."

RATES, TARIFFS, AND VALUATIONS

Sec. 7. (a) Section 10704 of title 49, United States Code, is amended—

(1) in subsection (b)(1)(C), by inserting "household goods" immediately before "freight forwarder";

(2) in subsection (b)(3), by inserting "household goods" immediately before "freight forwarder"; and

(3) in subsection (b)(4), by inserting "household goods" immediately before "freight forwarder" and "freight forwarding, respectively".

(b) Section 10706 of title 49, United States Code, is amended—

(1) in subsection (a)(2)(A), by striking "(c)(1)(B)-(E)" and inserting in lieu thereof "(d)(1)(B)-(E)"; and

(2) in subsection (d)(1)(E), by striking "Freight" and inserting in lieu thereof "Household goods freight".

(c) Section 10708 of title 49, United States Code, is amended—

(1) in subsection (d)(1), by inserting "household goods" immediately before "freight forwarder"; and

(2) in subsection (d)(2), by inserting "household goods" immediately before "freight forwarders" wherever it appears.

(d) Section 10722(d)(2) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(e) Section 10725 of title 49, United States Code, is amended—

(1) in subsection (b) by inserting "household goods" immediately before "freight forwarders"; and

(2) in subsection (c), by inserting "household goods" immediately before "freight forwarder".

(f) Section 10730 of title 49, United States Code is amended—

(1) in the last sentence of subsection (a), by inserting "by a household goods freight forwarder" immediately after "Commission" the first time it appears; and

(2) in subsection (b)(1), (A) by inserting "or a freight forwarder" immediately after "title" the first time it appears, and (B) by inserting ", with respect to a motor carrier," immediately after "including".

(g) Section 10741(c) of title 49, United States Code, is amended by inserting "household goods," immediately before "freight forwarder" wherever it appears.

(h) Section 10743(b)(2) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(i)(1) Section 10749 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(2) The heading of section 10749 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

(3) The item relating to section 10749 in the section analysis of chapter 107 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

(j) Section 10762(a)(2) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(k)(1) Section 10766 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(2) The heading of section 10766 of title 49, United States Code, is amended by striking "Freight" and inserting in lieu thereof "Household goods freight".

(3) The item relating to section 10766 in the section analysis of chapter 107 of title 49, United States Code, is amended by striking "Freight" and inserting in lieu thereof "Household goods freight".

LICENSING

SEC. 8. (a)(1) Section 10923 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(2) The heading of section 10923 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

(3) The item relating to section 10923 in the section analysis of chapter 109 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

(b) Section 10925 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(c) Section 10926 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(d) Section 10927(c)(2) of title 49, United States Code, is amended—

(1) by inserting "household goods" immediately before "freight forwarder" the first time it appears;

(2) by inserting "or a freight forwarder" immediately after "permit"; and

(3) by inserting "household goods freight forwarder or the" immediately before "freight forwarder" the second time it appears.

(e) Section 10930(b) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(f)(1) Section 10933 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(2) The heading of section 10933 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(3) The item relating to section 10933 in the section analysis of chapter 109 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

OPERATIONS OF CARRIERS

SEC. 9. (a) Section 11101(b) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

(b)(1) Section 11127 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" and "freight forwarders" wherever they appears.

(2) The heading of section 11127 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

(3) The item relating to section 11127 in the section analysis of chapter 111 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

(c) Section 11141(1) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

FINANCE

SEC. 10. (a) Section 11323 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(b) The heading of section 11323 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

(c) The item relating to section 11323 in the section analysis of chapter 113 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarders".

FEDERAL-STATE RELATIONS

SEC. 11. (a) Section 11501 of title 49, United States Code, is amended—

(1) in subsection (a), by striking "carrier" and inserting in lieu thereof "household goods freight forwarder"; and

(2) by adding at the end thereof the following new subsection:

(g) No State or political subdivision thereof and no interstate agency or other political agency of two or more States shall enact or enforce any law, rule, regulation, standard, or other provision having the force and effect of law relating to interstate rates, interstate routes, or interstate services of any freight forwarder.".

(b) Section 11505(b) of title 49, United States Code, is amended by inserting "household goods" immediately before freight forwarder".

ENFORCEMENT: INVESTIGATIONS, RIGHTS, AND REMEDIES

SEC. 12. (a) Section 11705 of title 49, United States Code, is amended—

(1) in subsection (a), by inserting "or a freight forwarder" immediately after "title";

(2) in subsection (b)(1), (A) by inserting "or a freight forwarder" immediately after "title" the first time it appears, and (B) by inserting "or the applicable freight forwarder rate" immediately after "title" the second time it appears; and

(3) in subsection (b)(3), by inserting "or a freight forwarder" immediately after "title".

(b) Section 11706 of title 49, United States Code, is amended—

(1) in subsection (a), by inserting "or a freight forwarder" immediately after "title";

(2) in subsection (b), by inserting ", except that, in the case of a freight forwarder, such civil action must begin within 2 years after the claim accrues" immediately before the period of the end of the first sentence; and

(3) in subsection (d), (A) by striking "3-year period" wherever it appears and inserting in lieu thereof "2- or 3-year periods", and (B) by striking "is" the first time it appears and inserting in lieu thereof "are".

(c) Section 11707(a) of title 49, United States Code, is amended—

(1) in paragraph (1), (A) by inserting ", or a freight forwarder," immediately after "title" the first time it appears, and (B) by inserting ", except in the case of a freight forwarder," immediately after "and" in the third sentence; and

(2) in paragraph (2), by striking "subject to this subtitle".

(d)(1) Section 11708(a) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(2) The heading of section 11708 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(3) The item relating to section 11708 in the section analysis of chapter 117 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

CIVIL AND CRIMINAL PENALTIES

SEC. 13. (a) Section 11904(d)(1) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(b)(1) Section 11908 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(2) The heading of section 11908 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(3) The item relating to section 11908 in the section analysis of chapter 119 of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder".

(c) Section 11909(d) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

(d) Section 11910(a)(4) of title 49, United States Code, is amended by inserting "household goods" immediately before "freight forwarder" wherever it appears.

EFFECTIVE DATE

SEC. 14. This Act shall become effective 60 days after the date of enactment of this Act.

The PRESIDING OFFICER. The question is on agreeing to the committee substitute.

The committee substitute was agreed to.

Mr. PACKWOOD. Mr. President, today we are considering legislation which would signficantly reduce the regulatory burden imposed on one sector of the transportation industry: Surface freight forwarders of general commodities. This industry plays a vital role in our Nation's transportation system, especially with respect to small shipments traffic.

In the last several years, we have seen major regulatory reform of the interstate trucking, rail, and bus industries. The authority of the Interstate Commerce Commission [ICC] over these industries has been reduced substantially. Surface freight forwarders, for the most part, have not had the benefit of any corresponding reduction in their regulatory burden. This creates competitive problems for freight forwarders in two ways. First, freight forwarders major competitors—other transportation intermediaries such as shippers' associations, shipper agents, and brokers—are subject to far fewer regulatory restrictions. Because of this disparity in the degree of regulation, the share of freight traffic handled by freight forwarders is decreasing while their competitors' share is increasing. in fact, according to testimony presented to the Surface Transportation Subcommittee by the U.S. Department of Transportation [DOT] in May 1985, freight forwarders have lost half of their business since 1978 and they are at a distinct disadvantage now.

Second, the underlying modes of transportation employed by freight forwarders are far less regulated than the surface freight forwarders themselves. The majority of surface freight forwarders' traffic moves via trailer-on-flatcar [TOFC]; this type of rail service was deregulated by the ICC following enactment of the Staggers Rail Act of 1980. The railroads therefore are able to raise or lower rates at a moment's notice. Surface freight forwarders, however, who are the largest users of TOFC service, must publish rates with a notice period; these forwarders cannot respond to TOFC rate changes in a timely manner. This same problem holds true with motor carriers, although to a lesser degree.

Mr. President, surface freight forwarders who deal with general commodities say that they must be deregulated in order to survive. Representatives of this industry testified before the Surface Transportation Subcommittee that while deregulation will not ensure the success of the surface freight forwarding industry or its survival, the industry will be guaranteed to not survive without deregulation.

S. 1124, the Surface Freight Forwarder Deregulation Act of 1985, removes the needless ICC regulations

which hamper the operations of surface freight forwarders. This legislation removes ICC entry and rate regulation over general commodities freight forwarders and eliminates antitrust immunity for collective ratemaking activities in this sector of the freight forwarding industry. The reforms in S. 1124 are intended to improve the financial health and competitive viability of the surface freight forwarder industry. By removing these regulatory impediments, freight forwarder service will become more efficient and competitive, resulting in a greater variety of price and service options becoming available to shippers.

Mr. President, I wish to note that this legislation is not total deregulation. While S. 1124 recognizes the importance of giving general commodities freight forwarders the freedom to compete effectively, this bill also recognizes the need for shippers to retain important protections. For this reason, S. 1124 retains Federal regulation with respect to cargo liability and claims settlement procedures. During the Surface Transportation Subcommittee's hearing on S. 1124, various shipper organizations stressed the need for such continued regulation to ensure that freight forwarders are responsible for any loss or damage they create, as are other carriers by statute. Therefore, the provisions of section 11707(a) of the Interstate Commerce Act, the "Carmack amendment," remain applicable to general commodities freight forwarders. Further, S. 1124 retains the statute of limitations contained in section 11706 of the Interstate Commerce Act within which shippers can file for overcharges by freight forwarders and other carriers. In the interests of reducing Government interference, however, S. 1124 reduces this statute of limitations from 3 years to 2 years with respect to claims filed against general commodities freight forwarders. S. 1124 also continues to allow general commodities freight forwarders to establish rates under which the liability of the carrier is limited to a value established by written declaration of the shipper or by written agreement between the carrier and shipper if that value would be reasonable under the circumstances surrounding that transportation. Last, S. 1124 retains the ICC's authority under section 10927 of the Interstate Commerce Act to require all freight forwarders to file with the Commission a bond, insurance policy, or other type of security to pay for the loss of or damage to property.

Mr. President, I also wish to note that S. 1124, as reported by the Commerce Committee, retains current regulation over household goods freight forwarders. As introduced, this legislation deregulated all surface freight forwarders. At the Surface Transportation Subcommittee's hearing on this legislation, the household goods freight forwarding industry asserted that they should not be deregulated until all household goods transportation is deregulated. While I do not believe there is any need for continued economic regulation of household goods freight forwarders, this industry's view that any deregulation of household goods forwarders should be considered by Congress separately from that of general commodities forwarders, as has been the case with household goods motor carriers and general freight motor carriers, is valid. I hope to move toward deregulation of the household goods transportation industry in the near future but, until that time, household goods forwarders will remain subject to ICC regulation under the provisions of S. 1124.

Mr. President, this is not controversial legislation. S. 1124 relieves the general commodities freight forwarding industry from the burden of needless Federal regulation. This legislation does not deregulate any transportation mode other than general commodities freight forwarders. I am anxious to pursue further deregulation, especially in the motor carrier industry, but any further deregulation of other transportation modes will be undertaken in separate legislation.

Mr. President, at the Surface Transportation Subcommittee's hearing on S. 1124, the following organizations voiced their support of this legislation: the Reagan administration, the Interstate Commerce Commission, the Freight Forwarders Institute, the National Small Shipments Traffic Conference and the Drug and Toilet Preparation Traffic Conference, the National Industrial Transportation League, Wescar Freight System, C.H. Robinson Co., and Transway International Corp. In addition, such organizations as the Association of American Railroads, Sears, Roebuck & Co., the Transportation Brokers Conference of America, Inc., Interstate Express, Porter Transfer Co., Merchants Delivery Service, Inc., and Texas Shippers have expressed their support for S. 1124.

Mr. President, this legislation will benefit the general commodities freight forwarding industry, which in turn will improve our Nation's overall transportation system. I urge my colleagues to join me in supporting this legislation.

Mr. DANFORTH. Mr. President, today we are considering legislation which would deregulate the portion of the surface freight forwarding industry that deals with general commodities transportation. This bill is aimed at strengthening the financial health of the industry, which in turn will enable these freight forwarders to compete more effectively with other transportation services.

In recent months, I have expressed my concerns about deregulation of the trucking industry. While I support generally the concept of deregulation, I am concerned that we must ensure that the trucking industry has recovered from the economic recession of the early 1980's and the effects of the 1980 regulatory reforms before pursuing deregulation any further. I also want to evaluate carefully the effects of trucking deregulation on organized labor.

S. 1124, however, presents a different case. Unlike some sectors of the trucking industry, the general commodities surface freight forwarding industry wants to be deregulated; in fact, this segment of the freight forwarding industry maintains that it must be deregulated in order to be able to compete effectively with other transportation services. Further, S. 1124 deals only with surface freight forwarders; the legislation does not deregulate any other type of transportation.

Mr. President, I commend Senator PACKWOOD for his efforts on this legislation and encourage my colleagues to support this measure.

Mr. HOLLINGS. Mr. President, S. 1124, the Surface Freight Forwarder Deregulation Act is an effort to eliminate certain Federal regulations.

S. 1124 is the result of the combined plea of those affected by the freight forwarding industry, shippers, regulators, and the forwarders themselves. Together, these groups came before the Committee on Commerce, Science, and Transportation earlier this year, asking for regulatory reform in order that each may benefit from enhanced competition.

Hearings on the issues found that there was little, if any, opposition to the notion of deregulating the freight forwarder industry. Fine tuning of the original bill has resolved questions of the scope of this legislation, most notably excluding household goods forwarders, a group which feels it must remain regulated in order to adequately compete.

Other changes that came from the committee's hearings included the reinstatement of the so-called Carmack amendment. This provision lays out the cargo liability and claims standards for common carriers, like a freight forwarder, and protects shippers against the liability of loss, damage, and delay incurred during the movement of any item.

With these changes in place, I believe this bill provides adequate assurances of protection for shippers, while encouraging increased competition.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL ALOPECIA AREATA AWARENESS WEEK

Mr. DOLE. Mr. President, I ask unanimous consent the Judiciary Committee be discharged from further consideration of House Joint Resolution 282, a joint resolution designating the week beginning October 27, 1985, as "National Alopecia Areata Awareness Week," and I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A resolution (H.J. Res. 282) designating the week beginning October 27, 1985, as "National Alopecia Areata Awareness Week."

Mr. DOLE. I thank the clerk.

Mr. BYRD. The clerk should be publicly commended.

The Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The question is on the third reading and passage of the joint resolution.

There being no objection, the joint resolution (H.J. Res. 282) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that Calendar No. 375, Senate Joint Resolution 208, the Senate companion bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR SCHEDULE

Mr. DOLE. Mr. President, as I indicated earlier, it is hoped that we can dispose of other nominations on the Executive Calendar—James Spain, Winston Lord, State Department nominations, and Alex Kozinski to be U.S. circuit judge for the ninth circuit.

Earlier, Senator LEVIN, who had objected to early consideration of the Kozinski nomination, indicated that he would be prepared to dispose of it with 2 hours for debate under his control and 30 minutes under the control of Senator THURMOND. So I hope we can dispose of that nomination. I am not certain that we can do it at the precise hour suggested by Senator LEVIN, on Wednesday afternoon. If not, we can work out some time agreement.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1950. A communication from the Deputy Assistant Secretary of the Army (Programs and Commercial Activities), transmitting, pursuant to law, a report on the conversion of the facility engineering function at the Military Ocean Terminal, Bayonne, NJ, to performance by contract; to the Committee on Armed Services.

EC-1951. A communication from the Deputy Assistant Secretary of the Army (Programs and Commercial Activities), transmitting, pursuant to law, a report on the conversion of certain functions at Yuma Proving Grounds to performance by contract; to the Committee on Armed Services.

EC-1952. A communication from the Deputy Assistant Secretary of the Army (Programs and Commercial Activities), transmitting, pursuant to law, a report on the conversion of the commissary shelf stocking function at Fort Stewart, GA, to performance by contract; to the Committee on Armed Services.

EC-1953. A communication from the Deputy Assistant Secretary of the Army (Programs and Commercial Activities), transmitting, pursuant to law, a report on the conversion of the commissary shelf stocking function at Hunter Army Air Field, GA, to performance by contract; to the Committee on Armed Services.

EC-1954. A communication from the Deputy Assistant Secretary of the Army (Programs and Commercial Activities), transmitting, pursuant to law, a report on the conversion of the commissary shelf stocking function at Fort Sam Houston, TX, to performance by contract; to the Committee on Armed Services.

EC-1955. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report of the Export Administration for fiscal year 1984; to the Committee on Banking, Housing, and Urban Affairs.

EC-1956. A communication from the President of the United States, transmitting, pursuant to law, notice of his decision not to seek to negotiate voluntary production restraints on copper; to the Committee on Finance.

EC-1957. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting a draft of proposed legislation to implement the Inter-American Convention on International Commercial Arbitration; to the Committee on Foreign Relations.

EC-1958. A communication from the National Treasurer of the American Gold Star Mothers, Inc., transmitting, pursuant to law, the audit report of American Gold Star Mothers, Inc. for the year ended June 30, 1985; to the Committee on the Judiciary.

EC-1959. A communication from the Acting Fiscal Assistant Secretary of the Treasury, transmitting, pursuant to law, a report on the actual amount of revenues deposited in the Panama Canal Commission Fund during fiscal year 1985; to the Committee on Armed Services.

EC-1960. A communication from the Acting Fiscal Assistant Secretary of the Treasury, transmitting, pursuant to law, the final monthly Treasury statement of receipts and outlays of the U.S. Government for fiscal year 1985; to the Committee on Finance.

EC-1961. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-98, adopted by the council on October 8, 1985; to the Committee on Governmental Affairs.

EC-1962. A communication from the Special Coordinator for International Disaster Assistant, Agency for International Development, transmitting, pursuant to law, a report on the use of funds for drought and famine relief and recovery activities in Africa; to the Committee on Foreign Relations.

EC-1963. A communication from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting, pursuant to law, a report on the suspension of deportation of certain aliens pursuant to sections 244(a)(1) and 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-516. A resolution adopted by the Massachusetts General Court; to the Committee on Commerce, Science, and Transportation.

RESOLUTION

"Whereas, the North Atlantic Right Whale is the most endangered of all marine mammals; and

"Whereas, there are fewer than two hundred North Atlantic Right Whales remaining today; and

"Whereas, the North Atlantic Right Whale breeds in coastal waters including those along the New England coast; and

"Whereas, the North Atlantic coastal waters are some of the most polluted, toxic marine environments in the world; and

"Whereas, research is needed to determine the effects of pollutants on our natural marine resources, and especially, on our critically endangered species; now therefore be it

Resolved, That the Massachusetts General Court hereby memorializes the United States Congress to establish a National Sea Park Act before January 1, 1986, to protect the North Atlantic Right Whale and other endangered species of marine wildlife, and to allocate funds for research and enforcement to insure that the purpose of the act is fulfilled; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the House of Representatives to the presiding officer of each branch of Congress and

to the Members thereof from this commonwealth.

POM-517. A resolution adopted by the Council of the City of Oakland, California, urging the retention of the deductibility of State and local taxes in any revision of Federal income tax law which is enacted during the 1985-86 session; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MATHIAS, from the Committee on Rules and Administration, with an amendment:

S. 582. A bill to amend the Act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said Act (Rept. No. 99-171).

By Mr. MATHIAS, from the Committee on Rules and Administration, with amendments:

S. 583. A bill to authorize the Smithsonian Institution to plan and construct facilities for the Cooper-Hewitt Museum, and for other purposes (Rept. No. 99-172).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 84. An original concurrent resolution to authorize the temporary placement of a bust of the late Dr. Martin Luther King, Jr., in the Rotunda of the Capitol for dedication ceremonies, and for other purposes (Rept. No. 99-173).

S. Con. Res. 85. An original concurrent resolution to authorize the compilation and printing of the Bicentennial Edition of the Biographical Directory of the United States Congress (Rept. No. 99-174).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1073. A bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 for the purpose of improving the availability of Japanese science and engineering literature in the United States, and for other purposes (Rept. No. 99-175).

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 241. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1776.

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. Res. 254. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1073; referred to the Committee on the Budget.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ZORINSKY (for himself, Mr. HARKIN and Mr. EXON):

S. 1824. A bill to amend section 13(e)(3) of the Federal Deposit Insurance Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. THURMOND:

S. 1825. A bill for the relief of Ibrahim Al-Assaad; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. MOYNIHAN, and Mr. RIEGLE):

S. 1826. A bill to protect the Social Security Trust Funds and other retirement funds from actions designed to avoid the statutory limit on the public debt; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DANFORTH from the Committee on Commerce, Science, and Transportation:

S. Res. 254. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1073; to the Committee on the Budget.

By Mr. MATHIAS from the Committee on Rules and Administration:

S. Con. Res. 84. An original concurrent resolution to authorize the temporary placement of a bust of the late Dr. Martin Luther King, Jr. in the Rotunda of the Capitol for dedication ceremonies, and for other purposes; placed on the calendar.

S. Con. Res. 85. An original concurrent resolution to authorize the compilation and printing of the Bicentennial Edition of the Biographical Directory of the United States Congress; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

Mr. ZORINSKY (for himself, Mr. HARKIN, and Mr. EXON):

S. 1824. A bill to amend section 13(e)(3) of the Federal Deposit Insurance Act; to the Committee on Banking, Housing, and Urban Affairs.

FDIC BORROWERS RIGHTS

Mr. ZORINSKY. Mr. President, the financial plight of the agriculture community is well known. Among the casualties of this tragic situation are borrowers at failed banks, who often come under intense pressure from the FDIC for repayment of loans. The FDIC's chief obligation is to the depositors, not the borrowers. This is as it should be. However, in their efforts to serve these depositors, the FDIC has sometimes missed the forest for the trees. The welfare of the depositors is intimately tied to the agricultural economy, and, to the extent that the FDIC hurts the farm economy through inflexibility or shortsightedness with strained borrowers, the FDIC is doing a disservice to the depositors.

Congress must take action to change laws that allow the FDIC to overstep the bounds of reasonableness. Today I am introducing the FDIC borrowers rights bill to close a small loophole through which the FDIC disregards legitimate agreements worked out between the borrower and the bank prior to the bank's failing. As the United States Code now stands (12 U.S.C. 1823(e)), the FDIC need not honor any agreement which impinges on its ability to collect a loan unless the agreement satisfies four conditions. Three of these conditions are reasonable. They require, among other things, that the agreement be in writing, that it be signed by the proper people, and that it be in the bank's records. The fourth condition, however, is a technicality mandating that approval of the agreement be reflected in the minutes from meetings of the bank's board of directors. A written agreement signed by all the appropriate parties and officials need not be honored by the FDIC unless this technicality is satisfied.

This requirement has been used to nullify many agreements which would otherwise enable farmers to continue farming. Restructuring a loan's repayment schedule or postponing collection for a period of time through a nondisturbance agreement often allows a farmer to weather a tight period, continue farming, and then repay the debt. The farmer, the farm economy, and depositors in farm banks are clearly best served by honoring these agreements.

My bill rewrites the fourth criteria so that the FDIC must honor an agreement as long as disapproval is not reflected in the minutes of the bank's board of directors' meetings. The other three criteria are not changed. This leaves the law strong enough to screen out those agreements which are clearly not legitimate. However, the FDIC would now have to honor those agreements which are valid by the standards of all other financial agreements.

Mr. President, the rash of bank failures across America is creating pressure for Congress to exert better control over our banking system. However, in our haste to give the FDIC even stronger powers to regulate financial institutions, we must not allow the rights of borrowers to be trampled upon. In addition, we should remember that the Federal Government's fiscal mismanagement played a large role in creating the economic conditions that brought about the farm crisis. Congress must do everything in its power to see that no agent of the Government worsens the situation. While my bill may not be a panacea for the problems of borrowers at failed agricultural banks, it will check the power of the FDIC where the interests of the community are not being served.

ADDITIONAL COSPONSORS

S. 12

At the request of Mr. MOYNIHAN, the names of the Senator from Tennessee [Mr. SASSER] and the Senator from

Montana [Mr. BAUCUS] were added as cosponsors of S. 12, a bill to protect communications among Americans from interception by foreign governments, and for other purposes.

S. 827

At the request of Mrs. HAWKINS, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 827, a bill to amend the Public Health Service Act to provide for the compensation of children and others who have sustained vaccine-related injuries, and for other purposes.

S. 850

At the request of Mr. THURMOND, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 850, a bill to create a Federal criminal offense for operating or directing the operation of a common carrier while intoxicated or under the influence of drugs.

S. 881

At the request of Mr. KENNEDY, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from Washington [Mr. GORTON] were added as cosponsors of S. 881, a bill to extend title X of the Public Health Service Act for 3 years.

S. 1084

At the request of Mr. GOLDWATER, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1429

At the request of Mr. SPECTER, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1429, a bill to amend title 18, United States Code, to authorize prosecution of terrorists who attack U.S. nationals abroad, and for other purposes.

S. 1446

At the request of Mr. ANDREWS, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1446, a bill to amend title 38, United Sates Code, to improve veterans' benefits for former prisoners of wars.

S. 1575

At the request of Mr. WEICKER, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1575, a bill to recognize the Cabinet status of the Administrator of the Small Business Administration.

S. 1710

At the request of Mr. SASSER, his name was added as a cosponsor of S. 1710, a bill to establish a motor carrier administration in the Department of Transportation, and for other purposes.

S. 1747

At the request of Mr. ROTH, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1748

At the request of Mr. ROTH, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1748, a bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries.

S. 1773

At the request of Mr. LEAHY, the names of the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Nebraska [Mr. EXON], the Senator from Vermont [Mr. STAFFORD], the Senator from Georgia [Mr. MATTINGLY], the Senator from Indiana [Mr. QUAYLE], the Senator from Washington [Mr. GORTON], the Senator from Oklahoma [Mr. NICKLES], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 1773, a bill to express the policy of the Congress on the number of members of the Soviet mission at the United Nations headquarters.

S. 1805

At the request of Mr. TRIBLE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1805, a bill to amend title 5, United States Code, to increase the opportunity to provide a survivor annuity under subchapter III of chapter 83 of such title; and to improve retirement counseling for Federal Government employees.

S. 1818

At the request of Mr. DENTON, the names of the Senator from South Dakota [Mr. ABDNOR], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 1818, a bill to prevent sexual molestation of children in Indian country.

SENATE JOINT RESOLUTION 134

At the request of Mr. BIDEN, the names of the Senator from Washington [Mr. EVANS], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 134, a joint resolution to designate "National Safety in the Workplace Week".

SENATE JOINT RESOLUTION 178

At the request of Mr. D'AMATO, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 178, a joint resolution to designate the week of April 13, 1986, through April 19, 1986, as "Hemochromatosis Awareness Week".

SENATE JOINT RESOLUTION 217

At the request of Mr. HEINZ, the names of the Senator from Illinois [Mr. SIMON], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 217, a joint resolution to designate the week of December 2, 1985, to December 8, 1985 as "National Emergency Medical Air Transport Week".

SENATE CONCURRENT RESOLUTION 69

At the request of Mr. DANFORTH, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Florida [Mr. CHILES], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Missouri [Mr. EAGLETON] were added as cosponsors of Senate Concurrent Resolution 69, a concurrent resolution to recognize the National Camp Fire Organization for 75-years of service.

SENATE CONCURRENT RESOLUTION 84—AUTHORIZING THE TEMPORARY PLACEMENT OF A BUST OF DR. MARTIN LUTHER KING, JR., IN THE ROTUNDA OF THE CAPITOL FOR DEDICATION CEREMONIES

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original concurrent resolution; which was placed on the calendar:

S. CON. RES. 84

Resolved by the Senate (the House of Representatives concurring), That (a) the Joint Committee on the Library is authorized to place temporarily in the Rotunda of the Capitol in January of 1986 the bust of the late Dr. Martin Luther King, Jr., as authorized by House Concurrent Resolution 153, 97th Congress, and to hold dedication ceremonies in the Rotunda at that time. This bust shall remain on display in the Rotunda for a period not to exceed one year, after which time the bust shall be moved to its permanent location. The Architect of the Capitol is authorized to make the necessary arrangements for the placement of the bust.

SEC. 2. (a) The proceedings of the dedication ceremony in the Rotunda of the Capitol at the presentation by the Joint Committee on the Library of the bust of the late Dr. Martin Luther King, Jr., together with appropriate illustrations and other pertinent matter, shall be printed as a Senate document. The copy for such document shall be prepared under the direction of the Joint Committee on the Library.

(b) The Joint Committee on Printing shall bind and print five thousand additional copies of the Senate document prepared pursuant to subsection (a), in such style as the Joint Committee on Printing shall direct, and shall make such copies available to the Joint Committee on the Library for further distribution.

SENATE CONCURRENT RESOLUTION 85—AUTHORIZING THE COMPILATION AND PRINTING OF A BICENTENNIAL EDITION OF THE BIOGRAPHICAL DIRECTORY OF THE U.S. CONGRESS

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original concurrent reso-

lution; which was placed on the calendar:

S. CON. RES. 85

Resolved by the Senate (the House of Representatives concurring), That (a) the Joint Committee on Printing shall compile and print as a Senate document, with illustrations, and in such style and form as may be directed by the Joint Committee on Printing, a revised edition of the Biographical Directory of the American Congress up to and including the One Hundredth Congress (1774–1989).

(b) With respect to the compilation of the directory authorized by subsection (a)—

(1) the Historian of the Senate shall be responsible for providing to the Joint Committee on Printing the biographical data for Members of the Senate and for individuals who have served in both the House of Representatives and the Senate; and

(2) the Historian of the House of Representatives shall be responsible for providing to the Joint Committee on Printing the biographical data for Members of the House of Representatives and Delegates.

(c) The Joint Committee on Printing shall print seven thousand nine hundred and eighty-five copies of the directory, of which—

(1) two thousand and forty-five copies shall be for the use of the Senate;

(2) five thousand three hundred and ninety copies for the use of the House of Representatives; and

(3) five hundred and fifty copies for the use of the Joint Committee on Printing.

(d) The edition of the Biographical Directory of the Congress prepared pursuant to this resolution is prepared in celebration of the Bicentennial of the United States Congress and shall be known as the "Bicentennial Edition of the Directory of the United States Congress.".

SEC. 2. There is authorized to be appropriated to the Joint Committee on Printing such sums as may be necessary for the employment of personnel and the payment of expenses to carry out the provisions of this resolution.

SENATE RESOLUTION 254—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 254

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1073. Such waiver is necessary because S. 1073 authorizes the enactment of new budget authority which would first become available in fiscal year 1986, and such bill was not reported on or before May 15, 1985, pursuant to section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

S. 1073 would authorize $1,000,000 for certain activities of the Secretary of Commerce. This authorization is necessary to ensure that sufficient funds are available for the Secretary to carry out functions relating to Japanese technical reports and documents, in accordance with amendments made by the bill to the Stevenson-Wydler Technology Innovation Act of 1980. Growing trade imbalances and increasingly complex technology require that agencies and departments of the United States and businesses and researchers in the private sector within the United States have available information on Japanese developments in technology and engineering. S. 1073 would provide for the acquisition, translation, and dissemination of such information.

The bill was not introduced in the Senate until just prior to the statutory deadline for reporting bills making authorizations of appropriations for fiscal year 1986. It was, therefore, necessary for the Committee to delay consideration of S. 1073 for a period sufficient to permit careful evaluation of the bill's provisions.

AMENDMENTS SUBMITTED

INCREASE IN PUBLIC DEBT LIMIT

BOREN (AND OTHERS) AMENDMENT NO. 956

Mr. METZENBAUM (for Mr. BOREN, for himself Mr. METZENBAUM and Mr. LEVIN) proposed an amendment to the amendment of the House to the amendment of the Senate numbered 1 to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt; as follows:

Notwithstanding the preceding sentence or any other provision of this joint resolution, the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives shall, not later than April 15, 1986, report to the Senate and the House of Representatives, respectively, legislation which—

(1) provides for payment of an alternative minimum tax on corporations based on the broadest feasible definition of income to assure that all corporations with economic income pay their fair share of taxes, and

(2) takes effect not later than July 1, 1986. Any revenue raised by such legislation shall be applied to reduce the Federal deficit.

PACKWOOD (AND DOMENICI) AMENDMENT NO. 957

Mr. PACKWOOD (for himself and Mr. DOMENICI) proposed an amendment to the amendment of the House to the amendment of the Senate numbered 2 to the joint resolution (H.J. Res. 372), supra; as follows:

In lieu of the amendment proposed by the House of Representatives, insert the following:

TITLE II—DEFICIT REDUCTION PROCEDURES

SEC. 201. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the "Balanced Budget and Emergency Deficit Control Act of 1985".

(b) TABLE OF CONTENTS.—

TITLE II—DEFICIT REDUCTION PROCEDURES

Sec. 201. Short title and table of contents.
Sec. 202. Congressional budget.
Sec. 203. Budget submitted by the President.
Sec. 204. Emergency powers to eliminate deficits in excess of maximum deficit amounts.
Sec. 205. Budgetary treatment of social security trust funds.
Sec. 206. Budget Act waivers.
Sec. 207. Other waivers and suspensions.
Sec. 208. Supplemental budget estimates.
Sec. 209. Point of order.
Sec. 210. Application.
Sec. 211. Exercise of rulemaking power.
Sec. 212. Sense of the Senate.
Sec. 213. Report required.
Sec. 214. Treatment of certain cost-of-living adjustments.
Sec. 215. Conforming amendment to President's budget.
Sec. 216. Expedited review of constitutionality of this title.
Sec. 217. Permanent technical corrections.
Sec. 218. Congressional Budget Office reports.
Sec. 219. Revenue estimates.
Sec. 220. General Accounting Office study.
Sec. 221. Early election of committees of the House.
Sec. 222. Interest and repayments to Social Security Trust Funds and other retirement funds.

SEC. 202. CONGRESSIONAL BUDGET.

(a) ONE CONCURRENT RESOLUTION ON THE BUDGET REQUIRED ANNUALLY.—

(1) IN GENERAL.—Section 310 of the Congressional Budget Act of 1974 is amended—

(A) by striking out the section heading and all that follows through "necessary—" in the matter preceding paragraph (1) of subsection (a) and inserting in lieu thereof the following:

"RECONCILIATION PROCESS

"SEC. 310. (a) IN GENERAL.—Any concurrent resolution on the budget considered under section 301 or section 304 for a fiscal year shall, to the extent necessary—";

(B) by striking out subsection (b) and redesignating subsection (c) as subsection (b); and

(C) by inserting at the end thereof the following new subsection:

"(h) COMPLETION OF RECONCILIATION PROCESS IN THE HOUSE OF REPRESENTATIVES.—It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period for more than three calendar days during the month of July until the House of Representatives has completed action on the reconciliation legislation for the fiscal year beginning on October 1 of the calendar year to which the adjournment resolution pertains, if reconciliation legislation is required to be reported by the concurrent resolution on the budget for such fiscal year.".

(2) CONFORMING CHANGES.—

(A) The table of contents in subsection (b) of section 1 of the Congressional Budget and Impoundment Control Act of 1974 is amended—

(i) by striking out "Adoption of first concurrent resolution" in the item relating to section 301 and inserting in lieu thereof "Annual adoption of concurrent resolution";

(ii) by striking out "First concurrent resolution" in the item relating to section 303 and inserting in lieu thereof "Concurrent resolution"; and

(iii) by striking out "Second required concurrent resolution and reconciliation" in the item relating to section 310 and inserting in lieu thereof "Reconciliation".

(B) Paragraph (4) of section 3 of such Act is amended—

(i) by adding "and" after the semicolon at the end of subparagraph (A);

(ii) by striking out subparagraph (B); and

(iii) by striking out "(C) any other" and inserting in lieu thereof "(B) a".

(C) Section 300 of the Congressional Budget Act of 1974 is amended to read as follows:

"TIMETABLE

"SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:

"On or before:	Action to be completed:
First Monday after January 3.	President submits his budget.
February 15	Congressional Budget Office submits report to Budget Committees.
February 25	Committees submit views and estimates to Budget Committees.
April 15	Congress completes action on concurrent resolution on the budget.
May 15	Appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last regular appropriation bill.
June 15	Congress completes action on reconciliation legislation.
June 30	House completes action on regular appropriation bills.
October 1	Fiscal year begins."

(D)(i) The heading of section 301 of the Congressional Budget Act of 1974 is amended to read as follows:

"ANNUAL ADOPTION OF CONCURRENT RESOLUTION".

(ii) Section 301(a) of such Act is amended by striking out "the first concurrent resolution on the budget" in the first sentence and inserting in lieu thereof "a concurrent resolution on the budget".

(iii) Section 301(b) of such Act is amended—

(I) by striking out "first concurrent resolution on the budget" in the matter preceding paragraph (1) and inserting in lieu thereof "concurrent resolution on the budget referred to in subsection (a)"; and

(II) in paragraph (1) by striking out all beginning with "the concurrent resolution" through "both" the second place it appears and inserting in lieu thereof "the Congress has completed action on any reconciliation bill or reconciliation resolution, or both, required by such concurrent resolution to be reported in accordance with section 310(b)".

(iv) Section 301(c) of such Act is amended by striking out "March 15" and inserting in lieu thereof "February 25".

(v) Section 301(e) of such Act is amended by striking out "first concurrent resolution on the budget" each place it appears and inserting in lieu thereof "concurrent resolution on the budget referred to in subsection (a)".

(vii) Section 301 of such Act is amended by inserting at the end thereof the following new subsections:

"(g) CONSIDERATION OF PROCEDURES OR MATTERS WHICH HAVE THE EFFECT OF CHANGING ANY RULE OF THE HOUSE OF REPRESENTATIVES.—If the Committee on the Budget of the House of Representatives reports any concurrent resolution on the budget which includes any procedure or matter which has the effect of changing any rule of the House of Representatives, such concurrent resolution shall then be referred to the Committee on Rules with instructions to report it within five calendar days (not counting any day on which the House is not in session). The Committee on Rules shall have the jurisdiction to report any concurrent resolution referred to it under this paragraph with an amendment or amendments which change or strike out any such procedure or matter.

"(h) BUDGET COMMITTEES CONSULTATION WITH STANDING COMMITTEES.—The Committee on the Budget of each House shall consult with the standing committees of its House during the preparation, consideration, and enforcement of the concurrent resolution on the budget with respect to all matters which relate to the jurisdiction or functions of such committees.".

(E) Section 302(c) of such Act is amended by striking out "or 310".

(F)(i) The heading of section 303 of such Act is amended by striking out "FIRST".

(ii) Section 303(a) of such Act is amended by striking out "first concurrent resolution on the budget for such fiscal year has been agreed to pursuant to section 301" in the matter following paragraph (4) and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a) for such fiscal year has been agreed to".

(G) Section 303(a) of such Act is amended—

(i) by striking out "or" at the end of paragraph (3),

(ii) by inserting "or" at the end of paragraph (4), and

(iii) by adding the following new paragraph:

"(5) new credit authority for a fiscal year;".

(H) Section 304 of such Act is amended—

(i) by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)"; and

(ii) by striking out "pursuant to section 301".

(I)(i) Section 305(a)(3) of such Act is amended by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(ii) Section 305(b) of such Act is amended—

(I) in paragraph (1) by striking out ", except that" and all that follows through "15 hours"; and

(II) in paragraph (3) by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(J) Section 307 of such Act is amended to read as follows:

"HOUSE COMMITTEE ACTION ON ALL APPROPRIATION BILLS TO BE COMPLETED BY JUNE 10

"SEC. 307. On or before June 10 of each year, the Committee on Appropriations of the House of Representatives shall report bills and resolutions providing new budget authority under the jurisdiction of all of its subcommittees for the fiscal year which begins on October 1 of that year.".

(K) Section 308(a)(2)(A) of such Act is amended by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(L) Section 309 of such Act is amended to read as follows:

"HOUSE APPROVAL OF REGULAR APPROPRIATION BILLS

"SEC. 309. It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period of more than three calendar days during the month of July until the House of Representatives has approved bills and resolutions providing new budget authority under the jurisdiction of all the subcommittees of the Committee on Appropriations for the fiscal year beginning on October 1 of such year, other than supplemental, deficiency, and continuing appropriation bills and resolutions.".

(M) Section 310(f) of such Act is amended by striking out "subsection (a)" and inserting in lieu thereof "section 301(a)".

(N) Section 311(a) of such Act is amended—

(i) by striking out "310(a)" the first place it appears and inserting in lieu thereof "301(a)"; and

(ii) by striking out "310(c)" and inserting in lieu thereof "310(b)".

(b) MAXIMUM DEFICIT AMOUNTS.—

(1) ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

(A) POINT OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively, and inserting after subsection (b) the following new subsection:

"(c) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—

"(1)(A) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider any concurrent resolution on the budget for a fiscal year under this section, or to consider any amendment to such a concurrent resolution, or to consider a conference report on such a concurrent resolution, if the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report (or that would result from the adoption of such amendment), exceeds the recommended level of Federal revenues for that year by an amount that is greater than the maximum deficit amount specified for such fiscal year in section 3(7).

"(B) In the House of Representatives the point of order established under subparagraph (A) with respect to the consideration of a conference report or with respect to the consideration of a motion to concur, with or without an amendment or amendments, in a Senate amendment, the stage of disagreement having been reached, may be waived only by three-fifths of the Members voting for or against the waiver, a quorum being present.

"(2) Paragraph (1) of this subsection shall not apply if a declaration of war by the Congress is in effect.".

(B) CONFORMING CHANGES.—

(i) Section 301(a)(6) of such Act is amended by striking out "subsection (e)" and inserting in lieu thereof "subsection (f)".

(ii) Section 301(e) of such Act, as redesignated by clause (i) of this subparagraph, is amended by inserting "; and when so reported such concurrent resolution shall comply with the requirement described in paragraph (1) of subsection (c), unless such paragraph does not apply to such fiscal year by reason of paragraph (2) of such subsection" after "October 1 of such year" in the third sentence thereof.

(2) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—Section 304 of such Act is amended—

(A) by inserting "(a) IN GENERAL.—" after "SEC. 304."; and

(B) by adding at the end thereof the following new subsection:

"(b) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—

"(1)(A) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider any concurrent resolution on the budget for a fiscal year under this section, or to consider any amendment to such a concurrent resolution, or to consider a conference report on such a concurrent resolution, if the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report (or that would result from the adoption of such amendment), exceeds the recommended level of Federal revenues for that year by an amount that is greater than the maximum deficit amount specified for such fiscal year in section 3(7).

"(B) In the House of Representatives the point of order established under subparagraph (A) with respect to the consideration of a conference report or with respect to the consideration of a motion to concur, with or without an amendment or amendments, in a Senate amendment, the stage of disagreement having been reached, may be waived only by three-fifths of the Members voting for or against the waiver, a quorum being present.

"(2) Paragraph (1) of this subsection shall not apply if a declaration of war by the Congress is in effect.".

(3) DEFINITIONS.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end thereof the following new paragraphs:

"(6) The term 'deficit' means, with respect to any fiscal year, the amount by which total budget outlays for such fiscal year exceed total revenues for such fiscal year. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (and notwithstanding section 710(a) of the Social Security Act), the receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for a fiscal year, and the taxes payable under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 during such fiscal year, shall be included in total revenues for such fiscal year, and the disbursements of each such Trust Fund for such fiscal year shall be included in total budget outlays for such fiscal year. Notwithstanding any other provision of law, for all purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, the budget authority and outlays of each off-budget Federal entity for a fiscal year shall be included in total budget authority, total budget outlays, and the amounts of budget authority and outlays set forth for each major functional category, for such fiscal year. Amounts paid by the Federal Financing Bank for the purchase of loans made or guaranteed by a department, agency, or instrumentality of the Government of the United States shall be treated as outlays of that department, agency, or instrumentality.

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1985, $180,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1986, $144,000,000,000;

"(C) with respect to the fiscal year beginning October 1, 1987, $108,000,000,000;

"(D) with respect to the fiscal year beginning October 1, 1988, $72,000,000,000;

"(E) with respect to the fiscal year beginning October 1, 1989, $36,000,000,000; and

"(F) with respect to the fiscal year beginning October 1, 1990, zero.

"(8) The term 'off-budget Federal entity' means any entity—

"(A) established by Federal law, and

"(B) the budget outlays of which are required by law to be excluded from the totals of—

"(i) the budget of the United States Government submitted by the President pursuant to section 1105 of title 31, United States Code, and

"(ii) the budget adopted by the Congress pursuant to title III of this Act.

"(9) The term "credit authority" means authority to incur direct loan obligations or to incur primary loan guarantee commitments.".

(c) RECONCILIATION.—

(1) ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

(A) DIRECTIONS TO COMMITTEES.—Section 301(b) of the Congressional Budget Act of 1974 is further amended—

(i) by striking out "may also require" in the matter preceding paragraph (1) and inserting in lieu thereof "shall also, to the extent necessary to comply with subsection (c)";

(ii) by inserting "require" after the paragraph designation in paragraph (1);

(iii) by inserting "require" after the paragraph designation in paragraph (2); and

(iv) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) specify and direct any combination of the matters described in paragraphs (1), (2), and (3) of section 310(a);".

(B) CONFORMING CHANGES.—

(i) Section 310(a) of such Act is amended—

(I) by inserting "or" at the end of paragraph (2);

(II) by striking out "; or" at the end of paragraph (3) and inserting in lieu thereof a period; and

(III) by striking out paragraph (4).

(ii) Section 310(d) of such Act is amended by striking out "subsection (c)" and all that follows through "year" and inserting in lieu thereof "subsection (b) with respect to a concurrent resolution on the budget adopted under section 301(a) not later than June 15 of each year".

(iii) Subsections (e) and (f) of section 310 of such Act are amended by striking out "subsection (c)" each place it appears and inserting in lieu thereof "subsection (b)".

(2) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—

(A) IN GENERAL.—Section 304(a) of such Act (as redesignated by paragraph (2)(A) of subsection (b)) is amended by adding after the period the following new sentence: "Any concurrent resolution agreed to under this section shall specify and direct any combination of the matters described in paragraphs (1), (2), and (3) of section 310(a) to the extent necessary to comply with subsection (b).".

(B) CONFORMING CHANGE.—Section 310(d) of such Act (as amended by paragraph (1)(B) of this subsection) is further amended by adding at the end thereof the following new sentence: "Congress shall complete action on any reconciliation bill or reconciliation resolution reported under subsection (b) with respect to a concurrent resolution on the budget adopted under section 304(a) not later than 30 days after the adoption of the concurrent resolution.".

(d) LIMITATION ON AMENDMENTS.—

(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—

(A) HOUSE OF REPRESENTATIVES.—Section 305(a) of such Act is amended to read as follows:

"PROVISIONS RELATING TO THE CONSIDERATION OF CONCURRENT RESOLUTIONS ON THE BUDGET

"SEC. 305. (a) PROCEDURE IN HOUSE OF REPRESENTATIVES AFTER REPORT OF COMMITTEE; DEBATE.—

"(1) When the Committee on the Budget of the House has reported any concurrent resolution on the budget, it is in order at any time after the fifth day (excluding Saturdays, Sundays, and legal holidays) following the day on which the report upon such resolution by the Committee on the Budget has been available to Members of the House and, if applicable, after the first day (excluding Saturdays, Sundays, and legal holidays) following the day on which a report upon such resolution by the Committee on Rules pursuant to section 301(c) has been made available to Members of the House (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(2) General debate on any concurrent resolution on the budget in the House of Representatives shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority parties, plus such additional hours of debate as are consumed pursuant to paragraph (3). A motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

"(3) Following the presentation of opening statements on the concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the House, there shall be a period of up to four hours for debate on economic goals and policies.

"(4) Only if a concurrent resolution on the budget reported by the Committee on the Budget of the House sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Full Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.

"(5) Consideration of any concurrent resolution on the budget by the House of Representatives shall be in the Committee of the Whole, and the resolution shall be considered for amendment under the five-minute rule in accordance with the applicable provisions of rule XXIII of the Rules of the House of Representatives. After the Committee rises and reports the resolution back to the House, the previous question shall be considered as ordered on the resolution and any amendments thereto to final passage without intervening motion; except that it shall be in order at any time prior to final passage (notwithstanding any other rule or provision of law) to adopt an amendment (or a series of amendments) changing any figure or figures in the resolution as so re-

ported to the extent necessary to achieve mathematical consistency.

"(6) Debate in the House of Representatives on the conference report on any concurrent resolution on the budget shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

"(7)(A) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

"(B)(i) No amendment that would have the effect of increasing any specific budget outlays above the level of such outlays set forth in a concurrent resolution on the budget, or of reducing any specific Federal revenues below the level of such revenues set forth in such concurrent resolution, shall be in order unless such amendment ensures that the amount of the deficit for any fiscal year set forth in such concurrent resolution is not increased, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof.

"(ii) Clause (i) of this subparagraph shall not apply if a declaration of war by the Congress is in effect.".

(B) SENATE.—Section 305(b)(2) of such Act is amended—

(i) by inserting "(A)" before the paragraph designation; and

(ii) by adding at the end thereof the following new subparagraph:

"(B)(i) No amendment that would have the effect of increasing any specific budget outlays above the level of such outlays set forth in a concurrent resolution on the budget, or of reducing any specific Federal revenues below the level of such revenues set forth in such concurrent resolution, shall be in order unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the concurrent resolution is not increased, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof.

"(ii) Clause (i) of this subparagraph shall not apply if a declaration of war by the Congress is in effect.".

(2) RECONCILIATION BILLS AND RESOLUTIONS.—Section 310 of such Act is amended by inserting after subsection (b) (as redesignated by subsection (a)(1)(C)) the following new subsection:

"(c) LIMITATION ON AMENDMENTS TO RECONCILIATION BILLS AND RESOLUTIONS.—

"(1)(A) It shall not be in order in the Senate to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill or resolution, or would have the effect of reducing any specific Federal revenues below the level of such revenues provided in the bill or resolution, unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the most recently agreed to concurrent resolution on the budget is not exceeded, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof, except that a motion to strike a provision shall always be in order.

"(B) In the House of Representatives, no provision shall be reported in any reconciliation bill, or be in order as an amendment thereto, which is not related to achieving the purposes of the directives to committees contained in the most recently agreed to concurrent resolution: *Provided*, That nothing in this subparagraph shall be construed to prevent the consideration of any provision in a reconciliation bill or, or any amendment thereto, which only achieves savings greater than those directed of a committee, or to prevent the consideration of motions to strike made in order by the Committee on Rules to achieve the purposes of the directives. For the purposes of this paragraph, a provision shall be considered related to achieving the purposes of directives contained in the most recently agreed to budget resolution if it is estimated by the Committee on the Budget, in consultation with the Congressional Budget Office, to effectuate or implement a reduction in budget authority or in new spending authority described in section 401(c)(2)(C), or to raise revenues, or both, and, in the case of an amendment, if it is within (in whole or in part) the jurisdiction of any committees instructed in the concurrent resolution. The point of order in this subparagraph shall not apply to Senate amendments or to conference reports.

"(2) Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.".

(e) ENFORCEMENT.—

(1) ALLOCATIONS OF BUDGET AUTHORITY AND OUTLAYS.—

(A) REPORTING DATE FOR ALLOCATIONS.—Section 302(b) of such Act is amended by striking out "Each such committee shall promptly report" in the last sentence and inserting in lieu thereof "Each such committee, within ten days of session after the concurrent resolution is agreed to, shall report".

(B) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(i) new budget authority for any fiscal year;

(ii) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in any fiscal year; or

(iii) direct loan authority, primary loan guarantee authority, or secondary loan guarantee authority for any fiscal year;

within the jurisdiction of any committee which has received an allocation of budget authority or new spending authority described in section 401(c)(2)(C) pursuant to section 302(a) of the Congressional Budget Act for a fiscal year, unless and until such committee makes the allocation or subdivisions required by section 302(b) of the Congressional Budget Act, in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year.

(C) ALLOCATIONS MADE BINDING.—Section 311 of such Act is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and inserting immediately after "SEC. 311" the following new subsection:

"(a) LEGISLATION SUBJECT TO POINT OF ORDER AFTER ADOPTION OF ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

"(1) IN GENERAL.—At any time after the Congress has completed action on the concurrent resolution on the budget required to be reported under section 301(a) for a fiscal year, it shall not be in order—

"(A) in the Senate—

"(i) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides for budget outlays or new budget authority in excess of the appropriate allocation of such outlays or authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year; or

"(ii) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides new spending authority described in section 401(c)(2)(C) to become effective during such fiscal year, if the amount of budget outlays or new budget authority that would be required for such year if such bill or resolution were enacted without change or such amendment were adopted would exceed the appropriate allocation of budget outlays or new budget authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year, unless such bill, resolution, or amendment was favorably reported by the Committee on Appropriations of the House involved under section 401(b)(2) along with a certification that if such bill, resolution, or amendment is enacted or adopted, the committee will reduce appropriations or take any other actions necessary to assure that the enactment or adoption of such bill, resolution, or amendment will not result in a deficit for such fiscal year in excess of the maximum deficit amount specified for such fiscal year in section 3(7); or

"(B) In the House of Representatives—

"(i) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides for new budget authority or new spending authority described in section 401(c)(2)(C) in excess of the appropriate allocation of such authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year; or

"(ii) the point of order established under subparagraph (B)(i) may be waived only by three-fifths of the Members voting for or against the waiver, a quorum being present.

"(2) ALTERATION OF 302(b) ALLOCATIONS.—At any time after a committee reports the allocations required to be made under section 302(b), such committee may report to its House an alteration of such allocations. Any such alteration of allocations must be consistent with any actions already taken by its House on legislation within the committee's jurisdiction.

"(3) EXCEPTION.—Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.".

(D) CONFORMING CHANGE.—Section 311(c) of such Act (as redesignated by subparagraph (C)) is amended by striking out "subsection (a)" and inserting in lieu thereof "subsections (a) and (b)".

(2) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 311(b) of such Act, as redesignated by paragraph (1)(C) of this subsection, is amended by inserting before the period at the end thereof the following: "or, in the Senate, would otherwise result in a deficit for such fiscal year that exceeds the maximum deficit amount specified for such fiscal year in section 3(7) (except to the

extent that paragraph (1) of section 301(c) or section 304(b), as the case may be, does not apply by reason of paragraph (2) of such subsection)".

(3) REPORTING REQUIREMENT EXTENDED TO CONFERENCE REPORTS.—Section 308(a) of such Act is amended by striking out "the report accompanying that bill or resolution" in the matter preceding paragraph (1) and inserting in lieu thereof the following: "or whenever a conference report is filed in either House, the report accompanying that bill or resolution or the statement of managers accompanying that conference report".

SEC. 203. BUDGET SUBMITTED BY THE PRESIDENT.

(a) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The budget transmitted pursuant to subsection (a) for a fiscal year shall be prepared on the basis of the best estimates then available, in such a manner as to ensure that the deficit for such fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

"(2) Subject to paragraph (3) of this subsection, the deficit set forth in the budget so transmitted for any fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974, with budget outlays and Federal revenues at such levels as the President may consider most desirable and feasible.

"(3) Paragraph (2) shall not apply if a declaration of war by the Congress is in effect.".

(b) REVISIONS AND SUPPLEMENTAL SUMMARIES.—Section 1106 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Subsection (f) of section 1105 shall apply to revisions and supplemental summaries submitted under this section to the same extent that such subsection applies to the budget submitted under section 1105(a) to which such revisions and summaries relate.".

SEC. 204. EMERGENCY POWERS TO ELIMINATE DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNTS.

(a) REPORTING OF DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNTS.—

(1) IN GENERAL.—The Director of the Office of Management and Budget and the Director of the Congressional Budget Office (hereafter in this section referred to as "the Directors") shall, with respect to any fiscal year (A) estimate the base levels of total revenues and total budget outlays for such fiscal year, (B) determine whether the deficit for such fiscal year will exceed the maximum deficit amount for such fiscal year and whether such excess is statistically significant, and (C) estimate the rate of real economic growth that will occur during such fiscal year and the rate of economic growth that will occur during each quarter of such fiscal year. The Directors jointly shall issue a report to the Comptroller General on December 10 of the fiscal year beginning October 1, 1985, and on September 15 preceding each succeeding fiscal year identifying the amount of any excess, stating whether such excess is statistically significant, specifying the estimated rate of real economic growth for such fiscal year and for each quarter of such fiscal year, and specifying the uniform percentage by which automatic spending increases shall be reduced during such fiscal year and the uniform percentage by which controllable expenditures shall be reduced during such fiscal year in order to eliminate any such excess. In the event that the Directors are unable to agree on an amount to be set forth with respect to any item in any such report, the amount set forth for such item in such report shall be the average of the amounts proposed by each of them with respect to such item. The Directors shall make such report public on the day on which it is transmitted to the Comptroller General. The Comptroller General shall consider the report issued by the Directors for a fiscal year and, with due regard for the data, assumptions, and methodologies used in reaching the conclusions set forth therein, the Comptroller General shall issue a report to the President and the Congress not later than December 15 (for fiscal year 1986) and the September 25 preceding each fiscal year thereafter (for fiscal years 1987 through 1991), estimating the base levels of total revenues and total budget outlays for such fiscal year, identifying the amount by which the deficit for such fiscal year will exceed the maximum deficit amount for such fiscal year, stating whether such excess is statistically significant, specifying the estimated rate of real economic growth for such fiscal year and for each quarter of such fiscal year, and specifying the uniform percentage by which automatic spending increases shall be reduced during such fiscal year and the uniform percentage by which controllable expenditures shall be reduced during such fiscal year in order to eliminate any such excess. The report of the Comptroller General shall explain fully any differences between the contents of such report and the report of the Directors.

(2) EXCEPTION.—Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.

(b) PRESIDENTIAL ORDER.—

(1) CONTENTS.—

(A) IN GENERAL.—Upon receipt of any report from the Comptroller General under subsection (a) of this section which identifies a statistically significant amount by which the deficit for a fiscal year will exceed the maximum deficit amount for such fiscal year, the President shall eliminate the full amount of the deficit excess by issuing an order, in accordance with subparagraph (B), that—

(i) subject to the succeeding subparagraphs, and notwithstanding the Impoundment Control Act of 1974, eliminates one-half of such excess by modifying or suspending the operation of each provision of Federal law that would (but for such order) require an automatic spending increase to take effect during such fiscal year, in such a manner as to reduce (but not below zero) the amount of the outlay increase under each such provision by a uniform percentage, and

(ii) subject to the succeeding subparagraphs, and notwithstanding the Impoundment and Control Act of 1974, eliminates one-half of such excess by sequestering from each affected program, project, or activity (as defined in the most recently enacted relevant appropriations Acts and accompanying committee reports) or from each affected account if not so defined, for funds provided in annual appropriations Acts or, otherwise from each budget account, such amounts of budget authority, obligation limitation, other budgetary resources, and loan limitation, and by adjusting payments provided by the Federal Government, to the extent necessary to reduce the outlays for each controllable expenditure by a uniform percentage; and

shall transmit to both Houses of the Congress a message—

(iii) identifying—

(I) the total amount and the percentage by which automatic spending increases are to be reduced under clause (i) of this subparagraph;

(II) the total amount of budget authority, obligation limitations, loan limitations, and other budgetary resources which is to be sequestered under clause (ii) of this subparagraph with respect to controllable expenditures;

(III) the amount of budget authority, obligation limitations, loan limitations, and other budgetary resources which is to be sequestered with respect to each such controllable expenditure in order to reduce it by the required percentage; and

(IV) the account, department, or establishment of the Government to which each amount of budget authority, obligation limitations, loan limitations, and other budgetary resources described in clause (ii) of this subparagraph would be available for obligation; and

(iv) providing full supporting details with respect to each action to be taken under clause (i) or (ii) of this subparagraph.

Upon receipt in the Senate and the House of Representatives, the message shall be referred to all committees with jurisdiction over programs, projects, or activities affected by it.

(B) EXCEPTION.—If, in order to reduce by one-half the amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year, actions under subparagraph (A)(i) would require the reduction of automatic spending increases below zero, then, in order not to require such reductions below zero, the remaining amount shall be achieved through further uniform reductions under subparagraph (A)(ii).

(C) LIMITATION.—No action taken by the President under clause (i) or (ii) of subparagraph (A) shall have the effect of eliminating any program, project, or activity of the Federal Government.

(D) LIMITATION.—Any automatic spending increases modified or suspended, or any amounts of budget authority, obligation limitation, other budgetary resources, or loan limitations sequestered by an order of the President under this title are permanently cancelled, and the legal rights, if any, of persons to receive such automatic spending increases shall be deemed to be extinguished to the extent that the operation of laws providing for such increases are modified or suspended by such an order. Notwithstanding any other provision of law, any change in the Consumer Price Index or any other index measuring costs, prices, or wages (or in any component of any such index) that is not taken into account for purposes of determining the amount of an automatic spending increase (if any) for a fiscal year for which an order is issued pursuant to subparagraph (A) shall not be taken into account for purposes of determining any automatic spending increase during any fiscal year thereafter.

(E) LIMITATION.—Nothing in clause (i) or (ii) of subparagraph (A) shall be construed to give the President new authority to alter the relative priorities in the Federal budget that are established by law, and no person who is, or becomes, eligible for benefits

under any provision of law shall be denied eligibility by reason of this title.

(F) BASE LEVELS.—

(i) IN GENERAL.—Any order issued by the President under this paragraph shall use the base levels of total revenues and total budget outlays (as defined in paragraph (11) of subsection (d)) and the uniform percentage reductions specified in the report issued by the Comptroller General pursuant to subsection (a), adjusted, as provided in clause (ii), for any laws enacted or regulations promulgated between the date the base levels for such report were established and the date of such order. The order shall also use the same economic and technical assumptions used in the report issued by the Comptroller General pursuant to subsection (a).

(ii) ADJUSTMENTS FOR INTERVENING LEGISLATION.—

(I) With respect to legislation enacted or regulations promulgated after an estimation of base levels under subsection (a)(1) for a fiscal year but before the date of the report of the Comptroller General under such subsection for such fiscal year and which have budgetary impact, the Directors shall transmit to the Comptroller General on September 24 a joint report estimating the budgetary impact of such legislation or regulations. On September 25, the Comptroller General shall transmit to the President and to the Congress a report estimating the cost of such legislation or regulations, with due regard for the contents of the Directors' report, and stating his reasons for any divergence therefrom.

(II) With respect to legislation enacted or rules promulgated after the date of the report of the Comptroller General under subsection (a)(1) for a fiscal year but before the date of an order issued under subsection (b)(1) for such fiscal year and which have budgetary impact, the Directors shall transmit to the Comptroller General on each day on which legislation is enacted or rules are promulgated a joint report estimating the budgetary impact of such legislation or regulations. On the same day on which the Directors' report is received, the Comptroller General shall transmit to the President and to the Congress a report estimating the budgetary impact of such legislation or regulations, with due regard for the contents of the Directors' report, and stating his reasons for any divergence therefrom.

(G) FEDERAL PAY.—For purposes of any order issued under subparagraph (A), Federal pay under statutory pay systems (within the meaning of section 5301(c) of title 5, United States Code) and pay of members of the uniformed services (as defined in section 101(3) of title 37, United States Code) shall be treated as controllable expenditures and shall be subject to the uniform percentage reduction under the order; except that (i) no such order may reduce the rate of pay (in the case of a civilian officer or employee of the Government) or the rate of basic pay (in the case of a member of the uniformed services) to which any individual is entitled on the effective date of the order under any such statutory pay system or title 37, United States Code, as the case may be, and (ii) any increase in such rates of pay or rates of basic pay which is scheduled to take effect under section 5305 of title 5, United States Code, section 1009 of title 37, United States Code, or any other provision of law may be reduced under such order only by the uniform percentage reduction.

(H) TREATMENT OF OFF-BUDGET ENTITIES.—Notwithstanding any other provision of law, outlays for each off-budget Federal entity (as defined in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974) shall be subject to uniform percentage reductions under any order issued under subparagraph (A). Amounts paid by the Federal Financing Bank for the purchase of loans made or guaranteed by a department, agency, or instrumentality of the Government of the United States shall be treated as outlays of that department, agency, or instrumentality.

(I) MEDICARE PROGRAM AND ADMINISTRATIVE EXPENSES OF SOCIAL SECURITY TRUST FUNDS.—(i) Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under title XVIII of the Social Security Act so as to reduce all payments under such title for items or services furnished during the period of the order by the uniform percentage reduction specified in such order.

(ii) Payments which are made under such title from annual appropriations and payments for administrative expenses which are made pursuant to limitations on expenditures from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, or the Federal Supplemental Medical Insurance Trust Fund contained in annual appropriations Acts, shall be reduced for the period of the order by the uniform percentage reduction specified in the order.

(iii) The President may not, pursuant to any authority granted in this section, increase any deductible, coinsurance amount, or premium amount under such title.

(iv) This clause shall not apply to payments for clinical diagnostic laboratory tests to which section 1833(h) the Social Security Act applies.

(J) MEDICAID PROGRAM.—Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under title XIX of the Social Security Act so as to reduce all payments to States under such title for State expenditures for medical assistance furnished, and administrative expenses incurred, during the period of the order by the uniform percentage reduction specified in the order.

(K) AFDC, FOSTER CARE, AND ADOPTION ASSISTANCE.—Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under parts A and E of title IV of the Social Security Act so as to reduce all payments to States under such parts for State expenditures for aid to families with dependent children, foster care maintenance payments, adoption assistance payments, and administrative expenses, made during the period of the order by the uniform percentage reduction specified in the order.

(L) PROHIBITION ON ALTERING PAYMENT TIMETABLE.—No State may, after the date of the enactment of this Act, change the timetable for making payments under a State plan approved under title XIX of the Social Security Act or under part A or E of title IV of such Act, which has the effect of changing the fiscal year in which expenditures under such title or part are made.

(M) UNEMPLOYMENT COMPENSATION.—(i) The order under subparagraph (A) of this paragraph shall not apply to payments of regular unemployment compensation made by a State from amounts in the State's account in the Unemployment Trust Fund, and shall not apply to loans to States made under title XII of the Social Security Act.

(ii) The reduction required pursuant to the order issued under subparagraph (A) of this paragraph shall apply to Federal payments made under the Federal-State Extended Unemployment Compensation Act of 1970 so as to reduce payments to States for extended compensation (or sharable regular compensation) for weeks of unemployment occurring during the period of the order by the uniform percentage reduction specified in the order.

(iii) The reductions required pursuant to the order issued under subparagraph (A) of this paragraph shall apply to amounts payable to States pursuant to titles III and IX of the Social Security Act and under the Wagner-Peyser Act so as to reduce payments to States under such provisions for the period of the order by the uniform percentage reduction specified in the order.

(N) TREATMENT OF CERTAIN BENEFITS.—For purposes of clause (i) of subparagraph (A), increases in black lung benefits and special benefits for disabled coal miners which are required by reason of increases in Federal pay shall be considered to be indexed by such Federal pay increases.

(O) TREATMENT OF CHILD SUPPORT ENFORCEMENT PROGRAM.—Any order issued by the President under subparagraph (A) shall accomplish the full amount of the required reduction in expenditures under the child support enforcement program (established by part D of title IV of the Social Security Act) by reducing the Federal matching rate for State administrative costs under such program, as specified (for the fiscal year involved) in section 455(a) of such Act, to the extent necessary (as provided in the report submitted under section 203 of this title) to reduce such expenditures by that amount.

(P) FISCAL YEAR 1986 REDUCTIONS.—In the case of fiscal year 1986, the reductions and sequestrations required by the order issued pursuant to subparagraph (A) of this paragraph shall be pro rated on the basis of the number of remaining months in such fiscal year.

(Q) COMMODITY CREDIT CORPORATION.—

(i) REDUCTION IN PAYMENTS MADE UNDER CONTRACTS.—After an order is issued under subparagrah (A) for a fiscal year, any payment made by the Commodity Credit Corporation—

(I) under the terms of any contract entered into in such fiscal year; and

(II) out of an entitlement account,

to any person (including any producer, lender, or guarantee entity) shall be deemed to be a controllable expenditure and shall be subject to reduction under the order. Any contract entered into in a fiscal year after an order has been issued under subparagraph (A) for such fiscal year shall provide explicitly for such reduction to be made for the entire period for which such contract is in effect and that in regard to commodity loans made to producers or producer cooperatives for a commodity produced in the same crop year, those loans for the same commodity shall be subject to the same terms and conditions.

(ii) REDUCTION IN NONCONTRACTUAL PRICE SUPPORT PROGRAMS.—Price support provided for an agricultural commodity through the Commodity Credit Corporation by a method other than a payment of the type described in clause (i) shall be deemed to be a controllable expenditure, and such level of price support for the fiscal year for which an order is issued under this subsection shall be subject to reduction under the order.

(iii) ADJUSTMENTS TO ACHIEVE REDUCTIONS.—In order to reduce expenditures for programs of the Commodity Credit Corpo-

ration as required under the Presidential order, the Secretary of Agriculture is authorized to adjust both target prices and loan rates in such a manner as to achieve the required percentage reduction of such order.

(iv) OPERATING AND ADMINISTRATIVE EXPENSES.—Operating and administrative expenses of the Commodity Credit Corporation shall be considered controllable expenditures and shall be subject to reduction under the order.

(v) UNIFORM PERCENTAGE RATE OF REDUCTION.—All reductions described in clauses (i), (ii), (iii), and (iv) required to be made in connection with an order issued under subparagraph (A) for a fiscal year shall be made at a uniform percentage rate and may not be made at a rate exceeding the rate of reduction specified in the order for the programs to which such subsections apply.

(R) TREATMENT OF LENDING ACTIVITIES OF ENTITIES PROVIDING FEDERAL GUARANTEES FOR STUDENT LOANS.—For the purposes of this title, the lending activities of entities providing Federal guarantees for student loans shall be deemed to be controllable expenditures. Actions taken in response to an order issued under this subsection shall include, but not be limited to, the following:

(i) With respect to loans granted after such an order has been issued, the reduction of the special allowance factor paid to a lender by not more than 0.40 percentage points in the first year of the loan only, but in no case would the statutory special allowance component be reduced below 3.00 percent, except that during the remaining life of the loan, the special allowance factor paid to the lender shall be that provided by the Higher Education Act of 1965, as amended.

(ii) With respect to loans granted after such an order has been issued, the increase of a student's origination fee by an amount not in excess of 0.50 percentage points.

(2) ISSUANCE OF ORDER.—

(A) POSITIVE REAL ECONOMIC GROWTH.—If the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section is zero or greater, the President shall issue the order required to be issued under this subsection pursuant to such report not later than 14 days after transmittal of such report.

(B) NEGATIVE REAL ECONOMIC GROWTH.—If the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section is less than zero with respect to such fiscal year or with respect to each of any two consecutive quarters of such fiscal year, the President shall issue the order required to be issued under this subsection pursuant to such report not later than 30 days after transmittal of such report.

(C) SPECIAL RULE.—If any adjustment made pursuant to paragraph (1)(F) eliminates the entire deficit excess, the order issued pursuant to this subsection shall so state, and no reductions shall be made pursuant to clauses (i) and (ii) of subparagraph (A).

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except to the extent that it is superseded by a reconciliation bill enacted under subsection (c) of this section, an order issued pursuant to this subsection shall become effective 30 days after its issuance. Any modification or suspension by such order of the operation of a provision of law that would (but for such order) require an automatic spending increase to take effect during a fiscal year shall apply for the one-year period beginning with the date on which such automatic increase would have taken effect during such fiscal year (but for such order).

(B) WITHHOLDING OF BUDGET AUTHORITY FOR 30-DAY PERIOD.—During the 30-day period referred to in subparagraph (A), the President shall withhold from obligation the amounts that would have been suspended or sequestered under such order with respect to such 30-day period if the order issued pursuant to this paragraph had become effective on the date of its issuance. If a reconciliation bill enacted under subsection (c) of this section becomes law on or before the last day of such 30-day period, amounts withheld from obligation pursuant to the preceding sentence shall be made available for obligation to the extent permitted by such reconciliation bill. If such a reconciliation bill does not become law during such period, the budget authority withheld from obligation under the first sentence of this subparagraph shall be permanently cancelled as described in paragraph (1)(D) of this subsection.

(4) PROPOSAL OF ALTERNATIVES.—A message transmitted pursuant to this subsection with respect to a fiscal year may be accompanied by a proposal setting forth in full detail alternative ways to reduce the deficit for such fiscal year to an amount not greater than the maximum deficit amount for such fiscal year. Upon receipt in the Senate and the House of Representatives, the message and any accompanying proposal shall be referred to all committees with jurisdiction over programs, projects, or activities affected by it.

(c) CONGRESSIONAL ACTION.—

(1) Reporting of concurrent resolutions and reconciliation bills and resolutions.—

(A) IN GENERAL.—Not later than 10 days after issuance of an order by the President under subsection (b) with respect to a fiscal year, the Committee on the Budget of the House of Representatives and the Senate may report to its House a concurrent resolution. The concurrent resolution may affirm the impact of the order issued under subsection (b), in whole or in part. To the extent that any part of the order is not affirmed, the concurrent resolution shall state which parts are not affirmed and shall contain instructions to committees of the House and the Senate of the type referred to in section 310(a) of the Congressional Budget Act of 1974, sufficient to achieve at least the total level of deficit reduction contained in those sections which are not affirmed.

(B) RESPONSE OF COMMITTEES.—Committees instructed pursuant to subparagraph (A) of this paragraph, or affected thereby, shall submit their responses to their respective Budget Committees no later than 10 days after the conference report on the concurrent resolution referred to in subparagraph (A) is agreed to in both Houses, except that if in either House only one such Committee is so instructed such Committee shall, by the same date, report to its House a reconciliation bill or reconciliation resolution containing its recommendations in response to such instructions. A committee shall be considered to have complied with all instructions to it pursuant to a concurrent resolution adopted under subparagraph (A) if it has made recommendations with respect to matters within its jurisdiction which would result in a reduction in the deficit at least equal to the total reduction directed by such instructions.

(C) BUDGET COMMITTEE ACTION.—Upon receipt of the recommendations received in response to a concurrent resolution referred to in subparagraph (A) of this paragraph, the Budget Committee of each House shall report to its respective House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without any substantive revisions. In the event that a committee instructed in a concurrent resolution referred to in subparagraph (A) fails to submit any recommendation (or, when only one committee is instructed, fails to report a reconciliation bill or resolution) in response to such instructions, the Budget Committee of the relevant House shall include in the reconciliation bill or reconciliation resolution reported pursuant to this subparagraph legislative language within the jurisdiction of the noncomplying committee to achieve the amount of deficit reduction directed in such instructions.

(D) POINT OR ORDER.—It shall not be in order in the Senate to consider any bill or resolution reported under subparagraph (C) with respect to a fiscal year, any amendment thereto, or any conference report thereon if—

(i) the enactment of such bill or resolution as reported;

(ii) the adoption and enactment of such amendment; or

(iii) the enactment of such bill or resolution in the form recommended in such conference report;

would cause the amount of the deficit for such fiscal year to exceed the maximum deficit amount for such fiscal year, unless the report submitted under subsection (a)(1) projects negative real economic growth for such fiscal year, or for each of any two consecutive quarters during such fiscal year; nor shall it be in order in the House of Representatives to consider a conference report on any such bill or resolution if its enactment would cause the maximum deficit amount for that fiscal year to be exceeded, unless the report submitted under subsection (a)(1) projects negative real economic growth for such fiscal year, or for each of any two consecutive quarters, and in such case consideration may only be by the affirmative vote of three-fifths of those present and voting if the conference report alters or suspends the maximum deficit amount for that fiscal year.

(E) TREATMENT OF CERTAIN AMENDMENTS.—In the Senate, an amendment which adds to a concurrent resolution reported under subparagraph (A) an instruction of the type referred to in such subparagraph shall be in order during the consideration of such resolution if such amendment would be in order but for the fact that it would be held to be non-germane on the basis that the instruction constitutes new matter.

(F) DEFINITION.—For purposes of subparagraphs (A) and (B), the term "day" shall mean any calendar day on which either House of the Congress is in session.

(2) PROCEDURES.—

(A) THE SENATE.—Except as provided in subparagraph (B), in the Senate the provisions of sections 305 and 310 of the Congressional Budget Act of 1974 for the consideration of concurrent resolutions on the budget and conference reports thereon shall also apply to consideration of concurrent resolutions, and reconciliation bills and reconciliation resolutions reported under this subsection and conference reports thereon.

(B) LIMIT ON DEBATE.—Debate in the Senate on any concurrent resolution reported pursuant to subparagraph (A) of paragraph (1), and all amendments thereto and

debatable motions and appeals in connection therewith, shall be limited to 10 hours.

(C) IN THE HOUSE OF REPRESENTATIVES.—In the House of Representatives, any concurrent resolution reported under this paragraph shall be privileged for consideration on or after the third day on which the report has been available to Members. Any concurrent resolution, or reconciliation bill or resolution under this paragraph, and any conference reports thereon, shall otherwise be considered in accordance with the applicable rules of the House.

(D) LIMITATION ON AMENDMENTS.—Section 310(c) of such Act (as added by section 202(d)(2) of this title) shall apply to reconciliation bills and reconciliation resolutions reported under this subsection.

(E) COMPLIANCE WITH INSTRUCTIONS.—Section 310 of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following new subsection:

"(g) COMPLIANCE WITH RECONCILIATION DIRECTIONS.—Any committee of a House of the Congress that is directed, pursuant to a concurrent resolution on the budget to recommend changes of the type described in paragraphs (1) and (2) of subsection (a) with respect to laws within its jurisdiction, shall be deemed to have complied with such directions—

"(1) if—

"(A) the amount of the changes of the type described in paragraph (1) of such subsection recommended by such committee, and

"(B) the amount of the changes of the type described in paragraph (2) of such subsection recommended by such committee,

do not exceed or fall below the amount of the changes such committee was directed by such concurrent resolution to recommend under such paragraph by more than 20 percent of the total of the amounts of the changes such committee was directed to make under both such paragraphs; and

"(2) if the total amount of the changes recommended by such committee is not less than the total of the amounts of the changes such committee was directed to make under both such paragraphs.".

(3) SPECIAL PROCEDURES IN THE EVENT OF A RECESSION.—

(A) IN GENERAL.—If—

(i) the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section for a fiscal year is less than zero with respect to such fiscal year or with respect to each of any two consecutive quarters of such fiscal year; or

(ii) the Department of Commerce preliminary reports of actual real economic growth (or any subsequent revision thereof) for each of any two consecutive quarters of such fiscal year or of the last two quarters of the immediately preceding fiscal year indicate that the rate of real economic growth for such quarters is less than zero;

the Committees on the Budget of the House of Representatives and the Senate may report to their respective Houses a joint resolution that declares that the economy is in a recession and that suspends or revises (in whole or in part) the provisions of this title or of the amendments made by this title.

(B) CONSIDERATION OF JOINT RESOLUTIONS.—

(i) A vote on final passage of a joint resolution reported to a House of the Congress pursuant to subparagraph (A) shall be taken on or before the close of the 10th calendar day of session of such House after the date on which the joint resolution is reported to such House. If the the joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a joint resolution agreed to in the Senate) shall cause the joint resolution to be engrossed, certified, and transmitted to the other House of the Congress on the same calendar day on which the joint resolution is agreed to by such House.

(ii)(I) A motion in the House of Representatives to proceed to the consideration of a joint resolution under this paragraph shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(II) Debate in the House of Representatives on a joint resolution under this paragraph shall be limited to not more than 5 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to postpone, made in the House of Representatives with respect to the consideration of a joint resolution under this paragraph, and a motion to proceed to the consideration of other business, shall not be in order. A motion further to limit debate shall not be debatable. It shall not be in order to move to table or to recommit a joint resolution under this paragraph or to move to reconsider the vote by which the joint resolution is agreed to or disagreed to.

(III) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a joint resolution under this paragraph shall be decided without debate.

(IV) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a joint resolution under this subparagraph shall be governed by the Rules of the House of Representatives applicable to other bills and joint resolutions in similar circumstances.

(iii)(I) A motion in the Senate to proceed to the consideration of a joint resolution under this paragraph shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(II) Debate in the Senate on a joint resolution under this paragraph, and all debatable motions and appeals in connection therewith, shall be limited to not more than 5 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(III) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution under this paragraph shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(IV) A motion in the Senate to further limit debate on a joint resolution under this paragraph is not debatable. A motion to table or to recommit a joint resolution under this paragraph is not in order.

(iv) No amendment to a joint resolution considered under this paragraph shall be in order in either the House of Representatives or the Senate. No motion to suspend the application of this clause shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this clause by unanimous consent.

(d) DEFINITIONS.—For purposes of this section:

(1) The term "automatic spending increase" means increases in budget outlays due to changes in indexes in the following Federal programs:

Rail industry pension fund (60-8011-0-7-601);

Supplemental security income program (75-0406-0-1-609);

Veterans pensions (36-0154-0-1-701);

Veterans compensation (36-0153-0-1-701);

Civil service retirement and disability fund (24-8135-0-7-602);

Military retirement fund (97-8097-0-7-602);

Foreign Service retirement and disability fund (19-8186-0-7-602);

Retirement pay and medical benefits for commissioned offices, Public Health Service (75-0379-0-1-551);

Retired pay, Coast Guard (69-0241-0-1-403);

Judicial Survivors' annuities fund (10-8110-0-7-602);

Tax Court judges survivors annuity fund (23-8115-0-7-602);

Allowances and office staff for former Presidents (47-0105-0-1-802);

Central Intelligence Agency retirement and disability system fund;

Federal Reserve Board employees retirement system;

Comptrollers general retirement system;

Tennessee Valley Authority retirement system;

Special benefits, Federal Employees' Compensation Act (16-1521-0-1-600);

Food Stamp program (12-3505-0-1-605);

Child nutrition programs (12-3539-0-1-605);

National Wool Act (12-4336-0-3-351);

Black lung disability trust fund (20-8144-0-7-601);

Special benefits for disabled coal miners (75-0409-0-1-601); and

Medicare payments for clinical diagnostic laboratory tests to which section 1833(h) of the Social Security Act applies.

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix. Such term shall not include increases in Government expenditures due to increases in the number of program participants, nor shall it include any increase in benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

(2) The term "budget outlays" has the meaning given to such term in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974.

(3) The term "concurrent resolution on the budget" has the meaning given to such term in section 3(4) of the Congressional Budget and Impoundment Control Act of 1974.

(4) The term "deficit" has the meaning given to such term in section 3(6) of the Congressional Budget and Impoundment Control Act of 1974.

(5) The term "maximum deficit amount" has the meaning given to such term in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

(6) The term "real economic growth" means, with respect to a fiscal year, the nominal growth in the production of goods and services during such fiscal year, adjusted for inflation.

(7)(A) The term "controllable expenditures" means total budget outlays except outlays for programs specified in paragraph (1) and except outlays for the following programs:

Payment where credit exceeds liability for tax (20-0906-0-1-609);

Federal Old-Age and Survivors Insurance Trust Fund, except administrative expenses (20-8006-0-7-571);

Federal disability insurance trust fund, except administrative expenses (20-8007-0-7-571);

Claims, Defense (97-0102-0-1-051);

Claims, Judgments, and relief acts (20-1895-0-1-806);

Eastern indian land claims settlement fund (14-2202-0-1-806);

Soldiers and Airmen's Home, Payment of claims (84-8930-0-7-705);

Payment of Vietnam and USS Pueblo prisoner of war claims (15-0104-0-1-153);

Salaries of judges (10-0200-0-1-752);

Compensation of the President (11-0001-0-1-802);

Payment to the foreign service retirement and disability fund (11-1036-0-1-153);

Payments to health care trust funds (75-0590-0-1-572);

Federal payment to the railroad retirement account (60-0113-0-1-601);

Payments to Social Security trust funds (75-0404-0-01-571);

Payments to civil service retirement fund (24-0200-1-1-805);

Payments to military retirement fund (97-0040-0-1-054);

Payments to State and local government fiscal assistance trust fund (20-2111-0-1-851);

Foreign military sales trust fund (11-8242-0-7-155);

Bureau of Indian Affairs, Miscellaneous trust funds, tribal trust funds (14-9973-0-7-999);

Exchange stabilization fund (20-4444-0-3-155);

Coinage profit fund (20-5811-0-2-803);

Payments to copyright owners (03-5175-0-2-376);

Railroad Social Security equivalent benefits account (60-8010-0-7-601);

Tennessee Valley Authority power program borrowing authority (including expenditures of proceeds from bonds issued or sold by the Tennessee Valley Authority pursuant to an Act of Congress which expressly prohibits any guarantee of such bonds by the United States);

Expenditures from the Bonneville Power Administration fund and borrowing authority established pursuant to section 13 of Public Law 93-454 (1974) as amended;

Tennessee Valley Authority—Seven States Energy Corporation; and

Postal Service fund (18-4020-8-3-372).

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix.

(B) Further, such term shall not include outlays in the following accounts that result from prior legal obligations to the Government:

Veterans Administration loan guaranty revolving fund (36-4025-0-3-704);

Agricultural credit insurance fund (12-4140-0-3-351);

Agency for International Development, housing and other credit guaranty programs (72-4340-0-3-151);

Overseas Private Investment Corporation (71-4030-0-3-151);

Rural development insurance fund (12-4155-0-3-452);

Economic development revolving fund (13-4406-0-3-452);

International Trade Administration operations and administration (13-1250-0-1-376);

Government National Mortgage Association, guarantees of Mortgage-backed securities (86-4238-0-3-371);

Federal Housing Administration fund (86-4070-0-3-371);

Credit union share insurance fund (25-4468-0-3-371);

Federal Savings and Loan Insurance Corporation fund (82-4037-0-3-371);

Pension Benefit Guaranty Corporation fund (16-4204-0-3-601);

Maritime Administration, war risk insurance revolving fund (69-4302-0-3-403);

Federal Crop Insurance Corporation fund (12-4085-0-3-351);

Aviation insurance revolving fund (69-4120-0-3-402);

Export-Import Bank of the United States, limitation of program activity (83-4027-0-3-155);

Small Business Administration lease guarantees revolving fund (73-4157-0-3-376);

Small Business Administration surety bond guarantees revolving fund (73-4156-0-3-376);

Federal Emergency Management Agency, National insurance development fund (58-4235-0-3-451);

Federal Emergency Management Agency, National flood insurance fund (58-4236-0-3-453);

Nuclear Regulatory Commission salaries and expenses (31-0200-0-1-276);

Check forgery insurance fund (20-4109-0-3-803);

Railroad Rehabilitation and improvement financing fund (69-4411-0-3-401);

Energy security reserve (20-0112-0-1-271);

Small Business Administration, business loan and investment fund (73-4154-0-3-376);

Small Business Administration, pollution control equipment contract guarantee revolving fund (73-4147-0-3-376);

Low-rent public housing—loans and other expenses (86-4098-0-3-604);

Federal ship financing fund (69-4301-0-3-403);

Federal ship financing fund, fishing vessels (13-4417-0-3-376);

Rural housing insurance fund (12-4141-0-3-371);

Indian loan guaranty and insurance fund (14-4410-0-3-452);

Rail service assistance (69-0122-0-1-401);

Office of Personnel Management, employees life insurance fund (24-8424-0-8-602);

Federal Deposit Insurance Corporation (51-8419-0-8-371);

Veterans Administration, servicemen's group life insurance fund (36-4009-0-3-701);

Veterans Administration, United States Government life insurance fund (36-8150-0-7-701);

Veterans Administration, National service life insurance fund (36-8132-0-7-701);

Service-disabled veterans insurance fund (36-4012-0-3-701);

Veterans special life insurance fund (36-8455-0-8-701);

Veterans reopened insurance fund (36-4010-0-3-701); and

Veterans insurance and indemnities (36-0120-0-1-701).

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix.

(C) Further, such term shall not include regular State unemployment benefits, the State-funded share of extended unemployment benefits, and loans to States from the Federal unemployment account.

(D) Further, such term shall not include non-federal funds appropriated for the District of Columbia.

(E) Further, such term shall not include outlays for net interest (all of budget function 900).

(F) Further, such term shall not include outlays which result from private donations, bequests, or voluntary contributions to the Government.

(G) Further, such term shall not include outlays from intragovernmental funds to the extent that such outlays are derived from other Federal Government accounts.

(H) Further, such term shall not include offsetting receipts.

(I) Further, such term shall not include outlays due to increases in the number of program participants.

(J) Further, such term shall not include outlays for prior-year obligations, except that such term shall include obligations for existing contracts except—

(i) those multiyear contracts which include a specified penalty for cancellation or modification of the contract by the Government and which, if cancelled or modified by the Government would result, due to such penalty for cancellation or modification, in a net loss to the Government in the first year; and

(ii) those contracts the reduction of which would violate legal obligations of the Government.

For purposes of subsection (b), the term "existing contracts" shall include all Federal military and civilian contracts existing at the time a sequester order is issued. Notwithstanding any other provision of law, any contract entered into or modified by the Federal Government after the date of the enactment of this joint resolution shall contain a provision that the contract may be modified, renegotiated, or terminated to the extent necessary to implement a sequester order issued under clause (ii) of subsection (b)(1)(A), and a provision that any penalties that would otherwise be payable by the Federal Government under the contract by reason of modification, renegotiation, or termination of the contract shall not be payable if the modification, renegotiation, or termination is made pursuant to a sequester order issued under clause (ii) of subsection (b)(1)(A).

(K) Receipts credited to an account shall not be deducted from outlays for the purpose of determining the amount to be sequestered pursuant to subsection (b)(1)(A)(ii).

(8) The term "sequester" means the permanent cancellation of budget authority, obligation limitations, other budgetary resources, or direct and guaranteed loan limitations, to the extent necessary to reduce each controllable expenditure by a uniform percentage.

(9) The term "other budgetary resources" means unobligated balances, obligated bal-

ances for existing contracts (as provided in paragraph (7) of this subsection), reimbursements, receipts credited to an account, and recoveries of prior-year obligations.

(10) The amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year shall be treated as "statistically significant" if the amount of such excess is greater than 5 percent of such maximum deficit amount.

(11) The term "base levels of total revenues and total budget outlays" means, with respect to the report submitted by the Directors or by the Comptroller General under subsection (a) and the order (if any) issued under subsection (b) for a fiscal year, the estimated levels of total revenues and total budget outlays for such fiscal year under laws and regulations that—

(A) are enacted or promulgated prior to the date on which such report is submitted or such order is issued, and

(B)(i) are in effect on such date, or

(ii) will become effective during such fiscal year.

Estimates of such levels shall be made on the date such report is submitted or such order is issued (or on a preceding date that is as close as possible to the date of such report or order). In cases where a regular or continuing appropriation for a full fiscal year has not been enacted by such date, the base level shall be derived from the level of funds appropriated, or otherwise made available, for the previous fiscal year for the applicable budget accounts. Except as provided in the succeeding sentence, in calculating the base level, any provision of law that will expire after the base levels of such report or order are established and prior to the end of such fiscal year shall be assumed to expire in accordance with the terms of such provision. Any provision of law imposing an excise tax the revenues from which are dedicated to a trust fund and any provision administered by the Secretary of Agriculture with respect to the Commodity Credit Corporation shall be assumed to be extended for such fiscal year.

SEC. 205. BUDGETARY TREATMENT OF SOCIAL SECURITY TRUST FUNDS.

(a) FISCAL YEARS 1986 THROUGH 1992.—

(1) IN GENERAL.—Section 710 of the Social Security Act (as added by paragraph (1) of subsection (a) of section 346 of the Social Security Amendments of 1983) is amended—

(A) by striking out all beginning with "the" the first place it appears down through "Disability Insurance Trust Fund, the" and inserting in lieu thereof "the";

(B) by striking out "Fund, and" and inserting in lieu thereof "Fund and";

(C) by striking out "sections 1401, 3101, and 3111" and inserting in lieu thereof "1401(b), 3101(b), and 3111(b)";

(D) by redesignating all after the section designation as subsection (b);

(E) by inserting after the section designation the following:

"(a) The receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund, and the taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government."; and

(F) by adding at the end thereof the following new subsection:

"(c) No provision of law enacted after the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than a provision of an appropriation Act that appropriates funds authorized under the Social Security Act as in effect on the date of enactment of the Balanced Budget and Emergency Deficit Control Act of 1985) may provide for payments from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or for payments from any such Trust Fund to the general fund of the Treasury.".

(2) APPLICATION.—The amendments made by paragraph (1) shall apply with respect to fiscal years beginning after September 30, 1985, and ending before October 1, 1992.

(b) FISCAL YEAR 1993 AND THEREAFTER.—Section 710(a) of the Social Security Act (42 U.S.C. 911 note), as amended by section 346(b) of the Social Security Amendments of 1983 (to be effective with respect to fiscal years beginning after September 30, 1992) is amended by—

(1) inserting "(1)" after the subsection designation; and

(2) adding at the end thereof the following new paragraph:

"(2) No provision of law enacted after the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than a provision of an appropriation Act that appropriates funds authorized under the Social Security Act as in effect on the date of enactment of the Balanced Budget and Emergency Deficit Control Act of 1985) may provide for payments from the general fund of the Treasury to any Trust Fund specified in paragraph (1) or for payments from any such Trust Fund to the general fund of the Treasury.".

SEC. 206. BUDGET ACT WAIVERS.

Section 904 of the Congressional Budget Act is amended by striking out subsection (b) and inserting in lieu thereof the following new subsection:

"(b)(1) Except as provided in paragraph (2), any provision of title III or IV may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate.

"(2) Sections 301(c), 304(b), 305(b)(2), 306, 310(c), and 311 of this Act, and section 202(e)(1)(B), 204(c)(1)(D), and 209 of the Balanced Budget and Emergency Deficit Control Act of 1985 may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members duly chosen and sworn.".

SEC. 207. OTHER WAIVERS AND SUSPENSIONS.

The provisions of this title may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members of that House duly chosen and sworn.

SEC. 208. SUPPLEMENTAL BUDGET ESTIMATES.

Section 1106 of title 31, United States Code, is amended by striking out "July 16" each place it appears and inserting in lieu thereof "September 2".

SEC. 209. POINT OF ORDER.

Notwithstanding any other provision of law, it shall not be in order in the Senate or House of Representatives to consider any reconciliation bill or reconciliation resolution reported pursuant to a concurrent resolution on the budget agreed to under section 301 or 304 of the Congressional Budget Act of 1974, or any amendment thereto, or conference report thereon that contains recommendations with respect to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, with respect to revenues attributable to the taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, or with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

SEC. 210. APPLICATION.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), this title and the amendments made by this title shall become effective on the date of the enactment of this title and shall apply with respect to fiscal years beginning after September 30, 1985, and before October 1, 1991.

(b) EXCEPTION.—The amendments made by sections 202(a), 202(b)(1), 202(c)(1), 202(e)(1)(A), and 203 of this title shall apply with respect to fiscal years beginning after September 30, 1986, and before October 1, 1991.

(c) OASDI TRUST FUNDS.—The amendments made by section 205 shall apply as provided in such section.

SEC. 211. EXERCISE OF RULEMAKING POWER.

The provisions of this title, other than those relating to the activities of the executive branch, are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

SEC. 212. SENSE OF THE SENATE.

It is the sense of the Senate that any funding reductions or sequestering of controllable expenditures implemented by the various Federal agencies as a result of this title shall be made uniformly and shall not disproportionately be made in the funding of programs targeted for rural and lesser populated areas.

SEC. 213. REPORT REQUIRED.

The Directors of the Office of Management and Budget and the Congressional Budget Office, and the Secretary of the Treasury, shall jointly report to the President and to the Committee on Finance and the Committee on Ways and Means on the projected level of revenues which would be raised by increased and improved tax enforcement and collection through audits, examinations, and other methods designed to eliminate tax cheating and increase revenue collections from individuals and corporations evading Federal taxation. The report shall include an analysis of measures which can be implemented to increase voluntary compliance with tax laws, including increased staff for taxpayer assistance, speedier processing of returns, improved information processing and collection, and public education designed to increase public trust and understanding of the Internal Revenue Service enforcement efforts. The report shall also include an estimate of the level of increased expenditures for Internal Revenue Service enforcement and compliance efforts at which additional expenditures

would not yield additional revenues of at least $2 of revenue for every $1 in expenditures. The report shall be issued on an annual basis no later than the date on which the President submits a proposed budget for each fiscal year to the Congress.

SEC. 214. TREATMENT OF CERTAIN COST-OF-LIVING ADJUSTMENTS.

During the time in which a sequester order is in effect, any cost-of-living adjustment for Social Security shall not count as income for purposes of determining Supplemental Security Income payments or payments from any other programs which are offset as a consequence of cost-of-living adjustments for Social Security.

SEC. 215. CONFORMING AMENDMENT TO PRESIDENT'S BUDGET.

Section 1105(c) of title 31, United States Code, is amended—

(1) by striking out "The" the first place it appears and inserting in lieu thereof "(1) Notwithstanding any other provision of law, the";

(2) by inserting "(other than action that would require an increase in borrowing authority or an increase in the limit imposed by section 3101(b) of this title by more than the applicable amount for the fiscal year for which the budget is submitted)" after "action" the first place it appears; and

(3) by adding at the end thereof the following new paragraph:

"(2) For purposes of this subsection, the term 'applicable amount' means—

"(A) with respect to the fiscal year beginning October 1, 1986, $144,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1987, $108,000,000,000;

"(C) with respect to the fiscal year beginning October 1, 1988, $72,000,000,000;

"(D) with respect to the fiscal year beginning October 1, 1989, $36,000,000,000; and

"(E) with respect to the fiscal year beginning October 1, 1990, and each fiscal year thereafter, zero.".

SEC. 216. EXPEDITED REVIEW OF CONSTITUTIONALITY OF THIS TITLE.

(a) QUESTIONS OF CONSTITUTIONALITY.—Any Member of Congress may bring an action for declaratory judgment or injunctive relief concerning the constitutionality of this title or intervene in such action in the United States Court of Appeals for the District of Columbia, which shall hear the matter sitting en banc.

(b) APPEAL TO SUPREME COURT.—Notwithstanding any other provision of law, any decision on a matter brought under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the Court of Appeals.

(c) EXPEDITED CONSIDERATION.—It shall be the duty of the Court of Appeals and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a).

(d) SEVERABILITY.—If any provision of this title is held invalid, the remainder of such provisions shall not be affected.

(e) NONCOMPLIANCE WITH SEQUESTRATION PROCEDURES.—

(1) IN GENERAL.—If the President does not sequester any amount of budget authority, obligation limitation, other budgetary resource or loan limitation for a fiscal year which is required to be sequestered by section 204(b)(1)(A)(ii), on the claim that the constitutional powers of the President prevent such sequestration or permit the avoidance of such sequestration, and such claim is finally determined by the Supreme Court of the United States to be valid, then the entire order issued pursuant to section 204(b)(1) for such fiscal year shall be null and void.

(2) MEMBERS OF CONGRESS.—Any Member of Congress may bring an action in the United States Court of appeals for the District of Columbia challenging the nonapplication of sequestration, or intervene in such action. The United States Court of Appeals for the District of Columbia shall hear any such action en banc.

(3) PROCEDURES.—The provisions of subsections (b) and (c) of this subsection shall apply to this subsection.

(f) ALTERNATIVE PROCEDURES FOR THE JOINT REPORT OF THE DIRECTORS.—

(1) In the event that the reporting procedures described in section 204(a)(1) are invalidated in an action brought under this section, then the report of the Directors referred to in section 204(a)(1) shall be transmitted to the joint committee established under this subsection.

(2) There is hereby established a Temporary Joint Committee on Deficit Reduction, composed of the entire membership of the House and Senate Budget Committees. The Chairman of these two committees shall act as Co-Chairmen of the Joint Committee. Actions taken by the Joint Committee shall be determined by the majority vote of the members representing each House. The purposes of the Joint Committee are to receive the report of the Directors as described above, and to report a joint resolution as described in paragraph (3) below.

(3) No later than 5 days after the receipt of the report of the Directors in accordance with paragraph (1), the Joint Committee shall report to the House of Representatives a joint resolution setting forth the contents of the report of the Directors.

(4) The provisions for the consideration of a joint resolution under section 204(c)(3)(B)(ii), (iii), and (iv) shall apply to the consideration of a joint resolution reported pursuant to this subsection in the House of Representatives and the Senate, except that debate in each House shall be limited to 2 hours.

(5) Upon its enactment, the joint resolution shall be deemed to be the report received by the President under section 204(b)(1)(A).

SEC. 217. PERMANENT TECHNICAL CORRECTIONS.

(a) Section 301(f)(1) of the Congressional Budget Act of 1974 (as redesignated by section 3(b)(2)(A)(i) of this joint resolution) is amended by striking out "set for" in paragraph (1) and inserting in lieu thereof "set forth".

(b) The heading of section 304 of such Act is amended by striking out "of" the second place it appears and inserting in lieu thereof "on".

(c) Section 305(a) of such Act, as amended by this Act, is amended by redesignating paragraphs (6), (7), (8) and (9) as paragraphs (5), (6), (7) and (8), respectively.

(d) Section 305(b) of such Act, as amended by this Act, is amended by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(e) The amendments made by this section shall become effective on the date of the enactment of this title.

SEC. 218. CONGRESSIONAL BUDGET OFFICE REPORTS.

(a) Subsection (f) of section 202 of the Congressional Budget Act of 1974 is amended by inserting at the end thereof the following new paragraph:

"(3) On or before January 15 of each year, the Director shall submit to the Congress a report listing—

"(A) all programs and activities for which funds have been appropriated or otherwise made available in appropriations Acts for the fiscal year ending on September 30 of that calendar year for which authorizations for appropriations have not been enacted for that fiscal year, and

"(B) all programs and activities for which funds have been appropriated or otherwise made available in appropriations Acts for the fiscal year ending on September 30 of that calendar year, but for which no authorizations for appropriations have been enacted for the fiscal year beginning on October 1 of that calendar year.".

(b) The amendment made by subsection (a) shall become effective on the date of enactment of this title.

SEC. 219. REVENUE ESTIMATES.

Notwithstanding any other provision of this title, all revenue estimates necessary to carry out the purposes of this title after the present law base estimates made by the Congressional Budget Office at the beginning of each legislative session shall be made by the Joint Committee on Taxation and transmitted to the Congressional Budget Office for its use in carrying out the requirements of this title and the Congressional Budget Act of 1974. All revenue estimates for legislation enacted each legislative session shall be made by the Joint Committee on Taxation and shall be used exclusively by the Congressional Budget Office for all purposes related to this title. The Congressional Budget Office shall consult with the Joint Committee on Taxation as to the use of these revenue estimates in carrying out this title, and shall further, upon revision by the Congressional Budget Office of economic assumptions upon which the Congressional Budget Office estimates are based under this title and any other Act, convey those revised assumptions to the Joint Committee on Taxation, for the use of the Joint Committee on Taxation in reestimating revenue effects of enacted and considered legislation which shall be provided to the Congressional Budget Office to be used as the revenue estimates necessary for carrying out the purposes of this title and the Congressional Budget Act of 1974.

SEC. 220. GENERAL ACCOUNTING OFFICE STUDY.

Title IV of the Congressional Budget Act of 1974 is amended by inserting at the end thereof the following new sections:

"STUDY BY THE GENERAL ACCOUNTING OFFICE OF FORMS OF FEDERAL FINANCIAL COMMITMENT THAT ARE NOT REVIEWED ANNUALLY BY CONGRESS

"SEC. 405. The General Accounting Office shall study those provisions of law which provide spending authority as described by section 401(c)(2) and which provide permanent appropriations, and report to the Congress its recommendations for the appropriate form of financing for activities or programs financed by such provisions not later than eighteen months after the effective date of this section. Such report shall be revised from time to time.

SEC. 221. EARLY ELECTION OF COMMITTEES OF THE HOUSE.

Clause 6(a)(1) of Rule X of the Rules of the House of Representatives is amended by striking out "at" and by inserting in lieu thereof "within the seventh calendar day beginning after", and by inserting at the end thereof the following new sentence: "It

shall always be in order to consider resolutions recommended by the respective party caucuses to change the composition of standing committees".

SEC. 222. INTEREST REPAYMENTS TO SOCIAL SECURITY TRUST FUNDS AND OTHER RETIREMENT FUNDS.

(a) The Secretary of the Treasury shall pay, from amounts in the general fund of the Treasury not otherwise appropriated, into each of the Social Security Trust Funds and other retirement funds listed in subsection (b), net amounts equal to any amount of interest which would have accrued to such Trust Fund or retirement fund but for actions which were taken by the United States with respect to investments of such Trust Fund or retirement fund which would not otherwise have been taken (as determined by the Secretary of the Treasury) if the increase in the statutory debt ceiling had been enacted into law on September 30, 1985, as provided in H.J. Res. 372 (99th Congress, 1st Session) as it was passed by the House of Representatives and reported by the Senate Committee on Finance.

(b) For purposes of subsection (a), the term "Social Security Trust Funds and other retirement funds" means the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, the Railroad Retirement Account, the Civil Service Retirement and Disability Fund, and the Department of Defense Military Retirement Fund.

LEVIN AMENDMENT NO. 958

Mr. LEVIN proposed an amendment to the amendment proposed by Mr. PACKWOOD (and Mr. DOMENICI) to the amendment of the House to the amendment of the Senate numbered 2 to the joint resolution, House Joint Resolution 372, supra; as follows:

Page 57, line 5, strike "zero" and insert in lieu thereof "one percent."

NATIONAL REYE'S SYNDROME WEEK

GLENN AMENDMENT NO. 959

(Ordered to lie on the table.)

Mr. GLENN submitted an amendment intended to be proposed by him to the amendments of the House to the joint resolution (S.J. Res. 29) to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week"; as follows:

On page 2 in the 6th paragraph of the preamble strike out: "to sponsor a multicenter research study by recognized authorities on Reye's Syndrome;"

NATIONAL HUMANITIES WEEK, 1985

HATCH AMENDMENT NO. 960

Mr. DOLE (for Mr. HATCH) proposed an amendment to the joint resolution (S.J. Res. 219) to designate the week of November 3, 1985, through November 9, 1985, as "National Humanities Week, 1985"; as follows:

On page 2, line 7, beginning with "November" the first place it appears strike out through the word "and" on line 8 and insert in lieu thereof the following: "February 9, 1986, through February 15, 1986, is designated as 'National Humanities Week, 1986', and".

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee's oversight hearing on the Small Business Administration's Veterans Assistance Programs has been rescheduled for Wednesday, November 13, 1985. The hearing will be held in room 428A of the Russell Senate Office Building and will begin at 10 a.m. For further information, please call Lisa Linden, of the committee staff at 224-5175.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., on Tuesday, November 12, 1985, in SR-301, Russell Senate Office Building, to hold hearings on legislation and to consider administrative business items currently pending in the committee.

Testimony will be presented by Senators ANDREWS and MELCHER, chairman and ranking minority member, respectively, of the Select Committee on Indian Affairs, regarding Senate Resolution 204, which would authorize supplemental expenditures by the Select Committee on Indian Affairs. The committee will also be receiving testimony on Senate Joint Resolution 214 and 215, providing for the reappointments of Carlisle H. Humelsine and William G. Bowen as citizen regents of the Board of Regents of the Smithsonian Institution.

Upon completion of the presentation of testimony, the committee will turn to consideration of administration business. Items to be dealt with are a number of proposed amendments to the mass mail regulations, Senate participation in the Citicorp Diners Club Government charge card program, the display of flags outside a Senator's personal office, and proposals for the procurement of a new telephone system for the Senate.

For further information regarding the hearings and administrative business items, please contact Carole Blessington of the Rules Committee staff at 224-0278.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that additional legislation will be considered at the hearing previously scheduled before the Energy and Natural Resources Committee on Tuesday, November 19, 1985, 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Testimony will be received on S. 1441, to amend the Guam Organic Act, and for other purposes, in addition to Senate Joint Resolution 192, to authorize financial assistance for the Northern Mariana Islands, and for other purposes.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, room SD-358 Dirksen Senate Office Building, Washington, DC. 20510. For further information, please contact Debbi Rice or Al Stayman at (202)-224-2366.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SURFACE TRANSPORTATION

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation of the Committee on Commerce, Science and Transportation be authorized to meet during the session of the Senate on Monday, November 4, to conduct a hearing on the Staggers Rail Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

WEEKLY BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for the week of October 28, 1985, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 4, 1985.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through November 1, 1985. The report is submitted under Section 308(b) and in aid of Section 311(b) of the Congressional Budget Act.

Since my last report the Congress has cleared for the President's signature the Department of Defense Authorization Act, S. 1160, and the Legislative Branch Appropria-

tions for 1986, H.R. 2942, changing budget authority and outlay estimates.

With best wishes,

Sincerely,

RUDOLPH G. PENNER.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONG., 1ST SESS. AS OF NOV. 1, 1985

[In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
FISCAL YEAR 1986				
Current level [1]	1,067.7	980.3	793.0	1,823.8
Budget resolution, S. Con. Res. 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		12.7		
Under resolution by	2.0		2.7	255.0

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. Thus, savings from reconciliation action assumed in S. Con Res. 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $1,823,800,000,000.

SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONG., 1ST SESS. AS OF NOV. 1, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues	
FISCAL YEAR 1986				
I. Enacted in previous sessions:				
Revenues				792,800
Permanent appropriations and trust funds.	717,652	631,009		
Other appropriations		185,348		
Offsetting receipts	−162,006	−162,006		
Total, enacted in previous sessions.	555,645	654,351		792,800
II. Enacted this session:				
Famine relief and recovery in Africa (Public Law 99–10).		421		
Federal supplemental compensation phaseout (Public Law 99–15).				10
Appropriations for the MX missile (Public Law 99–18).		368		
Contemporaneous record-keeping repeal bill (Public Law 99–44).				13
United States-Israel Free Trade Act (Public Law 99–47).				−8
Statue of Liberty—Ellis Island Coin Act (Public Law 99–61).	−15	31		
International Security and Development Cooperation Act (Public Law 99–83).	−25	−25		
Supplemental appropriations bill (Public Law 99–88).	36	3,138		
State Department authorization (Public Law 99–93).				2
Emergency Extension Act of 1985 (Public Law 99–107).	−49	−230		210
Simplification of imputed interest rules (Public Law 99–121).				−31
Health professions educational assistance (Public Law 99–129).		−8		
Amendments—special defense acquisition fund (Public Law 99–139).	100			
Total, enacted this session.	47	3,694		195
III. Continuing resolution authority:				
Continuing appropriations, 1986 (Public Law 99–103).	519,451	337,589		

SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONG., 1ST SESS. AS OF NOV. 1, 1985—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues	
Offsetting receipts		−27,233	−27,233	
Total, continuing resolution authority.		492,218	310,356	
IV. Conference agreements ratified by both Houses:				
Energy and water appropriations, 1986 (H.R. 2959).		15,252	8,245	
Legislative branch appropriations, 1986 (H.R. 2942).		1,599	1,385	
Department of Defense Authorization Act, 1986 (S. 1160).		280	−5	
Total, conference agreements.		17,131	9,626	
V. Entitlement authority and other mandatory items requiring further appropriation action:				
Payment to the CIA retirement fund.		10	10	
Claims, defense		7	3	
Payment to the Foreign Service retirement trust fund. [1]		(7)	(7)	
Range improvements		1		
BLM: Miscellaneous trust fund.		(2)		
Payment to air carriers, DOT.		18	17	
Retired pay—Coast Guard		21	19	
Maritime, operating-differential subsidies.			3	
BIA: Miscellaneous trust funds.		(2)	(2)	
Higher education facilities loans and insurance.		4		
Retirement pay for PHS officers.		12	6	
Medicaid		1,617	1,285	
Payment to health care trust funds. [1]		(1,011)	(1,011)	
Child nutrition programs		254	234	
Advances to unemployment trust fund. [1]		(516)	(516)	
Special benefits (general retirement and Federal employee retirement).		48	48	
Black lung disability trust fund.		85	85	
Assistance payments		573	573	
Veterans pensions		10		
Salaries of judges		3	1	
Payment to civil service retirement. [1]		(214)	(214)	
National wildlife refuge fund.		(2)	(2)	
General revenue sharing [1]		(1,142)	(1,142)	
Total, entitlements		2,663	2,284	
Total, current level as of Nov. 1, 1985.		1,067,705	980,311	792,995
1986 budget resolution (S. Con. Res. 32).		1,069,700	967,600	795,700
Amount remaining:				
Over budget resolution.			12,711	
Under budget resolution.		1,995		2,705

[1] Interfund transactions do not add to budget totals.

[2] Less than $500,000.

Note.—Numbers may not add due to rounding.

CONGRESSMAN JACK KEMP'S ADDRESS TO IOWANS FOR LIFE

● Mr. HUMPHREY. Mr. President, with his customary eloquence, Congressman JACK KEMP recently addressed the annual convention of Iowans for Life, an organization as well known for its political acumen as for its effective advocacy of the prolife cause. His remarks are an excellent statement of the prolife position, and I recommend them to my colleagues on both sides of that issue. Of particular interest is the obervation that "There will be new judges in the future, and there should be new judges at every level who respect the sanctity of human life and believe in profamily values so that someday soon, the right to life will be restored to its place at the center of the constitutional system."

Absolutely. I ask, Mr. President, that Congressman KEMP's remarks be printed in the RECORD.

The remarks follow:

REMARKS PREPARED FOR DELIVERY TO THE "IOWANS FOR LIFE" CONVENTION, CARROLL, IA, OCTOBER 5, 1985, BY HON. JACK KEMP

Ladies and Gentlemen: Thank you for that very generous introduction. And thank you for your warm welcome. But you are the people who deserve congratulations. The pro-life movement—men and women, Republicans and Democrats, blacks and whites and hispanics, farmers, suburbanites and city-dwellers—has taken the initiative on the great human and civil rights issue of our day. You are making it one of the most effective human rights movements of our time. You have done so in the tradition of our founding fathers and with the knowledge that our existence as a nation is predicated on the Judeo-Christian values enunciated in the Declaration of Independence and the Constitution, which are based on the law of "nature and of nature's God." The founding fathers staked the future of our civilization not upon the capacity of government—far from it. They staked the future of political institutions on the capacity of people for self-government; upon the capacity of people to govern themselves, control themsevles and sustain themselves under the Ten Commandments of God. What a philosophical, political, moral, historical idea! That's really what America represents—an idea that people could be free to govern and control and sustain themselves if they were governed by a higher law.

The Congress is fortunate to have a group of active pro-life, pro-family members from both parties, like my colleague from Illinois, Henry Hyde, and Vin Weber from Minnesota; your own Senator Chuck Grassley and Congressmen Tom Tauke and Jim Lightfoot; and Alan Mollohan from West Virginia and Chris Smith of New Jersey, the co-chairmen of the Congressional Pro-Life Caucus. We must never let an opportunity pass to raise pro-life issues, and with your help we have scored some important victories.

We passed the Hyde amendment to stop federal funding of abortion under Medicaid, and we have reaffirmed its principle over and over again.

We've written the Smith/Denton amendment into the law, prohibiting payment for abortions under federal employees' health insurance plans. There were 17,000 abortions under those insurance plans before Smith/Denton. Last year there were none.

This year, the House of Representatives moved for the first time to stop the city government of Washington, D.C. from using any federal or local tax dollars to pay for abortions on demand.

In April, the Reagan Administration issued the "Baby Doe" guidelines. These regulations will insure that handicapped infants receive the medically necessary treat-

ment they are entitled to as children of God.

Ladies and Gentlemen, I share your belief that abortion on demand is wrong—always wrong—and it must be stopped. As my colleague Vin Weber says, "We are saving lives." I can pledge, indeed I can see that day, sooner or later, whether under Ronald Reagan or whoever follows him to the White House, when abortion on demand will be brought to an end.

It will stop for a very obvious reason. Because of the basic values and ideals of our Judeo-Christian system and the efforts of million of Americans like yourselves who organized at the grassroots level, and because of organizations like the Iowans for Life State Committee and the Right to Life Committee of my hometown of Buffalo, N.Y., and whom I have had the pleasure of working throughout my tenure in Congress. As I said earler, I believe the pro-life movement is one of the most effective human rights reform movements America has ever seen. The man who led the most effective reform movement in the nineteenth century, Abraham Lincoln, knew the secret of successful reform in America. He used to say that without popular opinion, nothing is possible. With popular opinion, all things are possible. The challenge to our movement lies in educating public opinion towards a consensus in favor of life for the unborn.

We have a lot of work to do. We must continue working persistently, but patiently and positively and with tolerance to complete the pro-life agenda. Because I can tell you, I know my colleagues in Congress well. They understand democracy, and they know that in the final analysis the people govern. Edmund Burke used to say, "Never has there been poor leadership of a virtuous people." It is our job to continue educating and lobbying for a strong family and a society that respects the sanctity of human life, and to continue letting Congress know that we want to pass legislation for these purposes.

The real reason the right to life movement will succeed is simple. Pro-life means pro-people. For years the left fostered an insidious myth, that children, indeed all people, are a drain on our national resources, indeed all people, are a drain on our national resources in an "era of limits." They used to formulate economic and social policies that assumed that having and raising children is a personal indulgence, some kind of luxury society could hardly afford in this new "age of austerity."

But people aren't a drain on our resources; they are our resources. Children aren't just mouths to feed; children are minds and talents and potential for the future. In the long run, people are the greatest resources we have. And that's not just a statement of economics. That's a statement of basic morality, or, if you like, a statement about the human spirit.

At the National Right to Life Convention I was privileged to sit on the stage to hear one of the most remarkable women on this earth—a woman who has touched our lives and hearts so many times and in so many ways—Mother Teresa. She told the story of when Prime Minister Nehru of India came to her home for children in Delhi. He said, "Please take care of these little children that you have saved from abortion, because you don't know, one of them may be a prime minister someday." What a beautiful though. Each life we save is valuable, not only to God but to the future of the world. No one should have the opportunity to deprive anyone else of that opportunity, to be a prime minister or an artist, a mezzo soprano or a master carpenter.

The right to life includes the right to liberty as well. In the Hebrew Scriptures, Moses says: "I have set before you life and death, a blessing or a curse: therefore choose life, that you and your children might live." Thomas Jefferson might have been thinking about Moses' words when he wrote that "The God who gave us life gave us liberty at the same time." Moses wrote down the words in the book of Deuteronomy and Jefferson put down the words of the Declaration of Independence, but I believe that God inspired them both.

Americans who believe that life and liberty are both natural, human, God-given rights have to start asking the right question. What is at issue in the debate over human life is not a "balancing" of the rights of one person against the rights of another—rights don't shrink when you extend them to someone else—that's zero-sum thinking. If we really believe that God is the source of our inalienable rights and that all people have those same God-given rights, then we must work to extend those rights to all people, including the precious life inside a mother's womb.

The pro-life movement was called into existence by the Supreme Court's decision in Roe v. Wade, the greatest court mistake since "Dred Scott" and Plessy vs. Ferguson. Overturning Roe is the goal of our cause. I sponsored a congressional "friend of the court" brief, along with Henry Hyde and more than eighty of our colleagues, asking the justices to reconsider their pro-abortion ruling. For the first time since 1973 the U.S. Department of Justice has gone back to the court asking them to do just that. The federal government last asked to overturn a ruling thirty years ago, in the famous integration case of Brown vs. Board of Education. Supreme Court rulings can be changed, errors can be recognized, and they can and must be corrected!

And if the Justice Department, on behalf of the unborn, does not win this time, they will go back again and again. There will be new judges in the future, and there should be new judges at every level who respect the sanctity of human life and believe in pro-family values so that someday soon the right to life will be restored to its place at the center of the Constitutional system.

We must get Congress to take action on other parts of the pro-life, pro-family agenda this year. Congress recently passed my amendment ending taxpayer funding for organizations that support the brutal program of coercive abortion, forced sterilization and female infanticide in the People's Republic of China. The State Department recently announced that it would follow the intent of my legislation and redirect ten million dollars away from such organizations and to voluntary family planning programs worldwide.

Here's another step Congress can take: it can stop federal funding for those groups that counsel, encourage and perform abortions here at home. I have introduced an amendment to Title Ten of the Public Health Services Act to apply this principle to domestic family planning programs and end the taxpayers subsidy for organizations that encourage abortion as a method of birth control.

My colleague in the Senate, Chuck Grassley and I, along with other cosponsors just introduced the Child Abuse Victims Rights Act to toughen the federal government's ability to investigate, prosecute and punish people who abuse children for pornographic and other malevolent purposes. I am hopeful that this measure will get through Congress and to the President's desk quickly.

I believe God created the family to be the foundation of our nation's life. The right to life starts with the family, and so it is imperative that we strengthen the economic and social base of the American family. Another key element in making families strong is providing access to jobs and income for all Americans in our continuous battle against poverty and despair. Getting a good tax reform bill that doubles the exemption for every family member to $2000 and lowers the rates on labor and capital passed through Congress this year is a high priority. Right now there are special interests in and out of Congress fighting to reduce the family exemption to raise revenue. I'm going to do all I can to make sure we get nothing less than the $2000 deduction President Reagan asked for, and I have asked him to hold firm in his magnificent efforts to get a pro-family pro-growth tax reform bill.

I can't pass up the opportunity in Iowa to say that to be pro-life is to be pro-jobs and pro-income. Family farms have been the backbone of American life, and this nation's family farmers have been victimized too long by the ruinous monetary policies of the Federal Reserve Board that keep interest rates artifically high and commodity prices artifically low. Governor Branstad declared an economic emergency this week and gave some relief to farmers threatened with foreclosure. But Terry needs some help from Paul Volcker. As a matter of justice and opportunity to our farm families and rural areas, the Federal Reserve should immediately lower interest rates and ease up on the monetary policy that is placing a tourniquet around our economy, threatening bankruptcies and bank closings. The Fed can and should lower interest rates and allow farm prices and income to rise. Solving this nation's monetary problem by restoring our tradition of honest money isn't just a technical issue. It's a populist, blue-collar, middle income, bread-and-butter, pro-family, pro-life issue if there ever was one.

We are now only two years away from celebrating the bicentennial of our Constitution. Isn't it strange that when the Justices of the High Court were deciding the abortion case, they forgot to look at the Constitution's very first words? At the beginning where our founding fathers explained what the Constitution was supposed to achieve, they said the Constitution was created "to secure the blessings of liberty to ourselves and our posterity." The Constitution itself makes the freedom of ourselves and our children, our posterity, the purpose of its whole design. If we "ourselves" have rights, so must our children. If we "ourselves" have liberty, so must our posterity. If we are free to live, so is the unborn child.

Ladies and Gentlemen, you and the entire pro-life movement are doing for America what the courts at times have forgotten to do. By upholding the most basic of all human rights, the pro-life movement is far more than just a lobby for legal reform—it has become a pillar of constitutional democracy, a shield of freedom and a sword of the Judeo-Christian values of America.

I've said a lot here, but the prophet Isaiah probably said everything in these beautiful words: "Can a woman forget her little baby and not have compassion on the child of her

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womb? Yet even if they forget, I will not forget you. Behold, I have carved you on the palm of my hand. I will contend with those who contend with you and I will save your children."

Ladies and gentlemen, God bless you for helping to do His work on Earth.●

HONORING GERALD TEWS AND MAURICE GUERRY

● Mr. SYMMS. Mr. President, Idaho's livestock industry is one of the mainstays of the State's economy. The U.S. Government, owning nearly two-thirds of the State, plays an important role in the stockman's life. Unfortunately, that role has not always been to the industry's benefit.

Competition for range resources has been a traditional fight for Idaho sheepmen and cattle ranchers. Historically, sheep and cattle have competed for prime rangeland. Now, the two industries have joined forces to combat an ever greater common problem—poor government land management policies.

The State of Idaho is fortunate to have high-quality people in this industry. Representative of this group are two hardworking gentlemen constantly in the forefront of this fight. Buhl sheepman Maurice Guerry, and his neighbor, cattleman Gerald Tews are distinguished leaders in their respective industries. To honor their efforts in behalf of Idaho stockman, Mr. President, I request that the Idaho Business Review article of September 2, 1985, be reprinted in the RECORD at this point.

The article follows:

[From the Idaho Business Review, Sept. 2, 1985]

SHEEP, CATTLE REALLY DO MIX—LIVESTOCK GRAZES ON SAME LAND

(By Patricia R. McCoy)

BUHL.—Any student of western history and folklore knows sheep and cattle don't mix. To hear authors and movie makers tell it, sheepmen and cowboys spent much of their time shooting at each other, never working together.

The problem that occurred seems to have been between human beings, rather than the animals, according to a cattleman and a sheepman here.

Maurice Guerry runs 800 cow and 5,000 ewes on some 300,000 acres of both deeded and grazing allotment land here, grazing his animals on the same range in rotation. He finds the two forms of livestock get along fine.

In some instances his sheep bands share grazing allotments with cattle owned by neighbor Gerald Tews, a cattleman, an arrangement that, while not ideal, works satisfactorily for all concerned.

"Cattle graze on legumes and grasses, while sheep prefer browsing on forbs and shrubs," said Guerry. "Each leaves plenty of feed for the other."

"We don't move our animals according to a rigid plan," he said. "Generally, we turn the ewes and lambs out on our own range first. After they've topped the best off the pastures, we move the sheep out and turn the cows and calves in."

Guerry divides his summer range, which is intermingled deeded property and public lands, into two units. Cattle are kept completely off one of these units for one year at a time.

"We feed sheep on the entire area," the rancher said. "Ewes and lambs graze only lightly."

"Some wouldn't think allowing the sheep in is a good idea, but ewes and lambs are continually on the move," he said.

"Sheep pasture on almost everything until June, giving them growth," he said. "Then they settle down to the forbs and shrubs, letting everything else recover at Mother nature's own rate of speed."

Guerry described one allotment owned by the U.S. Forest Service on which he has been allowed to graze 200 cows with their calves on a temporary basis since 1983. It had been assigned to sheep only for many, many years.

"Cattle were allowed in because sheep were unable to utilize the quantity of grass available," he said.

"The cattle are consuming grass that might be considered 'extra,' the government is realizing a larger grazing fee, the fire hazard is reduced, and the cows leave an acceptable amount of low grass, creating better forage for the ewes and lambs in the next season," he said.

"In that instance, we're taking advantage of a grazing allotment for sheep when it's at its best. They pasture the ice cream off so to speak, before the cattle go in about the first of August," he said.

Guerry began running sheep on the same Bureau of Land Management allotment on which Gerald Tews runs cattle in 1969.

"The public lands involved had been open grazing for several outfits up to that time, but cattlemen started seeking private allotments," Guerry said.

"This has several advantages for cattlemen, such as not mixing herds, keeping cows from breeding with bulls some might feel are inferior, and avoiding the spread of contagious diseases. Ranchers can also plan their year's program without having to involve others," he said.

"Since ewes and lambs move continually, my father Muritio and I felt private allotments would be too limiting for us," Guerry said.

Recognizing the Guerrys' reluctance, Tews offered to organize a joint allotment, giving both ranchers a combined block they each felt was workable.

"We have to coordinate our operation, but Tews only makes cattle use of the lands involved and I only run sheep, so we have no problem keeping our herds separate," he said. "If one sheep wanders away from the band, it will maybe stay with a group of cattle, but it's very rare that a lone calf will stay with a bunch of sheep, or that groups of the two animals will stay together."

Communication between the two ranchers has been the key to the success of their shared grazing allotment.

"It works because we make it work," said Tews. "Naturally, my ultimate goal would be to have my own private allotment. There are a few things each of us would like to do that might conflict with the other's operation, but we get along well, and it hasn't taken that much effort."

Guerry, whose father has since died, agreed that the two outfits have talked of separating.

"Since 1969, we've acquired some additional grazing allotments, giving us private fields that have helped our situation considerably," he said.

The two ranchers operate near the Idaho-Nevada border. Some of Guerry's own grazing allotment crosses the border, into the northern edges of Nevada's Humboldt National Forest.

How much conflict truly existed between cattlemen and sheepmen?

"I've heard stories of some atrocious acts in the early 1900s between the two groups of livestock men," said Guerry. "A trickle of that still exists.

"Today, debates over public lands issued are becoming so time-consuming and frustrating that common adversity is uniting the entire livestock industry," said the former president of the Idaho Wool Growers Assn.

Running sheep and cattle on the same range is a means of better utilizing renewable resources Guerry said.

"We used to burn our grazing lands in the fall so they'd produce better sheep feed in the next season," he said. "In some ways that was a waste. Now we're producing additional red meat on the same lands for the American consumer, and the federal government is realizing more revenue by selling additional grazing to two different kinds of livestock operations."

Guerry's actual deed property covers about 1,500 acres. The first 500 is irrigated land near Castleford, on which he raises alfalfa hay, field corn, oats, malt barley, wheat, pinto beans, and potatoes. All grains and corn except the wheat and malt barley are fed to his livestock during the winter months, and the wheat may be fed this year if the market for that commodity continues in its present slump, he said.

The remaining 1,000 acres of deeded land is for grazing. Guerry's herds are both crossbreds. The cows are principally Herefords and Black Baldys, and Angus-Hereford cross. The sheep are based in the Columbia breed. His is a fat lamb operation for meat rather than wool production.

Guerry's father came from the Basque provinces of northern Spain in 1909 as a 17-year-old, and went to work as a herder for a Portuguese immigrant named Frank Triguero. When the older man died in 1926, the senior Guerry discovered he was his boss' only heir.

"We kept Triguero's 'JT' brand. I believe there were about 2,500 ewes in the herd Dad inherited. He built up the ranch from that beginning," said Guerry.

"Dad's name was originally Mauritio Guerricaechetarria, but he shortened it to Guerry in 1929, when he received his U.S. citizenship," the rancher said.●

TRIBUTE TO DON SENTERFITT, PRESIDENT, AMERICAN BANKERS ASSOCIATION

● Mrs. HAWKINS. Mr. President, I would like to recognize today Floridian Don T. Senterfitt who has served his community for a number of years and has recently been elected to the distinguished position of president of the American Bankers Association. I congratulate Mr. Senterfitt in being the first native Floridian to be elected to this prestigious national position.

Born in Marianna, FL, Don's family has been in residence on the Sunshine State for five generations. Upon receiving his bachelor of arts degree from Carson-Newman College in 1941,

he began a legal education at George Washington University. Working his way through law school, he served on the staff of Florida's Senator Charles O. Andrews.

During World War II, Don proudly served in the 108th Infantry Division. After the war, he returned to our Nation's Capital to play an integral part of Senator Andrew's staff until the Senator's death.

In 1948, Mr. Senterfitt received his LL.B. degree from University of Florida and went into practice in Orlando, FL. In 1958, his firm merged to become Akerman, Senterfitt, Edison, and in that same year he assumed the position of outside council for the Florida Bankers Association. In 1978, the Florida Bankers Association awarded Mr. Senterfitt with the Distinguished Service Award.

He was elected to the board of directors of Sun Bank in 1964 and became one of the founding directors of the holding company that became Sun Banks, Inc. Don was then elected chairman of the holding company's executive committee in 1977. When Sun Banks & Trust Co. of Georgia merged, he became vice chairman of the new corporation, Sun Trust Banks, Inc. He was instrumental in many of Sun Banks, Inc., corporate decisions.

It is evident that Don Senterfitt will bring a wealth of experience to his new position. As the junior Senator from his home State I sincerely congratulate Don on his accomplishments and wish him well in his term as president of the American Bankers Association.●

JERUSALEM FELLOWSHIPS PROGRAM

● Mr. MOYNIHAN. Mr. President, I am pleased to report that the Jerusalem Fellowships Program held its first reunion meeting on Monday, November 4, in New York City. The Jerusalem Fellowships Program brought over 100 North American college and graduate students to Israel this past summer. My distinguished colleague from Pennsylvania, ARLEN SPECTER, and I had the privilege of serving as honorary chairmen of the advisory committee that selected these fellowship recipients from over 1,000 worthy applicants.

The Jerusalem Fellows spent 6 weeks touring and studying in Israel. Their first night in Israel was celebrated with a gala private reception given by President and Mrs. Herzog at their Jerusalem residence. During the weeks that followed, they met individually with Prime Minister Shimon Peres, Defense Minister Yitzchak Rabin, former Defense Ministers Moshe Arens, Ariel Sharon, and Ezer Weizman, and half a dozen other leading Knesset members including former Israeli Army Chief of Staff Raphael Eitan; the first Israeli Ambassador to Egypt, Eliahu Elissar; Minister of Health Mordecai Gur; Deputy Foreign Minister Roni Milo, and Interior Minister Yitzchak Peretz. In almost every case, there was an opportunity for in-depth dialog with these individuals—an unprecedented opportunity for a study mission for college-age students to question Cabinet Ministers. In addition, the fellows met with Israeli citizens from every walk of life and from every group in that diverse society.

Eighty of the hundred Jerusalem Fellows had never been in Israel before. They had been selected on the basis of intellectual and leadership skills and I am confident that they will articulate the insights developed during this tour now that they have returned to their campuses throughout North America.

The Jerusalem Fellowships Program was sponsored by Aish HaTorah Yeshiva in Jerusalem, a unique educational institution headed by Rabbi Noach Weinberg, a leading contemporary Jewish philosopher and educator. The program's executive director was Rabbi Philip Shore. The chairman of the advisory committee is Richard Horowitz of Los Angeles, president of the North American Board of Governors of Eish HaTorah-Jerusalem. Members of the advisory committee who interviewed and selected the fellows and helped develop their itinerary include New York State Supreme Court Justice Miryam Altman; the chairman of the New York State Board of Regents, Martin Barrell; former U.S. Assistant Attorney General Alice Daniel; former chairman of the New York City Board of Higher Education, Dr. Harold Jacobs; New York attorney and communal leader, Lydia Kess; the president of Touro College, Dr. Bernard Lander; and a distinguished Member of the House of Representatives, Congressman HENRY A. WAXMAN of California.

It is obvious from the response to this summer's program that the Jerusalem fellowships has made a significant contribution toward furthering understanding of Israel among North American young people. I salute all who were involved in this magnificent project.●

SOVIET ARMS CONTROL AD IN THE WASHINGTON POST

● Mr. D'AMATO. Mr. President, I rise today to call to the attention of my colleagues a situation described in a short article which appeared on the front page of last Friday's Wall Street Journal. The article reads as follows:

No sale: The Soviets buy a full-page Washington Post ad for an arms-control article by the chief of their armed forces general staff—but rebuff a U.S. feeler to buy space in Soviet papers to argue the American position. The Russians say their papers don't take ads. Says a U.S. official: "They said, 'We play by your rules, and we expect you to play by ours.'"

As is usually the case with the Soviet Union, they are able to formulate superficially plausible arguments in support of the most absurd propositions. It certainly sounds fair that if they are willing to play by our rules in our country, then we should be willing to play by their rules in their country.

Such an equation would be fair if the rules were fair and if the results were fair. Such an equation presumes a moral symmetry or equivalence between the rules of our two systems, a symmetry or equivalence which does not exist. The problem is that their closed rules serve their purposes, and they exploit our open rules to serve their purposes.

Let us talk about what's really going on here. Their purpose is to advocate a clearly one-sided arms control proposal—theirs—which, if accepted, would constitute a ratification of permanent Soviet strategic superiority. Such a result would be a death blow to this Republic and to freedom in the world as a whole.

Moreover, their advocacy takes direct advantage of our freedoms—freedoms they deny their own people. Our Constitution guarantees freedom of the press. One of the major purposes of this freedom is to allow our people—who are the masters of their Government—to hear all sides of an issue so that they can formulate fully considered opinions and exercise their right to vote intelligently.

Fortunately, because of this freedom, our people are used to exposure to lively public debate on all political issues—including those that bear directly upon our national security. They know the facts. They know where the parties stand. They are able to make up their own minds.

One of the major causes of our competition and conflict with the Soviet Union is that the Soviet rules deny their own people exposure to unapproved ideas, the right to discuss them in public, and the right to participate in their own Government to express their views on political issues. In a fundamental sense, the Soviet Government cannot be considered the legitimate representative of the Soviet people.

Their leaders know they hold power by virtue of the efforts of the KGB and the Red army, not by virtue of the consent of the governed. This is why their rules are different. In the Soviet Union, the expression of ideas which do not represent the party line is explosively dangerous—dangerous to the Communist Party of the Soviet Union's dominant role and to the power and privileges of its leaders.

Why will they not publish an advertisement—or, if they will not accept an advertisement, an article—reflecting

the United States' views on arms reduction? Because the expression of such views have symbolic as well as substantive importance. If they allowed one expression of Western ideas, they would be subject to pressure to allow others.

Also, if such ideas appeared in the official media—in the Soviet Union, there is no other kind—such publication would be a public admission by the authorities that a view other than that of the party has some legitimacy. It would allow ideas to be seen to contend, in public, for public support.

In the Soviet Union, ideas do not contend. There are no basic political decisions left to be made. Marx and Lenin said all there was to be said.

In the Soviet Union, scientific socialism in the only permissible political doctrine. It justifies the enormous sacrifices the people are forced to make, as it justifies the power and privileges of their rulers.

If it were permitted for the average Soviet citizen to doubt the truth of the Marxist-Leninist faith, as interpreted for him or her by the official organs of the Communist Party of the Soviet Union, who knows what else the average citizen might decide to doubt? The leaders of the CPSU worry that the citizens might then ask if a different arrangement of economic or political power might not serve their interests better.

Perhaps there is some reason why almost 5 million of their fellow citizens should not be confined to labor camps and prisons or be forced to work on mobile labor brigades. Perhaps there is some reason why there should not be internal passports controlling their movement within their own country.

Perhaps there is some reason why they should be permitted to work and earn a living at a profession they choose. Perhaps there is some reason why they should be able to worship in a church, synagogue, or mosque of their choosing under the leadership of priests, ministers, rabbis, or teachers of their own selection. Perhaps there is some reason why they should have the freedom to choose where they live.

As you can see, great danger lurks in such a small thing as the publication of foreign ideas. Indeed, as chairman of the Commission on Security and Cooperation in Europe, I have recently reported to the Senate on the course of events at the Budapest Cultural Forum, another of the international meetings which make up the Helsinki process.

Remember that the Soviets promised, in the Helsinki Final Act, to respect human rights and fundamental freedoms. They have since followed a series of state policies which coldly put the lie to the commitment they freely made when they joined 34 other nations as signatories to the Final Act.

At the cultural forum, we want to raise with them issues like censorship, jamming, denial of freedom of expression and freedom of movement, suppression of minority languages and cultures, and the denial of freedom of religion through banning the teaching of specific languages, classes on religion, the manufacture of religious articles, and the destruction of religious buildings and monuments. We have raised these issues and we have been confronted with a Soviet-led effort to treat them as "ideological questions."

At Budapest, the Soviets have shown no signs of flexibility on any of these issues. When we raise them, they charge us with trying to ruin the atmosphere of the conference: They then return to discussions of old, cold war issues.

At Budapest, they prefer to advance only their own two themes—peace through culture and state-to-state cultural cooperation. Both of these themes mesh perfectly with their little gabmit with this Washington Post ad.

They use our freedom of speech, freedom of expression, and freedom of movement to spread, among those who are susceptible to such arguments, the idea that all progressive people must join together to fight the greatest danger to human rights—the specter of nuclear war.

The Soviets argue that the arms race is the reason why there is a risk of nuclear war—and the United States' policies are the reason why there is an arms race. They further argue that the militarization of space—their code word for our strategic defense initiative—is the most threatening and destabilizing element of our arms program.

The Soviets conclude that all peace-loving artists, performers, writers, musicians, and other persons engaged in cultural activities should band together in solidarity to oppose these threatening American efforts. Unfortunately, there are some among the cultural figures on the Western and neutral and nonaligned delegations at Budapest who accept, to one degree or another, this Soviet line and who reflect it back on their speeches and other positions.

Obviously, the Soviets hope that this view will be picked up by the Western media and attributed to these Western cultural figures—not to its Soviet authors. They further hope that the appearance of this view in the Western media, with these popular cultural figures as its source, will help reinforce sentiment in Western Europe against United States and NATO measures to respond to Soviet military efforts.

Their theme of state-to-state cultural cooperation meshes with their denial of our request to publish United States arms reduction views in their media. They strongly resist any individual-to-individual cultural cooperation, or any cooperation involving private institutions. Their public explanations for this position are many—everything from not yet having fully recovered from World War II to being short of foreign currency with which to support travel to the West by their cultural figures.

In fact, the reason why they demand all cultural cooperation be on a state-to-state basis is so that they can retain control over the people and ideas involved. This way, they can allow in only safe, approved ideas and performers and allow out only those who are politically safe and politically orthodox. This policy has the neat result of making them appear open and forthcoming in matters of cultural exchanges—even to the point where they criticize us for budget cuts in Federal programs to support arts and letters—while they are able to protect their people from those dangerous foreign ideas and ensure—with some success—that their people who travel overseas will come home again.

Just think how dangerous freedom of thought can be. If there were genuine cultural cooperation—not just on a state-to-state basis, but on a basis where private individuals and organizations in the West could invite Soviet citizens by name to come and visit them to share their talents—then ideas like modern art and music and literature could reach Soviet citizens.

It is an inescapable fact that all art, at some level, is political. It comments on society in some way. If there is freedom in art for individual comment and individual views on political, social, and economic matters, what might be next? Freedom of speech? Freedom of assembly? Freedom of the press? It's bound to be contagious!

Let's look again at peace through culture. One of our delegates in Budapest, photographer Paul Caponegro, said in one of his speeches that he is at peace at the moment of creation—it is the bringing together of all of the elements of the creative process at the moment of deciding to take the photograph that sets him at peace.

That is an important point. When the state is in a state of war with its citizens, as the Soviet state is, the act of creation by people with talent to contribute to their culture is harmed. Under conditions denying its citizens free access to ideas, information, and other creative people, artificial bounds are set to the possibilities inherent in the creative process. Then, when those with artistic talents attempt to develop them, they are channeled, shaped, and molded by the cultural bureaucracy—so that only those who are willing to subordinate themselves and their art to the purposes of the Communist Party of the Soviet Union are allowed access to the human and material re-

sources necessary for them to develop as artists and for their products to reach the Soviet people.

This is the reverse of the situation Paul Caponegro described as producing inner peace. Not only does it destroy the possibility of self-fulfillment through genuine artistic expression, the tools the state uses to restrict and suppress its own people create tension and hostility with its neighbors.

It is tough to trust the leaders of a country who don't trust their own people. It is tough to believe in the peaceful intentions of a state which uses force and naked terror to retain power within its own borders. It is tough to take their words of peace at face value when they use words as weapons to slash at our freedom and our security.

This small event recorded in this short Wall Street Journal article contains all these meanings and more. There is not time here to fully explore the implications of this expression of Soviet disdain for our values and desire to turn our freedom against us. What they do not realize is that they can't do what they are trying to do.

They see our freedom and openness as weaknesses. In fact, they are our strengths. They think we are foolish for allowing the free expression of thoughts and ideas. They believe they can successfully penetrate our political, social, and economic lives to the extent that they can fatally damage our system, allowing the predictions of Marx and Lenin to come true, not through their system's success, but through their sabotage of our system from within.

I have news for them. We are honest, well-meaning, and a little naive about the way the world works, but we understand our freedom and we value it beyond price.

President Reagan will travel to Geneva later this month to meet with General Secretary Gorbachev. I hope Gorbachev does not think he is going to take candy away from a baby at that summit. If he does, he is wrong. We are going to the summit looking for real progress—in arms reduction, in bilateral issues, in regional issues, and in human rights. We go with optimism and hope for the future—but not with the desperate need for agreement which has spelled disaster for Western politicians before in this century.

I hope Geneva will produce more progress than Budapest has to date. I also hope, as a result of Geneva, that future developments at Budapest might be more positive on the issues which concern us most. But my hopes are tempered by a realization of the stakes involved and by an understanding of recent history. I will be disappointed if the results of these two meetings leave us no better off than we were before, but I will not be surprised if that is the ultimate result.

Perhaps, however, from all of these meetings will come changes in Soviet policies so that their citizens will be able to at least read our views on arms control. If so, the atmosphere of internal trust between the Soviet Government and its citizens which such a development would indicate, will be paralleled by the growth of a similar atmosphere of trust between our two nations.

This is what I hope for. Is it too much to expect?

Thank you, Mr. President.●

THE CASE OF NAHUM MEIMAN

● Mr. DECONCINI. Mr. President, I would like to bring to the attention of my colleagues a compassionate letter that I recently received from Prof. Nahum Meiman, the Soviet Jewish emigration and human rights activist whom I have had the opportunity to meet during visits to the Soviet Union.

For more than a decade, Professor Meiman's desire to live in his cultural homeland of Israel has been consistently denied. His refusals have been based on the alleged secrecy of his scientific work, despite the fact that in 1975, he was given a signed statement by I.V. Chuvilo, director of the Institute of Theoretical and Experimental Physics, confirming that Nahum's work since 1955 had been in the field of abstract mathematics and had been published in open Soviet scientific journals.

Nahum describes in his letter his relentless, yet futile, pursuit to be granted permission to emigrate. Of particular concern to him now is the rapidly deteriorating health of his wife, Inna, who has undergone four cancer operations within the last 2 years. Since Inna has never been involved in classified work, Nahum recently asked the Soviet authorities to consider her visa request separately. Nevertheless, her request was denied for security reasons. It is an outrage to any civilized human being that this gravely ill woman, who has received numerous invitations from various countries to receive the medical treatment she desperately needs, is not allowed to leave the Soviet Union because she is considered a threat to her government's security.

When President Reagan meets with Secretary General Gorbachev later this month, cases such as the Meiman's should be specifically addressed if we are serious about our human rights concerns. As Nahum states at the end of his letter, serious human rights violations, as is evident in his particular situation, undermine the confidence essential for an effective arms control treaty.

I request that the full text of Nahum's letter, which gives eloquent testimony to the senseless suffering the Soviet regime imposes on many of its citizens, be printed at this point in the CONGRESSIONAL RECORD.

The letter follows:

Senator DENNIS DECONCINI,
U.S. Senate, Washington, DC.

DEAR MR. DECONCINI: I am sure you remember my wife Inna Kitrosskaya-Meiman, who told you and your friends her story—that is her having undergone four operations within two years. The fact is that the only treatment she can and does get is operation and since she can hardly hold her head now and would need a new operation very soon, her visa has really become a matter of life and death for her.

She has received numerous and very generous invitations from USA, Sweden, France, and Israel to come and get the treatment she needs. Each time we ask the authorities to let her go, the permission is denied. Obviously, going abroad for treatment is the prerogative of people who occupy high positions and members of their families.

I want to remind you that in May this year, I wrote a letter to the General Secretary Gorbachev which was sent down to the Visa Department; then the Visa Department offered us to hand in all our papers again as if I hadn't been waiting for the visa for ten long years. So we applied again and again were refused. Then we decided to ask the authorities to consider Inna's visa separately from me and to let Inna go with her son and his family since neither of them has ever been involved in any classified work. A week later we were told that Inna cannot go. The Head of the All-Union Visa Department, Colonel Kuznezov, told us that Inna cannot go because she actually goes to get treatment, then because they don't want to separate our family and thirdly for reasons of security.

On September 18, Inna went to see Kuznezov again; this time she was alone. This time he told her that the main reason for the refusal for her to go with her son's family is that they consider her going a security risk. He said Inna has been married to me such a long time that she could have learnt from me state secrets which are a security risk.

This malicious paranoidal nonsense shows how distorted and dangerous for the whole of the world is the approach of Soviet authorities to the security of the Soviet Union. This approach makes the possibility of the Soviet Union to compromise in any way next to impossible. The thing is that the real comprehension of security issue for other countries and thus readiness for a sensible compromise might guarantee security of the whole world.

I believe that my personal case would be a convincing addition to the assertion. To begin with, Inna married me in 1981, six years after I had to retire to be able to apply for a visa to Israel and 26 years after I ceased having anything to do with classified work. Unfortunately, the last two years of our married life out of four, Inna has been gravely ill.

More than 30 years ago, at the dawn of the atomic age, I made some classified mathematical calculations of academic character for the late Academician Landau in the Institute of Physical Problems of the USSR Academy of Science. And then I was not in the know of any data of the construction or organization of research. In 1955, I began to work in another institute and that was the end, as is officially certified, of my classified work.

In the autumn of 1976, I wrote to A.P. Alexandrov, the President of the USSR Academy of Science, who, in the fifties, had been the Director of the institute where I did my classified work. It was a letter with a requst to inform those involved in refusing me for security reasons that my calculations had long ceased to have any significance (suffice it to say that they were done by hand without any computers and no one in the world is interested in them now).

The letter was handed in to Alexandrov by another famous physicist. A few days later, the President told him that as a result of his inquiries, he can say that I really possess no secret information and added, "Generally, Meiman is a mathematician and he is not in the know of the problem; he will be allowed to leave soon."

In 1977, A. Sacharov told me that not only my calculations but all the work done under Ac. L. Landau had a purely academic significance. A. Sacharov even wrote a letter about it to Dr. Jeremy Stone, the Director of Federation of American Scientists (FAS).

Can you tell me what secrets Inna could have learnt from me? Not to mention that I am 74 now and after 30 or more years, I have completely forgotten my calculations and if I did remember them, Inna would have had to go through the University course of mathematics to understand them (she majored in humanities and is a teacher of English).

Unlike the cases of thousands of other scientists and engineers who are denied the visa for the so called "security reasons", my case is well-documented and is widely known in the West. That's why I go into such detail.

The episode with my letter to Alexandrov had a most peculiar continuation. In January 1980, a few days after Sacharov was exiled to Gorky, I was called to the Moscow Prosecutor's Office. The Head of the Investigation Department told me that, as is known to me, many of my friends were arrested and that I too was to have been arrested but because of the humanitarian nature of Soviet power, it was decided to give me the last warning. He said no more and then two men (no doubt, KGB officials though they didn't introduce themselves to me) continued the conversation. They were polite but very tough. The senior of the two told me irritably "We would be glad to get rid of you and to allow you to go but you know a lot of state secrets". When I told them about my letter to President Alexandrov and his reaction to it, the man answered: "Well, but why hasn't Alexandrov written officially about it to the necessary office?" But why would Alexandrov, a tired and busy man over 80, make a special effort on my behalf? Surely, KGB have their own scientists-consultants who know very well that my calculations have no significance but these scientists are interested in the opposite since they want it to be thought that their own work of 30 years ago is still of importance. And the result is a stone wall which cannot be broken through from the inside.

All this vicious circle is specially created for "more security" and as a result paranoia which leads to considering Inna's emigration as a threat to Soviet Union's security. It also makes possible to treat a gravely sick woman in a bestial way shameful for any civilized state.

I am absolutely convinced that this kind of approach to their own security is fairly harmful for the Soviet Union. It leads to a psychological climate under which coming to an agreement so necessary for all the parties is becoming more and more difficult. I want to give a simple example. How can Ambassador Max Kampelman and Senator Nunn treat various Soviet proposals with confidence if they know all about our case and many other cases of this kind?

Speaking again of refusnicks, I'd like to say that it's impossible to believe that any person who really has knowledge of any state secret would have applied for a visa and thus would have most certainly made his life the life of a life-long refusnick. The real secret is just that one who and how decides our destinies? For more than ten years, I have been living in this circle of Hell and still I don't know who and where has condemned me to this life? And in fact there are no means for me at all to be able to talk for my own defense through Law. All this is strongly reminiscent of medieval secret courts or, let's say, Kafka's "Trial". This atmosphere of deepest secrecy is being strengthened by the fact that never, under any circumstances, has any refusnick received an answer in written form. The answer is only oral or by phone.

Dear Sir, You and your colleagues, while talking to refusnicks here, were eager to find a link between the issue of human rights and such problem of vital importance as arms control. I hope that my letter to some degree has an answer to this question. Serious violation of human rights, such cases as ours, undermine confidence essential for a real treaty.

My request to you is to acquaint all the Senators in your delegation with my letter and generally to make it as publicly known as possible.

Sincerely yours,

Prof. NAHUM NEIMAN,
Moscow, *September 26, 1985.*●

THE 50TH ANNIVERSARY OF THE EASTER SEAL SOCIETY OF CONNECTICUT

● Mr. WEICKER. Mr. President, last week, the Easter Seal Society of Connecticut celebrated its 50th anniversary of service to persons with disabilities. This celebration, held at the society's beautiful Hemlocks Outdoor Education Center in Hebron, CT, brought together many of the people, volunteers and staff, past and present, whose combined spirit, vision, and dedication have meant so much for the improved lives of so many. Indeed, the fact of the society's record itself is cause sufficient for our colleagues to take notice.

But the highlight of the 50th anniversary meeting was an address presented by the society's outgoing president, Paul F. McAlenney of Simsbury. In that address, Mr. McAlenney, a lawyer who has given generously of his talents and time as Easter Seals president, presented most persuasive arguments for full acceptance of persons with disabilities in all facets of our society and on the means and need for advocation to this end.

I recommend Mr. McAlenney's words to our colleagues and to all who are committed to each persons' achievement of his/her full potential and I ask that Mr. McAlenney's address be printed in the RECORD,

The address follows:

REMARKS OF PAUL F. MCALENNEY

As I realize that these words will constitute my final official act after four years as President of the Easter Seal Society of Connecticut, I am feeling a variety of emotions:

Relief, to be able to pass the responsibility of the position to an eager and able successor, who I know will oversee the operations and meet the challenges of the Society with imagination, enthusiasm and dedication;

Satisfaction, in the feeling that our much needed expansion program is now organized and under way, and that the fulfillment of our plans is within reach;

Comfort, in the knowledge that our Board has gained many new members to bring new ideas and positive contributions to the organization, and

Gratitude, for four years of support from John Quinn and his able staff and from our many dedicated volunteers and friends.

I am pleased that over the past four years our Society has prepared an indepth feasibility study on expansion of our Hemlocks facility, has completed detailed building plans, has organized and undertaken a major capital funds campaign, and stands ready to complete that campaign and the building project in the immediately foreseeable future.

I am pleased to have witnessed the continued increase in utilization of our Hemlocks facility, and to be able to report that in fiscal 1985 our facilities were open and utilized 321 out of 365 days, or an average of six days per week.

I am pleased to have seen the continued expansion of our summer programs at Hemlocks, most particularly in the addition of the exciting computer camp for children with disabilities.

I am pleased that this past year the State Society has had its best financial year out of the past four. Much credit for this goes to our responsible administrative staff and our vigilant Budget and Finance Committee.

Before introducing to you our new officers and Board members, I would like to leave with you a few of my thoughts about the goals that our organization seeks to achieve and about what we as individuals can do to help meet those goals.

The Easter Seal Society exists to assist people with disabilities, of whatever kind. Our programs aim to allow those with whom we work to maximize their individual potential as people and as citizens. It is our hope that, in part due to our programs, people with disabilities will be able to lead independent lives and to be accepted as worthwhile citizens in our community.

Not so many years ago, society tolerated the existence of almost insurmountable barriers to the accomplishment of these goals. Many buildings were not accessible to people with disabilities. Six inch curbs on street corners prevented some people from being able to cross the city streets. Our laws had developed to protect the interests of certain minorities, but not of the disabled. Our institutions were used as places to which disabled people could be removed, rather than as resources for the training of these citizens to enter into society. In short, people who could not fend for themselves were not considered as part of our community; in fact our community failed to consider these people at all.

Today, we enjoy a vastly improved atmosphere in which to pursue the goals of the

Easter Seal Society. Many physical barriers that confronted people with impaired mobility have been eliminated. Our laws recognize the rights and interests of citizens with disabilities and extensive special education programs have been developed to accommodate the special educational needs of these people. If people with special problems can be taught or trained to deal with their problems, maybe now they will have a chance to lead lives in our community much like "normal" people do.

Let me illustrate with an example how far we have come in our attitudes in just the past 25 years. In about 1960, a friend of ours delivered her first child in Hartford. The child had Down Syndrome, a genetic abnormality causing both mental and physical retardation. The mother was advised immediately to institutionalize the child. Her doctor counseled her: "Go home and forget that you ever had this child" (Repeat slowly) "Go home and forget that you ever had this child."

Twenty-five years ago, little was known about Down Syndrome or what could be done to maximize the potential of a person born with it. No special education programs existed for children born with a disabling condition. Parents were offered no guidance and no support in dealing with their child's special needs. Society counseled to ignore the child, to remove it from the family, to separate it from the warmth and love of a normal home, in short to forget that it ever existed.

Today, a baby born with Down Syndrome, or any child having a disabling condition or disease, will find in Connecticut effective programs of special education dealing with the child's particular needs. Genetic counseling and other special services are readily available through the UConn Health Center and other institutions. The state's early intervention program commences with weekly in-home service as early as a few weeks after birth. When a child moves on to the classroom at 12 to 18 months of age, free transportation from the home is provided by the state program. After the age of 2 years 8 months, the local public school system is required to take over the special education program. Today, efforts are being made to "mainstream" where appropriate, that is, to have children with special needs attend regular classroom activities with "normal" children to the extent possible.

Today, the days when society ignored people with disabilities are gone. Unfortunately, however, we are not yet to the point where such people are easily and totally accepted by our communities.

One of the most important jobs that remains for our organization, and for each of us, is to achieve the elimination of all remaining attitude barriers that impede the complete integration of people with disabilities into society. To accomplish this, the "normal" people of society must come into contact with people with disabilities, must understand their problems, must acknowledge their varying capabilities, and must accept them for what they are, as real, worthwhile citizens.

In part, society's lack of awareness of people with disabilities is a remnant of our recent past when many people with disabilities were intentionally removed from society and institutionalized. Most of us in this room probably went through our entire youth without ever having a pal who was retarded or physically disabled, and our entire education without sharing a single classroom session with such a friend. Little wonder then that when we are presented today with such revolutionary ideas as group homes in our own communities that some of us react in a manner that appears irresponsible to those of us who have had the opportunity to come to know and accept people with disabilities.

Fortunately, it now appears that steps are being taken to break down these lingering attitude barriers. From my own observation, many of the positive steps being taken involve thoughtful contributions in the area of communications.

A number of examples come to mind:

First, newspaper and television publicity given to the Special Olympics, TV coverage of marathons showing wheelchair runners along side able bodied runners, and other examples of people with disabilities in sports endeavors, help us to understand that people with disabilities have the same desires and enthusiasm for sports as do so-called "normal" people.

Second, publicity by organizations such as ours, notably the TV spot on Hemlocks that we produced last year, has helped to increase the public's awareness of people with disabilities, and in our area, of their enthusiasm for the out-of-doors, the computer, boating on a lake and other things held dear by society in general.

Third, at long last some of the major corporations are using the powerful medium of commercial advertising to depict people with disabilities as "normal" people along side their able-bodied counterparts. About a year ago, I first noticed a TV ad by McDonald's starring a number of very appealing children happily engaged in various children's activities. I remember commenting at that time how the ad included white, black and Asian children, but none with any visible form of disabling condition. In the last two months, it has been exciting for me to see two different advertisements aired by McDonald's on TV, each of which has included a physically disabled person in the activities depicted. The first clip shows a number of shots of children and adults having fun singing and dancing, and includes a shot of a boy in a wheelchair breakdancing. The second ad shows a high school student in a wheelchair hastily moving from one class to another amidst a throng of "normal" students. Both of these ads show people with disabilities doing the same things as their "normal" counterparts, and convey a message of acceptance of these people as "normal" members of our society.

A fourth example is a feature article that appeared on the front page of the Hartford Courant a week ago that told the story of a 7 year old boy with Down Syndrome whose parents wanted him to attend regular classroom sessions in the Southington, Connecticut, school system. The local authorities recommended that he be instructed only with other children with disabilities and the article tells of this family's successful appeal to the Board of Education to have the boy admitted to the regular classroom. The tone of the article was one of sympathy for the intentions of the family and of support for the result achieved.

A final example, my favorite, is also a story of a young boy with Down Syndrome. Some time last winter, a regular weeknight network show starring Lee Majors, The Fall Guy, starred in a leading role a ten-year old boy with Down's Syndrome, who I shall call Billy. At the beginning of the show, the audience saw Billy traveling to Southern California with his older brother where Billy was to participate in the Special Olympics. Along the way, Billy found himself being a witness to a killing by two gunmen. Frightened, Billy hid in the back of a van, which was owned by Colt Seevers, the character played by Lee Majors. Colt drove off with Billy in the back of the van and later discovered his passenger. As the story unfolded, Colt became aware of Billy's somewhat "different" characteristics, and of his Down Syndrome condition. In a number of following scenes, the viewers witness over and over again that, although Billy is somewhat retarded both mentally and physically, he is a gutsy kid who can do a lot and who tries very hard to do those things that nondisabled people can often take for granted.

Near the end of the show, the killers are caught and Billy is reunited with his older brother, and along with Colt, they arrive at the Special Olympics. The camera then captures in slow motion a moving close-up sequence of Billy's Special Olympics' race, of his super effort, and of the joy shared by him and his onlooking supporters as he races down the course and crosses the finish line.

To top off the show, the final scene shows Lee Majors (as himself) and the little boy who played Billy in a room seated beside each other on a sofa. The two look at each other, and then in what appears to be a spontaneous movement, wrap their arms around each other and, proclaim proudly "We did it! We did it!"

This last example of publicity about people with disabilities meant at least three things to me. First, it made me feel good to know that millions of Americans that night, most for the first time, were learning something about one disabling condition (Down's Syndrome), and experiencing visually a little human being who reflected the same spirit, the same enthusiasm, the same emotions, as every normal little boy. Second, it made me happy to know that some Hollywood star, some TV producer, some sponsor, or some network official had decided that it was time to air a program with a special person in a starring role. And third, it was exciting to me as the program unfolded to realize that what America was seeing was really a story within a story. As was so beautifully depicted in the final "We did it! We did it!" scene, the second story here was of a little boy with Down's Syndrome who had become a TV actor at the age of 10 and, in spite of his condition, had done all that was required to have a major role in a network TV program (memorize lines, learn gestures, respond to cues, and all the rest).

These examples illustrate that in 1985 efforts are being made to make the public more aware of the subject of disability, and of people with disabilities, hopefully with the result that all people will become able to accept people with disabilities into their day-to-day lives, without dwelling on these people's differences from so-called normal people.

I have taken the time to illustrate this process of educating the public because I believe that our organization can and must in the years ahead play a leading role in contributing to and encouraging education of the public to the end that our citizens with disabilities will be easily and totally accepted in our community.

But this education process should not be left only to organizations such as ours and such as those mentioned in the examples I have cited. The process must be shared by each of us personally in our daily lives. As members of the Easter Seal Society, we are well aware of what our organization does to

train people to deal with and overcome disabling conditions, and to ready them to lead useful lives in society. Each of us, however, can and must play a role as an advocate—in our families, with our friends, and in our community—to hasten the day when people with differences will be easily and totally accepted by all.

None of us should shrink from this assignment or think that he or she cannot make a difference. Each of us can find ways to make known our interest in hastening the attitudinal development of all.

Examples of simple actions are easy:

If you react that a major advertiser has neglected to include anyone with a disability in its advertising, why not write a letter directly to the president of the corporation?

If you are moved by a feature article or a news story, why not write a short letter to the editor praising the story or offering a simple comment on it?

If a group home is proposed in your town, why not go to your local planning and zoning meeting and stand up and say "It's about time!"?

If you are planning a birthday party for one of your children, why not ask him (or her) if there is anyone in his class with a disability who he would like to invite?

If you visit a restaurant or other public facility that has been thoughtfully designed so that a person in a wheelchair can easily participate in the normal functions there, why not mention to the owner that you are pleased to see he gave consideration to this?

For those of us with children (or grandchildren) in school, don't forget that these kids have special education students in their schools and in their classrooms every day, and that because of this they will grow up accepting people with disabilities more naturally and easily than we did. Let's not let these youngsters think we're a bunch of squares. Let's get out and be advocates for all our special people.

Thanks to all of you for supporting me as your President and God bless you.●

THE CASE OF SERGEI KHODOROVICH

● Mr. DECONCINI. Mr. President, I would like to bring to the attention of my colleagues an editorial by columnist George F. Will that appeared in the Washington Post on Sunday, November 3. This editorial addresses the issue of Soviet human rights violations in "The Case of Sergei Khodorovich."

Mr. Will points out the incredible sham by which the Soviet regime interprets its own Constitution and the Helsinki accords. When President Reagan meets with Secretary General Gorbachev later this month, Mr. Will strongly urges Reagan to raise specific cases, such as that of Sergei Khodorovich, to underscore United States concern of the ongoing and systematic persecution of many Soviet citizens. I concur with Mr. Will's suggestion, and request that the full text of his editorial be printed at this point in the RECORD.

The editorial follows:

THE CASE OF SERGEI KHODOROVICH

(By George F. Will)

It has been said there are two ways to combat darkness: be a candle, or the mirror that reflects it. At the summit, President Reagan must be the mirror reflecting the few candles not yet snuffed out by Mikhail Gorbachev's neo-Stalinism. One flame flickering low is Sergei Khodorovich.

In 1977 he became manager of the Russian Social Fund. That post was open because the previous occupant had been arrested. The Social Fund, based in Zurich, is a charity founded in 1974 by Alexander Solzhenitsyn and funded by worldwide royalties from "The Gulag Archipelago." It does nothing other than support families of prisoners of conscience in the Soviet Union, all of them victims of Soviet disregard of the Helsinki accords.

On March 1, 1983, after 15 months in a KGB investigation prison, Valeri Repin, manager of the fund for Leningrad, was put on Soviet television to make one of those "confessions" that loom so large in the Soviet charade of justice. Appearing broken, he said he had confessed "with the help of an investigator." He "confessed" that the fund is, as the Kremlin has constantly charged, a "Western spy organization." Five weeks later Khodorovich was also arrested.

In the years before his arrest, he had been fired from his job, harassed in his home and provoked in the streets by KGB thugs posing as thugs. In prison he was regularly beaten by persons gifted at leaving no traces when the victims are clothed. His face was unmarked. The rest of his body was almost entirely black and blue. Ribs were smashed.

He received a "light" sentence of three years in a "strict regime" concentration camp on the Arctic coast. That term is due to end next year. But in a transparent trick to confuse foreign critics, the Kremlin has amended the criminal code to permit arbitrary extension of "light" prison terms. Vicious sentences are imposed piece-meal under a law concerning "malicious insubordination to the demands of the administration of a corrective labor institution."

Yuri Andropov gave the Soviet Union two things—that law, and a protégé named Gorbachev.

Khodorovich is, of course, "protected" by the Helsinki accords. Soviet law is a tissue of such "protections." When a young artist, Sergei Batovria, was arrested for dissenting and wanting to emigrate, he told his interrogator that his activities were protected under the libertarian language of the Soviet "constitution." The interrogator said: Fine. You will be charged with "unwarranted exercise of constitutional rights."

In March 1985, Khodorovich was sentenced to 46 days in an isolation cell, with his warm clothes taken away, subsisting on reduced rations. Then came four months' hard labor with 30 minutes a day allotted for a "walk." His health is declining. His life may hang on Reagan's willingness to express, in Geneva, a special interest in him.

Reagan, like most people, only more so, has a cinematic mind. He clarifies his thinking and animates his passions with reference to particular cases, identifiable individuals whose situations can be framed, focused and frozen in clearly imagined scenes. This is not a weakness, least of all one peculiar to actors. It is a common and useful habit of mind that can yield moral strength.

So when Reagan enters the room in which he will raise human-rights issues with Gorbachev, he should bear this in mind: Gorbachev's minions sometimes leave open the windows of the rooms in which "investigators" help prisoners to "confess." This helps the community to hear the sound of dissent being corrected.

People surprised by Reagan's emphasis, in his U.N. speech, on Soviet behavior, including human-rights violations, have not been paying attention. A month earlier, on ABC's "This Week," Robert McFarlane said human rights would "remain high, in fact, the leading issue on our [summit] agenda." If so, this may be the best kind of summit—short and acrimonious.

When human-rights questions are raised with Soviet officials, they put on elaborately rude displays of boredom, rolling their eyes, doodling, glancing at their expensive Western watches, and finally saying with heavy weariness, "Can we not go on to serious matters?" This summit will be worth the considerable trouble if, as summit enthusiasts hope, Reagan and Gorbachev "get to know one another." If that happens, the summit enthusiasts will be dismayed because Reagan will return to Washington furious, and U.S.-Soviet relations will be better, meaning more realistic, meaning colder.

That is one reason why Reagan should raise with Gorbachev the case of Khodorovich. As Reagan does this, he should see, cinematically, in his mind's eye, the methodical breaking of Khodorovich's ribs.●

ORDERS FOR TUESDAY

RECESS UNTIL 8:45 A.M. TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:45 a.m. on Tuesday, November 5, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that on tomorrow, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators THURMOND, PROXMIRE, GORE, and HAWKINS.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that following the special orders just identified, there be a period for the transaction of routine morning business tomorrow, not to extend beyond 10 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following the transaction of routine morning business on tomorrow, the Senate will resume consideration of House Joint Resolution 372, the debt limit measure. Votes, I hope and believe, will occur prior to 12 noon in relation to the bill. In fact, we hope to be on the bill at 10 o'clock.

There are 1-hour time agreements on most amendments, so it may be

possible to dispose of two amendments before noon, but at least one.

It is my understanding that we will shorten the time for the policy luncheons tomorrow from 2 hours to 1 hour.

Mr. President, I ask unanimous consent that the Senate stand in recess between 12 noon and 1:30 p.m. tomorrow, for the weekly party caucuses.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, at 1:30 p.m. the Senate will resume consideration of House Joint Resolution 372, the debt limit measure, and votes can be expected throughout the day and late into the evening.

As we indicated we would, we have disposed of three amendments today. The two minimum tax amendments were merged, and the amendment by Senator LEVIN was agreed to.

I also indicate that on the Calendar of Business for Monday, November 4, there is an error by the Government Printing Office. It has two Levin amendments as Nos. 6 and 7. As I understand, No. 7 should have been a Riegle amendment.

And there was a veterans' amendment I think by Senator RIEGLE that should have been No. 7. We disposed of 6.

Mr. BYRD. All right.

Mr. DOLE. So we have 2 hours on Medicare, an hour each on Medicaid, AFDC, an hour on two Riegle amendments, 40 minutes on a Hart amendment.

We will have a full day tomorrow without much doubt.

Is there anything else?

Mr. BYRD. Mr. President, I cannot think of anything else.

RECESS UNTIL TOMORROW AT 8:45 A.M.

Mr. DOLE. Mr. President, if there be no further business to come before the Senate, I move we stand in recess until 8:45 a.m. on Tuesday, November 5, 1985.

The motion was agreed to; and at 5:47 p.m., the Senate recessed until Tuesday, November 5, 1985, at 8:45 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate November 4, 1985:

FEDERAL MARITIME COMMISSION

Edward V. Hickey, Jr., of Virginia, to be a Federal Maritime Commissioner for the remainder of the term expiring June 30, 1986.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

INNOVATIVE PROGRAMS TO FIGHT THE DROPOUT PROBLEM

HON. JOHN H. CHAFEE

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Monday, November 4, 1985

● Mr. CHAFEE. Mr. President, 1 in 4 of the students who enter U.S. high schools drops out. This statistic alone is alarming enough, but in many urban areas the rate is as high as 50 percent.

While this problem is certainly one of the gravest facing our education system, until recently it has been overshadowed by the national drive for higher standards and better teaching in our schools. As our pursuit of educational excellence continues, we are losing millions of young people who fall through the cracks of the system and never earn a high school diploma. Needless to say, the personal and social costs of this dropout exodus are extremely high.

I recently joined in introducing the Dropout Prevention and Reentry Act of 1985. This legislation would fund pilot projects to fight the dropout problem. It would award funding through competitive grants, and encourages innovation by allowing educational agencies to design their own proposals.

An article in the New York Times of November 2 offers evidence of the effectiveness of such programs, and demonstrates the great potential of the legislation we have introduced. I ask that the article be printed in the RECORD.

The article follows:

[From the New York Times, Nov. 2, 1985]

SCHOOLS CITED AS HELPING DROPOUTS SUCCEED

(By Jonathan Friendly)

A commission of business, labor and state government leaders yesterday identified innovative programs in city schools that it said helped dropouts and other troubled children of high school age to succeed as workers and as students.

Warning of a rapid growth in the number of children who care little for jobs or study, the commission urged other city school systems to copy the programs. Many of the programs look to schools, colleges and local businesses to work together to give young people alternatives to the classroom in which they have failed and to offer work opportunities that are not menial, dead-end jobs, the commission said.

In a report after more than a year of scouting the country for effective programs, the commission said business executives should increase their efforts to make meaningful jobs available to students and urged states to alter regulations and tax policies that inhibit cooperative efforts.

Unlike other recent school studies that have called for raising academic standards, the report yesterday, by the Business Advisory Commission of the Education Commission of the States, concentrated on "turning around" an estimated 2.5 million young people who it said were particularly likely to fail.

It said that having schools "do it right the first time" would cost a fraction of the $20 billion a year it estimated business and governments paid for lost productivity, increased crime and welfare dependence.

The commission endorsed raising school standards but said schools also had to work harder to retain students who were at the bottom of the academic ladder. "As emphasis on individual academic achievement rises, low achievers are likely to throw in the towel," the report said.

The report went further than others in identifying programs it said were working and should be duplicated.

Among the programs cited was the Middle College High School, run by the New York City Board of Education at La Guardia Community College in Queens for 500 students in the 10th, 11th and 12th grade. It helps these students, many of whom are dropouts from regular high schools, to find jobs and internships while earning their diplomas.

CITIES IN SCHOOLS CITED

The group also cited the Cities in Schools programs in New York, Los Angeles, Houston, Atlanta, Washington, Bethlehem, Pa., and West Palm Beach, Fla., that use the schools to coordinate social services to students' families. It praised a program for pregnant students in Madison, Wis., the efforts of the Philadelphia Academies to merge academic and vocational skills, and a dropout prevention program in San Jose, Calif., that starts in the elementary grades.

The commission, headed by Gov. Charles S. Robb of Virginia, noted that many students lost faith in schools because they could not expect their studies to lead to good jobs, adding that the problem worsened as industry left the central cities. It did not recommend that businesses move back but rather that they provide transportation for young people to get to jobs outside of their neighborhoods.

It particularly applauded a Philadelphia program associated with a restaurant chain, Wendy's International, that trains young people for managerial positions, and the efforts of the Newport News Ship Building and Dry Dock Company in Virginia to train minority students as engineers, to give managerial help to school officials and to offer adult night courses.

Among the companies represented on the commission were the RCA Corporation, Sears, Roebuck & Company, E. I. du Pont de Nemours & Company, the Xerox Corporation, the Control Data Corporation, the Ford Motor Company and the American Telephone and Telegraph Company. Other members, in addition to Governor Robb, were the Governors of New Jersey and Ohio, the Mayors of Los Angeles and Gary, Ind., and representatives of four labor unions.●

INTERNATIONAL COMPETITIVENESS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. FRENZEL. Mr. Speaker, on October 30, in a New York Times article, Leonard Silk noted that between 1977 and 1984, U.S. productivity increased 15.6 percent, while Japan's went up 67.4 percent.

In that same period, U.S. labor rates increased 69.4 percent while Japan's went up only 46.9 percent.

Our unfavorable trade balance is a complex combination of many factors. Even so, these frightening facts give eloquent testimony of the difficulties American firms face in international competition. The United States is not going to be competitive if its productivity rises 23 percent as fast as our competitors and its labor rates go up nearly 33 percent faster.

A TRIBUTE TO ALBERT H. EVANS, MAFDA PRESIDENT AND CEO, 1973-85

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. HOYER. Mr. Speaker, I would like to insert into the CONGRESSIONAL RECORD a tribute in honor of Albert H. Evans and his 12 years of service as president and chief executive officer of the Mid-Atlantic Food Dealers Association. Under Mr. Evans' leadership, the MAFDA grew from 300 members to over 2,000 retailers, wholesalers, suppliers, and food brokers today. His own personal experience as a retailer made him an effective representative of the members of his association and provided important expertise in his handling pertinent industry issues.

I congratulate Mr. Evans on his many years of distinguished service as president and chief executive officer of MAFDA and wish him all the best as he begins his well-deserved retirement.

The tribute follows:

[From the Maryland Grocers' Skirmisher, October 1985]

A TRIBUTE TO ALBERT H. EVANS, MAFDA PRESIDENT AND CEO, 1973-85

(By Melanie G. Pullen)

In 1961, Albert Evans became president of Evans Foods, Inc. This was the start of a

turbulent time for the south and its business communities. Racial tensions escalated as the civil rights movement gained momentum. Richmond erupted in violence—windows were broken, fires were started, and people were threatened.

Albert decided to sell his four-store chain in 1968. He had served on the board of directors of Richmond Food Stores, Inc. (the predecessor to Richfood) and several trade associations, including the Food Executives Association of Richmond and the Virginia Food Dealers Association. He also had become involved in the education process by teaching food marketing to high school and college students.

After selling his grocery chain, Evans, with the urging of Frank Straus, the executive vice president of VFDA, joined the Virginia Food Dealer Association as education/training director responsible for the training of retailers, wholesalers, and other associations on a variety of food industry related topics. At that time, the Virginia association had approximately 2,500 members from North Carolina to New Jersey.

Mr. Straus died in 1971 and Albert became executive secretary of the organization. Meanwhile, in 1968, Shirley had gone into a partnership with a friend in a Hallmark card and party shop. This business thrived. Albert worked as the card shop's chief stock clerk. "I was the best shop clerk they had," Evans remarked, "they paid me $20 per week!"

In addition to these other two jobs, Evans took the time to teach distributive education classes in food marketing at Virginia Commonwealth University.

In 1973, Evans left VFDA to become executive director of the Retail Grocers and Food Dealers of Baltimore, Inc., headquartered at 3240 Elliott Street in the Canton area of Baltimore.

Evans' priorities were to build the membership in terms of number and actual involvement in the association, enhance the association's service program to the membership, and to establish a presence in the Maryland state government.

One year later, the association was renamed the Maryland Food Dealers Association.

From March 1974 until December of that same year, the association doubled in size to over 600 members. The first trade show, held in Ocean City, MD in October 1974, had 26 booths and 25 exhibitors.

In 1977, the association absorbed the Mid-Atlantic Food Council, a lobbying organization, and formed the Maryland Food Political Action Committee to act as the legislative arm of the Maryland Food Dealers Association. The association hired its first public affairs executive to handle the PAC's lobbying efforts. According to Evans, the Food PAC then represented the interests of A&P, Acme, Giant Food, Grand Union, and Pantry Pride.

Nineteen seventy-nine was a year of change for the Maryland Food Dealers. The association was renamed the Mid-Atlantic Food Dealers Association to better describe geographically its membership. William P. Miller, currently president-elect of the Mid-Atlantic Food Dealers Association, was hired as director of marketing. Membership was up to 1,800 over six times what it had been in 1973. Evans' title was changed to president of the association. The convention and trade show had grown from 25 exhibitors in 1974 to 125 exhibitors in 1979. The number of MAFDA employees had grown to 25, two more than are employed today. In addition, the association formed the Commerce Insurance Agency as a subsidiary of the Mid-Atlantic Food Dealers Association Service Corp.

Because of this expansion, the association had to move from its 2,000 square foot office building in Canton to its present location, an 8,000 square foot former Acme Supermarket, on Commerce Street in Dundalk Center.

In 1980, the association decided to move its thriving coupon redemption operation out of house because of increasing labor costs. MAFDA also decided to expand its role in governmental affairs and represent Delaware and Washington, D.C. food industry participants. A County Captain System was developed by the association to make certain that a sophisticated and politically astute retailer was present in every district MAFDA represents. The captain was educated by the association to act as an industry liaison between the food industry and public officials. In 1984, Evans became chief executive officer of the Grocers Electronic Network System (GENS) and vice-president of Food Industry Investment Service Corp., Inc. (FISCO), both subsidiaries of MAFDA, established in 1984. The GENS project was designed to structure and test the most efficient manner to build a network for providing consumer-oriented electronic funds transfer transactions that will enhance the productivity of the food store checkout and perform financial services for the consumer. Currently, eleven MAFDA member companies are scheduled to have an electronic device designed for either automatic teller machines or point of sale functions installed.

Evans has devoted time and effort to many food distribution causes and institutions. He has served as president of the Food Industry Association Executives and was the first chairman of the board of Maryland's Beverage Industry Recycling Program (BIRP), and still serves on its board of directors. In addition, Evans was a member of the ad hoc committee that structured the merger of the Cooperative Food Distributors of America (CFDA) with the National Association of Retail Grocers (NARGUS) to form the National Grocers Association (NGA), and served on its board of directors as the first representative of state, local and regional associations. He also has served the Baltimore Grocery Manufacturers' Representatives Association as a member of the board of directors, and later as its president. Furthermore, Evans has represented the industry on numerous task forces formed by the Governor of Maryland to study pertinent industry issues, and currently serves on the board of directors of the Maryland Food Bank. He is also a member of the Asparagus Club.

Today, membership is in excess of 2,200 retailers, wholesalers, suppliers and food brokers. Meat and potatoes are no longer $.59 and $.29, respectively, as they were when Evans was a retailer. "Machine" bookkeeping no longer means a row of adding machines, and "scanning" no longer means checking the outside produce stand for spoilage. Although today's food store management is much more technically sophisticated than they were in the 40's and 50's and 60's, Evans maintains that his success as a trade association executive has been due in large part to his past experience as a retailer and his ability to empathize with their problems and needs.

SILVER ANNIVERSARY OF THE NEW JERSEY DENTAL SCHOOL

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. RODINO. Mr. Speaker, on the weekend of November 8 to 10, the New Jersey Dental School will celebrate the silver anniversary of its first graduating class, the class of 1960. This silver anniversary weekend will be an opportunity to recognize the school's many achievements over the last 25 years, to honor its fine graduates, and to look ahead to its continued service to the greater New Jersey community.

The school, based on its modern campus in Newark, is part of the larger University of Medicine and Dentistry of New Jersey. Originally established as part of the Seton Hall College of Medicine and Dentistry, it was the first successful program in dental education to be established in New Jersey. In 1965, the State of New Jersey acquired the Seton Hall complex, and it has remained a State school ever since.

When the school opened its doors to its first class of 35 students back in 1956, it was a small, struggling private institution with a goal of establishing a modern center for dentistry in New Jersey. In less than three decades, this goal has been fulfilled. With expanding resources and programs in every field of dental study, the New Jersey Dental School has become the State's major resource for dental education and research.

It is particularly gratifying to note the admirable role that the school has played in the local Newark community. In cooperation with the Essex County Office on Aging, the school provides dental care for senior citizens. It has also set up programs to treat the physically and mentally disabled. Dental students regularly attend community health fairs and visit grammar schools to teach children how to take proper care of their teeth. And the school has also cooperated with the local community to provide affordable dental care for those who need it.

The school can also be proud that its graduates have spanned out into every possible area of dental practice. They are in teaching, research, the military, the dental industry, and in private practice, which includes all of the different specialties. Such a variety is but one indication of the breadth and scope of the school's program.

I extend my congratulations to the silver anniversary class, as well as to the other anniversary classes of 1965, 1970, and 1975. The New Jersey Dental School has distinguished itself with excellent graduates, a fine faculty, a first-rate program, and service to the community. I am proud to salute it during this anniversary weekend.

JAN W. PASSMORE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. MINETA. Mr. Speaker, I would like to ask you and our distinguished colleagues to join me in saluting Jan W. Passmore. Jan Passmore will be honored at a special dinner, November 18, 1985, during which time he will receive the 1985 Distinguished Citizen Award from the Santa Clara Council Boy Scouts of America.

Jan has been referred to as the "consummate volunteer" and a "voracious fundraiser"—and both statements reflect some of the impact he has had on our community over the past 12 years.

Jan's commitment to his community has been long standing and far reaching. He is currently serving as president of the Kiwanis Club of San Jose. He is in his second term as chairman of the board of HOPE Rehabilitation Services, the largest agency of its kind in the country; he is currently first vice chairman of Goodwill Industries, having served two terms as chairman of the board of the agency which has grown to be the No. 1 Goodwill in the world. Additionally, Jan is chairman of the board of trustees of the Alum Rock United Methodist Church and vice chairman of the central area chapter of United Way. He serves on the boards of the San Jose Trolley Corp., Music and Arts Foundation, Christmas in the Park, Scottish Rite Foundation, Cultural Council of Santa Clara County, San Jose Country Club, and as a member of the president's council at San Jose State University.

Jan has had extensive involvement in scouting since being a Cub Scout and rising to explorer with a life Scout rank and brotherhood degree in the Order of the Arrow. His continued involvement led him to executive board membership of the Santa Clara County Council Boy Scouts of America and two terms as president during a very dificult period when the council was in transition. His fundraising efforts on behalf of scouting have been significant over the years. His attitude and belief is that each and every one of us has an obligation to contribute to the qualify of life in our community—and for those who have had the opportunity to succeed, that obligation must become an absolute commitment. Jan Passmore's relentless service is our guarantee that tomorrow will hold more promise than today.

Mr. Speaker, on the occasion of this awards banquet, Jan and his wife Pamela, can be confident that our country is most grateful for his contributions and accomplishments. Therefore, I ask you, Mr. Speaker, and our colleagues to join with me in expressing our thanks and congratulations to Jan W. Passmore and to wish him the best for his health and future endeavors.

Thank you very much.

THE REAGAN-GORBACHEV SUMMIT: THE WILSON PRINCIPLES MUST BE APPLIED

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. GINGRICH. Mr. Speaker, on October 22, 1985, Senator PETE WILSON provided the Congress and the American people with five points which should be observed when President Reagan attends the summit.

These five principles provide extremely useful guidelines to ensure that our most important concerns are protected at the summit. I urge my colleagues to study these principles and let the President know we support them.

The Wilson Principles are:

(1) *Do not allow the Soviets to set the agenda.* Said Wilson, "The Soviets are entitled to address their concerns; we are entitled to address ours. They will not be the same."

(2) *Do not limit the talks to arms control.* Wilson wisely insisted that "we must insist upon a linkage between the subject of arms control and the subject of human rights, the subject of violations of the Helsinki Accord, the sponsorship of terrorism, the sponsorship of regional aggression and subversion, and the conduct of espionage under diplomatic cover."

(3) *All agreements must be strictly verifiable.* Wilson told the Senate: "The fact that we dare not trust the Soviets in no way exempts us from having to deal with the Soviet Union, but does impose the requirement that Soviet performance be verifiable." This is particularly critical given recent confirmations of Soviet deployment of the Krasnoyarsk radar and the new SS-25 missile which violate the ABM and SALT II treaties, respectively.

(4) *New negotiations and agreements must consider and redress Soviet non-compliance with existing treaties.* Referring to the violations of the ABM treaty by the Soviet battle-management radar at Krasnoyarsk, Wilson warned that "we must make clear to the Soviets that there will be a cost to them for violation of any agreement. Just as it does no good to enter into agreements—however high-flown the language, however optimistic the thoughts expressed therein— . . . so it does no good to monitor and verify performance if, when there is in fact Soviet violation, we impose no cost."

(5) *Negotiations and agreements must not hinder or prevent the U.S. ability to pursue research, development, testing or future deployment of systems that could defend the American people and their allies from nuclear weapons.* Wilson stressed that "where undiscovered defensive technologies hold out the promise of replacing the 'balance of nuclear terror' with mutually assured survival, to forsake achieving such technology for some concession of incomparably lesser value would be an act of inexcusable dereliction." Moscow years ago endorsed this principle. When the ABM treaty was signed on May 26, 1972, the Soviets refused to preclude the development of some future defense "based on other principles" which at that time may be unknown. This means, despite the tangled syntax of the U.S.-U.S.S.R. Accords, that those Soviets who signed the ABM treaty should be in enthusiastic agreement with the U.S. that the testing and development of many new advanced strategic defense technologies are not precluded by the ABM treaty.

Wilson's five principles are litmus for testing whether the summit succeeds. The five principles should be stamped on index cards to be carried by Ronald Reagan and all his advisors in Geneva for quick reference as they negotiate with the Soviets. These cards also should be given to the thousands of journalists covering the summit, to enable them to fairly assess its outcome.

The Reagan Administration, Congress, and U.S. observers should define success according to the U.S. agenda. As in all negotiations, it makes very little sense to judge the outcome by criteria other than those which serve one's own interests. Similarly success should not be defined according to Soviet criteria.

The Wilson Principles, if followed carefully, would insure that the summit promotes world peace and improves U.S.-Soviet relations and trust. If these principles are violated, there may be little point in Ronald Reagan's going up the summit. As Pete Wilson told the Senate, "The answer is that we should not go to Geneva now or ever unless we are prepared to insist upon and obtain our agenda, as well as theirs; and verifiable Soviet performance; and after agreement, Soviet compliance or Soviet cost."

EDITORIAL

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. SIKORSKI. Mr. Speaker, accolades of praise have been heaped upon the President for his handling of the *Achille Lauro* hijacking crisis. Such an action-oriented posture need only be present to remedy the administration's languishing inaction on an issue of crucial domestic and United States-Canadian importance: acid rain.

Minnesota and Wisconsin will soon join New York in a State-by-State effort to control acid rain. However, State action alone cannot control acid rain nationwise. In Minnesota, over 70 percent of emissions causing acidic precipitation comes from out of State. In light of these facts, I would like to insert a recent editorial from the Stillwater Evening Gazette which spearheads the need for a national acid rain control program.

EDITORIAL

Having Minnesota as one of the only states in the country to adopt a firm environmental stance against acid rain is a little like prescribing aspirin for a brain tumor: No matter how well intentioned, in the final analysis, the treatment isn't going to make much of a dent.

Acid rain is an industrial state's by-product which refuses to reside within state boundaries. Instead, toxins float along wind currents and backsides of pressure systems to fall and poison the soils and lakes of Minnesota. The Minnesota Pollution Control Agency (MPCA) estimates over 70 percent of the emissions causing acid rain can be traced from out of state—primarily Texas and Missouri.

U.S. Representative Gerry Sikorski is in the process now of resubmitting a bill to

Congress which would effectively curb sulfur and nitrogen dioxide emissions of industries, smelting plants and vehicles by up to 30 percent nationwide.

The bill, naturally, has enemies, especially among the representatives of the industrial states. It will cost companies a great deal of money to install pollution control devices or to switch to low-sulfur coal. However, these industries have been abetted in an effective stand-off by the Reagan Administration. Together they have proved to be a powerful united front against the environmentalists simply by calling for more research.

Acid rain has been studied—extensively. Scientists have been able to correlate the defoliation of forests and "dead" lakes to the smoke coming out of industries chimneys. There can be no more waiting. In West Germany, nine million acres of forest have been killed, in Sweden, thousands of lakes have been poisoned. Their deaths have been attributed to decades of unregulated industries emitting sulfur dioxide.

The only thing which could hold back a positive effort against acid rain in this country is if the costs were estimated to exceed the benefits. The future is guaranteed with an access to our natural resources. Our environment is priceless.

THE COMPLEXITY OF IMMIGRATION REFORM

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. GARCIA. Mr. Speaker, Arnold Torres, former director of the League of United Latin American Citizens, recently wrote an op-ed piece on immigration reform for the Sacramento Union. Mr. Torres aptly points out that immigration reform is a highly complex issue that lends itself to exaggeration. He adds that the present legislation pending before Congress is full of contradictions. I commend his essay to my colleagues. I believe he reflects many of the concerns of the Nation's Hispanic community regarding immigration reform.

[From the Sacramento Union, Oct. 16, 1985]

HYPOCRISY AND IMMIGRATION REFORM

(By Arnoldo S. Torres)

Immigration reform legislation has received a great deal of attention over the last five years. Unfortunately, it has not provided the public with insight or understanding of the complexities surrounding this controversial issue. Instead, many observers of this debate tend to simplify while exaggerating it's scope.

They simplify the issue by making it seem that by penalizing employers who hire undocumented workers the flow will stop. There is no serious attention focused on the push factors that many times force foreigners to come to the United States in order to survive. We forget to ask ourselves what we would do if we were confronted with civil war, economic deprivation, and religious restrictions. The forefathers of this country came to the United States for much the same reasons.

Perhaps the greatest error in this debate is the tendency to exaggerate the problem by using such phrases as "lose control of our borders" and stating that the number of undocumented persons in the United States is "between two and twelve million." There appears to be little desire to research the issue but rather a willingness to further the fear and paranoia.

A published study by the prestigious National Academy of Sciences titled Immigration Statistics, A Story of Neglect" found that there is no empirical basis at present for the widespread belief that the illegal alien population has increased sharply in the late 1970s and early 1980s: "The only data available on recent trends . . . in fact suggests that the population has increased little if any at all since 1977."

Furthermore the study concluded that the data from the U.S. Census Bureau and Mexican census data that "Though no range can be soundly defended, a population of 1.5 million to 3.5 million illegal aliens in 1980 appears reasonably consistent with most studies."

Passage of the Simpson immigration bill (S. 1200) by the U.S. Senate underscores the inherent contradictions and hypocrisy associated with this debate.

Proponents of this legislation contend that we must "control our borders" and protect U.S. citizen jobs. However, in the same breath they have approved in the legislation for temporary worker programs which will allow a permanent flow of 500,000 to 600,000 foreign workers to enter the U.S.

These numbers are not justified for agricultural interests have never presented a case of need but a recent study in California by the University of California and the Employment Development Department found that 20 percent of the 350,00 immigrant workforce in California was undocumented—(approximately 70,000). Furthermore, history bears out that the four previous temporary worker programs in the United States since 1911 have encouraged and increased flows of undocumented workers.

Hypocrisy because these foreign workers will be used to displace U.S. farmworkers who have had an unemployment rate since 1980 between 13 percent and 22 percent. In essence, we are willing to make exceptions for agriculture if it means that foreign workers will work without rights and proper protections by the U.S. growers. These programs and the magnitude of foreign workers which will enter the United States to work, amounts to Congress legitimizing what they, editorial writers and others have been critizing for 15 years—the illegality of undocumented workers entering the United States and taking jobs from U.S. citizens.

The Wilson amendment and the other three temporary worker programs will undoubtedly worsen working and living conditions of migrant farmworkers. In fact we predict that they will create an environment where these workers, legal or illegal, will be a permanent underclass, exempt from the coverage and benefits of a civilized society.

The provisions of S. 1200 provide a lesser standard of protection for foreign workers that presently enter the United States and a lower standard than those for U.S. farmworkers. This adds insult to injury for current standards are not seriously enforced and for all practical purposes have never received much attention or resources. The conditions confronting farmworkers have not really improved since Ed Murrow's documentary "Harvest of Shame". A fact underscoring this is the reluctance of the U.S. government to establish regulations for sanitary facilities in agricultural fields. It is 1985 and we are exploring ways of establishing life-supporting space stations in outer space yet we have no requirement for toilets in the fields for farmworkers.

Those who wish to support this legislation should be made to answer for these contradictions and hypocrisy.

KIM AND MARTHA SMALL

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. MINETA. Mr. Speaker, I would like to ask you and our distinguished colleagues to join me in saluting Kim and Martha Small. Kim and Martha Small, who have dedicated much time and energy to our community, will be honored at a special dinner, November 13, 1985, where they will receive the Legacy Medal—presented by the San Jose Health Foundation.

Kim and Martha Small have been a team since growing up together in Riverside, CA. They married following their graduation from UCLA and recently celebrated their 29th wedding anniversary. The Small's have lived in the Santa Clara Valley since 1970, and the valley is much richer since their arrival.

Kim has been involved in the development of more than 6 million square feet of buildings for the electronics industry, manufacturing, warehousing, retail, hotel, residential, restaurant and other industries. He was selected as Developer of the Year at the annual chamber of commerce and Association of South Bay Brokers Development Briefing.

Among the many projects Kim Small is involved with are: The Silicon Valley Financial Center, downtown San Jose's multimillion dollar redevelopment project; the San Jose Fairmont Hotel; and the Doubletree Hotel and Techmart, which is part of the city of Santa Clara's Trade and Convention Center.

Both Kim and Martha are extremely active in the community, serving on many boards and committees that enrich the lives of area residents.

Martha is a member of the San Jose Symphony Board of Directors and the San Jose Symphony Auxiliary Board. She is in her fourth year as a member of the San Jose Repertory Company's Board of Trustees and she cochaired this year's successful fundraiser for the Rep.

Martha's other community service includes: serving as a member of the board of the Timpany Foundation; working with the Northern California Council of Alumnae Panhellenics, and as a member of Delta Delta Delta she continues her support as northern California State reference chairperson; she is a recipient of San Jose Panhellenic's Athena Award; founding member of the Saratoga Music Boosters, an organization to provide the high school with financial support for the music program.

Kim serves as a member of the board of directors of the San Jose Chamber of Commerce, the San Jose Museum of Art, and as

a member of the board of fellows with Santa Clara University.

Althrough Kim and Martha Small have given much of themselves to their community, they have also been devoted to their family. They have three children, Jennifer, Mary Lynn, and David, all of whom returned to the alma mater of their parents, UCLA.

Mr. Speaker, on the occasion of this awards banquet, Kim and Martha and their family and friends, can be proud of their fine accomplishments. Therefore, I ask you, Mr. Speaker, and our colleagues to join with me in expressing our thanks to Kim and Martha Small and to wish them continued success, health, and happiness.

Thank you very much.

THE LEVEL PLAYING FIELD

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. FRENZEL. Mr. Speaker, in the name of the level playing field more then 300 protectionist bills have been introduced in the House. The Wall Street Journal, in a November 1, 1985, article by Alan Murray, reminds us that the United States itself has contributed importantly to the global morass of trade barriers. In many industries we are playing on the high end of the field.

Murray cites information from a book to be published by Prof. Gary Hufbauer of Georgetown University which indicates that a quarter of all U.S. manufactured goods are covered by significant trade barriers. The consumer cost of that total is $50 billion a year, or $450 each for all workers. Hufbauer estimates that 21 percent of U.S. imports are covered by protection, versus 8 percent in 1975.

The article also notes that economists see no job gains on the whole from protectionist policies. As many jobs are lost as those that are gained.

Some of the consumer costs noted in the article are: Steel restraints, $2 billion per year; book manufacturing only in the United States, $500 million/year; high tariffs on ceramic tiles, $116 million/year; peanut quotas, $170 million/year; rubber shoe high tariffs, $230 million/year; high tariffs on motorcycles, $104 million/year; auto restraints, $4.5 billion in 1984; figures ranging from $12 to 27 billion for restraints on textiles/apparel. There are other examples.

Perhaps some of the advocates of the level playing field will have second thoughts about leveling. An honest leveling would send hysteria through many of our protected industries.

GRAMM-RUDMAN'S FALSE PROMISES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. RANGEL. Mr. Speaker, we have heard a great deal in recent weeks about the Gramm-Rudman deficit reduction package. The Reagan administration has touted it as the one true answer to this Nation's economic problems, despite the fact that Gramm-Rudman's solution is to cut aid to the poor.

Basically, Gramm-Rudman would allow the executive branch of Government to make sweeping budget cuts. This is an unprecedented, and possibly unconstitutional, usurpation of the budgetary authority of Congress. Whether or not it would withstand a test of its constitutionality, it is a definite challenge to those of us who are fighting to prevent further cutbacks.

Deficit reduction is an admirable goal which all of us support. However, it should be done equitably on all levels. If we look closely at the present package, we can see that Gramm-Rudman benefits only wealthy individuals and corporations at the expense of the common man. A large chunk of the Defense budget is exempted from any cutback, while all social programs would be eligible for a Presidential reduction. While housing assistance, food stamps, Medicaid, and other programs for the poor will be cut further, tax breaks to wealthy households will remain intact.

In essence, Mr. Speaker, we will see Reaganomics given a free hand under Gramm-Rudman. Checks and balances will become meaningless, and the rule of Congress will be diminished.

I urge my colleagues to strongly oppose this package, and to read the following article which I have attached for inclusion in the CONGRESSIONAL RECORD.

[From the New York Times, Oct. 23, 1985]

NO WAY TO BALANCE THE BUDGET

(By Ronald F. Pollack)

WASHINGTON.—Here Congress goes again, playing Robin Hood in reverse. In the guise of solving Federal deficits now approaching $200 billion a year, Congress is on the threshold of enacting a regressive budget process that would leave the poor to be soaked while avoiding the root causes of the nation's fiscal ills.

This latest extension of the Reagan revolution was introduced by Republican Senators Phil Gramm and Warren Rudman as an 11th-hour amendment to the debt-ceiling bill. With Congress about to extend the national debt to $2 trillion, liberal and conservative Senators alike were open to anything that made them appear politically tough on deficits. Although barely understood and not subjected to a single committee hearing, the Gramm-Rudman amendment was thus stampeded through the Senate 75-24 days after its introduction, and awaits ultimate disposition in a Senate-House Conference Committee.

Gramm-Rudman cries out for a careful reading, It establishes incremental targets for eliminating the deficit by fiscal 1991. It would grant the President—in the event of a budget impasse between Congress and the President or their joint failure to achieve those annual deficit reduction targets—unprecedented powers to make across-the-board budget cuts. Whether or not this shift of budget policy making from Congress to the President can pass the test of constitutionality, its practical result can only widen the economic gap between the nation's rich and poor—for the proposed cuts are anything but across-the-board.

For corporations and the rich, Gramm-Rudman would exempt all tax loopholes from cutbacks. These subsidies, which have grown rapidly since 1981, and which faintly benefit corporations and affluent individuals, are the largest cause of the deficit. In fiscal 1984, for example, they cost the nation $322 billion—and that figure will jump to $404 billion in this fiscal year. Depreciation allowances alone, which cost $22 billion this year, will leap to $81 billion by fiscal 1990—according to the Treasury Department's own projections. Yet Gramm-Rudman treats tax subsidies with absolute benign neglect.

As for the second-largest contributor to the growing deficit—the Defense budget—Gramm-Rudman exempts 38 percent of military expenditures (mostly for weapons procurement) from any reduction. In sharp contrast, it places all means-tested social programs squarely on the block.

These disproportionate cutbacks would reinforce the distribution of income begun in 1981 when, at the behest of the President, Congress hastily passed Draconian social welfare cuts even as it reduced tax rates and enlarged loopholes such as accelerated depreciation. According to the Congressional Budget Office, those measures, when combined, cost households with incomes below $10,000 an average annual loss of $390 while they handed households with incomes above $80,000 an average annual windfall of $8,270. Thus, by 1984, the poorest 20 percent of the population received only 4.7 percent of the nation's income—the lowest since 1953—while the wealthiest 20 percent reaped 42.9 percent—the highest since 1947.

Gramm-Rudman will make matters worse. Food stamps and child nutrition programs, which have been slashed by $12 billion since 1981, will be cut again. Medicaid, which has been reduced by $5 billion, will take additional hits. Housing assistance for the poor will suffer further. Meanwhile, in the absence of meaningful tax reform, the three-martini lunch will survive while depreciation allowances and investment tax credits continue to grow uncontrollably.

Congress has good cause to be concerned about the deficit. But the plain truth is that the budget cannot be balanced on the backs of the poor. A fair and effective deficit reduction plan must look instead to where the real money can be found—in tax giveaways for the rich and profligate spending by the Pentagon.

Gramm-Rudman clearly fails this test. It can be improved by exempting the poor from its odious reach, but a wiser course would be for Congress to cast it aside altogether and to deal with the deficit directly and forthrightly.

AN HONOR FOR DEPUTY INSPECTOR JOSEPH DiGILIO, AN HONOR FOR BROOKLYN

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. SCHUMER. Mr. Speaker, we in New York's 10th Congressional District are proud of our first rate police force. But a force is nothing without the many individual police officers who comprise it, and today I am happy to join the Webster Avenue Block Association in honoring one of those police officers, Joseph DiGilio.

Inspector DiGilio joined the 70th police precinct in Brooklyn just 2½ years ago, but in that short time he has repeatedly shown himself to be a bold and dedicated leader as well as a fine role model for our children. Besides garnering praise from New York City Police Commissioner Benjamin Ward, Inspector DiGilio has won the acclaim of community groups throughout his precinct.

Recently, Inspector DiGilio received a well-deserved promotion from captain to deputy inspector, and the Webster Avenue Block Association has set aside this day in Inspector DiGilio's honor. I join them in honoring Inspector DiGilio, and wish him great success as deputy inspector.

MEXICO'S PROSPECTS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 4, 1985

Mr. GARCIA. Mr. Speaker, the Christian Science Monitor ran a four-part series on Mexico last week, I am inserting part four of that series in the RECORD, along with a Monitor editorial on Mexico.

As the Monitor aptly points out Mexico faces enormous problems. While the Mexican people must ultimately solve their own problems, the United States should be willing to help Mexico in any way possible. Mexico's importance to the United States cannot be minimized, so by helping Mexico, we are, in fact, also helping ourselves.

The articles follows:

[From the Christian Science Monitor, Oct. 31, 1985]

POLICIES ON CENTRAL AMERICAN ISSUES CHANGE

(By Dennis Volman)

SAN CRISTOBAL DE LAS CASAS.—The beautiful old colonial town of San Cristobal de la Casas, seems untouched by the events in the last two centuries.

Quiet, dignified streets, lined with solemn stone houses—in front of which Indians in multi-coloured native dress peddle handicrafts, fruits, and flowers—lie under a sky so translucently blue that the city seems not quite of this world.

It is, however, very much of this world. San Cristobal is one of the main cities of the southern Mexican state of Chiapas, which lies on the Mexican-Guatemalan border.

Chiapas is genuinely concerned with Guatemala's ongoing guerrilla insurrection. San Cristobal's economy is largely dependent on the wealth of foreign tourists—primarily Europeans.

If the conflict in Guatemala intensifies, cities like San Cristobal may be greatly affected. Tourism would suffer. Those especially hard hit would be the poorer segments of Chiapas—Indian vendors whose existence depends upon a constant influx of tourists.

Mexican leaders say that a severe deterioration in the regional situation could eventually threaten Mexico's stability. In a sense, the possible damage that turmoil in neighboring countries could inflict on tourist towns like San Cristobal embodies Mexico's concern in Central America.

"Basically, Mexico doesn't care about Central America," says one of Mexico's leading think-tank specialists on Central America. "What it really cares about is Central American instability and how that instability might affect Mexico."

It was the wave of regional disruption in the late 1970s that pushed Central America to the forefront of Mexico's foreign policy agenda.

Mexico's somewhat passive foreign policy—which, since the 1910 revolution, had concentrated on nonintervention—was turned upside down.

But, after the 1979 revolution in Nicaragua and the outbreak of large-scale guerrilla warfare in El Salvador, what emerged was an aggressive policy of uniting the regional Latin American powers in an attempt to both support and temper radical social change in Central America.

This policy, which Mexico hoped would guarantee peace and security on its southern border in the long run, culminated in the Contadora effort, which aims to bring about a peaceful settlement in Central America.

Contadora was formed by Mexico, Venezuela, Colombia, and Panama in Jan. 1983. Its purpose: to present a Latin American, rather than the United States, diplomatic alternative to the Central American conflict and to support peaceful negotiations in order to prevent a US invasion of Nicaragua or a regional war.

Five Central American countries, Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica, later became members of Contadora. The main areas of conflict are Nicaragua and El Salvador. In 1981-82, Nicaragua's ruling Sandinistas were aiding El Salvador's leftist rebels.

The US responded by backing anti-Sandinista rebels, known as "contras." Honduran-based contras were increasing their raids into Nicaragua resulting in an expansion of US military presence in the region.

It was generally feared that Nicaragua and Honduras would become embroiled in a conflict, utimately leading to US invasion of Nicaragua.

Today, Contadora seems stalled in the deadlock between Nicaragua and the US's Central American allies—Honduras, Costa Rica, and El Salvador.

With an economic crisis leaving Mexico more dependent on the US and its own private sector, Mexico's policy toward Central America appears to be changing. The US and Mexico's private sector appear to be pushing the Mexican government toward a more conservative policy in Central America, though Mexican government officials publicly deny any shift in policy.

Most regional analysts say there has been a distinct move by Mexico toward a more conservative, low-profile policy in Central America in the last year. It is a shift that, in the past few months, has been growing daily more visible.

Academic and diplomatic analysts predict that, short of a US invasion of Nicaragua, this trend will continue. Mexcio, they say, will become less involved in Central America.

The near-suspension of Mexican oil shipments to Nicaragua is a sign of the increasing distance that Mexico is placing between itself and Nicaragua. Mexico will relinquish its ruling position in Contadora to other Contadora members which are more sympathetic to US policy in Central America, predict analysts.

Contadora was originally created as a subtle form of opposition to the US by allowing the Latin American countries, rather than Washington, to call the shots on the resolution of the Central American crisis.

Mexico is also expected to continue to cool its once-warm relations with the Salvadorean left and move closer to Salvadorean President Jose Napoleon Duarte, say these observers.

Mexico hopes that President Duarte will be able to negotiate a peaceful settlement to the five-year-old civil war with leftist guerrillas.

Whatever its policy shifts, Mexico's main concerns in Central America remain the same:

A politically and militarily stable Central America which is not polarized into warring camps nor dominated by either the Soviet-Cuban axis or the traditional right-wing oligarchies.

A relatively demilitarized zone on Mexico's southern border enabling it to keep its Army comparatively small.

"Mexico is slowly returning to its old policy of stressing due process of law and opposing any foreign—principally US—intervention in the area," says Rene Herrerra, a Central American analyst at a top Mexican think-tank, the Colegio de Mexico.

The US remains the crucial third party in Mexico's Central American policy—always in the background, but always a factor.

Through all the ups and downs of an often delicate relationship, Mexico has always had to deal with the US. Often, as the only Latin American country that directly borders the US, the Mexicans have felt very alone.

"Our [Mexico's] relations with Central America, like all our relations, are another form of our relations with the US," says Lorenzo Meyer, a Mexican academic expert on US-Mexican affairs.

Mexico and the US share two goals. Both want political stability in Central America and the prevention of a leftist takeover. But the way in which the two governments view the region are radically different. These differencs set US and Mexican policies at loggerheads in the late '70s.

The US considers the main problem of the region to be poverty, for which money, time, and the free enterprise system are the remedy. Washington is particularly concerned with the threat of a Soviet-Cuban takeover of the area, which it wants to avert.

The way Mexico sees it, rampant social injustice is the key factor in Central America's explosive situation. Social change is the only solution.

Most analysts believe that when the Sandinistas first came to power in Nicaragua in 1979, and the Salvadoran left appeared near victory, Mexican leaders hoped that a bloc

of countries would join together. Under Mexican leadership—and subservient to neither the Soviets nor the US—these countries would guide the region.

In 1982, a more conservative administration came to power led by President Miguel de la Madrid Hurtado. Mexico became increasingly disenchanted with the Sandinistas.

At that time, Mexico was struggling with the worst economic crisis since the 1910 revolution. President de la Madrid adopted a conservative domestic economic policy to halt the crisis.

The president adopted the International Monetary Fund's austerity plans, encouraged large-scale foreign—mainly US—investment and tourism, and attempted to restore the confidence of Mexico's private sector.

The new economic strategy led to a modification of Mexican foreign policy, say policy analysts such as Aguilar and Carlos Frederico Paredes, a former vice-minister of planning, and an expert on Central American affairs.

To succeed, the Mexico's economic strategy needs the wholehearted support of both the local private sector and Washington.

Although such support is not yet apparent, analysts suggest that de la Madrid is changing his country's Central America policy in the hope of placating the US and Mexico's business leaders. Many of those business leaders share the US' dim view of the Sandinistas and the Salvadoran left.

But, despite diminished Mexican support for the Sandinistas and the Salvadoran guerrillas, the gulf between the Central America policies of the US and Mexico remains wide.

Mexico's leaders are, in private, rapidly coming to accept the idea put forth by President Reagan that there should be negotiations between the ruling Sandinistas and the "contras," says Adolfo Aguilar Zinser, a top Mexican expert on Central America.

Mexico continues to reject the idea of US economic aid to the contras and new elections in Nicaragua, which the contras are demanding.

Mexico's leaders still say that US policies in the region will lead to further polarization and conflict.

Mexico fears that the US refusal to reach any sort of accommodation with the Central American left combined with US ignorance of basic social realities in the region will further radicalize both the Nicaraguan and the Salvadoran left, says Mario Arriola, an analyst of Central America and the Contadora peace process for CIDE, a Mexican think-tank.

Mexico's deepest fear is that an impasse in Central America would lead to a US invasion of the area, which Mexican leaders see as catastrophic.

Weakened as Mexico is by its economic crisis, a US invasion—followed by many years of generalized guerrilla warfare throughout the region—could endanger Mexico's present political system, say Arriola and other analysts.

Mexicans fear an invasion would bring a wave of refugees across its southern frontier, says Arriola.

At present, according to official figures, there are 50,000 Guatemalan refugees in Mexico. Most of them are concentrated in Chiapas. Most observers say the official figures are far too low. Some estimate the number is closer to 100,000.

The Chiapas area is considered especially vulnerable to insurrection in part because it is one of the two or three most economically underdeveloped states in the country. And any upheaval could have serious consequences since Chiapas is near Mexico's largest oil fields.

If Guatemala's guerrilla warfare intensifies, the fighting could spread to Chiapas, say analysts. Large numbers of Mexican Army troops would be moved into the area creating a destabilizing effect on Chiapas which has a large Indian community.

Politically moderate US experts on rural development who have worked with Indian communities in Mexico for many years say that stationing large number of troops in the province would likely lead to a wave of repression against the Indian population. The local Indian population would revolt leading to further violence.

Other observers and Mexican academic analysts say that it would be a mistake to believe that the discontent fueling Guatemala's massive guerrilla warfare would automatically spill over to Chiapas. These observers stress that the degree of social injustice and repressiveness in Chiapas, although high, is much less than in Guatemala.

Mexico is concerned that political polarization of the right and left in Central America would eventually have a similar effect in Mexico, say both Arriola and Paredes.

Mexican leaders remember the radicalizing effect which the Cuban revolution and US efforts to combat it had on the Mexican left in the 1960s.

A future US invasion of Nicaragua, analysts say, would have an even more drastic effect. Thousands of Mexican youths might volunteer to help the Sandinistas against US forces. Such a development would, in turn, radicalize the Mexican right, supported by large elements of the private sector.

In a situation where the economic crisis and longstanding business sector discontent with the ruling Institutional Revolutionary Party (PRI) is already putting a great deal of pressure on Mexico's social fabric, polarization of the right and the left could have serious consequences.

Mexican leaders want to avoid having to enlarge their Army, which has been depoliticized and loyal to the government since the 1920s. But in Latin America, the possibility of a coup is never completely ruled out. An enlarged army in a socially polarized Mexico could prove dangerous.

In the long run, Mexico will attempt to distance itself from a lot of public activity on what it sees as a not-very-hopeful Central American situation, says a Western diplomat. This means among other things abandoning its leadership of Contadora.

Mexico's policies in Nicaragua will probably grow increasingly ambivalent, abandoning its energetic defense of the Sandinistas but probably not adopting Washington's views.

This ambivalence will characterize Mexico's relations with El Salvador. Mexico has replaced its backing of the Salvadorean left with lukewarm support for President Duarte. Mexico would like to see a negotiated solution in Salvador. But it is not confident that Duarte, the US, or the left-wing guerrillas are willing to make the necessary concessions to achieve one.

In Guatemala, Mexico is expected to continue to contradict its policy of supporting social change in the rest of the region and continue to move somewhat closer to the right-wing regime of Gen. Oscar Mejia Victores in the hope that the general will manage to keep their common border quiet.

Mexican leaders are concerned about the political future of Central America. They do not greatly trust or respect the judgment of either the ruling Sandinistas or the Reagan administration, the Salvadorean left or the Salvadorean right. Hopes are diminishing for the Contadora peace effort. As Mexico steps back from its activist role of the last few years, its leaders can only attempt to contain the damage and hope for the best.

[From the Christian Science Monitor, Oct. 31, 1985]

MEXICO'S REFORM AGENDA

Mexico is a troubled nation in search of soltuions to its many problems. As noted in a four-part series in this newspaper, ending today, the tasks are daunitng. Solving them will require understanding abroad, and fresh ideas, vigor, presistence, and political courage at home.

In the long run the most fundamental demand may be slowing Mexico's rate of population growth, which at more than 3 percent a year is one of the highest in the hemisphere. Brazil has made considerable headway in slowing its population rise; Mexico has not, despite an elaborate government program for population control. Mexico's leaders will have to find out why and redirect or redouble their efforts. The nation's social and economic fabric, already strained, should not long be subject to today's rate of population increase.

The Mexican economy must be revamped. Far to few jobs exist for today's adult Mexicans, let alone tomorrow's greater numbers; now, many Mexicans emigrate illegally to the United States in search of work. A way must be found to create more jobs at home.

Mexico properly seeks to diversify its exports; three-fourths of revenue earned from exports comes from the sale of oil abroad. The past decision to tie Mexico's export economy to oil has proved unfortunate, as the price of oil has tumbled sharply in the past three years and appears likely to fall considerably further. Mexico may require international assistance to finance further development of other industries with export potential, beyond what has already taken place along its northern tier.

Mexico's standard of living has dropped considerably in the '80s; ultimately a way will have to be found to reverse this trend, beyond the on-and-off easing of austerity that is the current pattern.

Reviving private enterprise is a key requirement, along with reducing the size of the economic public sector, which now produces some 70 percent of the gross national product. There has been much discussion but limited action. Major change is extremely difficult, however, since many public-sector jobs are tied to support of the overwhelmingly dominant political party, the Institutional Revolutionary Party (PRI). In the United States this would be akin to the patronage system of yesteryear's big-city political machines.

For the PRI to reduce dramatically the size of public-sector employment, widely agreed to be necessary, would require the firing of large numbers of political supporters, jeopardizing support for the party itself. It is difficult to imagine a political entity moving strongly against such self-interest, yet if Mexico is to progress, such action must be taken.

Along the way corruption, as well as inefficiency, must be rooted out.

Challenging as are these and other tasks—such as meeting its $96 billion foreign

debt—Mexico has an ace in the hole: the United States, with which it has at once a warm and an ambivalent relationship. Mexico knows that its northern neighbor, mindful of the 2,000-mile common border, has a mighty interest in not allowing Mexico to fall so low economically, or to become so troubled socially, as to sink into instability.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, November 5, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 6

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume hearings in closed session on policy and technology objectives of the Strategic Defense Initiative (SDI) program.
SR-222

9:30 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions and Consumer Affairs Subcommittee
To hold oversight hearings on mobile home usury preemptions.
SD-538

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Finance
To hold hearings on the nominations of B. John Williams, Jr., of Virginia, and Carolyn M. Parr, of Maryland, each to be a Judge of the United States Tax Court.
SD-215

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To hold hearings to examine problems associated with construction of Hawaii Interstate H-3, including parkland protection issues.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

10:30 a.m.
Conferees
On H.R. 2419, authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

11:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
Courts Subcommittee
To hold joint hearings on farm bankruptcy.
SD-628

2:00 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
Science, Technology, and Space Subcommittee
To hold joint hearings to examine the results of the August 1985 World Administrative Radio Conference and their implications for U.S. policy and for industries using the geostationary orbit.
SR-253

Judiciary
To hold hearings on pending nominations.
SD-226

3:30 p.m.
Conferees
On S. 1042, authorizing funds for fiscal year 1986 for military construction programs.
S-207, Capitol

NOVEMBER 7

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on satellite insurance capacity and its effect on commercial space activities.
SR-253

10:00 a.m.
Armed Services
Defense Acquisition Policy Subcommittee
To resume oversight hearings to review the status and impact of certain legislative provisions to reform the defense acquisition process.
SD-138

Foreign Relations
To resume hearings to review certain defense issues, focusing on nuclear strategy, ballistic missile defense, and arms control.
SD-419

Judiciary
Administrative Practice and Procedure Subcommittee
Business meeting, to mark up S. 1145, to provide for a prohibition on the appropriation of funds for the implementation of any rule for which a joint resolution of disapproval has been passed by both Houses of Congress, and S. 1562 and H.R. 1890, bills to amend the False Claims Act by providing statutory assistance for those charged with protecting against fraud by expanding enforcement tools, strengthening deterrence, and encouraging disclosure of fraud by private individuals.
SD-226

Select on Indian Affairs
Business meeting, to consider pending calendar business.
SR-385

Conferees
On H.R. 3424, appropriating funds for the Departments of Labor, Health and Human Services, and Education, and related agencies for fiscal year ending September 30, 1986.
H-140, Capitol

2:00 p.m.
*Armed Services
Preparedness Subcommittee
To hold open and closed hearings on the Department of Defense method of determining current and out-year operation and maintenance budget requests.
SR-232A

Judiciary
To continue closed hearings on the nomination of Stanley Sporkin, of Maryland, to be U.S. District Judge for the District of Columbia.
S-407, Capitol

2:30 p.m.
Foreign Relations
To hold hearings on the nominations of Robert L. Barry, of New Hampshire, for the rank of Ambassador during the tenure of his service as U.S. Representative to the Conference on Confidence and Security Building Measures and Disarmament in Europe, Roger Kirk, of the District of Columbia, to be Ambassador to the Socialist Republic of Romania, and Gregory J. Newell, of Virginia, to be Ambassador to Sweden.
SD-419

4:00 p.m.
Select on Intelligence
Closed briefing on U.S. intelligence monitoring capabilities.
SH-219

4:15 p.m.
Finance
Social Security and Income Maintenance Programs Subcommittee.
To hold hearings to review Social Security Trust Fund assets.
SD-215

NOVEMBER 8

9:15 a.m.
Finance
Health Subcommittee
To hold hearings on a Department of Health and Human Services report on proposed reform of the Federal hospital insurance program (Medicare Part A) method of paying for capital costs.
SD-215

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Robert L. Clarke, of Texas, to be Comptroller of the Currency, Department of the Treasury.
SD-538

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on S. 570, S. 372, S. 946, and S. 913, bills to improve the administration of the Federal coal leasing program, and other coal related issues.
SD-366

10:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Jennifer L. Dorn, of Maryland, to be Associate Deputy Secretary of Transportation.
SR-253

NOVEMBER 12

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on espionage activities in the United States.
SD-342
Rules and Administration
To hold hearings on S. Res. 204, to authorize supplemental expenditures by the Select Committee on Indian Affairs, S.J. Res. 214, to provide for the reappointment of Carlisle H. Humelsine as a citizen regent of the Board of Regents of the Smithsonian Institution, and S.J. Res. 215, to provide for the reappointment of William G. Bowen, as a citizen regent of the Board of Regents of the Smithsonian Institution; and to consider administrative business.
SR-301
Special on Aging
To resume hearings to review the impact of Medicare's prospective payment system on the quality of care received by Medicare beneficiaries.
SD-628

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
Courts Subcommittee
To resume joint hearings on farm bankruptcy.
SD-106
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on the impact of trade on employment and productivity.
SD-562
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

10:30 a.m.
Foreign Relations
To resume hearings on certain defense issues, focusing on nuclear strategy, ballistic missile defense, and arms control.
SD-419

NOVEMBER 13

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on LANDSAT commercialization.
SR-253
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Labor and Human Resources
To hold hearings on nutrition and fitness in public health.
SD-430
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on activities of the Small Business Administration's Office of Veterans Affairs.
SR-428A
Select on Indian Affairs
To hold hearings on S. 1452, to settle certain Indian land claims in Gay Head, Massachusetts.
SD-628

NOVEMBER 14

9:00 a.m.
Armed Services
To hold hearings on the organization and decisionmaking procedures of the Department of Defense and the Congress.
SD-106
Foreign Relations
European Affairs Subcommittee
To hold hearings on religious persecution behind the iron curtain.
SD-419

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on espionage activities in the United States.
SD-342
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold oversight hearings on regulatory activities of the Office of Management and Budget.
SD-562
Veterans' Affairs
To hold hearings on the effects of radiation.
SR-418

10:00 a.m.
Energy and Natural Resources
To hold oversight hearings on the President's July 8, 1985, National Defense Stockpile "modernization" proposal and its potential impact on the domestic mining industry.
SD-366
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
Business meeting, to mark up proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

2:00 p.m.
Foreign Relations
To hold hearings on the nominations of Joseph Ghougassian, of California, to be Ambassador to the State of Qatar, and Donald J. Bouchard, of Maine, to be an Assistant Secretary of State.
SD-419

4:00 p.m.
Select on Intelligence
Closed briefing on the November 1985 United States/Soviet Summit in Geneva, Switzerland.
SH-219

NOVEMBER 15

10:00 a.m.
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To resume oversight hearings on ground water level and use and on ground water quality and flow in the United States.
SD-406

NOVEMBER 18

9:15 a.m.
Finance
Health Subcommittee
To hold hearings on the Federal supplementary medical insurance program (Medicare Part B) payments for physician services, focusing on efforts by the Department of Health and Human Services and others to assess the current payment mechanism and develop reform options.
SD-215

NOVEMBER 19

9:30 a.m.
Energy and Natural Resources
To hold hearings on S.J. Res. 192, to authorize financial assistance for the Northern Mariana Islands.
SD-366

10:00 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on the promotion of domestic tourism.
SR-253
Environment and Public Works
Transportation Subcommittee
To hold oversight hearings on the implementation of the disadvantaged business enterprise program (Sec. 105(f)) of the Federal Aid Highway Program.
SD-406
*Labor and Human Resources
Business meeting, to consider pending calendar business
SD-430
Office of Technology Assessment
The Board, to meet to discuss pending business.
EF-100, Capitol

NOVEMBER 20

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Labor and Human Resources
To resume hearings to examine certain barriers to health care.
SD-430
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation, and Government Processes Subcommittee
To hold hearings on the 1985 Conferences on the Treaty on the Non-Proliferation of Nuclear Weapons and on the International Atomic Energy Agency.
SD-342

NOVEMBER 21

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on aviation labor issues.
SR-253

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings to review Federal Energy Regulatory Commission's Order 436, final rule and notice requesting supplemental comments on regulation of natural gas pipelines after partial wellhead decontrol (Docket No. RM85-1-000).
SD-366

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on technology transfer and Soviet research and development.
SH-219

NOVEMBER 27

9:30 a.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

DECEMBER 3

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume hearings on S. 812, to authorize the President to restrict the export or transfer of money or other financial assets to countries subject to national security export controls.
SD-538

10:00 a.m.
Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the issues of childcare, focusing on education, job training and the labor market.
SD-430

DECEMBER 6

9:15 a.m.
Finance
Health Subcommittee
To hold hearings to review possible reforms in the Federal supplementary medical insurance program (Medicare Part B) payments for physicians' services.
SD-215

DECEMBER 10

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1785, to amend the Garrison diversion project in North Dakota.
SD-366

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold oversight hearings on environmental effects of global atmospheric warmings.
SD-406

CANCELLATIONS

NOVEMBER 7

10:00 a.m.
Judiciary
Security and Terrorism Subcommittee
To hold hearings on S. 1654, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.
SD-226

HOUSE OF REPRESENTATIVES—*Tuesday, November 5, 1985*

The House met at 1 p.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 4, 1985.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Tuesday, November 5, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us, gracious God, to use the gifts available to Your people—the gifts of charity and justice, of wisdom and knowledge, of forgiveness and mercy, of grace and love and peace. May we recognize our responsibility to use Your gifts wisely, making good use of the time. We pray in Your holy name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 126. Joint resolution to designate the week of November 3, 1985, through November 9, 1985, as "National Drug Abuse Education Week"; and

H.J. Res. 282. Joint resolution designating the week beginning October 27, 1985, as "National Alopecia Areata Awareness Week."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2965. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1986, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2965) "An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1986, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUDMAN, Mr. LAXALT, Mr. STEVENS, Mr. WEICKER, Mr. HATFIELD, Mr. SPECTER, Mr. HOLLINGS, Mr. INOUYE, Mr. BUMPERS, Mr. CHILES, and Mr. LAUTENBERG to be the conferees on the part of the Senate.

The message also announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 130. Joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week";

S.J. Res. 213. Joint resolution to designate January 19 through January 25, 1986, "National Jaycee Week"; and

S.J. Res. 219. Joint resolution to designate the week of February 9, 1986, through February 15, 1986, as "National Humanities Week, 1986."

APPOINTMENT OF CONFEREES ON H.R. 3424, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1986

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3424) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1986 and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky? The Chair hears none and, without objection, appoints the following conferees: Messrs. NATCHER, SMITH of Iowa, OBEY, ROYBAL, STOKES, EARLY, DWYER of New Jersey, HOYER, WHITTEN, CONTE, O'BRIEN, PURSELL, PORTER, and YOUNG of Florida.

There was no objection.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

STEVEN McKENNA

The Clerk called the bill (H.R. 1598) for the relief of Steven McKenna.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PAULETTE MENDES-SILVA

The Clerk called the bill (H.R. 2316) for the relief of Paulette Mendes-Silva.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. This concludes the call of the Private Calendar.

DO WE NEED COMPETITION BETWEEN FEDERAL MEDICAL FACILITIES?

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Georgia. Mr. Speaker, I take this time to advise the Members of another opportunity to impact on the budget deficit. Last week we passed the DOD Appropriation Act of 1986 and the conference report on the Veterans Health Care Amendments of 1985. In addition, we found ourselves enacting legislation which would drastically reduce our budget deficits over the next 5 years. I draw these three bills together for your attention because in them I find an opportunity for achieving cost savings to the Government. In fact, as chairman of the House Grace Caucus' Task Force on Health, this is the kind of issue that I believe could be more appropriately addressed through a greater sharing of resources.

I am particularly concerned about this today as the result of a newspaper article discussing the Federal medical facilities in Augusta, GA. The DOD bill appropriated additional funds to assist in reaching acceptable levels of staffing at the Eisenhower Army Medical Center. The VA bill includes a provision to ensure the equitable distribution of medical facilities throughout the United States. As the Members will recall, our alternative to Gramm-Rudman-Hollings may well require substantial cuts in VA and DOD medical programs. According to that news item, the Army hospital has insufficient nurses, while the VA hospital doesn't "have enough work for their nurses." Further, General Lanoue, Eisenhower's director, wants to establish a ward at the VA for his hospital's doctors to work along with VA nurses. Unfortunately that may not be as simple as it should be. As he points out: "The VA is totally separate from the Department of Defense, but we both are Federal hospitals, and it seems there should be a way for us to work this out." He adds, "But there's a thicket of redtape we all must face."

Mr. Speaker, it's about time we started to seriously address that redtape rather than indiscriminately applying a meat ax to our medical programs. Surely, we can find ways to end this senseless competition for manpower and financial resources. By so doing we could plan rational reductions without threatening the quality or level of services we provide to our citizens.

MEETING EPA'S VEHICLE EMISSION INSPECTION COMPLIANCE STANDARD

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, it has been 6 months since the EPA announced it would initiate procedures to cut Federal transportation funds to Lake and Porter Counties unless the State of Indiana took steps to improve the vehicle emission inspection compliance rate.

It is my pleasure to report today that great progress has been made toward meeting EPA's minimum compliance standard of 90 percent.

In April, only 48 percent of the region's vehicles had been inspected and no enforcement mechanism existed. As of last week, the compliance rate had soared to 80 percent and the State was well into a new program of ticketing vehicles which did not display an inspection sticker.

It is possible that we will reach the 90 percent compliance rate by the end of the year.

The credit for this turn around goes to Governor Orr, local law enforcement officers, the mass media and the Indiana Vocational Technical College [Ivy Tech] which runs the inspection program.

I have written to the EPA asking that they review these latest figures and take note of the good faith efforts which have been made toward emission compliance.

I believe those efforts should be rewarded by lifting the threat of sanctions.

SATELLITE EARTH STATION DAY

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, hundreds of home satellite Earth station owners, dealers, distributors, and manufacturers assembled last Wednesday on the Washington Mall to celebrate "Satellite Earth Station Day," the first anniversary of the signing of the Cable Communications Act of 1984 which affirmed dish owners' legal rights to receive unscrambled cable satellite programs.

Mr. Speaker, it was an impressive display of this new communications technology. It is a growing one, and it enables many citizens for the first time to receive a variety of educational, informational, and entertainment programming.

But the work of the Congress must continue. Many networks and programmers have announced that they will soon begin to scramble their signals—effectively locking out millions of Americans who, only with the advent of the satellite dish, can now view this programming.

Mr. Speaker, we must ensure that citizens have access to these and other programming at fair and reasonable prices. Although program distributors have the right to charge for their services, the decoding equipment—necessary to unlock the scrambled signals and the signals—must be available at reasonable and competitive rates. I have introduced H.R. 1840 to ensure that this occurs.

Among the speakers at the first anniversary celebration Wednesday was Congressman TIM WIRTH, chairman of the Telecommunications Subcommittee of Energy and Commerce, who announced that hearings will be held in January to look into these issues. This is welcome news to satellite owners, distributors, manufacturers, and many of us who worked on the Cable Communications Policy Act of 1984.

THE ROLE OF SOCIAL SECURITY RECIPIENTS IN ATTACKING THE FEDERAL DEFICIT

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, in the last 2 weeks we have finally seen the Federal deficit's potential for economic disaster realized. Because of an inability to agree on debt ceiling and balanced budget legislation, the Social Security Trust Fund has been divested of its surplus. But I would like to take this opportunity to clear up some common misperceptions that are circulating on whose fault this really is.

When the House passed the Gramm-Rudman version modified by the Democrats, it was with the knowledge that the Senate would never accept it. The House then voted to adjourn, ending all chances of reconciling the differences before the deadline for divestiture of the Social Security Trust Fund. This was an irresponsible action by the majority party in the House and it is that which will cost the Social Security Trust Fund millions of dollars.

I for one feel that the Social Security recipients of this country have already been called upon enough in our fight to eliminate the Federal deficit.

Two critical points have been proven in this exercise. The first one is that it is not the Democrats who have the best interest of Social Security at heart—it is the Republicans. And the second one is that without Gramm-Rudman we are only going to see more financial disasters like this one, not less.

□ 1310

WHITE HOUSE CHARGED WITH MISHANDLING MEDVID CASE

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, I rise to voice my anger over the recent mishandling by White House, U.S. State Department and Immigration and Naturalization Service [INS] officials of Ukrainian sailor Miroslav Medvid's possible request for political asylum.

First of all, the United States has long championed international respect for basic human rights. Our concern about the imprisonment within the Soviet Union of such brave individuals as Anatoly Scharansky and Irina Ratushinskaya, and the oppression of other Soviet dissidents including Andrei Sakharov, has been cheapened by our handling of the Medvid case.

Here we have a Soviet sailor who attempted twice to escape from a Soviet vessel in United States waters, who reportedly upon his first attempt was severely beaten after being returned to his vessel, and who was returned after his second escape attempt by our INS officials. Mr. Medvid remains there a virtual prisoner—unable to communi-

cate further with United States officials except at the pleasure of the Soviet captain. We can well imagine what fate awaits Mr. Medvid upon his return to the Soviet Union.

Second, my colleague, Congressman EDWARD FEIGHAN, and I have expressed the concern of several of our constituents who may be relatives of Mr. Medvid, but the White House is stonewalling us. Our constituents are currently in New Orleans with other individuals who seek to communicate with Mr. Medvid and to advise him of their presence.

On Friday, November 1, Congressman FEIGHAN and I sent a telegram to President Reagan urging him to detain the Soviet vessel *Marshal Konev* in United States waters until contact is made directly with Mr. Medvid at a neutral site by Immigration and Naturalization Service officials again, and by what may be his family, and until Mr. Medvid is able to make his desires more clearly known. Yesterday, Congressman FEIGHAN and I sent a letter to Ambassador Anatoliy Dobrynin urgently requesting that our constituents be permitted to communicate directly with Mr. Medvid.

Please join me in our appeal to President Reagan and the Justice Department to take immediate and corrective action to insure that the human rights of Mr. Miroslav Medvid are afforded him while he is here in the United States. This young sailor is entitled to every opportunity under law to pursue political asylum in what he has described as an "honest country."

If the Reagan administration cannot stand up for a Ukrainian freedom-fighter in our midst, what is Mikhail Gorbachev to conclude?

LEGISLATION TO GUARANTEE REPLENISHMENT OF SOCIAL SECURITY TRUST FUNDS

(Mr. ARCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, on a Richter scale of Social Security crises, the disinvestment of the trust funds certainly has a high magnitude. In order to minimize the aftershocks, I want to reassure beneficiaries and workers that Congress will enact legislation to credit the trust funds for the interest lost during the debt ceiling crisis.

No program enjoys such broad support as does Social Security. The issue is not whether Congress will act to restore that lost interest—but how.

My colleague from Nebraska, HAL DAUB, and I are introducing legislation which will both make the Social Security trust fund whole when this immediate debt limit crisis is resolved and to provide that the Social Security trust funds cannot be used in this manner again in the future.

Specifically, the so-called advance tax transfer mechanism in current law has outlived its utility and needs to be modified so that the Social Security trust funds directly receive the payroll taxes, rather than diverting them through general revenues.

It's imperative that we adopt this corrective legislation as quickly as possible so that public confidence in Social Security is restored and so that the trust funds themselves are completely replenished.

ROANOKE VALLEY, VA, SUFFERS WORST FLOODING IN HISTORY

(Mr. OLIN asked and was given permission to address the House for 1 minute.)

Mr. OLIN. Mr. Speaker, yesterday and last evening the lion's share of the Sixth Congressional District of Virginia suffered its worst flood in recorded history. The worst problem was in the Roanoke Valley, Roanoke County, and Salem, where the waters of the Roanoke River rose 23 feet. Countless businesses and homes have between 10 and 15 feet of water in them. This is worse than Hurricane Camille that hit us in 1969.

The storm was widespread. It included not only the Roanoke Valley but the cities of Buena Vista, Waynesboro, Covington, and Clifton Forge, and the counties of Botetourt, Alleghany, Rockbridge, Augusta, Bath, and Amherst.

Federal agencies, represented by the Corps of Engineers and the Federal Emergency Management Agency, are on the scene. They are working well in a coordinated fashion to deal with the immediate problem of getting people into a safe situation and restoring vital services of power, water, and so on.

The Governor has declared that these areas are in a state of emergency. I fully expect that the Governor will determine that the degree of damage is sufficient to call the Federal Government into the act, and we expect the President to be asked within a matter of days to declare a state of emergency.

Mr. Speaker, I urge the President, when this request comes, to act on it affirmatively. We have a very serious disaster in this area.

PERMISSION FOR SUBCOMMITTEE ON SURFACE TRANSPORTATION AND SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT ON VARIOUS DAYS THIS WEEK DURING THE 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Subcommittee on Surface Transportation of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule on Tuesday, Wednesday, and Thursday of this week; and further, Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule on Thursday next.

The SPEAKER pro tempore (Mr. DE LA GARZA). Is there objection to the request of the gentleman from Illinois?

There was no objection.

POLITICAL ASYLUM FOR MIROSLAV MEDVID

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, information is coming to light on a daily basis on the Miroslav Medvid defection, and all of this information points to the fact that this young Ukrainian sailor wished to defect. We have the interview with Irene Padoch. This is the original interview before he was taken back on the Soviet ship. We have the affidavits of the Wyman family whom he first saw when he jumped off the ship. We have the possibility that Miroslav Medvid actually has family within the United States.

Today, Mr. Speaker, I am introducing a resolution calling upon the President to conduct a complete investigation into whether or not Miroslav Medvid was accorded the proper rights and due process to be accorded in cases of this kind. If he was not accorded these proper rights and due process, I would ask that he be accorded these rights, and if he, after being accorded the appropriate rights and due process, decides to stay in the United States, that he be granted political asylum.

Mr. Speaker, I urge my colleagues to support this resolution of the Congress to the President.

GRANTING ASYLUM

(Mr. CROCKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROCKETT. Mr. Speaker, a Soviet sailor who jumped ship and who may have been seeking asylum in this country, is returned to his ship by United States immigration agents and the ensuing newspaper and TV outcry echoes in our ears. Attorney General Meese is reportedly outraged and the President orders an investigation.

One could wish that the President and the media had shown the same outrage and concern for the hundreds

of Haitians and Central Americans who have been summarily deported or imprisoned by that same Immigration Service in response to their request for asylum here from political persecution in their native lands.

In fact, today 11 individuals are on trial in Arizona for their efforts to provide sanctuary for Salvadorans seeking asylum, and hundreds of Haitians are still confined in our Federal detention centers.

This recent concern for the Soviet sailor and the tactical silence on the plight of the Haitians and Central Americans highlights and is indicative of the discriminatory treatment we accord refugees from Third World countries who seek asylum on our shores. Our concern and the protection of our laws should extend to all who seek a safe haven here from political persecution. And that law should and must be applied to all in the nondiscriminatory and humane spirit in which it was written.

THE IMPACT OF THE DEFICIT REDUCTION AMENDMENTS ON FARM PROGRAMS

(Mr. DAUB asked and was given permission to address the House for 1 minute.)

Mr. DAUB. Mr. Speaker, one indication of sincerity is consistency. Initial opposition to the Gramm-Mack proposal was that it would force drastic cuts. Now with the Democratic amendment forcing far deeper cuts in many programs in the first year, the criticism seems to now be that Gramm-Mack doesn't cut enough.

As an example, the Rostenkowski amendment to Gramm-Mack will devastate the very heart of our support for the beleaguered American farmer. This basic support is in the form of deficiency payments. Under the Rostenkowski amendment, this program will be cut, assuming they are applied proportionally, by 6.7 percent in this fiscal year. Talk about balancing the budget on the backs of farmers!

This is not a remote possibility, this is what the House has already voted for in adopting the Rostenkowski amendment. Either the proponents of this amendment care more about partisan politics than the American farmer or they made a mistake.

While explaining this vote to farmers will be tough, it is going to be even tougher explaining a 6.7 percent target price cut which is written into law. That is why we can't let this get into law. Compared to a 6.7 percent cut, the most Gramm-Mack would reduce deficiency payments is 2 percent. Gramm-Mack treats farmers far more fairly because the cuts are distributed across the board and there is no phony chest beating about taking it out of the budget in the first year.

Mr. Speaker, farmers deserve better than this. Let's adopt Gramm-Mack to responsibly reduce budget deficits without treating them as pawns of partisan politics.

□ 1320

THE BEGINNING OF DEMOCRACY IN GUATEMALA

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, this weekend I cochaired a delegation of a handful of Members of the House and the Senate down to Guatemala as official United States observers of their election Sunday. They had their first election for a civilian President in about 35 years.

Accompanying me from the House were Congressman JOHN MCCAIN of Arizona and Congressman ATKINS of Massachusetts.

There are a couple of points I would like to make quickly for the House's benefit.

First, we could not see everything in Guatemala, but what we saw we liked. The turnout was heavy, the crowds were patient and the process seemed fair. The army was not in evidence. All of the political parties, and there were eight of them, expressed in the election. Even though six of them turned out to be losers, they still expressed confidence.

Now, we did not see everything, but what we saw we liked.

Second, a single day does not a democracy make. They have a long way to go.

And third, I am proud of the fact that they did so well on a single day.

It is in the best interest of all Americans, whether they live in Guatemala or the United States, that the move to democracy begun Sunday in Guatemala continues.

STREAMLINING FINES AND COSTS COLLECTED BY U.S. MAGISTRATES

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, today I am introducing a bill which would steamline the method by which fines and costs paid to U.S. magistrates are disposed of. Under the present system, Mr. Speaker, the kinds of fines and costs that can be levied by U.S. magistrates in those kinds of cases in which he is permitted to do so, those fines and costs are payable now to the U.S. Attorney's Office. Many times it appears that the U.S. Magistrates Office and the U.S. Attorney's Office could be literally miles apart. Sometimes those fines and costs go unpaid and even when they do, they cause a great deal of inconvenience to everyone concerned, including the defendant who has to pay those fines and costs.

We ought to revert to the previous system whereby the fines and costs for the entire court system be paid into the clerk of courts. That is what this bill does. It will cause for the first time in a long time to have a streamlined methodology by which fines and costs paid at the lower level of Federal justice, at the U.S. magistrate's level, be paid directly to a single collector; namely, the clerk of courts.

PRESIDENT SHOULD RECOGNIZE AND HELP RESOLVE NATION'S CRITICAL NEED FOR STRATEGIC MINERALS

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, recent events in South Africa have caused us to focus attention on our Nation's strategic minerals policy and how we can reduce our own vulnerability to foreign supply disruptions.

There's no easy solution to this problem. We need to develop a long-term plan and new technologies to overcome our dependence on vital resources found elsewhere in the world.

Fortunately, we already can increase our efficient use of metals through recycling and improved manufacturing processes.

Congress recognizes the need for new developments, too. That's why we passed the Critical Materials Act more than 1 year ago. Now a law, it mandates that a special council assess our critical materials situation and create a plan for the development of substitute materials.

Unfortunately, the President has not yet appointed the council. And the administration has compounded this delay by calling for a 96-percent reduction in existing mineral stockpiles.

As the representative of a State that contributes greatly to the mineral strength of this Nation, I urge the President to recognize and help resolve this Nation's critical need for strategic minerals in terms of economic strength and national security.

CONGRESS SHOULD STAY IN SESSION ON FRIDAYS AND FINISH ITS BUSINESS

(Mr. SUNDQUIST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SUNDQUIST. Mr. Speaker, I noticed with interest the hand wringing and the attention that has been given to why we have to disinvest from the Social Security Trust Fund and

the blaming that is going on. I would say that anybody who uses the Social Security issue as a political issue is wrong and unfair to our elderly.

I noticed with interest, Mr. Speaker, that the senior Senator from Kansas and the distinguished majority leader said words to the effect that he understands the problems of the House, that we have to leave this body at 5:47 on Friday afternoon, and maybe we are afraid to meet after dark.

I think maybe some criticism is correct of this body. I think it should be clear to everyone who observed what went on Friday, we saw pure politics. We saw a House bill that was hastily drafted, sent over to the other body, and then what happened—we leave and are unwilling in this body to try to work with the other body and to come and bring this to some conclusion.

We are seeing politics at its worst.

So I ask, Mr. Speaker, this week instead of leaving at 5:47 when there is lots of work to do, let us see if we cannot one time on a bipartisan basis stay and solve the problem.

THE VITAL CALIFORNIA SANTA ANA RIVER MAIN STEM

(Mr. BROWN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, later today the House will take up H.R. 6, or the substitute for H.R. 3670, containing authorization for various rivers and harbor projects for the Corps of Engineers. One of those projects, the so-called Santa Ana River main stem in California, is of vital importance to my district. Unfortunately, the part that is of vital importance to my district has not yet been approved by the Corps of Engineers or the administration. I am reluctant to vote for or approve the bill under these circumstances.

I will, therefore, offer an amendment to strike this particular project so that I may have some voice in determining what the final approved design of this particular project will be, because it is of such vital interest to the constituents in my district.

I will take further time, of course, during general debate and on amendments to explain the detail of why I propose to strike the project at this time, but I take this time merely to alert my colleagues to take a close look at this particular project, which is the only one not yet approved that is contained in this bill.

GO TELL IT ON THE MOUNTAIN, BRAD REYNOLDS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the Reagan administration is of two minds. One part wants to tell the truth about what it is up to; the other side doesn't.

But one thing is sure, Reagan's minions must have missed the civil rights movement the first time around. Otherwise, why the rush to claim themselves a second generation of advocates come down from the mountaintop to make a new revolution, truth or no truth?

Mr. Reagan's foot soldiers are fast at work. On Monday, the New York Times revealed the administration's hidden gospel. Vice Chairman of the U.S. Commission on Civil Rights Morris B. Abram, claimed before the world the home truth of his agency on women's and minority rights:

"Comparable worth moves from the assertion of civil and political equality, which we all support, to economic and social equality, which many of us do not support."

In today's Washington Post, Assistant Attorney General Brad Reynolds, tells us how you can be for civil rights and against social equality. You just say you are. First, you claim you are the legitimate heir to the Reverend Martin Luther King, Jr.; second, you proclaim that those who actually walked with King from Memphis to Montgomery have lost touch with what minorities really want; and finally, you wage a campaign of misinformation and fear.

But I ask you, how can you be for civil rights if you are against social rights?

It looks as if Mr. Reynolds has a new wrap. But the truth is it's warped. We can still look through it and see it is the same old sham.

THE WALKER PLEA BARGAIN IS A DISGRACE

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, last week, the Justice Department announced a plea bargain in the Walker case. For years, two men had committed treason against this country but would not feel the full brunt of American law. Instead, these traitors will be the beneficiaries of a plea bargain.

The reason offered by the Justice Department for this plea bargain is that the Walkers will tell us what they had sold to our enemies. And for this, they would receive leniency.

This is wrong, and is a perversion of our legal system.

The Walkers should have been tried, and should have received the maximum sentence. They should not have been allowed to improve their positions by selling the same information twice—this time not for money but for years in a prison sentence.

The Justice Department should remember that other once and future spies will look at this case and decide that they too can commit further treason against this country—if they keep a detailed record of the secrets they sold.

We should hold the Walkers up as an example—if you commit treason, you will pay for it.

The real crime in plea bargaining with the Walkers would be the possible erosion of America's newfound patriotism.

RONALD REAGAN, THE COOKIE MONSTER

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, most Americans are familiar with Sesame Street's famous Cookie Monster, whose role in life is to search for cookies, cookies, and more cookies.

Well, we have discovered a new Cookie Monster, named Ronald Reagan. Ronald Reagan has found his way into the Federal Treasury and is madly gobbling up all the goodies in sight.

Apparently, near the end of the summer, President Reagan secretly invaded the Social Security Trust Funds and gobbled up billions of dollars, which had been carefully invested to ensure the solvency of the Social Security Program. A second invasion occurred last weekend. Now Social Security may not be able to meet its obligations next month.

Mr. Speaker, since August this House has voted three separate times to avert a fiscal crisis and to protect these Social Security funds from the administration's monkey business. In all three cases, we were met by opposition from the President, inaction by the other body, and indifference by the Republican Party.

Mr. Speaker, the people of this country should be assured that the Democratic leadership in this House is determined to force a restoration of these stolen funds. However, it is regrettable that finally the Republican Cookie Monster was allowed to get his hands into the Social Security cookie jar, because, unfortunately, all that is left are the crumbs.

CONGRATULATIONS TO GUATEMALA FOR FREE AND FAIR ELECTIONS

(Mr. SHUMWAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUMWAY. Mr. Speaker, today, as we exercise the most precious right of democracy, the right to vote in free and open elections, I believe we should take a moment to recognize and congratulate Guatemala for its significant democratic achievement in completing free and fair elections on November 3. The Washington Post reported today that the unofficial results of the Guatemalan election show Vinicio Cerezo, the Christian Democratic candidate, to be the winner of the Presidential contest. Most notably, Cerezo, a representative of the center-left, "hailed the role of the current military chief of state * * * and said there was no Army intervention in yesterday's balloting." This view was echoed by the bipartisan American delegation, headed by Senator LUGAR, which served as election observers.

With this momentous accomplishment of peacefully exchanging military for civilian rule, Guatemala joins the growing group of Central American nations that are successfully establishing democratic governments. Together with Costa Rica, Honduras, Panama, and El Salvador, Guatemala is working to create a political environment in which broad and lasting social and economic reform can take place. In a region of vital importance to the security and foreign relations of the United States, the advancement of Central American democracy provides evidence of the positive results of U.S. encouragement and diplomacy. Only in Nicaragua does the impetus toward democratic progress continue to be forcefully repressed; only when the Nicaraguan Government makes peace with its population and with its neighbors will the democratic achievements of Guatemala and the other nations of the region be secure.

□ 1335

WE NEED FAIR TRADE NOW

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, last week, Mr. John Fry, president of Wheeling-Pittsburgh Steel Corp., contacted me to express once again his dismay at this administration's trade policy and its abandonment of "Basic Industry America."

Mr. Fry repeated that unfair foreign steel imports are capturing America's domestic market at historically high percentages. I advised Mr. Fry that it is apparent that the President and his administration are not committed to reducing imports, pure and simple.

Last year, the Fair Trade in Steel Act was moving through the Congress when President Reagan sidetracked the effort by promises that he would negotiate voluntary restraints. He promised to limit imports of steel to 18.5 percent of the domestic market; however, events have given that promise a hollow ring as steel imports into this country have averaged 26 percent during the last 12 months, and reached 30 percent in the month of September.

Those cold statistics translate into thousands of real, live, unemployed steelworkers.

Mr. Fry, I am afraid the President's steel import policy is a good example of his trade policy generally. It is not so much a trade policy at all. It is a political damage control policy. When criticism runs high, he promises action that somehow never materializes.

We need fair trade now.

YOUTH EMPLOYMENT OPPORTUNITY WAGE ACT OF 1985

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I rise today in support of the Youth Employment Opportunity Wage Act of 1985. It was introduced earlier this year by my good friend and colleague TRENT LOTT.

Teenage unemployment, especially among blacks and Hispanics, is a deadly serious national problem. However, we can improve the situation by passing the bill of my colleague, the gentleman from Mississippi.

Think about it for a moment. Who bears the burden of the minimum wage? In economic parlance they are the marginal workers, or those whom employers perceive as being less productive or more costly to employ than others. Unfortunately, youths in general, and minority youths in particular, are most heavily represented in this category.

Thus, the minimum wage has actually worked against minority employment. Yet we still hear arguments for its retention from labor unions. The unions claim that a youth subminimum wage would be exploitation. In fact, unions are merely trying to eliminate low-wage competition, but what better way to do it than with a minimum wage that is higher than what many unskilled workers are worth.

The real problem is not that people are underpaid, but that they are underskilled. And the only way our youths are going to pick up the skills that they need to compete in the marketplace is by getting that all important first job in the private sector, and learning how to set an alarm clock and go to work.

For many youths that first job is their best shot at a decent future for themselves and their families. I would therefore urge my colleagues to put aside their well intentioned, but misguided, support for a minimum wage for unskilled young workers that only fosters minority unemployment and lessens competition. I ask my colleagues to support the Lott bill, H.R. 1811. By doing so this Congress will be taking a strong stand for free enterprise and against minority youth unemployment.

THE REAL TRUST BUSTERS

(Mr. LOTT asked and was given permission to address the House 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I can only sit still for just so much cross-finger pointing on Social Security. Last Friday, the House of Representatives, as a matter of fact, passed a defective debt ceiling increase and kicked it over to the other body and then left town.

When we get down to it, the only vote that really counted was on whether or not we would stay around here Friday to stop disinvestment of the Social Security Trust Fund. Democrats voted 205 to 28 to adjourn and leave town before waiting to see if the Senate would act on this important issue, and also so that we could learn that we had made a mistake in the way we passed that deficit reduction package.

By your votes ye shall be known as the real trust busters.

WATER RESOURCES CONSERVATION, DEVELOPMENT, AND INFRASTRUCTURE IMPROVEMENT AND REHABILITATION ACT OF 1985

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 305 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 305

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6) to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure. All points of order against the consideration of the bill for failure to comply with the provisions of sections 311(a), 401(a), and 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and to the amendment made in order by this resolution and which shall continue not to exceed three and one-half hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, the bill shall be considered for amendment under the five-minute rule. In lieu of the committee amendments now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text

of the bill H.R. 3670 as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections, and each title shall be considered as having been read. All points of order against said substitute for failure to comply with the provisions of clauses 5(a) and 5(b) of rule XXI, and clause 7 of rule XVI, are hereby waived. No amendment to said substitute shall be in order which changes title XV. It shall be in order to consider en bloc the amendments to the substitute printed in the Congressional Record of November 4, 1985, by, and if offered by, Representative Howard of New Jersey or his designee, said amendments shall be in order although changing portions of the substitute not yet considered for amendment, and said amendments shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole, and all points of order against said amendments for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute subject to the preceding sentence. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. LOTT], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 305 is the rule providing for the consideration of the bill H.R. 6, the conservation and development of water-related resources as well as improvements and rehabilitation of the Nation's water resources infrastructure. The bill will be considered under a modified open rule.

Mr. Speaker, the rule provides 3½ hours of general debate, equally divided between the chairman and ranking minority member of the Committee on Public Works and Transportation. Under an agreement between the committees, time will be yielded to the three other committees to which H.R. 6 was sequentially referred.

Mr. Speaker, prior to Rules Committee consideration, the four committees responsible for this bill negotiated a substitute text to be used as the basis for consideration. Reflecting this agreement, the committees accepted an arrangement under which general debate time is controlled by the Committee on Public Works and Transportation. I would note that the Rules Committee acted on the basis that there was a clear agreement on how time would be allocated. However, it was felt that this arrangement would provide greater flexibility in debate, and possibly reduce the total time that would be needed.

I should stress that there is ample precedent for committees waiving time to which they are entitled, based on having received referral. Rules Committee action in allotting time does not affect the Speaker's authority in appointing conferees, nor does it have any standing as a precedent with respect to future referrals.

Mr. Speaker, the rule provides three waivers of points of order. However, I would point out that the rule provides for an amendment in the nature of a substitute to be considered as original text. The rule provides no Budget Act waivers for the text that the Clerk will actually read for amendment. Let me repeat, because it often causes confusion, that the Budget Act violations in the text are effectively cured by the amendment in the nature of a substitute made in order by the rule.

Mr. Speaker, H.R. 6 violates section 311(a) of the Budget Act. H.R. 6 contains several sections, subject to that point of order, creating new entitlement authority, not limited to the amount provided in appropriation acts, for a national board on water resources and policy and for certain project modifications.

The amendment in the nature of a substitute cures this Budget Act violation, which makes the waiver of section 311(a) purely technical.

Section 401(a) of the Congressional Budget Act prohibits the consideration of any measure which provides new contract authority unless such authority is limited to amounts provided in advance in appropriation acts. H.R. 6 authorizes borrowing not subject to appropriations. Mr. Speaker, section 107 of the bill authorizes borrowing by the Secretary of the Army to pay guarantees under the Federal port navigation project finding fund. This borrowing authority is not limited to advance appropriations, and thus the waiver of 401(a) is necessary.

However, the substitute, which will be considered as original text, cures this Budget Act violation. Mr. Speaker, this Budget Act waiver is a purely technical waiver that would allow for the consideration of the bill.

Mr. Speaker, House Resolution 305 also waives points of order under section 402(a) of the Congressional Budget Act against consideration of the bill. Because H.R. 6 authorizes new budget authority for fiscal year 1986, and was not reported by May 15, 1985, the bill is in violation of section 402(a). Mr. Speaker, this bill was referred to four committees. Because of the issues involved it was not feasible that the committees could report a bill of this size by the May 15 deadline. The waiver was granted in order to permit consideration of the bill in the House.

Mr. Speaker, as I stated earlier, H.R. 6 was sequentially referred to three committees. In order to expedite the process the committees agreed upon an amendment in the nature of a substitute to be considered in lieu of individual committee amendments to the bill. The Committee on Rules made in order an amendment in the nature of a substitute consisting of the text of H.R. 3670 as original text for the purposes of amendment. The substitute will be considered for amendment by title rather than by section, and each title will be considered as read.

In order to allow for the consideration of this amendment in the nature of a substitute, the Committee on Rules waived clause 5(a) of rule XXI, which prohibits appropriations in a legislative bill, this waiver was granted because several sections of the substitute call for some type of modification or redirection of prior appropriations.

In addition, House Resolution 305 waives clause 5(b) of rule XXI against the consideration of the substitute. Clause 5(b) prohibits the consideration of an amendment carrying a tax or tariff measure during the consideration of a bill reported by a committee having no tax or tariff jurisdiction. House Resolution 305 also waives points of order against the substitute for failure to comply with clause 7 of House rule XVI, the germaneness rule.

Mr. Speaker, this is an open rule, except that it prohibits any amendment changing title 15 of the substitute, which is the portion of the bill for which the Committee on Ways and Means is responsible.

Finally, Mr. Speaker, House Resolution 305 makes in order the en bloc consideration of amendments printed in the CONGRESSIONAL RECORD of November 4, 1985, to be offered by Representative HOWARD of New Jersey or his designee. The amendments shall be in order although changing portions of the substitute not yet considered for amendment. The amendments shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole, and all points of order against said amendments for failure to comply with the provisions of clause 5(a), rule XXI, are waived.

In addition, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, this bill represents the best effort of four congressional committees; Public Works and Transportation; Merchant Marine and Fisheries; Interior and Insular Affairs; and Ways and Means. These committees devoted a lot of time and energy in reporting a fair bill that is long overdue. The last water resources development bill to be signed into law was in 1976, the last construction authorization bill became law in 1970. As a result, this bill is

quite complicated due to the need to address a 15-year backlog of proposed projects.

Mr. Speaker, there are many critical issues contained in this bill, and there are still some areas of controversy. However, House Resolution 305 allows for extensive debate and deliberation as well as the offering of all germane amendments so that the Members will have an opportunity to address their specific needs.

I strongly urge my colleagues to adopt House Resolution 305 so that we may proceed to this important legislation.

□ 1345

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 305 is a modified open rule providing for the consideration of H.R. 6, the Water Resources Act of 1985. The rule provides for 3½ hours of debate to be divided between the chairman and ranking minority member of the Committee on Public Works.

Mr. Speaker, there is some controversy over the allocation of time here since the Committees on Interior, Merchant Marine and Fisheries, and Ways and Means, all had sequential referral and reported on this bill. The Rules Committee, however, decided to give all the time to the Public Works Committee with the understanding that it in turn would allocate 1 hour each to the Ways and Means and Merchant Marine and Fisheries Committees, and one-half hour to the Committee on Interior.

Mr. Speaker, the rule further provides for three Budget Act waivers against the consideration of H.R. 6. The first is section 311(a) of the Budget Act, which prohibits the consideration of any legislation providing spending increases in excess of the aggregate level for spending in the most recent budget resolution. Since H.R. 6 as introduced and reported contains several sections creating new entitlement authority for items including a National Board on Water Resources Policy and certain project modifications, the bill would be subject to a point of order. However, the Committee on Public Works has agreed to offer a floor amendment to cure this violation, and the Budget Committee chairman has consequently indicated he would have no objection to this waiver.

Second, the rule waives section 402(a) of the Budget Act against consideration of the bill. That provision prohibits contract or borrowing authority unless provided for in advance in appropriations acts.

There are some three sections in the bill as introduced and reported which contain either new borrowing or contract authority which has not already been appropriated. Again, the Committees on Public Works and Merchant Marine have promised to offer technical amendments on the floor to cure these violations, and the Budget Committee chairman has not objected to the waiver with that understanding.

Finally, the rule waives section 402(a) of the Budget Act against consideration of the bill. That section prohibits the consideration of any legislation reported after May 15 preceding the beginning of the fiscal year in which it is to take effect. This bill was reported from Public Works on August 1, and from the other three committees in September. Obviously, that is not something that can be cured by an amendment, but the Budget Committee has agreed to the waiver, given the enormity of the task involved and the negotiations necessary to produce this bill.

Mr. Speaker, following general debate, the rule makes in order the text of the bill H.R. 3670 as an original bill for the purpose of amendment, and the following three House rules are waived against the consideration of that substitute: rule XXI, clause 5(a), which prohibits appropriations in a legislative bill; and clause 5(b), which prohibits revenue provisions in a bill not reported by the Ways and Means committee; and clause 7 of rule XVI, the germaneness rule.

The substitute made in order by the rule folds in title 15 as reported by the Ways and Means Committee, the revenue provisions, and that title is closed to amendment under the rule. Otherwise, the substitute will be read for amendment by title and open to any and all germane amendments. However, the rule first makes in order the en bloc consideration of amendments printed in yesterday's RECORD by Chairman HOWARD, waives clause 5(b) of rule XXI against them, and provides that they not be subject to a division of the question.

Finally, Mr. Speaker, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, this is obviously a very complex rule, mainly because we have an extremely complex bill involving a multitude of projects, controversies, and committees. But the fact that we finally do have an omnibus water bill after a legislative drought of some 9 years is a real tribute to all the committees involved in this effort. And it's actually been 15 years since Congress enacted a truly comprehensive water bill.

As a result of our inaction, we have a growing problem of vitally needed new projects being held up while existing completed projects deteriorate for lack of operation and maintenance funds. As our ranking minority member on the Public Works Committee put it before the Rules Committee, "The Nation now has an infrastructure time bomb in its hands."

Mr. Speaker, H.R. 6 authorizes $18 billion in water projects and programs, including port facilities, inland waterways, flood control structures, hydroelectric powerplants, fish and wildlife mitigation programs, municipal water supply systems, and other water projects. The bill alters the traditional project-by-project cost-sharing arrangements by establishing a standardized cost-sharing formula for construction of ports and flood control projects.

Mr. Speaker, in order to speed port development the bill establishes a new, $1 billion a year revolving port trust fund to be funded from customs receipts and a new ad valorem tax on imports and exports.

For port improvement projects, the bill establishes a formula for local cost-sharing of 10 percent for ports up to 20 feet in depth; 25 percent for those between 20 and 45 feet, and 50 percent for the excess over 45 feet in depth.

Mr. Speaker, I did question in the Rules Committee whether the House was in a position of having this cost-sharing formula dictated to us by the other body, and was assured that this bill does not go as far as what the other body has proposed. Nevertheless, as a Member representing a port area, I do have concern that these local cost-sharing provisions could jeopardize the continued viability of a lot of ports in this country—ports which are not only vital to our commerce, but our national security as well. I hope this is something we can explore further as we debate and amend this bill.

However, Mr. Speaker, I do support this rule and urge its adoption so that we can get on with considering this historic and long-overdue piece of legislation.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from New Jersey [Mr. ROE], chairman of the subcommittee.

Mr. ROE. Mr. Speaker, I rise in support of House Resolution 305, the rule on H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act. This bill contains project authorizations, authorizations of water resources studies, project modifications, and general provisions affecting the overall Water Resources Program of the Army Corps of Engineers. It also includes a title deauthorizing over 300 unconstructed Corps of Engineers projects or portions of projects, a title relating to water resources policies for all Federal agencies that establishes a new board on water resources policy to replace the currently authorized Water Resources Council, and a title which establishes a Federal interest in single-purpose

water supply projects and establishes a loan program for the repair, rehabilitation, expansion, and improvement of public water supply systems.

The last Water Resources Development Act was signed into law in 1976, and the last true Construction Authorization Act was signed into law in 1970. Consequently, over the past 15 years, a very large backlog of vitally needed water resources projects has accumulated. Detailed testimony and information was received on all these projects, and they have all been analyzed very carefully by our committee.

Our committee has also worked hard to ensure that this legislation is the most environmentally sensitive authorization bill we have ever developed. While the projects recommended by the corps to the committee were planned in full compliance with all existing environmental laws and regulations, the committee, in many instances, has gone beyond the recommendations of the corps to include in the authorizations for many of those projects a number of detailed provisions for the additional protection of environmental values.

We have also addressed the important question of cost sharing in this bill, recognizing the need to address present day fiscal considerations. For port projects, local interests will be required to contribute a portion of the construction costs, ranging from 10 percent to 50 percent, depending on the depth of the port. A uniform requirement for cost sharing is established for flood control projects at a minimum of 25 percent and a maximum of 30 percent. Also, one-third of the costs of the inland waterway projects will be paid out of the inland waterways trust fund, which is constituted from a fuel tax on commercial users of the inland waterways.

I strongly urge my colleagues to support this rule so that we may proceed to consideration of the bill.

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 305 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 6.

□ 1400

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6) to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure, with Mr. BOUCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey [Mr. HOWARD] will be recognized for 1 hour and 45 minutes and the gentleman from Minnesota [Mr. STANGELAND] will be recognized for 1 hour and 45 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. HOWARD].

Mr. HOWARD. Mr. Chairman, I yield 30 minutes of my time to the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. JONES] or his designee, and I ask unanimous consent that he be allowed to yield that time as he wishes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Chairman, I yield 15 minutes of my time to the chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona [Mr. UDALL] or his designee, and I ask unanimous consent that he be allowed to yield that time as he wishes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Chairman, I yield 30 minutes to the chairman of the Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI] or his designee, and I ask unanimous consent that he be allowed to yield that time as he wishes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Chairman, I yield myself such time as I may consume.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the ranking minority member of the Subcommittee on Water Resources.

Mr. STANGELAND. I thank the chairman for yielding.

I would, Mr. Chairman, as the gentleman from New Jersey has just done, yield 30 minutes to the ranking Republican member of the Committee on Merchant Marine and Fisheries, 15 minutes to the ranking Republican member of the Committee on Interior and Insular Affairs; and 30 minutes to the ranking Republican member of the Committee on Ways and Means, and I ask unanimous consent that those members be able to yield their time as they so choose.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. HOWARD. Mr. Chairman, I rise in strong support of H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act. This bill contains project authorizations, authorizations of water resources studies, project modifications, and general provisions affecting the overall Water Resources Program of the Army Corps of Engineers. This legislation includes several policy provisions including deauthorization of some 300 unconstructed Corps of Engineers projects or portions of projects, creation of a new Board on Water Resources Policy to review water resources policies for all Federal agencies and establishment of a loan program for the repair, rehabilitation, expansion, and improvement of public water supply systems.

Mr. Chairman, although this is an extremely complicated piece of legislation that has taken over 4 years of intensive work by our committee to develop, our efforts have been made much easier by the bipartisan nature of the problems addressed in the bill and by the strong support of all members of our committee on both sides of the aisle. In this regard, I would especially like to commend the efforts of our ranking minority member, the gentleman from Kentucky [Mr. SNYDER]—as well as the work of the ranking minority member of our Water Resources Subcommittee, the gentleman from Minnesota [Mr. STANGELAND]. Without their support and cooperation we could never have formulated a bill as comprehensive as this one is. And, of course, the greatest credit of all must go to the chairman of our Water Resources Subcommittee, the gentleman from New Jersey [Mr. ROE] for his tireless work in initially developing the legislation and in subsequently working out the compromises which have enabled it to enjoy such wide bipartisan support.

The last Water Resources Development Act was signed into law in 1976, and the last true Construction Authorization Act was signed into law in 1970. Consequently, over the past 15 years, a very large backlog of vitally needed water resources projects has accumulated. Detailed testimony and information was received on all these projects, and they have all been analyzed very carefully by our committee. As a result, this bill contains numerous authorizations for all types of water resources projects, including navigation projects, flood control projects, shore protection projects, fish and wildlife habitat mitigation projects, and other projects for the conservation and de-

velopment of our Nation's water resources. While the total number of projects appears large, it must be remembered that they represent well over a decade of detailed planning and study of water resources problems throughout the Nation, and will form the basis of the Nation's Water Resources Program for the rest of the century.

Our committee has also worked hard to ensure that this legislation is the most environmentally sensitive authorization bill we have ever developed. While the projects recommended by the Corps of Engineers to the committee were planned in full compliance with all existing environmental laws and regulations, the committee, in many instances, has included in the authorizations for those projects a number of detailed provisions for the additional protection of environmental values where concerns had been expressed.

H.R. 6 is based on H.R. 3678 of the last Congress, which was passed twice by the House by overwhelming votes—individually and as an amendment to the continuing resolution. Final agreement on that legislation, however, was not reached. While the two bills are similar, significant changes have been made in the area of cost sharing. Under the provisions of H.R. 6, non-Federal cost sharing is required for ports. The local share would be 10 percent for port depths of 14 to 20 feet, 25 percent for the increment of depth from 21 to 45 feet, and 50 percent for the increment of depth from 21 to 45 feet, and 50 percent for the increment deeper than 45 feet. In addition, local interests must pay the costs of any necessary lands, easements, and rights-of-way, including spoil disposal areas, but these costs are capped at 5 percent of the cost of the project. In addition, a tax of 0.04 percent is imposed on the value of the cargo loaded on or unloaded from a vessel.

The provisions in last year's bill establishing a local share of a minimum of 25 percent and a maximum of 30 percent for flood control projects is retained. However, an additional requirement that local interests pay 5 percent of the project cost during construction is added.

There are many desperately needed projects that have been denied funding for several years because there has been no authorization bill. During this time there have been attempts to fund some projects on an individual basis without regard to the authorization process. This bill will establish uniform Federal policy for a broad array of water resources projects. By setting policy with this type of legislation, we will allow funding to be based on the need for a project rather than creating a bidding war among local governments to determine which wealthy area can pay the highest local share. This is the legislation that will maintain the direction over Federal water policy in the Congress, where it belongs, rather than allowing the executive branch to make those decisions.

Mr. Chairman, we hear far too much about the supposedly undesirable effects of water resources development and far too little about the enormous economic and environmental benefits that are associated with such development. The fact is that a careful reading of this bill and of our committee's report—and a careful examination of the history of our Nation's Water Resource Program—easily demonstrates the enormously beneficial role that this program has played and will continue to play in our Nation's development.

Mr. Chairman, I reserve the balance of my time.

Mr. STANGELAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. SNYDER] the ranking Republican member of the Committee on Public Works and Transportation.

Mr. SNYDER. Mr. Chairman, I rise in strong support of H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

H.R. 6 is a tribute to the full committee chairman, JIM HOWARD, the subcommittee chairman, BOB ROE, and the subcommittee ranking minority member, ARLAN STANGELAND. These men, and many others, have spent days and nights over the course of 3 years on this comprehensive, crucial legislation. Their indepth analysis argues for the strong support I am confident H.R. 6 will receive.

The bill before us today is truly a landmark bill. For example, it takes a major step in forming a nationally coordinated water use policy. It also integrates, for the first time, the authorization and deauthorization of all types of water resource projects with the establishment of an equitable new Federal/non-Federal partnership—including cost-sharing requirements where appropriate. H.R. 6 embodies the belief that Congress can indeed develop a nationally coordinated policy that will ensure maximum benefits from one of our most vital national assets—our water resources.

It has been far too long since we have enacted a comprehensive water resources bill. The last omnibus bill became law in 1976, and the last major water resources construction authorization law dates back to 1970—15 years ago. During this period, our water resources infrastructure has deteriorated to the point where it is now in critical need of repair, rehabilitation and improvement. In addition, because no new projects have been authorized, a large backlog of proposed water resource initiatives has accumulated.

Our bill is a bold and innovative attempt to address these increasing concerns. The size and scope of H.R. 6 represents over a decade of detailed planning and study of national water resource problems. The bill makes numerous changes in the current water resources program to respond to new priorities and the needs of this diverse Nation. At the same time, it balances the need for new policies, including increased non-Federal cost-sharing, with sensitivity for existing economic conditions and important environmental values.

H.R. 6 provides a framework for strengthening our water resources infrastructure. It authorizes studies for potential water resources projects, modification of authorized projects, and construction of new projects for the Army Corps of Engineers. Projects authorized in the bill will strengthen local, regional, and national economies and encourage increased trade, which can improve our balance of payments. The bill contains programs for assistance to communities for the construction, repair, and rehabilitation of water supply systems and for protection from flooding and erosion. H.R. 6 also establishes a National Board on Water Policy to provide a nationwide source of professional expertise and cooperation between Federal, State and local entities.

In addition, the bill deauthorizes many older water resources development projects which have not been constructed and which are no longer necessary.

At the same time, this is a strong environmental bill. It creates a $35 million Environmental Protection Mitigation Fund and an Office of Environmental Policy within the Corps of Engineers to formulate and carry out corps' policy on environmental quality.

Mr. Chairman, allow me to highlight some of the main features of H.R. 6. Title I deals with port development. In addition to authorizing numerous port projects throughout the country, this title establishes a $1 billion a year fund to help finance construction, operation and maintenance of port and harbor improvement projects. The fund would be financed, in part, from a 0.04 percent ad valorem tax to be levied on imports and exports which is expected to generate between $150 million and $200 million per year in new revenues.

The cost-sharing provisions in title I, so crucial to the continued vitality of our Nation's harbors, largely reflect the recent compromise reached between Senate leaders and the administration. The non-Federal share of construction costs for port improvement projects with depths of 14 to 20 feet would be 10 percent in cash during construction, 25 percent for projects with depths between 20 and 45 feet,

and 50 percent for those with depths greater than 45 feet.

In addition to providing the up-front cash, the non-Federal share would include lands, easements, rights-of-way, relocations and spoil disposal areas up to a maximum of 5 percent of the total project costs.

Title II of the bill authorizes the use of revenues from the Inland Waterways trust fund to finance several locks and dams. Financing for the projects, which are to be built over a 7-year period, would come one-third from the trust fund and two-thirds from general appropriations.

Title III authorizes critically needed flood control projects and increases non-Federal cost-sharing for those projects authorized. Traditionally, local sponsors have been required to provide real estate interests and relocations necessary in connection with local flood protection. These costs have varied from project to project, averaging between 15 and 20 percent. Under our bill, the local interests would be required to provide needed real estate, but would have to provide at least 25 percent, though no more than 30 percent of total project costs. If the value of real estate interests needed for the project is less than 25 percent, the local share will be raised to 25 percent, but local project sponsors will be able to repay the difference over a 15-year period. In any event, the non-Federal interest must pay 5 percent of the costs during the construction period.

Title IV authorizes a variety of shore protection projects, and title V authorizes various mitigation projects. To ensure that any disruption caused by a Corps of Engineers' water resources project is minimized, the bill provides for the development and implementation of mitigation plans consisting of construction requirements, purchase of lands or easements for fish and wildlife purposes, and the development of habitat at projects.

Title VI provides authority for a variety of water resources studies, including a review of the Nation's flood problems and water supply needs.

Title VII modifies many existing corps' projects to reflect new conditions and needs. Like so many other provisions in our bill, this title addresses changed circumstances by authorizing the corps to make modifications to projects where our committee has determined that modifications are necessary.

Title VIII provides for Federal assistance, in the form of loans to local interests, for the expansion, rehabilitation, and improvement of water supply facilities. In a major new initiative to halt deterioration of water supply systems, the bill creates an $800 million per year water supply loan program, making 50-year loans available for the repair of single and multipurpose systems. Only applicants who agree to implement suitable water conservation programs would be eligible for the loans.

Title IX provides the necessary authorization to change the names of numerous water resources projects or project features.

Title X is one of the many examples of fiscal responsibility throughout our bill. This title deauthorizes over 300 projects, having a total estimated savings of approximately $18 billion.

Title XI contains general provisions relating to policies and programs of the Corps of Engineers. It authorizes new actions, increases or changes authorities, and in general provides direction for the corps' activities. It strengthens the role of the corps, including granting authorization for the corps to continue a program for the inspection of dams and to undertake a new national program for the repair and restoration of any publicly owned unsafe dams. For repairs to be undertaken at non-Federal dams, the owner of an unsafe dam would have to provide 20 percent of the repair costs during construction. Moreover, the State or other public agency must then agree to maintain the repaired dam in a safe condition.

Title XII establishes a new National Board on Water Policy to coordinate the broad range of water project activities of the Federal agencies. The Board would develop principles and standards for planning Federal water projects. The title also authorizes a regional/State advisory committee with membership from major water resource regions and funding to States for water resources management programs.

Title XIII provides authority to modify certain bridges over navigable waters that require changes. Title XIV provides for referral of certain mitigation reports to the Committee on Merchant Marine and Fisheries.

Finally, title XV incorporates all of the bill's tax-related provisions, including those related to the collection and administration of special taxes to be paid by the beneficiaries of port and harbor improvement projects and inland waterway projects. This includes establishing a Port Trust Fund from which projects in title I will be funded. Other amounts collected will be retained to help fund navigation improvements along our inland waterways.

The version of H.R. 6 that is being considered is a compromise. It has been agreed to by the Committees on Public Works and Transportation, Ways and Means, Merchant Marine and Fisheries, and Interior and Insular Affairs. The vast majority of the bill's provisions are identical to the bill reported by the Committee on Public Works and Transportation. The few modifications we made were based on agreements with other committees after those committees reviewed and acted on referred portions of the bill. The final package is a sound piece of legislation representing years of work and reasonable compromise.

Mr. Chairman, I know that the administration does not support the present bill 100 percent. We have agreed, however, to work toward addressing their concerns in conference. None of these matters, however, should impede our continued progress. I fully hope and expect to see H.R. 6 become law very soon.

Since August 1, when H.R. 6 was reported out of the Public Works Committee, many Members have brought additional matters to the attention of the committee. These include changes to items already in the bill, new projects or policies, clarifications, and updates of costs and reports. We have given thorough review to these suggestions and will include many of them in our package of committee amendments.

Mr. Chairman, H.R. 6 is an enormously important piece of legislation. The bill provides the basis on which to chart a strong, steady course for the Nation's water resource needs. H.R. 6 offers a comprehensive approach that takes into account critical economic, governmental, and environmental concerns.

The bill is very similar to H.R. 3678 which passed the House with only 33 dissenting votes in June of last year and was passed again as an amendment to last year's continuing resolution with overwhelming support. H.R. 6 builds upon H.R. 3678's solid framework, but makes various refinements and revisions to reflect an extra year of events and committee analyses. H.R. 6 is a bill we can all support. I urge the Members to give this legislation the strongest possible vote so that we can finally enact in 1985 what should have been enacted years ago.

Mr. Chairman, I yield to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I want to compliment both gentlemen from New Jersey, who worked so tenaciously on this, and the gentleman from Minnesota [Mr. STANGELAND], but also the gentleman from Kentucky [Mr. SNYDER]. As I understand it, you are leaving the Congress, and you have worked for a good many years on this legislation, and I think it is time that some of us say that we appreciate what you have been doing.

We hear a lot about the deficit nowadays; they are always talking about dollars. They do not want to talk about the deficit in terms of the infrastructure in this country, but we are borrowing from our children if we do not replace the infrastructure in this country, just as much as if we borrow dollars that they have to pay off.

Mr. SNYDER. Mr. Chairman, I thank the gentleman for his kind remarks.

The CHAIRMAN. The gentleman from North Carolina [Mr. JONES] is recognized for 30 minutes.

Mr. JONES of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 6 and am pleased that the work of the Committee on Merchant Marine and Fisheries which has been ongoing since the 97th Congress is incorporated in title I of this important measure.

The concern of the Committee on Merchant Marine and Fisheries expressed in this bill is that our merchant fleet already disadvantaged by restrictive activity around the world has been hampered by inadequate port facilities in the United States. The thrust of our action, as incorporated in title I, is to allow vitally needed port construction projects to proceed without undue delay while at the same time preserving the sometime fragile ecology that exists at the margin of land and water. I am pleased that all committees who have considered the port development legislation have accepted the approach we pioneered and have consistently advanced.

In reporting our bill, as part IV of Report 99-251, we were under great time pressures and, as occurs too frequently, some errors crept into our written report. While most are of a clerical nature and are obvious to the reader, there is one I would like to take this opportunity to correct on the record. In its discussion of the cost-sharing formula for port improvement projects, as contained in section 105, the report continued, in its section-by-section analysis, an explanation which would have been appropriate prior to an amendment which was adopted by the committee and which is included in the substitute before this body.

The legislative history on cost-sharing and mitigation measures connected with new port construction should incorporate the following:

The committee also adopted a new paragraph (8) to subsection 105(b). This amendment guarantees that the non-Federal share of port navigation projects authorized prior to 1985 shall be fully credited for the acquisition, construction and operation of lands, easements, rights-of-ways and dredge spoil disposal sites that were constructed to comply with the terms of the original authorization and related purposes.

This amendment guarantees that the State of Maryland will receive a $53 million credit toward its initial share of the Baltimore Harbor and channels 50-foot project. The $53 million credit total is the amount it cost the State to acquire lands, easements, and rights-of-ways and to construct the Hart-Miller Island dredge disposal site.

I appreciate the support of all Members for this bill and particularly for title I which has far-ranging effects on the trade of the United States.

□ 1410

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from North Carolina [Mr. JONES] has consumed 4 minutes.

The gentleman from Michigan [Mr. DAVIS] is recognized for 30 minutes.

Mr. DAVIS. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of H.R. 6, the Water Resources Act of 1985, and to commend the chairmen of the committee and the subcommittee, the two gentlemen from New Jersey; along with the ranking members, the gentlemen from Kentucky and Minnesota; my good friend and colleague from California, Mr. ANDERSON; and all those members and their staffs from the four committees which put together this bill.

It is a compromise, and I think a good one. As was pointed out in the report, it has been 15 years since a comparable omnibus bill has been enacted, and almost 10 years since a new project authorization bill. Development in our Nation, meanwhile, has grown apace, and there is an urgent need to put into place the infrastructure to support that development. Water development, shoreline protection, flood protection and navigation projects and maintenence, are vital to the commerce of our Nation and the protection of lives and property. They are the life blood and life support systems, if you will, of America, especially in an age when we depend so much on our exports of agricultural and manufactured goods to redress our balance of trade.

The investments proposed in this authorization, shared by Federal, State, and local agencies, are investments in our future. They will create jobs, protect lives, and enhance commerce as well as providing environmental mitigation and recreation. I think the cost-sharing provisions are fair, calling for a commitment by the direct beneficiaries as well as the Nation generally.

Mr. Chairman, I specifically and strongly support the provisions in the bill that allow for private, non-Federal firms to plan, design, and construct authorized port projects and to be reimbursed later for those costs, which ordinarily would be a Federal responsibility. If a private firm begins work on a port project that subsequently is authorized, the non-Federal work would be reimbursable.

There are parts of the bill I do not agree with, but I recognize that, in any bill of this nature, compromise should be sought, and the rule allows the full body to work its will.

I urge support for the bill—we need to get on with the work of the Nation.

Mr. DAVIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this legislation has been a long time in the making—the last major water resources bill was enacted about 15 years ago.

H.R. 6 represents the best efforts of four congressional committees—Public Works and Transportation, Merchant Marine and Fisheries, Interior and Insular Affairs, and Ways and Means. These committees devoted a lot of time and effort to this bill, each concentrating on issues within its area of concern.

There are many critical issues contained in the bill. We have heard from our colleagues on the Public Works Committee the explanation of those provisions that authorize the numerous water projects throughout the country. I want to focus just on the port development provisions of title I.

The sections of title I represent a bipartisan effort of two committees—Public Works and Merchant Marine. They authorize 6 deep-draft port projects and 29 general cargo port projects in sections 101 and 102. Provision is made in section 104 for non-Federal interests to work with the Federal agencies involved to plan and construct projects. The process of getting the various Federal and non-Federal permits approved would be established on a fast track to expedite the process. Federal laws and regulations have been significant contributory factors to the complex and lengthy permit granting process. This bill will resolve some of the delays without sacrificing environmental quality by allowing some aspects of the process to proceed concurrently with others.

A new cost-sharing mechanism is set up in section 105 between the Federal and non-Federal interests. Local authorities will be required for the first time to contribute a share of the costs of construction of port projects. The amount of the contribution will be based, in part, on the depth of the channel to be dredged.

In order to help a non-Federal interest raise some of the money needed for its share of port development projects, section 109 of the bill grants authority to ports to levy port or harbor dues, including tonnage duties or other cargo-based assessments. This authority is limited somewhat by the fact that local ports will not be able to charge a vessel port or harbor dues if the vessel does not need a channel deepened. For example, a vessel with a 16-foot draft could not be assessed a fee to pay for a port to dredge its 18-foot channel down to 20 feet.

The key element of the port development provisions of H.R. 6 is the new Federal charge to help offset some of the Federal costs for operations and maintenance expenses. The Public Works, Merchant Marine, and Ways

and Means Committees all addressed this issue in different ways but with the same substantive result—a new Federal charge of 0.04 percent of the value of the cargo shipped through U.S. ports will be assessed and paid by the cargo shippers to the Federal Government.

The text of the new bill (H.R. 3670) that we will consider today as an amendment to H.R. 6 has been worked out by the four committees involved. It reflects compromises reached by the committees on those provisions that were reported with different language—except for the new Federal O&M charge in title XV. That provision is the language reported by the Ways and Means Committee.

In order to provide for a thorough debate, the Rules Committee granted a modified open rule on H.R. 6 that will allow for consideration of this legislation and some important amendments.

It is absolutely imperative that we enact this bill this year. The national needs for the development of our ports and other water resource projects have reached the critical stage.

Not a single navigation improvement has been initiated in the last 10 years. The U.S. port system clearly lags behind all of the other major maritime nations of the world. This problem was highlighted by the coal export crisis in 1981 when we had the chance to send large quantities of U.S. coal overseas but our ports were not able to handle the fully loaded coal carriers. As a result, this country lost some opportunities to sell our coal. In addition the new, large containerships are having difficulty getting in and out of some of our ports. We cannot allow this situation to go on any longer.

I urge my colleagues to join me in supporting H.R. 6 in order to move this legislation along toward enactment.

Mr. Chairman, I would also like to express my appreciation to the committee leadership for its assistance on a matter that was of extreme importance in my congressional district. The committee has resolved that with an amendment that has been included in this bill. And I would like to address that at this point.

Mr. Chairman, I also would like to express my appreciation to the Committee leadership for its assistance on a matter of extreme importance in my congressional district. Since January 1973, the International Joint Commission [IJC], a body formed by treaty between the United States and Canada that studies and develops policy on issues of concern to both countries, has been regulating the water levels of Lakes Superior, Michigan, and Huron in an effort to keep the levels of the three lakes as balanced as possible, without adversely affecting the level of Lake Superior. Because Lake Superior, as the upper lake, flows into the other two, regulation is accomplished by either holding back Lake Superior water, or allowing increased flow of Lake Superior water into the lower lakes through 16 compensating gates on the St. Mary's River at Sault Ste. Marie, MI. The action of the IJC in 1973 was the initiation of water regulation specifically attempting to affect the levels of the lower lakes. The action was prompted by record high lake levels on the lower lakes due to rainfall and spring runoff. Prior to 1973, the compensating gates were used only to maintain a certain level in Lake Superior and the St. Mary's River for navigational purposes.

The Emergency Plan of Action, as the 1973 action was called, was formalized as plan 1977, which went into effect in October 1979. Plan 1977 regulates the level of Lake Superior by requiring continuous adjustment of water levels between Lakes Superior, Michigan, and Huron through monthly forecasts. The plan sets 602 feet as the maximum allowable level of Lake Superior, and 598.4 feet as the minimum allowable level. Since the Emergency Plan of Action was initiated and followed by plan 1977, shoreline property owners along Lake Superior have awaited a response to their pleas for a study of the shoreline damage caused by the artificially high water levels of Lake Superior due to the IJC regulation. Such a study would be authorized by this legislation.

In 1985 we have seen history repeat itself. Record highwater levels in Lakes Michigan and Huron, causing millions of dollars of flood damage, led the IJC to close the compensating gates at the St. Mary's River in an attmept to lower the levels of the lower lakes. This regulation has caused Lake Superior's level to reach, and in fact exceed, the 602-foot limit set by the IJC for Lake Superior consequently causing additional shoreline damage along the upper lake.

One of the primary goals and justifications for plan 1977 was to, in the IFC's own words, "preclude any increased risk of exceeding the existing 602 maximum level," of Lake Superior. Since the IJC began its program of balancing the water levels between Lake Superior and the lower lakes, no action has been intitiated to find out how much shoreline property damage is being caused. It is of utmost importance, in view of this year's repeat of record high lake levels, that we find the answer to this question.

Certainly I will not argue that the intent of balancing the interest of the three lakes is unfounded. Nor do the interests of property owners along the Michigan and Huron Lakes diminish before that of property owners along Lake Superior. It was in that interest that this regulation amongst the lakes was first considered. However, the level of Lake Superior is the only one that is kept high by artificial means and, as was the case this year, allowed to exceed the limits set by the IJC itself. For these reasons I am encouraged by the inclusion in this legislation of my language authorizing the study of this regulation and its effect on shoreline property, and I urge its adoption.

Mr. Chairman, I yield back the balance of my time on our side.

Mr. JONES of North Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman, I thank the distinguished chairman of the Committee on Merchant Marine and Fisheries for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 3670, to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure.

At the outset, I commend our colleagues, Chairman HOWARD, Congressman SNYDER, Chairman ROE, and Congressman STANGELAND on crafting a fine bill.

As you know, Mr. Chairman, the Congress has not adopted a comparable water development bill since 1970. And no new Army Corps of Engineers project authorizations have been approved by the Congress since 1976. And, as you will recall, this past year, the House, on two separate occasions, overwhelmingly approved an omnibus water development bill only to see it die in the other body.

Of particular interest to me are those sections of the bill dealing with needed projects in southern California. I would like to take just a moment to highlight a few of these that are in and near my district.

It has been estimated that the maritime industry in my State is directly responsible for 138,000 jobs and, as our trade expands with the nations of the Pacific Rim, this figure will undoubtedly increase. I am proud to say that the San Pedro Bay Ports of Los Angeles and Long Beach comprise the largest port complex on the entire west coast. The two ports together annually move approximately 90 million tons of cargo and generate roughly $2 billion in customs revenue, or 17 percent of the total collections made by the U.S. Customs Service nationwide.

Should the ports continue to experience their traditional annual cargo growth of between 5 and 6 percent, they will, by the year 2020, triple the present volume of trade. This, in turn, will triple customs collections up to an estimated $6.2 billion annually. Thus, by using simple mathematics, it is easy to see that these two ports are big money winners for the U.S. Treasury and help create a stronger economy.

Among other things, section 101 of this measure applies to the future development of the Los Angeles and Long Beach Harbors. Specifically, $310 million is earmarked to provide for the deepening of the main channel of the Port of Los Angeles to a depth of 70

feet and the deepening of the main channel of the Port of Long Beach to a depth of 76 feet. Further, 800 acres of land will be created with the dredged material from the project.

This additional 800 acres of land is particularly important to me because it will permit the relocation of the loading and unloading facilties for handling toxic and hazardous materials as well as the storage tanks used for these dangerous substances, away from inner harbor, high-density residential areas where they are today. The need to make this relocation has been a longtime concern of mine.

I would now like to turn my attention to section 617 of the bill relating to the Rancho Palos Verdes shoreline erosion study. The Army Corps of Engineers is authorized to conduct a study, which shall be completed not later than 2 years after the date of enactment of this act, on the feasibility of constructing shoreline erosion mitigation measures along the Rancho Palos Verdes coastline for the purpose of providing additional stabilization for the Portuguese Bend landslide area.

Over the past 25 years, portions of the hillside at Portuguese Bend have moved oceanward in excess of 500 feet. During the 1982-83 winter storms, alone, over 30 feet of coastline has disappeared at Portuguese Bend and there are now two additional slides, Abalone Cove and Klondike Canyon, which have become active in recent years.

Another important feature of H.R. 3670 pertains to the improvement of the breakwater at King Harbor in Redondo Beach. Specifically, section 710 of the bill will: First, provide that all future costs of the dredging and maintenance of the general navigation features at the harbor shall be borne by the United States; second, all breakwaters at the harbor shall be restored to a height of 22 feet and maintained at such height; and third, the U.S. Army Corps of Engineers is authorized to conduct a study, which shall be completed not later than 2 years after the date of enactment of this act, to explore the feasibility of raising the breakwater at the harbor to a height greater than 22 feet.

In recent years, high waves, high waves from winter ocean storms at King Harbor have caused considerable damage and have repeatedly demonstrated the need to improve the breakwater. In 1980 and 1983, storm damages totaled $4 million and $2.7 million, respectively. It is imperative that we move quickly in addressing this serious and costly problem.

Last, Mr. Chairman, I would like to address that section of the bill pertaining to the navigation project at Upper Newport Bay. Section 754 authorizes the Army Corps of Engineers to dredge and maintain a 250-foot wide channel in the Upper Newport Bay to the boundary of the Upper Newport Bay State Ecological Preserve to a depth of 15 feet, and to deepen the channel in the existing project below the Pacific Coast Highway Bridge to 15 feet. The estimated cost of this project is $2.5 million.

Upon completion of this project, roughly 2 million cubic yards of sediment will have been removed from the bay. It will have been restored to the condition existing prior to 1930 when significant tidal changes began to occur. Removal of this sediment is essential to improve tidal flushing action, prevent the sediments from being washed into the Lower Newport Bay, and to improve both commercial and recreational boating access.

In conclusion, I want to again express my complete support for this significant legislation. It deserves the support of all Members. I might add that in addition to authorizing a number of new projects, H.R. 3670 deauthorizes over 300 corps projects or portions of projects with a total estimated costs of $11.1 billion. Again, I hope all my colleagues will vote "aye" on final passage of this measure.

Mr. HOWARD. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. WEAVER].

Mr. WEAVER. I thank the distinguished chairman of the Committee on Public Works for the time, and I want to commend the chairman of the committee and the chairman of the subcommittee as well as the ranking members and the full committee for all the great, and diligent, and hard work they have done on this bill.

Your committee has been of greatest and utmost importance to the Northwest. Water projects that have helped build our economy have been authorized by this committee over the decades. I want to say that the dams in the Columbia, the jetties, and port dredgings have been essential to the livelihood of thousands of Oregonians.

I know that the projects in this new bill have been carefully evaluated, but there is one project that lies mainly in my district and it is not in this bill. That is the Elk Creek Dam that was authorized in 1962, 23 years ago. It was part of a three-dam project. Two of the dams, Lost Creek and Applegate Dams, have been built. But now the Corps of Engineers says that the third dam, the Elk Creek Dam, is no longer essential to enhance the values of the other two dams, and the Corps of Engineers does not support the construction of Elk Creek Dam. The Corps of Engineers says Elk Creek Dam is a waste of money.

So to save, and if we are serious about cutting the deficit, to save $32 million that has actually been appropriated but not spent because this dam has not been started, we can vote tomorrow to deauthorize the Elk Creek Dam. I remind the House that Elk Creek Dam is not in this bill. I do not strike anything from this bill. I add a deauthorization to the 300 deauthorizations already in the bill.

Mr. Chairman, I compliment the committee for their good housekeeping work. I want to conclude by saying the Elk Creek Dam was 40 years in my congressional district. After reapportionment, the dam is on the boundary of the district, and it in effect lies in both districts but its effects, the Rogue River for almost 200 miles, lies entirely in my district; its irrigation and flood control, what there is left of it, are almost entirely in my district.

□ 1425

So the Elk Creek Dam is, in effect, a project in my district. It affects my district. The Corps of Engineers does not support its construction, calls it a waste of money. I will offer an amendment to deauthorize it.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to my friend, the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, the gentleman referred to the dam being partially in his district.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. WEAVER] has expired.

Mr. HOWARD. Mr. Chairman, I yield 1 additional minute to the gentleman from Oregon [Mr. WEAVER].

Mr. YOUNG of Alaska. If the gentleman will yield further, could the gentleman identify what other Member's district it affects?

Mr. WEAVER. Sure. We have a map right here. As I said, for 40 years, the dam was entirely in my district. Then they took part of two southern counties out. Now, here is the district boundary. And the dam sits right here on the boundary.

Mr. YOUNG of Alaska. Whose district is that?

Mr. WEAVER. That is the Second Congressional District of Oregon.

Mr. YOUNG of Alaska. And who represents the district?

Mr. WEAVER. BOB SMITH.

Mr. YOUNG of Alaska. And he is from Oregon?

Mr. WEAVER. He is from Oregon.

Mr. YOUNG of Alaska. And he does represent that district. Does he support the gentleman's amendment, or does he oppose the amendment?

Mr. WEAVER. I know of no one else in the House who supports the dam, but it is my understanding that he does.

Mr. YOUNG of Alaska. But he does support the dam, does he not?

Mr. WEAVER. That is my understanding.

Mr. YOUNG of Alaska. I thank the gentleman for answering my question.

Mr. WEAVER. The Rogue River that is affected by the dam, the dam sits on the border of our districts, the Rogue River, 200 miles, runs throughout my district. The irrigation project is entirely in my district. And the flood control is entirely in my district.

Mr. JONES of North Carolina. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland [Ms. MIKULSKI].

Ms. MIKULSKI. Mr. Chairman, today is a great day for the port of Baltimore, the State of Maryland, and for every other region of the country that depends upon waterborne commerce and navigation for economic growth and vitality.

It is a great day for this Nation because this House will pass port development legislation contained in H.R. 6 that sets the framework to help America's ports meet the demands of international trade and commerce in the 1990's and to move into the 21st century.

No port in this Nation has waited longer for water resources cost-sharing legislation to be passed than the port of Baltimore.

We were authorized to dredge our channel to 50 feet in 1970. After meeting very stringent standards resulting from the first application of the National Environmental Policy Act to port development, Baltimore has been held hostage for 15 years to the battle over cost-sharing of new port development.

When Baltimore's 50-foot project was first authorized, the State of Maryland fulfilled the requirements imposed upon it by the Federal Government. In return, the Federal Government promised to pay 100 percent of the cost of deepening port channels to 50 feet.

Times have changed. And we all recognize that the Federal Government no longer has the financial resources to pay for every cost associated with vital navigation projects.

The cost-sharing framework set forth in H.R. 6, however, still maintains a strong and clear Federal stewardship over navigation and port development, while reducing the Federal financial burden. It is a formula that strengthens the partnership between the Federal Government, the private sector and local government in maintaining our Nation's waterways.

H.R. 6 contains a section that I offered, and which was adopted by the Merchant Marine and Fisheries Committee, recognizing the uniqueness of the Baltimore project. The change in cost-sharing from Baltimore's original authorization means that the State of Maryland will have to bear a substantially higher share than originally proposed.

While we in Maryland are willing to pay for our fair share, we also believe that we should be properly credited for being the only State government required to build and operate, at full local expense, a dredge spoil disposal site; a site built to comply with the original 1970 Baltimore authorization.

As a result, the committee adopted my amendment which guarantees that the non-Federal share of a port navigation project over 45 feet authorized prior to 1985 shall be fully credited for the acquisition, construction and operation of lands, easements, rights-of-way and dredge spoil disposal sites constructed to comply with the terms of the original authorization and related purposes.

The chairman of our committee, Representative WALTER JONES, pointed out earlier during general debate on H.R. 6 that this amendment guarantees that the State of Maryland will receive a $53 million credit toward its initial share of the Baltimore harbor and channels 50 foot project. The $53 million credit total is the amount it cost the State to acquire lands, easements, and rights-of-ways to construct the Hart-Miller Island dredge disposal site.

This amendment not only recognizes the uniqueness of the Baltimore project, but will help restore the sense of regional economic equity to ports along the Delmarva Peninsula. The three major ports closest to Baltimore, which are Wilmington, DE, Philadelphia, PA, and Hampton Roads, VA, have each obtained dredge disposal sites or disposal of dredged material at complete Federal expense. Baltimore, on the other hand, has borne all such costs for these activities.

There have been many Members who have worked to enact port development legislation to help revitalize our Nation's waterfronts. In particular, I want to commend public works Chairman JIM HOWARD and Water Resources Subcommittee Chairman BOB ROE for fashioning this bill and for their diligence in working to see it become law.

In addition, I am grateful for the work of my own chairman, Representative WALTER JONES, and the chairman of the Subcommittee on Merchant Marine, Representative MARIO BIAGGI, for their crucial work in developing the port title of H.R. 6.

The balance between cargo and quiche on America's urban waterfronts can only be preserved if we have channels deep enough to accommodate larger vessels that carry bulk goods like grain and coal. With the export of these goods we will provide jobs for American workers and help reduce our trade deficit.

So I urge my colleagues to support this bill and to help continue the renaissance at American ports like Baltimore.

Mr. JONES of North Carolina. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in order to fund port development, title 15 of H.R. 6 would impose a new 0.04 percent (4 cents per $100) excise tax on the value of commercial cargo loaded onto or unloaded from a vessel at a port in the United States. The tax is effective on January 1, 1986, and is estimated to raise approximately $200 million per year for port development.

The port use tax does not apply to cargo when loaded or unloaded at ports in Hawaii or in any possession of the United States. The tax does not apply to cargo when loaded at any port in the United States for transportation to Hawaii or a U.S. possession for ultimate use or consumption in Hawaii or the possession. If the cargo loaded in Hawaii or a U.S. possession is unloaded at a port in the United States, then the port use tax applies when the cargo is so unloaded.

The tax does not apply to fish or other aquatic animal life caught during a voyage. Also, the tax does not apply to the U.S. Government or any Federal agency or instrumentality.

The port use tax does not apply to cargo where the transportation of that cargo has been or will be subject to the excise tax on diesel or other fuels used on the inland waterways under Internal Revenue Code section 4042. A credit is allowed against the port use tax for St. Lawrence Seaway tolls with respect to the cargo being loaded or unloaded, with any unused credit allowed as a carryover to apply against future port use tax liability of the taxpayer.

This new port use tax is simply a modified version of the excise tax which was included in this bill by every other committee to which the bill was referred. The tax has been endorsed by the administration as an appropriate user charge.

Revenues from the new port use tax will be deposited into a new Port Infrastructure Development and Improvement Trust Fund in the Treasury. In addition, title 15 authorizes appropriations to the trust fund of sufficient general revenues for each fiscal year such that the total port use tax revenues and general revenues for the fiscal year together equal $1 billion.

Under title 15, permitted expenditures out of the trust fund generally are the same as under the bill as reported by the Committee on Public Works and Transportation, with an added provision to authorize payment out of the trust fund for Treasury expenses in administering the port use tax. The port use tax is to be administered by the U.S. Customs Service.

In addition to port development, title 15 adds the Tennessee-Tombigbee Waterway to the list of inland and intracoastal waterways, the commercial use of which is subject to the inland waterways fuel tax under Internal Revenue Code section 4042, effective on January 1, 1986.

Under the bill, like the new Port Infrastructure, Development and Improvement Trust Fund, the Inland Waterways Trust Fund statutory language would be placed in the Trust Fund Code in the Internal Revenue Code. Not more than one-third of the cost of any waterway construction project under the bill and not more than one-sixth of certain relocation costs under the bill may be paid out of the Inland Waterways Trust Fund. These expenditure limitations are the same as those proposed by the Committee on Public Works and Transportation.

Mr. Chairman, I believe that the revenue from the port use tax is an important and necessary source of funding for port development. The funding of our Nation's ports has long been delayed because of controversy regarding the proper source of revenues. I believe that the port use tax, in combination with general revenues and local funding, has broken the deadlock and will allow the Nation's ports to receive the necessary funds to modernize and expand so that they can compete internationally.

Mr. Chairman, I urge adoption of H.R. 6.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, first of all, I would like to compliment the chairman of the Committee on Ways and Means and the ranking minority member of the Committee on Ways and Means for the excellent work that they have done on this very important piece of legislation. But I would like to engage in just a bit of colloquy with the chairman of the Committee on Ways and Means, if he would be so indulgent.

Mr. Chairman, in the versions of H.R. 6 reported by the Committees on Public Works and Transportation and Merchant Marine and Fisheries, both committees also authorized the collection of a 0.04 percent ad valorem charge on import, export, and domestic cargo loaded or unloaded on vessels at U.S. ports. Although the details of each committee's approach differed, on one thing they were both very clear: The responsibility for remitting the ad valorem charge and the ultimate liability for payment rests with the cargo interest, not the vessel owner or operator.

The Public Works Committee report states (p. 517):

> The intent of the Committee is that the tax be paid by the importer, exporter, or shipper of the cargo, and not by the owner or operator of the ship or vessel * * *. [T]he Committee imposed the duty to collect the tax on importers, exporters, and shippers.

Similarly, the report of the Committee on Merchant Marine and Fisheries states (p. 27):

> Regardless of the potential difficulty in administration, the Committee reiterates that the cargo, being the beneficiary of the facilities provided by the port, is for purposes of this Act the user responsible for paying the fees required for ongoing operation and maintenance. The Committee intends that no burden, financial or administrative, fall on vessel owners or operators.

The Ways and Means Committee report, in describing the provisions which are now part of title XV of the bill before us, states (p. 11):

> The port use tax is to be paid by the importer * * * by the exporter * * * and by the shipper * * *.

In order that the record might be clear and unambiguous, I would like to ask a question of the gentleman from Illinois, the chairman of the Committee on Ways and Means: Is it the intent of the Ways and Means Committee that cargo interests, alone, bear the responsibility for payment of the port use tax of title XV?

Mr. ROSTENKOWSKI. That is correct. No financial or administrative burden or responsibility is imposed upon vessel owners or operators by virtue of title XV of this legislation.

Mr. STANGELAND. I thank the gentleman, and once again I commend him and the ranking Republican member of the full committee.

Mr. ROSTENKOWSKI. Mr. Chairman, I reserve the balance of my time.

Mr. DUNCAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to join my colleague, Chairman ROSTENKOWSKI, in urging the House to adopt H.R. 6, a bill which provides for a number of important water projects throughout the United States. To assist in financing these water projects, the bill would impose a new 0.04 percent, 4 cents per $100, ad valorem tax on commercial cargo loaded or unloaded from a vessel at a port in the United States, with certain enumerated exceptions. The chairman has accurately described the various components of the bill for the House and I will not restate them here. The Committee on Ways and Means ordered the bill reported by voice vote, and I know of no objection to the bill. I would urge my colleagues to vote for the bill today.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Does any member from the Committee on Interior and Insular Affairs wish to claim that committee's time?

Mr. YOUNG of Alaska. Mr. Chairman, we have no requests for time on this side, but I gladly yield such time as he may consume to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. I thank my colleague from Alaska for yielding time to me.

Mr. Chairman, I appreciate the opportunity to rise in support of H.R. 3670, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. I commend the House leadership for their recognition of the need to focus attention on the many critical water issues facing our Nation today.

Reauthorization of a comprehensive omnibus water bill is long overdue. It has not been since 1970—15 years ago—that we enacted a truly comprehensive water resources law to authorize projects and programs. We cannot afford to wait any longer. Our Nation's water resources infrastructure needs and deserves immediate attention.

Mr. Chairman, I want to commend the Public Works and Transportation Committee Chairman JAMES HOWARD; Water Resources Subcommittee Chairman ROBERT ROE; House Interior Committee Chairman MORRIS UDALL; and Water and Power Subcommittee Chairman GEORGE MILLER for their outstanding leadership and innovative attempts to address these increasing water resources problems in a comprehensive manner.

Water issues are of the utmost importance to the people I represent in the Third Congressional District of New Mexico. Few concerns in the West are greater than our need to protect and conserve water resources. Western States have been able to build a healthy economy and environment for a growing and productive population because the State and Federal Government, in partnership, have constructed water projects that have become a veritable lifeline for our States.

The Federal investment in Western water projects has been returned in many ways. They have ultimately paid their own way. In addition, the economic health of the West and the agricultural improvements that have resulted from these projects have benefited our entire Nation. Water projects have been success stories in satisfying national objectives.

H.R. 3670 addresses a real need in northern New Mexico. The bill recognizes the need to restore and preserve the Acequia irrigation ditch systems in their State and recognizes their cultural and historical values. Further, the legislation provides for needed improvements to Abiqui dam to increase

the safety of the structure and enhance flood and sediment control.

Mr. Chairman, water is a scarce and precious commodity in my district. Any discussion of increased economic development must include an emphasis on the water supply needs of our expanding communities. Fifteen years is too long to wait. I urge my colleagues to support H.R. 3670, and take a strong stand in addressing the critical water needs of our Nation.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume, to say that this bill is important for the future of this Nation concerning water and water policy. Many of us in the Congress and many in the United States do not recognize what could be our next major crisis in the United States, and that is the lack of water for the production of agriculture, the lack of water for our industrial strength and the lack of water for consumption in our own right as far as clean and safe water. The sharing of the burden is crucial. I believe this bill takes care of many of the major problems that have been faced in the past. Hopefully, for the first time we will have a water policy that the American people can benefit from.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The balance of the time for the Committee on Interior and Insular Affairs is yielded back.

Mr. HOWARD. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. NOWAK], a member of our committee.

Mr. NOWAK. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

I first would like to commend the gentlemen from New Jersey [Mr. HOWARD], the chairman of the Committee on Public Works and Transportation, and Mr. ROE, the chairman of the Subcommittee on Water Resources, for their diligent leadership in forging this important legislation. Thanks are also due the gentleman from Kentucky [Mr. SNYDER] and the gentleman frm Minnesota [Mr. STANGELAND] for their dedication and cooperation in this process.

We have not enacted a comparable omnibus water resources bill since 1970. Clearly, H.R. 6 is long overdue.

The passage of time has created a tremendous backlog in vitally essential water resources projects. This legislation is critical to readdressing this nationwide inventory of unmet needs in a meaningful way.

During these last 15 years, infrastructure has become a household word, as more and more attention has been focused on the deteriorating condition of our roads, bridges, dams, ports, and water supply network.

The dimension and scope of these infrastructure needs require a strong and sustained Federal role, in partnership with State and local governments and the private sector. H.R. 6, with its new cost-sharing provisions, will enable us to advance scores of vitally needed port development, flood control, shoreline protection, and inland waterway projects.

Our water resources and our infrastructure are vital to our national economic well-being and our quality of life. H.R. 6 commits us to major investments that will reap dividends for future generations in this country. It is a wise investment we cannot afford to bypass.

Mr. HOWARD. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. GRAY], a member of our committee.

Mr. GRAY of Illinois. I thank the gentleman for yielding.

Mr. Chairman, I rise to support H.R. 6 and to tell you what a personal joy it is to serve on such a fine working committee as the Committee on Public Works and Transportation.

I want to commend the distinguished chairman, the gentleman from New Jersey [Mr. HOWARD], the distinguished ranking minority member, the gentleman from Kentucky [Mr. SNYDER], the very distinguished subcommittee chairman, the gentleman from New Jersey [Mr. ROE], and the ranking member on the Republican side for all the hard work that has gone into this bill. It is a fine bill—it is an American bill.

Mr. STANGELAND. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT], who was the previous ranking Republican on the Subcommittee on Water Resources and certainly got this whole process started before I became the ranking minority member.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in support of the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

I commend our very distinguished chairman, the gentleman from New Jersey [Mr. HOWARD], as well as the ranking minority member of the full committee, the gentleman from Kentucky [Mr. SNYDER], and I certainly commend the gentleman from New Jersey [Mr. ROE] for the many, many months and, actually, years, of hard work he has put into this, as well as our distinguished friend, the gentleman from Minnesota [Mr. STANGELAND], and as well as the leadership of all of the committees that have labored to develop this important and balanced bill.

As my colleagues know all too well, we have not had an omnibus water resources projects bill for the Corps of Engineers in almost a decade. As the former ranking Republican member of the Subcommittee on Water Resources of the Committee on Public Works and Transportation, I know that this is not because the issue is not important or because the Members of this body have not worked hard to develop the necessary legislation. We all recognize the importance of water resources development to the vitality of our economy and the extradordinary effort that has been put into passage of this legislation. We have heard today of the importance of the provisions in this bill to the country and to individual Members who have spoken in support of the bill earlier.

I would just like to take a moment to mention some of the key provisions in this bill that are important to the citizens of Arkansas. First of all, let me mention projects in this bill that will greatly reduce the devastating effect of floodwaters in Arkansas. To this end, the bill would authorize projects for flood control in the cities of Helena and West Memphis, AR, and along Fifteen Mile Bayou, Fourche Bayou and Eight Mile Creek. In the area of navigation, the bill would authorize improvements for the harbor of Helena and also along the White River.

There are also a number of small but important projects to assist local governments in making necessary repairs to infrastructure improvements and authorization for water supply loans to the cities of Fort Smith and Van Buren. I would be remiss if I didn't take a moment to at least mention the provisions in title 9 of the bill that honor some of our most distinguished citizens by renaming Corps of Engineers projects or project features after those that have contributed so much to communities in which those projects are located.

Finally, I note that the bill contains an authorization for a demonstration project to determine the causes and possible remedies of pollution at Beaver Lake in my district. The project would be undertaken in cooperation with the Environmental Protection Agency, working with State and local agencies in an effort to find ways of preserving and enhancing the quality of the reservoir's waters.

Again, Mr. Chairman, let me congratulate those on the committee and extend my sincere appreciation for their efforts and assistance. Through their efforts, I am confident that we will finally see final passage of a comprehensive water resources development bill—a bill that I urge all of my colleagues in joining me in supporting.

Mr. HOWARD. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. ROE], the distinguished chairman of our Water Resources Subcommittee, who is the chief architect of this legislation.

Mr. ROE. Mr. Chairman, I want to thank the distinguished chairman of our committee, the gentleman from New Jersey [Mr. HOWARD] for yielding twice to me.

Mr. Chairman, I am pleased to bring to the floor H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act. This bill is the product of over 4 years of intensive work by the Subcommittee on Water Resources, including hearings and countless hours of gathering information and consulting interested Members and their staffs. I am deeply appreciative of the many hours the members of the subcommittee, and of the full committee, have devoted to this legislation. I also wish to express my gratitude for the fine cooperation of the ranking minority member of the subcommittee, the gentleman from Minnesota [Mr. STANGELAND] and the ranking minority member of the full committee, the gentleman from Kentucky [Mr. SNYDER]. I especially want to thank the chairman of the committee, the gentleman from New Jersey [Mr. HOWARD] for the outstanding leadership he again has exercised in bringing this legislation to the floor.

Mr. Chairman, we began work on this legislation with two basic premises in mind. The first is that water is our most important and most valuable national asset, and resolving the problems relating to the use, overuse, and abuse of water, as well as protection from catastrophic flooding, are items of the highest priority. The second premise is that we must begin to deal with these water resources problems according to a national policy that is both rational and bipartisan in nature. We have worked diligently to achieve that goal in this legislation.

H.R. 6, as is traditional with water resources development bills, contains project authorizations, authorizations of water resources studies, project modifications, and general provisions effecting the overall water resources program of the Corps of Engineers. This bill also continues the practice of refining the manner in which the corps' existing water resources program is carried out to meet our constantly changing water resources needs. As a result, the bill contains a number of features addressing water supply needs, environmental concerns, energy needs, and project study procedures, in addition to the traditional provisions addressing flood control, navigation, erosion control, recreation, and the like.

This bill also contains a number of new provisions which recognize new water resources needs that have arisen as a result of the aging process on our water resources infrastructure.

Mr. Chairman, with these prefatory remarks, I would like to proceed through the bill briefly title by title to describe for you its contents. A more detailed statement is being submitted for the record.

Title I authorizes 6 deep draft navigation projects—projects with an authorized depth of 45 feet or more—and 29 projects for the improvement of general cargo ports—ports with an authorized depth of between 14 and 45 feet.

These port projects will be subject to a new cost-sharing arrangement. Non-Federal interests will be required to pay a portion of the construction costs of ports, with the local share determined in relation to the depth of the port. There is no cost sharing for a port with a depth of 14 feet or less. For the increment between 14 feet and 20 feet, the non-Federal share is 10 percent. For the increment of depth between 20 feet and 35 feet, the share is 25 percent. And, for the increment deeper than 45 feet, the local share is 50 percent. Non-Federal interests must also provide necessary lands, easements, and rights-of-way, including disposal areas, but only to the extent that the cost of these items does not exceed 5 percent of the cost of the project. In addition, a tax of 0.04 percent is imposed on the value of cargo loaded or unloaded at a U.S. port.

A non-Federal interest may levy port or harbor dues, in the form of tonnage duties, but may only do so with regard to a vessel if that vessel actually benefits from the port project. No dues may be imposed if the vessel, when fully loaded, could have utilized the port or harbor before construction of the project.

Section 104 provides a mechanism to permit non-Federal interests to plan, design, and construct port projects and later to be reimbursed subject to appropriations for those costs that ordinarily would be a Federal responsibility, so that a project may be expedited by non-Federal interests.

Title II authorizes the construction of seven critically needed lock and dam projects on the inland waterway system. These projects consist of replacements of obsolete structures and improvements to structures needed to prevent unacceptable constraints on navigation. This title also provides that one-third of the cost of the general navigation features of these projects shall be paid only from amounts appropriated from the inland waterways trust fund—the fund derived from fuel taxes on vessels used in commercial waterway transportation.

Title III authorizes the construction of 92 projects for the control of destructive flood waters throughout the Nation. We have developed a new system of cost sharing which we believe to be fair and equitable. Under present law the non-Federal sponsors of local flood protection projects pay for lands, easements, rights-of-way and relocations, which vary from project to project. We have included a new uniform cost-sharing formula which will ensure that regional needs are addressed with fairness, and which will result in the equitable distribution of national water resources investments needed throughout the Nation. The non-Federal share for local flood protection projects is established at 25 percent. Non-Federal interests will continue to provide lands, easements, rights-of-way and relocations. In addition, they must contribute 5 percent of the cost of the project during construction. If the cash contribution and the lands, easements, rights-of-way and relocations are less than 25 percent of the project cost, the amount necessary to meet the 25-percent share must be paid to the United States over a period not to exceed 15 years. If these items are more than 25 percent, then that is the non-Federal share, except that such share is capped at 30 percent.

Title IV authorizes a number of projects for the protection of shorelines on the Atlantic and gulf coasts and the Great Lakes.

Title V authorizes 78 projects for water resources conservation and development purposes—including mitigation of damages to fish and wildlife, water supply, hydroelectric power, streambank erosion control, navigation, and other purposes, including many detailed provisions designed to protect specific environmental values.

Title VI authorizes the corps to conduct a number of studies. These include studies of specific water resources problems in particular localities, as well as studies of a more general nature. A few of the most important provisions for studies of a general nature are as follows.

Section 605 directs the corps and the Fish and Wildlife Service to study the feasibility of utilizing the corps' capabilities to conserve indigenous wildlife and wildlife habitats, including creating alternative habitats, and beneficially modifying existing habitats.

Section 606 authorizes the corps to make a nationwide study of the Nation's flood problems and the effectiveness of existing projects in reducing losses from floods.

Section 610 directs the corps to prepare an estimate of the long-range capital investment needs for water resources programs within its jurisdiction—including investment needs for ports, inland waterway transportation, flood control, municipal and industrial water supply, hydroelectric power, recreation, and the fish and wildlife conservation and enhancement associated with those programs.

Section 614 directs the corps to prepare a list of authorized water resources studies for which no report has been transmitted to the Congress, and to make recommendations with respect to each such study as to

whether or not it should continue to be authorized.

Title VII contains a number of project modifications for a number of authorized water resources projects. These modifications were all analyzed by the committee on a case-by-case basis and were determined to be necessary for the functioning of the projects to which they relate.

Title VIII, relates to water supply. Subtitle A establishes a loan program to be administered by the corps for the purpose of repairing, rehabilitating, expanding, and improving public water supply systems and publicly regulated water supply systems. These loans are limited to 80 percent of the cost of the water supply project for which each loan is made, with an annual limit of $40 million for each project and an annual limit of $80 million for any State. Before receiving a loan, an operator must implement a water conservation program in order to encourage the responsible use of water.

Subtitle B of title VIII declares a national interest in economically conserving existing water supplies and in economically developing new supplies through Federal participation in the repair, rehabilitation, and improvement of water supply systems and through Federal construction of single-purpose, as well as multiple-purpose, water supply projects. The non-Federal share of such projects is to be 100 percent, with the non-Federal interests initially providing 20 percent, and repaying the remaining 80 percent of the project costs over a period of up to 50 years in accordance with the provisions of the Water Supply Act of 1958.

Title IX changes the names of a number of water resources projects and project features which have been constructed by the Corps of Engineers. One naming is geographical and the others are in honor of prominent individuals who have contributed their efforts to the development of water resources.

Title X, deauthorizes some 300 authorized corps projects or portions of projects. The Congressional Budget Office has estimated that, if these projects were funded, Federal outlays would be approximately $18 billion.

Title XI consists of a number of general provisions relating to the corps' water resources program. The following are a few of the most important provisions contained in that title.

Section 1101 defines the objectives for which Corps of Engineers water resources projects are to be planned, including the objectives of enhancing regional economic development, the quality of the total environment, the well-being and quality of life of the people of the United States, preservation of cultural and historic values, the prevention of loss of life, and national economic development. It also provides that the benefits and costs attributable to these objectives—both quantifiable and unquantifiable—shall be included in the evaluations of benefits and costs for Corps of Engineers projects.

Section 1102 requires that non-Federal interests contribute 50 percent of the costs of any feasibility report for any water resources study prepared by the corps or the Department of the Interior. An exception is made in the case of inland waterway projects, for which the benefits are generally acknowledged to be too widespread to be specifically identified with individual local governmental entities.

Section 1103 provides that in the evaluation of corps projects the benefits attributable to environmental measures shall be deemed to be at least equal to the costs of those measures.

Section 1104 establishes a new $35 million environmental protection and mitigation fund. Amounts in this fund are to be available for undertaking, in advance of the construction of any corps project, any measures authorized as part of the project which may be necessary to ensure that project-induced losses to fish and wildlife production and habitat will be mitigated.

Section 1122 relates to the master plan for the management of the upper Mississippi River system, which was prepared by the Upper Mississippi River Basin Commission pursuant to Public Law 95-502. This section contains congressional approval of the master plan as a guide for future water policy on the upper Mississippi River system. It authorizes the corps and the Interior Department, in consultation with the States, to undertake a program, as identified in the master plan, for the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement, implementation of a long-term resources monitoring program, and implementation of a computerized inventory and analysis system.

Section 1135 authorizes the corps to review the operation of previously constructed projects in order to determine the need of modifications in the structures and operations of those projects for the purpose of improving the quality of the environment in the public interest.

Title XII establishes a National Board on Water Resources Policy. The Board will be composed of the Secretaries of the major Federal water resources agencies, together with two other members and a chairman appointed by the President with the advice and consent of the Senate. Among other things, the Board will be responsible for establishing principles and standards for the formulation and evaluation of Federal water and related land resources projects and coordinating Federal water resources policy. The establishment of this Board is critical to the establishment and implementation of a balanced water resources policy.

Title XIII relates to bridges over navigable waters. It provides Federal assistance for the relocation of two bridges that have become obstructions to navigation as a result of local land subsidence problems.

Title XIV requires that any report dealing with fish and wildlife mitigation, benthic environmental repercussions, or ecosystem mitigation, that is required to be sent to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works shall also be sent to the House Committee on Merchant Marine and Fisheries.

Title XV, as reported by the Committee on Ways and Means, imposes a port use tax on the loading or unloading of commercial cargo at a U.S. port of 0.04 percent of the value of the cargo.

It also establishes a port infrastructure development and improvement trust fund. There is authorized to be appropriated to the trust fund each year an amount equal to the excess of $1 billion over the amounts deposited in the fund from the 0.04-percent port use tax. Amounts in the trust fund are available, as provided in appropriations acts, for studies, construction, and operation of ports.

Mr. Chairman, the rule provides that the amendments published by our committee in the November 4, 1985, CONGRESSIONAL RECORD may be offered en bloc. For the benefit of the Members I wish to explain briefly what these amendments will accomplish.

TITLE XI

MIAMI RIVER MANAGEMENT COMMISSION

This amendment authorizes the Secretary to make a grant to the Governor of Florida to establish the Miami River Management Commission to develop a comprehensive plan for the Miami River.

TITLE I

NORFOLK HARBOR

This amendment provides that the cost of utility relocations associated with the project at Norfolk, VA, be at full Federal expense.

MOBILE HARBOR

This amendment corrects an omission of the National Marine Fisheries Service in the text as it relates to mitigation measures at Mobile Harbor.

LOS ANGELES AND LONG BEACH HARBORS

This amendment increases the authorized depth of the harbor of Los Angeles from 65 to 70 feet.

KILL VAN KULL AND ARTHUR KILL

This amendment combines the projects for Arthur Kill and Kill Van

Kull, New York and New Jersey, and adds a provision extending the project to the Fresh Kills in Carteret, NJ.

LAKE CHARLES

This amendment updates the estimated Federal cost of the project at Lake Charles, LA.

NORFOLK HARBOR

This amendment prohibits the Secretary from imposing fees or other charges for the disposal of dredge material into the Craney Island, VA, facility.

NORFOLK HARBOR

This amendment provides that the modification of four anchorages previously authorized but not constructed, and the three anchorages authorized by this act at Norfolk, VA, are to be at full Federal expense.

TITLE III

QUINCY COASTAL STREAMS

This amendment provides that the non-Federal interests for the project are to be credited with work done by the non-Federal interest, after January 1, 1978, if the work is determined to be compatible with the project.

RIO PUERTO NUEVO

This amendment authorizes the project for flood control at Rio Puerto Nuevo, PR. The bill as introduced authorized a study for this project; the study has been completed, the results of the study are now authorized and the study is deleted.

SANTA ANA RIVER MAINSTEM

This amendment modifies the current provision in the bill to reflect the modifications for the Santa Ana River mainstem contained in the report of the district engineer, dated September 1985.

AMITE, COMITE, TANGIPAHOA, TCHEFUNCTE, TICKFAW, BOGUE CHITTO, AND NATALBANY RIVERS, LA

This amendment adds an authorization to the Secretary to undertake reasonable wildlife mitigation measures in connection with the project authorized in the bill.

INTERNATIONAL LEVEE, NOYES, MN

This amendment authorizes the Secretary to accept funds from a project cosponsor in connection with the project authorized in the bill.

FAIRFIELD VICINITY STREAMS

This amendment provides that the non-Federal interests for the project for flood control previously authorized by the Flood Control Act of 1965 are to be credited for the cost of work performed by the non-Federal interest subsequent to December 31, 1973, and determined to be compatible with the project.

TITLE IV

ORCHARD BEACH, NEW YORK

This amendment authorizes the project for beach erosion control, Orchard Beach, NY.

PINELLAS COUNTY, FL

This amendment authorizes the project for beach erosion control, Pinellas County, FL.

TITLE V

MERRIMACK RIVER, MA

This amendment authorizes the Secretary to conduct reconnaissance and feasibility studies on extending the project on the Merrimack River from Lawrence to Haverhill, MA, and from Haverhill to the mouth of the Merrimack River.

JACKSONVILLE HARBOR, FL

This amendment clarifies that the costs of this project are to a Federal responsibility, as recommended by the report of the Chief of Engineers.

LAVA FLOW CONTROL, HI

This amendment deletes the project for lava flow control, Hawaii, currently contained in the bill.

BEATTIES DAM, NJ

This amendment modifies the provision in the bill concerning flood control measures along the Passaic, Pompton, and Pequannock Rivers, NJ, to provide for repairs to Beatties Dam and removal of the existing rock shelf.

SONOMA COUNTY, CA

This amendment modifies the provision in the bill to allow the Secretary increased discretion in selecting the appropriate implementation of the water resources project.

TITLE VI

INSULAR POSSESSIONS

This amendment corrects the ommission of the Virgin Islands from the study of the water and related land resources in the insular possessions to be conducted by the Secretary. It also provides that any funds appropriated for the study which are not spent by the Secretary for the study, are to be available for construction of authorized projects and implementation of the findings of the study, in the possessions.

GREAT LAKES

This amendment modifies the provision authorizing the Secretary to determine the extent of shoreline erosion on Lake Superior to the time subsequent to January 26, 1973.

WATER SUPPLY STORAGE

This amendment modifies the existing study provision concerning the pricing policy of the Corps of Engineers relative to water supply to provide that the Secretary is not to modify his water supply pricing policy until the results of the study are available and Congress enacts additional legislation.

TITLE V

PORT ONTARIO, NY

This amendment authorizes the Secretary to maintain a harbor of refuge in Port Ontario, Sandy Creek, NY.

TITLE VII

KING HARBOR, CA

This amendment clarifies the existing language in the bill that the Secretary is to construct the breakwaters at the project to a height of 22 feet.

COLORADO RIVER, TX

This amendment is a technical change to correct an erroneous cost figure contained in the bill.

SAN LORENZO RIVER, CA

This amendment modifies the provision in the bill to authorize the Secretary to take actions which he deems necessary at the project, in addition to the dredging provided for in the bill. The Secretary is also authorized to conduct further study and design on the project.

RACINE HARBOR, WI

This amendment modifies the provision for Racine Harbor to change the requirement that the Secretary construct and maintain the harbor area, to a requirement that the Secretary only dredge the area.

TITLE VI

JAMES RIVER, SD

This amendment adds a study of the feasibility of providing flood protection along the James River, SD.

TITLE VII

NEWPORT BAY HARBOR, CA

This amendment modifies the provision in the bill for Upper Newport Bay Harbor, Orange County, CA, to better define the scope of the project.

DUNKIRK HARBOR, NY

This amendment authorizes the Secretary to reimburse the non-Federal interests for expenses they have incurred at the project which would have been the responsibility of the Secretary under the section.

FISHTRAP LAKE, KY

This amendment modifies the project for Fishtrap Lake, Pike County, KY, to authorize the Secretary to acquire by purchase any property in the drainage area of the project.

SABINE RIVER, TX

This amendment modifies the project for the Sabine-Neches Waterway, TX, to authorize an extension of the project approximately 1¼ miles.

CLARKS HILL RESERVOIR, GA AND SC

This amendment modifies the project for flood control, Clarks Hill Reservoir, to add recreation and fish and wildlife management as project purposes.

RED ROCK DAM AND LAKE, IA

This amendment authorizes the Secretary to acquire fee simple title and flowage easements to real property subject to periodic flooding at the project.

CAPE CHARLES CITY HARBOR, VA

This amendment modifies the project for Cape Charles City Harbor,

to provide that the existing bulkheads and berthing space shall constitute the local cooperation required by the project's authorizing legislation.

EAST CHESTER CREEK, NY

This amendment modifies the project to require the Secretary to dredge and maintain the Y-shaped portion of the project within 2 years. It also deletes the project from the deauthorization section of the bill.

TITLE IX

VANCE HARTKE RESERVOIR

This amendment renames the Patoka Reservoir, Wabash River, IN, as the Vance Hartke Reservoir.

DEWAYNE HAYES RECREATION AREA

This amendment renames the Stinson Creek Recreation Area, which is to be built as part of the Tennessee-Tombigbee Waterway as the DeWayne Hayes Recreation Area.

TITLE X

NAPA RIVER BASIN

This amendment removes the project for flood control, Napa River Basin, from the deauthorization title.

DISTRICT OF COLUMBIA

This amendment removes the project for flood control, District of Columbia, from the deauthorization title.

TAMPA HARBOR, FL

This amendment adds the turning basin at the junction of the Garrison and Seddon channels and the Hillsborough River to the deauthorization title.

KAUNAKAKAI, HI

This amendment removes the project for navigation, Kaunakakai Deep Draft Harbor, Molokai, HI, from the deauthorization title.

PEORIA COUNTY LEVEES, IL

This amendment removes the project for flood control, Peoria, Peoria County Levees, IL, from the deauthorization title.

WAUKEGAN HARBOR, IL

This amendment removes the project for navigation, Waukegan Harbor, IL, from the deauthorization title.

CAROLINA BEACH, NC

This amendment removes the project for flood control, Carolina Beach and vicinity, south area, North Carolina, from the deauthorization title.

PECAN BAYOU LAKE, TX

This amendment removes the project for flood control, Pecan Bayou Lake, TX, from the deauthorization title.

CASSVILLE SMALL BOAT HARBOR, WI

This amendment removes the project for navigation, Cassville Small Boat Harbor, WI, from the deauthorization title.

TITLE XI

COST BENEFIT EVALUATION

This amendment provides that if a non-Federal interest has entered into an agreement pursuant to section 215 of the Flood Control Act of 1968, the interest rate to be used in determining the costs and benefits of the project is to be the rate applicable at the time of execution of the agreement.

SUMMERSVILLE LAKE PROJECT

This amendment would modify the provision in the bill concerning releases from the Summersville Dam, Gauley River, by increasing the releases from the Summersville Dam on the Gauley River from 2,400 cubic feet per second to 2,500 cubic feet per second.

UPPER MISSISSIPPI RIVER

This amendment modifies the provision in the bill addressing the management of the upper Mississippi River. It provides that approval of the master plan by this section is not to be deemed to be authorization of any recommendation in the plan. It also provides for an increased role of the Secretary of the Interior in the implementation of the plan. Furthermore, it provides that amounts authorized to be appropriated, and amounts appropriated are to remain authorized and available until appropriated or expended.

ELK CREEK LAKE

This amendment modifies the provision contained in the bill for Elk Creek Lake, Rogue River, Oregon and California. Authorization to the Secretary to study the feasibility of hydropower is deleted and the Secretary is directed to include in the study of the project, funds previously appropriated by Congress, as sunk costs.

CORPS OF ENGINEERS CAPABILITIES STUDY

This amendment modifies the provision which would have the Corps of Engineers conduct a study to evaluate measures necessary to improve its capabilities to add a requirement that the corps also consider appropriate measures to increase reliance on the private sector.

FARMERS HOME ADMINISTRATION ASSISTANCE

This amendment modifies the provision in the bill concerning the use of Farmers Home Administration assistance to provide that the funds may be used to pay the non-Federal share of another Federal grant-in-aid program.

CROSS-FLORIDA BARGE CANAL

This amendment modifies the provision in the bill addressing the status of the Cross-Florida Barge Canal. The amendment clarifies that regulated public utilities may be considered for expedited approval of application for easements across the project property, clarifies the amount of money to be paid to reimburse the local governments for expenses incurred in land acquisition for the project, provides a mechanism for determining a date certain when the unconstructed portions of the project are to be no longer authorized, and clarifies that any lands owned by the Canal Authority and contained within the expanded boundary of the Ocala National Forest may not be transferred to an entity other than the Federal Government, if the unauthorization is to become effective.

MIAMI RIVER, SEYBOLD CHANNEL, FL

This amendment directs the Secretary to remove abandoned vessels and vessels subject to U.S. control by reason of seizure or forfeiture, in portions of the Miami River and Seybold Channel, FL.

OHIO AND WABASH RIVERS, STREAMBANK CONTROL

This amendment authorizes the Secretary to undertake streambank erosion control measures along a portion of the Ohio and Wabash Rivers, IL.

BREWERTON EXTENSION

This amendment permits funds appropriated for the Brewerton extension to be used to conduct dredging of the inland waterway from the Delaware River to the Chesapeake Bay.

SOUTH PLATTE RIVER, CO

This amendment modifies the project for flood control below Chatfield Dam on the South Platte River, CO, to permit the local interests to construct necessary highway improvements.

FOSTER JOSEPH SAYERS LAKE, PA

This amendment provides that the Secretary is authorized to construct necessary repairs on the Marsh Creek Bridge near Foster Joseph Sayers Lake, Centre County, PA, a corps constructed project.

DARK HEAD CREEK, MD

This amendment would declare a portion of the waterway located on Dark Head Creek in the community of Middle River, MD, as nonnavigable water of the United States.

CHEROKEE HYDROELECTRIC PROJECT

This amendment authorizes the Cherokee Nation of Oklahoma to design and construct hydroelectric facilities at the W.D. Mayo Lock and Dam on the Arkansas River in Oklahoma. Construction is to be by the Corps of Engineers, on reimbursable basis, and the power generated by the project is to be marketed by the Southwestern Power Administration.

DEVIL'S KITCHEN LAKE WATER SUPPLY

This amendment authorizes and directs the Secretary of Interior to sell municipal water to the city of Marion, IL, from water which may be available to the Devil's Kitchen Lake Project, Illinois.

CAVEN POINT AREA, NEW JERSEY

This amendment declares an area in the vicinity of Caven Point, Jersey City, Hudson County, NJ, to be a nonnavigable water of the United States.

SUNSET BEACH HARBOR, CA

This amendment authorizes the Secretary to enter into agreements with Federal project repayment districts for the repayment of the costs incurred by the Federal Government in developing water resource projects. It further permits a demonstration project of this non-Federal cost sharing at the Seal Beach Naval Weapons Station, Sunset Beach Harbor, Bolsa Chica Bay, CA.

MIAMI RIVER AND SEYBOLD CANAL, FL

This amendment authorizes and directs the Secretary to remove polluted bottom sediments from a portion of the Miami River and Seybold Canal, Miami, FL.

EISENHOWER AND SNELL LOCKS, NY

This amendment authorizes the Secretary to rehabilitate the Eisenhower and Snell Locks, Saint Lawrence River, Massena, NY.

Mr. Chairman, H.R. 6, which is the result of over 4 years of intense study by our committee, represents the first major construction authorization bill since 1970—and the most comprehensive and environmentally sensitive water resources bill ever developed. It is necessary to the dynamics of our Nation's economy; it is timely; and I urge its adoption.

Mr. STANGELAND. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. CLINGER], a member of the committee.

Mr. CLINGER. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 6, the Water Resources Conservation, Development and Infrastructure Improvement and Rehabilitation Act of 1985.

The leadership of the Water Resources Subcommittee, Chairman BOB ROE and ranking member ARLAN STANGELAND, and the full committee chairman JIM HOWARD, and ranking member GENE SNYDER, are to be applauded for producing this innovative and timely bill.

You've already heard previous speakers outline the major provisions of this bill. I think you'll all agree this bill is comprehensive, it's fair to all segments of our society dependent on water infrastructure projects, and it fairly addresses the budget constraints now facing all areas of our Government.

By rising today, I want to focus members' attention on the implications of the new cost-sharing provisions contained in H.R. 6.

Until this year, harbor improvement projects were largely funded by the Federal Government. H.R. 6 changes this practice and requires local ports to assume between 10 percent and 55 percent of the project cost, depending on the depth of the dredging. H.R. 6 also stipulates that ports having depths exceeding 45 feet assume a portion of their annual operation and maintenance costs.

For inland waterway transportation projects, H.R. 6 requires one-third of the construction cost be financed by the inland waterways trust fund, whose revenues are derived from a fuel tax on barge operators.

Flood control projects authorized by H.R. 6 will, for the first time, require local interests to pay at least 5 percent of the construction costs in cash, during the construction phase. This is in addition to the 20 to 25 percent noncash contribution that must also be provided by local interests, such as land, easements, right of ways, and relocations.

The significance of these cost-sharing provisions is important and I hope it is fully understood by all Members. By requiring local interests to ante up a portion of their own revenues and to share in the cost of construction, we are forcing local governments and users to pass judgement on the feasibility of the projects. We are, in essence, applying a local means test as a gauge of the non-Federal parties, interest in financing these projects.

Up to this point, the Federal Government provided the lion's share of all funding. Now we're spreading the costs, forcing potential project benefactors to draw their own conclusions and to judge the project's merits on the basis of their own ability to pay. And to reiterate a point made earlier by Mr. STANGELAND, cost sharing will greatly enhance the entire project selection and development process.

Mr. Chairman, cost sharing is a trend that is seeing wider and wider acceptance in a whole range of Federal programs, most notably in the areas of infrastructure. Cost sharing is now an integral part of sewer and water supply system construction programs and highway construction. Our waterways and ports should be no different.

Not to dwell too heavily on cost sharing alone, H.R. 6 offers many features that should merit the support of all Members. It authorizes long overdue rehabilitation projects for our Nation's water infrastructure sytem, it promotes rehabilitating our water supply systems through the establishment of a loan program, and it authorizes a number of water resource development and conservation projects that promote the safe keeping and enhancement of our environmental resources.

I urge all members to support this legislation.

□ 1440

Mr. STANGELAND. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. SHAW], a member of the subcommittee.

Mr. SHAW. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, today we are considering H.R. 3670, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabiliation Act of 1985. This legislation has been anxiously awaited since 1970.

Legislation authorizing needed water projects around the country has often been labeled pork-barrel politics. Well, I am pleased to call your attention to a provision in this bill that is pure sizzlean!

The Cross-Florida Barge Canal was authorized in 1942. Work began in 1968 until President Nixon halted construction in 1971 because of serious environmental problems and dubious economic benefits. One-third of the canal was completed at a cost of $74 million.

The uncompleted portion of the canal would cut directly into the Floridan Aquifer, which provides drinking water to two-thirds of the populous of Florida. In 1977 the U.S. Army Corps of Engineers recommended against completion of the project, basing their decision on the poor dollar-return of the investment. Equally compelling is the completion cost estimate—$500 million!

The uncompleted portion of the canal lies entirely within the district of Congressman BUDDY MACKAY. BUDDY has fought tirelessly to kill this project since first coming to Congress.

H.R. 3670 turns the uncompleted portion of the canal into a national conservation area, forever preserving the beautiful Oklawaha River for generations to come. I compliment BOB ROE and ARLAN STANGELAND, ranking members of the Public Works and Transportation Subcommittee on Water Resources, for their attention to this controversial issue and I urge my colleagues to support this legislation.

Mr. Chairman, I would also like to point out at this time that the Water Resources Subcommittee went down to Florida, personally went out on the completed portion of the canal, and looked at the destroyed part of the Oklawaha River. They tirelessly listened to the testimony that was given by members of the environmental community and the business community of the State of Florida. They recognized the need to preserve the Oklawaha River, and they finally agreed with the gentleman from Florida [Mr. MACKAY] and with me that it was not to the best interests of the county to complete this canal.

In doing so, they worked out a compromise which was brilliant and which preserved the land that had been acquired for this canal. In doing so, they had some tremendous cooperation from Congressman BENNETT, Congressman CHAPPELL, and Congressman PEPPER, and, of course, Congressman MACKAY and I were able to work to-

gether to work out this compromise. I thank them for their efforts, for going to Florida, for the hearings, and for all the good work they did in bringing about the provisions in that portion of this bill that will deauthorize the Cross-Florida Barge Canal.

Mr. HOWARD. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. ERDREICH].

Mr. ERDREICH. Mr. Chairman, I rise in strong support of the bill.

I know that communities across America have a keen interest in this measure, and that also includes Jefferson County, AL. Jefferson County and the city of Birmingham which I represent have been plagued for decades by flooding around what is called Village Creek.

Mr. Chairman, as this committee bill so ably recognizes, when it rains hard, Village Creek becomes a raging river that floods the residences and businesses located by the sides of it. This flooding has become not only frequent but deadly since the 1940's. I spoke to a man in one part of my district, in the Ensley neighborhood, who has seen flood waters rise over the top of his chain-link fence and neighborhood dumpsters wash away. And in 1965 a young man was drowned when the creek became a river and rushed down his neighborhood. By the end of the 1970's the Army Corps of Engineers estimated that flooding around Village Creek resulted in annual property damages of over $2.7 million.

Mr. Chairman, it is clear that our cities alone cannot handle the problem of severe flooding, even though the city of Birmingham by itself has spent $2.5 million beginning in 1930 and has spent millions of dollars since then. This bill addresses this important and urgent need, and I wholeheartedly endorse the measure and urge its adoption.

Mr. HOWARD. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MILLER], a member of the Committee on Interior and Insular Affairs.

Mr. MILLER of California. Mr. Chairman, I appreciate the opportunity to address the issues raised by consideration of H.R. 6, the omnibus Corps of Engineers water resource project authorization bill.

This legislation contains many provisions of direct interest to those of us concerned with water resources development matters in the western United States. Indeed, many provisions in this bill as it was introduced, amended or revised statutes under the jurisdiction of the Committee on Interior and Insular Affairs. As chairman of the Subcommittee on Water and Power Resources, I was concerned by this effort to revise these laws.

Accordingly, Chairman UDALL requested sequential referral of H.R. 6 because the bill, as reported by the Public Works Committee, contained a number of provisions revising or amending Interior Committee statutes. The Speaker granted this request and the Interior Committee considered H.R. 6 on September 11, 1985. The Interior Committee recommended several significant changes in the bill which I would like to discuss today.

One important change requires that non-Federal interests contribute at least 50 percent of the cost of feasibility studies for Bureau of Reclamation projects. this is currently the Interior Department's policy, but on too many occasions, the policy has been ignored.

We believe this is a significant reform because it will insure greater consistency between the planning programs of the corps and the Bureau. It will also insure that non-Federal entities pay a fair share of the cost of feasibility studies in a timely manner.

The Interior Committee also approved amendments which require further congressional action for any interstate compacts or agreements. H.R. 6, as reported, would have given the consent of the Congress for the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin to enter into agreements dealing with comprehensive planning of the Upper Mississippi River.

The Interior Committee amendments would authorize these States to enter into negotiations for an interstate water compact or agreement. Any agreement or compact developed by the States would become final only after ratification by an act of Congress.

The committee believes it is inappropriate for the Congress to give prior consent to any interstate water compact or agreement without full knowledge of the contents of the agreement. Agreements or compacts should be approved only after they have been submitted to the Congress as required by the Constitution.

The most important amendments approved by the Interior Committee were those recommending deletion of title XII from H.R. 6.

Title XII would make two important changes in existing law. First, it would establish a National Board on Water Resources Policy to coordinate Federal water resources policies and programs, and undertake planning studies. The Board would also establish, by rule, principles, standards, and procedures for the formulation and evaluation of Federal water projects.

Second, the Board would make grants to States to assist in water resources planning. A total of $100 million is authorized to be appropriated for fiscal years 1986 through 1990 for these planning assistance grants.

I appreciate the efforts of the Public Works Committee to fashion a bill to gain the strong support of those interested in reforming water resources policy. I understand why they included the Board and the State grant program in H.R. 6. However, I do not believe either of these proposals merit enactment at this time.

I believe it is important to provide some background on the issue of a water policy Board. The Water Resources Council [WRC] was established in 1965 to serve as a focal point for Federal activities on water resources policy. For over 15 years, the Council served as a forum through which water resource issues could be discussed, greater consistency developed, and liaison with the States could take place.

However, in 1981, the administration terminated funding for the Council, as well as for the six river basin commissions which also were established in 1965. At the same time, the principles and standards for planning projects, which had been implemented as rules in 1979, were revised and reissued as guidelines. Moreover, authorization and appropriations for the State grant program were not extended.

Thus, the administration and the Congress have chosen not to fund either the existing Water Resources Council or the State grants. I have not received any indication from the administration that they have changed their minds on funding this new National Water Resources Policy Board or $100 million in State grants.

Moreover, I doubt whether creating another agency of the Federal Government will, in fact, lead to genuine water resource policy reform. The Water Resources Council was created to provide leadership and improvement in Federal water resources activities. However, the Council was ineffective in implementing reforms and providing leadership on such issues as eliminating uneconomic projects, tightening project evaluation criteria, reducing Federal expenditures on water projects, and promoting less expensive and environmentally damaging solutions to water problems. The cosmetic changes in membership and voting rules required by this legislation for a new Board will not result in genuine reforms.

I appreciate the effort to achieve uniformity in Federal planning efforts by requiring the Board to promulgate, by rule, new planning principles, standards, and procedures (hereafter "Principles and Standards"). It is important to note that the principles and standards were issued as rules in 1979. However, they were reissued as guidelines in 1981. The important distinction between "rules" and "guidelines" is that rules are third party enforceable through court action. Thus, if the principles and standards were issued as rules, any deviation from the rules by Federal planners could lead to

court action and further delay in the completion of projects.

It should also be noted that H.R. 6, as reported, requires that the new principles and standards include a new "regional economic development" objective for each project. The effect of this requirement will be to artificially enhance the benefits of many otherwise uneconomic projects. I strongly believe that the principles and standards should provide a fair evaluation of water projects and result in worthy projects, not open the door to uneconomic projects.

Finally, there is the matter of authorizing $100 million for water resource planning grants to the States. Funds for this purpose were first authorized by the Interior Committee in 1965. Between 1965 and 1980, that authorization never exceeded $5 million per year. In 1981, both the administration and the Congress agreed to allow the program to lapse. Since 1981, no funds have been appropriated for the State grants program.

Mr. Chairman, I do not see a compelling need to authorize $100 million in State grant funds. The original 1965 funds assisted the States to establish their planning programs. The Federal Government continued this assistance for over 15 years. The program worked; it did the job. Given the need to reduce Federal expenditures, and the fact that no funds have been made available for 5 years, I don't see any justification for reestablishing a $100 million program.

Mr. Chairman, I appreciate the hard work of the Public Works Committee to fashion a fair bill. However, I hope all Members will carefully consider their vote on this bill. The staggering costs of this bill—almost $13 billion—are sobering. They are outweighed only by the immense task facing this country to provide a sound public works infrastructure.

□ 1450

Mr. HOWARD. Mr. Chairman, I yield 4 minutes to a valued member of the Committee on Public Works and Transportation, the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Chairman, I rise in strong support of H.R. 3670. I would particularly like to commend the chairman of the Water Resources Subcommittee, Mr. ROE, for his tireless efforts in fashioning this truly landmark legislation.

As members of the Public Works and Transportation Committee are well aware, the citizens of Sonoma County in California have faced a disastrous wastewater storage crisis that continues to cloud the entire county's economic future. Over the last several months, the county has experienced a moratorium on all new sewer hookups and thousands of residents who rely on the Russian River for their water supply have faced potentially serious health hazards.

H.R. 3670 will directly address this situation by authorizing a wastewater reclamation project.

Pursuant to this, Mr. Chairman, I would like to engage the gentlewoman from California in a short colloquy.

I yield to the gentlewoman from California, who has been most diligent in seeing that the concerns of the residents in southern Sonoma County are adequately addressed in this legislation.

Mrs. BOXER. I thank the gentleman for yielding, and I commend my colleague's efforts in helping remedy the serious problem of wastewater disposal in Sonoma County. It is my understanding that the modified language included in the committee floor amendment provides flexibility in terms of what the Corps of Engineers can construct rather than the original committee-approved language. In other words, the marsh or wetlands alternatives will be included. Is that the gentleman's intent?

Mr. BOSCO. My friend is correct. The committee floor amendment language will allow the corps to proceed with one or all of the possible reclamation alternatives, which include construction of the Tolay Lake project or marsh or wetlands creation. This added flexibility should allow the corps to develop the most cost-effective and environmentally sound approach among the competing alternatives.

Mrs. BOXER. The language of the amendment describes the location of the project as "in the vicinity of the former site of Tolay Lake in Sonoma County." Is it the gentleman's intent that this language describe any appropriate location within the county of Sonoma?

Mr. BOSCO. The gentlewoman's understanding is correct, and in fact it is my intent to request modification of the language in conference to clarify the issue of location. The intent of the language is to encompass all alternatives described in the Environmental Impact Report, wherever they may be located in the county of Sonoma?

Mrs. BOXER. Is it not also the gentleman's intent that this project be developed in coordination with the local governments in the area?

Mr. BOSCO. Absolutely. The language specifically directs the corps to undertake extensive consultation with all affected local governments. This will ensure that south county residents have ample opportunity for input into project development.

Mrs. BOXER. Finally, I would like to ask my colleague if it is his intent to specifically preclude the construction of the ocean outfall alternative?

Mr. BOSCO. The language would specifically preclude construction of the ocean outfall alternative. It is my belief that such a solution would be environmentally unacceptable, and could lead to litigation and delay.

Mrs. BOXER. Mr. Chairman, if the gentleman will yield further, I would like to say to the gentleman that it has been a pleasure working with him on this project. It is a very difficult one, and with us working together and with the chairman, I think we can come to a successful conclusion.

Mr. BOSCO. Mr. Chairman, as a strong supporter of H.R. 3670, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985, I would like to bring to my colleagues' attention an important flood control project in this measure affecting the citizens of Lake County, CA.

Over the last several years, recurring flooding around Clear Lake has caused severe damage to the surrounding community. Several urban areas, as well as over 4,000 acres of agricultural lands, have been continually threatened. Future development along the entire Clear Lake rim has also slowed due to understandable concern over flooding conditions.

Recognizing that the lake level cannot be controlled until the capacity of the Clear Lake outlet channel is increased, Lake County officials and concerned citizens have been meeting regularly over the last 10 years to help develop an effective means for increasing this capacity. In 1979, the Corps of Engineers proposed a project for improvement of the outlet channel and construction of a 1.1-mile-long bypass channel around the large rock obstruction located in the channel. In 1984, this project was approved by the Lake County Board of Supervisors.

Since then, however, the bypass channel alternative has engendered much controversy. The proposed bypass would pass directly through the Anderson Ranch property, which has been acquired by the State park system. I strongly agreed with those concerned about the proposed channel's effects on the sensitive environmental and archeological resources of the park. In fact, the new additions to the park should help the local economy by enhancing the county's tourism industry.

Fortunately, the entire Lake County community has since united in support of an alternative $25 million plan authorized in H.R. 3670. In lieu of the controversial bypass channel, H.R. 3670 would direct the corps to accomplish its flood control objectives by directly removing the rock formation at the outlet channel and widening and deepening the channel as described in the Corps District Engineer's Feasibility Study.

While the locals recognize that this may entail slightly higher non-Federal costs, it should effectively alleviate the flooding problem while protecting the environmentally and archeologically sensitive State park. It is clearly recognized as more responsive to local needs, and will ultimately avoid local conflicts that could both esca-

late costs and delay any flood control action for years.

In closing, Mr. Chairman, the proposed Cache Creek flood control project is just one of many examples underscoring the timely and responsive nature of H.R. 3670. I urge my colleagues to support this truly landmark legislation.

Mr. STANGELAND. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. MOORE], a member of the Ways and Means Committee.

Mr. MOORE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. The people of this Nation have waited too long a time for new water projects from Congress to protect them from floods and to provide them with jobs. My State of Louisiana is a poignant reminder of the need for water projects. Last week, Hurricane Juan struck and much of southern Louisiana was flooded. 50,000 people were left homeless, most of our agricultural crops were destroyed, and the State is left with over 1 billion dollars' worth of damage. New levees and pumping stations could have prevented most of the damage and saved many lives. Water projects are not pie in the sky to us. They provide necessary protection for our citizens and commerce.

H.R. 6 provides needed protection for residents of my district along the Amite, Comite, Tangipahoa, Tchefuncte, Tickfaw, Bogue Chitto, and Natalbany Rivers, and the Pearl River Basin. These areas have experienced 200-year floods in the last 6 years, causing hundreds of millions of dollars of damage and countless misery for the areas residents.

This bill also provides for the improvement of the Mississippi River ship channel from the gulf to Baton Rouge. This channel deepening will provide benefits to our entire Nation at benefit/cost ratio of 8:1 and ensure that two of the Nation's greatest ports, Baton Rouge and New Orleans, as well as one of the Nation's most important industrial areas, will continue and improve their service to the American economy.

H.R. 6 also protects the environment. This bill includes provisions that will insure that the Atchafalaya Basin, this Nation's largest hardwood swamp, will be there for our sons and our son's sons. In a unique program, the State of Louisiana and the Federal Government are cooperating in the purchasing of 50,000 acres of land to preserve this natural wonder.

But I do not only support this bill because it authorizes projects that will help my State and our Nation, but it achieves this while controlling costs. This bill deauthorizes over 300 projects at an estimated savings of $11 billion. Furthermore, this bill includes cost-sharing provisions on port construction and an ad valorem tax on cargo that will save the Federal Treasury billions of dollars.

Our citizens have waited a long time for this bill and the time is now for Congress to act. We cannot afford to let this Nation's great water resources to decay. This bill is more than a simple authorization, it is an investment in our future.

I urge Members to support this bill to insure flood protection for our people and safe navigation for our commerce.

Mr. STANGELAND. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. MYERS], the ranking Republican on the Subcommittee on Energy and Water Development of the Committee on Appropriations.

Mr. MYERS of Indiana. Mr. Chairman, I rise in support of this legislation. I join many others here in complimenting the twins from New Jersey, Chairman HOWARD and his colleague who have worked so closely together here, as well as the two ranking Republican members here, the minority members, the gentleman from Kentucky [Mr. SNYDER] and the gentleman from Minnesota [Mr. STANGELAND].

It has been 15 years since we have had a bill this size dealing with this subject that came to the floor. It has been 9 years since we have done anything at all to amend these projects. It has already been suggested that these two members, the gentleman from New Jersey [Mr. ROE] and the gentleman from New Jersey [Mr. HOWARD] who have worked diligently for the last 3 years to bring a bill to the floor, as well as the gentleman from Minnesota [Mr. STANGELAND] and the gentleman from Kentucky [Mr. SNYDER]. They do have a very good bill here. They tried to perform and were unsuccessful, through no fault of their own.

Through the years from the Appropriations Committee I have learned to work with this committee. They have always been most easy to work for.

But it always concerns me that once in a while, as has already been suggested here, we refer to the programs provided for in this legislation as "pork barrel." When I hear that I look at the individual who uses the media and think how sorry it is these people have not examined what is really in this legislation.

We take this water for granted. We do not make any more water. We do not manufacture water. It is always there. We just turn the faucet on and it is there; but this bill deals with water, whether it be municipal and industrial water, such as we drink, and we are drinking more and more water every day and using more and more in our everyday life, as well as for industrial use.

But also this committee deals with the excess water that we are experiencing just a few miles from here in Washington, the floods.

But a very important role is transportation, also provided for in this legislation, water transportation, inland waterways, as well as the ports that are so important to our commerce and the balance of trade.

This possibly is one of the most important bills that will come before this Congress this year. I know we hear that so often, but the word infrastructure, whatever it means, it means that we are investing in our own future. I know of no other legislation that meets the test that these programs provide in this legislation that will return more to the investors, the American taxpayers, that we have to answer to every day. No other bill has to meet a test that brings back and returns more to them than it costs.

This is a bill that every Member of this Congress, every Member of this body should support.

I again congratulate the members of this committee for bringing this very fine bill to the floor.

Mr. HOWARD. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, I want to thank the gentleman from New Jersey [Mr. HOWARD] and the gentleman from New Jersey [Mr. ROE] for their excellent efforts in crafting this bill after so many months and spending so much of their valuable time and submitting it today to the floor of the House for consideration. I appreciate their efforts.

As we stand here this afternoon and deliberate this very important measure, there is a serious flooding condition developing in the Monongahela River Valley of southwestern Pennsylvania. I received a call just about a half hour ago that a community is already under 3 feet of water. They are evacuating people from their homes in rowboats and the condition will become extremely serious for about 46 miles of riverfront from Brownsville to Pittsburgh. Pittsburgh is already over flood stage.

We only have two dams that are preventing a national disaster in the Monongahela Valley today. One was built in the 1960's. The other was remodeled in the 1970's. This measure provides for the replacement of locks and dams numbers 7 and 8 near the headwaters of the Monongahela River where the Cheat and Tygart form the Monongahela River near the border of West Virginia.

□ 1505

These locks and dams were constructed in 1925 and are in a deterio-

rated condition. Today I have a report that the water has inundated these two locks and dams and we can hardly see anything except the one structure above the one lock, that being the control house. The rest are under water.

We can only hope that in southwestern Pennsylvania, when the waters recede and the rain stops, that these locks and dams will still be in place, for they carry thousands and thousands of tons of coal from the coal fields of southwestern Pennsylvania and West Virginia to the industrial heartland of America. We will have a national tragedy on our hands of unparalleled proportions in western Pennsylvania if these locks and dams collapse.

I want to commend the committee for their foresight. I hope we expeditiously pass this and the other body does the same so that within a few years we can have new dams and locks and prevent this type of disaster.

Mr. STANGELAND. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BLILEY].

Mr. BLILEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, tomorrow Congress will debate and hopefully pass H.R. 6. I want to voice my full support for the bill and thank Chairman HOWARD and Chairman ROE for bringing this bill to the floor.

H.R. 6 includes a flood control project along the James River protecting important parts of the city of Richmond, which is in my district.

When I left Richmond this morning, the weather reports said that the rains would continue and the river would possibly rise to 28 feet, which will cause the third most devastating flood in that great city's history. This is just one more sad chapter in a long story of flood problems and the costs which are attributed to those floods.

The floodwall will turn back those floods, prohibit the costly damages and allow for economic development generating revenues for the city and the Nation.

There are many other districts in the same situation as mine. We need H.R. 6 and we need it now. Mr. HOWARD, Mr. ROE, Mr. SNYDER, and Mr. STANGELAND have known this for quite some time. I have always supported them and will continue to do so. I ask all Members to join me in support of H.R. 6.

Mr. STANGELAND. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of H.R. 3670. Mr. Chairman, the arrival of H.R. 3670 on the House floor today is a very welcome sign of progress on efforts to address our deteriorating water resources infrastructure. Every Member in this body has a vital interest in H.R. 3670, which will enhance the many benefits our Nation's water resources bring to this country.

Like many Members in the well today, I have a special interest in this bill. As a Representative of the beautiful Pennsylvania shoreline gracing Lake Erie, I have seen over the years the need for an erosion control project to protect the coast of Presque Isle State Park. To many of you, Presque Isle is just another name on a shopping list of urgent projects in need of Federal funding. Indeed, many are not aware that over 4 million people visit Presque Isle Park each year, and that is twice the number that the Grand Canyon National Park attracts. To these visitors, and to the residents of northwestern Pennsylvania, Presque Isle provides economic livelihood to area businesses, and recreational escape to vacationers.

A serious erosion problem at Presque Isle was first identified over 20 years ago when the Corps of Engineers studied the shoreline. To combat erosion, a system of 58 breakwalls was recommended for construction in a report issued by the corps in 1981. Continued delay of this construction is causing serious damage to public as well as private facilities along the shoreline, threatening future development of Presque Isle's surrounding areas. For these reasons and many more, I cannot stress enough the significance of this project contained within H.R. 3670.

Mr. President, because Presque Isle is so important to my district for so many reasons, I have followed this omnibus legislation closely. I cannot conclude my remarks without expressing my gratitude and deep admiration to the members of the Public Works Committee and their staff who have worked so diligently to bring this bill to the House floor today. My special thanks must be extended to the distinguished chairman of the full Public Works Committee, Mr. HOWARD; the chairman of the Water Resources Subcommittee, Mr. ROE; as well as our respected ranking members, Mr. SNYDER and Mr. STANGELAND.

Certainly, any bill of this scope and complexity could not possibly garner the support of every Member in all its details. Indeed, I maintain reserved objections to certain provisions of the navigation tax title. However, there is no question in my mind that any objections to specific provisions must not endanger the final passage of this much needed, and long-overdue authorization measure. The authors of H.R. 3670 crafted a fine piece of legislation, and I urge my colleagues on both sides of the aisle to endorse and approve this important measure before us today.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. RIDGE. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, I would like to commend the gentleman for his statement. I had the opportunity, on Sunday morning of this week, to look at the erosion process along the peninsula within the boundary lines of Erie and I believe that it is a very worthy project. We are pleased that it is in this bill and I commend the gentleman.

Mr. RIDGE. I appreciate the gentleman's remarks and his support for this particular legislation and, indeed, this special project.

The CHAIRMAN. The Chair will state that the gentleman from New Jersey [Mr. HOWARD] has 5 minutes remaining and the gentleman from Minnesota [Mr. STANGELAND] has 10 minutes remaining.

Mr. STANGELAND. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of H.R. 6. When this House passes H.R. 6 tomorrow, it will be an important milestone for the city of Wichita Falls, TX. That city has a severe flooding problem. It floods there nearly every year and there is about $346 million worth of property that is subject to flood damage.

Last June, Congressman TOM DELAY, and Congressman TOM LOEFFLER, and I were holding hearings in the city of Wichita Falls dealing with the problem, and almost as we were holding the hearing, the body of a very young boy was discovered who had lost his life in a flood in June in Wichita Falls.

In 1982, almost $30 million worth of property damage was caused by this chronic flooding problem.

So we clearly have a project that is very much needed. H.R. 6 authorizes this flood control project and I want the Members of this body and my colleagues to know that in July the city of Wichita Falls acted on a promise to do everything it could to provide its share for cost sharing overwhelmingly, by a margin of some 87 percent, and passed a bond issue which would provide that city's share of the costs.

On several occasions, Mr. Chairman, I have discussed the Holiday Creek project with the chairman and ranking members of both the full committee and the subcommittee, and I just want to thank the gentlemen from New Jersey [Mr. HOWARD and Mr. ROE], the gentleman from Kentucky [Mr. SNYDER], and the gentleman from Minnesota [Mr. STANGELAND] for their strong support of this project.

Mr. HOWARD. Mr. Chairman, I yield 2 minutes to a valued member of

our committee, the Delegate from the Virgin Islands [Mr. DE LUGO].

Mr. DE LUGO. I thank the gentleman for yielding this time to me.

Mr. Chairman. I rise in support of this legislation. The substitute bill, H.R. 3670, is a bold and innovative attempt to deal with the Nation's water resources infrastructure. This attempt has been long overdue, and I commend the chairman of the Public Works Committee, Mr. HOWARD, and the chairman of the Subcommittee on Water Resources, the hard-working Mr. ROE, for their insight and leadership.

Distant from supplies and markets, with limited natural resources, and at varying levels of development, the insular areas of our country are far more dependent upon ocean shipping and impacted by its expense than are other areas of the mainland United States.

Because of the unique dependence of the insular areas on ocean freight for almost all consumer and business foods, we sought an exemption from the harbor-use tax created by the bill. With the assistance of Chairman UDALL, we were able to secure such an exemption in the Interior Committee markup of this bill, and I thank the chairman for his consistent consideration and understanding of the needs and problems of the insular areas.

The substitute bill, as it now stands, provides that cargoes imported into the insular areas from the mainland would be exempted from the tax, while exports from the insular areas to the mainland would remain subject to the excise tax.

This partial exemption, as developed by the Ways and Means Committee, recognizes the adverse impact that such a tax on ocean cargo would have on the ability of consumers in the insular areas to purchase the bare necessities of life, especially given the already high cost of living in the insular areas, which far surpasses that on the mainland.

I appreciate Chairman ROSTENKOWSKI's consideration and support in this matter, and I urge support for the legislation.

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Mr. STANGELAND. Mr. Chairman, I yield 2 minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Chairman, I would like to express my deep gratitude to the gentleman from New Jersey [Mr. ROE], our distinguished chairman; and the gentleman from Minnesota [Mr. STANGELAND], our distinguished ranking minority member, and all the members of the committee and the staff for this legislation that I know you have worked on for more than 4 years.

It is going to be a great thing for our whole country. I am so grateful that in Nebraska our section, sponsored by all of our delegation, has been approved, because now, for the first time, we are going to have a change to stop that tremendous flooding on the Platte River that we have endured year after year.

I know many times we have said that every $1 invested in flood control yields $7 back, and this program will demonstrate sound economic judgment on the part of Congress. This will be a great thing for our Nation.

Mr. Chairman, I rise in support of section 530 of title V of H.R. 6 and of the bill itself. This bill and this section present the best hope the people of Nebraska have had in nearly 15 years for addressing the increasingly frequent and intensifying chronic flood problems along the Platte River and its tributaries.

This huge, complex bill may need some fine tuning. This legislation for the first time attempts to address the extraordinarily difficult issue of cost-sharing—an issue that I have grave concerns about.

It always seems that upfront money demands are made upon people who can least afford to pay it. The bill's clear acceptance of in-kind contributions—studies, repairs, improvements, property easements, operation, maintenance, and other forms of noncash work—as well as cash, helps meet some of my concern about the cost-sharing concept. Time will tell whether the bill's provisions are beneficial to State and local interests and to the Nation at large.

I intend to support the amendment by my good friends and colleagues, the gentleman from Wyoming [Mr. CHENEY] and the gentleman from California [Mr. MILLER] that would strike title XII, which would create a totally useless National Water Policy Board to replace the totally useless—and still authorized—Water Resources Council.

As long as this country's policy is to leave water-development decisions to State and local jurisdictions, there is no real need for a national body that does nothing but plan.

Arguments that much duplication of time and money occurs for lack of such a bunch of bureaucrats has been made. But I submit that this Nation's water problems are so many, so diverse, spread over such a huge geographical area, that no single Federal agency can presume to decide whether, for example, Nebraska's people are in greater need than, say, the people of Texas, or Oregon, or Alaska.

I say it is the responsibility of State and local leaders to convey to their elected Representatives in the Congress their respective needs for water-planning action.

And it is Congress' job—not the proper function of Federal bureaucrats, no matter how expert—to winnow these demands and needs and assign priorities among regions, to resolve conflicts, to set the terms and conditions under which Federal dollars shall be used in the continuing productive partnership between Federal and local resources.

I intend to oppose any amendment that would revive the infamous plan of last year put forth by the Office of Management and Budget that would have immediately more than doubled the bills for electric power to dozens of cities and towns in my district dependent for all or part of their needs upon hydroelectrically generated power from Federal facilities.

This sharp additional cost would be passed on immediately to the desperately financially troubled farmers, ranchers, businessmen, and all consumers generally in rural Nebraska.

Testimony before my Appropriations Subcommittee on Energy and Water Development earlier this year revealed that the cost to Nebraska's municipalities alone would have jumped to more than $6.7 million this fiscal year from only about $3.7 million in the previous 12-month period.

It is my understanding that an amendment will be offered aimed at making these towns and their power customers begin paying higher bills by requiring a straight line amortization, including interest at current rates.

This would break agriculture—pure and simple. Even if the proposed cap of an annual increase of 5 percent were adopted, it would still be an unwarranted burden on people who already are in deep trouble.

Last year, Congress rejected the idea out of hand. I will ask my colleagues to reject it again—as it should be, at least until prosperity again smiles on our agricultural sector.

As for port taxes and user fees generally, I have reservations. Any additional freight charge on agricultural products seems to be passed mainly back to farmers and ranchers—not forward to consumers. Any such additional change tends to make our farm products less and less competitive in foreign trade. Our farm exports are plummeting—by 25 percent in value since 1980. The agricultural trade surplus has dropped to $12 billion currently from $19 billion a year earlier.

This is happening mostly through no fault of our producers. Indeed, the Federal Government's well-intentioned but misguided policies have smashed our agricultural sector with soaring inflation, skyrocketing interest rates, subpar commoditiy prices, an overvalued U.S. dollar, sharper and unfair foreign producers' practices and policies, destructive cargo-preference laws—and now more users fees and port taxes.

On behalf of the people of Nebraska's Third Congressional District, I thank the distinguished chairman and

ranking minority member for accepting my plan, set forth in section 530 of title V, for Nebraska as part of this important public works bill.

This legislation is not perfect, but we have run out of time both along the Platte River and the Halls of Congress. With $1 billion of property and crop damages being reported in recent years in Nebraska and other farm States from floods, we can wait no longer.

My plan would authorize a 5-year, $25 million program of construction of conventional and innovative flood control, bank stabilization, and wildlife enhancing demonstration projects beginning with the 46-mile reach of the Platte River from Hershey eastward to the Lincoln County line.

As the second ranking minority member of the House Appropriations Subcommittee on Energy and Water Development, I have always looked to State and local leadership in shaping Federal water policies affecting Nebraska.

Therefore, our Nebraska section provides that demonstration projects shall be carried out in coordination and consultation with a watchdog Platte River advisory group consisting of representatives of the State of Nebraska and local political subdivisions, affected Federal agencies such as the Bureau of Reclamation, and such other private water planning and preservationist organizations as the Secretary of the Army may designate.

My plan was crafted in consultation with the two other Nebraska Members in the House, who are joining me in sponsoring this legislation. Technical guidance was provided by the Army Corps of Engineers planning experts, the House Office of Legislative Counsel, and the Public Works Committee staff.

Testimony about the problems was presented to my appropriations subcommittee by representatives of the Twin Platte Natural Resources District and the Platte River Flood Control Association. My plan can be changed and amended as the bill H.R. 6, moves through the full legislative process, including consideration of a Senate version, and, presumably, in a House-Senate conference committee to reconcile differences in the two versions.

Most importantly, money can be spent for any demonstration projects under my plan only with the approval of my House Appropriations Subcommittee on Energy and Water Development.

The subcommittee holds hearings annually here in Washington, usually late in March or early April to allow State and local leaders to express themselves about individual projects. Special hearings can be scheduled sooner than that in cases of emergency.

I hope and trust that our State and local water planning experts will avail themselves of the many opportunities to help us refine this new flood-fighting plan.

Here are key provisions of my plan as detailed by this amendment:

The Army Secretary is authorized and directed to establish and conduct for 5 years at multiple sites on the Platte River and its tributaries in Nebraska a demonstration program consisting of projects for flood control and streambank erosion prevention.

Objectives are the protection of property, environmental enhancement, and social well-being.

Every new, old, experimental, or innovative device, structure, and technique is authorized to be employed in trying to solve the difficult problems encountered in trying to use and conserve the Platte River waters and stabilize river banks. This includes dams, concrete jettys, special erosion-fighting fencelike arrangements, discarded automobile tires—anything that will work.

Use of construction funds for planning and research is authorized, including employment of all the new information and techniques developed under the Streambank Erosion Program conducted under section 32 of the Water Resources Development Act of 1974. Even though this program expired on September 30, 1982, little effort has been made to exploit its significant research and development work.

Environmental impact of each demonstration project and each streambank measure shall be evaluated with the view of enhancing wildlife and wildlife habitat as a major purpose coequal with other purposes and with the view of minimizing environmental losses.

Demonstration projects shall address a variety of geographical and environmental conditions beginning with the Lincoln County area, moving thence to that reach from the boundary between Colfax and Dodge and in eastern Nebraska to the confluence with the Missouri River and that portion of the Elkhorn River from the boundary between Antelope and Madison Counties to the confluence with the Platte River.

As in many other Army corps projects, construction and planning shall be at full Federal expense, but State and local entities must provide lands, easements, and rights-of-way necessary for construction, operation, and maintenance of the demonstration projects, and other cost-sharing as provided in other sections of this bill.

The Army Secretary must report to Congress each year of the demonstration program on work undertaken.

I urge my colleagues to approve this section and the bill on final passage.

Mr. STANGELAND. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. I thank the gentleman for yielding me this time.

Mr. Chairman, ever since I came to Congress, I have been supporting and working for a bill of this nature to become passed so that it will help millions of Americans who need protection from unnecessary flooding around the country. I actually served on this subcommittee for 4 years, and I can tell you that it has been a source of constant frustration and irritation every time we come close but we are unable to pass this bill. One year, the bill I think even was the very last measure on the floor before the whole session ended, and the clock ticked out, and we were not able to pass it.

But, in fact, the bill is critical to many people who are indeed suffering from unnecessary flooding, because this bill cannot get through the Congress. Just last week, thousands of Louisiana citizens were flooded from their homes unnecessarily. I say unnecessarily because legislation such as this could have prevented those floods.

Some people say this is pork barrel. It is not pork barrel, it is pure survival for many, many people.

It does not take much water, Mr. Chairman, to totally disrupt the lives of an American family as they get flooded from their home. One inch will cause them to pull up their rugs and throw them out. Two or three inches of water will rise into the baseboards and into the sheetrock. They have to pull the baseboards out, they have to cut out the sheetrock, and they have to pull out the insulation and throw it away and totally redo their houses. Four inches to a foot gets the furniture and the appliances, and the refrigerator goes out, and they have to live out of an icebox or an ice chest. And 2 to 3 or 4 feet of water and, of course, the beds are gone, their clothing is no good any longer, and in all likelihood, they will lose their automobile as well.

Mr. Chairman, flooding is a misery, and it brings abject misery to American families and it can be stopped. That is why it is within our power and we should pass H.R. 6.

Mr. STANGELAND. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I am pleased to rise in support of H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

This bill is the result of 34 days of hearings which were held over a 3-year period, during which testimony was received from 486 witnesses. The subcommittee has heard testimony from all interested parties including Members of Congress, Federal and

State officials, representatives of local organizations, environmental groups, and concerned citizens. We have carefully examined the concerns and recommendations of all parties. The result is a bill which presents innovative, yet equitable solutions to the complex economic, political, and social issues posed by the creation of a nationally coordinated water resources policy.

Mr. Chairman, I rise in support of H.R. 6, the Water Resources Conservation, Development and Infrastructure Improvement and Rehabilitation Act of 1985.

The bill is the result of extensive hearings, and I am not going to go into that in depth, but I just want to say that I am very appreciative of the many hours that the members of the subcommittee and the full committee have devoted to this legislation. I certainly want to express my gratitude and appreciation to the chairman of the subcommittee, the gentleman from New Jersey, Mr. ROE, with whom I have been privileged to work on this legislation for his diligence, his fairness, having heard everyone who wants to be heard on the matter.

I also want to commend the chairman of the full committee, the gentleman from New Jersey [Mr. HOWARD], for allowing the Public Works and Transportation Committee to work in an open forum, to hear all sides so when we craft legislation, it is legislation that all can agree with.

I also want to acknowledge the leadership and the assistance of the committee's ranking Republican, the gentleman from Kentucky [Mr. SNYDER], a man who in the 100th Congress is going to be sorely missed. Certainly it will be a tribute to his hard work on that committee for many, many years when we finally pass H.R. 6 and it becomes law.

You know, it has been said, and there has been talk of pork. Let me tell you that some people's pork is other people's bread and butter.

Why does this bill come out of the Public Works and Transportation Committee unanimously? It is because the Public Works and Transportation Committee works in a bipartisan, nonpolitical fashion. And why do they work that way? It is because this bill affects every Member in this House of Representatives. Why does it affect every Member? Because the benefit accrues from this legislation on every citizen of these United States, and there is no pork. It is good, sound business sense, good sound economic sense, and good sound environmental sense to pass H.R. 6.

I would hope that when final passage comes that this bill passes out of here even more overwhelmingly than it did twice last year.

Mr. Chairman, the enactment of a comprehensive water resources law is long overdue. The last water resources development bill to be signed into law was in 1976. The last true construction authorization law was enacted in 1970. The failure of this Nation to enact such a law has not been due to a lack of concern by this body.

Many of you remember that during the 95th Congress both the House and Senate passed omnibus water project authorization bills, but final agreement could not be reached before the adjournment of that Congress.

During the 96th Congress the House again approved a water resources development bill. The Senate, however, was not able to complete its work before adjournment.

Despite the diligent effort of many Members of this body—many days of hearings that were held—the House and Senate were unable to approve a water resources development bill during the 97th Congress. The effort during that Congress, however, helped to produce the water resources development bill which was approved on two different occasions during the last Congress and, I might add, by overwhelming margins. This legislation, however, failed to become law due to the opposition of the administration and the inability to bring a bill to the floor in the Senate despite widespread support in that body.

Mr. Chairman, the time has come to act decisively on the paramount issue of creating a nationally coordinated policy for water resources use and development. Our Nation's infrastructure is in dire need of repairs, rehabilitation, and improvement. The importance of this infrastructure to the economic well-being and quality of life of all Americans makes it imperative that we develop a water resources policy through which Federal and State governments can work together to maintain our existing infrastructure and provide for continual growth in this way, we can help to meet the needs of our Nation.

It is not ony an important bill from a national perspective but it is important regionally and locally.

In my region, for example, the bill makes significant strides toward economic development in a way that is both fiscally responsible and environmentally sensitive. The bill calls for construction of a second lock at Sault Sainte Marie, MI, and expedited study of a second lock parallel to the existing Poe lock. Also as part of the committee amendments printed in yesterday's CONGRESSIONAL RECORD, at my request we will be adding authorization of rehabilitation work for the Eisenhower and Snell locks on the St. Lawrence Seaway. Repair of these locks is needed to ensure that the system continues to function efficiently. The recent breakdown of the Welland Canal, under the jurisdiction of Canada, demonstrates the essential nature of these improvements to movement of cargo in the Great Lakes region.

I am also happy to be able to report that our bill ensures that traffic on the St. Lawrence Seaway will not be subject to double taxation. Our bill authorizes a credit for seaway tolls paid by vessels against the new ad valorem port user charge which is authorized in title XV of the bill.

Also contained in the bill are provisions to implement the Upper Mississippi River Basin plan developed in cooperation with the affected States and the Federal Government. The upper Mississippi region is a unique and environmentally sensitive region which is heavily dependent on inland waterway transportation. The Upper Mississippi River Basin plan strives to achieve a balance between the needs of navigation, recreation and protection of fish and wildlife resources.

I would also like to take a moment to take note of a number of projects located in my district which are badly needed. One of these provides for cleanup of Sauk Lake at Sauk Centre in Stearns County, MN. The project would provide badly needed funding to determine the cause of pollution in the lake and to demonstrate measures which will effectively restore the lake to its original condition.

The bill also contains authorization for a flood control project in the northwestern corner of my State. The project would provide flood control benefits in my district and in Canada as well. This is a project that we and the Canadians have been trying to get underway for sometime. It has been fully studied and found to be justified. All that is needed is the green light which this bill provides.

Also contained in the bill is a provision that will allow the corps to take necessary measures to correct erosion problems along the banks of the Red Lake River, approximately 1½ miles west of Gentilly, MN, adequate to protect a nearby highway and bridge.

Although these projects may seem small in comparison to some of the port improvement projects and other large water resources developments initiatives, they are nonetheless vitally important to my constituents and I am pleased that they are included in the bill before us today.

Our water resources infrastructure is a crucial part of our Nation's transportation system. Despite its great importance to our economic well-being, we have allowed this system to fall into a state of disrepair. On the inland waterways, many canals, locks and dams are past the end of their design lives. Of the 194 locks in the inland waterway system, the average age is 40 years, and some locks are approaching 80 years of service. A graphic example of the urgency of this situation is the breakdown of lock and dam 26 on the Mississippi River which blocked inland waterway transportation in the late 1970's and the more recent collapse of a lock on the Welland Canal on the St. Lawrence Seaway.

Our Nation's ports must be dredged and improved so that they can accommodate ships handling over 100,000 tons of cargo and thus allow our exporters of energy resources and agricultural products to take advantage of the economics of scale offered by the use of large vessels. These supercolliers require port depths of 55 feet or more. The average depth of U.S. ports is generally only 45 feet. By contrast, major trading nations such as Japan, South Africa, Austra-

lia, and the Netherlands now have ports which can accommodate fully laden supercolliers.

While our water resources can be put to good use in providing efficient transportation networks, they can also pose major threats to life and property when unleashed by the forces of nature. Floods continue to ravage many ports of the Nation, as evidenced by the recent tropical storms Gloria and Juan. While we will never be able to harness Mother Nature, we have within our capacity the technology to implement cost-effective and environmentally sensitive flood control measures that could save hundreds of lives and prevent billions of dollars in property damage.

We are also beginning to realize just how finite our most precious natural resource, water, really is. In the West, people have lived with the scarcity of water for hundreds of years. Gradually, even in the East and Southeast, where water has been viewed as being limitless, we are experiencing drastic shortages that have forced communities into rationing. Our engineering capabilities need to be marshaled into a new program to insure that all of our citizens, in big cities and small, have adequate, safe, clean supplies of this life sustaining resource.

The bill before us today charts a bold yet deliberate program for ensuring efficient and effective development of our water resources. It is designed to upgrade our navigation system, both inland and coastal; to promote conservation and enhancement of environmental resources; and to afford protection from erosion and damaging flood waters. It represents not only a response to needs that have been building for a decade and a half but a long range investment in capital improvement infrastructure which will serve the Nation for generations to come.

The bill contains 16 titles which address various aspects of water resources use, development and policy.

Title I authorizes six deep draft ports to handle oceangoing traffic from the east, west and gulf coasts. These are the Nation's largest centers of international commerce which are in need of significant improvement in order to stay competitive with foreign ports. Title I also authorizes improvements at 29 general cargo ports. These projects are located not only along our three seacoasts but also in Hawaii and our insular possessions and along our fourth seacoast, the Great Lakes.

To help finance the costs of these improvements, title I provides for bold new cost-sharing requirements under which local sponsors would pay between 10 and 55 percent of the cost of project implementation.

In order to help these localities finance their share of project costs, the bill would authorize local sponsors to implement fair and reasonable user fees intended to shift the financial burden of port development to those that directly benefit from the project. In addition, title I would authorize a program of loan guarantees to assist the ports in finding the capital to help pay for needed improvements. While I realize that cost-sharing requirements are generally disliked by those upon whom the new burden falls, I note that the provisions in our bill are generally not opposed by the ports that will be called upon to help pay. I believe this is not only because of the fairness of our plan, but also because of a growing realization in all segments of our maritime system that the current Federal budgetary realities will no longer permit a system of almost total Federal subsidy for harbor improvement projects. I am also convinced that the cost-sharing provisions of our bill, coupled with our programmatic refinements, will greatly enhance the entire project selection and development process, leading ultimately to greater economic efficiency and a revitalization of our port system.

Title II of the bill authorizes seven major inland waterway projects. Over the years we have developed a 25,000-mile network of inland waterways used primarily to transport bulk cargo by barge. It is one of the most efficient transportation systems this country is blessed with, and the seven projects authorized in our bill will help to ensure that the system remains efficient and viable.

The bill would require that one-third of the cost of construction for these projects come from the Inland Waterways Trust Fund. The fund was created in 1978 and consists of revenues derived from a tax on fuel used by inland waterway barge operators. Operation and maintenance of inland navigation projects would continue to be a Federal responsibility.

Title III authorizes construction of a number of new flood control projects and revises the cost-sharing requirements for such projects. In the past, non-Federal responsibility for local flood protection projects has been to provide lands, easements, rights-of-way, and relocations needed for project purposes. These costs vary from project to project. H.R. 6 would establish more uniform requirements. Local interests would provide 5 percent of project costs in cash during construction plus any real estate required for the project, subject to a limitation that in no event can the total non-Federal share be less than 25 percent nor more than 30 percent. For nonstructural projects, the non-Federal share would be fixed at 25 percent.

Title IV authorizes over 20 shoreline protection projects to prevent erosion problems, enhance recreation and provide opportunities for conservation of fish and wildlife.

Title V authorizes a variety of water conservation and development projects that do not fall neatly into any particular category. Included within this title are a number of fish and wildlife mitigation projects which will result in permanent protection of valuable fish and wildlife habitat.

Title VI authorizes the corps to undertake a number of studies, allowing the corps to apply its engineering expertise to finding solutions to water resources problems.

Title VII authorizes numerous modifications to existing Corps of Engineers projects to reflect changed circumstances.

Title VIII establishes a new program of Federal assistance, in the form of loans to local interests, for the rehabilitation, expansion and improvement of water supply facilities. This title represents an important new mission for the Army corps, allowing them to apply their expertise in the water resources development arena in order to provide adequate drinking water for our citizens. A total of $800 million per year would be made available to the corps for 80 percent loans to be repaid over 50 years.

Title IX establishes new official names for a number of corps water resources project on project features.

Title X would deauthorize over 300 corps projects which have been reviewed and found to be no longer necessary. This represents approximately 30 percent of the current inventory of corps projects and a savings of approximately $18 billion in current dollars.

Title XI contains a number of general provisions relating to the full range of corps programs and procedures. Included are requirements for improving the corps planning process, creation of a $35 million per year environmental protection and mitigation fund, implementation of recommendations contained in the upper Mississippi master plan, and an expanded program of inventory and repair of publicly owned dams. Title II also contains a provision calling for establishment of a Great Lakes commodities board to develop strategies to improve the commercial capacity of the Great Lakes region.

One of the cornerstones of the bill is the creation of a new water resources policy board in title XII to coordinate water project activities of the Federal agencies, including the development of principles and standards to be used in Federal water project evaluation, planning and construction. The title also authorizes a program of 50 percent matching grants to the States for water planning and conservation activities to be funded at a level of $20 million per year through fiscal year 1990.

Titles XIII and XIV provide new authority and direction to the Corps of Engineers with respect to certain bridges over navigable waters and with respect to certain fish and wildlife mitigation reports.

The last title in the bill, title XV, contains the tax-related provisions in the bill and was developed by the Ways and Means Committee. The title includes provisions for a new special tax on port use which was included by the Committee on Public Works and Transportation as part of our markup of H.R. 6. The new tax is intended to recover a portion of the Federal cost of operating and maintaining our Nation's port system. The tax is to be levied on cargo loaded or unloaded at ports which have been constructed, operated or maintained with Federal assistance. The new tax is to be collected from the shipper rather than carrier of the cargo and will be charged on an ad valorem basis at a rate of

4 cents per $100 worth of cargo. Money collected is to to be deposited in the Port Infrastructure Development and Improvement Trust Fund which is also provided for in title XV. The trust fund is to consist of the tax on port use and general revenue. Up to $1 billion per year would be authorized to pay for Federal construction, operations and maintenance costs of our ports and harbors. Title XV also contains provisions to extend the existing inland waterways fuel tax to the newly opened Tennessee-Tombigbee Waterway.

Mr. Chairman, this is a comprehensive and well developed bill. It embodies not only years of effort by the Committee on Public Works and Transportation, but also suggestions and improvements made by the Committees on Ways and Means, Interior and Insular Affairs, and Merchant Marine and Fisheries. Furthermore, it is not just a water project bill. It provides for new directions in the way water resource development programs of the Federal Government are planned, how they are to be undertaken, and most importantly, how they are to be financed.

I am convinced that passage of this bill will not just be an idle gesture, as it unfortunately was last year. The administration has sent clear signals that they want to get moving with an expanded program for Federal water resources development. Furthermore, they have indicated the cost sharing requirements that they consider to be acceptable for such a program. Those requirements are embodied in a bill which has been reported out by the committee of principal jurisdiction in the Senate and hopefully will be sent to the floor in the other body in the next few weeks. While our bill is still some distance from the Senate bill we are close in some of the most important aspects of the two bills. I am absolutely convinced that if the Senate can act quickly, we can resolve what differences remain in conference.

Mr. Chairman, let me again commend all who have helped to develop this bill. This includes not only the leadership and members of our committee, but the other committees which have helped to develop this bill and all of the Members who have come to us with their suggestions.

Mr. Chairman, this is a good bill. It is a bill that can revitalize our water resources infrastructure and improve our commercial capabilities. It will provide jobs and protect environmental values. I urge all of my colleagues in joining me in supporting this long awaited, carefully crafted and much needed legislation.

Mr. Chairman, I yield my remaining time to the gentleman from Wisconsin [Mr. GUNDERSON].

The CHAIRMAN. The gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 2 minutes.

Mr. GUNDERSON. Mr. Chairman, let me begin by saying that there has been a litany of thanks and praise to the chairman and the ranking member of this committee and their staff. That is justified. Anyone who looks at the work that they have put into this bill over the last few years would understand that that praise is deserved.

But I would like to get up and call attention of my colleagues to the fact that this is a very special bill in particular for the people of the upper Mississippi River basin. When this legislation becomes law, we will make the commitment that the upper Mississippi River is not only a multiuse concept in terms of recreation, in terms of transportation and its environmental resources, but we are going to carry through on that pledge, and we are going to make sure that we do not only use the Federal Government's resources to improve navigation, which is certainly an important element, but likewise, we also make a similar commitment to improve the environmental habitat resource area, the recreational areas of that river as well.

In essence, what this bill, H.R. 6, includes for the Mississippi River is an implementation of the master plan. The master plan is that comprehensive study for the multiple, balanced development of the Mississippi River in the future. Over the next 10 years, it sets out a long, detailed, but very justified, balanced process in terms of providing the necessary tools to the Federal Government, to the States, to the associations, to do what is necessary to build on this river, improve the river and bring to the people of the upper Mississippi River basin, which is Minnesota, Iowa, Illinois, and Missouri, the type of balance, the type of river we have today and we want to preserve for the future.

Mr. STANGELAND. Mr. Chairman, is there any time remaining?

The CHAIRMAN. The gentleman from Minnesota [Mr. STANGELAND] has 30 seconds remaining.

Mr. STANGELAND. Mr. Chairman, let me in conclusion just say that it has been alluded to by my distinguished chairman, but I want to acknowledge the extensive work and the long hours and effort of staff on this piece of legislation, weekends, Sundays, 18 and 20 hours a day, and just acknowledge that the staff on both sides, the Democrat and Republican staff, have done a monumental job in assisting us in bringing this to the floor.

I wanted to acknowledge their efforts, and I yield back the balance of my time.

Mr. HOWARD. Mr. Chairman, I yield 2 minutes to a member of our committee, the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Chairman, I rise in strong support of H.R. 6 and want to take this opportunity to commend the full committee chairman of the Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. HOWARD]; the Subcommittee on Water Resources chairman, the gentleman from New Jersey [Mr. ROE] for his diligent and persistent efforts in regard to this legislation; and the ranking minority members, the gentleman from Kentucky [Mr. SNYDER] and the gentleman from Minnesota [Mr. STANGELAND] for their valuable support in bringing this legislation to the floor today.

There is general acknowledgment of the need to update our Nation's water policy and to provide a comprehensive plan for the development of our water resources. We are doing that in this bill today which will enable our country to begin utilizing the water resources that we have effectively and efficiently.

H.R. 6 contains many, many valuable projects for people across this land. One particular area I want to pay attention to is the inland waterway project such as the Gallipolis locks and dams on the Ohio River, an outdated lock and dam project that is in critical need of improvement, and in order to move this Nation's most valuable energy resource: coal.

Also contained in this legislation is rehabilitation and replacement of Winfield Locks and Dam on the Kanawha River in West Virginia, the Monongahela River in Pennsylvania and West Virginia which have locks and dams 7 and 8 located there.

Also included in this legislation is dredging of many of our Nation's ocean ports which have long been in need of deeper channels. This legislation authorizes the construction of six deep draft projects, including one in Norfolk Harbor which is extremely important to the efficient and economical transportation of U.S. coal.

I am confident that these port-related provisions will enable the United States to become more competitive in the world market with respect to commodities such as coal.

Mr. Chairman, in addition to these port-dredging projects and our inland waterway improvement projects, there is also in this bill authorization for construction of a flood control project down in Logan County, WV, which is experiencing flooding right today.

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. RAHALL. I will be glad to yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I rise in strong support of this measure.

Mr. RAHALL. Mr. Chairman, I conclude my comments by again commending those who have been so persistent in bringing this legislation to the floor, and today as we experience flooding in parts of the Eastern United States, including in West Virginia, there cannot be a more appropriate time for Congress to show that we are indeed sensitive to these needs, and we are indeed responding.

Mr. Chairman, as a member of the Committee on Public Works and

Transportation, I am pleased to be associated with the legislation we are considering today, H.R. 6, as reported, the Water Resources Conservation, Development and Infrastructure Improvement and Rehabilitation Act of 1985, which seeks to authorize critical projects dealing with port development, inland waterway lock and dam rehabilitation, flood control projects and municipal water supply systems.

No major authorization bill for new U.S. Army Corps of Engineers construction has been enacted since 1970, with legislation passed in 1974 and 1976 primarily authorizing advanced engineering and design of projects rather than new construction. The House last year twice passed a Public Works omnibus water projects bill but administration opposition and continued disagreement by the other body over cost sharing criteria prevented enactment of the legislation.

There is general acknowledgment of the need to update our Nation's water policy and to provide a comprehensive plan for the development of our water resources—H.R. 6 provides a plan which will enable the country to begin utilizing its water resources effectively and efficiently.

A crisis is developing with respect to this Nation's inland navigation infrastructure, particularly its lock and dam facilities. While most are in good condition, an increasing number are obsolete by modern standards or in an advanced state of deterioration. Many critical locks and dams, constructed over 50 years ago, are no longer adequate to accommodate larger barge tows and increased traffic. This has presented hazardous situations, time delay and increased costs. Our Nation requires a long-term modernization program that facilitates authorization and funding of critically deficient projects.

H.R. 6 contains only those inland waterway projects in vital need of replacement or rehabilitation, including the Winfield Locks and Dam on the Kanawha River in West Virginia. As the sponsor of this project in the committee, I am pleased that its improvement will provide for more efficient movement of steam and metallurgical coal from southern West Virginia to markets throughout the Nation.

Another project is the rehabilitation and construction of new locks at Gallipolis, on the Ohio River about 30 miles upstream from Huntington, WV. This is the premier locks and dam project in need of improvement. Also provided for by the bill are projects at locks and dams Nos. 7 and 8 on the Monongahela River in Pennsylvania and West Virginia.

H.R. 6 also seeks to improve many of our ocean ports which have long been in need of deeper channels. Title I authorizes the construction of six deep draft navigation projects, including one at Norfolk Harbor which is extremely important to the efficient and economical exportation of U.S. coal. Cost-sharing would be required for 50 percent of the incremental construction and operation and maintenance costs associated with channel depths greater than 45 feet. The bill allows non-Federal interests to collect port or harbor dues from vessels, but only with respect to vessels which receive a direct benefit from the new construction.

I am confident that these port-related provisions will enable the United States to become more competitive in the world market with respect to commodities such as coal.

Title III of the bill authorizes the construction of flood control projects including one which I sponsored in subcommittee located along the Island Creek basin in Logan County, WV. Flooding in the Island Creek basin area has resulted in significant financial and personal loss over many years. Average annual damages in the basin are estimated to be $11.8 million. The area has experienced significant flooding as recently as May 1984, when approximately $4 million in damages occurred. The people of Logan County are deserving of the relief from persistent, destructive flooding which this project will provide.

Also included in H.R. 6 is approval for a low-interest Federal loan for a water supply improvement project in Huntington, WV. The bill, under title VIII, creates a program to combat the deterioration of the Nation's water supply infrastructure. In order to facilitate improvement, public and private water supply systems must have access to reasonable interest rates for the long-term capital needed for rehabilitation, expansion and improvement of water supply systems.

Title VIII establishes authority in the Secretary of the Army, acting through the Chief of Engineers, to make low-interest loans for water supply rehabilitation and conservation. Public and private water supply systems may apply for these loans if they meet certain requirements. However, a number of specific water supply projects which the committee has reviewed are listed in the legislation and they would automatically receive loan approval. One of these is a project for intake, pumping and distribution facilities for Huntington, WV. The estimated cost of the project is $2.4 million.

Water service for Huntington is provided by the investor-owned Huntington Water Corp. which has served the city since 1887. The company is seeking to improve its raw intake and pumping facilities at its 24th Street treatment plant. The existing raw water intake facility consists of an intake structure on the bank of the Ohio River and a low service pump building located near a flood wall. This intake structure skims water from the surface of the river with the result that great quantities of debris and industrial waste enter the treatment facility. Constructed in the early 1900's, deterioration is causing inefficiencies in the system. The improvement project would replace the existing raw intake and low service pump station with a single intake structure designed to draw water from a minimum depth of 15 feet below the river surface.

Mr. Chairman, I would like to reiterate my strong support for H.R. 6 and to encourage my colleagues to lend their support to this much needed water projects legislation.

Mr. HOWARD. Mr. Chairman, I understand I have 1 minute remaining, and I yield myself that time just to once again thank those who participated in the development of this bill to the greatest degree, certainly the gentleman from New Jersey [Mr. ROE], the gentleman from Kentucky [Mr. SNYDER], and the gentleman from Minnesota [Mr. STANGELAND] and the other members of our committee on both sides of the aisle and staff.

Also, I wish to thank the other committees that have a portion of this bill, the Committee on Ways and Means, the Committee on Interior and Insular Affairs, the Committee on Merchant Marine and Fisheries. It has been a long time coming, so it is very, very important to our Nation.

I look forward to a cooperative effort by all on tomorrow so that before the Sun goes down tomorrow, we will have this bill passed through the House of Representatives.

Mr. FIELDS. Mr. Chairman, I rise to express my strong and enthusiastic support of H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

This bill, which is similar to a proposal passed overwhelmingly by the House twice last year, is the product of nearly 5 years of labor by the House Public Works and Transportation Committee. In particular, I would like to acknowledge the outstanding leadership of Chairman JAMES HOWARD, Chairman ROBERT ROE, Congressman GENE SNYDER, and Congressman ARLAN STANGELAND who, along with Congressman GLENN ANDERSON, are the authors of this excellent piece of legislation.

I compliment these distinguished gentlemen for their tireless efforts to develop a rational and comprehensive water policy for this Nation.

It has been 11 years since the Congress last enacted a water resources authorization bill and nearly 50 years since the last major revision of our Federal water policy laws.

During that time, we have witnessed the serious decline of our port system and the tragic suffering by individuals in hundreds

of communities who have been subjected to the ravages of persistent flooding.

Several of these communities are located in my congressional district and I am extremely pleased that this omnibus water resources development bill includes language to eliminate the flooding problems caused by the Upper White Oak Bayou.

Mr. Chairman, the people who live along the Upper White Oak Bayou in central and northwest Houston have made every effort at the local level to protect their homes and businesses from flooding. I believe the Federal Government must now assist these courageous Americans by providing this badly needed flood protection.

The flood control project authorized by H.R. 6 has been carefully studies by both the Army Corps of Engineers and the House Public Works and Transportation Committee.

The Upper White Oak Bayou flood control plan has been enthusiastically supported by all interested parties and has been given high nationwide priority by the Army Corps of Engineers. Upon completion, this project will provide $1.50 worth of flood protection for every $1 of Federal cost.

While I cannot speak for the dozens of other flood control projects contained in H.R. 6, the Federal investment called for in the Upper White Oak Bayou project is clearly justified. In evaluating this or any other project, one must weigh the benefits derived to our Nation from vital communities with thriving industry versus those which have suffered regional decay caused by persistent flooding which generates unemployment, saps our tax base, and impedes economic growth.

In fact, the Federal Government will end up saving millions of dollars by providing this flood protection rather than continue the endless cycle of rebuilding communities with Federal flood insurance money. In this way, we will not only provide these communities with long overdue flood relief but will simultaneously save precious Federal resources.

At the same time, it's important to note that this project will create new jobs. According to the Army Corps of Engineers, the implementation of this flood plan will provide jobs to more than 2,000 Houstonians.

Mr. Chairman, the Upper White Oak Bayou project is sound. It is an investment in our Nation's future. It will save taxpayer money. It will create jobs. And, it will provide flood relief to thousands of citizens who must now suffer from the personal and economic hardships of persistent flooding.

Mr. Chairman, in addition to the Upper White Oak Bayou project, I am extremely grateful that the Public Works and Transportation Committee has included the provisions of my bill to improve the operation and efficiency of the Houston Ship Channel.

Since coming to Congress in 1981, I've had the honor of representing this vital waterway which has grown to become one of our Nation's largest ports.

The Houston Ship Channel, which is a 40-foot-depth waterway, was officially opened to oceangoing vessels by President Woodrow Wilson on November 10, 1914.

Since that time, this waterway has acted as a magnet to dozens of companies who have invested more than $15 billion in plants along both sides of the ship channel, which has become known as the "Fabulous Fifty Miles."

Today, the Houston Ship Channel is home for one of the largest petrochemical complexes in the entire world.

It has been estimated that $1 of every $3 in the Houston economy can be attributed to the ship channel. Directly and indirectly, the Port of Houston provides jobs and livelihoods for thousands of Houstonians.

In the State of Texas, the port provides positive economic benefits to some 160,000 of our citizens and over $3 billion in tax revenues.

The purpose of the three provisions in H.R. 6 is to require that the Army Corps of Engineers maintains a 40-foot water level at the Barbours Cut Terminal, at the Bayport Ship Channel, and at the Greens Bayou tributary.

With the level of cargo increasing significantly over the years, the Port of Houston Authority has spent a considerable amount of money to dredge these tributaries in order to achieve a universal 40-foot water depth in the Houston Ship Channel.

Prior to this dredging, the water level of these three tributaries ranged from 12 to 36 feet.

Mr. Chairman, what the Port of Houston Authority is seeking is not any type of Federal reimbursement for its construction and dredging costs but simply that the Corps of Engineers maintain a 40-foot water depth at these three tributaries.

This maintenance responsibility is one that the corps has assumed throughout its history and it is fully consistent with its congressional mandate.

Mr. Chairman, I am pleased that these three provisions are included within this legislation and that the Corps of Engineers will in the future keep these valuable tributaries free of silt and debris.

The final section of my bill incorporated within H.R. 6 would allow the port authority to receive Federal reimbursement for the raising of a railroad bridge which the Coast Guard ruled was an obstruction to navigation over the Greens Bayou area.

While actual modifications have been completed, the port authority has made a strong and legitimate case for partial reimbursement for these repairs which became necessary because of severe land subsidence.

In the Houston metropolitan area, land subsidence has become a very serious problem and I do not believe the port authority should be penalized for this natural and uncontrolled occurrence due to Congress' inability to act in a timely fashion.

It is important to note that, with the passage of this provision, the port authority will simply be given the authorization or opportunity to seek partial redress for the costs of their repairs and not actually receive reimbursement.

Mr. Chairman, in summary, I am extremely thankful to the support of my colleagues on the House Public Works and Transportation Committee, and I am convinced that, once enacted, H.R. 6 will go a long way toward solving many of the water problems facing this Nation.

I urge my colleagues to overwhelmingly approve this important legislation and I again compliment the authors of this bill for their tremendous contribution to the good of our society.

Mr. TRAFICANT. Mr. Speaker, I rise in very strong support of this legislation before us today, H.R. 3670, Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act.

Let me first commend the chairman of the Water Resources Subcommittee of Public Works and Transportation, my good friend, BOB ROE, as well as the ranking minority member, ARLAN STANGELAND, for their leadership in bringing this legislation forward. America has waited decades for this legislation that will significantly shape the water policy of this Nation for years to come.

Not only does H.R. 3670 rightfully authorize a number of water resource projects and studies for potential water projects, it also provides for assistance to communities for construction, repair, and rehabilitation of water supply systems. Many of our small communities, such as Girard, Struthers, and Hubbard, in my congressional district of Ohio, are in desperate need of and repair for water and sewer systems. For the benefit of all citizens, I urge my colleagues to favorably approve H.R. 3670.

Mrs. LONG. Mr. Chairman, I rise in support of H.R. 3670, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. This bill authorizes funding for more than 300 Federal water projects, including port development, inland waterways, flood control projects, beach erosion, municipal water supply systems, and other water resources systems.

Funding for new projects slowed tremendously during the 1970's. Nine years have passed since this Congress last approved an omnibus water projects authorization bill. The neglect of badly needed energy and water development projects has resulted in the deterioration of the Nation's water resources infrastructure. This deterioration now poses a growing obstacle to sustained national economic recovery.

Mr. Chairman, this legislation is essential to my congressional district. The bill authorizes $200,000,000 for flood control in the Atchafalaya Basin. The basin is vitally important to Louisiana as a relief valve for flooding by the Mississippi River in south Louisiana. Residents in this basin constantly face the threat of flooding of their homes and farmland. This bill provides much-needed security to property owners in the region.

The bill also authorizes $10,500,000 for mitigation of fish and wildlife losses at the Red River Waterway. These funds will help to repair the damage to the environment which occurs during project construction.

The Atchafalaya Basin and the Red River Waterway are just two of the projects in this bill which would greatly benefit Louisiana. In addition, the bill authorizes the construction of a deep draft port in the Mississippi River Ship Channel, further facilitating the free movement of commerce through Louisiana.

Finally, I want to commend the chairman of the Subcommittee on Water Resources, the gentleman from New Jersey [Mr. ROE] and the subcommittee's ranking minority member, the gentleman from Minnesota [Mr. STANGELAND], for their hard work on this fine piece of legislation. In addition the chairman of the Committee on Public Works, the gentleman from New Jersey [Mr. HOWARD], and the ranking minority member of the full committee, the gentleman from Kentucky [Mr. SNYDER] deserve the thanks and appreciation of this House. These four individuals and their staffs worked countless hours to develop this landmark legislation.

Mr. Chairman, H.R. 3670 will provide employment to millions of Americans. I strongly urge my colleagues to support it.

Mr. MILLER of Ohio. Mr. Chairman, I rise in support of this important legislation and, at the same time, I want to commend the leadership of the House Public Works and Transportation Committee for responding to the water resources needs of this Nation. Consideration of this bill marks the third time in the past 2 years, I believe, that the House has acted on legislation authorizing projects vital to the Nation's inland waterways, our ports, erosion, and flood control.

A comprehensive, omnibus water development bill has not been enacted into law since 1970—15 long years. Over the past several years, we've seen a variety of patchwork legislative procedures and proposals that address water resource problems by bits and pieces. While such an approach has had its benefits, I submit that such an approach is not the way to legislate something as important as the fate and future of America's water resources policy.

There are three key elements in this bill before us—H.R. 6—that I want to underscore. First, the measure includes the authorization of Gallipolis—the most critical navigational project on the entire reach of the Ohio River. The bill calls for the construction of a new 1,200-foot locking channel at Gallipolis, and it also allows for the rehabilitation of the existing dam at the same site. Those who recognize the importance of cost-effective, safe and certain river transportation will agree that Gallipolis is—very simply—a navigational minefield. Opened in 1937, the outdated, overworked, hazardous facility sits on river bend and forces massive traffic delays up and down the Ohio River that add up to costly fees and consumer costs. The present Gallipolis compound has the highest accident rate on the Ohio River and it is the only locking complex from the Pennsylvania border to the Gulf of Mexico with a 600-foot main chamber. It demands the attention of all those concerned about the economic development and welfare of the Ohio Valley. The bill before us states that a new Gallipolis will be built with up to one-third of the funding coming from the Inland Waterways Trust Fund.

And that's my second point for supporting this particular measure, the trust fund was established to respond to the needs of inland water traffic. It's simply a fair case of the barge industry contributing to the movement of their vessels. The fund is currently being supported by a 10-cents-per-gallon tax and I would support an increase in that fuel tax if it led to the benefits expected of the fund in the first place. Namely, getting construction underway. The fund has assembled nearly $200 million and, to the best of my knowledge, not one cent has been appropriated from the fund for one project on any eligible river, anywhere. Congress must act first. That's why we are here today and that's what we must do. The proposed new Gallipolis, under study for over a decade, has a benefit-cost ratio of 12 to 1. Conversely, the costs—environmentally, economically, and navigationally—for ignoring our responsibility to Gallipolis would be monumental.

Nearly 41 million tons of coal, coke, agricultural products, and chemicals are shuffled through Gallipolis annually. Keep in mind: the complex is already exhausted. The projected bulk cargo growth by the year 1990 is 65 million tons. Gallipolis is being pushed to its limits and it has only been by the technical expertise and engineering ingenuity of the U.S. Army Corps of Engineers office in Huntington, WV, that the old channel remains operational and the locks function properly despite the odds against their doing so.

There is a third element of this particular bill that appeals to me and should be the priority aspect of the legislation for any budget-conscious Member in this House: the bill deauthorizes—takes out of previously planned construction—310 projects at an estimated completion cost of over $11 billion. How often do we have the opportunity in this Chamber to vote for a bill which, in essence, decommissions spending of that magnitude?

The bill offers us the best of what we want and what this Nation needs: a chance to press forth with critical water resources projects and programs and, at the very same time, a chance to enact responsible cost-sharing while saving $11 billion bucks.

The measure has my support, in full measure.

Mr. LUNDINE. Mr. Chairman, I rise in strong support of H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. I commend the House Public Works and Transportation Committee, and especially the Water Resources Subcommittee for putting together this piece of legislation which will directly benefit so many of our communities over the next decade.

I would like to remind my colleagues that a President has not signed a water resources development bill into law since 1976. I am confident that this bill will become law because it includes the increase in the non-Federal share of the cost of new Army Corps of Engineers flood control and navigation project which the administration insisted upon. Furthermore, the bill is reasonable in terms of the cost of the projects it authorizes, and will provide for the construction and upkeep of vital water projects across the Nation.

I am especially pleased that this bill authorizes funds for the city of Dunkirk, NY, southwest of Buffalo on the shores of Lake Erie, which is undertaking a major harbor revitilization plan. The Dunkirk Harborfront Development Program is expected to create over 375 new permanent jobs, increase tax and other revenues to the city, and in the long run, attract needed economic development to this severely depressed region of the State.

One of the most important aspects of this development program, is the city's plan to build a 500-boat marina. Before this marina can be constructed by private enterprise, however, the city must dredge the area at an estimated cost of $2.3 million. Present waterdepth in that locale runs from 1 to 3 feet and must be dredged at least 10 feet. The funding authorized in this bill will cover the costs that the city incurs for this needed dredging.

The city of Dunkirk's efforts to improve its economy through the development of its harbor are to be commended and are worthy of our support. I urge my colleagues to join me in supporting this effort, and similar projects all over the country by voting for this long-awaited water resource development legislation. Once again, I commend the chairman and his committee for their work on this legislation and urge its passage.

Mr. HOWARD. Mr. Chairman, I yield back the balance of my time, and I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempro [Mr. WEAVER] having assumed the chair, Mr. BOUCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6) to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure, had come to no resolution thereon.

□ 1530

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on

H.R. 6, the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CHADRON STATE PARK

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute, and to revise and extend her remarks, and include extraneous matter.)

Mrs. SMITH of Nebraska. Mr. Speaker, I rise today to introduce legislation to transfer approximately 160 acres of Federal land within the Nebraska National Forest to the State of Nebraska. This land will be used by the Nebraska Game and Parks Commission to add camping facilities and nature trails to the Chadron State Park.

Although more than 200,000 people visit the Chadron State Park each year, the park has no camping facilities and no land suitable for campground development. Park visitors must camp near the park entrance.

Transferring this Federal land to the State of Nebraska will greatly enhance public use of the park. We simply have no other alternative for developing camping facilities at the park.

All improvements to the land—camping facilities, hiking trails, and horseback trails—would be provided by the State of Nebraska.

The bill protects the Federal Government's rights to oil, gas, and other subsurface interests. In addition, the bill provides that if the Nebraska Game and Park Commission does not use the land as a part of Chadron State Park, the land will revest in the Federal Government.

I ask for the support of my colleagues on this bill, and I submit the bill for printing in the RECORD, as follows:

H.R. 3686

A bill to direct the Secretary of Agriculture to convey, without consideration, to the State of Nebraska certain land to be used for the purposes of expanding the Chadron State Park, Nebraska

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF LAND TO NEBRASKA GAME AND PARKS COMMISSION.

(a) CONVEYANCE.—Not later than the 180 days after the date of the enactment of this Act and subject to the provisions of subsection (b), the Secretary of Agriculture shall convey, without consideration, to the State of Nebraska all right, title, and interest of the United States in and to the real property described in subsection (c), to be used by the Nebraska Game and Parks Commission as part of the Chadron State Park, Nebraska.

(b) LIMITATIONS ON CONVEYANCE.—(1) The Secretary of Agriculture shall reserve for the United States any interest of the United States in the subsurface estate of the real property described in subsection (c), including oil and gas rights.

(2) Title to the real property conveyed under subsection (a) shall revest in the United States upon failure of the Nebraska Game and Parks Commission to use such property as part of the Chadron State Park, Nebraska.

(c) LAND DESCRIPTION.—The real property referred to in subsection (a) consists of approximately 160 acres within the Nebraska National Forest, more particularly described as the east half of the southwest quarter, the west half of the southeast quarter, and that part of the southeast quarter of the southeast quarter lying west of State Highway 385, of Section 25, Township 32 North, Range 49 West, 5th Principle Meridian, Dawes County, Nebraska.

CONGRESS SHOULD REVIEW EFFECTS OF AT&T DIVESTITURE BEFORE ALLOWING BYPASS

(Mr. BONER of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONER of Tennessee. Mr. Speaker, with the break-up of the AT&T telephone system, many of us here in the Congress correctly anticipated the confusion and increased expense that many of our constituents would face in the newly created and competitive telecommunications environment.

Unfortunately, the Federal Communications Commission is adding to the confusion and increased expense. Last week the Commission approved a rate tariff proposal from the American Telephone and Telegraph Co. that would allow the telephones system's largest users to bypass local Bell operating copmpanies, thus shifting the cost of local service increasingly to residential and small business users.

In my home State of Tennessee, the local telephone operating company estimates that bypass could increase cost of residential telephone service by $4 a month and the cost of business service by $9 a month. Bypass puts at risk in Tennessee more than $83.6 million collected in connect fees from long distance telephone companies. Of the five States in the local operating company's service area, Tennessee is the most vulnerable. Thirty-two of the 50 largest long-distance users are located in Tennessee. Yet no area of the country is immune from the effect of bypass and, before bypass proceeds further, we must understand the effects of bypass on the cost and quality of residential service.

Bypass of the local Bell operating companies was an issue anticipated with the divestiture of AT&T. In fact, the House passed legislation in the 98th Congress that proposed a cost-sharing formula among all users of the telephone system, even among those who bypassed local Bell operating companies. Unfortunately, that measure failed of passage in the other body. Nonetheless, the need to evaluate the consequence of bypass has never been greater than it is today.

No one disagrees with the objective of ensuring affordable residential and business telephone service. That objective, however, is jeopardized with the haphazard decisions that the Federal Communications Commission has made or, as indicated in recent news reports on the AT&T rate filing, is planning to make.

As such, I am introducing legislation that would postpone the FCC's decision on bypass for 2 years until Congress has had the opportunity to review the consequences of divestiture and, in particular, the factors encouraging bypass of the local Bell operating companies.

Affordable telephone service must continue to be our goal. Clearly, competition following divestiture has lowered the cost of long distance telephone service. Unfortunately, the consequence of divestiture on local service has only increased costs. Congress must be afforded time to evaluate these mixed results.

THE 20TH ANNIVERSARY OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES

(Mr. YATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YATES. Mr. Speaker, 1985 marks the 20th anniversary of the establishment of the National Endowment for the Humanities. While we are at this milestone, it is appropriate to pause to celebrate the achievements of the Endowment and to reassert our commitment to its promotion of progress and scholarship in the Humanities. As a symbol of our support for the Endowment, it is appropriate to establish the week of February 9–15, 1986, as National Humanities Week.

In the National Foundation on the Arts and the Humanities Act of 1965, the Congress found, in its Declaration of Purpose, that "support of national progress and scholarship in the humanities * * * is * * * an appropriate matter of concern to the Federal Government"; that "democracy demands wisdom and vision in its citizens and * * * must therefore * * * support a form of education designed to make men masters of their technology * * *"; that "it is necessary and appropriate for the Federal Government to complement, assist, and add to programs for the advancement of the humanities * * * by local, State, and regional, and private agencies and their organizations"; that "the study of the humanities requires constant dedication and devotion and that * * * it is necessary and appropriate for the Federal Government to help create and sustain not only a climate of encouraging freedom of thought, imagi-

nation, and inquiry, but also the material conditions facilitating the release of this creative talent"; and that "the world leadership which has come to the United States * * * must be solidly founded upon worldwide respect and admiration for the Nation's high qualities as leader in the realm of the ideas and of the spirit."

Congress expected much from the Endowment and its accomplishments have matched these expectations. The Endowment has been creative in carrying out its mission and it has been stimulative.

Through the concept and mechanism of the Challenge Grants, the Endowment has generated substantial non-Federal support for the humanities. In return for $180,000,000 in Federal Challenge funds invested in them between 1977, when the program began, and 1985, Challenge Grant recipients will have raised about $542,000,000 in new or increased giving from non-Federal sources. This exceeds the minimal amount required by the 3:1 matching provision of the grants.

The National Endowment for the Humanities has established new programs as needs have been identified. In 1969, a program was established to assist in the design and implementation of quality humanities programs for the out-of-school public. One example is the "Let's Talk About It: Reading and Discussion Programs in America's Libraries". "Let's Talk About It" is a vital nationwide project which brings together book lovers and scholars to explore themes of contemporary life and culture through a mix of classic and popular literature in some 300 American public libraries in 30 States. More than 1,500,000 will be involved in the program over 3 years.

A democratic society requires citizens who are capable of making disciplined and discriminating judgments. The study of the humanities contributes to the ability to make reasoned decisions—to criticize and interpret the acts, words, and artifacts of human culture. To meet these needs in 1971, the State programs were established to ensure that a broad variety of humanities programs reached the citizens in each State. This in turn has stimulated each of the States to develop their own State humanities councils.

More recently, the Endowment has developed programs to strengthen humanities instruction at the precollegiate level. The most notable example of this effort is the highly successful summer seminars for secondary school teachers. The Endowment has also been in the forefront of the effort to celebrate the bicentennial of the Constitution. Over 160 grants have been awarded to encourage scholarly interest in and public reflection on the principles and foundations of our constitutional government.

The Endowment is to be commended for its leadership, its creativity, its responsiveness to changing needs, and for its ability to generate private interest and financial support. We applaud its ability to bring out the best in our culture and history.

We now celebrate 20 years of sustained effort by the Endowment and we must commit ourselves to sustain the traditions begun by this important Federal agency. Mr. Speaker, recognizing February 9–15, 1986, as National Humanities Week is the appropriate way to begin.

DOD CONFERENCE REPORT—RAY TEXTILE AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, this year I offered an amendment to the Department of Defense authorization bill which directs the Secretary of Defense to report to the Congress each year on the state of the textile and apparel industrial base in this country. I was pleased that this amendment was accepted by the conferees, and I would like to take a few moments to tell you why I believe this amendment is important.

It is jokingly said that "we cannot have our soldiers fighting in Japanese uniforms and sleeping in Chinese tents," Mr. Speaker, but I think there is a nugget of truth in this statement. If our Nation is going to be assured of military readiness, we have to know that our textile industrial base can mobilize to meet our needs—from parachutes to uniforms, from chemical warfare garb to coverings and casings.

This report to be prepared by the Department of Defense will address these concerns. The report prepared by the Department of Defense will provide crucial information for all Representatives to consider when they are making their decisions or their votes on readiness issues.

My amendment was drafted loosely to allow for the broadest amount of information to be included. Research into all aspects of the textile and apparel industrial base will be conducted, including the manufacturers' ability to meet initial mobilization requirements with domestic materials, to obtain necessary machinery for production through domestic sources, and to answer specific, specialized orders of the various services for strategic and tactical operations.

I feel certain that the report which will be produced because of this amendment will be a valued tool to be used by all Members in their consideration of our Nation's military readiness.

THE ABSURDITY OF GRAMM-RUDMAN PROCESS: SEQUESTERING FUNDS FOR REVENUE RAISING AGENCIES COSTS MUCH MORE THAN IT SAVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, in the conference committee on Gramm-Rudman we have been trying to turn the sow's ear of sequestering into a silk purse. We have washed the mud off, we have trimmed the hog hairs, but it still smells and looks like a pig's ear.

It is full of illogicals.

If we fail to reach our deficit reduction goal and sequestering comes into force, revenue raising agencies like the IRS and Customs would find their budgets cut.

It is a proven fact that cutting those agencies cuts revenues by much more than the amount saved in reducing the agencies.

The IRS returns $20 for every one spent on compliance programs. The Collections Division returns $25 for every dollar spent on it. Customs applies its manpower to programs which return $27 to $1.

Therefore, sequestering a dollar from either agency costs $20 to $27 in revenues.

That increases the deficit, which means we need to sequester even more in the future.

It is like a dog chasing its tail into exhaustion. In this case, the tail tastes like a pig's ear.

I supported the House passed version of Gramm-Rudman because it forces tougher congressional action on the deficits than does the original version. But as the above example shows, when it comes to sequestering we have a long, long ways to go before we have a mechanism that makes any sense at all.

BOB HUTTENHOFF, A GREAT NEWSPAPERMAN AND CITIZEN, RETIRES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I want to bring to the attention of my colleagues the retirement of Bob Huttenhoff, the publisher and president of the Salinas Californian. A reception will be held to honor Bob for his contributions to the community and for his achievements during a 40-year newspaper career on November 14. While I will not be able to be present due to my responsibilities here, I know my colleagues will want to join me in extending congratulations and best wishes to him on this most important occasion. Bob has been a great friend to me, and he has helped to make the Californian one of the finest newspapers in California and one of the finest newspapers serving a medium-sized city in the entire Nation. The key is that the Californian cares about the community it serves—and it shows.

Bob Huttenhoff was born in 1920 into a newspaper family and was a newspaper carrier through high school. He worked his way through the University of Kansas as a stereotype/pressman. After serving during World War II, he began his career in newspapers, working on six daily newspapers in the Midwest and southern California.

Bob joined the Salinas Californian as a display salesman in 1950. He was soon named retail advertising manager, and was then promoted to advertising director. In 1972, Bob became the publisher and president of the Californian. He retired as publisher last year, and he will retire as president on December 1 of this year.

In his years with the Californian, Bob led the newspaper from being a hot metal newspaper to electronic photo composition and complete computerization of the business office. He then converted the paper to direct lithography printing. Most recently, he has planned a major remodeling of the Californian building to house a new state-of-the-art 10-unit offset press to go on line in 1986.

In addition to his contributions to the Salinas community through his work at the Californian, Bob has been extremely active in a number of community activities. He has served as president of the Salinas Kiwanis, the Fort Ord Chapter Association of the U.S. Army, and Salinas Community Priorities, Inc. He has also been a board member of the Salinas Chamber of Commerce, the Jaycees, Sunrise Toastmasters, and Palma High School. Bob was a founding director and vice chairman of the Economic Development Corp. of Monterey County. In addition, he serves as a member of the Salinas Rotary, the Salinas Elks Lodge, Knights of Columbus, and the Commonwealth Club of San Francisco. He is also an advisory director of the California Rodeo.

In the newspaper industry, Bob has served as president of the California Newspaper Advertising Executives Association and has served on the board of the California Publishers Association.

Bob and his wife Patricia have been married since 1947. They have three children and one granddaughter.

Mr. Speaker, I am certain that Bob's family is proud of his distinguished career and looks forward to spending more time with him following his retirement. My colleagues and I congratulate him and wish him and his family the best of luck in the future.

THE BUDGET-CUTTING "ROBOT" LACKS SENSITIVITY TO HUMAN NEEDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BUSTAMANTE] is recognized for 5 minutes.

Mr. BUSTAMANTE. Mr. Speaker, in our attempt to balance the budget, we have created a budget-cutting robot which plods along on its deficit-reduction course without looking at what is in its way. It is incapable of following the road of social responsibility we have built over the years, incapable of expressing human sensitivity for the poor and needy it might be trodding on, incapable of setting the course for the future well-being of the country. It merely travels along the path we program it for, slashing as it goes.

The recent budget-cutting alternatives do not provide an ideal solution to the problem of balancing the budget. The alternative we select must respond to economic conditions and to the needs of children, the elderly, and the poor. The programs that serve those in need are already emaciated and cannot bear the load.

Over the past 5 years, programs which serve poor families and children have suffered more than $10 billion a year in budget cuts. Programs such as low income food and nutrition programs, Medicaid, and Job Corps, have been seriously affected by the recent funding diet they have been subjected to.

When people are not provided with the resources they need, they take drastic measures. I am submitting a newspaper article given to me by one of my constituents. The article recounts the tale of a desperate man who could not provide proper care for his mentally retarded son. The man abandoned his 20-year-old son who was prone to violent attacks, rather than become violent himself. He had been trying for 2 years to place his son in a State school. This man had the compassion to save his son and himself.

The time to develop the mechanism to deal with the budget deficit is now. But creating a mechanical device which automatically imposes cuts without any kind of priority is not the answer.

The legislation before us is not a warm body to cuddle up to, but it is not the cold, hard robot either. The circumstances of political reality compel us to embrace it. It will, at least, follow the course of social responsibility, to look down the road of economic stability, and to watch out for the others traveling down that road.

SAN ANTONIO, TX, 78250
October 29, 1985.

Hon. ALBERT G. BUSTAMANTE,
Longworth House Office Building,
Washington, DC.

DEAR REPRESENTATIVE BUSTAMANTE: I have written many letters to you on a variety of subjects, but this one really comes from the heart because it is based on my personal experience in raising my autistic son, Christopher.

The enclosed newspaper article appeared a few days ago and describes a terrible situation. What makes the situation terrible is not so much that the father felt he had to abandon the care of his retarded son, but that the State of Texas does not have the mental health resources to take proper care of its own citizens who are mentally afflicted. It is absolutely disgraceful that parents or a parent faced with the painful decision to institutionalize a child should be told to "take a number and wait 2-4 years" for an opening in a mental health facility.

I know what this man has gone through. I wish my son Chris had a limb missing rather than have mental retardation. It is all my wife and I together can do to keep him under control at home. His behavior is so erratic and self-destructive that recently my only other child, 6 year old Stephen, told me he wishes he had another brother. But this poor man, Mr. Clark, has suffered like no human being should have to.

I write you, Congressman, because frankly, I have no confidence that the State Legislature or the Governor will ever come to grips with the problem of housing the mentally ill and deficient in appropriate settings. Because to do the job right, it will take an increase in State funding, which means an increase in taxes, and Texans consistently have proven they would rather avoid collective responsibilities than raise their taxes, or anyone else's. I appeal to you because I am convinced it will take leadership above the State level to make the majority of Texans see their responsibility towards persons like my boy Chris, and to others in our State who through no fault of their own cannot adequately care for themselves or their children.

To Governor White's credit, he is forcing Texas into the 20th Century academically with H.B. 72 and its no pass no play rule. I believe the same emphasis is needed in the area of caring for the mentally deficient and ill and for all others who cry out for help. Size and population will not by themselves make Texas a great state and a national leader among states. It takes a sense of social responsibility as well.

Yours truly,

PAUL S. KENDALL.

[From the San Antonio (TX) Light]

DAD LEAVES SON; HAS NO REGRETS

IRVING.—A man who abandonded his 20-year-old retarded son in front of the Fort Worth State School said he does not regret his decision.

Willian Clark said he had been caring for his severely retarded, violence-prone son without help for four years. Last week, he said he gave up after getting so mad he wanted to shoot his son.

Instead, he took him to the school.

"I just got to the point where prison looked good to me—or the electric chair—compared to what I've been living through," Clark said.

Clark said his son has destroyed furniture and broken windows in his trailer home and attacked him.

A state school spokeswoman said John David Clark, who has a man's body but the mental capacity of a 3-year-old, qualifies for 24-hour care. Clark may not be forced to reclaim his son from the school, which has a two- to four-year waiting list.

"It's very stressful," said spokeswoman Barbara Edwards, adding no one was to blame.

She said the state school, operated by the Texas Mental Health Mental Retardation Department, will admit the younger Clark on an emergency basis until an investigation is completed.

The Department of Human Resources will conduct a routine check of the circumstances by which the man was abandoned at the facility on Wednesday, said Mel Hughes, school superintendent.

Edwards said the man was put on the school's waiting list and counselling and care was provided in May 1984.

William Clark said that was when he realized he was incapable of handling his son and "begged and pleaded" with school officials to take him in.

"He's been a problem for several years," said Clark, 55 who became the young man's sole caretaker about four years ago.

Clark and his wife divorced when the youth was 4. Although his ex-wife helped care for the couple's seven children, that arrangement collapsed four years ago when she became ill and eventually wound up in a nursing home.

THE CHAUFFEUR LIMITATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. HAMILTON] is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, a recent GAO report determined that, between Janu-

ary and June 1985, 79 administration officials were illegally transported in chauffeured Government motor vehicles between their residences and places of employment. Today, I am introducing a bill to end these abuses and curtail the number of authorized cars.

My bill, which is identical to one being introduced by Senator PROXMIRE, limits the total number of officials in each branch of the Federal Government entitled to chauffeured home-to-work transportation. The number of chauffeured officials in the executive branch would drop from 40 to 28; Congress' cars would be cut from 21 to 14; and the judiciary would keep its single authorized car.

Administration: The President, the Vice President, and the 13 Cabinet agency heads would continue to receive a chauffeured vehicle. The President could designate up to 13 additional executive branch employees for home-to-work service. Those employees would have to be listed in the President's annual budget.

Congress: The Speaker, the President pro tem, and the majority and minority leaders of the House and Senate would receive chauffeured service. The majority and minority whips of the House and Senate would continue to receive leased cars. Four other cars would be available during the day for official business only. No drivers would be provided. The majority and minority side of the House and Senate would each be assigned one car.

Judiciary: The Chief Justice would continue to receive chauffeured service.

Under the bill, any Federal official who uses or authorizes improper chauffeured service will be suspended without pay for at least 3 days and must reimburse the Government for all expenses. These penalties should curtail the widespread abuses we are now witnessing.

With Federal deficits exceeding $200 billion, it is wrong to spend an estimated $35,000 per car to shuttle Government officials between their homes and their offices. These chauffeur-driven cars are a luxury we cannot afford. I urge prompt and affirmative action on this bill.

A SALUTE TO THE STATUE OF LIBERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues the kickoff event for the "Centennial Year of Liberty" which took place on Monday evening, October 28, 1985, at the Kennedy Center. Lee A. Iacocca, chairman, the Statue of Liberty-Ellis Island Foundation, Inc., and chairman and chief executive officer, Chrysler Corp., graciously welcomed and personally thanked the many individuals and corporations who contributed toward restoring "* * * that beautiful lady."

The invited guests were privileged to attend the world premiere of "The Lady Remembers," a work written and created by one of America's top composers, Richard Adler, who attempted to reflect the drama of the immigrants' experience. With the Detroit Symphony and vocalist Julia Migenes Johnson performing this new musical tribute, the Statue of Liberty's 99th birthday was celebrated, beginning what will be a year-long celebration.

Americans who are descendants of immigrant parents or grandparents share an important bond of friendship, and a very special feeling for that "lady" in New York. Lee Iacocca, who understands that kinship so well, delivered thoughtful remarks which I believe capture the true spirit of what it means to many of us to help restore and remember the Statue of Liberty and Ellis Island.

Mr. Iacocca's remarks, which I would like to share with my colleagues, follow:

Good evening to all of you.

I've been privileged for the past 3½ years to be involved in restoring two of our nation's most valuable treasures—the Statue of Liberty and Ellis Island. And it's been a labor of love, believe me.

A year from today, the Lady with the Torch will be rededicated on her hundredth birthday, and tonight we begin the celebration of her centennial year.

All this is possible because millions of Americans have contributed more than $170 million so far to keep the torch lit. You've been invited tonight so we could thank you for your generous support.

And we're going to thank you with the world premiere of Richard Adler's "The Lady Remembers," performed by the Detroit Symphony Orchestra, under the direction of Gunter Herbig, with soloist Julia Migenes Johnson.

You know, the last couple of years lots of school kids have been sending me their nickels and dimes for the Lady. Some even send me their lunch money, or a few bucks from selling cupcakes or washing cars. And a man once dropped into my office and gave me a million dollars to help shine her up. (As he said—"Just a simple tribute to my immigrant mother.") It seems like everybody feels they owe the lady something.

And Richard Adler is one of those people.

Richard Adler wasn't commissioned to write this piece. He wasn't asked to do it. He simply called one day and said: "I want to do it. I need to do it. Just let me do it."

So we let him do it.

It's quite a gift he's giving us, and giving America, tonight. So, please join me in expressing our thanks to Richard Adler.

When President Reagan asked me to join this effort, we agreed that not a cent of public money would be used. And none has. But we've enjoyed the support of our government, especially of the National Park Service.

I would now like to introduce the Honorable Donald P. Hodel, Secretary of the Interior.

Thank you, Secretary Hodel.

And now we are about to honor a very, very special lady.

She's a lady who has stood tall and strong at the doorstep of our country for nearly a hundred years. She has stood with a beacon raised to guide the lost, with an arm outstretched to welcome the homeless, and with a tablet proclaiming her promise of liberty.

We not only honor that lady tonight, but also the millions who saw her beacon and reached out for her welcome—because they believed her promise.

And we honor what they did to keep her promise alive, and to pass it along to all of us.

Exactly 99 years ago today, a beautiful lady dressed in 200 tons of copper and iron stood staring through the mist in New York harbor, a little like a blushing bride. Quite a fuss was made over her that day. Cannons roared, brass bands played, all the ships in the harbor blew their whistles and rang their bells.

She was that day a young symbol of an old but elusive dream—the simple ideal of "liberty." Tonight, 99 years later but forever young, she stands not only for that original ideal itself, but also as a symbol of what free people, guided and protected by that ideal, can achieve.

For as soon as the cannons and the bands were silent, she began to see the ships slipping into the harbor with the first of the millions of immigrants she would welcome to America.

Tonight she remembers those ships coming from Bremen and Liverpool and Naples, and the cargo they brought. Human beings seeking refuge and opportunity beneath her torch.

They all stood on deck in their best clothes, clutching the kids, and maybe an old cardboard suitcase with a rope around it. It was the beggest day of their lives.

And as the ships went by her on their way to Ellis Island, a lot of backs, bent by oppression, began to straighten. And a lot of faces, scarred by tyranny, were suddenly smiling. And a lot of eyes, dimmed by despair, began to glow with hope.

She saw all that, and she remembers it well tonight.

She remembers, too, what happened to them after they passed beyond her gaze.

She kept her promise of liberty, but it wasn't the liberty of streets paved with gold. It was the liberty of the shovel, the freedom of the pushcart, and the dignity of the plow.

It was the freedom to work hard, and to keep what that hard work built.

They were ambitious in a time when ambition was not a dirty word.

They were hardworking in a time when hard work was not something to be avoided.

They were builders.

They built a country.

And what they built was the America we have today—imperfect, but better by far than anything anybody else has ever built, anywhere.

The Lady remembers how they did it, and so should we.

They did it with pain, and sweat and tears.

You know, America isn't great because of its natural resources. It's great because those people dug into the ground, often under terrible conditions, and took the resources out.

America isn't great because of miles of open prairies. It's great because people broke their backs to bust the sod and grow food.

America isn't great because of a few industrial geniuses. It's great because of the thousands of others who fired the furnaces and forged the metal.

And America isn't great because of a piece of paper called a Constitution. It's great because people fought, and bled, and sometimes died to fulfill its promise of a just and humane society.

So, the Lady remembers, if sometimes we forget. She remembers who we are and where we came from.

We're all her children, whether she saw our people arrive on those ships from Europe, or whether they came on the Mayflower, or from Africa in chains, or from the Far East or Latin America.

She is a special Lady to all of us, and we honor her tonight because she remembers, and because she helps all of us remember, just what kind of people we are.

Thank you.

DEMOCRACY IN GUATEMALA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 10 minutes.

Mr. FASCELL. Mr. Speaker, the events of last Sunday in Guatemala are potentially the most significant in that country's history over the last several decades. After years of military rule, Guatemala on Sunday held what is widely recognized as free, fair, and open elections for President and for legislative and municipal officials. A runoff between the two top candidates for President will take place on December 8.

Guatemala has gone through a torturous and painful period. The absence of respect for basic human rights was so blatant that in 1977 the United States terminated military assistance to that country. Developments over the past year, particularly the holding of constitutent assembly elections earlier this year, have signaled a return to the democratic path.

It is my sincere hope and expectation that Sunday, November 3, will be the date that marks the dramatic turning point in Guatemala's history. The military permitted and encouraged an open honest election and has demonstrated its sincere desire to return to the barracks. I look forward to the successful holding of the Presidential runoff in December, to the inauguration of a civilian President on January 14, and to Guatemala's return to the democratic fold and to respect for human rights, which will bring a full normalization of United States-Guatemalan relations. At that point we must stand ready to assist and support the newly elected Guatemala Government in facing the difficult internal economic and political decisions which will be necessary to solidify these new democratic institutions and revitalize the economy.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SUNDQUIST) to revise and extend their remarks and include extraneous material:)

Mr. IRELAND, for 5 minutes, on November 6.

Mr. LUNGREN, for 60 minutes, on November 12.

Mr. STRANG, for 60 minutes, on November 6.

(The following Members (at the request of Mr. MACKAY) to revise and extend their remarks and include extraneous material:)

Mr. RAY, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. BUSTAMANTE, for 5 minutes, today.

Mr. HAMILTON, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PEASE, for 60 minutes, today.

Mr. FASCELL, for 10 minutes, today.

Mr. ALEXANDER, for 60 minutes, on November 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SUNDQUIST) and to include extraneous matter:)

Mr. COURTER.

Mr. GINGRICH.

Mr. BROOMFIELD in three instances.

Mr. SCHAEFER.

Mr. SCHUETTE.

Mr. LAGOMARSINO.

Mr. LOTT.

Mr. MILLER of Ohio.

(The following Members (at the request of Mr. MACKAY) and to include extraneous matter:)

Mr. MARTINEZ.

Mr. MATSUI.

Mrs. LLOYD.

Mr. ROE.

Mr. BOSCO.

Mr. BARNES in two instances.

Mr. FASCELL in two instances.

Mr. HUBBARD.

Mr. LIPINSKI.

Mr. FRANK.

Mr. WYDEN.

Mr. EDGAR.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 130. Joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week, 1986"; to the Committee on Post Office and Civil Service.

S.J. Res. 213. Joint resolution to designate January 19 through January 25, 1986, as "National Jaycee Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 219. Joint resolution to designate the week of February 9, 1986, through February 15, 1986, as "National Humanities Week, 1986"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. GEJDENSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 6, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2211. A letter from the Secretary of Health and Human Services, transmitting the collection of these annual reports of the Public Health Service: health maintenance organizations; financial disclosure of health maintenance organizations; disease control programs and immunization; health services research, health statistics, and health care technology; family planning and population research; health information and health promotion; and continuation of pay for dentists, pursuant to 42 U.S.C. 300aa-10 PHSA, sections 2111 and 383(b), Public Law 98-24, section 2(a)(1) (97 Stat. 176), to the Committee on Energy and Commerce.

2212. A letter from the Attorney General, transmitting a report on the administration of the Foreign Agents Registration Act of 1938, as amended, pursuant to 22 U.S.C. 621; to the Committee on the Judiciary.

2213. A letter from the National Commander, AMVETS, transmitting proceedings of the national encampment, pursuant to 44 U.S.C. 1332; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. Report on Federal regulation of direct investments by savings and loan associations (Rept. No. 99-358). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Report on the role of the Overseas Private Investment Corporation (Rept. No. 99-359). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GEKAS:

H.R. 3682. A bill to amend section 3565 of title 18 of the United States Code to provide for the payment to the clerk of the court of fines or penalties imposed by a U.S. magistrate, and for other purposes; to the Committee on the Judiciary.

By Mr. HAMILTON:

H.R. 3683. A bill to reduce the use of limousines by Government officials; to the Committee on Government Operations.

By Mr. RICHARDSON:

H.R. 3684. A bill to designate the El Malpais lava flow and adjacent public lands as a national monument to be managed by the

Bureau of Land Management; to the Committee on Interior and Insular Affairs.

H.R. 3685. A bill to improve the management of the Chaco Culture National Historical Park and its related archeological protection sites; to the Committee on Interior and Insular Affairs.

By Mrs. SMITH of Nebraska:

H.R. 3686. A bill to direct the Secretary of Agriculture to convey, without consideration, to the State of Nebraska certain land to be used for the purposes of expanding the Chadron State Park, NE; to the Committee on Interior and Insular Affairs.

By Mr. WYDEN:

H.R. 3687. A bill to permit the Bell operating companies to provide information services and to manufacture telecommunications equipment so long as such services and manufacturing are not subsidized with the proceeds from the provision of local exchange telephone service or other regulated telecommunications services; to the Committee on Energy and Commerce.

By Mr. WHITTEN:

H.J. Res. 441. Joint resolution making further continuing appropriations for the fiscal year 1986; to the Committee on Appropriations.

By Mr. BONER of Tennessee:

H.J. Res. 442. Joint resolution to prohibit the Federal Communications Commission from permitting long distance carriers to bypass local telephone exchanges; to the Committee on Energy and Commerce.

By Mr. YATES:

H.J. Res. 443. Joint resolution to designate the week of February 9, 1986, through February 15, 1986, as "National Humanities Week, 1986"; to the Committee on Post Office and Civil Service.

By Mr. AUCOIN (for himself, Mr. CONTE, Mr. ADDABBO, Mr. HORTON, Mr. BEDELL, Mr. TRAXLER, Mrs. BOXER, Mr. COELHO, Mr. LEVINE of California, Mr. HOYER, Mr. DICKS, Mrs. SCHROEDER, Mr. REID, Mr. FAZIO, Mr. EDGAR, Mr. HUTTO, Mr. CARPER, Mr. HALL of Ohio, Mr. WAXMAN, Mr. MRAZEK, Mr. MARKEY, Mr. EDWARDS of California, Mr. MOLLOHAN, Mr. FRANK, Mr. MATSUI, Mr. WEAVER, Mr. DOWNEY of New York, Mr. LANTOS, and Mr. DELLUMS):

H. Con. Res. 227. Concurrent resolution inviting citizens to light porch lights, candles, or other lights from dusk to dawn on November 19 and 20, 1985; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 69: Mr. DANNEMEYER.

H.R. 70: Mr. LIGHTFOOT and Mr. SMITH of New Hampshire.

H.R. 71: Mr. DANNEMEYER.

H.R. 75: Mr. BILIRAKIS and Mr. MYERS of Indiana.

H.R. 76: Mr. EMERSON and Mr. BILIRAKIS.

H.R. 77: Mr. GEJDENSON and Mr. COATS.

H.R. 97: Mr. DELAY, Mr. SWINDALL, Mr. BOULTER, Mr. HENDON, Mr. LIVINGSTON, and Mr. BILIRAKIS.

H.R. 183: Mr. GILMAN.

H.R. 385: Mr. COATS.

H.R. 983: Mr. GALLO, Mr. KRAMER, Mr. SCHUMER, Mr. BURTON of Indiana, Mrs. BENTLEY, Mr. MORRISON of Connecticut, Mr. STRANG, Mr. DICKS, Mr. HUTTO, and Mr. LEVINE of California.

H.R. 1345: Mr. BILIRAKIS.

H.R. 1682: Mr. STANGELAND.

H.R. 1809: Mr. GEJDENSON.

H.R. 2436: Mrs. BOXER, Mr. RAHALL, Mr. GORDON, Mr. MURPHY, Mr. JEFFORDS, and Mr. FORD of Michigan.

H.R. 2854: Mr. DUNCAN.

H.R. 3099: Mr. WALGREN.

H.R. 3129: Mrs. BOXER and Mr. MARTINEZ.

H.R. 3136: Mr. RANGEL, Mr. MACKAY, Mr. FUQUA, Mr. LEHMAN of Florida, Mr. HUTTO, Mr. CONYERS, Mr. SCHEUER, Mr. SMITH of Florida, and Mr. BENNETT.

H.R. 3139: Mr. BROYHILL.

H.R. 3167: Mr. RAY.

H.R. 3211: Mr. BROOMFIELD, Mr. HUGHES, Mr. CONTE, and Mr. SMITH of New Hampshire.

H.R. 3258: Mr. MCGRATH, Mr. FISH, Mr. TOWNS, Mr. AUCOIN, Mr. BIAGGI, Mr. ECKART of Ohio, Mr. SUNDQUIST, Mr. DASCHLE, and Ms. MIKULSKI.

H.R. 3472: Mr. CHAPPELL, Mr. SMITH of Florida, Mr. LAGOMARSINO, Mr. BURTON of Indiana, Mr. TAUZIN, Mr. BATEMAN, Mr. DORNAN of California, Mr. HUCKABY, and Mr. MONTGOMERY.

H.R. 3474: Mr. STENHOLM, Mr. WIRTH, and Ms. KAPTUR.

H.R. 3522: Mr. MCCAIN.

H.R. 3537: Mr. WEAVER, Mr. FOGLIETTA, Mr. SEIBERLING, Mr. BARNES, Mr. WAXMAN, and Mr. SMITH of Florida.

H.R. 3596: Mr. LEHMAN of Florida.

H.R. 3634: Mr. RINALDO, Mr. ROYBAL, Mr. PEPPER, Mr. BORSKI, Mr. ST GERMAIN, Mrs. LLOYD, Mr. APPLEGATE, Mr. MORRISON of Connecticut, Mr. NOWAK, Mr. WEAVER, Mr. MRAZEK, Mr. GUARINI, Mr. FOGLIETTA, Mr. ROE, Mr. EVANS of Illinois, Mr. WEISS, Mr. FRANK, Mr. DE LUGO, Mr. BEVILL, Mr. TOWNS, Mr. ENGLISH, Mr. ROSE, Mr. MATSUI, Mr. BARNES, Mr. WILLIAMS, Mr. FIELDS, and Mr. KANJORSKI.

H.J. Res. 401: Mr. HUBBARD, Mr. GREGG, Mr. SYNAR, Mr. EVANS of Iowa, Mrs. KENNELLY, Mr. SWINDALL, Mr. ROWLAND of Georgia, and Mr. FOWLER.

H.J. Res. 409: Mr. MOAKLEY, Mr. DORGAN of North Dakota, Mr. MATSUI, Mrs. KENNELLY, Mr. FLIPPO, Mr. KOSTMAYER, Ms. OAKAR, Mr. ERDREICH, Mr. O'BRIEN, Mr. YOUNG of Florida, Mr. DWYER of New Jersey, Mr. ANNUNZIO, Mr. FRANK, Mr. HORTON, Mr. CARNEY, Mr. FAZIO, Mr. HENRY, Mr. GALLO, Mr. WORTLEY, Mr. DORNAN of California, Mr. DYSON, Mr. KINDNESS, Mr. HOWARD, Mr. ROE, Mr. DINGELL, Mr. RAHALL, Mr. SUNIA, Mr. LAGOMARSINO, Mr. LAFALCE, Mr. ECKART of Ohio, Mr. PORTER, Mr. MCGRATH, Mrs. COLLINS, Mr. HUGHES, Mr. DANNEMEYER, Mr. DEWINE, Mrs. BENTLEY, Mr. BIAGGI, Mr. KOLTER, and Mr. BATEMAN.

H. Con. Res. 101: Mr. EDGAR and Mr. SAVAGE.

H. Con. Res. 129: Mr. DORNAN of California, Mr. RITTER, and Mrs. JOHNSON.

H. Con. Res. 180: Mr. OLIN, Mr. COUGHLIN, Mr. FOGLIETTA, Mr. MINETA, Mr. PEPPER, and Mrs. LLOYD.

H. Con. Res. 213: Mr. GINGRICH.

H. Res. 165: Mr. TRAFICANT.

H. Res. 234: Mr. BURTON of Indiana.

H. Res. 260: Mr. ZSCHAU.

H. Res. 304: Mr. HILLIS, Mr. SILJANDER, Mr. FISH, Mr. PETRI, Mr. BILIRAKIS, Mr. SOLOMON, Mr. DORNAN of California, Mr. WHITTAKER, Mr. FRANK, Mr. PORTER, Mr. CAMPBELL, Mr. MADIGAN, Mr. LEVINE of California, and Mr. SKEEN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6

By Mr. ENGLISH:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670).)

—On page 366, strike lines 8 through 22 and all that is contained therein and insert in lieu thereof the following:

"Section 201 of the Flood Control Act of 1970, as amended by Section 153 of the Water Resources Development Act of 1976, is amended by striking out the last sentence under the heading 'ARKANSAS-RED RIVER BASIN' and inserting in lieu thereof the following: 'Construction shall not be initiated on any element of such project involving the Arkansas River Basin until such element has been approved by the Secretary of the Army. The chloride control projects for the Red River Basin and the Arkansas River Basin shall be considered to be authorized as separate projects with separate authority under Section 203 of the Flood Control Act of 1966, as amended.' ".

By Mr. MILLER of California:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670).)

—Beginning on page 399, line 6, through page 411, line 19, delete all of Title XII and renumber the subsequent titles and sections accordingly.

—On page 411, delete lines 14 and 15 and renumber the subsequent sections accordingly.

—Beginning on page 409, line 6, through page 411, line 12, delete all of "Subtitle C—Assistance for State Water Planning and Management", and renumber the subsequent sections accordingly.

—Beginning on page 399, line 19, through page 409, line 5, delete all of "Subtitle B—National Board", and renumber the subsequent sections accordingly.

—(1) On page 399, line 19, delete all through page 403, line 16.

(2) Beginning on page 403, line 17, insert the following:

SUBTITLE B—PRINCIPLES AND STANDARDS

"SEC. 1221. (a) The Secretary shall establish by rule, after such consultation with other interested entities, both Federal and non-Federal, as the Secretary may find appropriate, principles, standards, and procedures for Federal participants in".

(3) On page 404, line 17, delete "The Board" and insert in lieu thereof: "The Secretary of Agriculture".

(4) Starting on page 405, line 3, delete all through page 407, line 14.

(5) Beginning on page 407, line 15, insert the following:

"SEC. 1222. (a) Simultaneously with promulgation or repromulgation of any rule by the Secretaries under authority of Sec. 1221 of this Act or under authority or".

(6) On page 407, line 21, delete "the Board" and insert in lieu thereof: "the Secretaries".

(7) Beginning on page 408, line 11, delete all through page 411, line 19.

—On page 403, line 24, delete "regional economic development," and on page 404, line 1 through line 2, delete "the well-being of the people of the United States, the prevention of loss of life,".

—Page 184, after line 20 insert the following new section:

"SEC. 631. (a) The Secretary is authorized and directed to conduct a study on the op-

portunities for the recovery of costs allocated to irrigation storage or conservation storage at water resources projects constructed by the Corps of Engineers. Such study shall indicate for each project—

"(1) the current status of repayment of reimbursable costs;

"(2) how the Secretary intends to recover the cost allocated to conservation storage or irrigation storage; and

"(3) detailed estimates of revenue resulting from existing and probable future contracts for such storage.

"(b) The Secretary is further authorized and directed to submit a report presenting the current distribution of project benefits, including irrigation, among project purposes relative to the original cost allocation for each project constructed by the Corps of Engineers which provides water for irrigation and—

"(1) such project has not, by Federal statute, explicitly been designated, made a part of, or integrated with a Federal reclamation project; and

"(2) no project works have been provided pursuant to Federal reclamation law for the control or conveyance of an agricultural water supply.

Such report shall be accompanied by the views of the Army Audit Agency and shall include the conclusions and recommendations of the Secretary regarding administrative, regulatory, and/or statutory means of adjusting the cost allocations to more accurately reflect the current use of the project, including the equitable payment of irrigation capital and operation and maintenance costs.

"(c) Not later than eighteen months after the date of enactment of this Act, the Secretary shall submit a report of the studies required by this section, together with recommendations, to the Committee on Public Works and Transportation and the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Environment and Public Works and the Committee on Energy and Natural Resources of the Senate.".

By Mr. PETRI:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670).)

—Page 362, strike out lines 14 through 18 and insert in lieu thereof the following:

SEC. 1159. The provisions of section 302 of this Act shall apply.

—Page 399, after line 5 add the following new section:

"SEC. 1199K. Notwithstanding any other provision of law, the unpaid balance of principal allocated to power for facilities constructed by the Secretary, including that portion of the unpaid balance of principal for such irrigation facilities to be repaid from power revenues shall be repaid annually beginning in fiscal year 1988 at a level not less than would be required under a straight-line amortization schedule as applied separately to each investment placed in service; *Provided*, That this amortization schedule may be phased in over several years, starting in 1988, if necessary to limit to five percent per year the annual increase in the revenue requirement that is solely attributable to the increase in scheduled repayments required by this section, compared to the most recent repayment schedule approved by the Federal Energy Regulatory Commission; *Provided further*, That principal repayments may be deferred in years with low hydroelectric generation, subject to the same terms and conditions applicable to deferred payments of interest."

By Mr. SOLOMON:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670).)

—Page 122, after line 19, add the following new subsection:

(f) If any provision in any report designated by subsection (a) recommends that Federal participation in the cost of periodic beach nourishment extend for more than 15 years following the initial beach fill placement, such provision shall not apply to the project recommended in such report.

—Page 354, strike out lines 19 through 21, and renumber succeeding sections accordingly.

—Page 356, line 4, strike out "(1)".

Page 356, line 5, strike out ", and" and all that follows through the period on line 7 and insert in lieu thereof a period.

SENATE—*Tuesday, November 5, 1985*

(Legislative day of Monday, November 4, 1985)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Commit thy works unto the Lord and thy thoughts shall be established.—Proverbs 16:3.

Father God, thank Thee for the progress of yesterday. May it continue that much will be accomplished and this day end with leaders and Members satisfied and without any regrets. The legislation by its very nature compounds frustration as Senators and staffs labor to make the best of the inevitable. Infuse this Chamber with a high spirit of unity and cooperation, lofty motive, and self-discipline. Help the Senators with hidden emotions which haunt attitude, actions, and words. Let the peace of God that passeth understanding guard their hearts and minds. Manifest Thyself faithful Father so that they may know they are not alone as they seek to know and do what is right consistent with the finest statesmanship. Heal and encourage and make wise and bless these Thy servants. For the glory of Thy name. Amen.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The distinguished acting Democratic leader is recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time for the majority leader and the minority leader be reserved for their use later today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, it is my understanding that I have special order, it that correct?

The PRESIDING OFFICER (Mr. EVANS). The Senator is correct.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not more than 15 minutes.

Mr. PROXMIRE. Mr. President, I yield to the distinguished Senator from South Carolina.

CLAIMS OF RETALIATION BY OPPONENTS OF THE TEXTILE AND APPAREL TRADE ENFORCEMENT ACT OF 1985

Mr. THURMOND. Mr. President, I rise today to address the claims made by opponents of the Textile and Apparel Trade Enforcement Act of 1985 regarding retaliation by our trading partners.

Mr. President, all sorts of exorbitant figures have been employed in an effort to convince my Senate colleagues to oppose this much needed legislation. Some opponents of the bill would have us believe that every country in the world will immediately stop buying from the United States upon passage of this bill. In reality, that will simply not happen.

Retaliation is a form of revenge. It is an attempt to get even or to get the upper hand. No country retaliates if retaliation will result in a weakening of their own trade position.

In the international trading arena, retaliation could result when one nation does not like an action taken by one of its trading partners. Of course, a country running a large trade surplus with another country would be unwise to retaliate against a country upon which it depends as a market for its goods. The country having a trade surplus would simply stand to lose far too much.

Mr. President, the revised textile bill would roll back textile and apparel imports from only the three largest textile and apparel importers into the United States. Those three countries had a combined trade surplus with the United States in 1984 of over $19 billion. In addition, the 12 producing countries covered by the bill had a trade surplus with the United States in 1984 of over $70 billion. It just would not make sense for these countries to risk jeopardizing their large overall trade surplus with the United States simply because the rate of growth of their textile imports into our country was being held to a moderate, reasonable level.

Some American farmers have been vocalizing a fear of retaliation from the passage of textile legislation. Yet other farmers support its enactment. I assure you that the last thing I want to do is hurt our farmers. In my home State of South Carolina farming is the No. 1 industry. I come from a farming background and have always been a strong supporter of the farmer. Remember, foreign nations buy American farm products because our farmers are the most productive in the world and offer the best product available in the world. I hardly think other nations will turn to inferior sources of supply simply because our country takes steps to enforce other trade agreements already on the books.

Recent action taken by the European Economic Community [EEC] to cut back textile imports was effective and did not result in any retaliation. Their actions included quota cutbacks and low growth rates as allowed under the Multi-Fiber Arrangement. Similarly, aggressive utilization of these MFA provisions is mandated under the Textile and Apparel Trade Enforcement Act to control the import problem in this country and should not cause any retaliation.

Mr. President, our Nation's industrial base is at a crossroads. Are we going to provide for managed trade in textile-apparel products or are we going to turn our backs on the 2 million Americans employed in this industry and the additional 2 million Americans working in related industries? Prompt passage of legislation that I and 54 of my colleagues have proposed will benefit our entire Nation by stopping the export of American jobs without harming other industries.

In closing, Mr. President, I want to say this: We are not asking that all imports be cut off. We are merely asking that they be reduced. I want to make it clear that we are not asking to stop imports. We are merely asking to let them come in at a reasonable, moderate rate which is necessary in our opinion to preserve the textile-apparel industry in America.

Again, I point out that the textile industry in America provides one-tenth of all manufacturing jobs in the United States. It provides more jobs than the automobile industry and the steel industry combined. It is important that it be preserved. Studies show that at the rate we are going now, in about 10 years we will probably have no textile industry. We have to take these steps to prevent American jobs from all going overseas.

If we have a war, what will we do with no American textile-apparel industry? Where will we get the uniforms? Where will we get the tents? Where will we get all of the other things such as parachutes that are required in time of war? We certainly would not be able to get them from our enemies.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

It is essential that we preserve this vital industry from a national defense standpoint. The Defense Department itself says that textiles rank second to steel in the matter of national defense. It seems to me our people had better begin to wake up and think about this. Now is the time to take necessary action to preserve these jobs—and to preserve an industry that is essential to the survival of the United States.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time consumed by my good friend from South Carolina not be taken out of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRADE CRISIS

Mr. PROXMIRE. Mr. President, I want to congratulate my good friend from South Carolina, the distinguished President pro tempore, on his excellent statement. He is absolutely right. We are not asking that we exclude all foreign textiles. We are only asking that the Americans be given about a 50-percent shot at our own market. So what the Senator from South Carolina has been talking about is very thoughtful and wise. I enthusiastically support it.

Mr. THURMOND. Mr. President, I want to thank the able Senator from Wisconsin. I would like to read a letter that came out in Time magazine on October 28, 1985, from a professor in Wisconsin on this very subject. He was responding to an article in Time magazine which indicated a more or less favoring of free trade. The letter is by John M. Culbertson, professor, department of economics, University of Wisconsin at Madison, WI.

I do not know whether the Senator has seen this letter. Has he?

Mr. PROXMIRE. I have not seen that letter. I have great respect and admiration for Professor Culbertson. He is one of our real stars, and is recognized nationally as an expert.

Mr. THURMOND. This is the most precise statement that I have seen anywhere. I would like to read this short letter that he wrote. As I said, he is responding to a previous article in Time magazine.

> Your article ignores the real cause of the U.S. trade crisis. Our products are being undersold by goods from nations that use the same technology and production methods we do but have wage rates one-half to one-tenth as high. In addition, these countries often subsidize their exports or avoid costly environmental and safety regulations on production. Free trade under these conditions has the same effects as free migration. The only reasonable policy is to insist on trade that benefits us as well as the countries that sell to us. Achieving mutually beneficial trade requires limitation on imports to keep our trade in balance in the face of the wide differences in national wage levels. These import limitations are the counterpart of the immigration limitations that prevent an excess inflow of people from low-wage nations from undermining our standard of living. In the world as it is, free trade is as suicidal for a high-income nation as is free immigration.

Mr. President, I do not think I could express that better. I do not think anybody could express it better than this short letter written by economics Prof. John M. Culbertson from the University of Wisconsin.

I want to commend him publicly today for writing this concise, incisive article which is right on point. He comes from the same State as the able and distinguished Senator here, Senator PROXMIRE.

Mr. PROXMIRE. Mr. President, I thank my good friend.

RECENT ARMS CONTROL PROPOSALS ARE GOING NOWHERE

Mr. PROXMIRE. Mr. President, in recent days the administration has been issuing a torrent of arms control proposals for the Geneva summit. In general the proposals, at least superficially, appear to be both positive and significant. They would sharply reduce certain classes of nuclear weapons by very substantial amounts. For instance, President Reagan has proposed to sharply reduce the number of ballistic missile warheads on both sides, keeping them under a ceiling of 6,000 but excepting missiles carried by bombers. Another Reagan initiative would stop the United States proposed Midgetman mobile missile in return for the Soviet Union dismantling its SS-24 and SS-25 mobile missiles, and stopping all future mobile missile deployment.

How do these Reagan initiatives square with the Soviet position? The first Reagan proposal for the deep missile cut to 6,000 superficially appears identical to the Soviet proposition for a reduction to 6,000 ICBM's in both superpower nuclear arsenals. This has inspired a hope that in spite of the Reagan record of consistent opposition to arms control, this administration might once again surprise its critics—including this Senator—by reaching an agreement that for the first time in the nuclear age actually makes big and significant reductions in nuclear weapons on both sides.

With the Reagan and Gorbachev proposals there is obviously some real possibility of arms control progress here. But wait a minute. There are also several problems. First, as this Senator has said many times, the superpower nuclear arsenals are now so immense and possess such devastating power and accuracy that a reduction to 6,000 missiles even if fully achieved would still leave both sides with far more than enough nuclear power to utterly obliterate the other several times over. Furthermore, President Reagan has made his antimissile defense or star wars essential and untouchable. But star wars probably cannot work at all unless the Soviets "make our day" by reducing their offensive nuclear arsenal as President Reagan proposed. A mutual cut to 6,000 missiles would provide a real start in making star wars a possible success. So why would Gorbachev agree? Even if he did agree what would be the result? The proposed reductions sound like they herald a new period of peace and harmony. Actually they simply recognize how appallingly excessive both nuclear arsenals have become and how the time may have come for both sides simply to retire their older and more obsolete weapons. Such action would not bring the world any closer to the prevention of nuclear war.

The latest Reagan proposal: For both sides to ban all mobile missiles has the merit of eliminating all of a new and potentially fast growing kind of nuclear weapon system. This could be a significant step toward the comprehensive elimination of whole classes of nuclear weapons in the future. It has several serious shortcomings, however. This country's State Department was reported in Saturday's New York Times to have opposed the Reagan proposal. Why? First they said it would never win Soviet acceptance. Why not? Because the Soviets already have produced and deployed extensive mobile missiles in their SS-24 and SS-25 missiles. We have not significantly-produced or deployed Midgetman.

Second, the Soviets would have every reason to resist ending their mobile missile program. Here is why: More than 70 percent of Soviet missiles are land based. Most of these are stationary and therefore highly vulnerable—in fact, sitting ducks. The Soviets have started to correct that. The mobility of their new missiles has begun to give the Soviet deterrent a much greater survivability. How about the effect of a mobile missile ban on this country? Answer: the effect would be minor. Consider: about three-fourths of the U.S. nuclear deterrent is submarine and bomber based. These missiles are mobile, but they would be excluded from the Reagan proposal because they are not land-based mobile. So the President's proposal would be very advantageous to the United States and very disadvantageous to the Soviets.

We have far, far more submarine-based nuclear charges than the Soviet Union has, far more.

Second, such experts as Senator ALBERT GORE and House Armed Services Chairman LES ASPIN have fought hard to achieve the Midgetman mobile missile the President would now negotiate away. Why do GORE and ASPIN favor a U.S. mobile land-based missile? Because Midgetman would presumably carry a single warhead on each mobile

land-based missile. This would have the disadvantage of high cost, but the very great advantage of maximum invulnerability. Midgetman could survive a nuclear attack. Why? Because the missiles would be both numerous and constantly moving, therefore virtually impossible for an adversary to mount a first strike that would entirely eliminate this mobile and numerous Minuteman deterrent. If the President were to succeed in persuading Secretary Gorbachev to agree to a ban on mobile missiles, while retaining the huge U.S. submarine and bomber advantage—our bomber advantage is about 5 to 1 in nuclear deployment—in nuclear weapons deployment, it would be a truly astonishing military coup for this country and, of course, for the Reagan administration. That is exactly why no one should hold his breath until Secretary Gorbachev agrees to it.

Mr. President, in spite of this gloomy assessment, there is still genuine hope. After all, no one expected the Reagan administration to become the preeminent champion of arms control. It is easy for this Senator or any other critic to point to the feeble prospects of stopping the arms race with the kind of proposals we have seen so far. But this administration is far and away the most hostile to arms control of any that has occupied the top office in the United States since the dawn of the nuclear age. Now it is making specific proposals to reduce nuclear arsenals on both sides. That fact indicates the remarkable and enduring political strength of arms control sentiment in this country. The long-term future for arms control given that underlying American public opinion support could eventually provide a genuine and effective arms control agreement between the two superpowers.

MYTH OF THE DAY: A DROP IN FARM PRICES FOR MILK MEANS LOWER CONSUMER MILK PRICES

Mr. PROXMIRE. Mr. President, a myth persists that a drop in farm prices for milk means lower consumer milk prices. This is a myth, pure and simple. The fact is that a drop in farm prices for milk does not mean lower consumer prices.

Let us look at what the facts reveal. The dairy price support level was frozen at $13.10 per hundredweight from October 1, 1980, up to December 1, 1983. Since December 1, 1983, there have been three price support cuts totaling $1.50 per hundredweight, a devastating plunge of over 11 percent.

So since 1980, with inflation going up, the farmer has gotten less, substantially less.

Mr. President, what has happened to farm milk prices since October 1, 1980? They have dropped a whopping 8 percent.

But what about consumer prices during that same period? While farm prices for milk have been dropping, here is what has been happening to consumer prices for dairy products:

Whole milk retail prices have increased 6.3 percent; butter retail prices have increased 8 percent; cheese retail prices have increased 16.8 percent; and ice cream retail prices have increased 22 percent.

And listen to this, Mr. President: If the changes in the farm price for milk had been matched by changes in retail prices, the consumers of America would have saved over $10 billion since October 1980.

That $10 billion has gone right into the pockets of the processors.

These figures make it crystal clear that reductions in farm milk prices have not been passed on to consumers. Those who say otherwise are myth-makers.

PETS IN HOUSING

Mr. PROXMIRE. Mr. President, a study of housing managers in the State of California, carried out by researchers from the University of California, Davis, shows that pet ownership has not created problems in government-assisted housing. Housing managers, in fact, reported overwhelmingly, that the introduction of pets under a State law passed in 1982 has proceeded smoothly. The study found that anticipated problems have not developed. It found that housing managers give senior citizens excellent grades for being responsible pet owners.

These findings, I believe, confirm the action taken by the Congress in approving the senior citizen pet ownership provisions which I introduced and are contained in the 1983 Housing Act.

I still get letters from housing managers saying what a terrible thing this is, how inconvenient it is, and how inconsiderate it is to other people who occupy housing units that do not have pets. But this study, a well-documented study, shows that this has worked out well.

Of the 50 local housing authorities affected by the California pet law, which, like the Federal law, permits pet ownership 25 reported positive effects from the legislation, while 17 reported no noticeable change. Only 8—out of the 50 surveyed—attributed negative effects to the legislation.

I think it is significant that the housing authorities which reported that implementation of the pet law is going smoothly are the authorities that had most of the pets. They also were the authorities which had taken an active role in carrying out the law. In contrast, authorities that had fewer pets and did little to implement the law, reported more problems. These findings suggest to me, Mr. President, that naysayers are not only wrong, they invite problems.

The researchers found that housing authorities which adopted clear pet policies and enforced them, and brought together the available community resources which support pet ownership, had few compliants about residents having pets. Their experience suggests that a housing management that: First, adopts clear rules for keeping pets; second, implements them consistently and reasonably; third, makes available basic information about pets—for example, which breeds are most suitable—and responsible pet ownership—for example, elevator etiquette—and fourth, assists in recruiting resources provided by community groups such as the local humane society, and local veterinary, animal welfare and pet owner associations is going to find that pet ownership helps make senior residents happier people—and better tenants.

Managers reported that senior residents owning pets benefited from the companionship of the pet, showed positive changes in mental attitudes, exercised more regularly, felt more secure, and generally enjoyed a more humane environment. This is exactly what supporters of this legislation predicted.

At the same time, researchers reported "* * * managers commonly volunteered that the problems they had anticipated, such as personal injury, noise or property damage to carpets, drapes, or furniture simply did not arise. There was a recurring theme of surprise and amazement that the legislation has proceeded so smoothly."

Mr. President, this study of the effects of pets in governmentally assisted housing conducted by Dr. Lynette A. Hart and others of the University of California, Davis, is one of the first to be conducted since Federal and State legislation was enacted to bar discrimination against pet ownership in assisted housing. Dr. Hart is now completing a more detailed study. Other researchers I am sure, will add to our information in the future. While I know we have much to learn in this area, I am confident that what Dr. Hart found in California will hold true in the other 49 States: pet ownership makes good sense in housing the elderly—both for the elderly and for housing managers.

A SEASON OF EXPECTATION

Mr. PROXMIRE. Mr. President, in a September 24 letter to the New York Times editor, Avital Shcharansky pleaded with our Nation to intervene on behalf of her husband. Mrs. Shcharansky left the Soviet Union in 1974. Her husband still remains there with 400,000 other Soviet Jews held captive.

Her husband, Anatoly Shcharansky, was refused a visa in 1973. In 1977, Mr. Shcharansky was sentenced to 3 years in prison and 10 years of hard labor. Now in a work camp, his life is a misery of confinement, poor health, and isolation. His crime was his involvement in organizations monitoring the Soviet Union's compliance with the Helsinki accords.

Avital Shcharansky hopes that in this time of international summitry, the rights and lives of hundreds of thousands of Soviet Jews may also be considered. She calls this time in history a "season of expectation."

I am also hopeful that in this "season of expectation" we can once again consider the fate of the Genocide Convention. As the terrible predicament of Anatoly Shcharansky attests, there still remains a widespread and ugly expression of religious and racial prejudice in our world.

The Genocide Convention condemns this kind of despotic denial of human rights. The convention further restricts similar situations from escalating into actual acts of genocide. Even now, Anatoly Shcharansky's health dangerously weakens from poor diet and abhorrent living conditions.

Perhaps Mrs. Shcharansky is right. These are hopeful times; and I hope that my colleagues share my expectation.

Let us push for the prompt ratification of the Genocide Convention. Let us take action before this "season of expectation" fades into a winter of doubt.

RECOGNITION OF SENATOR GORE

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee [Mr. GORE] is recognized for not to exceed 15 minutes.

Mr. GORE. I thank the Chair.

U.S. STRATEGIC GOALS

Mr. GORE. Mr. President, as we approach the summit meeting between President Reagan and Secretary Gorbachev, I felt it would be useful to review the goals we have been pursuing in our country since World War II. There have generally been three strategic goals possible. No. 1 is superiority; No. 2 is equality, also described as parity; and No. 3 is stability.

In the early years of the nuclear arms race, we had unquestioned nuclear superiority. In recent years, as the Soviet Union has matched the nuclear arsenal of the United States, we have formally rejected the strategic goal of superiority. Interestingly, last year, at the Republican National Convention, there was a debate over whether or not the word "superiority" should be included in a statement of our goals for strategic policy. The White House agreed with those who wished to delete that word, "superiority," and in a press conference, President Reagan confirmed that his personal view is that the United States should not now seek nuclear superiority over the Soviet Union.

So what are the other two goals, equality and stability? For the last decade our tacit goal has been equality or, stated another way, parity. If we cannot achieve superiority in the nuclear arms race, then at least we could achieve equality and maintain parity. This has been thought to be important for a number of reasons, not least among them the fact that political consequences flow from an absence of equality or parity.

But in the last several years many have come to realize that the strategic goals of equality is by itself insufficient. That is because even in a condition of equality one nation can conceivably acquire an advantage from launching a first strike. This is because the introduction of highly accurate multiple warhead missiles has made it possible for one missile in the arsenal of one superpower to destroy several missiles in the arsenal of the other superpower. Both nations use the rule of thumb which states that at least two warheads must be used to destroy a missile silo. This is a function of reliability as well as accuracy and is generally accepted by both sides.

In the future the introduction of maneuverable reentry vehicles and terminal guidance systems may eventually change that rule of thumb, but for the time being the two-for-one rule is accepted by both nations.

If you look at a simple example, therefore, you can see how equality does not necessarily produce stability. Imagine a simplified strategic relationship where each nation had only three missiles in its arsenal. Each of these missiles within the example is based in silos and each is equipped with six highly accurate multiple warheads. Within the terms of this example, the two nations have forces that are equal in power, equal in every respect. Yet the nation which launches one of its missiles first has the theoretical ability to apportion its six warheads among the three silos on the other side using two of them to destroy the first, two of them to destroy the second, and the remaining two to destroy the third. In the aftermath of such a theoretical first strike, the nation launching first would have two-thirds of its missile force retained. The other nation would have none of its forces remaining.

That is said to be an unstable situation. If the nation launching a first strike can gain a clear advantage from launching that first strike, then one does not have stability. Within the terms of the example I have just cited, the two nations were equal in every respect, but the relationship between them was highly unstable because either nation could gain an advantage from launching a first strike.

So the second strategic goal, that of equality or parity, is by itself insufficient if our ultimate objective is to reduce the risk of nuclear war.

The third goal, that of stability, is the one we should be pursuing. The Scowcroft Commission assisted in the formation of a concensus in this country that rested on a rather precise definition of the term "stability." Stability can be defined as the absence of first-strike advantages. A stable strategic balance can be found when the relationship between the arsenals of the two superpowers makes it impossible for either one of them to gain any conceivable advantage from a first strike. The means for achieving this relationship is to reduce the ratio of accurate warheads on one side to weapons that are targeted on the other side.

Stated another way, our objective is to increase the price of attack to the aggressor. The price to attack can be measured in the number of warheads required to eliminate the strategic forces of the other side. If we simultaneously reduce the number of warheads targeted on the forces of the other side and increase the number of targets which the other side has to aim at, then we are moving toward strategic stability.

This problem is not merely theoretical because for the last 20 years in the United States our strategic dialog has been shaped by the fear of a Soviet first strike against our land-based missiles. The scenario which generates that fear is, of course, wildly unrealistic, but many, including prominently President Reagan, have cited a theoretical Soviet first strike against our land-based missiles as the principal reason for instability in our strategic relationship with the Soviet Union.

The Scowcroft Commission recommended a solution for this particular instability, a combination of arms control, a limited deployment of MX missiles, and the deployment of a new mobile single warhead missile. Calculations recently completed underscore the wisdom of the Scowcroft Commission's recommendations, for these calculations demonstrate that deployment of a mobile single warhead missile in hardened mobile launchers on military reservations of 5,000 square miles would raise the Soviet Union's cost to attack that missile force to a level about the number of warheads owned by the Soviet Union and far above the level they would retain after an agreement to reduce their warheads.

Yet, in our counterproposal to the Soviet Union, revealed in the news media over the weekend, the administration is recommending that we reject the advice of the Scowcroft

Commission and abandon the strategic consensus that has been built up over the last 3 years.

I am told by officials within the administration, speaking privately, that General Scowcroft and members of his commission were not consulted. I am told also that Dr. John Deutsch and members of the panel recently appointed by the President to review the status of the Midgetman missile were also not consulted. I know for a fact that those within this body and the other body who have worked closely with the President for the last 3 years in strengthening the strategic consensus were also not consulted.

Thus, the strategic consensus so carefully and deliberately constructed over the past 3 years was carelessly tossed aside.

Mr. President, I hope that the signs of optimism which accompany the daily news stories about the upcoming summit meeting will prove to be realized and that we will have an agreement that sharply reduces the risk of nuclear war. I am concerned, however, that in a democracy, one cannot sustain a bipartisan strategic consensus by making frequent and rapid U-turns, without consultation and without forethought.

The hopes and dreams of every American will accompany President Reagan when he goes to Geneva November 19 and 20. One can hope that the blueprint he has outlined will result in an agreement. If it does not, however, we shall have to continue in our efforts here at home to build a strategic consensus that supports modernization and continued arms control efforts, and I fear that that will be more difficult in the wake of the decisions announced over the weekend.

Mr. President, I hope to elaborate on some of these ideas in other addresses to this body throughout the remainder of the week.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR BAUCUS

The PRESIDING OFFICER. Under the previous order, the Senator from Montana is recognized for not to exceed 15 minutes.

SEPTEMBER, 1985 TRADE FIGURES

Mr. BAUCUS. Mr. President, this administration sees the trade issue as a political problem to sweep under the rug.

I see it as an economic problem to confront head on.

Last Thursday the Census Bureau released the U.S. trade figures through September 1985.

Those figures revealed once again that the current administration does not have a trade policy.

The figures showed that the trade crisis facing our Nation has reached record levels. The September deficit was $15.5 billion, the highest monthly deficit on record.

And the problem is getting worse.

In the first 9 months of this year, the accumulated deficit reached $106.6 billion. That figure is $11.1 billion above the same period last year.

The problem is getting worse on a country-by-country basis as well.

The trade deficit with Japan was $5.1 billion, a record for any 1 month.

Japan's trade deficit for all of 1984 was $37 billion. This year, we have almost reached that level in 9 months.

The deficit with Canada rose to $2.1 billion. The August figure was only $1.4 billion.

But, Mr. President, the September trade figures were not the only significant trade release issued last week.

Last week the USTR, pursuant to legislation passed by Congress last year, issued a report listing all unfair trading practices engaged in by our foreign trading partners.

That report demonstrated dramatically one reason why the September trade figures were so appalling.

The report listed 227 separate restrictions on American exports. That is 227 good reasons why this administration needs to adopt a coherent, aggressive trade policy.

There are a number of reasons for the frightening trade problem we face—the dollar is overvalued and the budget deficit is too high, among others.

But the USTR's report is a dramatic reminder that an important source of the problem is unfair trade barriers.

It is no coincidence that the largest number of restrictions, 31, were imposed by Japan, the country with whom the United States has the largest trade deficit.

It is no coincidence that our exports are declining when Korea makes it illegal for Korean citizens even to possess a U.S. cigarette.

It is also no coincidence that we are losing foreign markets when Taiwanese tariffs often range from 50 to 75 percent.

Mr. President, this catalog of unfair trading practices reminds us why we must demand a fairer world trading system.

The September trade figures remind us that the administration has failed utterly to take that action.

Today I call on the administration to come forth with a coherent, aggressive trade policy.

If it does not, these monthly trade figures will continue to be a monthly national nightmare.

THE FARM CREDIT SYSTEM MANAGERS

Mr. BAUCUS. Mr. President, on another matter, I wish to say a few words about the Farm Credit System.

Over the last few weeks officials of that System have been extremely vocal about the financial plight of the System and about the need for Federal assistance.

Donald Wilkinson, Governor of the Farm Credit Administration, has pegged the amount needed to rescue the Farm Credit System variously between $5 and $10 billion.

We in Congress are inclined to look with favor at proposals to extend financial assistance to the System because of our concern for the farmers of America. The Farm Credit System holds one-third of all farm debt. We must be concerned about that debt.

We do not yet have good figures on the extent of the problem the level of financial and that will be necessary. We await final audit figures. But we are certainly sympathetic.

However, this weekend we discovered that at the very moment when Farm Credit System officials have been pleading for Federal aid, they also have been awarding themselves handsome raises. According to press reports these raises have ranged up to 140 percent over the last 5 years. Who among us would not like to be able to say our salary had more than doubled since 1980?

Let us be clear here. This is not a case of badly underpaid officials finally catching up. Salaries in the Farm Credit System look pretty good. At least one regional chief reportedly earns nearly $190,000.

I would like to know how many farmers have net incomes of $189,000?

There is little dispute that some of the Farm Credit System's problems stem from poor management. Should those in management positions be paid such large sums? Should they be rewarded with magnificent raises?

Mr. President, this is a private system. The salaries it pays its employees are not set by government. But this kind of behavior; this callous disregard for the plight of the system's constituency is inappropriate. It can only make us more suspicious.

These stories only reinforce my belief that reform must accompany any financial assistance.

I have introduced legislation that both strengthens local control and requires better financial management. My proposal mandates the use of gen-

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erally accepted accounting principles and the conduct of annual audits.

In addition, my legislation calls for the establishment of a Federal Farm Credit Insurance Corporation (FFIC) along the lines of FDIC and FSUC.

My bill recognizes that the Farm Credit System must have the confidence of its farmer borrower-shareholders and of the financial markets. It must be well run.

Mr. President, I hope that the Senate passes my bill, or a vanation of it. Certainly I'm open to suggestions to make it better. The bottom line is the Federal Farm Credit System needs not only financial assistance, but also reform.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 10 a.m. with statements therein limited to 5 minutes each.

The Senator from New Hampshire.

MIROSLAV MEDVID

Mr. HUMPHREY. Mr. President, over the last week or so the Senator from New Hampshire and a number of others in both Houses have been struggling desperately to convince the administration to reopen the case of the Soviet seaman, Miroslav Medvid.

In that connection I shall read into the RECORD a letter issued late yesterday afternoon by the President of the American Federation of Labor and Congress of Industrial Organizations, Mr. Lane Kirkland. The letter is addressed to the President, dated November 4.

DEAR MR. PRESIDENT: I am writing to you regarding the very urgent matter of Miroslav Medvid, the young Ukrainian sailor who was returned by the U.S. Border Patrol to the Soviet ship, the Marshal Konev.

Since his return to Soviet hands sufficient evidence has arisen to suggest that Mr. Medvid has in fact clearly sought political asylum but that his intentions were not properly conveyed to U.S. immigration officials.

Mrs. Irene Padoch, a translator for the Immigration and Naturalization Service, has indicated that Mr. Medvid had asked U.S. authorities for political asylum.

Moreover, there is reason to believe that before his second interview, he was subjected to severe coercion and threats at the hands of Soviet authorities.

Because this matter appears to be the source of a great deal of uncertainty and because there is the danger that an unconscionable injustice may be perpetrated, I urge you to act now to allow Mr. Medvid to be removed from the Marsal Konev so that he can clearly and freely state his views to U.S. authorities.

If Mr. Medvid truly wants to return to the USSR, there can be no reason for the Soviets to deny him the opportunity to say so clearly and unequivocally. If, on the other hand, he wishes to seek asylum he ought to be permitted the opportunity to do so.

Your intervention would help to alleviate widespread public concern that a terrible mistake and grave injustice may have been committed in this matter.

The stakes in this case are high. We need recall the case of the Lithuanian sailor Simas Kudirka, who through an error was returned to Soviet authorities. Mr. Kudirka was subsequently sentenced to a decade of imprisonment for having sought freedom.

I urge you to act to see that justice is done and Mr. Medvid does not suffer the fate of Simas Kudirka. Such action is important because it would send a clear signal that the U.S. is ready to protect any Soviet citizen who risks his life in the hope of gaining freedom on our shores.

Sincerely,

LANE KIRKLAND,
President.

Mr. President, I need not remind my colleagues that the AFL-CIO is a powerful and large organization, an organization which has substantial legal resources available to it. I am certain that Mr. Kirkland would not have issued this plea to the President to reopen the case without having been advised that there is substantial grounds for such a reconsideration, without having been so advised by his staff attorneys.

I think it adds yet another substantial weight to those efforts to reopen the case, and I urge my colleagues to phone the White House, sign the letter which has been circulated and is still circulating, to sign a letter urging the President to reopen this case.

I also advise my colleagues if they are unaware of it this afternoon at 2 p.m. the Immigraiton and Refugee Policy Subcommittee of the Judiciary Committee will be conducting an open hearing on this very matter, that is, the case of the Soviet seaman Miroslav Medvid, and that will be in room 226, Dirksen Office Building.

THANK YOU TO VOLUNTEERS FOR KIDS HOT AIR BALLOON RALLY

Mr. THURMOND. Mr. President, I should like to take this opportunity to commend a group of dedicated volunteers for their outstanding and successful efforts in the first annual "KIDS Hot Air Balloon Rally" which took place June 7-9, 1985, in Leesburg, VA. KIDS, Inc., is a national, nonprofit charitable organization whose goal is to fulfill the wishes of 100 gravely ill children this year. Toward this purpose, 27 balloonists and their crews, a host of volunteers, a number of generous sponsors, and civic emergency unit teams all worked diligently to ensure that the KIDS Balloon Rally was both safe and enjoyable for the several thousand spectators who attended.

I particularly wish to commend Capitol Hill Police Officer Bob Fitzpatrick, who served as master of ceremonies, and Ms. Pat Perry of Congressman JIM WRIGHT'S office, who organized the accompanying attractions at the rally. Capitol Hill Police officers Bill Dirks, Tom Galifaro, and Bob Dindorff; Mrs. Beth Fitzpatrick; Mr. Rick Pasciuto; and Ms. Tammy Rives all volunteered an enormous amount of time and effort to make the event a success.

Sponsors of the organization and event include Anton Motors; BDM International, Inc.; the Adolph Coors Co.; Gould Electronics, Inc.; Hughes Aircraft Co.; Kodak; McDonnell Douglas; R.J. Reynolds Tobacco Co.; Rockwell International, Inc.; and the Virginia Financial Group. The Loudoun County Volunteer Fire Department and Rescue Service, and the Leesburg and Loudoun County Sheriffs' departments all donated time and effort to ensure that the event was safe for all involved. In addition, many balloon pilots donated their prize money back to KIDS. As a member of the board of advisors for KIDS, Inc., I extend my congratulations on an outstanding event to all who worked so industriously and gave so generously to assist children who cannot assist themselves.

EARL DOVE ELECTED CHAIRMAN OF THE AMERICAN TRUCKING ASSOCIATION

Mr. HEFLIN. Mr. President, I have recently learned that a fellow Alabamian, S. Earl Dove of Dothan, has been unanimously elected to serve as chairman of the American Trucking Associations.

Earl, chairman of the board of AAA Cooper Transportation, is a past first vice chairman, vice president at large, and Alabama vice president to ATA. In addition, he has served on the ATA special carrier committee to study the structure of the association, and as chairman of the Dues Restructure Committee.

Earl has lived most of his life in Dothan, and has been involved in trucking most of his life. In 1972, he and his brother brought their father's interest in AAA Cooper, which was founded in 1955.

Besides his involvement with the American Trucking Associations, Earl Dove has served as chairman of the Alabama Trucking Association. In 1982, that group named him to receive their Distinguished Service Award.

Mr. President, Earl has also been active in his community and State. He serves as a member of the advisory panel to the University of Alabama's Chair of Transportation, and is a member of the board of trustees of Mobile College. In 1982, he was named a distinguished alumnus of the University of Tennessee. Earl is a director of the Alabama Baptist Foundation and

is active in the First Baptist Church of Dothan and other civic projects.

Mr. President, Earl Dove has done a great deal for both his State and his industry. His recent honor is certainly well deserved, and I would like to commend my friend for it.

I ask unanimous consent that an article from the Dothan Eagle be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOTHAN MAN NAMED TO TRUCKING BOARD

S. Earl Dove, chairman of the board of AAA Cooper Transportation of Dothan, was unanimously elected chairman of American Trucking Association in Honolulu, Hawaii, Thursday.

ATA is the national federation of the trucking industry, with an affiliate in each state, representing all types of carriers, both private and for hire.

Dove's connections with the trucking industry, at both state and national level, go back many years. Formerly first vice chairman, vice president at large and Alabama vice president to ATA, Dove has been in trucking all his life. At age 14, he took his first job handstuffing freight bills. In 1972, he and his brother, Mack, bought their father's interest in AAA Cooper, which was founded in 1955.

In recent years, Dove has served on two major ATA committees—the special carrier committee to study the structure of the association, and he chaired an outgrowth project, the dues restructure committee.

In addition to serving ATA directly, Dove has been an active participant in the affairs of several of its affiliated conferences. He is a member of the board of governors of the Regular Common Carrier Conference, and is chairman of its Economic Research Committee. He also is a member of the Regional and Distribution Carriers Conference.

In Alabama, Dove has served as chairman of the Alabama Trucking Association after holding each of that group's other elective offices. He was awarded the Alabama Association's Distinguished Service Award in 1982.

Although he was born in Los Angeles, Dove has lived most of his life in Dothan. After finishing high school, he attended the University of Tennessee, from which he graduated with a degree in transportation. In 1982, he was awarded the school's Distinguished Alumni award.

Dove is an advisory panel member to the University of Alabama chair of transportation. He also is a member of the board of trustees of Mobile College.

Dove is director of the Alabama Baptist Foundation and is active in the First Baptist Church of Dothan and other civic projects. He also served in the U.S. Air Force and remains a skilled pilot.

He and his wife, Bobbie, have two sons and two daughters, all grown, and two grandchildren.

A PROFILE OF SENATOR JOHN C. STENNIS

Mr. MOYNIHAN. Mr. President, most Members of this body are relatively new to the decorum and tradition in which the Senate and its work are steeped. After a short time, of course, we learn the ways of the Senate and adjust to them.

There are those among us, however, who are not new to these grand and historic traditions; they are in fact a part of them. A few of our distinguished colleagues have served here through generations, and to those senior Members of the Senate, we owe our deepest respect.

I was particularly pleased to read in this morning's New York Times an article about the distinguished senior Senator from Mississippi, Senator JOHN STENNIS. This profile of Senator STENNIS pays tribute to the exceptionally fine character and integrity of the man whose wisdom and ability we all know so well. This month, the Senator from Mississippi will pass Richard Brevard Russell's record of 38 years and 9 days as a Member of this body, making him second in seniority only to the great Senator Carl Hayden of Arizona. As that tremendous milestone approaches, I should like to salute our revered colleague from Mississippi. Mr. President, JOHN STENNIS is an inspiration to all of us, and I ask that the article "Wisdom in Judgment, 38 Years in the Making" from the New York Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 4, 1985]

WISDOM IN JUDGMENT, 38 YEARS IN THE MAKING

(By Steven V. Roberts)

WASHINGTON, November 3.—When Senator Richard B. Russell died in office on Jan. 21, 1971, he had served in the Senate for 38 years and 9 days. That record placed the Georgia Democrat second on the Senate's seniority list behind Carl Hayden of Arizona, who held office for more than 41 years.

Today, Senator John C. Stennis of Mississippi occupies Mr. Russell's old office and sits at Mr. Russell's old desk, a huge mahogany table that easily seats a dozen Senators. The office building is named for Mr. Russell, one of the most respected legislators of his generation.

On Nov. 15, Mr. Stennis will pass Mr. Russell's record, and while the Mississippi Democrat takes pride in his longevity, he does not want any fuss made about it.

ALL-AROUND A STATESMAN

"With all deference to everyone," Mr. Stennis said the other day, "Russell was the No. 1 man that I have been associated with in all this tenure in the Senate. He was all-around a statesman and a gentleman and a very able man."

Today, many legislators would use the same words about Mr. Stennis. He is the undisputed patriarch of the Senate, a teacher to younger members and a conscience for the entire institution. He seldom makes national headlines, but he wields considerable influence in the Senate itself. And that influence comes from the quality of his personal judgment, not from the quantity of his television appearances.

Mr. Russell noticed Mr. Stennis in his first year in the Senate, when the young Mississippian wrote a report on a civil rights bill. As a result, Mr. Russell picked Mr. Stennis to lead off the floor debate for the Southern bloc, an unusual honor for a junior legislator.

IT WAS UNTHINKABLE

"Well, good Lord, the telephone went ringing around at my office, the press was calling," Mr. Stennis recalled with some glee. "The word had gone out that I was going to open the debate. It was unthinkable."

Within a year or two, Mr. Russell had found places for his protégé on his own committees, Appropriations and Armed Services. "Well, the vacancies were there, and he just filled them about the way he wanted," Mr. Stennis recalled. "He was a great worker, but he needed somebody of similar thought along with him, I think."

Those common ideas included unswerving support for the military, and for the President, particularly in foreign policy matters. Mr. Stennis was shaped by the post-World War II era, before Vietnam and Watergate soured the relationship between the White House and Capitol Hill, and today he says that he never tries to "second guess" a President.

I LEAN WITH THE PRESIDENT

"I lean with the President on our system of Government," said Mr. Stennis, in terms that many modern Senators would consider old-fashioned. "Makes no difference who he is. I would back those fellows on a lot of things."

Mr. Stennis also shared with Mr. Russell a Southern viewpoint on race relations, and he did not vote for his first civil rights bill until 1982, when he was running for re-election. But he has adjusted to the changing climate of his home state and now runs well among black voters.

The Senator has also seen many changes in the Senate, and in his view, most of them have been for the worse. He remembers the Senate of a generation ago as a "well-ordered parliamentary body that operated strictly under the rules."

MORE TIME ON OTHER TASKS

Today, Mr. Stennis asserts, the legislative load in fields like education and health has grown enormously. Constituents are able to hop on an airplane and demand a slice of their Senator's day. And the skyrocketing cost of campaigning causes legislators to spend more and more time raising money.

"So we are not the deliberative body that we were," the Senator added. "It is a rush job all the time."

Mr. Stennis came to a Senate dominated by barons like Mr. Russell, who had patiently worked their way up through the seniority ladder. Now that he is at the top of the ladder, however, Mr. Stennis finds himself surrounded by a new breed of legislators, who refuse to wait their turn or hold their tongue.

"I am not blaming them," he said of his junior colleagues. "They come here on the average well-educated. But they don't have the maturity, if I may use that term. They don't have the experience in public affairs that the old-timer had. It takes time to mature."

NOW THEY'RE BENDING RULES

Moreover, Mr. Stennis added, some of these newcomers have become so adept at "bending the rules" that at times, the Senate seems paralyzed, a giant enmeshed in its own traditions of unfettered debate.

Perhaps, the Senator mused, the lack of maturity on the Senate floor is related to the changing atmosphere in the cloakroom,

the private precinct just off the Senate floor.

"Well, we used to be back there quite a bit and talk to each other, explain bills to each other, ask each other questions about matters they saw in the press, and we would train and educate each other," Senator Stennis recalled. "Well, I was in there not long ago and there were about 14 Senators in there. And there wasn't a soul talking to each other. They were all looking at the television."

HE GOT 60 PERCENT OF VOTE IN 1982

Mr. Stennis faced a stiff challenge for reelection in 1982, but he raised almost $1 million, made his first television commercials, and would up winning over 60 percent of the vote. Last year, his left leg was removed because of a malignant tumor, but his health seems sound and if he wants to run again in 1988, his seat is probably safe.

Asked for his reflections on his impending milestone, Mr. Stennis replied: "Well, I am proud that I did have the opportunity to become a member of the Senate. I've expressed it one time that my work is my play, and my play is my work. I used to think a man that was in his 80's was an old man, but I've changed my mind about that."

Then his weathered face crinkled into a smile. "I may make a career out of this thing yet," said the patriarch. "I'm thinking about it."

SOUTH AFRICA

Mr. LAXALT. Mr. President, I call attention of my colleagues to one of the best articles written recently in the American press about the situation in South Africa, an article by Ms. Karen Elliott House in the Wednesday, October 30, 1985, Wall Street Journal. Ms. House, the Journal's foreign editor, could never be accused of being proapartheid, as many here in Congress have been labeled because we want to see a peaceful solution to the problems within South Africa wherein individual rights of all peoples, regardless of race, would be protected.

Many in both bodies of Congress have seen the struggle in South Africa simply as a civil rights struggle, reminiscent of problems within our own country during the 1950's and 1960's. Fortunately, as the polls have shown, even polls among black voters, most Americans have been discerning enough to know that there was more there than meets the eye. This sixth sense, which more often than not serves the American people well, is now creeping into the consciousness of many in the House and Senate who voted so quickly for economic sanctions against the South African Government only a few months ago.

I now believe that Members of both parties—and both Houses—are much more willing to consider all the complexities of the situation in South Africa. For that reason, I and my colleague from Wyoming [Senator WALLOP], commend the reading of this article to them.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Oct. 30, 1985]

DON'T PUSH SOUTH AFRICA TO THE WALL

(By Karen Elliott House)

PRETORIA.—It's a whole lot easier to exert public political pressure than it is to fashion political solutions.

Nowhere is this so evident as in South Africa today, where the U.S. is trying to put the political and economic screws to the white Afrikaner government to speed the dismantling of apartheid and force the sharing of political power with the country's black majority.

But two weeks of travel throughout South Africa indicates the pressure isn't working. Indeed, it's having precisely the opposite effect. America's political strictures and economic sanctions have simply served to harden the attitudes of those who hold power, to raise unrealistic expectations among those who seek power, and to damage the economic fortunes and futures of the great majority of South Africans caught in between.

There is little doubt that this society and its abhorrent system of apartheid are going to change. Even the most hard-line Afrikaners see the handwriting on the wall and are talking about reaching accommodations that will leave the segregated in some white "homeland" enclave much like those apartheid has created for the blacks. Less militant whites—and there are many more of these—hope for a multiracial society inevitably ruled by the black majority, but with some protection for white and other minorities. The only real issue here is when such change will take place, not whether, and the when is a matter of years, not generations. Yet in its rush to hasten change, America risks pushing the South African economy further along a downward spiral so that there will be little left for the victors to inherit.

CLINGING TO SURVIVAL

Already the signs of suffering are everywhere as South Africa's economy, plagued by continued drought and depressed gold prices, grinds to a virtual standstill. In New Brighton, the bleak, black township near Port Elizabeth, a black man in his 40s has fashioned a makeshift outdoor barber shop from two pieces of rusted metal.

It's midafternoon and the wind is whipping garbage down the unpaved streets as the barber finally gets to shear the head of his first customer. In a good week, the barber earns 20 rand, or about $8, barely enough to buy a bit of food for himself, his wife and five children. Until a year ago when the construction firm where he worked closed, he earned 200 rand a month. The barber is just one of many clinging to survival in an area where black unemployment is estimated at 60%.

The government has announced a 600 million rand employment program and promises sharp jumps in spending for better black schools and housing. But if these promises are to become a reality, South Africa's economy must grow—and grow faster than the population, which is increasing 3% a year.

Businessmen and government officials all agree that the maximum economic growth possible without foreign investment is 3%. In other words, just enough to preserve the status quo; not enough to improve the lot of blacks.

To the extent that a bigger slice of the pie for blacks comes at the expense of whites—and it must if the pie isn't expanding—racial tensions are bound to rise. Sanctions and disinvestment cripple the economy, and the greatest pain is borne by its weakest and most marginal members—who are black. This obviously breeds frustration, anger and violence. The violence erodes international confidence in the economy, lending to further reductions in investment that lead to more layoffs, more anger and more violence.

In short, it's easier to sit in America and argue the moral justification for applying economic pressure to South Africa than it is to walk through the streets of New Brighton or Soweto and see the mounting practical effects.

Beyond all this, the U.S. insistence on economic sanctions and disinvestment also is hardening the right wing, which, like it or not, holds the reins of power in South Africa. Enlightened self-interest should lead the government to continue and accelerate reforms. And, in fact, it has. The decisions over the past two years to give the vote to coloreds and Indians, to legalize mixed-race marriages and to allow black labor unions all are due more to internal economic realities than to external pressure. "They [the Afrikaner establishment] discovered they couldn't run the country alone," says Zach de Beer, a director of Anglo American Corp. and a consistent critic of apartheid.

Undeniably, South African President P.W. Botha is a man of limited vision. And he shows little understanding of the seriousness of the economic situation. During a recent interview he repeatedly insisted that the continuing decline of the rand isn't the result of dwindling international confidence in South Africa but rather the result of a rising dollar. (In recent weeks, of course, the dollar has been declining.)

But from all appearances and in the view of many thoughtful South Africans, Mr. Botha is a spent force. He has gone as far as he can go with admittedly limited reforms, which still don't tackle the heart of this humiliating system of racial segregation. Now he wastes his time being bitter that instead of praise, he receives only increased pressure from America. The betting is he'll step aside in a year or so. Given pressures inside the ruling National Party, as well as those from its liberal opponents and the business community, more significant reform seems inevitable though probably still slower than Americans and black victims of apartheid would like.

Regardless, Americans should resist the impulse to try to force a faster pace of change. Already, righteous rhetoric in Congress and presidential pronouncements about the impending doom of apartheid are creating unrealistic expectations among blacks.

And that worries even apartheid's more ardent opponents. "Blacks are getting the idea that external pressure and the nongovernability of the townships will give them victory just around the corner," says Helen Suzman, a tiny but tough woman in her 60s who is the longest sitting member of Parliament and the grande dame of anti-apartheid. "The risk is that Western powers are inadvertently encouraging blacks to launch violence against whites, and then the government is really going to unleash its terrible power on these kids."

A young black man on the Student Representative Council of Peninsula Technical Institute near Capetown says, "We're going to bring down this oppressive, capitalist regime faster than anyone thinks." Why is he so confident? "America is with us," he replies.

But American isn't with them. The Marines aren't going to land in Soweto or New Brighton or any other black township if the South African defense forces, mightiest in all Africa, are unleashed on blacks. All they can expect is a rush to the television cameras by congressmen, Reagan administration officials and American business men to deplore from a safe distance the killings of blacks.

Another reason for the U.S. to forswear more sanctions—and sanctimonious rhetoric—is that, historically, pressure hasn't worked very well. Rhodesia survived nearly 15 years of sanctions. Israel has survived more than 30 years of economic and political pressures from much of the world. Whether it's the Soviet Union or Taiwan, Iran or Nicaragua, no national power structures have proved very vulnerable to economic and political pressures from outsiders. Perhaps if every nation in the world refused any commerce or contact with white South Africa the regime would collapse quickly, but that seems far-fetched in a real world in which even black African nations are openly or surreptitiously trading with South Africa.

The U.S. also should drop its insistence that the white government negotiate with terrorist. It's hypocritical to ask South Africa to negotiate with the African National Congress, which vows the violent overthrow of the white government, when the U.S. doesn't press Israel to negotiate with the Palestine Liberation Organization, because it vows the destruction of Israel. Clearly America isn't standing on principle. It's simply letting domestic politics dictate foreign policy. American Jews and their supporters oppose talks with the proviolence PLO. American blacks and their supporters favor talks with the pro-violence ANC. The point isn't that consistency is necessarily an absolute virtue, but rather that negotiating with terrorist is generally a mistake. Like Yasser Arafat, exiled ANC leader Oliver Tambo, safe in Zambia, repeatedly calls for youths to give their lives for the struggle.

INHERIT THE RUINS

The more the U.S insists on negotiations with the ANC, the more it strengthens the violent extreme and undermines the moderate middle. Indeed, already Mr. Tambo is greeted as a hero at various international gatherings. South African businessmen traipse to Lusaka, Zambia, for a word with the exiled leader, who pointedly repeats his determination to dismantle not just apartheid but capitalism as well. Meanwhile, Chief Mangosuthu Buthelezi, leader of Africa's largest black tribe, the Zulus, is shunned by many South African businessmen and most international groups. Why? Basically, because he's a moderate who, while opposing apartheid, doesn't believe it makes sense to destroy the country in order to inherit the ruins a little faster.

Once the U.S. insists the ANC is the legitimate voice of black Africans, then the ANC becomes the only group with whom the Pretoria government can negotiate if it wants to retain some measure of international approval and investment. Yet the ANC has made it clear it isn't interested in sharing power, just seizing power.

Finally, America must be true to its belief that it is the rights of the individual that are sacred, rather than the interests of any particular group. South Africa long ago made the mistake of structuring its society on the rights, or lack of them, of racial groups. The U.S. shouldn't participate in schemes that simply transfer power from one racial group to another, while still guaranteeing no protection for the individual—regardless of color.

THE BAILEY BROTHERS: A "POLICEMAN'S POLICEMAN" AND A "SHERIFF'S SHERIFF"

Mr. HEFLIN. Mr. President, I rise today, first of all, in recognition of the recently announced retirement of Leo Bailey, police chief of the city of Florence, AL. Chief Bailey, who assumed his position in September 1974, will step down on December 31 because of health reasons.

During his more than 11 years as chief of police, Leo Bailey has shown that he is truly a "policeman's policeman." When he first took over the Florence Department, it numbered 47 officers. Today, largely because of Chief Bailey's leadership, it has grown to be 92 strong, and is well-known for its effectiveness and professionalism.

Chief Bailey's organizational abilities, leadership by example, and talent for attracting other outstanding law enforcement officers to join him in Florence have all contributed to the positive situation he will leave his successor. The new police chief will find a department where each officer has a great deal of pride in his work and his department's reputation, and feels a part of a dedicated, resourceful, and successful team.

I would like to congratulate Chief Bailey on his many outstanding years of service. In addition, Mr. President, as a native of Tuscumbia, which is located just across the Tennessee River from Florence, I want to personally thank the chief for all he has done to help make the shoals area an even better place to live.

At this time, Mr. President, I ask unanimous consent that an editorial from the Florence Times and Tri-Cities Daily regarding Chief Bailey's retirement be printed in full at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Florence Times and Tri-Cities Daily, Sept. 22, 1985]

GOOD JOB, CHIEF

Police Chief Leo Bailey said he's ready to do some fishing. He can certainly leave the Florence police department with a sense of having done the job he was hired to do, and more.

Bailey announced Thursday that he'll retire effective Dec. 31 because of health reasons. He has been incapacitated for several months by a heart attack and a stroke. We are sorry to see him go, but appreciate his putting the good of the department and the city at the forefront of his decision.

Florence owes Bailey a debt of gratitude. During his 12-year tenure, the department has nearly doubled its staff in order to meet the needs of the city. It is a professional department.

And that is the crucial accomplishment during his years. Like all police departments, this one has its ups and downs. But it is a good department. The past dozen years have seen it become even more conscious of its responsibilities to Florence residents. Officers are alert, responsive and courteous in a business where courtesy often demands a superhuman effort. Training is on-going. On the whole, officers are always looking for ways to improve. That adds up to a better department.

Like all good chiefs Bailey has tried to meet the changes that a city inevitably goes through. He has been dedicated to Florence. He put his heart and soul into the work, and his accomplishments are best seen by stepping back and glancing over the years.

The search for a new chief will begin immediately. Whoever gets the job will have a good foundation from which to work, thanks to Bailey.

Mr. HEFLIN. Mr. President, the contributions which the Bailey family have made to law enforcement in Alabama are not, however, limited to those of Chief Leo Bailey, but also include the many achievements of his brother, Sheriff Melvin Bailey of Jefferson County.

Sheriff Bailey's law enforcement career began in 1946, as a member of the Birmingham Police Department. In 1962, after gaining a wide range of experience within the department, he resigned and ran for the office of sheriff. Today, he is working toward the end of his sixth 4-year term, and shows no signs of slowing down.

Sheriff Bailey is regarded as one of the truly outstanding sheriffs in America. On many occasions, he has been called to Washington to testify before various committees on matters dealing with the problems of law enforcement. Just as his brother is truly a "policeman's policeman," Mel Bailey can be accurately described as a "sheriff's sheriff."

During his six terms as sheriff of our State's most populous county, the department has grown to number more than 500 people, with a budget of more than $13 million. Sheriff Bailey has also stressed the inclusion of new technology in the operations of his department. Under his leadership, the department will move into a new criminal justice building next year, along with the district attorney's office, and the judges of the State's tenth circuit court. The sheriff has also stressed the importance of education in fighting crime, encouraging his workers to seek college and advanced degrees, and setting an excellent example by seeking his own degree in political science.

Mr. President, my home State is indeed lucky to have had the benefits of the leadership abilities of the Bailey brothers, a "policeman's police-

man" and a "sheriff's sheriff." I commend them both on their many accomplishments and their civic dedication. Seldom will you see one family produce two people so outstanding in the same field, and I know all of their family and friends join me in these congratulations.

NOMDA AND OFFICE EQUIPMENT MANUFACTURER AGREEMENT

Mr. EXON. Mr. President, I wish to bring to the attention of my colleagues in the Senate the news of a development which I believe to be a positive step for manufacturers, retail dealers, and consumers in the high-technology business equipment industry; a development which in large measure resulted from the Commerce Committee's consideration of legislation I introduced in this and two previous Congresses.

The National Office Machine Dealers Association, known to its friends as NOMDA, has released a dealer/manufacturer statement of principles. This statement of principles was developed by a special task force composed of representatives of five office machine dealer members and six major companies which are associated members of NOMDA.

The statement of principles constitutes a voluntary code of conduct, the purpose of which is to promote, develop and maintain a fair and equitable relationship among manufacturers, distributors, independent office product dealers and end users.

These principles represent a consensual positive step toward the resolution of major concerns addressed by the legislation I have sponsored in three Congresses. Although this legislation has not yet been enacted, its introduction generated intensive review by the Commerce Committee, including hearings at which the relevant issues were examined by witnesses on all sides. Dealers and manufacturers in this great and growing industry were able to examine the issues and see what the various options were for resolving them. With my encouragement and that of several of my colleagues on the committee, both sides have prudently moved toward a resolution of the dispute through voluntary negotiations.

The end-product of these negotiations now assures that dealers know their legitimate concerns are acknowledged by their suppliers, thus avoiding a legislative remedy at this time.

I am hopeful that this statement of principles will meet with wide acceptance in the business equipment industry. I believe that the impressive representation of dealer and manufacturer leaders on the NOMDA task force will contribute to such acceptance. The task force that drafted the statement included representatives of Digital Equipment Corp., IBM Corp., Sharp Electronics Corp., Panasonic Industrial Co., Minolta Corp., and Adler-Royal, as well as Mr. Thomas A. Russo, Sr., NOMDA president, Robert E. Todd, Sr., NOMDA vice president, Mr. Robert C. Goldberg, NOMDA legal counsel, Mr. Bill Matthews, Sr., NOMDA treasurer, Mr. A. Gordon Adams, NOMDA member, and Mr. Paul Williams, NOMDA secretary.

Mr. President, I am very pleased that we have arrived at this point, and I believe it fair to say that we would not have been as successful without the encouragement provided by the legislation I introduced, and by the Commerce Committee's interest in this legislation over the past few years.

I ask unanimous consent that the attached copy of the "NOMDA Dealer/Manufacturer Statement of Principles" be included in the RECORD following this colloquy.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. PRESSLER. Mr. President, I rise to join Senator EXON in congratulating all of the office machine dealers and manufacturers involved in developing the new dealer/manufacturer statement of principles. I could not be more pleased that the legislative effort we mounted together to address the concerns of the retail dealer community could result in such a widely-supported voluntary program.

I am proud to have had the opportunity to work with Senator EXON and others to address concerns in this vital industry. The Commerce Subcommittee on Business, Trade and Tourism, which I chair, had scheduled hearings on Senator EXON's legislation. However, in light of the recent voluntary agreement between the interested parties, we have canceled those hearings.

I am pleased that the NOMDA task force was able to work out a compromise in lieu of Federal legislation. The problems in this area are very real and have been the focus of congressional debate for 5 years. We have worked long and hard on the issue. I am pleased that, under Senator EXON's leadership, a workable solution was reached.

Many members of the committee participated actively in the hearings and assisted in both airing the issues and developing a solid record. Out of this process came a better understanding on all sides, and a constructive effort to develop a solution. I hope this will be the last time we need to address this issue in Congress.

Some of the major and commendable individual provisions of this voluntary code urge participate in this industry:

To act as reasonable business persons in complying with their contractual obligations, acting fairly and equitably throughout the course of, and in terminating, their relationship.

To treat the end user in a fair and equitable manner.

To formulate any dealer performance measurement [which often take the form of quotas] upon a fair and rationale business basis. . . .

To [have] the Manufacturer continue to make appropriate replacement parts and manuals available to authorized selling and servicing dealers for a reasonable period of time from the earlier of (a) the date of the product's last sale to that dealer, or (b) the date of the product's general withdrawal from marketing by the manufacturer.

To encourage the avoidance of litigation among parties by voluntary use of alternate methods of dispute resolution [including] the NOMDA Manufacturer/Dealer Relations Committee, arbitration, or any other technique. . . .

These are laudable principles. I am sure that the dealers and manufacturers will follow them faithfully in the spirit of co-operation and good will that has been so prevalent in their negotiations leading to this agreement. Like Senator EXON, I am glad the parties concerned could agree on this articulation of principles. This application in dealer/manufacturer relations will avoid the possibility of future congressional action.

Finally, Mr. President, I want to conclude by paying a special tribute to Senator EXON's work in this area. Without his leadership and skillful handling of this issue, this agreement would never have been possible.

Mr. KASTEN. Mr. President, it is a rare privilege to stand in this Chamber and participate in a discussion in which all parties agree that legislation is not needed. This occasion is possible only because of the business leaders who worked so hard to negotiate a solution to the concerns of retail dealers, manufacturers, and consumers in the office machine and business equipment industry, and because of the Commerce Committee members who assisted in and encouraged this effort.

As Consumer Subcommittee chairmam, I chaired the committee's hearings on the legislation jointly sponsored by Senator EXON and Senator PRESSLER. I am glad these hearings—and related debate outside the hearing room—contributed to the development of the industry's new voluntary code. Senators RIEGLE and LAUTENBERG deserve credit along with Senators EXON and PRESSLER for their attention to this issue and their efforts to develop the record and help steer toward a solution.

Because the problems highlighted in this industry deal fundamentally with commercial contracts and on-going business relationships, they were particularly well-suited to private, nonlegislative solutions. Over the course of time, all sides came to appreciate this fact, and turned, I'm pleased to say, to serious discussions and negotiations.

The voluntary statement of principles that emerged is a credit to all concerned. We have avoided adding a layer of Federal contract law to the laws that already exist at the State level, and in the process developed a consensual, flexible, living code of conduct that will do more in the long run to maintain business relationships in this industry.

Finally, Mr. President, acceptance of this statement of principles ensures that consumers will continue to enjoy the benefits of the vigorous competition for which the office machine and business equipment industry is noted, while enjoying the assurance of responsible business practices.

EXHIBIT 1

NOMDA DEALER/MANUFACTURER STATEMENT OF PRINCIPLES

These principles are a voluntary code of conduct to guide members of NOMDA—manufacturers, distributors and dealers of business equipment—in their relations with end users and with one another. The purpose and objective of these principles is to promote, develop and maintain a fair and equitable relationship among manufacturers, distributors, independent office products dealers and end users. The principles are as follows:

1. To act as reasonable business persons in complying with their contractural obligations, acting fairly and equitably throughout the course of, and in terminating, their relationships.

2. To treat the end user in a fair and equitable manner.

3. To formulate any dealer performance measurement premised upon a fair and rational business basis, which may include references to established industry indices.

4. To promote maximum end user satisfaction, by having the Manufacturer continue to make appropriate replacement parts and manuals available to authorized selling and servicing dealers for a reasonable period of time from the earlier of (a) the date of the product's last sale to that dealers, or (b) the date of the product's general withdrawal from marketing by the Manufacturer. In addition, if the product is generally withdrawn, then the manufacturer should, after such period of parts availability, make a good faith effort to provide such dealers with a reasonable opportunity to make a final purchase of available parts and manuals.

5. To encourage the avoidance of litigation among the parties by voluntary use of alternative methods of dispute resolution. Such methods could include direct negotiation among the parties affected, submission to the NOMDA Manufacturer/Dealer Relations Committee, arbitration, or any other technique of alternate dispute resolution.

6. To promote, develop, and present educational programs for the improvement of skills and capabilities relevant to the business equipment industry.

7. To keep abreast of the economic conditions confronting the business equipment industry and to support and encourage the use of business equipment.

8. To keep informed of the laws and regulations relating to the industry, and to obey them; to compete vigorously with each other on the merits of their offerings.

SUCCESS OF THE NATIONAL ASSOCIATION OF BROADCASTERS' CAMPAIGN FOR ALCOHOL EDUCATION

Mrs. HAWKINS. Mr. President, there is no doubt in anyone's mind these days about the dire effects of alcohol-related traffic fatalities and untold numbers of families are torn apart by alcoholism and its related symptoms.

But we do have a potent weapon in the battle to keep Americans educated about the dangers of alcohol abuse. That weapon is the media. We live in the media age. Evidence of this is so often seen in complaints that the media control our lives. But we also know that the mass media can be a force of immense benefit when it is turned against our societies problems.

An impressive example of this phenomenon was demonstrated recently by the National Association of Broadcasters. A recent survey of the association's members shows that nearly every responding broadcaster carried alcohol related public service announcements [PSA's] during the period November 1984 through May 1985. Approximately three-quarters of these broadcasters produced their own locally tailored PSA's.

Besides locally produced announcements, the stations contributed free time for the PSA's of local and national groups concerned with the misuse of alcohol. The most often mentioned sources for PSA's were Mothers Against Drunk Driving [MADD], Students Against Driving Drunk [SADD], the National Highway Traffic Safety Administration of the Department of Transportation and the National Association of Broadcasters.

In addition to programming and public service announcements, over half of the responding stations reported active participation in community efforts to combat drunk driving and alcohol abuse. Sixty-three percent of TV stations and 56 percent of radio stations provided nonprogramming assistance to their communities. The most frequently mentioned activities included participation in community groups, dial-a-ride programs, driving-while-intoxicated demonstrations and health fair sponsorships.

In my home State of Florida, radio and television stations were active in promoting positive peer pressure campaigns, and alcohol-free outings for teenagers.

The broadcasters' survey was sent to all U.S. television stations and a random sample of 1,200 radio stations. Both National Association of Broadcasters member stations and nonmembers were included in the survey. The National Association of Broadcasters serves a membership of over 4,500 radio and 850 television stations, including all the major networks.

This survey demonstrates that together as a nation, we have the will, the drive and the commitment to end the ravaging effects of alcohol abuse, particularly as the problem affects younger and younger people. We as Senators and as parents, are united in our stand to deglamorize drug and alcohol abuse and to save lives.

Substance abuse is adversely affecting us in the workplace and the school-yard. It is a condition which can only be changed by partnership between all sectors of our society. That partnership has begun, and the challenge now is to keep the momentum moving. That is our commitment.

Substance abuse remains too widespread in our society. And we still find that many people try to deny its existence. Unfortunately, it is a problem for all of us. That is why I am so pleased to see that the media shares this concern. Working together, we can tackle the scourage of substance abuse.

AFGHANISTAN: A REPORT FROM THE FRONT

Mr. BYRD. Mr. President, my colleagues are aware that from time to time, I have called for better coverage of the war in Afghanistan by journalists in this country and elsewhere. I realize that coverage of the Soviet invasion is dangerous and very difficult, given that the Soviets resist any attempt to provide honest coverage of their brutal campaign against the Afghan civilians. But the world deserves the truth about this brutality.

Those men and women who risk their lives and travel with the Afghan freedom fighters to bring us the true story of the war in Afghanistan are serving in the greatest traditions of American reporting. Mr. Arthur Bonner of the New York Times is a member of that courageous fraternity. In a stirring report in the October 31, 1985, issue of the Times, Mr. Bonner tells of a 600-mile trek with Afghan freedom fighters who were supplying arms to the resistance.

I encourage my colleagues to read this excellent firsthand account that captures the courage and determination of the Afghan people in their struggle against Soviet domination, and I ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 31, 1985]

AN ODYSSEY WITH AFGHAN REBELS TRANSPORTING VITAL FLOW OF ARMS

(By Arthur Bonner)

NEW BAGHLAN, AFGHANISTAN.—Fluttering green pennants over the graves of men and the bones of camels and horses glistening in moonlight mark one of the most dangerous parts of an Afghan rebel trail used to bring

military supplies to the country's nothern provinces.

The trail is the most important supply route for the insurgents fighting Soviet and Soviet-backed Afghan Army troops, according to rebel commanders, foreign medical workers and others who have traveled in Afghanistan.

The Soviet and Afghan Government forces, these sources say, are well aware of the route's importance. For that reason, those who use it are subjected to almost daily air attacks and ambushes.

According to foreign military analysts in Pakistan, the supply route passes through areas with the largest concentration of Soviet troops, whose total number in Afghanistan is estimated at 115,000. The journey along the route seemed to indicate that the Russians were unable to stop the flow of rebel arms and ammunition, despite their control of the air and superiority in firepower.

A 16-day, 280-mile journey to New Baghlan, this suburb of a provincial capital 65 miles south of the Soviet border, was the first leg of a nine-week, 600-mile trip through Afghanistan by a reporter in the escort of various rebel groups. This leg of the journey for 35 men of the fundamentalist Islamic Party began at night at the Pakistani border town of Teri Mangal, and the hazards were soon apparent.

With shouts of "Allah akhbar!"—"God is great!"—local rebels unleashed harassing fire on two Afghan Government posts at Zazi, in the mountains that mark the frontier.

The column scattered to the safety of ditches and gullies as rebel machinegun tracer bullets streaked through the night, to be answered by the explosion of mortar and howitzer shells from Afghan Army troops. About an hour later, when the battle ebbed to scattered bursts of small-arms fire, the men gathered the pack animals and resumed the march.

The next day, a flash flood from heavy rains in the mountains swept down the valley where the men rested. Horses and supplies were rushed to high ground as the torrent filled a steep gully and spread over the adjacent fields.

The water soon receded, leaving a layer of gray mud on the arms and ammunition that had not been moved to safety. The men wiped off most of the mud, reloaded the animals and set out once more.

HORSE SINKS IN MIRE

The trail turned up a side valley and followed the bed of a river. The horses struggled to keep their footing on hidden rocks as they were pulled and beaten back and forth across a twisting stream with water up to their bellies.

In the dim light of a setting sun, one horse suddenly sank into a mire of mud, water and stones. It struggled to free itself, but its front legs sank deeper under the weight of 250 pounds of ammunition on its back. Its muzzle rested on the ooze, and panic seemed to fill its eyes.

One of the drivers, Ali Khan, 15 years old, plunged into the mud to hold the horse's head up, shouting for help. It took about five minutes for other to reach him to help pull the animal free.

The teen-ager was one of nine drivers who supplied horses to carry nearly two tons of supplies from Pakistan. He later had time to answer questions about himself.

COMMUNIST TRIED TO CHEAT ME

"I did not go to school," he said, "because I had to help my family. My father died when I was 12, and I had to earn money to help support my mother and a younger brother. I went to Kabul to sell potatoes from the back of a donkey.

"A Communist there tried to cheat me," he said, "and I hit him with my stick and hurt his eyes. I had to leave Kabul. I took up this work and now have two horses."

He said that in the last two years he had been in three convoys that had been ambushed or attacked from the air by Soviet forces. In one, 16 animals were lost, he said, although none belonged to him.

"There is not a lot of money in this," he continued. "I could get another job or go to Iran to work. But we have started our holy war against the Russians. Even small children must take part.

"That is why I started at my age. We are sure we will make the Russians leave our country because God is with us."

OLD FORT ON ANCIENT TRAIL

A halt for rest and regrouping had been called at Dubandi, where an old fort perched atop a ridge, testified that this was a strategic point on an ancient trail across Afghanistan.

"The Russians have tried to drive us out of Dubandi many times," said Ahsen Gul, commander of one of several rebel units in the area.

"Last year they sent in tanks and held Dubandi for three days," he said. "We destroyed some of their tanks and even shot down a helicopter with an antitank rocket by firing down at it from a high hill.

"We forced them to retreat by attacking them from the rear. They can block this road for a while, but they can never close it."

The route ahead, across a wide desert, had to be traveled at night. About 400 men and 150 animals with destinations in six northern provinces assembled in a high-walled canyon.

A RAINBOW OF TURBANS

There was a rainbow of turbans and costumes as old friends embraced and gossiped, camels groaned under their loads and horses whinnied and fought. As it became dark, they separated into their individual commands, ranging from 20 to 100 men each, and set out in a long straight column.

The route had been scouted, but the men knew that a hidden Soviet armored care or truck could speed across the flat wasteland in minutes. They walked silently, listening intently for a distant sound that could mean an attack.

A three-quarter moon rose at mid-night, sending long shadows of men and animals across the white, saline soil and revealing the evidence of past attacks—a group of eight horse carcasses; the bones of horses and camels; scattered packs and bits of clothing and shoes; every now and then, a pile of rocks with one, two or three pennants marking the graves of men who had not made it across.

The night passed uneventfully. At dawn the men straggled into the town of Baraki and scattered among its tea houses to eat and sleep.

ONE OF MANY ANOMOLIES

Baraki is one of the many anomolies of the war in Afghanistan. Although it is a major stopping-off point for the rebels, who call themselves mujahedeen, or holy warriors, it has never been bombed or strafed.

"There are no mujahedeen bases here," said Mohammed Gul, an English-speaking merchant who sold a wide range of modern medicines, with labels from Pakistan, Iran, China, North Korea and several European countries.

"There are also a lot of spies here," he said. "We suppose they tell the Russians how many mujahedeen pass through and what they are carrying, and so we left in peace."

Baraki, although undamaged by war, was crumbling through neglect. It once had piped water as a result of some long-forgotten foreign aid program. All that remained was an occasional cement post in a lane with a pipe and faucet attached.

CROSSING THE MAIN HIGHWAY

Two nights later the animals were sent ahead and the men and supplies crammed into a truck for another potentially dangerous segment of the journey—crossing the main highway from Kabul southwest to Kandahar. Soviet convoys traveled the road during the day, and Soviet and Afghan Government posts guarded it during the night.

As it turned out, the crossing was facilitated by an unwritten agreement between the rebels and villagers who belonged to the Afghan Government militia and guarded a highway bridge.

The men got down from the truck and walked around the village. The empty truck was driven through the village and a few hundred yards along the highway to a point where the men got in again. They were driven for another 20 minutes along the road before the truck turned north on a dirt path to wait for the horses.

"We could destroy that post and that bridge," said Fazle Rahim, the commander of the Islamic Party unit with which the reporter was traveling. "But the Russians would destroy all the villages in the area and drive the people to Pakistan as refugees.

"Then they would install their own post," he continued. "We need villagers to grow food and give us shelter. We do not want to cause them unnecessary damage."

On the eighth day, Ali Khan and the other drivers were paid. They had supplied 17 horses and received about $110 for each horse. They got nothing extra for the risks, for feeding the animals or for the time it would take them to return to Pakistan, where they would look for another convoy to give them a contract to return to Afghanistan.

Now the journey was faster, made in a series of Soviet, American and Japanese trucks and buses with frayed tires, dented sides, missing windows and dashboard dials that seldom worked. The men shielded their faces against clouds of dust and got down repeatedly to lighten the load as a truck inched its way into a ravine, bounced across boulders and through a stream and then groaned up the other side.

There was a new face on the war. Earlier, in the border province of Paktia, where millions of refugees had fled in Pakistan, Afghanistan seemed to be destroyed. Irrigation ditches were breached, the walls of terraced fields had crumbled and mud villages had dissolved back to the original earth.

Now as the mountains rose to the central highlands known as the Hazarajat, the country blossomed with life. Farmers drove teams of horses and bullocks in circles over piles of wheat and pitch-forked the trampled stalks high into the air to winnow the chaff from the grain.

MOSTLY LEFT IN PEACE

Apples and peaches ripened in ancient orchards, and children herded goats and sheep on the high hills. The villagers said they

had been bombed and showed ruined houses and craters as evidence. But, when questioned, they conceded that the damage was two or three years old and that they had mostly been left in peace.

The trucks moved openly by daylight, although the drivers and passengers were quick to scatter for shelter in the fields or hills when the noise of a Soviet jet or helicopter sounded overhead. Moving vehicles were choice targets, and wrecks along the way demonstrated that the danger was real.

"I bought my truck through a cousin in Kabul," said 23-year-old Mohammed Hassan, a driver with a karakul hat tilted to the side of his head. "I buy diesel fuel for 20 Afghanis a liter from other drivers who bring it from Kabul." Twenty Afghanis is the equivalent of about 10 cents.

His truck was an American International Harvester, with no hood over the engine and no glass in the windshield. He said it had cost him the equivalent of about $5,000.

"I had another truck, but it was destroyed by a helicopter last year," he said. "I began as a helper to learn to drive and have been doing this for three years. It is dangerous, but I bought another truck. What else can I do?"

RUINS OF A TOURIST STOP

At Doab, high in the mountains of the Hindu Kush, the truck was halted for lunch amid the ruins of a small resort for tourists on the route to the huge Buddhist images from the third and sixth century hewn in rock at Bamian.

The blue and pink guest rooms of a gutted hotel were exposed to the sky. The walls of a market where foreigners once bargained for Afghan rugs and long-necked brass pitchers were fire-blackened and pockmarked by bullets. A chill wind blew dust down an empty street littered with bed frames and car parts.

Soon the road ended, and supplies were repacked on 22 donkeys to be brought to an assembly point for the final dangerous segment of the journey—crossing the highway that goes from the Soviet border all the way to Kabul.

A pipeline carrying fuel to the Soviet airbase at Bagram north of Kabul paralleled the road above ground. It was the most heavily guarded road in northern Afghanistan.

Once again hundreds of men and animals from different commands and with different destinations waited for nightfall. There were low hills on both sides of the road, making it easier to approach but also easier for the Soviet troops to conceal an ambush party on the other side.

CROSSINGS ARE SPACED

The groups were spaced with intervals of 15 minutes to half an hour between crossings to lessen the danger of surprise.

Suddenly parachute flares shot into the sky ahead and slowly descended on the road. There was a rattle of machine-gun fire and the explosion of shells.

The first party had run into a Soviet ambush. Later it was learned that all of the men had escaped but that almost a ton of arms and ammunition had had to be abandoned.

Trucks took the remaining men and supplies for quick dispersal in villages over a radius of several miles. The commanders would make another attempt the next night, with separate groups crossing at different points.

Mr. Rahim, the unit commander, decided on an additional safety measure. He left his supplies to be carried across later. One group would travel on horseback while others would go by foot so they could move quickly.

STOPPED BY SEARCHLIGHT

They advanced into the night, over a hill and down the highway. Then everyone froze. A searchlight stabbed the darkness. A Soviet armored car was patrolling the pipeline for possible saboteurs. After a breathless 15 minutes, it moved on and the men and horses trotted forward.

They froze again as the armored car patrolled back, its light sweeping the hills. It moved on, and with a burst of speed the party reached the hills on the other side.

The rest of the night passed quietly. At dawn, as Soviet jets bombed some distant target and the artillery shells could be heard exploding over a hill, the men entered the ruins of New Baghlan, once a fashionable suburb of Baghlan city, now shattered and empty.

After a rest and something to eat, the men would drift to their villages to rejoin families they had not seen for six or seven months, when they had set out for Pakistan for training and resupply.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

INCREASE IN PERMANENT PUBLIC DEBT LIMIT

The PRESIDING OFFICER. The Senate will now resume consideration of House Joint Resolution 372, which the clerk will report.

The assistant legislative clerk read as follows:

A resolution (H.J. Res. 372) increasing the statutory limit on the public debt.

The Senate resumed consideration of the joint resolution.

Pending: Motion to concur in the amendment of the House to Senate amendment numbered 2, with Packwood Amendment No. 957, in the nature of a substitute.

The amendment of the House to Senate amendment numbered 2 is printed in the House proceedings of the RECORD of Friday, November 1, 1985, at page H9577.

Mr. PACKWOOD's Amendment No. 957, in the nature of a substitute, for the above amendment of the House to Senate amendment numbered 2, is printed in the Senate proceedings of the RECORD of yesterday, Monday, November 4, 1985, at page S14745.

AMENDMENT NO. 961

(Purpose: To consider Medicare as an automatic spending increase program)

Mr. CHILES. Mr. President, I send an amendment to the desk on behalf of myself, Mr. RIEGLE, and Mr. KENNEDY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. CHILES], for himself, Mr. RIEGLE, Mr. KENNEDY, and Mr. CHAFEE, proposes an amendment numbered 961.

Mr. CHILES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 41, strike out lines 19 through 21 and insert the following:

(iv) For purposes of this Section all payments made under Title XVIII of the Social Security Act for items or services furnished during any fiscal year shall be treated as payments under a provision of law which requires an automatic spending increase to take effect during such fiscal year. The amount of the automatic spending increase (outlay increase) shall be the amount (if any) by which the reasonable cost, reasonable charge, DRG payment amount, or other applicable payment amount for an item or service furnished in such fiscal year exceeds such payment amount for the same item or service furnished in the preceding fiscal year by the same person or entity.

(v) Nothwithstanding any other provision of this bill, Medicare payments under the Hospital Insurance Program (20-8005-0-7-572) and the Supplementary Medical Insurance Program (20-8004-0-7-572) shall be considered automatic spending increase programs under Section 204(d)(1).

Mr. CHILES. Mr. President, this amendment would assure that Medicare would be treated as an automatic increase program—category I—as had been originally assumed in the Gramm-Rudman-Hollings measure and in the Senate-passed version.

In the bill before the Senate, Medicare is a category II controllable. That means the size of the automatic cuts for Medicare will be increased.

In the reconciliation bill as reported out of the Finance Committee, and as in the bill, we have provided for cuts in Medicare of $2.6 billion. We have already cut Medicare to a zero increase in payments now and there would be no growth. If we now have it into category II and we had a sequester this year of, say, $10 billion, it means we would automatically cut Medicare another $1.3 billion on top of a full freeze; so we would go beyond zero in the cut this year.

Since we have not gone to conference with the House, we do not know exactly at this stage what our deficit number will be. So we do not know what the size of the sequester will be this year. It is clear there will be some kind of sequester before we finish.

If we have a sequester cut in Medicare, we will see an automatic cut in this program, one that the committee

has never had an opportunity to deal with, and might be something very harmful.

At first, we thought the inflation increase in the program would be the portion that could be cut under the automatic sequester order. Now we find that it can be subject to the broader category II cuts.

Under what was to be an automatic ministerial process, we might have to say to everyone, no matter what else we have done to cut Medicare, this year or in past years, "We simply cannot afford to allow you any increases this year. We will not just bring you to the automatic freeze level. We have already done that, in effect, under the reconciliation bill. Now we will have to cut you further than that."

In our effort to get the deficit under control, we can certainly tell our seniors it is necessary to bring Medicare payments down to a zero increase level this year. We are forced to do that with many programs. We have attempted to do it by trying to place most of the cost on doctors and hospitals and health care providers, while trying not to hit the beneficiaries.

But now we are saying that, "We subject Medicare to a sequester process that can take payments so low that we don't even know what the effect will be on the seniors—the Medicare beneficiaries."

Under our original bill, we treated Medicare no differently from any other entitlement program. It recognized that there were always going to be millions of Medicare beneficiaries out there who were entitled to medical care.

Mr. GRAMM, one of the authors of the Gramm-Rudman measure, talks about this as a "pure concept"; and he says that no program should be exempt because that would violate the "pure concept" of the automatic cut triggers.

Mr. President, I am also dealing with a pure concept of how you treat entitlements under this bill. Medicare is a true entitlement. People pay their payroll taxes. They are entitled to benefits.

Here we have a case of a self-funded trust fund entitlement. This is a very important point—a self-funded trust fund entitlement. Now we are going to treat it as if it is a controllable program, just as we treat any other program that we normally carry through the appropriations process.

We will hear a lot of arguments in the next few hours, it will be interesting to hear those people who say that Social Security should come out of the unified budget. It is a trust fund. It is paid for by payroll tax and withholding on employees, and the employers pay their tax. It is self-sufficient. It is now supposed to be fiscally sound, so we need to move it out of the unified budget. Some Members would have it out so you could not even count it as part of the overall Government spending. We would not be able to look at it from an economic standpoint to determine how much the Federal Government is taking in total from the private sector; measure the effect of Government spending, and see how much money is left available for capital. You will not be able to see any of that under some of the "purest" concepts.

I think there is general agreement in this body that Social Security should not be used in the effort to balance the budget, but there are others of us who say that it is like taking a picture and blacking out half of it if we take the employees and employers payroll tax contributions and say they have no effect on overall Government spending.

Yet, many of the people leading the charge to move Social Security off budget have not taken a stand on Medicare and whether it should be treated as a controllable. It seems to me that at some stage, when we start talking about the "pure concept" as Mr. GRAMM calls it, there should be some purity in how we are treating these trust funds that are pure entitlements, and whether we are going to treat one totally different from the way we treat another.

I understand very well, Mr. President, the impetus behind this. It is to move $74 billion—the total Medicare Program—from category I where it can normally only be held to the cost-of-living increase—the "zero inflation"—and move it to category II where you can make considerably larger cuts. That in turn will reduce cuts you are making in other ways.

The Washington Post speaks of this today in an editorial in which they say:

> The congressional Republicans have meanwhile moved to alter their version so that there would be an appreciably smaller cut than before in defense; the slack would be taken up by Medicare.

Mr. President, we really need to see that Medicare is more than an equation where you divide the amount of money by the number of sick people and hope that they are healthy enough to get by on the amount of money available.

I wonder about the "pure concept," and what it means. It means that it greatly increases the size of the Medicare cuts which could be made automatically, without any regard to their effect, without any chance to even plan some reforms or other changes that would help ease the impact of the larger cuts.

Mr. President, we have cut Medicare before; and when we did, we also changed the whole method of paying hospitals. If we have to cut reimbursement rates below a freeze—and maybe we will have to do that, to hold down these medical costs—we should be able to at least anticipate some of the effects that will have on the quality of medical care the Medicare beneficiaries will receive. We need to think that through, and we need to do it through some legislative changes in the program. We might want to get some balance as to how it would affect the whole system of medical care in the country.

If you look at what we have already done to Medicare, you see that it has already been cut $35 billion, and that is only if you look at the effect of each bill we passed in a 3-year timeframe. Over the long run it is actually much more than that.

In the 1981 reconciliation bill, we cut Medicare costs $4.3 billion. In the 1982 reconciliation bill, we cut those costs $12.6 billion. In 1983, we sort of skipped a year; we cut Medicare by only a few hundred million dollars. Because we had the 1983 Social Security amendments that year. But we did put in a new Medicare prospective payment system for hospitals. We made reforms to help meet pressures from the cuts.

Mr. President, that was a major act. It was something we had to do. We went to the so-called DRG's. We went to a total reform of the hospital program. We would no longer just pay a "reasonable" cost. Until then, there had been no restraint on what those costs could be. It was just what any doctor or hospital would establish and then everyone else went up to the average cost. We finally decided to have a prospective payment system in which we would know, for example, the cost of an appendectomy and how many days of hospitalization it would require. That was a very necessary thing. We know it has saved considerable money. We know there are some problems in the straitjacket way that it has been applied, and we certainly need some review. But it was a major change made in the 1983 bill. And it was made by a Congress reforming the program and not just making some automatic whack.

Then in 1984, in the reconciliation bill again we cut Medicare $5.4 billion and this year the cuts are to be $12.3 billion over 3 years.

We are not saying that you should never cut Medicare. We are not saying that you should never cut it below a provider freeze but just that it should be done by Congress, by a reconciliation process, by a Congress acting thoughtfully and not by an automatic cut because, Mr. President, this is an entitlement program. This is not one of the discretionary programs. There is a payroll tax that pays for it and the money is there.

If Medicare is left in category II, we would order immediate, unplanned for, automatic, across-the-board cuts

that would be well below a freeze level. That is the problem with putting the whole Medicare Program on the table for automatic cuts rather than limiting automatic cuts to the increases.

It is true that the bill restricts the President's discretion on how the cuts may be made. He presumably could not change the law to eliminate Medicare benefits or change eligibility. But at any significant sequester level, payments for services would be immediately reduced below a full freeze level. There would be no control on the effect of such action. Medicare beneficiaries would still be entitled to care. But who knows how the availability and quality of care would change? It could be a drastic change.

Mr. President, I do not know exactly how this will take place, but I assume that you would be paid either a 90-cent dollar or 94-cent dollar or whatever the cut tended to be, for the dollar that you are supposed to get. We cut a little off of the end of that dollar and we give you a shorter one. We would say you are still entitled to care, you are still eligible, but we expect you to get that care with the shorter dollar.

Again, Mr. President, I stress that what we have had before was congressional action to do something about these health care costs. As a consequence we put in DRG's, prospective payments, some kind of provider limitations, some limitation on lab fees, but not automatic cuts.

I do not argue that we should exempt Medicare. I do not think we should. All this amendment does is to put it into category I. It says that the amount that any provider payment for items and services would have increased over the previous year would still be fair game. We could have an absolute freeze indefinitely, I suppose, if we keep missing our budget targets.

Let me tell you that that would still be very big bucks, given the fact that over the last 10 years medical costs have been rising at the rate of about 14 percent a year. They're down a little now—maybe to 6 or 7 percent. You can see how much would be available. All of that every year would be available under category I.

Just a 1-year freeze on hospital payments this year would save almost $2 billion a year. So we have, in effect, already done that. The total reconciliation bill in the Senate saves $2.6 billion this year.

All this amendment says is it is not appropriate to go beyond what is an automatically triggered process. If we are going to go beyond that we should give it some thought in a reconciliation bill and how to do it through legislative reform and we will do it here in Congress.

It also says, Mr. President, we are not just going to now at this hour say we are going to transfer this $74 billion out of the pot of category I and put it into the pot of category II where it is available for much larger cuts.

Mr. PACKWOOD. Mr. President, I wonder if my good friend from Florida and I might have just a little colloquy to make sure we are talking about roughly the same budget figures, because I remember in conference the Senate was on the same side and the House seemed to have different figures. So bear with me, if you will, for a moment.

We had initially started out with an assumption of budget deficit this year in the budget resolution of around $172 billion. Is that right?

Mr. CHILES. That is correct.

Mr. PACKWOOD. And total outlays of about $965 billion?

Mr. CHILES. I think that is correct.

Mr. PACKWOOD. Unless I am mistaken, having heard the Senator and Senator DOMENICI and Steve Bell, and others, we are probably looking more likely at a $190 billion deficit or maybe more if we do not do reconciliation.

Mr. CHILES. That depends on who you want to listen to.

Mr. PACKWOOD. That is what I want to get straight before we go any further.

Mr. CHILES. Yes, and I will have to say to my good friend from Oregon that I keep hearing a figure of $9 billion revenue shortfall and I hear that come from the majority side. But so far I have not been able to find where that shortfall comes from. No one has told me that OMB says there will be that shortfall or CBO says there will be that shortfall, although I keep hearing that number.

So I just want to say to my good friend there are some numbers that are kind of up in the air.

Mr. PACKWOOD. In the Senator's best judgment, how far above $172 billion deficit does he think we are going to be?

Mr. CHILES. I think the deficit is going to be well over $180 billion. It may well be above $190 billion, but I am not sure it is just going to be by virtue of the revenue shortfall. I think there are always other things that are going to catch us out there.

Mr. PACKWOOD. Well, that puts it in the range of what I wanted to talk about.

What we have exempted under this bill, Social Security, interest—I mean exempt, totally exempt; I do not mean category I, I mean category exempt—Social Security; interest; prior year obligations, which, interestingly, are principally not military obligations, in large measure due to the Senator's amendments; other, $5 billion; and then body of the indexed programs, because those even in category I you cannot sequester them below the body of the amount.

So it looks to me as if you have about $565 billion exempt from sequestering, out of, roughly, in the $965 billion budget, assuming we are on budget, assuming we hit the $172 billion deficit; so, roughly, $400 billion subject to sequester.

It take it that means that every time we take something that was in the controllable category and put it into category I and make it less subject to sequester or, in the Senator's case, Medicare not subject to it at all, it means those remaining in the control——

Mr. CHILES. I believe the Senator is wrong, if the Senator says "not subject to it at all."

Mr. PACKWOOD. If you assume no increase in Medicare, if there is nothing to operate against, you are going to go on the basis of last year.

Mr. CHILES. Well, I am assuming that you can cut any increase over the previous year's level. Maybe we have already cut it down to near zero this year already for some. Certainly what we are talking about the in the process is that it would be in category I and would be available for cuts. I am not trying to do with Medicare what the authors of the bill decided to do with Social Security and take it off the top.

Mr. PACKWOOD. I understand. that, to the extent there is no increase in Medicare, it will not be subject to any cuts.

Mr. CHILES. Roughly, I believe it would be between $2 to $3 billion a year to be available to be cut. Maybe we'll do some of that, or move, in a budget bill before a sequester order.

Mr. PACKWOOD. Are we agreed, to the extent we put anything in category I which might receive less cuts than it would in category II, the things in category II have to be cut more?

Mr. CHILES. I think that follows.

Mr. PACKWOOD. Let us assume we have this roughly $400 billion against which to take a sequester—and I am just going to take a guess, I am going to take a guess at a $190 billion deficit and we are going to sequester down, let us say, to $170—I hope that is not where we sequester. So you have a $20 billion sequester that you are going to levy across roughly $400 billion of programs, about a 5-percent sequester. That means you are going to say to programs like emergency food assistance, elderly housing, the handicapped, job training, WIN, Indian education, Head Start, compensatory education, community health centers, migrant health centers, WIC, low-income emergency energy assistance, and on and on and on, which are indeed poverty programs: "You are going to take bigger cuts so that Medicare can take a smaller cut."

And, so long as we understand what we are doing, you have 13 percent of the people on Medicare below the pov-

erty. The rest on Medicare are roughly similarly situated to those on Social Security. Most of them are not in the poverty level.

And I might say that my good friend from Florida will soon, unless he has changed his mind, be following with an amendment on Medicare and AFDC—those are two programs that I just did not read that he wants to move into category I, which means the hit on the remaining programs in category I will get deeper and deeper and deeper.

All I am asking in this case is a matter of equity. When we originally started out with the Gramm-Rudman proposal, we had hoped, I had hoped, that we would leave as much in the so-called pot as possible, the sequester pot, so that the cuts would be reasonably level across the board.

Now, we made some political decisions. We might as well call them that. Social Security was a political decision. It was left out, untouchable; even the increase was untouchable. We left out the increases due to the increase in program participants. If you have 10 people on a program this year and they get $100 apiece and next year you have 11, we do not hold the program at $1,000 and say, "Divide it among the 11." We say it could go up to $1,100.

We left out the railroad-Social Security equivalent benefit amount, the parts that are equivalent to Social Security, and we left out the earned income tax credit for a very good reason. The earned income tax credit is designed to encourage those that are near the poverty line to work and, up to a certain amount, they get an earned income credit. It is refundable, but a credit. Assuming you owed $1,000 in taxes and you were entitled to a $500 earned income credit, you would pay $500. Assuming you were entitled to the $500 credit but you owed $300, the Government will then pay you back $200. And we thought it unfair that you sequester the $200 payback because you had not earned enough money against which to offset the entire credit to which you are entitled. So we exempted that from the sequester.

Those are the five principal things that are exempt. There are dozens and dozens of other programs exempt that I have not found any argument about. The Federal Deposit Insurance Corporation, what if you have a 10-percent sequester and somebody has a $10,000 savings account and the bank goes bankrupt? Do you say we are only going to pay you $9,000, even though there is the money in the fund to pay the full $10,000? We did not intend that. I have not heard anything about those programs being exempt.

I believe what it comes down to on Medicare is, do you want to take a program—an expensive program, albeit a good program and deserving—that affects principally the middle income taxpayers in this country and say: "We are going to put you into a slightly preferred status in this program at the expense of those who are infinitely poorer and more needy, who will be left in a less-preferred status in this program and, therefore, will suffer a greater hit if there is sequester than they would otherwise suffer"?

Mr. CHILES. If the Senator will yield on that point, I am not sure that the figures actually bear that out. The figures I have from CBO would show that if you transfer Medicare from title I, where you would have that money going into the title I pot, to title II, you will have a higher cut on the domestic programs that are in title II because you will not get even close to your 50 percent under title I, and so you would have a higher cut.

Mr. PACKWOOD. I believe that is what I am saying. You will have a higher cut under domestic programs in category II.

Mr. CHILES. No. If you transfer it from title I, category I, to title II, as you have in this latest version of this bill, the cuts will be higher. If you leave it in title I, the cuts in the domestic programs will not be as high, but that does not turn out to be true in the defense category.

Mr. PACKWOOD. The Senator lost me switching back and forth between titles and categories. But I believe you were assuming, first, a rather large increase by the Secretary in Medicare and, second, a very itsy-bitsy, teeny-weeny sequester of $5 billion to $10 billion or less which, by any estimate I have heard so far, unless we adopt a figure much higher than the House has been suggesting, we are going to have a sequester of sufficient size that, on the average, the programs in category II, those that are totally controllable and totally not either exempt in the Social Security sense or exempt in the COLA sense, they are going to take a bigger decrease for every program that you move out of that category into category I.

Mr. CHILES. I would just say that with the figures that I have from CBO, that if you transfer Medicare into title II, the increase in the total domestic cuts, in a $10 billion sequester, will be $.5 billion and that means basically a 9-percent increase in the size of the domestic cuts.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). Who yields time?

Mr. PACKWOOD. Mr. President, I yield such time as the Senator from Texas may need.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I would like to begin in opposing this amendment by outlining what the House did in moving in exactly this direction, and why it creates a tremendous inequity problem. I would like then to outline how Medicare works, something that the distinguished Senator from Florida has not done, since he would have us believe that this is an indexed program and, therefore, it fits in category I which is not the case.

Then I would like to talk about Medicare, who it serves, and what we are talking about in terms of a potential reduction. I am hopeful that those who are listening to this debate will reach the conclusion that this amendment should be defeated.

First of all, the House faced a very difficult political problem in putting together a Democratic consensus. And in trying to do that, they tried to put together a coalition by granting special exemption to programs that were sensitive to various constituencies within the Democratic caucus. For those urban Democrats, the House exempted most of the social programs from the sequester process from any automatic cuts.

For the rural Democrats, it exempted CCC, and the great majority of the farm programs from across-the-board reduction. For the defense Democrats, it exempted prior year defense contracts.

So in a peculiar political compromise they exempted the B–1 bomber, the CCC, and community health centers. That left only one problem. And that was there were those who tried to add the thing up to determine what the impact would be on what was left in the pot because exempted were the social programs, the vast majority of the farm programs, and defense contracts. Whereas, in rough ballpark figures to make the arithmetic simple, we add about $500 billion in the pot to be sequestered in any automatic reduction process. They ended up as a result of all these exemptions to satisfy the different special interest groups only about $250 billion in the pot.

And the problem with a $25 billion sequester order would mean the things that remained in the pot in the House bill would be cut twice as much as they would be in the Senate bill. That created an additional problem. That problem was that programs like the National Institutes of Health, and the veterans' health care system would be cut twice as much under the House program on any sequester order as it would be under the Senate program because the House exempts so many programs.

As it turned out, what the House did to deal with this is they fell back on the constitutionality issue. My colleagues may remember the first criticism of Gramm-Rudman-Hollings by Chairman RODINO was that it was unconstitutional because it included CBO, and under the Buckley versus Valeo decision the Supreme Court had

ruled unanimously that no executive action can be predicated on the findings of a nonexecutive agency. In fact, that argument was made by scholars from the Harvard Law School in conference.

But when the Democrats added up what they had done in the House, and found because it exempted so many programs they were going to decimate the remaining, they wrote their bill to say that CBO shall be not just an equal partner with OMB but it shall be the dominant partner, thereby under their logic making the bill unconstitutional. Then the House added the extraordinary provision that if any part was struck down the whole bill was struck down.

They dealt with a problem they created by exempting so much by guaranteeing these who added up everything that do not worry about it, it will never happen because we have expedited judicial review, and it will be struck down within a month. That will be before any sequester occurs.

That is relevant to this debate because the Democrats in the House found that by exempting all their programs they created as unworkable process, and they had to try to deceive the American people by making it unconstitutional, and having an expedited judicial review to kill it because they never wanted it to go into effect.

The proposal we have here is to exempt some $70 billion from the sequester process. Our colleague from Florida says, we are not exempting it because we are going to hit the automatic increases. There are no automatic increases. There is no indexing of Medicare. Anybody who is familiar with Medicare knows that any increase granted to the providers is based on a finding that is made by the Secretary of HHS.

In fact, on the basis of those findings the Secretary of HHS granted no increase this year, and in fact found that under our prepayment program many DRG categories were probably overvalued. And the Secretary in fact has the ability under existing law not only to not grant an increase, but to reduce the level of spending back by as much as 4 percent.

So this program is not an indexed program, and does not belong in category I. I think it is clear that in the kind of tight budget process we face should this bill be adopted—and I hope it will be adopted—there will probably be no increases granted during this period to providers. But to push Medicare and $70 billion—the portions that are not indexed, the 3 percent that is indexed, we already have it in category I—that are not indexed in category I is to, in essence, exempt them from this process.

Who are the beneficiaries of Medicare? The beneficiaries of Medicare are people who qualify as being elderly, but who are not poor. The poor people are qualifying under Medicaid. In fact, the last census found the rather extraordinary result that the people over 65 in this country have a higher real disposable income than people under 65, and they have a net wealth of about three times as much. But that is not relevant to this debate. The reason is we are not cutting Medicare benefits.

Who is really being protected by the Chiles amendment? Not my momma who qualifies for Medicare, and pays the part B premium, because my momma is going to continue to qualify. Protected is the doctor, and the hospital, because what we are talking about here is not benefits but we are talking about providers.

What the Chiles amendment really says is this: If you have a $25 billion sequester order, cut the veterans' health care program, cut the National Institutes of Health, cut the thousand-and-one programs that provide benefits to people but do not cut the reimbursement to doctors, do not cut the reimbursement to hospitals even if we face a fiscal crisis. Cut back on AIDS research, deny benefits to people who fought and died for the country, but do not reduce the amount of reimbursement for doctors and hospitals.

The only reason this amendment is even credible for debate is the fact that people are confused about what it means. They are confused about what it means because when you say Medicare, you think of momma. On this amendment, do not think of momma. Think of the doctors, and think of the hospitals because that is what we are talking about here. We are talking about reimbursement.

Let me remind my colleagues that we are talking about a sequester order after this first year, which we are trying to work out with the House in some reasonable manner. After this first year, an across-the-board reduction only occurs if we do not do our job. If we fail to do our job, then there would be an across-the-board reduction.

This amendment should be rejected for several reasons. Let me summarize them.

No. 1, it should be rejected because there is no logic in exempting reimbursement to health care providers from reductions that will be imposed on every other on-budget program under this bill.

No. 2, the logic of this amendment is fundamentally flawed. There is no automatic cost-of-living increase in Medicare. The level of increase to the providers is dictated by two things. The primary factor is eligibility. If more people become eligible for Medicare, they are going to be provided the benefit.

The Senator is not suggesting that we cut back on those increases because that would violate other parts of this bill where we clearly protect the person who is qualified for an entitlement.

Therefore, only if an increase were granted, an increase that was not granted last year, an increase that clearly will not be granted next year, only under those circumstances would there be any savings whatsoever.

The truth is that Medicare is a nonindexed program. It belongs in category II. Do I want to deny physicians the payment that they are getting or that they might get in the future because of increases? No; I do not want to do that. But I do not want to do the thousand and one other things that would be dictated by a sequester order either, and I cannot justify exempting the doctors and not exempting all the other programs that are at least of as high a priority in terms of the preference of the American people as reflected in our budget process.

So, Mr. President, this amendment ought to be rejected because, No. 1, relatively speaking the doctors and hospitals have no stronger claim to exemption than do literally thousands of other programs. In fact, they are weaker claims.

No. 2, and I remind my colleagues of this point and it will be a point made all day long, if you take $70 billion out of the pot, if you exempt the doctors and hospitals under Medicare from being affected by a sequester order, you are not letting anybody escape without somebody else being affected. If we have a sequester order, what that will mean is that the reductions that doctors and hospitals would have shared in will now be borne totally by those whose programs are left in the pot.

I remind my colleagues that if we follow the prescription of the Senator from Florida and take out the largest of those programs to begin with, we open the floodgates. We will end up like the House bill where the sequester pot, where the across-the-board reductions would be made, is roughly half the size of ours so that a relatively small overage literally decimates the programs that remain because we have granted special exemption to other programs.

The only fair way to do this is to keep everything that is on budget in the pot.

Social Security is a freestanding trust fund. We made changes in 1982 to put it in the black. It is not part of the program. This Senator has voted for reductions and reforms in Social Security as much as any Member of this Congress and, in fact, has authored many of those changes to deal with inequity in people getting benefits who were not qualified and not worthy. So I think I stand as firmly on the Social Security issue as anyone.

But that decision has been made. Social Security is off budget. It was taken off budget in 1982 in the Social Security compromise. All we do is take it off budget now and we will have to deal with Social Security as a free-standing problem. If it has problems in the future it cannot come to general revenue.

If we begin exempting major programs that have no claim to be exempt, then there is no way we can hold back the floodgates of other programs that are equally worthy. That goes back to the logic of the Gramm-Rudman-Hollings proposal.

If everything on budget is in the pot, then the process is fair because it hits every program and it hits it in proportion to the priorities that we set out.

The bigger that pot is, the smaller the impact. The better job we do, the smaller the impact.

Therefore, I urge my colleagues to reject this amendment and to make doctors and hospitals as subject to this process as any other element in the budget. I think it is critical that that be done.

I think if this amendment is adopted we stand a very real danger of opening up the floodgates to broad-based exemptions that would destroy the very fabric of this bill and will eliminate the clear fairness, including everything, keeping the pot big, spreading the burden if Congress and the President do not do their job.

I personally believe if everybody's fat is in the fire, if every ox is eligible to be gored, that each of us will have an incentive to make the budget process work, to compromise in the budget, to deal with the deficit, and to prevent an across-the-board sequester from occurring.

But if we fail to do that, it is critically important that the sequester be as big as possible and that every program share equally in that cost and in that burden.

So I urge my colleagues to vote no on the Chiles amendment and to preserve the basic structure of the bill that we voted for in this body by a vote of 75 to 24.

Mr. BINGAMAN. Will the Senator yield to me for a question of the Senator from Texas?

Mr. CHILES. I yield.

Mr. BINGAMAN. We have talked about tradeoff and discretionary spending and the Medicare Program. I notice this week's Congressional Quarterly has a reference in here to the Senate Republican conferees engineering their bill to minimize defense cuts at the expense of Medicare.

I also noticed in an editorial in the Washington Post today the statement that Republicans have moved to alter their version so there would be an appreciably smaller cut than before in defense and the slack would be taken up by Medicare.

I would be interested in a response to that.

Mr. GRAMM. I would be happy to respond. May I clarify?

We are on the time of the Senator from Florida?

Mr. CHILES. No. I am yielding for a question over here. You are on your own time to answer.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. How much time remains?

The PRESIDING OFFICER. Forty minutes, fifty-two seconds for the Senator from Florida and 31 minutes to the Senator from Oregon.

Mr. PACKWOOD. I yield to the Senator from Texas.

Mr. GRAMM. Let me respond by saying that we talked about this issue when the bill first came to the floor, the issue of Medicare. There was a dispute at that time as to what the technical language of the bill meant. All three authors of the bill said that it was their intention to include Medicare. What we have done in conference is to further clarify that intention.

Any Member of this body had an opportunity to offer an amendment at the time it was exempted and no one did.

Let me say that we have further clarified the language on defense contracts to assure a broader degree of coverage. I do not want to say that people writing editorials do not know what they are talking about. I will let people listening to this debate and looking at the facts draw that conclusion. But the point is that it was our intention to include Medicare in the first draft. I believe it was included but the language was not good. It is clearly included now.

What we did in conference was move in exactly the opposite direction by going to a broader definition to allow us to effect more prior-year defense contracts and, in fact, in conference we increased the proportion by which defense would be affected.

We currently have under our sequester pot a situation where slightly over half of the reductions will be borne by defense. As best I can figure under the House proposal, about 70 percent of those reductions would be borne by defense.

I know of no substance to substantiate the claim of the editorial that the Senator has alluded to that we have in any way shifted the burden in conference. In fact, I believe it has been shifted the other way.

The fairness of our program from the first time we started to debate this is that by including everything, about 50 percent of the burden falls on defense and about 50 percent on nondefense. It is the only way I know to deal with the problem.

The PRESIDING OFFICER. Who yields time?

Mr. DURENBERGER. Mr. President, I ask the Senator from Florida if he will yield me 10 minutes.

Mr. CHILES. I yield 10 minutes.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that I be made a cosponsor of the Chiles amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, let me begin by expressing my appreciation to the Senator from Texas for the opportunities he has provided this body and the country, and the challenge that his argument has just put before us to date. Let me say also, in that regard, that I do not buy any of the arguments that he has made.

I listened to the chairman of the Finance Committee talk about the problem of the pot. I listened to the Senator from Texas talk about the problem of the pot. Frankly, I think the pot is a crock. I think the problem we are facing is that we have not cut the people of this country in on divvying up this pot. I know that is a frustration of the Senator from Texas and the Senator from Oregon and a whole lot of other people. They are trying to get to the point next year when we can cut the people of this country in on the pot in advance of the sequestering procedure.

I would like to think it is the intention of Gramm-Rudman never to have to sequester, but if we have a process that will do that, when we all get together and decide we need to cut the balance or need to cut the deficit, the whole country will get involved in a process called the first budget resolution. Then there's reconciliation and a variety of other things that used to go on around this place, as a part of the basic reform of how we finance the Government.

Having said that, I would like very much to demonstrate my sympathy for the problem that my colleagues have in coming to an agreement with the House, because it is the guys from the North that are trying to save this, and the guys from the South trying to save that, and the farmers saving this, and the city folks saving that. They have not asked the city folks yet what they would like to save and they have not asked the farmers what they would like to save. There are a lot of presumptions around here about why Social Security cannot be in the pot, why interest, prior-year obligations, et cetera, et cetera, cannot be in the pot.

I just want to argue today that Medicare should be in the pot but not to the extent that my colleague from Texas and my colleague from Oregon argue that it should be. As they very well know, and many of my colleagues

know, I took the view that if we were going to exempt Social Security and its trust fund expenditures from Gramm-Rudman in the first place, we ought to exempt all of the trust funds—disability, Medicare, everything else—no exception. I withdrew from that position on the promise that all we would have to sacrifice with regard to the Medicare Program—and it would be a substantial sacrifice—would be the program that we put into effect in 1983 to index certain payments under part A to hospitals and other providers in this country and potentially certain payments to physicians for medical services, also. That, in effect, was the deal that I thought we had made—those of us who were part of the Medicare reform movement, those of us who have already helped save $30 billion for the taxpayers of this country, those of us who have already made the major contribution to deficit reduction over the last 5 years.

At the expense of hospitals, yes; at the expense of doctors, yes; and also at the expense of 36 million elderly Americans. But we had a cause and we have a cause. The cause is to permanently reduce the costs of going to a hospital, a doctor, for all people in this country not just the elderly.

What we took—and I say to my colleague from Texas, he is absolutely right; there are no such things as automatic indexes because the Secretary of HHS can determine there will be no index adjustment. But let me remind my colleagues of why we put those indexes in there in 1983.

We put them in there not to do what typical indexes do—that is, rip the roof off the increase in expenditures. We put them in there to stop the automatic increase in expenditures. Before 1983, all the hospitals had to do was bill the taxpayers of this country through the Medicare Trust Fund for anything they pleased: Your want to buy a CAT scanner? You have got a CAT scanner, send the bill to Medicare. You want to buy two magnetic something or others for $70 million apiece? Buy it, send the bill to Medicare for anything you want in your hospital. You bring the folks in on Thursday, take the toenail off on Monday, let them stay an extra week, charge it to Medicare.

We had a cost-based reimbursement system here that was going up at least 20 percent a year. That is the way payments were going going up until 1983, when in its wisdom, this body, on behalf of not only the elderly, the doctors, and the hospitals, but everybody in this country—particularly the young folks of this country who were getting stuck with 14 percent of their payroll to finance this Medicare system—said: Put indexes in there in lieu of cost-based reimbursement system. Let us tell the hospitals of this country that if they put into effect these prospective payment system reforms, where you put a price up ahead and the best provider meets that price and does the job for the least cost, then you can bring down this cost of health care. Then we promise you that we will not take all of the profit away from you. In effect, we will guarantee you that your increases for your paymemts each year, instead of being 22 percent or whatever you bill us under cost-based reimbursement, we will agree to reimburse you at the cost of the medical price index, between 5 and 5.5 percent.

We said, we will give you at least that much of an increase over the next 3 years as we phase this system in. So we brought them down from 22 to 5 percent. And the Secretary in her wisdom, and OMB, and others said, we can take it down even further, so they have been playing games with the programs to try to get it down.

But forget that. The index was a way to save money for everybody. We offered to put that index in the pot. We said, go ahead, take that with it, we will sacrifice the additional Medicare, but no more. You cannot expect them to take zero. They were taking 22 percent. You cannot expect them to go below zero. Do not ask them to do it. Otherwise all of this reform, all of this cost decrease, all of these incentives we have been trying to build into this system will go to pot, literally, or crock as the case may be.

I do not want to take more time on this issue, except to say that I do know something about Medicare. In fact, I know a whale of a lot about Medicare. I know who the beneficiaries are. They are all of us. But in particular, I do not want to make an argument on behalf of my parents; I want to make an argument on behalf of my kids, because those are the people we are trying to save by reducing this amount. And I say to the Senator from Texas, you kill that reform by putting all of Medicare in that pot of yours taking care of defense—and the Senator from New Mexico is absolutely right, the Republicans always take care of defense—and you are going to have to answer to those kids; not to the elderly, you are going to have to answer to those kids.

Mr. HEINZ. Mr. President, will the Senator from Florida yield me 5 minutes?

Mr. CHILES. I shall be happy to yield 5 minutes.

Mr. HEINZ. Mr. President, I commend the Senator from Minnesota for his knowledge about the Medicare Program and his leadership in reforming that program so that it has become a significantly more efficient program, I also commend him for his foresight in seeing where our failure to come to grips with that program might have brought about its demise, as its cost outpaced the willingness or ability of the taxpayers to continue to pay for that program and his leadership in moving Congress to adopt a system of cost containment for the Medicare Program.

The Senator also correctly notes that earlier this year, the Senate went on reocord in support of my resolution to take the Social Security Trust Funds out of the unified budget by a vote of 77 to 22 in an action which would have secured the Social Security Trust Funds from any involvement in the budget process.

This amendment would have safeguarded the trust funds from either the reconciliation exercise that we are going through annually or from the sequestering process that is proposed for many categories of expenditures in the Gramm-Rudman bill.

Mr. President, one of the reasons I pressed that legislation on the Senate was that although public support for the Social Security system is high, although people believe—and correctly—that it is largely an efficient system, people—especially the members of the baby boom generation—are beginning to worry about whether or not that Social Security system is going to deliver much if anything to them when they retire in 20, 30, or 35 years.

It is my view that continued attacks on the Social Security system in the name of deficit reduction is undermining public confidence in that regard. And Medicare is an integral part of that system. Specifically, part A is the largest part of the Medicare Program and it is trust funded.

Mr. President, that is why I welcome the opportunity to support the amendment offered by my distinguished colleague from Florida to move Medicare back to a category I program.

Mr. President, when the Senate first considered the Gramm-Rudman-Hollings package, Medicare was classified as a category I program; that is, a program generally considered to receive annual increases in funds to meet its obligations to its beneficiaries. For category I programs, only inflation increases in payments to providers would be subject to automatic cuts under a sequester order. Medicare was placed in this category because it was considered to be a Federal program "indexed directly or indirectly, whether appropriated or contained in current law" (see text of Gramm-Rudman amendment, CONGRESSIONAL RECORD, October 3, 1985, S12589). The status of Medicare as a category I program was also reaffirmed in an October 21 Budget Committee staff memorandum in which Medicare is explicitly listed under category I programs.

Mr. President, I ask unanimous consent that the list prepared by the majority and minority staffs of the Senate Budget Committee, showing all

programs considered to be in category I, be included in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PROGRAMS INVOLVING AUTOMATIC SPENDING INCREASES (CATEGORY 1), AS DEFINED BY SENATE STAFF

Rail Industry Pension Fund (excluding limitation on administrative expenses).
Supplemental Security Income.
Veterans' Pension.
Veterans' Compensation.[1]
Civil Service Retirement (excluding limitation on administrative expenses).
Military Retirement.
Foreign Service Retirement.
Public Health Service Retirement.
Coast Guard Retirement.
Federal Judiciary Survivors Benefit.
United States Presidents Pensions.
CIA Retirement and Disability.
Federal Reserve Board Employees Retirement System.
Comptrollers General Retirement System.
Tennessee Valley Authority (TVA) Retirement System.
FECA (Worker's Compensation for Federal Employees).
Food Stamps.
Child Nutrition.
Supplementary Medical Insurance.
National Wool Act.
Black Lung Program.
Special Benefits for Disabled Coal Miners.
Hospital Insurance (excluding limitation on administrative expenses).

Mr. HEINZ. Mr. President, under the Packwood substitute to the House-passed version of Gramm-Rudman-Hollings, Medicare is treated as a category II, or "controllable" program. This is being done principally to ease the budget impact of future Presidential sequester orders on the Pentagon. By moving Medicare to category II, Congress would be subjecting Medicare in automatic sequester orders to cuts well below the freeze levels, not just to cuts in inflation adjustments. The uniform percentage reductions of such sequester orders would be made even if Congress had already passed a law, or the Secretary had already issued a regulation, to freeze Medicare provider reimbursements at the previous year's level. In short, this treatment of Medicare opens up the program to major uncertainties about the amount and method by which hospital and other provider payments could be reduced under the Gramm-Rudman-Hollings measure.

Mr. President, Medicare has experienced substantial budget cuts over the last few years. For fiscal years 1986-88 as part of just the fiscal year 1986 budget process, the Senate Finance Committee has voted to cut the Medicare Program by nearly $11 billion. The Senate Aging Committee and other committees of Congress have found that problems may be developing with the quality of care as hospitals pare down their services in response to cuts in Medicare payment. In addition, we know that Medicare beneficaries are being asked to spend more and more out of pocket to pay for the cost of their health care.

By placing Medicare into category II, Mr. President, Congress increases the likelihood that the burden on beneficiaries will grow worse. While there is language in the Packwood substitute protecting category II programs from any direct increase in beneficiary copayments, deductibles, or premiums through a Presidential sequester order, it is inevitable that any cuts to providers will be passed along to beneficiaries.

Senator CHILES' amendment would return the Medicare Program to category 1. It does not exempt Medicare from the pain of deficit reduction because Medicare would still have to bear its fair share. But the Chiles amendment would prevent fundamental changes in the Medicare Program from being made through a Presidential sequestering order, rather than through the normal legislative process.

Mr. President, I suggest that those who prefer Medicare to be a category I program, and who maintain that by adopting the Chiles amendment we in some way limit them cuts to Medicare, should amend category I to permit the sequestration of discretionary cost-of-living increases for programs like Medicare. That it seems to me would solve the problem and might ease some of the pain. If the Chiles amendment carries, someone might very well want to do that, and it might be an amendment I could well support. But I cannot support leaving Medicare in category II because, among other things, I just do not know what would happen. What is going to happen?

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HEINZ. Will the Senator yield 2 additional minutes?

Mr. CHILES. Yes.

Mr. HEINZ. I thank my friend and colleague from Florida. I have been trying to figure out how the hospital or the doctor would react when we reduce their reimbursement 10 percent, 5 percent, 15 percent, pick a number, below what it had been the previous year. I suppose in the case of a for-profit hospital, they would make less profit. In the case of a not-for-profit hospital, which is not making any profit, I support they would shift the costs to other patients, some who might be able to afford it, some not. Some hospitals might not be able to pass that on simply because of timing problems, and we do not exactly pay up front. We are a little slow paying here in the Federal Government. I guess unless we get the debt ceiling out of the way one of these days soon we are going to be very slow paying indeed.

Many of the not-for-profit health care providers and hospitals already find themselves in a substantial bind. So I see, Mr. President, some very difficult choices being made if we do not adopt the Chiles amendment.

I know that there are others who want to speak so I will not belabor this point further. In closing, I do believe, that in adopting the Chiles amendment, we will be absolutely true to both the letter and the intent and the spirit of Gramm-Rudman as it passed the Senate the first time. I am committed to Gramm-Rudman as it passed the Senate the first time I think that a deal is a deal. It was a good deal when we passed it and we should not try to undo it.

Mr. President, I am pleased to be able to join my distinguished colleagues from Florida in supporting this most needed amendment to ensure a safe future for Medicare. I am happy to make this a bipartisan effort and I hope that my colleagues on this side of the aisle will join forces with Senator CHILES to pass this amendment.

Mr. President, I ask unanimous consent that I be added as a consponsor to the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. I yield as much time as the Senator from New Mexico may want.

Mr. DOMENICI. Mr. President, for purposes of making sure I know where we are, could I be advised at 5 minutes? I yield myself 5 minutes.

Mr. President, first let me say to my friend, the junior Senator from New Mexico, who asked the question, allegedly Republicans changed the bill. I do not think that is the case. I think at best one could say there was confusion as to whether this was I or II but I do not think this was a Republican approach. I think you will find that of the conferees a compelling majority of both Republicans and Democrats favored putting it in II and we will find that out when we vote because I believe a number of those from both sides of the aisle, which will be a compelling majority of the conferees, decided to clarify this and put it in II.

Mr. CHILES. Will the Senator yield at that point?

Mr. DOMENICI. I am pleased to yield on the Senator's time.

Mr. CHILES. I will be happy to yield on my time. I am the first one to say that the Senator from Texas might have intended something else, but I think it was pretty clear by our staffs and by CBO as the bill went out of the

[1] H.J. Res. 372 explicitly requires that Veterans' Compensation be treated as an automatically indexed program.

Senate we all knew how it was going to be scored. If we go back to the conference and see how many times Mr. Bell was asked where was Medicare, it was in category I. If we look at the documents, major substantive amendments—this is the majority's House substitute—it is listed as a major substantive amendment. It says, "Specifies precisely the acts to be considered in the automatic spending increase. Medicare has been moved from this category to category II." So to say that it may have been somebody's intent is one thing but it is pretty clear, is it not, thast it was in category I? The staff said that, the majority staff, CBO staff said that. Everybody that scored it said that and now there was a decision made, made by the majority, we want to move it. And you have the votes; I guess you can make that decision.

Mr. DOMENICI. I thank my good friend. Let me stand on my statement and indicate that this amendment is not a Republican amendment. I believe the distinguished Senator from Louisiana [Mr. LONG] favors it. I may be mistaken but I think the distinguished Senator from Texas [Mr. BENTSEN] favors it. That is the only point I am making. I believe we attempted in conference as part of clarifying many different proposals to put it in category II. If that is a major change, so be it. Let me try to defend it at this point.

First of all, everyone should know that part B of Medicare is not a trust fund in the sense that the money comes from the payroll tax that the American people and the young people—about whom my friend is worried—pay. As a matter of fact, this year, the general fund of the United States will put $19 billion of general fund tax money in Medicare. This appropriation is necessary because premiums paid by beneficiaries cover only 25 percent of the cost of Medicare part B—the part that pays for physicians and other providers. We, as a nation, must pay the other 75 percent from several revenues.

What else have we done? We have excluded Social Security for the senior citizens, regardless of income. Social Security recipients are going to get their checks and they are going to get their COLA increases without change.

We should make sure on the record that it is generally understood that only about 13-percent of Social Security beneficiaries are within the poverty level, and all the rest are not poor. Yet, we have taken them off and are saying that they are going to get their checks and their increases.

In addition, the Senator from Florida would like to say that we are going to limit the impact of sequestration on Medicare—most of which goes for senior citizens who are not poor. If they are poor they will get Medicaid, yet all of Medicaid is put in sequestration.

It seems to me that we should take a look and say whether that is fair.

In answer to the argument of the subcommittee chairman, if I understood him correctly, he is really saying that it is bad management; that it is a terrible thing to do to doctors and to hospitals who made a deal.

The National Institutes of Health, $5.4 billion—they are having a devil of a time managing an ongoing research program that might save us hundreds of billions of dollars, and we are not worried about sequestering them; and $5.4 billion comes out of the general taxes. We are going to cut them, a health program of high promise.

There is $500 million in the maternal and child health block grant, for the poorest of the poor who need prenatal care and care for their children, and we are going to cut it because, somehow or other, Medicare has this resonance: Medicare and Social Security—they sort of go together. We have to make sure that we do not touch any of them.

Veterans health care, $9.4 billion a year. That is what we spent. It is a high priority item. In this amendment we are leaving pot No. 2 for across-the-board sequestration—$9.4 billion in veterans health care.

Go out to the seniors of this country and put up for a vote, instead of the U.S. Senate, "Would you like to cut veterans health care 8 percent in a sequestration and exempt yourself, Mr. and Mrs. Average Medicare Recipient?" Let us put it up to a vote for them. I will bet that the good conscience of the American people would say: "If you are automatically going to cut veterans care, you surely ought to let the doctors and the hospitals, who are providing services under Medicare, take a little bit of the cut." They are not going to take much. But surely those veterans are.

The way it is now, you are going to cut Medicaid. It is a program for the poor, by definition. Roughly $24 billion is our share and the States match it. There will be an attempt here to take it out, too. As a matter of fact, there is more justification for taking out Medicaid than Medicare. It is the American program to pay for those who cannot afford medical care. But they do not belong to some major groups in this country. They are not part of some groups that say seniors, and that means Social Security and Medicare, should not be touched. They want to exclude Medicare, even if it is the doctors and hospitals that you are going to cut the 5 percent, 6 percent, 7 percent, or 10 percent.

Indian health: $900 million. Can anybody tell me that the state of Indian health is as good as the Medicare recipients' in this country? We have a trust responsibility to them, but we are going to cut them because they are not Medicare; they are not part of the Social Security group that there is some fiction about, that they need it. Again, we are not talking about beneficiaries. It is the doctors and the hospitals that get the money. We now have provided specifically that they are the ones who would get their bills paid, but they get 5-percent less in the sequestration, and most seniors will not be affected. The doctors and the hospitals will.

There are others we can go through.

Let me mention education: We have turned ourselves inside out in this institution to be concerned about education. We want to educate the handicapped. We want to be sure we have student loans. They are sequestered, even the student loans, in a way that will make it apply in future years so that banks will know they have a continuous program. It will be sequestered, and nobody is even offering an amendment to change that in this package.

Agriculture: Speak about management, which worries my friend from Minnesota! Here is agriculture, and we are going to sequester it in the midst of probably as bad economic times for agriculture as we have had since the Great Depression, unless you choose the method of the House. They say exempt it all.

I repeat that if we want to put ourselves in the position where next year we do not have to sequester anything, then we should approach this sequestration by saying that everybody has to be in that particular negotiating mode, so that we can force the interests in Congress and in the President of the United States to get around the table and confront that 144 next year, and they will all have to be there, pushing and giving their bit in a priortization.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMENICI. I yield myself 5 additional minutes.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. LONG. I agree with the distinguished Senator. I am not speaking for the Democratic Party, but I note that when it came down to a final vote, more than half the Democrats did vote for the Gramm-Rudman-Hollings amendment, and I was one of them.

I favor the position taken by the Senator from New Mexico and oppose the amendment of Mr. CHILES because, in my judgment, we should make every spending item we can subject to the overall cut, so that Congress will be compelled to focus on this and say, "Is this how we want the cut to apply?" We would have everything in there, and then use our best judgment. If we do not think Medicare

should be cut, OK—we can go into the sequestration operation and look at each item and say that we do not want to cut this one or cut it as nearly as much as an across-the-board cut would require; and we can say which would take a higher priority and which would take a lesser priority.

However, if you take it out of Medicare and one thing and another in which interest many people you put it on the basis where Congress would tend to look the other way and let the cut go through without focusing on what part is well taken, which does not make sense.

Mr. DOMENICI. I do not think this is an argument, by making it less onerous on defense. I think this is an argument that has to do with whether or not we consider, on the domestic side, what we are going to sequester, whether there is a compelling reason to treat this program different from the myriad of domestic programs that you are going to put in sequestration. I find no compelling reason based in equity or in fairness.

I have recited a litany. I think that many programs, in fairness and equity, should be excluded before it. Frankly, I believe that leaving it in is most calculated to get a good program for the United States under Gramm-Rudman-Hollings, rather than a poor one.

RECESS UNTIL 1:30 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 1:30 p.m. today.

(Thereupon, at 11:59 a.m., the Senate recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CHAFEE).

The PRESIDING OFFICER. Without objection, we will have a quorum call, with the time to be divided equally.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, how much time remains for the Chiles amendment?

The PRESIDING OFFICER. The Senator from Oregon has 4 minutes remaining and the Senator from Florida has 12 minutes remaining.

Mr. LONG. I yield 4 minutes to the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I thank my colleague for yielding. I will be brief and stay within the 4 minutes.

I would like to indicate to my colleagues the importance of this vote and the importance of the position Senator CHILES has taken in promoting this amendment. It is not a matter of saving the old folks political bacon, or any of that sort of thing. This proposal is designed to restore the treatment of Medicare to the position that it was in when 75 Members of this body voted for the Gramm-Rudman proposal 3 weeks ago. That is, we could very easily have taken the position that the Medicare trust fund, like the Social Security trust fund, expenditures are not to be exempted entirely from Gramm-Rudman. We chose not to do so.

We chose to say that all the reform elements of Medicare, that is, the hospital indexes, the doctor indexes, everything else, would be treated the same as all other payments in the system.

The current index adjustment for hospitals is approximately 5 or 5.6 percent. We agreed that this 5.6-percent adjustment, over about a $56 billion payout next year, would be part of the sequestration. So to the degree that Medicare payments would have to be part of sequestration, they would be.

That was the agreement when it went out of this body. It got changed to accommodate other changes made in the conference committee. All the Senator from Florida and I and a lot of other supporters of this amendment are trying to do is to put Medicare back where it was when it left this body: A full participant in the process of deficit reduction.

The argument is made that this is just payments to doctors and hospitals. I will say to you with all the certainty that I can that if you enter into a course of conduct proposed by the Senator from Oregon, the Senator from New Mexico and others, of taking Medicare down below zero adjustment for hospitals and doctors, you are going to start seeing hospitals disappear in this country.

I suggest you go read your mail. The first place they will start is in all of these rural towns in this country that are already in trouble because of the quick changes in reimbursement. You take away their 5.5-percent adjustment that has been promised to them as part of this reform and they are going to go out of business. You say one more time to the doctors of this country, "We are going to freeze your part B payments and in fact take them below the $15 per visit that you had before," and you are going to find more doctors than today saying, "I do not want to have anything to do with Medicare. I can live pretty well without Medicare."

The proponents of this amendment are not arguing to put Medicare in the same category as Social Security. We are arguing to put Medicare in the same category as all other spending programs around this place. Treat them and their proposed adjustments in the same way in the sequestration process as most other things are being treated. I would hope that this body has the good sense to agree one more time as it did before that Medicare ought to be treated the same way as other programs. Go with the Chiles amendment and get a big vote in favor of the Chiles amendment so that if this has to go back to conference, which it will, there will not be any more messing around with the Medicare reform payments.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. Mr. President, may I ask how much time the Senator from Florida has remaining?

The PRESIDING OFFICER. The Senator from Florida has 8½ minutes.

Mr. CHILES. I thank the Chair.

Mr. President, I yield 4 minutes to the distinguished Senator from Montana.

Mr. BAUCUS. Mr. President, I thank the Senator from Florida.

Mr. President, I ask unanimous consent to be added as a cosponsor to the amendment offered by Senator CHILES.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I am supporter of the Gramm-Rudman-Hollings bill. I also supported including Social Security within the scope of this legislation. But when others and I voted for this bill, we assumed that the high-priority category I program list surely included the Medicare Program. That is where I believed Social Security belonged and I think that the argument is the same for Medicare.

Now we are being told that there was no such understanding, only confusion, about whether Medicare is to be a high-priority program or treated as just another "controllable" discretionary program.

I welcome the amendment offered by Senator CHILES to set the record straight. I think that this gives us all the chance to say what our priorities are.

There is a reason that the legislation we are considering has priority categories. In the first category, programs could not be cut below freeze levels. That does not exempt these programs from reducitons. It subjects them to the prospect of eliminating the price adjustment that would otherwise be provided.

Category II is everything else. These programs, including controllable defense expenditures, can be reduced by the amounts necessary to reach the deficit target levels contained in the Gramm-Rudman-Hollings bill.

So, the question is, Where does Medicare belong? I support this amendment because it puts Medicare among the highest priority activities of the Federal Government, and that is where it belongs.

To say that deep reductions, reductions well below freeze levels, in the Medicare Program will not affect America's senior citizens, the beneficiaries, simply ignore the facts. In my State, there are already several hospitals on the brink of financial collapse. Almost all of these hospitals are heavily reliant on Medicare payments. And the doctors in these communities are, too.

What happens to these communities when Medicare begins to pay less, substantially less, than they have projected? I think we can be almost certain that some of these hospitals will be forced to close and many physicians will refuse to participate in the Medicare Program.

In rural America, this means that senior citizens will not have access to health care. And I am not talking about being merely inconvenienced. I am talking about in some cases having to travel over 100 miles to the next nearest facility or doctor. It is no exaggeration to say that in some cases that is a life or death consequence.

What about quality of care? This is already a serious concern with the payment levels now in effect under prospective payment to hospitals and freezes on physician fees. Do we really believe that the quality of health care in America, the health care that we now call the finest in the world, will not decline when payments are sharply and rapidly reduced? You get what you pay for. I do not think we want to say that we are willing to settle for second-class care for senior citizens.

Mr. President, as the ranking minority member of the Health Subcommittee on the Senate Finance Committee, I know how important it is to restrain health care costs. Each year we have struggled with that task and I think that we are making progress. But I also think that Congress must make these changes in an orderly and deliberative manner, knowing as best we can the consequences of our actions. The Chiles amendment will help to make sure that meaningful, sensible reform can continue and not be precluded by arbitrary formula reductions.

Finally, let me say that I hope that the Senator from Oregon is right that we should not frame this debate as a choice between health care and defense spending, but the choices are clear. Defense is cut less if Medicare is cut more. That is the question before us.

I hope that my colleagues will realize that the issue really is the future access to benefit that senior citizens have already paid for and the quality of care that they deserve.

Mr. President, I also want to address the point raised earlier by the Senator from Texas. He said on the floor, and others have made the same point, that the amendment offered by the Senator from Florida [Mr. CHILES] really is an amendment which does not directly affect Medicare beneficiaries but rather affects only health care providers, such as hospitals and doctors. The fact of the matter, Mr. President, is that if the Chiles amendment is not adopted—that is, if Medicare is treated the same way as all those programs in category II, then beneficiaries will be cut.

Why? Very simply: because payments under Medicare, certainly under part A, go in the main to providers; that is, doctors, hospitals, and other health care providers.

It is true that Gramm-Rudman protects direct Social Security beneficiary payments. But if payments to doctors and hospitals are cut the same degree as are other programs that are sequestered under category II, then who here today can stand up and say that Medicare beneficiaries, senior citizens, will not also be cut? If we cut hospitals and doctors and other providers to the same degree as other programs that are sequestered, it is obvious that beneficiaries themselves are going to get the brunt of that cut. So it is unfair, it is misleading for Senators here today to say that the cuts will go only to doctors and hospitals and, "Gee, they are getting a lot of money anyway and they should be cut."

That is a specious argument, Mr. President, because if you look at it closely, if doctors and hospitals are cut, they are going to start giving less treatment to patients. Hospitals will have even shorter lengths of stay. Patients will be forced to leave hospitals even more quickly. Hospitals may not admit as many patients.

The same will happen to doctors. Fewer doctors under part B will take Medicare patients, or they will not take assignments. So, indirectly beneficiaries will be cut.

It seems to me that Social Security and Medicare should be treated the same. Social Security beneficiaries are retired Americans who get direct beneficiary payments. Medicare patients are not only aged people, as are Social Security people, but they are people who are sick, and need health care. I supported putting Social Security in category I and it certainly seems to me that Medicare should be in category I. That includes beneficiaries as well as health care providers.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BAUCUS. Mr. President, I yield the floor.

Mr. KENNEDY. Mr. President, I rise in support of the amendment to move Medicare from category II to category I of the Gramm-Rudman proposal.

There is no program more important to America than Medicare. History will judge the quality of our society—and we should judge ourselves—not by the generosity with which we reward the wealthy, strong, and powerful but by the way we provide for the weak, the needy, and the old.

The quality of life of 30 million aged and disabled Americans depends on the adoption of the amendment we are considering today. Subjecting this program to the kind of cuts that inclusion in category II might require would mean breaking the promise of affordable health care for our senior citizens.

Medicare has done more to bring dignity and security to the lives of America's senior citizens than any social innovation since Social Security. In the dark days before Medicare, the elderly lived with the knowledge that any serious illness would mean the loss of a lifetime of savings. In the dark days before Medicare, the elderly were frequently denied the benefits of modern medical science because they could not afford to pay for them.

But the enactment of Medicare changed the lives of America's senior citizens. Medicare brought our senior citizens greater financial security and assured them access to the best medical care America has to offer. As a result of Medicare, the senior citizens of America enjoy the blessing of longer and healthier lives.

This year is the 20th anniversary of the passage of Medicare. It is ironic that, at the end of Medicare's second decade, this proposal—a dramatic change from the legislation that was passed only a few weeks ago—proposes to break the promise of Medicare.

Without this amendment, Medicare cuts could total $4 billion next year and $7.4 to $11 billion the following year.

What will be the impact of these drastic reductions? The authors of this proposal point to the language of their amendment that proclaims that beneficiary premiums may not be raised or benefits included in legislation be reduced. All the reductions, if this provision is adopted, will come from reductions in payments to doctors, hospitals and other Medicare providers.

But the size of the cuts that might arise from leaving Medicare in category II makes a mockery of these promises to protect Medicare beneficiaries. Under the Medicare law, physicians are not obligated to accept Medicare recognized charges as payment in full. Instead, they are allowed to pass on to beneficiaries, in addition to the normal 20 percent copayment, any difference between what they want to charge and what Medicare will pay. Physicians currently pass on extra costs to Medicare beneficiaries on approximately half of all bills. Failure to enact this amendment will mean that billions of dollars in additional costs will fall on Medicare beneficiaries.

The sad fact is that Medicare beneficiaries already pay too much for the

health care they need—an average of $1,600 out of their own pockets this year. This amounts to 15 percent of the average elderly person's total income—the same excessive percentage the elderly paid in the dark days before Medicare.

While the additional out-of-pocket costs the elderly could have to pay as a result of this proposal are bad, the consequences for senior citizens' access to hospital care are potentially even worse.

Hospitals cannot pass on additional charges to Medicare beneficiaries; they must accept Medicare reimbursement as payment in full. Medicare payments are already substantially below those of private insurance. If Medicare is cut to the degree contemplated in this proposal, the differential could widen by 10 percent next year and comparable amounts in subsequent years, until Medicare pays only a small fraction of the going rate. It will not be long before our senior citizens find themselves turned away at the hospital door and relegated to second class status in charity wards.

I can imagine no greater blow to the dignity and well-being of our Nation's elderly. Adoption of this amendment will give our senior citizens the assurances they deserve that the promise of Medicare remains unbroken.

The amendment I am supporting today will not spare any program from budget restraint. But it will classify Medicare where it belongs with other entitlements. We must keep our solemn commitments to America's elderly. We must keep faith with those who have kept faith with America through war and depression.

The PRESIDING OFFICER. Who yields time? If neither side yields time, time will be charged equally.

Mr. CHILES. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, before lunch, we heard an argument that Medicare was never meant to be in category I and that it is not automatically indexed. It seem to me that Medicare has been a kind of moving target and the definition of what falls into category I has been moving, too.

When this bill was first introduced by the distinguished Senator from Texas, he define those programs in category I as requiring an automatic spending increase. At that time, he did not use the term "automatic indexing." He defined this to mean, the record shows, "all Federal programs indexed directly or indirectly, whether appropriated or contained in current law; this shall include entitlements and other payments to individuals, open-ended payments and grants and other similar programs, and shall not include increases in Government expenditures due to changes in program participation rates."

That pretty well established what I think was the intent that Medicare, Medicaid, AFDC, all those should be in category I—perhaps more than that. Now we see some changes that were made after that time.

There were some changes on the Senate floor. It was tightened up a little bit and the definition somewhat changed.

In the Senate-passed bill, "automatic spending increase" was defined as "all Federal programs indexed directly whether appropriated or contained in current law. This shall not include increases in Government expenditures due to changes in participation rates." Medicare was still in category I. The majority staff of the Budget Committee analyzed the bill and decided Medicare was in category I.

Our decision to agree to the bill was based on Medicare being in title I. Now, perhaps there was a change of mind. Of course, we did see that in the conference, a majority in the conference decided that they would make this change.

It seems to me, Mr. President, if we are talking about purity, we ought to be looking for it now. The new definition supposedly is "pure." Under that, it is clear that supposedly it is only the real indexed programs.

Yet we see that veterans' compensation is on the list now. It is a program that is not automatically indexed. There has to be separate legislation in a year that we want those benefits to be increased. But it is in category I as opposed to category II. So it looks like what amounts to legislative purity is in the mind of the beholder, what you would like to be there. It seems to me you can put anything you want on that list.

Mr. PACKWOOD. Mr. President, this is indeed the first of the test votes as to whether we are serious about this whole process and keeping as much as we can in the pot. Let us make very clear again what is going to happen to those remaining programs in the pot if this amendment passes.

Whether that is defense or school lunches or education or National Institutes of Health or rural housing, every time we take something out of the pot that might otherwise be subject to sequester and move it out where it cannot be sequestered, everything else that is left in the pot has to be cut a bit more. So the question becomes, is this program of such a high, high priority—higher than Medicaid, higher than AFDC, higher than programs that go to the genuinely needy—that we are going to make it almost untouchable and say all of the other programs are going to be touched more? I do not think it is fair, I do not think it is right. But, more importantly, this is the first key vote as to whether or not we are serious about trying to have a process that works and when and if we have to make cuts, they touch everyone equally.

How much time does the Senator from Florida have remaining?

The PRESIDING OFFICER. (Mr. COHEN). The Senator from Florida has 1 minute.

Mr. CHILES. Mr. President, I think we are ready to vote. It is interesting that now we are talking about this terribly key vote and what is in and what is out. The bill as introduced left out a program cited by the sponsors, Social Security. The distinguished Senator from New Mexico made the great argument about 16 percent of those people are below the poverty line, the rest are not. But it was decided that we would not even touch them under any circumstances, not under category I and not under category II; they just would not be touched.

I am trying to understand the logic of how you take an entitlement program with a trust fund—moneys were withheld from the recipients—you have this separate trust fund and it is an entitlement program—yet we said, "Wait a minute, that is $74 billion. Let's put that in the pot and let's take that. Then we have veterans compensation. It is not an indexed program; if there is a COLA it has to be passed by the Congress every year. Let's put that into title I list."

The Senator from Florida is trying to understand what is the logic of this "pure" kind of proposal when we do not take Social Security and put it in anywhere, and when we do take veterans compensation, a nonindexed program and put it on that list, but now we are going to say Medicare, also an indexed program, should be called "controllable."

Mr. PACKWOOD. Mr. President, I yield my remaining time to the Senator from Texas.

Mr. GRAMM. I thank the distinguished chairman for yielding to me. Mr. President, the question we are answering here is, when 75 Members out of 99 present voted for the Gramm-Rudman-Hollings proposal, were we serious? If this amendment is adopted, it is clear that the next three amendments will be adopted as well because if this amendment can stand on its merits, certainly those can too. That will exempt a total of $125 billion from the sequester process.

Now, to convert that into arithmetic, it means every other program which is part of the process will be cut by 30 percent more if we adopt these amendments than if we do not. It is my hope, Mr. President, that we will do our job; that under this process we will make difficult and courageous decisions; that we will reach a consensus that we will all compromise; that we will meet the targets by doing our duty, by

adopting budgets that meet those objectives. But if we do not, it is vital that we have everything in the pot that is on the budget. That in essence is what we have done in this current package before us.

The Senator from Florida talked about a trust fund. We are paying $19 billion a year out of general revenue into the Medicare Program.

That is not a trust fund. That is a direct payment from the taxpayers. What we are talking about is not benefits to beneficiaries. We are talking about payments to doctors and hospitals. That is not an irrelevant issue. It is a very relevant issue. But the question is if we can cut everything else, do their priorities stand above everyone else's? I say no and there is no priority more important than balancing the budget and preserving a recovery that has brought about jobs and hope and opportunity to our people. I urge Senators to vote against this amendment.

Mr. PACKWOOD. Mr. President, I move to table the amendment of the Senator from Florida and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Connecticut [Mr. WEICKER] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 280 Leg.]

YEAS—54

Abdnor	Gramm	Nickles
Armstrong	Grassley	Nunn
Bentsen	Hatch	Packwood
Bingaman	Hatfield	Pressler
Boren	Hecht	Proxmire
Boschwitz	Helms	Quayle
Cochran	Hollings	Roth
Cohen	Humphrey	Rudman
D'Amato	Johnston	Simpson
Danforth	Kasten	Stafford
Denton	Laxalt	Stennis
Dole	Long	Stevens
Domenici	Lugar	Symms
East	Mathias	Thurmond
Evans	Mattingly	Trible
Garn	McClure	Wallop
Goldwater	McConnell	Warner
Gorton	Murkowski	Wilson

NAYS—44

Andrews	DeConcini	Hart
Baucus	Dixon	Hawkins
Biden	Dodd	Heflin
Bradley	Durenberger	Heinz
Bumpers	Eagleton	Inouye
Burdick	Exon	Kassebaum
Byrd	Ford	Kennedy
Chafee	Glenn	Kerry
Chiles	Gore	Lautenberg
Cranston	Harkin	Leahy
Levin	Moynihan	Sarbanes
Matsunaga	Pell	Sasser
Melcher	Pryor	Simon
Metzenbaum	Riegle	Specter
Mitchell	Rockefeller	

NOT VOTING—2

Weicker	Zorinsky

So the motion to lay on the table the amendment (No. 961) was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 963

(Purpose: To lower the deficit target for fiscal year 1986)

Mr. RIEGLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration. I am sending the amendment in my own name, and on behalf of Senators CHILES, EXON, and KENNEDY.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. RIEGLE], for himself, Mr. CHILES, Mr. EXON, Mr. KENNEDY, and Mr. METZENBAUM, proposes an amendment numbered 963 to amendment No. 957.

Mr. RIEGLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in Routine Morning Business under Amendments Submitted.

Mr. RIEGLE. Mr. President, I ask for order in the Chamber, please, before I start.

The PRESIDING OFFICER. Senators who wish to carry on their conversations, please take those conversations to the cloakroom.

The Senator from Michigan.

Mr. RIEGLE. Mr. President, I believe this is a very important amendment, not because I happen to be offering it, but the substance of the amendment makes it an important one. It has to do with the question of establishing exactly what the first-year fiscal 1986 deficit target will be in the Gramm-Rudman proposal, assuming that it becomes law.

This is a matter of great controversy. The Senate presently has one number that appears to avoid any deficit reduction for the fiscal year that we are now in. The House last week passed a different version with a very tough-year deficit target of $161 billion, and with no fudge factor such as we have presently in the Gramm-Rudman proposal.

So the difference between these two is very significant. The question of how we arrive at a first year target, or if you will an immediate year target, is something that I think we have to consider very carefully. The amendment that I have sent to the desk proposes a current fiscal year target just about in the middle of the present proposal in Gramm-Rudman which I think is far too loose, and the one that the House has offered which some people think is too tight with respect to the timing of actually putting it into effect in this fiscal year in which some part of it has already gone by.

What we presently have in Gramm-Rudman is as follows: It is a target, a stated target, of $180 billion deficit, but it has with it a 5-percent leeway which is the fudge factor which most of the economists and columnists have discovered which shows in fact that that deficit figure can balloon up to $189 billion before there is a requirement for any automatic cuts.

Under the current CBO estimates for the 1986 fiscal year, the deficit is estimated to be $185 billion. By having a first year target that is actually $4 billion higher than the $185 billion deficit figure there is a very real likelihood that we would escape the discipline for this fiscal year, and many suspect that is quite deliberate. And it is for the purpose of trying to finesse this problem past the 1986 elections, and sneak by as much as possible without the Gramm-Rudman proposition really biting in a serious way to start making some of the budget cuts that are needed.

I happen to think very strongly that the budget does need to be cut, and it needs to be cut now. It needs to be cut in a significant amount that both financial markets will pay attention to, and hopefully we can get some further interest rate relief, some greater economic growth. Hopefully, we can get that combination of events started to bring the deficit down even further, and giving us some more relief from the pressure of the high deficits that we are now confronted with.

My amendment would do the following: It would take as our budget deficit target and put it in as the Gramm-Rudman target, the budget resolution deficit level that we passed in the Senate in August of this year, not very long ago, and by a substantial 2-to-1 majority. It would take that figure, the $171.9 billion, and it would set that as the target for this year. However, we would soften it some because

we would leave in the fiscal year adjustment factor that is now in Gramm-Rudman that takes into account the fact that we have already begun the fiscal year. Therefore we would not have to make a full year's reduction for this fiscal year when part of the year will have elapsed, which I think is legitimate. So we retain the same fraction of adjustment for the fiscal year which is presently in Gramm-Rudman.

So what this would involve in terms of money is this. With the current CBO estimate of the deficit for 1986 being $185 billion, and with us having set forth our own budget target earlier of $171.9 billion, or, say, $172 billion, that would mandate a cut in total without the fractional adjustment of about $13 billion for this fiscal year. By taking into account the fractional adjustment, it pulls that down to an adjustment of approximately $9.8 billion.

That is what we would be mandating to have to save under Gramm-Rudman out over the remainder of the fiscal year—$9.8 billion saving beneath what CBO now tells us is the estimated deficit for the fiscal year that we have begun.

It will be very interesting to see how the vote goes because there are some who say, well, we want Gramm-Rudman, we want deficit reduction, and we want budget cuts but we do not want them now. We want them later, preferably after the 1986 elections. There are others who are saying with what the House has put in as a first-year target it is so tough and so low that it is basically unachievable.

What I am offering here is a number that is achievable, and that is reasonable. In fact, it is the precise number that we committed ourselves to meet just a matter of about 4 months ago here on the Senate floor. So we are here today to affirm a number that we have already committed ourselves to have to meet, and we are adjusting that and providing some leeway with respect to the fact that part of the fiscal year has gone by.

As to the question of whether we could cut $9.8 billion out of this fiscal year's budget which is a budget of $1 trillion to me really poses an essential test of whether or not Gramm-Rudman is real or whether it is a fake as many of us are inclined to think that it is because a $9.8 billion reduction on a $1 trillion budget is less than 1 percent.

It ought to be within our reach if we are serious about doing this or, in the alternative, if the intent is just to push this thing off into the future and finesse it until after the next election, then clearly we can do that. We can leave it as it is with an artificially high target, and with a target that is now above what the CBO says the deficit next year will be. In fact, it will allow the deficit to increase rather than mandate that it decrease.

So by any measurement I think this is a very reasonable number to set for ourselves. It puts the discipline into effect.

As to the timing, if we adopt this amendment—and we allow then a deficit next year that would be no higher than $175.2 billion, and therefore based on current estimates require us to come in and find a way to save the roughly $9.8 billion that I have just made reference to. The GAO would submit a report to us on December 15 of this year. At that date the President would then have 14 days in which to decide how he would recommend that we achieve these economies and these budget reductions in order to come back with his proposal as to how we get down to the deficit figure which was the maximum that would be allowed.

That report from him would have to be in by the 29th of December. As Gramm-Rudman is now written, there would then be a period of 30 days in which the Congress would have to examine that package that the President has sent down to us to take a look at it, to decide whether we want to accept it, and whether we want to recommend changes in it. But I think it gives us a period of time, through January 28 on the calendar, to be able to respond to that if we have different thoughts as to how it ought to be done. But it would give us a chance to get a running start on deficit reduction of a significant amount but not an amount that is beyond our reach or that anyone could actually call unreasonable.

I know some of the supporters of Gramm-Rudman are going to say any real deficit reduction target for 1986 is unreasonable because they would like to put this issue off if they possibly can because the whole part of the construction of Gramm-Rudman is not now—but later, deficit reduction in the future but no real deficit reduction now.

When you look at the comments which have been made across the country by people who have taken serious account of the Gramm-Rudman proposal, you find that is the overwhelming first complaint that people make about it. That is while it has a number of defects that the most serious defect is it does not begin serious deficit cutting now when it is needed.

I think the person that was probably the most outspoken about that initially was Dr. Modigliani of MIT, the Nobel Prize winner this year in economics who said, and I quote in terms of his remarks on the Brinkley show of October 27. He says as it is written now "It completely fails the job that needs to be done. What we need to do is to slash the deficit deeply, and we need to do it this fiscal year."

That is what Dr. Modigliani is saying this fiscal year. I think he is right. But as you go across the editorial opinion, across the opinion of economists from across the country, it is virtually unanimous whether you want to take the U.S. News & World Report editorial of yesterday which I read into the RECORD, or what other leading newspapers have said from newspapers in Nebraska to New York, coast to coast, and in California—they are all making the very same points. The writers across the country are as well. That is if we are serious about it, if it is real, then let us get started on it at the present time.

Mr. President, may I ask how much of my time remains?

The PRESIDING OFFICER. The Senator has 11 minutes remaining.

Mr. RIEGLE. I will reserve the remainder of my time.

Mr. PACKWOOD. Mr. President, I congratulate my good friend from Michigan because he has commented on this process very well. What we found in the House when we were negotiating with the House was that this is a terrible process, the whole process is terrible. Let us get to it as quickly as we can.

Here is what we are up against right now. I do have to dispute the allegations of my good friend from Michigan that we are trying to escape 1 year.

It is now November 5. Under the bill, if it passes as it is, the President has to bring in his budget for 1987 on the first Monday after January 3 at $144 billion, less than 2 months from now. If you think this process is tough right now, wait until he comes in here next year with a $144 billion deficit. If somebody thinks that this is going to be the Republican way of escaping responsibility when he comes in with $144 billion and says, "Folks, let me tell you what I have to cut" and it will pale anything that we have tried to cut ever since we have had the budget process or anytime since any of us have been here.

If by chance in the 9 months between January and the end of September Congress fails to meet those $144 billion budget deficit totals, then on October 1 the President announces his sequester. Everything from Bangor, ME, to San Diego, CA, to Portland, OR, and all of the big and little towns in between will find something that will be sequestered, because it will be across the board.

As the fear of something is worse than the actuality of something, everyone will say, "My gosh, that is only 5 percent, but what is coming next?" The Republicans will have to live with that all during October, the month before November. We will have to explain it. If there is anything that would help Republicans, it would be to get by the month of January, not Oc-

tober. At least, if we have some laws in effect and the cuts are actually made and the interest rates come down as we hope and the economy booms as we hope, then politically the party in power probably benefits.

I have heard lots of figures cast around. The Senator from Michigan says the deficit this year will be $185 billion. I would be willing to make him an offer right now and say that is the target for 1986. No 5 percent or two-thirds, we will say $185 billion will be the target for 1985 and we will live with it. I do not know if we can agree to that or sell that. I do not think we can sell it in the House.

All I am saying is this: Relying on the word of the Budget Committee chairman, someplace this year the deficit appears to be, depending upon reconciliation, anyplace from $190 billion to $200 billion. No matter what target we set, the House's $161 billion target, the target of the distinguished colleague from Michigan, $172 billion, the $180 billion, plus 5 percent, we are offering, although if you go above the 5-percent sequester down to $180 billion, no matter what target, it appears that we will have sequestering in the next few months. The question is: Are we going to sequester from a deficit of $193 billion or $194 billion or $200 billion down to $180 billion, roughly a $15 billion, sequester, down to $182 billion, or the House's figure of $161 billion?

All of them are going to be hard to digest because they are coming now late in the fiscal year but into the fiscal year and we have not had the 9 months we will have under the Gramm-Rudman-Hollings process for the Congress to sit down and negotiate with the President.

Unless I miss my guess, this is what the President is going to do in January: He is convinced that Congress has promised him under our agreement a 3-percent increase in spending, a real increase in spending, in defense next year. He will come in with a budget with very high military totals. There will be rather dramatic cuts in domestic spending in the budget as presented. And there will be no tax increase in the budget as presented.

Between January and September there is going to be strong negotiation between the Congress and the President, between the Republicans and the Democrats, between the House and the Senate, and I hope by the time September comes we have concluded a process whereby we have some sequestering and we have done it ourselves.

But I think in this first year, and again this is no blessing for the Republicans, there is going to be a sequester anyway. It is just a question of how far it is going to go in the next 30 days when we pass this.

Then there is going to be a blockbuster cut of a budget in January which the President and the Republicans are going to have to defend from January to September in whatever choices we make, whatever choices we make. No matter how we skew it, no matter what we do with it, turn it upside down, every single interest group, including defense, probably, is going to get touched. Every group that gets touched is not going to like it. Every group that gets touched will blame the party in power and that is the Republican Party.

I would hope very much that the amendment of my good friend from Michigan would fail. I would hope that we could go to conference with the House with the figure that is in the amendment as I have presented it because I know after negotiating for almost 2 weeks with those 48 House conferees from six different committees that we are going to have a very, very difficult time on the issue of constitutionality, on the issue of what is in and out of the pot, on the issue of what the deficit level ought to be.

We all know when you go to conference you do not get everything you want, if you want to get a conference report. I beg the Senate to give us the strongest hand possible going into that conference.

On the merits I have no difficulty defending the figure that is in my amendment of $180 billion, plus 5 percent, $189 billion. But if you go one penny over it you sequester down to $180 billion pro rated for the number of months that we are into the fiscal year.

I admire my friend from Michigan. I know he is sincere in this, but I hope that his amendment will be defeated.

Mr. HOLLINGS. Will the Senator yield?

Mr. PACKWOOD. I yield 5 minutes to the Senator from South Carolina.

Mr. HOLLINGS. I thank the Senator for yielding.

Mr. President, the Senate has been at least 7 weeks on this issue, and Senators GRAMM and RUDMAN and I have been on it longer. The intent of this proposal was to enforce discipline and create truth in budgeting. The proposal was intended to be impartial, to be realistically attainable. The intent was not to use the late dates of April and May into the fiscal year but to start immediately at the very beginning so that if we were going to cut, for example, out of defense, we would be moving into contracts and not into pay and readiness.

On that particular score, you will remember back 7 weeks ago when we were in the early debates how we adjusted upward intentionally. The distinguished Senator from Michigan said the numbers were artificially high. Yes, artificially high but intentionally high so that it would not just immediately trigger chaos and lose votes.

We have to have a politically viable proposal. We have to get this thing passed. Everyone legitimately said, "Look, we were not playing with real bullets in August when we enacted this particular budget. All of a sudden in hindsight you are going to force all this discipline and you are going to have to go through an exercise of beating up each other. The President will not go for revenues, we will not go for cutting out social programs, someone else will hold tight and we have a gridlock."

The economist Modigliani with his Orphan Annie pulls his figures out of cartoonland without helping the fight to cut the deficit. He reminds me of a President we had once who consulted his daughter Amy on nuclear matters.

Politically, we have tried and tried and tried, this Senator has tried for 5 years, and we never had the help to cut the deficit. The distinguished Senator from Michigan has said, "Now let us get it done. Let us get on with the job. Let us sit around the table and work."

Well, he has been keeping that budget unusually high with his demand on Social Security. I thought I had really gotten rid of his particular eloquence when I insisted that we set Social Security aside as a trust fund.

The Senator from Michigan and I have appeared together. He has in the past called this program fraudulent and dishonest. Today, he used the words "finesse" and "sneak by."

There is no finessing, there is no sneaking by. The levels have been set to put tremendous pressure on all of us—the President, the House, and the Senate to present a balance budget. We are all going to be put in a box, intentionally so, to present a budget that will immediately come from about $195 billion down to $144 billion. We are going to be cutting some $50 billion out of the present budget while at the same time, as it is admitted, the President will want a 3-percent growth in defense. Others will be wanting their 3- to 4-percent inflationary growth in entitlements. And then we have net interest—almost a $30 billion increment now coming in this year, 1986, because we have not done the job.

Those things are going to be weighing on us and we are going to have to do the job. It is going to be tough to get a budget together especially in an election year.

But the bottom line of this amendment, I say to the Senator from Michigan, is that it is, to use his favorite words, a "finesse," a "sneak by."

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. HOLLINGS. I ask for 2 more minutes.

Mr. PACKWOOD. I yield 2 more minutes.

Mr. HOLLINGS. The amendment of the Senator from Michigan is no less than a finesse, than a sneak by. I do not accuse him of fraud, as he accused GRAMM and HOLLINGS of fraud. The finesse and the sneak by here are if you cannot beat them, join them. Overweight the plan, sabotage it with an unrealistic amendment, and make absolutely sure that it will not pass because we have to cut $20 billion more by Christmas.

That is what the Senator is trying to do. He knows he cannot do it. We tried and the President came on in September 1981 and said, "Oops, we need revenues." Then he came along and he wrote his famous speech and they said, "Wait a minute, we have not gotten a budget." Howard Baker and the Senator from South Carolina worked and cut. So we are not going to find $20 billion here before Christmas. The Senator's amendment does nothing less than sabotage and overweight the proposal and make certain nothing happens with respect to the deficit.

It is a sad initiative. Its purpose is not to control the budget, but to take something that has been worked over and seems to be on course now and say, let us sabotage it and make absolutely sure it is not going to pass.

Mr. RIEGLE. Mr. President, I am going to take a minute or two here to respond to some of the things my friend from South Carolina said.

One thing, and he may or may not have said it, had to do with the target date. The first one to use the target I am suggesting for the first year was the Gramm-Rudman proposal itself when it was first printed. S. 1702 had as its target exactly the same target I am talking about now. I am talking about not months ago but 5 weeks ago. They have changed it, which they have a right to do, but lest he think this number has been picked out of thin air, this is the number the Senate agreed to in August by overwhelming numbers. It is the number we committed ourselves to meet. We have not yet passed all the appropriations bills for this fiscal year so we are certainly in a position to work on them before we pass them to try to meet that target. This is precisely the number that Gramm-Rudman had initially.

Then, for whatever the reasons, and we can speculate as to the reasons, I am told that the White House pleaded to a lot of people and said, "Look, we want deficit reduction, but we do not want it now; we want it sometime in the future, preferably after the next election so can't you jack up that budget number and make sure you have a high enough fudge factor so it will not bite into anybody any time soon."

That is why this thing has been met with universal ridicule by serious economic people across the country, including many serious scholars, and theorists, and columists on these issues—people like James Kilpatrick and many others who have thought about it and looked at it. They have come back and said, "Look, you are not serious about deficit reduction if you are not willing to start now; we are already 3 years late, 4 years late, 5 years late. Now we have an opportunity to do something on an orderly basis for the fiscal year that has just started and you are throwing your hands up and saying, we cannot do it now."

Well, we can do it now and now is when it needs to be done. People are not going to take this thing seriously unless it bites now. It has to bite an amount that is reasonable, I concede that point. If it is too much and in too short a period of time, then I think that is a legitimate argument the other way. But as we have it now, people are seeing it for what it is, a political gimmick, a gimmick to avoid the issue now.

Well, we are already late. I think if we are going to pretend that we are serious about deficit reduction, we ought to do a little bit of it. We ought to do a little bit of it now.

It seems to me what the Senator is saying is in this $1 trillion budget with the latest CBO estimate of a deficit for next year of $185 billion, we cannot manage to find a way, with all the magic of Gramm-Rudman, to take literally $9 billion out of a $1 trillion budget.

We cannot save that much, whether it is $600 toilet seats at the Pentagon, or waste in social programs, or whatever it is; we cannot save less than 1 percent in the remainder of this fiscal year, even though we just voted in August to say that was our target.

You tell me that is not hypocrisy? Of course it is hypocrisy and everybody is laughing at us. U.S. News & World Report, which normally would think this is a great idea, yesterday called it a fiscal Frankenstein. One of their major points was it does not start cutting the deficit now. What do you think that means? I know the sponsors keep telling themselves that this is wonderful and they have done a beautiful job here but the fact of the matter is it does not bite in in any meaningful way and it needs to.

So I am just trying to take the budget number established just a few weeks ago. In fact, I am even allowing for the part of the fiscal year that has already gone by. So the actual deficit target we are talking about that is in my amendment is $175.2 billion. If we cannot meet that target, if we do not have the resolve over the next period of months between now and the end of this fiscal year to meet that target, who is going to believe, with the hocus-pocus out in the future—the $144 billion that the chairman of the Finance Committee talks about for the subsequent year or the balanced budget out in 1991—3 years after President Reagan leaves office? Who is going to believe that? Nobody believes it. They are laughing at it and they are laughing at it because we are not showing a willingness to start in a serious way now.

Take this amendment. I challenge the Senate to take the amendment and make this thing work now. We are not willing to do that because there are people around here—I do not suggest anyone in particular—who do want to finesse this problem, who do want to sneak by the next election. And nobody is fooled by it.

Mr. President, I reserve the remainder of my time.

Mr. DOMENICI addressed the Chair.

Mr. PACKWOOD. Mr. President, I yield 5 minutes to the Senator from New Mexico.

The PRESIDING OFFICER (Mr. STAFFORD). The Senator from New Mexico is recognized for 5 minutes.

Mr. DOMENICI. Mr. President, I have a great deal of difficulty, frankly, as my friend, one of the distinguished cosponsors [Mr. HOLLINGS], has with the seriousness of this amendment. I do not care to repeat what a terrible process this was seen to be by the distinguished Senator from Michigan. Gramm-Rudman was everything, as Senator HOLLINGS said, and more in terms of being fraud and abuse. It was absolute delegation of Congress' power and authority to the President. Mr. RIEGLE is speaking of hypocrisy. I do not think anybody ought to be addressing hypocrisy to those of us who want to make this process work. I shall leave that there.

Let me suggest to the U.S. Senate that we are now at November 6. We have not yet passed a reconciliation bill. If and when we get it passed, we shall be 2 months into the fiscal year. Even if reconciliation were to accomplish its purposes, it will probably be $2 or $3 billion short just because we have not finished work on it.

We have not net finished appropriations bills. What we have seen is the Senate and House working their way and it will be miraculous if they stay within the budget resolution targets because we just never had a truly binding budget. That is the way we have done things. We have never had a truly binding budget and we do not have one this year either.

We already know that there is a revenue shortfall of $8 billion. $172 billion is the defict in the budget resolution. If we want to hold to that, we are already $8 billion short. We are $8 billion short, not because we did not cut enough spending but because revenues

were $8 billion short. In fact, that is how we came to our number. We said $172 billion was the target deficit. It is not our fault in terms of cuts that we won't get to the $172 billion. We are still $8 billion short because of taxes. That brings the deficit up to $180 billion. We are already at November 6 and we have people in this body who have been part of the process year after year and they have seen that we cannot get anything done. Now we are going to institute a process and say we have got the rest of November and half of December, and somehow miraculously by December 15, with everything else we have to do, we are supposed to save somewhere between $20 and $40 billion in outlays. Now, so the Senate will now that this is a very easy job, let me tell you how we have squirmed all year to try to live within a budget resolution which we cannot do. Do you know how much we asked to be saved, I say to the distinguished occupant of the Chair? Do you know how much we asked the Congress to save? Just $8.4 billion in outlays.

We spent 7 months arguing over budget resolutions. We turned it over to appropriators and we will not even save the $8.4 billion. So we will never get to the $172 billion deficit because we had no binding budget. We did not even try for a $144 billion deficit. We had business as usual with a little bit of drag because there was a lot of applied rhetoric that this deficit is awfully bad. We accomplished only a little bit in those 7 months. Now we are going to take this process and in about 45 days, 15 or 20 of which you have to set a side for Christmas and Thanksgiving, you have to do the appropriations and you have to do the reconciliation. We have got people down here saying, "Prove it to us, prove that you are budget cutters because this Gramm-Rudman is a fake; we are really not going to have to do anything next year."

Let me tell you what I think we are going to do. This year the budget deficit, in my opinion—and I am going to put in the RECORD what four estimating firms think—will be no less than $190 billion because we cannot do anything in the normal process in 9½ months to do anything about it. But our distinguished friend from Michigan says we better do it in 35 days under a brandnew process to prove we are serious.

Now, let me give you the second episode. If the deficit now is $190 billion and if we end up getting it down to $180 billion under the proposal that we recommend here today, next year, not in avoidance of an election year but in the middle of it, we will have to cut $50 billion from the deficit, and we will do it either by cutting and eliminating programs or raising taxes or a combination of both.

The Senator from New Mexico is not coming down here saying those things are not on the table. They are on the table next year. No question about it. But we will have the collective opportunity to go through a budget from the President with a deficit of $144 billion, a May 15 deadline in both Houses to produce our own budgets, and negotiations with the President.

Three additional minutes, please.

Mr. PACKWOOD. I yield 3 minutes to the Senator.

The PRESIDING OFFICER. The Senator is recognized for 3 extra minutes.

Mr. DOMENICI. We will give this process an opportunity to work.

Now, what we have done in this amendment is say, "OK, we know that agriculture cannot come in on target." Is there anybody here who thinks it can? It is going to be $3 to $5 billion over. Is there anybody who says we are going to automatically find the $8 billion shortfall in revenues even in this year's estimate? No. We have added those together. We have said let's start at $172 billion. Add the shortfall in revenues and the excess in agriculture to it and you are just about at our number of $180 billion. We are hoping that everything else will be squeezed. But we are also saying that if we do not, there is still a chance that we are going to use this process with this little tiny bit of time. There is still a chance we will use it nonetheless to force a sequestration of somewhere between $9 and $12 billion. That is my prediction of a minimum.

I submit to you, Mr. President, that this is more savings than we got from the entire domestic, nondefense budget in the whole year. With all the rhetoric out there that the American people are hearing about how bravely we were going to address this deficit issue, we are still going to ask this system to work with on planning on our part to get the deficit down somewhere between $9 and $12 billion. In my opinion, I think that is a good start. And to ask the process to do a $30 billion reduction is rediculous. To ask it to do $25 billion borders on the insane. I mean it would be absolutely ludicrous, but maybe we have to sit down and talk about who wants to cut the budget more. I repeat, nobody need fear if they vote for our $180 billion deficit plus 5 percent leeway and apply it for two-thirds of the year, that everyone running for office next year will not be part of some tough votes. They will make them in February, March, June, July. Reconciliation in July will be a monster, the biggest reconciliation in history and at the end of the year you will probably have to vote in an alternative budget that still saves some more. If you want to test the limits of political will, it will get done next year. You can rest assured. No phoniness, no hypocrisy. None of those things that have been addressed to it are true. What we want is to give it a chance, not destroy it. This will be the biggest cut in history next year, even off the Packwood-Domenici baseline that we suggest we ought to work from this year.

The PRESIDING OFFICER. Who yields time?

Mr. RIEGLE. I yield 5 minutes to the Senator from Nabraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. EXON. Mr. President, I thank the Chair, and I thank my friend and colleague from Michgian. Mr. President, I rise to support the amendment offered by the Senator from Michigan. I opposed the Senate-passed version of the Gramm-Rudman amendment because it did not immediately attack the deficit as I think we should. Rather, it set up a complicated procedural mechanism which has the effect of delaying serious deficit reduction for at least a year. Furthermore, it all but guarantees a massive tax increase that has been the best-kept secret about Gramm-Rudman. The President of the United States has endorsed Gramm-Rudman, but the President of the United States says he is not going to cut into the defense budget; we are going to go ahead with that. The President of the United States says, "I will veto any tax increase." Anybody who understands Gramm-Rudman, whether they are sponsors of it or not, has to concede that there is no way for this bill to work unless we get tough in cutting expenditures and also have massive tax increases. If there is one message we should send to the people of the United States, it is that this is not going to be a painless procedure if it becomes law, and we better get started on it now if, indeed, we are serious about its intent.

I completely support the proclaimed purpose of the Gramm-Rudman amendment, that is, to expeditiously reduce the deficit. In fact, Senators HOLLINGS, ANDREWS, CHILES, myself, and others have labored many hours to put forward the only serious deficit reduction plan which would have met and exceeded the deficit reduction targets of the original and revised versions of the Gramm-Rudman proposal.

I have been pleased, under lots of pressure from time to time, to stand with my good friend and colleague from South Carolina. Senators will remember that we even had the courage to put COLA reductions in the budget proposal plans that we advanced, and we were also honest enough with the people of the United States to look them in the eye and say, "And we are going to have to have more revenues from you"—not in the form of a general tax increase, I hope, but certainly closing tax loopholes, placing mini-

mum taxes on corporations, and other revenue measures that we could follow. I simply say that those two key factors, which is the only honest way to explain the situation to the people of the United States, have been conveniently sidelined in the selling of this proposal.

As passed in the Senate, the Gramm-Rudman proposal would allow net year's deficit to exceed 192 billion before any across-the-board Presidential impoundments take place. If followed, even the meager budget passed by the Congress on August 1 is projected to yield a deficit of $175 billion.

Anyone who stands on the floor and says we have a tough job that we will have to handle before the next election probably has not looked back at the history of Congress. I suspect that, in the end, because of indecision that is highly likely to take place here and in the other body, the sequestering part of the Gramm-Rudman-Hollings amendment will eventually take over, and we had better take a long and hard look at that.

In essence, the Gramm-Rudman proposal allows the Congress to clear the deck of difficult and painful decisions on spending and revenues and "sugarcoat" the $2 trillion debt ceiling bill.

Deficits threaten our entire economy. The $2 trillion debt ceiling bill could and should have been a catalyst for substantive change which would aggressively reduce deficits. Instead, it was used to set up an elaborate procedural mechanism which was strong on publicity and political posturing and short on immediate action.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. EXON. I ask the managers of the bill if I may have 2 or 3 more minutes.

Mr. RIEGLE. I yield the Senator 2 additional minutes.

Mr. EXON. Mr. President, during the lengthy Senate debate on the Gramm-Rudman amendment, I offered and supported several amendments which would have made the effort effective and fair. I proposed to move the timetable forward by mandating two additional deficit reviews where the possibility of across-the-board impoundments would force immediate action on the deficit. This amendment fell four votes short of passage. A similar amendment, which I cosponsored, by Senator EAGLETON fell only three votes short of passage. Taken with the House action, these votes prove that there is strong bipartisan support to accelerate the deficit-reduction schedule in the Gramm-Rudman amendment.

If anything, the Riegle-Exon amendment is moderate. It would simply require the Congress to live within the budget it adopted on August 1. It also represents a good halfway point with the House proposal. Adoption of this amendment will help cure one of the key defects of the Gramm-Rudman proposal—that is, its effect of delaying serious deficit reduction.

Mr. President, we must attack the deficit now. If it means staying in session until Christmas, it should be done. If it means strengthening the pending reconciliation bill, it should be done. If it means further reducing appropriations bills, it should be done. Whatever it takes, Congress must make the tough decisions now.

Congress has never lacked procedural mechanisms. Unfortunately, it has lacked the courage to squarely face the deficit issue.

I urge my colleagues to adopt the Riegle amendment. It is a reasonable and fair effort to make the Gramm-Rudman proposal perform as it should.

Mr. RIEGLE. I thank the Senator.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. I yield 5 minutes to the Senator from Texas.

Mr. GRAMM. Mr. President, I should like to review how we came to this point.

Nine months ago, we started a budget process. President Reagan submitted a budget which cut about 20 percent more in real program reductions than the proposal that ultimately was adopted on this floor at 3:30 in the morning.

We adopted a very strong budget with $50 billion more of reconciliation savings over a 3-year period than the compromise we ultimately came to that the House called for.

Those in the House who are today screaming, "Why not cut more now?" those who have joined that chorus here on the floor—where have you been for the last 9 months? For 9 months there has been every effort made not to cut anything. Now, suddenly, 2 months into the fiscal year, after the budget process has long since passed, after the horse has not gotten out of the barn but after those who want to cut more now let the horse out of the barn—now, all of a sudden they are saying "Let's cut more now."

I remind my colleagues that the budget adopted in the House had such tremendous savings as $10 billion for contracting in. By having the Government hire more people and do more things, they were going to save $10 billion. They saved $3 billion by taking money out of the bank and giving the States two-thirds of it and claiming savings.

We adopted a budget with 20 percent less programmatic savings than the President proposed. We ended up with a reconciliation bill that had $50 billion fewer savings over 3 years than our budget called for.

What did we assume in that budget? We assumed a 4-percent real growth. Does anybody believe that is going to be achieved? The growth rate today is 2.5 percent. Where the 180 figure came from was recognition that, at a minimum, we were going to have an $8 billion shortfall. So, to be realistic, in the first year we added it back and made 180 the target.

Most outside economic groups predict a deficit for fiscal year 1986 against which we would have to sequester not at 185, not at 195, but at between 200 and 205.

At this point, after the horse has been let out of the barn, what is really feasible that we can do? Does anybody believe that we can cut $40 billion in a sequester order with 8 months left in the year? Do the Members of this august body realize that that would mean that since the House has already cut defense $10 billion under the budget, we would have to cut defense by another $28 billion under the House bill? In going to Geneva to negotiate arms reduction, the President would have a defense budget $38 billion below the level we adopted on this floor. Is there anybody here who wants to do that?

Is there anybody here who wants to cut veterans' health care by 25 percent. That is what the House proposal would do. Do you believe they are serious? They obviously do not. They wrote a provision which they knew was unconstitutional and said the whole bill would be struck down if it were found unconstitutional.

When you are playing by those rules, you can claim any savings you want to claim.

The truth is that in order to make that 180 plus a 5-percent trigger work, the President will have to veto more bills in the next few weeks than he has vetoed in the last 5 years, and we still probably will not get there.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAMM. I ask for 2 additional minutes.

Mr. PACKWOOD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. PACKWOOD. I yield 2 minutes to the Senator from Texas.

Mr. GRAMM. A final point: It seems to me that what we are caught up in here is somewhat of a macho contest about who is going to cut more.

Fiscal year 1986, for all practical purposes, is lost, and the Members of this Chamber and the other Chamber who today are crying for more savings are the people who lost it.

We have set out a reasonable proposal which will be tough to meet, but it is realistic. The real objective of those who say cut more now is to make the

shoe so tight that we can never get it on.

After not having done anything for 9 months, what our process does is that we do something now, that we pass the reconciliation bill, and that the President veto the other bills that are over. But it gives us a practical chance to get the process going.

If you want to stop the deficit, let us start by being realistic. We have deceived the American people in the last 4 years about how big the problem was. We do not do anything but continue that dishonesty in budgeting that the distinguished Senator from South Carolina talks about if we set out a target here today that would produce such massive cuts that it would send a tremor through the whole political process.

Let us start with a tight budget and then move on to what it calls for, which is to adopt a tough budget and force that budget, and make an across-the-board cut before the election occurs. Anybody who has argued that this proposal avoids doing anything before the election has never read this proposal.

Quite honestly, I think that when the Speaker of the House made that argument he had not at that point really read this proposal. But that argument has been validated by repetition.

The truth is, as the distinguished chairman of the Budget Committee has said, that if we adopt this bill as written, it is going to be tough this year, it is going to be tougher next year; and anybody who thinks they are going to be reelected by running away from the problem under this process is going to be sorely disappointed and is not going to be reelected.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. RIEGLE. Mr. President, we have just heard an astonishing admission from the Senator from Texas; and that is, he has just said that the Federal budget deficit for this fiscal year, fiscal 1986, is going to be somewhere between $200 billion and $220 billion. Now I do not know if he said that before, but if that is what is happening, if the deficit is now ballooning that much beyond what it was in the fiscal year that just finished, then it seems to me the time to do some deficit reducing is right now. Those are his numbers not my numbers.

I do not understand how we explain the contradiction. Five weeks ago, the Senator from Texas had printed in the RECORD the Gramm-Rudman proposal and it proposed a fiscal 1986 deficit figure which is the same one that I am offering right now. That was 5 weeks ago. On August 1, the Senate went on record and committed itself to meet that number with the vote of the chairman of the Budget Committee, who just now said that he does not think that is quite achievable, but that is how he voted on that particular day, as did the Senator from Texas. They voted for that budget resolution, as did I, committing ourselves as a Senate to that budget deficit figure at that time.

Then, of course, it was reaffirmed by the Senator from Texas when he submitted his package for printing in the RECORD late in September, just 5 weeks ago. And now what we are hearing is, because we are about to embark on a new discipline—and there are many of us who feel here the time for deficit reduction is to begin now in the first year, precisely because the deficits are ballooning out of control—what are we hearing from the other side? Do they want deficit cutting? Not now. They are prepared to do it a little bit now. But are they prepared to live with the budget numbers established for this year? No, they cannot do that. That is too tough. We can be tough in the future, but we cannot be tough today. We can be against deficits out there in the future. We will get that budget balanced in 1991, but we cannot do anything about it now, because the horse is out of the barn; we have already started into the fiscal year. Well, we are not too far into the fiscal year. We are literally a month into the fiscal year. I am not prepared to discard the remaining 11 months and I do not think we can afford to, in light of this news that has just been brought to us by the Senator from Texas that he now expects the deficit this year to be somewhere between $200 billion and $220 billion but he is not prepared to make the first year trigger bite into that deficit.

Mr. GRAMM. Will the distinguished Senator Yield?

Mr. RIEGLE. I will in a moment. I will in a moment. I am glad I have the Senator's attention.

So here we are, with the deficit rising at the present time, we are being asked to pass and impose a mathematic discipline, but we cannot have it start now because we have just started the new fiscal year.

The fact of the matter is we have not passed most of the appropriations bills for this fiscal year. The time to start the savings is now. Some may argue—and I think there is some merit to the argument, the Senator from South Carolina has made it and others, that maybe the House target is a little too tight in the first year. The Senator from Texas thinks that the shoe would be a little tight on his foot. Well, I am offering a little larger shoe here. I am offering the shoe he wanted 5 weeks ago. And I am offering the shoe that he voted for us to commit ourselves to meet on August 1 of this year. I think it is a pretty good shoe. And I think we ought to put it on and put it on now, not off in the future.

I yield for 30 seconds to the Senator from Texas.

Mr. GRAMM. I would just like to clarify my point. I said that outside groups predict the deficit between $200 billion and $205 billion. Firms like DRI, an outside private consulting firm, predict the deficit is going to be $217 billion for 1986.

Mr. RIEGLE. What is the Senator's prediction?

Mr. GRAMM. When I was an economist, I got paid to make predictions. Now I get paid to try to keep bad predictions from coming true. That is what I am doing here.

Mr. RIEGLE. I appreciate what the Senator said. I remember another prediction the Senator from Texas made in the Gramm-Latta proposal of 1981, which passed into law. The prediction that was built into law, the promise that that was based on was that we would have a surplus by fiscal year 1984. When we got to 1984, we were a half a trillion dollars under water. That is what Gramm-Latta brought us to. So many of us are a little skeptical about exactly where we are at the present time with this proposal, especially when we now have plenty of information that shows that the deficit problem is immediate, but we are not hearing anything about any kind of immediate action. So it is being postponed, and it is important that everybody understands that.

I hope that my colleagues on the other side of the aisle would decide to support this amendment, because we can live with these numbers. You would be in a much stronger position if you vote for them, because it would take away the argument that you are trying to finesse the first year and trying to get by the election.

I think we can meet these targets. They would be tough to do, but I do not presume that you are saying we are going to avoid tough decisions in the future if this thing is going to work. I just do not think there is any excuse for not doing something now.

Mr. President, I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, my good friend from Michigan talked about the horse being out of the barn. Indeed, the horse is out of the barn. Let me read the deficit predictions from Data Resources, Merrill-Lynch, Chase Econometrics, and Wharton Econometrics today.

Wharton says, for this year, 1986, $214.9 billion; Chase Econometrics, $201.9 billion; Merrill-Lynch, $198 billion; and Data Resources, $217.5 billion. The Congressional Budget Office today says $194.5 billion.

Do not worry about this horse being out of the barn. Do not worry about making tough decisions. We are going to have to catch this horse. The question is, are we going to hobble it or choke it? Because we are going to have to make immense reductions to get down to the target of $190 billion we were shooting for.

And the target we are realistically talking about in this amendment, frankly, is $180 billion, not $189 billion, because with deficits of that size we are going to sequester down to $180 billion, save only what pro rata part of the year is left. So do not worry about making tough decisions. We are going to make them. We probably will not like them. We are going to have to do them. But if anybody thinks we are going to get by easy in the next month or 2 or 3 months, they "ain't" seen nothing yet.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I rise in strong support of the amendment proposed by the Senator from Michigan. There is no reason to wait. The deficit target for 1986 should be fixed so that the crucial and too-long-delayed process of meeting our financial responsibilities begins today. It is our responsibility to act—not to push tough decisions off onto another Congress. The Riegle amendment would establish a maximum fiscal 1986 deficit of $171.9 billion. Mr. President, this is precisely the deficit target that this Senate voted to meet when we adopted the budget resolution just 3 months ago. Why, with the red ink reaching record levels, should we settle for an additional $20 billion increase in the deficit?

The economic damage—lost jobs, lost exports, unsold produce, and skyrocketing interest payments—continues. It will not stop because this Congress says that some day some Congress will cut the deficit. It will stop if, and only if, this Congress summons the will to act now.

I congratulate the Senator from Michigan and urge my colleagues to support this amendment.

Mr. DOMENICI. Mr. President, at first glance, this $171.9 billion figure looks attractive. It is, after all, the deficit target, Congress set for itself in the budget resolution approved earlier this year.

But, Congress' own actions and inactions have made this figure unattainable this year.

In addition, the economy has fallen somewhat short of our growth projections, while inflation has been better then we expected: The upshot, we are already about $8 billion short of the projected revenue mark in that resolution. Remember, Congress has little control over these revenues; it is largely the fault of forces outside our power.

But, after we allow for the revenue shortfall, let's take a look at how Congress is doing, or likely to do, on spending matters wholly within its control.

Are House and Senate appropriations actions, reflected in conference reports, likely to cut spending enough to hit the $171.9 billion deficit. The answer, based upon the conference report on the Treasury-Postal appropriations bill, seems to be "no."

Are House and Senate actions on reconciliation this year likely to help us meet our goals? The answer here is overwhelmingly "no," especially since 2 months of the fiscal year have almost passed now and we haven't yet acted on reconciliation.

Are House and Senate actions on the farm bill this year likely to help us save money there and meet the $171.9 billion deficit target? The answer, once again, is "no."

If Congress is failing on appropriations bills to meet the targets it set for itself, and if Congress is cutting less and spending more on the farm bill, and if Congress cannot even pass reconciliation 2 months into the fiscal year, then how can Congress expect to meet the deficit targets it has set for itself?

The answer is that the proponents of this amendment know these facts as well as I do and, simply put, they have proposed the $171.9 billion figure to destroy this new process before it ever gets off the ground.

The whole idea behind Gramm-Rudman-Hollings is that Congress will have 9 months in which to work its will and in which the President can act. It is only after these 9 months have expired that the dramatic process of sequestering begins.

To begin the sequester process this year, as most assuredly the $171.9 billion figure would guarantee, is to perform radical surgery before the patient has had a chance to get the benefit from medicine. It is unwise and, in its most cynical interpretation, merely an attempt to destroy.

Just so my colleagues can keep up with economic reality, I would like to point out what the major forecasting firms are now saying about the likely deficit in this fiscal year of 1986.

Data Resources, Inc. has projected a deficit of $217 billion for this year, even after allowing for full operation of the budget resolution and reconciliation. Their number presumably would be higher if reconciliation continues to be delayed and the farm bill comes in at its present level.

Merrill Lynch projects a deficit of $198 billion for this fiscal year, also including full implementation of the budget resolution and reconciliation.

Chase Econometrics projects $201.9 billion, with only some of our cuts achieved; and, finally, Wharton Econometrics projects a fiscal year 1986 deficit of $214.9 billion.

In short, the major forecasting firms would all project a deficit about $40 billion higher for this fiscal year than the $171.9 billion figure.

My colleagues may ask, and it is a legitimate question indeed, why we are going to have larger deficits.

The answers are clear: We will spend more than we promised we would spend; we will have worse economics than we hoped; and we will cut less than we promised we would cut.

CBO is among the more optimistic forecasters for fiscal year 1986. Yet, even CBO in its current law calculations for this fiscal year show that the deficit, absent further congressional action, will be closer to $195 billion than to $171.9 billion.

Just so my colleagues will know CBO's most recent calculation of current spending, let me share the information with the Senate:

Defense spending will be just about where it is now;

A few categories, like space and foreign affairs, seem likely to come in under their targets;

But, most functions will exceed their targets;

For example, agriculture is estimated to exceed its target by $5.5 billion, before Congress passes a new farm bill, which will probably increase the excess spending, not cut it;

Revenues are down by $8 billion;

Receipts to the Government are down, in some part due to lower oil prices and fewer bids for oil and gas properties; and

Spending for transportation will exceed by $2.6 billion its functional total, as will spending in the income security function.

Now, we have to cut about $6 billion in the next 9 months in agriculture to come close to the $171.9 billion deficit goals. Are my colleagues seriously telling me they are going to do that? Or that they will cut transportation spending by $2.6 billion or energy by another $1 billion?

In sum, Mr. President, this is an amendment designed to destroy a balanced budget process before it can start.

We need to give this process a chance. I personally believe we should not sequester at all in fiscal year 1986, but give Congress and the administration a chance to operate the first 9 months of next year in order to reach what will be a tougher goal than any—$144 billion deficit in fiscal year 1987. Give us a chance, and give this new process a chance.

Mr. RIEGLE. Mr. President, I think that we ought to review just very briefly the numbers we are talking about. My amendment would put forward the deficit figure for fiscal 1986, the figure that is in our budget resolution passed in August in the original Gramm-Rudman proposal. It is adjusted for the fact that the fiscal year has

started, so it sets a target for us of roughly $175 billion for the coming year. I believe that is something we can achieve. It gives us some deficit reduction in the first year. It gets us started. It makes this real. It takes away the charge, which I believe is accurately made, that many people are not serious about doing this anytime soon.

We have heard the main sponsor of the bill say on the floor today that deficits, apparently, are going to be higher than have been predicted. He cites outside experts as having said that. I just think that is all the more reason to get started now. I believe when the finance markets hear that the deficits are going to be over $200 billion but yet we cannot start with a deficit reduction, they are not only going to laugh about the seriousness about this year's effort, I think they are going to be alarmed that we missed the opportunity to do something about it.

Mr. President, I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. How much time remains?

The PRESIDING OFFICER. The Senator from Oregon has 1 minute.

Mr. PACKWOOD. And the Senator from Michigan?

The PRESIDING OFFICER. The Senator from Michigan also has 1 minute.

Mr. RIEGLE. Mr. President, I am happy to yield the 1 minute I have remaining to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 1 minute.

Mr. KERRY. Mr. President, I support what the Senator from Michigan is attempting to do here. As the Senate knows, and as my cosponsors of the bill know, I was a cosponsor with Senator EXON in the effort to try to change the date.

I just do not believe that if we are serious about reducing the deficit that we can avoid the fact that the committees have been meeting all year long. We know exactly what the choices are today, and there is nothing in the process that will change those choices next year.

We are as capable today of facing the hard realities as we will be then. And the only issue is do we have the political will to do it now.

The PRESIDING OFFICER. All time of the Senator has expired.

Mr. KERRY. This was the original number. I support seeing that original number in the legislation.

Mr. RIEGLE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PACKWOOD. Mr. President, I am prepared to yield back the remainder of time on this side.

Mr. President, I move to lay on the table the amendment of the Senator from Michigan, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon to lay on the table the amendment of the Senator from Michigan. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Connecticut [Mr. WEICKER] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 55, nays 43, as follows:

[Rollcall Vote No. 281 Leg.]

YEAS—55

Abdnor	Gorton	McConnell
Andrews	Gramm	Murkowski
Armstrong	Grassley	Packwood
Boschwitz	Hatch	Pressler
Bradley	Hatfield	Quayle
Chafee	Hawkins	Roth
Cochran	Hecht	Rudman
Cohen	Heflin	Simpson
D'Amato	Heinz	Specter
Danforth	Helms	Stafford
Denton	Hollings	Stevens
Dole	Humphrey	Symms
Domenici	Kassebaum	Thurmond
Durenberger	Kasten	Trible
East	Laxalt	Wallop
Evans	Long	Warner
Ford	Lugar	Wilson
Garn	Mattingly	
Goldwater	McClure	

NAYS—43

Baucus	Glenn	Mitchell
Bentsen	Gore	Moynihan
Biden	Harkin	Nickles
Bingaman	Hart	Nunn
Boren	Inouye	Pell
Bumpers	Johnston	Proxmire
Burdick	Kennedy	Pryor
Byrd	Kerry	Riegle
Chiles	Lautenberg	Rockefeller
Cranston	Leahy	Sarbanes
DeConcini	Levin	Sasser
Dixon	Mathias	Simon
Dodd	Matsunaga	Stennis
Eagleton	Melcher	
Exon	Metzenbaum	

NOT VOTING—2

Weicker	Zorinsky

So the motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 964

(Purpose: To exempt Veterans' Administration service-connected compensation from emergency orders reducing cost-of-living increases and to protect the prior year's outlay level for Veterans' Administration medical care)

Mr. RIEGLE. Mr. President, I send a veterans amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated:

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. RIEGLE] proposes an amendment numbered 964.

Mr. RIEGLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment of Mr. PACKWOOD, insert the following:

SEC. . Notwithstanding any other provision of this Act, for the purposes of section 204 of this Act the following shall apply with respect to outlays for the Veterans' Administration programs, benefits, and accounts referred to in this section: Expenditures from the Veterans' Administration medical care account (36-0160-0-1-703) shall be deemed not to be controllable expenditures; a provision of law making an appropriation to such account for a fiscal year shall be deemed to be a provision of Federal law requiring an automatic spending increase to take effect during such fiscal year; the amount of outlays from such account that shall be considered the amount of the outlay increase to be reduced by a uniform percentage during a fiscal year (hereinafter in this clause referred to as the "current fiscal year") under subsection (b)(1)(A)(i) of such section is the total of all outlays made from such account for the preceding fiscal year (as estimated by the Director of the Congressional Budget Office) plus the amount of outlays which the Director of the Congressional Budget Office estimates will be needed during the current fiscal year for increases in outlays (over outlays during the preceding year as so estimated) for salaries and benefits in order to maintain employment under such account of the same number of full-time-equivalent federal employees employed under such account as were so employed during the preceding fiscal year; no provision of law increasing or authorizing an increase in a rate or rates of compensation or dependency and indemnity compensation, as defined in section 101 (13) and (14), respectively, of title 38, United States Code, or of a benefit paid under chapter 11 or 13 of such title shall be considered a law requiring an automatic spending increase; no expenditure for such compensation, dependency and indemnity com-

pensation, or benefits shall be considered a controllable expenditure; and no amount of budget authority for such compensation, dependency and indemnity compensation, or benefits shall be sequestered.

Mr. RIEGLE. Mr. President, this is an amendment that attempts to meet the most serious problems of America's veterans who are placed in jeopardy by the Gramm-Rudman proposition as it is now written.

I have talked with a number of people who are close to these programs, and we have been in touch with the various organizations that represent veterans in the country. At the end of my remarks, I will cite from letters I have received today from the American Legion, the Veterans of Foreign Wars, and other veterans' organizations. They state their very strong support for this amendment and why they think there is a strong case in equity for us to make this adjustment to the Gramm-Rudman proposal.

In terms of what this amendment would do, it comes in two parts.

The first part of the amendment deals with the veterans' compensation COLA adjustment, and it would exempt that COLA adjustment from automatic reductions which are now scheduled to take place under Gramm-Rudman.

What I am suggesting in this amendment is that we treat the cost-of-living adjustment for a veteran who has a disability for which he or she is receiving compensation the same way we are proposing to exempt it for Social Security recipients. If we should fail to do that, it seems to me that, in effect, we will initiate a discrimination against what I think can be safely said is the Nation's highest priority category of veterans—namely, those who suffer some impairment from service-connected disabilities.

The service-connected disability payment is based upon the average earnings resulting from that person's service disability, and each year that person's earning impairment is adjusted for inflation. They do not get any additional spending power, but they are protected against inflation, so that if inflation occurs, the buying power of the veterans' compensation is adjusted so that they stay even. That, I think, is a critically important factor, especially in the lives of this group of individuals.

President Reagan has been very outspoken on this issue. In his campaign of 1980, when he spoke to the VFW convention in Chicago, President Reagan said that cutting the compensation COLA's would be "a breach of faith with those who suffer from service-connected disabilities."

Since that time, in a couple of instances, he has attempted to back away from that commitment, but that is not something Congress has been willing to do, and I hope we will not do it now. We can prevent it by the adoption of the amendment I offer.

I do not think there is any justification for striking out the cost-of-living adjustment for veterans in the category of service-connected disabilities. What we are talking about here are people with, in many cases, serious impairments.

In the case of veterans who have lost limbs, there is a total of about 23,000 individuals in that category—that is, having lost one or more limbs of their body.

There are another 36,000 who have lost the use of one or more of the limbs of their body and they are, therefore, in this category because of sustaining that loss in the service of this country.

Now, much has been said about contracts—contracts to defense contractors, contracts for agricultural programs, and, as a matter of fact, a great distinction is made in the Gramm-Rudman proposal to say that existing contracts have to be honored and they have to be treated in a special fashion, in a kind of exempt status.

I think we have a contract of an even more important kind with the service people of this country who served the country and who suffered a disability as a result of that service commitment on their part and who now receive a benefit to make up for the earnings lost and who receive a cost-of-living adjustment to protect them against inflation eating away the value of that service-connected disability payment.

So I think the contract idea, in my mind, is even stronger in this instance, where we have asked people to serve the country, and they have done so with valor and they have come back having sustained injuries of a major sort, and it seems to me it is appropriate that we take that into account when we look at their cost-of-living adjustment each year.

If we should fail to do this, this is the situation we are going to find: You will have on the same street in America, in two houses side by side, one neighbor who receives a Social Security payment, and that neighbor, when the annual cost-of-living adjustment is made for Social Security recipients because they are protected by the Gramm-Rudman package as it is now drawn, when the inflation adjustment is made, that person in that house who receives Social Security will receive the COLA adjustment and they will be protected against inflation; whereas, the next-door neighbor, who is a disabled veteran and who is receiving a compensation payment for that disability, that person will be denied their cost-of-living adjustment.

I do not know how we can say as a Senate or any other public-policy institution, that the family in the one house who is going to receive the cost-of-living adjustment under the Social Security Program is entitled to it—as I think they are—but to then turn and say to the disabled veteran that lives in the house next door, "Sorry, you are not going to get your cost-of-living adjustment because somehow our commitment to you is not quite as important or something that we feel that we are bound by."

Well, I think it is as important and I think we are bound by it, and I think we have an obligation to meet it. So the first half of my amendment would be to protect that cost-of-living adjustment for those individuals who receive the veterans' service-connected disability compensation.

The second half of the amendment relates to a colloquy that the Senator from Texas, Senator GRAMM, and I had the other day on veterans' programs generally and whether the House version had been more responsive to the needs of veterans in this country or whether the Gramm-Rudman proposal was more responsive. It is very interesting that the veterans' organizations in the country have expressed themselves strongly preferring the House version and not preferring the Gramm-Rudman version. So I think they ought to be looked to in terms of the question of which version does a better job of protecting the veterans.

But in that discussion, as we talked about it, I said at that time that I would make an effort to try to take and provide more protection, important protection for part of the veterans' programs that I thought were the ones that were the most critical to the veterans in the country and particularly in the health care area.

So what the second part of my amendment does, it moves the veterans' health care program from category II over to category I. And in category I, that means that increases in spending for veterans' hospitals might have to be removed if we get into the sequestering process, but that they could not be cut below that; you could not go into the body of the fundamental health-care programs for veterans and the veterans' hospitals to make further automatic cuts; that we would put that particular area of the program over in category I so that it would bear some of the burden but it would not be subjected to major cuts or massive cuts which otherwise would occur if we had a major sequester order.

My thinking on that is this: You have in our population today a large number of veterans who are of an age from service in World War II or service in the Korean war or service in Vietnam or, for that matter, times other than that, in service to our country, whether for a long number of years or for a shorter period of time,

who are now getting into the age range where their health problems are mounting. So, as they turn to the veterans' hospital system, which was part of the understanding and commitment the country made when we asked people to serve—and they did serve and they served properly for their country—that we would have as part of our response to their service and to the interruption of their lives and their earning power and so forth and so on, we would have this health-care system available for them. It is important. It is important that it be there, but it cannot just be a shell. It has to be there in sufficient strength and with sufficient quality so that it really gets the job done. I am concerned about that even now as to whether or not we are doing a sufficient job in the veterans' hospital system.

But when Senator GRAMM and I were discussing this last week, he said the following, and I will quote from the RECORD. The Senator said:

I think it is an interesting commentary on the priorities of the House that they exempt all of these other programs and prior contracts but not veterans' health care. They exempted migrant health centers which serve in many cases, as we by these centers know, illegal aliens, though certainly American citizens are served and they did not exempt veterans' hospitals. Apparently, the House feels that migrant health centers are of a higher order of importance. These centers ought not to be part of dealing with the deficit. Veterans' hospitals which serve those who have fought and bled and died for America, and their dependents, are less important than all these other programs.

And I continue quoting Senator GRAMM from last week:

With a $25 billion sequester order, you would have roughly a 10-percent cut in veterans health care expenditures.

If you take that down to what is provided, it could mean the potential layoff of 19,400 VA employees, 3,300 nurses, and 1,200 doctors. It could eliminate hospital care being provided to 140,000 veterans and outpatient care for 400,000 veterans.

That is the end of the quote from Senator GRAMM within the last week on this issue of this part of the veterans' health-care system.

I am going to do exactly what has been suggested by that comment, and I am going to protect, by moving from category II to category I, that veterans' health-care system. I hope that Senator GRAMM would support this amendment because, certainly, the tone of the exchange last week indicates that he sees this as a high priority and presumably something that ought to be done.

Now, if we should fail to do so, cutbacks in VA health care will result in many nonservice-connected VA patients being referred back to Medicare and Medicaid, which are also being cut back. This combined squeeze on the VA, Medicaid, and Medicare will result, I believe, in many of the lower income veterans and other individuals being denied the health care that they need.

There is a strong need for stability within the VA health care system. They are having difficulty now getting the quality of doctors willing to make the kind of long-term commitments partly because of all of the uncertainty as to whether or not we are going to maintain our commitment to the veterans in terms of keeping the health care system strong in the years ahead.

So this amendment would provide that needed stability by preventing the automatic reduction ordered from cutting funds from the system to levels below those needed to maintain the currently authorized staffing level, which is a figure of 194,000 full-time employee equivalents.

Mr. President, a little later on, in the use of my time, I am going to read excerpts from four letters that the various veterans' organizations in this country have sent me to date indicating their very strong support for this amendment. I will only advise the Senate that I will do that, that I will read those later. I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. RIEGLE. Mr. President, I am happy to yield to the Senator from California, who is a cosponsor of the amendment.

Mr. CRANSTON. Will the Senator yield me 10 minutes?

Mr. RIEGLE. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. Sixteen minutes and 40 seconds.

Mr. RIEGLE. Mr. President, I yield 10 minutes to the Senator from California.

VETERANS' PROGRAMS

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I rise in support of the amendment I am offering with the distinguished Senator from Michigan [Mr. RIEGLE] regarding veterans' compensation and health care. This amendment would modify the pending Gramm-Rudman deficit reduction proposal offered by Senator PACKWOOD so as to assure fairness to our Nation's service-connected disabled veterans and to protect the Veterans' Administration's ability to meet our commitments to sick and disabled veterans. Our amendment would exempt, from any Presidential orders reducing or eliminating cost-of-living adjustments in various programs, VA compensation payments to service-connected disabled veterans and to the survivors of those veterans who die from service-connected causes and would protect from such Presidential orders the basic outlay level for VA health care.

SERVICE-CONNECTED DISABILITY COMPENSATION COLA

First, Mr. President, as to the veterans' compensation COLA, the pending proposal by Senator PACKWOOD would exempt cost-of-living adjustments in Social Security benefits from any Presidential cost-cutting order. The exemption covers both old age and disability benefits.

I wholeheartedly support the full protection of Social Security COLA's. However, the benefits paid to this Nation's highest priority category of veterans—those who suffer from service-connected disabilities—and the survivors of those who have died from service-connected causes would not be similarly protected.

I wholeheartedly support the protection of veterans compensation COLA's.

How can the Senate deny this same protection to veterans suffering from service-connected disabilities and to the survivors of those who have died from such disabilites? I contend that to do so is blatantly discriminatory and totally incomprehensible. It is grossly inequitable and unjustifiable to permit VA compensation COLA's to be reduced or eliminated while full Social Security retirement and disability COLA's are ensured.

Mr. President, the basic amount of a service-connected disabled veterans's monthly compensation payment is based on the average impairment of earnings resulting from that veteran's disability. Since in almost every year that average earnings impairment will increase by inflation over the prior year, denial of a compensation COLA would be inconsistent with the philosophical underpinnings of this program.

I'd like to quote President Reagan on this subject of cost-of-living increases for the VA's Service-Connected Disability Compensation Program. In August of 1980, in a campaign speech at the Veterans of Foreign Wars' Convention in Chicago, he stated his view that it would be a "breach of faith" for compensation for those with "service-connected disabilities not to be kept abreast of inflation."

President Reagan and I don't see eye to eye on a great many issues. In this case, however, he and I are in total agreement—or at least we were in agreement when he was a candidate. Since that time he has backed off from that commitment by twice supporting budget proposals—rejected by the Congress—that would have denied full COLA's to service-connected disabled veterans.

Mr. President, to appreciate the potential inequity for VA compensation recipients, we need to examine what the effect of Gramm-Rudman would be for compensation when compared to other Federal payment recipients in

a directly parallel, high priority—but certainly no higher priority—program.

Let's take the case of a totally disabled, spinal-cord-injured nonveteran who is covered by Social Security and is receiving Social Security disability benefits. In a covered year when inflation runs at 5 percent, his benefits would be increased by 5 percent by a December cost-of-living adjustment. The Congress has assured this totally disabled individual of a full COLA, and the pending deficit reduction proposal has confirmed that assurance. That's as it should be.

Now, compare that disabled person's situation with that of his equally disabled neighbor, a paralyzed Vietnam veteran struck down on the battlefield whose spinal cord was equally severed and who accordingly receives VA disability compensation for his total and permanent disability. His compensation COLA—which traditionally has been provided by the Congress in the same percentage amount as increases in Social Security—would be subject to reduction and, possibly, even complete elimination under the pending measure.

Mr. President, both of these individuals, now condemned to life in a wheelchair, have paid for their benefits—one with monetary contributions—that is, Social Security payroll taxes—the other with the loss of the use of his legs and other bodily functions in service to his country. They are both truly entitled to these benefits.

But is one more deserving than the other? If so, is it the Social Security disability recipient? I think not.

Yet, the pending proposal, which is deficient in many ways but especially in this respect, would place us in jeopardy of a President saying to the veteran—even after the Congress has approved a full COLA in his compensation—"Sorry. Even though your neighbor is receiving a full COLA this year, Congress has required me to cut yours."

How can that result possibly be explained?

I don't believe it can be. Nor should it even be permitted to be possible.

There is no justification whatsoever for this inequitable result that discriminates against veterans disabled in service.

It is absolutely unacceptable to subject the more than 2.2 million veterans—more than 240,000 of them California residents—who have service-connected disabilities—injuries and illnesses sustained in service to our country—to the extraordinary authority in the pending proposal that could result in the denial or reduction of totally justifiable and totally necessary cost-of-living increases in VA compensation rates that are specifically voted for by Congress.

These service-connected disabled veterans—as well as the more than 330,000 survivors of veterans who died while on active duty or as the result of service-connected causes—have already made sacrifices for this country and, in many cases, have made extreme sacrifices. They should not, in any scenario, be asked to make additional ones that entail such inequity. More than 36,000 California widows and orphans would be severely hurt.

If all COLA's are subject to reduction, then service-connected disabled veterans ask no preferential treatment. But that evenhandedness is not the scenario proposed in Gramm-Rudman.

Mr. President, we must ensure that compensation for veterans who incurred disabilities in the line of duty and for the survivors of those who made the ultimate sacrifice is dealt with fairly and equitably. That is what our amendment would do.

NON-SERVICE-CONNECTED PENSION

Mr. President, I also want to point out that the only monetary benefit that our amendment protects is VA compensation paid to service-connected disabled veterans and DIC to those who have died from service-connected causes. Our amendment would not affect the VA Non-Service-Connected Pension Program—under which benefits are paid to needy wartime veterans who are either permanently and totally disabled from non-service-connected causes or are 65 years of age and older and to the needy survivors of wartime veterans.

In this connection, I note that, under section 214 of the pending Gramm-Rudman legislation, VA pensioners who receive some Social Security income would be treated in the same fashion as supplemental security income recipients who receive some Social Security benefits. In both cases, whenever a sequester order is in effect; that is, whenever a Presidential order reduces or eliminates VA pension and SSI. COLA's, the Social Security COLA would not be counted as income for purposes of this type of means-tested program.

The current VA Pension Program under chapter 15 of title 38, United States Code, is a strictly needs-based program. All family income, with very few and limited exclusions, is counted and reduces the individual recipient's benefits dollar for dollar. However, under section 3012 of title 38, VA pensioners receive annual COLA's at the same time and at the same percentage as Social Security beneficiaries. As a consequence, a pensioner's receipt of Social Security benefits does not, under current law, produce a decrease in his or her pension benefits.

But, in the absence of a provision such as section 214, a Social Security COLA paid to a VA pensioner in the same year that his or her pension COLA is reduced to a percentage less than the Social Security COLA or is totally eliminated would produce a reduction in or the termination of the individual's VA pension. Section 214, however, would preclude those results, and our amendment leaves that situation as it is in the pending measure.

VA MEDICAL CARE

Mr. President, regarding veterans' medical care, our amendment, if enacted, would provide year-to-year stability to the system by preventing the VA's medical care account outlays from being reduced to an amount less than the preceding year's outlay level plus any pay cost rise during the year in question. This approach is designed to enable the VA to operate generally the same size health care system from year to year, employing generally the same number and mix of employees and providing generally the same number of inpatient and outpatient episodes of care to eligible veterans.

Without this protection, the Department of Medicine and Surgery will continue to face the uncertainty of never knowing what level of funding and staffing will be available in a given year. Although such uncertainty can be very disruptive to any program, it would be particularly destructive to the VA's health care system. The annual pull and tug of the budget and appropriations process in recent years has already been extremely disruptive for the VA system. Allowing for the type of wide swings in resources that were outlined with such concern on the floor Friday by the principal sponsor of this legislation, and which could result if our amendment is not accepted, could lead to enormous cuts in VA health care.

Mr. President, the VA health-care system, like any health-care effort, is very labor intensive—the current staffing level is approximately 194,000 full-time-equivalent employees—FTEE'S. The provision of quality health care depends very heavily on building a staff that can work effectively together and then in keeping that staff together. Sharp changes in staffing levels from year to year are directly counter to reaching that goal. It is vitally important that the VA be in a position to make and carry our long-range plans for how the agency will meet the health-care needs of the ever-increasing population of older veterans. Particularly in recent years, this effort has been frustrated by not being able to predict with any certainty the staffing levels which will be available in any given year. One need only imagine the level of uncertainty that the application of Gramm-Rudman would produce.

Mr. President, the VA health-care system is a vitally important national resource that we must protect and preserve. First, it is the means by which

we meet our very fundamental obligation to provide health care to veterans who are disabled during their service. In the current fiscal year, the system will provide impatient care to 1.2 million patients and over 18 million episodes of outpatient treatment. Next, the VA's 172 hospitals, 228 outpatient clinics, and 116 nursing homes have been assigned by the Congress the role as the first backup to the Department of Defense health-care system in time of war or national emergency. Finally, the VA plays very vital roles in the education and training or our Nation's physicians, nurses, and other health-care personnel and in medical research. These latter roles are of importance not only to veterans but to the nation as a whole. Fully half of all physicians in the United States receive some training in VA hospitals; 25 percent of all U.S. medical students are doing so right now.

Cutbacks of the magnitude that could result if our amendment is not adopted would savage the system as it now exists and would cripple its ability to provide quality care to our Nation's veterans for years and decades to come.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a chart showing the effect of 5- and 10-percent reductions in VA medical care in terms of dollars, veterans treated, and staffing.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

IMPACT OF SEQUESTER REDUCTIONS UNDER GRAMM-RUDMAN ON VA MEDICAL CARE

FY 1986 Appropriations for VA Medical Care (estimated by the VA)—$9,358,694,000.

At this appropriation level, the VA in FY 1986 would employ approximately 194,000 full-time-equivalent employees (FTEEs) and would treat approximately 1,313,700 patients on an inpatient basis and would provide approximately 17,869,000 outpatient visits.

Impact of 5-percent cut		Impact of 10-percent cut
A. Workload reductions:		
100,394 fewer hospital patients treated.	Inpatients	200,788 fewer hospital patients treated.
451,773 fewer outpatient visits.	Outpatients	200,788 fewer hospital patients treated.
B. FTEE reductions:		
11,801 fewer FTEE	FTEE level	23,602 fewer FTEE.

Mr. CRANSTON. With reference to the importance of the VA health care system, I was delighted to hear the Senator from Texas [Mr. GRAMM] seem to express his strong support for that system in his remarks on the floor last Friday in connection with his description of the House alternative. If the Senator truly believes, as he seemed to indicate, that the VA health care system plays a very vital role in serving our Nation's veterans, he will join with us in this amendment to help protect that system.

COMBINED EFFECTS OF MEDICAID AND VA MEDICAL CARE CUTS

Mr. President, it is important to note that, under the Gramm-Rudman proposal, Medicaid and Medicare funds are subject to being sequestered, and the combined effects of sequestering both these programs' funding and VA medical care funds could be devasting.

If the Senate rejects our amendment to maintain the VA, health care system at approximately its current capacity and VA, medical care accounts are sequestered, veterans whose VA eligibility is based on their inability to afford the care they need will be a major category of those to whom the VA will be forced to deny care. Many of those veterans turned away from the VA, will seek care under Medicaid. With Medicaid programs also being forced to cut back, there would be no available capacity in them to take on the overflow from the VA.

Depending on the amounts of VA and Medicaid funds that are sequestered, the result obviously could be that Medicaid resources would be stretched far beyond the breaking point and large numbers of low-income veterans and others eligible for Medicaid would be unable to obtain the health care they need.

Moreover, as Medicare funding is reduced under Gramm-Rudman and the levels of Medicare payments to doctors and hospitals fall, some may stop taking Medicare patients who are unable to make substantial out-of-pocket payments. In some areas of the country, this could make if difficult or impossible for low-income elderly and disabled individuals to obtain the care they need through use of their Medicare entitlements. In these areas, the situation I just described would be further aggravated.

Thus, Gramm-Rudman would create some very harsh realities, and I want my colleagues to understand those realities very clearly. What is before us is the potential denial of health care benefits to low-income veterans and other Americans who may have nowhere else to turn to get the care they need.

VA MEDICAL CARE WOULD NOT BE REMOVED FROM THE POT

Mr. President, I want to make clear that our amendment would not protect the VA health care system from all harm from a deficit reduction order pursuant to Gramm-Rudmann. With the continuing inflation in health care costs, providing for the VA system generally no more that the appropriation level of the prior year would represent a reduction. In addition, if the VA wants to bring a new facility or program on line in such a year, it will be able to do so only by taking the resources from elsewhere in the system.

Although the VA medical care account would be given some measure of protection under our amdendment, this $9.3 billion is not being removed from the so-called pot—the collection of programs and accounts in which cuts in COLA's or other increases or in budget resources could be made. Rather, we are proposing simply to protect the VA health care system from extremely sharp cutbacks in its ability to provide care for sick and disabled veterans. Substantial cuts from appropriations would still be possible to be made by Presidential order. Taking the most recent years for which figures are available, fiscal year 1984 outlays under the medical care account were $8.244 billion; the fiscal year 1985 increased pay costs were $179 million; and fiscal year 1985 appropriations were $8.792 billion. If Gramm-Rudman had been in effect with our amendment to it, a Presidential order could have made a cut of up to $369 million in the VA medical care account. A cut of that magnitude would be very serious. My concern is that Gramm-Rudman prescribes a formula for even deeper cuts and our amendment would prevent that. It is, thus, extremely important for the continued maintenance of a strong VA health care system that our amendment be adopted.

Mr. President, I understand and appreciate the impetus to try to keep as many programs as possible in the pot, so to speak, so as to spread any potential reductions around as widely as possible. However, I sincerely believe that the VA health care system should have a measure of protected status. It is the keystone of the VA's various programs of benefits and services to our Nation's veterans and, as such, should not be put at risk in the way this legislation would do.

NEW FACILITY ACTIVATION ANALYSIS

Mr. President, Senators will recall from debates earlier this year regarding funding levels for VA health care—specifically, in May, in connection with the fiscal year 1986 budget, and just less than 3 weeks ago in October, in connection with the VA's fiscal year 1986 appropriation—that I noted that when the agency is faced with having to make significant cuts in the medical care account, it has two basic choices. Either it can reduce the level of staff, with the associated reductions in the numbers of inpatient and outpatient episodes of care, or it can slow down or stop planned activations of new projects or facilities. With reference to this later alternative, the VA has plans at present to activate 95 such projects in 33 States in fiscal year 1986 and fiscal year 1987. If faced with cuts of the order of magnitude that could result if Gramm-Rudman were enacted without our amendment, any or all of these projects—all of which contribute to the agency's continuing efforts to keep the system up-to-date

and capable of providing quality care to eligible veterans—could be substantially delayed or dropped completely.

Mr. President, this is certainly no way to manage this vital national resource. The Congress has a long history of supporting VA programs to meet the needs of our Nation's veterans, and we should not now be risking pulling the plug on the health-care system and allowing its strength, quality, and vitality to drain away. Rather, in light of the ever growing number of older veterans who are turning to the VA to receive needed care, this is the time at which we in the Congress should be standing firm in our commitment to maintain the system.

Mr. President, on October 18, the Senate voted 36-56 not to table the amendment that Senator MURKOWSKI, I, and Senator DECONCINI offered to restore $166 million to the VA medical care account. A vote to reject this amendment today would be a vote to permit the undoing of that successful effort which received much bipartisan support.

CONCLUSION

I strongly urge my colleagues to join with Senator RIEGLE and me in support of this amendment to preserve service-connected disability compensation COLA's expressly enacted by Congress and to protect the capacity of the VA medical care program.

Mr. President, I yield back whatever time I have remaining.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I yield 10 minutes to the Senator from Texas.

Mr. GRAMM. Mr. President, I thank the distinguished chairman for yielding.

I would like to begin by posing a question to our distinguished colleague from California and our distinguished colleague from Michigan.

We voted on an amendment by Senator BOREN, Senator EXON, and Senator BOSCHWITZ to put Social Security back in the process, and I would like to ask our distinguished colleague from Michigan how he voted.

Mr. RIEGLE. The Senator from Michigan voted the other way. The Senator from Michigan thinks the Social Security system should not be subjected to the automatic cuts.

Mr. GRAMM. Reclaiming my time, the point I would like to make in starting this debate, with all the self-righteous flailing that is going on here, is that I voted to include Social Security in the process and the Senator from California and the Senator from Michigan voted to exempt it. Let us start with the facts.

I doubt if there is anybody in this body who has benefited more from veterans benefits than I have. My father was totally disabled. He died in a veterans' hospital. Both my brother and I attended college under the War Orphan Act and my mother draws a veterans' indemnity compensation payment. I know the veterans' programs well.

I have argued that the greatest problem with the House package is that by exempting all of their sacred-cow programs from the social welfare means-tested programs to the great majority of agricultural programs to defense contracts, that they ended up with a sequester pot that is so small that if in fact we were forced to sequester, programs that are far more deserving than the ones they exempt—and I mentioned the veterans' health care systems specifically in that process—would take twice the cut under their sequester order for a given level of overage than under ours.

I have consistently, as a Member of the House and as a Member of the Senate, in each budget debate worked to try to preserve the basic benefits of the veterans' program. I have done so, Mr. President, because budgeting is where one makes choices, and I have always believed that we have gone too far in providing benefits to people who have never done anything for America to the exclusion of benefits for those who have. And veterans have done their share for America.

In fact, I went home last weekend and in all of my meetings there were dozens and dozens of DAV members and members of other veterans' organizations asking me why veterans were not exempt from this process.

I responded to them then as I argue to you now that under the Gramm-Rudman-Hollings proposal no on-budget item is exempt.

I would argue here that while I believe the veterans' programs are among the most important programs that are undertaken by this Government, while I believe that there are few in America that can lay claim to a legitimate piece of the public purse as strongly as veterans can, we are talking about a process here to deal with the No. 1 problem in the country, the deficit. No individual interest is as important as America's interest.

I believe that a key element in this bill is that within our ability to control the process every part of the budget—every part of the problem, no matter how important that program is, whether it is VA health care or AIDS research; whether it is Indian health care; whether it is community health centers, whatever your particular pet program is, and I guess you could say that veterans programs are mine—those individual programs, as important as they are, are not as important as the future of America. That is what Gramm-Rudman-Hollings is about.

I believe to grant this exemption, to grant an exemption of over $20 billion, would be to undo the Gramm-Rudman-Hollings proposal because the beauty of this proposal is it allows any Member of the Senate to stand up and say, "Any item that was on budget that was part of the problem is required to be part of the solution."

When we adopt a budget which will have to have a deficit of $144 billion or less—the President will have to submit it by January 15 and we will have to adopt it by April 15—I intend to give a very high priority to national defense and to veterans' programs. I intend to fight for those programs.

But as strongly as I believe in them, I do not think that they or any other program that is on budget and part of the deficit problem should be exempt from the sequester order. Only if we all have a stake in making the budget process work, only if our individual political oxes are going to be gored if we do not deal with the deficit problem, only at that point are we going to have the kind of discipline that will induce each of us to do our duty to the country and to the forgotten people whose programs we are not debating here. We have debated over the last few hours, and will debate the rest of the day, the benefits of those who get Government programs, and many are deserving. But the Gramm-Rudman-Hollings bill is for another group of people who are seldom discussed here on the floor of the Senate except when it is time to raise their taxes. That group is made up of people who do the work, pay the taxes, pull the wagon, and make America work.

I am opposed to this amendment. Had we exempted Medicare I would have cosponsored this amendment. Had we exempted Medicaid, I would have cosponsored this amendment and voted for it. Had we exempted any other program that was set out in an amendment here, then in my mind we would have been forced to exempt this one because this program has a stronger claim than Medicaid, Medicare, or AFDC. But we did not exempt those programs.

We defeated an effort to exempt Medicare. I understand that Medicaid and AFDC will not be offered.

Voting yes on a motion to table is a consistent vote for keeping everything in the pot so that if, God forbid, we do not do our job, if there is a sequester order, we will have $500 or $600 billion in the pot. If we start exempting all of our favorite programs, then those that are unfortunate enough to be left will be decimated in the process.

That is why I oppose this amendment. That is why I urge my colleagues to vote for the motion to table.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I yield 7 minutes to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, I am going to wander deep into the thicket again in a brief 7 minutes.

Mr. President, I previously chaired the Veterans' Affairs Committee and I say God bless Senator FRANK MURKOWSKI the present chairman because I have learned how you can take a load of stuff from some of the veterans' organizations in this country and, man, they can do a magnificent job on you.

There is a myth that floats around this curious arena that service-connected disability compensation is only for those veterans who are injured or disabled as a result of combat.

That is not the truth. Nothing is further from the truth. You will hear this from some veterans' organizations using emotional rhetoric to sway some very patriotic Senators to support the welfare of their members. I think we ought to be aware what we do when we get into this situation and deal with issues like this: lets look at 10 percent disability. That is 40 percent of the disability compensation in the records of the Veterans Administration. Those disabilities consist of things like superficial varicose veins below the knee, mild ulcers with symptoms once or twice a year, flat feet, hammer toes, frostbite. Some of that could occur while you were stationed at Fort Carson, CO, and ripped up your knee at the ski run at Vail, or in the mess tent when you jabbed a potato peeler in your leg while you were doing KP, or become invovled in an automobile accident near an off post bar after having a few or becoming involved in many, many things that have absolutely nothing to do with combat-related activity.

I say again, Mr. President, and I shall say it one more time: Show me a combat veteran or veteran from a combat theater with any type of ailment or malady or condition and I say give him anything it takes—anything they need—and I shall be right there to do that. But, for heaven's sake, if we are going to sit here in this Chamber and just pull up the chairs and tug the carpet over the top of us every time the veterans come to town—well that is why we have a $27 billion Veterans' Administration budget. And, brother, I have been there.

Then they say, "Well, I know, but you were there and you should help."

I was in the service and I served 2 year. I was very proud to do that. It is always fascinating to me to see how many nonveterans get into this argument. That is curious to me. I put in my 2 years. They didn't.

They say, "You are a member of the VFW." Well, they say, how do you join that? Well, to do that you are an overseas veteran of the Second World War or other conflict. I am very proud to be a lifetime member of the V.F.W.

How did I achieve that particular status? I served in the Army of Occupation in Germany in 1955 and 1956—now, hear that. There was not any war going on. The Army of Occupation was nearly concluded and yet the war ended in 1945.

That has happened in every situation with regard to the veterans' programs. They have extended and extended the period of service in a "wartime period."

I do not even know what the condition is for "wartime" in Europe, but it must have gone to 1955 or 1956, because I am a Veteran of Foreign Wars. The Korean war was stretched far beyond its time. The Vietnam war, there we were after asking for a new date of inclusion of those veterans within expanded dates of that conflict.

What is the reason for that? I can tell what the reason is: To expand the jurisdiction and benefits available in the Veterans Administration and to increase the ability to up the membership in the veterans' organizations. That is the way it is. That is called real life.

These disabilities—I have heard this phrase bandied about about all disabled veterans being wartime veterans, combat veterans—I mean, that is not so. There are 30 million veterans, and maybe 3 million of them never heard a live round whistle beside their head in a combat or life-threatening situation.

I say lets take care of those veterans and do it in spades, but for heaven's sake, to get into this argument, to try to say that a person who had hypertension from sucking up the suds at the officer's club is now entitled to the same compensation as a guy who was out leading a rifle platoon in combat—somebody has their priorities all messed up.

Every time we try to probe it, we cannot get the figures, because it is best not to get the figures because the VA has a constituency and a bureaucracy to respond to and the veterans' organizations have a membership to nurture.

There we are. Then go take a look at the list of 43 presumptive diseases. Those are diseases that can result and often come to us all in the ordinary course of living, chronic diseases like arthritis, cirrhosis of the liver, diabetes—diseases that can come to anyone, whether they have been in the service or not been in the service. We did that out of pure pressure in years past, but I can tell you, Mr. President, every time you try to give priority to certain services of the VA, and try to take special care of the combat veteran or give them anything they require—you can't find the figures and the service organizations would gin up their troops and bring down on my old bald head an avalanche of mail. Now Senator FRANK MURKOWSKI, of Alaska, is the beneficiary of all that material. It is assuredly enough to break your mailroom down.

I found it to be true as a couple of those groups attacked me in a very personal way this year and I decided to respond, and I did so and we will all be lucky if we ever see it in their monthly publications. At least, I told them to stick it in there.

That is the publication I am speaking of.

So I sent along a letter to my colleagues in the Senate. It should be called, "How the Fun and Games Work in Some of the Veterans' Groups."

I ask unanimous consent at this time that a copy of my "Dear Colleague" letter of October 21, 1985, and accompanying material be printed in the RECORD at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, October 21, 1985.

DEAR COLLEAGUE: Early in the Session the tough chore of chairing the Senate Veterans' Affairs Committee fell upon (I think that is a correct description!) my fine and genial friend Frank Murkowski. Now that I have relinquished the "reins of power", I just thought I might share with you some of the activities of two of America's veterans organizations at their last national convention in August. They have always seemed to enjoy hammering around on my poor old bald dome and I thought I'd share with you my response to them. I have asked them to publish these remarks in their national magazine—where they love to do their heavy yammering and hammering on the Congress and its wavering members—but don't bet a wad on it!

Good Lord, I really just don't know how much more we can do for the veterans of the United States—but I guess there is simply no limit to the demands that will come to us. So it goes. But I thought I'd kind of like to "set the record straight".

I thought I'd share it all with you, because I know of your basic interest in a trait around this place that we try to always engage in with each other. It is called fairness. I often have recommended it to the veterans organizations as they deal with the Congress as they try to hone up their pitch on us every year as if we had done absolutely nothing at all for the veteran of this country. That offends me as a veteran and it may offend you too. The fiscal year 1986 budget is $27,450,000,000 in new budget authority, so we must be doing something right. And of course we are—and always have.

I just wanted to share these things with you.

With best personal regards,
Most sincerely,

ALAN K. SIMPSON,
U.S. Senator.

LIST OF ENCLOSURES

1. June 1985 DAV Magazine article by National Commander Chad Colley.
2. June 18, 1985, letter from Al Simpson to Charles E. Joeckel in response to comments of Commander Colley and Mr. Joeckel.

3. Report by Charles E. Joeckel, DAV, presented at the DAV National Convention on July 21-25, 1985.

4. October 22, 1985, Op-Ed response of Al Simpson to report of Charles Joeckel (Enclosure #3).

5. Comments of Billy Ray Cameron, National Commander-in-Chief of Veterans of Foreign Wars, at the VFW National Convention on August 18-23, 1985.

6. October 1985 VFW Magazine article setting forth excerpts of Commander Cameron's speech (Enclosure #5).

7. October letter of Al Simpson to Cooper T. Holt, VFW, in response to enclosures #5 and #6.

COMMANDER'S VIEWPOINT—CUTTING COSTS AT ANY COST

(By Chad Colley, National Commander)

Senator Alan Simpson (R-Wyo.), who is a former chairman and current member of the Senate Veterans' Affairs Committee—pulled out their remaining arsenal of twisted logic and false representations.

Quoting from the Congressional Record, we hear Mr. Simpson proclaiming, "Do you know that millions of them [veterans] never left the United States, never served over one year and don't know a mortar tube from either end and yet draw every single benefit that a combat veteran does?"

Senator Simpson knows that statement isn't true. He must, having served so many years on the Veterans' Affairs Committee. Yet he uttered it, apparently with complete conviction and, most assuredly, in direct opposition to Senator Cranston's amendment. Why would he stoop to such a tactic?

Indeed, why would he also characterize the staffs of veterans' service organizations—and the staffs of the veterans' affairs committees themselves—in the following words: "They keep cranking it out in the bowels of this system through these staffs, through extraordinary novelty and adventurism, a lot of it from guys who feel guilty because they never served in the U.S. Armed Forces. That is a tedious, ponderous, pathetic process."

Never served? A pathetic process? Can he admit to many years of close contact with the staffs of organizations like the DAV—and his own staff on the Senate Veterans' Affairs Committee—and charge these people are guilty civilians? Mr. Simpson spent an equal number of years engaged in preserving and protecting veterans' programs and benefits. Yet now is he telling us those years were nothing more than "a pathetic process?"

No, what I think Mr. Simpson is telling us now is that he, too, believes it's time to cut costs at any cost. And he's willing to go to any length to accomplish that goal.

Later on in the debate, when perhaps he's sensed even he's gone too far, the Wyoming Senator back-peddles a bit. He says he admires the VFW and AMVETS, both organizations to which he belongs. Then he charges: "But they have a need to get their membership up, and the way they do it is to pretend that every veteran in America is disadvantaged. And that is a pretty poor way to do business. I tire of it. I think the rest of us should tire of it."

Frankly, I'm tired of hearing these kind of charges leveled again and again by people who'll do anything to scuttle the VA.

And as the focus switches to the House of Representatives and their debate over the VA budget, I expect I'll get tired of hearing it still again. But whether these charges are uttered in the House or the Senate, it makes no difference. They're still not true. And they're still coming from people who view the VA as simply the ripest fruit for picking from the fiscal tree.

U.S., SENATE
Washington, DC, June 18, 1985.

CHARLES E. JOECKEL,
National Director of Services, Disabled American Veterans, Washington, DC.

DEAR BUTCH: Come on now, Butch—you're getting a little juiced up there yourself! I just recently read your article in the DAV Magazine entitled, "Against the Grain", and if you are going to just pull parts of my statement out, why not share with your readers my entire statement. I enclose it for you and would very much appreciate your sharing that with your membership in the sense of fairness. You have always been very fair and up front with me and I think it is only fair to share with them the entire statement. That's not too extreme of a request, is it?

I was also fascinated by the comments of Chad Colley, the National Commander. I must say that it is always a puzzler to me how the entire journalistic effort of the DAV Magazine seems to be that we are doing nothing for the veterans of America and that there is some extraordinary all-out assault and effort upon veterans' benefits by every single member of the United States Senate. That's absurd, Butch. You know it too, my friend. So you keep cranking it out and I'll keep cranking in my little letter to the editor and hope that you might see fit to publish snatches and pieces of it at least so that "my side" can be stated.

I always greatly enjoyed my association with you and all officers and members of the DAV when I was Chairman of the Senate Veterans' Affairs Committee. It would thrill and please me ever so much to see a fine article on your pages one day, telling what the United States Congress has done for the veterans of America that amounts to now almost $27 billion a year of support to a most extraordinary array of veterans—only a small percentage of whom ever served in actual combat—or even in actual combat theaters of our various wars of history. I don't think that should be withheld from your membership or from the citizens of the United States, because I think that the "average joe" out in this country—veteran or nonveteran alike—feels that any veteran who was in combat—or even in a combat theater and was actually involved in a situation where a live round whistled through the air near his duty station—that indeed for that veteran we should do "whatever it requires". But the others who were involved with nonservice-connected disability and were reviewed under various other eligibility measures and standards should be considered under a "means test", in order to conserve resources of the Veterans Administration for those who are the most deserving.

I logged in a couple of years of my life in the armored infantry in Germany during the tail end of the "Army of Occupation" in that country. I really didn't think of myself as having done any great "outstanding service" to my country—just meeting a responsibility and duty of citizenship. I just never realized until I got here how many had served less than a year, never left the U.S., were never involved in any type of combat arms training—and they draw every single benefit that a combat veteran receives. People don't know that. My comments are not made in any attempt to try to make "lesser" persons out of certain veterans—but it is one of the realities that face us in the budget situation confronting the United States.

Your organization and the other fine veterans organizations are continually advising and counseling me that you are "willing to do your share", but when we get right down to the hard, tough choices of making the cuts—not just giving up cost-of-living allowances—but making the adjustments to get the money to those who most deserve it, by gad the old mailroom pretty well breaks down! You know how to crank it out—and I sure know the feeling!

I hope you might see fit to have the intellectual honesty to share the full text of my remarks with your fine readers.

Thanks, Butch, I always enjoy my visits with you and working with you around this fascinating arena.

With kind regards,

Most sincerely,

ALAN K. SIMPSON,
U.S. Senator.

PORTION OF REPORT BY CHARLES E. JOECKEL, JR.

On Capitol Hill, we've faced opponents who profess more of a moral commitment to an accountant's ledger than to America's veterans.

We've watched the traditional enemies of veterans' programs progress from simple stalling tactics over pending legislation, to outright lying about the impact VA programs would have on the national deficit.

We've listened as men, like Senator Alan Simpson of Wyoming, described us as participants in (and I quote) a tedious, pathetic process.

We watched as efforts were made to restore the proposed VA budget to minimum levels in the Senate. And the response to that effort was as mean-spirited and loud an effort at senatorial character assassination that we've ever seen in that body.

We heard our military men and women described as people more interested in the security of their retirement programs than in the security of the nation.

We listened as Administration officials looked our National Commander in the eye and asked "What's so special about disabled veterans?"

Well the man who asked that question is on his way out of the Administration—if he isn't gone already.

David Stockman is gone too.

Now I'm wondering about Senator Simpson's plans for the future.

Now here's a man who provides us with a particularly interesting example of Congressional disdain for veterans. The Senator from Wyoming likes to continually recall that he served in the military, but that he never expected anything in return from the VA. He figures, then, that no other veterans need VA programs and services.

Well, Senator, not all of us are the sons of former Senators.

Not all of us were born with a silver spoon in our mouths.

Not all of us came out of war without so much as a scratch.

Some of us spent more time looking down the barrel of an enemy rifle than looking down the botton of a glass at the Officers' Club.

Senator Simpson, some of us will spend the remainder of our lives in pain and in darkness. Some of us will never run with our sons. Some of us will never see our

daughter's first prom dress. And some of us—too many of us—will never again journey into the world outside a hospital ward.

Yet, Senator Simpson, even though we know our families could never pay for the kind of medical care and rehabilitation we would need, we'd do it all over again if we had to.

We'd risk our lives and limbs all over again because we believe gentlemen ranchers from Wyoming have the right to run their cattle in a free land. We believe this nation is too precious to sacrifice one ounce of freedom, one drop of democracy.

And we'd risk it all again, secure in the knowledge that more Americans embrace Abraham Lincoln's philosophy than Alan Simpson's rhetoric.

In the meantime, men like Senator Simpson will continue to mislead the public. Be assured that even though David Stockman is gone, hundreds of Stockmans stand ready to replace him.

Now we have a new chairman of the Senate Veterans' Affairs Committee who practices his own brand of deception.

Frank Murkowski of Alaska writes in his monthly chairman's report that "veterans took a most honorable oath when they enlisted. And whether they actually participated in armed conflict is, for the purpose of receiving veterans' benefits, secondary to the concept that they were ready to fight."

But that's not the way he votes on the floor of the Senate. He votes for a VA budget that would result in the widespread denial of care for hundreds of thousands of veterans. And, perhaps most important, he remains strangely silent when the enemies of the VA rise on the Senate floor and spout half-truths, innuendoes and downright lies.

Yet no matter what tactics they use, no matter what schemes they hatch, we of the DAV are equal to the task.

THE REST OF THE STORY: CONGRESS HONORS ITS OBLIGATION TO VETERANS

It seems a little tedious to me. The tone rarely changes as the Washington-based officers of the DAV launch their annual hysterical attack on Congress. The dire and dramatic warning is always that Congress is ready to abandon America's veterns. What guff. As a frequent target of DAV blasts from the Washington crew, I finally feel compelled to respond.

I must say that it is always a puzzler to me how the entire effort of the DAV's Washington-based staff and its publication, the DAV Magazine, seems to be to portray that we are doing nothing for the veterans of America and there is some extraordinary all-out assault upon veterans' benefits for every member of the United States Senate. They all would flunk a saliva test.

Would Congress ever fail in its obligation to this country's veterans? No. And it is absurd to make such charges in light of all that Congress has done—in recent times as well as in past years. It would thrill and please me ever so mightily to see one fine article on your pages one day, telling just what the United States Congress has done for the veterans of America. We have done more for the veterans than for any other group in America. That is so. I believe that.

The Veterans' Administration budget will total some $27.45 billion for fiscal year 1986. That is the third largest budget of any agency of the government. the staff of the VA exceeds 220,000 full time employees—second only to the Pentagon in terms of numbers employed. This country's VA system boasts the largest health care delivery system of its kind in the world with 172 major medical centers and 185 outreach clinics and their satellites. There are 226 outpatient clinics, 103 nursing homes and 16 domiciliaries. VA compensation, pension and other benefits alone exceed $15 billion a year in payouts.

The most important thing that Congress can do for all Americans—veterans, too—is bring down the awesome federal budget deficit. Every function of our government must be included in this process—the VA, too. The DAV and other fine veterans organizations are continually advising and counseling me that they are "willing to do your share", but when we get right down to the hard, tough choices of making the cuts—not just giving up the cost-of-living allowances—but making adjustments to get the money to those who most deserve it, then by gad the old mail room just breaks down!

This year's VA budget provides for continued care for our veterans while bringing about some very necessary and important changes in order to improve veterans programs while at the same time maintaining some small semblance of fiscal responsibility. Why don't you engage in constructive discussions with us now as we start off on next year's budget? The budget deficit will make competition for the federal dollar ever-tighter in years to come.

How did we ever get to the point in this country where we assume that every veteran is somehow "disadvantaged?" That suggestion is offensive to me as a veteran. I know that it is offensive to other Americans—veterans and non-veterans as well. And not every disabled veteran is 100-percent disabled. To the contrary, 70-percent of the service-connected disabled veterans are classified as "30-percent disabled" or less. I am not, in any way, attempting to make "lesser" persons out of certain veterans—but it is one of the inescapable facts of defining priorities that we have to face in the budget situation confronting us. When the DAV rolls out the cannons filled with a grapeshot blend of hysteria, hype, emotion, guilt and misinformation, they seem to portray every veteran as being wholly disadvantaged and 100-percent disabled. How unfortunate.

I have been criticized for my statements concerning veterans who abuse the system—the guys who know how to work the programs. We all know that they are there. Most of us served with one or two. When Congress talks about limiting or changing the system, we should direct our efforts towards the guy who mashed his big toe in the mess tent at the end of a three-day drunk looking for a bottle of lemon extract, or who bunged up his knee on the ski slopes while on leave from Ft. Carson—and who collects the same benefits as the serviceman injured in the anguish and raw pain of combat. I continue to be perplexed as to why such questions threaten the Washington-based leaders of the DAV. Why not join us in our efforts to preserve the integrity of the VA system?

Reality in the face of awesome federal budget deficits forces Congress to look at ways to get the best possible use out of Uncle Sam's dollar. In veterans programs, we are looking at two specific methods of achieving those savings. Both are controversial.

A "means test" is intended to clearly delineate between service-connected versus non-service connected disability eligibility. Another proposal involves the issue of "third party reimbursement"—a measure that would allow the VA to obtain reimbursement for disability care that is not service-connected. The Senate Veterans' Affairs Committee has passed those two measures. We all recognize that there are fiscal realities. So, why not help the Congress find the best way to face those realities while also facing the responsibility we have to America's veterans.

As the former Chairman of the Senate Veterans' Affairs Committee, boy do I know first hand the power of the veterans' lobby! I have become accustomed to the emotional attacks lobbed at me by the DAV and their Washington representatives such as Butch Joeckel. Such attacks do nothing more than confuse the issue. Veterans service organizations have the ability and the tax exempt status to pull the trigger and flood a Senator's mail room on a moments notice—mine has been deluged on a number of occasions, but that has done nothing to shape a constructive debate.

So, let's drop the drivel and deal with directness. This country's veterans—and I among them—have fought to preserve America's freedom—we have an obligation there that will never be forgotten. There is another great battle going, and the Congress is currently engaged fully in it with the federal budget deficit. It is a battle to preserve our country for future generations. We had best not fail. So, we might just try to work together. I look forward to that.

Even though the chairmanship of the Senate Veterans' Affairs Committee has recently changed, believe me our problems have not changed. Senator Alan Simpson continues to place the burden of balancing the budget on the backs of wartime veterans. If he gets his way, compensation and medical care will only be for those with combat related disabilities. How many times have we heard him belittle the heroic actions of our comrades who were fortunate enough not to have been wounded in combat. Let me read to you what Senator Simpson said on the floor of the Senate May 9, 1985: "You walk up to a guy on the street and say, 'What should we do for the veterans of the United States?' and he says, 'Anything it takes.' and then you say, 'Do you know that millions of them never left the United States, never served over 1 year and don't know a mortar tube from either end and yet draw every single benefit a combat veteran draws?' " That is what the former chairman of the Senate Veterans' Affairs Committee is telling people—you and I both know that's not the way it is.

You show me one veteran who served during a noncombat period and draws any GI bill benefit, purchased a house with a VA guaranteed loan, or is drawing a pension. I sure don't know of any and I doubt the Honorable Alan K. Simpson does either.

Now, let me read you something that Simpson had to say about service-connected disabled veterans, "Millions of them may have been injured by something that happened while looking for a case of lemon extract in the mess tent to finish off a 3 dayer . . . that have been drawing a green check for 20 years." Where does he get off characterizing millions of our service-connected disabled comrades as a bunch of guys who were injured while trying to get over a 3-day drunk! Simpson also sarcastically stated, "For Heaven's sake, we have done more for the veterans of the United States than any other group within our society." We all know that's not true—Congress has done more for themselves than any other group

in America. Even if Senator Simpson is right, I say, why not? Our society is No. 1—thanks to our veterans.

Under this man's leadership and now Senator Murkowski's, the Republican majority of the Senate Veterans' Affairs Committee appears to be bound and determined to reduce veterans' benefits to save a few bucks by cutting hospital beds, cutting health care personnel, denying health care to all but the poorest veteran; and if you can believe this, actually charging veterans for benefits they have already paid for. Comrades, take my word for it we are still in combat with the likes of Senators Simpson and Murkowski who are supposed, and I repeat, supposed to be advocates of the veteran.

NEW OPPORTUNITIES

Outgoing Commander-in-Chief Billy Ray Cameron was particularly critical of the committee's former chairman, Sen. Alan K. Simpson (Wyo.) and its present chairman, Sen. Frank H. Murkowski (Alaska).

"Sen. Simpson continues to place the burden of balancing the budget on the backs of wartime veterans," Cameron said in a major speech." If he gets his way, compensation and medical care will be only for those with combat-related disabilities.

"How many times have we heard him belittle the heroic actions of our comrades who were fortunate enough not to have been wounded in combat . . ."

Cameron quoted Simpson as saying of service connected disabled veterans that "millions of them may have been injured by something that happened while looking for a case of lemon extract in the mess tent to finish off a three-dayer . . . that have been drawing a green check for 20 years."

"Where does he get off characterizing millions of our service-connected disabled comrades as a bunch of guys who were injured while trying to get off a three-day drunk?" Cameron asked.

Simpson also sarcastically stated, 'For heaven's sake, we have done more for the veterans of the United States than any other group within our society.'

"We all know that's not true. Congress had done more for themselves than any other group in America. Even if Sen. Simpson is right, I say, why not? Our society is number one—thanks to our veterans.

"Under this man's leadership and now Sen. Murkowski's, the Republican majority of the Senate Veterans' Affairs Committee appears to be bound and determined to reduce veterans benefits to save a few bucks by cutting hospital beds, cutting health care personnel, denying health care to all but the poorest veteran, and, if you can believe this, actually charging veterans for benefits they already have paid for.

"Comrades, take my word for it, we are still in combat with the likes of Sens. Simpson and Murkowski who are supposed, and I repeat, supposed to be advocates of the veteran."

Simpson lost his SVAC chairmanship when he was elected by his colleagues assistant Senate majority leader of the 99th Congress, and he was succeeded by Murkowski. Simpson served in the Army from 1954 to 1956 and Murkowski in the Coast Guard from 1955 to 1956.

U.S. SENATE,
Washington, DC, October 18, 1985.

COOPER T. HOLT,
Executive Director, Veterans of Foreign Wars, VFW Memorial Building, Washington, DC.

DEAR COOPER T., I have received a copy of the remarks presented by the VFW National Commander in Chief at the National Convention in Dallas. On the assumption that it is quite possible that the comments about me were the work of your head, hand and pen, I would like to take this opportunity to pass on my thoughts. If you folks all want to go ahead with that kind of distortion, that is okay with me, but I have hauled more water for the veterans of this country than Rudyard Kipling's Gunga Din did in his legendary travels on the field of combat! Get the wax out of your ears, Cooper—you are not listening. You and I have had some good scrapes over the years but I always come out of them with great admiration and respect for you. Why drag yourself down with that kind of crap? If you are going to quote me, get it in context and get the whole spread in and let me include all of that for my fellow veterans of the VFW in which I am a lifetime member. I am very proud and pleased about that membership.

You demean yourself when you distort the issue by saying "You show me one veteran who served during a noncombat period and draws any GI bill benefit, purchased a house with a VA guaranteed loan, or is drawing a pension." You and I both know they have stretched the combat far beyond its use—in all of our nation's conflicts—else I would not have been a member of the "Army of Occupation" in Germany while serving there in 1955 and 1956. Come on now, Cooper. You know what's up—better than most. And when I spoke of disability, you and I both know many a veteran who may have been injured by something that happened while scratching around for a case of lemon extract in the mess tent to finish off a three-dayer, or banged up a knee on the ski slopes while on leave from active duty at Fort Carson, or in an automobile accident, or so many other things. That is a reality ain't it, chum?

I see you included my comment which I stated rather clearly, "For heaven sakes, we've done more for the veterans of the United States than any other group within our society." I did say that. I sure as hell believe it. Your comment to that was, "We all know that's not true—Congress has done more for itself than any other group in America." I don't know what that is. We pay for our own groceries, gas, insurance, chow at the Senate Dining Room, and we do get some fine medical care at Walter Reed or Bethesda, if we require it—just like a veteran would in the VA hospital system. This year, when the cost-of-living allowance went out to every soul in government—and to those in the VA and those on Veterans Administration compensation plans—I personally decided to refund my own COLA allowance back to Uncle Sam. I will be writing that personal check myself at the end of the year. I can't ask things of others in society—including veterans—that I don't ask of myself. Not many other people out there have written any checks back to the government for their three-and-one half percent cost-of-living allowance that was effective on January 1, 1985. And others surely needn't do so. That's just my current feeling. My wife, Ann, hopes it will change.

The total budget authority for running the entire congressional branch of government was $1,770,000,000 for fiscal year 1984, and that is $42,925.74 per capita for all of the staff—the whole works. The staff of the VA for fy 1984 was 218,545 and the cost of running the VA was $121,151.25 per capita of staff. Not really too good a comparison, is it, Cooper T.?

Then you come down to the most fallacious and goofy part of the argument in your text or—the Commander's—and I really would be disappointed if it were Billy Ray who wrote it all—by saying that "Even if Senator Simpson is right, I say, why not? Our society is number one—thanks to our veterans." You bet we are number one, and largely that is thanks to our veterans. There are 28 million of us, and yet less than 3 million of us ever had a live round whistle by our ear in combat. That doesn't mean we shouldn't take care of those other veterans—but let's not give them the whole load. We are the only country—free or not free—on earth that gives these extraordinary and generous benefits for noncombat related veterans' injuries—service-connected and non-service-connected. But when we are in a time of weighing priorities and a busted budget and a deficit gone through the floor, it is time to take a look at everything that our country does. That is what we are up to. You surely don't serve the cause of your fellow veterans—or this fellow veteran—when you actually try to prevent us from thoughtfully, rationally, honestly, and conscientiously addressing the priorities of the day and that is to assure that our first and prime category of service-connected, combat-related veterans should have anything they need without question—and then beginning to sort out the other priorities for other veterans. This includes reviewing the priorities of the previous determinations of the finding of 43 "presumptive diseases" that supposedly would only be presumed to occur to a person who was in the service—even if it was only for 90 days! You might share with your VFW Magazine readers that list of presumptive diseases too, Cooper T. These are diseases that any person in America can contract under any and all circumstances of life. To say that they are all "presumed" to have been attained or contracted while serving in the armed services for 90 days or more strains every bit of credibility. You know that as well, my friend. And I'm not talking about diseases contracted by POW's—since I personally sponsored and helped to pass the legislation that met their needs—after they felt they had been ignored for some 35 years.

So, you might just stop juicing up the troops long enough to settle back and join us to see how we are going to take care of our veterans and try to do that by reducing this massive deficit which is eating their lunch, causing their interest rates to go up, and keeping them from running their businesses right because they can't afford the cost of money. Those are the things I am up to, Cooper. Why not join the effort. What a bunch of hoorah that you dish out that I am "supposed" to be an advocate of the veterans. I've done my job—and will be doing even more in years to come. Perhaps you've been here too long Cooper T. Perhaps you've become a zealot and a cynic. Too bad.

Let me refresh your limited ability of recall and share with you what I have done as former Chairman and now current ranking majority member of the Veterans' Affairs Committee. You might want to pass this on to your readers. During the 97th Congress, I was a cosponsor of the bill to establish the Federal Interagency Medical Re-

sources Committee to prescribe procedures and guidelines for inter-agency sharing of health resources between the Department of Defense and the Veterans Administration. This bill become Public Law 97-174. I cosponsored S. 349, to establish certain procedures of adjudication of claims for benefits under laws administered by the Veterans Administration. I was the principal sponsor of S. 917, which become Public Law 97-66, to increase the rates of veterans' compensation for wartime disability compensation, additional compensation for dependents, clothing allowance for certain disabled veterans, and an increased compensation for surviving spouses, children, and supplemental children's benefits. I was chief sponsor of S. 2747 in the 97th Congress, directing the Secretary of Labor to establish a program providing job counseling, training and placement services for disabled, Vietnam era, and other eligible veterans.

During the 98th Congress, I sponsored legislation which became Public Law 98-223, which increased again the rates of disability compensation and compensation for dependents including clothing allowances, compensation for surviving spouses and children, and supplemental dependency and indemnity compensation for children. I sponsored S. 2737, increasing the rates of educational and subsistence allowances for eligible veterans and their dependents and survivors.

During this first session of the 99th Congress, I have cosponsored S. 876, which establishes and conducts pilot programs in furnishing the following benefits and services to eligible veterans: medical and rehabilitative services in lieu of nursing home care, treatment and rehabilitation for alcohol and drug dependency and abuse, and community residential care for the chronically mentally ill. I have also cosponsored S. 367, providing for judicial review of certain final decisions of the Administrator of the Veterans Administration as well as provisions for the payment of reasonable services to attorneys for rendering legal aid to individuals claiming benefits under laws administered by the VA. This is only the very "short list" of the legislation which I have been involved in from the beginning of my service on the Veterans' Affairs Committee.

You don't serve your cause very well when you, or the National Commander, babble on into the vapors like you did during the National Convention, Cooper T. We really ought to have lunch together someday and kick it around a little. I would like that.

With kind personal regards,

Most sincerely,

ALAN K. SIMPSON,
U.S. Senator.

Mr. SIMPSON. Mr. President, when we get through with this great gratuity in the proposed amendment we will have left out something in the Veterans' Administration, I can assure you. So, if you want to go ahead and exempt and exempt, then wait until you get going all through that $27 billion budget and you will find out that you missed a few and when you then find out that those omitted programs got sequestered and you caused those programs to lose about 25 percent of their budget—when you do that, call me. I will be here and I will furnish your address to the various groups. You will undoubtedly be contacted.

I thank the Chair very much.

The PRESIDING OFFICER (Mr. BOSCHWITZ). Who yields time?

Mr. PACKWOOD. Mr. President, I yield 8 minutes to the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, it is always a difficult task to stand on the floor of this body and speak against what one might call a veterans' amendment. It is unthinkable that any Member of this body would vote in a manner that would undermine the benefits of our Nation's veterans. We have all been elected to serve our constituents and our constituents certainly include many veterans and their families.

As chairman of the Senate Veterans' Affairs Committee, it is especially difficult. But, Mr. President, let me reflect for just a moment. During the floor debate on the HUD-Independent Agencies appropriations bill, H.R. 3038, I successfully argued, and a majority of my colleagues supported me, in adopting an amendment to restore $100 million to VA medical care. The Senate agreed by the adoption of that amendment to treat the VA medical care account fairly.

This is not the issue today, Mr. President. We all are on record in support of adequate appropriation levels for VA health care. However, in this instance, we cannot escape the basic fact that any exemption to preserve VA medical care from a sequester order would directly shift the burden of savings to other federally funded programs.

In the spirit of full disclosure, Mr. President, I think we ought to know what those programs are. They are food stamps, Supplemental Security Income, AFDC, child nutrition, community health centers, migrant health, Women, Infants and Children.

Mr. President, my contact with the veterans' service organizations of this country leads me to believe firmly that the veterans are willing to make the same necessary sacrifices as other citizens.

However, this amendment troubles me greatly. It troubles me, because in the name of veterans it serves to undermine an effort to balance the budget—which is of utmost importance to all veterans. What is often forgotten in this place is that veterans have more than one role in society. As a matter of fact, being a veteran as many of us are, means that we are no longer serving our country as active duty service men and women. We are serving our country in other ways—as executives, as postal carriers, as blue and white collar workers, as small business owners, and as government workers, farmers, and transportation workers. Our Nation's veterans have families. They are all American citizens with a multitude of interests and a multitude of investments in our Nation's well-being.

Millions of our Nation's veterans who served our country bravely do not receive VA benefits or use VA medical care. Are they any less deserving citizens? Of course not. Did they serve less honorably? Of course not. The bottom line here is that veterans, as all citizens, do better if the economy is doing better. What veterans across the country may not understand about the Riegle-Cranston amendment is that exempting VA COLA's and medical care does not mean a restoration of dollars, but a shifting of the burden to other programs and services which also affect their livelihood and welfare.

The Gramm-Rudman amendment is an attempt—a serious attempt—to come to grips with our spiraling and uncontrollable Federal deficit. Opposing an amendment to fence off veterans' COLA's and medical care from the effects of the Gramm-Rudman amendment is not a vote against veterans. It is an act of fiscal responsibility by Members of this body on behalf of veterans and all Americans.

Under Gramm-Rudman, if the Senate and House of Representatives do not do their job and the budget exceeds identified spending levels, then the President would be required to reduce the Federal budget by the amount the congressionally adopted budget exceeded those ceilings. It is not intended that the President would have this authority on any kind of regular basis. It is intended for Congress—and that is us—to do its job.

The success of the Gramm approach is premised on equity. Everyone must be aware that, under the Gramm-Rudman amendment, all special interests are subject to sequester if Congress does not do its job. Congress is going to have to act responsibly if we are to regain our economic foothold in this country.

Exempting veterans' medical care and compensation COLA's does not indicate our devotion to veterans. In this case, what it would do is say that veterans are no longer an active contributing part of this society—they do not continue to participate, and, of course, that is untrue. They alone are sheltered from sharing in our economic healing process—but at the expense of their families, friends, and survivors who would be left to bear the burden that they somehow, as citizen soldiers, are not asked to bear. I do not believe for 1 minute that veterans across the country wish to slough off their share of economic responsibility. Veterans in my State have let me know that they would like to see the country back on a more even economic keel. They are willing to do their part as Americans, as veterans who served willingly in the defense of their country, and now they serve willingly as citizens as we strive

together to come to grips with our economic situation.

Finally, Mr. President, I regret that this situation has even arisen because I believe it puts Senators in a very difficult position of having to cast their vote in a manner that will be recorded by certain veterans' service organizations as against veterans. How can this be said after we spent 2 days on the floor defending the VA medical care budget during the Senate consideration of the HUD-Independent Agencies appropriation bill? This is a different situation. As I have said, it is a chance for all of us as veterans, citizens, parents, family members, and friends to work together and tighten our belts as one Nation undivided by parochial interests in the interest of our country's economic survival.

Mr. President, I feel that the veterans of the United States concur in the belief that the greatest thing that can be done not only for the veterans, but for all programs in this country, is to get the deficit under control.

I urge all Members to place their responsibility as Senators, veterans, and citizens as the highest priority. Let us dispense with politics and get on with the job we were elected to do. The Riegle-Cranston amendment must be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. I yield myself 4 minutes.

I have spoken with the other side. There is a technical drafting error in the amendment that is at the desk. I send an amendment to the desk which corrects that technical error and ask unanimous consent that that adjustment be made.

The PRESIDING OFFICER. Is there objection?

Mr. RIEGLE. I cleared it with the chairman of the Finance Committee previously.

The PRESIDING OFFICER. Is the Senator asking consent to modify the amendment?

Mr. RIEGLE. He is.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. RIEGLE. I thank the Chair.

The amendment, as modified, is as follows:

At the end of the amendment of Mr. PACKWOOD, insert the following:

SEC. —. Notwithstanding any other provision of this Act, for the purposes of section 204 of this Act the following shall apply with respect to outlays for the Veterans' Administration programs, benefits, and accounts referred to in this section: Expenditures from the Veterans' Administration medical care account (36-0160-0-1-703) shall be deemed not to be controllable expenditures; a provision of law making an appropriation to such account for a fiscal year shall be deemed to be a provision of Federal law requiring an automatic spending increase to take effect during such fiscal year; the amount of outlays from such account that shall be considered the amount of the outlay increase to be reduced by a uniform percentage during a fiscal year (hereinafter in this clause referred to as the "current fiscal year") under subsection (b)(1)(A)(i) of such section is any amount exceeding the total of all outlays made from such account for the preceding fiscal year (as estimated by the Director of the Congressional Budget Office) plus the amount of outlays which the Director of the Congressional Budget Office estimates will be needed during the current fiscal year for increases in outlays (over outlays during the preceding year as so estimated) for salaries and benefits in order to maintain employment under such account of the same number of full-time-equivalent federal employees employed under such account as were so employed during the preceding fiscal year; no provision of law increasing or authorizing an increase in a rate or rates of compensation or dependency and indemnity compensation, as defined in section 101(13) and (14), respectively, of title 38, United States Code, or of a benefit paid under chapter 11 or 13 of such title shall be considered a law requiring an automatic spending increase; no expenditure for such compensation, dependency and indemnity compensation, or benefits shall be considered a controllable expenditure; and no amount of budget authority for such compensation, dependency and indemnity compensation, or benefits shall be sequestered.

Mr. MURKOWSKI. I wonder if the Senator will yield for a question as to the modification of the amendment? I did not hear it.

Mr. RIEGLE. Perhaps the Senator from Oregon [Mr. PACKWOOD] could explain it to the Senator because my time is short. It is not a change of substance. Let me quickly move to the comments that I want to make. There is much to cover here in the 4-minute time period that I have remaining to me.

First of all, we have dealt previously in Gramm-Rudman with the sanctity of contracts. We cannot do anything about the $600 toilet seats at the Pentagon because they are part of present military contracts. In many other areas contracts are being treated as something beyond the cuts of Gramm-Rudman. I do not know a contract that I think is more important or more serious than the one we have in the two areas I cite.

Bear in mind, I am not talking about all veterans' programs. I think a case could be made for that. My amendment relates only to the payments under service-connected disabilities, the compensation system and also the veterans' hospital health care system. I mentioned earlier we have colleagues in this body who are veterans who have lost limbs but we also have 23,000 outside this body, if you will, who are in that condition. In addition there are another 36,000 who have limbs but have lost the use of the limbs. But let me cite one that I did not mention before. And that is we have in this category 322,000 individuals who receive compensation now who are the survivors of a serviceman or woman killed in the service. Part of the understanding we have over the years is that there was a compensation system to make up for the loss of that individual and the loss of their earning power to that family and that we would have a COLA adjustment with it so that if inflation did happen, they would not see their living standard eaten away. That is why it is in the law. To me that is a contract. Now, I do not see any way that we can say, as Gramm-Rudman now does, that we are not going to protect Veteran's COLA while we are going to protect the COLA under Social Security—and I support it. And I assume the Senator from Texas does. Although he says he voted against it, it is in his bill now, and it is in there with his consent—that we can say to that person out in society, "Yes, your COLA is going to be protected," but say to the person next door who is the veteran or the survivor of the veteran killed in the service, "Sorry, your COLA is disappearing." I do not think we can say that. I do not think it is right to say it. Frankly, the dollars are not that significant in terms of the importance of the point that it makes, especially after we have heard all of this talk about the sanctity of contracts. Contracts, contracts, contracts. We are protecting the defense contractors but we cannot protect the contract with the people who fought the wars and were injured in them or their survivors as we have done all the time up until now. We are talking about $260 million a year for that part of it. The veteran's health care system, moving it into category I, is $9.3 billion. In terms of the size of the pot, that is a total of 1.6 percent of the pot. It only leaves 98.4 percent of the pot for the automatic reductions should they occur. So I do not think the argument holds that somehow we are decimating the pot by coming in in these two areas. I am not addressing, as I say, the remainder of the veterans' programs, only these two which I think are critical.

The PRESIDING OFFICER. If the Senator will suspend, his 4 minutes have expired.

Mr. RIEGLE. I yield myself 1 additional minute.

I mentioned before that I received letters today from the Veterans of Foreign Wars signed by John Staum, the national commander in chief; the American Legion, signed by Philip Riggin, director of their legislative commission; the Paralyzed Veterans of America, signed by Douglas Vollmer, who is the national legislative director; and also the Disabled Veterans, signed by Albert Linden, Jr., their national commander. I ask unanimous consent

that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
Washington, DC, November 5, 1985.

Hon. ALAN CRANSTON,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR CRANSTON: On behalf of the more than two million men and women of the Veterans of Foreign Wars of the United States, I most enthusiastically endorse the amendment to Gramm-Rudman to be introduced by the Honorable Donald W. Riegle, Jr., for you and himself to exempt Veterans Administration's service-connected compensation, dependency and indemnity compensation and to protect the prior year's outlay level for the Veterans Administration medical care.

With best wishes and kind regards, I am

Sincerely,

JOHN S. STAUM,
National Commander in Chief.

THE AMERICAN LEGION,
Washington, DC, November 5, 1985.

Hon. ALAN CRANSTON,
Ranking Minority Member, Senate Committee on Veterans' Affairs, Hart Senate Office Building, Washington, DC.

DEAR SENATOR CRANSTON: The American Legion applauds your intention and that of Senator Riegle to offer an amendment to H.J. Res. 372 to shelter veterans from the sequestering provisions of the Gramm-Rudman-Hollings balanced budget plan. We sincerely believe your amendment adds a measure of equity for veterans while also prudently providing for continuity in VA administered health care.

This amendment would exempt veterans disability compensation COLA's from reductions in the event of a sequestering order under the balanced budget plan. In doing so, disabled veterans, certainly as equally deserving as social security recipients, would be protected from reductions in the compensation that for many constitutes their only source of income.

The second part of your amendment would restrict medical care reductions under a sequestering order to cuts no greater than what would be necessary to bring spending down to the levels of the previous fiscal year. This makes sense to us, because VA health care has sustained cuts over the last few years which are already hampering VA's ability to render quality treatment at a time when demand for care is increasing dramatically.

With this in mind, The American Legion welcomes the opportunity to join with you in attempting to successfully prevail on this thoughfully drawn and urgently needed amendment.

Sincerely,

E. PHILIP RIGGIN,
Director,
National Legislative Commission.

PARALYZED VETERANS OF AMERICA,
Washington, DC, November 5, 1985.

Hon. DONALD W. RIEGLE, Jr.,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR RIEGLE: On behalf of Paralyzed Veterans of America, a congressionally chartered veterans' service organization, I commend and support your efforts to amend the Gramm/Rudman deficit reduction proposal. Your efforts would protect veterans' compensation and mitigate cuts in funding for VA medical care.

Your amendment would protect veterans who receive disability compensation for injuries received while serving their country. By maintaining this program and exempting it from the loss or reduction of cost-of-living allowances, you ensure that the Nation continues its commitment to veterans injured in service.

Of equal importance, your amendment would ensure that funding for the VA health care system would, at a minimum, be maintained at the previous year's level. By mandating that the funding level for VA medical care cannot go below the previous year's level, veterans are assured of a stable health-care system and are protected from the potentially catastrophic consequences of a reduced VA health care system.

PVA recognizes the need to reduce the federal deficit, but targeting veterans' compensation and health care while exempting other programs as a source of spending cuts and deficit reductions is a reprehensible approach and a disservice to the men and women who have served our Nation. This is particularly true when huge corporations pay no taxes at all, and the American people are asked to assume more and more of the burden.

Sincerely yours,

DOUGLAS K. VOLLMER,
National Legislative Director.

DISABLED AMERICAN VETERANS, NATIONAL SERVICE AND LEGISLATIVE HEADQUARTERS,
Washington, DC, November 5, 1985.

Hon. DONALD W. RIEGLE, Jr.,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR RIEGLE: With respect to the current Senate debate on the so-called Gramm/Rudman/Hollings "balanced budget amendment" issue, it is my understanding that, along with Senator Alan Cranston, you intend to propose to your colleagues that full and limited protection from "sequestering" be afforded, respectively, to VA service-connected disability/death compensation benefits and to VA health care funding.

Senator Riegle, the over one million members of the Disabled American Veterans and its Ladies Auxiliary fully support your proposal.

Let me make it absolutely clear that the DAV has no quarrel with any reasonable, fair proposal that seeks to solve our nation's economic problems.

Indeed, over the past several years, the DAV has stated time and again to members of Congress and the Administration that our nation's disabled veterans are willing to assume their fair share of the burden, so long as such a burden is placed equally upon all federal programs and beneficiaries.

The DAV accepted, with no complaints, the six month COLA delay that was applied to federal entitlements in 1984 and, more recently, during Congressional consideration of the Fiscal Year 1986 budget resolution, the DAV was the first organization representing a major category of federal beneficiaries to indicate that it would accept a COLA delay or cap, if uniformly applied.

However, Senator Riegle, the above cited Gramm/Rudman/Hollings amendment, as passed by the Senate, exempts Social Security COLAs from possible reduction or elimination. In addition, and quite ironically, Department of Defense contractors—those huge corporate entities who pay no taxes and who profit from making weapons of war—are also exempt from the amendment, while the COLAs of our wartime disabled veteran population, their widows and orphans, are totally exposed.

This, purely and simply, is just not fair.

The DAV position on this issue is quite clear:

If a balanced budget amendment is necessary for the good of our country, by all means approve it . . . but treat all domestic spending, programs and beneficiaries the same. But if, for whatever reason, certain spending categories are deemed deserving of special protection—as has occurred in both the Senate and House passed versions of the balanced budget amendment—then service-connected entitlements and health care benefits of America's disabled veterans should also be included.

Senator Riegle, I commend you most highly for taking this initiative and I hope it receives the strong support of your colleagues in the Senate. After all, this is not a vote for or against a balanced budget, rather, it is a vote in favor of fair and equal treatment for those who served and sacrificed in time of war.

Sincerely yours,

ALBERT H. LINDEN, Jr.,
National Commander.

Mr. RIEGLE. Mr. President, as is apparent, they all very strongly support this amendment. They argue that it is critical that it be passed, that it does not by any means reach all the veterans' programs but it certainly reaches two that fall I think into the most sensitive category. I think we do have a contractual obligation in this area, and I think we ought to recognize it. I think we ought to stand by it. There may be others who disagree. We have made other exceptions in the Gramm-Rudman proposal for other things far less important.

Mr. MURKOWSKI. I wonder if the Senator will yield for a question.

Mr. RIEGLE. I am going to reserve my time and I would be happy to respond to a question in the remaining time on the other side.

Mr. PACKWOOD. Mr. President, I yield 5 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Let me yield 1 minute of that to the Senator from Alaska so that he might respond.

Mr. MURKOWSKI. I thank the majority leader. I wonder if I could pose a question to my colleague from Michigan? Is it his intention to exempt from the effects of deficit reduction, a veteran who breaks his leg on a weekend skiing accident while on leave, or a veteran who survives without injury during an extended period of combat service?

Mr. RIEGLE. If I may respond, if the Senator will yield——

Mr. MURKOWSKI. If so, why?

Mr. RIEGLE. I would say the responsibility for deciding under the law

what is covered and what is not covered in a service accident falls on us here in the Congress, falls to the Senator himself as chairman of the committee to make those definitions. I am quite sure that whatever definition he and his committee are prepared to offer would be reasonable.

Mr. MURKOWSKI. My question is, does the Senator support such a change?

Mr. RIEGLE. I am not prepared to argue the specific details of how the Senator's committee wants to apply it. But I am prepared to say that once the decisions are made, I think we ought to stand by the way the system has worked over the years.

Mr. MURKOWSKI. I wonder if my colleague recognizes that 40 percent of the beneficiaries of the VA's compensation program are veterans who are rated by the VA as 10 percent or less disabled?

Mr. RIEGLE. If the Senator wants to bring an amendment to the floor to change the format——

Mr. MURKOWSKI. I have nothing further to ask at this time.

Mr. RIEGLE. The Senator from Michigan would be happy to take a look at it. I am not opposed to changing the formula but I do not want to pull the rug out from everybody.

Mr. MURKOWSKI. I thank the majority leader.

Mr. DOLE. Mr. President, I do not quarrel with the good intentions of anyone but it seems to me that veterans have as much at stake in the economy of this country as nonveterans and certainly disabled veterans, others who have taken risks for their country. We can lose economically as well as we can militarily if we are not willing to face up to the deficits, and that means all of us. I think it is a mistake to leave out Social Security, but we left it out. It is a political hot potato. But that is not the point. It seems to me we should not adopt this amendment. We understand that you can get letters from the American Legion or the VFW, Disabled American Veterans. Every special interest group wants to be exempt.

I think we have an obligation to veterans that we can probably never fulfill. But I tend to agree with the thrust of the questions just asked by the distinguished chairman of the committee.

Many veterans who draw compensation were injured on weekend accidents. I will not go into all the details. They may have a right to compensation, but they also have an interest in the economy of this country.

I think that sometimes, maybe in an effort to grab headlines or votes, we tend to underestimate the strength of the commitment of the American people to reduce the deficit. I do not have people beating me over the head to be exempt. They want the deficit reduced. They are concerned about interest rates, about inflation, about their jobs.

I hope we can defeat this amendment. I think we are selling the veterans short. Of course, "veterans" is an all-inclusive term. It means a lot to some people and does not mean much to other groups, but it means a lot to veterans, and most veterans have already proven that they are ready to make sacrifices for their country, and this is a small sacrifice we ask.

Let us defeat this amendment and get on with the business at hand. Let us wrap up all the amendments on this bill and get back on reconciliation or the farm bill or some other piece of legislation.

This is twice we have gone through this exercise, I think primarily for political purposes. In any event, we should defeat the amendment and move on to something else.

Mr. PACKWOOD. Mr. President, I yield 1 minute to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I oppose the Riegle-Cranston amendment.

This amendment proposes to modify the Gramm-Rudman-Hollings bill in two significant ways:

First. It would move the Veterans Compensation Program from category I—the automatically indexed programs—to the exempt category; and

Second. It would remove veterans medical care from the controllable category and put it into the automatic spending category.

The bill in its current form includes the veterans compensation and pension benefits in category I and rightfully so. By including these benefits in the automatic spending category, we are assuring that, even under the most severe sequestration order, the veterans' check will not be reduced. If a sequestration order occurred in fiscal year 1986, at most, the veteran would be asked to forgo an averge increase of $10 per month. During 1986, these veterans will still enjoy an average monthly tax free benefit of $330.

It is difficult to justify the treatment of veterans medical care as an entitlement program. Nearly 70 percent of the veterans treated at VA medical centers are non-service-connected veterans and are treated on a space available basis. This is clearly a discretionary program and should remain in the controllable spending category.

I would like to remind my colleagues that each time we exempt a program from reductions, or protect a special interest from participating in our deficit reduction plan, we are asking all other Federal programs to sacrifice more. If we exempt veterans, we will quite simply have to reach our deficit reduction target by cutting all other domestic programs even more.

In fact, under a $10 billion sequestration order, other domestic programs will have to absorb reductions of nearly $0.5 billion. Under a $75 billion sequestration order, this amount would escalate to $2.3 billion.

I cannot stress enough how important it is to maintain our discipline and have all Federal programs—except Social Security—participate in this deficit reduction process.

Veterans cannot be an exception. These brave men and women have always been willing to sacrifice for our Nation; we should not expect any less of them now.

I urge my colleagues to oppose this amendment.

Mr. President, I believe that the bill before us is absolutely fair. Veterans pension and compensation checks will not be cut. If we have a sequestration order, these benefits may not get an automatic cost-of-living increase or a voted-in increase but, in the scheme of things, I think that this is eminently fair. We are not asking veterans to take a cut in their benefit checks. We are simply asking that they be willing to forego a COLA for the sake of deficit reduction and economic recovery.

The $9.2 billion that the Senate recently voted to spend on veterans medical care will be treated in the same fashion that we are treating Medicare, Medicaid, and all other discretionary health care programs that we have in our Nation's repertoire of programs to help those in need.

Clearly, a sequestration against a $9.2 billion budget would in no way cut benefits for the service-connected disabled veteran being treated in VA hospitals. We would have to dramatically reduce funding for veterans health care in order to have an impact on those veterans who are service connected or who are being treated for an illness related to a service-connected disability.

I think that the veterans of this country would agree that, if we are asking Medicare, Medicaid, and all other discretionary health care programs to assume a fair share of the deficit reduction burden, veterans should assume their fare share, particularly when these reductions will never affect the service-connected veteran being treated in VA hospitals.

The PRESIDING OFFICER. Who yields time?

Mr. RIEGLE. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. One minute and 1 second to the Senator from Michigan, and 2 minutes and 2 seconds to the Senator from Oregon.

Mr. RIEGLE. Does the Senator from Oregon have any other speakers on his side?

Mr. PACKWOOD. No.

Mr. BUMPERS. Mr. President, I want to take this opportunity to ex-

press my strong support for Senator RIEGLE's amendment to provide more equitable treatment for veterans' health care and disability programs. I believe these changes make an essential improvement in this legislation by restoring fairness and allowing us to maintain our important commitment to America's veterans.

First, this amendment would offer vital protection to veterans healthcare programs by ensuring that the only funds that would be available for sequestering—that is, across-the-board spending cuts when deficit reduction targets are not met—would be those provided as an increase in funding for this category in a given year. The base program would be completely exempt from these additional reductions.

I want to emphasize my vigorous support for a strong veterans health care program. Cuts such as those proposed by the administration in its budget this year and those which would be possible without the protection offered by this amendment would be simply devastating to the adequate delivery of health care for thousands of veterans throughout this Nation. Our veteran population currently numbers over 28 million, and of those, 4.6 million are 65 or older. The aging veteran population will grow to over 9 million by the turn of the century. Over 1 million veterans are now over 75, and that number is growing as well, with 4.5 million expected to be in that age category in the year 2005. It goes without saying that this group has the greatest health care needs. Over 240,000 veterans in my State alone received care through a VA medical facility in fiscal year 1984.

I have always firmly believed that our Nation has a basic obligation to provide for the medical needs of the brave men and women who served to protect our freedoms. I believe it would be inexcusable to jeopardize that obligation by risking cuts which could reduce health care to inadequate levels. Means testing for the provision of medical care for veterans will soon become a reality. Let us not further disrupt this crucial health care system. This provision of Senator RIEGLE's amendment would ensure that adequate service could be properly maintained.

Mr. President, the other part of this amendment is equally important. That provision allows cost-of-living adjustments [COLA's] on disability payments to be exempted from reductions caused by the sequestering of funds, as well. This is the same protection afforded Social Security COLA's in this legislation, which, therefore, makes the measure far more equitable. In the past few days I have heard from countless numbers of veterans who are greatly troubled by the unfair treatment they would experience without this amendment. These veterans are certainly anxious to see our massive Federal deficit reduced, and they are indeed willing to do their part. They realize that all Americans will benefit from a healthier economy. All they are asking is to be treated fairly. That is a compelling request, and I strongly support this amendment which affirms my belief that they are entitled to that fair treatment.

American veterans have given so much of their lives to ensure that our Nation remains free and strong. The Disability Compensation Program is designed to recognize and repay the sacrifices made and hardships incurred by those who suffered disabilities in defense of our country. Although those debts may never be fully repaid, I wholeheartedly believe we must remain committed to them. Senator RIEGLE's amendment reflects that commitment, and I am proud to stand in support of it.

Mr. RIEGLE. I wil make a brief comment, if I may be recognized.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I should like to emphasize what I think is the contract issue. We are saying now, with respect to outstanding defense contracts, outstanding agricultural contracts, and so forth, that they are exempt from the automatic cuts, should they be required, because they are contracts.

I think this meets the test of any reasonable definition of what is a contract, and that is what we have obligated to do with the veterans of this country, particularly those who have suffered severe losses from war, including the survivors of those who gave their lives in various conflicts.

In this area, we should treat those folks the same way we treat those under Social Security. I believe there is a special requirement in this case that goes beyond defense contracts. This is the ultimate defense contract. We contracted with people to put their lives at risk. Many lost their lives and lost their active strength, and we should stand by those commitments.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I am prepared to yield back the remainder of my time.

I move to lay on the table the amendment of the Senator from Michigan, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from New Hampshire [Mr. HUMPHREY] and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is necessarily absent.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 52, nays 44, as follows:

[Rollcall Vote No. 282 Leg.]

YEAS—52

Armstrong	Gorton	Nickles
Bingaman	Gramm	Nunn
Boren	Grassley	Packwood
Boschwitz	Hatch	Proxmire
Chafee	Hatfield	Quayle
Cochran	Hecht	Roth
Cohen	Heinz	Rudman
D'Amato	Helms	Simpson
Danforth	Kassebaum	Stafford
Denton	Kasten	Stevens
Dodd	Laxalt	Symms
Dole	Long	Thurmond
Domenici	Lugar	Trible
Durenberger	Mathias	Wallop
East	Mattingly	Warner
Evans	McClure	Wilson
Garn	McConnell	
Goldwater	Murkowski	

NAYS—44

Abdnor	Glenn	Melcher
Andrews	Gore	Metzenbaum
Baucus	Harkin	Mitchell
Bentsen	Hart	Moynihan
Bradley	Hawkins	Pell
Bumpers	Heflin	Pressler
Burdick	Hollings	Pryor
Byrd	Inouye	Riegle
Chiles	Johnston	Rockefeller
Cranston	Kennedy	Sarbanes
DeConcini	Kerry	Sasser
Dixon	Lautenberg	Simon
Eagleton	Leahy	Specter
Exon	Levin	Stennis
Ford	Matsunaga	

NOT VOTING—4

Biden	Weicker
Humphrey	Zorinsky

So the motion to lay on the table amendment (No. 964), as modified, was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, may we have order so I can ask the majority leader what the schedule is?

The PRESIDING OFFICER. The minority leader is correct.

Mr. BYRD. Mr. President, I would like to ask the distinguished majority leader his plans pertaining to this evening, for tomorrow, for Thursday, and Friday, if he will.

Mr. DOLE. Mr. President, let me take this evening first. I think that depends in large part on how many amendments will be remaining. I un-

derstand that the distinguished Senator from Colorado has an amendment which will be accepted. That will leave an amendment by Senator CHILES on Medicaid, an amendment by Senator CHILES on AFDC, an amendment by Senator GRAMM on the alternate sequester process, an amendment by the distinguished minority leader, another amendment by Senator GRAMM, a modified relevant amendment, modified by the majority leader, and an amendment by Senator MOYNIHAN.

Obviously, if all of those amendments are to be offered, then we have about 7 hours we would have to stay in this evening to dispose of some of those. Assuming we would have final passage not later than 2 o'clock tomorrow afternoon, that would be the case.

I wonder if there would be any disposition at this time to vitiate any agreements on any of the amendments or whether it is the intention for all the proposed amendments to be offered.

Mr. BYRD. Speaking for myself, there is a provision in the unanimous consent order that I am allowed to offer an amendment. I may not offer the amendment. I am not in a position at the moment to say because I do not know. I would say there is a pretty good chance that I will not offer my amendment.

Mr. DOLE. I understand the distinguished Senator from New York will offer an amendment. It will be discussed but will not be pressed. Is that correct?

Mr. MOYNIHAN. The majority leader is correct. I have spoken to the distinguished chairman of the committee and have suggested that I might be first tomorrow morning, if it is agreeable.

Mr. CHILES. I would say to the distinguished majority leader that the Senator from Florida might be willing to vitiate a couple of his if there are a couple that might be vitiated on that side.

Mr. GRAMM. On that basis, Mr. President, I will be willing to pull down my special sequester amendment.

Mr. DOLE. You have one sequester amendment.

Mr. GRAMM. I would be willing to pull that down if the Senator from Florida decided to pull his down.

Mr. CHILES. I am a little concerned about the modified Gramm-Rudman amendment.

Mr. DOLE. I must say as I recall these amendments, I think much depends on what happens to the Democratic alternative, to be candid about it. We sort of put little stakes in there just in case there was an amendment offered and, by some chance, it were adopted.

I think we could be very well near final passage on this whole package.

I think the distinguished Senator from New Mexico is working on an amendment with the Senator from Florida, or at least the one that relates to the budget process, and there might be unanimous agreement.

Mr. CHILES. He says I am. He has not talked to me about it.

[Laughter.]

Mr. DOMENICI. But we are.

We are trying to take the Byrd amendment that we put on reconciliation with reference to future reconciliation, the germaneness and extraneous test. We are trying to fix it so it meets the desire of the minority leader and others and putting it on this just in case we do not get it on reconciliation. We would have modified the reconciliation process for the future. That is what we are working on. We need one little window for that.

Mr. DOLE. I would be happy to surrender my position. I think that will be unanimous. I do not intend to offer any other amendment. I assume we can get unanimous consent for that amendment if we have Senator CHILES and Senator DOMENICI offering it, along with the leadership. I hope we would get it.

I ask unanimous consent at this time——

Mr. BYRD. Mr. President, have I the floor?

The PRESIDING OFFICER. The minority leader has the floor.

Mr. BYRD. Before the majority leader proceeds to ask for unanimous consent, can he tell us what voting the Senate will be doing this evening, whether or not there will be a window, and also what we might expect tomorrow, Thursday, and, in particular, Friday?

Mr. DOLE. If we can work out something on these amendments that are hanging, we can depart here fairly early. I will bring up the Lord nomination when we move off this bill. There will be brief debate and a rollcall. That could occur as early as 6:30 or 6:45.

If we can vitiate part of this agreement, I believe that would be the last vote this evening.

I am advised by the distinguished Senator from Michigan that he could not consider the Kozinski nomination any earlier than 3 o'clock tomorrow. Then we would also take up the Spain nomination this evening. That will not require a rollcall vote, I am advised by the Senator from North Carolina.

Mr. BYRD. Is the distinguished majority leader saying there will be one vote on a nominaton this evening, after which there will be no more rollcall votes tonight?

Mr. DOLE. If we can, in fact, dispose of some of these amendments that are in the agreement. Otherwise, we will be back here going through the amendments one at a time. That could add some more votes. I am certainly willing to surrender my amendment to the Senators from Florida and New Mexico or just drop my amendment, letting them get unanimous consent. If I can do that at this point, if that would start anything——

Mr. BYRD. I think that I can let the majority leader know that I will probably not offer my amendment under the order.

As I understand, there will be a further rollcall tonight?

Mr. DOLE. There will be a vote on the Lord nomination, hopefully at about 6:30 or 6:45. At that time, maybe we can visit together, along with Senator CHILES and Senator DOMENICI, with the managers of the bill, and maybe agree not to bring up some of the other amendments. That would still leave the Moynihan amendment and then final passage some time tomorrow. Following that, we are shopping around for a unanimous-consent agreement on the civil service bill which Senator EAGLETON and Senator STEVENS would be very happy to reach some agreement on.

Also, military construction I understand is not going to be hotly disputed. Maybe there will be a couple of amendments.

We are trying very hard to squeeze something in for Tuesday, Wednesday, and Thursday that might be able to accommodate a number of Senators who have other problems on Friday. I am not quite ready to make that announcement.

Mr. BYRD. I think we on this side will be prepared to give the majority leader our approval to call up the military construction appropriations bill. That would be tomorrow, would it?

Mr. DOLE. That is correct. After final passage of this bill.

Mr. BYRD. What about the farm bill? May I ask about the farm bill? Senator ZORINSKY is in the hospital. I am told today that he probably will be able to return to his office this coming Monday or early in the week. Would it be the disposition of the distinguished majority leader to await the return of Mr. ZORINSKY if he indeed can be back on the Hill by the early part of next week?

Mr. DOLE. As I indicated to the distinguished minority leader earlier today, Senator ZORINSKY certainly wants to be here. We would withhold any further action on the farm bill. I also talked to his legislative director and he passed the same information. That is the way it will be. If Senator ZORINSKY wants us to wait, we will wait until he returns on Monday.

Mr. BYRD. I will be in touch with him, too. I think it is very gracious of the majority leader. I am sure Senator ZORINSKY would not want to keep the bill waiting very long.

Mr. DOLE. I would like to make some progress on reconciliation this week. That is another matter of great concern to the Senator from Florida and the Senator from New Mexico. We may have to go back and get an agreement. We have 30-some amendments. Most of them need rollcalls. We only have about 1 hour and 12 minutes left on reconciliation. We may have to get unanimous consent for additional time. There will be a lot of votes. We want to make certain that people have adequate notice that there will be a series of 25 votes so they will not be out of town.

I know both Senators are concerned about that. They will be wrapped up, I assume, in a conference starting on Wednesday.

Mr. DOMENICI. That is correct.

Would the distinguished minority leader yield?

Mr. BYRD. Yes.

Mr. DOMENICI. Frankly, all Senators are concerned about that bill. I do not want to say that any one set of activities on the floor is responsible. I think there is plenty of blame to go around. We have a lot of extraneous material. But we also have an excellent bill on it.

I just want to say that we are into the year and if we do not get those savings—we are estimating about $14 billion in savings—they will be lost. Anybody's idea of what we do in the next 2 or 3 months to get the deficit down ought to be affected by the bill we have in our hand that saves about $14 to $16 billion.

The House has done it. We have to go to conference. So I am hopeful we will get some help from the Senators. They have been very cooperative. We have four amendments that can be agreed to in a very short time. But we need to wrap up some agreement on the textile bill. We shall be working with those people who are for and against and see if we can work something out.

Mr. BYRD. I thank the distinguished majority leader very much. I yield the floor.

AMENDMENT NO. 965

Mr. HART. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Colorado [Mr. HART], for himself, Mr. MOYNIHAN, Mr. SASSER, and Mr. LEAHY, proposes an amendment numbered 965.

At the end of the Packwood amendment No. 957 add the following new section:

SEC. . REPORTS ON NATIONAL DEFENSE.—Reports shall be submitted to Congress containing the following information:

A. The Congressional Budget Office and the Office of Management and Budget shall each estimate the amount of defense and non-defense outlays, budget authority and other budgetary resources to be sequestered at the level of detail specified in the other sections of this Act, for the possible cases of a September 25, 1986 sequester order, at the levels of $10 billion, $20 billion and $30 billion dollars;

B. The Secretary of Defense shall submit to Congress a report on how the levels of defense spending reductions estimated by OMB and CBO pursuant to Sec (a) above would be allocated to each program, project or activity receiving a uniform percentage reduction as specified in the other sections of this Act, and shall report on the impacts of such reductions. This report shall be submitted no later than 60 days following enactment of this Act.

Mr. HART. Mr. President, the amendment I have sent to the desk is simply a study amendment—no more and no less. It requests information from the Defense Department that I need in my capacity as a member both of the Armed Services and Budget Committees. I hope it is information that every Member of this body would want as we begin a new budget cycle. It is the kind of information we might have received had there been hearings on this measure.

When the Senate passed the conference report on the defense authorization bill, it contained a provision requesting two studies from the Secretary of Defense. First, we asked for a revision of the Department's 5-year plan assuming budget authority based on a 3-percent real growth rate. Second, we asked for a similar report assuming a zero percent real growth rate. In each instance, this was a 5-year projection.

These two reports are to be submitted within 60-days after the enactment of the conference report. The Senate, as our colleagues know, passed the conference report in July. But the House did not act until last week. In other words, the clock has just begun to tick, and we should expect this report by mid-January.

My amendment adds a new requirement. When the Secretary submits this report to Congress, it shall also contain the effect of Gramm-Rudman on budget authority and outlays in fiscal year 1987, if there is an "impoundment" order. The amendment provides three alternative scenarios: Requirements that the President issue across-the-board cuts of $10 billion, $20 billion, and $30 billion. The amendment asks: "Under these circumstances, what's the impact of defense?"

What is the impact of Gramm-Rudman on defense? The truth is that nobody is really sure. The sponsors do not know. The Pentagon will not say. And Cap Weinberger thinks he is exempt. It would be nice to know before this legislation became law. But this freight train is not stopping—even for red lights. All I am asking is to have this information early next year, before the budget cycle hits us in earnest.

What is the impact of Gramm-Rudman on defense? In an interview in the conservative newspaper Human Events, Secretary Weinberger said, "We can't have our defense and security be a total prisoner of a rigid formula designed to reduce the deficit." In the battle of the budget, the Secretary apparently believes he is a conscientious objector.

The House Armed Services Committee issued a staff analysis which concluded that Gramm-Rudman would threaten the Pentagon with drastic, automatic reductions in military personnel and equipment.

What did the Pentagon say? The analysis was "not unreasonable."

The distinguished Senator from Texas argued eloquently against passage of the House version of his bill: "As best as we can figure," the junior Senator said, "a $25 billion sequester order, according to the figures provided by the chairman of the Armed Services Committee * * * could produce the elimination of about 600,000 military personnel." As best as we can figure, the Senator said. Could produce. That means, we do not know.

Mr. President, I think we ought to know.

We ought to know if Chairman ASPIN is right, will a 10-percent cut result in the firing of one-third of our military personnel? Will we halve our procurement of TACAMO aircraft? Halve the amount of spending in the shipbuilding account? Force a 112-percent cut in the M-1 tank? In truth, we ought to know before this bill becomes law. Failing that, we ought to know in 60 days.

The studies I am requesting are, in effect, already under way at the Pentagon. Ninety of our colleagues, Mr. President, voted for a bill asking the Secretary to submit two 5-year plans assuming zero percent and 3 percent real growth scenarios over the 1986 baseline. It is not unreasonable to ask that, in the first year, the Secretary also calculate the impact of an impoundment order for $10, $20, and $30 billion in cuts under Gramm-Rudman.

If you care about procurement; if you care about soldiers' salaries; if you care about flying time, steaming time, grease and oil—the things that make our defense capabilities work—we must have this information.

Our colleague from Texas [Mr. GRAMM] always says, "we are firing with real bullets." If that is the case, let's see how many of them are hitting the Pentagon—and how.

Mr. President, the amendment on behalf of myself and the Senator from New York [Mr. MOYNIHAN] and the Senator from Tennessee [Mr. SASSER] provides that the Office of Management and Budget and the Congressional Budget Office shall determine in the next 60 days what levels of cuts

would occur under the Gramm-Rudman legislation under a sequester order that might be triggered by that legislation and provide that information to the Secretary of Defense. The Secretary of Defense himself would report on the impact of that sequester order and those reductions on defense accounts across the board.

The purpose of this amendment is to assure common understanding between the Houses of Congress and between Congress and the executive branch as to the impact of a failure of Congress to meet the targeted budget reductions on defense accounts and, further, to have an understanding and an agreement with the Secretary of Defense as to what levels those reductions would be and where those reductions would occur.

The principal concern of the Senator from Colorado has to do with statements made by the Secretary of Defense, the President of the United States, and other responsible officers of our Government as to how they believe this legislation will affect the defenses of our country. The Secretary of Defense was quoted as recently as last week as saying:

We can't have our defense and security be a total prisoner of a rigid formula designed to reduce the deficit.

He has made other similar comments along that line in recent days. He has also been notably silent when asked by other Members of Congress, including the distinguished chairman of the House Armed Services Committee, Mr. ASPIN, as to what his response would be if substantial reductions in manpower, procurement accounts, readiness, operations, and maintenance might occur, what view he takes of this approach. I ask unanimous consent that an open letter to Secretary Weinberger from Mr. Aspin, printed in the Washington Post of Sunday, October 27, 1985, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO SECRETARY WEINBERGER

DEAR CAP: I have been startled by the Pentagon's silence over the Gramm/Rudman legislation to force a balanced budget by 1991. Repeated efforts to get you or someone else from the Defense Department to testify before the House Armed Services Committee have met with refusals. Apparently, since the White House has given its imprimatur to Gramm/Rudman, no one in the Pentagon wants to speak up on how Gramm/Rudman could foul up defense. Although I respect this tremendous loyalty to your commander in chief, I question whether silence demonstrates good stewardship by the political leadership in the Pentagon.

Let me divide the issue into two parts. The first part is the argument I would expect you to be making. The second part is a compendium of facts that disturbs me greatly and that I think ought to disturb all citizens, regardless of ideology.

As you know, Gramm/Rudman establishes deficit ceilings, starting with $180 billion in 1986. In each successive year, the ceiling is reduced by $36 billion until we reach zero—that is, a balanced budget—in 1991. To enforce the ceiling, the legislation orders cuts if the deficit is expected to exceed the ceiling.

The first cuts would be non-Social Security cost-of-living allowances. After that, the remaining cuts would be determined by a formula. That formula is skewed to impose disproportionate cuts on defense. Defense makes up less than one-third of total federal spending. But if Gramm-Rudman is enacted and the formula kicks in for fiscal year 1986, the formula ensures that half the cuts will come out of defense—at the absolute minimum. The larger the amount by which the deficit exceeds the $180 billion ceiling, the larger will be the slice cut from defense. The defense portion could rise to almost two-thirds, or double the share one would expect defense to contribute.

One reason for this skew is the decision to exclude such programs as Social Security from any cutbacks at all. But the hit on defense is further ballooned by the decision to include existing defense contracts in the pool of funding to be cut, while excluding most existing contracts for domestic programs.

Many liberals can and will argue that this is a fair distribution of cuts. In truth, this formula will save many domestic programs from meat-ax cuts, though many will still be badly chewed up. But what startles me is the Defense Department's silence in the face of this formula. For years, I have been hearing from you about the crucial significance of a major defense buildup. In recent months, we've been told how devastating it would be if defense budgets were held to only 3 percent annual growth in the next five years. Now, everyone is talking about a proposal that would not only force huge cuts in defense, but disproportionate cuts as well, and the word from the Pentagon is . . . silence.

I would observe, Cap, that you are painting yourself into a corner from which it will be almost impossible to argue for further defense increases. If the administration is going to worship at the altar of Gramm/Rudman, it is going to have to kiss the defense buildup goodbye. In fact, with Gramm/Rudman in place, you are going to preside over the largest peacetime defense cutback in history.

In your only public comment on Gramm/Rudman to date, you responded to a direct question from Human Events as to whether Gramm/Rudman could "impinge on defense outlays" by acknowledging, "Yes, it could"—but then promptly shifted into neutral gear. You said the president "would not feel required to make reductions in defense." What are you guys smoking over there? Is anyone over there reading this document? Such a statement makes sense only if the president intends to violate his oath of office and ignore the Gramm/Rudman statute.

There are others, less ideological problems with Gramm/Rudman that are causing me to lose sleep. If I were to try to sum it up in one sentence without resort to unnecessary, emotion-laden terms, I would have to say that it is just about the dumbest piece of legislation I have seen in my 15 years on Capitol Hill. Certainly, it is the dumbest piece of legislation to be given serious consideration by Congress.

There is a fundamental flaw in Gramm/Rudman that results from the conflicting concerns of Congress. Congress wants the deficit cut, but it doesn't want to give the president the opportunity to reshape national priorities—since that would effectively rewrite the Constitution by removing the legislative branch from the priority-setting process.

To make budget cuts rationally, you want to make them in lower-priority programs—and determining priorities is part of the political process. If you give the president the authority to choose where the ax will fall, you let him set priorities—and you give him the option of taking punitive action, like closing military bases in the districts of congressmen who don't support his programs.

To forestall such problems, Gramm/Rudman has laced together a legislative straitjacket that denies the president any priority-setting authority and instead imposes a strict formula for sequestering funds. It's ironic: in order to make sure the president cannot make cuts we dislike, Congress is prepared blindly to put in place a formula that forces cuts nobody wants.

Perhaps most astounding is that a 10 percent cut, which is quite possible in the fourth year of Gramm/Rudman, could force the firing of almost one-third of all those in uniform. Yes, one-third: 674,000 of the 2,150,000 persons in uniform. That's the equivalent of eliminating the Marine Corps—three times.

Will someone over there please read the fine print in Gramm/Rudman? The 10 percent cut would be imposed on each line item. The payroll for each service is a line item. Gramm/Rudman does not allow cuts in salary—so you have to lay people off. But a 10 percent cut in funds doesn't equate to a 10 percent cut in people. First, the firings won't take place until a month into the fiscal year. Then you have to pay to move these people and their furnishings home. And you have to pay them accrued leave. And there's a provision that prevents you from touching much of the money that has to be paid into the retirement fund. The synergism of this small print forces you to reduce the armed forces by almost a third to meet a 10 percent spending reduction. Ridiculous?

The straitjacket approach means that cuts have to be made even when they are plain bad management—even if they are patiently ridiculous. You can see that in the weapons area, where Gramm/Rudman mandates that you shave equal amounts off every weapon system—not 20 percent off a low-priority program and none off a higher-priority program.

For example, let's say that Weapon A has been in production for several years and Weapon B is due to start production this year. The logical decision in a resource cutback is generally to take the entire cut out of Weapon B—by simply not starting production this year—and leave Weapon A untouched. But the Gramm/Rudman language forces you to produce both weapons and, probably, to produce both at uneconomic rates. You could well end up cutting the budgets for Weapon A and B by 10 percent, but cutting the numbers produced by 20 percent.

Take the example of the E-6A TACAMO aircraft. There are two of them in this year's budget for $402 million. But because of all the overhead costs, one aircraft would cost only about $40 million less than two. Thus, a cut of 10 percent in funding would cut production by 50 percent.

Another example is the infamous DIVAD air defense weapon, which was recently killed by the Pentagon as a flop. Under the Gramm/Rudman formula, an across-the-board cut of 10 percent would mean the Pentagon would only get credit for 10 percent of the savings from killing DIVAD. In other words, there would be no incentive to kill it. We couldn't even use the drastic budget-cutting formula of Gramm/Rudman to get rid of dogs like DIVAD.

Look at construction projects. The legislation says the president must make equal cuts out of each program listed in Appropriations Committee reports. Each construction project is listed in those reports. If we have funded 100 dams and must cut 10 percent, we can't just build 90 dams, we have to build 90 percent of each of the 100 dams. For military construction, we list individual buildings. Gramm/Rudman forbids that any project be killed. This presumably means that we will have to eliminate pieces of buildings—skip the top floor, don't put in air-conditioning, cut the number of restrooms. It's anyone's guess how it will be done. One possibility that worries me is that cheaper materials will be used so that the structures will simply deteriorate more quickly and we will face huge maintenance bills in the out-years.

Another anomaly is in shipbuilding. If Gramm/Rudman were to be triggered in fiscal year 1986, the minimum amount of spending that would have to be cut from each program would come to 2.6 percent. But to stop that amount of spending in the shipbuilding account—where appropriated funds spend out slowly—would require the president to sequester 51 percent of the new budget authority for each ship program. This budget arcana that is difficult to understand even if you are born with a green eyeshade. But the effect is easy to comprehend. Many FY '86 programs provide for only one ship. If you cut budget authority in a one-ship program by 51 percent, you can't build that ship. Applying that to the 26-ship plan in the 1986 budget, you would only be able to build 12 ships—at most.

One of the strangest impacts of Gramm/Rudman would fall on the M-1 tank. The legislative formula, run through all its permutations, would require that at least 112 percent of the 1986 funds authorized for the tank be sequestered if Gramm/Rudman were to kick in. That is admittedly an extreme case. As near as can be calculated, out of the few thousand line items in the defense budget, at least 35 would require the sequestration of more than 100 percent of the 1986 funds appropriated.

In outlining how Emperor Gramm/Rudman has no clothes, I have tried to be as precise as possible. There are many ways in which this legislation might be even more damaging than I have outlined, but the vagueness of the language prevents an analysis of the impact. Even the sponsors of some of the provisions are oftern unclear. One amendment to Gramm/Rudman that passed the Senate had Lawton Chiles of Florida declaring to the Senate three times, "There is no mechanism that would allow the president to cut Medicaid or AFDC [Aid to Families with Dependent Children]." Only minutes later, fellow sponsor Pete Domenici of New Mexico told the Senate, "They [Medicaid and AFDC] may be sequestered." There is an imprecision here that looks all too much like we are spinning a wheel of misfortune on some television game show.

The litany of ridiculous effects that I have outlined begs a question: Why is no one speaking up for defense? And in particular, what about you? In the Nixon administration, you were called Cap the Knife. Later in the Pentagon, it was Cap the Ladle. If Gramm/Rudman goes into effect with your acquiesence, it will be Cap the Meat Ax.

Sincerely,

LES ASPIN.

Mr. HART. Mr. President, I think the sponsors of this legislation, the Gramm-Rudman amendment, have been very explicit—I should not say very explicit; some have been explicit, others have been less explicit—about the impact on the defenses on this country and our security accounts. There has been some disagreement among those sponsors and advocates as to the degree to which defense is impacted and, particularly within the broad framework of defense, how individual accounts such as readiness, operations and maintenance, and procurement might be affected. Assurances have been delivered, both privately and publicly, by the sponsors of the legislation that defense is covered under the legislation as are other items in the budget and, further, that no particular area of defense will be hurt more than others. The reason this amendment is offered, Mr. President, is not so much to determine that defense will bear its fair share of reductions under an impoundment order but rather that no single area of defense will bear any more burden than the defense budget itself will bear under an impoundment situation.

The concern is obvious, Mr. President. Secretary Weinberger has already said, before Gramm-Rudman, that if we are to go to a 3-percent growth, or particularly to a zero growth situation in outlying years, it is the intention of the administration not to cut strategic or nuclear weapons accounts, that all reductions from planned increases will be taken out of our conventional forces. The Senator from Colorado believes very strongly that that is a prescription for disaster, that it is a warping of the defense priorities of this country, and is an open invitation to those who wish us ill to take advantage of a weakened America. So this amendment is simply to certify and ratify what the sponsors of the legislation themselves have said; that is, one, that the Defense Department will bear its fair share of reductions and further that the Office of Management and Budget, the White House, or the Department of Defense will not have the authority to take out any reductions under an impoundment situation on the conventional or readiness accounts of our Defense Department.

I hope the sponsors of the Gramm-Rudman amendment and the distinguished floor manager will see fit to adopt this legislation. I think it will, in fact, send a signal that the Senate of the United States has a common understanding about how this amendment will affect the defense accounts and will go a long way to preventing erosion of our conventional strength.

The PRESIDING OFFICER (Mr. HECHT). Who yields time?

Mr. PACKWOOD. I yield 2 minutes to myself.

Mr. President, I am indebted to the Senator from Colorado for slightly redrafting the amendment to make it acceptable to everyone concerned. As far as I am concerned, speaking on behalf of our side, we are prepared to accept the amendment. We think it is a good amendment.

Mr. MOYNIHAN. Will the distinguished Senator yield 10 minutes to his cosponsor?

Mr. HART. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator has 12 minutes.

Mr. HART. I yield 5 minutes to the Senator.

Mr. MOYNIHAN. Mr. President, the issues the Senator raises are as central to the concerns of this Nation as any could be. The proposition that he, and I, and others, have argued from the first time this legislation appeared on our floor—it never appeared in committee—is that we were gambling with the defenses of this Nation in a manner that just cannot be described in my view as responsible.

Just yesterday, in the Wall Street Journal, there was a serious report by two journalists, Mr. Robert W. Merry and Mr. Tim Carrington, entitled "Budget-Process Measure Sets Up Choice of Two Evils: Raise Taxes or Cut Defense." We are told we will never raise taxes. Let me offer a few items of interest from this article, which is based on extensive interviews in the Pentagon.

> . . . Pentagon's share of the burden. Although the military budget amounts to about a third of total federal spending, defense might have to bear as much as 55% of the cuts.
>
> By the end of the decade, for instance, the uniformed services might have to be cut by a third, according to a congressional staff analysis. Moreover, it says 16 of 24 naval vessels currently under construction might have to be mothballed.
>
> On Wednesday, Navy Secretary John Lehman demanded a meeting with Secretary Weinberger to urge all-out opposition to the plan.

That is, the plan we are about to adopt tomorrow on this floor.

> Fears that the automatic cuts will someday be triggered is shared inside the Pentagon. "If it triggers, it would create chaos," one budget planner in the department said, adding, "I'm thinking of early retirement."

Mr. President, I ask unanimous consent that the Wall Street Journal article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 4, 1985]

BUDGET-PROCESS MEASURE SETS UP CHOICE OF TWO EVILS: RAISE TAXES OR CUT DEFENSE

(By Robert W. Merry and Tim Carrington)

WASHINGTON.—GOP Sen. Phil Gramm of Texas was an instant hit when he first went to the White House to explain the Gramm-Rudman plan to revamp the federal budget process. Conservatives particularly liked the expanded presidential authority to rescind congressional appropriations.

But by the time the plan became legislation and received the president's endorsement, it has changed. "Hey, where's the enhanced rescission authority?" asked White House communications director Patrick Buchanan at one meeting. "It's gone," replied another participant.

The disappearance of the rescission provision, which would have given the president more flexibility in budget cutting, illustrates how unpredictable the powerful Gramm-Rudman issue has become. Embraced for short-term political gain by a president intent on getting the upper hand on the deficit issue, the legislation seems to contain a host of unintended consequences. Budget experts say it's almost certain to intensify the war of budget priorities that has characterized this administration almost from its outset.

Under the budget plan embraced by the president, Mr. Reagan almost surely will have to choose between what he considers two evils in policy making—slashing defense or raising taxes. And many experts believe he may end up having to do both.

VOTER SENTIMENT

One thing is sure: Gramm-Rudman, which crashed on the Washington scene as lawmakers came to grips with voter sentiment on a balanced budget, inaugurates a new era of deficit politics. The bill has caught major elements of the Reagan government off guard just as it moves into the crunch of drafting the new budget that it will send to Congress in January. Most of the decisions will be made in the next six to eight weeks, and Gramm-Rudman is injecting big new uncertainties. The confusion is particularly acute at the Pentagon, which is proceeding with plans to seek a 3% real increase in arms spending despite predictions by experts that Gramm-Rudman dooms that goal.

In fact, Friday's House passage of a Democratic version of the budget-cutting concept adds to these uncertainties. It served to extend the political maneuvering on the bill at least a week—and puts the issue deeper into the White House budget writing process.

House passage of the Democratic version also creates added political difficulties for the administration. It would force deep cuts in the current fiscal year rather than waiting until fiscal 1987. And it would protect certain domestic programs from the budget ax, thus creating even greater pressure for deep cuts in the Pentagon budget. Republicans in Congress had strongly resisted these features, but now they may have to compromise on them.

The quickly changing terms of Gramm-Rudman have added to the sense of chaos at the Defense Department. "It's a greased pig," complains Richard Horanburg, a department lobbyist, "but it looks like the pig isn't going away."

Indeed, even after Friday's maneuvering it seemed likely that some form of Gramm-Rudman will clear Congress in the next week or so. The bill's thrust is to tilt the balance of political power in Washington toward those whose first domestic priority is fighting deficits. The aim is to require a balanced budget by 1990 or 1991 with specified budget-reduction targets along the way. Failure by the president and Congress to meet those targets would trigger automatic, across-the-board budget cuts.

ON THE CHOPPING BLOCK

Defense programs are most prominent on the chopping block because once the automatic cuts are triggered, the largest share of them by far would fall on the Pentagon. And the greater the failure in reaching the specified targets, the greater the Pentagon's share of the burden. Although the military budget amounts to about a third to total federal spending, defense might have to bear as much as 55% of the cuts.

By the end of the decade, for instance, the uniformed services might have to be cut by a third, according to a congressional staff analysis. Moreover, it says 16 of 24 naval vessels currently under construction might have to be mothballed. Spare-parts accounts could dry up, warns Gordon Adams, director of a private watchdog group called the Defense Budget Project. "We could have a real readiness crisis," he says.

To prevent the evisceration of his high-priority arms buildup, the president would have to make sure that these automatic cuts never take place. Pentagon budget planners, intent on getting annual real spending increases of 3% in the next two years, expect Mr. Reagan to prevent those automatic cuts by reaching the specified deficit goals through domestic cutbacks.

But it isn't entirely up to the president. Congress inevitably will have its say, and lawmakers historically have shunned deficit attacks they consider too heavily weighted toward domestic cuts.

DRACONIAN DEFENSE CUTBACKS

Under Gramm-Rudman, those lawmakers promoting evenly distributed cuts and even tax increases gain added leverage over Mr. Reagan and his heretofore powerful defense secretary. If Mr. Reagan fails to meet the targets under the so-called balanced approach to protect his arms buildup, he would risk triggering the Draconian defense cutbacks of Gramm-Rudman.

Thus, Defense Secretary Caspar Weinberger, highly successful throughout most of the Reagan years in resisting budget compromises, may find himself forced to plead with the president to accept legislative budget packages nobody in the administration likes in order to forestall an even worse fate under Gramm-Rudman. He could find himself perpetually on the defensive.

Rhetorically asking whether Gramm-Rudman supersedes the president's 3% Pentagon growth goals for the next two years, one White House aide answers sadly, "It sure does."

What's more, congressional advocates of tax increases to combat deficits surely will use this new leverage to press their goals. Thus, to protect his defense buildup from the ravages of Gramm-Rudman, Mr. Reagan could find himself forced to accept some tax increases as part of a broad deficit-redution package.

RECIPE FOR TAX INCREASE

"This bill is a recipe for an eventual tax increase," says John Albertine, head of the Washington-based American Business Conference.

The Gramm-Rudman legislation clearly strenghtens the hand of those in Congress most concerned about budget deficits. These are the lawmakers—who were instrumental in the 1982 tax-increase legislation and in forging the broad deficit-reduction package that fell apart this year when Mr. Reagan refused to entertain tax increases.

At the Pentagon, top officials have grown increasingly anguished over the measure. On Wednesday, Navy Secretary John Lehman demanded a meeting with Secretary Weinberger to urge all-out opposition to the plan. At a top-level Pentagon meeting on Thursday, "there was sackcloth, ashes and tears," says one Pentagon analyst who was present.

Administration officials said that in cabinet meetings on the plan, Mr. Weinberger stressed the potential devastation of defense programs and urged the president to resist the plan. In such battles in the past, President Reagan went along with Mr. Weinberger's call to expand the military, even if it meant adding to the budget deficit.

MOST POWERFUL VOICE

But those voices weren't any match for those in the White House supporting Gramm-Rudman. Probably the most powerful voice was that of chief of staff Donald Regan, described by one high-level aide as the strongest force in the White House on Gramm-Rudman. Since joining the administration, Mr. Regan has advocated across-the-board cuts—the sort called for in Gramm-Rudman—as an effective means of shrinking the deficit, but until this year he has been outflanked.

Pentagon planners are banking on the president's fending off cuts by sticking within the targets while preserving the arms buildup. Others, including many defense-industry lobbyists, think that's unlikely.

Fears that the automatic cuts will someday be triggered is shared inside the Pentagon. "If it triggers, it would create chaos," one budget planner in the department said, adding, "I'm thinking of early retirement."

Mr. MOYNIHAN. Mr. President, the point that the Senator from Colorado was making with such clarity is that we are at risk of going back in short order, 3, 4 years, to the readiness situation that President John F. Kennedy encountered when he became President in 1961. At that time, a long period of decline in conventional forces had left us with no serious military capacity save that of nuclear war. The notion of "more bang for the buck," as it had been devised in the 1950's, left us with no alternatives in international crises but to escalate them to the point of nuclear exchange. It took Kennedy and Johnson a long time to build away from that situation.

Now we are approaching that condition again. Is it possible that in one measure, never heard in committee, never debated in anything more than the context of the debt ceiling, that had to be passed, we are going to return to that situation?

If we do, we shall have a lot to answer for. The purpose of the amendment of the Senator from Colorado, which I am honored to cosponsor, is to find out, are we going to return to that limited level of readiness? I wonder if

that is not exactly what is in the Senator's mind.

Mr. HART. Mr. President, regardless of what position anyone in the Senate has taken on this measure, I think it is safe to say that Senators across the board understand we are dealing with a drastic approach to reduce deficits. I do not think anyone quarrels with the nature of the activity we are undertaking. All agree that one of the most important functions, not only of the executive branch but the legislative branch, is to provide for the security of this Nation. At the very least, when we go to the next budget round, which is what this amendment contemplates, that is to say, a 60-day report available to us by January, we ought to know what effect this dramatic, drastic effort to reduce deficits has on this Nation's security.

That is all this amendment says. Further, we ought to all be in agreement as to what that effect would be if the so-called impoundment or sequester process is triggered.

And so that is the only function this amendment provides. For the Senator from Colorado, it provides the additional function of helping to guarantee, to the degree that it is possible, that no single area of defense, particularly the readiness of our conventional forces, will suffer a disproportionate share of reductions if in fact dramatic or drastic, draconian cuts occur. That is the only purpose of this amendment. I think it is about as central to what the Senate and the Congress ought to be doing as anything I can imagine.

I thank the Senator from New York for his support. I understand fully the effort he is making to get clarification, as is the Senator from Colorado, and I am pleased and honored to have his support on this measure.

Mr. MOYNIHAN. May I say to my friend, would it be wrong to describe his amendment as the suggestion that after we do this, we find out what it is we have done?

Mr. HART. At the very least.

Mr. MOYNIHAN. At the very least.

Mr. HART. Actually, if we were legislating properly, we would have had hearings on the matter. The Secretary of Defense would have been called up. He could have said, "I oppose it for the following reasons," or, "I support it for the following reasons and, if it becomes law, here is the effect it will have on my Department."

Since we have not done that and have very little chance of getting that information in the next 24 hours, at the very least, within 60 days, we ought to have that kind of information.

The PRESIDING OFFICER. Is all time yielded back?

Mr. PACKWOOD. Mr. President, I yield back all the time on this side.

Mr. HART. Mr. President, I ask unanimous consent that the Senator from New Mexico [Mr. BINGAMAN], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Vermont [Mr. LEAHY] be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, I yield back the remainder of my time.

Mr. MOYNIHAN. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment (No. 965) was agreed to.

Mr. HART. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STATEMENT OF POSITION ON VOTE—CORPORATE MINIMUM TAX PROPOSAL

● Mr. MATTINGLY. Mr. President, on October 8, 1985, the Senate adopted an amendment by Senator BOREN to the debt limit bill. I supported the amendment. It directed the Committee on Finance to report to the Senate by July 1, 1986, legislation providing for payment of an alternative minimum corporate tax by corporations on the broadest definition of income to assure that all of those with economic income pay their fair share of taxes. The amendment provided further that revenues raised from the alternative minimum corporate tax would be applied toward reduction of the deficit. I believe that this latter provision is as important as the concept of the corporate minimum tax itself. Too often, Congress raises taxes with the intention of reducing the deficit, only to use the additional revenue to fuel further Federal spending. Senator BOREN's amendment addresses that problem.

Yesterday, the Senate once again considered and passed, by a vote of 72-15, a corporate minimum tax proposal. The amendment, sponsored by Senators BOREN and METZENBAUM, directs the tax-writing committees of both houses to report a corporate minimum tax by April 15, 1986, to be effective as of July 1, 1986. Just as in the October 8 proposal, revenue raised by the legislation would go to reducing the deficit. I was necessarily absent from yesterday's vote due to an out of town commitment. However, had I been present, I would have supported the amendment. I believe fairness dictates that every corporation with economic income must share in the tax burden.●

Mr. DOLE. Mr. President, while Senators are meeting to discuss what may remain on this matter, I wonder if we could move to a couple of nominations.

While we are waiting for the distinguished minority leader, let me indicate that it is my hope that we can now go into executive session. I will not make that request until the minority leader arrives. The distinguished chairman of the Foreign Relations Committee is here. We have both the Spain and Lord nominations. One will require a rollcall, the Lord nomination. Then we would return to the debt limit extension and hopefully have some agreement then on the remaining amendments. It is my hope that we can vitiate the amendments with the exception of the Moynihan amendment. We will go back on this bill tomorrow at 1 o'clock and take up the Moynihan amendment, also an amendment to be offered by Senators DOMENICI and CHILES, and then final passage at approximately 2 p.m. But we do need to find something to do tomorrow morning that would be constructive, either military construction, Civil Service retirement, or nominations. But we are advised that the Kozinski nomination will not be available.

EXECUTIVE SESSION

Mr. LUGAR. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of James W. Spain.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

NOMINATION OF JAMES W. SPAIN TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

The assistant legislative clerk read the nomination of James W. Spain, of California, a career member of the Senior Foreign Service, class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to be Democratic Socialist Republic of Sri Lanka, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives.

Mr. HELMS. Mr. President, Senator BOSCHWITZ and I met with the nominee today with reference to several concerns, one of which was an article he wrote in 1982, published in 1983, which, to say the least, had some curious observations that the nominee could not possibly support.

Over a period of weeks, I have been in correspondence with the nominee, seeking to have him answer some questions which he never answered,

certainly with no clarity. So the meeting this afternoon was held. I will not go into the details of that meeting, other than to say that Mr. Spain recognizes now that he overspoke himself—if that is the proper word—when he wrote the article.

He made allegations, for example, that nominations for ambassadorial posts can be obtained for $5,000 up, depending on the location of the embassy in question.

In any case, Mr. President, I see no point in further discussion about this nomination, and I am perfectly willing to let it go through, even though I do wish that the State Department and/or Mr. Spain had much earlier responded to the questions posed. He did not and the State Department did not, and there is nothing new about that. That goes on all the time around this place.

In any case, we did have the meeting; and while I want to be registered as voting in the negative on a voice vote, I am perfectly willing for it to go to a vote.

I do not know whether the distinguished Senator from Minnesota [Mr. BOSCHWITZ] desires to comment on this nonimation, but that will be up to his judgment.

I yield the floor.

Mr. BOSCHWITZ. Mr. President, I do indeed want to comment.

I attended the hearing about Ambassador Spain, and we have had a couple of discussions in the interim.

He certainly published an article in 1982 or 1983 that showed poor judgment and made some statements with respect to the Senate and with respect to ambassadorial posts. I know he has said that he regrets having made them.

Frankly, we want to discourage that kind of writing. We think people should write about their experiences and about the conditions of the world but not how much, allegedly, ambassadorial posts cost, nor make any specific reference to Members of the Senate. We do not think that particularly helps the process, nor does it bring credit, in my judgment, to the foreign service.

Other than that particular article, I think Ambassador Spain has had a distinguished career in the foreign service. He has served as Ambassador to Tanzania and also served as Ambassador to Turkey, which is one of our principal and most diligent and most important NATO allies. So this one article should not serve as a judgment of his career in the foreign service, which has spanned more than a quarter of a century.

However, it is absolutely the prerogative and the duty of Senators, in my judgment, to examine all aspects of a nominee and to question his judgment with respect to his writings or with respect to his past service.

So I will vote for the nominee, and I wish him well in Sri Lanka, which is an important post, where there are difficulties. It is an important post for the United States because we have had good relations with Sri Lanka and have had access to its ports, and we have always found the Sri Lankans to be friends.

I will register my vote in the affirmative, and I wish the Ambassador well in his new post.

I yield the floor.

Mr. HELMS. Mr. President, I think the most constructive thing that has come out of this is that now a message has been sent to the State Department, and perhaps to future nominees, that their best course of action henceforth would be to give straight answers to straight questions.

We did not get that. We did not get it for weeks on end.

I am indebted to the distinguished majority leader for arranging for the nominee to come to the Capitol and meet with Senator BOSCHWITZ and me and the majority leader. I think that out of this has come something that made clear the air.

I do not know whether it is my head talking or my heart. But, in any case, there is entirely too much obfuscation by the State Department in these matters, and as long as they persist in doubletalk, they are going to have a problem.

I do not want to cause any problems, but I intend to continue to insist that we get straight answers. Today we got some straight answers and an apology and that is satisfactory to me.

I yield the floor.

Mr. DOLE. Mr. President, let me indicate that I appreciate the fact that we have Mr. Spain before the Senate. I believe his nomination will be confirmed without a rollcall vote.

I wish to thank both the Senator from North Carolina and the Senator from Minnesota, Senator HELMS and Senator BOSCHWITZ, both members of the Foreign Relations Committee, for taking about 1½ or 2 hours today to meet with Mr. Spain and ask him direct questions. I am pleased that there has been that resolution.

I also believe that there probably has hopefully been a message received at the State Department. I thank my distinguished colleague from North Carolina. He has indicated to me for the last 2 or 3 weeks if we could get some answers, he had no objection. So today we got the answers and Senator HELMS indicated almost immediately that he has no objection to the nomination and that is why it is on the floor.

I think it is fair to say that—and it may have already been said—the distinguished Senator from North Carolina also has discussed both nominations, I understand, late this afternoon with the President of the United States and they have had a good discussion.

So I thank all of the parties for letting us move forward on this nomination and the nomination of Winston Lord.

The PRESIDING OFFICER. If there is no further debate, the question is, Will the Senate advise and consent to the nomination of James W. Spain, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka?

The nomination was confirmed.

Mr. LUGAR. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LUGAR. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF WINSTON LORD, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. LUGAR. Mr. President, I ask unanimous consent that the Senate turn to the consideration of the nomination of Winston Lord, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

The PRESIDING OFFICER. The clerk will report the nomination.

The assistant legislative clerk read the nomination of Winston Lord, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana?

There being no objection, the Senate proceeded to consider the nomination.

Mr. LUGAR. Mr. President, Winston Lord currently serves as Chairman on the President's Council on Foreign Relations. He received his B.A. from Yale University, magna cum laude, and his M.A. from Fletcher School of Law & Diplomacy, where he finished first in his class.

He became a Foreign Service officer in 1962 and served in the offices of Congressional Relations, Political-Military Affairs, and International Trade.

In 1967, Mr. Lord left the Foreign Service to join the policy planning

staff of the Office of International Security Affairs at the Pentagon and remained there until 1969 to take a position in policy planning at the NSC.

Mr. Lord was elevated to special assistant to Dr. Henry Kissinger in February 1970. In 1973, he became director of the policy planning staff of the Department of State, where he remained until January 1977 to accept his present position.

Mr. Lord has accompanied Presidents Nixon and Ford, as well as Dr. Kissinger, on virtually all foreign trips during negotiations with the North Vietnamese in Paris and Hanoi, nine trips to the People's Republic of China, six trips to Moscow, and several trips to every other region of the world during his tenure in their service.

In our judgment on the Foreign Relations Committee, he is a distinguished nominee. He was nominated on July 23 and a hearing was held on Mr. Lord's nomination in the Foreign Relations Committee on July 30. He was reported to the Senate with a favorable vote of 16 to 1 on October 1.

For all of these reasons, Mr. President, I commend this nomination to the Senate. I am hopeful that Mr. Lord will be confirmed by a large vote today.

Mr. MOYNIHAN. Mr. President, I rise briefly in support of this distinguished nomination the President has sent to us. I have been, I hope I can claim, a friend of Winston Lord for getting on to two decades. He is, of course, a New Yorker and has been, in recent years, the chairman of the President's Council on Foreign Relations.

I shall make two points, if I may, simply that we have here a fine example of a career officer of the State Department by sheer ability rising into the ranks of executive and political policymaking because he has been asked such by the President. We have been graced in this century with a succession of men, and recently women, of this quality. It is extraordinarily gratifying to me to see it recognized in this nomination to be Ambassador of the world's most populous nation and certainly one of the most important.

I might also add a political felicitous quality to the nomination is that Mr. Lord is a graduate of Fletcher School, as I am, may I say, and is married to another Fletcher School graduate, Betty Bao Lord, who is Chinese, is fluent in that language, and eminently learned in the history of that nation. She will be an uncommonly helpful associate to the Ambassador when they arrive in Peking as they will shortly do. I congratulate them both and especially thank the chairman of the Committee on Foreign Relations for having brought this matter to such a reasonable and successful conclusion.

Mr. HELMS. Mr. President, as the distinguished majority leader indicated earlier, I had a lengthy conversation with the President today about this nomination. I assured the President that it was not my intent at any time to unduly delay the consideration of the nomination and the confirmation of Mr. Lord.

Mr. President, I find myself in a position of having to do whatever I can to support and defend a conviction that I have had for a long time, and that is that this Nation must never condone the deliberate termination of innocent human life. And I must say, Mr. President, that as long as I am a Member of the Senate I intend to continue to do whatever I can to defend that position. That is what was involved in the delay of the Lord nomination.

It was not the Senator from North Carolina who was holding up the nomination. It was the combination of lawyers at the State Department who insist on writing vague, unclear language with loopholes.

Five or six weeks ago, I made clear that all they had to do was to say to me that they intended to enforce and abide by the law. They kept coming back to me with responses that diffused the issue, that created another loophole. And I continued to tell them that I will not budge on this, and I would not have budged until I had assurance satisfactory to me, which I received this afternoon, not from the lawyers at the State Department, not Mr. McPherson at AID, but from the President of the United States.

Now let me tell you what Mr. Lord has done in the last couple of weeks. He has gone around to the major media or called them and orchestrated a snowstorm of stories and broadcasts implying that the Senator from North Carolina is doing something unreasonable.

And, of course, the news media complied. There have been the stories, and this is the way it works in this town. But I have news for Mr. Lord and I have news for the major news media: I am beyond your reach. And as long as I am a Member of the U.S. Senate I am going to do whatever I can to prevent this Nation from getting into the business of condoning and financing, directly or indirectly, the deliberate termination of innocent human life.

Yesterday I hand-delivered a letter to the President of the United States—his people on the Hill—and that was the basis for our conversation today. Normally, I would just insert this letter in the RECORD. But I am going to read it because it makes the point that I have been trying to make for 5 or 6 weeks that, if you will just assure me that the law will be obeyed, the nomination of Mr. Lord will be cleared at least by this Senator. But I could not get that assurance. Not until this afternoon when I talked to the President of the United States was there an understanding. But here is what I wrote to the President yesterday:

DEAR MR. PRESIDENT: A flurry of misleading reports, clearly orchestrated, have appeared in the news media about the delay in Senate consideration of your nomination of Winston Lord to be Ambassador to Peking.

Despite all the pretense to the contrary, there's really only one question standing in the way of the Lord nomination: Will the Agency for International Development and the State Department obey the law on U.S. assistance to organizations supporting programs of coercive abortion and involuntary sterilization?

I have repeatedly asked for unfettered assurance, without loopholes, on this matter—and I am yet to receive it. I have offered to meet with you about it, but my offer has been avoided.

Let me say, parenthetically, Mr. President, that I discovered in my conversation with the President this afternoon that the message that I was trying to send him yesterday had never been delivered.

This letter finally reached his desk this afternoon.

But let me continue my letter to the President:

To date, the Administrator of AID has indicated that he will not carry out the plain meaning and clear intent of the Kemp amendment as enacted into law on August 15, 1985. If the Administration will provide Congressman Kemp, the several other concerned Senators, and me, assurance that the Kemp language will be enforced, there will be no more delay on the Lord nomination. In fact, this would have occurred weeks ago.

At this point, Mr. President, I stated suggested language for a letter, simple English, and I will not take up the Senate's time to read that language.

I ask unanimous consent that the whole letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, November 4, 1985.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: A flurry of misleading reports, clearly orchestrated, have appeared in the news media about the delay in Senate consideration of your nomination of Winston Lord to be Ambassador to Peking.

Despite all the pretense to the contrary, there's really only one question standing in the way of the Lord nomination: Will the Agency for International Development and the State Department obey the law on U.S. assistance to organizations supporting programs of coercive abortion and involuntary sterilization?

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cerned Senators, and me, assurance that the Kemp language will be enforced, there will be no more delay on the Lord nomination. In fact, this would have occurred weeks ago.

We would be fully satisfied by the following simple statement:

"Let me reassure you as to the interpretation this administration will give to the Kemp language during fiscal year 1986, should it remain the law. Specifically, AID could find the United Nation Fund for Population Activities, assuming no other violations of U.S. law, (1) if UNFPA were to pull out of China completely; or (2) if China were to cease its coercive abortion and involuntary sterilization practices."

Jack Kemp has made clear that this statement accurately describes the purpose of his legislation.

Mr. President, such a clarification is necessary because on prior occasions Mr. McPherson has given an interpretation of the Kemp Amendment at odds with the above statement.

For example, in a September 25 press release, Mr. McPherson indicated that UNPEA could continue receiving U.S. assistance if it stopped participating in the management of the coercive Chinese Program, even though it continued to support the coercive program generally. This interpretation guts the intent of the Kemp language to prohibit U.S. population assistance "to any organization or program which, as determined by the President of the United States, supports . . . a program of coercive abortion or involuntary sterilization."

Mr. President, the American people would never tolerate a government in Washington that told married couples they could have only one child or else be forced to undergo abortion and sterilization. Yet that is exactly what the government in Peking has been doing to the Chinese people. Accordingly, the Kemp amendment represents the revulsion of the American people over the one-child policy of the Peking regime. Furthermore, it mandates that American taxpayers should not be forced to participate with their tax dollars, directly or indirectly, in what the House of Representatives accurately condemned as "crimes against humanity" on July 10.

Perhaps there are some in Washington who would take a soft line toward the barbarities of the Chinese Rulers in Peking. I've known you a long time, and I know you would not. Therefore, I respectively ask that you assure us in Congress that the Kemp amendment will be fully enforced. Not only will such action end further delay on the Lord nomination—as it would have done weeks ago—but it will also help relieve the suffering of the Chinese people—and especially the Chinese women—who have already undergone more than their share of violence and brutality.

Repectfully,

JESSE HELMS.

Mr. HELMS. Then I went on to say: "JACK KEMP has made clear that this statement accurately describes the purpose of his legislation."

And it is important to note that Mr. KEMP sponsored the legislation on the House side and the distinguished Senator from Hawaii and the Senator from North Carolina, Mr. INOUYE and JESSE HELMS, sponsored various modifications in it on this side.

To continue the letter:

Mr. President, such a clarification is necessary because on prior occasions Mr. McPherson has given an interpretation of the Kemp Amendment at odds with the above statement.

For example, in a September 25 press release, Mr. McPherson indicated that UNFPA could continue receiving U.S. assistance . . . make that read "U.S. taxpayers' money."

. . . if it stopped participating in the management of the coercive Chinese Program, even though it continued to support the coercive program generally. This interpretation guts the intent of the Kemp language to prohibit U.S. population assistance "to any organization or program which, as determined by the President of the United States, supports . . . a program of coercive abortion or involuntary sterilization."

Mr. President, the American people would never tolerate a government in Washington that told married couples they could have only one child or else be force to undergo abortion and sterilization. Yet that is exactly what the government in Peking has been doing to the Chinese people. Accordingly, the Kemp amendment represents the revulsion of the American people over the one-child policy of the Peking regime. Furthermore, it mandates that American taxpayers should not be forced to participate with their tax dollars, directly or indirectly, in what the House of Representatives accurately condemned as "crimes against humanity" on July 10.

The concluding paragraph of my letter to the President dated yesterday delivered yesterday afternoon by hand:

Perhaps there are some in Washington who would take a soft line toward the barbarities of the Chinese rulers in Peking. I've known you a long time, and I know you would not. Therefore, I respectfully ask that you assure us in Congress that the Kemp amendment will be fully enforced. Not only will such action end further delay on the Lord nomination—as it would have done weeks ago—but it will also help relieve the suffering of the Chinese people—and especially the Chinese women—who have already undergone more than their share of violence and brutality.

Now, then, Mr. President, let me read into the RECORD a letter from JACK KEMP, Congressman KEMP, the distinguished Member of the House of Representatives from the State of New York, dated October 16.

DEAR JESSE: Just a note to let you know how much I appreciate your efforts and the efforts of your colleagues in helping to achieve an accurate interpretation of the Kemp-Helms amendment by the State Department.

I believe, as you do, that the language clearly prohibits funding for the UNFPA or any other organization that supports the brutal population control program of the People's Republic of China.

With best wishes, I am

Sincerely,

JACK KEMP,
Member of Congress.

I read that letter into the RECORD to emphasize the point that there is no question about the intent of the law, never has been, and yet I get double-talk day after day from Peter McPherson, head of the AID, and frankly, Mr. President, I am tired of it, and I say to Mr. McPherson or any other lawyer at the State Department that if they want to continue to play games, they are going to have games; and I am going to exercise my right as a Senator from North Carolina to uphold and defend a conviction that I have had a long, long time that this Government should never, never get in the business of condoning, let alone financing, directly or indirectly, the deliberate termination of innocent human life.

Now, for Mr. Lord, when he appeared before the Foreign Relations Committee the first time, as my distinguished chairman knows, I was otherwise occupied trying to mark up the farm bill, and I was not able to be there. I respectfully requested of Senator LUGAR, one of the finest chairmen and most cooperative Senators I have ever known, that I be given the opportunity to question Mr. Lord at additional hearings. He readily agreed. That occurred.

Mr. Lord would not give me a straight answer. He said, "Well, I support the Administration policy." I said, "What do you mean? What part of the administration?" I could not get Mr. Lord to say, "I will support obeying the law."

Mr. President, we need straight talk. I do not ask people to agree with me or disagree with me. But I think I have a right to say, "Look, tell me you are going to obey the law."

He would not do it. Not until this afternoon when I talked to the President of the United States did I have the assurance that I needed about that question.

So I say again, I never get involved in putting holds on nominations for a frivolous purpose, but I have grown weary of trying to deal with people who will not look you in the eye and give you a straight answer. I say to them if they think they can wear me down, let them try, because they are going to continue to have trouble as long as they do not give straight answers and as long as they do not cooperate.

They are going to call the tune by their conduct, not the Senator from North Carolina. I am just going to exercise my rights as one Senator, using such parliamentary procedures as I know, and that is very little. But I am going to defend what I believe in.

I do not care how many people disagree with me, if that is 95 percent of them, or 50 percent of them, or whatever.

I am sick and tired of the pretense that those people across America who believe that it is wrong to engage in the deliberate termination of an infant's human life are somehow old hat people who are not in step with modern times. If that is the modern times, to engage in the deliberate ter-

mination of innocent human life, then I am old fashioned.

Mr. President, I will not support the nomination of Mr. Lord, but I am delighted that at long last, by talking to the President of the United States, we were able to reach an understanding about where the administration really stands.

Mr. President, when great evils take place in the world, great powers seize the opportunity to remedy them. The United States is a great power, and our mission has always been to oppose tyrants and defend freedom.

Sometimes, however, the personnel left in charge of conducting our foreign affairs are not up to the task. They become enmeshed in intricate and unimportant diplomatic machinations, and lose sight of the mission of freedom that has been the historic legacy of the American people.

We lost Vietnam, I am convinced, Mr. President, because the foreign policy establishment failed to translate basic American principles into effective action. Now on the same continent, albeit in a different country and context, we are witnessing a similar failure. The tyrants of mainland China have gotten away with murder and mayhem on a massive scale under the pretense of population control.

And what have our foreign policy experts done about it? Mr. President, not only have they failed to take effective action to stop the butchery, but they have also given the tyrants, to an important degree, the wherewithal to carry it out.

Mr. President, what the Agency for International Development has done under the tenure of Administrator M. Peter McPherson with respect to the Chinese population control program is, simply put, a disgrace to American principles of freedom and liberty. Instead of seizing the opportunity to help remedy a great evil against the Chinese people, AID has in fact cooperated with it.

Mr. President, the occasion of Senate consideration of the nomination of Winston Lord to be United States Ambassador to Communist China is an appropriate time to examine the performance of AID and the State Department with regard to the crimes against humanity going on in China under the guise of population control.

Mr. President, I do not use the term "crimes against humanity" lightly. That is the description applied to the Chinese population program by the U.S. House of Representatives in an amendment to the foreign aid bill, which was adopted in that body on July 10 of this year.

Many will ask—and properly so—what in fact does the United States have to do with the Chinese population control program, and what does Winston Lord, as prospective United States Ambassador to China, have to do with our policy in that regard.

Well, Mr. President, the answer to the first question is that the U.S. taxpayers have been supporting the draconian Chinese program with their tax dollars for many years, including the year just ended on September 30. The answer to the second question is that, during his confirmation hearings, Mr. Lord indicated his agreement with current State Department policy on China, and more particularly his agreement with AID's restrictive and erroneous interpretation of the Kemp-Inouye-Helms amendment against U.S. support for coercive abortion and involuntary sterilization.

Mr. President, the full story of United States support for the Chinese crimes against humanity is indeed a sordid tale. What makes it even more sordid is that it has occurred, in all probability, against the wishes, and certainly against the philosophy, of Ronald Reagan. In other words, the President of the United States has been extremely ill-served—and I will even say subverted—by those whose job it is to carry out his policies.

Mr. President, let me be specific. The political philosophy of Ronald Reagan does not include support for abortion, coercive abortion, or involuntary sterilization. Moreover, the law of the land prohibits U.S. financial support for such practices. Yet, despite all this, it is a fact that under the Reagan administration, during the most repressive years of a Chinese program including forced abortion and coercive sterilization on a massive scale, United States tax dollars were flowing into China by the millions in support of population control.

Mr. President, where was the Administrator of AID, Mr. M. Peter McPherson, in carrying out the Reagan prolife philosophy and the letter and spirit of the congressional enactments? Why did it take until September 1985, after millions of Chinese women had been abused and unknown numbers of unborn babies aborted, before the AID Administrator reduced the U.S. contribution to the U.N. Fund for Population Activities—which serves as the conduit for United States support of the Chinese programs? And where were the spokesmen for the U.S. Government and the American people during the 1980's in defending the human and natural rights of all the Chinese people, especially Chinese women on whom the brunt of the coercion has fallen?

Mr. President, the beginning point of any discussion about United States involvement in the Chinese population program is to have well in mind the facts. The key fact for the American taxpayers is the amount of their money that has been used to support the Chinese program.

According to information supplied my office by AID, the United States has made the following contributions to the UNFPA over the past several years, representing about a quarter of its annual budget:

Fiscal year	*Millions*
1981	$35
1982	33.76
1983	33.76
1984	38
1985	38

According to information from the same source, UNFPA in turn has made the following contribution to the Chinese program:

Calendar year:	*Millions*
1981	$14.985
1982	10.504
1983	10.012
1984	5.652
1985	[1] 13.124

[1] Planned.

What were the contributions by UNFPA used for in China? That is the question I put to the AID Administrator many months ago, and in early August I received a partial answer. I now ask unanimous consent to put into the RECORD part of the reply Mr. McPherson sent me, and I note that no further correspondence on this particular subject has been received to date.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, DC, August 6, 1985.

Hon. JESSE HELMS,
U.S. Senate, Washington, DC.

DEAR SENATOR HELMS: Thank you for your letter of June 14, requesting information on the assistance which the United Nations Fund for Population Activities (UNFPA) provided to China during the period 1982-84. Our responses to most of your questions are enclosed.

We will be in further communication as we receive the additional information requested from UNFPA. In the meantime, if you should have any questions on the enclosed material, please let me know.

Sincerely,

M. PETER MCPHERSON.

Enclosures:

1. Responses to Senators Helms/Humphrey Letter June 14, 1985.
2. United Nations Press Release, 18 March 1983.
3. General Assembly : Operational Activities for Development 19 November 1981.
4. UNFPA Policy Guidelines, 13 July 1984.

RESPONSES TO SENATORS HELMS/HUMPHREY LETTER

Q. 1. As indicated in your letter, nearly $12 million was used by UNFPA for Maternal and Child Health and Family Planning in China during 1982-84.

a. What amount was spent on service delivery?

UNFPA assistance funded only study tours, fellowships, consultancies, and equipment for individuals or institutions involved in service delivery, excluding abortion. No other support was provided for service delivery operations in China.

What hospitals received assistance and for what specific purposes?

No hospitals received assistance for their operating budgets. WHO, UNFPA's executing agency, provided study tours, fellowships, consultancies, and equipment, unrelated to abortion, to some hospitals. The purpose of UNFPA assistance was the improvement of perinatal services. The hospitals that received these forms of UNFPA assistance were: Capital Hospital in Beijing, Beijing Obstetrical and Gynecological Hospital, Tianjin Municipal Obstetrical and Gynecological Hospital in Tianjin, Hubei Provincial MCH Hospital in Wuhan, Shaanxi Provincial MCH Hospital in Xian, Kunming MCH Hospital, Luizhou MCH Hospital, and Changping MCH Hospital.

What publications were funded?

UNFPA did not fund any publications for these institutions.

Do such hospitals provide abortions, sterilizations, and IUD implants?

Training fellowships for hospital personnel included sterilization and IUD procedures as a part of perinatal instruction. UNFPA-supported training did not include abortion procedures. Sterilization and IUD implants are available at the above hospitals, and since abortion is legal in China, it is also provided at these hospitals.

What role do such hospitals play in implementing the one-child policy?

We do not know of any specific statement of the Chinese government that indicates the role of these hospitals in implementing its population policy. The health and family planning services provided by these hospitals affect the morbidity, mortality, and fertility of the populations they service.

b. What amount was spent on training?

Approximately $3.6 million was spent on training from 1982 to 1984.

What specifically was taught?

Training was provided by various Western medical centers, using the training curricula for perinatal health services and neonatology that each center has developed. These institutions included: the Perinatal Center of Cornell University, Columbia Presbyterian Hospital, Boston Hospital for Women, Holy Cross Hospital, McGill University Teaching Hospital, and McMasters University Hospital.

Are sample training materials available? If so, please provide copies.

Training materials are available on request from each of the training institutions. Since the volume of material is considerable, we are asking UNFPA to provide copies of the curricula of representative training institutions. If on examining these, you want to review the training materials in greater detail, we will ask UNFPA to obtain these from the respective institutions.

What is the connection between this training and the one-child policy?

We do not know of any specific statement of the Chinese government that indicates the role of this training in implementing its population policy. The Chinese commitment to training programs is designed to improve the technical skills of the personnel trained which contributes to improved health for the Chinese people.

c. What amount was spent on management and evaluation to assist the State Family Planning Commission?

$500,000 was used for these purposes during 1982-84.

What specifically was taught?

Consultancies, fellowships, and study tours were used by UNFPA to teach improved methods of collecting service statistics and establish modern management information systems.

What amount was spent on calculators?

During the period, 1980-84, $925,000 was spent on the procurement of desktop calculators.

How many and what kind were purchased?

4,205 desktop calculators were purchased, from 1980-84, using international procurement processes that involved competitive bids.

How were they made available to the Chinese?

These calculators were provided to the State Family Planning Commission which made them available to various offices under its jurisdiction.

What amount was spent on books and periodicals?

No funds were used to pay for books and periodicals.

What books and periodicals were purchased?

N/A. See above.

Does the State Family Planning Commission collect information on compliance with the one-child policy and on abortions and sterilizations?

The Commission collects service statistics which include standard information on contraceptive use, sterilization, abortions, infant mortality, maternal deaths related to childbirth, etc. Statistics collected on family size would enable the Commission to assess the effectiveness of the one-child policy.

What is the role of the State Family Planning Commission in the planning, implementation, and enforcement of the one-child policy?

The State Family Planning Commission is the principal government ministry responsible for the planning and implementation of Chinese family planning policy.

d. What amount was spent on human reproduction and contraceptive research?

UNFPA provided $2.7 million for human reproduction and contraceptive research during 1982-84.

What amount was supplied to the national research institute in Beijing?

Approximately $2.0 million was provided to the national research institute in Beijing during 1982-84.

What are the activities of such institute?

The institute is directed to strengthen research on the safety and efficacy of current methods of family planning, to conduct research on the development of new methods, and to serve as a national resource on research and information in this area.

Do such activities include advancing the one-child policy?

We do not know of any specific statement of the Chinese government that indicates the role of the national research institute in advancing the one-child policy. The research undertaken at the institute with UNFPA support makes improved contraceptive methods available to the Chinese family planning program.

Does such institute or any of the regional institutes with which it confers carry out research on abortion and sterilization?

The national research institute in Beijing conducts research on sterilization (vasectomy) and gossypol. UNFPA does not support research on abortion at the institute and we do not know whether research on abortion is carried out either at the national institute or at regional institutes.

What amount was spent on international meetings for institute personnel?

No UNFPA support was provided for attendance at international meetings.

What institute personnel attended? Who sponsored such meetings? Where were they held?

N/A. See above.

e. What amount was spent to assist the Government with contraceptive production and packaging?

$1.0 million was spent for these purposes during 1982-84.

What types of contraceptives are produced?

Condoms, IUDs, injectables, and oral contraceptives are produced with UNFPA assistance.

What were the steriod synthesis and injectable contraceptives funded in the Shanghai factory?

The individual dosage of the injectable was 200 mg of 17 hydroxyprogesterone caproate with 5 mg of estradiol valerate.

How much was spent on the project?

$250,000 was spent on this project during 1982-84.

What is the role of the Shanghai factory in the one-child policy?

We do not know of any specific statement of the Chinese government that indicates the role of the Shanghai factory in implementing its one-child policy. The factory makes reliable contraceptives available to the Chinese family planning program.

f. What amount was spent to assist the Government in expanding the capacity of the Tianjin manufacturing plant to produce IUDs?

$760,000 was provided during 1980-84.

What was the nature of such assistance?

UNFPA-funded technical assistance and equipment was provided to improve the quality of contraceptive manufacturing and to expand the manufacturing capacity for IUDs.

What results were achieved by such assistance?

Three years (i.e., about 1987) after the completion of the project, the plant is expected to produce 2,000,000 IUDs annually.

What is the role of the Tianjin plant in the one-child policy?

We do not know of any specific statement of the Chinese government that indicates the role of the Tianjin plant in implementing its one-child policy. The factory makes reliable IUDs available to the Chinese family planning program.

Q. 2. As indicated in your letter, $5.4 million was used by UNFPA for Population Dynamics, Demographic Training and Research in China during 1982-84.

What specifically was this money used for?

The funds paid for fellowships, consultancies, study tours, and equipment designed to strengthen local capacity to analyze demographic data.

To what extent are the one-child policy and abortion and sterilization rates factored into national development planning?

The Chinese government has stated that family planning is an integral part of its development efforts but we do not know of any specific statement of the Chinese government that indicates the particular ways in which the one-child policy and abortion and sterilization rates are factored into national development planning.

Q. 3. As indicated in your letter, nearly $4.7 million was used by UNFPA for Data Collection and Analysis in China during 1982-84.

What specifically was this money used for?

The funds paid for fellowships, consultancies, study tours, and equipment (including

computer software) to support Chinese census operations.

How is census data used in implementing the one-child policy?

We do not know of any specific statement of the Chinese government that indicates the role of census data in the implementation of its one-child policy. Census data collection and analysis that provide household measurements are useful in the general planning of family planning programs.

Q. 4. As indicated in your letter, $1.7 million was used by UNFPA for Population Education, Communication and Information in China during 1982-84. Specifically, at least three population education, communication, and information projects have been funded by UNFPA according to the materials you sent.

a. What amount was spent on the national center for publicity and education in Beijing and the two subcenters in Shanghai and Chengdu?

Overall, $3.4 million was spent on this area of assistance during 1982-84. Approximately $1.2 million was for Beijing, about $700,000 each for Shanghai and Chengdu, and the remainder for other assistance.

Were any other centers funded?

Assistance was also provided for 1,000 County centers and for the work of 60 mobile teams in the form of consultancies, study tours, fellowships, and audio-visual vehicles.

What films, video tapes, slides, audio tapes, posters, leaflets, and other materials were produced at these facilities?

We do not have a list of these materials. We will ask UNFPA to provide a list of the materials produced.

Are samples available?

We do not have samples of these materials. If, on examining the list you wish to examine any of these materials in greater detail, we can request the desired items from UNFPA.

What was the role of these materials in the propagation of the one-child policy?

We do not know of any specific statement of the Chinese government that indicates the role of these materials in propagating its one-child policy. Population education materials promote public awareness of the importance of family planning as well as an understanding of modern family planning methods.

b. What amount was spent on introducing population education into the curricula of in-service teacher training colleges and secondary schools?

$400,000 was spent for this purpose during 1982-84.

What were the ten in-service training institutions and ten key middle schools which participated?

The ten in-service training institutions were: Beijing Teacher Training Institute (TTI), Shanghai TTI, Sechuan (Chengdu) TTI, Shanxi TTI, Henan TTI, Jiangsu (Nanjing) TTI, Changdung TTI, Hunan TTI, Hebei TTI, and Liaoning TTI. The ten middle schools were: Beijing MS #15, Shanghai Shixi MS, Sechuan Xiandu #8, Shanxi Weichui #1, Henan Zhengzhou Experimental MS, Jiangsu Yangzhou MS, Changdung Taian MS, Hunan Hengyang #6, Hebei Changlu MS, and Liaoning Haicheng County Senior MS.

What population education textbooks were printed?

UNFPA funded consultant advice on the preparation of the books but did not include support for printing of the material. We do not have a list of these textbooks, but will request a list from UNFPA.

Are samples of such textbooks available?

AID does not have samples of the books. If, on examining the list you wish to examine certain books in greater detail, we can request copies of UNFPA.

What is the role of such population education in implementing the one-child policy?

We do not have a specific statement of the Chinese government that indicates the role of this population education in implementing the one-child policy. The population education program promotes awareness of the importance of family planning and information about government programs, including the rationale for the one-child policy and the government's view of the benefits of that policy.

c. What amount was spent on establishing the China Population Information Center?

$800,000 was spent for this purpose during 1982-84.

What is its function?

The Center is designed to provide inquiry and referral services related to population research and to make available current information on population policies and programs.

How does it assist the Government?

The Center enables the Government to make better informed decisions on population matters.

What materials does it publish?

The Center publishes one English language periodical, the China Population Newsletter. We do not have a complete list of its publications, but we are requesting a list from UNFPA.

Are they available?

We are requesting issues of the Newsletter from UNFPA. If on examining the list of publications you wish to examine some items in greater detail, we will request copies of particular publications.

What foreign materials have been translated into Chinese?

UNFPA assistance does not fund the translation of foreign materials into Chinese. We do not know whether the Center is engaged in translation activities.

How does the Center help advance the one-child policy?

We do not have a specific statement of the Chinese government that indicates the role of the Center in advancing the one-child policy. The Center program provides improved knowledge of population literature produced in other countries.

Q. 5. As indicated in your letter, $1.1 million was used by UNFPA for miscellaneous program support in China during 1982-84.

What specifically was this money used for?

The funds were used for support of UNFPA's local office, needs assessment and project formulation missions, and consultancies and study tours not elsewhere budgeted.

How many personnel are there in, and what are the activities of, the local UNFPA office?

The local office is staffed by a Deputy Country Representative, 4 senior program officers, and a small service staff. The local UNFPA office provides oversight of UNFPA-funded activities in China.

Please provide a job description for each position in the local UNFPA office.

We are requesting position descriptions for the professional staff from UNFPA.

Q. 6. Of the $24.9 million in assistance which UNFPA provided China for 1982-84.

What amount was used for inputs to the China population program requiring foreign currency?

All of the UNFPA assistance was provided to fund inputs requiring foreign currency.

What such inputs were purchased, in what quantities, at what price, and from whom?

The inputs are those described above in response to questions 1-5. Quantities were determined by UNFPA's program agreement with China. All procurements were carried out by the Executing Agencies under the international procurement regulations of the United Nations.

What was the role of such inputs in implementing the one-child policy?

We do not have a specific statement of the Chinese government that indicates the role of each of these inputs in implementing the one-child policy. Their contribution to the Chinese population program varies as described under the responses above to questions 1-5.

Q. 7. In July 1983, UNFPA granted a prize of $12,500 to Qian Xinzhong, the head of the State Family Planning Commission, for "the most outstanding contribution to the awareness of population questions."

What was the source of the funds for this prize?

The funds for the United Nations Population Award are derived from a special trust fund, established by the United Nations for this purpose. The trust fund, which is administered by the Executive Director of UNFPA, is totally independent of funds contributed to UNFPA. Awards are made by an international selection board comprised of representatives of the national contributors to the special fund, the Secretary General, the Executive Director of UNFPA, and eminent individuals (fewer than the number of governmental representatives) selected by the award committee. The United States opposed the establishment of the award, did not contribute to the trust fund used for the award, is not a member of the selection board, and neither nominates nor endorses candidates for the award.

Could we have a copy of the official text which was used in making the award and other official comments and remarks?

The official text of the award is attached. We are requesting copies of official comments and remarks and will provide them when received.

Why was Qian Xinzhong removed from his position as State Family Planning Commission head in December 1983?

The official Chinese explanation is that Qian Xinzhong requested a change of post due to his age. He remains an adviser to the Commission.

Was there any dissent or dissatisfaction by the Chinese with his policies?

There have been reports of dissent and dissatisfaction with the one-child policy of the government, the policy with which Qian Xinzhong was closely associated.

Q. 8. There have been reports that UNFPA has supplied computers valued at $12 million to the State Family Planning Commission or other entities responsible for Chinese Population control.

What are the facts with respect to these reports?

In order to carry out its recent census, the Chinese asked UNFPA to fund 21 advanced IBM computers and peripheral equipment. This procurement was fully reviewed by the Departments of State, Commerce, and Defense and was approved by CoCom.

What are the computers used for?

UNFPA provided the computers to the State Statistical Bureau to enable the Chinese to process census data. The procurement agreement included safeguards against

the use of the computers for military purposes.

Are they used to help carry out the one-child policy?

We do not have a specific statement of the Chinese government that indicates the role of these computers or the role of the State Statistical Bureau in carrying out the one-child policy. The processing of demographic data provides information useful in the design of population programs.

Q. 9. Has UNFPA ever taken any steps to separate its activities in China from the coercive aspects of the Chinese population control program?

UNFPA has clearly and repeatedly stated its commitment to voluntarism in terms of the rights of couples and individuals stated in the International Declaration of Human Rights. Acceptance of this principle is a specific clause which UNFPA added to its policy guidelines and assistance agreements in July 1984. UNFPA restated this principle at the June 24-25 sessions of the 1985 UNDP Governing Council. With respect to China, UNFPA has assured the United States of its concern for reported violations of human rights and its discussion of these reports with Chinese officials. No UNFPA assistance directly supports any Chinese activity mentioned in reports of violations.

If so, what documentary evidence exists of such steps? If not, why not?

The assurances described above have been given in discussions with senior level U.S. officials, in UNFPA's revised policy guidelines, and in a letter of August 9, 1984, to former Ambassador Kirkpatrick. Documentation also takes the form of speeches and program statements on the basic principles of the International Declaration of Human Rights.

Q. 10. Has UNFPA ever made reports to donor governments, including the United States, concerning human rights abuses in China in connection with its population policies? If no such reports have been made, why not?

UNFPA Has indicated its recognition of reports of human rights abuses in China and has assured the United States that its assistance does not support these abuses. UNFPA has also directed the attention of the Chinese Government to reports of human rights violations.

Q. 11. In your May 13 letter you referred to an AID review of UNFPA "expenditure reports and project descriptions and reports." Would you please provide us copies of all such reports and descriptions?

Copies of reports used in the AID review will be sent under separate cover.

Mr. HELMS. Mr. President, it is impossible to evaluate these answers fully and objectively without a thorough understanding of what was actually going on in China. Thus, with the preliminary facts in mind—the United States contributions to UNFPA, the UNFPA contributions to the Chinese program, and some of the details about how UNFPA assistance was used—let us take a close look at the Chinese program itself. For this purpose, I will put into the RECORD various accounts and reports that have been either made available to my office or published elsewhere.

The first item is the report by China expert, Dr. John S. Aird, formerly of the U.S. Bureau of the Census but now retired. Drawing chiefly from Chinese sources, Dr. Aird shows unequivocally the ruthlessness and barbarity of the Chinese program.

The second item is a Washington Post series of January 7 and 8, 1985, by Michael Weisskopf, on the China situation.

The third item is a Wall Street Journal piece of May 13, 1985, by China expert Steve Mosher on the UNFPA connection.

Mr. President, I ask unanimous consent that these materials, including footnotes, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COERCION IN FAMILY PLANNING: CAUSES, METHODS, AND CONSEQUENCES

(By John S. Aird)*

SUMMARY

The undeniable effectiveness of the Chinese family planning program owes much to its coerciveness. From Chinese sources it is clear that many people comply because they have no choice. The Chinese authorities insist that strict control of population growth is essential not just for China's modernization but to assure adequate food, clothing, housing, health, and employment for the people. But limiting families to one child violates traditional family values still deeply entrenched. It also means that many parents will have no one to look after them in old age. They resist the policy be spreading rumors, removing IUDs without permission, destroying female infants in the hope of having a son, and direct hostile acts against family planning workers. Many cadres share the attitudes of the people and are reluctant to enforce the program.

To overcome this resistance, the authorities maintain extreme pressures both on the cadres and on couples of childbearing age. Cadres are penalized for failure to meet targets or for allowing couples to have unauthorized children. People who get pregnant without permission are lectured, harassed, publicly humiliated, fined, deprived of contract land, denied food, water, and electricity, and "mobilized" to have abortions. In the peak year of coerciveness, 1983, the central authorities ordered that all couples with two or more children be sterilized, all women with one child have IUDs inserted, and all unauthorized pregnancies be aborted. The escalation of coercion has not been steady. Periods of intensive coercion have alternated with periods of partial remission, when the central authorities disavowed coercive measures and blamed them on the local cadres. The case of Huiyang Prefecture, Guangdong Province, shows how coercive tactics approved by the central and provincial authorities can be represented in the media as examples of "patient and meticulous ideological work."

In communications addressed to foreigners, the Chinese central authorities insist that they disapprove of coercion and quickly put a stop to it wherever it is discovered. This claim has not deceived most foreign reporters in China but it has been widely accepted by representatives of organizations advocating control of population growth, who have lavishly praised the Chinese effort. In 1983, the United Nations gave one of its first population awards to the head of China's State Family Planning Commission, which the Chinese authorities cited as proof that the whole world approved and supported their program. The United Nations Fund for Population Activities has a continuing multi-million dollar program of assistance to China, including projects supporting family planning, despite a provision in its charter prohibiting aid for coercive family planning programs.

Some of the immediate consequences of reduced fertility in China are salutary, such as the easing of pressures on school enrollments and employment opportunities, but some of the long-range effects may be more problematical. Chinese demographers have expressed concern about the rapid aging of the population in the next century and the serious social security burden that is in prospect. Other Chinese are worried about a generation of pampered only children growing up to be willful, selfish, undisciplined, and ill-adapted to life under socialism. If the economic gains promised the people in return for surrendering a part of their parenthood fail to materialize, an undercurrent of disillusionment with profound political implications could result. The responsibility for coercion in the Chinese program rests not only with the Party leaders who directed the program and the Chinese demographers who rationalized it but also with the foreign agencies and individuals who applauded and encouraged it.

INTRODUCTION

Since the early 1970s, the People's Republic of China has been pursuing what has proved to be the most successful national family planning program the world has ever seen. Its effectiveness can be demonstrated beyond all doubt from the official population data. But exactly why the Chinese have been successful in an undertaking in which many other countries have made little headway is a matter of sharp dispute. Official spokesmen have attributed China's success mainly to persuasive propaganda and an efficient delivery system for family planning services. They tell foreign audiences that the people of China recognize the benefits of family limitation both to the state and to themselves, that they support the family planning program, and that they practice birth control voluntarily. However, the overwhelming weight of the evidence from within China makes it clear that the program is compulsory and that many people comply because they have no choice.

In foreign circles, the debate over whether or not the Chinese family planning program is coercive is mainly between representatives of the mass media, who have repeatedly drawn attention to its inhumane tactics, and the representatives of organizations advocating control of population growth, who frequently echo Chinese claims and sometimes add their own testimonials that the program is purely voluntary. A realistic appraisal of the Chinese program is important not only for China but also for international organizations offering family planning assistance and other developing countries that might consider following the Chinese example. For China the sudden demographic changes and the methods used to achieve them have economic, social, and political consequences that may cause acute distress in the future and could threaten the stabili-

*The interpretations and opinions presented in this chapter are those of the author and do not represent the views of the United States Government or the U.S. Bureau of the Census. To save space, extensive source citations contained in the original manuscript have been deleted from this version. The additional sources are available from the author on request.

ty of the government. International organizations that identify themselves closely with the Chinese program without regard to the fact that it violates their own principles about freedom of choice in contraception compromise their own credibility and may bring discredit on the cause of worldwide control of population growth. Countries that attempt to emulate the Chinese example without understanding what has really been happening in China risk a costly failure that could have severe political repercussions for them as well.

To understand the Chinese family planning program, it is necessary to inquire into the reasons why the Chinese leadership decided to impose it on their people, the extent of popular resistance, the tactics that have been used, the misrepresentations of the program by foreign apologists, and its possible future consequences for China.

CHINESE JUSTIFICATIONS.

Compulsory family planning is not the first unpopular program to be implemented in China, but unlike the collectivization-drive of the middle 1950s, the Big Leap Forward of the later 1950s, and the Cultural Revolution of the middle 1960s, the family planning program entailed government intervention in some of the most intimate aspects of family life and violated deeply rooted convictions that had been part of Chinese culture for thousands of years. Opposition has therefore been strong not only among workers and peasants but within the Chinese Communist Party and administrative system as well.

Ideologically inclined Party members have a double reason for their reluctance to support compulsory family planning. To orthodox Marxists, even to grant the need for controlling population growth in China was ideological heresy, tantamount to rejecting Marx in favor of Malthus.[1] At the founding of the PRC in 1949, Mao denied that population growth could case problems for economic development and insisted that China's large population would be an asset because it meant abundant labor and labor was the source of all wealth. His confidence was apparently shaken by the results of the 1953 census, which showed a population 100 million larger than expected, and a tentative birth control program was started in 1956, mainly in the cities. Before it could achieve any results, Mao launched the Big Leap Forward under the illusion that political enthusiasm could unleash an enormous upsurge of productivity among China's workers and peasants, enabling the country to overtake the most advanced nations within a few years. Birth control was promptly abandoned. After the Big Leap Forward collapsed in a major famine in 1958–61 that caused some 30 million unnecessary deaths,[1a] a second birth control campaign was launched in 1962. This continued until it was interrupted in 1966 by another political upheaval, the Cultural Revolution, before fertility levels in rural areas could be much affected. In 1969, after the ensuing turmoil was finally brought under control, family planning efforts were resumed and have continued with mounting intensity ever since.

Why did the Chinese leadership make family planning a matter of national policy and pursue it with increasing compulsion despite both cultural and ideological predispositions to the contrary? None of the reasons stated publicly during the first and second birth control campaigns seem urgent enough to explain the priority assigned to the program. In the first campaign, the rationale was that birth control was for the health of mothers and children and to help China more quickly overcome poverty and backwardness. Privately, however, Mao had expressed deep concern in 1957 about the country's ability to feed a rapidly growing population, and the statistical fiction that grain production had doubled in 1958 conjured up by the Big Leap Forward suggests that concern about food was the main reason for the program. In the second campaign, the health argument was the most prominent; again, fears about food were not mentioned, perhaps because after the massive famine of 1958–61 food problems were too sensitive a matter for public discussion.[2]

When the third campaign began, economic arguments were more prominent, but food problems were still dismissed as of little concern. However, by 1978 it was acknowledged that arable land per capita had declined since the 1950s and that food grain per capita in 1977 was at the same level as in 1955.[3] In 1979, it was revealed that food grain per capita had actually decreased since 1957,[4] that food was short in some rural areas, and that for the country as a whole food was still "a big problem."[5] From 1979 onward, the arguments for control of population growth became more explicit and urgent. It was said that population pressures had created problems in meeting the people's need for clothing, housing, transportation, education, medical care, and employment, and had contributed to environmental pollution, disturbed the ecological balance, and severely damaged the country's natural resources. Some parts of the country were said to be already overpopulated, and surplus labor complicated the problems of unemployment in the cities and underemployment in the rural areas and accounted in part for the low level of productivity of Chinese labor.

These arguments have a certain plausibility and closely resemble the arguments used by advocates of family planning in other developing countries. Few economists or demographers would question China's need to curb population growth; it is inconceivable that a country of one billion people needs more mouths and hands. But the critical questions are what degree of control is required by the national welfare, how quickly it must be attained, and at what cost to other popular values. Some Chinese sources imply that disaster is imminent unless absolute control is achieved in very short order. An "open letter" issued by the Party Central Committee in September 1980 contains one of the more moderate warnings:

"If the population is not brought under control within the next 20 or 30 years, . . . this will cause great difficulties for the four modernizations and create a grave situation in which there will be little hope of improving people's living standards."[6]

Other Chinese sources have gone much farther, arguing that if the population plan is not implemented all other plans will fail, that the "stability and unity of society" will be threatened,[7] that China must control population growth strictly or not at all, that it is necessary to get to zero population growth as soon as possible, that the one child policy is the only choice for China, and that it is not the Party but "objective conditions" in the country that make it impossible to let people have more children.[8]

The argument that China has no choice but to implement the extreme family planning policies now in force has never been supported by substantial evidence or cogent reasons. In fact, the Party leaders have made other choices in the past, including a three child and a two child policy. They have also talked of reverting to the two child limit some time in the next century. They have often revised their targets and timetables. Even if the one child policy were prerequisite to keeping the population under 1.2 billion by the year 2000, or to achieving the four modernizations, or to quadrupling the gross national product by the end of the century, none of these goals is an absolute necessity to which the wishes of the people must be sacrificed. But the Party leaders have a tendency to represent their major programs as historical imperatives. They did so with land reform and collectivization in the 1950s, and when these programs encountered popular opposition and began to lag, they unleashed the full administrative power of the state to speed their implementation. In the case of family planning, the use of coercive means seems to derive not from demonstrable necessity but from the knowledge, based on past experience, that such means bring quick results.

Nevertheless, although the central authorities may not really believe that a demographic crisis is as imminent or as certain as the Chinese media sometimes claim, there is no question that the leaders regard control of population growth as essential to their plans for China's economic development. Unless they had been convinced of its importance, they would not have taken the unusual step of acknowledging that China's past failure to deal with population problems was a mistake for which the Party itself was to blame.[9] In 1979, the Party made a gracious, though rather belated, apology to Prof. Ma Yinchu, former president of Beijing University, whom Party spokesmen had silenced with "merciless criticisms" when he tried to warn of the dangers of uncontrolled population growth in the late 1950s. Recently, some Chinese writers have made it clear that the main reason the Party failed to heed Ma's warnings was opposition from Mao Zedong.[10] In effect, the Party leaders were admitting that because of the Party's past mistakes, population problems were more acute and more difficult to solve and valuable time had been lost. Only profound concern would have induced them to make this confession.

EVIDENCE OF POPULAR RESISTANCE

The coerciveness of the Chinese family planning program has resulted directly from the conflict between the Party's determination to restrict population growth and the resistance of the people to demands that they limit their families, especially to the extreme limitation demanded of them since the beginning of 1979. What proportion of Chinese couples in the childbearing ages comply with the requirements of the program voluntarily and what proportion continue to resist or surrender against their will cannot be determined exactly from the evidence available publicly, but there can be no doubt that both popular resistance and involuntary compliance are extensive.

Resistance among the people

Statements in the Chinese media about popular resistance and voluntary compliance seem at first glance to be completely contradictory. On the one hand, there are categorical assertions that birth control is "the demand of the masses," a "reflection of popular desires," "supported by the over-

Footnotes at end of article.

whelming majority," and "the wish of the people," but on the other hand it is conceded that the policy is not accepted by "all the people," that the masses do not consider it "something to adopt voluntarily," and that getting their cooperation is "a long term task." Many sources mention the persistence of traditional ideas that "having many sons brings happiness," that a son is needed to "carry on the family line," and that, especially for rural families, sons are essential for support in old age.

The explanation of the contradiction is that the Party leaders have always maintained as a matter of ideological precept that they act in the interests of the people and therefore their leadership expresses the will of the people. One purpose of this claim is to legitimize the authority of the leadership, but another is to deny that there could be extensive opposition to unpopular programs and thus to deny that coercive means are required or are being used to secure the compliance of the masses. In the case of family planning, popular opposition to the one child family has been widespread, strong, and remarkably resilient. It is clear that on this issue there is a profound conflict of interest between the needs and wishes of individual families and those of the Party and the state.

Overt resistance takes many different forms. One of the mildest is the circulation of rumors that the policy is about to be abandoned or the requirements eased. Such rumors were widespread in 1980, 1981, and 1984, evoking emphatic denials in the media. More aggressive are the instances of "sabotage" of family planning by people who organize popular resistance, "sow discord," "refuse to be controlled," and falsify certificates and records relating to birth control surgery. The type of "sabotage" most often mentioned in the Chinese press is the illegal removal of intrauterine devices by persons who operate outside the regular medical system.

"Illegal" IUD removals

The surreptitious removal of IUDs was evidently very widespread and was strongly denounced in the press in 1981 and 1983. For the most part, the people engaged in these activities, who were known as "hook wielders" or "hookers," were not medically trained, but some were herbalists, midwives, or regular medical personnel moonlighting for extra money. Lacking the right equipment, they used steel or lead wires, bicycle spokes, or bamboo strips to extract the IUDs, and as a result some women suffered infections, punctures of the uterus, or hemorrhages, sometimes leading to permanent injury or death. The numbers of cases cited in local sources justify official complaints that the "illegal" removals constituted a major rebellion against the family planning program. Yunnan Province reported 9,600 cases in just 6 counties during 1980, and in one Yunnan commune, of 2,100 women fitted with IUDs, 650 had been removed. In 1983, a Sichuan county reported that since 1980 more than 10,000 women had "stealthily removed their IUDs." Several brigade reports in 1981 indicated 80 percent and 100 percent removal rates. Obviously, women resorted to the "hookers" because the regular medical personnel would not take out IUDs on request. This implies that the retention, and probably also the insertion, of the IUDs was against their will. Evidently a high proportion of women with IUDs were willing to put their health and even lives at risk to have another child without permission from the authorities.

The resurgence of female infanticide

A still more extreme reaction to compulsory family planning, and especially to the one child limit, was the revival of female infanticide in China after 1979. The problem was first mentioned in the Chinese media in 1980, but at first the authorities showed no great concern about it. However, during 1982 their attitude changed. In November 1982, an article in the newspaper *China Youth Gazette* sounded an unmistakable cry of alarm, warning that if female infanticide were not stopped immediately it could cause a serious imbalance between the sexes, with the result that in 20 years' time "a large number of young men will be without spouses." The article called upon the whole of Chinese society to "save the baby girls." [11] Immediately a press campaign was launched to condemn female infanticide and the maltreatment of women who bore girl babies with the avowed intent of arousing public opinion.

The press described the problem as "serious," "grave," and "intolerable," and foresaw an "insoluble" and even an "unimaginable" problem in the future if the trend were not checked. Among the guilty were not just the masses but cadres and Party and Youth League members as well. According to media reports, unwanted female infants were suffocated, strangled, or drowned at birth, sometimes in a bucket of water placed beside the delivery bed, or they were later thrown down wells or into ponds, buried alive, or abandoned under bridges, in fields, by riversides, in railway stations, hospitals, or public toilets. Women who bore daughters were sometimes ostracized, abused, beaten, divorced, or driven to suicide.

Instances of female infanticide were said to be "frequent" and even "rampant" in some localities. Local figures were cited to show that a significant distortion of sex ratios among newborns was already occurring in some areas. According to one report, the sex ratio among newborns was 154 males per 100 females in a street in Wuhan Municipality and 503 in a Hubei village. Another cited brigade figures in which males accounted for 60 to 70 percent of all births, and a report from Guangdong Province said that in some brigades the ratio of male to female births was as high as 7 or 8 to 1! In such small units, random variation in the sex ratio at birth can be considerable, hence it is not clear to what extent the apparent imbalance reflected female infanticide, but a survey conducted by the Anhui Provincial Women's Federation disclosed a sex ratio at birth in one Anhui county of 139 in 1981; in several communes of that county the ratios were in the range from 165 to 175.[12] These figures imply that between 25 and 40 percent of the expected numbers of female infants were missing. According to the 1982 census, the sex ratio of births in Anhui Province in 1981 was higher than for any other province—112.45 males per 100 females, and the figures for the whole country implied a sex ratio at birth in 1981 of 108.47. If the actual sex ratio was around 106 male births per 100 female, as is normal for many Western and Asian populations, including the Chinese, some 230,000 female infants were not accounted for. Failure to report the births of girls who were still alive at the time of the census may be part of the explanation for the statistical imbalance, but one Chinese source says that the cause in Anhui was female infanticide.[13] Several Chinese sources linked the infanticide problem with the one child policy.[14]

When the foreign press began to repeat what the Chinese media were saying about female infanticide and its connection with the one child policy, Chinese sources began to deny the seriousness of the problem. Cases of infanticide were said to be "few in number" and to "occur from time to time in a few places," and other statistical data, sometimes irrelevant to the issue, were cited to show that sex ratios in China were "normal" and in no danger of becoming unbalanced.[15] Some Chinese sources denied any relationship between family planning and infanticide,[16] and Quian Xinzhong argued that the one child policy had not caused infanticide in China because that was a problem that had existed long before,[17] ignoring indications that infanticide had been in abeyance for 30 years and rebounded only when the one child policy was imposed. Although the Chinese press has not said much about the subject since the latter part of 1983, it is quite likely that the problem became more serious in 1982 and 1983, as the enforcement of the one child policy intensified.

Reprisals against family planning cadres

The most direct form of popular resistance to family planning demands was hostile actions against the family planning cadres. Some of the actions were relatively mild, such as refusing to be told what to do, being "obstinate," rebuffing the cadres with the "cold shoulder" treatment, or simply taking offense at their ministrations, yet tactics were enough to make many cadres hesitant about pushing the work, which they described as "the most difficult under heaven." Other forms of popular resistance were much less subtle. In the more extreme cases, the cadres were verbally abused, physically beaten, or killed, and their crops and property were "sabotaged." [18] In 1982 it was reported that, in an experimental election of local magistrates in which more than one candidate for each office was permitted, none of those elected was a women, because all of the women candidates had been identified with family planning work, which the people resented.[19] It was necessary to provide the family planning cadres with special legal protection and to encourage them to be brave and continue their work in spite of the attacks on them.

Cadre resistance

The local cadres themselves sometimes ignored or actively resisted the family planning requirements imposed on them from above, a matter regarded by the central authorities as very serious, because if the local cadres did not enforce the policy, it made no progress. Some cadres simply did not understand the policy, did not think that the rate of population growth mattered very much, or regarded family planning as a "soft" task—less urgent than such "hard" tasks as attaining production quotas. Some were in disagreement with the policy, considered it too extreme, thought family planning work should attempt to eliminate third and higher birth orders but not hold everyone to just one child, wanted more latitude for permitting seconds births, or charged that the one child policy was a "leftist" idea. Some cadres simply paid no attention to family planning, adopted a laissez faire attitude, or responded to the demands from above with much talk but little action. Some were said to be sympathetic with the peasants' desires for more children and therefore neglected family planning.

Many cadres were unwilling to limit the size of their own families, despite the fact

that they were supposed to take the lead in order to set an example for the people. When leading cadres had additional children in violation of the policy, the masses used them as "shields" and followed suit. Hence the media repeatedly publicized individual cases of cadres who were severely punished for noncompliance with family planning requirements. Some were dismissed from their posts and expelled from the Party.[20]

COERCIVE MEASURES

Because of the widespread resistance among both the cadres and the people, propaganda and persuasion alone could not bring about the sudden reduction in fertility needed to attain the announced target figures for population growth. Strong administrative pressures had to be exerted on leaders and functionaries of the Party and government at all levels and through them on the masses of the people. This was no simple matter. The Chinese administrative system is authoritarian, driven mainly by commands from the top, but it is also a bureaucracy. Its personnel at lower levels have their own purposes to serve which are not always consonant with those of the top leadership, and conflicts sometimes arise, especially in connection with the execution of unpopular policies like compulsory family planning, which place the cadres in a difficult position. To effectuate such policies, it is necessary to devleop special incentives, disincentives, and monitoring systems to ensure implementation.

Pressures on the cadres

Initially, the central authorities tried to induce the lower levels to take action by issuing commands and directives. The language used was extremely aggressive and seemed to intimate that administrative power was to be used liberally to secure the compliance of the reluctant masses. In the middle 1970's, family planning instructions were called "battle directives," told the lower levels to treat family planning work as part of the "class struggle," called for "a complete dictatorship over the capitalist class" in which "bourgeois rights" were to be restricted, and referred to all opponents as "class enemies." Local cadres were to "grasp" family planning work "firmly," "tightly", "seriously", "vigorously", "fiercely", and "relentlessly." However difficult, population control was said to be "urgent", "imperative", "indispensable," and "an essential task." In 1978, local Party secretaries across the country were directed to take personal command of the work and mobilize the whole Party apparatus for the purpose. Having issued this order, the central authorities could hold the local Party leaders accountable if the work did not progress, and indeed they did. "Why is it," the *People's Daily* asked in 1981, "that the birth rates and natural population growth rates in some places have fallen below the general requirements while they are still high in other places? . . . The reasons lie in the leadership."[21] The "requirements" were set by the central and provincial authorities, at first in the form of target natural increase rates and subsequently target birth rates and population totals, percentages of fertilizations, abortions rates, percentages of eligible couples contracepting, and other measures. Leaders of units that did not meet their targets could expect to be dressed down and humiliated at periodic family planning report meetings and occasionally in the provincial or the national press.

Still, responsibility during the 1970s tended to be rather diffused and hard to fix. Sometimes the cadres were severely punished for their laxity, as, for example, when more than 100 Party and municipal officials in a Guizhou city who had failed to enforce birth control were required to undergo vasectomies or tubal ligations in May 1980, according to a Japanese report.[22] The punishment of individual cadres who failed to set a good example by practicing family planning themselves may have disposed the cadres to be less lenient with the violators among the masses. But such cases were too scattered to have uniform effect throughout the administrative system. A major change in cadre accountability came in 1981, when the "cadre job responsibility system" was established, under which cadres were rewarded or punished according to how well they met their job requirements. For many cadres, family planning work was included in the periodic evaluations. In one locality, cadres who failed to prevent "unplanned" (i.e., unauthorized) births could lose up to 20 percent of their basic subsidy for the year.[23] In another, 10 percent of the year's bonus or wage supplement was deducted from the remuneration of basic level cadres for each "unplanned" birth in their commune, brigade, or production team.[24] In some places, cadres were assigned a certain number of households each and penalized if any of "their" households failed to practice family planning.[25] After the cadre responsibility system was set up, many localities reported that "the sense of responsibility of the cadres at all levels has been strengthened." Under such pressures as these, the cadres have only three choices if the people in their units will not comply voluntarily with family planning requirements: accept the penalities, falsify the reported data, or resort to coercion.

Pressures on the people

Long before the pressures on the cadres had been systematized to such a degree, some cadres had already been resorting to coercive measures. They found that propaganda was time-consuming and did not get the quick results demanded by their superiors and that a show of force was more effective. From time to time, the central authorities condemned the local expedients in what seemed to be deliberately obscure terms. They warned against relying on "compulsory orders," "indigenous policies," "bumpkin policies," "forcing everybody to do the same thing," "oversimplified and crude methods," doing things in a "crude and brutal manner," using "punitive methods," adopting "hard and rigid rules," imposing "administrative measures of a forcible type," and "resorting to coercion and commandism." Exactly what kinds of practices were condemned by these admonitions was not made clear in the public media, but the particulars were probably provided in directives not made public. Injunctions against "hard and fast rules," and "forcing everybody to do the same thing" are allusions to such practices as forcing all women to use IUDs even if they were successfully using contraceptive pills or forcing women with IUDs to submit to tubal ligations. "Indigenous" policies may refer to practices such as those condemned in a national newspaper in December 1978:

"Some localities popularizing birth control have dispatched "militia propaganda teams" to those households that did not practice birth control to "propagandize" and exercise control over their food, drinking water, and workpoints. These local laws have caused great dissatisfaction among the people." [26]

However, the Chinese family planning authorities have shown no hesitation about approving and commending for emulation around the country some local tactics that would be recognized as coercive in most other parts of the world. One that has been widely used since the beginning of the current birth control campaign is the mass "mobilization" of the people to practice contraception, have IUDs inserted, or be aborted or sterilized. These are often carried out in connection with crash campaigns designed to "whip up a new upsurge" in family planning or to eliminate an anticipated upsurge in births. What sort of activities may be used to "mobilize" people is not made explicit in public sources, but they are obviously sufficiently forceful that the people caught up in the "mobilizations" have little chance of refusing what is demanded of them. This explains the occasional reports that people flee their homes before an impending "mobilization" and go into hiding.[27] The distinction between persuasion and "mobilization" was explained to a foreign visitor in 1981 by a local family planning worker as follows:

"Mobilization is different from persuasion. We persuade people to do this or that. But we mobilize people to do this or that when we fail to persuade them in spite of our efforts. Hopefully they will understand later."[28]

Another approved coercive method is the so-called "heart-to-heart" talks between family planning cadres and couples who refuse to abort an unauthorized pregnancy or be sterilized, which may be repeated as many as 20 times until the couples give in. In a Hebei commune, couples who refused to sign a pledge not to have a second child were subjected to nightly visits by local officials, one of whom predicted flatly that "everybody is going to sign the pledge." [29] A Beijing teacher and her husband held out against the onslaught of uninvited visitors trying to "persuade" her to have an abortion, but after two months of harassments by as many as six visitors a day, the woman finally submitted to abortion in her fifth month of pregnancy. The tactics used by the visitors, according to the foreign reporter who obtained the story, is to "threaten, cajole, harass, educate, and plead . . . and, when all else fails, resort to coercion."[30]

The imposition of severe economic penalties on couples that have unauthorized children also amounts to approved coercion. The penalties have been specified in a series of family planning regulations adopted by most of the provinces between 1979 and 1982.[31] As different provinces issued their laws, the provisions got stiffer. The Anhui regulations passed in April 1979 provided that urban and rural couples that had a third child would lose five percent of their wages from two weeks after the birth until the child was 14; for a fourth child the penalty was 6 percent and for the fifth 7 percent, and so on. Shanghai deducted 10 percent from birth to age 16 and allowed no additional housing or private plots for additional children. Gansu made it 10 percent of a couple's income for an unauthorized second child from birth to age 10 and 15 percent for an unauthorized third child from birth to age 16. Shanxi added a one-time penalty of 20 percent of the family's annual wages for refusal to abort a second pregnancy and 30 percent for a third. To reinforce these regulations and family planning requirements in general, the central authorities included a new provision in the national constitution in 1982 stating that

"Both husband and wife have a duty to practice family planning." [32]

As the production responsibility system spread throughout rural China in 1981 and peasants were authorized to become "wealthy" through their own enterprise, the economic penalties in the provincial family planning laws lost much of their deterrent power and the cadres found it difficult to keep track of who was pregnant and who was not. The peasants promptly began to have more children, since they could now afford to pay the penalties. The response of the central authorities was to raise the penalties, devise new enforcement mechanisms, and supplement these with "administrative" measures.[33]

One of the new measures was the "double contract" system for rural families. When they received their land allotments under the "production responsibility system," they were obliged to sign a contract also to observe the family planning regulations. Those who had another child without permission could be required to increase their grain deliveries to the collective, sell more of their grain to the state, surrender their private plots or a portion of their "responsibility" plots, or they could be refused contracts, have their contracts "suspended," or be denied medical treatment rights and welfare funds.

In 1983, further measures were taken that made previous demands seem comparatively lenient. The central authorities directed that one of the partners in couples of childbearing age with two or more children be sterilized, all women with one child have an IUD inserted, and all women pregant without authorization have abortions. The third child was to be absolutely prohibited. Local authorities were to dispatch "propaganda" teams and "technical work" teams to see that these measures were carried out.[34]

What is clear from the evidence is that the official definition of coercion has been largely confined to the use of physical force or raw political intimidation not camouflaged by efforts by "persuasion." More subtle forms of coercion that used such extreme economic, social, or psychological measures that the people could not resist were never disapproved. As long as the victims of such pressures walked to the clinics under their own power, their submission to family planning surgery was said to be voluntary. In fact, the large numbers of sterilizations, IUD insertions, and abortions that took place during the major mobilizations were sometimes cited as proof that the people accepted and supported the program![35]

ALTERNATING ESCALATIONS AND REMISSIONS

Official spokesmen sometimes insist, especially when speaking for foreign audiences, that they have always opposed coercion, that instances are few and attributable to excesses of local cadres, and that they are stopped as soon as detected.[36] This is at best a half truth. The official attitude toward coercion has been highly unstable. The definition has varied and the campaigns to quell coercion have been turned on and off almost year by year since the late 1970s. What the changes in policy strongly suggest is that the central authorities only oppose and disavow coercion when it backfires.

The 1978 anti-coercion campaign

Between May and December 1978, the central authorities carried out a general campaign against "coercion and commandism" in all aspects of administration, partly in an effort to redress some of the grievous wrongs done to people during the Cultural Revolution and partly to discourage continuing abuses of power by lower level cadres. The campaign was ostensibly prompted by some extreme examples in a Shaanxi county, but similar abuses were said to "exist in some places throughout the country," and in August 1978 the *People's Daily* demanded "a big change" in the "work style" of the cadres.[37] As the campaign developed, one province after another acknowledged that the faults were to be found among its cadres also, but several provincial commentaries pointed out that not all of the blame for coercion and commandism should be laid on the lower level cadres.

One said that the problem was that the higher levels were sometimes unrealistic in their demands, adopted a coercion approach in dealings with lower levels, and put more emphasis on results than on "work style." [38] Another said that some local cadres "resort to coercion and commandism because the assigned tasks are arduous and urgent," for which, it added, "the authorities at higher levels must shoulder responsibility." [39] The *People's Daily* noted that when they are faced with difficult tasks and the higher levels demand that they "carry out instructions from the top whether you understand them or not," some cadres "resort to deception, coercion, and commandism and . . . beat and scold people . . . because they are not afraid to harm the interests of the people, . . . (but) are only afraid not to be able to win the trust of their superiors." [40] An earlier *People's Daily* article laid the blame for coercion squarely on the higher authorities:

". . . Some (higher level) organs fail to make clear to the lower organs the bounds of a given policy and the work methods and work style required. They demand that the task be accomplished "at all costs." Whoever accomplishes the task, no matter what methods they use, are considered as "capable." They are commended and promoted. Such a way of doing things gives rise to empty talk, coercion, and commandism . . ." [41]

While the 1978 anti-coercion campaign was going on, there were warnings in the Chinese media against coercion in family planning and local leaders were told repeatedly that couples were not to be coerced into using contraceptives or having abortions by cutting their food rations or threatening political action against them.[42] But the prohibition against using coercion apparently demoralized many of the cadres, so that they became passive and fearful of making "mistakes." In Shaanxi Province, the cadres were assured that 'if mistakes are made, it is all right as long as they are corrected," and in Sichuan they were told that "mistakes are inevitable" in administrative work but that "the worst mistake is doing no work at all." By the end of the year, the authorities were ready to forgive a good deal of coercion to reactivate the cadres.

The escalation of 1979

In February 1978, before they had much grasp of demographic realities, the Party leaders had committed China to reducing natural increase to 10 per thousand population within three years,[43] but by early 1979 they were aware that the official vital data showed natural increase for the previous three years almost level at around 12 per thousand.[44] Provincial sources had for some time been reporting that the work was "uneven," that natural increase was not declining, and that target figures were not being met. Early in 1979, the Party Central Committee issued a new policy calling on all couples to have "only one child if possible, two at the most, with a period of three or more years between them" and imposing "financial measures" on those having three or more, in order to get population growth down below one percent per year.[45] Provincial news items began to "vigorously advocate" one child per couple. By midyear, Vice-Premier Chen Muhua had announced the goal of bringing the national natural increase rate down to 10 per thousand in 1979 and to 5 per thousand by 1985,[46] which would have required an extreme escalation of family planning work.

As the pressures generated by the new policy mounted, concern about coercion vanished. Planned parenthood "pacts with the masses," "local laws," and other measures disapproved in 1978 as "indigenous policies" were once again approved. Sichuan Province, which had been told by the central authorities in 1978 that coercion in family planning must stop immediately, asserted in September 1979 that the 1978 criticisms had discouraged some cadres from "grasping" planned parenthood work and that an investigation had shown that, far from "overdoing things," Sichuan had not done enough.[47] Nationally, the target natural increase rates, the one child policy, the rewards and punishments prescribed in the provincial family planning laws, and the changed attitude toward coercion signalled that the authorities wanted quick results and were no longer concerned about "work style."

Reading the signals, the provinces again turned up the pressure. For example, when Guangdong Province discovered in July 1979 that if the provincial birth rate continued to the end of the year at the level of the first six months, the natural increase rate would reach 16 per thousand instead of the target figure of 10, all areas in the province were directed to require pregnant women to take "remedial measures," a standard Chinese euphemism for abortion, so that the target could be attained. They were told that "any policy that is advantageous to planned parenthood must be carried out." To reach the target, the local authorities would have had to abort 55 percent of the pregnancies that would otherwise have resulted in births before the end of the year, a total of about 340,000, all of them well beyond the first trimester. The order was not generally carried out, and, in the end, Guangdong's natural increase rate for 1979 was 16.96 per thousand, but in November the provincial authorities commended localities that had "taken remedial actions as requested by the province and overfulfilled the task," and called for further "remedial measures" to lower the birth rate before the end of the year, which would have meant abortions in the eighth or ninth month of pregnancy![48]

The anti-coercion campaign of 1980–81

The aggressive measures of 1979 apparently evoked strong negative reactions among the masses. The authorities responded with a second anti-coercion campaign in 1980 and the first half of 1981, limited this time to family planning work. It consisted of the usual warnings against "coercion and commandism," issuing compulsory orders, using simple and rigid methods, and problems in "work style," and called for more emphasis on "meticulous ideological work" and persuasion, being "fair and reasonable," and doing work in a "down-to-earth manner."

The cadres were told to avoid indiscriminate use of rewards and punishments and methods that are "divorced from the masses." One article warned that such "forcible" measures as refusing birth registration for second and higher parity children, denying them rations, and depriving their parents of employment could have outcomes "contrary to our wishes," and another said that "oversimplified and crude ways can only bring damage and destruction to our work." [49]

Once again, some cadres read these warnings as a call to ease the pressures in birth control work, which promptly began a lag. Targets were not met, policies were not implemented, and "unplanned" births were still numerous. Rumors spread in some areas that the one child policy was about to be abandoned. Some cadres thought that according to the new official attitude enforcing the provincial family planning laws constituted coercion.[50] The relaxation of cadre efforts in 1980 was followed in 1981 by an upsurge in births in much of the country. The upsurge was also due in part to two changes in national policy which unintentionally dealt a setback to family planning. One was the passage of a new marriage law in September 1980, which raised the minimum ages for marriage by two years but also invalidated local administrative rules that had set much higher minimum ages in most of the country.[51] The result was that three or four cohorts of young people became eligible to register for marriage at the same time and immediately rushed to do so. The authorities realized that the rash of marriages would soon be followed by a sharp increase in the numbers of first births.

The second policy change was the extension to most of rural China during 1981 of the "production responsibility system," under which the collective land was allocated on contract to individual peasant families, who were allowed to farm it on their own initiative, remanding an agreed proportion of their crops to the collective at the end of the year but retaining the rest to consume or sell on the free market at their own discretion. The intent was to arouse the peasants' "enthusiasm for production," which had admittedly been dampened during 20 years of collectivization. In this respect, the new policy has been quite successful, but it has also removed peasant families from the daily surveillance of the rural cadres, given the peasants greater wealth and independence, and encouraged many of them to consider having more children to add to the family labor force in the future. The cadres in some areas, frustrated at their loss of control over the situation, simply threw up their hands and stopped enforcing family planning requirements.[52]

Foreseeing a deluge of births, the central authorities declared that population growth was "out of control" in many areas, that a new "baby boom" was imminent, and that a "population explosion" threatened to wipe out all the family planning gains of the 1970s. These prospects were described as "frightening," "disastrous," and "catastrophic." By the middle of 1981, concern over coercion had again been eclipsed by fears about population growth.

Escalation and confusion in 1981-82

Once again, the central authorities issued urgent orders to reactivate birth control work. In March 1982, the Party Central Committee and the State Council called for action to bring population growth under control,[54] and the *People's Daily* warned that if control were not restored in time, the national population could exceed 1.3 billion by the end of the century, far beyond the target of under 1.2 billion.[55] In the same month, the central authorities also issued a directive calling on Party and government organs at lower levels to do "still better family planning work," urging them to "promptly study and tackle the new situation and new problems that have cropped up," and making the one child policy virtually universal. The directive stated flatly that "no one is allowed to have a third child, no matter what." [56]

But developing new enforcement mechanisms took time, and meanwhile there was confusion at the local levels. While some units urged "rigorous enforcement," "necessary administrative interventions," "decisive and urgent measures," and "inflexible family planning work," which sounded like invitations to the local cadres to resume coercion, others revived the standard warnings against coercion. Some again resorted to "shock attacks" and "village rules and agreements," set up the "double contract" system, denied contract land and private plots to families with unauthorized births, and added "administrative disciplinary measures" to their economic penalties, but in others the work virtually ceased, family planning efforts were relaxed, no one was in charge of the work, and childbearing was in "a state of anarchy."

Meanwhile, with the help of China's newly established demographic research centers and their analyses of China's age structure, the central authorities became aware of another serious threat to their population targets. The enlarged cohorts of people born between 1962 and the early 1970s were about to enter the childbearing ages, continuing the upsurge of births caused by the new marriage law and the responsibility system. In November 1982, Qian Xinzhong told a national family planning work conference that

". . . Our country is now facing a new peak in population growth rates. . . . Only by maintaining the annual net increase in population at around 10 million for the next 18 years can we achieve the fighting goal of limiting the population to under 1.2 billion by the end of this century." [57]

In the same month, State Counsellor Bo Yibo predicted that the next three years, 1983-85, would be a crucial period for family planning in China.[58] The official concern culminated in a new family planning drive more extreme than anything in prior human experience.

Mandatory birth control surgery in 1983

On December 6, 1982, a circular issued jointly by the State Family Planning Commission, the Party Central Committee Propaganda Department, and several other organizations announced that a national family planning "propaganda" month would begin on New Year's Day and last until after Spring Festival. It called for sterilization of couples with two children and the prompt abortion of unauthorized pregnancies.[59] After the start of the new year, it became clear that sterilization was the "key measure" under the new policy, and in March an unnamed "central leadership comrade" said that the success of the propaganda month must be affirmed and the effective measures continued. In May, a provincial source revealed that these measures had been approved by the Party Central Committee and the State Council.[60] Responsibility for them clearly rested with the highest authority in the land.

The reason for making sterilization the "key measure" was not just to eliminate third and higher parity births but because the threat of sterilization "spurred on the adoption of other birth control measures." [61] How it did so was explained by the Vice-Governor of Guangdong Province, who said that "the basic purpose of (sterilization) is to absolutely prohibit married couples from bearing a second child,"[62] implying that fear of being sterilized would suffice to make one child couples avoid further pregnancies. This stratagem clearly assumed that people did not want to be sterilized and could thus be intimidated by the certainty that if they had a second child they would be sterilized against their will. Of course, sterilization also had the advantage of eliminating any further need for "persuading" people, monitoring their pregnancy status, and "mobilizing" them for abortions. Once sterilized, their compliance was assured!

Accordingly, childbearing age couples with two or more children were designated as persons "who should be sterilized," and the provincial authorities estimated their numbers and made plans to complete the surgeries over the next several years.[64] Initial reports indicated a massive sterilization drive under way. Pleased with these results, the central authorities directed that "the success of the propaganda month must be fully affirmed and the effective measures carried out must be continued." [65] It was later reported that in 1983 alone 20.8 million sterilizations had been performed.[66]

The mandatory sterilization, IUD insertion, and abortion policy of 1983, with its quotas and "high tides" was a violation of previous admonitions against "rigid rules," "crash jobs," and "forcing everybody to do the same thing," but in 1983 these were no longer part of what the central authorities chose to regard as coercion. In fact, in the domestic media of China in 1983, coercion was hardly mentioned.

Slight moderation and ambivalence in 1984

The human costs of the mandatory surgeries in 1983 may never be known in full, but the political costs must also have been significant. Although several provinces planned to stage another propaganda month in January 1984 to continue and even to intensify the sterilization drive, these plans were interrupted soon afterward by another change in policy. The first hint of a change was the fact that in December 1983 Qian Xinzhong was removed without explanation from his post as head of the State Family Planning Commission.[67] At the end of January 1984, the new director, Wang Wei, said that family planning work must be "based on local conditions" and carried out "reasonably to win the support of the broad masses" and urged the cadres to find ways of doing family planning work effectively and at the same time "building a close relationship between the Party and the people." [68] The last phrase clearly indicated that, as in the past, the coercive measures of 1983 had caused such a negative popular reaction that they now had to be disavowed once more.

Provincial family planning leaders attending a 10-day conference in Beijing that concluded on March 7, 1984 were told that family planning measures should be "more realistic," supported by the masses, and easy for the cadres to carry out, that it was necessary to improve their "work style," and that they should "refrain from coercion" and "strictly forbid any illegal and disorder-

ly action." While the one child policy was still to be promoted, the circumstances under which couples could be allowed to have a second child were slightly enlarged, provided that the national, provincial, and local target population totals for the year 2000 were not exceeded,[69] which meant that very few second births could be permitted.[70] In May 1984, the family planning edition of the journal *Health Gazette* explained that family planning work was to be "subordinated to and serve the general tasks and goals of the Party," [71] and in June it warned against coercion, being "doctrinaire" about punishments, indiscriminate sterilizations, scheduling too many surgeries, and letting unqualified persons perform them, and forbade the setting of surgical quotas for lower levels.[72] The excesses of 1983 were, as usual, ascribed to local "misunderstanding" of central policies, which the central authorities pretended had never changed.

Soon after the March conference, the new policy was spelled out in a directive referred to as "Party Central Committee Document No. 7," the text of which has not been made public. From exegeses given in the Chinese media, it is evident that the directive called for moderation and flexibility in implementing policies and avoidance of coercion to repair relations with the masses but at the same time demanded that the cadres maintain "a tight rein" on family planning, strengthen their leadership, and continue to fulfill the assigned targets. The mixed signals plunged the cadres into confusion, and in some places they reportedly lost faith in the resoluteness of the central authorities and stopped enforcing family planning requirements. Rumors began to circulate that the policy had changed and that all families were now allowed two children. In May, Wang Wei attempted to clarify the intent of Party Document No. 7, and throughout the summer and fall of 1984 warnings were issued against complacency, passivity, and laxness.[73] The 1983 policies on sterilization, IUD insertion, and abortion were reinstated, and, at least in some places, sterilization quotas were resumed.[74] This somewhat hardened line was still in force at the start of 1985.

The on-again-off-again anti-coercion campaigns and the alternate escalations and remissions in family planning demands make it quite clear that the central authorities approve and encourage the use of coercive methods and welcome the results gained through them but will not accept responsibility for them. The local cadres alone are held accountable for policy failures, whether due to excessive compulsion or not enough. Since the central authorities control the media at all levels, they can reinterpret policies and events to suit their own convenience. The local cadres seldom get to tell their side of the story.

THE CASE OF HUIYANG PREFECTURE

One of the few cases in which both the media version and the local side of a story are available for comparison occurred in 1981, thanks to the intervention of a Hong Kong newspaper. This case is extremely important as an indication not only of the accuracy of Chinese media coverage of politically sensitive matters but also of the credibility of official claims that coercion in family planning is not allowed. In the summer of that year, just as the second anti-coercion campaign was being terminated, the paper, *Contention Daily*, an enterprising offshoot of the journal *Contention*, began to receive letters from readers in Huiyang Prefecture, Guangdong Province, complaining of "cruel struggles and heartless attacks" carried out in the prefecture's family planning drive. Like its parent journal, the newspaper supported Deng Xiaoping and circulated widely in Guangdong, where its reporters enjoyed ready access to cadres and people alike. Accordingly, the paper sent a reporter fo Huiyang to investigate. The reporter learned that family planning work was directed by the acting prefectural Party secretary, Du Ruizhi, who had demanded at a meeting in late April that 47,000 women in the prefecture who had two or more children and were again pregnant be subjected to abortion in an all-out drive during May and June. Targets were assigned to all of the ten counties and municipalities in the prefecture. On May 26, Du made a speech calling for "total victory" and said that "although it was against the people's wishes" this was normal under the circumstances, that all methods of controlling population growth were correct, and that it did not matter if some "problems" occurred during the abortion drive because the Party would not hold the cadres responsible. Du promised that those who did a good job would be rewarded and assured them that the same methods were being used throughout the country.[75]

In many communes in Dongguan County, where the campaign was waged most fiercely, the pregnant women were herded into "study classes," where they were not allowed to talk to one another or to rejoin their families and were surrounded by "work teams" who pressured them to have abortions regardless of the duration of pregnancy. Those who resisted were criticized in public meetings, harassed, and humiliated. It was alleged that vehicles were sent to the villages to round up the pregnant women and take them to the hospitals by force, creating a panic wherever they appeared. Individual respondents told of seeing women taken away in handcuffs, tied with ropes, or in cages used to transport hogs. In Huidong County it was said that arrest warrants were issued for some women on which the word "pregnant" was written in the space indicating the crime committed.[76] In urban areas, water and electricity were cut off for noncompliant households; in rural areas the electricity was cut off, the houses were sealed, and fines were imposed. In one commune of Dongguan County, roof tiles were removed, the children of the family were turned out of doors, and other families were warned not to feed them or they would be fined. In one instance, a pregnant school teacher fled to another community to save her second pregnancy, but her husband was arrested and confined in a "water dungeon" until she returned and submitted to an abortion. The Dongguan Party secretary was quoted as saying that the purpose was to see to it that "there is no road to heaven and no door into the earth" for the pregnant women to escape through.[77]

Both the cadres and the masses were intimidated and dared not protest openly. Some of the cadres felt that the campaign was an example of "leftism," then under official interdict, a violation of human rights, Party discipline, and the laws of the state, and further strained relations between the Party and the masses. One cadre said that Du Ruizhi was "really like a mad dog that went around biting people." [78] The local public security organs reportedly refused to accept charges of law violation against Du's family planning cadres.[79]

The Hong Kong reporter could not at first ascertain under what authority Du Ruizhi was acting. The provincial newspaper, *Southern Daily*, seemed hesitant about reporting his activities, as though the provincial authorities were unsure of the official line, then in transition. At the end of May, Du went to Guangzhou to make a report, but instead of returning to Huiyang, he went to Beijing, apparently on his own initiative. When he next appeared in Huiyang, his manner was subdued, which led local cadres to suspect that his methods had been disapproved. By late July, it was rumored that Du would shortly be transferred back to a provincial organ, but people in Huiyang did not know whether this was a promotion or a demotion.[80]

They were not long left in doubt. In late August 1981, the Guangdong provincial authorities announced a new family planning drive for September to mobilize pregnant women for abortion, convened an "on-the-spot" meeting in Huizhou Municipality to "study the experiences" of Huiyang Prefecture in "getting a good grasp of family planning work in the new situation," and commended the Huiyang leaders for what they accomplished in May and June, when they had shown "great determination, . . . made a big show of strength, . . . (and) carried out ideological education together with letting the policy play its authoritative part." They were also congratulated for having "displayed the Party's fine work style of serving the masses and doing a good job of planned parenthood work." [81] Guangdong Governor Liu Tianfu concluded that "the experience was good and the achievement was great." [82] All areas were called upon to "learn from the experiences of Huiyang." [83] In September, the Huiyang example was brought to national attention by a XINHUA reporter who cited Huiyang's spring abortion drive as proof of what could be done "through patient and meticulous ideological work among the masses." [84]

With the high level approval of his tactics, Du Ruizhi also prospered. In November 1981, elevated to membership on the standing committee of the provincial Party committee, Du gave the summary speech at a provincial family planning meeting commending the Huiyang example, and in December he did the same at a meeting on family planning in Guangdong's cities.[85] In May 1983, Dongguan County was commended for its "excellent results" in family planning and for the fact that its "top people" took firm charge of the work and had "great determination and great momentum." [86] In August 1983, Du was in attendance at another provincial family planning meeting, in October he spoke at still another, and in May 1984 he addressed a provincial telephone conference and gave the closing speech at a "mobilization rally" introducing Party Document No. 7.[87]

The central authorities could hardly have been unaware of the allegations made against Du in the Hong Kong newspaper. The provincial authorities were not; they made at least one attempt to explain away one of the Huiyang incidents as a public misunderstanding.[88] In what was obviously a centrally directed action, mainland Chinese trading firms suddenly withdrew their advertising from the Hong Kong paper causing it to collapse on August 1, 1981, just 44 days after its founding.[89]

The Huiyang case shows how coercive practices can be upheld as examples of "patient and meticulous ideological work" and of "the Party's fine work style" by the Chinese media during periods when coercion has central approval. It also strongly sug-

gests that coercion is not merely a matter of local initiative but is actually the result of a correct reading of central intentions by local authorities. Moreover, the career of Du Ruizhi confirms what the *People's Daily* said in 1978 about the commendation and promotion of local cadres who accomplish centrally assigned tasks through coercive means.[90]

FOREIGN VIEWS ON THE COERCION ISSUE

Surprisingly, the evidence from China has not had a decisive impact on foreign perceptions of the nature of the Chinese family planning program. One reason may be that the detailed evidence is scattered in obscure sources and not easily assembled and evaluated. Another is that the Chinese authorities have withheld important directives and other parts of the record that might tend to contradict the officials claim that the program is voluntary. But perhaps the main reason why foreign descriptions of the Chinese program often ignore or downplay its coercive aspects is that for many foreign observers coercion in family planning poses a conflict of values that is not easily resolved. Many agree that China urgently needs to control its population growth but are also committed to humanitarian principles and ideas about human rights which coercion violates. Acceptance of the Chinese denials means that the inherent value conflict need not be faced.

Chinese statements for foreign consumption

For their part, the Chinese authorities do their best to see that their official story is made as acceptable as possible. Domestic communications about family planning in the Chinese media are often purposefully vague and euphemistic, but those addressed to foreign audiences are still more carefully worded and often contain what looks like calculated disinformation. Aside from the routine assertions that China's program is based on the voluntary cooperation of the people "under state guidance," [91] that it relies on education and persuasion, and that its success is due to "mass support and understanding," Chinese sources also insist that the state merely "advocates" or "urges" the adoption of birth control, that couples are "encouraged" to have only one child, and that sterlization is "provided free of charge." [92] Punitive measures are rarely alluded to in statements for foreign audiences. Instead, foreigners are assured that "all this is done on the basis of respect for personal choice" and that population plans are "worked out through full discussion from the grass roots up to the central level and have been carried out by the masses on a voluntary basis," [93] which amounts to a denial that targets and quotas are assigned from above.

In 1983, when mandatory sterilization, IUD insertion, and abortion were in full force, with sterilization as the key measure, Qian Xinzhong maintained that sterilization was "voluntary," and other spokesmen said that it was "encouraged" or "recommended" but "never compulsory," that women were "advised" to use IUDs, and that "no operation can be done without the person's consent." [94] To persuade foreign audiences that the program was not coercive, Qian argued in 1983 that it could not have attained the success it had without mass support. How, he asked, could you coerce one billion people? [95] But as Qian well knew, it is not necessary to coerce a billion people to force compliance with family planning requirements; coercing couples in the childbearing years, less than 35 pecent of the population, would suffice. Yet he evidently expected that in some foreign circles the assumptions implicit in his rhetorical question would not be examined too closely. In February 1985, on a visit to the United States, Zhou Boping, Vice-Minister of the State Family Planning Commission, allegedly told various questioners, including members of the U.S. Congress, Congressional staff, and journalists, that China does not force women to have abortions, does not have late-term abortions, promotes contraception but not abortion, permits parents whose first child is a daughter to have a second child, and punishes officials who resort to coercion by removing them from office. All of these claims are contradicted by evidence from other Chinese sources.[95a]

The response of foreign observers

Chinese family planning propaganda directed at foreigners has had somewhat mixed success. It has not impressed foreign media personnel in China, most of whom are inclined from training and experience to discount cover stories and probe further, but it has been quite effective with some other people, notably those that advocate planned parenthood and the control of population growth, some of whom have even tried to take issue on China's behalf with the journalists. For example, when the *Wall Street Journal* editorialized in April 1984 that "by now the evidence about coercive birth control in China is overwhelming," [96] a representative of a population control advocacy group responded by quoting Qian Xinzhong to prove that the Chinese "will not tolerate coercive practices" and that family planning in China "must be voluntary." [97] In 1982, a representative of another such organization allegedly defended the Chinese program as a "very well organized and good motivational program with strong political commitment" and one that "the world should copy," and in November 1984 the same spokesman, on a visit to China, reportedly said that he had not detected any coercion during his tour and added that "China has shown to the world what can be done when people conscientiously tackle the problem." [98]

Kind words have also been said about the Chinese family planning program by representatives of international organizations in the population field whose charters explicitly condemn the use of coercive measures. In 1981, Rafael M. Salas, Executive Director of the United Nations Fund for Population Activities (UNFPA), was quoted as saying that "China provides a superb example of integrating population programs with the national goals of development." [99] In April 1983, officials of the International Planned Parenthood Federation (IPPF) visiting China at the invitation of Qian Xinzhong reportedly said that China's program was successful because "the masses have an understanding of family planning" and "it is the people's own choice." They also said that China's population policies were consistent with the goals of the IPPF and invited the Chinese Family Planning Association, then an associate member of the IPPF, to become a full member.[100] In May, the UNFPA deputy in Beijing was quoted in an assertion that China's one child policy was "the only choice for a country with such a large population." [101] In June, a deputy secretary general of the IPPF allegedly said that China's program had been approved by the people, who saw it as in their interests and practiced family planning willingly.[102] In November, the IPPF Members' Assembly meeting in Nairobi reaffirmed the organization's commitment to voluntary informed choices about contraception and welcomed the Chinese Family Planning Association (and six others) to full membership.[103]

Meanwhile, a number of organizations, both governmental and private, have become involved in activities broadly supportive of the Chinese family planning program. Most prominent among them is the UNFPA, which in June 1980 signed an agreement to provide $50 million to China during 1980–85 to be used for various population-related activities, including the 1982 census, demographic training, and family planning. UNFPA assistance in family planning included support for the estalishment of a population information center and a training center for family planning workers.[104] When it became generally known outside China in the spring of 1983 that the Chinese leaders had embarked on a program of compulsory sterilization, IUD insertion, and abortion as a matter of national policy, the UNFPA was temporarily alarmed. Questioned by the *Washington Post* Beijing correspondent, United Nations officials who coordinated projects there said they were investigating whether the new policy violated United Nations principles. One was quoted as saying that "if there is a very explicit regulation that all couples with a second child must be sterilized, it could cause serious problems for the United Nations. . . . Compulsion in these matters is not acceptable." [105] Whatever the outcome of the investigation, the UNFPA projects continued. In February 1984, the UNFPA announced that it would provide another $50 million in assistance in China in 1985–89,[106] and in April Mr. Salas was quoted in a denial that the UNFPA has any evidence that its program in China supports coercive measures.[107]

But of all the foreign encouragements for the Chinese family planning program, none was more important symbolically than the United Nations population award conferred on Qian Xinzhong in 1983. In March it was disclosed that an award committee consisting of representatives from ten United Nations member countries, including China, had decided to honor Qian and Indian Prime Minister Indira Gandhi with the first of the newly instituted annual population awards.[108] This action caused consternation among some advocates of population control in other countries, who thought the selections ill-advised in view of the fact that China and India had the dubious distinction of being the only two countries in the world to attempt coercive family planning programs. The two awardees were both in positions of reponsibility while the attempts were being made. However, no public demur was heard except from one of the five members of an advisory group chosen to assist the awards committee. In a letter to Mr. Salas, the Nobel laureate economist, Prof. Theodore W. Schultz, of the University of Chicago, denounced the committee's decision as a "travesty" and told the UNFPA to remove his name from any materials involving the awards. Schultz charged that the Chinese policies were responsible for the high rate of female infanticide in China.[109] The awards were formally presented in New York in September 1983 by United Nations Secretary-General Javier Perez de Cuellar, who expressed "deep appreciation" for the way in which the Chinese and Indian governments had "marshalled the resources necessary to implement population policies on a massive scale." [110]

The Chinese authorities were at least equally appreciative of the award, which

they interpreted as "evidence of worldwide concern and support" for their family planning program. Qian Xinzhong expressed his gratitude not only to the United Nations but also to other international organizations and friends who "support China's effort." The evidence of international approbation was useful in discouraging domestic criticism of the program because it seemed to show that responsible world opinion sided with the Chinese government on this issue. It was also useful in Chinese counterattacks against foreign critics, whose allegations that the program was coercive were denounced as "slander" and "distortion." [111]

The coercion issue again received international attention in the spring and summer of 1984, when a U.S. Senate subcommittee heard testimony on the matter and the House of Representatives debated whether U.S. contributions to the UNFPA and the IPPF were being used to support the Chinese program. Public discussion at that time was not well informed about the nature of the program and tended to focus on the one aspect that was of high political salience in the United States—compulsory abortion—although for Chinese families compulsory sterilization would probably be regarded as much more devastating. The policy issue was ultimately narrowed to the question of whether funds contributed by the United States were being used to pay for abortions, which the UNFPA could plausibly deny.[112] It did not deal with the much larger question of whether it was possible to support any aspect of the Chinese program without seeming to endorse all of it. As a result, the position of the United States as put forward at the International Population Conference in Mexico City in August 1984 would have little bearing on coercion in the Chinese family planning program, although it might hamper the IPPF in providing help for voluntary abortions in other countries.[113]

However, in February 1985, after the publication in January in the *Washington Post* of three articles by its Beijing correspondent, Michael Weisskopf, describing in detail coercive family planning practices in China, the U.S. Agency for International Development (AID) announced that it had decided to postpone the allocation of $23 million to the UNFPA pending a careful review of the UNFPA program.[114] Also in February, the UNFPA prepared a "briefing note" in the response to an AID enquiry in which it claimed that the Chinese government only advocates but does not require compliance with the one child limit, that couples who wish a second or even a third child can have them, that in many rural areas couples whose first child is a girl can now have a second, that the acceptance of the one child limit "can only be on a voluntary basis," and that the government has repeatedly indicated to the people of China that "coercion is under no circumstances permitted. . . ." [114a] All of these allegations are either incorrect or misleading, as the preponderant evidence from Chinese sources makes clear. After a review of the evidence, AID announced at the end of March that it will withhold $10 million of the $46 million previously appropriated by the Congress for the UNFPA, an amount equivalent to the amount the UNFPA spends on China each year.[114b]

Whether the Chinese leaders would make a more sincere effort to curb coercion in their family planning program if the rest of the world showed more sincerity in condemning it is not certain. Several Chinese spokesmen at the Mexico City conference insisted that any foreign attempt to make China change its population policies would be viewed as a violation of China's sovereignty, thus, in effect, declaring population policy out of bounds for international human rights interventions.[115] Despite such statements, the Chinese authorities obviously want foreign approval of their family planning program and are sensitive to foreign criticism, but they may feel that they need not take the criticism seriously so long as prestigious organizations in the population field, such as the UNFPA and the IPPF, continue to laud their success without an adequate examination of the means by which it was attained.[116]

THE CONSEQUENCES OF SUDDEN FERTILITY REDUCTION

The speedy reduction of fertility in China achieved through compulsory family planning measures has already begun to ameliorate some aspects of population pressure, but it may not in the long run prove an unmixed blessing. As with other extreme policies imposed on the Chinese people without careful consideration of the long-range effects, the Party leaders have been reluctant to entertain publicly the possibility of adverse outcomes and tend to suppress criticism by declaring that the policy is "correct," wise, and well suited to China's current needs. As a result, the leaders are often slow to recognize that a policy is not working well unless a crisis ensues or there is a change of leadership.

Among the major examples of Party policies that provide disastrous for reasons that might have been foreseen, the briefest was the Big Leap Forward, but mainly because, despite Moa's effort to silence its critics, the policy percipitated a famine so severe that it could not be ignored. The collectivization of agriculture in 1955–56 seriously damaged peasant morale and "enthusiasm for production" for over 20 years, until a new leadership under Deng Xiaoping replaced it with the "production responsibility system" and the policy of letting peasants become "wealthy" through their own efforts. This seems to have solved the problem of motivation, but at the cost of disrupting successful collective undertakings, the rural health system, and the rural family planning efforts. In both these cases, the modification of the mistaken policies brought an immediate remission of some of the worst effects, but even an instant change in family planning policies would not erase the marks already imprinted on the Chinese age-sex structure by the policies of the mid-1970s and early 1980s, which will be visible for the next 80 years or so and may have echoes and reverberations that last longer still. Chinese demographers have pointed out that demographic trends have an inertial property. They have also made population projections showing the effects of current policies on age composition in China during the next century. But, until late in 1983, their published writings tended to discount the possibility that age composition could be a cause of problems in the future.

In 1980, when a reaction set in against the coerciveness of the newly instituted one child policy, Chinese sources said that "some comrades" were worried that the policy could lead to the excessive aging of the population, to shortages of workers and military recruits, to an imbalance of the sexes, and to heavy welfare burdens for the state. Among the people there were fears that after three generations of the one child policy, the age structure of the Chinese family would follow a "4-2-1" pattern—four grandparents and one child supported by two working parents. The writers of press articles insisted that these fears were unfounded, that the problems would not arise soon, and that there would be plenty of time to deal with them later on. In 1982, a demographer expressed concern about the effects of the one child policy on family structure, parent-child relations, family income and expenditures, social customs, moral concepts, and mass psychology. Many of the problems, he said, had not been studied yet, and he warned that history had a way of inflicting "punishments" on those who carried out unwise policies "blindly and subjectively." [117] In the same year, China sent a delegation to a United Nations conference on aging to find out how other countries were coping with the problem,[118] but still the official attitude as expressed in the press was that China would be able to solve its own aging problem in good time.[119]

In August 1983, one Chinese writer suggested that sudden changes in population growth rates could cause difficulties and that the low target population total set for the country for the year 2000 had its drawbacks. He added that the one child policy could mean that in 40 years' time some elderly couples would have no one to care for them and that it would be difficult to get only children to accept military service or work assignments far from home.[120] In November, a Chinese demographer said that the aging of China's population would be the "fastest in history"[120a] and that China should begin at once to plan how it would support the increasing numbers of elderly persons. He suggested that it was time to consider adjusting the family planning program to keep the problem from becoming too serious.[121] In August 1984, when the central authorities were again worried about a relaxation of local family planning efforts, the same demographer altered his position somewhat, arguing that it would be "highly inappropriate" to overemphasize the problems of aging, as "some people" were doing, and "relax population control right now."[122] Other writers echoed the official position that the problem was under study and would surely be solved.[123]

One reason for the apparent lack of concern about the aging of the population may be the fact that many of the benefits to the state from a sudden reduction in fertility are relatively immediate whereas the adverse consequences are mostly long-term. The declining birth rates of the 1970s have already eased the state's burden in providing childcare, consumer goods for children, and primary schooling in much of the country. By about 1989, the size of cohorts entering the labor force will diminish sharply, reducing the oversupply of rural labor and the numbers of urban young people "waiting for employment." Shortly after that, the demands for housing for newly married couples should also ease considerably. Under any projection that is based on the 1982 census age-sex structure and is carried forward according to fertility assumptions reflecting current official policies and plans, the proportion of the population in the working ages will increase until about the year 2010, when it will account for some 65 percent of the total population. But the proportion of the population aged 65 and over will rise steadily from now on and very rapidly after 2010, reaching 25 percent by the year 2040 if present fertility restrictions are continued to the end of this century. Whether the Chinese economy can solve the problem of providing financial security for so many retirees even if the goals of

modernization have been achieved by then is problematical, and there can be no assurance that the goals will be achieved on schedule even if the plan for future population growth is fully realized. The rate of population growth has not been the only deterrent to China's economic development in the last 30 years, which has made gains in spite of the near doubling of the population. Other major obstacles pointed out by Chinese economists include overcentralized control of the economy and unrealistic planning and management, which are implicit in the Chinese administrative system and will continue to hamper development whatever is done about population. If more developed economies sometimes have difficulty sustaining established social security systems when the number of beneficiaries is increasing more rapidly than the number of contributors, it is likely that China will encounter even greater difficulties in setting up an adequate system de novo under much more unfavorable demographic circumstances.

The social and political consequences of the sudden reduction in fertility are still harder to predict and may also be more difficult to resolve. Care for the elderly is not just a matter of providing food, clothing, shelter, and burial expenses; the need for health care will rise even more rapidly than the numbers of the elderly themselves, as will the need for such daily ministrations as were formerly tendered by family members at no cost to the state. Since the full impact of lower birth rates on these arrangements cannot easily be anticipated, there is no basis for the confident assurances by the Party leaders that all such matters can be taken care of later.

The most profound and incalculable effects of the family planning program may be those that result from changes in family structure and in child rearing practices. Articles in the Chinese media have expressed concern about the personality and character of only children, doted on by parents and grandparents and treated by the state as privileged individuals in regard to health care, education, and employment opportunities. Some reports suggest that they are becoming spoiled, self-centered, inclined to immediate gratification, willful, disrespectful toward authority—in short, exactly the kind of people least adapted to life under a political system that emphasizes obedience and orthodoxy. There is also some danger of political disaffection among the generation of their parents, many of whom lost their opportunities for secondary and higher education during the Cultural Revolution, are now deprived of some of the satisfactions of parenthood by the family planning program, and face the prospect of neglect in their old age.

The disaffection may be all the more acute if the rewards of economic development seem insufficient to justify the deprivations imposed on the Chinese people. After all, they have had little voice in the national policy decisions that have affected their lives. Had they been consulted about population policy, many might have chosen to forego some of the "modernization" their leaders have planned for them in order to have more children. More than in many other countries, an important element in the quality of life for the people of China is the gratification afforded by family life and the rearing of children, which have been high on the Chinese scale of values for thousands of years. In the last analysis, the costs of the Chinese experiment with coercive family planning may prove rather high. Is so, the burden of responsibility will rest not just with the Party leaders who ordered and directed it and the Chinese demographers who rationalized and promoted it but also with the foreign population control advocates who applauded it and identified its goals with their own.

FOOTNOTES

[1] The eighteenth century British economist, Thomas Robert Malthus, argued that population tended to outgrow the means of subsistence unless checked by war, famine, or pestilence. Marx vehemently denounced Malthus but failed to develop a population theory of his own. Many years later Marxists assumed that population growth was a sign of national prosperity and denied that socialist countries would ever need birth control.

[2] The actual magnitude of the losses can only be estimated, but most estimates are around 30 million. See the interview with Judith Banister reported in Stephens Broening, "The Death of 30 Million Chinese," The Baltimore Sun, April 26, 1984, p. A19; Ansley J. Coale, "Rapid Population Change in China," 1952-1982, Committee on Population and Demography, Report No. 27, National Academy Press, Washington, D.C., 1984, pp. 68-70; and Basil Ashton, Kenneth Hill, Alan Piazza, and Robin Zeitz, "Famine in China, 1958-61," Population and Development Review, Vol. 10, No. 4, December 1984, p. 614.

[3] For a discussion of the rationale used in the first and second birth control campaigns, see John S. Aird, "Population Policy and Demographic Prospects in the People's Republic of China," in Joint Economic Committee, Congress of the United States, "People's Republic of China: An Economic Assessment," U.S. Government Printing Office, Washington, D.C., 1972, pp. 225-244 and 275-294.

[4] By Hu Qiaomu, president of the Chinese Academy of Social Sciences, in an article entitled "Act in Accordance with Economic Laws; Step Up the Four Modernizations," published in Renmin ribao (People's Daily) (RMRB), October 6, 1978, XINHUA, Beijing, October 5, 1978, Foreign Broadcast Information Service (FBIS), No. 197, October 11, 1978, p. E17.

[5] Luo Weixiong, "The Current State of Chinese Agriculture and Our Historical Experience in Developing Agriculture," excerpts cited by Beijing radio, Domestic Service, February 14, 1979, FBIS, No. 34, February 16, 1979, p. E12.

[6] Commentator, "It Is a Major Task to Do a Good Job of Summer Grain Procurement," Haikou radio, Hainan Island Regional Service, May 22, 1979, FBIS, No. 102, May 24, 1979, p. P1.

[7] XINHUA, Beijing, September 25, 1980, FBIS, No. 189, September 26, 1980, p. L2.

[8] The statement about the stability and unity of society is from the eminent Chinese demographer Wu Cangping. See "Some Population Problems that Should Be Deliberated at an Early Date," Shijie jingji daobao (World Economic Report) (SJJJDB), Shanghai, No. 165, December 12, 1983, FBIS, No. 8, January 12, 1984, p. K4.

[9] The statement that the one child policy is the only choice for China was made first by Prof. Liu Zheng, Director of the Population Research Institute, Chinese People's University, Beijing, in "Laogu shuli yu jihua knogzhi renkou zangzhang de chanlue zixiang" ("Firmly Establish the Strategic Ideology of Planned Control of Population Growth"), RMRB, February 5, 1980, p. 5. It was repeated by Wu Cangping in "Tigao jihua shengyu xuanchuan de kexuexing" ("Raise the Scientific Nature of the Propaganda on Family Planning"), RMRB, April 1, 1983, p. 5. The last statement is from "Give Priority to Propaganda and Education in the Work of Family Planning," RMRB, September 29, 1981, FBIS, No. 192, October 5, 1981, p. K6.

[10] In 1982 Qian Xinzhong said that "the Party is very much at fault" in not coming to grips earlier with the population problem and that this was one of the reasons why it was now so difficult to eliminate poverty and backwardness in China. See "Quanguo jihua shengyu bangongshi zhuren peixunban jieye Qian Xinzhong qiangdiao bixu zhuajin jiejue renkou wenti" ("Training for the Directors of Family Planning Offices in the Country Concluded; Qian Xinzhong Emphasizes That Close Attention Must Be Given to Solving the Population Problem"), Xinhua ribao (New China Daily) (*XHRB*), Nanjing, May 28, 1982, p.3.

[11] For example, at a discussion meeting in 1979 convened by the State Council's Birth Planning Office, "some comrades" noted that the attack on Ma's population theory was based on the idea that more people meant "more views and enthusiasm," obviously a reference to Mao's 1958 statement that "The more people, the more views and suggestions, and the more intense the fervor and the greater the energy." For the comments of the "comrades," see XINHUA, Beijing, June 8, 1979, FBIS, No. 115, June 13, 1979, p. L16. In 1982, Bo Yibo, in a speech to a national family planning conference, noted that in the 1950s Ma, Shao Lizi, and Zhou Enlai all favored birth control, but, "after the appearance of the saying that 'a large population is a good thing,' all people believed it blindly." This is a reference Mao's September 1949 declaration that "It is a very good thing that China has a big population," which was quoted throughout the 1950's, even while family planning was being promoted. For Bo's speech, see Bo Yibo, "Kongzhi renkou yao tong shixian fan liangfan de zhanlue mubiao tong bu jinxing" ("Population Control Must March in Step with the Strategic Target of Quandrupling Output"), Jiankang bao (Health Gazette) (JKB), November 28, 1982, pp. 1-2.

[12] "Jiuliu nüying" ("Save the Baby Girls"), Zhongguo gingnian bao (China Youth Gazette), November 9, 1982, p. 3.

[13] "Investigation Conducted by Anhui Provincial Women's Federation Shows the Seriousness of the Situation of Drowning Baby Girls in Rural Areas and the Resulting Disproportion Between Male and Female Babies," RMRB, April 7, 1983, FBIS, No. 68, April 7, 1983, pp. K5-6.

[14] Zhang Wansong et al., "Yinger xingbili shitiao yao qieshi jiuzheng" ("Effective Steps Must Be Taken Against the Disproportion in the Sex Ratio at Birth"), Shehui (Society), April 20, 1983, p. 29.

[15] "Sex discrimination incompatible with socialist principles," China Daily (CD), March 2, 1983, p. 4; and Zou Ping, "Guanyu Beijingshi chusheng yinger xingbiebi de diaocha" ("A Survey of the Sex Ratio at Birth of Beijing Municipality"), Renkou yanjiu (Population Research), No. 4, July 29, 1983, p. 36.

[16] XINHUA-English, Beijing, April 15, 1983, FBIS, No. 75, April 18, 1983, p. K8; Beijing radio, Domestic Service, April 18, 1983, FBIS, No. 78, April 21, 1983, p. K7; and "Rudongxian renkou shengyulu chouyang diaocha zhengming jihua shengyu bu daozhi xingbiebi shitiao" ("Sample Fertility Survey Carried Out in Rudong County Shows that Family Planning Does Not Lead to Imbalance in the Sex Ratio"), JKB, May 19, 1983, p. 1.

[17] For example, an article in the journal Health Gazette asserted that "there is no inevitable link" between female infanticide and family planning. See Commentator, "Zhongguo renmin de jihua shengyu gongzuo burong waiqu" ("Distortions About the Family Planning Work of the Chinese People Are Not Allowed"), JKB, May 5, 1983, p. 1.

[18] KINHUA-English, Beijing, September 23, 1983, FBIS, No. 188, September 27, 1983, p. K9.

[19] "Sheng jihua shengyu bangongshi jiu dangqian cunzai de wenti tichu cuoshi" ("The Hebei Provincial Family Planning Office Proposes Measures in View of Current Problems"), Hebei ribao (Hebei Daily), Shijiazhuang, September 28, 1981, p. 1; Song Youtian, "Guanyu jihua shengyu gongzuo qingkuang de baogao" ("Report on Family Planning Work"), Shaanxi ribao (Shaanxi Daily), Xian, March 9, 1982, p. 3; "Cheng Shuyan xuanchuan jihua shengyu jiazhong bei za" ("The Home of Cheng Shuyan Was Smashed for Publicizing Family Planning"). Liaoning ribao (Liaoning Daily) (LNRB), Shenyang, January 11, 1983, p. 1; Chengdu radio, Sichuan Provincial Service, January 15, 1983, Joint Publications Research Service (JPRS), No. 82,842, February 10, 1983, p. 178; and Michael Weisskopf, "Abortion Tears at Fabric of China's Society," The Washington Post, January 7, 1985, p. A20.

[20] "Birthrate called bigger challenge than quadrupling," CD, December 2, 1982, p. 3.

[21] In 1980, a Tianjin news item said that there were some Party members and cadres who had openly expressed the feeling that they would "rather give up Party membership than not have a son." See Commentator, "Dangyuan ganbu yao zuo jihua shengyu de daitouren" ("Party Members and Cadres Must Be the Leaders in Practicing Family Planning"), Tianjin ribao (Tianjin Daily), Tianjin, February 13, 1980, p. 1. Some have actually paid the penalty. See for example Guangzhou radio, Guangdong Provincial Service, January 29, 1982, JPRS, No. 80,051, February 8, 1982, pp. 59-60; and "Zhao Wenru ju bu jihua shengyu bei kaichu dangji" ("Zhao Wenru Refuses to Practice Family

Planning and Is Expelled from the Party"), RMRB, January 28, 1983, p. 4.

[21] "Sustained Efforts Are Needed in Planned Parenthood Work," RMRB, January 27, 1981, FBIS, No. 28, February 11, 1981, p. L19.

[22] KYODO, Beijing, June 25, 1980, FBIS, No. 126, June 27, 1980, p. Q1.

[23] Yang Zhonghao, "Guanghan, Xinduxian shixing ganbu gangwei zerenzhi de diaocha" ("An Investigation of the Implementation of the Tentative Cadre Job Responsibility System in Guanghan and Xidu Counties"), Jingji guanli (Economic Management), No. 4, April 15, 1982, pp. 76-79.

[24] "Gaozhan gongshe shixing 'sanguagou' jihua shengyu chuxian xin jumian" ("Gaozhan Commune's Family Planning Has a New Breakthrough After Practicing the 'Three-Hook-Up' "), Sichuan ribao (Sichuan Daily) (SCRB), Chengdu, April 24, 1982, p. 1.

[25] "Defengxian quanmian jianli renkou shengchan zerezhi" ("Dafeng County Establishes Population and Production Responsibility Systems"), XHRB, June 19, 1982, p. 4; "Qidingshan gongshe jianli jihua shengyu zerezhi" ("Qidingshan Commune Establishes a Family Planning Responsibility System"), LNRB, January 3, 1983, p. 1; and "Jiuyouguan nongcun jihua shengyu wenti da duzhe wen" ("Questions and Answers on the Problems of Rural Family Planning"), LNRB, January 6, 1983, p. 3.

[26] "Some Current Problems in Drafting Laws," Guangming ribao (Guangming Daily) (GMRB), December 22, 1978, FBIS, No. 3, January 4, 1979, p. E7. This item also implies that Chinese references to "propaganda" may cover actions that are actually coercive.

[27] Changsha radio, Hunan Provincial Service, September 23, 1979, EBIS, No. 188, September 26, 1979, pp. P2-3; and Michael Weisskopf, loc. cit.

[28] Quoted in Pi-chao Chen, Rural Health and Birth Planning in China, International Fertility Research Program, Research Triangle Park, North Carolina, 1981, p. 44.

[29] Jay Mathews, "China Pressures Couples to Have Only One Child," The Washington Post, February 28, 1980, p. A20.

[30] Amanda Bennett, "China Cajoles Families and Offers Incentives to Reduce the Birth Rate," The Wall Street Journal, July 6, 1983, p. 23.

[31] By May 1981, more than 20 provinces had adopted such laws. Xian radio, Shaanxi Provincial Service, May 3, 1981, FBIS, No. 85, May 4, 1981, p. T4.

[32] XINHUA-English, Beijing, December 4, 1982, FBIS, No. 235, December 7, 1982, p. K12. Significantly, neither the provincial family planning laws nor the national constitution explicitly prohibit coercion in family planning or specify penalties for it. The Chinese press has not yet described a case of a cadre being punished for using coercion for any purpose, though it has cited many cases of severe punishments for violating family planning laws.

[33] Guangzhou radio, Guangdong Provincial Service, May 2, 1982, FBIS, No. 85, May 3, 1982, p. P3.

[34] See below, pp. 30-33.

[35] Sometimes popular acceptance was taken as an a priori assumption, as when Xu Dixin argued in 1981 that "Since our country is a socialist state (and) since our birth control program is in the interests of the people. . . ., it is certain that it is favored by the great majority of our people." See Xu Dixin, "A Few Problems Concerning Population Science, Jingji yanjiu (Economic Research) (JJYJ), No. April 20, 1981, FBIS, No 101, May 27, 1981, p. K23. Official spokesmen insisted that the policy emphasized "persuasive education and the people's willingness" and that coercion was "against state policy." See "Incentives help control population," CD, August 8, 1983, p. 4. A State Family Planning Commission spokesman said in July 1984 that the reduction in fertility in China "could never have been achieved without the people's voluntary support." See "Two-child families for next generation," CD, July 4, 1984, p. 1. Hebei Province claimed that the 2 million sterilizations it had performed in January-August 1983, during the mandatory sterilization program that represented the peak in coercion thus far in China's family planning work, were all "based on the masses' own free will." See "Hebeisheng jiaqiang jieyu jishu gongzuo" ("Hebei Province Strengthens Birth Control Technical Work"), JKB, October 25, 1983, p. 1.

[36] Editors of the Beijing Review, an English language journal for foreign consumption, have said that "in promoting family planning, we have always emphasized education and opposed coercion" and that the government "never hesitates to correct (cases of coercion) the moment they are discovered." See An Zhiguo, "Family Planning," Beijing Review (BR), Vol. 26, No. 35, August 29, 1983, p. 4; and Xin Lin, "A realistic Population Policy," BR, Vol. 27, No. 30, July 23, 1984, p. 4.

[37] Xinhua-English, Beijing, August 2, 1978, FBIS, No. 151, August 4, 1978, p. M5; and "A Big Change in Cadres' Work Style Is Demanded," RMRB, August 2, 1978, FBIS, No. 151, pp. E2-5. For more details on the manifestations of coercion is spheres other than family planning, see John S. Aird, "Fertility Decline in China," Chapter 4 in Nick Eberstadt, (ed.), "Fertility Decline in the Less Developed Countries, "Praeger Publishers, 1981, pp. 188-189.

[38] Nanning radio, Guangxi Zhuang Regional Service, August 12, 1978, FBIS, No. 159, August 16, 1978, p. H3.

[39] "All-Out Effort, Policy, and Work Style," SCRB, September 26, 1978, FBIS, No. 190, September 29, 1978, p. J1.

[40] "We Should Have a Large Number of Cadres Who Dare to Study, Single Out, and Solve Problems," RMRB, December 7, 1978, FBIS, No. 239, December 12, 1978, pp. E11-12.

[41] Contributing Commentator, "Forget Not the Relationship That Is as Close as Fish to Water," RMRB, August 19, 1978, FBIS, No. 164, August 23, 1978, p. E2.

[42] Michael Parks, "Sex is high on list of new Chinese freedoms," The Baltimore Sun, January 25, 1979.

[43] Hua Guofeng, "Unite and Strive to Build a Modern, Powerful Socialist Country!" (Report on the work of the government delivered at the first session of the Fifth National People's Congress, February 26, 1978), XINHUA-English, Beijing, March 6, 1978, FBIS, No. 45, March 7, 1978, p. D25.

[44] The rates for 1976, 1977, and 1978 were 12.72, 12.12, and 12.05, respectively.

[45] XINHUA, Beijing, January 26, 1979, FBIS, No. 22, January 31, 1979, P. E9.

[46] XINHUA-English, Beijing, June 28, 1979, FBIS, No. 127, June 29, 1979, p. L5.

[47] Liu Haiquan, "Control Population Growth with the Same Drive Used in Grasping Production and Construction," GMRB, September 13, 1979, JPRS, No. 74,694, December 13, 1979, p. 68.

[48] "Shenggeweihui zhaokai jihua shengyu gongzuo dianhua huiyi" ("Guangdong Provincial Revolutionary Committee Holds Telephone Conference on Family Planning Work"), Nanfang ribao (Southern Daily) (NFRB), November 11, 1979, p. 1.

[49] Xu Dixin, "A Few Problems Concerning Population Science," JJYJ, No. 4, April 20, 1981, FBIS, No. 101, May 27, 1981, p. K23.

[50] They were told that this was "completely wrong" and that law enforcement could not be considered coercion since people must obey the laws. The authorities were not troubled by the fact that the laws themselves were coercive. See "Dui wosheng jihua shengyu gongzuo de jidian xiwang" ("A Few Expectations Concerning Planned Parenthood Work in Guangdong Province"), NFRB, October 6, 1980, p. 1; and Xu Xuehan, "Tiaozheng woguo renkou zaishengchan de guanjianxing juece" ("The Key Policy Decisions in the Readjustment of China's Population Reproduction"), GMRB, August 29, 1981, p. 3.

[51] XINHUA, Beijing, September 15, 1980, FBIS, No. 184, September 19, 1980, p. L22. The new minimum ages were 20 for women and 22 for men. But the previous administrative restrictions had set limits as high as 23 and 25, respectively, or higher in most areas. These limits were now said to be superseded. Even before the new law was formally promulgated on January 1, 1981, there was a rush to get married throughout the country.

[52] Some areas reported a rise in second births. As some people put it, "the loudspeakers are silent, the secretaries are mute, and babies are being born." See "Renda daibiao fayan yaoqui jihua shengyu ying lifa" ("Deputies to the National People's Congress Demand that a Family Planning Law Be Enacted"), JKB, December 13, 1981, p. 1.

[53] * * *.

[54] XINHUA, Beijing, March 13, 1982, FBIS, No. 50, March 15, 1982, pp. K4-6.

[55] "Firmly Adhere to the Scientific and Correct Population Policy, "RMRB, March 14, 1982, FBIS, No. 50, March 15, 1982, p. K3.

[56] XINHUA, Beijing, March 13, 1982, loc. cit.

[57] XINHUA, Beijing, November 1, 1982, FBIS, No. 213, November 3, 1982, p. K20. A few days later he said in an interview that the annual increment should be kept under 11 million, 3 million less than the 14 million figure for 1981. See XINHUA-English, Beijung, November 6, 1982, JPRS, No. 82,378, December 3, 1982, p. 74.

[58] XINHUA, Beijung, November 6, 1982, FBIS, No. 218, November 10, 1982, p. K21.

[59] "Guanyu kaizhan quanguo jihua shengyu xuanchuanyue huodong de tongzhi" ("Circular on Carrying Out the Nationwide Family Planning Propaganda Month Activities"), State Family Planning Commission Document No. 207, December 6, 1982, Zhonghua renmin gongheguo guowuyuan gongbao (People's Republic of China State Council Bulletin), 1982:21, February 12, 1983, pp. 1063-1070.

[60] "Zhongyang lingdao tongzhi zuijin zhichu jihua shengyu gongzuo bixu jixu zhuahao" ("A Central Leadership Comrade Recently Pointed Out that Family Planning Work Must Continue to Be Done Well"), *JKB*, March 3, 1983, p. 1; and "Jiu youguan jieyu jishu zhengce, shengyu zhengce deng wenti Wang Pingshan fushengzhang da jizhe wen" ("Vice-Governor Wang Pingshan Answers Reporter's Questions on Policies on Birth Control Techniques and Childbearing"), NFRB, May 15, 1983, p. 2.

[61] Joint Investigation Team, State Family Planning Commission, Hebei Provincial Family Planning Office, and Shijiazhuang Prefectural Family Planning Office "Nongoun jihua shengyu gongzuo do yixiang zhongda cuoshi" ("An Important Step in Rural Family Planning Work"), JKB, April 3, 1983, p. 2.

[62] Guangzhou radio, Guangdong Provincial Service, May 14, 1983, FBIS, No. 14, June 13, 1983, p. P1.

[63] The advantages of sterilization were set forth in an article in a national health journal. See Ju Genhua, "Tichang nongoun yi sheng liangrai de yuling fufu ziyuan zuo jiezha" ("Exchange Rural Couples of Childbearing Age Who Already Have Two Children to Volunteer for Sterilization"), JKB, January 16, 1983, p. 2.

[64] For example, Guangdong Province reported that it had 7 million couples of childbearing age, of which 5.2 million had two or more children and "should be sterilized," but only 2.2 million had already had the operation by May 1983. The province had a three-year plan to sterilize 2.7 million of the remainder, of whom 1.7 million were to be sterilized in 1983. See "Sheng weishengting fachu tongzhi yaoqiu geji weisheng bumen zuohao jihua shengyu jishu gongzuo" ("The Provincial Pubic Health Department Issues Circular Requesting Public Health Organs at All Levels to Do Well in Technical Planned Birth Work"), NFRB, May 10, 1983, p. 1.

[65] "Zhongyang lingdao tongzhi zuijin zhichu jihua shengyu gongzuo bixu jixu zhuahao" ("A Central Leadership Comrade Recently Pointed Out that Family Planning Work Must Continue to Do Well"), JKB, March 3, 1983, p. 1. The "central leadership comrade" was Qian Zinzhong.

[66] These figures were obtained from the Ministry of Health by Michael Weisskopf. See "Abortion Policy Tears at Fabric of China's Society," loc. cit. A total only slightly different was estimated by Judith Banister from official data on nationwide birth control usage in 1982 and 1983. See Judith Banister. China's Changing Population, Stanford University Press, Stanford, California, (forthcoming in 1985), table 7.2.

[67] "China set to invoke new law on statistics," *CD*, December 9, 1983, p. 1.

[68] "Guojia jihua shengyu weiyuanhui fuzhe tongzhi weiwen jiceng ganbu he duzinuhu" ("Resonsible Comrades of the State Family Planning Commission Visit Basic Level Cadres and Households with an Only Child"), JKB, January 29, 1984, p. 1.

[69] "Quanguo sheng, shi, zizhiqu jihua shengyu weiyuanhui zhuren huiyi haozhao jixu dali zhuahao jihua shengyu gongzuo" ("Conference of Directors of Family Planning Commissions of All Provinces, Municipalities, and Autonomous Regions Calls for Continued Efforts to Carry Out Family Planning Work"), RMRB, March 8, 1984, p. 1.

[70] In October, a writer in the same journal revealed that the Party Central Committee had suggested that the proportion of couples to be considered for a second child be increased to 10 percent. This was called "opening a small gap" and was contingent on the success of the effort to close the "large gap" of other families having unauthorized births. See Long Guangrong, "Renzhen kai hao xiaokou qieshi duzhu dakou" ("Earnestly Do Well in Opening a Small Gap and Effectively Close the Large Gap"), Jiankang bao jihua shengyu ban

(Health Gazette Family Planning Edition) (JKBJHSYB), October 19, 1984, p. 3.

[71] "Ge sheng, zizhiqu, zhixiashi lianxi dangdi shiji jiejue wenti ba zhongyang dui jihua shengyu gongzuo de zhibiao bianwei xingdong" ("Provinces, Autonomous Regions, and Municipalities Solve Problems by Taking Local Realities into Consideration and Turn the Directives of the Party Central into Actions"), JKBJHSYB, May 18, 1984, p. 1. But the article also said that the success of previous policies in reducing the numbers of births showed that they were "completely correct."

[72] "Weishengbu he guojia jihua shengyu weiyuanhui lianhe fachu tongzhi yaoqiu gedi guance zhongyang zhishi jingshen zuohao jihua shengyu jishu zhidao gongzuo" ("The Ministry of Public Health and the State Family Planning Commission Issue a Joint Circular Requesting that All Areas Carry Out the Guidelines of the Central Committee by Doing Well in the Work of Giving Family Planning Technical Guidance"), JKBJHSYB, June 8, 1984, p. 1; and Peng Zhiliang, "Tan jihua shengyu zhengce yao heqing heli" ("Family Planning Policy Must Be Fair and Reasonable") JKBJHSYB, June 29, 1984, p. 3. A month earlier the journal had carried an article citing as an example to be copied a hunan county that would not permit its cadres to violate the "four-not-allowed"—i.e., not allowed to "scold the masses," "break down houses," "take away the grain," or "carry away the pigs." The county was congratulated for having had "no cases of coercion since 1981." Its cadres had changed their "work style" and now they "tasted the sweetness"—they were welcomed by the masses wherever they went! See "Zhuzhong gongzuo fanfa guanxing qunzhong jiku" ("Pay Attention to Work Methods and Care for the Sufferings of the Masses"), JKBJHSYB, May 18, 1984, p. 3.

[73] "Ba Zhongyang jingshen wei ganbu qunzhong de zijue xingdong" ("Turn the Guidelines of the Party Central Committee into Voluntary Actions on the Part of the Cadres and the Masses"), JKBJHSYB, July 6, 1984, p. 1. This article is an abstract of a discussion Wang Wei had with reporters on May 29, 1984.

[74] A report from Hainan Island in August 1984 complained that the region had done rather poorly in fulfilling the sterilization quota assigned by the provincial authorities. See Haikou radio, Hainan Island Service, August 31, 1984, FBIS, No. 173, September 5, 1984, p. P5. The 1983 policies are also mentioned in Xining radio, Qinghai Provincial Service, October 16, 1984, FBIS, No. 204, October 19, 1984, p. T1; and Nanning radio, Guangxi Regional Service, December 4, 1984, FBIS, No. 236, December 6, 1984, p. P1.

[75] Lo Ming, "'Zuo' xing weigai huaiyun youzui" ("The 'Leftist' Nature Has Not Been Changed; It Is a Crime to Be Pregnant"), Zhengming ribao (Contention Daily), (ZMPB), Hong Kong, July 27, 1981, p. 1.

[76] Ibid.

[77] Lo Ming, "Xiaohua guaishi wuqibuyou" ("Laughable and Peculiar Events; Nothing is Too Strange"), *ZMRB*, July 28, 1981, p. 1.

[78] Lo Ming, "Why is There Still Lawlessness? The Ultraleftist Practice of 10 Counties and Municipalities in East Guangdong in Planned Parenthood, "*ZMRB*, July 29, 1981, JPRS, No. 78,901, September 3, 1981, pp. 68-69.

[79] Lo Ming, "Xiaohua guaishi wuqibuyou," loc. cit.

[80] Lo Ming, "Why is There Still Lawlessness? . . . ," p. 70.

[81] Guangzhous radio, Guangdong Provincial Service, August 20, 1981, FBIS, No. 162, August 21, 1981, p. P1; Guangzhou radio, August 28, 1981, FBIS, No. 169, September 1, 1981, p. P5; and Guangzhou radio, August 29, 1981, FBIS, No. 169, September 1, 1981, p. P6.

[82] "Jianchi ba jihua shengyu he gongnongye shengchan zhe liangjian dashi yiqi zhuahao" ("Persist in Grasping Family Planning Work and Agricultural and Industrial Production Simultaneously and Well"), NFRB, August 29, 1981, p. 1.

[83] "Xuexi Huiyang diqu jingyan zhuahao jihua shengyu gongzuo" ("Learn from the Experiences of Huiyang Prefecture and Grasp Family Planning Work Well"), NFRB, August 29, 1981, p. 1.

[84] XINHUA, Beijing, September 11, 1981, FBIS, No. 179, September 16, 1981, pp. P1-2.

[85] At the first meeting, it was asserted that since the Huizhou "on-the-spot" meeting there had been an improvement in family planning and the cadres' "work style." See "Shengfu zhaokai jihua shengyu gongzuo huiyi yanjiu jinhou gongzuo" ("The Guangdong Provincial Government Holds a Family Planning Work Meeting to Study Plans for the Coming Year"), NFRB, December 2, 1981, p. 1; and Guangzhou radio, December 20, 1981, JPRS, No. 79,892, January 19, 1982, p. 52.

[86] "Qingyuan, Dongguan jihua shengyu gongzuo chengji xianzhu" ("Qingyuan and Dongguan Achieved Marked Results in Family Planning Work"), NFRB, May 20, 1983, p. 1.

[87] Guangzhou radio, August 8, 1983, FBIS, No. 155, August 10, 1983, pp. P1-2; Guangzhou radio, October 8, 1983, FBIS, No. 197, October 11, 1983, p. P1; Guangzhou radio, May 8, 1984, FBIS, No. 91, May 9, 1984, pp. P1-2; and Hu Fuqiang, Guangdong sheng, Guangzhou shi lianhe zhaokai jihua shengyu gongzuo dongyuan dahui" ("A Mobilization Meeting on Family Planning Work Was Jointly Held by Guangdong Province and Guangzhou Municipality"), Renkou yu jingji (Population and Economics) (RKYJJ), No. 4, August 25, 1984, p. 63.

[88] The explanations were offered by Li Hanbo, deputy director of Guangdong's provincial family planning organ (hence an underling of Du Ruizhi), to an American reporter. See Christopher S. Wren, "China's Birth Goals Meet Regional Resistance," The New York Times, May 15, 1982, p. 7.

[89] David Bonavia, "Deng stops the presses," Far Eastern Economic Review, August 7, 1981, p. 34.

[90] See above, pp. 23-24.

[91] For example, see Beijing Centre of Communication and Education for Family Planning, "A Bird's Eye View of China's Population and Family Planning," (no date or place of publication), p. 3.

[92] XINHUA-English, Beijing, May 19, 1979, FBIS, No. 102, May 24, 1979, p. L6; XINHUA-English, Beijing, October 26, 1981, FBIS, No. 207, October 27, 1981, pp. K7-8; "Speech by Head of Chinese Delegation at Third Asian and Pacific Population Conference," (mimeo), 1982; XINHUA-English, Beijing, March 21, 1983, FBIS, No. 56, March 22, 1983, pp. K7-8; and "Highlights from Statements of Countries in the ESCAP Region at the 39th Session of ESCAP, April 19-29, 1983," Population Headliners, No. 98, May 1983, p. 3.

[93] Chinese Delegation to the Third Asian and Pacific Population Conference, "China's Population and Its Prospects," (country statement), September 1982, p. 7; and Beijing Centre of Communication and Education for Family Planning, loc. cit.

[94] Qian Xinzhong, "Controlling Population Growth," BR, Vol. 26, No. 7, February 14, 1983, p. 23; Michael Weisskopf, "China Orders Sterilizations for Parents," The Washington Post, May 28, 1983, p. A27; XINHUA-English, Beijing, August 3, 1983, FBIS, No. 151, August 4, 1983, p. K9; and An Zhiguo, "Family Planning," BR, Vol. 26, No. 35, August 29, 1983, p. 4.

[95] XINHUA-English, Beijing, September 23, 1983, FBIS, No. 188, September 27, 1983, p. K9.

[95a] See "China's Program: 'Voluntary, Not Coercive,'" Popline, Vol. 7, No. 2, February 1985, p. 3. The remarks attributed to Zhou in this article are not necessarily verbatim, but the Population Institute staff member who prepared the article is confident that they are accurate in substance.

[96] "Paying for Abortions," The Wall Street Journal, April 9, 1984, p. 34.

[97] See the letter from Fred O. Pinkham, President of the Population Crisis Committee, in The Wall Street Journal, April 20, 1984.

[98] The spokesman was Werner Fornos, President of the Population Institute, who visited China at the invitation of the State Family Planning Commission in November 1984. See "China Daily wins global media award," CD, March 16, 1982, p. 3; and "Husbands praised by population expert," CD, November 24, 1984, p. 1.

[99] "1% Population Growth Goal for Asia," Popline, Vol. 3, No. 11, November 1981, p. 2.

[100] "Guojia jihua shengyu lianhehui Wu Kunhuang zhuxi he Aluweihaier zhuren sho: Zhongguo de jihua shengyu shi renmin zijide xuanze" ("President Ng Khoon-Fong and Director Aluvihare of the International Planned Parenthood Federation Say that China's Family Planning Is the People's Own Choice"), JKB, April 28, 1983, p. 1; and "Family planning measures 'hopeful'," CD May 4, 1983, p. 3. One of the officials has stated in a letter to the author that the comments quoted in the first of these sources had been "lifted out of context." He also said that the IPPF visitors questioned their hosts about reports of infanticide and coercion in China. From his report of their responses it is apparent that the visitors received the usual answers.

[101] XINHUA-English, Beijing, May 7, 1983, FBIS, No. 92, May 11, 1983, p. K12.

[102] XINHUA-English, Beijing, June 21, 1983, JPRS, No. 83,802, June 30, 1983, p. 48.

[103] "Human rights defined," People, London, Vol. 11, No. 1, 1984, p. 36.

[104] Population Division, Economic and Social Commission for Asia and the Pacific, Asian-Pacific Population Programme News, Vol. 11, Nos. 1 & 2, 1982, pp. 22-24; "Teaching aids to boost family planning drive," CD, February 3, 1982, p. 1; and "Work starts on family planning training centre," CD, March 17, 1982, p. 3.

[105] Michael Weisskopf, "China Orders Sterilizations for Parents," loc. cit. Requiring a "very explicit regulation" set an impossible standard for the incriminating evidence. The Chinese central authorities would never issue a directive on this form because that would make it impossible to shift the blame to lower levels if the adverse public reaction were too strong. Moreover, the authorities seldom publish family planning directives and certainly not those that contradict their claim that the program is not coercive.

[106] "UN aid for population planning," CD, February 25, 1984, p. 1.

[107] "Paying for Abortions," loc. cit.

[108] "Xinzhong, Gandhi Win Population Awards," Popline, Vol. 5, No. 3, April 1983, pp. 1 and 4.

[109] Bernard Nossiter, "Population Prizes from U. N. Assailed," The New York Times, July 24, 1983, p. 4. Contacted by the newspaper, Mr. Salas reportedly defended the awards and dismissed Schultz's allegations about infanticide as "an inference." But the same inference was drawn in Chinese sources in late 1982 and earl 1983, until the foreign press began to repeat them, and it is supported by relevant demographic data from China. See above, pp. 9-12.

[110] "Perez de Cuellar Issues Warning On Overpopulation," Popline, Vol. 5, No 9, October 1983, p. 4.

[111] For example, see Qian Xinzhong's remarks in August 1983 in XINHUA-English, Beijing, August 3, 1983, FBIS, No 151, August 4, 1983, pp. K7-8.

[112] "Paying for Abortions," loc. cit.; and "Congress Debated Population Aid," Population Today, Vol. 12, No. 6, June 1984, pp. 3-4.

[113] "No aid to abortion promoters—US," CD, July 16, 1984, p. 1.

[114] "U.S. Withholds $23 Million From U.N. Population Fund," The Washington Post, February 6, 1985, p. A14; and "U.S. Delays Population Aid," The Washington Post, February 7, 1985, p. A10.

[114a] United Nations Fund for Population Activities, "UNFPA and China: Briefing Note," February 9, 1985, pp. 3-5. This document cites the Party Central Committee "open letter" of September 1980, written during the anti-coercion reaction to the excesses of 1979, and the March 1984 conference of family planning leaders, held to curb the excesses of 1983, but it ignores the policies of 1983, when coercion in the Chinese family planning program reached its peak of intensity thus far, and it does not mention the hardening of the line since the summer of 1984 that followed the slight relaxation of March 1984. The effect is to convey a mistaken impression that the policy has been progressively relaxed in recent years; what has actually happened is instead a net escalation from 1978 through 1983, with a very slight relaxation since 1983. The program remains highly coercive. See also George Archibald, "Pro-life, AID forces clash on U.S. aid to China's population control," The Washington Times, March 18, 1985, p. 7B.

[114b] The administration had previously taken the position that it would provide no further U.S. aid to any organization whose projects directly or indirectly supported abortion or coercive family planning practices, but an AID official reportedly said that the partial withholding of funds was intended to "give UNFPA a chance to clean up its act." See "U.S. Cutting Population Agency's Funds," The Washington Post, March 31, 1985, p. A7; and George Archibald, "AID seeks to cut U.N. population agency's funding," The Washington Times, April 1, 1985, p. 3A.

[115] Shen Guoxing, "A Brief Introduction to China's Family Planning Program," (Statement at a press conference in Mexico City), August 9, 1984, pp. 4-6; and Xu Dixin, "On Population Control and Free Economy—Answering Questions by a China International Broadcasting Station Reporter," SJJJDB, November 26, 1984, JPRS, No. 85-007, January 16, 1985, p. 11.

[116] A UNFPA official was recently quoted as saying that the Chinese authorities had "really taken very seriously everything that the U.N. has

suggested" and had "taken important steps" to deal with reported abuses in their family planning program. (See "U.S. Withholds $23 Million From U.N. Population Fund," loc. cit.) Of course, after the 20.8 million sterilizations of 1983, the need for coercion in family planning would have been significantly reduced. Forcible sterilization assures future compliance without further strong measures.

[117] Zha Ruichuan, "Renkou guanxing ji qi dui woguo renkou de yingxiang" ("Population Inertia and Its Effects on China's Population Growth"), RKYJJ, No. 2, April 25, 1982, pp. 19-23.

[118] "Aging world poses problems," CD, July 9, 1982, p. 4; and "Grannies to outnumber the young," CD, July 24, 1982, p. 1.

[119] Bai Jiefu, "Work on Population and Planned Parenthood," RKYJJ, No. 5, October 25, 1982, JPRS, No. 84-011, February 1, 1982, p. 31.

[120] Gui Shixun, "Diqijiang: Weilai renkou ziran biandong yao youli yu shehui de fazhan" ("Lecture VII: The Rate of Change in Population Must Be Favorable to Social Development"), Shehui (Society), No. 4, August 20, 1983, pp. 61-65.

[120a] The rapid aging of the population is a phenomenon common to all populations that have made a quick transition from high to low fertility. As the progressively larger cohorts of people born when fertility was still high and the population was growing rapidly reach the advanced ages and their places in the younger and middle ages are taken by progressively smaller cohorts born during the years when fertility was falling and population growth slowing down, the numbers of the elderly rise, their proportion of the total population increases still more quickly, and the average age of the population also rises. Hence the population as a whole is said to be "aging."

[121] XINHUA-English, Beijing, November 8, 1983, JPRS, No. 84,857, December 1, 1983, p. 50; Wu Cangping, "Some Population Problems that Should Be Deliberated at an Early Date," SJJJDB, No. 165, December 12, 1983, FBIS, No. 8, January 12, 1984, pp. K3-6; and Wu Cangping, "Yindang zhuyi de liangge renkou wenti" ("Two Problems to Which We Should Pay Attention"), Jingjixue wenzhai (Economics Digest), No. 4, 1984, p. 58.

[122] Wu Cangping, "Problems of Old Age and Our Countermeasures," RMRB, August 20, 1984, JPRS, No. 84-065, October 2, 1984, p. 27.

[123] For example, see Fei Xiaotong, "Planning Population Growth and Distribution," China Reconstructs, Vol. XXXIII, No. 5, May 1984, p. 13; and Tian Xueyuan, "Cong renkou nianling jieguo biandong kan jihua shengyu gongzuo de weida chengjiu" ("Great Achievements Made in Family Planning Work as Shown by Changes in the Age Structure of the Population"), JKBJHSYB, August 31, 1984, pp. 1-2.

[From the Washington Post, Jan. 7, 1985]

ABORTION POLICY TEARS AT FABRIC OF CHINA'S SOCIETY

(By Michael Weisskopf)

DONGGUAN COUNTY, CHINA.—No government program has cut so deeply into Chinese society nor inspired such strong resistance in 35 years of Communist rule as the struggle to trim China's population.

Chinese leaders consider their policy of "one couple, one child" a fight for national survival, the chief prerequisite of modernization. Publicly, they claim to rely on the powers of persuasion and education, exercising a policy of voluntary consent. They point to declining birth rates and happy one-child couples as symbols of success worthy of the United Nations' first family planning award given jointly to China and India in 1983.

But a closer and longer look reveals a very different picture. China, to be sure, is curbing its population growth, but its success is rooted in widespread coercion, wanton, abortion and intrusion by the state into the most intimate of human affairs.

"The size of a family is too important to be left to the personal decision of a couple," Minister of Family Planning Qian Xinzhong explained before resigning last year.

"Births are a matter of state planning, just like other economic and social activities, because they are a matter of strategic concern," he said. "A couple cannot have a baby just because it wants to. That cannot be allowed if China is to stabilize its population and keep it from doubling and redoubling as it might."

The one-child policy was launched in 1979 as the centerpiece of an ambitious plan to contain China's population at 1.2 billion by the year 2000. China now has a population estimated at 1,038,000,000—22 percent of humanity—and has just 7 percent of the world's arable land.

Loosely enforced at first, the policy was tightening in 1982 after population growth rates began to climb. Since then, the state has strictly required intrauterine devices for all women with one child and sterilizations for one member of every couple with two or more children.

Cutting the growth rate of 1.15 percent in 1983—less than half the 1970 level—these regulations are credited officially with preventing millions of births a year.

For all its statistical gains, however, the one-child policy is piling up heavy costs in broken lives and is tearing at the fabric of Chinese society.

China is a society dominated by peasants who live off the land and strive for big families as a matter of economic necessity—the more children, the more hands to till the soil. To them, birth control is a threat, which many actively counter. They hide pregnant women. They secretly remove IUDs. They falsify sterilization certificates. And they physically attack officials.

Every year, millions of Chinese defy authority and have more children despite jolting penalties—heavy fines, dismissal from jobs and loss of farmland, housing and economic benefits—that leave them farther behind in China's march to modernization. Yet at least one-quarter of the 15 million to 20 million babies born in China every year are unapproved.

Faced with strong popular resistance, Peking resorts to even stronger measures. To this struggle, it brings the full powers of a totalitarian state, operating without fear of political opposition. There is no check on official abuse, no outlet for human rights complaints and no forum for public debate of the policy.

What emerges from more than 200 interviews spaced over three years with officials, doctors, peasants and workers in almost two-thirds of China's 29 local jurisdictions is the story of an all-out government siege against ancient family traditions and the reproductive habits of a billion people.

The story offers a glimpse of China usually hidden from foreigners but painfully familiar to most Chinese—a world of government-sanctioned infanticide, of strongarm sterilizations and of abortions performed at a rate as high as 800,000 a year in a single province.

It is a harsh milieu, in which houses are razed and valuables seized as the penalty for birth control violations, in which women are forced to wear intrauterine devices as the price of compliance.

While the policy works smoothly in many parts of China, local officials eager to please the central government often resort to excess.

THE DARK SIDE OF FAMILY PLANNING

Nowhere is this dark side of family planning more evident than in Dongguan, a bucolic patch of Guangdong Province in southern China. Here, abortion posses scoured the countryside in the spring of 1981, rounding up women in rice paddies and thatched-roof houses. Expectant mothers, including many in their last trimester, were trussed, handcuffed, herded into hog cages and delivered by the truckload to the operating tables of rural clinics, according to eyewitness accounts.

Dongguan had been engulfed by an intense birth control campaign, known as "high tide," engineered by local officials to bring birth control offenders in line with the one-child policy.

In 50 days, 19,000 abortions were performed—almost as many as the country's live births in all of 1981.

Dongguan's "high tide"—details were confirmed in interviews here after initial reports in Hong Kong—dramatizes the least cited but most frequently observed form of birth control in China: abortion.

Any mother who becomes pregnant again without receiving official authorization after having one child is required to have an abortion, and the incidence of such operations is stunning—53 million from 1979 to 1984, according to the Ministry of Public Health—a five-year abortion count approximately equal to the population of France.

In 1983 alone, the number of abortions nationwide—14.4 million—exceeded the combined populations of the District of Columbia, Maryland, Virginia, West Virginia and Delaware.

Visits to rural south China reveal a trail of more than five abortions for every birth in places such as Duan Fen commune of Guangdon Province.

Although abortion was criminally punishable as murder in China as late as the 1950s, it is dispensed today without debate over moral questions.

"It's more humane to kill children before they are born than to bring them into a society of too many people," said Xu Fangling, a birth control official who helped direct the Dongguan campaign. "If you consider the serious difficulties overpopulation creates for people living today, the moral problem of abortion isn't too serious."

Nor is the timing of abortion usually a factor. Many are performed in the last trimester of pregnancy—100,000 in Guangdong last year, or 20 percent of the province's total abortions—and some as late as the ninth month. Officials say it often takes that long to get reluctant women to clinics.

Doctors normally terminate late-term pregnancies by injecting an herbal drug into the womb, killing the fetus and inducing labor—a kind of induced stillbirth. The dead fetus is usually expelled in 24 hours.

In the Inner Mongolian capital of Hohhot, however, hospital doctors practice what amounts to infanticide by a different name, according to a Hohhot surgeon, who would not allow his name to be used for fear of reprisal. After inducing labor, he revealed, doctors routinely smash the baby's skull with forceps as it emerges from the womb.

In some cases, he added, newborns are killed by injecting formaldehyde into the soft spot of the head.

"If you kill the baby while it's still partly in the womb, it's considered an abortion," explained the 33-year-old surgeon. "If you do it after birth, it's murder."

He said the practice began in 1981 after hospitals in Hohhot passed a new regulation banning births of second children except in the case of ethnic Mongolians who are treated more leniently under a national minorities policy. For everyone else, he said. "The second child cannot come out alive. The doctor has the obligation to prevent it."

A doctor who ignores the regulation risks losing his job, he said, although no one objects. He estimated that hundreds of babies die this way in his hospital every year.

"You get used to it," said the surgeon, explaining how doctors react. Sitting in the corner of a coffee shop during the interview, he lifted a cup and said, "It's like drinking coffee. At first, it's bitter. But after a while you don't notice the taste.

"I've done it myself."

Similar practices have been reported from other urban centers. A former hospital patient in the northwest city of Urumqi said that she saw women in labor being wheeled into a large room marked "abortion ward."

A medical student in Canton who worked in a hospital gynecology ward in 1982 told foreign vistors that pregnant women were required to present birth authorization cards before admission to the delivery room. He said doctors who were under orders to abort all unauthorized pregnancies often strangled or smothered newborns.

While abortion is justified officially as a necessary expedient, its high incidence is considered an embarrassing breakdown of a system carefully crafted to prevent unplanned pregnancies.

China's family-planning work is backed by the full organizational might of the Communist Party, which extends its influence to every factory, neighborhood and village. Every Chinese belongs to a "unit"—workplace or rural governing body—and every unit has a birth control committee headed by party officials. These officials have enormous power over the lives of their charges. Almost all decisions require their approval—who earns bonuses, who gets housing space, who grows cash crops, who has a chance to study, who marries and who has children.

When Peking gave local party chiefs responsibility for family planning, it added a powerful lever to assure compliance. Then, to fortify the resolve of these officials, it added financial incentive. In most parts of China, local officials earn cash bonuses only if their units observe birth control limits.

With a financial stake in low births, officials put a high premium on prevention. They carefully plan new births for their unit, requiring written applications from any couple wanting to have a child and matching requests with quotas that trickle down from Peking.

The primary target of their work, however, is couples who already have two or more children. At least one parent is required by the state to undergo sterilization, and local officials use methods ranging from cash rewards to coercion to get those eligible to the operating table. Almost always the woman bears the responsibility.

Official statistics show a high level of success: 31 million women and 9.3 million men were sterilized between 1979 and 1984, totalling almost one-third of all married, productive couples in China.

A national sterilization drive last winter boosted annual sterilizations for 1983 to an extraordinary 16.4 million for women and 4.4 million for men, according to the Public Health Ministry—exceeding the total number of such procedures in the previous five years.

Most sterilization in rural areas are done collectively in "high tides" organized by local officials to coincide with the visit of roving surgical teams who operate in improvised facilities or cold, austere clinics equipped with little more than board and bucket.

A roundup in frigid northern China near the Mongolian border illustrates how the process works.

The campaign, which was described by a participating doctor, began in November 1983, when officials from every commune in the county searched their records for women under the age of 45 who had two or more children. Then they broadcast their names over public loudspeakers and set dates by which each had to report to the clinic for surgery.

There was a warning to potential evaders: a loss of half of their state land allotment, a fine of 200 dollars—equal to about a year's income—and a late fee of $10 for every day they failed to report.

Several couples initially defied the warning but were quickly brought into line. Officials went to their homes, confiscated valuables, such as sewing machines and building materials, and threatened to sell them within three days unless they submitted to the operation.

The surgical team left in early January after completing its goal of 16,000 sterilizations in two months, according to the doctor.

It was an unusually successful campaign considering the intensity of opposition to sterilization. The very mention of a "high tide" has sent whole villages of eligible women into hiding. To head off a mass exodus last year in coastal Fujian Province, Fuqing County officials reportedly organized late night "surprise attacks", hustling sleeping women from their beds to 24-hour sterilization clinics.

Another popular dodge is phony sterilization certificates. Couples buy falsified or purloined forms at high black-market prices. When the woman gets pregnant, she pleads for leniency, claiming she was a victim of faulty surgery.

As resistance stiffens, however, so does the penalty evasion.

When women in a Yellow River community of Henan Province fled in advance of a "high tide" last spring, Xiuwu County officials tore off roofs of their houses and knocked down walls with tractors, according to a Chinese medical staffer who witnessed the wrecking.

Female workers in the sleepy southern port city of Zhanjiang were docked their wages until they reported for sterilization surgery, according to factory hands there. Although 20 women at one candy plant stood their ground and were fired, most gave in the the financial pressure.

"Who dares to oppose the regulation" asked a 34-year-old mother who had an operaton she did not want. "I have three children. Can I afford to feed them without a job?"

Officials are no less forceful in dealing with one-child mothers. They are required by national regulation to have IUDs inserted after their first child is born and strictly forbidden to remove the stainless steel loops.

Other forms of contraception are permitted, including birth control pills and condoms, but statistics reflect the official preference for easier and more reliable IUDs: Of 124 million married women using birth control, 55 percent wear IUDs—69 million, which exceeds the total number of IUD users in the rest of the world combined.

AUTOMATIC IUD IMPLANTS

In some city hospitals, doctors automatically implant the devices immediately after a women gives birth, often without informing the woman or seeking prior consent according to a Peking gynecologist.

Official prodding substitutes for hospital efficiency in most places, however. Family-planning authorities call on new mothers to stress the need for contraception. These are follow-up visits to "educate" the woman until she possesses an IUD certificate, for which she gets a small cash bonus and a few days off work.

Little choice is given in places such as rural Fujian, where women who refuse IUDs lose their right to grain rations and medical benefits for their first child, according to an overseas China visitor.

Women fitted with IUDs in most of China regularly are shepherded into clinics for X-rays to make sure of proper placing. Up to six times a year, they are stood before decades-old equipment to endure the kind of fluoroscopic examination discouraged in the West for fear of causing radiation damage to ovaries or fetuses. Frequent X-ray exams are considered necessary because of the high failure rate of IUDs, which are often inserted in factory-line fashion without concern for sizing.

Of greater concern to authorities is the problem of surreptitious removals. Women who had submitted reluctantly to IUD insertions pay charlatan doctors to extract them with homemade metal hooks. It is a common occurrence in rural areas, where the so-called "hook wielders" charge as much as $25 for a home "operation," often undoing the family planning work of an entire village in a few days' time.

These "hook wielders" remain popular despite their record of disasters—hundreds of deaths and injuries reportedly caused by penetration of the uterus and intestines with unsterilized bicycle spokes or bamboo sticks.

For local officials who claim to run voluntary IUD campaigns, the reported incidence of such deviant behavior is contradictorily high: 80 percent of IUD users in some parts of Fujian had their loops removed in 1981; 10,000 extractions were reported in a single county of Sichuan Province between 1980 and 1983.

"These so-called doctors are swindlers who take advantage of the backward desire of peasants to have more children," said Sun Guoliang, vice chief of Sichuan's birth control office.

"There are women who were less than willing in the beginning to have the IUDs put in," he said. "Others may have been willing at first but changed their views after the swindlers told them the loops would make them sterile." In case of contraceptive failure or abuse, however, there are other controls built into the system.

Few unauthorized pregnancies can elude the tight supervision of birth control activists, a phalanx of female members of the party, Communist Youth League and Women's Federation who are deputized by local officials to monitor the reproductive lives of Chinese couples.

These activists, who often are referred to derogatorily as "mothers-in-law" for their meddling ways, each focus on a few couples in every factory, neighborhood and rural hamlet.

They know everyone's contraceptive method. They make daily house calls to remind birth control pill users to take their pills. They issue condoms on request, giving repeated instructions and insisting that they be used "two at a time" or be inflated first to test for leaks.

The activists closely watch for signs of pregnancy—morning sickness, craving for sour food or swollen breasts—and cultivate informers to report on their neighbors or coworkers.

They keep detailed records of every woman's menstrual cycle, checking to make sure of regularity.

"If it is late, we wait four days," said Yu Caihua, an activist in Zhou Nan County of Shandong Province. "If the woman's period still doesn't come, we take her for a check-up."

MONITORING CONTRACEPTION IN THE WORK PLACE

Many factories around the country hang up blackboards listing each female worker's contraceptive measure and the day her period arrives. The women are required to place a check mark next to their names after menstruation begins every month. If she fails to report on schedule, her boss will be asked why. The woman is then ordered to take a pregnancy test.

A positive test spells trouble for any woman who already has a child. She is urged to have an abortion, offered a cash bonus and time off from work as a reward. If she refuses, the pressure mounts.

This is where China's family-planning apparatus comes down with full force. It also is the breaking point for many Chinese.

First come the tactics of persuasion played out in what is known euphemistically as "heart-to-heart chats." Several activists visit the pregnant woman at home to explain the need for population control. She is urged to have an abortion for the good of her nation, her community and her family. Husbands and mothers-in-law are recruited for the talks because they often pose the biggest obstacle to abortion.

If she holds her ground, the talks intensify. More officials enter the fray, sometimes eight or ten at a time. They come for hours every day lecturing, cajoling, pleading. Eventually, the local party chief joins in and the tenor changes. Now the pregnant woman is criticized for resisting and warned of the penalty for unauthorized birth, which varies from place to place but can include loss of farmland, fines of up to $1,000, firing from factory jobs, public censure and the denial of land, medical benefits, grain rations and educational opportunities for the unplanned child.

To increase the pressure for speedy abortion, the woman is charged a penalty, called a "talking fee," of $2 per day in the rural suburbs of Qingdao in east China, according to peasants there.

In coastal Jiangsu Province, she is required to sign a "guarantee" promising to pay any penalty, according to family planning officials there.

Fines begin in the fourth month of pregnancy in factories of Shantou in east Guangdong, where both husband and wife lose 50 percent of their monthly wage—to be refunded if she finally has an abortion.

Meanwhile, the meetings go on, often all the way up to the point of delivery. Where talking fails, force often prevails. Sometimes, official use collective coercion in operations like that in Dongguan, where thousands of pregnant women were picked up in trucks and Jeeps, taken to commune headquarters for lectures, then driven to abortion clinics, some reportedly under police escort, in what was later described by local eyewitnesses as a "slaughter movement."

Party chief Huang Zhigao of Double Bridge Village in the southwestern province of Sichuan acknowledged the practice of "helping" pregnant women to the clinic if they refuse to go on their own.

As an example, he cited a story of a 32-year-old woman named Li who had a baby girl and became pregnant again in the hope of having a boy. After numerous visits to her home by "persuasion groups" proved unsuccessful, eight activists appeared at her doorstep one morning and told Li, then four months pregnant, "if you don't go to the clinic willingly, we'll take you," according to Huang.

"The woman struggled and started crying when they started taking her by the arms," recalled Huang. "She was dragged about 50 yards and finally gave in."

Activist Zhang Xiujun, who was among those "helping" Li, said "It took all of us to get her to the clinic."

Huang justified the episode as a necessary "administrative measure." He said Li and another woman who met a similar fate complained that they had been taken against their will, but, "they were told there was no way out because they rejected our advice to go willingly."

The large number of Chinese who reject such advice every year indicates less aggressive enforcement or strong resistance elsewhere.

Many pregnant women hide in the mountains or flee to a relative's village to escape official harassment, practicing what is colloquially known as "childbirth on the run." So many runaways reached the remote, northwestern province of Gansu that a regulation was passed directing local officials to "terminate within a limited time all unplanned pregnancies of women not in their home residential area," according to an internal document.

Those who stay home simply resist the official hectoring, usually passively. In numerous cases, however, the pressure becomes too much and explodes into violence. There have been attacks against the private gardens of activists in Sichuan and Anhui provinces. And there have been physical attacks against officials themselves—stabbings, clubbings and beatings, according to official news reports.

A Guangdong peasant named Wu Jingqu, who had two children, personally pulled out his wife's IUD and got her pregnant. When the deputy party secretary of his commune visited the couple and pressed the woman to have an abortion, Wu reportedly hacked him to death with a meat cleaver. Wu was executed.

A Shandong activist was hospitalized for two months after she was kicked in the groin and beaten with wooden staves by a man who objected to her urging a pregnancy test for his wife.

"Some peasants accept the idea of birth control easily and some don't," said vice chief Sun of Sichuan. "The activists have to do their work, and the peasants want more children. There are inevitable clashes."

For many peasants who are just starting to prosper under today's flexible economic policies and want more farm hands, the prospect of being fined for having children seems unjust. For local officials, however, the only way to stop unplanned births is to make them prohibitively costly.

At the Double Bridge commune, Huang decided to make a "negative example" of a 29-year-old woman named Meng who fled 200 miles to have her second child at an aunt's home. Huang, who lost his bonus because of Meng's clandestine delivery, took revenge when she returned. He stripped her family of half of the land given by the state for farming, fined her $400—almost thrice her annual income—and denied her the right to grain and cloth rations for the second child.

To sharpen the sting, Meng was forced to make a self-criticism at a mass meeting. Standing before 100 peasants who sat on stools in the village warehouse, she endured what in Chinese terms is a painful loss of face.

"Since then we haven't had an unapproved second birth," said Huang.

[From the Washington Post, Jan. 8, 1985]

CHINA'S BIRTH CONTROL POLICY DRIVES SOME TO KILL BABY GIRLS

(By Michael Weisskopf)

DATONG, CHINA.—In this rugged hardpan of north China known for poverty and coal, Zhang Yi had but two frail daughters to help scratch out a living. When his wife became pregnant again, he hoped for a son, brushing off official threats of penalties for an unauthorized third child.

But his wife bore another girl, and Zhang recalculated the cost. He packed the child in a cardboard box, left her for dead and informed authorities that she was stillborn, according to family planning officials here.

The baby girl became another victim of the ugliest side effect of China's war against overpopulation—female infanticide.

Official population statistics indicate a loss of more than 230,000 baby girls in 1981, a casualty list that is said to have grown dramatically in more recent years as the Communist government tightened its nationwide policy limiting Chinese couples to one child. Authorities have refused to reveal sex ratios of newborns after 1981.

The one-child policy seeks to stop runaway population growth from derailing the nation's modernization effort: China's 1,038,000,000 people already make up 22 percent of mankind living on just 7 percent of the world's arable land. In their zeal to limit births, however, local officials often resort to coercion, encourage widespread abortion and intrude into the reproductive lives of most married couples.

As it runs up human costs, the policy has aroused a strong backlash among China's usually compliant citizenry. It has expressed itself in physical attacks on birth control authorities, acts of subterfuge and more serious criminal behavior.

Female infanticide is the most extreme form of resistance to the one-child controls, a desperate act by parents squeezed between official restrictions and the traditional preference for male offspring.

Many Chinese think that if they can have only one child, better to give away, abandon or even murder a baby girl and try again for a boy.

Sons traditionally are prized for passing on the family name, a Confucian legacy enshrined in the saying: "There is no behavior more unfilial than to have no male descendants."

In China's vast countryside of 800 million peasants, moreover, boys serve as social security for elderly parents. Without pensions or old-age homes, they have only their sons to work the fields and handle the beastly burdens of rural life—hauling water, cutting firewood, feeding livestock and cleaning outhouses.

Daughters, by custom, move in with their husband's parents after marriage and are known colloquially as "goods on which one loses." Chinese society already has begun to reflect the tragic dimensions of this bias for

males, with five boys born for every girl in some places and a nationwide ratio of male to female births that greatly exceeds world standards.

The frantic push for boys in a one-child society can be charted in official accounts of drowning, suffocation, poisoning and desertion of baby girls. It is seen in the popularity of scientific fetus tests and superstitious rites to forecast the gender of the unborn child—with abortions following for women thought to be carrying a girl.

Couples try again and again for a son, enduring heavy fines, loss of jobs and official harassment.

Even though the male chromosomes determine the sex of a child, women absorb the blame if the baby is female. They often pay a price of beatings, scorn by their own family and divorce. The pressure reportedly has driven some wives to suicide, others into mental institutions.

The government in Peking decries female infanticide and propagates equality of the sexes, warning of the dangers to future generations of a lopsided sex ratio.

But few cases of baby killing or wife abuse are known to be prosecuted, and the central government appears to be stymied by negligent local authorities who often dismiss such offenses as "family conflicts."

Nor does Peking have a strategy for reconciling its one-child rule with the common yearning for boys. It insists on birth control for the good of posterity. But it offers no practical solution to China's millions who cannot secure their own futures without old-age benefits or sons.

Liu Chunsan, a farmer from east China, threw his 4-year-old girl down a well two years ago, believing that his wife could be given another chance for a boy if the couple were childless. Sentenced to 15 years in jail, he told a Chinese reporter that he wanted a son as a hedge against the future.

"I loved my daughter," Liu said in a prison interview. "But sooner or later she would get married and leave me for a husband. I would have supported her for 20 years for nothing."

Female infanticide was known to China in the pre-Communist period, especially during times of famine. But it seemed to disappear until the one-child policy increased the cost of bearing a daughter.

THE NUMBERS ON FEMALE INFANTICIDE

No statistics on female infanticide are published by China. But an analysis of national census data compiled in 1982 helps to quantify the problem. The census was the most comprehensive ever taken in China and only the third of the Communist era. The earlier surveys of 1953 and 1964 were separated by years of political turmoil.

To calculate the extent of female infanticide, western demographers base their analysis on a natural sex ratio at birth of 106 males for every 100 females, or 1.06, which is the internationally recognized norm.

China's earlier censuses show even lower ratios of boys—1.04 in 1964 and 1.05 in 1953—among babies under a year old.

The most recent census, however, recorded 1981 births of 10,765,292 boys and 9,924,412 girls, representing an unusually high sex ratio of 108.5 male to 100 female, or 1.085.

Comparing the actual number of female births to the world norm indicates a loss of 232,000 baby girls in 1981 alone.

An official Chinese survey revealing sex ratios by order of birth in 1981 points to a pattern of female infanticide. Sampling .01 percent of births, the study published last year found the proportion of male babies rising dramatically among unauthorized second-born, third-born, fourth-born and fifth-born children.

If parents had to be penalized for violating the one-child policy, they apparently wanted to make sure they got a son in return.

For first-born children, the sex ratio actually fell below the world norm of 1.06, according to the survey.

But it soared to 1.15 for second-born children in cities. In rural areas, where the ban on second children still was enforced laxly in 1981 and parents may have felt less pressure to have a son on the second try, the ratio for third or later births was 1.12.

Western demographers say that while males are statistically favored among first births, the odds of having a boy actually decrease for second and later children.

The authorities have refused requests for gender breakdowns of births in recent years. But Chinese population experts in Peking have revealed privately to western demographers that the national sex ratio of newborns rose to 1.09 in 1982 and 1.11 in 1983.

Application of those unofficial ratios to total births listed for those years indicates a loss of almost 300,000 baby girls in 1982 and 345,000 in 1983.

Chinese officials are contradictory in their analysis of female infanticide. While acknowledging that the problem is serious, they contend that the 1981 sex ratio does not necessarily reflect widespread killing of infant girls.

Propaganda chief Shen Guoxiang of the state Family Planning Commission said in an interview that Chinese studies show the 1.085 ratio to be "normal." When he was reminded of the international norm and of earlier Chinese censuses showing much lower proportions of male to female babies, he refused to respond and stalked out of the interview.

A partial explanation for the sexual imbalance may be under-reporting of girl babies. Fearful of losing their chance for a son, peasants in remote areas may not inform authorities of the birth of daughters. As a result, the true number of female births is not reflected in statistics.

But a more sinister explanation comes to light in official report and scores of interviews during the past three years.

"At present, the phenomenon of butchering, drowning and leaving to die female infants is very serious," said the Communist Party newspaper, the People's Daily, in January 1983.

Last year investigators for a local women's federation visited rural counties of Anhui Province in eastern China. They reported a "serious disproportion" of sexes in some places, where baby boys outnumbered girls by five to one and female infanticide was rampant.

One place called Plum Village had eight births in the first quarter of 1982. Three were boys who were healthy. Of the girls, however, three were drowned and two were deserted.

In Guangdons Province, a reporter for the Southern Daily newspaper uncovered 210 cases of female infanticide in just two counties in 1982. Some peasants, he wrote, "place a bucket in front of the delivery bed, and if the newborn is a girl, she is immediately drowned in the bucket."

"Some people conspire with the midwife. If the baby is male, she is told to do a good job. If not, she must drown or choke it. Some suffocate girl babies with heaps of rags."

There are tales in the official press of baby girls who were forced to swallow insecticide or were bound in burlap sacks and thrown into the river. In the northeast industrial city of Tianjin, a man bit off part of his eight-month-old daughter's nose, planning to take advantage of a loophole allowing a second child if the first one is born deformed. Other baby girls reportedly are left to die in forests, in caves, on railway tracks or dumped into garbage cans and public toilets.

In the dreary coal city of Datong where Zhang Yi deserted his daughter, 26 of his neighbors in North Village Township also had unauthorized third children in 1981—half boys and half girls, according to Communist Party Secretary Chen Purong. All of the boys thrived, but four of the girls met the same fate as Zhang's daughter—listed as stillborn and abandoned, said Chen.

"No one wants to pay a fine for a girl," explained township director Zheng Fen.

Many baby girls never make it to birth. Women who have access to China's few well-equipped hospitals resort to amniocentesis, a test to determine the health of a fetus that can also predict gender. According to a magazine in the northwest province of Gansu, fetus tests are so commonly abused that "the male baby population is rapidly increasing."

In the countryside, superstitious peasants pay self-styled sorceresses to divine the sex of a fetus. Pregnant women with unusually big bellies and a craving for sour foods are thought to be carrying girls. Without the aid of more modern tests to determine the gender of their babies, they simply have abortions.

Some women have several abortions until they successfully bear a son; some just keep having babies—up to nine girls in the case of unfulfilled mothers from Anhui Province.

"Why do we keep having babies and risking our health?" asked 15 Anhui women in a 1983 petition published in the People's Daily to explain why they had so many children. "Because there is no place in this world for those without sons. Even if it means death, we will keep trying for a son so that we may hold our heads high."

Failure to have sons can ruin a woman's life. While this dilemma from Chinese women is as old as China, it is intensified by the one-child policy. In the old days, women kept trying until they had a son. Now they have one chance. Unsuccessful wives have been poisoned, strangled, bludgeoned and socially ostracized, according to official reports.

A transportation worker in Shenyang named Jiang Yujie, 28, whose husband beat her for having a girl, reportedly attempted suicide in April 1983 by lying on a railroad track. When she was pulled off the tracks in time, her mother-in-law taunted her: "If you want to die, go drink DDT," the old woman was quoted as saying. "For every one like you who dies, there is one less to worry about."

Jiang took her life a few days later by drinking seven bottles of the insecticide.

WEEPING OVER THE BIRTH OF A GIRL

The pressure on women is so great that many openly weep on learning they have given birth to a girl. Doctors say they often see families rejoicing over the birth of a son but dejected if the child is a female. Some refuse to visit mothers in the hospital if they have delivered a girl.

Wang Yanjuan, 28, of Shanghai, was so distraught after giving birth to a girl that

she threw her from the hospital window in July 1982, yelling to would-be rescuers, "Don't save her. Just let her die," according to the official journal Society.

"All of the other mothers in my hospital room had boys," Wang later told a judge. "Every time their families came to visit, they whispered about me. I really couldn't stand it anymore."

In Peking, a 37-year-old woman died in a mental hospital last October, having refused to eat or speak since her husband strangled their newly born daughter last June, according to her friends.

After years of silence, China's Government has finally come to the defense of baby girls and their mothers. The state-run press reports cases of female infanticide along with the message that "boys and girls are equal." Billboards promoting the one-child ethic feature a pigtailed girl, striding hand-in-hand with prosperous-looking parents.

In a few areas, small monetary incentives are given to young couples who live with the wife's parents, and monthly bonuses are awarded to couples with an only daughter. Daughters have been given the same constitutional responsibility as sons to support elderly parents.

Officials even bend the one-child rule in special cases to accommodate male preference. In sparsely populated areas, couples with an only daughter are permitted to try again for a son. Some provinces quietly have begun allowing a second child if the wife's family has no male heirs, if the wife or husband is an only child or if either is disabled.

When it comes to punishing female infanticide, however, the government shows far less commitment. Despite a few well-publicized cases, the vast majority of baby killings and desertions are not prosecuted, officials say.

Although the Women's Federation of Anhui disclosed numerous drownings and abandonments in 1983, federation vice chief Li Mengliu said none of the findings was pursued by law enforcement authorities.

In the southern port of Zhanjiang, 12 baby girls were killed and 17 abandoned in 1982, according to Deputy Family Planning Director Wang Lianzhang. He said offending parents were criticized, but no one was prosecuted.

"We couldn't find convincing evidence," Wang said. "These cases are difficult to investigate."

At least part of the difficulty, however, appears to be official negligence at the local level. According the People's Daily, local authorities routinely regard female infanticide and wife abuse as a "family conflict," falling back on an old saying: "Even an upright official finds it hard to settle a family quarrel." These officials earn bonuses for assuring low birth rates in their factory or farm. If female infanticide means one less child, they have little incentive to stop it.

The Southern Daily reporter who uncovered widespread female infanticide in Guangdong Province said very few of the 210 murders were investigated. He reported that local officials were "insufficiently forceful in attacking those cases."

"What is even more shocking," he asserted, "is that some officials are sympathetic and supportive of this kind of criminal act. They say, 'With the one-child policy, it is natural that people want a boy.' "

[From the Washington Post, Jan. 7, 1985]

"LITTLE TREASURE" EXACTS A PRICE: COUPLE FACES PRESSURES AFTER ADDING A SON

QINGYANG COUNTY, CHINA.—To pass on the family name, Jiang Fugui was determined to keep trying for a son despite the state's one-child policy.

He succeeded on his second attempt but at the cost of his job, a year's pay and peace of mind.

Jiang, 36, had been a rising star in Qingyang, a rustic county in the eastern province of Anhui. With a good education behind him, he was chosen to help run his small silk factory and was given membership in the prestigious Communist Youth League.

Like millions of Chinese, however, Jiang's family plans clashed with state population goals, and he lost badly in the process.

"Everyone calls my son "little treasure' because he cost so much," he joked in an interview. Jiang, an only son himself, said he felt parental pressure to keep alive his lineage. After fathering a daughter, he decided to try again for a boy. Finally, his wife became pregnant in October 1982.

As his factory's vice director, Jiang should have helped to enforce the state's limit of one child per couple. Instead, he was violating it, and he drew the rancor of his superiors.

The Jiangs were urged to have the pregnancy aborted. Cornered at home and at work, they were lectured dozens of times. They were exhorted to act as good examples for the community. They were threatened with fines for refusing. Even factory workers badgered them.

"It was a lot of pressure," recalled Jiang, a moon-faced man who sports a wispy goatee. "I couldn't sleep or eat. It was the same for my wife."

Jiang nonetheless stood his ground, claiming his wife's health was too frail to survive an abortion. But everyone else knew he was simply covering up his desire for a son.

"He knew his parents would not rest until they carried a grandson in their arms," explained Song Yueying, a birth control activist.

A son finally was born to Jiang in August 1983, but what should have been a happy occasion turned into a nightmare.

Jiang was fired from his job, stripped of league membership, censured in a circular sent all over the county and forced to pay back $180—equal to his annual salary—in benefits he had received earlier for having a single child.

His wife, who also worked at the silk factory, was placed on probation and deprived of a pay raise given to other employees.

"As a factory official, Jiang should have taken the lead in birth control," said county Family Planning Chief Wu Zemin. "We had no other choice but to teach him a lesson for others to see."

After two jobless months in which he was depressed and financially strapped, Jiang was hired as a part-time technician at a cement factory.

Last May, he made a humiliating self-criticism before the silk factory bosses. In unusually lenient treatment toward a birth control violator, he was rehired as a temporary worker. but he labors without fringe benefits at just three-quarters of his old salary.

With their income slashed and careers clouded, Jiang and his wife barely can support their two children and Jiang's parents who live with them in a tiny brick house.

Chatting with a reporter, Jiang was asked if having a son was worth all the trouble.

"I shouldn't have done it," he replied.

A few seconds later, his solemn face cracked a smile. "I love my son, however," he said.—Michael Weisskopf

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[From the Wall Street Journal, May 13, 1985]

HOW CHINA USES U.N. AID FOR FORCED ABORTIONS

(Stephen W. Mosher)

By Peking's own calculation, a staggering 53 million abortions have been performed in China over the past five years as part of a rigorous campaign to limit population growth. Through money provided to the United Nations Fund for Population Activities (UNFPA), the U.S. Government has supported this campaign.

The Chinese Government claims that the guiding principle of this abortion program is voluntarism, but there was nothing voluntary about the process I observed when living in a Chinese village in 1980. It involved subjecting pregnant women, many very close to term, to exhausting morning-to-night study sessions, levying heavy penalties on them and their families, and the actual incarceration of those who still proved recalcitrant. Nor does the description "voluntary" adequately encompass the reports that have come out of China in the years since then of pregnant women being handcuffed, thrown into hog cages and taken to the operating tables of rural clinics.

I estimate the 90 percent of the abortions performed in China are forced upon women who, if they were truly free to choose, would bear the children. Under the one child per family law, abortion in China is for all practical purposes mandatory for women who become pregnant outside the state-assigned quota. Not only are the pregnancies of married women who already have one child terminated under this law, so are the pregnancies of many who do not yet have a child.

Many of these abortions are done late in term and in a way that can only be described as brutal. Induced stillbirth and murders of newborns are common. I observed full-term unborn children being injected with a Western drug the Chinese called Rivalor, which causes the unborn child's death within 24 to 48 hours and in most cases its post-mortem ejection from the womb.

In other cases the child is killed at the time of parturition, sometimes by using forceps to crush the child's skull when it is still in the birth canal, other times by injecting formaldehyde into the soft spot of the head or by strangling as the child emerges. Since the baby is still partly in the womb at this time, this is not considered to be infanticide but merely abortion. Moreover, late or full-term abortions are carried out despite a regulation forbidding the termination of pregnancy after the sixth month. Officials anxious to meet the strict birth quotas set by higher-ups order doctors to ignore this proscription.

The Chinese Government has loudly and repeatedly protested that these excesses are not government policy and that those who take part in them will be punished according to law. In fact, however, aside from a handful of halfhearted prosecutions of peasant parents for killing their infant daughters, no official in China to date has been publicly punished for mandating late

abortions, for using coercion or for ordering doctors to kill infants at birth.

The only conclusion that can be drawn from these appaling facts is that Peking's assurances are merely a smoke screen. It is the birth quotas that officials enforce, not the written guideline advising no abortions after six months. And it is this quota the officials are held accountable for, not paper exhortations for voluntarism. The Chinese officials who say the opposite are, at best, naive. At worst, they are consciously duplicitous.

To date UNFPA seems to have taken at face value these Chinese assurances. A recent UNFPA report on its aid quotes official Chinese denials of government coercion and infanticide. Because of the unsatisfactory, UNFPA response, the U.S. Agency for International Development recently asked Congress to rescind $10 million of the $46 million earmarked for that organization this year. The remaining $36 million would be put in a separate account for projects in other countries.

An investigation is under way in Congress to determine what further action, if any, should be taken. In this review, particular care should be given to examining UNFPA's admission that "the bulk of our program is provided for inputs requiring foreign currency" and "the provision of modern technology." Clearly, among the inputs requiring foreign currency would be drugs such as Rivalor and the latest in abortion technology.

It is, of course, highly unlikely that any investigation would be able to uncover evidence that U.S. funds were or are being used for infanticide and forced abortions in China. Nor should this be made a precondition of further cutting back of aid. Not only has UNFPA admitted that it has been instrumental in setting up the infrastructure of the Chinese program, it has unconditionally committed $50 million in aid over the next four years to the program's continuance. The fact that U.S. aid continues to go to an organization that supports a program so tainted with abuses makes Americans silent accomplices to that program. The U.S. ought to distance itself from forced abortion and infanticide completely, morally and monetarily.

A total cutoff of indirect U.S. aid would not end the Chinese population-control program. But there is a good chance such a move would goad Peking into correcting the worst abuses of its program.

(Mr. Mosher, who spent a year doing research in a rural Chinese village in 1980, is the author of the forthcoming "Journey Into the Forbidden China" (The Free Press, 1985).)

Mr. HELMS. Mr. President, in light of all of the facts that I have today submitted for the RECORD, let us now turn to the most recent events in this matter of United States involvement in the Chinese population control program.

Because AID had failed to stop United States support for the coercive Chinese program by the end of fiscal year 1984, despite the permanent restrictions in section 104(f) of the Foreign Assistance Act, Congressman JACK KEMP proposed a new restriction on the appropriations measure for foreign operations for fiscal year 1985. The Kemp amendment, which became law on October 12, 1984 (Pub. L. 98-473), provided that no population assistance funds may be available to any organization which includes as part of its population planning programs involuntary abortion. (Pub. L. 98-473, 98 Stat. 1888, October 12, 1984).

Mr. KEMP, others, and myself thought this language was sufficient to force UNFPA either to pull out of China completely or to persuade China to cease its coercive practices. Mr. McPherson and AID had other thoughts in mind, however. In late March 1985, after postponing the ordinary fiscal year 1985 payments to UNFPA, AID announced—with no meaningful prior consultation—that it was going forward on a $36 million payment to UNFPA. This represented a $10 million cut in the amount earmarked by Congress for UNFPA, but of course the earmark was contingent upon UNFPA compliance with the Kemp restriction.

Mr. President, nowhere in the Kemp amendment was the late March procedure actually followed by AID authorized. The determination under Kemp was clear: Either UNFPA met the requirements about involuntary abortion or it did not. In the former case, it was entitled to $46 million; in the latter case, it was not to receive a dime of U.S. taxpayers' money.

But what did Mr. McPherson do? Instead of following the law, he in effect invented his own. He found fault with the coercion in the Chinese program, but he did not apply the sanction—a cutoff in U.S. funds—in the law.

As a result of Mr. McPherson's failure to enforce the Kemp amendment, Congressman KEMP went back to work. He persuaded the House to adopt an additional restriction in the 1985 supplemental appropriations bill, which passed the House on June 12. Ultimately, after amendments from Senator INOUYE and me in the Senate, this second Kemp restriction was signed into law as part of Public Law 99-88 on August 15, 1985.

As finally enacted, the Kemp-Inouye-Helms amendment provided as follows:

None of the funds made available in this bill nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization.

Again, what Mr. KEMP, others, and I sought in sponsoring this language was to force UNFPA, in order to continue receiving United States money, either to first, pull out of China completely or second, persuade China to stop its coercive practices.

But what did Mr. McPherson come up with? According to his September 25, 1985, press release, UNFPA could continue receiving United States money if it stopped participating in the management of the coercive Chinese program, even though it continued to support the coercive program generally. This interpretation not only ignores the constant aims of Mr. KEMP and others, but also guts that portion of the actual language prohibiting U.S. population assistance "to any organization or program which, as determined by the President of the United States, supports * * * a program of coercive abortion or involuntary sterilization." It gets a full half of the Kemp amendment.

Mr. President, it is time for AID to enforce the law as enacted by Congress and to stop thwarting the congressional will. It is my strong hope that, despite all, AID will do a better job in fiscal year 1986 in helping secure basic rights for all the Chinese, especially the women and their unborn babies, in the face of the inhumane and pernicious one-child policy of the Peking regime. Certainly, in light of my conversation with President Reagan, it will no longer be business as usual at AID.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. Mr. President, I am delighted that we are about to vote on the nomination of Mr. Lord. I am not going to delay that process another minute.

Mr. President, I would like to extend my wholehearted support to the nomination of Winston Lord as our next Ambassador to China.

I cannot think of a more qualified person for such an important position in our foreign service, and I regret very much that his nomination has been delayed. I would like the record to show that the delay does not seem related in any way to a challenge to his qualifications. His knowledge, his judgment, his integrity, his ability to communicate and follow through on policy, is unquestioned.

Mr. Lord is an experienced student of international affairs who is perfectly prepared to deal with the pressures and complexities of the position to which he has been named. After a distinguished career as a foreign service officer, Mr. Lord joined the Policy Planning Staff in the International Security Affairs Office of the Pentagon. He then served ably on the National Security Council, and as director of Policy Planning Staff at the Department of State. In those positions, Mr. Lord accompanied two Presidents on virtually all of their foreign trips, including nine to the People's Republic of China. He has met with all of the leaders of China and has a deep knowledge of that country, one with which we are destined to have a growing web of complex political, economic, and cultural relations in coming years.

Since 1977, the nominee has been a dynamic president of one of our most useful organizations in the field of

international affairs, the Council on Foreign Relations.

In addition to his own qualities of heart and mind, Mr. Lord will have the help and support of his wife, Bette Bao Lord. She has written about life in China and about the historic traditions of the Chinese people in a sensitive and eloquent manner. She will undoubtedly add a special luster to a distinguished embassy.

Mr. President, I support the nomination of Mr. Lord.

Mr. President, I support the nomination and look forward to voting for it at an early hour.

Mr. LUGAR. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I yield to the Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, over the past weeks and months, the confirmation of Winston Lord's nomination as Ambassador to the People's Republic of China has been delayed—a "hold" on the nomination has been in effect. I thank the distinguished majority leader for respecting our rights with regard to this nomination.

This Senator is one of those who have delayed the business-as-usual consideration of the proposed Ambassador to Communist China. I wish to fully explain my concerns and my actions.

I assure Mr. Lord that my concerns have nothing to do with his professional qualifications, philosophies or otherwise. Rather, my concerns center on a new State Department policy, and a now familiar, but ever objectionable Chinese population policy.

My first reason for opposing the Lord nomination involves the blatant and incredible misinterpretation provided by the State Department of what has come to be known as the Kemp amendment. The consequences of this purposeful misinterpretation by the State Department may be catastrophic. And they necessarily affect, strange as it may seem, the nomination before us.

The Kemp amendment language was successfully passed into law earlier this year. Debate over the merits of the amendment has been extensive; debate over the actual intention has been close to nonexistent. Almost no one, whether the most ardent supporter of abortion, or the most passionate advocate of right-to-life, doubted that the intention of the Kemp amendment was and remains the absolute prohibition of funding for any and all organizations and programs that support in any way any program involved with coercive abortion or forced sterilization.

Let me read the wording of the Kemp amendment to the supplemental appropriations bill:

> None of the funds made available in this bill nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the president of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization.

The intention of the amendment is very clear. I ask my colleagues if there is any other legitimate way to construe Mr. Kemp's language. Well, the fact is that, in complete disregard for the clear meaning of the amendment, the State Department has misconstrued Mr. Kemp's words to imply something far weaker than might be expected. The State Department has chosen to ignore the obvious intent of the amendment, and proclaim that Mr. Kemp really meant that organizations like the UNFPA could still involve themselves with the Chinese program, even if it continued to condone the use of forced abortion and involuntary sterilization. All the UNFPA and similar organizations would have to do is remove themselves from the management of the Chinese program involving coercive abortions and sterilizations.

Such an interpretation is unconscionable, in my view. What makes the State Department's action even more appalling is the magnitude of the horrors perpetrated by the Chinese population. This is the second of my concerns, and I ask permission to relate some of these violations:

In the late 1970's the Chinese Communist Party established their infamous "one child" policy limiting each couple to no more than one child. To enforce the one-child limit, the Central Government established annual quotas of children for each Province. The state, then, determines both the number of children—one—and the timing of that birth.

Local street committees strictly monitor all couples for deviations from quotas and the family planning policy in general. An important monitoring element involves the meticulous tracking of menstrual periods. Family planning workers follow up on menstrual irregularities, providing prenatal service to women with coupons, and encouraging mothers outside the quota, even if they yet have no children, to seek an abortion. If, after repeated appeals, education, and increasingly forceful threats, the mother refuses to yield, officials apply various disincentives to the couple. These penalties range from the short-term reduction of rations, salaries, and privileges to permanent cuts in food, garden and housing allotments, salary, seniority, and so forth. Those couples with two children or more may be especially severely punished.

The Government's official policy regarding extra-quota births has been circulated extensively by Chinese family planning officials. Each couple may have only one child at the designated time. Couples not yet scheduled for a child must use birth control methods such as the "pill" and the IUD. "Unplanned pregnancies" must be aborted as soon as possible. The state mandates that any woman with one child must have an IUD inserted. The state prescribes mandatory sterilization for at least one partner of any couple with two children. "In no case," the official policy reads, "will a third child be born."

Because of the stringent birth requirements and the quotas and rewards set for state family planning workers, and as a result of the Government's unusual ability to oversee even the most personal aspects of couples' lives, few couples succeed in bearing two children. None bear a third. Effective enforcement of such a policy obviously demands some coercion. Sterilizations are compelled, and IUD's are forcibly implated. Abortion, the Chinese state that 78 million have been performed from 1971-82, is legal till the eighth month. Often forced upon the woman, abortions are reported to have occurred into the ninth month of pregnancy.

One of the more tragic consequences of the Communist program involves the widespread practice of infanticide. No Government policy statements are known to endorse infanticide as a family planning tool, but strong cultural and economic factors pressure parents to bear a male as their only child. As a result, numerous sources indicate widespread female infanticide. Indeed, the Communist government's statistics for 1983 record a 111:100 ratio of male infants to female, revealing a loss of over 350,000 children of the latter gender.

Mr. President, the abuses of the Chinese population control program are as well-known as they are extensive; as widely written about as they are horrible. These are violations of individual privacy. They are abuses that strike at and destroy the very root of human dignity. These are corruptions that mock all international proclamations in defense of human rights.

Such violations of international law cannot to unsanctioned. Nor should we act in any way that might imply approval of such infractions. The ratification of the pending nomination will send a signal to the State Department, the Communist Party in China and the world that this Nation of ours will overlook blatant and outrageous human rights violations, and conduct business as usual.

We should not condone this Chinese population policy while it encourages and implements practices of forced

abortion and sterilization. We should not allow the State Department to run away with a grossly twisted reading of Mr. KEMP's exceptionally lucid amendment. By confirming Mr. Lord we do both of these things. Let us rather put our energies and votes into signaling both China and the State Department that we will not stand for the unconscionable use of a coercion, or the outrageous violation of human rights.

Mr. PELL. Mr. President, I am delighted that the nomination of Mr. Lord is coming to us at this time. He will be a good ambassador. I have worked closely with him in the past years and I look forward to working with him in the future. I trust his nomination will be approved.

SCHEDULE

Mr. DOLE. Mr. President, I would like to be able to make an announcement to my colleagues before the vote starts, but I will need to confer briefly with the distinguished minority leader. If we can agree to vitiate four of the pending amendments, we can announce that there will be no more votes this evening. I think Members would like to know that before they vote on this nomination.

Let me thank all Members. We now have the Lord nomination before us. Again, I share the philosophy expressed by Senator HELMS as far as the termination of human life is concerned. I do not fault him for a moment. It is just another example where there has been less than candid exchanges of information between certain people previously mentioned and the Senator from North Carolina.

I have noted that there is always a great deal of fascination in the press when the Senator from North Carolina places a hold on a nomination. I am not certain what brings that about. I have a whole lot of other nominations with holds. I wish the press would take note. They are fine and distinguished people who would like to become public servants. If we had the same focus on all the nominees, it would make my job much easier. In any event, I thank the distinguished Senator from North Carolina for his cooperation. I appreciate the fact that it took the President to sort of straighten out all of that. Maybe that will help us later on.

Mr. President, the distinguished minority leader is just entering the Chamber. I was just suggesting I would like to announce there will be no additional votes this evening.

As I understand, if we can vitiate amendments numbered 2, 3, 5, and 9, that would leave the Byrd amendment, the Dole amendment, and the Moynihan amendment pending.

Mr. President, I ask unanimous consent that in the unanimous-consent agreement entered into Friday morning with reference to a series of amendments dealing with the debt limit extention, on the calendar dated Tuesday, November 5, 1985, page 2, that amendments numbered 2, 3, 5, and 9 be vitiated. That would leave amendments by Senator BYRD, Senator DOLE, and Senator MOYNIHAN.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, there will be no further rollcall votes tonight following this vote.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Winston Lord, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China? On this question, the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Indiana [Mr. QUAYLE], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 87, nays 7, as follows:

[Rollcall Vote No. 283 Leg.]

YEAS—87

Abdnor	Glenn	Mattingly
Andrews	Gore	McConnell
Baucus	Gorton	Melcher
Bentsen	Gramm	Metzenbaum
Bingaman	Grassley	Mitchell
Boren	Harkin	Moynihan
Boschwitz	Hart	Murkowski
Bradley	Hatch	Nickles
Bumpers	Hatfield	Nunn
Burdick	Hawkins	Packwood
Byrd	Hecht	Pell
Chafee	Heflin	Pressler
Chiles	Heinz	Proxmire
Cochran	Hollings	Pryor
Cohen	Humphrey	Riegle
Cranston	Inouye	Rockefeller
D'Amato	Johnston	Roth
Danforth	Kassebaum	Rudman
DeConcini	Kasten	Sarbanes
Dixon	Kennedy	Sasser
Dodd	Kerry	Simon
Dole	Lautenberg	Simpson
Domenici	Laxalt	Specter
Durenberger	Leahy	Stafford
Eagleton	Levin	Stevens
Evans	Long	Thurmond
Exon	Lugar	Trible
Ford	Mathias	Warner
Garn	Matsunaga	Wilson

NAYS—7

Armstrong	Helms	Wallop
Denton	McClure	
East	Symms	

NOT VOTING—6

Biden	Quayle	Weicker
Goldwater	Stennis	Zorinsky

So the nomination was confirmed.

Mr. LUGAR. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LUGAR. Mr. President, I ask unanimous consent that the President be immediately notified the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. LUGAR. Mr. President, I ask unanimous consent the Senate now resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I thank the distinguished chairman of the Foreign Relations Committee.

It is now about 7:20 p.m., and we have concluded those two nominations. I appreciate his efforts.

I indicated earlier that we thought we might be here late in the evening, but we have been able to vitiate four amendments which had an hour apiece, and it would have been 11:20 instead of 7:20.

I apologize to at least one of my colleagues who had other plans this evening and changed those plans. He has a perfect voting record.

I yield briefly to the distinguished Senator from Virginia [Mr. WARNER].

Mr. WARNER. I thank the majority leader for his words.

Indeed, I had consulted with him earlier in the day, expressing a strong necessity to go to the capital of my State tonight, since the State is having an election for Governor. That was not possible. The leader advised me that he anticipated that this session would go on well into the night.

Mr. DOLE. I thank the distinguished Senator from Virginia.

Even though it may have inconvenienced the Senator from Virginia, I am pleased that we have been able to dispose of the four amendments so quickly, and I hope they will understand in Richmond.

Mr. President, we have been trying to figure out something to do tomorrow morning, and it may be that we will have to go to a couple of nominations.

NATIONAL REYE'S SYNDROME WEEK

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Joint Resolution 29.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the resolution from the Senate (S.J. Res. 29) entitled "Joint resolution to designate the week of November 11, 1985, through November 17, 1985, as 'National Reye's Syndrome Week'", do pass with the following amendments:

Strike out all after the resolving clause and insert: *That the week of November 11 through November 17, 1985, is designated "National Reye's Syndrome Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.*

Strike out the preamble, and insert:

Whereas Reye's Syndrome is a disease of unknown cause which normally attacks healthy children eighteen years of age and under, both male and female, which can kill or cripple more than half of its victims within several days by attacking the muscles, liver, brain, and kidneys, and which affects every organ in the body;

Whereas Reye's Syndrome is recognized by the Food and Drug Administration to be one of the top ten killers among all children's diseases;

Whereas Reye's Syndrome was first recognized as a specific illness in 1963 but is not a new illness since children have been affected by it for decades during which it was improperly diagnosed;

Whereas the reporting of cases of Reye's Syndrome is required in only one-half of the States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the other territories and possessions of the United States;

Whereas national Reye's Syndrome volunteer organizations are established throughout the United States and are supported by thousands of parents;

Whereas such volunteer organizations exist to encourage involvement of the Federal Government in supporting Reye's Syndrome research; to encourage coordination of the treatment and research efforts by the various Reye's Syndrome treatment and research centers, to establish Reye's Syndrome as a reportable disease in every State; to establish at the Center for Disease Control a position for the review of data on Reye's Syndrome patients; to sponsor a multicenter research study by recognized authorities on Reye's Syndrome; to sponsor programs to educate parents and medical professionals with respect to diagnosis and treatment of the illness; and to raise funds for research into cause, prevention, and treatment of Reye's Syndrome;

Whereas the public, the Federal Government in general, and the Congress in particular, are not sufficiently aware of the continuous increase in the incidence of Reye's Syndrome; and

Whereas the chief executive officers of several States have declared Reye's Syndrome weeks: Now,therefore, be it

Amend the title so as to read: "Joint resolution designating the week of November 11 through November 17, 1985, as 'National Reye's Syndrome Week'.".

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendments with a further Senate amendment, which is No. 959 and is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. GLENN, proposes an amendment numbered 959:

On page 2 in the sixth paragraph of the preamble strike out: "to sponsor a multicenter research study by recognized authorities on Reye's syndrome;"

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOINT UNITED STATES-SOVIET EFFORT TO ACHIEVE WORLDWIDE DISEASE IMMUNIZATION BY 1990

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 337, Senate Resolution 227.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A bill (S. Res. 227) urging a joint United States-Soviet effort to achieve worldwide disease immunization by 1990.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations, with amendments.

The reported amendments were agreed to.

The resolution, as amended, was agreed to.

The preamble was agreed to.

Mr. LUGAR. Mr. President, I commend the distinguished minority member of the committee, Senator PELL, for his initiative in bringing this exceptionally good idea to fruition in the form of this resolution. I was pleased to join him, and I commend this resolution to the Senate.

Mr. PELL. Mr. President, 2 months ago, during a Senate delegation meeting with Soviet leader Gorbachev, I took the opportunity to propound my view of the desirability of certain United States-Soviet cooperative activities which might serve as useful steps on the road toward an improved, more stable East-West relationship. Upon return, I took action on one of these proposals by introducing, on behalf of Senator LUGAR and myself, a Senate resolution (S. Res. 227) urging creative superpower diplomacy to transform the proposal from concept to reality.

The subject of this proposal, Mr. President, could not be more deserving of the best efforts of the superpowers. I speak of the world's children. Each day around the world, 40,000 children die—1,500 per hour, 25 per minute, 15 million each year. While the tragedy behind these numbing figures may defy comprehension, the horror of pervasive child death by poverty and disease is real. But so too is the world's ability to diminish this continuing scourge. For as many as half of these children could now be saved through the basic preemptive remedy of immunization against the six major diseases—measles, diphtheria, whooping cough, tetanus, tuberculosis, and polio.

The international community's collective ability to exterminate a disease through immunization was demonstrated in the successful worldwide campaign waged against smallpox in the 1960's and 1970's, which totally ended that scourge by 1980. Continued progress against disease, however, is by no means inevitable. Although U.N. agencies reduced childhood death rates in poor countries by one-third in the two decades from 1950 to 1970, the 15 years since 1970 have seen virtually no further gains.

Yet, progress — remarkable progress —has come within reach. Immunization technology has now advanced such that, given the political will and the resources, all children in the world could be immunized against the six major diseases by 1990. Nor are the necessary resources beyond the capacity of the developed nations to provide. A multidisease immunization program would require only about $5 per child—a few cents for the vaccine, the remainder for necessary costs of transporting vaccine in a "cold chain" and the administration of injections. Thus, with 100 million children born in the developing countries each year, a full global immunization program, once underway, would require little more than $500 million annually. Initial costs, of course, would be somewhat higher—requiring perhaps an additional $1 billion—due to the need to catch up with the many children not yet immunized.

To provide some perspective on the current catastrophic rate of child death from immunizable diseases—the rate of tragic child suffering and death that we could now act to prevent—let me offer two examples. In El Salvador, while our attention has focused on the horror of brutal warfare, child fatalities from immunizable disease have continued to occur at a greater rate than total war fatalities. Meanwhile, in India, where the shocking chemical disaster in Bhopal recent-

ly killed thousands, more children die from immunizable diseases in that country each day.

Nor, Mr. President, does the saving of children around the world offer us only a short-term gain, accompanied by the long-term liability of an inexorbly expanding population. In the short run, a decline in child mortality obviously results in population expansion. But reduced child mortality is crucial to attaining the level of economic development associated with reduced rates of population growth. Thus, ending the six major diseases represents a huge step toward reducing human misery around the world, not only immediately but also in the long term.

Mr. President, the goal of achieving worldwide disease immunization by 1990 has just been affirmed by Congress in the fiscal year 1986 Foreign Assistance Act. The Pell-Lugar resolution draws a connection between the opportunity to overcome the destitution afflicting so much of humanity and the other great problem facing mankind today: The world-threatening animosity of the nuclear-armed superpowers.

The world has in recent years witnessed the steady degeneration of the United States-Soviet relationship into a near total and deeply dangerous impasse. In assessing this state of affairs, no fair observer could overlook the heavy measure of Soviet responsibility; the Kremlin's failings and misdeeds are sufficiently obvious that Soviet ideology has continued to lose appeal around the world. Nor, of course, would all observers totally absolve the Reagan administration. Regardless of the balance of blame, however, the successful management of future superpower relations remains an imperative of American security and international stability.

In just 2 weeks, President Reagan and General Secretary Gorbachev will convene the first superpower summit in more than 6 years. At present expectations and attention now center almost exclusively on appraising their prospects for agreement on nuclear arms control, that most complex and contentious of subjects. While the two leaders clearly cannot ignore the nuclear issue, both might well find it useful to focus also on a subject on which they could more easily achieve substantive agreement to cooperate. Helping the world's poor—a subject already high in the public consciousness because of recent "Live Aid" activities for Africa—could be such an issue. Accordingly, Senate Resolution 227 states as follows:

That the United States and the Soviet Union should immediately undertake a formal commitment to initiate, using their own resources and those of other donors and appropriate multilateral agencies, a joint effort to bring the benefits of immunization to all children of the world by the year 1990; and

That this joint effort should be undertaken in a spirit of common dedication to a transcending humanitarian purpose, and with the practical hope that such constructive collaboration may also serve as a model for further superpower cooperation.

The advantage of a joint United States-Soviet world immunization effort is that it draws upon the superpowers' strength in technology and resources, while bypassing their innate geopolitical competitiveness. Unlike development activities, immunization efforts do not have an inherent geopolitical dimension: They involve no vested or strategic interest in any particular Third World regime. Immunization requires only that politically neutral medical teams, backed by politically neutral resources, enter those countries in need and do the job. Existing multilateral agencies, which are already deeply involved in immunization activities could administer much of this expanded worldwide program, and other nations and private organizations would be called upon to contribute resources. Valuable political thrust, however, would come from the superpowers acting in constructive partnership.

For the world, such a joint United States-Soviet undertaking would be symbolically as valuable as a joint space mission, vastly more productive in human terms, and a possible step toward ameliorating the East-West conflict at a time of entrenched and dangerous stalemate in superpower relations. A cooperative United States-Soviet immunization effort—to protect the world's children—is a strategic defense initiative that citizens of both nations, and the world, could agree on and applaud.

Mr. President, recently Senator LUGAR and I wrote to Secretary of State Shultz and National Security Adviser McFarlane to urge the administration to give serious consideration to including immunization as a subject for discussion at the forthcoming summit. With today's expression of overwhelming Senate support for Senate Resolution 227, I renew that appeal.

The resolution, as amended, and the preamble are as follows:

S. RES. 227

Whereas six diseases—measles, diphtheria, tetanus, whooping cough, tuberculosis, and polio—each year ravage the children of the world, killing some five million and leaving an equal number disabled;

Whereas the medical technology now exists to immunize the world's children against these diseases at an estimated cost of $5 per child—a total cost of $500,000,000 for the one hundred million children born in the developing countries each year;

Whereas medical studies estimate that such immunization could reduce child mortality around the world by as much as one-half;

Whereas reduced child mortality is crucial to attaining levels of economic development associated with reduced population growth;

Whereas in the 1960's and 1970's the United States and the Soviet Union cooperated effectively together and with other nations in a United Nations program which, by 1980, ended the scourge of smallpox throughout the world;

Whereas responsible scientists now believe that a concerted international program could achieve immunization of all children on Earth against all major diseases by 1990; and

Whereas recent international efforts to assist the famine-stricken people of Africa demonstrate a powerful impulse among the people of the developed nations to direct resources toward people less fortunate: Now, therefore, be it

Resolved, That—

(1) the United States and the Soviet Union should immediately undertake a formal commitment to initiate, using their own resources and those of other donors and appropriate multilateral agencies, a joint effort to bring the benefits of immunization to all children of the world by the year 1990;

(2) this joint effort should be accompanied by the initiation of studies to anticipate the demographic effects of such increased immunizations;

(3) this joint world immunization effort should be undertaken in a spirit of common dedication to a transcending humanitarian purpose, and with the practical hope that such constructive collaboration may also serve as a model for further superpower cooperation.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REMOVAL OF INJUNCTION OF SECRECY—HAGUE CONVENTION ON THE CIVIL ASPECTS OF INTERNATIONAL CHILD ABDUCTION

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Hague Convention on the Civil Aspects of International Child Abduction (Treaty Document No. 99-11) which was transmitted to the Senate October 30, 1985, by the President of the United States; and also ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Hague Convention on the

Civil Aspects of International Child Abduction, adopted on October 24, 1980 by the Fourteenth Session of the Hague Conference on Private International Law and opened for signature on October 25, 1980.

The Convention is designed to secure the prompt return of children who have been abducted from their country of habitual residence or wrongfully retained outside that country. It also seeks to facilitate the exercise of visitation rights across international borders. The Convention reflects a worldwide concern about the harmful effects on children of parental kidnapping and a strong desire to fashion an effective deterrent to such conduct.

The Convention's approach to the problem of international child abduction is a simple one. The Convention is designed promptly to restore the factual situation that existed prior to a child's removal or retention. It does not seek to settle disputes about legal custody rights, nor does it depend upon the existence of court orders as a condition for returning children. The international abductor is denied legal advantage from the abduction to or retention in the country where the child is located, as resort to the Convention is to effect the child's swift return to his or her circumstances before the abduction or retention. In most cases this will mean return to the country of the child's habitual residence where any dispute about custody rights can be heard and settled.

The Convention calls for the establishment of a Central Authority in every Contracting State to assist applicants in securing the return of their children or in exercising their custody or visitation rights, and to cooperate and coordinate with their counterparts in other countries toward these ends. Moreover, the Convention establishes a judicial remedy in wrongful removal or retention cases which permits an aggrieved parent to seek a court order for the prompt return of the child when voluntary agreement cannot be achieved. An aggrieved parent may pursue both of these courses of action or seek a judicial remedy directly without involving the Central Authority of the country where the child is located.

The Convention would represent an important addition to the State and Federal laws currently in effect in the United States that are designed to combat parental kidnapping—specifically, the Uniform Child Custody Jurisdiction Act now in effect in every State in the country, the Parental Kidnapping Prevention Act of 1980, the 1982 Missing Children Act and the Missing Children's Assistance Act. It would significantly improve the chances a parent in the United States has of recovering a child from a foreign Contracting State. It also provides a clear-cut method for parents abroad to apply for the return of children who have been wrongfully taken to or retained in this country. In short, by establishing a legal right and streamlined procedures for the prompt return of internationally abducted children, the Convention should remove many of the uncertainties and the legal difficulties that now confront parents in international child abduction cases.

Federal legislation will be submitted to provide for the smooth implementation of the Convention within the United States. This legislation will be consistent with the spirit and intent of recent congressional initiatives dealing with the problem of interstate child abduction and missing children.

United States ratification of the Convention is supported by the American Bar Association. The authorities of many States have indicated a willingness to do their part to assist the Federal government in carrying out the mandates of the Convention.

I recommend that the Senate give early and favorable consideration to the Convention and accord its advice and consent to ratification, subject to the reservations described in the accompanying report of the Secretary of State.

RONALD REAGAN.

THE WHITE HOUSE, *October 30, 1985.*

DEPARTMENT OF THE TREASURY

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that the nomination of George D. Gould, of New York, to be Under Secretary of Treasury, be referred to the Committee on Banking, Housing, and Urban Affairs for a period not to extend beyond November 15, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer laid before the Senate a message from the President of the United States submitting a treaty, which was referred to the Committee on Foreign Relations.

MESSAGES FROM THE HOUSE

At 1:30 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1593. An act to direct the Secretary of the Interior to release on behalf of the United States certain restrictions in a previous conveyance of land to the town of Jerome, Arizona;

H.R. 1740. An act to direct the Secretary of the Interior to release a reversionary interest in certain lands in Orange County, Florida which were previously conveyed to Orange County, Florida; and

H.R. 1795. An act to exempt certain lands in the State of Mississippi from a restriction set forth in the act of April 21, 1806.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1593. An act to direct the Secretary of the Interior to release on behalf of the United States certain restrictions in a previous conveyance of land to the town of Jerome, Arizona; to the Committee on Energy and Natural Resources.

H.R. 1740. An act to direct the Secretary of the Interior to release a reversionary interest in certain lands in Orange County, Florida which were previously conveyed to Orange County, Florida; to the Committee on Energy and Natural Resources.

H.R. 1795. An act to exempt certain lands in the State of Mississippi from a restriction set forth in the act of April 21, 1806; to the Committee on Energy and Natural Resources.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1964. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Navy Acquisition: SUBACS Problems May Adversely Affect Navy Attack Submarine Programs"; to the Committee on Armed Services.

EC-1965. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notice of a 90 day extension for a decision in "Omaha Public Power District v. Burlington Northern Railroad"; to the Committee on Commerce, Science, and Transportation.

EC-1966. A communication from the Acting Deputy Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, a proposed plan for the use and distribution of the Wichita and Affiliated Tribes judgement funds awarded before the United States Claims Court; to the Select Committee on Indian Affairs.

EC-1967. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the 1984 Report on the Administration of the Public Health Service; to the Committee on Labor and Human Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services:

Richard N. Holwill, of the District of Columbia, to be a Member of the Board of the Panama Canal Commission.

By Mr. PACKWOOD, from the Committee on Finance:

M. Alan Woods, of the District of Columbia, to be a Deputy United States Trade Representative, with the rank of Ambassador.

(The above nomination was reported from the Committee on Finance with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 1827. A bill to amend the act entitled "An act granting a charter to the General Federation of Women's Clubs"; to the Committee on the Judiciary.

By Mr. LUGAR (by request):

S. 1828. A bill to implement the Inter-American Convention on International Commercial Arbitration; to the Committee on Foreign Relations.

By Mr. RIEGLE:

S. 1829. A bill to establish the U.S. Trade Data Bank, the Intragovernmental Council on Economic and Trade Data, and for other purposes; to the Committee on Governmental Affairs.

By Mr. CHILES:

S. 1830. A bill to provide that court for the southern district of Florida shall be held in Naples, FL; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself, Mr. KASTEN, Mr. DODD, Mr. BOSCHWITZ, Mr. INOUYE, Mr. HATFIELD, Mr. LAUTENBERG, Mr. PACKWOOD, Mr. HEINZ, and Mr. KENNEDY):

S. 1831. A bill to amend the Arms Export Control Act to require that congressional vetoes of certain arms export proposals be enacted into law; to the Committee on Foreign Relations.

By Mr. STEVENS:

S. 1832. A bill to authorize the establishment of a Merchant Ship Revolving Fund, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 1833. A bill to authorize the establishment of a Merchant Ship Revolving Fund, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KERRY (for himself, Mr. SIMON, Mr. HOLLINGS, Mr. BURDICK, Mr. DOLE, Mr. CHAFEE, Mr. BRADLEY, Mr. ZORINSKY, Mr. GRASSLEY, Mr. COHEN, Mr. STENNIS, Mr. CRANSTON, Mr. COCHRAN, Mr. WEICKER, Mr. MATSUNAGA, and Mr. PACKWOOD):

S.J. Res. 230. Joint resolution to designate the week of December 1, 1985, through December 7, 1985, as "National Autism Week"; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S.J. Res. 231. Joint resolution to designate the period commencing January 1, 1986, and ending December 31, 1986, as the "Centennial Year of the Gasoline Powered Automobile"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 1827. A bill to amend the act entitled "An Act granting a charter to the General Federation of Women's Clubs"; to the Committee on the Judiciary.

AMENDMENTS TO CHARTER OF THE GENERAL FEDERATION OF WOMEN'S CLUBS

Mr. HATCH. Mr. President, I am introducing a bill to amend the charter of the General Federation of Women's Clubs. Congressional charter was granted to the GFWC in the 56th Congress on March 3, 1901.

The General Federation of Women's Clubs is the largest and oldest nondenominational, nonpartisan, international membership service organization of volunteer women in the world with membership in the United States numbering 50,000. In 1984 alone, GFWC members donated $50 million and 18 million hours on volunteer projects. The effect of the GFWC's work is seen around the world.

The General Federation of Women's Clubs aims at involving their members in concerns of their local community. To this end, the GFWC has sponsored seminars on child abuse, missing children, latchkey children, women in the Third World, and disposal of hazardous wastes. Such seminars provide a forum for open discussion of community and national problems and their possible solutions. The GFWC also lends its time to other service organizations like care and save the children.

A special project of the GFWC is the youth city councils. This event is a leadership training program for teenagers ages 13 to 18. Elections are held for positions on a mock city council. Once elected, these youth city councils work on projects to better their locality. One YCC in my own State of Utah reduced juvenile crime by 50 percent within their city. Many of the YCC's hold a Christmas dinner and dance for the elderly members of their community.

Because they are such an asset to our society it is urgent we help them in the best way we can. This bill will enable the GFWC to qualify for 501(c)(3) tax status. They presently hold a 501(c)(4) tax status. As a result, they would be able to apply for special third class rates of postage. The money they save on postage can be applied to many of their worthwhile projects.

The bill reads as follows:

A bill to amend the Act entitled "An Act Granting Charter to the General Federation of Women's Clubs."

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act Granting a Charter to the General Federation of Women's Clubs," approved March 3, 1901 (31 Stat. 1438, chapter 860) is amended by—

(1) inserting "(c)" after "that";

(2) striking the comma after "succession" and all that follows through "pleasure"; and

(3) adding at the end thereof the following:

"(b) The General Federation of Women's Clubs shall be organized and operated exclusively for charitable and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1954 and shall otherwise liquidate and distribute its assets to organizations qualified as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1954 with purposes similar to those of the General Federation of Women's Clubs".

Mr. President, I urge my fellow Senators to support the amending of the General Federation of Women's Clubs charter to enable this fine organization to serve better our Nation and the world as it has for the past 95 years.

By Mr. LUGAR (by request):

S. 1828. A bill to implement the Inter-American Convention on International Commercial Arbitration; to the Committee on Foreign Relations.

IMPLEMENTATION OF THE INTER-AMERICAN CONVENTION ON INTERNATIONAL COMMERCIAL ARBITRATION

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to implement the Inter-American Convention on International Commercial Arbitration.

This proposed legislation has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, dated October 29, 1985, to the President of the Senate.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1828

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Title 9, United States Code, is amended by adding:

"CHAPTER 3. INTER-AMERICAN CONVENTION ON INTERNATIONAL COMMERCIAL ARBITRATION

"Sec.

"301. Enforcement of Convention.

"302. Incorporation by reference.

"303. Order to compel arbitration; appointment of arbitrators; locale.

"304. Recognition and enforcement of foreign arbitral decisions and awards; reciprocity.
"305. Relationship between the Inter-American Convention and the Convention on the Recognition and Enforcement of Foreign Arbitral Awards of June 10, 1958.
"306. Applicable rules of Inter-American Commercial Arbitration Commission.
"307. Chapter 1; residual application.

"Section 301. Enforcement of Convention.

"The Inter-American Convention on International Commercial Arbitration of January 30, 1975, shall be enforced in United States courts in accordance with this chapter.

"Sec. 302. Incorporation by reference.

"The provisions of Chapter 2, sections 202, 203, 204, 205 and 207 shall apply to this chapter as if specifically set forth herein, except that for the purposes of this chapter 'the Convention' shall mean the Inter-American Convention.

"Sec. 303. Order to compel arbitration; appointment of arbitrators; locale.

"A court having jurisdiction under this chapter may direct that arbitration be held in accordance with the agreement at any place therein provided for, whether that place is within or without the United States. The court may also appoint arbitrators in accordance with the provisions of the agreement.

"In the event the agreement does not make provision for the place of arbitration or the appointment of arbitrators, the court shall direct that the arbitration shall be held and the arbitrators be appointed in accordance with Article 3 of the Inter-American Convention.

"Sec. 304. Recognition and enforcement of foreign arbitral decisions and awards; reciprocity.

"Arbitral decisions or awards made in the territory of a foreign State shall, on the basis of reciprocity, be recognized and enforced under this chapter only if that State has ratified or acceded to the Inter-American Convention.

"Sec. 305. Relationship between the Inter-American Convention and the Convention on the Recognition and Enforcement of Foreign Arbitral Awards of June 10, 1958.

"When the requirements for application of both the Inter-American Convention and the Convention on the Recognition and Enforcement of Foreign Arbitral Awards of June 10, 1958, are met, determination as to which Convention applies shall, unless otherwise expressly agreed, be made as follows:

"(1) If a majority of the parties to the arbitration agreement are citizens of a State or States that have ratified or acceded to the Inter-American Convention and are member States of the Organization of American States, the Inter-American Convention shall apply.

"(2) In all other cases the Convention on the Recognition and Enforcement of Foreign Arbitral Awards of June 10, 1958, shall apply.

"Sec. 306. Applicable rules of Inter-American Commercial Arbitration Commission.

"(a) For the purposes of this chapter the rules of procedure of the Inter-American Commercial Arbitration Commission referred to in Article 3 of the Inter-American Convention shall, subject to subsection (b) of this section, be those rules as promulgated by the Commission on January 1, 1978.

"(b) In the event the rules of procedure of the Inter-American Commercial Arbitration Commission are modified or amended in accordance with the procedures for amendment of the rules of the said Commission, the Secretary of State, by regulation in accordance with Section 553 of Title 5, United States Code, consistent with the aims and purposes of this Convention, may prescribe that such modifications or amendments shall be effective for purposes of this chapter.

"Sec. 307. Chapter 1; residual application.

"Chapter 1 applies to actions and proceedings brought under this chapter to the extent chapter 1 is not in conflict with this chapter or the Inter-American Convention as ratified by the United States."

SEC. 2. Title 9, United States Code, is further amended by adding to the table of chapters at the beginning a new sub-heading as follows:

"3. Inter-American Convention on International Commercial Arbitration.....301".

SEC. 3. This Act shall be effective upon the entry into force of the Inter-American Convention on International Commercial Arbitration of January 30, 1975, with respect to the United States.

SECTION-BY-SECTION ANALYSIS OF A BILL TO IMPLEMENT THE INTER-AMERICAN CONVENTION ON INTERNATIONAL COMMERCIAL ARBITRATION

Section 1. Section 1 of the bill amends Title 9 of the United States Code by addition of a new Chapter 3, consisting of sections 301 through 307. As amended, Title 9 would thus contain three chapters: Chapter 1 (sections 1-14), the original Federal Arbitration Act; Chapter 2 (sections 201-208), the implementing legislation for the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards of June 10, 1958 ("New York Convention"); and Chapter 3 (sections 301-307), implementing legislation for the Inter-American Convention on International Commercial Arbitration of January 30, 1975 ("Inter-American Convention").

Section 301. Section 301 of Title 9 parallels section 201 of the implementing legislation for the New York Convention.

Section 302. Section 302 incorporates sections 202, 203, 204, 205, and 207 of the implementing legislation for the New York Convention: the two Conventions do not differ so as to call for different measures of implementation in these respects.

The incorporation of section 202, which provides that an arbitration agreement or arbitral award arising out of a legal relationship "which is considered as commercial" falls under the Convention (as incorporated, the reference is to the Inter-American Convention), provides the basis for a broad definition of the term "commerical" for purposes of the Convention. The Convention itself provides no definition of the term, but it is the understanding of the United States that trade, investment, and other business and financial activities which bear on "foreign commerce" are considered "commercial" and are thus within the purview of the Convention.

The incorporation of section 202 also clarifies that the Inter-American Convention, like the New York Convention, shall be deemed not to apply to an arbitral agreement or award arising out of a legal relationship which is entirely between citizens of the United States, unless there is a reasonable foreign element in the relationship as defined in section 202.

The incorporation of sections 203 and 204 extends the same provisions concerning jurisdiction of the United States district courts and venue to actions or proceedings falling under the Inter-American Convention as apply to those falling under the New York Convention. Similarly, the incorporation of section 205 gives defendants the right to remove actions or proceedings relating to arbitration agreements or awards falling under the Inter-American Convention from State courts to United States district courts, as is now the case for those falling under the New York Convention.

With the incorporation of section 207, the three-year limitation period for application to a court for an order confirming an arbitral award that applies to awards falling under the New York Convention will also apply to awards falling under the Inter-American Convention. Section 207 also requires the court to confirm the award "unless it finds one of the grounds for refusal or deferral of recognition or enforcement of the award specified in the said Convention." Those grounds are specified in Article 5 of the Inter-American Convention, which was taken almost verbatim from Article V of the New York Convention in order to assure that the sole grounds for refusal of the recognition and enforcement of an award would be the same under both Conventions.

Section 303. The first paragraph of this section repeals 9 U.S.C. section 206, providing that a court may direct that arbitration be held in accordance with the agreement at any place therein provided for, whether that place is within or without the United States, and that the court may also appoint arbitrators in accordance with the provisions of the agreement. Neither the Convention nor section 303 attempts to resolve other issues which the court may be asked to address in connection with a matter which is to be submitted to arbitration.

The second paragraph of section 303 is new, reflecting Article 3 of the Inter-American Convention. Article 3 provides that when or to the extent that the parties fail to agree upon other applicable rules of procedure, arbitration shall be governed by the rules of procedure of the Inter-American Commercial Arbitration Commission, a private organization originally established in 1934 at the recommendation of the predecessor of the Organization of American States (OAS).

Neither the Federal Arbitration Act nor the New York Convention contains a comparable provision, but rather leaves the choice of rules of procedure to the court in the absence of agreement by the parties. The specification of "back-up" rules provides a desirable certainly and uniformity in the application of the Inter-American Convention.

Section 304. Section 304 provides a rule of reciprocity analogous to that applicable to the New York Convention. The latter permits a reservation, which the United States has made, that a State may on the basis of reciprocity apply the Convention to the recognition and enforcement of awards made only in the territory of another Contracting State (Article I, paragraph 3). The United States will make a comparable reservation to the Inter-American Convention, and Sec-

tion 304 has been drafted to make that reservation readily available for the reference of courts and practitioners. Also, the section has been worded in such a way as to make clear that it is intended only to be a rule of reciprocity and not a determination that arbitral decisions and awards made in the United States are excluded from the applicability of the Inter-American Convention if they otherwise fall under the Convention and the provisions of chapter 3, including in particular section 202 as incorporated in chapter 3. Litigation has been required to resolve that issue, in so far as the applicability of the New York Convention is concerned, given the less than precise wording of the two sentences of paragraph 1 and the first sentence of paragraph 3 of Article I of the New York Convention. The Inter-American Convention contains no comparable provisions; while it deals only with "international commercial arbitration," there is nothing in the language of the Convention or in the negotiating history to indicate an intent to limit the applicability of its recognition and enforcement provisions to awards made in countries other than those where recognition and enforcement are sought.

Section 305. The Inter-American Convention does not contain an express provision concerning its applicability when there is another convention on recognition and enforcement of arbitral agreements and awards which might also apply to a specific case. In particular, the United States and at least some other countries will be a party to both the Inter-American and the New York Conventions. Given the substantial identity of the two conventions, this issue is not expected to be of great consequence. However, it is nonetheless useful to resolve it explicitly in order to remove a potential ground for controversy.

The New York Convention is better established in law and in practice than the Inter-American Convention and has greater worldwide participation. The United States will therefore enter a reservation in ratifying the Inter-American Convention, to establish clearly the applicability of the New York Convention in appropriate cases.

Section 305 reflects this reservation, providing that, where both Conventions are applicable to a particular case, the United States would be bound by and apply the provisions of the Inter-American Convention only if a majority of the parties to the arbitration agreement are citizens of a State or States that have ratified or acceded to this Convention and are citizens of OAS Member States. In other cases, the United States will be bound by and apply the provisions of the New York Convention. Section 305 makes clear that, where both Conventions are potentially applicable, both parties must be citizens of OAS Member States before the Inter-American Convention would supersede the New York Convention.

Section 306. Section 306, like section 303, is necessary in order to implement the Article 3 provision of the Inter-American Convention which specifies applicable rules of procedure for cases in which the parties fail to agree on such rules. While the rules of procedure of the Inter-American Commercial Arbitration Commission are deemed useful and acceptable, the Commission is a private, nongovernmental body. It is therefore desirable that there be official review and approval of any amendments to the rules before they are made applicable to parties by law.

The United States will enter a reservation regarding article 3 that the United States will apply the rules of procedure of the Inter-American Commercial Arbitration Commission which are in effect as of ratification, unless a later official determination is made to adopt and apply any amendments to the rules which the Inter-American Commercial Arbitration Commission may make subsequently. Section 306 provides a rulemaking procedure for making such an official determination; this procedure provides a simple and efficient mechanism for soliciting the comments of interested and expert groups and individuals in order to provide an informed basis for official judgment and determination.

Section 307. Section 307 incorporates a provision parallel to 9 U.S.C. section 208.

Section 2. Section 2 of the bill adds a new subheading to the table of chapters at the beginning of Title 9 to correspond to the new Chapter 3.

Section 3. Section 3 of the bill establishes the effective date.

U.S. DEPARTMENT OF STATE,
Washington, DC, October 29, 1985.

DEAR MR. PRESIDENT: I have the honor to transmit for the consideration of the Congress the draft of a bill to implement the obligations of the United States under the Inter-American Convention on International Commercial Arbitration. The Convention was transmitted to the Senate for its advice and consent to ratification on June 15, 1981; the instrument of ratification will be deposited with the General Secretariat of the Organization of American States once appropriate implementing legislation has been enacted. The Convention would enter into force for the United States on the thirtieth day after deposit of the instrument of ratification.

The Inter-American Convention on International Commercial Arbitration entered into force on June 16, 1976. At present, Chile, Costa Rica, El Salvador, Honduras, Mexico, Panama, Paraguay and Uruguay are parties. Consistent with the longstanding United States policy to facilitate the use of arbitration as a means of resolving international commercial disputes, this Convention will provide an opportunity to secure wider benefits of recognition and enforcement of international commercial arbitration agreements and awards among a greater number of countries in this hemisphere.

The Inter-American Convention on International Commercial Arbitration is modeled after the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, to which the United States became a party in 1970. The draft bill to implement the Inter-American Convention is similarly modeled after, and incorporates in large part, the legislation which implements the New York Convention, 9 U.S.C. 201-208. Several new provisions are incorporated in the draft bill, however, in order to clarify the sphere of application of the Inter-American Convention and to safeguard its provisions respecting arbitral procedures; these are described more fully in the section-by-section analysis which accompanies this letter.

Hon. GEORGE BUSH,
President, U.S. Senate.

The draft bill is identical to the bill which was introduced, by request, in the House of Representatives on September 14, 1983 by Chairman Rodino (H.R. 3894) and in the Senate on July 21, 1983 by then Chairman Percy (S. 1658).

The Inter-American Convention on International Commercial Arbitration has received the support of a large number of interested and representative organizations, including the American Bar Association, the American Arbitration Association, the United States Chamber of Commerce, the Association of American Chambers of Commerce in Latin America, the American Foreign Law Association, and a number of state and local bar associations. Experts from the American Arbitration Association and American Bar Association have reviewed the proposed legislation and have advised that they consider it satisfactory.

Prompt approval of this implementing legislation will permit United States citizens and concerns seeking enforcement of commercial arbitration agreements and awards to enjoy the benefit of this Convention among the countries which are parties, and may encourage more rapid and widespread ratification by other countries as well.

The Office of Management and Budget has advised that there is no objection to the presentation of this proposal to the Congress, and that its enactment would be in accord with the program of the President.

With best wishes,

Sincerely,

WILLIAM L. BALL III,
Assistant Secretary,
Legislative and
Intergovernmental Affairs.●

By Mr. RIEGLE:

S. 1829. A bill to establish the U.S. Trade Data Bank, the Intragovernmental Council on Economic and Trade Data, and for other purposes; to the Committee on Governmental Affairs.

UNITED STATES TRADE DATA BANK ACT

Mr. RIEGLE. Mr. President, I am introducing today the U.S. Trade Data Bank Act of 1985, which would establish an effective system for providing U.S. firms and decisionmakers with the strategic information now needed for full competitiveness in the world marketplace.

In recent years, as the U.S. position in world trade has been collapsing, we have been forced to recognize a number of weaknesses in the ways we have been used to doing business in this country. An important weakness, one that is a clear failure of the Federal Government, is the inadequacy of information that U.S. firms and policymakers have regarding foreign and domestic economies, markets, commerce, and technologies.

Too often, trade negotiators from Japan and other advanced industrial nations have come with information on the United States economy and their own economies that is far superior to information available to United States negotiators. Many foreign governments equip their private industries with vital commercial information that repeatedly has helped foreign competitors gain the edge over American firms.

The U.S. Government collects vast amounts of economic data, but we simply have never given high priority to the creation of a trade data system that could be a strategic resource for

U.S. firms in international competition, a system that could quickly reveal international changes that provide opportunities or dangers to American producers.

Instead, responsibility for data gathering has been scattered among numerous, disparate agencies—the Bureau of the Census, the Bureau of Labor Statistics, the International Trade Commission, the U.S. Trade Representative's Office, and many other offices throughout the Federal Government. In recent years, OMB has eliminated a number of important data-gathering activities for reasons that are narrow and shortsighted.

No wonder then, when U.S. firms seek information to help them compete, they often find it is unavailable, unusable, or difficult to access.

Mr. President, U.S. firms and workers can create a competitive advantage in the dynamic world economy only by being quicker and smarter than others in responding to international changes in economic policies, consumer markets, products and process technologies. That is true for established industries as well as new ones.

There is simply no excuse for this Government not to provide U.S. competitors with the highest quality and most timely commercial data in the world.

The U.S. Trade Data Bank Act would take a major step to do just that.

The bill would place within a single, top-level office the responsibility for providing this Nation with a superior trade data system. The U.S. Trade Representative [USTR], within the Executive Office of the President, would be given the clear responsibility for creating a national trade data bank offering information that is comprehensive, accurate, timely, and accessible to U.S. firms, labor, and public policymakers.

The bill would direct USTR to consult broadly with private industry and labor, using the existing private-sector advisory network, to identify economic and trade information needed by U.S. participants in international commerce and to develop ways to make that information most accessible and useful.

The bill would establish an Intragovernmental Council on Economic and Trade Data, a mechanism through which Federal agencies could cooperate to make Federal data systems more coherent, comparable, efficient, and useful.

The U.S. Trade Data Bank would build upon and enhance the data collection and dissemination systems now operated by the Departments of Commerce, Labor, Agriculture, State, and Treasury, as well as by the Federal Reserve Board and other Federal agencies. It would neither duplicate nor disrupt those ongoing activities.

This bill would provide at the top of our Government an ongoing, comprehensive assessment of our national system for providing data that is useful in international trade. It provides a way for us to create a U.S. trade data system that would be not only adequate to the intense foreign trade challenge but the very best in the world.

I believe this bill is prudent and badly needed. I urge my colleagues to join me as cosponsors.

By Mr. CHILES:

S. 1830. A bill to provide that court for the Southern District of Florida shall be held in Naples, FL; to the Committee on the Judiciary.

PROVIDING FOR HOLDING COURT IN NAPLES, FL FOR THE SOUTHERN DISTRICT OF FLORIDA

● Mr. CHILES. Mr. President, today I am introducing legislation to designate the city of Naples as a place of holding Federal court in Florida's Southern District. This designation is both necessary and timely.

For years the people of Naples and surrounding areas have had to travel over 200 miles in order to serve jury duty or conduct business in Federal court in Miami. This has made their access to Federal court both expensive and inconvenient.

As southwest Florida continues to outpace the Nation in growth, this problem is obviously going to affect more and more people. According to statistics from the U.S. Bureau of the Census, Florida will be the third largest State in population by the year 2000. Much of this new growth is expected to be centered in the Southern District of Florida. The Florida Governor's Office of Planning and Budgeting predicted recently in Florida Trend magazine that Collier County, which includes Naples, would grow approximately 74 percent in the next 15 years.

It would not be prudent to wait until the situation reaches critical proportions to act, especially when circumstances in the area are ripe for immediate action. After Naples has been designated as a place of holding court, the Federal Government must either find appropriate space in existing facilities or construct a building in which court can be held.

Since Collier County is in the process of developing a new judicial center, it may be possible to include the needed space in the new facility. This could save time and money for both the residents and the Federal Government.

The proposal to designate Naples as a place of holding court is supported by the bench of the Southern District, area bar associations, and the residents of Naples and surrounding areas. I urge my colleagues to support this essential legislation.●

By Mr. CRANSTON (for himself, Mr. KASTEN, Mr. DODD, Mr. BOSCHWITZ, Mr. INOUYE, Mr. HATFIELD, Mr. LAUTENBERG, Mr. PACKWOOD, Mr. HEINZ, and Mr. KENNEDY):

S. 1831. A bill to amend the Arms Export and Control Act to require that congressional vetoes of certain arms exports proposals be enacted into law; to the Committee on Foreign Relations.

ARMS EXPORTS CONTROL ACT AMENDMENTS

Mr. CRANSTON. Mr. President, I am today joining with a bipartisan group of cosponsors to introduce a small but important procedural amendment to the Arms Export Control Act [AECA]. This measure, cosponsored by Senators KASTEN, DODD, BOSCHWITZ, INOUYE, HATFIELD, LAUTENBERG, PACKWOOD, KENNEDY, and HEINZ, would simply restore the provision in law providing expedited procedures for resolutions of disapproval introduced pursuant to section 36(b) of the AECA.

Our proposal would not grant Congress any new powers in this area. The AECA already provides for expedited procedures for concurrent resolutions. Since the 1981 Supreme Court decision in the Chadha case rejecting the legislative veto, Congress has employed joint resolutions of disapproval as means of manifesting opposition to a particular sale. The problem—which we faced recently on the Jordan arms resolution and which we may face again next February if Senators choose to push a resolution that would bar a Jordan sale—is that while a concurrent resolution of disapproval enjoys expedited procedures preventing filibusters, a joint resolution does not.

The AECA provisions of section 36(b) for arms export reviews work best when Congress can proceed in a deliberate and timely manner. For this reason, I hope that our colleagues will join with us in supporting this important proposal to clarify procedural safeguards. It should be noted that our legislation is drafted to include expedited procedures for resolutions introduced pursuant to sections of the AECA which effect leasing and private arms transfers.

It is my intention to work in a bipartisan spirit with the leadership of the Senate Foreign Relations Committee so that we might have prompt consideration of this measure. This would enable the full Senate to act on the legislation before we recess in the closing weeks of 1985.

● Mr. LAUTENBERG. Mr. President, I am pleased to join in introducing this bill to provide that joint resolutions of disapproval pursuant to section 36(b) of the Arms Export Control Act be accorded expedited procedures.

The Arms Export Control Act governs the sale of weapons over a certain dollar amount by the U.S. Government to foreign countries. It provides that concurrent resolutions of disapproval of proposed arms sales must be considered in accordance with expedited procedures, thus guaranteeing that the Congress has the chance to vote to disapprove a proposed arms sale if it so chooses. In the Senate, these procedures rule out filibusters which otherwise could prevent the Senate from making its voice heard on arms sales.

In the wake of INS versus Chadhan and other Supreme Court decisions, the constitutionality of concurrent resolutions to disapprove arms sales requests in doubtful. For this reason, the resolution of disapproval on the Jordan arms sale passed by the Senate on October 24 was a joint resolution, requiring the President's signature.

Unlike concurrent resolutions, joint resolutions are not entitled to expedited procedures under the current Arms Export Control Act. Under existing law, if a joint resolution of disapproval of the Jordan arms sale is introduced in the Senate at a future date, consideration of such a resolution could be delayed by any Senator who favors going ahead with the sale.

In order to assure the Congress of the opportunity to be heard on the issue of the Jordan arms sale and future sales, this bill provides that joint resolutions will be considered under the same expedited procedures provided for concurrent resolutions in the Arms Export Control Act. This bill preserves congressional oversight of proposed arms sales to foreign countries be assuring that Congress will have the opportunity to consider legislation disapproving arms sales.

Mr. President, I hope the Senate can approve this bill quickly.●

Mr. KENNEDY. Mr. President, I rise in strong support of this legislation to provide expedited procedures for congressional consideration of administration proposals to sell defense articles or services to foreign or international entities.

Section 36(b) of the Arms Control Export Control Act of 1976 was originally drafted to provide the Congress the opportunity to consider such legislation in an expedited fashion. The Supreme Court's decision in the Chadha case held that the earlier congressional review procedures were unconstitutional. Two years have gone by and the Senate has yet to review the statutes affected by that decision. Now that the Senate has an issue before it which is directly affected by Chadha, we ought to act in a responsible manner and enact the piece of legislation before us.

It is no secret that the impetus for this legislation is the current debate over the administration's request for almost $2 billion in sophisticated arms to Jordan. Last October, I introduced Senate Joint Resolution 223 cosponsored by 74 Senators opposing that sale. And the Senate has recently voted 97-1 to postpone the arms sales until March 1, 1986. Clearly, an overwhelming majority of the Senate has a deep interest in the issue of arms sales to Jordan.

The issue here also raises the question of whether the Senate should be afforded the opportunity to act quickly on an arms sales request. I believe it is essential that the Senate be allowed to act in a prompt manner in so curcial a matter as a major arms sales request.

We are all aware that a minority of the Senate is able to hold up certain business items upon which the majority of the Senate may wish to act. In this particular instance, such an obstruction is not justifiable.

This legislation provides a needed revision of the current statute and I urge my colleagues to support this important peace of legislation.

By Mr. STEVENS:

S. 1832. A bill to authorize the establishment of a merchant ship revolving fund, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 1833. A bill to authorize the establishment of a merchant ship revolving fund, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE BUILD AND CHARTER PROGRAM

● Mr. STEVENS. Mr. President, today I am introducing two bills at the request of the shipbuilders Council of America and the Council of American-Flag ship operators to implement a build and charter program which would authorize the Secretary of the Navy to construct militarily useful vessels for charter or lease to commercial vessel operators. There is no unanimous agreement within the industry as to the approach which should be taken to implement this program, yet I believe there is unanimous agreement that the U.S.-flag fleet is in serious decline, and that immediate action is necessary to reverse this trend.

It is my intention to hold hearings in the Merchant Marine Subcommittee on these bills, and to proceed to markup before the full Commerce committee as soon as all parties have had adequate opportunity to consider these measures and, ideally, agree among themselves.

On July 23 of this year I introduced two bills at the request of the administration. S. 1481 would provide authority for subsidized U.S.-flag operators to construct or acquire vessels outside the United States and still be eligible to receive operating differential subsidies. S. 1482 would eliminate the requirement that foreign built or rebuilt vessels be documented under U.S. law for 3 years before they are eligible to carry cargoes reserved under the Cargo Preference Act of 1954.

The bills I am introducing today were submitted as a result of meetings held by Senator INOUYE and me with merchant marine industry representtives, concerning S. 1481, S. 1482 and the Build and Charter Program. Sea Land submitted comments outlining an alternative proposal designed to reduce reliance on subsidies. Under this proposal ODS liner operators would be allowed to build vessels in foreign shipyards, but would be precluded from ODS subsidy payments.

Also discussed at these meetings was a modified operating differential subsidy program referred to as the Seamen's Wage Adjustment Payment Program [SWAP]. As yet, no consensus has been reached within the merchant marine industry on whether to proceed with a SWAP Program. I hope that an agreement concerning the SWAP Program, the Sea Land proposal, and the concepts embodied in S. 1481 and S. 1482 may soon be reached. Because no decision was reached on this issue, I have deleted the subsection in the Council of American-Flag Ship Operators bill which predicated build and charter upon passage of SWAP legislation.

Although the bills I am introducing today differ in approach, each would establish a new revolving fund to finance the construction of militarily useful commercial ships to supplement the national defense Reserve fleet. Under these bills, the Secretary of the Navy would be authorized to lease or charter the ships built through the fund to U.S. commercial operators for use in the foreign trade, initially through the transfer of $852,300,000 from the unobligated balances of prior year shipbuilding appropriations. These funds were earmarked for this purpose in the 1986 defense appropriations bill as reported by the Defense Appropriations Committee.

The concept of "build and charter" is patterned after President Eisenhower's Mariner Program to construct ships for commercial operation which may be adapted quickly in the event of a national emergency. The demand for such a program has never been more apparent. In general, there is an excess of commercial tonnage on the world economy, yet there is a severe shortage of U.S.-flag commercial vessels which are of the size, capacity, and speed required for military sealift. There are less than half the number of U.S.-flag carrier ships which are adaptable for military sealift as existed in the commercial fleet just a decade ago.

To redress this deficiency, over the last 2 years the Navy has procured commercial ships for retention in the inactive status for the Ready Reserve Fleet. While this approach has partial-

ly alleviated tonnage shortfalls, these ships will require extensive work before reactivation. This work will be above and beyond the current $100,000,000 annual expense to retain the ships in a "ready reserve" status. Furthermore, the utility of this concept is dependent upon the immediate availability of experienced crews to meet wartime contingency sealift plans. The worldwide decline of U.S.-flag carried exports has depleted the ranks of experienced seamen to the point where it is doubtful that skilled crews could be assembled for Ready Reserve Fleet duty within a reasonable timeframe.

A resurgence of the Mariner Program would augment essential sealift assets in an operational ready reserve status. This approach would add tonnage for sealift, eliminate the need for immediate recruitment of experienced crews, avoid the expense of maintaining additional, inactive sealift assets, and efficiently employ ships in the commercial trade.

The bills give the Secretary of the Navy the flexibility to determine the appropriate vessel designs for the Build and Charter Program. Ships constructed through the fund would be adaptable to military sealift needs and built in domestic shipyards. Primary consideration would be given to constructing vessels capable of cost-efficient commercial operation.

Mr. President, I am committed to working out a viable Build and Charter Program. While I do not endorse any of these specific proposals, I hope that all interested parties will move quickly to present their views and join us in this effort to move forward. To be a viable program I believe that build and charter must produce commercially competitive vessels. The vessels constructed under this program will not be allowed to operate in the coastwise trade. The program will be administrated by the Secretary of the Navy in a manner which guards against granting any competitive advantage to one U.S.-flag vessel operator over any other and against further creation of overtonnaging problems in the foreign trade.

I want to emphasize that the moneys which would be used to initially capitalize the build and charter revolving fund are currently available; no additional appropriations would be necessary to implement this progam.

Several maritime interests have not had the opportunity to participate in the drafting of these proposals, and I would hope all concerned will get together in an effort to reach an industry consensus on a Build and Charter Program. I hope that we in the Congress, working with those in the merchant marine industry, take advantage of this opportunity to implement a Build and Charter Program to develop and maintain an efficient, competitive U.S.-flag merchant marine.●

By Mr. KERRY (for himself, Mr. SIMON, Mr. HOLLINGS, Mr. BURDICK, Mr. DOLE, Mr. CHAFEE, Mr. BRADLEY, Mr. ZORINSKY, Mr. GRASSLEY, Mr. COHEN, Mr. STENNIS, Mr. CRANSTON, Mr. COCHRAN, Mr. WEICKER, Mr. MATSUNAGA, and Mr. PACKWOOD):

S.J. Res. 230. Joint resolution to designate the week of December 1 through December 7, 1985, as "National Autism Week"; to the Committee on the Judiciary.

NATIONAL AUTISM WEEK

● Mr. KERRY. Mr. President, today I rise to introduce a joint resolution which will designate December 1 through December 7, 1985, as "National Autism Week."

Autism is a lifelong brain disorder that afflicts over 350,000 children and adults throughout the United States. It is a disability that prevents proper understanding of what a person sees, hears, or otherwise senses. It causes severe problems in learning, communicating, and behavior. Because autism is brain disorder that does not result in any obvious physical impairments, much of our society believes the myth that autism is a form of mental illness. The purpose of this joint resolution is to dispell all myths associated with autism by educating the American public of the realities regarding autism.

I chose the week of December 1 through December 7 to address the issue of autism, as it coincides with the 20th anniversary of the National Society for Children and Adults with Autism [NSAC]. Over the years, NSAC and other committed individuals and organizations have waged an all out effort on behalf of those afflicted with this neurological disorder to help bring autistic individuals educational and medical assistance. These dedicated individuals have also worked to increase the public awareness and understanding of this distressing disability.

Because there still exists a great need to further educate the general public on this incapacitating lifelong disability, and because there exists the need for continued research in the search for a cure for autism, I have decided to introduce this joint resolution. Mr. President, I strongly urge my colleagues to join with me and the many other cosponsors in designating December 1 through December 7 as "National Autism Week."●

By Mr. RIEGLE (for himself and Mr. LEVIN):

S.J. Res. 231. Joint resolution to designate the period commencing January 1, 1986, and ending December 31, 1986, as the "Centennial Year of the Gasoline Powered Automobile"; to the Committee on the Judiciary.

CENTENNIAL YEAR OF THE GASOLINE POWERED AUTOMOBILE

● Mr. RIEGLE. Mr. President, today along with my colleague from Michigan Mr. LEVIN, I am introducing a joint resolution to declare 1986 the Centennial Year of the Gasoline Powered Automobile. This is an especially significant date given the common history that my State shares with the automobile.

From a very tentative beginning in Europe in 1886, when the first motor vehicle powered by an internal combustion engine was successfully patented to today's production of millions of vehicles per year using computers, lasers, and robots, the story of the automobile is in a very real sense the story of this country in the 20th century.

In 1908, Henry Ford realized, perhaps before anyone else, the potential that the automobile held to transform out Nation. The first mass produced automobile, the Model T, was marketed to the general public for $950. By 1914, a quarter of a million cars had been produced, the price had fallen to $450, and the automobile had taken a permanent place in our society. At the same time that the automobile was taking its place in our lives, Henry Ford was the first to share his success with his workers in the form of wages above the prevailing national average.

The automobile has given this Nation some of the most prodigious industrial and labor genuises in our history. In addition to Ford, the names Durant, Mott, Sloan, and Ruether all are known as people who helped to build our industrial strength. The industry continues to produce leaders that are envied in other areas of production; Iacocca, Caldwell, Smith, and Fraser immediately come to mind in this respect.

The automobile industry is truly one of the most important segments of the manufacturing base in the United States. Domestic car production totals 8.7 million units. Almost 900,000 people depend directly on the automobile industry for jobs, with 1 in 6 of all jobs related to car production.

The influence of the automobile is seen not only in the United States, but throughout the world. Henry Ford's idea to give people the ability to travel whenever and virtually wherever they want has found ready acceptance in all countries. In a very real sense, the automobile industry is a key thread in the economic fabric which ties nations together.

It would be difficult to imagine this world without automobiles, yet it is even more difficult to believe that it has been only 100 years since its invention. I hope that all of my colleagues will join us in cosponsoring this joint

resolution and paying tribute in a small way to the automobile.●

ADDITIONAL COSPONSORS

S. 887

At the request of Mr. DOLE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 887, a bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly.

S. 974

At the request of Mr. WEICKER, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 974, a bill to provide for protection and advocacy for mentally ill persons.

S. 1223

At the request of Mr. ARMSTRONG, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean war.

S. 1230

At the request of Mr. MATHIAS, the names of the Senator from Vermont [Mr. LEAHY] and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 1230, a bill to amend the patent laws implementing the Patent Cooperation Treaty.

S. 1250

At the request of Mr. HEINZ, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Illinois [Mr. DIXON], the Senator from North Dakota [Mr. BURDICK], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 1250, a bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs tax credit for 5 years, and for other purposes.

S. 1317

At the request of Mr. RIEGLE, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1317, a bill to amend title XVIII of the Social Security Act to treat certain osteopathic hospitals as rural referral centers for purposes of payment under the prospective payment system.

S. 1328

At the request of Mr. SIMON, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1328, a bill to strengthen programs under title III of the Higher Education Act of 1965, relating to institutional aid, and for other purposes.

S. 1647

At the request of Mr. LAUTENBERG, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 1647, a bill to amend the Tariff Act of 1930 to enhance the protection of intellectual property rights.

S. 1661

At the request of Mr. HEINZ, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1661, a bill to amend the Internal Revenue Code of 1954 to exempt certain emergency medical transportation from the excise tax on transportation by air.

S. 1679

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1679, a bill to strengthen provisions of the law that provide safeguards when imports threaten to impair the national security.

S. 1778

At the request of Mr. BENTSEN, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 1778, a bill to deny most-favored nation trade treatment to any country that provides support for acts of terrorism.

S. 1797

At the request of Mr. HART, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1797, a bill to call for a multilateral conference, under the auspices of the International Monetary Fund, to seek a new international monetary regime within a flexible exchange rate structure; to assist the development of the private sectors of Less Developed Countries and increase demand for United States exports; to strengthen the General Agreement on Tariffs and Trade and reform United States trade laws; to assist American industries in improving their competitive posture in international markets; and to provide transition assistance to workers and firms in response to changing global economic conditions.

S. 1815

At the request of Mr. HATCH, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1815, a bill to prevent the denial of employment opportunities by prohibiting the use of lie detectors by employers involved in or affecting interstate commerce.

S. 1822

At the request of Mr. THURMOND, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 1822, a bill to amend the Copyright Act in section 601 of title 17, United States Code, to provide for the manufacturing and public distribution of certain copyrighted material.

SENATE JOINT RESOLUTION 130

At the request of Mr. QUAYLE, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of Senate Joint Resolution 130, a joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week."

SENATE JOINT RESOLUTION 184

At the request of Mr. DENTON, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Joint Resolution 184, a joint resolution to authorize the Korean War Memorial, Inc. to erect a memorial in the District of Columbia or its environs.

SENATE JOINT RESOLUTION 198

At the request of Mr. MATHIAS, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of Senate Joint Resolution 198, a joint resolution to designate the year of 1986 as the "Sesquicentennial Year of the National Library of Medicine."

SENATE JOINT RESOLUTION 199

At the request of Mr. MURKOWSKI, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 199, a joint resolution to designate the month of November 1985 as "National Elks Veterans Rememberance Month."

SENATE JOINT RESOLUTION 202

At the request of Mr. HATCH, the names of the Senator from Illinois [Mr. SIMON], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of Senate Joint Resolution 202, a joint resolution designating November 1985 as "American Liver Foundation National Liver Awareness Month."

SENATE JOINT RESOLUTION 213

At the request of Mr. FORD, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 213, a joint resolution to designate January 19-25, 1986, "National Jaycee Week."

SENATE CONCURRENT RESOLUTION 69

At the request of Mr. DANFORTH, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Concurrent Resolution 69, a concurrent resolution to recognize the National Camp Fire Organization for 75 years of service.

SENATE CONCURRENT RESOLUTION 83

At the request of Mr. D'AMATO, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Massachusetts [Mr. KERRY], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Concurrent Resolution 83, a concurrent resolution expressing the sense of the Congress that Federal tax reform legislation not take effect until its date of enactment, but in no case earlier than July 1, 1986.

SENATE RESOLUTION 174

At the request of Mr. GORE, the name of the Senator from West Vir-

ginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Resolution 174, a resolution expressing the sense of the Senate with respect to the proposed closing and downgrading of certain offices of the Social Security Administration.

SENATE RESOLUTION 209

At the request of Mr. HEINZ, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Resolution 209, a resolution expressing the sense of the Senate in opposition to the repeal of the Historic Rehabilitation Tax Credit.

SENATE RESOLUTION 227

At the request of Mr. LUGAR, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of Senate Resolution 227, a resolution urging a joint United States-Soviet effort to achieve worldwide disease immunization by 1990.

At the request of Mr. PELL, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Delaware [Mr. BIDEN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Rhode Island [Mr. CHAFEE], the Senator from California [Mr. CRANSTON], the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Nebraska [Mr. EXON], the Senator from Washington [Mr. GORTON], the Senator from Colorado [Mr. HART], the Senator from Oregon [Mr. HATFIELD], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Massachusetts [Mr. KERRY], the Senator from Vermont [Mr. LEAHY], the Senator from Maryland [Mr. MATHIAS], the Senator from Ohio [Mr. METZENBAUM], the Senator from South Dakota [Mr. PRESSLER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Illinois [Mr. SIMON], the Senator from Vermont [Mr. STAFFORD], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Resolution 227, supra.

AMENDMENTS SUBMITTED

INCREASE IN PUBLIC DEBT LIMIT

CHILES (AND OTHERS) AMENDMENT NO. 961

Mr. CHILES (for himself, Mr. RIEGLE, Mr. KENNEDY, Mr. DURENBERGER, Mr. HEINZ, Mr. BAUCUS, and Mr. CHAFEE) proposed an amendment to amendment No. 957 proposed by Mr. PACKWOOD (and Mr. DOMENICI) to the amendment of the House to the amendment of the Senate numbered 2, to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt; as follows:

On page 41, strike out lines 19 through 21 and insert the following:

(iv) For purposes of this Section, all payments made under Title XVIII of the Social Security Act for items or services furnished during any fiscal year shall be treated as payments under a provision of law which requires an automatic spending increase to take effect during such fiscal year. The amount of the automatic spending increase (outlay increase) shall be the amount (if any) by which the reasonable cost, reasonable charge, DRG payment amount, or other applicable payment amount for an item or service furnished in such fiscal year exceeds such payment amount for the same item or service furnished in the preceding fiscal year by the same person or entity.

(v) Notwithstanding any other provision of this bill, Medicare payments under the Hospital Insurance Program (20-8005-0-7-572) and the Supplementary Medical Insurance Program (20-8004-0-7-572) shall be considered automatic spending increase programs under Section 204(d)(1).

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION, 1986

FORD AMENDMENT NO. 962

(Ordered to lie on the table.)

Mr. FORD submitted an amendment intended to be proposed by him to the bill (H.R. 3011) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 14, lines 5-9 by reinserting the following House language: and $2,000,000 to assist local communities to protect Mammoth Cave National Park from ground water pollution: *Provided*, That the National Park Service share of the Mammoth Cave protection project shall not exceed 25 per centum:

INCREASE IN PUBLIC DEBT LIMIT

RIEGLE (AND OTHERS) AMENDMENT NO. 963

Mr. RIEGLE (for himself, Mr. CHILES, Mr. KENNEDY, Mr. EXON, and Mr. METZENBAUM) proposed the following amendment to amendment No. 960 proposed by Mr. PACKWOOD (and Mr. DOMENICI) to the amendment of the House to the amendment of the Senate numbered 2 to the joint resolution (H.J. Res. 372), supra; as follows:

On page 14, beginning with line 14, strike out all through line 11 on page 72, and insert in lieu thereof the following:

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1985, $171,900,000,000;

"(B) with respect to the fiscal year beginning October 1, 1986, $144,000,000,000;

"(C) with respect to the fiscal year beginning October 1, 1987, $108,000,000,000;

"(D) with respect to the fiscal year beginning October 1, 1988, $72,000,000,000;

"(E) with respect to the fiscal year beginning October 1, 1989, $36,000,000,000; and

"(F) with respect to the fiscal year beginning October 1, 1990, zero.

"(8) The term 'off-budget Federal entity' means any entity—

"(A) established by Federal law, and

"(B) the budget outlays of which are required by law to be excluded from the totals of—

"(i) the budget of the United States Government submitted by the President pursuant to section 1105 of title 31, United States Code, and

"(ii) the budget adopted by the Congress pursuant to title III of this Act.

"(9) The term "credit authority" means authority to incur direct loan obligations or to incur primary loan guarantee commitments.".

(c) RECONCILIATION.—

(1) ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

(A) DIRECTIONS TO COMMITTEES.—Section 301(b) of the Congressional Budget Act of 1974 is further amended—

(i) by striking out "may also require" in the matter preceding paragraph (1) and inserting in lieu thereof "shall also, to the extent necessary to comply with subsection (c)";

(ii) by inserting "require" after the paragraph designation in paragraph (1);

(iii) by inserting "require" after the paragraph designation in paragraph (2); and

(iv) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) specify and direct any combination of the matters described in paragraphs (1), (2), and (3) of section 310(a);".

(B) CONFORMING CHANGES.—

(i) Section 310(a) of such Act is amended—

(I) by inserting "or" at the end of paragraph (2);

(II) by striking out "; or" at the end of paragraph (3) and inserting in lieu thereof a period; and

(III) by striking out paragraph (4).

(ii) Section 310(d) of such Act is amended by striking out "subsection (c)" and all that follows through "year" and inserting in lieu thereof "subsection (b) with respect to a concurrent resolution on the budget adopted under section 301(a) not later than June 15 of each year".

(iii) Subsections (e) and (f) of section 310 of such Act are amended by striking out "subsection (c)" each place it appears and inserting in lieu thereof "subsection (b)".

(2) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—

(A) IN GENERAL.—Section 304(a) of such Act (as redesignated by paragraph (2)(A) of subsection (b)) is amended by adding after the period the following new sentence: "Any concurrent resolution agreed to under this section shall specify and direct any combination of the matters described in paragraphs (1), (2), and (3) of section 310(a) to the extent necessary to comply with subsection (b).".

(B) CONFORMING CHANGE.—Section 310(d) of such Act (as amended by paragraph (1)(B) of this subsection) is further amended by adding at the end thereof the following new sentence: "Congress shall complete action on any reconciliation bill or reconciliation resolution reported under subsection (b) with respect to a concurrent resolution on the budget adopted under section 304(a)

not later than 30 days after the adoption of the concurrent resolution.".

(d) LIMITATION ON AMENDMENTS.—

(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—

(A) HOUSE OF REPRESENTATIVES.—Section 305(a) of such Act is amended to read as follows:

"PROVISIONS RELATING TO THE CONSIDERATION OF CONCURRENT RESOLUTIONS ON THE BUDGET

"SEC. 305. (a) PROCEDURE IN HOUSE OF REPRESENTATIVES AFTER REPORT OF COMMITTEE; DEBATE.—

"(1) When the Committee on the Budget of the House has reported any concurrent resolution on the budget, it is in order at any time after the fifth day (excluding Saturdays, Sundays, and legal holidays) following the day on which the report upon such resolution by the Committee on the Budget has been available to Members of the House and, if applicable, after the first day (excluding Saturdays, Sundays, and legal holidays) following the day on which a report upon such resolution by the Committee on Rules pursuant to section 301(c) has been made available to Members of the House (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(2) General debate on any concurrent resolution on the budget in the House of Representatives shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority parties, plus such additional hours of debate as are consumed pursuant to paragraph (3). A motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

"(3) Following the presentation of opening statements on the concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the House, there shall be a period of up to four hours for debate on economic goals and policies.

"(4) Only if a concurrent resolution on the budget reported by the Committee on the Budget of the House sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Full Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.

"(5) Consideration of any concurrent resolution on the budget by the House of Representatives shall be in the Committee of the Whole, and the resolution shall be considered for amendment under the five-minute rule in accordance with the applicable provisions of rule XXIII of the Rules of the House of Representatives. After the Committee rises and reports the resolution back to the House, the previous question shall be considered as ordered on the resolution and any amendments thereto to final passage without intervening motion; except that it shall be in order at any time prior to final passage (notwithstanding any other rule or provision of law) to adopt an amendment (or a series of amendments) changing any figure or figures in the resolution as so reported to the extent necessary to achieve mathematical consistency.

"(6) Debate in the House of Representatives on the conference report on any concurrent resolution on the budget shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

"(7)(A) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

"(B)(i) No amendment that would have the effect of increasing any specific budget outlays above the level of such outlays set forth in a concurrent resolution on the budget, or of reducing any specific Federal revenues below the level of such revenues set forth in such concurrent resolution, shall be in order unless such amendment ensures that the amount of the deficit for any fiscal year set forth in such concurrent resolution is not increased, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof.

"(ii) Clause (i) of this subparagraph shall not apply if a declaration of war by the Congress is in effect.".

(B) SENATE.—Section 305(b)(2) of such Act is amended—

(i) by inserting "(A)" before the paragraph designation; and

(ii) by adding at the end thereof the following new subparagraph:

"(B)(i) No amendment that would have the effect of increasing any specific budget outlays above the level of such outlays set forth in a concurrent resolution on the budget, or of reducing any specific Federal revenues below the level of such revenues set forth in such concurrent resolution, shall be in order unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the concurrent resolution is not increased, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof.

"(ii) Clause (i) of this subparagraph shall not apply if a declaration of war by the Congress is in effect.".

(2) RECONCILIATION BILLS AND RESOLUTIONS.—Section 310 of such Act is amended by inserting after subsection (b) (as redesignated by subsection (a)(1)(C)) the following new subsection:

"(c) LIMITATION ON AMENDMENTS TO RECONCILIATION BILLS AND RESOLUTIONS.—

"(1)(A) It shall not be in order in the Senate to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill or resolution, or would have the effect of reducing any specific Federal revenues below the level of such revenues provided in the bill or resolution, unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the most recently agreed to concurrent resolution on the budget is not exceeded, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof, except that a motion to strike a provision shall always be in order.

"(B) In the House of Representatives, no provision shall be reported in any reconciliation bill, or be in order as an amendment thereto, which is not related to achieving the purposes of the directives to committees contained in the most recently agreed to concurrent resolution: *Provided*, That nothing in this subparagraph shall be construed to prevent the consideration of any provision in a reconciliation bill or, or any amendment thereto, which only achieves savings greater than those directed of a committee, or to prevent the consideration of motions to strike made in order by the Committee on Rules to achieve the purposes of the directives. For the purposes of this paragraph, a provision shall be considered related to achieving the purposes of directives contained in the most recently agreed to budget resolution if it is estimated by the Committee on the Budget, in consultation with the Congressional Budget Office, to effectuate or implement a reduction in budget authority or in new spending authority described in section 401(c)(2)(C), or to raise revenues, or both, and, in the case of an amendment, if it is within (in whole or in part) the jurisdiction of any committees instructed in the concurrent resolution. The point of order in this subparagraph shall not apply to Senate amendments or to conference reports.

"(2) Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.".

(e) ENFORCEMENT.—

(1) ALLOCATIONS OF BUDGET AUTHORITY AND OUTLAYS.—

(A) REPORTING DATE FOR ALLOCATIONS.—Section 302(b) of such Act is amended by striking out "Each such committee shall promptly report" in the last sentence and inserting in lieu thereof "Each such committee, within ten days of session after the concurrent resolution is agreed to, shall report".

(B) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(i) new budget authority for any fiscal year;

(ii) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in any fiscal year; or

(iii) direct loan authority, primary loan guarantee authority, or secondary loan guarantee authority for any fiscal year;

within the jurisdiction of any committee which has received an allocation of budget authority or new spending authority described in section 401(c)(2)(C) pursuant to section 302(a) of the Congressional Budget Act for a fiscal year, unless and until such committee makes the allocation or subdivisions required by section 302(b) of the Congressional Budget Act, in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year.

(C) ALLOCATIONS MADE BINDING.—Section 311 of such Act is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and inserting immedi-

ately after "SEC. 311" the following new subsection:

"(a) LEGISLATION SUBJECT TO POINT OF ORDER AFTER ADOPTION OF ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

"(1) IN GENERAL.—At any time after the Congress has completed action on the concurrent resolution on the budget required to be reported under section 301(a) for a fiscal year, it shall not be in order—

"(A) in the Senate—

"(i) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides for budget outlays or new budget authority in excess of the appropriate allocation of such outlays or authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year; or

"(ii) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides new spending authority described in section 401(c)(2)(C) to become effective during such fiscal year, if the amount of budget outlays or new budget authority that would be required for such year if such bill or resolution were enacted without change or such amendment were adopted would exceed the appropriate allocation of budget outlays or new budget authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year, unless such bill, resolution, or amendment was favorably reported by the Committee on Appropriations of the House involved under section 401(b)(2) along with a certification that if such bill, resolution, or amendment is enacted or adopted, the committee will reduce appropriations or take any other actions necessary to assure that the enactment or adoption of such bill, resolution, or amendment will not result in a deficit for such fiscal year in excess of the maximum deficit amount specified for such fiscal year in section 3(7); or

"(B) In the House of Representatives—

"(i) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides for new budget authority or new spending authority described in section 401(c)(2)(C) in excess of the appropriate allocation of such authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year; or

"(ii) the point of order established under subparagraph (B)(i) may be waived only by three-fifths of the Members voting for or against the waiver, a quorum being present.

"(2) ALTERATION OF 302(b) ALLOCATIONS.—At any time after a committee reports the allocations required to be made under section 302(b), such committee may report to its House an alteration of such allocations. Any such alteration of allocations must be consistent with any actions already taken by its House on legislation within the committee's jurisdiction.

"(3) EXCEPTION.—Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.".

(D) CONFORMING CHANGE.—Section 311(c) of such Act (as redesignated by subparagraph (C)) is amended by striking out "subsection (a)" and inserting in lieu thereof "subsections (a) and (b)".

(2) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 311(b) of such Act, as redesignated by paragraph (1)(C) of this subsection, is amended by inserting before the period at the end thereof the following: "or, in the Senate, would otherwise result in a deficit for such fiscal year that exceeds the maximum deficit amount specified for such fiscal year in section 3(7) (except to the extent that paragraph (1) of section 301(c) or section 304(b), as the case may be, does not apply by reason of paragraph (2) of such subsection)".

(3) REPORTING REQUIREMENT EXTENDED TO CONFERENCE REPORTS.—Section 308(a) of such Act is amended by striking out "the report accompanying that bill or resolution" in the matter preceding paragraph (1) and inserting in lieu thereof the following: "or whenever a conference report is filed in either House, the report accompanying that bill or resolution or the statement of managers accompanying that conference report".

SEC. 203. BUDGET SUBMITTED BY THE PRESIDENT.

(a) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The budget transmitted pursuant to subsection (a) for a fiscal year shall be prepared on the basis of the best estimates then available, in such a manner as to ensure that the deficit for such fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

"(2) Subject to paragraph (3) of this subsection, the deficit set forth in the budget so transmitted for any fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974, with budget outlays and Federal revenues at such levels as the President may consider most desirable and feasible.

"(3) Paragraph (2) shall not apply if a declaration of war by the Congress is in effect.".

(b) REVISIONS AND SUPPLEMENTAL SUMMARIES.—Section 1106 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Subsection (f) of section 1105 shall apply to revisions and supplemental summaries submitted under this section to the same extent that such subsection applies to the budget submitted under section 1105(a) to which such revisions and summaries relate.".

SEC. 204. EMERGENCY POWERS TO ELIMINATE DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNTS.

(a) REPORTING OF DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNTS.—

(1) IN GENERAL.—The Director of the Office of Management and Budget and the Director of the Congressional Budget Office (hereafter in this section referred to as "the Directors") shall, with respect to any fiscal year (A) estimate the base levels of total revenues and total budget outlays for such fiscal year, (B) determine whether the deficit for such fiscal year will exceed the maximum deficit amount for such fiscal year and whether such excess is statistically significant, and (C) estimate the rate of real economic growth that will occur during such fiscal year and the rate of economic growth that will occur during each quarter of such fiscal year. The Directors jointly shall issue a report to the Comptroller General on December 10 of the fiscal year beginning October 1, 1985, and on September 15 preceding each succeeding fiscal year identifying the amount of any excess, stating whether such excess is statistically significant, specifying the estimated rate of real economic growth for such fiscal year and for each quarter of such fiscal year, and specifying the uniform percentage by which automatic spending increases shall be reduced during such fiscal year and the uniform percentage by which controllable expenditures shall be reduced during such fiscal year in order to eliminate any such excess. In the event that the Directors are unable to agree on an amount to be set forth with respect to any item in any such report, the amount set forth for such item in such report shall be the average of the amounts proposed by each of them with respect to such item. The Directors shall make such report public on the day on which it is transmitted to the Comptroller General. The Comptroller General shall consider the report issued by the Directors for a fiscal year and, with due regard for the data, assumptions, and methodologies used in reaching the conclusions set forth therein, the Comptroller General shall issue a report to the President and the Congress not later than December 15 (for fiscal year 1986) and the September 25 preceding each fiscal year thereafter (for fiscal years 1987 through 1991), estimating the base levels of total revenues and total budget outlays for such fiscal year, identifying the amount by which the deficit for such fiscal year will exceed the maximum deficit amount for such fiscal year, stating whether such excess is statistically significant, specifying the estimated rate of real economic growth for such fiscal year and for each quarter of such fiscal year, and specifying the uniform percentage by which automatic spending increases shall be reduced during such fiscal year and the uniform percentage by which controllable expenditures shall be reduced during such fiscal year in order to eliminate any such excess. The report of the Comptroller General shall explain fully any differences between the contents of such report and the report of the Directors.

(2) EXCEPTION.—Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.

(b) PRESIDENTIAL ORDER.—

(1) CONTENTS.—

(A) IN GENERAL.—Upon receipt of any report from the Comptroller General under subsection (a) of this section which identifies a statistically significant amount by which the deficit for a fiscal year will exceed the maximum deficit amount for such fiscal year, the President shall eliminate the full amount of the deficit excess by issuing an order, in accordance with subparagraph (B), that—

(i) subject to the succeeding subparagraphs, and notwithstanding the Impoundment Control Act of 1974, eliminates one-half of such excess by modifying or suspending the operation of each provision of Federal law that would (but for such order) require an automatic spending increase to take effect during such fiscal year, in such a manner as to reduce (but not below zero) the amount of the outlay increase under each such provision by a uniform percentage, and

(ii) subject to the succeeding subparagraphs, and notwithstanding the Impoundment and Control Act of 1974, eliminates one-half of such excess by sequestering from each affected program, project, or activity (as defined in the most recently enacted relevant appropriations Acts and accompanying committee reports) or from each affected account if not so defined, for funds provided in annual appropriations

Acts or, otherwise from each budget account, such amounts of budget authority, obligation limitation, other budgetary resources, and loan limitation, and by adjusting payments provided by the Federal Government, to the extent necessary to reduce the outlays for each controllable expenditure by a uniform percentage; and

shall transmit to both Houses of the Congress a message—

(iii) identifying—

(I) the total amount and the percentage by which automatic spending increases are to be reduced under clause (i) of this subparagraph;

(II) the total amount of budget authority, obligation limitations, loan limitations, and other budgetary resources which is to be sequestered under clause (ii) of this subparagraph with respect to controllable expenditures;

(III) the amount of budget authority, obligation limitations, loan limitations, and other budgetary resources which is to be sequestered with respect to each such controllable expenditure in order to reduce it by the required percentage; and

(IV) the account, department, or establishment of the Government to which each amount of budget authority, obligation limitations, loan limitations, and other budgetary resources described in clause (ii) of this subparagraph would be available for obligation; and

(iv) providing full supporting details with respect to each action to be taken under clause (i) or (ii) of this subparagraph.

Upon receipt in the Senate and the House of Representatives, the message shall be referred to all committees with jurisdiction over programs, projects, or activities affected by it.

(B) EXCEPTION.—If, in order to reduce by one-half the amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year, actions under subparagraph (A)(i) would require the reduction of automatic spending increases below zero, then, in order not to require such reductions below zero, the remaining amount shall be achieved through further uniform reductions under subparagraph (A)(ii).

(C) LIMITATION.—No action taken by the President under clause (i) or (ii) of subparagraph (A) shall have the effect of eliminating any program, project, or activity of the Federal Government.

(D) LIMITATION.—Any automatic spending increases modified or suspended, or any amounts of budget authority, obligation limitation, other budgetary resources, or loan limitations sequestered by an order of the President under this title are permanently cancelled, and the legal rights, if any, of persons to receive such automatic spending increases shall be deemed to be extinguished to the extent that the operation of laws providing for such increases are modified or suspended by such an order. Notwithstanding any other provision of law, any change in the Consumer Price Index or any other index measuring costs, prices, or wages (or in any component of any such index) that is not taken into account for purposes of determining the amount of an automatic spending increase (if any) for a fiscal year for which an order is issued pursuant to subparagraph (A) shall not be taken into account for purposes of determining any automatic spending increase during any fiscal year thereafter.

(E) LIMITATION.—Nothing in clause (i) or (ii) of subparagraph (A) shall be construed to give the President new authority to alter the relative priorities in the Federal budget that are established by law, and no person who is, or becomes, eligible for benefits under any provision of law shall be denied eligibility by reason of this title.

(F) BASE LEVELS.—

(i) IN GENERAL.—Any order issued by the President under this paragraph shall use the base levels of total revenues and total budget outlays (as defined in paragraph (11) of subsection (d)) and the uniform percentage reductions specified in the report issued by the Comptroller General pursuant to subsection (a), adjusted, as provided in clause (ii), for any laws enacted or regulations promulgated between the date the base levels for such report were established and the date of such order. The order shall also use the same economic and technical assumptions used in the report issued by the Comptroller General pursuant to subsection (a).

(ii) ADJUSTMENTS FOR INTERVENING LEGISLATION.—

(I) With respect to legislation enacted or regulations promulgated after an estimation of base levels under subsection (a)(1) for a fiscal year but before the date of the report of the Comptroller General under such subsection for such fiscal year and which have budgetary impact, the Directors shall transmit to the Comptroller General on September 24 a joint report estimating the budgetary impact of such legislation or regulations. On September 25, the Comptroller General shall transmit to the President and to the Congress a report estimating the cost of such legislation or regulations, with due regard for the contents of the Directors' report, and stating his reasons for any divergence therefrom.

(II) With respect to legislation enacted or rules promulgated after the date of the report of the Comptroller General under subsection (a)(1) for a fiscal year but before the date of an order issued under subsection (b)(1) for such fiscal year and which have budgetary impact, the Directors shall transmit to the Comptroller General on each day on which legislation is enacted or rules are promulgated a joint report estimating the budgetary impact of such legislation or regulations. On the same day on which the Directors' report is received, the Comptroller General shall transmit to the President and to the Congress a report estimating the budgetary impact of such legislation or regulations, with due regard for the contents of the Directors' report, and stating his reasons for any divergence therefrom.

(G) FEDERAL PAY.—For purposes of any order issued under subparagraph (A), Federal pay under statutory pay systems (within the meaning of section 5301(c) of title 5, United States Code) and pay of members of the uniformed services (as defined in section 101(3) of title 37, United States Code) shall be treated as controllable expenditures and shall be subject to the uniform percentage reduction under the order; except that (i) no such order may reduce the rate of pay (in the case of a civilian officer or employee of the Government) or the rate of basic pay (in the case of a member of the uniformed services) to which any individual is entitled on the effective date of the order under any such statutory pay system or title 37, United States Code, as the case may be, and (ii) any increase in such rates of pay or rates of basic pay which is scheduled to take effect under section 5305 of title 5, United States Code, section 1009 of title 37, United States Code, or any other provision of law may be reduced under such order only by the uniform percentage reduction.

(H) TREATMENT OF OFF-BUDGET ENTITIES.—Notwithstanding any other provision of law, outlays for each off-budget Federal entity (as defined in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974) shall be subject to uniform percentage reductions under any order issued under subparagraph (A). Amounts paid by the Federal Financing Bank for the purchase of loans made or guaranteed by a department, agency, or instrumentality of the Government of the United States shall be treated as outlays of that department, agency, or instrumentality.

(I) MEDICARE PROGRAM AND ADMINISTRATIVE EXPENSES OF SOCIAL SECURITY TRUST FUNDS.—(i) Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under title XVIII of the Social Security Act so as to reduce all payments under such title for items or services furnished during the period of the order by the uniform percentage reduction specified in such order.

(ii) Payments which are made under such title from annual appropriations and payments for administrative expenses which are made pursuant to limitations on expenditures from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, or the Federal Supplemental Medical Insurance Trust Fund contained in annual appropriations Acts, shall be reduced for the period of the order by the uniform percentage reduction specified in the order.

(iii) The President may not, pursuant to any authority granted in this section, increase any deductible, coinsurance amount, or premium amount under such title.

(iv) This clause shall not apply to payments for clinical diagnostic laboratory tests to which section 1833(h) the Social Security Act applies.

(J) MEDICAID PROGRAM.—Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under title XIX of the Social Security Act so as to reduce all payments to States under such title for State expenditures for medical assistance furnished, and administrative expenses incurred, during the period of the order by the uniform percentage reduction specified in the order.

(K) AFDC, FOSTER CARE, AND ADOPTION ASSISTANCE.—Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under parts A and E of title IV of the Social Security Act so as to reduce all payments to States under such parts for State expenditures for aid to families with dependent children, foster care maintenance payments, adoption assistance payments, and administrative expenses, made during the period of the order by the uniform percentage reduction specified in the order.

(L) PROHIBITION ON ALTERING PAYMENT TIMETABLE.—No State may, after the date of the enactment of this Act, change the timetable for making payments under a State plan approved under title XIX of the Social Security Act or under part A or E of title IV of such Act, which has the effect of changing the fiscal year in which expenditures under such title or part are made.

(M) UNEMPLOYMENT COMPENSATION.—(i) The order under subparagraph (A) of this paragraph shall not apply to payments of regular unemployment compensation made by a State from amounts in the State's ac-

count in the Unemployment Trust Fund, and shall not apply to loans to States made under title XII of the Social Security Act.

(ii) The reduction required pursuant to the order issued under subparagraph (A) of this paragraph shall apply to Federal payments made under the Federal-State Extended Unemployment Compensation Act of 1970 so as to reduce payments to States for extended compensation (or sharable regular compensation) for weeks of unemployment occurring during the period of the order by the uniform percentage reduction specified in the order.

(iii) The reductions required pursuant to the order issued under subparagraph (A) of this paragraph shall apply to amounts payable to States pursuant to titles III and IX of the Social Security Act and under the Wagner-Peyser Act so as to reduce payments to States under such provisions for the period of the order by the uniform percentage reduction specified in the order.

(N) TREATMENT OF CERTAIN BENEFITS.—For purposes of clause (i) of subparagraph (A), increases in black lung benefits and special benefits for disabled coal miners which are required by reason of increases in Federal pay shall be considered to be indexed by such Federal pay increases.

(O) TREATMENT OF CHILD SUPPORT ENFORCEMENT PROGRAM.—Any order issued by the President under subparagraph (A) shall accomplish the full amount of the required reduction in expenditures under the child support enforcement program (established by part D of title IV of the Social Security Act) by reducing the Federal matching rate for State administrative costs under such program, as specified (for the fiscal year involved) in section 455(a) of such Act, to the extent necessary (as provided in the report submitted under section 203 of this title) to reduce such expenditures by that amount.

(P) FISCAL YEAR 1986 REDUCTIONS.—In the case of fiscal year 1986, the reductions and sequestrations required by the order issued pursuant to subparagraph (A) of this paragraph shall be pro rated on the basis of the number of remaining months in such fiscal year.

(Q) COMMODITY CREDIT CORPORATION.—

(i) REDUCTION IN PAYMENTS MADE UNDER CONTRACTS.—After an order is issued under subparagraph (A) for a fiscal year, any payment made by the Commodity Credit Corporation—

(I) under the terms of any contract entered into in such fiscal year; and

(II) out of an entitlement account,

to any person (including any producer, lender, or guarantee entity) shall be deemed to be a controllable expenditure and shall be subject to reduction under the order. Any contract entered into in a fiscal year after an order has been issued under subparagraph (A) for such fiscal year shall provide explicitly for such reduction to be made for the entire period for which such contract is in effect and that in regard to commodity loans made to producers or producer cooperatives for a commodity produced in the same crop year, those loans for the same commodity shall be subject to the same terms and conditions.

(ii) REDUCTION IN NONCONTRACTUAL PRICE SUPPORT PROGRAMS.—Price support provided for an agricultural commodity through the Commodity Credit Corporation by a method other than a payment of the type described in clause (i) shall be deemed to be a controllable expenditure, and such level of price support for the fiscal year for which an order is issued under this subsection shall be subject to reduction under the order.

(iii) ADJUSTMENTS TO ACHIEVE REDUCTIONS.—In order to reduce expenditures for programs of the Commodity Credit Corporation as required under the Presidential order, the Secretary of Agriculture is authorized to adjust both target prices and loan rates in such a manner as to achieve the required percentage reduction of such order.

(iv) OPERATING AND ADMINISTRATIVE EXPENSES.—Operating and administrative expenses of the Commodity Credit Corporation shall be considered controllable expenditures and shall be subject to reduction under the order.

(v) UNIFORM PERCENTAGE RATE OF REDUCTION.—All reductions described in clauses (i), (ii), (iii), and (iv) required to be made in connection with an order issued under subparagraph (A) for a fiscal year shall be made at a uniform percentage rate and may not be made at a rate exceeding the rate of reduction specified in the order for the programs to which such subsections apply.

(R) TREATMENT OF LENDING ACTIVITIES OF ENTITIES PROVIDING FEDERAL GUARANTEES FOR STUDENT LOANS.—For the purposes of this title, the lending activities of entities providing Federal guarantees for student loans shall be deemed to be controllable expenditures. Actions taken in response to an order issued under this subsection shall include, but not be limited to, the following:

(i) With respect to loans granted after such an order has been issued, the reduction of the special allowance factor paid to a lender by not more than 0.40 percentage points in the first year of the loan only, but in no case would the statutory special allowance component be reduced below 3.00 percent, except that during the remaining life of the loan, the special allowance factor paid to the lender shall be that provided by the Higher Education Act of 1965, as amended.

(ii) With respect to loans granted after such an order has been issued, the increase of a student's origination fee by an amount not in excess of 0.50 percentage points.

(2) ISSUANCE OF ORDER.—

(A) POSITIVE REAL ECONOMIC GROWTH.—If the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section is zero or greater, the President shall issue the order required to be issued under this subsection pursuant to such report not later than 14 days after transmittal of such report.

(B) NEGATIVE REAL ECONOMIC GROWTH.—If the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section is less than zero with respect to such fiscal year or with respect to each of any two consecutive quarters of such fiscal year, the President shall issue the order required to be issued under this subsection pursuant to such report not later than 30 days after transmittal of such report.

(C) SPECIAL RULE.—If any adjustment made pursuant to paragraph (1)(F) eliminates the entire deficit excess, the order issued pursuant to this subsection shall so state, and no reductions shall be made pursuant to clauses (i) and (ii) of subparagraph (A).

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except to the extent that it is superseded by a reconciliation bill enacted under subsection (c) of this section, an order issued pursuant to this subsection shall become effective 30 days after its issuance. Any modification or suspension by such order of the operation of a provision of law that would (but for such order) require an automatic spending increase to take effect during a fiscal year shall apply for the one-year period beginning with the date on which such automatic increase would have taken effect during such fiscal year (but for such order).

(B) WITHHOLDING OF BUDGET AUTHORITY FOR 30-DAY PERIOD.—During the 30-day period referred to in subparagraph (A), the President shall withhold from obligation the amounts that would have been suspended or sequestered under such order with respect to such 30-day period if the order issued pursuant to this paragraph had become effective on the date of its issuance. If a reconciliation bill enacted under subsection (c) of this section becomes law on or before the last day of such 30-day period, amounts withheld from obligation pursuant to the preceding sentence shall be made available for obligation to the extent permitted by such reconciliation bill. If such a reconciliation bill does not become law during such period, the budget authority withheld from obligation under the first sentence of this subparagraph shall be permanently cancelled as described in paragraph (1)(D) of this subsection.

(4) PROPOSAL OF ALTERNATIVES.—A message transmitted pursuant to this subsection with respect to a fiscal year may be accompanied by a proposal setting forth in full detail alternative ways to reduce the deficit for such fiscal year to an amount not greater than the maximum deficit amount for such fiscal year. Upon receipt in the Senate and the House of Representatives, the message and any accompanying proposal shall be referred to all committees with jurisdiction over programs, projects, or activities affected by it.

(c) CONGRESSIONAL ACTION.—

(1) REPORTING OF CONCURRENT RESOLUTIONS AND RECONCILIATION BILLS AND RESOLUTIONS.—

(A) IN GENERAL.—Not later than 10 days after issuance of an order by the President under subsection (b) with respect to a fiscal year, the Committee on the Budget of the House of Representatives and the Senate may report to its House a concurrent resolution. The concurrent resolution may affirm the impact of the order issued under subsection (b), in whole or in part. To the extent that any part of the order is not affirmed, the concurrent resolution shall state which parts are not affirmed and shall contain instructions to committees of the House and the Senate of the type referred to in section 310(a) of the Congressional Budget Act of 1974, sufficient to achieve at least the total level of deficit reduction contained in those sections which are not affirmed.

(B) RESPONSE OF COMMITTEES.—Committees instructed pursuant to subparagraph (A) of this paragraph, or affected thereby, shall submit their responses to their respective Budget Committees no later than 10 days after the conference report on the concurrent resolution referred to in subparagraph (A) is agreed to in both Houses, except that if in either House only one such Committee is so instructed such Committee shall, by the same date, report to its House a reconciliation bill or reconciliation resolution containing its recommendations in response to such instructions. A committee shall be considered to have complied with all instructions to it pursuant to a concurrent resolution adopted under subparagraph

(A) if it has made recommendations with respect to matters within its jurisdiction which would result in a reduction in the deficit at least equal to the total reduction directed by such instructions.

(C) BUDGET COMMITTEE ACTION.—Upon receipt of the recommendations received in response to a concurrent resolution referred to in subparagraph (A) of this paragraph, the Budget Committee of each House shall report to its respective House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without any substantive revisions. In the event that a committee instructed in a concurrent resolution referred to in subparagraph (A) fails to submit any recommendation (or, when only one committee is instructed, fails to report a reconciliation bill or resolution) in response to such instructions, the Budget Committee of the relevant House shall include in the reconciliation bill or reconciliation resolution reported pursuant to this subparagraph legislative language within the jurisdiction of the noncomplying committee to achieve the amount of deficit reduction directed in such instructions.

(D) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill or resolution reported under subparagraph (C) with respect to a fiscal year, any amendment thereto, or any conference report thereon if—

(i) the enactment of such bill or resolution as reported;

(ii) the adoption and enactment of such amendment; or

(iii) the enactment of such bill or resolution in the form recommended in such conference report;

would cause the amount of the deficit for such fiscal year to exceed the maximum deficit amount for such fiscal year, unless the report submitted under subsection (a)(1) projects negative real economic growth for such fiscal year, or for each of any two consecutive quarters during such fiscal year; nor shall it be in order in the House of Representatives to consider a conference report on any such bill or resolution if its enactment would cause the maximum deficit amount for that fiscal year to be exceeded, unless the report submitted under subsection (a)(1) projects negative real economic growth for such fiscal year, or for each of any two consecutive quarters, and in such case consideration may only be by the affirmative vote of three-fifths of those present and voting if the conference report alters or suspends the maximum deficit amount for that fiscal year.

(E) TREATMENT OF CERTAIN AMENDMENTS.—In the Senate, an amendment which adds to a concurrent resolution reported under subparagraph (A) an instruction of the type referred to in such subparagraph shall be in order during the consideration of such resolution if such amendment would be in order but for the fact that it would be held to be non-germane on the basis that the instruction constitutes new matter.

(F) DEFINITION.—For purposes of subparagraphs (A) and (B), the term "day" shall mean any calendar day on which either House of the Congress is in session.

(2) PROCEDURES.—

(A) THE SENATE.—Except as provided in subparagraph (B), in the Senate the provisions of sections 305 and 310 of the Congressional Budget Act of 1974 for the consideration of concurrent resolutions on the budget and conference reports thereon shall also apply to consideration of concurrent resolutions, and reconciliation bills and reconciliation resolutions reported under this subsection and conference reports thereon.

(B) LIMIT ON DEBATE.—Debate in the Senate on any concurrent resolution reported pursuant to subparagraph (A) of paragraph (1), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to 10 hours.

(C) IN THE HOUSE OF REPRESENTATIVES.—In the House of Representatives, any concurrent resolution reported under this paragraph shall be privileged for consideration on or after the third day on which the report has been available to Members. Any concurrent resolution, or reconciliation bill or resolution under this paragraph, and any conference reports thereon, shall otherwise be considered in accordance with the applicable rules of the House.

(D) LIMITATION ON AMENDMENTS.—Section 310(c) of such Act (as added by section 202(d)(2) of this title) shall apply to reconciliation bills and reconciliation resolutions reported under this subsection.

(E) COMPLIANCE WITH INSTRUCTIONS.—Section 310 of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following new subsection:

"(g) COMPLIANCE WITH RECONCILIATION DIRECTIONS.—Any committee of a House of the Congress that is directed, pursuant to a concurrent resolution on the budget to recommend changes of the type described in paragraphs (1) and (2) of subsection (a) with respect to laws within its jurisdiction, shall be deemed to have complied with such directions—

"(1) if—

"(A) the amount of the changes of the type described in paragraph (1) of such subsection recommended by such committee, and

"(B) the amount of the changes of the type described in paragraph (2) of such subsection recommended by such committee, do not exceed or fall below the amount of the changes such committee was directed by such concurrent resolution to recommend under such paragraph by more than 20 percent of the total of the amounts of the changes such committee was directed to make under both such paragraphs; and

"(2) if the total amount of the changes recommended by such committee is not less than the total of the amounts of the changes such committee was directed to make under both such paragraphs.".

(3) SPECIAL PROCEDURES IN THE EVENT OF A RECESSION.—

(A) IN GENERAL.—If—

(i) the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section for a fiscal year is less than zero with respect to such fiscal year or with respect to each of any two consecutive quarters of such fiscal year; or

(ii) the Department of Commerce preliminary reports of actual real economic growth (or any subsequent revision thereof) for each of any two consecutive quarters of such fiscal year or of the last two quarters of the immediately preceding fiscal year indicate that the rate of real economic growth for such quarters is less than one percent;

the Committees on the Budget of the House of Representatives and the Senate may report to their respective Houses a joint resolution that declares that the economy is in a recession and that suspends or revises (in whole or in part) the provisions of this title or of the amendments made by this title.

(B) CONSIDERATION OF JOINT RESOLUTIONS.—

(i) A vote on final passage of a joint resolution reported to a House of the Congress pursuant to subparagraph (A) shall be taken on or before the close of the 10th calendar day of session of such House after the date on which the joint resolution is reported to such House. If the joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a joint resolution agreed to in the Senate) shall cause the joint resolution to be engrossed, certified, and transmitted to the other House of the Congress on the same calendar day on which the joint resolution is agreed to by such House.

(ii)(I) A motion in the House of Representatives to proceed to the consideration of a joint resolution under this paragraph shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(II) Debate in the House of Representatives on a joint resolution under this paragraph shall be limited to not more than 5 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to postpone, made in the House of Representatives with respect to the consideration of a joint resolution under this paragraph, and a motion to proceed to the consideration of other business, shall not be in order. A motion further to limit debate shall not be debatable. It shall not be in order to move to table or to recommit a joint resolution under this paragraph or to move to reconsider the vote by which the joint resolution is agreed to or disagreed to.

(III) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a joint resolution under this paragraph shall be decided without debate.

(IV) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a joint resolution under this subparagraph shall be governed by the Rules of the House of Representatives applicable to other bills and joint resolutions in similar circumstances.

(iii)(I) A motion in the Senate to proceed to the consideration of a joint resolution under this paragraph shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(II) Debate in the Senate on a joint resolution under this paragraph, and all debatable motions and appeals in connection therewith, shall be limited to not more than 5 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(III) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution under this paragraph shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under

their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(IV) A motion in the Senate to further limit debate on a joint resolution under this paragraph is not debatable. A motion to table or to recommit a joint resolution under this paragraph is not in order.

(iv) No amendment to a joint resolution considered under this paragraph shall be in order in either the House of Representatives or the Senate. No motion to suspend the application of this clause shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this clause by unanimous consent.

(d) DEFINITIONS.—For purposes of this section:

(1) The term "automatic spending increase" means increases in budget outlays due to changes in indexes in the following Federal programs:

Rail industry pension fund (60-8011-0-7-601);

Supplemental security income program (75-0406-0-1-609);

Veterans pensions (36-0154-0-1-701);

Veterans compensation (36-0153-0-1-701);

Civil service retirement and disability fund (24-8135-0-7-602);

Military retirement fund (97-8097-0-7-602);

Foreign Service retirement and disability fund (19-8186-0-7-602);

Retirement pay and medical benefits for commissioned offices, Public Health Service (75-0379-0-1-551);

Retired pay, Coast Guard (69-0241-0-1-403);

Judicial Survivors' annuities fund (10-8110-0-7-602);

Tax Court judges survivors annuity fund (23-8115-0-7-602);

Allowances and office staff for former Presidents (47-0105-0-1-802);

Central Intelligence Agency retirement and disability system fund;

Federal Reserve Board employees retirement system;

Comptrollers general retirement system;

Tennessee Valley Authority retirement system;

Special benefits, Federal Employees' Compensation Act (16-1521-0-1-600);

Food Stamp program (12-3505-0-1-605);

Child nutrition programs (12-3539-0-1-605);

National Wool Act (12-4336-0-3-351);

Black lung disability trust fund (20-8144-0-7-601);

Special benefits for disabled coal miners (75-0409-0-1-601); and

Medicare payments for clinical diagnostic laboratory tests to which section 1833(h) of the Social Security Act applies.

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix. Such term shall not include increases in Government expenditures due to increases in the number of program participants, nor shall it include any increase in benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

(2) The term "budget outlays" has the meaning given to such term in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974.

(3) The term "concurrent resolution on the budget" has the meaning given to such term in section 3(4) of the Congressional Budget and Impoundment Control Act of 1974.

(4) The term "deficit" has the meaning given to such term in section 3(6) of the Congressional Budget and Impoundment Control Act of 1974.

(5) The term "maximum deficit amount" has the meaning given to such term in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

(6) The term "real economic growth" means, with respect to a fiscal year, the nominal growth in the production of goods and services during such fiscal year, adjusted for inflation.

(7)(A) The term "controllable expenditures" means total budget outlays except outlays for programs specified in paragraph (1) and except outlays for the following programs:

Payment where credit exceeds liability for tax (20-0906-0-1-609);

Federal Old-Age and Survivors Insurance Trust Fund, except administrative expenses (20-8006-0-7-571);

Federal disability insurance trust fund, except administrative expenses (20-8007-0-7-571);

Claims, Defense (97-0102-0-1-051);

Claims, Judgments, and relief acts (20-1895-0-1-806);

Eastern indian land claims settlement fund (14-2202-0-1-806);

Soldiers and Airmen's Home, Payment of claims (84-8930-0-7-705);

Payment of Vietnam and USS Pueblo prisoner of war claims (15-0104-0-1-153);

Salaries of judges (10-0200-0-1-752);

Compensation of the President (11-0001-0-1-802);

Payment to the foreign service retirement and disability fund (11-1036-0-1-153);

Payments to health care trust funds (75-0590-0-1-572);

Federal payment to the railroad retirement account (60-0113-0-1-601);

Payments to Social Security trust funds (75-0404-0-01-571);

Payments to civil service retirement fund (24-0200-1-1-805);

Payments to military retirement fund (97-0040-0-1-054);

Payments to State and local government fiscal assistance trust fund (20-2111-0-1-851);

Foreign military sales trust fund (11-8242-0-7-155);

Bureau of Indian Affairs, Miscellaneous trust funds, tribal trust funds (14-9973-0-7-999);

Exchange stabilization fund (20-4444-0-3-155);

Coinage profit fund (20-5811-0-2-803);

Payments to copyright owners (03-5175-0-2-376);

Railroad Social Security equivalent benefits account (60-8010-0-7-601);

Tennessee Valley Authority power program borrowing authority (including expenditures of proceeds from bonds issued or sold by the Tennessee Valley Authority pursuant to an Act of Congress which expressly prohibits any guarantee of such bonds by the United States);

Expenditures from the Bonneville Power Administration fund and borrowing authority established pursuant to section 13 of Public Law 93-454 (1974) as amended;

Tennessee Valley Authority—Seven States Energy Corporation; and

Postal Service fund (18-4020-8-3-372).

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix.

(B) Further, such term shall not include outlays in the following accounts that result from prior legal obligations to the Government:

Veterans Administration loan guaranty revolving fund (36-4025-0-3-704);

Agricultural credit insurance fund (12-4140-0-3-351);

Agency for International Development, housing and other credit guaranty programs (72-4340-0-3-151);

Overseas Private Investment Corporation (71-4030-0-3-151);

Rural development insurance fund (12-4155-0-3-452);

Economic development revolving fund (13-4406-0-3-452);

International Trade Administration operations and administration (13-1250-0-1-376);

Government National Mortgage Association, guarantees of Mortgage-backed securities (86-4238-0-3-371);

Federal Housing Administration fund (86-4070-0-3-371);

Credit union share insurance fund (25-4468-0-3-371);

Federal Savings and Loan Insurance Corporation fund (82-4037-0-3-371);

Pension Benefit Guaranty Corporation fund (16-4204-0-3-601);

Maritime Administration, war risk insurance revolving fund (69-4302-0-3-403);

Federal Crop Insurance Corporation fund (12-4085-0-3-351);

Aviation insurance revolving fund (69-4120-0-3-402);

Export-Import Bank of the United States, limitation of program activity (83-4027-0-3-155);

Small Business Administration lease guarantees revolving fund (73-4157-0-3-376);

Small Business Administration surety bond guarantees revolving fund (73-4156-0-3-376);

Federal Emergency Management Agency, National insurance development fund (58-4235-0-3-451);

Federal Emergency Management Agency, National flood insurance fund (58-4236-0-3-453);

Nuclear Regulatory Commission salaries and expenses (31-0200-0-1-276);

Check forgery insurance fund (20-4109-0-3-803);

Railroad Rehabilitation and improvement financing fund (69-4411-0-3-401);

Energy security reserve (20-0112-0-1-271);

Small Business Administration, business loan and investment fund (73-4154-0-3-376);

Small Business Administration, pollution control equipment contract guarantee revolving fund (73-4147-0-3-376);

Low-rent public housing—loans and other expenses (86-4098-0-3-604);

Federal ship financing fund (69-4301-0-3-403);

Federal ship financing fund, fishing vessels (13-4417-0-3-376);

Rural housing insurance fund (12-4141-0-3-371);

Indian loan guaranty and insurance fund (14-4410-0-3-452);

Rail service assistance (69-0122-0-1-401);

Office of Personnel Management, employees life insurance fund (24-8424-0-8-602);

Federal Deposit Insurance Corporation (51-8419-0-8-371);

Veterans Administration, servicemen's group life insurance fund (36-4009-0-3-701);

Veterans Administration, United States Government life insurance fund (36-8150-0-7-701);

Veterans Administration, National service life insurance fund (36-8132-0-7-701);

Service-disabled veterans insurance fund (36-4012-0-3-701);

Veterans special life insurance fund (36-8455-0-8-701);

Veterans reopened insurance fund (36-4010-0-3-701); and

Veterans insurance and indemnities (36-0120-0-1-701).

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix.

(C) Further, such term shall not include regular State unemployment benefits, the State-funded share of extended unemployment benefits, and loans to States from the Federal unemployment account.

(D) Further, such term shall not include non-federal funds appropriated for the District of Columbia.

(E) Further, such term shall not include outlays for net interest (all of budget function 900).

(F) Further, such term shall not include outlays which result from private donations, bequests, or voluntary contributions to the Government.

(G) Further, such term shall not include outlays from intragovernmental funds to the extent that such outlays are derived from other Federal Government accounts.

(H) Further, such term shall not include offsetting receipts.

(I) Further, such term shall not include outlays due to increases in the number of program participants.

(J) Further, such term shall not include outlays for prior-year obligations, except that such term shall include obligations for existing contracts except—

(i) those multiyear contracts which include a specified penalty for cancellation or modification of the contract by the Government and which, if canceled or modified by the Government would result, due to such penalty for cancellation or modification, in a net loss to the Government in the first year; and

(ii) those contracts the reduction of which would violate legal obligations of the Government.

For purposes of subsection (b), the term "existing contracts" shall include all Federal military and civilian contracts existing at the time a sequester order is issued. Notwithstanding any other provision of law, any contract entered into or modified by the Federal Government after the date of the enactment of this joint resolution shall contain a provision that the contract may be modified, renegotiated, or terminated to the extent necessary to implement a sequester order issued under clause (ii) of subsection (b)(1)(A), and a provision that any penalties that would otherwise be payable by the Federal Government under the contract by reason of modification, renegotiation, or termination of the contract shall not be payable if the modification, renegotiation, or termination is made pursuant to a sequester order issued under clause (ii) of subsection (b)(1)(A).

(K) Receipts credited to an account shall not be deducted from outlays for the purpose of determining the amount to be sequestered pursuant to subsection (b)(1)(A)(ii).

(8) The term "sequester" means the permanent cancellation of budget authority, obligation limitations, other budgetary resources, or direct and guaranteed loan limitations, to the extent necessary to reduce each controllable expenditure by a uniform percentage.

(9) The term "other budgetary resources" means unobligated balances, obligated balances for existing contracts (as provided in paragraph (7) of this subsection), reimbursements, receipts credited to an account, and recoveries of prior-year obligations.

(10) The amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year shall be treated as "statistically significant" if the amount of such excess is greater than 5 percent of such maximum deficit amount. For purposes of the fiscal year beginning October 1, 1985, the preceding sentence shall be applied by substituting "0" for "5".

RIEGLE (AND CRANSTON) AMENDMENT NO. 964

Mr. RIEGLE (for himself and Mr. CRANSTON) proposed an amendment to amendment No. 957 proposed by Mr. PACKWOOD (and Mr. DOMENICI) to the amendment of the House to the amendment of the Senate numbered 2 to the joint resolution (H.J. Res. 372), supra; as follows:

At the end of the amendment of Mr. PACKWOOD, insert the following:

SEC. . Notwithstanding any other provision of this Act, for the purposes of section 204 of this Act the following shall apply with respect to outlays for the Veterans' Administration programs, benefits, and accounts referred to in this section: Expenditures from the Veterans' Administration medical care account (36-0160-0-1-703) shall be deemed not to be controllable expenditures; a provision of law making an appropriation to such account for a fiscal year shall be deemed to be a provision of Federal law requiring an automatic spending increase to take effect during such fiscal year; the amount of outlays from such account that shall be considered the amount of the outlay increase to be reduced by a uniform percentage during a fiscal year (hereinafter in this clause referred to as the "current fiscal year") under subsection (b)(1)(A)(i) of such section is any amount exceeding the total of all outlays made from such account for the preceding fiscal year (as estimated by the Director of the Congressional Budget Office) plus the amount of outlays which the Director of the Congressional Budget Office estimates will be needed during the current fiscal year for increases in outlays (over outlays during the preceding year as so estimated) for salaries and benefits in order to maintain employment under such account of the same number of full-time-equivalent federal employees employed under such account as were so employed during the preceding fiscal year; no provision of law increasing or authorizing an increase in a rate or rates of compensation or dependency and indemnity compensation, as defined in section 101 (13) and (14), respectively, of title 38, United States Code, or of a benefit paid under chapter 11 or 13 of such title shall be considered a law requiring an automatic spending increase; no expenditure for such compensation, dependency and indemnity compensation, or benefits shall be considered a controllable expenditure; and no amount of budget authority for such compensation, dependency and indemnity compensation, or benefits shall be sequestered.

HART (AND OTHERS) AMENDMENT NO. 965

Mr. HART (for himself, Mr. MOYNIHAN, Mr. SASSER, Mr. LEAHY, Mr. BINGAMAN, and Mr. BRADLEY) proposed an amendment to amendment No. 957 proposed by Mr. PACKWOOD (and Mr. DOMENICI) to the amendment of the House to the amendment of the Senate numbered 2 to the joint resolution (H.J. Res. 372), supra; as follows:

At the end of the Packwood amendment No. 957 add the following new section:

Sec. reports on national defense Reports shall be submitted to Congress containing the following information:

A. The Congressional Budget Office and the Office of Management and Budget shall each estimate the amount of defense and non-defense outlays, budget authority and other budgetary resources to be sequestered at the level of detail specified in the other sections of this Act, for the possible cases of a September 25, 1986 sequester order, at the levels of $10 billion, $20 billion, and $30 billion dollars;

B. The Secretary of Defense shall submit to Congress a report on how the levels of defense spending reductions estimated by OMB and CBO pursuant to Sec. (a) above would be allocated to each program, project, or activity receiving a uniform percentage reduction as specified in the other sections of this Act, and shall report on the impacts of such reductions. This report shall be submitted no later than 60 days following enactment of this Act.

NOTICES OF HEARINGS

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. DURENBERGER. Mr. President, I wish to announce for the information of the public that the Subcommittee on Intergovernmental Relations will hold a hearing on November 14, 1985, at 9:30 a.m., in room 562 of the Dirksen Senate Office Building, on regulatory activities of the Office of Management and Budget. Those wishing additional information should contact Margaret Wrightson, 224-4718, of the subcommittee staff.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce for the information of the public that the Committee on Rules and Administration will be holding a hearing on S. 1787.

The hearing on S. 1787, to amend the Federal Election Campaign Act of 1971 to provide for the public financing of Senate General Election Campaigns will be held on Tuesday, November 5, 1985, at 9:30 a.m., SR-301, Russell Senate Office Building.

WITNESS LIST

The Honorable Gary Hart, U.S. Senate, Washington, DC. 20510.

The Honorable George J. Mitchell, U.S. Senate, Washington, DC. 20510.

The Honorable David Boren, U.S. Senate, Washington, D.C. 20510.

The Honorable John F. Kerry, U.S. Senate, Washington, D.C. 20510.

The Honorable Henry S. Reuss, 1825 I Street, N.W., Washington, D.C. 20006.

PANEL

Philip Stern, 2000 P Street, N.W., Washington, D.C. 20036.

Whitney North Seymour, Jr., Esquire, Brown & Seymour, 100 Park Avenue, New York, New York 10017.

Dr. Amitai Etzioni, George Washington University, Washington, D.C. 20052.

Professor Jeffrey M. Blum, State University of New York at Buffalo Law School, Buffalo, New York 14260.

Burton D. Sheppard, Esquire, Sullivan & Worcester, 1025 Connecticut Avenue, N.W., Washington, D.C. 20036.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON RULES AND ADMINISTRATION

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Tuesday, November 5, to conduct a hearing on S. 1787, to amend the Federal Election Campaign Act of 1971, to provide for the public financing of Senate general election campaigns.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, November 5, at 9:30 a.m., to mark up the following bills:

H.R. 664, amending the Panama Canal Act of 1979 regarding the payment of interest on the U.S. investment in the Panama Canal;

H.R. 720, the Panama Canal Amendments Act of 1985 dealing with the settlement of claims for accidents occurring outside the Canal Locks; and

H.R. 1784, the Panama Canal Commission Authorization Act of fiscal year 1986.

Further, to consider the following nominations:

Carol Johnson Johns, of Maryland, and Mario Effrain Ramirez, of Texas, to be members of the Board of Regents of the Uniformed Services University of the Health Sciences; and

Richard N. Holwill, of the District of Columbia, to be a member of the Board of the Panama Canal Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, November 5, to conduct a hearing on matters relating to Deputy Director of OMB.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON IMMIGRATION AND REFUGEE POLICY

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Immigration and Refugee Policy of the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, November 5, 1985, in order to conduct a hearing on asylum procedures.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Tuesday, November 5, to conduct a meeting on the nomination of James Curtis Mack, Deputy Administrator of NOAA.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AVIATION

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Aviation Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Tuesday, November 5, to conduct a meeting on regional airlines.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RECENT TERRORISM

● Mr. D'AMATO. Mr. President, as founder and cochairman of the Senate Anti-Terrorism Caucus, I rise today to call attention to the pressing problem of international terrorism, including the most recent terrorist incident involving the hijacking of the Italian cruise liner, the *Achille Lauro*. In doing so, I first want to praise the swift and decisive action of the President in capturing the PLO terrorists who perpetrated this inhuman act of violence. We, as Americans, are united with all freedom-loving peoples of the world when we applaud the President's resolve to fight terrorism, and his decision to intercept the hijacker's attempt to flee from justice.

Recently, several of my colleagues and I formed an antiterrorism caucus to promote a continued, constructive dialog on terrorism in an effort to develop an effective U.S. response. As we recently saw, however, the President amply demonstrated the importance for us to take the upper hand in this new type of warfare. The President's words must stand as a warning to terrorists everywhere: You can run, but you can't hide.

In recent history, we have witnessed several major anti-U.S. terrorist incidents. Among these, the hijacking of Trans World Airways flight 847 on June 14 clearly reflects the type of amoral behavior we have learned to expect, but never justify, from terrorist groups. On board were 145 passengers and 8 crew members, 104 of whom were American citizens. The two original hijackers, later joined by several more heavily armed terrorists, expanded their demands to include not only the release of 700 Lebanese Shiite Muslims imprisoned in Israel, but also 17 imprisoned in Kuwait and 2 in Spain—all of whom were criminal terrorists themselves.

Our President refused to bargain. Israel also refused. Periodically, women and children were freed and allowed to leave the plane, but we all know the tragic end to this drama as 40 innocent civilians were held hostage for several days, and 1, American naval diver Robert Stethem, was cruelly beaten and murdered.

We must also not forget the six other American hostages who still remain in captivity in Lebanon. Someday they, too, must return home safely to America.

Neither should we forget the terrorist seizure of the United States Embassy in Iran which resulted in the detention of 52 hostages for 444 days. Two days after President Reagan took the oath of office, all were released. From the day forward, the President has held fast to his commitment to combat terrorism, an insidious disease that has plagued us for far too long.

Terrorism is a cancer. It is a cancer eating away at world order and at every legitimate process of laws established to secure and maintain this order. It is a cancer that is growing, even in the face of stepped up security measures worldwide. Terrorists seeking to impose their political will over others through threats, murder, and destruction are as old as history, but there comes a time in history when we must say enough is enough. Terrorism must be brought to heel, and this must be done under the very process of laws that it seeks to overthrow.

In the words of Secretary of State George Shultz, "international terrorism has rapidly become one of the gravest challenges to American interests around the world." Only recently have we begun to tabulate acts of terrorism worldwide, and the statistics are staggering. Since 1968, U.S. personnel and institutions have been the targets of over 50 percent of all terrorist acts. Within the last 12 years, there have been over 6,000 terrorist incidents worldwide, resulting in the deaths of approximately 4,700 innocent people. Last year alone, Americans suffered more than 100 casualties. But we do not suffer alone. By virtue of the free and open nature of democratic soci-

eties, all Western democracies are vulnerable to terrorist attacks.

During 1984, according to the Department of State, the total number of terrorist incidents was up roughly 30 percent—a total of 650 compared to 500, the figure for 1983 and the average of the previous 5 years. Western Europe had over 250 incidents, up one-third; the Middle East had nearly 200 incidents, up two-thirds, and Latin America had between 110 and 120 incidents.

When I look at these statistics, I am outraged. I try to imagine the warped minds of those in the PLO who are bent on using murder and violence as bargaining tools, but it is difficult. I know who they are and where they gain their assistance, but it is difficult to find an effective solution against their cruel and inhuman attacks on innocent people.

To address the difficulty of developing an effective solution to terrorism, Senators DIXON, DENTON, DECONCINI, and I formed the Senate Anti-Terrorism Caucus in response to the growing threat of terrorism, especially against Americans abroad, and the growing outrage against terrorism by the American public. It is the hope of the members of this caucus that the fruits of our hearings will add to the work of the standing committees handling these issues, as well as the work of the administration, in formulating an effective policy to counter terrorism.

The caucus convened its first hearing on the 24th of October to investigate the roots of Middle East terrorism and possible solutions. We heard from Ambassador Robert Oakley, Director of the Office for Counterterrorism and Emergency Planning at the State Department, regarding the nature of the terrorist threat and the groups involved in terrorist activities. Groups involved in terrorism include Muslim fanatics, Syrian-backed Palestinians, the PLO, and radicals in Libya, each of which seek to disrupt stability and create a forum of terror to advance their respective causes.

But we must ask ourselves, what can be done to stop their senseless killing? What is being done to create an international forum? Is there international cooperation to thwart terrorist expansion? The answers to these questions are mixed and varied. As Ambassador Oakely affirmed, it is difficult to gain international cooperation. For example, during the Iranian crisis in 1983, the United States tried to impose economic sanctions against the Iranian Government as pressure for the release of the American hostages, but there was little or no international cooperation. If we are to put an end to terrorism, all affected nations must be uniformly resolved to take the necessary action. There must be no weak links in the international chain to bind those people who either sanction or carry out terrorist activities.

We also heard from Peter Hill, a former hostage aboard TWA flight 847, who offered his personal experiences during this hijacking and suggested the placement of sky marshals aboard international flights as a preemptive solution. He suggested many instances in which the hijackers of that flight left themselves vulnerable to attack. I do not believe this to be an isolated case in which hijackers have left themselves open and vulnerable. We must, therefore, seriously consider the viability of this initiative as a preemptive solution to future acts of air piracy.

We heard from Sue Franceschini, the sister of Reverend Jenko, one of the six American captives currently being held in Beirut, on the need to make the American people more aware of the increasing threat of terrorism and its effects on the victim's families. As we all know, terrorism strikes not only the immediate victim, but also that victim's family and friends. Angered by the difficulty in obtaining her brother's release, Ms. Franceschini has contacted many State and local officials throughout the Union to gain their increased attention to terrorism. With the assistance of women like Ms. Franceschini, our Nation will properly place the issue of terrorism on the top of our national agenda.

Finally, we heard from Yohan Alexander, a noted scholar in the uncharted academic field of international terrorism, on the proliferation of terrorist activities in recent months, which indicates a renewed effort of low-intensity warfare against the United States. Although we have been fortunate that relatively few terrorist attacks have occurred within the borders of the United States, our citizens overseas are under constant threat.

It is absolutely critical that we, as members of Congress, maintain a continued, constructive dialog on possible solutions to terrorism to free the innocent people of this world from senseless murder and destruction. Our struggle to find ways to combat terrorism will continue, but, unfortunately, terrorists will continue to prey upon these innocent victims unless we find a viable solution.

As I have stated, the President recently showed us the solution to terrorism, and that is: to fight fire with fire. The U.S. response to terrorism has been on an ad hoc basis for far too long and has involved a broad range of tactics, from direct negotiations to international cooperation. But these efforts are no longer effective against the emergence of state-supported, state-sponsored terrorism.

The Palestine Liberation Organization, the organization behind the hijacking of the *Achille Lauro*, is an outlaw terrorist organization. They are a people without a state, bound by a cause they cannot win, and supported by states to perpetuate the murder and destruction that has plagued the innocent for years.

The 1978 Arab summit in Baghdad, Iraq, mandated that the major oil-exporting Arab states were to give $300 million a year to the PLO for 10 years between 1979 and 1989. This money is channeled through the Palestine National Fund to Yasser Arafat, the recognized spokesman for the PLO who has final control over this money. Contributing states and their apportionments this year, in millions of dollars, were: Saudi Arabia, $85.7; Kuwait, $47.1; Libya, $47.1; Iraq, $44.6 million; the United Arab Emirates, $34.3; Algeria, $21.4; and Qatar, $19.8 million. These nations also provide sanctuary, training, and logistics to tens of thousands of PLO militants.

During the 1970's Yasser Arafat succeeded in gaining recognition as the PLO's sole credible voice of the stateless Palestinian people in many parts of the world, but, in recent years, Arafat's recognition has diminished. In 1982, he was driven from his military stronghold in Lebanon. As a result, the PLO has been forced to disperse around the Arab world. More recently, his Tunisian camp was destroyed by Israeli jets, and on October 10, President Reagan succeeded in apprehending four of Arafat's Palestinian terrorists for hijacking the *Achille Lauro*. Now Arafat has even been denied the opportunity to address the United Nations.

Mr. President, the events on October 11 must stand as a message to terrorists everywhere that the United States will no longer stand idly by as innocent people are victimized by this senseless violence. President Reagan's actions on October 11 clearly demonstrate his leadership of the American people and his resolve to combat terrorism.

Initially, the President reacted with caution to the seizure by Palestinians of the Italian cruise liner, and carefully weighed his options to end the drama. As in most PLO terrorist incidents, American lives were at stake, thus, every precaution had to be taken to ensure their safety. Communication lines were opened to Italy, Egypt, and Israel and were kept open around the clock as the drama developed, Keeping his options open, the President sent several military ships into the area to be available if needed. He was content, at least initially, to let the Italian Government take the lead. Negotiations with other nations were underway to end the crisis, but no concessions were to be made to the terrorists.

After identifying themselves as members of the Palestine Liberation Front, a faction of the PLO known to support Arafat, the hijackers demand-

ed the release of other Palestinian terrorists currently jailed in Israel—threatening to take the lives of innocent Americans if their demands were not met. They soon realized, however, that their demands would not be met. Coldly and cruelly, the four Palestinian terrorists attempted to force the world into submission, but still no concessions to their demands were made.

Their mission failed the hijackers were talked off the ship and allowed to leave the *Achille Lauro* by boat. But when Nicholas Veliotes, U.S. Ambassador to Egypt, visited the ship to make certain no hostages were harmed, he discovered that Leon Klinghoffer, a 69-year-old man confined to a wheelchair, had been shot, and in a despicable and inhuman gesture, his body had been thrown overboard.

After learning what had happened, to Mr. Klinghoffer, President Reagan waited for the opportunity to strike. Poised and ready for their go-ahead command, the U.S.S. *Saratoga* waited in the Ionian Sea between Italy and Greece. The order was then given to launch four Navy F-14's into formation, and at 5:30 p.m. e.s.t. on October 10, the President issued their final orders to intercept the flight of Egyptian 737 airliner as the hijackers attempted to flee from justice.

Mr. President, I would like to reiterate my praise for our great President, and commend him for his actions during this crisis. He has steered this Nation in the right direction to effectively combat terrorism, and he has enabled all Americans to once again stand tall in the face of this age-old cancer.

Terrorism cannot be allowed to flourish, and terrorists everywhere should heed our President's warning: You can run, but you can't hide.

Thank you, Mr. President.●

COMPREHENSIVE TEST BAN

● Mr. LEAHY. Mr. President, if President Reagan and Mikhail Gorbachev are to succeed in devising a formula to significantly limit nuclear and space weapons, they should first take a very fundamental step. That is to immediately resume the negotiation of a comprehensive test ban treaty.

A comprehensive test ban [CTB] with rigorous on-site inspection and provisions could pave the way toward a freeze on the production and deployment of nuclear weapons. It could help put an end to the constant parade of destabilizing nuclear innovations, which have failed to enhance our security.

That is why I joined a bipartisan group of Senators in introducing Senate Joint Resolution 179, calling upon President Reagan to propose to the Soviet Union "the immediate resumption of negotiations toward conclusion of a verifiable comprehensive test ban treaty."

The administration abandoned CTB negotiations claiming that such a treaty would pose serious verification problems.

Yet the administration has failed to admit to the significant progress which had been made with the Soviets in resolving issues which had seemed insurmountable, on terms proposed by the United States.

Indeed, prior to United States withdrawal from CTB negotiations the Soviets had accepted a United States plan for conducting on-site inspections to help resolve compliance questions.

This was truly an historic achievement. Failure to reach agreement on the issue of on-site inspections was one of the main reasons it was possible to only conclude a partial rather than a comprehensive test ban in 1963.

In another major breakthrough on verification, the Soviets had accepted a United States proposal for deployment of a network of sophisticated seismic monitoring stations on their territory. Such seismic facilities inside the Soviet Union combined with our impressive existing national technical means of verification would give us a very effective basis for verifying a CTB treaty.

In addition, Soviet willingness to accept these seismic stations on their territory represents a dramatic advance in Soviet attitudes toward verification, with significant implications for future arms control agreements.

Mr. President, as vice chairman of the Senate Select Committee on Intelligence, I can tell my colleagues that the kind of cooperative measures which the Soviets have agreed to in previous CTB negotiations would serve as very valuable principles for our negotiators in Geneva—if they are implemented.

It is ironic that an administration which refuses to have arms control without progress on verification issues would refuse to implement significant breakthroughs that improve the verification capabilities of the United States.

Mr. President, last summer Premier Gorbachev proposed a 5-month moratorium on nuclear testing, through December 1985. Rather than dismiss Gorbachev's offer as the administration did, it could have used the Soviet proposal as a starting point for the resumption of the CTB negotiations. We could have insisted that the Soviets begin to implement some of the significant on-site inspection procedures to which they had previously agreed in the CTB negotiations.

These are objectives that can be achieved in Geneva. They are small steps which can have significant impact in creating the momentum required for the negotiation of a new treaty. We must have the courage to take these small steps.●

EXPANDED CAPITAL OWNERSHIP AND THE IDEOLOGICAL HIGH GROUND

● Mr. LUGAR. Mr. President, today I am introducing the second of four statements on expanded capital ownership. This is part of a position paper entitled "Project Economic Justice: A Revolutionary Free Enterprise Challenge to Marxism," prepared by Norman G. Kurland.

Mr. Kurland is president of the consulting firm, Equity Expansion International, and also of the nonprofit educational firm, the Center for Economic and Social Justice, chaired by Ambassador J. William Middendorf II. Mr. Kurland is recognized as one of America's leading authorities on the design and implementation of the employee stock ownership plan technique, which can be a powerful mechanism for connecting workers to future capital credit. Mr. Kurland drafted and spearheaded the campaign behind the original ESOP laws adopted by Congress and has developed a number of model ESOP's. I invite my colleagues to read this piece entitled "A Strategy for Expanding Capital Ownership."

The statement follows:

A Strategy for Expanding Capital Ownership

(By Norman G. Kurland)

Few can argue that, given the rich cultural diversity of Americans, freedom and democracy have been raised to extraordinary levels in America. Our history continues to demonstrate that anyone can climb the ladder of success and that historic barriers to opportunity are easier to uproot in America than virtually anywhere else in the world. What is not fully appreciated is that freedom and democracy anywhere are fragile without "economic justice." (See "A New Look at Economic Justice for the Eighties" by this author for further clarification of the meaning of this term.) While nowhere in the world, including America, has the quest for economic justice been completed, by promoting jobs linked with ownership as a new direction for American foreign policy, we have taken a revolutionary step forward.

American can now proudly proclaim its new message to the world; "Freedom and Democracy Through Economic Justice."

Our political objective should be to broaden the political constitiuency for free market policies. We should aim our new message to farm workers, industrial workers, and others who might become employed within a rapidly growing private sector . . . but only after we have the capacity to deliver on whatever ownership promises we support. Appealing to workers who are merely wage earners, not owners, will not build support for a free enterprise system.

Why is economic justice the necessary base for democracy and freedom? Suffice it to say that who owns and controls the nation's means of production—its farms, industries, technologies, and natural resources—is in the first instance a legal and institutional

question. But in the final analysis the issue of ownership reflects the system of morality and justice upon which all our laws and institutions must ultimately be derived. While it is assumed as a matter of faith that every American has an equal opportunity to share in the ownership of capital, we are now becoming aware that the means to become capital owners are far from being equally accessible to all. The Joint Economic Committee has found that the top 1% of Americans own over 50% of all individually-owned corporate equity and that future ownership distribution patterns will be the same unless we adopt new methods of financing America's growth capital requirements. The present situation is clearly unjust, but Americans are finding ways to correct our laws and our institutions to broaden future access to ownership opportunities. These changes would automatically raise the level of economic justice enjoyed by Americans. And similar changes could also provide economic justice for millions of people in the developing countries.

There is a connection between future ownership and capital credit. Ownership opportunities and access to capital credit go hand-in-hand. Joint Economic Committee projections indicate that a "new industrial frontier," consisting of new non-farm plant and equipment costing from $3 to $5 trillion, will be built in the United States over the next decade. About one-third of that will be financed through self-liquidating capital credit, with most of the rest financed through retained future earnings. Consequently, by linking access to capital credit almost exclusively to present capital owners and previously accumulated savings, our present credit system structurally consigns the majority of American workers to wage and welfare systems not unlike those that many immigrants came here to escape.

Fortunately, problems associated with monopolistic access to future ownership are gradually being overcome as a result of special tax incentives designed to encourage ownership-spreading mechanisms of capital credit, such as ESOPs. More significantly, momentum is growing among farmers, businessmen, and in the White House and on Capitol Hill for a "Two-Tiered Interest Rate" proposal aimed at accelerating private sector growth linked to expanded ownership. (See this author's paper, "A Two-Tiered Interest Rate Policy at the Fed," March 30, 1983, and his testimony before the House Subcommittee on Access to Equity Capital, May 8, 1979.) A senior member of the House Banking Committee, along with a bipartisan group of co-sponsors, is expected to introduce a bill shortly to reform the Federal Reserve Act to achieve these results. Senator Long, who with 30 other senators, introduced "The Expanded Ownership Act" is preparing to reintroduce this package of major new tax incentives for connecting capital credit to workers through ESOPs. And Senator Gary Hart and Rep. Parren Mitchell are co-sponsoring changes in the enterprise zone legislation that would enable workers and residents to gain equity shares in future development profits within the zones. Together, all these are pieces of a more comprehensive "Industrial Homestead Act" that this author has prepared at the request of senior White House officials.

The Industrial Homestead Act was designed so that it could be adapted by any nation to fit its own unique circumstances. By adopting tax and credit policies along similar lines, any nation would create a favorable environment for private sector initiatives both within the country and from the United States and other more developed economies. (See "Beyond the Wage System" and "The Future of the Multinational Corporation" by this author, and "Uprooting World Poverty: A Job for Business" by Louis O. Kelso and Patricia Hetter.)

Words alone are never enough to sustain an ideological offensive. There must be solid substance behind the words, consisting of:

(1) A goal that is easy to communicate, morally inspiring and universally desirable; e.g., economic justice;

(2) A comprehensive and sound theory and readable materials to define and describe that goal; see "A New Look at Economic Justice for the Eighties" mentioned above and "Beyond ESOP: The Kelso-Adler Theory of Economic Justice," a selected list of publications by the National Center for Employee Ownership;

(3) A fundamental human right that describes how this goal can be enjoyed at the level of the person; e.g., let every worker become an owner; supported by Article XVII of the Universal Declaration of Human Rights ("Everyone has the right to own property, alone as well as in association with others.");

(4) Awareness of specific barriers that block the enjoyment of that fundamental human right; e.g., systems that provide monopolistic access to capital credit; laws that forbid or discourage individual workers from enjoying property rights in industrial or farm enterprises, as under communism;

(5) Spotlighting the contradictions and myths in the handling of professed ideals; e.g., the myth that workers are owners within collectivist societies; and a focus on the distinction between "joint economic" (private property) ownership and "collective political" (socialized) ownership;

(6) A realistic set of programs and institutional infrastructure designed to remove roadblocks and offer incentives to individuals and groups to test desired changes; e.g., the Industrial Homestead Act;

(7) Successful applications of the idea in a variety of settings and circumstances and objective scrutiny by impartial professional critics; e.g., dozens of "model" prototypes among the 5,000 ESOPs now in existence.

(8) Support from key statesmen in the political, religious, academic, labor, and business community to the programs and methods being advocated;

(9) A sizeable pool of experienced professionals and trainers in the various disciplines, plus other institutional and financial resources needed for widescale implementation of the program;

(10) One or more places offering challenging problems that seem to defy traditional solutions which might be open to testing the new strategy;

(11) A strategy for implementing the overall program or basic parts of the program which could be easily tailored to solve a specific problem; and

(12) A strategy for communicating the new message to groups that might benefit from the new program; e.g., building a new constituency among farm and industrial workers for free market policies.

With all these pieces in place, a successful ideological campaign can be mounted. Each successful application will help reinforce the central message. Every new worker-owner will be a messenger if the programs are designed competently and with integrity.●

TARIFFS AND QUOTAS

● Mr. HART. Mr. President, last week the Wall Street Journal published an article on trade that I would recommend to my colleagues. The article argues there has been an increase in protectionist trade barriers here in the United States over the past few years, and that these barriers cost American consumers billions of dollars while ultimately saving few, if any, American jobs.

We all realize how the unfair trade practices of our competitors penalize American workers and businesses. Japan's spider-web of bureaucratic barriers, Europe's subsidies for crop exports, the domestic content laws for automobiles in a score of nations—all these practices undermine our prosperity as they endanger the viability of an expanding world trading system.

But the lesson of the Journal article is clear: protectionism is no better an answer to our trade problems than the administration's laissez-faire indifference over the past 5 years. Protectionism fuels inflation, invites foreign retaliation, and eliminates jobs in unprotected industries. If we are to find a long-term and constructive dollar, modernize our industries, push for elimination of unfair foreign practices, increase the demand abroad for American products, and protect our workers from global economic forces beyond their control.

Mr. President, I ask that the full text of the Jounal article be inserted at this point in the RECORD.

The article follows:

AS FREE-TRADE BASTION, U.S. ISN'T HALF AS PURE AS MANY PEOPLE THINK

(By Alan Murray)

In Sault Ste. Marie, Ontario, A Canadian shopper can buy a four-kilogram bag of white cane sugar at New Dominion Stores Ltd, for about $1.50 (U.S.).

But across the St. Marys River in Sault Ste. Marie, Mich., a 10-pound bag (4.54 kilograms) of the same sugar sells at Norden's Foodland for $3.55, roughly double the Canadian price.

The reason is simple: protectionism. To support domestic sugar producers, the U.S. imposes stiff quotas on sugar imports, keeping the domestic wholesale price far higher than the world price, "It's a glaring discrepancy," says Francis Mansfield, director of the Salut-area Chamber of Commerce.

The current congressional debate over trade legislation rings with complaints that the U.S. is the last bastion of unfettered international trade in a world of protectionists. "The United States has permitted imports to gush ashore freely while not demanding comparable access abroad," asserts Sen. Lloyd Bentsen, a Texas Democrat.

AN ARRAY OF BARRIERS

But the U.S. isn't the pure free-trade that many in Congress and business seem to think. Sugar quotas are just one example of a larger array of trade barriers the U.S. has built to restrict imports. High tariffs and other restrictions provide substantial protection to producers of books, benzenoid chemicals, ceramic tiles, canned tuna,

rubber footwear, steel, textiles, motorcycles, peanuts, dairy products and more.

Indeed, significant trade barriers cover more than a quarter of all manufactured goods sold in the U.S., and cost American consumers more than $50 billion a year, or $450 for every working man and woman, according to Gary Hufbauer, a Georgetown Unviersity professor, in a book to be published later this year.

"We probably do less" to block imports than most of our major trading partners, Mr. Hufbauer says. "But we do a lot. We certainly protect a heck of a lot more than most congressmen say we do."

During most of the postwar period, the U.S. has been the world's leading force for free trade. Under its leadership, worldwide tariffs have been reduced sharply and trade has boomed. Average U.S. tariffs have fallen from 50% of the imports value in the day of the Smoot-Hawley tariffs during the 1930s, to about 5% today; and European and Japanese tariffs have been reduced to about the same level.

NEW PROTECTIONISM

But in recent years, the U.S. has been caught up in the global trend toward "new protectionism," establishing quotas, "voluntary" import restrictions and other barriers rather than tariffs to shield its domestic industries from foreign competition. By Mr. Hufbauer's estimate, the percentage of U.S. imports covered by protection has risen to 21% today from 5% in 1975.

"My sense is that on net, trade restraints continued to drop through most of the 1970s," says William Niskanen, chairman of the Cato Institute, a Washington think tank. "But starting in the 1980s, the increase in nontariff barriers has been greater than the reduction in tariffs.

The trend toward protectionism has accelerated in the last five years, thanks largely to the dollar's steep rise in value relative to other currencies. The strong dollar has encouraged a flood of imports by making them cheaper, increasing domestic industries' demand for protection. Although the Reagan administration claims to be vigorously opposed to trade barriers, it has found it politically impossible to fully resist these protectionist pressures.

"I think it is probably true that we are less protectionist" than both Europe and Japan, says Robert Lawrence, a senior fellow at the Brookings Institution. "Nonetheless, we have a lot of protectionism. We ought not to be necessarily as self-righteous as we are."

FOREIGNERS' VIEW

Not surprisingly foreign officials agree with Mr. Lawrence's assessment. Says Sir Roy Denman, head of the European Communities delegation in Washington: "The good Lord did not ordain that sin only started east of Cape Cod or west of Alaska."

America's trade barriers impose large costs on U.S. Consumers. And while they may save jobs in protected industries, economists say barriers reduce jobs elsewhere in the economy. As President Reagan pointed out at a recent press conference. "No one ever looks over their shoulder to see who lost their jobs because of protectionsim."

Clothing tariffs and quotas provide a dramatic example of the high costs of U.S. protectionism. During the 1970s, the U.S. negotiated import quotas with all the major apparel-producing nations, and in 1983 those quotas were tightened substantially. The U.S. also has a tariff averaging 26% of the value on all clothing imports.

As a result, the cost of imported clothing here is more than double what it would be if the U.S. had no trade barriers, according to a recent study by the Federal Reserve Bank of New York. The study, which conservatively assumes that trade barriers don't raise the price of domestically manufactured clothes, estimates that consumers pay a tax of as much as $12 billion a year to protect the U.S. textile industry. A more comprehensive measurement, according to Georgetown's Prof. Hufbauer, puts the figure at $27 billion, or $42,000 for every job saved.

Much of that money goes to foreign companies. Textile-producing nations receive import quotas to allocate to manufactures. Those quota rights are often auctioned off among producers, and the cost of the quota is passed on to the American importer. When demand is strong, the quotas guarantee manufacturers who hold them a hefty profit.

Clothing quotas are particularly troublesome for those who sell imported apparel. Retailers say they can tolerate tariffs because they are predictable; but quotas produce wide price fluctuations and sometimes block imports altogether.

Spiegel Inc. for example, has encountered many problems since the Reagan administration tightened quotas in 1983. Leo Sansone, the company's assistant vice president for merchandising, recalls that last year the catalog company arranged to buy wool sweaters from Hong Kong at a time when sweater demand was expected to be light, and quota rights—which are auctioned off daily in Hong Kong—were selling at about $1.50 per sweater. By the time the company decided to reorder more sweaters, strong demand had caused the quota price to soar to $6.50 As a result, Spiegel had to pay $18, including shipping and tariffs, for a sweater it had expected to cost only $10.

Spiegel also recently had a shipment of wool slacks from Taiwan confiscated by U.S. officials, who said the shipment exceeded the island's quota for such slacks. The Taiwanese manufacturer authorized the shipment at the end of 1984, counting it against the 1984 quota. But U.S. Customs counted it against the 1985 quota, which it says has run out. As a result, says Terry Covone, Spiegel's import manager, "we have 150 dozen wool slacks that we've already paid for sitting in a bonded warehouse because we can't get them through customs."

Walter Killough, the company's senior vice president for merchandising, complains that "the way quotas are administered now, it's almost as if the people just want to create problems for us."

ECONOMIC IMPACT

Economists argue that such protectionist policies probably eliminate as many jobs in other parts of the economy as they save in the protected industry. For one thing, when consumers must pay more for clothes, they have less to spend on other items, leading to less employment in other industries. Most econmists also believe that import restrictions usually result in reduced U.S. exports.

"I happen to believe there are no jobs saved in the economy as a whole" as a result of protectionist measures, says Mr. Lawrence of the Brookings Institution. Mr. Niskanen of the Cato Institute agrees. "By and large, the number of jobs in the economy is invariant to trade measures," he says.

Some other imported products that are protected by U.S. trade barriers:

Steel. The U.S. signed a quota agreement with the European Communities in October 1982 limiting steel imports. At about the same time, Japan initiated a system of "voluntary" steel export restraints to avoid more direct U.S. trade action. These measures substantially reduced European and Japanese steel shipments to the U.S., but shipments from developing countries soared in their place. In September 1984, the U.S. began negotiating more "voluntary" export restraints with other steel suppliers designed to limit total steel imports. The New York Fed conservatively estimates that these restraints cost consumers about $2 billion a year by adding 5% to steel prices.

Book manufacturing. The U.S. book printing industry is largely shielded from foreign competition. To be eligible for U.S. copyright protection, virtually all books and periodicals published in this country must also be printed and bound here. According to Prof. Hufbauer, that restriction costs consumers an estimated $500 million each year.

Ceramic tiles. Makers of ceramic floor and wall tiles are protected by tariffs that average about 25% of the import value. The cost to consumers, Mr. Hufbauer says, is about $116 million a year.

Peanuts. To prevent imports from undetermining its peanut price support program, the government has kept a strict quota on imported peanuts since 1953. The approximate annual cost to the consumer, according to Mr. Hufbauer's research: $170 million.

Shipping. The Jones Act, which dates back to the 1920s, bars foreign ships from carrying passengers or freight between any two U.S. ports. This protects coastal carriers from lower-cost foreign shipping lines.

Rubber shoes. The U.S. rubber footwear industry is sheielded by high tariffs that in some cases have changed little since the days of the Smoot-Hawley tariff act of 1930. The cost to consumers: $230 million, Mr. Hufbauer says.,

Motorcycles. In 1983 President Reagan imposed temporarily high tariffs, starting at 49.4%, on Japanese motorcycles with engines exceeding 700 cubic centimeters. Mr. Hufbauer estimates that the tariff, designed to protect about 2,500 Harley-Davidson Motor Co. workers, cost consumers $104 million last year.

Trucks. Foreign-manufactured light trucks face a stiff 25% tariff when they cross U.S. borders. The tariff prompted creation of the Subaru "Brat," which escaped the tariff by putting bucket seats in the truck bed to qualify as a car.

Autos. Under a "voluntary" agreement, Japan began restricting auto exports to the U.S. in April 1981. As a result, according to the New York Fed, Japanese car export prices rose more than $2,000, and cost consumers an estimated $4.5 billion in 1984. That restraint agreement formally expired last March, but most observers believe the Japanese continue to restrain auto exports to prevent a flare-up of further protectionist pressure. As a result, many Japanese auto dealers in the U.S. continue to add as much as $2,000 or $3,000 in "additional dealer markup" onto the sticker price of the cars they sell.●

S. 1429—THE TERRORIST PROSECUTION ACT

● Mr. D'AMATO. Mr. President, I am pleased today to cosponsor S. 1429, the Terrorist Prosecution Act. The murder of Leon Klinghoffer last month, and

the massacre of 241 marines in Lebanon 2 years ago, demonstrate the urgent need to enact this bill into law.

There is some question whether the murder of American citizens abroad—other than certain officials and diplomats—is a crime punishable by U.S. law. Although the Comprehensive Crime Control Act of 1984 makes it a crime to seize and threaten to kill an American citizen outside the United States, it does not actually make it a crime to kill an American citizen overseas. I commend Senator SPECTER for introducing S. 1429 to fill this gaping hole in our law.

The brutal murder of Navy diver Robert Stethem in June also demonstrates the need for this bill. Criminal complaints and arrest warrants have been issued charging the three hijackers of TWA flight 847 with air piracy and murder. A murder charge was authorized in this case only because the murder of Robert Stethem was committed in the course of an aircraft piracy and was covered by the provisions of the Federal Aviation Act of 1958 and its amendments, most notably those passed by the 93d Congress in 1974 and 1975.

This hit-or-miss approach must be corrected. S. 1429 simply provides that any terrorist who kills or attacks an American in a foreign country, or in international waters or air space, can be brought to this country and prosecuted for his or her crime. This bill requires that any such person who is found guilty of murder in the first degree shall be sentenced to imprisonment for life. I would encourage the Senate Judiciary Committee to permit such crime to be punished by the death penalty.

S. 1429 also provides that a terrorist found guilty of attempted murder shall be imprisoned for up to 20 years. It authorizes the Attorney General to receive assistance of any Federal, State, or local agency, including the military, to enforce this new law.

This bill also attempts to cover the numerous other crimes that terrorists commit. It makes it a crime to assault, wound, strike, imprison, endanger, or make any other violent attack on the person or liberty of any U.S. national in any foreign country, or to make any violent attack on his or her premises, private accommodation, or means of transport.

Mr. President, this bill should be marked up in committee and brought to the Senate floor at the earliest opportunity. I urge my colleagues to cosponsor this bill and to give it their full support.●

TARRING WITH THE BRUSH OF CULTURAL BIAS

● Mr. SIMON. Mr. President, shortly after the seizing of the Italian cruise ship, *Achille Lauro*, and the brutal murder of an American citizen, I heard unfavorable comments about Arabs and Arab-Americans. Then, a bomb was detonated in the office of the Arab-American Anti-Discrimination Committee in California. A man was killed. It is important in these days of increasing terrorism in the Middle East and elsewhere that we are careful who we blame, and careful we do not stereotype. In a columm I write for newspapers in my State, I express these concerns.

I ask that the column appear at this point in the RECORD.

The column follows:

[P.S./Washington: A weekly column by U.S. Senator Paul Simon of Illinois]

TARRING WITH THE BRUSH OF CULTURAL BIAS

The other day in California a bomb went off in the office of the Arab-American Anti-Discrimination Committee killing one person and injuring others.

All responsible Americans, whether they are Protestant, Catholic, Jewish or of no religious belief denounce that type of unprovoked attack.

We must solve problems through peaceful means, not violence. If someone disagrees with that organization's goals or activities, the American way is to make a speech about it or send a letter to the editor—not to react with violence, for violence inevitably invites further violence.

But there are more basic questions: Is there discrimination against Arab-Americans and is it wrong?

The answer is yes in both cases.

I am a strong backer of Israel and one of the reasons for that strong stand is the discrimination that Jews have received over the centuries from nations that have described themselves as Christian or Moslem.

All my life I have fought against discrimination, and just as discrimination against, Jews or blacks or Hispanics or Italians or Poles or any other group is wrong, so discrimination against Arab-Americans is wrong.

Too often when an Arab appears in a movie it is as some leering, wealthy oil baron with six wives, a caricature that is by no means typical of Arabs.

If an Arab appears in some other role, it is rarely as a hero. The Arabs tend to be "bad guys."

What can Arab-Americans do to help change that image?

First, by calling attention to the fact there is a problem with discrimination against Arab-Americans. Most Americans are not aware of that; we should be told.

Second, the image of Arab countries is one of irrational anti-Israeli policy—true of some Arab countries but not all, fortunately. Arab-Americans who are not anti-Israel and who want to see stability in the Middle East should speak up. Too often silence is viewed by others as agreement with anti-Israeli policies.

What caused me to write this column now were the comments I heard from two people after the seizing of the Italian cruise ship reflected unfavorably on everyone of Arab background.

President Sadat was an Arab, as are a host of others who are contibuting positively to a better world.

When Arabs are involved in piracy on the high seas, as some were recently, that should be denounced, not because Arabs did it but because piracy is wrong whoever does it.

Discrimination is wrong, if it's against blacks or Jews or poles or Italians or any other group. And it's wrong when there is discrimination against Arab-Americans, many of whom are providing important contributions in our country and also want to see peace brought to the Middle East.●

AMERICA'S SPACE PROGRAM IN THE 21ST CENTURY

● Mr. HOLLINGS. Mr. President, last year, the Congress established in Public Law 98-361, the fiscal year 1985 NASA authorization, the National Commission on Space. Pursuant to this act, the Commission is required to "identify long-range goals, opportunities, and policy options for the U.S. civilian space activity for the next 20 years." The Commission also is required to submit a report to the President and Congress by March 1, 1986, containing these long-range civil space policy recommendations.

At present, Dr. Thomas Paine, the Chairman of the National Commission on Space and former Administrator of NASA, and his staff are conducting a nationwide series of public hearings to gather information for the Commission's report. In the course of these hearings, persons from all professions and walks of life are given an opportunity to testify as to their vision of the U.S. civilian space program.

Last week in Cleveland, OH, the Commission got a special treaty; they got a dose of the "right stuff" figuratively and literally, when my friend and colleague, Senator JOHN GLENN, presented his testimony to the Commission.

Mr. President, I will be the first person in the Senate to admit that there are many diverse opinions as to what is the future of the U.S. civilian and military space programs, how these programs relate and conflict, and what is the order of priorities amongst and between these programs. However, Senator GLENN's comments before the Commission have brought to the surface the fundamental issue that we all must work to resolve, regardless of what our individual goals are—namely, what will we do now to fashion and maintain a successful 21st century space program?

Mr. President, I think Senator GLENN's testimony presents issues all members of the Senate should be aware of, and I ask that his statement of October 30, 1985, be printed in the RECORD.

The statement follows:

BACK TO THE FUTURE: SOME IDEAS ON AMERICAN'S SPACE PROGRAM IN THE 21ST CENTURY

(By Senator John Glenn)

Mr. Chairman, Ladies and Gentlemen: It is a pleasure to welcome the National Commission on Space to Cleveland, which has been host since 1944 to a major contributor to the nation's aeronautics and space

program—the NASA/Lewis Space Research Center.

The research on the power system package for the Space Station going on at Lewis and the recently begun activities at Battelle/Columbus on space commercialization are examples of Ohio's greatly expanding role in the nation's space program, a role that makes your visit to this area highly appropriate and meaningful.

We have come a long way in the space program for the days of the "right stuff" and news headlines about individual heroics. But some things have not changed since those early days. The program still depends on thousands of dedicated professionals, technicians, support personnel, and factory workers—persons whose exploits are unsung but who are the real heroes of America's accomplishments in space.

We all tend to get excited by descriptions of our automated future, artificial intelligence, and the removal of human drudgery by robots. But the space program of the 21st century will still be characterized by the vision, curiosity, determination, courage, and ability of human beings working together toward a common purpose for the benefit of not only America, but all humankind.

And that purpose must not be lost sight of as our space capabilities expand. We should not forget that the space program is, above all, a research program as well as an adventure—an exploration of the unknown and a test of humankind's ability to move out into the cosmos and still function as thinking, creative creatures. We have much to learn, and we cannot afford to divert the serious business of space exploration and utilization into sideshows with joyrides in space for those who hold a lucky ticket. I hope we will hold on to that philosophy as the space program moves into the 21st century.

Now, Mr. Chairman, in accordance with the theme of this meeting of the National Commission on Space, I suppose I could sit here and daydream about what life in the 21st century might be like and, in particular, what our space progam could be. Much has already been written about U.S. capabilities in space that will only be possible in the next century, and I will speak to that later on. But rather than recommending a specific 21st century space program, the main purpose of my testimony today is to make a plea for better understanding and recognition of those things which we must do in order to fashion and maintain a successful 21st century program, *regardless* of the specific goals chosen. And, in formulating these action items, I found it useful to go back to first principles with regard to space development policy. These policy principles are contained in the 1958 National Aeronautics and Space Act and they are still applicable today. They state that:

The peaceful uses of space are to be developed.

U.S. preeminence in space science and applications is to be maintained.

Knowledge is to be increased.

Economic and social benefits are to be derived.

Civilian and military activities are to be separated (though coordinated so as not to be unnecessarily duplicative).

International cooperation is to be fostered.

NASA is to be limited largely to research and development.

In reexamining these principles and their implementation, I have identified six major areas where action must begin *now* if we are to move into the 21st century with the kind of program that is true to those principles, thereby ensuring our continued leadership in space with benefits realized for the entire world.

1. SCIENCE AND MATH EDUCATION

The U.S. space program of the 21st century will be highly dpendent on a key human resource—young people, well educated in science and mathematics, who have the talent and the interest to take a hand in the Nation's drive to maintain leadership in space-related activities.

In conducting its own work, I do not believe the National Commission on Space can ignore the disturbing evidence, compiled by other Commissions and by scholars around the Nation, pointing to a serious decline in our pool of qualified teachers of math and science at the pre-college level. Such decline has already had a deleterious effect on the performance and interests of youngsters in the area of science and math, and has ramifications affecting not only our future space program, but our economic health and national security as well.

Here is some of the bad news:

Over the past 21 years, SAT math scores have declined on average by 35 points and verbal scores by 53 points.

In 1984, 44 states reported a shortage of math and physics teachers; 40 states had a shortage of chemistry teachers.

In North Carolina in 1983, one of the few states where such figures are available, 40 percent of the math teachers and 30 percent of the science teachers in grades seven through twelve were not certified in these subjects.

In 1982, a test designed for eighth grade students in Houston, Texas, was given to teachers. Thirty five percent could not convert meters to centimeters; and when given values of the variables, 74% of the teachers could not compute the value of an algebaric expression.

Half of all U.S. high school students do not know that a star is more like the sun than a meteor, comet, moon, or planet; 88% do not know that plastics are petroleum products; and 46% do not know that heat is produced as result of combustion.

Is this a description of the achievement levels of students and teachers in the world's long-term technological leader? Is this the way we will keep up with the Japanese and the Soviets, both of whom produce far more engineers each year than we? Fortunately the picture is not entirely bleak. Reports of the past few years on the deficiencies of our education system from the National Commission on Excellence in Education and the Carnegie Foundation have received wide attention, and some of the recommendations in those reports are being adopted in various states and localities around the country. But progress is slow, and must be stimulated. I am pleased to be an honorary Vice Chairman of the Young Astronaut Program which seeks to stimulate interest among our young people in the space program, and through it, interest in math and science.

I will also be introducing legislation in the U.S. Senate to alleviate shortages of math and science teachers in our public schools. This will be accomplished by providing incentives for qualified, certified engineers and scientists working in the private sector to be given release time in order to teach math and science part time in our schools. We have large numbers of scientific professionals in the United States, including some who may be nearing retirement, that would like to transfer the enthusiasm and excitement they feel for their profession to our young people. We need to find avenues by which they can do this.

Because the health of our future space program is so tied to our education system and math and science education in particular, I believe the National Commission on Space would be justified in making some recommendations to the President concerning the problems in this area that must be solved.

2. ARMS CONTROL

It may seem like a non-sequitur to raise the issue of arms control in a discussion of our 21st century space program, but in my view it is central to the discussion. We expect to spend about $303 billion on defense next year, with about $2.75 billion on the Strategic Defense Initiative. The Administration wants to fund the SDI program at $26 billion for five years, and then consider deploying some systems which over time might ultimately cost more than $1 trillion if the full concept of a shield were to be developed and deployed.

Now, I am as strong an advocate of keeping up U.S. defenses as you will find in the Senate, and I have always maintained that we must spend what we must to keep the country free, and then see what our other priorities are.

But, we should not kid ourselves that it will be possible to continue spending a third of a trillion dollars per year for defense, with many times that for deploying special systems developed under SDI, and at the same time mount and maintain an ambitious civilian space program. That does not mean I am opposed to any military activities in space. On the contrary, there is no question but that *some* aspects of military activity in space can be highly beneficial. For example, without satellite surveillance, verification of agreements controlling the deployment and testing of modern-day weaponry would be virtually impossible. Also, the use of satellities for command, control, and communication involving deterrent forces is important for our own welfare and for maintaining world peace.

But there is a difference between limited, military, passive uses of space and the weaponization of space that would occur under SDI.

I do not see the weaponization of space as being a healthy spur to space development for commercial or other non-military purposes. On the contrary, weaponization of space will make commercial space ventures riskier and will retard civilian space development over the long run.

Therefore, if we do not achieve significant arms control agreements between now and the beginning of the 21st century, we may find that we have spent ourselves out of the market for an expanded non-military space program which will become the province of the Europeans and the Japanese, whose expenditures for defense are minuscule compared to ours.

3. PREVENTION OF SPACE TERRORISM AND PROLIFERATION OF SPACE WEAPONS

Related to my discussion of arms control are my concerns about the future problems of space terrorism and the proliferation of space weapons. It is my expectation that as the 21st century matures, there will be many countries, including some in the Third World (India, Argentina, Brazil, among others), with substantial space programs. Indeed, as the value and prestige of having one's own launch capabilities becomes increasingly appreciated, there will be increas-

ing calls for technology transfer from the "haves" to the "have-nots" in the area of aerospace technology. This is, in fact, already happening, but not on the scale that we will see in the next century.

Because these transfers are clearly coming, and we may see space capabilities possibly fall into the hands of irresponsible governments, it is not too early to begin thinking about the possibility of state-sponsored terrorism in space and how to prevent it. Why do we need to address this in the context of our 21st century space program? Because if the risk of losing a satellite or space station module to terrorist activity is sufficiently high, no one will want to invest the capital, and space development will stagnate. Considering what has happened already in the 20th century, it is not inconceivable that the 21st century might see nations being blackmailed under the pain of having an important and expensive space-based communication link knocked out by a crude ASAT launched by an outlaw nation or subnational group.

One way of dealing with this potential problem is to draw up an international treaty pledging the signatories to noninterference with the peaceful space structures of others, setting up mediation or arbitration panels for adjudicating disputes over such things as orbital space allocations (which may be a problem some day), and adhering to some negotiated rules of trade to ensure that any space technology or equipment transfers are used for peaceful purposes only. Countries refusing to sign the treaty should not be eligible for any assistance, and there should be sanctions for those who violate the treaty. In this way, the transfer of space technology would be limited at least to those nations willing to make solemn political commitments to peaceful uses.

It is of particular importance that nations possessing launch capability be cautious in making certain technology transfers because of the potential for applying such capabilities to ballistic missiles. Engines as well as guidance and control systems for rockets ought to be as carefully controlled by suppliers as certain nuclear technologies are controlled today.

In other words, expanded worldwide space development in the 21st century will need institutions similar to those accompanying the development of nuclear technology and trade in the 20th century (the NPT and the London Suppliers Agreement) and for many of the same reasons.

I urge the National Commission on Space to give recognition to this potential problem in its report to the President, and propose that a ballistic missile/ASAT non-proliferation treaty be drafted as soon as practicable.

4. A MORE VIGOROUS SPACE SCIENCE PROGRAM

Despite some very spectacular successes in recent years, including the fly-bys of Saturn and Jupiter by Voyager II and the Viking program's Mars landing, the space science program of the United States is not really in very good shape. While it is true that there are some interesting, highly visible projects now being pursued (the Space Telescope that will be launched next year, the Galileo project to probe the atmosphere of Jupiter in the late 80's, the Venus Radar Mapper and a significant augmentation of the Explorer Program) the fact is the NASA's overall budget for space science has basically been in a state of decline for over a decade, with solar and magnetospheric physics, x-ray astronomy, and planetary science particularly hard hit. The latter has been of substantial importance to many of the geosciences. For example, by furthering our understanding of the processes whereby mineral deposits are formed, planetary science may provide unexpected assistance in evaluating, seeking, and discovering these resources on earth.

Other practical activities growing out of space science include monitoring of the ozone layer—so critical to our protection from dangerous levels of ultraviolet radiation; monitoring of solar particle emissions—so that we can protect manned satellites or alter airline routes as needed; and improving weather forecasting.

But I do not make the case for a substantial space science program on practical grounds alone. Space science is an activity that nurtures the deepest desires of the human race to explore, to push back frontiers, to understand our place in the solar system, in the milky way galaxy, in the universe. America should not only represent activity that lifts human beings to new economic heights, it should also represent activity that lifts the human spirit and keeps trying to find scientific answers to ultimate questions, like how did all this begin?

Of course, we have to take account of budgetary limitations, and the Solar System Exploration Committee (SSEC) of NASA has made some excellent recommendations for executing a balance of large and small missions in planetary science. That is a good beginning. We must remember that turning the research funding spigot on and off in accordance with the latest budgetary crunch will not result in producing the best science or the best scientists. Only a national commitment to a long-term, well-funded, program of space science will keep us in the lead in this important area.

Now, although I said I did not want to go into specific recommendations on our space program for the 21st century, I will violate that self-imposed rule by stating that I believe any such program should include a manned mission to Mars, the planning for which should begin right now.

5. COMMERCIALIZATION OF SPACE

The United States is, today, in a position with respect to space commercialization similar to that in the early days of the New Deal with respect to support for the civil aviation industry. At that time President Roosevelt initiated a series of programs providing, at public expense, new and larger airports, navigational aids, and better weather reporting and forecasting. No single company could have financed these improvements, and no single company could have appropriated the lion's share of benefits from investments in research and development. Thus, a government role was a substantial necessity for our aviation industry to grow as large and as fast as it did.

The same is true for commercial space activities. Ongoing investments in government-sponsored research and development and programs for development of a space transportation infrastructure, including the shuttle and a permanently manned orbiting space station are necessities for bringing U.S. commercial activities in space to full fruition.

The promise of benefits for the 21st century is staggering in scope. New pharmaceuticals not capable of being manufactured on earth; new personal communication possibilities from the construction of large antennas in space; energy production and transmission from space; smaller, more reliable, faster computers, robots, and other related electromechanical and electrooptical devices; improved, high resolution remote sensing for natural disaster warning and mitigation, environmental monitoring, agricultural, mining and marine applications, etc.

But we will not have a viable commercial space industry in the 21st century unless we begin to address and reduce the substantial risks—institutional, technological, and financial—that now retard the commercial development of space.

Reducing institutional risk means formation of a central body in government to which industry can turn for advice, information, policy interpretation, and possibly financial assistance for large projects.

Reducing technological risk means providing wide access to nonsensitive government information and technology, and continuing substantial research and development support.

Reducing financial risk means the establishment of incentives like long-range formulas for pricing government facilities and services; using government procurement policy to stimulate markets for space-produced products or space-related services; and the possible application of short-term tax benefits or government-guaranteed loans.

One thing is certain. With the European Ariane rocket already competing with our Shuttle for launch services, and with the Japanese preparing to compete in both launch and statellite communication services, we will be left far behind in claiming what should be our rightful share of the 21st century's market for space-related business if we do not adopt the right policies now. We cannot afford to drift.

Unfortunately, drift is what may happen to us as a result of short-sighted domestic policies that produce large deficits that, in turn, stifle government initiative, produce pressures in the financial markets due to government borrowings that freeze out the private sector, and ultimately slow down economic activity. Without a healthy economy, we will not see the kind of commercial development of space that can bring the benefits I spoke of earlier. The Commission, in my view, has a responsibility to point out this elementary fact to those who like to proclaim that our future is in the stars, but who also think that deficits are for future Presidents to worry about.

6. SPACE LAW

As more and more nations go into space, and particularly as private companies enter space activity, there will be a need to resolve a number of legal problems, some international and some domestic. There is the problem of whether and how to define outer space, particularly its lower limit, so as to distinguish it from airspace. This is an issue because airspace is subject to the sovereign claim of the territory below it, but outer space is not. Related to this are claims by equatorial nations that the geostationary orbit, the band of space approximately 23,000 miles above earth that is the perfect location for most communication satellites, is a sovereign resource. The United States and other industrialized nations have rejected this claim, but it persists as a legal issue.

There is also the claim by some developing nations that remote sensing of conditions on Earth by satellite should not occur without some form of prior consent and without some rights by the sensed State concerning access to and distribution of the information.

Other problems include the lack of international law to control space pollution. There are, at present, more than 5,600 manmade objects circling the Earth that are tracked. These tracked objects are growing in number by about 300-500 per year.

But untracked objects can be dangerous also. For instance, by one estimate, there may be 40,000 marble-sized objects and from 10 to 100 billion paint flakes in orbit, and collisions with them are beginning to occur. In July 1983, the shuttle orbiter Challenger was hit by a 0.2 mm paint flake that damaged the Challenger's window. Similarly, in April 1984, the shuttle crew brought back to Earth some malfunctioning electronics boxes from the Solar Max satellite. The outer surfaces of those boxes were pitted with 160 holes created by flying paint chips.

Large amounts of ASAT testing by the Soviet Union and United States could seriously exacerbate this problem if such tests explode satellites at other than very low orbits. A small piece of debris created at 800 kilometers would stay in orbit for 30 years, and at 1200 kilometers would stay in orbit for 300 years. Obviously, the use of the most popular orbits will become diminished if pollution control in space does not become reality.

International law is also deficient when it comes to dealing with objects that fall back to earth from space. In 1978, when a nuclear powered satellite owned by the Soviet Union crashed in Northern Canada, the Soviets initially claimed they were not liable for the $14 million tab to clean up the radioactive debris since no one was injured and no property was damaged. After years of negotiation, they finally paid $3 million.

Finally, there are legal questions arising from the Outer Space Treaty, done in 1967. Article II of the Treaty mandates that space, including the moon and other celestial bodies, "is not subject to national appropriation by claim of sovereignty, by means of use or occupation, or by any other means." This provision conflicts with the right of a State to maintain jurisdiction and control over objects it launches into outer space. Since it is conceivable that in the 21st century, we may wish to build space structures encompassing large volumes of space or surface areas of the moon, it may be necessary to address and resolve whether the exercise of control and jurisdiction over an enclosed portion of the lunar surface or over an enclosed or utilized portion of some well defined orbital plane above the earth constitutes national appropriation "by means of use or occupation."

In addition to all these issues concerning international law and activities, there are many areas in which domestic law and regulations will have to be formulated or extended, particularly if we wish to encourage the private commercialization of space. It is important to bear in mind that Article VI of the Outer Space Treaty makes States responsible for activities carried out in outer space (including on the moon and other celestial bodies) by any of their private nationals or firms, even if the State does not exercise any direct or indirect control over such activities. If the Bhopal incident were to have taken place on the moon, the U.S. Government would have been liable, not just the company. That is why we must require liability insurance to be carried by any company engaged in privately-sponsored space-related activity.

But some legal issues are not amenable to such simple solutions. As space activity becomes more diverse in the 21st century, and ownership, financing, and participation, whether public or private, becomes more multinational, it will become more difficult to ascertain what laws apply to diverse actions, and who is to make that determination. For example, will specific criminal offense treaties be necessary as has been prompted by crimes committed aboard aircraft?

And speaking of crimes in space, we have not even sorted out the applicability of our own laws. For instance, it is illegal to murder someone in the space shuttle but there is no law prohibiting it on the moon or in a space station.

Some people have suggested that on long space voyages in the future, we will have to have legal counselors on board to arbitrate disputes.

The point of all this is that as we move further into space in the 21st century, we will also be moving into some uncharted legal territory as well. As a matter of prudence and common sense, we must develop the legal structure and machinery for resolving disputes in space before they occur.

Mr. Chairman, the issues I have raised today are not the only ones that will have to be addressed if we are to move forward with confidence to new heights, both figuratively and literally, in our space program. But they represent, in my view, the core of concerns and problems that we must face and resolve if our future is to be as bright as our hopes. Some of the issues I have raised are a matter of American will and determination alone. But some can only be addressed through international cooperation.

In the larger scheme of things, that may be a blessing. A world that sees the need for common endeavor for high purpose is less likely to be torn apart and possibly destroyed by national rivalries and tensions.

Anyone who has orbited the earth, as I was privileged to do more than two decades ago, cannot view the Earth from that distance and not see it for what it is—a small sphere, in a gigantic heavens, with a fragile ecosystem that spawned the miracle of life. It is hard, under such circumstances, to understand why the inhabitants of this planet cannot resolve their differences peacefully. Perhaps the space program can be one of the elements in bringing greater vision to the outlook of man.●

WOMEN FOR A SECURE FUTURE SUPPORT THE PRESIDENT'S STRATEGIC DEFENSE INITIATIVE

● Mr. ARMSTRONG. Mr. President, earlier today, I attended a press conference by the Women for a Secure Future, a group of women's organizations expressing their support of the President's strategic defense initiative. I have long held the organizations in attendance in very high regard, but today's statement in support of SDI served to further my respect for them. Representing Concerned Women for American, Renaissance Women, National Pro-Family Coalition, Daughters of the American Revolution, the Eagle Forum, and the National Association of Pro-American, these organizations are primarily concerned with profamily issues such as crime, pornography, and other threats to children and families. But today, they expressed the belief that all those concerns are meaningless unless we, as a nation, are prepared to defend ourselves through the strategic defense initiative, and remove the mutual assured destruction threat.

I ask that these statements made earlier today be printed in the RECORD.

The statements follow:

WOMEN FOR A SECURE FUTURE

(Joint Statement by Colleen Parro, Nov. 5, 1985)

We are mothers and workers, professionals, students and grandmothers. We share a concern for and interest in the protection and nurturing of human life.

The present and dangerous reign of nuclear terror caused by large numbers of nuclear weapons threatens the futures and very lives of us and our families, and millions of families around the world. We are particularly fearful because no measures have been taken to protect our children and families from nuclear attack.

This lack of defense against nuclear weapons is an irrational, irresponsible and immoral condition which must be changed if we and people everywhere are to have any hope for a secure future.

We refuse to continue to be held hostage by the threat of nuclear attack by the Soviets or other terrorist nations or the possibility of accidental nuclear war. We want America's children to be able to grow up with a sense of security and optimism, not fear, hopelessness and despair. The Strategic Defense Initiative offers a new era of hope, discovery and achievement to the youth of America.

Therefore, we commend and endorse the efforts of the President and the Congress to devise strategic defense systems—SDI—to intercept and destroy incoming nuclear missiles, whether launched deliberately or by accident—that is, the deployment of weapons designed to "save lives rather than to avenge them."

We have the technology today to build a defense for our country if only we have the will to do so. Such a defense will provide the opportunity for the peaceful, commercial and economic development of outer space. We urge the President to call for the deployment of a non-nuclear defense in space before he leaves office. Any treaties preventing such action should be revised or terminated in the supreme interest of the American people.

We want a future, secure and free, for ourselves and our families. This Strategic Defense Initiative offers the best and most realistic hope for achieving that goal. America's women are taking the lead in encouraging President Reagan to make his vision a reality.

STATEMENT BY CONNAUGHT MARSHNER, CHAIRMAN

Dr. Bernard Lown, American leader of the International Physicians for the Prevention of Nuclear War, on learning that the group had been awarded the 1985 Nobel Peace Prize for its antinuclear campaign, is quoted as saying, "We have to live together or die together, as the alternative to coexistence is no existence." We wholeheartedly agree with Dr. Lown's statement, but we also believe that the United States and the Soviet Union coexist on this globe because we DO have a strong defense system.

In order to maintain that strong defense, the National Pro-Family Coalition supports the Reagan Administration's position in accomplishing research and feasibility studies on the Strategic Defense Initiative. As President Reagan has stated, the Soviet Union has already done research in the area, a fact that they do not readily broadcast.

The Soviets would like to maintain an advantage in that area and they would hope that SDI would be used as a bargaining chip at the Geneva Summit, however, we believe that the SDI program should continue on its own merits. The United States needs to continue research and development efforts to preclude a possible breakthrough by the Russians which would place us in a grave strategic disadvantage and with inadequate time to develop a counter system.

The possibility of a U.S. operational SDI system is abhorrent to the Russians. We must be alert to their all out propaganda program to sway world opinion to the position that a U.S. SDI development system is a threat to world peace. We agree with the Reagan Administration's position that development of an SDI system would instead be a stabilizing factor in deterrence and thus bring a positive influence toward world peace.

SDI could very possibly be the cornerstone of peace in the out years. The National Pro-Family Coalition is confident that a strong defense is the foundation of a strong America with the undergirding of opportunities to build strong families and a strong society and thus cement the ideals of freedom in the twenty-first century.

STATEMENT OF MRS. WALTER HUGHEY KING, PRESIDENT GENERAL, NATIONAL SOCIETY OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

Thank you for the opportunity to speak today. As President General, I officially represent the National Society of the Daughters of the American Revolution, a non-political organization whose membership is approximately 213,000 in the 50 States, the District of Columbia, England, France, Mexico, Australia and Canada, comprising 3,146 local chapter groups.

The National Society has a three-fold objective which the members have zealously promoted in the 95 years of its history. These objectives are Historic Preservation, Promotion of Education and Patriotic Endeavor. One of our most consistent endeavors has been to promote patriotism and love of country by supporting a strong United States National Defense posture.

At its annual Continental Congresses, the DAR adopts 14 resolutions which are national in scope. In 1985, one of these resolutions was on the Strategic Defense Initiative. I would like to read the two Resolves:

"That the National Society Daughters of the American Revolution support President Reagan's proposal that the current nuclear theory of MAD (Mutual Assured Destruction) be replaced by MAS (Mutual Assured Safety), guaranteed by the proposed Strategic Defense Initiative; and

"That the National Society Daughters of the American Revolution affirm that the Strategic Defense Initiative (STAR WARS) is a necessary strategy, and call for development and deployment of defensive technologies that can permit the Nation to intercept deliberately or accidentally fired strategic ballistic missiles before they reach the boundaries of the United States, and that this system not be negotiable in any arms control discussions."

The theme for my administration has been Duty, Honor, Country. For the year 1985-1986, we are using a statement by Daniel Webster which is most appropriate today: "Let our objective be our country, our whole country, and nothing but our country."

The family is important to the National Society. We believe in the education of our children and the protection of their rights. The present reign of nuclear terror caused by a large number of nuclear weapons and a corresponding lack of defensive systems for protection from nuclear attack threatens the future and very lives of our families, and millions of families around the world.

This lack of any defense against nuclear weapons is an intolerable condition which must be changed if we and the families of the world are to have any secure hope for the future. We want America's children to be able to grow up with a sense of security and optimism, not fear and despair.

We are most fortunate to have the Strategic Defense Initiative in our hands and not in the hands of those who have proven to be our bitter enemy in times past. The appalling fact at the present time is that we have NO defense against incoming missiles. That situation must NOT be allowed to continue.

We view with great alarm the efforts of the media to influence the President of the United States of America to bargain away the SDI at the Geneva Summit meeting. This Officer will go to Geneva, accompanying other women who represent our fellow Americans. Our objective is to support the President of the United States of America and what we know to be his will to preserve a defense mechanism which is approved by 81 percent of the people of this country.

PHYLLIS SCHLAFLY STATEMENT ON SDI

Public opinion surveys show that 90% of Americans believe that our nation should be defended against nuclear missiles. Yet, America has no defenses today. If the Soviets fire any or all of their missiles at us, the United States has no way to shoot them down before they destroy us with blast and fallout.

Our present policy for dealing with this vulnerable situation is a policy of revenge—a promise to retaliate and kill as many millions of Russians as we can. This is a policy of Mutual Assured Destruction, known as MAD.

President Reagan has asked, Isn't there a better way? We know there is. That better way is his Space Shield, known as SDI (Strategic Defense Initiative). It is non-nuclear, purely defensive, and cannot kill anyone.

Soviet leader Gorbachev doesn't like this idea because it would deprive 90% of his expensive ICBMs of their ability to destroy their targets. Since Gorbachev and his friends are against SDI, we are proud to stand with President Reagan. We are sure that the big majority of Americans will stand with him, too.

President Reagan is saying to the world, Let's turn the arms race in offensive weapons into a race in defensive systems. That's the one sure way to achieve real arms control and to make nuclear weapons obsolete.

RENAISSANCE WOMEN STATEMENT

In the interest of peace and freedom, the Renaissance Women wish to encourage President Reagan to remain firm in his resolve to support development and deployment of the Strategic Defense Initiative.

We realize that military parity shifted to military superiority by the Soviets around 1972 and that the concept of Mutually Assured Destruction is wholly unacceptable as a proper deterrent to military aggression.

We also realize that the ABM treaty, which was the implementation of the MAD concept has been broken on numerous occasions by the Soviets, yet the United States feels morally compelled to comply with it. The SDI research program is comparable with the ABM treaty and is compatible to research the Soviets have been conducting for years.

The SDI research offers the hope that we can enhance U.S. and Allied security through greater reliance on non-nuclear defenses which protect, rather than on offensive nuclear weapons which could kill millions.

Our Nation and our allies face a number of challenges to our security. Each of these challenges imposes its own demands and presents its own opportunities. Preserving peace and freedom is our fundamental goal. The essential purpose of our military forces, and our nuclear forces is to deter aggression and coercion based upon the threat of military aggression.

In addition, the SDI offers the possibility of reversing the dangerous military trends of the Soviet Union by moving to a better, more stable basis for deterrence and by providing new and compelling incentives to them for seriously negotiating reductions in existing offensive nuclear arsenals. In effect, their offense nuclear weapons would be rendered obsolete by the presence of non-nuclear defensive systems.

Because Renaissance Women are committed to preserving peace and freedom, and believe that the SDI system, if deployed can offer hope for the that goal . . . we support development and deployment for the Strategic Defense Initiative.

CONCERNED WOMEN FOR AMERICA URGES SUPPORT FOR STRATEGIC DEFENSE INITIATIVE

Concerned Women for America, a Christian women's organization which advocates protecting the rights of the family through prayer and action, urges the President and the Congress to fully support efforts to develop the Strategic Defense Initiative. We also urge the President not to restrict or negotiate away the ability of the United States to develop the SDI program at the upcoming Geneva summit meeting.

As women who have particular interest in families, we are concerned that the dangers of a nuclear war threaten the lives of our children and children throughout the world. We believe that the development of the SDI research program will help ensure peace and security for future generations.

The focus of the SDI program is on defensive measures which help protect against nuclear attacks rather than on the retaliatory measures inherent in the current doctrine of mutually assured destruction. A defensive system would also help protect us from the accidental launching of nuclear missiles.

We believe that the SDI research program offers the best military strategy to reduce the dangers of nuclear war. We urge Congress to fully fund the SDI program and we urge the President to protect our right to continue with SDI research and development at the upcoming Geneva summit meeting.

STATEMENT OF JOAN L. HUETER

The United States' vital strategic defense initiative [SDI] must not—under any circumstances—be negotiated away in Geneva—neither its research, development nor deployment.

It is purely defensive, non-nuclear and will kill no one, but—in protecting the United States from Soviet missiles by harmlessly destroying them in space, it will render the huge Soviet missile superiority ineffective.

As long ago as 1983 Pro America's No. 1 resolution called for replacing the failed strategy of Mutual Assured Destruction [MAD] by adoption of a strategy of Mutual Assured Survival [MAS] through a non-nuclear, space-borne defense such as advanced by the high frontier organization to counteract the Soviet nuclear threat by destroying nuclear missiles harmlessly in space.

Since the Soviets have been and continue to be in flagrant violation of all disarmament agreements, as documented recently by Secretary of Defense Caspar Weinberger, continued adherence to such agreements (treaties) or negotiation of more treaties with the same untrustworthy Government is surely not in the best interests of the United States and a very dangerous course to follow—putting in jeopardy our very national survival.

Past adherence by the United States to the violated Anti-Ballistic Missile [ABM] Treaty, the expired Strategic Arms Limitation Treaty [SALT I] and the unratified SALT II Treaty, while the Soviet Union—flagrantly violating those treaties—embarked upon the greatest military buildup in history, has now left us seriously endangered by that Soviet missile build-up.

Need we remind our President and his negotiators that their primary constitutional responsibility is the defense of our Nation—that past agreements with the Soviet Union have failed to reduce the nuclear threat—and that now there is the opportunity to protect lives and property of U.S. citizens from Soviet missiles through implementation of the defensive system being developed under the SDI's existing technology and the immediate embarking upon the vital research, development and deployment of the strategic defense initiative—which must under no circumstances be negotiated away at Geneva or elsewhere.

Disarmament agreements with the Soviet Union (especially those which would ban or limit the SDI's vital defense) in the face of Soviet aggression, military build-up, terrorist conduct, duplicity and violation of past agreements, could be considered tantamount to betrayal of our Nation.●

TRIBUTE TO ROBBIE LYLE

● Mr. PRYOR. Mr. President, this year marks the 20th anniversary of Upward Bound, the federally funded program which provides academic and motivational support to low-income high school students across the Nation. While each of the Upward Bound Programs in Arkansas has enjoyed a high rate of success, the program at Arkansas State University [ASU] in Jonesboro is deserving of special recognition.

Under the direction and dynamic leadership of Mrs. Robbie Lyle, ASU's Upward Bound Program continues to be one of the most successful in the country. Robbie Lyle remains the driving force behind the program, and her sterling reputation in the special services arena of higher education is nationally recognized. In recent months, Robbie has testified before the Senate Labor and Human Resources Subcommittee on Education, Arts, and Humanities, in support of the TRIO Programs, and brought a group of Upward Bound participants to Washington to meet with Members of the Arkansas congressional delegation. Her indefatigable energy and enthusiasm is all the more refreshing in these times of criticism of our Nation's educators.

Robbie will continue her dynamic pace this year as she assumes the presidency of the National Council of Educational Opportunity Association [NCEOA], an organization dedicated to the continuation and improvement of Special Services programs throughout the Nation. I have no doubt that under Robbie's helm the NCEOA will have a banner year.

Robbie Lyle's dedication to and love for her students should serve as an example to educators across the country. I know my colleagues join me in wishing her sincere congratulations and continued success.●

FOREIGN LANGUAGE STUDY IN OUR SCHOOLS

● Mr. SIMON. Mr. President, I have long been an advocate of foreign language training at all levels of education from elementary through graduate school. The reasons are compelling: we live in an international marketplace, our military and diplomatic corps do not function in an English-speaking oasis in other nations, our researchers compete against Swiss physicists, Japanese computer experts and Soviet biochemists.

An Illinois high school senior makes the case for more foreign language study in the schools in a recent letter to me. Amy Heinz, a 17 year old from Peoria tells me:

I believe a second language is a vital advantage to everyone's knowledge, as well as an advancement in society. In Europe and other countries, schools require students to take English in order to pass each grade. Yet in America, less than half of all high school students actually participated in all four years of a foreign language.

People may ask why kids should be forced to study another language, since most will never use it after they finish school I'll tell you why a second language is important. It is widely recognized that students from abroad excel in their studies. Thus they have a better chance of working up to their potential and succeeding in their goals. When the possibilities of careers involving a foreign language are examined, the numbers seem endless. Besides the establishment of financial security by one of these careers, there is also the satisfaction of being one of the few who are able to communicate with another person who speaks a different language.

I think a bilingual America might help our country compete more with other nations.

I think Amy is right, and I thank her for her insights on this important topic. I commend her comments to my colleagues now and during debate on education legislation as it moves through the Senate in the next year.●

VETERANS DAY

● Mr. RIEGLE. Mr. President, the solemn and peaceful ceremonies that mark Veterans Day bear a striking contrast to the experiences of those brave men and women who risked their lives in the pursuit of freedom. The quiet reflections of today were not possible during the heat of battle for those who fought in distant wars. Whether in the jungles of Vietnam, or the infamous trenches of World War I, decisions and lives were made and given within but brief moments. Veterans Day is a time for Americans to reflect on those who comprise our Armed Forces; past and present.

The original intent of Veterans Day, first known as Armistice Day, was to commemorate "the war to end all wars." It was on November 11, 1918, that the Allies and the Central Powers ended the fighting of World War I. The spirit in the world after the armistice was one of hope and optimism for a world which it prayed had suffered its last debilitating war. With over 10 million dead, and vast areas of Europe in ruins, lofty dreams of a better tomorrow floated freely as people sought to encourage peace between nations.

Soon though, these dreams were to be shattered. Another war, of even greater destruction, enveloped the world in the late 1930's. This Second World War resulted in more than twice as many deaths as the World War I, and a holocaust of destruction beyond imagination.

On June 1, 1954, Congress renamed Armistice Day to Veterans Day in order to honor all of those in our armed services. Gone was the optimism for a world free of the perils of war. A new age had dawned with the dropping of the atomic bomb on Hiroshima and never since has the world been able to enjoy long periods of real tranquility.

It is never the wish of a government to send its young to war. They are our future and hope for a more enlightened and peaceful world. But, within this great Nation's history the need for these very difficult sacrifices has called our youth away from stable homes into the treacherous and controversial places of conflict.

A visit to the memorial commemorating our most recent large-scale conflict, the Vietnam war, moves me deeply when confronted with the

memory of those whose potential our country will never fully realize. My heart goes out to the families whose hopes and aspirations for their youth were relinquished in this most controversial of wars.

Words prove inadequate to our feelings of loss when young people are killed. It is important that we continue to provide veterans and their dependents with programs that demonstrate our immense gratitude for their efforts on our behalf. My State of Michigan has over 1 million veterans. This amounts to over 100 veterans per 1,000 civilians. Veterans, dependents, and survivors of deceased veterans make up almost one-third of our Nation's population. It is only fitting that we as a society display our appreciation and continue to maintain and improve the quality of life for them.

While it is impossible to fully repay those brave veterans who have, and who continue to give of themselves, we can show them our gratitude throughout the year. It must forever be remembered that without their immense dedication and valor to our country's ideals, the United States, as we know it would not exist.●

ORDERS FOR WEDNESDAY

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Wednesday, November 6, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators not to exceed 15 minutes: Senators GLENN, PROXMIRE, and GORE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS UNTIL 11 A.M.

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following routine morning business, it will be our intention to turn to the nominations on the Executive Calendar, but specifically the nominations of Vance L. Clark, of California, to be Administrator of the Farmers Home Administration, and Orson G. Swindle III, of Georgia, to be an Assistant Secretary of Commerce.

Following the disposition of those nominations, if they can be disposed of by 1 o'clock, but in any event at 1 o'clock, the Senate will turn to House Joint Resolution 372, the debt limit. I believe there may only be two amendments, one will be an amendment by Senator MOYNIHAN, which will be offered and withdrawn, and the other will be an amendment by Senators DOMENICI and CHILES, which I believe we can agree to. Final passage would follow that at about 2 o'clock.

It is also my hope that, following the disposition of House Joint Resolution 372, the Senate will turn to H.R. 3327, the military construction appropriations bill. I understand that process is being cleared. There is a report waiver that is being checked out.

If we can dispose of that tomorrow afternoon, then we can turn to the nomination of Alex Kozinski, under a time agreement. He has been nominated to be U.S. circuit judge for the ninth circuit. Hopefully we can finish that in the early evening.

We are also attempting to reach some arrangement on civil service retirement for Thursday morning. As I have indicated earlier, unless Senator ZORINSKY indicates he wants us to proceed, we will defer any action on the agriculture bill for the balance of the week. That would leave us with reconciliation pending. We will be meeting tomorrow, I believe at least Senator DOMENICI wants to meet, all of us, to see if we can find some resolution to that.

So it is possible, with a little luck, we might be able to finish our business this week by late Thursday evening.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. DOLE. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess until 10 a.m., on Wednesday, November 6, 1985.

The motion was agreed to; and, at 7:32 p.m., the Senate recessed until Wednesday, November 6, 1985, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 5, 1985:

DEPARTMENT OF STATE

Winston Lord, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

James W. Spain, of California, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka, and to serve concurrently and without additional compensation as Ambasssador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

NICARAGUA'S STATE OF EMERGENCY/CONFUSION MORE OR LESS THAN MEETS THE EYE?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. BROOMFIELD. Mr. Speaker, I was gratified to see press reports on October 31, indicating that the Sandinista regime in Nicaragua restored a few of the fundamental civil rights it suspended in its sweeping state-of-emergency announcement on October 15, 1985. According to those reports, the rights to a jury, counsel, and protection from self-incrimination were restored, as well as a limited right to habeas corpus, not including those charged under the broad and frequently invoked categories of national security and public order.

Naturally I would like to think that this laudable action, taken by the legislative assembly, which regrettably ratified all of the other suspensions of basic civil rights at the same time, was a response to the introduction of House Concurrent Resolution 222 by Mr. YATRON, Mr. LAGOMARSINO, Mr. MURTHA, and myself 2 days before. That legislation condemns the egregious suspension of Nicaraguans' rights and the increasing official repression of the Catholic Church by the Sandinistas. Many of us believe that the Sandinistas' public relations representatives in the United States closely follow U.S. public and congressional opinion, to include monitoring the CONGRESSIONAL RECORD, and I feel certain the Sandinistas were aware of House Concurrent Resolution 222 soon after its introduction.

Of course, the Sandinistas have denied that the very limited restoration of a few suspended rights was in any way a concession to widespread criticism of the state-of-emergency decree. Instead, the official Sandinista explanation is that the reinstated rights to a jury, counsel, and so forth, were accidentally suspended due to what they described as a "technical error" in the state-of-emergency decree. Frankly, it would seem a little difficult for even the most gullible to accept that anyone could inadvertently suspend the right to trial by jury, for example. But, perhaps under the Sandinista regime practically no one noticed because of the marginal difference between being tossed in the slammer for so-called counterrevolutionary crimes by one Sandinista judge or by 12 Sandinista jurors.

Another hypothetical explanation is suggested by some, presumably more favorably disposed toward Sandinista rule. That theory suggested that it was not until El Presidente Daniel Ortega had acquired a premium pair of eyeglasses, with designer frames, to the reported tune of some $3,500 possibly charged on his Diners Club card, that the Sandinista chief was able to discover the little drafting oversight which unintentionally suspended an accused's rights to a jury, counsel, and protection from self-incrimination, et cetera. I suppose proponents of this hypothesis will blame Contra activities for the apparent low state of revolutionary optometry in Nicaragua which caused Mr. Ortega to miss the relevant little nuance in the original decree.

Whatever the real explanation, I suppose we should be grateful for any improvement in the desperately bad human rights situation in Nicaragua, however insubstantial it might be in practice.

100,000 DEAD IN ETHIOPIA

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. ROTH. Mr. Speaker, up to 100,000 Ethiopians have died this year as a result of Ethiopia's Forced Resettlement Program. According to evidence provided by a Harvard University research group, international relief agencies, and Western Government sources in Addis Ababa, thousands of men, women, and children have died in transit to so-called resettlement camps. Tens of thousands more have died from malaria contracted in the camps.

The Sunday Times of London reports that relief agencies refuse to publish evidence of the deaths "because they fear that Ethiopia's Marxist Government will expel them and that such horrific news may dry up donations from the West."

Cultural Survival, Inc., a research group associated with Harvard University, will soon publish the results of its interviews with 250 Ethiopian refugees who have escaped from the resettlement camps. Jason Clay, director of research at Cultural Survival, Inc., recently gave members of the Foreign Affairs Africa and Human Rights Subcommittees a preview of his findings. It is the most scientifically conducted research done by any government or private agency into the causes of the present famine.

Jason Clay's findings are corroborated by the State Department and AID in their report to Congress on Ethiopia last month. The French organization, Medicins Sans Frontieres, has described the resettlement compaign, alleging that "thousands of people were forced to move by Ethiopian militiamen. They were herded like cattle into trucks and buses at feeding centers and villages in the north." A secret report by the League of the Red Cross shows that "conditions in the resettlement areas of southern Ethiopia have been appalling. The peasants have lacked food, housing, tools, seeds, and medical facilities."

Just last week, the Associated Press reported that trucks from a British relief agency, Save the Children Fund, were commandeered by the Ethiopian local authorities. These trucks were used along with others to take about 600 people from the feeding camp in Korem to transit points south. Rumors of the impending resettlement prompted most of Korem's 20,000 residents to flee into the surrounding mountains. Nonetheless, the Ethiopian Marxist Government continues to describe the resettlement program as voluntary. And it intends to find close to 1.5 million volunteers over the next several months.

There is a scourge of death in Ethiopia, perpetrated by the regime of Chairman Mengistu Haile Mariam. Because of the ramification his work has for us in this Congress, I am reprinting below Jason Clay's entire testimony.

PREPARED STATEMENT OF DR. JASON W. CLAY, DIRECTOR OF RESEARCH, BEFORE THE SUBCOMMITTEES ON AFRICA AND HUMAN RIGHTS, COMMITTEE ON FOREIGN AFFAIRS

My name is Jason Clay. I am a Doctor of Social Anthropology representing Cultural Survival, Inc., a non-profit, human rights organization located in Cambridge, Massachusetts. Cultural Survival's activities—assistance projects, research and publications—address both the urgent and chronic problems confronting indigenous peoples throughout the world.

Five years ago, as Director of Research at Cultural Survival, I began to systematically interview refugees from Ethiopia about the persecution and discrimination that caused them to flee the country. Cultural Survival's intent was to document the human rights violations that were occurring in areas of Ethiopia where outsiders were not allowed free access. Restrictions on the movements of diplomats, journalists and relief workers as well as the presence of government officials or official translators has made it difficult to find out what is happening in these areas.

Since 1980, our interviews with refugees from each of the major ethnic groups in Ethiopia indicate that the present government is attempting to systematically destroy the culturally distinct groups within the country. This systematic destruction appears to be based on the goal of creating a strong central state upon which each community is dependent. By confiscating land, moving dissident peoples from their own areas onto the land or even into the villages of others and imposing, under the guise of state socialism, local organizations which destroy the ability of communities to remain self-sufficient in food production, the government is attempting to achieve their goal. As we have seen in the past year, even though the state has succeeded in making these communities dependent by re-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ducing their productive capacity, it cannot provide food for them. This is the context within which Western humanitarian assistance is being used.

The Ethiopian government's public statements indicate that regional variation in its policies results from the different administrative units' relative autonomy. Our research suggests, however, that while there is considerable difference in government policies, these differences result from the central government's assessment of which policies are necessary to fundamentally undermine the cohesion of the different cultures in Ethiopia's many provinces. Since the nineteenth century, the Amhara ethnic group has dominated Ethiopia's governments. Representation in high government positions by non-Amharas was reduced even further after the present government came to power. The reduced representation by non-Amhara in future government decisions was further ensured by Ethiopia's new workers party which contains an even smaller proportion of people from other ethnic groups.

The government's policy to create communities dependent upon the state has exacerbated the present famine in the northern administrative regions. Even though rainfall and agricultural production in 1984 were high in the southwest—a region overwhelmingly dominated by the Oromo, the largest group in Ethiopia accounting for more than half of the country's population—as a result of the government's resettlement policies, famine spread to this area. The government has diverted many Western, famine relief programs to help ensure a socially and economically dependent Ethiopia.

My testimony today is based on information collected in the Sudan by Cultural Survival in February and March 1985. The objectives of this research were to investigate the causes of famine in Ethiopia by interviewing those directly affected. This research was undertaken by three people—myself, anthropologist Bonnie K. Holcomb and Swiss journalist Peter Niggli. Each of us interviewed Ethiopian refugees in Sudan. I talked with refugees from contested areas of Tigray. Peter Niggli spoke with people from Tigray and Wallo who had been forcibly resettled in the Asosa region and later escaped to Sudan.[1] Bonnie Holcomb also interviewed escapees from the resettlement sites as well as local residents who had been displaced or forced to leave the area due to the taking of their land and the financial hardships they faced as a result of the resettlement program. Nearly 250 interviews were conducted in person or with independently hired translators. Interviews were conducted privately away from Sudanese officials or representatives of the various liberation fronts. People who were interviewed were selected on the basis of a mathematically calculated random sample at each location.

The results of this research are important for two reasons. First, it is the most scientifically conducted research on the largest sample by any government or private agency into the causes of the present famine. Second, it challenges assumptions on which most humanitarian assistance from the West has been based.

While the information collected from these refugees, I have no doubt, is reliable, it is not clear how representative it is for populations still in Ethiopia. Independent sources, however, have increasingly corroborated our data. Clearly, there is a need for reliable, systematically collected information from inside Ethiopia which is independent of the government. Our data, because it draws into question the political purposes of many government famine programs, indicates that the collection of such information would be a responsible course of action for any government or organization considering further famine or development assistance in the area.

With regard to the first question before the subcommittees, "Is the Government of Ethiopia engaging in a policy of deliberate starvation of its own people, particularly in dissident regions of the country?" The answer is complicated, but unequivocably yes. Government representatives carrying out several different policies have destroyed food supplies, disrupted normal commerce which would have allowed individuals to acquire food, prevented people from reaching food, withheld food from those in need, forcibly relocated people well away from their own ample food supplies, forcibly cleared areas of indigenous occupants to make room for settlers, and imposed crushing tax and contribution levels on peasant producers which force them to sell their food and productive assets such as oxen or even seed for the next year.

The present government is centralizing state authority to an extent that was not even projected under previous Amhara-dominated governments. Peasant producers in the southwest, for example, insist that they now pay more to the Amhara-dominated central government than they ever did to landlords and tax collectors combined in the past. In addition, by allowing local peasant associations to rid dissidents by volunteering them for resettlement, resettling them on lands belonging to homogeneous cultural groups and then promising them positions in the local militia and using 15 percent to infiltrate communities in the south and southwest, the government is establishing a dependent, but loyal, local leadership which will keep most people in the country under surveillance.

I will present only a few of the findings of our research. The full report will be available at the end of the month. In order to demonstrate how government policies vary from area to area I will present our findings in four sections—the contested areas of Tigray, the government-held areas of Tigray and Wallo, the resettlement program, and those in southwestern Ethiopia displaced by the resettlement program.

THE CONTESTED AREAS OF TIGRAY

People from contested or TPLF (Tigrayan People's Liberation Front) areas did not believe that they could safely go to government feeding centers and receive food without being resettled.

Some people from these same areas indicated that they were denied food at government feeding centers because they did not have the required peasant association or kebele identification cards.

Seventy-seven percent of the famine victims interviewed in Sudan who came from contested areas of Tigray indicated that in 1982, 1983 and 1984, the Army burned houses in their village as well as crops standing in the field, piled ready for threshing or stored in granaries or houses.

Twenty-five percent of those interviewed indicated that the army had stolen their oxen (essential for plowing), their farm equipment and food from their farm within the past 3 years.

Everyone from the contested areas indicated that the army attacked during periods of planting and harvesting. They said that this was done to reduce agricultural production and make the areas more dependent on the central government. Delays in planting, for example, do not allow farmers to take advantage of early rains, a critical factor when rains end early as they did in 1983 and 1984. Delays in planting also allow both weeds (striga) and insects (armyworms) to become established in fields before crops have been sprouted. Some 90 percent of those who first fled to Sudan reported that armyworms were the major cause of famine. According to agricultural experts in the United States, the parasitic weed striga, which attacks the roots of crops, can cause crop losses of up to 90 percent. In many cases the farmers would not even be aware of its existence. In the course of the interview, they also indicated that army attacks had delayed planting in their villages.

Twenty percent of those from contested areas indicated that civilians in their village had been killed by the Ethiopian army in the past three years.

Most interviewees indicated that the favorite bombing targets were collections of civilians—schools, churches, weddings, funerals and markets. The purpose of the attacks, they said, was to demoralize the population and disrupt commerce. Many individuals, for example, reported that they had lived through far worse droughts without suffering, but now they cannot even travel from town to town to trade because most markets must be held at night.

GOVERNMENT-HELD AREAS OF WALLO AND TIGRAY

Peasant associations are required to "nominate" their quota for resettlement before they are given relief grain to be distributed to their remaining members. For example, 75 percent of those interviewed who had resettled from Wallo indicated that they had been told by their peasant association to go to nearby government centers to get food rations. Instead they were arrested and taken for resettlement.

Those identified by their peasant associations for resettlement often included young men who were thought to be potential TPLF recruits, or individuals who were suspected or out of favor with local officials. Moslem areas of Wallo also appear to have had more people taken for resettlement.

Many from Wallo indicated that production from their land can be high but erratic; many years it yields very little. In the past farmers always saved grain from the good years to tide them over when production was poor. Now, the government takes all surplus production so there is famine.

THE RESETTLEMENT PROGRAM

The death rates reported for the resettlement sites ranging between 33 and 270 per 10,000 per day are extraordinarily high, especially considering few children or old people are in these sites.

Contrary to government reports, none of those we interviewed voluntarily resettled. They all claim to have been "captured" for the program. They were guarded throughout the move as well as in the new sites. Ten percent reported seeing people killed who tried to escape.

More than 86 percent said that they had been forcibly separated from some or all of their family.

[1] Many of Peter Niggli's interviews are reprinted in German in his report, Athiopien: Deportationen und Zwabgsarbeitslager, Frankfurt, May 1985, 80 pages.

As many as 20 percent of the people taken from the same villages died before they arrived at the resettlement camps. Relatives who attempted to bring food to those in holding camps before their trip to the southwest were denied entry to the camps and even beaten.

More than 60 percent of those resettled from Tigray reported that they had been imprisoned at least once during the resettlement process.

Some 60 percent of those interviewed reported that they saw people die en route to the resettlement sites.

Those resettled were given one or two small rolls of bread per day. They were also given very little water. The lack of bread and water, people suspected, was to weaken them so they would offer little resistance and not attempt to escape.

In the resettlement sites people were given from 5 to 25 kg. of grain per month and expected to work 11-hour days, 6.5 days per week.

More than 40 percent of those resettled from Tigray and Wallo reported that they had been beaten either during the resettlement or at the sites. An additional 20 percent reported that they only witnessed beatings. They reported that people were beaten if they asked for more food, complained about conditions, urinated without permission or did not fulfill their work quota.

The number of militia present at the resettlement sites varied from 1 per 12 colonists to 1 per 100 colonists. The ratio varied depending on whether the site was fenced and how far the site was from the Sudan border. Militia who allowed too many colonists to escape were hung or made to work in the fields.

PEOPLE DISPLACED IN SOUTHWESTERN ETHIOPIA

A number of distinct peoples in southwestern Ethiopia have been deliberately displaced by the government since it took power. Prior to 1979, Gittan speakers were displaced by the implementation of the original land reform. They moved into the Begi region where they reestablished their agricultural systems independently of the central government. Between 1979 and 1982, the Anuak, Dungula/Barta and Komo were all displaced from their traditional lands in southwestern Ethiopia as the government sought to incorporate "uninhabited" lands into its resettlement program. From 1983 to the present, the government has tightened government tax and "voluntary" contribution programs, increased settlement in the area and forced a wave of Oromo refugees to flee to contested areas along the border or into Sudan.

Half of those who fled Ethiopia to Yabuus, indicated that the government had taken the land that they had used for generations. It is the land being used for the resettlement programs, but most of it is not used now.

Nearly three-quarters of those interviewed in Yabuus indicated that required attendance at peasant, women and youth association and literacy campaign meetings during key periods of agricultural labor significantly reduce production. Crops are not planted at the appropriate time because the land is not prepared. Weeds choke crops and wild animals (pigs and primates) destroy crops.

Twenty-five percent of those at Yabuus indicated that serving their required time in the militia or in roles appointed by peasant association officials kept them from working in their fields.

More than 63 percent said that the disarming of the local population left them defenseless to protect their crops from wild pigs and primates.

More than 40 percent of those in Yabuus reported that high taxes and "voluntary" contributions force farmers to sell oxen or even seed and reduce their productivity. Nearly 15 percent reported that their oxen were forcibly taken by the state as part of collectivization programs or for those resettled in the area.

More than a third reported that all their production, even seed, had been taken by the government in taxes.

More than 95 percent reported that the four to five days per week of work required on communal peasant association plots during key periods left them little time to work on their own plots. Contrary to the government's stated policy, interviewees claimed that they never received any payment for the production from communal plots. They could, however, buy the grain at the regular market price.

More than 86 percent of those interviewed indicated that their imprisonment for such crimes as missing meetings, not paying taxes, fees or contributions, refusing to arrest a friend or neighbor, speaking up at meetings, questioning the local officials' decisions, being Oromo, being accused of assisting the OLF (Oromo Liberation Front) or being suspected in general keeps them from their fields. If an individual misses a peasant association meeting he is punished by ten days in prison. If imprisonment comes during the planting or weeding periods, it can seriously reduce total production.

In response to the second question put to me by the two sub-committees, "What is the general human rights situation in Ethiopia?" I think the above examples are sufficient indicators of the human rights conditions in Ethiopia of both individuals and groups. Internationally, there is little agreement about the human rights of individuals, even less about those of groups. At this time, Americans must seriously consider the kinds of conditions they want to perpetuate in Ethiopia through either famine or development assistance programs funded either by the American government or PVOs. The Ethiopian government has made it clear that it is less concerned about the negative impact of its programs on specific cultural groups in the country than it was with imposing its rigid programs to reorganize production and society.

INTRODUCTION OF LOCAL TELEPHONE RATEPAYER PROTECTION ACT

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. WYDEN. Mr. Speaker, in the October 29, 1985 edition of the Wall Street Journal, reporter Jeanne Saddler tells the story of John Weyrick, an Orlando, FL, small businessman who was able to obtain more work, thanks to a new, high-technology phone gadget that kept track of the telephone numbers of everyone who called him—even when they didn't leave a message.

To me, this story was good news. I'm all for John Weyrick having access to whatever new whizbang phone gadgetry he can afford. It helps his business and it helps the phone company's business.

But it's not right to make senior citizens and small corner grocery store owners subsidize John's new high-technology service.

That's why I'm introducing a bill which will make sure that all the parties—John, the phone company, the senior citizen, and the grocer—come out ahead.

Here's how my bill—which I'm calling the Telephone Ratepayer Protection and Technology Promotion Act—works.

State utility commissions will be given the authority to allow local Bell operating companies to provide new information services and to manufacture telecommunications equipment. In exchange, the commissions must first set up regulations which prevent the phone companies from using any of the revenues derived from the provision of basic local phone service or other regulated services to help pay the costs of these new services.

Everybody wins under this bill. The elderly woman pays only for what she gets—basic phone service. John Weyrick pays for what he gets—access to new technologies that improve his business prospects. And the local phone company gets what it needs—the ability to develop new technologies and new services so that they can compete in the emerging telecommunications market.

No one pretends that this bill will singlehandedly solve all of the problems that have arisen in the wake of the divestiture of AT&T. We have a long way to go to ensure that all Americans have access to affordable phone service, and that all of the players in the telecommunications marketplace have the ability to compete on a level playing field.

I do believe, however, that this legislation symbolizes what we need more of if we are to solve those problems: Approaches that promote competition in those sectors where the market will bear it but provide basic protection in those areas where it will not.

In sum, this bill recognizes that the goals of universal service and technological innovation are not incompatible. We can have affordable service for everyone. And we can foster the technological explosion in telecommunications. I believe that's why this bill has the support of the Consumer Federation of America and why I am optimistic that it will also be favorably received by the local operating companies.

The text of the bill follows:

H.R. 3687

A bill to permit the Bell operating companies to provide information services and to manufacture telecommunications equipment so long as such services and manufacturing are not subsidized with the proceeds from the provision of local exchange telephone service or other regulated telecommunications services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telephone Ratepayer Protection and Technology Promotion Act of 1985".

SEC. 2. AUTHORITY TO PROVIDE INFORMATION SERVICES SUBJECT TO STATE REGULATION TO PREVENT CROSS-SUBSIDIZATION.

Notwithstanding any other provision of law, a Bell operating company may engage in the provision of information services or in the manufacture in the United States of telecommunications equipment, or both, to the extent permitted by regulations that—

(1) are prescribed by the State commission in each State in which such operating company, or any entity controlling such operating company, provides local exchange telephone service or any other telecommunications service;

(2) prevent such operating company from using the revenues it derives from the offering of local exchange telephone service or any other regulated telecommunications service or product to defray any costs associated with engaging in the provision of information services or the manufacture of telecommunications equipment, or both; and

(3) ensure that a reasonable portion of the joint and common costs of plant, equipment, and other resources is allocated to the provision of information services or the manufacture of telecommunications equipment, or both.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "Bell operating companies" has the same meaning as such term has in the Modification of Final Judgment entered August 24, 1982, in *U.S. v. Western Electric*, Civil Action No. 82-0192 (United States District Court, District of Columbia), except that such term does not include any centralized organization for the provision of engineering, research, and administrative services, the costs of which are shared by such operating companies or their affiliates;

(2) the term "information services" has the same meaning as such term has in such Modification;

(3) the term "telecommunications equipment" has the same meaning as such term has in such Modification, except that such term includes customer premises equipment (as defined in such Modification); and

(4) the term "regulated communications service or product" means a telecommunications service or product for which the rates are subject to review and approval or disapproval by a State commission.

SEC. 4. EFFECTIVE DATE.

This Act shall take effect on September 1, 1986.

GIVING SUPERFUND A CHANCE

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. EDGAR. Mr. Speaker, here we are a year after the House overwhelmingly approved a strong Superfund bill by a vote of 323–33, yet we still have not reauthorized Superfund. Instead we are caught up in an internal political squabble that is stalling the drive to pass a rigorous toxic cleanup program, a program that is in dire need of improvement in light of the Environmental Protection Agency's pathetic record of five cleanups in 5 years. How long do the people of Pennsylvania and all Americans have to wait before they feel safe in their own neighborhoods?

I have been joined by over 100 of my colleagues in sending a letter to the House leadership to show our concern for the passage of a credible Superfund bill, one that incorporates minimum provisions on such matters as citizens suits, community right-to-know, and cleanup standards. Citizens around the country have spoken out for a expended, more effective Superfund Program.

The Philadelphia Inquirer has joined this call for the strongest possible Superfund bill. This past Saturday, the Inquirer specifically endorsed the Superfund bill reported by my Committee on Public Works and Transportation; as I have repeatedly said, the Public Works version is the appropriate vehicle for floor action on Superfund. I commend this editorial to my colleagues, and I urge them to support the Public Works bill when the full House takes up Superfund. The editorial follows:

[From the Philadelphia Inquirer, Nov. 2, 1985]

GIVING SUPERFUND A CHANCE

Last year the House of Representatives voted to reauthorize a strong Superfund program by an overwhelming margin of 323–33. The enormity of that bipartisan vote was attributed generally to the fact that members faced re-election and knew the voters at home wanted get-tough programs that would clean up hazardous wastes.

Something's changed this year. The legislation that in 1984 whizzed through the House (only to die in the Senate) has been stalled by a few House members who assert that there isn't broad-based public support for a rigorous chemical cleanup program.

Nothing could be further from the truth.

In a recent Time magazine survey, 79 percent of the Americans polled said that "not enough" has been done to clean up toxic-waste sites, and 64 percent said they would be willing to pay higher state and local taxes to fund cleanup programs in their communities. With each new discovery of an abandoned toxic-waste site, contaminated groundwater supply, or polluted river, the constituency for strong cleanup regulations grows. Chemical contamination is so pervasive that the health of millions of Americans already is being endangered.

They hardly would be protected by the bill that emerged from the Energy and Commerce Committee, chaired by Rep. John D. Dingell (D., Mich.). Many of the components vital to making Superfund do the job it was intended to do had been removed, including cleanup schedules and standards. Fortunately, a second bill that contains those provisions and others was approved by the Committee on Public Works and Transportation, chaired by Rep. James J. Howard (D., N.J.).

Members of both committees have begun meeting in an attempt to work out an agreement on the two bills. The extent of differences between the bills—and the strong feelings that exist on both sides—make observers less than optimistic that a compromise can be reached. It will then rest with the House Rules Committee to decide which measures goes to a vote.

The Superfund program, which officially expired at the end of September after five years of existence, has not lived up to the expectations of those who enacted it. No one in 1980 understood the magnitude of the problem, or the complexities of cleaning up this witches' brew of chemicals. The EPA grossly mismanaged the program during the first years of its life, and the success stories wrought by Superfund efforts are few.

But those are precisely the reasons that a strong, fully funded Superfund program must be enacted. If House members question whether there is a groundswell of support for a Superfund that will do the job, they ought to talk to their constituents. Better yet, their constituents ought to tell them.

A RETURN TO THE GOLD STANDARD

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. GINGRICH. Mr. Speaker, at a recent townhall meeting a constituent, Mr. Kent Kelly, read a statement that he had carefully prepared. In it Mr. Kelley calls for a return to the gold standard. He raises some interesting points that I think would be of interest to my colleagues.

A PUBLIC STATEMENT OF CERTAIN HISTORICAL FACTS AND A CALL FOR RESOLUTE ACTION IN THE CONGRESS OF THE UNITED STATES IN OUR FINANCIAL CRISIS

(By Kent E. Kelley)

Whereas the Governor of the largest private bank in the United States, the Farm Credit System, did on September 6th, past, admit the serious financial condition of that Bank and confess that an infusion of billions of dollars of public monies would be needed in the future to avert collapse of our Nation's farm industry, and, Whereas, also, the third largest bank, the Bank of America is in serious financial straits at this moment, and,

Whereas the Federal Emergency Powers Act is still in force and that such powers may be invoked in a national financial crisis—which powers include provision for the control of the citizens of this Nation in manners never before known in this land of the free, and,

Whereas member banks of the privately owned Federal Reserve System are daily creating their own form of private money which credit-basis money is neither legal tender nor lawful money of the United States of America, and

Whereas this fiat money almost ruined this Naton in the decade following the Declaration of Independence and that few among our citizens are aware of the root cause of our present dilemma which is that which faced our founding Fathers as they gathered together in the Constitutional Convention. President Andrew Jackson reminded the Congress in the eighth annual message, on December 5, 1836, of the "purpose of the Convention" as we quote from his text:

"It is apparent from the whole context of the Constitution as well as the history of the times which gave birth to it, that it was the purpose of the Convention to establish a currency consisting of the precious metals. These were adopted by a permanent rule excluding the use of a perishable medium of exchange, such as of certain agricultural commodities recognized by the statutes of some States as tender for debts, or the still more pernicious expedient of paper currency."

President Jackson knew what his predecessor, President Madison, had recorded in his notes earlier as a member of the Convention when the "purpose of the Convention" was being debated on August 28, 1787: Article I, Section 10 of our Constitution. Madison recorded in his notes of that day the sentiment of the majority as expressed by the senior Statesman in the Assembly, Roger Sherman: "Mr. Sherman thought this a favorable crisis for crushing paper money." As an astute scholar in and a teacher of History, Congressman Gingrich, you most assuredly know of these historical facts. And as our Representative, you are also fully aware of the fact that this "purpose of the Convention" according to President Jackson as a "permanent rule" still manifests the Supreme Law of the Nation in the currency of the realm and is the means of resolving our crisis today as it was then. I read now, in open assembly that specific, unamended, portion of our Constitution which Mr. Sherman pressed "for crushing paper money", Article I, Section 10:

No State shall . . . make any thing but gold and silver coin a tender in payment of debts;

Mr. Representative, we call upon you to exert all of your best effort in re-inforcing this Law by providing to the States that which only Congress has the power to do as set forth in Section 8 of the same Article:

To coin money, and crush unlawful paper money. Use only lawful silver or gold certificates which are redeemable in lawful coin per the Coinage Act of 1792.

And in conclusion, Congressman Gingrich, we do invite your attention to a corollary of equal importance—of which we trust that your careful scrutiny will yield the introduction of proper legislation.

Whereas the Supreme Court of the United States did in that landmark decision of May, 1895, the Pollock vs. Farmers' Loan & Trust case, which decision still stands to this day, in substance said that an income tax, being a direct tax, and not according to the rule of apportionment, is unconstitutional, null and void, and, Whereas the advocates to such an income tax did seek to circumvent this non-reversed decision by Constitutional Amendment, and, Whereas the whole framework of our present system of income taxation "without apportionment among the several States" is based upon this supposedly lawful, supposedly ratified Amendment, and, Whereas on June 6, 1985 certified evidence from the archives of the forty-eight States (c.1913) was introduced into the Record of the United States District Court, Northern District of Georgia, in Case No. CR 85-215A, being the United States vs Terry Lyle, which brief, in excess of 500 pages, purports to show that the aforementioned Amendment XVI has never been ratified, and, Whereas this citizen (and many others) have studied the saliently significant documents submitted and have come to the opinion that this Case is worthy of most careful study—not of the procedures but of the substance of the brief—by our esteemed Representative and in turn by the Congress itself. Mr. Representative, we consider that our opinion—that Amendment XVI has never been ratified by the States—is an equally most serious matter to the prior subject and that your immediate, undivided attention ought to be given to both to the end that our Nation might be preserved in this present crisis. To this end this citizen and scores of others are willing to give our assistance and our resources.

NEW SUPPLEMENTARY EXTRADITION TREATY CRITICIZED BY FORMER NOBEL PEACE PRIZE WINNER SEAN MacBRIDE, S.C.

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. BIAGGI. Mr. Speaker, this past Saturday, the distinguished founder of Amnesty International and former Nobel Peace Prize winner Sean MacBride was in Washington to address the third annual convention of the Irish American Unity Conference. Sean MacBride used the occasion to present his criticisms of the proposed Supplementary Extradition Treaty between the United States and the United Kingdom of Great Britain and Northern Ireland.

As chairman of the Ad Hoc Congressional Committee for Irish Affairs, I share the same concerns that Sean MacBride raised in his speech. Perhaps the most accurate statement he made charged that the proposed supplementary treaty "will be discriminatory against Irish people."

I also had the pleasure of addressing the board of directors of the Irish American Unity Conference while they were in Washington. I commended them and especially their president, James Delaney, for their hard work against this treaty which has helped delay it in the Senate Foreign Relations Committee. I continue to oppose the treaty in its present form and have authored House Resolution 271 which calls upon the Senate Foreign Relations Committee to end their consideration of the proposal. Earlier today, the Senate Judiciary Subcommittee on the Constitution held a hearing on the treaty and additional concerns were raised.

I urge my colleagues to carefully review Sean MacBride's speech and then join as a cosponsor of House Resolution 271. This Supplementary Extradition Treaty is legally, morally, and politically flawed. It is nothing more than a blatant attempt by the British Government to overturn several recent U.S. court decisions which recognize a political offense exemption to extradite in the current United States-United Kingdom Extradition Treaty. This supplementary treaty seeks to virtually eliminate the political offense exception and furthermore would be retroactive upon ratification.

Mr. Speaker, the address by Sean MacBride follows:

ADDRESS BY MR. SEAN MacBRIDE, S.C., TO THE NATIONAL PRESS CLUB LUNCH AND DINNER, NOVEMBER 2, 1985

It is a great privilege for me to have been invited as your guest to this Annual Convention by your President James A. Delaney. It enables me to keep in touch with the work you are doing and also to convey to you the gratitude of the people in Ireland for the initiative you have taken on their behalf. Freed of the slave mentality which was caused in Ireland by centuries of oppression and by subservience to the conquerors of our island, the Irish-Americans have a much clearer perspective on Anglo-Irish relations. For these reasons, I welcome the directness and constructive nature of the advices which you can give to us.

The advisers of the British Government, both in London and in Washington, are themselves fully conscious that Irish-American influence could be a decisive factor in the re-unification and independence of Ireland. Their diplomats, their foreign service agents, their secret service and their press services have a long and wide ranging experience of how best to exert influence through the American establishment and press. It has become an occupational tradition, and it would be quite a mistake to underestimate either their skill or their vigilance. While the 42 million Americans of Irish origin do represent potentially a powerful force in American life, so far, they have lacked the organisation, resources and experience of the British services in the United States. It is in this field that the Irish American Unity Conference, and the other Irish American organisations represented here, have a most important role to play.

Availing of the natural public indignation arising from the hijacking of planes and ships, the taking of hostages, and the murder of American citizens in the present wave of international terrorism, the British Government very adroitly, urged the U.S. Administration to amend its existing Extradition Treaty with Great Britain, in such a way as to involve the United States on the side of Great Britain in the Anglo-Irish conflict. A conflict which has been raging since Ireland was partitioned by Great Britain in the year 1920. Under the cloak of wishing to stamp out international terrorism, the British administration in fact, is seeking to secure the support of the United States in Britain's claim to exercise sovereignty over the North-East corner of Ireland, known as "Northern Ireland".

For centuries, Britain has sought to claim sovereignty over, and to rule Ireland, a claim which has been steadfastly rejected by the Irish people. In the course of the nineteenth century, as a result of British rule, oppression and famine, the population of Ireland was halved. It was only in the course of this century, following upon the Rising of Easter 1916, that in 1921, Britain had to relinquish her military and political occupation of the greater part of Ireland. However, in 1920, before relinquishing her occupation of Ireland, Britain partitioned Ireland into two states; one consisting of six counties, now known as "Northern Ireland", and the other consisting of twenty-six counties, which form the "Republic of Ireland" today.

The partitioning of Ireland was never sanctioned or accepted by the people of Ireland. The imposition of Partition and of the Anglo-Irish Treaty of 1922, led to a bitter Civil War in Ireland. The imposition of Partition created an on-going insurrectionary situation which has disrupted the whole political and economic life of the country and has caused a great many casualties. According to official statistics for the 1969-1983 period, there have been over 43,000 separate bombing and shooting incidents, causing over 2,500 deaths. Casualties from 1983 to date have been on the same scale. While no official statistics of casualties are available for the period 1920-1969, some statistics are available for the years 1920-1921. In those two years it has been clearly established that 428 Catholics were murdered, and 1,766 were wounded. During the same period of two years, 9,000 Catholics were driven out of

their work places and 23,000 were driven from their homes. During the years 1921-1923 at least 4,000 Catholics had to leave the six county area and seek shelter as refugees in the Republic. Regular refugee camps had to be provided for them until they could be resettled.

From these somewhat disjointed statistics one impression can be gathered as to the extent of the persecution of Catholics, and of the insurrectionary situation which has developed as a result in the area known as Northern Ireland. In addition to these particular statistics, it will be appreciated that at least 30,000 people have been imprisoned, as a result of partition on one side of the border or the other. Having regard to the fact that the population of Northern Ireland comprises not more than one and a half million people, it will be appreciated that the insurrectionary situation in Northern Ireland has caused proportionately more destruction and more casualties than most of the local wars that have been taking place since World War II.

In Northern Ireland, unarmed Civil Rights demonstrators have been killed by British Military forces, in the course of peaceful demonstration. Unarmed republican suspects have been shot at sight by British Forces; many sectarian and political assassinations have been carried out either directly by the British Forces, or have been instigated by British secret service agents. British appointed judges have justified the operation of police and military assassination squads in Northern Ireland. As a result of this situation, some Irish republicans have sought shelter from harrassment or from an unjust judicial system in the United States.

None of these events were in any way connected with the international conflicts which have given rise to a number of proposals to combat international terrorism.

It is to the credit of the United States and of its judicial system that ever since the Eighteenth century, the United States Courts have steadfastly refused to extradite Irishmen by reason of their political activities in Ireland. The United States have always boasted, with justice, that it was the land of freedom in which those who were politically oppressed elsewhere would receive asylum and shelter. For close on 200 years at least, Irishmen charged with offences arising from the insurrectionary situation in Ireland have never been extradited. This has also been the universal rule in every civilised country ever since the middle of the last century. Many famous Irish leaders such as Wolfe Tone, James Stephens, John O'Mahoney, John Mitchell, John Boyle O'Reilly, Thomas Francis Meagher, Liam Mellowes, and President Eamon de Valera benefited from the protection of the American legal system both in regard to extradition and asylum. Had the proposed Amending Treaty been in existence, they would all have been handed over to the British for imprisonment or execution.

The decisions of the Courts of the United States have been based strictly on the concepts of international law in regard to the non-extradition of persons for political offences of for politically related activities. The law in this matter is fully reviewed in two recent cases of the U.S. District Courts, namely, the Desmond Mackin case judgment by Naomi Reice Buchwald (80CR MISC. 1, p 54 U.S. Magistrates) and the judgment of John E. Sprizzo, in the Doherty case (83 Cr. MISC 1, p 26 (jes) United States District Court, Southern District of New York).

Anyone with even a superficial knowledge of Anglo-Irish-American relations is fully aware that the struggle for the independence, Sovereignty and Unity of Ireland is a very old standing dispute between Great Britain and Ireland, and is in no way related to present day international terrorism.

It is self evident that the present insurrectionary situation in Ireland is completely unrelated to the international terrorism which has become prevalent in recent years. It is part of the struggle of the Irish people to assert and make effective the sovereignty of the Irish people over the whole of the island of Ireland. The Irish people have overwhelmingly decided, both in 1918 and again in 1937, that they claim jurisdiction over Ireland and reject any claim by Britain to interfere in Irish affairs. This was reaffirmed by the Declaration unanimously adopted by Dail Eireann (The Irish Parliament) on 10 May 1949.

Under Irish Consitutional and Nationality Law, every person born in Ireland, North or South, is regarded as an Irish citizen. If, as appears pretty certain, the intention of the proposed Amending Extradition Treaty is to secure the extradition of Irish persons from the United States to Great Britain or to Northern Ireland, it is a law which will be dealing nearly exclusively with Irish citizens and therefore is of direct concern to the Republic of Ireland. * * * It would not seem unreasonable to ascertain whether the United States Government has consulted the Government of the Republic of Ireland before entering into this proposed Amending Treaty, and if so, what views have been conveyed by the Irish Government to the Government of the United States.

For some considerable time past, the normally recognised standards concerning the application of the Rule of Law for criminal trials, and to the criminal process have ceased to apply in Northern Ireland. Jury trials have ceased to exist in political cases: Instead, single-judge Courts known as "Diplock" courts have replaced Jury trials. The ordinary rules of evidence have been altered and corroboration of the evidence of accomplices in what are known as supergrass trials has ceased to be required. Persons suspected of political offences are often detained for two and even three years before being brought to trial. The interrogation methods adopted by police authorities in Northern Ireland have been criticised and condemned by the European Commission on Human Rights, and described as degrading and inhuman. Some members of the judiciary have even sought publicly to justify the killing of unarmed suspects by the security forces. It is submitted that in such circumstances it would be highly improper for the United States to extradite to Northern Ireland any Irish person who might then be submitted to inhuman or degrading treatment, and who might also be deprived of the full protection of the due process of law and the rule of law applicable to criminal trials. The United States might thus be placed in a position of condoning violation of human rights.

Traditionally, at least for a century, the policy of the United States State Department has been systematically pro-British. This has been particularly evident in the course of the Anglo-Irish struggle ever since the beginning of the century. The Pro-British and anti-Irish stance of the U.S. State Department even up to the present day is made very evident in an article published recently by Mr. Sean Cronin, in the Journal of Irish Studies published by the Irish American Cultural Institute "Eire-Ireland" (Vol 20, 2 Summer 1985), which establishes the extent to which even in the most minute detail of the State Department acted in complete subservience to the requirements of the British Foreign Office, when dealing with any Anglo-Irish issue. Indeed, the London Government establishment regard it as one of the greatest achievements of British diplomacy, that the British Foreign Office should, always, have been in a position to impose its policies in regard to Ireland without question through the State Department.

Quite apart from the Irish aspect of the proposed Amending Treaty between Britain and the United States, it is submitted that the Treaty may form a dangerous precedent that will facilitate the extradition of persons involved in political offenses in other Countries, be it Salvador, Guatemala, China or Poland. The Amending Treaty will certainly facilitate the extradition of persons in regard to politically related offenses and may thus well deprive them of their most elementary and fundamental human rights. Certainly the extradition of any Irish Republicans to Britain or to Northern Ireland would have that effect. One of the reasons for including the "Political Exception" provisions in all Extradition Treaties hitherto has been to ensure that persons would not be deprived of the right to a fair trial, or would not be extradited to a country where they might be tortured or summarily executed.

A case in point was the case of Lieutenant Colonel Amekrane, of the Air Force of Morocco. In his case, after an abortive attempt to overthrow the Government of Morocco, Colonel Amekrane arrived in Gibraltar in search of political asylum; he was refused asylum by the British Government and was extradited to Morocco on 17 August 1972. He was subsequently tried by Court Martial and executed on 13 April 1973. His widow and two children brought proceedings against Great Britain by way of application to the Commission of Human Rights of the Council of Europe, claiming damages against the British Government for having refused him asylum and for having him extradited, then to be tried by his enemies. While the case never came to a full hearing, after preliminary hearings the Government of the United Kingdom agreed to make a payment of £37,500 to his widow and children.

I would like to avail of this opportunity to congratulate the Irish American Unity Conference, the Ancient Order of Hibernians, the Irish American Caucus, the Brehon Law Society, the Irish American Labor Coalition and all the other organisations which have collaborated together in opposing the transmission of this Amending Treaty to the floor of the Senate. This has been a good example of how Irish-American organisations can collaborate together and can collaborate with American Civil Rights organisations to counteract the English-American influence in the American establishment. If this Amending Treaty ever reaches the floor of the Senate, I hope that all the Irish American Organisations which are here, will work together to ensure that it does not receive the two-thirds majority of the Senate which would enable it to require the force of law in the United States.

By working together to defeat the British attempts to distort the laws of extradition in order to involve the United States in the Anglo Irish struggle, the Irish American organisations have rendered a signal service to

the cause of Irish nationalism. In Addition, they have helped to strengthen the consciousness of civil rights organisations in the United States against the tendency to minimise the effective protection of those who seek refuge from tyranny and oppression in this great Republic.

PANAMA VERSUS PRENSA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. SOLARZ. Mr. Speaker, the death knell of Panamanian democracy is sounding. The military has removed from office President Nicholas Ardito Barletta only after a year in office. President Barletta began his Presidency under a cloud because of serious allegations that he had been the beneficiary of electoral fraud. But he was an intelligent and dedicated public servant, and there were many who hoped that he could create legitimacy by a vigorous attack on Panama's economic crisis. By engineering a quiet coup against President Barletta, the Panamanian Defense Force has confirmed once again that its central objective is to retain power in its own hands rather than transfer it to the hands of the people, where it belongs.

The generals' intent is clearly obvious in its treatment of La Prensa. This independent opposition newspaper was a beacon of accountability in Panama. It should be no surprise that the military has sought to extinguish that light of truth.

Mr. Speaker, there is no question that the United States has significant interests with respect to Panama, particularly with respect to the Panama Canal. Yet those interests are best fulfilled in the context of a vibrant and institutionalized democracy in Panama. We can only hope that extraordinary steps will be taken to repair the damage that has occurred in recent weeks. Freeing La Prensa to renew its service to democracy is one of those steps.

Recent editorials in the Miami Herald and the Boston Globe have addressed the current situation in Panama. I included them for the benefit of my colleagues.

[From the Miami (FL) Herald, Oct. 3, 1985]

PANAMA VS. 'PRENSA'

Prescription for a Latin military government: First you oust the civilian president. Then you intimidate the press. If that doesn't work, then you permit street thugs to attack any newspaper that dares to be independent.

Gen. Manuel Antonio Noriega, head of Panama's National Defense Forces (NDF), knows the formula well. He and his henchmen have imposed or deposed five Panamian presidents in the last three years. The last coup came on Friday, when General Noriega demanded the resignation of President Nicolas Ardito-Barletta and appointed former Vice President Eric Arturo del Valle to replace him.

That done, General Noriega turned to *La Prensa*, Panama's fiercely independent opposition newspaper. (*La Prensa*, coincidentally, prints part of the *The Miami Herald's* international edition in Panama.) *La Prensa* knows what happens when the NDF objects to its independence. The NDF has closed the five-year-old newspaper twice.

The American ambassador is reported to have warned *La Prensa's* editors that the NDF wants it closed. And columnist Guillermo Sanchez Borbon, Panama's most respected political commentator, bade farewell to his readers the other day. His photograph has been distributed among NDF members, he explained. Fearing for his life, he said that he is going into hiding.

Mr. Sanchez Borbon merely was being prudent. The last time *La Prensa* was closed, thugs broke in and poured acid on its presses and in the computers.

This time, matters could be worse. For *La Prensa*, and particularly Mr. Sanchez Borbon, have insisted adamantly on an independent investigation into the murder and decapitation of Dr. Hugo Spadafora, one of General Noriega's enemies. Dr. Spadafora's mutilated body—his head is still missing—was found two weeks ago in Costa Rica, near the border with Panama. Witnesses say that cars similar to NDF vehicles, and men dressed in military uniforms, were seen in the vicinity shortly before.

General Noriega should consider carefully the consequences of muzzling *La Prensa* or harming columnist Sanchez Borbon. That would-bring upon him the condemnation of democratic governments and human-rights advocates throughout the hemisphere. Moreover, it would elongate the shadow already cast upon the NDF by the death of Dr. Spadafora. If General Noriega and the NDF have nothing to hide, they have nothing to fear from a free press demanding an independent investigation.

[From the Boston (MA) Globe, Oct. 4, 1985]

DEMOCRACY IN PANAMA

The dictatorship in Panama, which has been camouflaged by a veneer of democracy, is in trouble. Turmoil has erupted over a murder believed to have been commissioned by Gen. Manuel Antonio Noriega, head of the 15,000-man national guard.

Last week Noriega forced President Nicolas Ardito Barletta to resign. The opposition paper La Prensa is threatened with closure. Panamanian professionals have called a strike.

In this state of peril mixed with promise, Americans must back the forces of democracy symbolized by La Prensa, and bring maximum pressure on Noriega to end his sordid rule.

This responsibility falls most heavily on the U.S. government, which has supported the military regime. The administration should suspend military aid and publicly criticize Noriega. In the long run, that is the clearest way to assure Panamanian stability.

The United States's main concern has always been the security of the Panama Canal. Traditionally, whichever leader offered "la paz social"—another way of saying "law and order"—has been the U.S. favorite.

The administration now is cooling toward Noriega, after a split in the officer corps provoked by the decapitation of a critic who had accused Noriega of being the drug kingpin of Central America. The brutal killing would have been unremarkable in El Salvador or Guatemala, but has shocked Panamanians.

The 700 small shareholders who formed La Prensa gave Panama the gift of a free press. They are true democrats battling an undemocratic system. People like them are the key to saving countries like Panama, Chile, South Korea and the Philippines. Faced with guns, they cannot do it alone.

Panamanian democrats need to know Americans are behind them. Noriega needs to know that Americans who value democracy want him out. Democracy hangs in the balance, and where the U.S. weighs in can tip the scale.

STOP THE LEAKERS!

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. BROOMFIELD. Mr. Speaker, the weekend papers again regaled the American public with classified details about an alleged intelligence operation directed against Colonel Qadhafi in Libya. I commend the President for immediately ordering a full investigation into this illegal release of classified information. For the sake of the Nation, the time to stop the leakers is now.

According to a Sunday Washington Post article, the administration has reportedly authorized a covert plan designed to thwart Libyan support for terrorism. The alleged plan would also lure Colonel Qadhafi into a situation that would give his numerous opponents in the Libyan military a chance to seize power, or provide one of his United States-backed neighbors with justification for a military response.

When the administration's reported plan was discussed with the Senate and House Select Intelligence Committees, there was reportedly initial resistance concerning the plan.

We all know that leaking classified information and details of intelligence operations has unfortunately become a real art form here in the Congress. When many in the Congress disagree with an opponent's stand on an issue or when many fail to see eye-to-eye with an administration plan, they get even by leaking sensitive information.

All too often, our morning newspapers contain most of the information which the President receives in his daily intelligence briefing. Unlike foreign newspapers, American papers routinely carry sensitive information which has been intentionally leaked to journalists in order to prove a point or win an argument. The KGB and its sister intelligence services from the East bloc must have a field day here in America. Their collecting efforts are simplified thanks to the professional leakers and the cooperative attitude of many American journalists.

If a Member of Congress owes anything to the American public, it is responsibility. It is extremely irresponsible to release sensitive information to the public for political or personal gain. This obligation of responsibility also pertains to congressional staff. Our Government spends billions of dollars annually in our national intelligence collection effort. Leaked information can jeopardize sensitive and important oper-

ations which are designed to serve the Nation's interest. Intentionally released intelligence data can also jeopardize the lives of many who are serving our Government overseas. Our allies can be embarrassed and their intelligence services may decide not to share data with our Government because of our inability to keep a secret a secret.

This year, I cosponsored House Joint Resolution 7, which proposes that a Joint Committee on Intelligence be created. This joint committee would significantly reduce the number of staff and Members with routine access to sensitive information. Should the proposed bill become law, an investigation into a leak of this nature would be more easily conducted.

I encourage the President to pursue the investigation of this recent disclosure of U.S. intelligence documents. The individual responsible for the disclosure should be identified and punished for his irresponsibility.

This is the only sane way to stop this damaging outflow of sensitive intelligence information. Tough action is needed now before some shortsighted Americans give away all of our secrets.

A TRIBUTE TO THE NEWS WOMEN OF WASHINGTON

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. WRIGHT. Mr. Speaker, the National Press Club recently honored the newswomen of Washington. The event paid tribute to the accomplishments of newswomen who have been reporting from the Nation's Capital for the past 153 years. That program was chaired by the famous reporter from my home State, Sarah McClendon. The keynote speech of the evening was delivered by Mrs. Katherine Graham, chairman of the board of the Washington Post Co.

Mrs. Graham, in her address, focused on the progress women have made in the news profession and she singled out Sarah McClendon for her "grit" and determination to become a success in a male-dominated profession long before the barriers came down. As Mrs. Graham said, "Sarah may be a thorn in the side of the Presidents, but she is an American beauty rose to all of us." I ask that Mrs. Graham's full text be included in the RECORD.

The speech follows:

ALL'S WELL THAT ENDS WELL

(Remarks by Katherine Graham, Chairman of the Board, the Washington Post Co., in a tribute to the Newswomen of Washington—The National Press Club, Washington, October 22, 1985)

Good evening. It's a great honor to speak at this long-overdue tribute to all newswomen of Washington.

At first I thought you asked me because of my job. Now I realize you were looking for someone old enough to remember what it was like in the Dark Ages, but young enough to have eluded senility. Given the possible length of tonight's program, I hope I make it.

Any talk about the emergence of women journalists could rightly be called: "A History of the Oppressed." But I think a more appropriate choice would be: "All's Well that Ends Well."

Women journalists have come a long way—from the days when we had to shout questions at visiting dignitaries from the balcony of the National Press Club, or send in male emissaries to read the wires because we weren't allowed in the wire room. Now some of you are media stars. But we still have some distance to travel.

Shakespeare said there are seven ages in the life of man. But I believe there are five ages in the life of women journalists. That's because women have always been more efficient. Unfortunately, we're stalled at number four.

The first was in full swing when I donned hat and gloves and went to work at The Post as an editorial writer in 1939. That was the era when men thought they were better than women. And the sad part is, a lot of women thought so, too.

I know I did. I grew up with the subliminal idea that men were naturally smarter and more capable than women.

As a result, some things that would be offensive and impossible today seemed less so then. For example, when the men went off to fight World War II, women were hired in the newsroom with the understanding that they would give up their jobs when the men returned.

Most women who were regulars on the paper were assigned to cover only parties, clubs and social welfare issues—presumably because we liked children!

Such prejudice lasted a long time, inside journalism and out.

In the 1970s, I remember attending a board meeting of a big company, of which I was then a director. A man was giving a little talk, complete with slides, describing the activities of a roomful of workers. Most of them were older women, many gray-haired.

He would take his pointer and say, "These girls are doing such and such. And these girls are doing something else."

Suddenly I hear a voice say, "Women." He went on and said "and these girls" again. And again the voice said "Women." I then realized it was my voice! My sensitivity had been raised a long way.

Liberation certainly hadn't yet arrived when I returned to The Post as president in 1963. In fact, I gave an interview in which I said I thought perhaps men were better equipped to do my job than a woman was. I was brought up sharp by Elsie Carper, then editor of the Style section of The Post. She sailed into my office the next day and said: "If you really believe that, then I quit."

Fortunately, Elsie is still at The Post, so my beliefs obviously changed. And that brings me to the second age in the life of women journalists, an age when we became fully aware that we could indeed perform as well as men. But the barriers were still up.

I think of May Craig as perhaps the epitome of the pre-liberation era, which combined a traditional, flowery-hat femininity with important accomplishments in a tough environment.

For those of you too young to remember, May was for 30 years the Washington correspondent for a chain of newspapers in Maine.

She was called "dynamite in a blue dress" because she didn't mince words and because she asked peppery questions at presidential news conferences. Today, of course, she'd be dynamite in a red dress.

The Sam Donaldson of her day, May always tried to ask "dodge-proof" questions because the presidents had, she said, such a "lovely long list of evasions." Some things never change! FDR once asked her if she had stayed up all night thinking of an especially provocative question. She immediately responded, "I did."

May was on the front lines in the battle for the advancement of women. It was she who "won the washrooms" in the Congressional Press Gallery, loudly complained about being excluded from the National Press Club and railed against stag gatherings of the White House Correspondents Association. "I'm a bona fide member and I pay my dues," she proclaimed.

May also fought to have the word "sex" added to the list of discriminations banned by the Civil Rights Act of 1964. Although it wasn't taken seriously at first, the "May Craig Amendment," as it soon became known, was one of the most important advances for women in the past 25 years.

In short, May led the advance guard of women journalists who believed in themselves and what they could accomplish, and who were willing to fight for their rights.

This new breed of woman came into its own in the next age, the era of more militant pressure for equal rights.

I was a participant in this process in more ways than one. I was in the curious position of heading a company being pressured, yet understanding where women were coming from as issues developed, and trying to do something about it in our company and in the industry.

The women journalists at Newsweek sued us for discrimination. When I heard of this action, I said to myself and others: "Whose side should I be on?"

The newsweeklies were founded on the theory that God had ordained women to be researchers, and men to be writers and editors. It was believed that women couldn't handle the Thursday and Friday late-night deadlines, which were thought to be very difficult. Early on, I proposed a woman for an editor's job at the magazine and was told by the men it was "unthinkable."

It was hardly unthinkable. It could be done and it was. But successful women discovered the price they had to pay at first often was a high one.

For one thing, there were so few women around that when another appeared on the scene, the incumbent thought: "It's her or me." And hard feelings sometimes arose.

More important, the psychological pressure of being the first woman, or among the first, was enormous—and still is. One woman told me: "I always get the feeling that men are still waiting for you to make a mistake. If a man doesn't succeed, people say: 'He just didn't work out.' But if a woman fails, the generalization is always made that a woman just couldn't do the job."

In fact, women felt they had to be much better than men merely to be considered their equals. They put enormous pressure on themselves to succeed.

Fortunately, success did come. And that brings me to the fourth age, the age in which we now live: the age of general acceptance.

I remember two harbingers of this era.

The first was when Meg Greenfield came to The Post as an editorial writer 15 years ago, when Phil Geyelin was editor. People

said: "Geyelin's hired a woman, but she can do it. You'd be surprised!"

The second came when, after a long and arduous campaign, I was finally invited to the Gridiron Club—as a guest! I'm afraid I didn't consider the implications. I was pleased by the invitation, after decades of hearing about the dinner, and decided to accept.

The women at The Post wrote me a letter urging that I stay away. If women couldn't be members, they said, we shouldn't go at all. Some of our reporters were planning to picket outside the dinner.

They were right. I decided not to go. I couldn't bring myself to picket, however. The most I could do—and I've never said this in public before—was get in the car and drive by.

Today, of course, women are accepted—and respected—for their brains . . . for their abilities . . . for their professionalism. They are making enormous contributions to their craft. And by doing so, they are contributing to the well-being of everyone in this country and, indeed, around the world.

But I'm looking forward to the fifth age, when women will hold real power at the top.

I'm tired of being the only woman CEO of a Fortune 500 company, by choosing the right genes—or Eugene—to begin with. I'm tired of three networks with three male anchors and, worse, male-dominated corporate structures. And I'm tired of so few women being in the top news jobs at major publications.

This is not too surprising—women have only been in the workforce in large numbers for about 15 years. We haven't had much time to work our way to the top of the large organizations. But that moment cannot be far away.

Come it will and when it does, I believe women will be more than able to fulfill the aspirations of our predecessors who fought so hard to clear the path.

In closing, I want to pay tribute to one woman who has fought for women journalists with spirit, dignity and results for almost 35 years.

I am a real admirer of the grit of Sarah McClendon. She is a woman who made it long before the barriers came down. And she made it the hard way. She wasn't handed anything, no base from which to work. Instead she created her own—a successful news service, not to mention her high-visibility at press conferences. In that unmistakable twang of hers, she kept the backs of uncounted presidents firmly against the wall.

Sarah, we give you great credit and great thanks. You may have been a thorn in the side of the presidents, but you are an American Beauty rose to all of us here tonight.

Thank you.

THE SOVIET UNION'S WAR OF IDEAS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. LAGOMARSINO. Mr. Speaker, Representative JIM COURTER, our distinguished colleague from New Jersey, recently had printed in the Jewish Institute for National Security Affairs [JINSA] newsletter, August/September 1985, the following statement on "The Soviet Union's War of Ideas." Congressman COURTER succinctly points up the massive Soviet disinformation network and offers insightful examples of the use of such active measures tactics.

It is incumbent upon all Members of this body to face the facts which confront American foreign and national security policy today. One of these cold facts is that the Soviet Union has a massive, well-financed and high priority active measures campaign underway, designed to undermine Western efforts at self-defense and to mislead the West and its leaders about Soviet intentions and capabilities.

Congressman COURTER's piece offers much-needed insight into this facet of Soviet foreign policy, and I urge my colleagues to consider its content.

[From the Jewish Institute for National Security Affairs, August/September 1985]

THE SOVIET UNION'S WAR OF IDEAS

(By James P. Courter)

On July 30, 1984 Radio Moscow told the world that a bus carrying Olympic athletes in Los Angeles had come under gunfire. When an American news service checked this report, police said that no such incident had occurred, but that one bus may have been struck by a rock or a similar object. It is not known whether the Soviet story was a fabrication or just a gross exaggeration.

But we do know that for Radio Moscow's world audience, this "proves" correct the Soviet claim that athletes would be in danger in Los Angeles.

Before the athletes arrived in Los Angeles, some had received threatening letters mailed to their Third World countries from the Ku Klux Klan in Maryland and Virginia. After a linguistic and forensic analysis by the FBI, the letters were found to be KGB forgeries, and this was announced by Attorney General Smith on August 7. The crude, racist threats were obviously intended to intimidate athletes and keep them away from the games.

These are examples of "disinformation", the spreading of falsehoods or half-truths to support Soviet foreign policy goals. This is one of several means used by the Soviets to influence world opinion: other "active measures" include use of front groups, agents of influence in Western news media, forgeries, clandestine radio broadcasts and the like.

The international flow of ideas and information has an indisputable impact on foreign policy and national security, because it affects world understanding of our nation's—and the Soviet Union's—goals and actions. It's unfortunate that this important subject has received so little attention in the American press.

Nonetheless, much can be learned from former Soviet intelligence officers who have fled to freedom, and from government and other sources.

Stanislav Levchenko, who defected from the KGB in 1979, worked in Tokyo, ostensibly as a correspondent for the Soviet Journal New Times. He was one of five KGB personnel in Tokyo who handled a total of 25 Japanese "agents of influence"—journalists, government officials or other elites who were compromised and were willing to provide Japanese secrets to the Soviets, spread Soviet disinformation in the Japanese government, or print information, themes, or entire articles to promote Soviet goals in the Japanese press.

The highest Soviet objective was to harm Japan's relations with China and the United States, both of which were seen as a potential threat to the Soviet Union. Using agents in both the press and the Japanese Socialist Party, Levchenko made extensive use of disinformation. One rumor was circulated to top Japanese officials describing serious policy rifts in the Chinese government over the 1979 invasion of Vietnam; this implied that Deng Xiaoping's tenure was uncertain and that close Sino-Japanese ties could be risky.

Levchenko also used an agent who was a confidant of the owner of a large Japanese newspaper to place "one of the most successful Soviet forgeries of the 1970's" in the newspaper, Sunkei Shimbun, in January 1976. The forgery, written "line by line, word by word" in Moscow, was the "political will" of former Chinese premier Chou En-Lai, giving the late Chou's views on all areas of Chinese policy. It was supposedly circulated to the Chinese Central Committee by his widow. Chou's "testament" was designed to encourage political rivalries in China, by its criticism of the Cultural Revolution and its support of better relations with the Soviet Union. Its release in Japan was intended to give the Japanese a picture of a divided, volatile Chinese leadership. As soon as the document was printed, the Soviet "news" service TASS carried word of the Japanese "scoop" around the world. Only after an interval of several days did the Chinese declare the document a fake.

The use of forgery is common. In 1981, a State Department document dissenting from U.S. policy on Central America was given to a New York Times foreign affairs columnist and was described in her column. The document, of dubious origin, was a forgery, and this was admitted by the columnist three weeks later.

During the Falklands war, a fake Pentagon press release circulated among Latin American diplomats in Washington, carrying the text of a statement by Secretary Weinberger. The statement, containing English grammatical errors characteristic of Slavic language speakers, delivers a series of blunt, undiplomatic comments which support Britain in the war but manage to insult both Latin America and Britain at the same time.

Clandestine radio stations are another means used by the Soviets to influence foreign opinion. Without claiming Soviet sponsorship, these radio stations support Soviet views while pretending to represent local opinion of people in Turkey, China or Iran.

For example, the National Voice of Iran has broadcast to Iran since 1959 from a transmitter in the USSR. Speaking in the persona of the Iranian people, it refers to the Soviet Union as "our friendly northern neighbor". This station consistently attacked the Shah and his policies, and began calling for his overthrow in the fall of 1978. When American diplomats were taken hostage, the National Voice of Iran departed from Moscow's official policy of silence, and supported the taking of the hostages by Iran's "struggling and enthusiastic young people". This line was reversed after the United States lodged a diplomatic protest in Moscow. Today, the National Voice of Iran regularly rebukes Khomeini and Iranian media for anti-Soviet statements, and consistently criticizes Iran's "unrealistic" opposition to the Soviet war against Afghanistan.

These are but a few examples of the many techniques the Soviets use to sway public

opinion. While most Americans are aware of ideological competition, few are aware of this type of Soviet manipulation of Western media. The result is often that people read Soviet opinions and disinformation while believing that they are reading facts and analysis by their own domestic press.

CITIZENS FOR CITIZENS, FALL RIVER, MA

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. FRANK. Mr. Speaker, unfortunately, issues sometimes become unfashionable before we have resolved them. An example of this is the question of poverty. Sadly, in recent years, the level of poverty in our society has begun to increase, and the agencies dedicated to combating poverty and providing economic opportunity to all Americans have suffered from a loss of attention and support. It is important to remind ourselves that poverty remains a problem, and that there also remain in being organizations dedicated to providing better economic lives for those who haven't been able to share in the prosperity that has been available for most Americans.

One of the most vibrant and effective of the antipoverty organizations with which I am familiar is the Community Action Agency in the Greater Fall River Area, Citizens for Citizens. Under the creative leadership of its executive director, Mark Sullivan, Citizens for Citizens makes a very important contribution to the Greater Fall River community. CFC effectively administers Federal programs, and performs the advocacy role that community action agencies are supposed to perform on behalf of those in need. Recently, in a very innovative program, Mr. Sullivan and CFC have received an urban development action grant from the Department of Housing and Urban Development to provide low income people with a chance at home ownership. Working with Mr. Robert Valton, a leading contractor in the Greater Fall River Area, Mr. Sullivan and CFC have drawn on several Federal programs to meet one of the most pressing social needs of our time: decent housing for lower income people, with a chance for them to become home owners.

Recently, the Fall River Herald News published two excellent articles outlining the work that Citizens for Citizens does. These articles are typical of the excellent coverage which the Fall River Herald News gives to the activities in Greater Fall River, and I ask that these articles be reprinted here.

CITIZENS FOR CITIZENS GOING STRONG AFTER 20 YEARS

(By Sean Flynn)

Citizens for Citizens Inc., a remnant of the 60s "War on Poverty," is still alive and well, and celebrating its 20th anniversary this year.

"We have a combined budget of $11 million dollars, and 500 employees," said Mark A. Sullivan, CFC executive director, and this he added, despite repeated efforts by Lyndon Johnson's presidential successors to drastically reduce the means for the "war," and give up the ambitious goal of eliminating poverty.

"Nixon, Ford, Carter and Reagan have been trying to put us out of business," said Sullivan, "but we are still here. Nixon's glad he got his amnesty, Ford is golfing, Carter is a carpenter, and Reagan will be remembered as an amiable incompetent."

In the fall of 1965, the Fall River Community Action Program Committee approved the establishment of a regional community action agency to serve this city, Freetown, Somerset, Swansea and Westport. The new private non-profit corporation was named Citizens for Citizens. Soon after, the Fall River City Council endorsed CFC as its community action agency.

"That designation qualifies us for a grant of $256,000 to eliminate poverty in Southeastern Massachusetts," said Sullivan. "And that's enough to buy everybody a hamburger and send them home." The rest of CFC's budget, for the funding of its many programs (see related story), comes from 189 federal agencies, 10 state agencies, various foundations, and private contributions. "We are very good at getting grants," said Sullivan. Over 80,000 people in Southeastern Massachusetts are affected by CFC programs.

During his 15 years as executive director of CFC, Sullivan has brought in over $157 million in government grants for administration by the agency. "We run quality programs with as little money as possible," said Sullivan. And, for all the programs CFC is involved in, administrative costs make up less than four percent of CFC's budget.

CFC, its main offices located in the former Brightman Methodist Church on Griffin Street, was founded as a result of the Economic Opportunity Act of 1964, which led to the creation of over 2,000 Community Action Agencies nationally, explained Sullivan. "Now there are about 700 left," he said. And the federal Office of Economic Opportunity no longer exists, a victim of the Nixon cutbacks.

Up until four years ago before the Reagan administration began cutting programs which service people, while massively increasing the military budget, noted Sullivan, CFC was the second largest community action agency in the U.S., with a budget of $22 million and over 800 employees.

"Now, all the community action agencies in the country receive $300 million," said Sullivan, "which would pay for one-quarter of a B1 bomber." He added, "And these are the official agencies to fight the poverty of 40 million Americans."

When asked to define CFC's different projects, plans, and future goals, Sullivan laughed and said, "CFC is anything you want to be." In his commitment to programs and plans to alleviate the misery of poverty, Sullivan is constantly probing various possibilities of government assistance.

Various CFC programs are continually in the news, and people often don't realize they are all under the CFC umbrella. The CFC fuel assistance program, which last year allowed $5.358 million in reduced fuel costs for 11,000 households, started last week. CFC's $2.5 million housing project was also in the news last week, as the first 12, of 39, townhouses were made available for purchase last week to the winners of the Corky Row lottery.

Sullivan, who has a degree in economics, and master's degrees in labor studies and urban affairs, said the tough part of the job is deciding who won't be helped. "There is never enough to go around. To see 11,000 people come in year in, year out, for fuel assistance is disheartening."

This year is the last year of authorization for the fuel assistance program. The program exists "so that people don't face the choice of eating or heating," said Sullivan. He said any new legislation that does not either eliminate the program, or substantially cut funding, will most likely be vetoed by Reagan.

Sullivan stressed the difficulty of working in social services, and against the antipathy of the current administration to the needs of the 40 million Americans who live below the poverty level, according to government statistics. He noted that individuals in this economic grouping are now paying $300 more annually in federal taxes than prior to Reagan's tax reform."

Committed to alleviating needs of the poor, Sullivan, looking back, concludes, "This country really never intended to win the War of Poverty."

THERE'S ALMOST NO END TO THE RANGE OF CFC PROGRAMS AND ACTIVITIES

The range of activities and programs of Citizens for Citizens is incredible, and often confusing to the outsider.

When asked about elements of CFC's success, and how he keeps it all together, Mark A. Sullivan, CFC executive director, said, "I have excellent project directors—they know their jobs. Project employees are in-house people who have been promoted through the ranks."

Programs administered by CFC for children include the Head Start program, the After School Day Care program, the Pre-School Day Care program, the Child Nutrition Feeding program, a summer recreation program, and Operation Christmas. Just for the Head Start program, CFC administers over $1 million.

CFC also administers the fuel assistance program in two cities and nine towns, which is the biggest item in CFC's budget, at over $5 million. These funds will help some 11,000 households with heating between now and March, 1986. Each family can receive a maximum of $750 in aid.

Related programs are the Home Weatherization Program and the "Hot Whap" program, a boiler and burner replacement program for low-income families. These programs have been extremely effective, said Sullivan. "We have weatherized more houses than any agency in the U.S.," noted Sullivan.

CFC senior programs include the Senior Aid program, foster grandparent program, and the RSVP program. CFC also runs the Woman Infancy and Children program, and the food distribution program in Fall River and surrounding towns.

The Council on Alcoholism; the butter and cheese program, which distributes annually $1 million worth of food; and the community gardens program, which plows 200 gardens for families, are also administered by CFC. The CFC advocacy program helps low-income people with legal problems and bureaucratic regulations.

CFC recently entered the housing business, with a $2.5-million project. By constructing 39 condominium townhouses in the Corky Row neighborhood, CFC is not only providing housing for moderate-income families, but is also revitalizing a historical neighborhood. "It is the feeling of this

agency as a community action agency that the only way we can turn around the neighborhood is through home ownership," said Sullivan.

The list of CFC programs and community activities goes on.

CFC Inc. has two spin-off corporations, the Citizens for Citizens Foundation and the Alternative Housing Corp., which were set up for tax and liability reasons. The foundation owns all the property, such as the headquarters on Griffin Street, the Head Start buildings on Robeson and Quequechan streets, and equipment such as vans and computers, which it then leases to CFC Inc.

The three CFC corporations have separate boards of directors. Eugene Kosinski is president of the CFC Inc. board of directors; Frank Sullivan is president of the foundation board; and Steve Lopes is president of the alternative housing board. Sullivan is executive director of CFC Inc., and chief executive officer of the other two corporations.

The 30 members of the CFC, Inc. board of directors include 10 publicly-appointed members—four from Fall River, two from Taunton, and one each from Somerset, Swansea, Westport and Freetown—10 representatives from organizations such as the Council of Churches and the NAACP, and 10 representatives elected from low-income constituency groups. The boards of directors of the other two corporations are smaller in size, but their members must be on the parent board, said Sullivan, to ensure coordinated policies.

THE SOVIETS AND SIGNED AGREEMENTS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. BROOMFIELD. Mr. Speaker, once again the Soviet Union has shown its disregard for signed international agreements. This time, the Soviets and Afghanistans are playing dirty tricks on our Embassy in Kabul. While it is important to negotiate and sign accords, the ultimate goal is to have signatory nations respect those agreements. That is the bottom line.

In clear violation of international accords, the Soviets downed the Korean airliner in 1983, and took the life of Maj. Arthur Nicholson last year. The provisions of the Helsinki Final Act are routinely violated by the Soviets. There is deep concern in our Government about Soviet violations of the numerous treaties which they have with the United States. These would include violations by the Soviet Union of its legal obligations under the Biological and Toxin Weapons Convention of 1972. In clear violation of the provision of SALT II, the Soviets are encrypting telemetry from ballistic missiles. The U.S. Government is concerned that the new SS-X-25 ICBM is a prohibited second new type of ICBM and that this missile is in violation of the SALT II treaty. Equally serious is the Soviet violation of the ABM treaty with the construction of a large phased-array radar near Krasnoyarsk in central Siberia.

Just last week, a Soviet soldier sought asylum in the American Embassy in Kabul, Afghanistan. In typical Soviet fashion, the Embassy was bathed in spotlights all night long, electric power to the building was cut off, and a young Embassy officer was roughed up by one of the many Soviet and Afghani soldiers who surrounded the building there. Again, the Soviets and their Afghani friends have violated a long-standing agreement regarding the sanctity of diplomatic premises and the treatment of foreign diplomats.

While we all hope that progress can be made in the forthcoming talks in Geneva, we must keep in mind that agreement signing is not the ultimate goal of our efforts to seek better relations with the Soviets. Compliance with signed agreements is the key consideration. Only by complying with important agreements between our two nations can all of us hope to make a better and safer world for future generations. Good luck, Mr. President.

SOCIAL SECURITY NEEDS REFORM

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. HUBBARD. Mr. Speaker, as the House Committee on Ways and Means continues to deliberate on tax reform proposals, I want to share with my colleagues an excellent letter from one of my constituents, Angela Miller of Route 2, Hazel, KY.

Angela Miller is a 15-year-old sophomore at Murray High School and is concerned about the state of the Social Security system. She recognizes the problem of the growing dependence of retirement age persons upon Social Security, and she offers some thought-provoking suggestions which are worthy of consideration.

Angela Miller's remarks reflect a degree of wisdom and concern far beyond her youthful years, and I encourage you to read her letter to me that follows:

SEPTEMBER 16, 1985.

Representative CARROLL HUBBARD,
Rayburn House Office Building,
Washington, DC.

DEAR REPRESENTATIVE HUBBARD: As a young person about to enter the labor market, I am concerned about the state of Social Security.

I would like to suggest persons 30 years and above complete the Social Security program. Those under 30 years of age be required to pay into an I.R.A.

In this way the government will gradually eliminate their support of the masses in retirement.

Because of the increasing retirement age voted by Congress, I would not be able to retire until age 67. I would like to provide my own retirement thereby hoping to retire young enough to enjoy it. I feel the retirement age should be left at 62 and the Social Security funds returned to an account used for Social Security alone as it was before President John F. Kennedy's administration.

It is apparent from your recent news letter that a revamping of the income tax system so that everyone pays their fair share would solve government's financial troubles.

Sincerely yours,

ANGELA MILLER.

MAKING MEDICARE MANAGEABLE FOR SENIORS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. BIAGGI. Mr. Speaker, on November 18, I introduced legislation, H.R. 3631, to place a 1-year freeze on out-of-pocket costs for the elderly under part A of Medicare, which pays for hospitalization. The freeze would coincide with the 3.1 percent cost-of-living adjustment for Social Security payments and would prevent increased drain on out-of-pocket costs for health care.

Mr. Speaker, this legislation is needed for the very simple reason that without it—on January 1, 1986, the Medicare hospital deductible will increase 23 percent by $92 to $492. The 30 million Medicare beneficiaries—many of whom rely on Social Security for their primary source of income—will only have to pay an added $13 in 1986, which will not exceed the level of their Social Security COLA increase.

In order to fund this freeze of the Medicare deductible, H.R. 3631 would add 6 cents to the current 16 cent cigarette excise tax in order to offset the $1 billion cost of implementing this plan. I believe that this is a responsible, and relatively painless way to address the financing of this bill that does not direct dollars in the wrong direction.

I consider this bill a short-term, stopgap measure which will give seniors a break while Congress addresses the long-term financing needs of the Medicare Program that will make it more responsive to the out-of-pocket costs borne by seniors in the program. At a minimum, we should be actively working to support efforts to ensure that increases in Medicare Program costs are directed away from those on fixed incomes. This is particularly important when we consider that since the outset of the DRG system under Medicare in 1983, hospital revenues have increased from $1.2 billion to over $2 billion annually.

It is especially critical that we take a close look at the new DRG system which pays hospitals a set fee for specific procedures under Medicare. In my own State of New York, we will come under the DRG system beginning January 1986. Given the high per capita income of the State and the large percentage of seniors on fixed incomes, I feel that it is critical for the 1.3 million seniors in my own city of New York to be given adequate protection against the ravages of health care inflation.

The need for this legislation to assist elderly New Yorkers in particular is critical considering current and future demograph-

ic trends in our city. Not only does the DRG system discharge elderly patients into communities sooner—but it also places poor elderly New Yorkers, on fixed incomes, in the unacceptable position of having to pay increased health care costs. In the past decade, the number of "old old" elderly, age 75 to 84, rose 15 percent and the number of those over age 85 rose by 37 percent. In 1980, one out of every three seniors in New York City lived alone. Elderly women outnumber elderly men living alone by nearly 2 to 1. In sum, this population is the neediest in terms of health care and least able to afford such exorbitant increases.

Seniors continue to be caught in a catch-22 situation. On one hand, inflation has dropped so that the Social Security COLA is limited. On the other hand—health care costs continue to rise, as reflected by increased out-of-pocket costs paid by seniors. In a study conducted by the Select Committee on Aging in July, we found that seniors are now paying more in out-of-pocket costs for health care than 20 years ago when Medicare was first enacted. I consider this an intolerable situation and one that requires our immediate and direct attention.

The freeze in H.R. 3631 will not begin to address the related increases in Medigap policies that seniors will begin to receive. Even with a hospital deductible less than the projected $492, the elderly are projected to spend an average of $2,583 for health care in 1990—nearly 19 percent of their income. This is substantially higher than the 15 percent seniors must pay today. Passage of H.R. 3631 will soften the blow and return the Medicare Program to its original purposes—as a primary payor of health care needs—not a payor of almost last resort.

For the benefit of my colleagues, I am inserting the text of H.R. 3631 into the RECORD for their review.

H.R. 3631

A bill to amend part A of title XVIII of the Social Security Act to limit the increase in the inpatient hospital deductible and extended services coinsurance amount for 1986

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MEDICARE INPATIENT HOSPITAL DEDUCTIBLE AND EXTENDED SERVICES COINSURANCE AMOUNT.

(a) SETTING INPATIENT HOSPITAL DEDUCTIBLE AT $412 FOR 1986.—Section 1813(b) of the Social Security Act (42 U.S.C. 1395e(b)(2)) is amended—

(1) in paragraph (1), by striking out "shall be $40 in the case of any spell of illness beginning before 1969" and inserting in lieu thereof "shall be $412 for 1986";

(2) in the first sentence of paragraph (2), by striking out "1968" and inserting in lieu thereof "1986"; and

(3) in the second sentence of paragraph (2)—

(A) by striking out "$45" and inserting in lieu thereof "$412", and

(B) by striking out "1966" and inserting in lieu thereof "1984".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to—

(1) inpatient hospital services furnished during a spell of illness beginning on or after January 1, 1986,

(2) to extended care services furnished on or after January 1, 1986, and

(3) to monthly premiums under section 1818 of the Social Security Act for months beginning with January 1986.

SEC. 2. INCREASE IN FEDERAL EXCISE TAX ON CIGARETTES AND APPLICATION OF INCREASE TO FEDERAL HOSPITAL INSURANCE TRUST FUND.

(a) INCREASE IN CIGARETTE TAXES.—Section 5701 of the Internal Revenue Code of 1954 (relating to the imposition of tax on cigarettes) is amended—

(1) by adding at the end of subsection (b) the following new paragraph:

"(3) ADDITIONAL TAXES.—In addition to the rates under paragraphs (1) and (2) and subject to subsection (f)—

"(A) SMALL CIGARETTES.—On cigarettes, weighing not more than 3 pounds per thousand, $4 per thousand.

"(B) LARGE CIGARETTES.—On cigarettes, weighing more than 3 pounds per thousand, $8.40; except that, if more than 6½ inches in length, they shall be taxable at the rate prescribed for cigarettes weighing not more than 3 pounds per thousand, counting each 2¾ inches, or fraction thereof, of the length of each as one cigarette."; and

(2) by adding at the end thereof the following new subsection:

"(f) COST-OF-LIVING ADJUSTMENTS IN RATE OF ADDITIONAL TAX ON CIGARETTES.—

"(1) IN GENERAL.—In the case of cigarettes removed during a fiscal year after fiscal year 1986, subsection (b)(3) shall be applied by increasing each dollar amount contained therein by the cost-of-living adjustment for such fiscal year.

"(2) COST-OF-LIVING ADJUSTMENT.—For purposes of paragraph (1), the cost-of-living adjustment for any fiscal year is the percentage (if any) by which—

"(A) the CPI for the preceding fiscal year, exceeds

"(B) the CPI for fiscal year 1985.

"(3) CPI FOR FISCAL YEAR.—For purposes of paragraph (2), the CPI for any fiscal year is the average of the Consumer Price Index as of the close of the 12-month period ending on July 31 of such fiscal year.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) CONSUMER PRICE INDEX.—The term 'Consumer Price Index' means the last Consumer Price Index for all urban consumers published by the Department of Labor.

"(B) FISCAL YEAR.—The term 'fiscal year' means the 1-year period ending on September 30 of the calendar year to which such term relates.

"(5) ROUNDING.—Any increase under paragraph (1) shall be rounded to the nearest cent (or if such increase is a multiple of ½ cent, such increase shall be increased to the next highest multiple of 1 cent)."

(b) FLOOR STOCKS.—

(1) IMPOSITION OF TAX.—On cigarettes manufactured in or imported into the United States which are removed before November 15, 1985, and held on such date for sale by any person, there shall be imposed the following taxes:

(A) SMALL CIGARETTES.—On cigarettes, weighing not more than 3 pounds per thousand, $6 per thousand; and

(B) LARGE CIGARETTES.—On cigarettes, weighing more than 3 pounds per thousand, $12.60 per thousand; except that, if more than 6½ inches in length, they shall be taxable at the rate prescribed for cigarettes weighing not more than 3 pounds per thousand, counting each 2¾ inches, or fraction thereof, of the length of each as one cigarette.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—A person holding cigarettes on November 15, 1985, to which any tax imposed by paragraph (1) applies shall be liable for such tax.

(B) METHOD OF PAYMENT.—The tax imposed by paragraph (1) shall be treated as a tax imposed under section 5701 of the Internal Revenue Code of 1954 and shall be due and payable on January 1, 1986, in the same manner as the tax imposed under such section is payable with respect to cigarettes removed on November 15, 1985.

(3) CIGARETTE.—For purposes of this subsection, the term "cigarette" shall have the meaning given to such term by subsection (b) of section 5702 of the Internal Revenue Code of 1954.

(4) EXCEPTION FOR RETAILERS.—The taxes imposed by paragraph (1) shall not apply to the cigarettes in retail stocks held on November 15, 1985, at the place where intended to be sold at retail.

(c) APPLICATION OF ADDITIONAL TAXES TO FEDERAL HOSPITAL INSURANCE TRUST FUND.—Section 1817(a) of the Social Security Act (42 U.S.C. 1395i(a)) is amended—

(1) by striking out "and" at the end of paragraph (1),

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and", and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) the taxes imposed by section 5701(b)(3) of the Internal Revenue Code of 1954.".

(d) EFFECTIVE DATES.—

(1) TAX INCREASE.—The amendments made by subsection (a) shall apply to cigarettes removed after November 14, 1985.

(2) DEPOSIT OF INCREASE INTO TRUST FUND.—The amendments made by subsection (c) shall apply to taxes imposed on cigarettes removed after December 31, 1985.

CONGRESSIONAL SALUTE TO THE HONORABLE FRANK POMBO OF TOTOWA, NJ DISTINGUISHED CITIZEN, ESTEEMED RESTAURATEUR AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. ROE. Mr. Speaker, on Thursday, November 7, residents of my congressional district and the State of New Jersey will join together in testimony to an esteemed restaurateur, distinguished citizen and good friend, the Honorable Frank Pombo of Totowa, NJ, whose birthday celebration commemorating the 60th year of his birth will provide an opportunity for his relatives and many, many friends to express tribute to his lifetime of good works. On this most joyous occasion, they will also commemorate the 20th anniversary of the Bethwood, one of New Jersey's largest and finest catering facilities, which was established, owned, and operated by Frank Pombo for the past two decades. I know

that you and our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations to Frank, his good wife Marilyn; daughters: Sharon and husband Philip Scavone, Cindy and husband Joseph Maraccino; and stepdaughters: Debbie and husband William Calantoni; Karen and husband John Nicoloro on this milestone of achievement in testimony to his standards of excellence in our American way of life.

Mr. Speaker, the pleasure of great personal dedication and always working to the peak of one's ability with sincerity of purpose and determination to fulfill a life's dream—that is the success of the opportunity of America—and the mark of distinction in our society of "the self-made man." The aspirations and success of Frank Pombo in the mainstream of America's food catering industry does, indeed, portray a great American success story.

We are proud to boast that Frank Pombo was born and raised in our great sovereign State of New Jersey. He was one of 12 children of Pasquale and Vincenza Pombo, who emigrated from La Sola Conzolino, a small town near Naples, Italy, at the turn of the century and settled in Totowa, NJ.

Frank became involved in the food service business at an early age learning the trade with his older brother, August Charles Pombo, who established his own restaurant, Casino De Charlz, succeeding to the enterpreneurship of a restaurant that occupied the first floor of the home where the Pombo family resided.

In 1965 Frank Pombo acquired a well-known area restaurant in Totowa, NJ, called "The Old Duck Farm Inn." Coining his sister's name, Elizabeth Eastwood, he selected "The Bethwood" for the name of his restaurant. Within a year he leveled the building that housed his restaurant and constructed a place of beauty and refreshment of Spanish architecture and design. The Bethwood expanded over the past 20 years under his management, flourishing through three major renovations and additions and reaching a staff force that currently totals 250 employees. Frank was in full swing as a leading enterpreneur in the restaurant industry. He describes his hard work in making The Bethwood a success, "a labor of love," as he developed an outstanding venture in food service and a splended impresario catering to the delectable taste buds of this clientele. Frank Pombo has attained excellence and prominence in the quality of his leadership and professional expertise in his field of endeavor which has truly enriched our community, State and Nation.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of life here in America. There is much that can be said of the friendship and goodwill that Frank Pombo has so willingly and abundantly given over these many years that mean so much to the lives of many, many people. As we join together in a birthday celebration of a good friend and commemorate the establishment and founding of a magnificent restaurant, The Bethwood, we do indeed salute a great American, the Honorable Frank Pombo of "The Bethwood of Totowa, NJ."

IMPROPER POLITICAL SOLICITATIONS

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. LOTT. Mr. Speaker, on September 27, 1985, I wrote to the House Committee on Standards of Official Conduct, asking it to reconsider its recent interpretation that the Federal laws against political solicitations of Federal employees and in Federal buildings only apply to "coercive" solicitations. That finding was a part of the committee's report of September 19, 1985, entitled, "Investigation of Alleged Improper Political Solicitation," H. Rept. 99-277, in response to a complaint filed by Representative MCCANDLESS and me.

Mr. Speaker, my request for a reconsideration of the coercion standard on September 27 was accompanied by a lengthy memorandum tracing the legislative history of the applicable Federal statutes, a critique of various other findings of the committee, and an argument that the plain meaning rule of statutory construction should be applied, which in this case means a flat ban on all knowing political solicitations of Federal employees. A copy of my September 27 letter to the ethics committee and arguments from my memorandum can be found in my special order of October 23, printed in the October 24 RECORD at pages H8265-8269.

On October 21, I received a response from the chairman and ranking minority member of the Ethics Committee in which they indicated that the committee was "married" to the Justice Department's interpretation that the laws only apply to coercive solicitations, despite language in last year's ethics manual which states that any solicitation by a member of an employee is illegal.

I consequently wrote to the committee on October 29, asking for an advisory opinion, specifically, whether Members may now solicit congressional employees in their offices for campaign contributions so long as the solicitation is couched in purely noncoercive, voluntary terms. If the committee now thinks such activities are permissible, does the committee think they should be permitted; and, if not, would the committee recommend a House rule change to prohibit them?

Mr. Speaker, it is my firm belief that if we open this door to political solicitations, as the committee's report implies we now may, we are taking a dangerous backward step into the past in which Federal employees were considered fair game for political shakedowns. The authors of the antisolicitation provisions in the Criminal Code realized that without an outright ban on political solicitations of this nature, it would be difficult to draw the line between what was coercive and what was not. As one Senator put it during debate on these provisions:

> The intention is by this bill to remove not only coercive influences but the semblance of them; not only to withhold legal power to exact but to withhold the use of official place which may be treated as an exaction.

Mr. Speaker, it is my fear that the Ethics Committee's recent marriage to the Justice Department's threshold for prosecution significantly lowers the standards of official conduct for Members of Congress. Members should not be permitted to knowingly solicit congressional or other Federal employees as a class, especially in their offices. The so-called "coercion" standard is difficult if not impossible to define, let alone enforce, short of a blatant threat of job loss for failure to contribute. We must and should have and enforce higher standards of conduct for our Members.

At this point in the RECORD, Mr. Speaker, I include my recent exchange of correspondence with the Ethics Committee.

The letters follow:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT,
Washington, DC, October 21, 1985.

Hon. TRENT LOTT,
U.S. House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR COLLEAGUE: The Committee is in receipt of your letter and memorandum of September 27, 1985. We thank you for the complimentary comments contained therein.

In regard to your "appeal" to the Committee that it reconsider its conclusion that coercion is a necessary element in the establishment of a violation of either 18 U.S.C. 602 or 18 U.S.C. 607, please be assured that the Committee shares your concern regarding solicitations which do not meet the elemental requirements in order for a prosecution to be undertaken. It is exactly because of this concern that the Committee, with what it believes to be appropriate emphasis, placed all interested persons on notice that such activities come perilously close to constituting a violation of these two provisions, and that any solicitation of Federal employees should be made only in a manner which will "avoid questions being raised with regard to the propriety of such undertakings." See, House Report 99-277, Section VII, at page 21. The Committee does not, however, feel that the complaint warranted creation and imposition of a less stringent elemental standard, vis-a-vis the alleged misconduct, which would somehow place the respondents in violation of the statutes. The Committee is "married" to the judicial and executive interpretations of the law which require coercion as an essential element of improper political solicitations. As you are aware, the complaint only alleges violations of sections 602 and 607. Therefore, the Committee believes that the issues raised therein have been properly disposed of in accordance with the recognized scope of the two statutes.

The Committee appreciates your interest in this matter.

Sincerely,

JULIAN C. DIXON,
Chairman.

FLOYD D. SPENCE,
Ranking Minority Member.

HOUSE OF REPRESENTATIVES,
Washington, DC, October 29, 1985.

Hon. JULIAN C. DIXON,
Chairman, Committee on Standards of Official Conduct, Capitol Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your response of October 21 to my letter and memorandum of September 27 regarding the Committee's report on the political solicitation of House employees (H. Rept. 99-177, Sept. 19, 1985).

I am gratified that the Committee shares my concern about solicitations which do not meet the Justice Department's "coercion" standard for the purposes of prosecution. The basic questions remain, however: How is that concern to be interpreted, and what is to be done about it?

Your letter indicates that "such activities come perilously close to constituting a violation of these two provisions" (18 U.S.C. 602 & 607), and that "any solicitation of Federal employees should be made only in a manner which will 'avoid questions being raised with regard to the propriety of such undertakings.'" But, your letter makes clear that the Committee is now "married" to the interpretation that coercion is "an essential element of improper political solicitations."

This does seem to represent a 180-degree departure from your Committee's House ethics manual in the 98th Congress in which it is unequivocally stated that—

"Members of Congress, candidates for Congress, and Federal employees are now specifically prohibited by provisions of Federal criminal law from soliciting political contributions from Federal employees, including employees of the House of Representatives." (p. 123)

While the manual does go on to indicate that these provisions were enacted to "prevent employees from being subject to any form of political assessment," and to protect employees "who by their employment and position may be subject to coercion," this is a far cry from saying that the provisions only prohibit coercive solicitations. As I point out in my memorandum on the legislative history behind these provisions, the proponents felt a flat ban on solicitations was the only way to avoid the potential for corruption and the evil of coercive shakedowns.

And yet, under the Committee's most recent interpretation, there must be the "intent or perception to coerce Federal employees," for without such "evidence of 'victimization'," the mere fact of solicitations being distributed in Federal buildings, without coercion, is insufficient for application of 18 U.S.C. 607" (Committee Report, p. 21). In short, either the solicitor or solicitation must evidence the intent to coerce by admission or on their face, or the person being solicited must prove "victimization," that is, that he felt coerced into giving. I think you will agree that, short of a blatant, mandatory and threatening shakedown, almost everything else will fall outside the net of your criteria.

Because your Committee rules apparently do not permit the formal reconsideration of an interpretation, I would like to formally request an advisory opinion pursuant to your responsibilities under House Rule X, clause 4(e)(1)(D). My question regarding the general propriety of proposed conduct is this: "Would it be permitted, under Federal laws and House rules and standards, for this Member to knowingly solicit political contributions from congressional staff (other than his own) in their offices, provided the solicitation is couched in purely non-coercive, voluntary terms?"

If the Committee's answer is, "Yes, such activities are now permissible under Federal law and House rules," I would be interested in knowing whether the committee thinks such activities should be permitted, and, if not, whether it would recommend a rules change to prohibit them in the future. I would be happy to join in cosponsoring such a change.

Sincerely yours,

TRENT LOTT.

THE DAILY RECORD ON PROTECTING THE JERSEY SHORE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. COURTER. Mr. Speaker, on May 4, 1985, the Environmental Protection Agency [EPA] designated a waste disposal site approximately 115 nautical miles from the New Jersey coast for the dumping of sewage sludge. In September, Massachusetts, faced with a court order to cleanup Boston Harbor, decided to ask EPA for permission to spill its sludge at this site.

I believe that the ocean disposal of treated waste is a practice that should cease, not be expanded. The New Jersey shore has been a dumping ground for others for too long and Massachusetts' proposal is a step backward in New Jersey's efforts to protect its environment, its resources, and its livelihood.

The Federal Government should be seeking alternatives to eliminate the ocean dumping of sewage sludge, not considering new applications that would add to the amount of sewage sludge dumped in the ocean. If Boston succeeds in its request, who is to stop other communities from using this site as well. As the Morristown Daily Record points out in the following excellent editorial, if EPA doesn't sink this idea fast, it can expect a string of applications from similarly affected regions, and it will find difficulty in closing the Pandora's Box once it allows it to be opened.

The editorial from the Daily Record follows:

OPINIONS—IMPROPER BOSTONIANS

The proposal of the city of Boston to dump its sewage in the Atlantic Ocean—at a time when the rest of the East Coast is striving to restrict and eventually eliminate ocean dumping—is abominable enough. That it wants to deposit the material off the New Jersey coast, even 106 miles out at sea, is intolerable.

Granted Bostonians have a problem in disposing of their sludge—doesn't everybody?—but adding to pollution of the sea can hardly be thought of as the proper method of solving it.

Initial feelers about ocean dumping came from the Massachusetts Water Resources Authority last month: It requested federal Environmental Protection Agency approval to barge its sludge from Boston Harbor's island treatment plants to a site 106 miles out, while the authority develops other alternatives for disposing of the material.

New Jerseyans are all to familiar with temporary solutions to sewage problems—witness, for one, the millions of gallons dumped daily at the existing sludge dump site 12 miles off Sandy Hook. And valiant efforts are being concluded to close down that nearby source of pollution of our shores. With success in our grasp—albeit the actual halt to dumping is in the hands of the courts and is still many months in the future—we hardly can be expected to welcome the additional sludge, even 106 miles out.

Initial reaction from EPA spokesmen, and protests from New Jersey officials, are encouraging.

EPA Regional Administrator Christopher Daggett is said to view the 106 mile site as only the "last resort" open to the Bay State's leading city.

Representatives of New Jersey shore communities are particularly vocal in their vows that the state will "stand hard and fast" against allowing other states to dump off the coast; numerous members of the congressional delegation have fired off messages of protest to EPA Administrator Lee Thomas; state Department of Environmental Protection Commissioner Robert E. Hughey has asked the EPA to deny the request, and independent environmentalists are pulling as many strings as they can grasp.

By all that's proper, Bostonians should be the last to wish to abrogate their independence and seek to dump their sewage on a neighbor, thereby adding to ocean and shoreline pollution.

If the EPA doesn't sink this idea fast, it can expect a string of applications from similarly afflicted regions, and it will find difficulty in closing the Pandora's Box once it allows it to be opened.

IN MEMORIAM: LAWRENCE J. O'BRIEN, JR.

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. MANTON. Mr. Speaker, on Sunday, November 3, I lost one of the first friends I had in Washington. Lawrence J. O'Brien, Jr., ended a valiant struggle against cancer.

I first met Larry last year after I announced my candidacy for the Ninth Congressional seat vacated by my predecessor, Geraldine Ferraro. Larry helped me raise needed campaign funds, and he offered me superb political advice.

After I was elected, Larry assisted me in obtaining the one vacant Democratic seat on the Merchant Marine and Fisheries Committee. Larry knew the Committee as well as anyone in town. And with good reason. For three years, Larry served as chief counsel to the committee. During this period, Larry drafted a number of important bills which made their way into law.

After leaving the committee, Larry founded the law firm of Kiernan & O'Brien, which quickly became one of the leading maritime firms in Washington. From his vantage point, Larry was able to offer many members of the committee his

wise counsel and experience. I was fortunate to have been one of the beneficiaries.

Mr. Speaker, Larry served his country with distinction and dignity in Vietnam. As a captain in the U.S. Army, Larry saw extensive combat duty and earned the Bronze Star, the Air Medal, two Army commendations, and Combat Infantryman's Badge. Upon returning to the United States, Larry continued to serve his country in the Army Reserves, where he earned the rank of major.

Mr. Speaker, I know all of my colleagues join me in sending our deepest sympathies to Larry's wife, Melinda, and his daughter, Tara. Although Larry's life was cut short at the age of 38 by this terrible disease, Larry lived life to the fullest. We all mourn Larry's loss today, but we must thank God that Larry crossed our paths and hope that all of us will be blessed with knowing more people like him.

A TRIBUTE TO EVALEE KUNES

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. KOLTER. Mr. Speaker, today I rise to pay tribute to Evalee Kunes. Mrs. Kunes received the Honorary Parent of the Year Award for Parents Day, October 5, 1985, at Geneva College in Beaver Falls. This award was granted to Mrs. Kunes due to her unswerving dedication to her family. Mrs. Kunes raised five of her eight children alone after her husband died. She is also known for her service to her church and community. Timothy Kunes, a junior at Geneva College, nominated his mother for the award. A selection committee chose Mrs. Kunes from a field of nine nominations. The award, a plaque bearing the inscription: "In recognition of your service, dedication, and sacrifice representative of all Geneva College parents on behalf of their children," was presented to Mrs. Kunes during halftime at the Parent's Day football game. I am proud to honor Mrs. Evalee Kunes today before the U.S. House of Representatives.

MESROBIAN ARMENIAN SCHOOL

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. MARTINEZ. Mr. Speaker, I wish today to congratulate the Mesrobian Armenian School of Pico Rivera, CA, on the occasion of its 20th anniversary. The school was founded by members of the Armenian community of the San Gabriel Valley. Descended from immigrants who had been driven from their homeland, these good people wished to preserve their language and culture while preparing their children to pursue the full benefits of American life.

Their dream has been realized, and the Mesrobian Armenian School has grown and served its students well during the past two decades. Starting with 80 students in 1965, the school has expanded to enroll 520 students currently. It graduated its first high school class in 1975, and it has graduated 300 students since then. Many of its graduates have attended college and returned to make significant contributions to their communities.

American education is characterized by no single thing more than its diversity. From the one-room schoolhouse of the 19th century rural community to the huge public university of today; from the inner-city public school coping with the problems of social and economic hardship to the parochial school seeking to teach religious values as well as secular knowledge—in a multitude of forms, American schools have sought to train our children to be the workers and citizens and leaders of each successive generation. The Mesrobian Armenian School occupies a proud place in this diverse universe of American schools. Its administration and teachers have helped preserve the Armenian heritage and enrich the lives of their students. I wish the staff and students of the Mesrobian Armenian School continued success as it enters its third decade.

CONGRESSMAN GEORGE MILLER SALUTES CONTRA COSTA PIC

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. MILLER of California. Mr. Speaker, I am very proud to call the attention of the House to the commendation recently awarded to the Private Industry Council [PIC] of Contra Costa County.

Contra Costa's PIC received one of 14 distinguished performance awards from the National Alliance of Business for the Special Education Local Planning Agencies' "On-the-Job Training [OJT] Project" for handicapped youth. This unique project brings members of the local business community into our high schools to work closely with special education teachers in order to help students develop skills and contacts to enable them to move into private sector, unsubsidized employment.

Working together in this project are employers, as well as educators, business leaders, union representatives, agencies which serve the disabled and employment specialists. In particular, I want to commend the three special education local planning districts [SELPA's] and the county's school districts with secondary schools, all of which participated in this outstanding program.

The young people who participate are 16-21 year old high school students in special education programs. About one-third of the participants have severe learning disabilities, while others have orthopedic, visual, hearing, or other impairments.

As one in this House who has had a very close involvement in special education and rehabilitation laws, I appreciate how significant an effort it is to promote economic self-sufficiency for the disabled. Between 50 and 80 percent of disabled adults are unemployed—many because they have been denied adequate education, training, and employment opportunities. Many of those who hold jobs work at substandard wages and often under unpleasant conditions.

The success of the OJT program speaks for itself. Of 82 students in Contra Costa who participated, 59 were hired at the end of the OJP period, working in the food service, clerical, and retail businesses. The program cost per job placement was less than $3,000. I am delighted that the OJT project is once again being funded this year.

I want to salute Art Miner, the executive director of Contra Costa's PIC, and William Sharkey, who chairs the county effort. I also want to congratulate the 80 employers and other supporters who made this program work by underwriting its creation and by hiring its participants.

And I also want to congratulate the young men and women who are the main beneficiaries of this outstanding program. Their persistence and desire to live life fully and independently is an inspiration to all of us who have recognized the great, untapped potential in so many of our fellow Americans.

The success of the OJT Program is further evidence of the cost-effectiveness of investing in young Americans and helping them develop the skills and training they need to be productive citizens.

OPPOSITION TO THE PROPOSED ARMS SALE TO JORDAN

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. GEJDENSON. Mr. Speaker, I rise today to express my opposition to the proposed arms sale to Jordan. While on the face of it, it may seem perfectly logical for the United States to be selling arms to Jordan, a close examination of the true facts reveal a different story.

The Middle East is still in a state of war and this proposed sale threatens Israel's very security. The fact is that Jordan has attacked Israel three times in the past, in 1948, in 1967 and in 1972. Jordan also allowed a unit of the PLO to fight in Lebanon against Israel as recently as 1982. This arms sale can only erode Israel's already precarious position.

To allow this arms sale is to allow a renewed arms race in the Middle East. Israel's security is almost totally dependent on air superiority, since numerically Israel's ground force is no match for Arab forces. To increase Jordan's air weapons will mean that Israel will also have to increase her air weapons. And if Israel has to increase its defense spending, then the United States will be forced to increase its assistance to Israel.

If there is to be an arms sale, it must wait until the first step toward a peace initiative has been achieved. We must not be rewarding Jordan before they have even agreed to sit down at the peace table. In 1978 Congress approved the sale of F-16's to Egypt and Saudi Arabia, but only because there were ongoing peace talks at the time. To reward Jordan without any definite progress on peace is to set a very dangerous precedent.

In actuality, this arms sale is not truly needed. From 1981 to 1983, Jordan imported over $3 billion in arms and spent over $1.1 billion in 1983 alone. This made them the seventh largest arms importer in the world. In contrast, Israel spend only $370 million on arms in 1983 and ranked 26th in arms imports.

And since we can't even begin delivery on these weapons unitl 1988 or 1989, this sale will not be of any immediate help to Jordan in defending its borders from hostile nations. There are other, technical means, whereby we can send clear and solid messages to Syria and other nations that to attack Jordan would lead to serious consequences, without actually supplying Jordan with advanced arms.

Mr. Speaker, there are more effective ways of securing Jordan and showing our support for that nation than through this arms sale. To arm Jordan in this manner is to invite further instability into an already highly volatile region. We are not doing anyone any favors by approving this sale.

HONORING ROY McDONALD

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mrs. LLOYD. Mr. Speaker, on October 14, 1985, Roy McDonald of Chattanooga, TN was awarded the coveted Dorothy Patten "Love of Chattanooga" award.

Roy McDonald is a true American great. If the term "rugged individualist" had not already been phrased, it would have when Mr. McDonald came along. He epitomizes the admirable concepts of personal faith in Jesus Christ, love of country, hard work, meeting challenges head-on, achievement, and then using his accomplishments to help other people.

Roy McDonald was born in the little town of Graysville in the northern end of Hamilton County on November 25, 1901. He remembers the time when it was an overnight trip by wagon with this father to get to Chattanooga. He grew up in Chattanooga, helping his father in a family grocery store and carrying a newspaper route. Both of these activities were to play a large part in his life.

From a 70-store grocery chain, which he developed, sprang a newspaper originally called the Chattanooga Free Press. The paper became a daily in August of 1936. Roy McDonald is the founder and publisher of today's Chattanooga News-Free Press, the community's largest newspaper.

The attributes that made Roy McDonald successful in business were also beneficial in his service to this fellow man. Active in many civic causes, his love for Chattanooga has been evidenced for more than eight decades. For example, he has headed the Chamber of Commerce, led the Community Chest Drive and was chairman of the board of Erlanger Hospital for more than 20 years. Roy McDonald is credited with bringing prepaid medical insurance to the community through Blue Cross-Blue Shield of Tennessee.

A man who has little interest in material things, he is happiest when facing a challenge and when serving quietly and humbly. Always an optimist, always eager to forge ahead to bigger and better things, he has been outstanding among the leaders and the servants of the Chattanooga community and its people.

This award is presented only to those people who have distinguished themselves in long-time community service and professional activities and by contributing to the enrichment and development of the community apart from the person's business or professional life. I applaud the choice of Roy McDonald as this year's recipient.

A TRIBUTE TO DR. AARON CAPLAN

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. KOLTER. Mr. Speaker, today I rise to salute a constituent of the Fourth District of Pennsylvania, Dr. Aaron Caplan.

Dr. Caplan is being honored by American Legion Post 157 for his exemplary work as a physician for 50 years and for the his valor as a combat doctor in World War II. Mr. Speaker, I would like to share some information about Dr. Caplan with our colleagues.

Dr. Caplan graduated from Lincoln High School in 1926. He went on to attend Geneva College in Beaver Falls in 1928 and 1929, concluding his undergraduate work at the University of Pennsylvania in 1930. In pursuit of his lifelong dream to be a physician, Aaron Caplan traveled to Scotland where he studied medicine at the University of Glasgow Medical School. After graduating with his degree in medicine in 1935, Dr. Caplan returned to Pennsylvania. He interned at Passavant Hospital in Pittsburgh for 1 year after which he returned home to Ellwood City to open his private practice. The doctor's office on the second floor at 523 Lawrence Avenue, which was opened in 1936 has proudly remained the workplace for Dr. Caplan for the past 50 years. Only once was the practice of medicine interrupted at this location. From April 1941 to December 1945 Dr. Caplan left the community and his practice to serve his country in the Army Medical Corps. A major in the 29th Division Artillery, Dr. Caplan served in Normandy, France and was involved in D-Day. His efforts earned him the Bronze Star with oak leaf cluster for meritorious achievements.

Dr. Caplan's dedication to this community extends beyond his vocation. In 1967 he was honored by the Jaycees for the Senior Citizens Distinguished Service Award. That same year he held the position of chairman of the Ellwood City borough's diamond jubilee. He was active in the establishment of a blood bank program for the city, was president of the chamber of commerce in 1965 and was the president of the Ellwood City Hospital medical staff. He is a charter member of the Ellwood City Lions Club. The list of Dr. Caplan's civic accomplishments and organization memberships is virtually endless. Suffice it to say that Dr. Caplan is a man of action who has played an integral part in making Ellwood City a safer, healthier place to live over the course of the past 50 years.

In spite of bouts with illness over the past 5 years, Dr. Caplan has continued to service the community diligently, decreasing his workload by a mere hour each day. This man of strength has no immediate plans for retirement since his concern for his patients overrides his desire for relaxation.

Mr. Speaker, I ask that you join American Legion Post 157, his wife Anne, and their three children, Harvey, Barbara Azizio, and Rebekah in honoring Dr. Aaron Caplan.

CONGRESSIONAL CALL TO CONSCIENCE

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. BOSCO. Mr. Speaker, I rise today to add my voice to those of my colleagues who are protesting the continued persecution and mistreatment of Soviet Jews. As a participant in the Congressional Call to Conscience, I would like to bring to my colleagues attention the plight of a young refusnik that I have adopted.

Pavel Astrakhan was born in 1955 and first applied to emigrate in 1978. He was refused permission to do so on the grounds that he "choose to emigrate without his elderly parents, thus breaking up a family." Although Pavel is an English teacher/translator by profession, he is unable to find work. Thus, he devotes a great deal of his time to studying the Torah and helping other Jews process their applications for emigration. Pavel is also involved in religious seminars which take place unofficially and are attended by refusniks and nonrefusniks. As many as 100 people have attended these seminars at one time; however, a tourist has reported that attendance has begun to drop off because of KGB raids on the homes where seminars are held. Pavel lives in Leningrad with his wife Sonya and their two-year-old daughter Ruth. In 1984, the family received an invitation and began the long procedure of resubmitting their emigration papers once

again. Unfortunately, on July 12, of this year, Pavel received notice that they had once again been refused the right to emigrate.

Mr. Speaker, every day 2 to 3 million Jews residing in the Soviet Union are denied the basic freedom of religious expression and experience routine discrimination in education, social life, and employment. Physical abuse, unlawful property searches, and arrests on trumped up charges are not uncommon. Anti-Semitism is officially endorsed and propagated. While the practice of the Jewish religion and culture is prohibited, Jews are also denied the right to emigrate. Pavel Astrakhan and his family are just one example of the plight of thousands of Soviet Jews striving to free themselves from religious persecution.

It is my hope that when President Reagan meets with the Soviet Secretary General Gorbachev in Geneva this month, that the issue of human rights, especially for Soviet Jews, will be among the top items to be discussed. We in the Congress and the American people must insist that immediate action be taken to ensure that the Soviet Government comply with the Helsinki accords. We must continue to focus attention on the issue of Soviet Jewry so that one day soon individuals like Pavel Astrakhan may be granted the right to worship free from the threat of reprisal.

BRUIN/TROJAN SUPERSTAR CLASSIC 10TH ANNIVERSARY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. DORNAN of California. Mr. Speaker, I rise today to pay tribute to a group of athletes in southern California who will soon resume an old rivalry for a worthy cause when they play softball against one another in the Bruin and Trojan Superstar Classic.

The Bruin and Trojan Superstar Classic was conceived some 10 years ago by a group of community leaders seeking a way to unite traditional rivals UCLA and USC in an event that would benefit the pediatric programs serving special children at both schools. The special children are the handicapped and chronically or terminally ill children.

Little did this group of leading business and civil volunteers know that their dream would turn into an annual event that will soon celebrate its 10th anniversary. I understand that plans are already being finalized for the Big 10th, which will be held on May 31, 1986, at UCLA's Jackie Robinson Stadium. It should be a marvelous day for the players, the fans, and most importantly the special children.

This effort is in large part made possible by the commitment of an enthusiastic and energetic committee under the direction of Superstar Classic President Bob Goetz and Vice President Marc Franz. Mr. Goetz and the dedicated executive committee and board of directors given countless hours of their time in organizing this event. And although they don't receive the attention the players do, without their enthusiasm and plain hard work the game would not be possible.

The players too are to be highly commended. As I look down the list of prior participants, I see the names of some of the finest football players ever to come to come out of these two schools, such as: Marcus Allen, Pat Haden, and O.J. Simpson of USC; and Mark Harmon, Freeman McNeil, and Wendall Tyler of UCLA.

Mr. Speaker, I ask that the player roster of the Bruin/Trojan Superstar Classic be admitted in the RECORD as we may pay tribute to these outstanding athletes.

If nothing else, the Bruin and Trojan Superstar Classic clearly illustrates that when we give of ourselves for a worthy cause, we are all winners. I would therefore urge my colleagues and the citizens of our great country, especially those in southern California, to join with the other Superstar Classic supporters, President Ronald Reagan, Los Angeles Mayor Tom Bradley, and head coaches from the two schools, Dr. Jerry Buss, and leading California corporate sponsors, in supporting this tremendous initiative and to help make the Big 10th the best year yet.

Let's do it for the children.

BRUIN AND TROJAN SUPERSTAR CLASSIC PLAYER LIST

UCLA

Larry Agajanian, Kermit Alexander, Kurt Altenberg, Norm Anderson, Foster Anderson, David Baran, Terry DeBay, Peter Boermeister, Steve Bono, Jim Brown.

Theodis Brown, Paul Cameron, Randy Cross, Dave Dalby, Peter Dalis, Jeff Dankworth, Ron Debose, Terry Donahue, Charles Doud, Dennis Dummit.

Ken Easley, Keith Eck, Oscar Edwards, George Farmer, Tom Fears, Robert Ferrier, Cliff Frazier, Bob Geddes, Mark Harmon, Ron Hull.

Jerry Jaso, Kermit Johnson, Ed Kezirian, Vic Lepisto, Don Manning, Frank Manumaleuna, Michael Martinez, James McAlister, Patrick Marty, Freeman McNeil.

Rev. Donn D. Moomaw, Max Montoya, Dennis Murphy, Byron Nelson, Tim Oesterling, James Owens, Bob Pifferini, Rick Purdy, Severn Reece, John Richardson.

Nelson Rising, Jerry Robinson, Jim Salsbury, John Sciarra, Rob Scribner, Bob Smith, Frank Stephens, Bob Stiles, John Tautolo, Terry Tautolo.

Greg Taylor, Wendell Tyler, Rick Walker, Tim Wrightman.

USC

Marcus Allen, Chuck Arrobio, Bill Bain, Art Battle, George Bozanic, Willie Brown, Brad Budde, Raymond Butler, Mario Celotto, Jay Chaplain.

Bob Chandler, Leon Clarke, Marvin Cobb, Al Cowlings, Sam Cunningham, Mario Da RE, Anthony Davis, Clarence Davis, Sam Dickerson, Dave Farmer.

Craig Fertig, Jeff Fisher, Chris Foote, Mike Garrett, Frank Hall, Pat Haden, Rob Hertel, Hudson Houck, Fred Hill, Marv Goux.

Dennis Johnson, Rex Johnston, Bob Klein, Myron Lapka, Tony Linehan, Ronnie Lott, Rod Martin, Earl McCullouch, Mike McGee, Marlin McKeever.

Rod McNeill, Bruce Matthews, Clay Matthews, Ron Mix, Manfred Moore, Pat Morris, Don Mosebar, Anthony Munoz, Richard Perry, Bob Peviani.

Danny Reece, Steve Riley, C.R. Roberts, Rod Sherman, O.J. Simpson, Dennis Smith, Lynn Swann, Calvin Sweeney, Mosi Tatupu.

Dennis Thurman, Ted Tollner, Charles White, Ron Yary, Charlie Young.

PERSONAL EXPLANATION

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. BARNES. Mr. Speaker, I was unable to be present for two votes on Friday, November 1, and would like to use this opportunity to indicate my position on them.

On rollcall No. 389, passage of H.R. 3669, to prevent disinvestment of the Social Security Trust Fund, I would have voted "yea."

On rollcall No. 390, adjournment of the House, I would have voted "yea."

TRADITIONAL PRINCIPLES IMPORTANT TO ETHNIC AMERICANS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. LIPINSKI. Mr. Speaker, I rise this afternoon to bring to the attention of my colleagues, a speech which I gave before the Polish American Congress in Chicago on October 12, 1985. While I was speaking from the perspective of co-chairman of the Council on Ethnic Americans of the Democratic National Committee, I believe that the observations which I made are important enough to be brought to this body, regardless of political affiliation. America was founded on great traditional principles and I believe it is appropriate that we reexamine these principles; especially as we get close to our national day of Thanksgiving.

SPEECH BEFORE POLISH AMERICAN CONGRESS

It is indeed an honor and a privilege to be here this evening to address the Polish American Congress. Your efforts on behalf of the Polish community are truly noteworthy and I commend each and everyone of you.

America's strength as a world leader can easily be attributed to her diverse and talented people. From her birth, America—this land of opportunity has been a haven, a promise and a dream. Men and women have come to our shores to escape poverty and repression. They have come to seek work, to seek liberty, to seek justice and equality, and to build a future of hope for themselves and their families.

For all of our ancestors who came from every nation on earth, the American dream is as much theirs as it is ours. It is as much yours as it is mine.

You, who are members of the Polish American Conference, have a rich and vibrant heritage whose values and accomplishments have contributed significantly to the development of this country.

By any measurements, you can congratulate yourselves on the many successes you have achieved to date. However, the question I wish to specifically address this evening is how Ethnic Americans can enhance their voice in the American political process.

As you may be aware of, I was recently appointed co-chairman of a National Democratic Advisory Committee on Ethnic Americans.

Before I go any further, let me define what I mean by Ethnic Americans. I mean the middle class, blue collar, white collar workers and small business people of the following ethnic backgrounds: Lithuanian, Italian, Polish, Irish, German, Croation, Ukrainian, Armenian, Bohemian, and other Eastern and Southern European descents.

There is no question in my mind, and the facts bear it out, that since the mid-1960's, Ethnic Americans have been drifting away from the Democratic Party and the political process in presidential, gubernatorial and senatorial elections.

Undoubtedly, Ethnic Americans can play a significant role in upcoming elections, however, this will only be accomplished if both major parties become more cognizant of various ethnic concerns.

Last year the Democratic party's council on Ethnic Americans held hearings across the country in cities with large ethnic populations. As a result of their testimony, the council proposed an Ethnic American plank in the Democratic Party platform calling for an end to discrimination and ethnic stereotyping. As you know, this plank was approved at the convention in San Francisco and is now incorporated into Democratic Party policy.

But this is certainly only the beginning. The task of the Democratic Party is not yet complete although the party is going through a period of reassessment, we cannot turn our backs on the principles which have been our traditional strength. We cannot abandon the small, but highly Democratic groups because to do so would be to abandon the values that make us Democrats. To do so would be tantamount to abandoning our souls. But we must expand our horizons and broaden our appeal.

To retain its vitality, the Democratic Party must continue to work with all ethnic groups while maintaining as its underpinning, those principles which give our party strength—the hopes and aspirations that we know as the American dream.

How can we encourage and persuade Ethnic Americans to strengthen their collective voice in the political process? There are a number of ways to achieve this objective. The first step obviously will be for American political leaders to address issues of special concern to Ethnic Americans.

Some of these issues which continue to inflame the hearts of ethnic voters include national defense, abortion, student loans, school prayer, reverse discrimination and tuition tax credits.

Ethnic Americans are proud to be Americans but feel that they no longer have control over their lives and principles of thrift, hard work, and self-reliance are no longer respected. More importantly, Ethnic Americans honestly believe that the cherished values and traditions, which have been the backbone and foundation of this country, have been forgotten.

Ethnics were told that if they worked hard, studied hard, and abided by the law, they would be rewarded. Now, our courts exercise an unfair amount of control over promotions, hiring, housing, health and education. Ethnics are upset by the apparent substitution of race and gender for what they were taught was merit. Ethnic Americans feel a sense of bitterness when they are denied job opportunities or promotions because of government enforced affirmative action programs.

In addition, we, in the Democratic Party, must realize that Ethnic Americans have only been on the fringe of benefits promoted by our party over the years and, therefore, justifiably feel discriminated against as do other minorities, though without any compensatory consideration.

I am pleased to announce, however, that just this past week the House of Representatives approved legislation which, among other things, calls for a study of whether the Federal government's hiring and promotion practices are consistent with the applicable provisions of law prohibiting discrimination on the basis of sex, race, or national origin. An amendment to this legislation which I introduced and which is now incorporated in the bill re-defined the term "National Origin", to include individuals of all ethnic backgrounds that have historically suffered discrimination such as those with Italian, Polish, German, Irish, Lithuanian, Ukranian, Yugoslavian, Czechoslovakian or other ethnic backgrounds.

What is noteworthy here is that we finally have an official recognition and concern for persons of different ethnic backgrounds. Ethnic Americans represent the main stream of our great country and for too long they have been taken for granted. Their interest's have been badly neglected expecially at the Federal level.

Individuals of different ethnic backgrounds must no longer be overlooked. This effort on behalf of Ethnic Americans was only the beginning of a movement to ensure further recognition of their concerns.

Additionally, I would urge each and everyone of you to become more active in the DNC's council on Ethnic Americans. This National Forum has already had a significant impact on the Democrat's Party platform and policies and has also inspired the Republican Party to become more in tune with ethnic concerns.

These, like all aspects of American society, are parts of a process. I will continue to listen to your concerns and facilitate your participation in the process.

We, in the Democratic Party, must continue to develop cohesive programs that will remove the political isolation that many Ethnic Americans feel today, and again instill within us all a sense of security, dignity and pride.

Let us together continue to nurture and build that American dream.

Thank you.

POLITICS GETTING IN THE WAY OF POLICY

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. MILLER of Ohio. Mr. Speaker, the political drum beating is getting louder as the debate builds over the unresolved budget reduction provisions attached to the debt limitation legislation.

The majority Members of the House of Representatives, thinking they have happened on to a major political issue of benefit to their party, are unloading their criticism on the administration for permitting the disinvestment of the major federally administered retirement trust funds. They have gone so far as to schedule a hearing to call public attention to the administration's actions in this regard, the end product of which will be the sounding of an unwarranted alarm to our Nation's senior citizens that their future benefits are needlessly being jeopardized by an administration more concerned with its own financial priorities than with our Nation's retirees.

Supporters of reduced Federal spending and of the need for establishing a legislative vehicle that would mandate a balanced budget in the years ahead, feel that many Members of the majority party in the House are purposely distorting the debt ceiling/disinvestment issue and are sitting on their hands letting the situation unnecessarily worsen so that they in turn can accomplish the own political ends.

If this were a case in court, the evidence of their shenanigans would be there for all in the jury to see, but unfortunately this is a case that will be tried in the media and in our Nation's election precincts. It will be aired in the context of political partisanship rather than in the context of a policy debate as it should be.

One only has to look at the recent developments in Congress to see who the heavies are. On Friday the House passed a temporary extension of the debt ceiling, an action which I supported and one which would have precluded any need to go forward with the disinvestment of federally administered retirement trust funds. However, it then voted to adjourn before the Senate could take commensurate action.

So much for getting the bill to the White House in time to eliminate the need for going forward with disinvestment. One can't help but conclude that the majority party in the House of Representatives is more interested in pursuing its political objectives than the policy objective of a more balanced Federal budget, a position that is shared by the vast majority of Americans these Members have been elected to represent.

THE RETIREMENT OF MAJ. GEN. JAMES W. TAYLOR

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. MATSUI. Mr. Speaker, I rise today to bring to the attention of the House of Representatives the retirement of Maj. Gen. James W. Taylor. The general, whose activism and meritorious achievements span both the civilian and military areas, was honored on November 2, 1985, as part of the Individual Mobilization Augmentee

Conference for Northern California Air Force Reservists. The tribute took place at McClellan Air Force Base in Sacramento.

General Taylor is mobilization assistant to the commander, Air Force Logistics Command at Wright Patterson Air Force Base in Ohio. His many military decorations and awards include the Air Force Commendation Medal, American Defense Service Medal, Air Force Longevity Service Award Ribbon, Armed Forces Reserve Medal with hourglass device and Small Arms Expert Marksmanship Ribbon. In 1974, General Taylor was selected as Reservist of the Year.

In his civilian capacity, General Taylor is president of three organizations: Potter, Taylor & Co., Inc., a real estate and development firm; Potter Investment Co.; and McMicking-Potter Development Corp. He is also on the advisory board of the River City Bank.

The general's civic affiliations have included past president and vice president for metropolitan development, Sacramento Metropolitan Chamber of Commerce; president of Chapter 51, Reserve Officers Association; vice president of Chapter 116, Air Force Association; member of the board of directors and chairman of the Industrial Commercial Division, Sacramento Board of Realtors; member of the board of directors, Sacramento Area Commerce and Trade Organization; advisory board, Volunteers of America; advisory board, Tuberculosis and Health Association; Sacramento Rotary Club; Sutter Club; board of directors, Comstock Club and Society of Logistics Engineers.

Mr Speaker, on behalf of the people of Sacramento and McClellan Air Force Base; I want to commend General Taylor on his illustrious career spanning over three decades and thank him for his dedication and outstanding service to the people of the United States of America.

THE REPRESSION OF JEWS IN THE SOVIET UNION

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. DAUB. Mr. Speaker, for the Soviet Jew, 1984 lived up to George Orwell's grisly prediction of state repression. In all of that year, only 896 Soviet Jews were permitted to leave the Soviet Union. This is 896 out of the more than 350,000 who requested permission to leave.

The fact that 350,000 out of a total population of the 3 million Jews in that country willingly faced the increased persecution leveled at all who ask to leave, demonstrates the grave circumstances under which these people live.

The entire cultural life of the Jewish community is imperiled. Slanderous, persistent, anti-Semitic rhetoric oozes daily out of what the Soviet Union calls a press. This vindictive infects the air inciting systematic persecution. Even the teaching of Hebrew now brings 7 years of hard labor in a Soviet gulag.

Of course the Jewish population is not alone in activism for greater personal and cultural freedoms. Minimal, even token, expressions of freedom by the rest of the Soviet concerned citizenry is ruthlessly suppressed. The "treatment" for such activities is liberal doses of gulag and psychiatric hospitals.

The Soviet Union signed the Final Act of the 1975 Conference on Security and Cooperation in Europe, known as the Helsinki accords. That document guarantees basic freedoms including the right to practice religion and even emigrate. The Soviet Union, particularly in the case of Soviet Jews, has systematically violated both the letter and spirit of this agreement.

It has been said that the Helsinki accords, if observed by the signators, would be the greatest peace agreement of all time. Andrei Sakharov, the only Russian to be awarded the Nobel Peace Prize, warned that his government's failure to observe human rights is directly related to Soviet conduct in its external affairs.

Without compliance to the provisions of the Helsinki accords, voices of moderation in both internal and external affairs are silenced. These voices can have an impact on the Soviet Government. Witness the successful pressure Sakharov brought to bear on Khruschev to accept President Kennedy's Nuclear Test Ban Treaty.

We have a right, and indeed an obligation, to insist on Soviet compliance with the provisions of this document. Since being elected to Congress, I along with a number of my colleagues in Congress have continuously written Soviet officials about the plight of Soviet Jews, especially refuseniks. We urge compliance with this agreement. This pressure will continue.

We in the West have a moral obligation to work for easing Soviet repression of Jews and other minorities in that country. This obligation springs from a humanitarian commitment rooted in our cultural and political heritage. This commitment finds its expression in a desire to relieve suffering and see the human spirit flourish rather than languish.

It must also be remembered that we have a direct interest in seeing the lot of the Soviet Jew improve. Soviet actions against its own citizens are an indication of what to expect of its behavior in the international arena. The more responsible the Soviets become at home, the more responsible they will be abroad. This is the lesson from Sakharov and what is meant by the statement that the Helsinki accords could be the greatest peace document of all time.

It is for all these reasons that I have written to the President urging that he raise the issue of Jewish emigration with Soviet leader Mikhail Gorbachev in their meeting later this month. The United States has a unique opportunity to help end Soviet repression of a minority which has sadly continued for hundreds of years.

IN HONOR OF JUDGE GIBBENS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. DORNAN of California. Mr. Speaker, I was extremely saddened to learn recently of the death of Santa Monica Municipal Court Judge W. Blair Gibbens.

Judge Gibbens was a truly great man whose life touched literally thousands of people. He was a driving force in developing many of the charitable and legal organizations still in existence in Santa Monica. Moreover, he encouraged many of his legal clients to bequest literally hundreds of thousands of dollars to the Crippled Children's Hospital of Los Angeles.

But the judge is probably best remembered as the "Traffic Judge," a nickname he earned for meting out unusual punishments for routine traffic violations. During his tenure as judge, from 1961 to 1970, newspapers throughout America, indeed the world, headlined stories on his imaginative and effective penalties.

For instance, the judge would sentence motorists cited for running stop signs to stand guard at crosswalks for children and ordering offenders to display "Traffic Violator, Santa Monica Municipal Court" bumper stickers on their cars. He even had a flower draped coffin wheeled into his courtroom, which he tapped while meting out sentences. In short, he was a good man who used his position to advance many worthy values.

The judge is survived by two daughters and seven grandchildren, some of whom I am well acquainted. And after recently becoming a grandfather for the fourth time, I can tell you with certainty that the judge died a wealthy man.

In my view, the best one can hope to accomplish in life is to make a difference. The very Honorable Judge W. Blair Gibbens made a big difference in the lives of countless people, and for that we owe him our eternal gratitude and for that we pay him tribute here today.

THE EMMANUEL CANCER FOUNDATION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. COURTER. Mr. Speaker, I rise to commend the Emmanuel Cancer Foundation for Children and Their Families, and its founders, Joseph and Susan Vizzoni. In 1981, the Vizzonis of Summit, NJ, lost their only son, 7-year-old Emmanuel, to cancer. It is in his memory that they started the foundation whose aims are to increase the quality and availability of pediatric cancer and counseling services in New Jersey.

The costs of cancer to our society are staggering. The social and economic impli-

cations of cancer for the victims and for society as a whole are pain, suffering, disability; millions of years of life lost; and tremendous amounts of human and economic resources devoted to detection, prevention, and treatment.

The social costs—personal catastrophies that cancer brings to individual victims and their families—will never be fully measured. Yet the economic costs of cancer have to some extent been assessed, and the numbers are significant.

For example, the National Center for Health Statistics did a study in 1980 which showed that the comprehensive medical costs for Americans with cancer were $10.8 billion. When one considers the 20-percent annual inflation rate for medical care, it is quite likely that this $10.8 billion figure has almost doubled in the 5 years since that study was completed. Of course, more difficult to measure are the billions of dollars of economic output forgone each year due to lost human resources.

It seems clear to me that the only way to combat this disease which causes so much waste, pain, and grief is through the dedication and simple desire to be of service that is present in the Vizzonis and all who are involved in the Emmanuel Cancer Foundation.

Somehow, Joseph and Susan have managed to turn the tradegy of their son's death into a triumph for other children with cancer. Today, 57 percent of those children can be cured. With the help of the Emmanuel Foundation in New Jersey, and similar organizations across the country, I am confident that cure rate will 1 day be 100 percent.

SATELLITE DISH OWNERS NEED FAIR DEAL

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 5, 1985

Mr. SCHUETTE. Mr. Speaker, on October 29, 1985, Congressman TIM WIRTH, chairman of the Energy and Commerce Subcommittee on Telecommunications, Consumer Protection and Finance, announced that in January hearings on scrambled satellite programs will be held. I am pleased that we will finally address this situation.

I became a cosponsor of both satellite bills currently under consideration in the House because the satellite dish owners in my rural district should have equal access to educational, informational, and entertainment programming. H.R. 1769 and H.R. 1840 would encourage a marketplace resolution to a nationwide crisis that faces all of rural America. With the advent of home satellite Earth stations, a variety of television programming can now be delivered directly into our homes. It is America's rural areas that benefit from this technological development. Without satellite Earth stations, millions of rural Americans, including many from the 10th District of Michigan would be excluded from television programming.

Recently, television program distributors nationwide have announced plans to scramble televisions signals. Some indicate that satellite dish owners will be cutoff from services; some indicate that only they will offer antiscrambling devices. This monopolistic approach will hurt the rural satellite dish owners in mid-Michigan; scrambling cuts off the only access my folks in the district have to television programs. The issue at hand is not payment but fairness. I have talked with many dish owners in the 10th District and they have categorically stated that they do not want a free ride and they are willing to pay, but they don't want to be taken to the cleaners for these services. The two bills in Congress will clarify Federal policies regarding the right to view scrambled satellite programs at reasonable prices, terms, and conditions. Other provisions would be directed to prevent monopolistic control of a satellite viewers' access to programming.

I am committed to fairness in the marketplace. H.R. 1769 and H.R. 1840 will ensure the continued availability of television programming at fair and reasonable prices. Rural viewers cannot be excluded from these services. It is for these reasons that I am working for the passage of these bills.

SENATE—*Wednesday, November 6, 1985*

(Legislative day of Monday, November 4, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, judge of all the Earth, we invoke Thy presence, Thy grace, peace and love upon this body today. Lead the Senate to the integrating force that will bring its collective power into focus on the critical issue now before it. Guide to commonality of purpose which will concentrate the power of 100 to decisive action. Protect against disintegration which fragments the Senate's potential into competing powers which collide, ricochet, and neutralize each other. As the objective is beyond debate, grant the will and the wisdom to realistic means for the desired end. We pray this for Thy namesake and for the sake of the future of this Republic. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each.

Mr. President, I will reserve the minority leader's time, and any time that I do not wish I will reserve.

There are special orders by Senators GLENN, PROXMIRE, and GORTON for not to exceed 15 minutes each; routine morning business not to extend beyond the hour of 11 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

Following routine morning business it will be the intention of the majority leader to turn to the Executive Calendar to consider the nominations of Vance L. Clark; Orson G. Swindle III; Alan Lee Keyes; and Robert K. Dawson.

Then, at about 1 o'clock, we will go back to House Joint Resolution 372, the debt limit extension.

There are a couple of amendments which I believe can be disposed of without rollcall votes. There will be a rollcall vote on final passage of the joint resolution.

Following disposition of that—which should be about 2:30—it is my hope that we can turn to the consideration of H.R. 3327, the military construction appropriations bill.

We also hope to dispose of the House message today on H.R. 505, the veterans' health care amendments, and the nomination of Alex Kozinski, hopefully, under a couple of hours' time agreement, if Senator LEVIN is willing to enter into a time agreement.

So I alert my colleagues that it could be a fairly late evening—not real late—but into the evening, and hopefully we can complete action of these items.

Then on tomorrow, we would be on the civil service retirement bill, hopefully, if we do not have some agreement on reconciliation, and start that process again. The farm bill is a matter of great urgency. But I have indicated we would not move on that if the distinguished ranking Democratic Member, Senator ZORINSKY, prefers that we wait until he is back on Monday.

I have yet to hear from his staff. We are making that inquiry.

That, more or less, is the schedule for the balance of the week.

I reserve the balance of my time.

RECOGNITION OF SENATOR GLENN

The PRESIDING OFFICER (Mr. ARMSTRONG). Under the previous order, the Senator from Ohio [Mr. GLENN], is recognized for not to exceed 15 minutes.

Mr. GLENN. Mr. President, the minority leader, Senator BYRD, indicated that I could have his time this morning, and that he did not need that time. I do not believe I need all of it. But he indicated I could have it if I needed it.

The PRESIDING OFFICER. Without objection, the time of the minority leader will be allocated to the Senator from Ohio [Mr. GLENN].

Mr. GLENN. Thank you, Mr. President.

UNITED STATES-CHINA NUCLEAR AGREEMENT

Mr. GLENN. Mr. President, on July 24, 1985, the President submitted the Agreement for Cooperation between the United States and the People's Republic of China [PRC] to Congress for review. Under the Nuclear Non-Proliferation Act of 1978 [NNPA], as amended, the Congress has 90 days of continuous session to consider the agreement, but if no joint resolution of disapproval is enacted during that period, the agreement goes into effect.

This agreement, the first such with a nuclear weapons state since passage of the NNPA, has been spurred by the prospect of potential gains in our balance of payments if the United States is successful in the competition for China's nuclear business. It is unique in its language which, among other things, does not provide for safeguards—I repeat, does not provide for safeguards—to verify peaceful uses of exported items, and appears to compromise the exercise of statutorily required U.S. consent rights over production of weapons-usable materials by the Chinese from U.S.-origin spent fuel.

I am concerned that the above deficiencies, coupled with certain other ambiguities of language, unless rectified, may foster differing interpretations of the agreement with potentially serious consequences not only for future Sino/American relations, but also for future U.S. effectiveness in the international arena on nonproliferation matters.

Now, Mr. President, before going into the details of the agreement, I would like to say a word about the requirements for new agreements in section 123a of the Nuclear Nonproliferation Act of 1978 [NNPA], an act that I was proud to coauthor. Section 123a was never meant to be an absolute ceiling on the requirements for nuclear cooperation with another country. These were viewed as statutory requirements which might be expanded at the prerogative of the executive branch on a case-by-case basis. Indeed, before we signed an agreement with the Egyptians, we insisted that they become signatories to the Nuclear Nonproliferation Treaty [NPT], which is not required by the NNPA, and we inserted provisions on reprocessing that went far beyond the requirements of the NNPA because we did not feel comfortable with the possibility of any separation of plutonium occurring in the Middle East.

In addition, we need to recognize that times have changed since the passage of the NNPA 7 years ago. At that time there was not the sensitivity to vertical proliferation that exists today, and the discriminatory advantages on nuclear trade given to weapon states over nonweapon states was not as resented then as it is today. So the issue

is not just whether the minimal statutory requirements have been met. To sign an agreement with a weapon state without a safeguards provision in such a worldwide political climate is to wave a red flag in the face of all NPT signatories. The fact that this particular red flag is also the flag of revolution does not make it any better.

Now, I believe all of my colleagues are aware of the administration's argument that China represents a special case—not only because it is a nuclear weapon state—but also because we are trying to provide additional incentives for the People's Republic of China to join the community of nations working against proliferation. But I would argue that in fashioning this particular agreement, we have gone to extraordinary and unnecessary lengths to accommodate the People's Republic of China, and in so doing, we risk seriously undermining and not enhancing our nonproliferation interests.

LACK OF SAFEGUARDS

I would like now to review those provisions of the agreement that I find particularly troubling.

First, and perhaps foremost, the agreement is completely opaque on the question of verifying peaceful uses of items exported to the People's Republic of China by the United States.

Article 5(3) of the agreement states that:

Material, facilities or components transferred pursuant to this agreement and material used in or produced through the use of any material, facility or components so transferred shall not be used for any nuclear explosive device, for research specifically on or development of any nuclear explosive device, or for any military purpose.

But verification of this peaceful use requirement is uncertain. Article 8(2) states that:

The parties recognize that this cooperation in the peaceful uses of nuclear energy is between two nuclear-weapon states and that bilateral safeguards are not required.

A little later on, the paragraph goes on to state that:

(T)he parties will use diplomatic channels to establish mutually acceptable arrangements for exchanges of information and visits to material, facilities and components subject to this agreement.

So the only verification the United States will have of peaceful uses will be through these "visits." There is no standard provided to enlighten anyone as to what would constitute adequate verification, and you may be sure that the People's Republic of China will use the competitive posture of the French and others to pressure our negotiators into not demanding much.

What this means, in essence, is that the Congress is being asked to review favorably an agreement whose full content will be unknown to us until after the agreement goes into effect. I submit that that is a dangerous erosion of congressional prerogatives which were established in the first place because of dissatisfaction with executive branch performance in nonproliferation activities.

If we do not establish appropriate standards of verification, not only do we risk the possibility of substantial crossovers of U.S. exported items from civilian to military activities, but we exacerbate seriously the already strained relationship on nuclear trade matters that exists between nuclear weapon states and nonweapon states. The discrimination built into the international nonproliferation regime, and particularly the NPT, has become a running sore that could ultimately threaten the treaty. The Third NPT Review Conference that recently ended in Geneva is being viewed as a triumph because none threatened to withdraw. But what message do we send to the 125 non-weapon-state signatories to the treaty who are committed to put all their nuclear activities under safeguards, when we sign an agreement on nuclear trade that calls for no safeguards whatsoever on the grounds that the parties are weapon states?

After the NPT went into effect in 1970, it gradually became apparent to the weapon states that their positions were morally and politically indefensible. The gap in safeguards requirements was a factor inducing reluctance on the part of some important industrialized states to sign the NPT. As a result, the United States made a voluntary offer to allow IAEA safeguards on our peaceful nuclear facilities. Such safeguards, including the inspections that are a part of them, are in place now at selected U.S. facilities. Similarly, because of their membership in Euratom and the IAEA/Euratom Agreement, the peaceful nuclear activities of Great Britain and France are subject to safeguards. Even the Soviet Union, as closed a society as exists on Earth, has made a voluntary offer to allow IAEA safeguards on selected facilities inside her territory.

So then, why does the United States/China agreement not call for safeguards? We are told, in the statutorily required Nuclear Proliferation Assessment Statement [NPAS] accompanying the agreement, and prepared by ACDA, that:

(T)he United States did seek Chinese acceptance of IAEA safeguards on U.S. supply under the agreement, but the Chinese adamantly refused.

They refused, and we caved. The Japanese did not cave—their nuclear agreement with the Chinese calls for safeguards; the Argentines did not cave—their nuclear agreement with the People's Republic of China calls for safeguards: the Brazilians did not cave—their nuclear agreement with the People's Republic of China also calls for safeguards. But we caved. The Japanese, the Argentines, the Brazilians get safeguards. We get "visits"—because the Chinese were "adamant."

Mr. President, I do not want to say that our negotiators might not have tried hard enough, but I will point out some revealing information about the People's Republic of China nuclear agreement with Japan. A news article that appeared in the Tokyo Kyodo on July 31, 1985, contained the following passage:

The agreement is the strictest nuclear power pact China has signed to date, requiring China to allow onsite inspection by the International Atomic Energy Agency [IAEA] to ensure that Japanese nuclear technology is used for peaceful purposes only. Japan, as a country which adheres to a strict nonnuclear policy, regards IAEA safeguards as the most important part of the pact. The Chinese were at first reluctant to agree to the inspections, which were finally included in the present agreement, initialed last month in Beijing after a series of six talks that began in September 1983.

So the Japanese did not quit when the Chinese were reluctant to agree to inspections. The Japanese were adamant, and they got what they wanted. But this administration, which prides itself on talking tough to the "Commies," gave in because the "Commies" were adamant.

Can you imagine the President sending up an arms control agreement with the Soviets without any verification provisions because the Soviets were "adamant"?

But that is the equivalent of what we did with the Chinese. No safeguards because they were "adamant."

Well, how adamant are they, really? Here is what Ambassador Kennedy said at a hearing on July 31, 1985, before the House Foreign Affairs Committee, in explaining the provisions of the agreement:

This agreement does not provide for International Atomic Energy Agency safeguards in the PRC * * *. But neither does the agreement foreclose such safeguards, *were China to undertake a voluntary offer with the IAEA as the other nuclear-weapon states have done.* (Emphasis added).

Well, guess what? At the recent IAEA General Conference, the People's Republic of China announced that they, too, would join the other weapons states in making a voluntary offer to allow IAEA safeguards on some of their facilities. This was announced after the signing of the agreements with Japan, Argentina, and Brazil, and therefore suggests they may indeed be prepared to go further than their obligations under those agreements.

Mr. President, of all the arguments that the administration has advanced thus far to defend its failure to put safeguards arrangements into this agreement, the one that irks me the most is contained in the legal memorandum prepared by the executive branch answering claims that the law requires a guaranty of safeguards.

This memorandum says, in part, that we were not under legal obligation to require safeguards, and to back this up, references agreements that we signed 30 years ago that did not contain safeguards. It is just not acceptable to suggest that what might have been acceptable nuclear policy in 1955 is therefore acceptable in 1985. The fact is, there was no IAEA 30 years ago, and this is the first nuclear power agreement we have signed since the IAEA safeguards system became operational in the 1960's that does not contain a safeguards requirement. So the bottomline, Mr. President, is that regardless of the merits of the arguments concerning legal requirements, as a matter of good policy and protection of our national security, I believe the United States should insist that the verification of peaceful uses for any exported items to the People's Republic of China be covered by IAEA safeguards or their equivalent. To do less under these circumstances is to take a 30-year backward leap and to let our nonproliferation policy be dictated by short-term considerations that may cause serious trouble for us later on.

U.S. CONSENT RIGHTS

This brings me to the second area of concern I have regarding this agreement—the exercise of statutorily required U.S. consent rights. The NNPA requires that any new agreement provide the United States with consent rights over various activities, including the further enrichment of U.S.-supplied fuel, the reprocessing of spent fuel of U.S. origin, and the reprocessing of spent-fuel that has passed through a U.S. reactor. That provision was put into the NNPA because nuclear weapons require critical masses of either highly enriched uranium or plutonium in order to explode. Plutonium is formed as uranium fuel fissions, and can be separated out through chemical reprocessing of the spent fuel. Hence, by controlling the further enrichment of any low-enriched fuel we might export, and by controlling reprocessing of any spent fuel, we have effective control over the manufacture of weapons-usable materials, without which no nuclear weapons can be made.

The United States/China Agreement deals with this issue in article 5(2) in language that is so arcane and convoluted it almost defies belief that both sides could agree on its precise interpretation. In essence, article 5(2) says that whenever the People's Republic of China decides it wants to separate plutonium from spent fuel that has emerged from a U.S. reactor.

[T]he parties will promptly hold consultations to agree on a mutually acceptable arrangement. *The Parties undertake the obligation to consider such activities favorably.* (Emphasis added).

Later in the same paragraph, it is explained that during these consultations, the parties:

(W)ill seek agreement within six months on long-term arrangements for such activities,

And that,

If such an arrangement is not agreed upon within that period of time, the parties will promptly consult for the purpose of agreeing on measures which they consider to be consistent with the provisions of the agreement in order to undertake such activities on an interim basis.

Still later, the paragraph states that:

The parties agree that the consultations referred to above will be carried out in a manner to avoid hampering, delay, or undue interference in their respective nuclear programs.

Mr. President, I submit that it would be difficult for any fair-minded person to look at this language and conclude that there was no bias here in favor of Chinese interests on reprocessing or enrichment or any other area involving the exercise of our consent rights. Some people think this language is so biased in that direction that, in essence, we have given up our consent rights. Personally, I do not go that far. But the language does have the potential for creating a serious dispute with the Chinese in the future unless we are certain that the Chinese interpret the language the same way we do. Let me explain this as follows:

In the nuclear proliferation assessment statement [NPAS] of ACDA, on page II-9, the statement appears that:

The Chinese cannot undertake reprocessing, enrichment, or alteration if the United States objects on grounds that such activity "would prejudge the long-term arrangments or adversely affect cooperation."

The quote within the quote is directly from article 5(2).

What is not mentioned in the ACDA analysis is the possibility of the People's Republic of China invoking that part of section 5(2) that I quoted earlier to the effect that there is an obligation on both parties to reach mutual agreement "in a manner to avoid hampering, delay or undue interference in their respective nuclear programs."

The Chinese can also point to a sentence in article 5(2) that I did not quote earlier which says:

Nothing in this article shall be used by either party to inhibit the legitimate development and exploitation of nuclear energy systems for peaceful purposes in accordance with this agreement.

Thus, the question is whether the situation could arise where the United States says "no" to reprocessing, but the Chinese claim we are violating the agreement's requirement that the United States consider such activities favorably; that we not hamper, delay or unduly interfere with their nuclear program; and that we not inhibit their legitimate development of and exloitation of nuclear energy systems for peaceful purposes.

Mr. President, the executive branch has examined such questions in their legal memorandum, and they have laid out a good legal argument claiming the Chinese would not be in their rights to make such claims. The trouble with their analysis is that they do not claim that the Chinese accept this argument. And without such an understanding, we face a possible future situation with the Chinese that is similar in some respects to the situation we have with India over the reprocessing of spent fuel at Tarapur. That dispute has not helped United States-India relations, and there is no reason why we ought to repeat it with the Chinese.

Mr. President, there may be some who think I am exaggerating the possibility of a misinterpretation by the Chinese of the language in article 5(2). For those who think that, let me quote from the British Foreign Office's comparison of the United States-China nuclear agreement with the United Kingdom-China agreement. The quote concerns the United States-China agreement's provision on enrichment and reprocessing.

The United States sought to obtain a prior consent right on this point as it is required to do by the Nuclear Non-Proliferation Act. *The Chinese however refused to concede this* so the wording used in the Agreement (Article 5(2)) is to the effect that neither party has any plans to do either of these things and will consult if it changes its mind. (Italic added.)

This quote raises a simple question. If the Chinese refused to concede that the United States has prior consent rights on enrichment and reprocessing, how can the State Department be so sure that they will not interpret the phrase, "the parties undertake to view such activities favorably," as anything but a promise by the United States to say "yes" to reprocessing? The answer is that the State Department cannot be sure and neither can anyone else without asking the Chinese. That is why the Nuclear Regulatory Commission has expressed its own concerns about this provision. Here is what they said on October 2, 1985 in response to a question posed to them by Senator PROXMIRE in a letter dated August 30, 1985:

Q. Is the Commission fully satisfied that Article 5(2) of the U.S./PRC Nuclear Cooperation Agreement represents a clear and unambiguous statement of U.S. consent rights for the subsequent reprocessing or enrichment by the PRC of U.S. nuclear material transferred pursuant to the agreement?

A. Although we believe the requirements of Section 123 of the Atomic Energy Act are satisfied, the Commission would have preferred that the agreement contains a clear statement of U.S. consent rights for the subsequent reprocessing or enrichment of U.S.-supplied nuclear fuel or fuel used in U.S.-supplied reactors. Such a statement could eliminate the potential for future misunderstandings.

The solution to this is very simple, Mr. President. We simply need to have the Chinese recognize what the State Department says is obvious—that the language of the agreement neither favorably or unfavorably disposes the United States to exercise its consent rights in any particular direction. That is, the language is neutral and the United States will say "yes" or "no" to Chinese requests in accordance with our security and nonproliferation interests at the time.

AGREEMENTS AND INTERNAL U.S. LAW

A third area in the agreement that is troubling to me resides in the last sentence in article 2(1). It states:

The parties recognize, with respect to the observance of this agreement, the principle of international law that provides that a party may not invoke the provisions of its internal law as justification for its failure to perform a treaty.

Mr. President, perhaps this sentence appears in another agreement for cooperation somewhere in the past. If it does, I have not discovered it. It is a curious statement, because the United States has never treated agreements for cooperation as treaties. The Senate does not ratify them, and they generally do not put the United States under obligation to actually engage in any nuclear trade. They are, instead, frameworks within which contracts that do involve obligations can be entered into. An agreement does not substitute for U.S. export laws and regulations. Indeed, such laws and regulations can be changed at will without normally affecting such agreements, and that would appear to be the case in the present agreement as well when we look at the next to last sentence in article 2(1). It states:

Each party shall implement this agreement in accordance with its respective applicable treaties, national laws, regulations and license requirements concerning the use of nuclear energy for peaceful purposes.

This would appear to say we can change our laws and regulations as we wish and Chinese export requests will be subject to them. But the last sentence of article 2(1) seems to suggest that changing our domestic export laws might put us in violation of the agreement—although the word "treaty" is used.

Again, I understand the the executive branch does not believe the language can be read that way in a legal sense, but, again, we have no assurance that the Chinese also see it that way.

Here, again, is what the NRC had to say about this provision in its reply to Senator PROXMIRE's letter of August 30, 1985:

The Commission is concerned that this new provision could be read as reducing the flexibility of the U.S., including that of congress, in enactiing and implementing future legislation affecting U.S./PRC relations.

Mr. President, I do not believe it would be a good idea for nuclear trade with China to proceed without an understanding by the People's Republic of China that future export requests by them will be subject to whatever export criteria and regulations are in effect at that time.

PEOPLE'S REPUBLIC OF CHINA NONPROLIFERATION POLICY

The three deficiencies in the agreement I have discussed thus far—lack of safeguards, the possibility of misinterpretation of our consent rights, and the possible misunderstanding about the applicability of future export laws and regulations, would be of concern regardless of who the trading partner was, Mr. President. But I think we have reason to have particular concerns in the case of the People's Republic of China because of the history of its relationship with the United States and the history of its policies and practices in the area of nuclear trade.

I need not remind my colleagues that there have been two major political upheavals since the People's Republic of China was established 36 years ago, so there is some question about the wisdom of signing 30-year nuclear agreements with a nation that is undergoing such instabilities.

I also need not remind this body that after the second Shanghai Communique was signed in August 1982, we thought we had struck a deal in which a reduction in arms sales to Taiwan was predicated on the People's Republic of China's promise of a peaceful solution to the Taiwan issue. The day after the communique was signed, Chinese leaders said they had made no such promise. This experience alone suggests the importance of ensuring that Chinese and United States understandings of the language of the agreement are commensurate with each other.

I might add that the problem of interpreting Chinese messages concerning Taiwan is still very much with us. In a Christian Science Monitor story, dated October 16, 1985, regarding Vice President Bush's visit to China, it is stated:

Chinese and American accounts of the description of talks between Vice President Bush and top people in the Chinese Government and Communist Party have differed in tone and emphasis.

Later on the story quotes Deng Ziaoping as saying:

The main question in our bilateral relations remains that of Taiwan.

While Mr. BUSH is quoted as saying, with respect to the discussion regarding Taiwan,

I see a frankness in bringing these matters up, but it was not the dominant theme of these meetings.

Mr. President, if we cannot get a common understanding with the Chinese on communiques and on the main subject matter of bilateral talks, does that not suggest we need to take special care with respect to the understandings contained in the nuclear agreement?

But it is China's nonproliferation policies themselves that may require the most careful scrutiny.

The history of China's nonproliferation policies and activities is not a happy one. For example, on August 16, 1963, in the Peking Review, an official statement contained the following passages:

Whether or not nuclear weapons help peace depends on who possesses them. It is detrimental to peace if they are in the hands of imperialist countries; it helps peace if they are in the hands of socialist countries. It must not be said indiscriminately that the danger of nuclear war increases along with the increase in nuclear powers. . . . Nuclear weapons in the possession of a socialist country are always a means of defense against nuclear blackmail and nuclear war. So long as the imperialists refuse to ban nuclear weapons, the greater the number of socialist countries possessing them, the better the guarnatee of world peace.

Please note that in this timeframe we had concluded the Partial Test Ban Treaty with the Soviets, a treaty that was criticized severely by the Chinese and which they have not signed to this day.

Now, of course the statement I quoted from was made before China became a nuclear power herself in 1964. Did that event change her attitude about proliferation of weapons? No, it did not.

In 1966, Zhou En Lai stated that the draft Nuclear Nonproliferation Treaty [NPT] was "a great conspiracy against all peace-loving countries and people."

In 1977, the Chinese news agency Xinhua described a comprehensive test ban [CTB] as:

A new starting point for another round of the nuclear race. The hegemonic practice of prohibiting the small- and medium-sized countries from developing their own nuclear weapons can deceive nobody.

In 1981, a Chinese delegate declared to the U.N. Commission on Disarmament that a CTB—

Can only tie the hands of those countries with weaker defense capabilities. . . .

Well, Mr. President, we have seen many newspaper reports in recent years that the Chinese pro-proliferation stance was backed up by more than words. China was reported as helping Pakistan with the latter's nuclear weapons program, and China was reported to have sent heavy water to Argentina and enriched uranium to South Africa without requiring safeguards.

Now we are told by the executive branch that Chinese policies have changed. Last year, a public declaration was made by Premier Zhao Ziyang that:

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. . . We by no means favor nuclear proliferation, nor do we engage in such proliferation by helping other countries to develop nuclear weapons.

The problem with this statement—besides the fact that it was preceded by criticism of the NPT and a reiteration of China's refusal to accede to it—was that not long after it was made, Chinese scientists were reportedly, according to news reports, discovered at the Kahuta site in Pakistan which is the site where a clandestine nuclear enrichment plant is reportedly being built—a plant that will have the capability of producing weapons grade high enriched uranium. It was that discovery that put this agreement on hold for over a year.

Despite this history, we are asked to accept, as a definitive description of Chinese nonproliferation policies, a summary of discussions on the subject prepared by United States negotiators, and not signed by the Chinese.

Mr. President, over the past year, we have observed Chinese entry into the IAEA, its voluntary offer to allow safeguards on some of its facilities, and its promise to require safeguards on all its nuclear power exports to nonweapon states. These acts do suggest that the Chinese see value in behaving more responsibly on nuclear matters. But their attitudes, even today, are still cause for concern. At the recently concluded IAEA General Conference in Vienna, on September 24, 1985, the head of the Chinese delegation, Zhou Ping, in the same statement in which he announced his country's voluntary offer to accept IAEA safeguards on some of its facilities, complained that:

The proportion the safeguards expense assumes in the Agency's budget has been growing too fast.

In other words, Mr. President, the Chinese are in favor of some safeguards as long as thay do not cost too much. Let me point out, Mr. President, that it is a well known fact that the IAEA's budget has been pinched for many years, and that its inspection goals, based on its technical objectives, are not being met today. China's lipservice to safeguards is not a sufficient basis for nuclear trade, especially since China has not even said that its voluntary offer will apply to United States exports.

Even more serious than seeming Chinese ambivalence on safeguards is the fact that the reported Pakistani incident took place during the period when it was believed by our negotiators that Chinese policy had changed significantly. Given this history, should we depend on a written summary of subsequent discussions that the Chinese have not formally subscribed to as a basis for judging the adequacy of present Chinese nonproliferation policy? I say no. We need a comprehensive description prepared by the Chinese themselves so we can see whether what they say is consistent with what the State Department believes, and also so we have a formal basis for comparing future Chinese actions to Chinese words in the area of nuclear nonproliferation.

Mr. President, the history of Chinese nonproliferation policies suggest that certain questions should be put to the administration. For example, in the NPAS attached to the agreement, it is stated that:

A few of the major provisions in the agreement were subject to long and difficult negotiations. We have had detailed discussions on what it means in practice to assist other countries to acquire nuclear explosives.

Does this statement mean that we have told the Chinese that transfers of reprocessing or enrichment equipment or technology, even under safeguards, constitutes assisting other countries to acquire nuclear weapons capabilities according to our policies and laws—for example, the Glenn/Symington amendment to the Foreign Assistance Act? And if we have informed the People's Republic of China about that, did we get a commitment from them that they will not engage in such activity? This is an important point. The spread of reprocessing or enrichment technology is tantamount to the spread of weapons technology, and there is reason to wonder about the Chinese attitude on such questions. At the international colloquium on nonproliferation sponsored by the Groupe de Bellerive in Geneva in June, the Chinese representative, Mr. H.E. Jiadong Qian, in a rather extended attack on the NPT, stated that the rights of nonweapon states party to the NPT to participate in the fullest possible exchange of equipment, materials, and information for the peaceful uses of nuclear energy were effectively being denied. To quote Mr. Qian:

(I)n order to exercise such rights the non-nuclear-weapons States, apart from accepting IAEA safeguards, are moreover required to enter into special arrangements with the supplier countries. These extra conditions have in actuality hampered the non-nuclear-weapon States from enjoying *what is their due.* (Italic added.)

This statement may be interpreted to mean that supplier agreements to show restraints on the transfer of sensitive nuclear technologies like reprocessing and enrichment are denials of the rights of nonweapon states. Does this mean China will not abide by such restraints? And does it mean that if we say "no" to China on reprocessing, that China will interpret this as a denial of her own rights under the agreement?

There are other questions. Did we query the Chinese regarding a story in the London Financial Times of August 14, 1984, that the Chinese had given the Pakistanis some highly enriched uranium? If we did, what was the answer to our query?

In comparison, would my colleagues in the Senate be content with an agreement which transfers high technology items to the Soviet Union with verification of peaceful uses assured only by visits?

Mr. President, we are being asked, basically, by the administration to believe: First, that in January 1984, China began turning over a new leaf in international behavior; second, that we have reason to put some trust in Chinese assurances of peaceful uses of our exports so that safeguards are not necessary; and third, that we should assume the Chinese interpret the agreement the way we do. That might be the way to treat a close ally with a longstanding record of benign intentions, but is that the situation we are dealing with here?

Is this agreement alone, without filling in the page gaps and removing the potential for misunderstanding, sufficient to encourage good Chinese nuclear behavior?

We have already had some parallel experience to draw on in this respect. In January 1984, we signed a nonnuclear high technology export agreement with China.

One month later, five persons were arraigned in the Federal district court in Newark, charged with plotting to smuggle high technology equipment to China. The New York Times reported on February 14, 1984, that the assistant U.S. attorney called the plot, involving up to $1 billion in missile guidance and radar jamming gear, "a very serious defense matter. According to the Chicago Tribune of February 14, 1984, an Assistant Commissioner for Enforcement with the Customs Service in New York said:

It was very clear that they were buying on behalf of the Peking Government and that they planned to divert the equipment through Hong Kong to Peking.

Was that a unique case? No. Three months after the high technology agreement went into effect, a 17-count indictment for the illegal export of electronic testing and calibrating equipment to China was filed in Los Angeles.

An assistant U.S. attorney was quoted in the Los Angeles Times of April 11, 1984, as saying:

A primary use of some of the exports is in nuclear research.

Later on, the article states:

Authorities believe that (the individual arrested) was supplying hardware for use at China's main nuclear testing site in the northwestern part of the country.

Evidently, the signing of a high technology export agreement with China did not provide a sufficient incentive for good behavior by the People's Republic of China in high technology trade.

So, Mr. President, this is the record the Senate must consider in deciding what to do about the United States-China agreement.

Mr. President, I have not attempted to be encyclopedic in my discussion of this agreement. For example, I have not discussed the question of what happens if the People's Republic of China replicates any equipment or technology transferred under the agreement. Under the agreed minute of the agreement, the People's Republic of China appears to have every right to use such replicated equipment or technology for weapons or other military purposes. I make no recommendation as to how or even whether to deal with this issue, but the Congress should be aware that this is what the agreement appears to allow.

Mr. President, I have attempted to approach this agreement in a spirit of constructiveness, and I believe I have identified those problems which can be naturally remedied in the context of the diplomatic discussions provided for by the agreement. These remedies are incorporated in S. 1974, the Sino-American Nuclear Verification Act of 1985, introduced on October 9, 1985, with the original cosponsorship of Senator ROTH, and also cosponsored by Senator DURENBERGER, BUMPERS, ANDREWS, KASSEBAUM, and CRANSTON.

S. 1754 does not prevent the agreement from formally going into effect, and it does not require any alteration in the agreement's language. Rather, it postpones any nuclear transfers or retransfers to the People's Republic of China until the President certifies that the deficiencies in the agreement have been rectified. Moreover, the bill is precise in describing what constitutes a satisfactory resolution of these issues.

PROVISION ON VERIFICATION

In the case of verification of peaceful uses, S. 1754 requires that verification be equivalent to that provided under so-called INFCIRC/66/Rev. 2 safeguards of the IAEA. These are the safeguards arrangements that the IAEA enters into with nations that have unsafeguarded as well as safeguarded facilities. Now that China has made a voluntary offer to the IAEA to accept safeguards on some of its facilities, this provision is appropriate and is in keeping with the Chinese voluntary offer.

I should point out once again, Mr. President, that the Chinese have signed nuclear trade agreements with Japan, Argentina, and Brazil in which IAEA safeguards on all exported items are provided for. I am sorry that our negotiators failed to achieve a similar provision before deciding to initial and before the President signed the proposed agreement, but I believe that we can salvage the situation through enactment of this legislation.

PROVISION ON CONSENT RIGHTS

The second area of concern, U.S. consent rights, simply requires that we redress an imbalance of language in the agreement in order to avoid any misunderstanding on the part of the Chinese. Thus, while the agreement does say "the parties undertake the obligation to consider such activities—that is, reprocessing, and so forth—favorably," the State Department has stated in an explanatory brief that "the United States has the right to withhold its agreement to any activity that is proposed," and claims that this is sufficient to satisfy the requirements of U.S. law. But, Mr. President, it is evident to any person, even lawyers, that a right that is circumscribed in some way cannot be freely exercised. If I tell someone he cannot enter my home without my permission, but guarantee that I will give my permission at 7 p.m. on Saturday night, the State Department might claim I still retain my consent right because my home cannot be entered until my permission is given. But have tendered a guarantee, I have, if I am an honorable person, effectively circumscribed that right, and some might argue that I have effectively given it up. Certainly, at the least, the other party could feel rather aggrieved if the guarantee was not honored. I do not believe it was the intent nor would it be wise, for the Chinese to be given the impression that the United States was biased in favor of allowing the reprocessing of any spent fuel covered by this agreement. Accordingly, S. 1754 would simply restore some balance to this area by requiring the President to elicit from the Chinese their recognition that the language of article 5 does not favorably or unfavorably dispose the United States to approve any reprocessing or enrichment of spent fuel or other alterations in form or content of fuel covered by the agreement. In other words, the langauge of the agreement should be seen as completely neutral in terms of any predisposition by the United States toward approvals of future Chinese requests for reprocessing or other activities governed by U.S. consent rights.

PROVISION ON FUTURE EXPORT CONTROLS

Similarly, it is important to clarify the status of the agreement with respect to future legislation on United States. export controls, and to have Chinese recognition of such status.

S. 1754 would require the President to elicit recognition from the Chinese Government that any future Chinese requests for transfers or retransfers of nuclear equipment, materials, or technology will be subject to all the rules and regulations mandated by domestic law and policy at that time, regardless of whether such laws and policies were implemented before or after this agreement went into effect.

The purpose of this provision is to emphasize that the agreement is only a framework for engaging in nuclear trade, but that the detailed structure within this framework is variable, and at any given time is determined by all the export laws and regulations in existence at that given time. If the United States, for example, decided to require an additional export criterion in 5 years from now, then any Chinese export license request in 5 years would be subject to that criterion. We must be sure that the inappropriate language in the agreement referring to treaties and domestic legislation is not interpreted by the Chinese to mean that our requirements for nuclear transfers or retransfers to China will be unchanged once this agreement goes into effect.

PROVISION ON CHINESE NONPROLIFERATION POLICIES

Finally, Mr. President, S. 1754 would require that, prior to initiating any trade under this agreement, the United States have a public, written, and detailed description of Chinese nonproliferation policies prepared by the Chinese themselves, and that this description correspond in all essential details with the summary of United States-China discussions on Chinese nonproliferation policies provided to the Congress by the State Department on a confidential basis. This will ensure that we have a clear and unambiguous Chinese commitment to those policies. People's Republic of China just acknowledge that our understanding is their policy.

Mr. President, as I said earlier, this agreement provides for diplomatic discussions to work out the details of visits for purposes of establishing verification of peaceful uses of future United States nuclear exports to China. These diplomatic discussions allow an opportunity for the United States to engage the Chinese in discussions that would lead to clarifying the agreement in accordance with the requirements laid down in S. 1754.

I believe that with these clarifications, including the publication of Chinese nonproliferation policies and the establishment of an appropriate system of verification of peaceful uses in accordance with IAEA Document INFCIRC/66/Rev. 2, we will have a framework for nuclear trade with the People's Republic of China that we can support and be comfortable with.

But let us make no mistake about what may await us down the road if these clarifications and verification conditions are not issued or adopted. We will have a situation similar to that which occurred and is still occurring with the Indians; we will risk having thorny diplomatic problems that will prevent the advances in United States-China relations that this agreement is supposed to bring;

we will have provided another example of how to undermine ones own nonproliferation policy, with an attendant loss of our credibility on the issue; and we may even end up putting our national security in jeopardy.

Mr. President, I understand there are some who believe that as long as we ensure that this agreement is not viewed as a precedent for others, then it is perfectly OK.

I have a message for those who have adopted that position. This agreement is already being used as a precedent before it has even been adopted. There is a story in the Indian newspaper, the Hindu, August 31, 1985. The story is about an agreement we have worked out with India on the sale of sophisticated computers. The agreement was held up for awhile because, according to the press reports, the United States wanted assurances that these computers would not be used for nuclear-related purposes. A solution to this problem was finally proposed by India. Here is a quote from the story:

In arriving at the latest understanding, the Government of India has relied partly on the formulations used in the nuclear agreement signed by China with the U.S. providing the necessary guarantees against diversion of equipment to third countries or its use for nonauthorized purposes. As the text of the letter containing these assurances that has been given to the U.S. Government is being kept secret, it is not possible at this stage to ascertain how far India has gone in complying with the U.S. requirements.

So, Mr. President, let no one kid themselves that this agreement will stand alone. That is another reason why it is imperative that we obtain the appropriate understandings with the Chinese, as required by S. 1754.

Mr. President, I ask unanimous consent that the following materials be printed in the RECORD following these remarks:

First, the United States-China Agreement for Cooperation.

Second, a Dear Colleague letter, dated October 30, 1985.

Third, S. 1754, The Sino-American Nuclear Verification Act of 1985.

Fourth, an explanatory three-page chart indicating how S. 1754 clears up the deficiencies in the agreement without altering it.

Fifth, an editorial from the Washington Post, dated October 28, 1985.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

PROBLEMS WITH THE UNITED STATES/CHINA NUCLEAR AGREEMENT AND PROPOSED SOLUTIONS IN THE SINO/AMERICAN NUCLEAR VERIFICATION ACT OF 1985

Issue	Agreement language	Problem	Bill language	Comment
Verification of peaceful uses	"The parties will use diplomatic channels to establish mutually acceptable arrangements for exchanges of information and visits subject to this agreement".	No standard is provided for verification of peaceful uses for exported equipment, materials, or technology, and the diplomatic discussions will not be completed until congressional review is finished and the agreement is in effect.	(For nuclear trade with China to proceed, the President must certify that:) "The verification of peaceful uses on exported items covered by the agreement for cooperation will be essentially equivalent to that provided by the materials accounting and inspection standards normally applied by the IAEA in accordance with its document INFCIRC/66/REV. 2 entitled "The Agency's Safeguards System (1965, as provisionally extended in 1966 and 1968)".	China has joined the IAEA and has made a voluntary offer to allow safeguards on some (unspecified) facilities. This provision of the bill would require China, in essence, to allow safeguards on U.S. exported items. The United States itself allows IAEA inspection of U.S. peaceful nuclear facilities under an agreement with the Agency signed in 1979.
U.S. consent rights	"In the event that a party would like at some future time to undertake such activities, the parties will promptly hold consultations to agree on a mutually acceptable arrangement. The parties undertake the obligation to consider such activities favorably, and agree to provide pertinent information on the plans during the consultations".	The "activities" include the production of weapons-usable materials from U.S.-supplied fuel or U.S.-origin spent fuel. Unbiased exercise of required U.S. consent rights over such activities appears to be compromised by unorthodox language that may be interpreted to suggest that the United States is biased toward acceding to Chinese requests.	(For nuclear trade with China to proceed, the President must certify that:) "The Government of the People's Republic of China has communicated its recognition that the agreement for cooperation neither favorably nor unfavorably disposes the United States toward approving or agreeing to any enrichment, reprocessing, or alteration in form or content of material transferred pursuant to the agreement for cooperation or material used in or produced through the use of any material or facility transferred pursuant to the agreement for cooperation.	The State Department claims that there is no intent, nor should anyone interpret the agreement, to bias the exercise of U.S. consent rights. The bill would ensure the China agrees with this view. This would avoid repetition of a similar problem that arose with the United States India/Agreement for Cooperation because of lack of clarity, with each side in the dispute making conflicting claims.
China's nonproliferation policies	N/A—but U.S. policy requires that countries with whom we enter into nuclear agreements must establish and maintain satisfactory nonproliferation policies.	Past People's Republic of China policy-statement and actions have favored proliferation. The only detailed description of the People's Republic of China's present nuclear nonproliferation policies is contained in a classified summary of discussions prepared by the State Department, and not formally endorsed by the People's Republic and China.	(For nuclear trade with China to proceed, the President must certify that:) "The Government of the People's Republic of China has provided a public, written, detailed description of its nonproliferation policies, and those policies correspond in all essential elements and details to the description of such policies contained in the Department of State document entitled "United States Summary of Discussions" (relating to China's nonproliferation policy)".	A general statement made by Premier Zhao in February, 1984, that "we by no means favor nuclear proliferation on, nor do we enage in such proliferation by helping other countries to develop nuclear weapons" was followed by the initialling of the Agreement in April 1984 during President Reagan's visit. This was followed, in turn, by the reported discovery of Chinese technical personnel at the clandestine Pakistani nuclear enrichment plant at Kahuta. The Agreement was, consequently, not signed until July, 1985, at which time the State Department produced its classified "summary of discussions". Since this summary has not been officially recognized by the People's Republic of China, it is important to have the People's Republic of China's account of its policies to ensure there is full understanding of the nonproliferation policies of the People's Republic of China, including its commitment not to assist Pakistan and other nations in developing nuclear weapons capabilities.
Relationship of agreement to future U.S. export laws and regulations.	"The parties recognize, with respect to the observance of this agreement, the principle of international law that provides that a party may not invoke the provisions of its internal law as justification for its failure to perform a treaty".	Unorthodox language in Agreement may be interpreted to suggest that the application to nuclear trade with China of United States export laws and regulations enacted after the Agreement goes into force, could be a violation of the Agreement.	(For nuclear trade with China to proceed, the President must certify that:) The Government of the People's Republic of China has communicated its recognition that all proposed exports of nuclear materials, equipment, or technology under the agreement for cooperation are subject to such laws and regulations of the United States which are in effect at the time of each such export or the licensing thereof.	An agreement for cooperation is not a treaty. Treaties require ratification by 2/3 majority vote of the U.S. Senate. Rather, agreements for cooperation are meant to be frameworks for engaging in nuclear trade; they do not obligate the United States to make any transfers, nor are they a substitute for binding contracts. It is normally expected that an applicant for an export at any given time will be require to satisfy whatever laws and regulations are in effect at that time regarding licensing or other procedures for export approval, and that this is legal and proper under an agreement for cooperation. The bill language ensures that the Chinese will not view future additional export laws or regulations as lying outside the framework of the agreement.

S. 1754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Sino-American Nuclear Verification Act of 1985".

FINDINGS

SEC. 2. The Congress finds that—

(1) the international nuclear nonproliferation regime, including the safeguards system of the International Atomic Energy Agency (IAEA), and the domestic laws of the United States controlling nuclear exports, are important elements in the struggle against the spread of nuclear weapons;

(2) nuclear trade involving nonsensitive safeguarded equipment, materials, and technology can be a useful component in an effective nuclear nonproliferation policy, is of economic value to the United States, and helps to fulfill the obligations of the United States under the Treaty on the Non-Proliferation of Nuclear Weapons, done on July 1, 1968;

(3) nuclear agreements for cooperation between the United States and other nations should be without ambiguity as to meaning or implementation and should be in keeping with the letter and spirit of the Nuclear

Non-Proliferation Act of 1978 and the Atomic Energy Act of 1954;

(4) agreements for cooperation, including the agreement between the United States and the People's Republic of China, signed on July 23, 1985, do not constrain the United States from applying all laws and regulations regarding nuclear exports which are in effect at the time of the export or the licensing thereof;

(5) the national security of the United States may be put at risk by nuclear trade with nations whose nuclear nonproliferation policies are either unsatisfactory or are not sufficiently specific or detailed to judge whether they are satisfactory;

(6) the transfer or retransfer of nuclear equipment, materials, or technology to any nation without adequate verification of their peaceful uses undermines the international nuclear nonproliferation regime and is inimical to the common defense and security of the United States; and

(7) the Agreement for Cooperation Between the United States and the People's Republic of China Concerning Peaceful Uses of Nuclear Energy, signed on July 23, 1985 (hereafter in this Act referred to as the "Agreement for Cooperation"), together with the Department of State document entitled "United States Summary of Discussions" (relating to China's nuclear nonproliferation policy), do not provide a sound basis for nuclear trade between the two countries without further clarification of—

(A) the verification of peaceful uses covering exported items;

(B) the rights of consent and the exercise thereof by the United States over the enrichment of United States supplied fuel, the reprocessing of United States-origin spent fuel, or the reprocessing of other spent fuel arising from a United States supplied reactor;

(C) Chinese nuclear nonproliferation policies; and

(D) the relationship of the Agreement for Cooperation to future United States export control laws.

PURPOSES

SEC. 3. The purposes of this Act are to—

(1) provide for the clarification of understandings regarding the implementation of the Agreement for cooperation;

(2) strengthen the nuclear nonproliferation regime by providing an example of United States leadership in fostering more equal treatment of nuclear-weapon states and nonnuclear-weapon states regarding conditions of nuclear trade;

(3) encourage commitments by nuclear-weapon states to formal or tacit adherence to the principle of safeguards for nuclear materials, equipment, and technology used for peaceful purposes; and

(4) protect United States national security interests through strict verification of peaceful uses and full retention of United States rights of consent concerning transfers or retransfers of United States nuclear equipment, materials, and technology as well as materials derived from United States facilities.

SEC. 4. (a) Notwithstanding any other provision of law, including any international agreement, no license may be issued for the export to the People's Republic of China of any nuclear equipment, materials, or technology, and no approvals for the transfer or retransfer to the People's Republic of China of any nuclear equipment, materials, or technology may be given by the United States until the expiration of a period of 30 days of continuous session of Congress after the President has certified to the chairman of the Foreign Relations Committee of the Senate and to the chairman of the Foreign Affairs Committee of the House of Representatives that—

(1) the verification of peaceful uses on exported items covered by the Agreement for Cooperation will be essentially equivalent to that provided by the materials accounting and inspection standards normally applied by the International Atomic Energy Agency in accordance with its document INFCIRC-66-Rev. 2 entitled "The Agency's Safeguard System (1965, as provisionally extended in 1966 and 1968)";

(2) the Government of the People's Republic of China has communicated its recognition that the Agreement for Cooperation neither favorably nor unfavorably disposes to the United States toward approving or agreeing to any enrichment, reprocessing, or alteration in form or content of material transferred pursuant to the Agreement for Cooperation or material used in or produced through the use of any material or facility transferred pursuant to the Agreement for Cooperation;

(3) the Government of the People's Republic of China has provided a public, written, detailed statement of its nuclear nonproliferation policies, and those policies correspond in all essential elements and details to the description of such policies contained in the Department of State document entitled "United States Summary of Discussions" (relating to China's nuclear nonproliferation policy); and

(4) the Government of the People's Republic of China has communicated its recognition that all proposed exports of nuclear materials, equipment, or technology under the Agreement for Cooperation are subject to such laws and regulations of the United States which are in effect at the time of each such export or the licensing thereof.

(b) For purposes of subsection (a), the continuity of a session of Congress is broken only by adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, October 30, 1985.

DEAR COLLEAGUE: The time for action on the U.S./China Nuclear Agreement is fast approaching. The Agreement, while significantly flawed, is salvageable if Congress provides goals, standards and guidance to the State Department in the diplomatic discussions on verification of peaceful uses of U.S.-exported nuclear items provided for by the Agreement.

As things stand right now, the Agreement:

Provides for no safeguards against the misuse of U.S. nuclear exports to China, making this the first nuclear power agreement signed by the United States since the operational advent of the international safeguards system that calls for no safeguards.

May be interpreted by the Chinese to bias in their favor the exercise of U.S. consent rights on production of weapons-usable materials by China using U.S.-exported nuclear materials or equipment.

May be interpreted by the Chinese to supercede future U.S. nuclear export laws and regulations.

Is accompanied by no public, detailed, written statement by China describing its nuclear nonproliferation policies, despite the fact that all other nuclear weapon States and the 125 nonweapon States that have signed the NPT have, in effect, issued such statements. Instead, we have a confidential "summary of discussions" prepared by the State Department and not formally endorsed by the Chinese.

These deficiencies undermine the international nonproliferation regime and have the potential for causing serious disagreements in the future that will be damaging to U.S./China relations.

On October 9, 1985, Senator Glenn introduced S. 1754, the Sino-American Nuclear Verification Act (SANVA). *This bill, if enacted, requires no rejection of the Agreement and requires no change in the language of the Agreement.* Instead, S. 1754 relies on the Agreement's provision for diplomatic discussions with the Chinese to ensure, *via Presidential certification*, that:

Safeguards or their equivalent will be applied to U.S. exports.

China agrees with the State Department's interpretation of the Agreement's provisions on U.S. consent rights and the applicability of future U.S. export laws and regulations.

China has provided a public, detailed, written statement of its nonproliferation policies.

In the absence of these one-time certifications by the President, no nuclear exports can go to China.

In our view, the required certifications in SANVA are reasonable and prudent. We should recall that:

Until 1984, it was China's announced policy to *favor* proliferation, and there have been many disturbing stories in the press regarding unsafeguarded Chinese nuclear exports to nations with suspicious nuclear intentions.

Within months after the U.S. signed a high-tech export agreement with China in 1984, a number of indictments were handed down concerning the smuggling of militarily sensitive electronic equipment from the U.S. to China. Some of this equipment is believed by U.S. authorities to be for nuclear applications.

Finally, it should be noted that without S. 1754, the Congress will be in the position of passing on an agreement whose final content will be unknown until the diplomatic discussions with the Chinese on verification are concluded, i.e., after the Congressional review period is over and the agreement has gone into effect. We believe this frustrates the purpose of Congressional review, and further supports the necessity of the Presidential certifications required by S. 1754.

A copy of S. 1754, a three-page chart explaining the bill, and a recent editorial from the Washington Post are enclosed. If you would like to cosponsor, please call Len Weiss (4-4508) or Ian Butterfield (4-2441).

Sincerely,

WILLIAM V. ROTH, Jr.
JOHN GLENN.
DAVID DURENBERGER.
DALE BUMPERS.
MARK ANDREWS.
ALAN CRANSTON.
NANCY LANDON KASSEBAUM.

[From the Washington Post, Oct. 28, 1985]

NUCLEAR EXPORTS TO CHINA

A cloud of unresolved doubts continues to hang over the nuclear cooperation agreement signed last summer between this country and China. Congress has the power to reject the agreement, but should not do so.

China has possessed nuclear weapons for two decades, and if it chose could greatly increase the risks to the world's security by disseminating this technology to the countries that seek it. In the past China has occasionally seemed inclined to do that. But more recently it has taken several steps indicating support of the regimen in which most of the world's governments have joined to prevent further proliferation of these weapons. The agreement between the United States and China could strongly reinforce that commitment.

The agreement is a bargain. The United States is to give the Chinese access to its reactor technology for peaceful purposes, allowing American companies to sell the Chinese equipment, fuel and engineering advice. China, for its part, has agreed to divert none of this technology to its own military uses and to give no further assistance to any other country's attempts to build weapons. The questions about the agreement begin with the absence of provisions for verification and extend to several areas of ambiguity on other crucial points. But it's not a subject to be left to vague good will.

Sen. John Glenn pointed out earlier this month that on two occasions this year U.S. authorities have intercepted what were evidently attempts to smuggle advanced electronic equipment to China. Last week Sen. Alan Cranston charged that China has recently held nuclear trade talks with, or actually sent nuclear exports to, five countries with nuclear ambitions—Iran, Pakistan, South Africa, Brazil and Argentina.

The history of this agreement is similarly troubling. It was first initialed a year and a half ago, during President Reagan's trip to China. But instead of forwarding it routinely to Congress, the administration put it in the deep freeze. Although the reason was never publicly stated, there had been intelligence reports of Chinese technicians working at a uranium enrichment plant in Pakistan. The agreement was finally signed last July. The State Department, evasive and secretive throughout this process, has not succeeded in persuading many senators that its current information is adequate to support the assurances it is giving them.

Sen. Glenn has drafted an ingenious remedy. He does not want to see the agreement rejected. But he has introduced a bill providing that, before this country licenses any nuclear exports to China, the President would have to certify that the key questions have been settled with the Chinese. The State Department opposes the Glenn bill, arguing that it demands a degree of legalistic detail to which the Chinese will never consent. But that's a decision for the Chinese to make, not the State Department.

This American technology has an immense capacity for good or, unfortunately, evil. Mr. Glenn and the growing number of senators of both parties who join him are right to want a more precise agreement on China's intentions.

Agreement for Cooperation Between The Government of the United States of America and The Government of the People's Republic of China Concerning Peaceful Uses of Nuclear Energy

The Government of the United States of America and the Government of the People's Republic of China,

Desiring to establish extensive cooperation in the peaceful uses of nuclear energy on the basis of mutual respect for sovereignty, non-interference in each other's internal affairs, equality and mutual benefit,

Noting that such cooperation is one between two nuclear weapon states,

Affirming their support of the objectives of the statute of the International Atomic Energy Agency (IAEA),

Affirming their intention to carry out such cooperation on a stable, reliable and predictable basis,

Mindful that peaceful nuclear activities must be undertaken with a view to protecting the international environment from radioactive, chemical and thermal contamination.

Have agreed as follows:

ARTICLE 1. DEFINITIONS

For the purposes of this agreement:

(1) "parties" means the Government of the United States of America and the Government of the People's Republic of China;

(2) "authorized person" means any individual or any entity under the jurisdiction of either party and authorized by that party to receive, possess, use, or transfer material, facilities or components;

(3) "person" means any individual or any entity subject to the jurisdiction of either party but does not include the parties to this agreement;

(4) "peaceful purposes" include the use of information, technology, material, facilities and components in such fields as research, power generation, medicine, agriculture and industry but do not include use in, research specifically on or development of any nuclear explosive device, or any military purpose;

(5) "material" means source material, special nuclear material or byproduct material, radioisotopes other than byproduct material, moderator material, or any other such substance so designated by agreement of the parties;

(6) "source material" means (i) uranium, thorium, or any other material so designated by agreement of the parties, or (ii) ores containing one or more of the foregoing materials, in such concentration as the parties may agree from time to time;

(7) "special nuclear material" means (i) plutonium, uranium 233, or uranium enriched in the isotope 235, or (ii) any other material so designated by agreement of the parties;

(8) "byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material;

(9) "moderator material" means heavy water, or graphite or beryllium of a purity suitable for use in a reactor to slow down high velocity neutrons and increase the likelihood of further fission, or any other such material so designated by agreement of the parties;

(10) "high enriched uranium" means uranium enriched to twenty percent or greater in the isotope 235;

(11) "low enriched uranium" means uranium enriched to less than twenty percent in the isotope 235;

(12) "facility" means any reactor, other than one designed or used primarily for the formation of plutonium or uranium 233, or any other item so designated by agreement of the parties;

(13) "reactor" is defined in Annex I, which may be modified by mutual consent of the parties.

(14) "sensitive nuclear facility" means any plant designed or used primarily for uranium enrichment, reprocessing of nuclear fuel, heavy water production or fabrication of nuclear fuel containing plutonium;

(15) "component" means a component part of a facility or other item, so designated by agreement of the parties;

(16) "major critical component" means any part or group of parts essential to the operation of a sensitive nuclear facility;

(17) "sensitive nuclear technology" means any information (including information incorporated in a facility or an important component) which is not in the public domain and which is important to the design, construction, fabrication, operation or maintenance of any sensitive nuclear facility, or such other information so designated by agreement of the parties.

ARTICLE 2. SCOPE OF COOPERATION

1. The parties shall cooperate in the use of nuclear energy for peaceful purposes in accordance with the provisions of this agreement. Each party shall implement this agreement in accordance with its respective applicable treaties, national laws, regulations and license requirements concerning the use of nuclear energy for peaceful purposes. The parties recognize, with respect to the observance of this agreement, the principle of international law that provides that a party may not invoke the provisions of its internal law as justification for its failure to perform a treaty.

2. Transfers of information, technology, material, facilities and components under this agreement may be undertaken directly between the parties or through authorized persons. Such cooperation shall be subject to this agreement and to such additional terms and conditions as may be agreed by the parties.

3. Material, facilities and components will be regarded as having been transferred pursuant to this agreement only upon receipt of confirmation by the supplier party, from the appropriate Government authority of the recipient party, that such material, facilities or components will be subject to this agreement and that the proposed recipient of such material, facilities or components, if other than the recipient party, is an authorized person.

4. Any transfer of sensitive nuclear technology, sensitive nuclear facilities, or major critical components will, subject to the principles of this agreement, require additional provisions as an amendment to this agreement.

ARTICLE 3. TRANSFER OF INFORMATION AND TECHNOLOGY

Information and technology concerning the use of nuclear energy for peaceful purposes may be transferred. Transfers of such information and technology shall be that which the parties are permitted to transfer and may be accomplished through various means, including reports, data banks, computer programs, conferences, visits and assignments of persons to facilities. Fields which may be covered include, but shall not be limited to, the following:

(1) research, development, experiment, design, construction, operation, maintenance and use and retirement of reactors and nuclear fuel fabrication technology;

(2) the use of material in physical and biological research, medicine, agriculture and industry;

(3) nuclear fuel cycle research, development and industrial application to meet civil nuclear needs, including multilateral approaches to guaranteeing nuclear fuel supply and appropriate techniques for management of nuclear wastes;

(4) health, safety, environment, and research and development related to the foregoing;

(5) assessing the role nuclear power may play in international energy plans;

(6) codes, regulations and standards for the nuclear energy industry; and

(7) such other fields as may be agreed by the parties.

ARTICLE 4. TRANSFER OF MATERIAL, FACILITIES AND COMPONENTS

1. Material, facilities and components may be transferred pursuant to this agreement for applications consistent with this agreement. Any special nuclear material to be transferred under this agreement shall be low enriched uranium except as provided in paragraph 4 of this article.

2. Low enriched uranium may be transferred for use as fuel in reactors and reactor experiments, for conversion or fabrication, or for such other purposes as may be agreed by the parties.

3. The quantity of special nuclear material transferred under this agreement shall be the quantity which the parties agree is necessary for any of the following purposes: the loading of reactors or use in reactor experiments, the efficient and continuous operation of such reactors or conduct of such reactor experiments, and the accomplishment of such other purposes as may be agreed by the parties.

4. Small quantities of special nuclear material may be transferred for use as samples, standards, detectors, targets, radiation sources and for such other purposes as the parties may agree.

ARTICLE 5. RETRANSFERS, STORAGE, REPROCESSING, ENRICHEMENT, ALTERATION, AND NO USE FOR MILITARY PURPOSES

1. Material, facilities, components or special nuclear material transferred pursuant to this agreement and any special nuclear material produced through the use of such material or facilities may be retransferred by the recipient party, except that any such material, facility, components or special nuclear material shall not be retransferred to unauthorized persons or, unless the parties agree, beyond its territory.

2. Neither party has any plans to enrich to twenty percent or greater, reprocess, or alter in form or content material transferred pursuant to this agreement or material used in or produced through the use of any material of facility so transferred. Neither party has any plans to change locations for storage of plutonium, uranium 233 (except as contained in irradiated fuel elements), or high enriched uranium transferred pursuant to this agreement or used in or produced through the use of any material or facility so transferred. In the event that a party would like at some future time to undertake such activities, the parties will promptly hold consultations to agree on a mutually acceptable arrangement. The parties undertake the obligation to consider such activities favorably, and agree to provide pertinent information on the plans during the consultations. Inasmuch as any such activities will be solely for peaceful purposes and will be in accordance with the provisions of this agreement, the parties will consult immediately and will seek agreement within six months on long-term arrangements for such activities. In the spirit of cooperation the parties agree not to act within that period of time. If such an arrangement is not agreed upon within that period of time, the parties will promptly consult for the purpose of agreeing on measures which they consider to be consistent with the provisions of the agreement in order to undertake such activities on an interim basis. The parties agree to refrain from actions which either party believes would prejudge the long-term arrangements for undertaking such activities or adversely affect cooperation under this agreement. The parties agree that the consultations referred to above will be carried out promptly and mutual agreement reached in a manner to avoid hampering, delay or undue interference in their respective nuclear programs. Neither party will seek to gain commercial advantage. Nothing in this article shall be used by either party to inhibit the legitimate development and exploitation of nuclear energy for peaceful purposes in accordance with this agreement.

3. Material, facilities or components transferred pursuant to this agreement and material used in or produced through the use of any material, facility or components so transferred shall not be used for any nuclear explosive device, for research specifically on or development of any nuclear explosive device, or for any military purpose.

ARTICLE 6. PHYSICAL SECURITY

1. Each party shall maintain adequate physical security with respect to any material, facility or components transferred pursuant to this agreement and with respect to any special nuclear material used in or produced through the use of any material or facility so transferred.

2. The parties agree to the levels for the application of physical security set forth in Annex II, which levels may be modified by mutual consent of the parties. The parties shall maintain adequate physical security measures in accordance with such levels. These measures, as minimum protection measures, shall be comparable to the recommendations set forth in IAEA document INFCIRC/225/Revision 1 entitled "The Physical Protection of Nuclear Material", or in any revision of that document agreed to by the parties.

3. The parties shall consult at the request of either party regarding the adequacy of physical security measures maintained pursuant to this article.

4. Each party shall identify those agencies or authorities responsible for ensuring that levels of physical security are adequately met and having responsibility for coordinating response and recovery operations in the event of unauthorized use or handling of material subject to this article. Each party shall also designate points of contact within its national authorities to cooperate on matters of out-of-country transportation and other physical security matters of mutual concern.

ARTICLE 7. CESSATION OF COOPERATION

1. Each party shall endeavor to avoid taking any actions that affect cooperation under this agreement. If either party at any time following entry into force of this agreement does not comply with the provisions of this agreement, the parties shall promptly hold consultations on the problem, it being understood that the other party shall have the rights to cease further cooperation under this agreement.

2. If either party decides to cease further cooperation under this agreement, the parties shall make appropriate arrangements as may be required.

ARTICLE 8. CONSULTATIONS

1. The parties shall consult at the request of either party regarding the implementation of this agreement, the development of further cooperation in the field of peaceful uses of nuclear energy, and other matters of mutual concern.

2. The parties recognize that this cooperation in the peaceful uses of nuclear energy is between two nuclear-weapon states and that bilateral safeguards are not required. In order to exchange experience, strengthen technical cooperation between the parties, ensure that the provisions of this agreement are effectively carried out, and enhance a stable, reliable, and predictable nuclear cooperation relationship, in connection with transfers of material, facilities and components under this agreement the parties will use diplomatic channels to establish mutually acceptable arrangements for exchanges of information and visits to material, facilities and components subject to this agreement.

3. The parties shall exchange views and information on the establishment and operation of their respective national accounting and control systems for source and special nuclear material subject to this agreement.

ARTICLE 9. ENVIRONMENTAL PROTECTION

The parties shall consult, with regard to activities under this agreement, to identify the international environmental implications arising from such activities and shall cooperate in protecting the international environment from radioactive, chemical or thermal contamination arising from peaceful nuclear cooperation under this agreement and in related matters of health and safety.

ARTICLE 10. ENTRY INTO FORCE AND DURATION

1. This agreement shall enter into force on the date of mutual notifications of the completion of legal procedures by the parties and shall remain in force for a period of thirty years. This term may be extended by agreement of the parties in accordance with their respective applicable procedures.

2. Notwithstanding the suspension, termination or expiration of this agreement or any cooperation hereunder for any reason, the provisions of articles 5, 6, 7, and 8 shall continue in effect so long as any material, facility or components subject to these articles remain in the territory of the party concerned or any material, facility or components subject to these articles remain subject to that party's right to exercise jurisdiction or to direct disposition elsewhere.

ANNEX I—DEFINITION OF "REACTOR"

"Reactor" means:

1. Any apparatus, other than a nuclear weapon or other nuclear explosive device, in which a self-sustaining fission chain reaction is maintained by utilizing uranium, plutonium or thorium, or any combination thereof; or

2. Any of the following major parts of an apparatus described in paragraph 1:

(1) a pressure vessel designed to contain the core;

(2) primary coolant pumps;

(3) fuel charging or discharging machines;

(4) control rods.

A "reactor" does not include the steam turbine generator portion of a nuclear power plant.

ANNEX II

Pursuant to paragraph 2 of article 6, the agreed levels of physical security to be ensured by the competent national authorities in the use, storage and transportation of the materials listed in the attached table shall

as a minimun included protection characteristics as below.

Category III

Use and storage within an area to which access is controlled.

Transportation under special precautions including prior arrangements among sender, recipient and carrier, and prior agreement between entities subject to the jurisdiction and regulation of supplies and recipient States, respectively, in case of international transport a specifying time, place and procedures for transferring transport responsibility.

Category II

Use and storage within a protected area to which access is controlled, i.e., an area under constant surveillance by guards or electronic devices, surrounded by a physical barrier with a limited number of points of entry under appropriate control, or any area with an equivalent level of physical protection.

Transportation under special precautions including prior arrangements among sender, recipient and carrier, and prior agreement between entities subject to the jurisdiction and regulation of supplier and recipient States, respectively, in case of international transport, specifying time, place and procedures for transferring transport responsibility.

Category I

Material in this category shall be protected with highly reliable systems against unauthorized uses as follows:

Use and storage within a highly protected area, i.e., a protected area as defined for category II above, to which, in addition, access is restricted to persons whose trustworthiness has been determined, and which is under surveillance by guards who are in close communication with appropriate response forces. Specific measures taken in this context should have as their objective the detection and prevention of any assault, unauthorized access or unauthorized removal of material.

Transportation under special precautions as identified above for transportation of categories II and III materials and, in addition, under constant surveillance by escorts and under conditions which assure close communication with appropriate response forces.

TABLE.—CATEGORIZATION OF NUCLEAR MATERIAL [1]

Material and form	Category		
	I	II	III
1. Plutonium [2] [3] (unirradiated [4])	2 kg or more.	Less than 2 kg but more than 500 g.	500 g or less. [6]
2. Uranium-235 [5] (unirradiated [4]):			
Uranium enriched to 20 percent ^{235}U or more.	5 kg or more.	Less than 5 kg but more than 1 kg.	1 kg or less. [6]
Uranium enriched to 10 percent ^{235}U but less than 20 percent.		10 kg or more.	Less than 10 kg. [6]
Uranium enriched above natural, but less than 10 percent ^{235}U.			10 kg or more.
3. Uranium-233 (unirradiated [4])	2 kg or more.	Less than 2 kg but more than 500 g.	500 g or less. [6]

[1] Irradiated fuel should be protected as category I, II or III nuclear material depending on the category of the fresh fuel. However, fuel which by virtue of its original fissile material content is included as category I or II before irradiation should only be reduced one category level, while the radiation, level from the fuel exceeds 100 rads/h at one meter unshielded.

[2] All plutonium except that with isotopic concentration exceeding 80 percent in plutonium-238.

[3] The State's competent authority should determine if there is a credible threat to disperse plutonium malevolently. The State should then apply physical protection requirements for category I, II or III of nuclear material, as it deems appropriate and without regard to the plutonium quantity specified under each category herein, to the plutonium isotopes in those quantities and forms determined by the State to fall within the scope of the credible dispersal threat.

[4] Material not irradiated in a reactor or material irradiated in a reactor but with a radiation level equal to or less than 100 rads/hour at one meter unshielded.

[5] Natural uranium, depleted uranium and thorium and quantities of uranium enriched to less than 10 percent not falling in category III should be protected in accordance with prudent management practice.

[6] Less than a radiologically significant quantity should be exempted.

AGREED MINUTE

During the negotiation of the Agreement for Cooperation between the United States of America and the People's Republic of China Concerning Peaceful Uses of Nuclear Energy signed today, the following understanding, which shall be an integral part of the agreement, was reached.

The parties agree that the interpretation and implementation of article 5(3) shall not involve any nuclear activities and related research and development carried out by either party, as a nuclear weapon state, through the use of material, facilities, components and technology not subject to the agreement.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

THE POLICY THAT WILL BRING NUCLEAR WAR

Mr. PROXMIRE. Mr. President, the President of the United States, Ronald Reagan, has made a statement that every American, certainly every Senator and especially the President himself, should consider at great length. The President has said: "A nuclear war cannot be won. It must never be fought." I repeat the words of the President. He said, "A nuclear war cannot be won. It must never be fought."

That Presidential statement, if true, should change our military policy profoundly. Is the statement true? If it is true, what are the implications for our military policy? Is it true. Could the United States win a nuclear war? Could any country win a nuclear war? Certainly in a war between two nuclear armed nations, there could only be a winner if one nation struck with such power that it destroyed the capacity of its adversary to respond with nuclear weapons. Or it could win a nuclear war if it could strike a devastating nuclear blow that would eliminate much of the adversary's nuclear capability and then rely on a defensive system and antimissile or SDI or star wars to prevent virtually all of the adversary's nuclear counterattack from penetrating the SDI shield. So, the President's statement that a nuclear war can never be won is not true if either superpower can build a successful antimissile system.

Consider the military implications or that fact. The ABM Treaty if successfully enforced, would, by preventing an antiballistic missile defense, assure both powers that neither can win a nuclear war. But could an antiballistic missile system or star wars work? There does seem to be a preponderance of competent and independent scientific opinion that SDI or star wars cannot work. That opinion holds that no matter how much a superpower pours into a star wars defense in scientific genius and trillions of dollars, the adversary can overcome it by pouring a roughly equal scientific and economic effort into refining and improving offensive penetrating missiles.

The kind of major antimissile effort our country has begun will change the prospects of the President's statement. With the vigorous U.S. effort for star wars, the President's statement should be modified to read: a nuclear war probably cannot be won. It cannot be won unless and until either superpower has perfected an antimissile system. That system would require not only an ability to prevent more than 90 percent of an adversary's ICBM's from finding their target. It would also have to be able to stop low flying cruise missiles. It would have to stay ahead of any technology that developed offensive penetration aids.

So let us put it another way. A nuclear war can never be won unless the arms race continues and one adversary develops a defensive technology that can stop the other superpower's offensive technology. Since we can never know what magic nuclear weapons technology may develop, we are left with the conclusion that if we reach an enforceable agreement with the Soviet Union to stop the arms race, it will be true that a nuclear war can never be won. If we cannot reach such an agreement we will live in doubt.

Which is more likely to prevent nuclear war? Is nuclear war less likely if both superpowers know that no one can win a nuclear war? Or is it better to join in a competition that will keep that assertion in doubt? Which policy is more likely to prevent nuclear war? Can there be any question? For the 40 years of the nuclear age, there has been no superpower war. And in the 22 years since the Cuban missile crisis, the two superpowers have not even come close to war. Why? The answer is easy. The answer is that both countries have known that they could not win a nuclear war.

Both the Soviet and the American Governments have known that a nuclear war would be an absolute and certain catastrophe. We know that more surely now than ever. We know the immensely advanced nuclear capability on both sides would devastate both countries. We now have the finding of the American Academy of Science that if only 1 percent of the Soviet nuclear arsenal reached Ameri-

can cities, there would be between 35 million and 56 million immediately dead Americans. Many survivors would suffer terminal illness with virtually no medical attention available.

We also now know of a new and terrible danger. Both the National Academy of Science and the U.S. Defense Department have told us that there is a clear possibility that a superpower nuclear war would trigger a nuclear winter. That nuclear winter would constitute the most terrible environmental disaster the Earth has suffered in 65 million years. It could actually exterminate mankind. The assurance that under present conditions, indeed, no one could win a nuclear war has been reinforced. It is now stronger than ever. So the prospect of a superpower nuclear war today is happily remote.

Can that change? Indeed, it can. It can change if either or both superpowers proceed with a defensive missile system—an SDI or star wars that either power comes to believe can insulate it from nuclear attack. When that happens, deterrence is gone. The impasse that has kept the peace evaporates. A superpower believes it can win a nuclear war. Then both parts of the President's assertion fall. A nuclear war can be won. So it will be fought.

MYTH OF THE DAY: U.S. AID TO UNITA WILL STOP COMMUNISM IN SOUTHERN AFRICA

Mr. PROXMIRE. Mr. President, the myth of the day is that American intervention in Angola will stop communism in southern Africa.

The myth is not complicated. Some 30,000 troops remain in Angola, along with 1,500 Soviet military advisers in support of the Marxist Luanda government. What better way to fight communism than to channel aid to non-Communist rebels seeking to overthrow the existing Government?

Sounds familiar doesn't it? You may remember, it was only 10 years ago that the CIA secretly funneled aid to UNITA, union for the total independence of Angola, forces during the civil war. The aid flowed until 1975, when Congress passed legislation prohibiting any assistance to the rebels in Angola.

A newly introduced bill seeks to reinvolve us in the Angolan war. The Kemp-Pepper bill proposes to provide $27 million in "nonlethal aid" to UNITA forces under the direction of Jonas Savimbi. The White House is said to support the bill. The Washington Post has reported that the administration is also considering a Pentagon and CIA plan that would send massive covert aid to the rebels. The Post reported that this package could be worth "$200 to $300 million."

The proposed legislation carries two disastrous consequences. First, our intervention in the Angolan war would disrupt any possible negotiated settlements for Namibian independence or Cuban troop withdrawal. The legislation would probably be counterproductive destroying talks over South-West Africa and locking in a continued Cuban presence.

Second, the proposed legislation calls for us to join efforts with the South African regime in its persistent attempts to topple the Luanda government. For 10 years, Pretoria has tried to destabilize the Angolan Government through invasions, bombings, occupation, and terrorism. Just last May, Angolan Government forces foiled a plot by South African commandos to blow up the Malongo oil complex in northern Angola. This mission came on the heels of Pretoria's announcement that it was withdrawing South African troops from Angola.

South Africa has also provided UNITA with arms, military planning, and air cover. In addition, the Botha regime has expanded regionally, injecting millions of dollars into the illegal military occupation of Namibia and funding attempts to unseat the Government of Mozambique. Despite international pressure, Pretoria continues to systematically persecute its 22 million blacks. We have no business aligning ourselves with South Africa in this war.

Mr. President, the way to fight communism is to attack it in its breeding grounds—in the poverty, disease and ignorance on which it thrives. We can do this with programs like the Peace Corps, with technical assistance or boot strap programs, and with humanitarian assistance to meet the unanticipated catastrophies of our day.

We need to attack communism before it takes root and grows among the oppressed. We need to present a positive view of America to the peoples of the world—an America based on principles, trust, opportunity, and freedom.

To plunge into Angola—either covertly or overtly—is to forge partnership with the forces of repression and racial subjugation. What better reason is there for oppressed victims to turn to another alternative, like communism? Instead of stopping the spread of communism, the current legislation may very well stimulate Communist expansion. Rejecting the Kemp-Pepper bill is the best way to lay this myth to rest.

PINOCHET'S REPRESSION

Mr. PROXMIRE. Mr. President, during the same period when nations in South America's southern cone are returning to constitutional democracy Argentina in 1983, Uruguay in 1984, and Brazil in 1985, a backlash is taking place in Chile.

In its annual country report on human rights practices, the State Department wrote that Chile's longstanding pattern of human rights violations continued in 1984. During a 7-month state of siege imposed by President Augusto Pinochet in November 1984, more than 8,000 people were temporarily detained in massive police roundups. More than 600 persons were exiled without trial to remote parts of the country, such as the detention camp at Pisagua. In 1984, 84 persons filed complaints in courts alleging torture or cruel and unusual punishment. Most of these claimed they were subjected to beatings, electric shocks or threats, especially during the first days of detention prior to arraignment. The Government also ordered police roundups and security checks in Santiago's poorest neighborhoods, censored the media, and called upon the Army to silence the protests.

There's more. The Spanish daily El Pais has reported that the Roman Catholic Church in Chile has filed 1,400 reports of torture and other violence.

Opposition is now mounting in Chile. In an unprecedented expression of national unity, 11 political parties, ranging from the Establishment right to the Democratic Socialist left signed a national accord outlining a transition from military to civilian rule. These parties do not include the Communist Party and historically represent about 80 percent of the Chilean electorate.

What does this extraordinary accord call for? It calls for direct election of a President and Congress, constitutional reforms, guarantees for human rights, and a mixed economy with developmental goals. The accord renounces violence as a political tool and calls for the abolition of decrees that limit political freedoms. And it asks permission for 4,200 political activists to return home from exile.

Never before have so many of Chile's political parties been able to agree on so much. Tens of thousands of Chileans are now signing their names to this national accord, which the State Department has described as "positive, pragmatic, and forward-looking."

How has Pinochet responded? He has renewed his Government's emergency powers, in effect since 1981, for 6 more months. These powers allow the Government to arrest people for up to 3 weeks without charge, exile or confine them without trial, and to ban all news publications.

Pinochet seems determined to stay in office. The constitution, approved 5 years ago in a questionable plebiscite, calls for a Presidential referendum in 1989, but also provides for just one nominee—one selected by the military

junta. If he has his way, Pinochet will be elected President until 1997.

If the United States is serious about promoting democracy in Chile, it must do two things. We must end our ambivalence and indifference to Pinochet's crass violation of human rights by expressing our support for the new national accord proposal. And we must ratify the Genocide Treaty. Ratification is long overdue. We have a great stake in seeing international law strengthened in the area of human rights. And we have a strong responsibility to use our moral influence in cases where genocide is alleged. As the Chilean example teaches us, human indifference brings irreversible tragedy.

RECOGNITION OF SENATOR GORE

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee [Mr. GORE] is recognized for not to exceed 15 minutes.

STRATEGIC ARMS CONTROL

Mr. GORE. Mr. President, in the first of this series of speeches that I have been making this week, I mentioned that Congress is still awaiting, 1 month after the date mandated in law, a report from the Secretary of Defense on the characteristics of the Midgetman missile system. Today, I understand that this report is likely to be further delayed, and in fact, I have formed a strong suspicion that we shall not see it until after the summit, although it would be pleasant to be proved wrong.

Fortunately, however, Members of this body who desire to be informed on the Midgetman have another recourse. They may request from the Government Accounting Office access to a classified report on the Midgetman, prepared by the Ballistic Missile Office at Norton Air Force Base, which is charged with overall responsibility for developing this system. Granted, the BMO report is not the report that this body will see after it has been worked over by the Pentagon: that is probably a very strong argument for reading it. Those who are interested should apply to the GAO's National Security Division, which can make the report available to persons having appropriate clearances.

I intend to return to the subject of the Midgetman another time. The rest of my remarks today, however, will center on another dimension of the problem of stratetic stability: the interaction between offensive and defensive forces.

The New York Times of November 5 carries an account of the President's news conference with members of the Soviet press. During this interview, the President made a remarkably penetrating observation concerning the interplay between offense and defense. I would like to quote it in full because much attention has been devoted to another statement by the President which is again discussed in the news this morning. But this second statement, I believe, deserves more attention. I quote:

> If someone was developing such a defensive system and going to couple it with their own nuclear weapons, offensive weapons, yes, that could put them in a position where they might be more likely to dare a first strike.

Following this line of reasoning, the President went on to say—twice, as a matter of fact—that in order to avoid this destabilizing potential, the United States would not put a defensive system in place until we do away with our offensive missiles.

Now, surely, this latter point is in error; and the White House staff has explained this morning that it constituted a bit of what they referred to as "Presidential shorthand." That stands to reason, because I do not really expect that the President would break faith with the supporters of SDI in the conservative wing of his party to such an extent. Surely, none of them is prepared to see the deployment of a defensive system held up until all offensive systems have been laid aside, and the lion has lain down with the lamb.

Granted, the President was pretty clear about the matter. He said elsewhere in this interview that the real purpose for a defensive system would be to prevent some third party—a "madman," in the President's words—from attacking either the United States or the Soviet Union, should be manage to scrape together a delivery system.

Nevertheless, I am willing to concede that the purpose for all the massive expenditures ahead of us in SDI could not possibly be to deal with third parties, in some millennial world in which the United States and the Soviets had already laid down their arms. Perhaps it was simply a misprint.

But, I am not prepared to let the President's other statement—on the interaction between offenses and defenses—pass. The reason for it is that he was dead right, and has stated, in his usual succinct way, facts which others approach only through acrane calculations.

In fact, I think we could profit by looking into the implications of the President's statement, and by perhaps doing a few simple numbers of own.

The question is: What is wrong with a little bit of defense; a light screen, perhaps , useless for defending populations, but able perhaps to complicate and even thin out a Soviet first strike against our ICBM's? Would that not enhance deterrence? And is not enhancing deterrence what stability is all about?

These are, after all, very important questions, very pertinent to what is going on; because, for every true believer in a complete, perfect defense of the sort in which the wonderful little girl with the crayon drawing in the TV add believes, there are many others who think in terms of just defending ICBM's, in order to enhance deterrence, not replace deterrence, as the President has said he wants to do. However, for those who believe that such a light screen plan might work, there is a hook. It would work only in a world where we were the sole proprietors. But we do not live in that kind of world, and things that look great if only the United States has them, can take on an entirely different cast if we assume that the Soviets follow us, or even beat us to the punch.

So let us make that tiny, little leap of the imagination and assume that the Soviet Union actually goes ahead and deploys a limited defensive system.

In my speech of 2 days ago, I used an illustrative model of how United States and Soviet forces might look if reductions were carried out in a manner consistent with the United States proposal for a 4,500 overall cap on ballistic missile warheads. In that model, the United States could end up with 762 ICBM silos and 14 *Ohio* class submarines. On the submarines, we would have 2,688 D-5 warheads. The Soviets could end up with 700 ICBM silos and 15 submarines. In the silos, the Soviets would have 2,500 warheads.

Quite clearly, the Soviets would be able in theory to destroy our silo-based forces, since they would have nearly four warheads per target, where only two would suffice. No matter. We still have the submarines, of which two-thirds would ordinarily be at sea and expected to survive. That is 1,792 surviving D-5 warheads.

Every day, we can read testimony before this body—not science fiction but testimony—crediting the possibility of a defensive system that could track and destroy an assault involving eight or more times that number of weapons. So may we not postulate a Soviet system capable of dealing with a mere 1,792 warheads?

One may play with the numbers, but the message remains the same. Just as the President said in his interview for the Soviet press, if you combine a defensive system with offensive weapons, you can put someone in a position where they might be more likely to dare a first strike.

In the 1970's, when it began to look as though negotiations on SALT II were about to culminate in an agreement, some who are now in power in the present administration, including

the President himself, criticized the then President of the United States as he was attempting to complete those protracted and delicate talks. The current President and others at that time worked tirelessly to impugn the value of the treaty even before it was finished and, above all, to assure that it would never be ratified, and they succeeded.

It is important now to look closely at the reason for their zeal. It was because, in the view of those who supplied analysis for this group, under SALT II, the Soviets might be in a position from which they could derive theoretical benefit from a first strike against our ICBM silos.

As I have been attempting to point out in this little series of speeches, the Scowcroft Commission took the problem of a first strike seriously, and its solution was to move toward the deployment of mobile single-warhead ICBM's in an appropriate arms control setting.

Seemingly, the President understood and endorsed this. Many of us in Congress gave our word that we would fight hard to secure the approval of at least 50 MX missiles. And we made it abundantly clear both in private and in public that 50 was the number we would approve. The President, in turn, gave his word that his administration would move forward vigorously toward the development and deployment of a mobile single-warhead missile. We kept our word. But the President has now proposed to ban not just new MIRV'd mobile ICBM's—like the Soviet Union's SS-X-24—but all mobile ICBM's, including the Midgetman.

This is inconsistent with the Scowcroft Commission recommendations and the specific pledge made by the President. More importantly, his new proposal would close off the most promising avenue to strategic stability.

Instead, what he proposes to leave open as the means to preclude a first strike advantage is the deployment of defenses against ballistic missiles. Yet, as we have just seen, the President not only knows that this is destabilizing, but also was prepared to say so before an audience comprising the entire reading public of the Soviet Union.

Clearly, the President's logic in this statement is correct. But, if so, then the work of his advisers must be faulty, indeed.

Mr. President, I hope to continue this series of speeches during the remainder of the week.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KASTEN). Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond 11 a.m.

ST. MARYS HIGH SCHOOL IN PLEASANTS COUNTY, WV, RECEIVES NATIONAL EXEMPLARY SCHOOL AWARD

Mr. BYRD. Mr. President, on October 1, 1985, St. Marys High School in Pleasants County, WV, received the national exemplary school award through the Secondary School Recognition Program of the Department of Education.

For those of you who are not familiar with this award, schools are nominated by the chief State school officers in each State to the Department of Education. These awards are made to those schools that exhibit, among other qualifications, clear academic goals, positive school climate, well-articulated curriculum, community support and development, teacher efficacy, administrative leadership, and student achievement. Of the 509 secondary schools nominated to compete for this award, St. Marys High School was one of the 212 that were finally chosen.

Education is of primary importance to every man, woman, and child in this country. It is only through providing our young people with a quality education that we can hope to lead the world in technological development. It is only through instilling into our young people a thirst for knowledge that we can produce capable and good leaders of tomorrow, and it is only through knowledge that we can remain a free nation.

In the last 50 years, we have seen many changes in our lives. New words and understandings have been added to our vocabularies—microchips, laser disks, laser surgery, mechanical hearts, organ transplants, space stations—these terms are no longer something that we only read about in the comic strips or see in science fiction movies. What was fiction 50 years ago is reality now.

Our Nation has stepped over the threshold into a world where man is only limited by his vision and commitment. Gone are the days when an education was for the well-to-do only. Education has become a necessity in meeting the demands of daily life for every American.

I am very proud of the role that St. Marys High School is playing in educating our young people. I commend the community, the teachers, and the students for their commitment to excellence in education. It is only through the joint cooperation, commitment, dedication, and support of the community, parents, students, and academia that such excellence can be achieved and our young people be prepared to meet the challenges and promises of the future.

GERALD J. LEVY ASSUMES CHAIRMANSHIP OF THE U.S. LEAGUE OF SAVINGS INSTITUTIONS

Mr. KASTEN. Mr. President, a good friend and outstanding Wisconsinite, Gerald J. Levy of Fox Point, WI, is being installed today as the chairman of the U.S. League of Savings Institutions, the principal trade group representing this Nation's savings association and savings bank businesses. I rise today to extend to him congratulations and best wishes as he undertakes this very responsible and demanding assignment.

Mr. Levy is chairman of the board and president of Guaranty Savings & Loan Association of Milwaukee, an institution with approximately a quarter of a billion dollars in assets. He joined Guaranty Savings & Loan in 1960 and became its president and CEO in 1973. He took on the additional responsibilities of chairman of the board in 1984.

Mr. Levy has served as a member and chairman of the Savings & Loan Review Board of Wisconsin, president of the Wisconsin League of Financial Institutions, Ltd., vice chairman and director of the Federal Home Loan Bank of Chicago, a member of the Federal Home Loan Mortgage Corporation's Advisory Committee, a director of Salomon Capital Access for Savings Institutions, Inc., and in numerous capacities—including that of vice chairman—of the U.S. League of Savings Institutions.

He is highly respected in the business community in our State and has made a fine contribution to the betterment of his community through numerous volunteer roles. He serves as a member of the board of trustees of Mount Sinai Medical Center, as a director of the Midwest Athletes Against Childhood Cancer Fund, as a director of the Wisconsin Partnership for Housing Development, Inc., as a trustee of the Wisconsin chapter of the Leukemia Society of America, Inc., and as a member of the advisory board of Milwaukee's Neighborhood Housing Services Program. Mr. Levy also has been a member of the board of trustees of the Citizen's Governmental Research Bureau, Inc., and a director of the United Performing Arts Center Fund.

Mr. President, I ask that my colleagues in the Senate join me in extending to Gerald J. Levy our con-

gratulations as he leads the U.S. League of Savings Institutions into a very important year for the savings institutions business.

AMERICA'S LIABILITY EXPLOSION: CAN WE AFFORD THE COST?

Mr. KASTEN. Mr. President, the crisis in product liability law continues to grow. This year, hundreds of thousands of businesses across the country have seen their product liability insurance rates skyrocket, and many have been forced to go out of business or go "bare" and attempt to continue manufacturing their products with no insurance coverage at all.

Clearly, the time has come to act. I have been pushing for several years for national product liability reform legislation. I urge my colleagues to consider the havoc the current liability system is causing and to lend their support to the effort to reform this area of law.

Last month, FMC Corporation Chairman Robert Malott addressed this growing national problem in a speech given at Northwestern University Law School. It is an excellent speech, and it outlines the increasingly serious crisis in product liability. I commend the address to the attention of all my colleagues and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA'S LIABILITY EXPLOSION: CAN WE AFFORD THE COST?

(By Robert H. Malott)

I am delighted to have this opportunity to discuss a concern that is uppermost in my mind—namely, the destructive and rapidly escalating trend toward liability litigation in this country and the implications that this trend portends not only for industry but for society as a whole.

It is a trend that is costing the American public billions of dollars each year, it is undermining the competitiveness of U.S. industry, and it is threatening the very existence of some businesses in this country. Yet it is a trend that the vast majority of the American people has either failed to understand or has persistently chosen to ignore.

AMERICA'S LIABILITY EXPLOSION

The disturbing truth is that America has become the most litigious society in the world. Last year, one out of 15 Americans filed a private civil lawsuit of some kind. In all, over 13 million private civil law suits were filed in state and federal courts.

No less than the highest court in the land is appalled at the situation. As Chief Justice Warren Burger lamented in a recent speech, our society today "has an almost irrational focus—virtually a mania—on litigation as the way to solve all problems."

In some instances, the grounds for resorting to litigation strain credulity. Let me cite just a few examples that sound more like stories out of Ripley's "Believe It or Not" than examples of responsible American jurisprudence:

Item: Two Maryland men decided to dry their hot air balloon in a commercial laundry dryer. The dryer exploded, injuring them. They sued the manufacturer of the dryer and ended up winning nearly $900,000 in damages.

Item: An overweight man with a history of coronary disease suffered a heart attack while trying to start a Sears lawnmower. He sued Sears, charging that too much force was required to yank the mower's pull rope. A jury in Pennsylvania awarded him one million dollars, plus another $500,000 in prejudgment interest.

Item: A two-year-old child being treated in the hospital for bronchial spasms suffered brain damage from a drug overdose. Although the hospital staff had clearly exceeded the dosage level prescribed by both the attending doctor and the drug manufacturer, the child's parents successfully sued the company producing the drug. The jury award? Nine million dollars in compensation and $13 million in punitive damages.

If you think these are isolated cases of absurdly generous liability awards, you are wrong. Last year, awards of a million dollars or more were given in more than 360 personal injury suits—an incredible 13 times the number 10 years ago.

The list of those afflicted by liability litigation runs the full spectrum of American business—including

What is causing the problem? I attribute the current situation to the following: first, the ambiguity of current liability laws; second, an increasing acceptance of the concept of victims' *entitlement* to compensation; and third, the contingency system for compensating the legal profession.

THE EXPANDING DEFINITION OF LIABILITY

Since the early 1960's, the concept of liability for product-related injuries has been relentlessly expanded by both state and federal courts.

First, the courts created a new legal theory, strict liability, to enable claimants to recover damages for injuries caused by defectively manufactured products. This happened because the courts believed that business—rather than the injured party—should bear the cost of manufacturing errors, regardless of fault.

Then, the concept of strict liability was extended from defects in manufacturing to defects in a particular product's design, in its operating instructions, or in its safety warnings. In essence, the focus of product liability was shifted from the conduct of manufacturers to the condition of the product itself.

However, unlike the test for manufacturing defects, there are no clearcut standards to guide judicial decisions on the adequacy of a product's design or its safety warnings. Although some 30 states have now enacted product liability statutes, no two are alike. Consequently, cases based on similar facts, but tried in different states, can produce strikingly different and often contradictory judgments.

In an FMC case concerning a construction worker who had driven a crane into high voltage lines, an Illinois court ruled *against* FMC for not providing adequate safety warnings and for not installing automatic warning devices, even though the devices available at the time the crane was manufactured were not reliable.

Yet courts in two other states, in similar cases, ruled that the crane manufacturers were *not* liable, because the hazard of driving a steel boom into electrical lines was obvious. Any resulting injury was therefore the responsibility of the crane operator.

Such inconsistency in product liability judgments has produced enormous confusion among manufacturers and consumers alike, with neither side knowing what rights or responsibilities they have and what limits, if any, there are on liability

ENTITLEMENT TO COMPENSATION

Another factor contributing to the chaos in liability law is the growing "attitude of entitlement" in compensating injury victims, even in those cases where it is obvious that the manufacturer cannot be charged with responsibility or, at a minimum, responsibility is shared between the manufacturer and the injured party.

A decade ago, injured persons whose own carelessness was responsible for injury could not successfully prosecute. However, since the mid-1970's, 10 states have adopted comparative fault standards, which allow plaintiffs to recover damages even if they share responsibility for their injuries. By adopting the concept of comparative fault, these states have precipitated a whole new generation of lawsuits and are encouraging increasing numbers of people to seek compensation through suit or the threat of litigation.

Underlying this attitude toward victims' compensation is the assumption that the insurance industry—fed by corporate premiums—has a bottomless pool of funds to compensate the injured, no matter how tenuous their claims. Indeed, in some cases, courts and juries have seemed far more concerned with compensating the plaintiffs than in establishing the liability of the manufacturer.

Witness the recent litigation over Agent Orange. The judge pressured the seven corporate defendants to pay $180 million in death and disability compensation to Vietnam veterans and their families even though, as he said later, he did not believe there was any medical evidence to support their claims.

LUCRATIVE CONTINGENCY FEES

The third factor contributing to the number and cost of liability claims the contingency system for determining legal fees.

Because plaintiffs do not incur liability by initiating action, they are encouraged to pursue injury suits even if the evidence for their claims may be relatively weak. Similarly, with liability awards now reaching a million dollars or more, lawyers have a powerful incentive to keep filing liability cases, even if the prospect of winning any one case is highly uncertain. In short, by eliminating the financial risk of bringing a case to trial, contingency fees are encouraging both plaintiffs and trial lawyers to clog the courts with suits.

In addition, contingency fees tend to increase the size of injury awards, as juries factor in the cost of legal counsel when determining the total size of damages for the plaintiff. This cost is far from insignificant.

Indeed, if one considers the legal fees for both plaintiff and defendant, it becomes clear that more money is being paid today to adjudicate a claim than the compensation being paid to victims.

According to a study by the Rand Institute For Civil Justice, only 37 percent of the amounts paid for compensation and legal fees typcially goes to the claimant. The balance—or 63 percent of the assessed damages—goes to pay the legal fees of the litigants.

Because of high contingency fees and the potential for lucrative awards, liability law-

yers have an enormous stake in preserving the status quo. I can assure you the plaintiffs' bar is well aware of this and is effectively organized to resist change.

WHO PAYS? WE ALL DO

Who ends up paying for our current mania for litigation? It's obvious that we all do. The growing tide of liability litigation is imposing enormous costs on consumers, on business, and on society as a whole.

As consumers, we are paying not only through higher product prices but also through the reduced availability of many products and services. Already, astronomical legal settlements and escalating insurance premiums have forced more than a few companies to drop product lines or, in some cases, to go out of business.

This trend is cutting across all segments of U.S. industry, as the following examples illustrate:

In the past decade, 10 of the 13 U.S. firms making football helmets have had to stop production, due to runaway jury awards.

In 1983, Merrell Dow was forced to discontinue production of the drug Bendectin, although the Food and Drug Administration approved the drug for treating women who suffered nausea during pregnancy. The reason? The cost of liability insurance for making Bendectin had reached 10 million dollars a year, or over 80 percent of the company's annual sales from the drug.

And today, the continued production of small aircraft in this country is being seriously threatened by burgeoning liability costs. This year, those costs to general aviation airframe manufacturers will amount to $100 million, requiring an average increase of $50,000—or 50 percent—to the cost of the average plane. Such cost increase have already led one manufacturer, Beech Aircraft Corporation, to shut down its plant in Wichita, Kansas, and eliminate up to 12,000 jobs.

Perhaps the most pernicious example of this trend is the decline in production of the DPT vaccine, which is used to prevent diphtheria, tetanus, and pertussis—commonly known as whooping cough—among young children.

Since the introduction of the vaccine in the 1920's, the number of deaths in the United States from pertussis each year has declined dramatically—from one in 10,000 to one in 10 million. Yet, nearly a dozen companies have dropped out of the DPT market in the last ten years, leaving only one U.S. producer of the vaccine and creating dangerous nationwide shortages. The reason? Excessive liability costs.

The problem is that the courts focus on compensating the pain and suffering of those injured—not on serving the needs of society as a whole. This attitude is not only adversely affecting the American public but is significantly increasing the costs of doing business for many U.S. companies and undermining their ability to compete. According to a study by the Commerce Department last year, the insurance costs that U.S. companies face for product liability coverage are many times higher than those facing manufacturers in Europe and Japan. In fact, some U.S. manufacturers of machine tools and textile machinery must support liability premiums that are *20 to 100 times* greater than those paid by their foreign competitors.

FMC's own experience corroborates this. Over the last five years, our total insurance expenses in the United States, including self-insured losses, have cost five times as much as our insurance premiums in international markets. These differences in liability costs can create a major competitive disadvantage for domestic manufacturers in both local and foreign markets.

For some companies, the costs of product liability litigation are not only hurting their ability to compete, but are forcing them to seek refuge under Chapter 11 of the federal bankruptcy laws. Since the Manville Corporation made history in 1982 by declaring bankruptcy at least three other companies have followed suit.

In 1983, the James Hunter Machine Company, a small Massachusetts manufacturer of textile machinery, was forced to file for bankruptcy after being in business for 136 years because it faced liability claims totaling over $17 million.

Last year, Aquaslide 'N' Dive Corporation, the nation's largest manufacturer of diving boards and swimming pool slides, also sought protection under federal bankruptcy laws, because it did not have enough insurance or assets to cover potential liability claims.

Most recently, the A. H. Robins Company has filed for bankruptcy, due to liability suits for injuries related to the Dalkon Shield, the intrauterine birth control device the company removed from the market in 1974. By July of this year, Robins had already paid nearly $500 million in awards, settlements, and legal expenses to dispose of approximately 9,000 liability suits. Yet another 5,000 claims are still pending and more are expected.

TIME TO REVAMP LIABILITY LAWS

This situation is absurd. How many more companies must be forced into Chapter 11 before we realize that it is time to revamp our liability laws? We are rapidly approaching the point where the competitive ability of U.S. manufacturers is being determined more by the vagaries of state laws and jury awards than by the price or quality of their products.

In considering potential areas for reform, it is instructive to compare our system of liability with that prevailing in Western Europe and Japan, where the incidence of product liability claims is far lower and the average size of awards is much smaller. In my view, there are three factors that account for these differences in the frequency and cost of liability ligigation.

First, contingency fee arrangements are not allowed in Western Europe or Japan. Instead, plaintiffs must pay their attorneys during the course of litigation and they risk paying the legal costs for the defense if they lose.

Second, damage awards in Europe and Japan usually only cover actual expenses and loss of income. Punitive damages and awards for pain and suffering are not readily available in Europe, and they are nonexistent in Japan.

As a result, plaintiffs must bear a significant financial risk in bringing a case to trial, and generally they have lower expectations for awards. Those two factors alone act as a major disincentive to litigation.

Third, and most important, the Europeans and the Japanese have a totally different attitude toward litigation than do Americans.

Europeans generally believe that, if a product is made safely, it is up to the consumer to use it safely. The Japanese are even more conservative in their approach to litigation. They rarely use the legal system to resolve disputes and, in fact, tend to consider litigation as a form of harassment.

In contrast, Americans tend to be keenly aware of the availability of legal redress for accidental injury and appear to be willing to pursue such a course without reservation. They rely on the courts not only to settle disputes, but also to provide extensive compensation for injuries, often with little regard for who is at fault and with *no* regard for the costs they are imposing on business and society.

In my opinion, this litigation mentality cannot continue. The costs have simply become too great. Our runaway liability is contributing significantly to the competing claims of different interest groups or subordinated to other, more pressing issues on the Congressional agenda.

Efforts to gain support for product liability reform in the American Bar Association have also been blocked, first at the San Francisco convention two years ago and more recently in New Orleans. This has been largely due to the enormous influence of the trial bar.

I challenge all of you, as leaders in the legal profession, to join the fight for product liability law reform. We need your help to broaden public awareness of the current crisis in product liability but, even more importantly, we need your help to counteract the political power of the trial lawyers. As vigorous supporters of the status quo, they have placed a virtual stranglehold on efforts to enact federal product liability legislation—and given the legal profession an unfortunate reputation for being more concerned with protecting its own interests than with serving the interests of society as a whole.

I urge you to stand up and be counted. Make product liability reform an issue within your company, with your trade associations, and with your outside counsel. Let them know why the issue is important to you and why it should be important to them.

Above all, I urge you to make it an issue with your congressmen. It is imperative that we maintain pressure in Washington for federal preemption. If Congress keeps brushing the issue aside, we will continue to see increasing numbers of U.S. companies succumbing to the weight of excessive litigation, exorbitant legal fees, and escalating damage awards. That is a price we can no longer afford. The time to bring our runaway liability system under control is now.

CHRISTMAS SEAL CAMPAIGN OF THE AMERICAN LUNG ASSOCIATION

Mr. DOLE. Mr. President, I would like to call to the attention of my colleagues the fact that today is the official opening day of the annual Christmas Seal Campaign of the American Lung Association.

THE COSTS OF LUNG DISEASE

Lung diseases are the third most common cause of death in the United States. A total of 86 million American men, women, and children—one-third of our population—suffer from some form of chronic respiratory illness. The direct economic cost to our Nation of these diseases is estimated at nearly $30 billion each year.

Lung cancer and emphysema, once seen almost exclusively among men, have risen dramatically among American women, and the incidence contin-

ues to rise. In fact, by the end of this year, lung cancer will have become the No. 1 cause of cancer deaths among American women. These and other smoking-related diseases cause 350,000 premature deaths in this country each year.

Asthma is the most common chronic disease of childhood, and is the major cause of school absenteeism. Tuberculosis, although treatable, has not yet been eradicated. Pneumonia is the leading cause of death by infectious disease in the United States.

THE AMERICAN LUNG ASSOCIATION—LEADING THE FIGHT

Leading the fight against death and disability from lung disease is the American Lung Association—the Christmas Seal people. The oldest nationwide voluntary health agency in the United States, it was originally founded in 1904 to combat tuberculosis, then our Nation's greatest health menace. This organization has a long, proud history of sponsoring community health education and research efforts that have succeeded in reducing TB from the leading killer disease to the ranks of controllable illness. Today the Lung Association, its medical arm, the American Thoracic Society, and its 139 affiliated associations throughout the country, work to control and prevent all lung diseases and some of their related causes, including cigarette smoking, air pollution, and occupational hazards.

ALA works with the Federal Government, local governments, private industry, and other voluntary agencies to keep in the forefront of the public health movement as our country grows and changes.

THE BEST OF TRADITIONS

For 78 years now, the American Lung Association has relied on donations to its Christmas Seal Campaign and on other voluntary contributions to support its work. Christmas Seals remind us at holiday time that, while lung disease remains a serious problem, much of it can be prevented. Gifts from the public to the Christmas Seal Campaign represent among the best of traditions during the holiday season.

This year, Christmas Seals are reaching into 60 million American homes, including those of most of my colleagues and their constituents. I commend the American Lung Association for its efforts and wish it continued success.

JOE C. MORRIS' ELECTION TO THE VICE CHAIRMANSHIP OF THE U.S. LEAGUE OF SAVINGS INSTITUTIONS

Mr. DOLE. Mr. President, it is always satisfying to see a talented, dedicated and hard-working individual receive the recognition of his or her peers. That recognition is being granted to Joe C. Morris of Emporia, KS, who today assumes the position of vice chairman of the U.S. League of Savings Institutions. Most in this Chamber are aware, I believe, that the U.S. league—with 3,500 member savings and loan associations and savings banks recording assets of $1.1 trillion—is the largest trade group representing the savings institutions business.

Joe Morris is president and chief executive officer of Columbia Savings Association of Emporia, a federally chartered institution with 15 offices throughout Kansas and assets of $440 million. Mr. Morris joined Columbia Savings in 1964 as a loan officer, and 2 years later was promoted to treasurer. In 1969 he became that institution's executive vice president, and assumed his present position in 1972.

During his 21-year career with Columbia Savings, Mr. Morris also has served his chosen field on both the State and national levels. He has served as chairman of the Kansas League of Savings Institutions, of which he presently is a director, and as president of the Kansas Savings and Loans Institute. As an active member of the U.S. League of Savings Institutions, Mr. Morris has been a director and has served in numerous major committee assignments, including the chairmanship of the Corporate Tax Issues Committee and the Tax Incentive for Savings Committee.

Mr. Morris has devoted much time to community affairs in Emporia, where he was born and reared. He served two terms on the Emporia Board of Education and currently is a member of a special presidential advisory committee at Emporia State University. He has been a vice president of the Chamber of Commerce of Emporia, and is past president of the United Way and the Rotary Club. An active promoter of community development, he has served as a director of Emporia Enterprises, an organization devoted to fostering economic growth. The Kansas Kiwanis Foundation recognized Mr. Morris, his wife, Susan, and their three sons in 1981, honoring them as the Kansas Family of the Year.

We Kansans are proud of Joe Morris' accomplishments, Mr. President, and we congratulate him and wish him success today as he begins his 1-year term as vice chairman of the U.S. League of Savings Institutions. After this term is up, he will ascend to the presidency of the U.S. league, and we will of course look forward to working with him in that capacity as well.

BIRMINGHAM AND THE NEW SOUTH

Mr. HEFLIN. Mr. President, recently one of the many fine universities in my home State, the University of Alabama at Birmingham, held their "1985 Honors Convocation." The principal address at that ceremony was delivered by Dr. Richard Arrington, Jr., mayor of the city of Birmingham.

Dr. Arrington's address was entitled "Birmingham: The Reality of a New South Experience." In many ways, Mr. President, Dr. Arrington himself is the epitome of the current edition of the "New South." A biologist specializing in invertebrate zoology by education, he first became involved in academic administration and then in politics. After having served two terms as a member of the Birmingham City Council, he is now in his second term as the city's mayor, and his determination and vision are leading my State's largest city into an even brighter 21st century.

Dr. Arrington's talk was very well thought out and presented an accurate image of Birmingham as it relates to what is today thought of as the "New South." Of course, Mr. President, as the mayor pointed out, the term "New South," with all the promise and potential it implies, has been around since at least the 1880's, when Atlanta journalist Henry Grady pointed out the need for his region to recover from the Civil War and develop a new industrial thrust.

In too many ways, however, efforts to build such a "New South" have failed to reach fruition. Today's efforts—exemplified by Birmingham's growth, evolution, change, and development—seem different, and Dr. Arrington's remarks are very timely in this regard.

I commend his remarks to all of my colleagues, Mr. President, and ask unanimous consent that his address be printed in full in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

BIRMINGHAM: THE REALITY OF A NEW SOUTH EXPERIENCE

(By Dr. Richard Arrington, Jr.)

Ever since the Civil War era, the people of the South have shown an acute sensitivity about their deficiencies. Southerners have felt different. Some have focused on the Civil War defeat. Others have worried about economic failure and political impotence. Still others have lived with guilt because we fought a war over the institution of slavery, wrestled with racial prejudices more overtly than the rest of the nation, and were often judged by others to be out of step with America.

However, for the last one hundred years there has also been a growing impulse within the South to improve Southern economic development, cultural life, educational opportunities, and the attitudes of people in general. Whether black or white, rich or poor, we Southerners have lived with a special brand of selfconsciousness and self-examination which has often taken the form of seeking change.

One of the first social commentators to call for a New South was the Atlanta jour-

nalist, Henry W. Grady. In the 1880s, Grady urged the need of this region to recover from the Civil War and develop a new industrial thrust. And, just as my grandfather's and father's generations grappled with the same task of molding the New South of their times, I expect that my grandchildren and their children will discuss and debate with equal certainty the manifestations of their "New South"—just as I shall attempt to do here today.

The South's quest for renewal and development has taken different forms in its constant metamorphosis. Following Grady's call for a New South, there was indeed some change. In the late nineteenth century, new cotton mills sprouted throughout the South, providing new sources of family wages and bringing a degree of diversity to a hard-pressed agricultural economy. Life in fact was changing, and the rallying cry, "The South Shall Rise Again," seemed to be coming true. But that period of change fell far short of creating the transformation southern visionaries had in mind and what history tells us was so badly needed. The failing may well be explained by the words of David Mathews. In addressing the topic of the New South, Dr. Mathews wrote:

"But somehow in that New South, we became so caught up in our own propaganda that we forgot to look at what we really had. And what we really had was just an extension of the poverty of the plantation system shifted into an industrialized framework. A 'family wage' in the new industrialized South meant that every member of the family who wanted to eat, even women and children, had to work long and hard for the money to pay the commissary for food. And while the image of the South prospered, the people who made that image possible, the cheap labor force, were a straggly, tubercular lot, and not a credit to anyone. . . . We should learn from earlier New Souths that progress without people was just so much technology."

If we examine the history of all of the previous New Souths, seeking the basis for the failures which might have occurred, one major lesson is evident. More often than not, the efforts at social change were not targeted at the uplift and transformation of the individual, the people. Our true wealth is not just our vast lands and rich natural resources but our *human* resources. People are the foundation for lasting, constructive change. The earlier New Souths failed because the concept of progress simply was not extended to a broad base of the Southern population. Economic and social change cannot thrive in a society where only one-third of the people are to be part of the progress. The essential and bitter lesson which the South has had to learn is that, in a democratic society, when large segments of your population are programmed for failure, progress will not be achieved. Therefore, earlier New Souths turned out to be ineffective, empty, and perhaps even mythological.

Today, in certain parts of the South, there seems to be another effort to achieve a New South, but this time there appears to be more substance, more reality to the growth. Indeed, the metamorphosis to the current New South has brought our region to the point of emerging as a prime center of positive economic and social change.

Although Birmingham is a relatively young Southern city, its short history contains the essential ingredients of the New South experience: success mixed with disillusionment and defeat. Emerging in the 1870s as an industrial center, with rich resources of coal, iron ore, and limestone, the city soon found itself in the grips of a cholera epidemic which sent people fleeing from its environs. By the 1920s there was another period of rapid development and then, following the Crash of 1929, yet another period of social and economic trauma. No city in the United States was hit harder by the Great Depression than was Birmingham. More recently, the iron and steel industry that once had made Birmingham the "Magic City" began to fall upon hard times. Between 1950 and 1970 Birmingham lost more than 25,000 steel-related jobs and with them the cornerstone of the city's initial economic way of life. Almost simultaneously Birmingham experienced the civil rights movement. The reality is that the 1950s and 1960s were decades of overt racial hostility in our city. In retrospect, racial inequalities had long been developing across America, and in Birmingham all this came to a painful, if needed, climax.

As we have borne these different experiences, however, we have learned that we must live together, work together, and trust each other if we are to survive and prosper. And in the process we have progressed dramatically toward a New Birmingham and a genuine New South. Our recent progress has been real because the target of the new progressive plan has been *all the people of Birmingham:* all the private interests and all the public institutions. It has been real because we have steered clear of unfounded boosterism and because we have tried never to move forward on a particular issue without being mindful of the lessons of our past.

There are many dimensions and many players involved in this story of recent growth. Let me focus briefly on several of the basic changes which have occurred in Birmingham in the last decade or two.

With key corporate, educational, and governmental leaders in the forefront, and the overwhelming majority of our citizens pursuing common goals, the city's economic transition accelerated. From an economy originally built on the steel industry, we have fashioned a more diversified and promising economy based on health, education, research, utilities, telecommunications, finance and insurance. Although we have retained a significant number of heavy industry jobs, we also can claim the largest number of engineers of any city in the South except for Houston. A *balanced* economy is the cornerstone of Birmingham's new quality of life.

While Birmingham has successfully dealt with economic transition, it has, at the same time, dealt with social and political change. The shifting and sharing of political power among all the people of this community has been a remarkable story in itself. The manner in which Birmingham handled this transformation has been a tribute to its people. Indeed, we believe that some of America's most significant recent history was acted out in this city. And while many of us do not fully appreciate the significance of the Birmingham freedom struggle, I have no doubt that it will be perceived in history as one of our nation's most significant social and political developments.

Much of Birmingham's recent development also must be attributed to The University of Alabama at Birmingham. This institution has been outstanding in its sensitivity and responsiveness to our community UAB has provided this city not just with jobs but with talented and skilled individuals who are an intricate part of our community's welfare. UAB has enhanced our city's image and given us pride and hope for the future, especially in terms of economic development.

To be sure there are still big challenges awaiting us in the current transition. But with renewed faith in ourselves and some success under our belt, we are certain that we are equal to the task. In fact, because of this transition, because of the price we paid as a people and the lessons we could not help but have learned, and because of our new forward-looking attitude, I can speak confidently today of a New South of which Birmingham is an integral part—a community in which positive attitudes and social change continue to evolve. America has a lot to learn from the Birmingham experience: people of different races and different social and economic backgrounds *can* work together to build a better community.

Finally, I want to address my closing remarks to these fine young people whom we honor here today. I commend them for their achievements. I applaud their hard work and sense of dedication to individual achievement, for such achievement is one of the foundations of community and national success. At the same time, I challenge each of you not just to be talented and educated but also to be concerned, compassionate, and committed. I challenge you to shape your philosophy of life *early* so that you may have more time to give of yourself to that which you believe to be important. Let your goals be something *beyond* individual achievement. It is never enough to just succeed individually. In some way—perhaps small, perhaps great—all of us must make a positive difference in the society around us. We cannot afford to become calloused of conscience and indifferent to poverty, suffering and other injustices. We, who are part of the *genuine* New South, face a special challenge—a call for the pursuit of excellence and a call for conscience. This time our drive toward social and economic progress must not falter. We must be bold in matters of justice and human compassion as we are in the exploration of space or the development of military might. We must stand as strongly for human dignity and freedom in the South Africas of this world as we stand for corporate profits and free enterprise. We must apply the lessons of our South to the problems of America and the world. Clearly, we have something to offer.

There is a New South—a New Birmingham—wiser, bolder, and progressive in a meaningful way. The greatest resource of the New South is its people with their enduring hope. For, as we have seen, our hope *can be* transformed into action. I urge you to join me in making a personal contribution in this time of progress for the people of our city and for those well beyond.

RANDY WILLIAMS: PRESIDENT OF CIRCLE K INTERNATIONAL

Mr. HEFLIN. Mr. President, it is a great honor for me to rise today in recognition of an outstanding honor recently achieved by a fine young Alabamian, Randy Williams of Montgomery. This past August, Randy, a graduate student at Auburn University at Montgomery, was elected president of Circle K International.

In this position, Randy serves as the leader of the collegiate affiliate of

Kiwanis International. A coeducational service and leadership development organization, Circle K now has more than 10,500 members in approximately 600 clubs spread throughout 6 countries. The organization has come a long way from its beginning as a service fraternity in 1936, and since its official recognition by Kiwanis Internatinal in 1955.

The election of Randy Williams as president of Circle K International is but the latest evidence of the fine Circle K district organization in my home State. There are Circle K Clubs at more than 20 colleges, universities, and junior colleges across the State. Through the years, the contributions these groups have made to improving the welfare of Alabamians have been truly unbelievable. Through involvement with local boys and girls clubs, children's homes, Special Olympics, the Muscular Dystrophy Association, and other groups, they have helped us all build a better world.

During the last 30 years, there have been some 25 times that the members of Circle K have chosen young people from Alabama to serve on the international board of officers, helping to set the policy that has steered the organization through its years of growth. In addition, clubs from Alabama have won 10 first-place awards in recognition of the quantity and quality of their service.

Randy is the 24-year-old son of Dr. and Mrs. L.M. Williams of Montgomery, and is currently pursuing a masters of business administration degree. He first became involved with Circle K as an undergraduate at the University of Alabama in 1980. After serving his local club as newsletter editor, he was chosen as editor of the district publication, The Bama Bugle, for the 1980–81 year.

In 1981, Randy was elected to serve as lieutenant governor of the Vulcan division of the Alabama district. In that capacity, he served as a counselor to all clubs in the Birmingham-Tuscaloosa area. The next year, Randy had done such a fine job that he was a unanimous choice for the office of governor. After he served 1 year as chairman of the district committee on conferences and conventions, delegates to the 1984 international convention elected Randy to serve as international vice president. In that capacity, he served as counselor to the New York, Missouri-Arkansas and southwest districts, as well as serving as chairman of the membership development and education/club growth and retention committee. Under his leadership, this committee developed a comprehensive year-round membership process to streamline and facilitate Circle K's growth.

Randy has made many plans for his year as president of Circle K, and I am confident he and his board will do a fine job. I am very proud of the example he is setting for other young men and women from Alabama and other States. He is a truly fine representative of the ideals of Circle K—leadership, service, involvement, caring. I wish him the best during his year as president.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session in order to consider the nomination of Alan Lee Keyes, to be an Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the nomination.

DEPARTMENT OF STATE

NOMINATION OF ALAN LEE KEYES, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF STATE

The legislative clerk read the nomination of Alan Lee Keyes, of Maryland, to be an Assistant Secretary of State.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Alan Lee Keyes, of Maryland, to be an Assistant Secretary of State?

The nomination was confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF COMMERCE

NOMINATION OF ORSON G. SWINDLE III, OF GEORGIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate move to the consideration of the nomination of Orson G. Swindle III, to be an Assistant Secretary of Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the nomination.

The legislative clerk read the nomination of Orson G. Swindle III, of Georgia, to be an Assistant Secretary of Commerce.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Orson G. Swindle III, of Georgia, to be an Assistant Secretary of Commerce?

The nomination was confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF AGRICULTURE

NOMINATION OF VANCE L. CLARK, OF CALIFORNIA, TO BE ADMINISTRATOR OF THE FARMERS HOME ADMINISTRATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now move to the consideration of the nomination of Vance L. Clark, to be Administrator of the Farmers Home Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the nomination.

The legislative clerk read the nomination of Vance L. Clark, of California, to be Administrator of the Farmers Home Administration.

Mr. HELMS. Mr. President, it gives me great pleasure to support the nomination of Vance L. Clark for the position of Administrator of the Farmers Home Administration.

The Committee on Agriculture, Nutrition, and Forestry held a confirmation hearing on this appointment on September 9, and it was reported with a favorable recommendation without objection on September 20, 1985.

Mr. Clark's qualifications for this position are exceptional. He has been involved in lending, and specifically agricultural lending, during his 42-year career with Bank of America. Upon Mr. Clark's retirement from Bank of America in 1983, he was senior vice president with offices in Fresno and overall responsibility for the bank's operations in the San Joaquin Valley through 104 branches with 3,200 employees.

Mr. Clark was born in Nebraska and was graduated from Nebraska Business College in 1941 and joined Bank of America in Los Angeles that year. During World War II Mr. Clark served with the Marine Corps and answered the call to duty again during the Korean war.

Mr. Clark's education includes graduation from the University of California at Los Angeles Graduate School of

Business Executive Development, the Pomona College Executive Program, the Brookings Institution government operations conference, and courses in such fields as farm management and financing and crop production at the University of California—Davis, and California Polytechnic Institute. An honorary juris doctor degree from the San Joaquin Valley College of Law was conferred in 1981.

Mr. Clark has been actively involved in many agricultural and community organizations and has given freely of his energies to various civic groups.

As the Senate is aware, the job to which Mr. Clark has been nominated is one which is currently a "hotseat" and one which requires a level of sacrifice above and beyond the call of duty. However, there is no doubt in my mind after reviewing the many accomplishments in Mr. Clark's illustrious career that he is indeed the man for the job.

I urge the Senate to support his nomination.

Mr. President, I ask unanimous consent that a biographical sketch of Mr. Clark be printed in the RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VANCE L. CLARK

Vance L. Clark, a veteran banker with extensive experience in agricultural credit, was nominated by President Reagan on July 12 to be administrator of the Farmers Home Administration, principal credit agency of the U.S. Department of Agriculture.

During his professional career, Clark spent 42 years with the Bank of America. Upon his retirement in 1983, he was regional senior vice president with offices in Fresno and overall responsibility for the bank's operations in the San Joaquin Valley through 104 branches with 3,200 employees.

Clark was born Sept. 17, 1923, in St. Paul, Neb., where he grew up and attended Nebraska Business College. Upon graduation in 1941, he joined the Bank of America in its Los Angeles district. He served in a number of the bank's offices while advancing up the career ladder and serving the credit needs of California's diverse agricultural community, as well as other clients.

He served in the Pacific campaign as a member of the Marine Corps from 1943 to 1946, and was called back to active duty in 1950 during the Korean conflict.

His education includes graduation from the University of California at Los Angeles Graduate School of Business Executive Development, the Pomona College executive program, the Brookings Institution government operations conference, and courses in such fields as farm management and financing and crop production at the University of California Davis and California Polytechnic Institute. Clark holds an honorary juris doctor degree from the San Joaquin Valley College of Law which was conferred in 1981.

Business and professional memberships have included the California Student Aid Commission, the boards of the Bank of America's Livestock Symposium (an educational outreach forum) and the Producers Cotton Oil Company, and the Business Advisory Council to Public Television and Channel 18 Fresno. Clark has served as president of the Fresno County and City Chamber of Commerce, chairman of the Business Advisory Council to the School of Business and Administrative Sciences, University of California Fresno, and board chairman of the trustees of the San Joaquin College of Law.

Clark and his wife have three sons and six grandchildren.

Mr. THURMOND. Mr. President, I rise in support of the nomination of Mr. Vance L. Clark, who has been selected by President Reagan to serve as Administrator of the Farmers Home Administration.

Mr. Clark is superbly qualified for this position by reason of his educational background and his experience. He received his undergraduate degree from the Nebraska Business College and has since graduated from the University of California at Los Angeles Graduate School of Business Executive Development and the Pomona College executive program. He attended the Brookings Institution government operations conference, and studied farm management and financing and crop production at the University of California at Davis and California Polytechnic Institute.

Mr. Clark has extensive experience with the peculiarities of agricultural credit. During his 42 years with the Bank of America, he served the credit needs of California's diverse agricultural community, as well as other clients. Furthermore he has proved himself an able administrator during his tenure as regional senior vice president of Bank of America, with overall responsibility for operations of the bank in the San Joaquin Valley which has 104 branches with 3,200 employees.

Mr. President, in this difficult agricultural climate, the FmHA needs both an able Administrator and an individual experienced in the specialized needs of agricultural banking. Mr. Clark fits both these needs and is an excellent choice for Administrator of the Farmers Home Administration. I commend President Reagan on his selection, and I urge my colleagues to support this nomination.

Mr. WILSON. Mr. President, I rise today in support of the nomination of Vance Clark to serve as Administrator of the Farmer's Home Administration. In September, I was pleased to appear before the Senate Agriculture Committee to introduce Vance Clark and support his nomination to this position. The committee unanimously supported his nomination and I would now like to share with my distinguished colleagues in the Senate some of the reasons why I believe Vance Clark deserves your full support for his confirmation.

Vance Clark is a veteran banker with extensive experience in agricultural credit. He spent 42 years with the Bank of America and by the time he retired 2 years ago, Vance was regional senior vice president for offices in Fresno, CA. In that position, he had overall responsibility for the bank's operations in the San Joaquin Valley comprised of 104 branch offices with 3,200 employees. This extensive agricultural bank and credit experience is only one of Vance's strongpoints.

His educational background is equally impressive, including studies at UCLA's Graduate School of Business Executive Development, the Brookings Institution government operations conference, and courses in farm management, financing, and crop production at the University of California at Davis and at the California Polytechnic Institute. Vance was given an honorary juris doctor degree from the San Joaquin Valley College of Law in 1981, an honor appropriate to his distinguished career.

The remarkable thing about Vance is that he is anything but one dimensional. In spite of the many professional demands of his time, Vance also contributed to his community at the highest level through a variety of business and professional memberships. These have included the California Student Aid Commission, the board of the Bank of America's Livestock Symposium, an educational outreach forum, and the Business Advisory Council to Public Television. Vance has also served as president of the Fresno County and City Chambers of Commerce.

While this list of accomplishments is far from complete, I think it gives my colleagues an idea of why Vance Clark is the right man to administer the Farmer's Home Administration at this very critical time in American agriculture.

We are all aware of the difficult economic situations confronting many of our farmers. Many of us visited with our farmers during the August recess and know firsthand the problems they face. Financial credit problems rank high on the list. Now more than ever, we must have strong leadership in the Farmers' Home Administration.

Throughout its half century of operation, the Farmers' Home Administration has been concerned primarily with credit and counseling services that have supplemented resources of the private sector for building stronger family farms. In 1984, farm credit accounted for about one-half of all the resources administered by FmHA. The agency, through its farmer, rural housing, community, and business programs, administered close to 176,000 loans and grants worth nearly $8 billion in 1984. In the credit delivery system that FmHA has developed over the years, FmHA resources are directed through Washington to 46 State offices, 270 district offices and about 1,945 county offices serving every rural county in the 50 States and our

territories. FmHA's close one-on-one relationship with its borrowers is unique in the Federal Government.

In these trying financial times, administering an agency with such a profound impact on the agricultural sector requires the best leadership and insight available. Vance Clark, because of his professional background and impeccable personal qualities, is the man for that job.

I have full confidence in Vance's ability to undertake this challenging assignment. It is without reservation that I intend to vote for his confirmation and would urge my colleagues in the Senate to do likewise.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Vance L. Clark, of California, to be Administrator of the Farmers Home Administration?

The nomination was confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I wish to thank the distinguished minority leader for his assistance in clearing these nominations. As I have indicated earlier, it is our hope that we can move to the nomination of Robert K. Dawson, to be an Assistant Secretary of the Army. I understand Senator CHAFEE has a meeting set with Mr. Dawson, and Mr. Dawson is not available today. We are going to try to see if we can help arrange that meeting today.

Later on today, probably this evening, we will move to the nomination of Alex Kozinski, to be U.S. Circuit Judge for the Ninth Circuit. I understand the distinguished Senator from Michigan [Senator LEVIN] who has a problem with that nomination, is willing to enter into a time agreement of 2 hours, with a half hour on this side.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 99-12

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the 1984 Protocols to the Civil Liability and Fund Conventions for Oil Pollution Damage (treaty document No. 99-12), which were transmitted to the Senate yesterday by the President of the United States; and also ask that the protocols be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Protocol of 1984 to Amend the International Convention on Civil Liability for Oil Pollution Damage, 1969 (Civil Liability Convention) and the Protocol of 1984 to Amend the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1971 (Fund Convention). The Department of State has prepared a Technical Report on the Protocols, which is attached for the information of the Senate.

The 1984 Protocols to the Civil Liability and Fund Conventions are intended to revise and update the international system of liability and compensation for damage caused by vessel source oil pollution. In light of worldwide experience with costly oil spills since the conventions were first negotiated, they both required substantial amendment to raise their liability and compensation limits. The maximum liability and compensation limits contained in the new Protocols are approximately four times higher than in the original conventions and are now deemed sufficient to compensate all legitimate claimants with regard to any oil spill likely to occur in waters off the coasts of the United States. These new limits would provide substantially greater levels of compensation for United States citizens who sustain oil pollution damage than is currently available under existing domestic statutes or voluntary industry mechanisms.

A United States understanding of the term "pollution damage" and declarations by which the United States would exercise the option under the Protocols to delay the effective date of our instruments of ratification, are included in the Technical Report of the Department of State for consideration of the Senate. If approved, these declarations and understanding would be appended to the United States instruments of ratification.

Expeditious ratification of the 1984 Protocols would demonstrate not only our interest in assuring compensation for United States citizens who sustain oil pollution damage, but also our commitment to higher, uniform international standards for mitigating such damage which can be generally accepted worldwide.

I recommend that the Senate give early and favorable consideration to the 1984 Protocols to the Civil Liability and Fund Conventions and give its advice and consent to ratification.

RONALD REAGAN.

THE WHITE HOUSE, *November 5, 1985.*

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETERANS' ADMINISTRATION HEALTH-CARE AMENDMENTS

Mr. MURKOWSKI. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 505.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the text of the bill (H.R. 505) entitled "An Act to amend title 38, United States Code, to improve the delivery of health care services by the Veterans' Administration, and for other purposes", with the following amendment:

In lieu of the matter inserted by said amendment, insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Administration Health-Care Amendments of 1985".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—HEALTH-CARE PROGRAMS

Sec. 101. Alcohol and drug treatment and rehabilitation.
Sec. 102. Special contract-care authority outside the 48 contiguous States.
Sec. 103. Extension of interim health-care eligibility based on exposure to dioxin or other toxic substances in Vietnam or to nuclear radiation.
Sec. 104. Outpatient and ambulatory services following nursing home or domiciliary care.
Sec. 105. Vietnam Veteran Resource Centers pilot program.
Sec. 106. Technical amendment relating to continuing availability of readjustment counseling.

Sec. 107. Counseling for former prisoners of war.
Sec. 108. Transfers for nursing home care.
Sec. 109. Chiropractic services pilot program.

TITLE II—HEALTH-CARE ADMINISTRATION

Sec. 201. Medical quality-assurance records.
Sec. 202. Authority to expand Geriatric Research, Education, and Clinical Centers program.
Sec. 203. Revision of authority for appointment of student nurses and graduate nurses.
Sec. 204. Quality assurance and credentialing.
Sec. 205. Availability of State financial support for approved State home projects.
Sec. 206. Procedures for reduction or revocation of clinical privileges.

TITLE III—VETERANS' ADMINISTRATION MEDICAL FACILITIES

Sec. 301. Clarification of requirement of congressional approvcl of construction and acquisition projects.
Sec. 302. Operational and construction planning requirement.
Sec. 303. Major facility prospectus requirement.
Sec. 304. Development of medical-facility modular components.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Servicemen's Group Life Insurance and Veterans' Group Life Insurance.
Sec. 402. Extension of authority to operate an office in the Republic of the Philippines.
Sec. 403. Veterans' Administration grade reduction.
Sec. 404. Land transfer, Phoenix, Arizona.
Sec. 405. Modification of restrictions on real property, Milwaukee County, Wisconsin.
Sec. 406. Authority to release limitation on use of real property, McKinney, Texas.
Sec. 407. Modification of restrictions on real property and conveyance of a fence on such property, Salt Lake City, Utah.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—HEALTH-CARE PROGRAMS

SEC. 101. ALCOHOL AND DRUG TREATMENT AND REHABILITATION.

(a) EXTENSION OF SPECIAL CONTRACT AUTHORITY.—Section 620A is amended—

(1) in subsection (a)(1)—

(A) by striking out "may conduct a pilot program under which the Administrator" in the first sentence; and

(B) by striking out the second sentence;

(2) by striking out "October 31, 1985" in subsection (e) and inserting in lieu thereof "September 30, 1988"; and

(3) by striking out subsection (f) and inserting in lieu thereof the following:

"(f)(1) The Administrator shall monitor the performance of each contract facility furnishing care and services under the program carried out under subsection (a) of this section.

"(2) The Administrator shall use the results of such monitoring to determine—

"(A) with respect to the program, the medical advantages and cost-effectiveness that result from furnishing such care and services; and

"(B) with respect to such contract facilities generally, the level of success under the program, considering—

"(i) the rate of successful rehabilitation for veterans furnished care and services under the program;

"(ii) the rate of readmission to contract facilities under the program or to Veterans' Administration health-care facilities by such veterans for care or services for disabilities referred to in subsection (a) of this section;

"(iii) whether the care and services furnished under the program obviated the need of such veterans for hospitalization for such disabilities;

"(iv) the average duration of the care and services furnished such veterans under the program;

"(v) the ability of the program to aid in the transition of such veterans back into their communities; and

"(vi) any other factor that the Administrator considers appropriate.

"(3) The Administrator shall maintain records of—

"(A) the total cost for the care and services furnished by each contract facility under the program;

"(B) the average cost per veteran for the care and services furnished under the program; and

"(C) the appropriateness of such costs, by comparison to—

"(i) the average charges for the same types of care and services furnished generally by other comparable halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities; and

"(ii) the historical costs for such care and services for the period of time that the program carried out under subsection (a) of this section was a pilot program, taking into account economic inflation.

"(4) Not later than February 1, 1988, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the experience under the program carried out under this section during fiscal years 1984 through 1987. The report shall include—

"(A) a description of the care and services furnished;

"(B) the matters referred to in paragraphs (1), (2), and (3) of this subsection; and

"(C) the Administrator's findings, assessment, and recommendations regarding the program under this section.".

(b) CONFORMING AMENDMENTS.—(1) The heading for such section is amended by striking out the semicolon and the last two words.

(2) The item relating to such section in the table of sections at the beginning of chapter 17 is amended by striking out the semicolon and the last two words.

SEC. 102. SPECIAL CONTRACT-CARE AUTHORITY OUTSIDE THE 48 CONTIGUOUS STATES.

(a) REVISION OF SPECIAL CONTRACT CARE AUTHORITY.—Section 601(4)(C)(v) is amended—

(1) by striking out "(except with respect to Alaska and Hawaii) shall expire on October 31, 1985" and inserting in lieu thereof "with respect to the Commonwealth of Puerto Rico shall expire on September 30, 1988"; and

(2) by striking out "and to the Virgin Islands".

(b) PHASE-OUT OF SPECIAL AUTHORITY IN PUERTO RICO.—(1) Effective on October 1, 1988, such section is amended—

(A) by inserting "(other than the Commonwealth of Puerto Rico)" after "in a State"; and

(B) by striking out "contiguous States" the second place it appears and all that follows through "medical services;" and inserting in lieu thereof "contiguous States and the Commonwealth of Puerto Rico;".

(2) During fiscal year 1986, the obligations incurred for Puerto Rico contract care may not exceed 85 percent of the obligations incurred for such care for fiscal year 1985.

(3) During fiscal year 1987, the obligations incurred for Puerto Rico contract care may not exceed 50 percent of the obligations incurred for such care for fiscal year 1985.

(4) During fiscal year 1988, the obligations incurred for Puerto Rico contract care may not exceed 25 percent of the obligations incurred for such care for fiscal year 1985.

(5) For the purpose of this subsection, the term "obligations incurred for Puerto Rico contract care" means the total obligations incurred during a fiscal year for medical services for veterans residing in the Commonwealth of Puerto Rico under the Administrator's authority to contract for hospital care or medical services under clause (v) of section 601(4)(C) of title 38, United States Code, in the Commonwealth of Puerto Rico.

SEC. 103. EXTENSION OF INTERIM HEALTH-CARE ELIGIBILITY BASED ON EXPOSURE TO DIOXIN OR OTHER TOXIC SUBSTANCES IN VIETNAM OR TO NUCLEAR RADIATION.

Section 610(e)(3) is amended by striking out "after the end of" and all that follows and inserting in lieu thereof "after September 30, 1989.".

SEC. 104. OUTPATIENT AND AMBULATORY SERVICES FOLLOWING NURSING HOME OR DOMICILIARY CARE.

Section 612(f)(1) is amended—

(1) by striking out "where" the first two places it appears and inserting in lieu thereof "if";

(2) by inserting a comma and "nursing home care, or domiciliary care" after "hospital care" the second place it appears;

(3) by striking out "hospital" the fourth place it appears; and

(4) by striking out "in-hospital" and inserting in lieu thereof "such".

SEC. 105. VIETNAM VETERAN RESOURCE CENTERS PILOT PROGRAM.

Section 612A is amended by adding at the end the following new subsection:

"(h)(1) During the period beginning on January 1, 1986, and ending on September 30, 1988, the Administrator shall conduct a pilot program to provide and coordinate the provision of services described in paragraph (2) of this subsection. The pilot program shall be carried out in order to evaluate the effectiveness, feasibility, and desirability of providing veterans eligible for readjustment counseling under this section with additional services through facilities furnishing such counseling.

"(2) The services referred to in paragraph (1) of this subsection are—

"(A) counseling with respect to, and assistance in applying for, all benefits and services under laws administered by the Veterans' Administration for which veterans participating in the pilot program may be eligible;

"(B) employment counseling, training, placement, and related services described in

sections 2003 and 2003A of this title or provided under any other law administered by the Secretary of Labor;

"(C) initial intake and referral services with respect to disabilities related to alcohol or drug dependence or abuse and followup services for veterans who have received treatment for such disabilities; and

"(D) assistance in coordinating the provision of benefits and services to veterans participating in the pilot program with respect to such veterans' receipt of—

"(i) services provided under the pilot program; and

"(ii) other benefits and services provided under laws administered by the Veterans' Administration, the Secretary of Labor, or any other Federal agency or official.

"(3)(A) In order to carry out the pilot program, the Administrator shall—

"(i) designate as sites for demonstration projects 10 facilities which on the date of the enactment of this section are providing readjustment counseling under this section; and

"(ii) assign such staff and other resources to such facilities as are necessary to enable such facilities to provide the services referred to in subparagraphs (A) and (C) of paragraph (2) of this subsection.

"(B) Facilities designated under subparagraph (A) of this paragraph shall be known as Vietnam Veteran Resource Centers (hereinafter in this subsection referred to as 'Centers').

"(4) The Administrator—

"(A) shall be responsible for coordinating the assignment and use of employees, on full- or part-time bases, as appropriate, in each Center; and

"(B) shall, in carrying out that responsibility, make maximum feasible use of the Veterans' Administration employees who are providing services at each facility on the date it is designated as a Center under this subsection.

"(5) The Secretary of Labor shall provide for the assignment to each Center, on full- or part-time bases, as the Secretary considers appropriate, of disabled veterans' outreach specialists appointed under section 2003A of this title or employees on the staffs of local employment service offices who are assigned to perform services under section 2004 of this title.

"(6) Not later than April 1, 1987, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the experience under the pilot program during its first 15 months of operation. The report shall include—

"(A) the Administrator's assessment of—

"(i) the effectiveness of the pilot program in providing and coordinating the provision of the services described in paragraph (2) of this subsection and counseling and services furnished under subsections (a) and (b) of this section; and

"(ii) the appropriateness of the use of the personnel assigned to the program;

"(B) a description of any administrative action that the Administrator plans to take generally to increase the coordination of the provision of such services to veterans eligible for readjustment counseling services under this section;

"(C) any recommendation that the Administrator considers appropriate; and

"(D) a comparison of such assessment, plans, and recommendations with the evaluation of and the recommendations relating to the readjustment counseling program included in the report required by subsection (g)(2) of this section.

"(7) Not later than January 1, 1989, the Administrator shall submit to such Committees a final report on the pilot program. The report shall include—

"(A) updates of all information provided in the report submitted pursuant to paragraph (6) of this subsection; and

"(B) the Administrator's final assessment of the pilot program based on 33 months of operation.".

SEC. 106. TECHNICAL AMENDMENT RELATING TO CONTINUING AVAILABILITY OF READJUSTMENT COUNSELING.

Section 612A(g)(1)(B) is amended by striking out "who requested counseling before such date" and inserting in lieu thereof "who request such counseling".

SEC. 107. COUNSELING FOR FORMER PRISONERS OF WAR.

(a) IN GENERAL.—Subchapter II of chapter 17 is amended by inserting after section 612A the following new section:

"§ 612B. Counseling for former prisoners of war

"The Administrator may establish a program under which, upon the request of a veteran who is a former prisoner of war, the Administrator, within the limits of Veterans' Administration facilities, furnishes counseling to such veteran to assist such veteran in overcoming the psychological effects of the veteran's detention or internment as a prisoner of war.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 612A the following new item:

"612B. Counseling for former prisoners of war.".

SEC. 108. TRANSFERS FOR NURSING HOME CARE.

(a) IN GENERAL.—Subsection (a) of section 620 is amended to read as follows:

"(a)(1) Subject to subsection (b) of this section, the Administrator may transfer to a non-Veterans' Administration nursing home, for care at the expense of the United States—

"(A) a veteran—

"(i) who has been furnished hospital care, nursing home care, or domiciliary care by the Administrator in a facility under the direct jurisdiction of the Administrator; and

"(ii) who the Administrator determines—

"(I) requires a protracted period of nursing home care which can be furnished in the non-Veterans' Administration nursing home; and

"(II) in the case of a veteran who has been furnished hospital care in a facility under the direct jurisdiction of the Administrator, has received maximum benefits from such care; and

"(B) a member of the Armed Forces—

"(i) who has been furnished care in a hospital of the Armed Forces;

"(ii) who the Secretary concerned determines has received maximum benefits from such care but requires a protracted period of nursing home care; and

"(iii) who upon discharge from the Armed Forces will become a veteran.

"(2) The Administrator may transfer a person to a nursing home under this subsection only if the Administrator determines that the cost to the United States of the care of such person in the nursing home will not exceed—

"(A) the amount equal to 45 percent of the cost of care furnished by the Veterans' Administration in a general hospital under the direct jurisdiction of the Administrator (as such cost may be determined annually by the Administrator); or

"(B) the amount equal to 50 percent of such cost, if such higher amount is determined to be necessary by the Administrator (upon the recommendation of the Chief Medical Director) to provide adequate care.

"(3) Nursing home care may not be furnished under this subsection at the expense of the United States for more than six months in the aggregate in connection with any one transfer except—

"(A) in the case of a veteran—

"(i) who is transferred to a non-Veterans' Administration nursing home from a hospital under the direct jurisdiction of the Administrator; and

"(ii) whose hospitalization was primarily for a service-connected disability;

"(B) in a case in which the nursing home care is required for a service-connected disability; or

"(C) in a case in which, in the judgment of the Administrator, a longer period of nursing home care is warranted.

"(4) A veteran who is furnished care by the Administrator in a hospital or domiciliary facility in Alaska or Hawaii may be furnished nursing home care at the expense of the United States under this subsection even if such hospital or domiciliary facility is not under the direct jurisdiction of the Administrator.".

(b) ADMISSION TO CONTRACT NURSING HOMES OF CERTAIN VETERANS.—Subsection (d) of such section is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "to any public or private institution not under the jurisdiction of the Administrator which furnishes nursing home care" in the first sentence and inserting in lieu thereof "to any non-Veterans' Administration nursing home";

(3) by inserting after the first sentence the following new sentence: "The Administrator may also authorize a direct admission to such a nursing home for nursing home care for any veteran who has been discharged from a hospital under the direct jurisdiction of the Administrator and who is currently receiving medical services as part of home health services from the Veterans' Administration.";

(4) by striking out the sentence beginning "Such admission" and inserting in lieu thereof the following:

"(2) Direct admission authorized by paragraph (1) of this subsection may be authorized upon determination of need therefor—

"(A) by a physician employed by the Veterans' Administration; or

"(B) in areas where no such physician is available, by a physician carrying out such function under contract or fee arrangement, based on an examination by such physician."; and

(5) by designating the last sentence as paragraph (3).

(c) DEFINITION OF NON-VETERANS' ADMINISTRATION NURSING HOME.—Subsection (e) of such section is amended—

(1) by inserting "(1)" after "(e)";

(2) by striking out "subsection (a)(ii)" in the second sentence and inserting in lieu thereof "subsection (a)(2)(B)"; and

(3) by adding at the end the following:

"(2) For the purposes of this section, the term 'non-Veterans' Administration nursing home' means a public or private institution not under the direct jurisdiction of the Administrator which furnishes nursing home care.".

(d) IMPROVEMENT IN PENSION PROGRAM ADMINISTRATION.—(1) In order to improve the timeliness of adjustments made pursuant to section 3203(a) of title 38, United States Code, in the amount of pension being paid to a veteran who is being furnished nursing

home care by the Veterans' Administration, the Chief Medical Director of the Veterans' Administration shall develop improved procedures for notifying the Chief Benefits Director of the Veterans' Administration when a veteran is admitted to a nursing home.

(2) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the development and implementation of such procedures. The report shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 109. CHIROPRACTIC SERVICES PILOT PROGRAM.

(a) ESTABLISHMENT OF PILOT PROGRAM.—(1) The Administrator of Veterans' Affairs shall conduct a pilot program to evaluate the therapeutic benefits and the cost-effectiveness of furnishing certain chiropractic services to veterans eligible for medical services under chapter 17 of title 38, United States Code. Such a veteran is eligible to receive chiropractic services under the pilot program if the veteran was furnished hospital care or medical services by the Veterans' Administration for a neuromusculoskeletal condition of the spine within the 12-month period immediately preceding the commencement of the furnishing of such chiropractic services.

(2) The pilot program shall consist of not less than one demonstration project in each of five geographic regions of the United States designated by the Administrator for the purpose of this section.

(3) The pilot program shall be carried out during the period beginning on January 1, 1986, and ending on December 31, 1988.

(b) CONSULTATION AND COORDINATION.—In developing the pilot program, the Administrator shall consult with the Secretary of Defense regarding the demonstration projects carried out by the Secretary under section 632(b) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 1092 note). In designing, conducting, and evaluating the pilot program, the Administrator shall obtain advice and recommendations from recognized medical or scientific authorities in the treatment of neuromusculoskeletal conditions of the spine. The Administrator shall ensure that there is adequate participation by chiropractors in the design and evaluation of the demonstration projects, including participation by representatives from chiropractic colleges recognized by an approved accrediting organization.

(c) PAYMENT FOR CHIROPRACTIC SERVICES UNDER THE PILOT PROGRAM.—(1)(A) The Administrator shall pay the reasonable charge for chiropractic services furnished to eligible veterans under the pilot program.

(B) The Administrator may not pay for such services to the extent that the veteran is entitled to such services (or reimbursement for the expenses of such services) under—

(i) an insurance policy or contract;

(ii) a medical or hospital service agreement or membership or subscription contract; or

(iii) a similar arrangement for the purpose of providing, paying for, or reimbursing expenses for such services.

(2) The Administrator—

(A) shall reimburse the veteran for such reasonable charges if the veteran has paid for such services; or

(B) in lieu of reimbursing a veteran for a charge for chiropractic services under subparagraph (A), may pay the reasonable charge for such chiropractic services directly to the chiropractor who furnished the services.

(3) The amount paid for chiropractic services under this subsection may not exceed the amount for such services prescribed under the schedule of reasonable charges established under subsection (d).

(4) Chiropractic services may be provided in private facilities or chiropractic colleges approved in guidelines issued by the Administrator.

(5) Reimbursement of veterans and payments to chiropractors under this subsection shall be carried out under regulations which the Administrator shall prescribe.

(d) SCHEDULE OF REASONABLE CHARGES.—The Administrator shall establish a schedule of reasonable charges for chiropractic services furnished under the pilot program. Such schedule shall—

(1) be consistent with the reasonable charges allowed under section 1842 of the Social Security Act (42 U.S.C. 1395u); and

(2) be established in consultation with—

(A) appropriate public and nonprofit private organizations; and

(B) other Federal departments and agencies that provide reimbursement for chiropractic services.

(e) PROGRAM CAP.—The amount spent in any calendar year for chiropractic services under the pilot program may not exceed $2,000,000.

(f) REPORT.—Not later than April 1, 1989, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the implementation, operation, and results of the pilot program. The report shall include—

(1) the number of requests made by eligible veterans for reimbursement or payment for chiropractic services under this section and the number of such veterans who made such requests;

(2) the number of such reimbursements and payments made and the number of veterans to (or for whom) such reimbursements and payments were made; and

(3) the total amount spent for such reimbursements and payments.

(g) DEFINITIONS.—For the purposes of this section:

(1) The term "chiropractic services" means the manual manipulation of the spine performed by a chiropractor to correct a subluxation of the spine. Such term does not include physical examinations, laboratory tests, radiologic services, and any other tests or services determined by the Administrator to be excluded.

(2) The term "chiropractor" means an individual who is licensed as such by the State in which the individual performs chiropractic services and who meets the uniform minimum standards promulgated for chiropractors under section 1861(r)(5) of the Social Security Act (42 U.S.C. 1395x(r)(5)).

TITLE II—HEALTH-CARE ADMINISTRATION

SEC. 201. MEDICAL QUALITY-ASSURANCE RECORDS.

Section 3305 is amended—

(1) by inserting "(other than reports submitted pursuant to section 4152(b) of this title)" in subsection (a) after "program"; and

(2) by adding at the end of subsection (b) the following new paragraph:

"(6) Nothing in this section shall be construed as authorizing or requiring withholding from any person or entity the disclosure of statistical information regarding Veterans' Administration health-care programs (including such information as aggregate morbidity and mortality rates associated with specific activities at individual Veterans' Administration health-care facilities) that does not implicitly or explicitly identify individual Veterans' Administration patients or employees or individuals who participated in the conduct of a medical quality-assurance review.".

SEC. 202. AUTHORITY TO EXPAND GERIATRIC RESEARCH, EDUCATION, AND CLINICAL CENTERS PROGRAM.

Section 4101(f)(1)(A) is amended by striking out "fifteen" and inserting in lieu thereof "25".

SEC. 203. REVISION OF AUTHORITY FOR APPOINTMENT OF STUDENT NURSES AND GRADUATE NURSES.

Section 4114(a)(3) is amended—

(1) by striking out "one year" in the second sentence of subparagraph (A) and inserting in lieu thereof "two years"; and

(2) by adding at the end the following new subparagraph:

"(C) A student nurse who has a temporary appointment under this paragraph and who is pursuing a full course of nursing in a recognized school of nursing approved by the Administrator may be reappointed for one year. Other personnel whose appointments are limited by this section to one year may not be reappointed under this subsection.".

SEC. 204. QUALITY ASSURANCE AND CREDENTIALING.

(a) IMPROVEMENTS IN PROGRAMS TO EVALUATE AND ASSURE HEALTH-CARE QUALITY.—(1) Chapter 73 is amended by adding at the end the following new subchapter:

"Subchapter V—Quality Assurance

"§ 4151. Quality assurance program

"(a) The Administrator shall—

"(1) establish and conduct a comprehensive program to monitor and evaluate the quality of health care furnished by the Department of Medicine and Surgery (hereinafter in this section referred to as the 'quality-assurance program'); and

"(2) delineate the responsibilities of the Chief Medical Director with respect to the quality-assurance program, including the duties prescribed in this section.

"(b)(1) As part of the quality-assurance program, the Chief Medical Director shall periodically evaluate—

"(A) whether there are significant deviations in mortality and morbidity rates for surgical procedures performed by the Department of Medicine and Surgery from prevailing national mortality and morbidity standards for similar procedures; and

"(B) if there are such deviations, whether they indicate deficiencies in the quality of health care provided by the Department of Medicine and Surgery.

"(2) The evaluation under paragraph (1)(A) of this subsection shall be made using the information compiled under subsection (c)(1) of this section. The evaluation under paragraph (1)(B) of this subsection shall be made taking into account the factors described in subsection (c)(2)(B) of this subsection.

"(3) If, based upon an evaluation under paragraph (1)(A) of this subsection, the Chief Medical Director determines that there is a deviation referred to in that paragraph, the Chief Medical Director shall explain the deviation in the next report submitted under section 4152 of this title.

"(c)(1) The Chief Medical Director shall—

"(A) determine the prevailing national mortality and morbidity standards for each type of surgical procedure performed by the Department of Medicine and Surgery; and

"(B) collect data and other information on mortality and morbidity rates in the De-

partment of Medicine and Surgery for each type of surgical procedure performed by the Department and (with respect to each such procedure) compile the data and other information so collected—

"(i) for each medical facility of the Veterans' Administration, in the case of cardiac surgery, heart transplant, and renal transplant programs; and

"(ii) in the aggregate, for each other type of surgical procedure.

"(2) The Chief Medical Director shall—

"(A) compare the mortality and morbidity rates compiled under paragraph (1)(B) of this subsection with the national mortality and morbidity standards determined under paragraph (1)(A) of this subsection; and

"(B) analyze any deviation between such rates and such standards in terms of—

"(i) the characteristics of the respective patient populations;

"(ii) the level of risk for the procedure involved, based on—

"(I) patient age;

"(II) the type and severity of the disease;

"(III) the effect of any complicating diseases; and

"(IV) the degree of difficulty of the procedure; and

"(iii) any other factor that the Chief Medical Director considers appropriate.

"(d) Based on the information compiled and the comparisons, analyses, evaluations, and explanations made under subsections (b) and (c) of this section, the Chief Medical Director, in each report under section 4152 of this title, shall make such recommendations with respect to quality assurance as the Chief Medical Director considers appropriate.

"(e)(1) The Administrator shall allocate sufficient resources (including sufficient personnel with the necessary skills and qualifications) to enable the Department of Medicine and Surgery to carry out its responsibilities under this section.

"(2) The Inspector General of the Veterans' Administration shall allocate sufficient resources (including sufficient personnel with the necessary skills and qualifications) to enable the Inspector General to monitor the quality-assurance program.

"§ 4152. Quality-assurance reports

"(a)(1) Not later than February 1 of 1987, 1989, and 1991, the Chief Medical Director shall submit to the Administrator a report on the experience through the end of the preceding fiscal year under the quality-assurance program carried out under section 4151 of this title.

"(2) Each such report shall include—

"(A) the data and other information compiled and the comparisons, analyses, and evaluations made under subsections (b) and (c) of such section with respect to the period covered by the report; and

"(B) recommendations under subsection (d) of such section.

"(b) Not later than 60 days after receiving each such report, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a copy of the report, together with any comment concerning the report that the Administrator considers appropriate.

"(c) A report submitted under subsection (b) of this section shall not be considered to be a record or document as described in section 3305(a) of this title.".

(2) The table of sections at the beginning of chapter 73 is amended by adding at the end the following:

"SUBCHAPTER V—QUALITY ASSURANCE

"4151. Quality assurance program.

"4152. Quality-assurance reports.".

(b) REPORT ON CREDENTIALS OF HEALTH-CARE PROFESSIONALS.—(1) The Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report describing in detail the current efforts and procedures and future plans of the Veterans' Administration for determining and monitoring the credentials of health-care professionals in connection with their furnishing care to veterans under chapter 17 of title 38, United States Code.

(2)(A) The report shall include a description of each current and planned Veterans' Administration policy or procedure regarding, or arrangement for, credentialing information exchanges.

(B) With reference to any such policy, procedure, or arrangement that is planned and has not been implemented at the time the report required by paragraph (1) is submitted, the Administrator shall—

(i) include in the report a timetable for such implementation; and

(ii) report to the committees on progress toward such implementation every three months thereafter until implementation of each such policy, procedure, and arrangement is achieved.

Upon implementation of each such policy, procedure, and arrangement, a final report on such implementation shall be submitted to the Committees.

(3) For the purposes of this subsection, the term "credentialing information exchanges" includes the exchange of relevant information with a license issuing or monitoring entity—

(A) in order to determine, with respect to an individual who is seeking employment with, or who is employed by, the Veterans' Administration as a health-care professional for the furnishing of care to veterans under chapter 17 of title 38, United States Code—

(i) whether the individual has completed medical or other health-care professional education satisfactorily;

(ii) the current and past licensure and clinical privilege status of the individual; or

(iii) the full employment history of the individual; or

(B) in order to provide appropriate information to such an entity about an individual whose employment with the Veterans' Administration as a health-care professional is terminated—

(i) following the completion of a disciplinary action relating to such individual's clinical competence;

(ii) voluntarily after having had such individual's clinical privileges restricted or revoked; or

(iii) voluntarily after serious concerns about such individual's clinical competence have been raised but not resolved.

(4) For the purposes of this subsection, the term "license issuing or monitoring entity" means—

(A) an appropriate State medical or other health-professional licensing body;

(B) the Federation of State Medical Boards;

(C) the American Medical Association; and

(D) any other public or private entity that the Administrator considers appropriate that is involved with the issuance or monitoring of health-care professional licenses.

(5) The report required by this subsection shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 205. AVAILABILITY OF STATE FINANCIAL SUPPORT FOR APPROVED STATE HOME PROJECTS.

(a) DEADLINE FOR AVAILABILITY OF STATE CONSTRUCTION FUNDS.—Subsection (a)(6) of section 5035 is amended by inserting "by July 1 of the fiscal year for which the application is approved" before "and for its maintenance".

(b) DEFERRAL OF CERTAIN APPLICATIONS.—Subsection (b) of such section is amended—

(1) by inserting "(1)" after "(b)";

(2) by redesignating clauses (1) through (4) as clauses (A) through (D), respectively; and

(3) by adding at the end the following new paragraph:

"(2)(A) The Administrator shall defer approval of an application that meets the requirements of this section if the State submitting the application does not, by the July 1 deadline (as defined in subparagraph (C) of this paragraph), demonstrate to the satisfaction of the Administrator that the State has provided adequate financial support for construction of the project.

"(B) In a case in which approval of an application is deferred under subparagraph (A) of this paragraph—

"(i) the Administrator, in accordance with guidelines established by the Administrator, shall select for award of a grant or grants under this section an application or applications for a nursing home project or projects that the Administrator determines—

"(I) to be most in need;

"(II) would, but for the deferral, not have been approved during the fiscal year in the which the deferral occurred; and

"(III) have been provided adequate financial support by the State and are otherwise qualified for approval during the fiscal year; and

"(ii) during the next fiscal year, the application with respect to which approval was deferred shall be accorded priority for approval ahead of applications that had not been approved before the first day of such fiscal year.

"(C) For the purposes of this paragraph, the term 'July 1 deadline' means July 1 of the fiscal year in which the State is notified by the Administrator of the availability of funding for a grant for such project.".

SEC. 206. PROCEDURES FOR REDUCTION OR REVOCATION OF CLINICAL PRIVILEGES.

(a) GUIDELINES.—Not later than April 1, 1986, the Administrator of Veterans' Affairs shall prescribe uniform guidelines establishing administrative procedures to be followed in any case in which a reduction or revocation of the clinical privileges of any person employed in a position described in paragraph (1) of section 4104 of title 38, United States Code, is proposed on the basis of a deficiency in the employee's performance of professional responsibilities.

(b) REPORT.—Not later than May 1, 1986, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representativs a report (containing a copy of such guidelines) on the implementation of this section.

TITLE III—VETERANS' ADMINISTRATION MEDICAL FACILITIES

SEC. 301. CLARIFICATION OF REQUIREMENT OF CONGRESSIONAL APPROVAL OF CONSTRUCTION AND ACQUISITION PROJECTS.

Subsection (a) of section 5004 is amended to read as follows:

"(a)(1) The purpose of this subsection is to enable Congress to ensure the equitable distribution of medical facilities throughout

the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility.

"(2) After the adoption by the committees during a fiscal year of resolutions with identical texts approving major medical facility projects, it shall not be in order in the House of Representatives or in the Senate to consider a bill, resolution, or amendment making an appropriation for that fiscal year or for the next fiscal year which may be expended for a major medical facility project—

"(A) if the project for which the appropriation is proposed to be made is not approved in those resolutions; or

"(B) in the event that the project is approved in the resolutions, if either—

"(i) the bill, resolution, or amendment making the appropriation does not specify—

"(I) the medical facility project for which the appropriation is proposed to be made; and

"(II) the amount proposed to be appropriated for the project; or

"(ii) the amount proposed to be appropriated for the project (when added to any amount previously appropriated for the project) exceeds the amount approved for the project.

"(3) No appropriation may be made for the lease of any space for use as a medical facility at an average annual rental of more than $500,000 unless each committee has first adopted a resolution approving such lease and setting forth the estimated cost thereof.

"(4) For the purpose of this subsection, the term 'major medical facility project' means a project for the construction, alteration, or acquisition of a medical facility involving a total expenditure of more than $2,000,000. Such term does not include an acquisition by exchange.".

SEC. 302. OPERATIONAL AND CONSTRUCTION PLANNING REQUIREMENT.

(a) REQUIREMENT FOR IMPROVED PLANNING.—Subsection (a) of section 5007 is amended—

(1) by inserting "(1)" after "(a)";

(2) by striking out "and alteration" the second place it appears in the first sentence and inserting in lieu thereof "alteration, and operation";

(3) by striking out the second and third sentences; and

(4) by adding at the end the following new paragraphs:

"(2) Each such report shall contain—

"(A) a five-year strategic plan for the operation and construction of medical facilities—

"(i) setting forth—

"(I) the mission of each existing or proposed medical facility;

"(II) any planned change in such mission; and

"(III) the operational steps needed to achieve the facility's mission and the dates by which such steps are planned to be completed; and

"(ii) a five-year plan, based on the factors set out in subclause (i) of this clause, for construction, replacement, or alteration projects for each such facility;

"(B) a list, in order of priority, of not less than 10 hospitals that, in the judgment of the Administrator, are most in need of construction or replacement; and

"(C) general plans (including projected costs, site location, and, if appropriate, necessary land acquisition) for each medical facility for which construction, replacement, or alteration is planned under clause (A)(ii) of this paragraph.

"(3) The report under this subsection shall be submitted not later than June 30 of each year.".

(b) TECHNICAL AMENDMENTS.—Subsection (b) of such section is amended—

(1) by striking out "(beginning in 1981)";

(2) by inserting "(1)" after "medical facility"; and

(3) by striking out "title and, in the case of the second and each succeeding report made under this subsection," and inserting in lieu thereof "title, and (2)".

(c) CLERICAL AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 5007. Operational and construction plans for medical facilities".

(2) The item relating to such section in the table of sections at the beginning of chapter 81 is amended to read as follows:

"5007. Operational and construction plans for medical facilities.".

SEC. 303. MAJOR FACILITY PROSPECTUS REQUIREMENT.

Section 5004(b)(1) is amended by inserting "and, in the case of a prospectus proposing the construction of a new or replacement medical facility, a description of the consideration that was given to acquiring an existing facility by lease or purchase" after "such facility".

SEC. 304. DEVELOPMENT OF MEDICAL-FACILITY MODULAR COMPONENTS.

In order to evaluate the applicability to the Veterans' Administration of the use of modular components in the design and construction of medical facilities for the furnishing of hospital care and to determine the efficiency and cost-effectiveness of that approach, the Administrator of Veterans' Affairs shall, not later than one year after the date of the enactment of this Act, develop a modular approach to the planning and design of an appropriate Veterans' Administration medical facility for the furnishing of hospital care.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. SERVICEMEN'S GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE.

(a) SERVICEMEN'S GROUP LIFE INSURANCE.—(1) Subsection (a) of section 767 is amended—

(A) by striking out "$35,000" and inserting in lieu thereof "$50,000"; and

(B) by striking out "the amount of $30,000, $25,000, $20,000, $15,000, $10,000 or $5,000" and inserting in lieu thereof "an amount less than $50,000 that is evenly divisible by $10,000".

(2) Subsection (c) of such section is amended by striking out "the amount of" the first place it appears and all that follows through "as the case may be," and inserting in lieu thereof "any amount less than $50,000, such member may thereafter be insured under this subchapter in the amount of $50,000 or any lesser amount evenly divisible by $10,000".

(3) Subsection (d) of such section is amended—

(A) by striking out "the effective date of this subsection" each place it appears and inserting in lieu thereof "January 1, 1986"; and

(B) by striking out "up to a maximum of $35,000 (in any amount divisible by $5,000)" and inserting in lieu thereof "in the amount of $50,000 or any lesser amount evenly divisible by $10,000".

(b) VETERAN'S GROUP LIFE INSURANCE.—(1) Subsection (a) of section 777 of such title is amended—

(A) by striking out the first sentence and inserting in lieu thereof the following: "Veterans' Group Life Insurance shall be issued in the amounts specified in section 767(a) of this title. In the case of any individual, the amount of Veterans' Group Life Insurance may not exceed the amount of Servicemen's Group Life Insurance coverage continued in force after the expiration of the period of duty or travel under section 767(b) or 768(a) of this title."; and

(B) by striking out "$35,000" in the sentence immediately following the matter inserted by clause (A) and both places it appears in the last sentence and inserting in lieu thereof "$50,000".

(2) Such section is further amended by adding at the end the following new subsection:

"(h)(1) Notwithstanding any other provision of law, members of the Individual Ready Reserve and the Inactive National Guard are eligible to be insured under Veterans' Group Life Insurance. Any such member shall be so insured upon submission of an application in the manner prescribed by the Administrator and the payment of premiums as required under this section.

"(2) Notwithstanding subsection (b)(2) of this section, Veterans' Group Life Insurance coverage under this subsection shall be issued on a renewable five-year term basis, but the person insured must remain a member of the Individual Ready Reserve or Inactive National Guard throughout the period of the insurance in order for the insurance of such person to be renewed.

"(3) For the purpose of this subsection, the terms 'Individual Ready Reserve' and 'Inactive National Guard' shall have the meanings prescribed by the Administrator in consultation with the Secretary of Defense.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on January 1, 1986.

SEC. 402. EXTENSION OF AUTHORITY TO OPERATE AN OFFICE IN THE REPUBLIC OF THE PHILIPPINES.

Section 230(b) is amended by striking out "October 31, 1985" and inserting in lieu thereof "September 30, 1988".

SEC. 403. VETERANS' ADMINISTRATION GRADE REDUCTION.

(a) Section 210(b) is amended by adding at the end the following new paragraphs:

"(3)(A) The Administrator may not implement a grade reduction described in subparagraph (B) of this paragraph unless the Administrator first submits to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing a detailed plan for such reduction and a detailed justification for the plan. Such report shall include a determination by the Administrator (together with data supporting such determination) that, in the personnel area concerned, the Veterans' Administration has a disproportionate number of employees at the salary grade or grades selected for reduction in comparison to the number of such employees at the salary levels involved who perform comparable functions in other departments and agencies of the Federal Government and in non-Federal entities. Any grade reduction described in such report may not take effect until the end of a period of 90 calendar days (not including any day on which either House of Congress is not in session) after the report is received by the committees.

"(B) A grade reduction referred to in subparagraph (A) of this paragraph is a systematic reduction, for the purpose of reducing the average salary cost for Veterans' Administration employees described in subparagraph (C) of this paragraph, in the number of such Veterans' Administration employees at a specific grade level.

"(C) The employees referred to in subparagraph (B) of this paragraph are—

"(i) health-care personnel who are determined by the Administrator to be providing either direct patient-care services or services incident to direct patient-care services;

"(ii) individuals who meet the definition of professional employee as set forth in section 7103(a)(15) of title 5; and

"(iii) individuals who are employed as computer specialists.

"(D) Not later than the forty-fifth day after the Administrator submits a report under subparagraph (A) of this paragraph, the Comptroller General shall submit to such Committees a report on the Administrator's compliance with such subparagraph. The Comptroller General shall include in the report the Comptroller General's opinion as to the accuracy of the Administrator's determination (and of the data supporting such determination) made under such subparagraph.

"(E) In the case of Veterans' Administration employees not described in subparagraph (C) of paragraph (3), the Administrator may not in any fiscal year implement a systematic reduction for the purpose of reducing the average salary cost for such Veterans' Administration employees that will result in a reduction in the number of such Veterans' Administration employees at any specific grade level at a rate greater than the rate of the reductions systematically being made in the numbers of employees at such grade level in all other agencies and departments of the Federal Government combined.".

SEC. 404. LAND TRANSFER, PHOENIX, ARIZONA.

(a) REQUIREMENT FOR TRANSFER.—The real property described in subsection (b) and the structures on such property on the date of the enactment of this Act shall be transferred without compensation or reimbursement from the control and jurisdiction of the General Services Administration to the control and jurisdiction of the Veterans' Administration.

(b) DESCRIPTION OF LAND.—The real property referred to in subsection (a) is a tract of land consisting of 3.4 acres, more or less, in Phoenix, Arizona, that—

(1) was formerly part of the Veterans' Administration Medical Center, Phoenix, Arizona; and

(2) was declared to be excess to the needs of the Veterans' Administration in a report to the General Services Administration dated September 25, 1959.

SEC. 405. MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, MILWAUKEE COUNTY, WISCONSIN.

(a) RELEASE OF REVERSIONARY INTEREST.—The Administrator of Veterans' Affairs shall execute such instruments as may be necessary to modify the conditions under which the land described in subsection (b) will revert to the United States in order to permit Milwaukee County, Wisconsin, to lease all or part of such land to a nonprofit corporation which—

(1) shall construct and equip on such land structures, facilities, and other permanent improvements useful for public recreational purposes or general civic purposes; and

(2) shall use such land for such recreational or civic purposes.

(b) DESCRIPTION OF LAND.—The land referred to in subsection (a) is—

(1) the land conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled "An Act to authorize the Administrator of Veterans' Affairs to convey lands and to lease certain other land to Milwaukee County, Wisconsin", approved September 1, 1949 (63 Stat. 683); and

(2) the land conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to Milwaukee County, Wisconsin", approved August 27, 1954 (68 Stat. 866).

(c) GENERAL LIMITATIONS.—The Administrator may carry out this section subject to such terms and conditions (including reservations of rights for the United States) as the Administrator determines to be necessary to protect the interests of the United States.

SEC. 406. AUTHORITY TO RELEASE LIMITATION ON USE OF REAL PROPERTY, MCKINNEY, TEXAS.

(a) RELEASE OF LIMITATION.—The Administrator of Veterans' Affairs shall execute such instruments as may be necessary to release the limitation to recreational purposes only on the use of the land described in subsection (b).

(b) DESCRIPTION OF LAND.—The land referred to in subsection (a) is two parcels of land, consisting of a total of 38.741 acres, that were conveyed by the Administrator to the city of McKinney, Texas, by deed of May 5, 1965, under the authority of Public Law 88-438 (78 Stat. 444, approved August 14, 1964).

SEC. 407. MODIFICATION OF RESTRICTIONS ON REAL PROPERTY AND CONVEYANCE OF A FENCE ON SUCH PROPERTY, SALT LAKE CITY, UTAH.

(a) MODIFICATION OF RESTRICTION.—(1) The Administrator of Veterans' Affairs shall execute such instruments as may be necessary in order to authorize the land conveyed under the authority of the Act referred to in paragraph (3) to be used—

(A) without regard to any limitation required by section 2 of that Act, but

(B) subject to the limitations set forth in paragraph (2).

(2) Any instrument executed under paragraph (1) shall provide, with respect to the tract of land conveyed under the Act referred to in paragraph (3)—

(A) that such tract may be used only for hospital, educational, civic, residential, or related purposes;

(B) that, if any part of such tract is used in any manner that is determined by the Administrator to interfere with the care and treatment of any patient at a Veterans' Administration health-care facility located in the reservation described in such Act, such use shall cease immediately upon notice by the Administrator of such interference to the person holding legal title to such part at the time such use occurs;

(C) that, if any part of such tract is used for a purpose other than a purpose prescribed in clause (A), title to such part shall revert to the United States; and

(D) that, if any interference referred to in clause (B) does not cease as required under such paragraph, title to the part of such land that is being used in a manner to cause such interference shall revert to the United States.

Any such instrument may contain such additional terms and conditions (including reservations of rights to the United States) as the Administrator determines to be necessary to protect the interests of the United States.

(3) The Act referred to in paragraphs (1) and (2) is the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to the Armory Board, State of Utah", approved July 29, 1954 (68 Stat. 579).

(b) CONVEYANCE OF FENCE.—The Administrator shall convey, without consideration, to the Armory Board of the State of Utah all right, title, and interest of the United States in the fence erected as required by the quitclaim deed issued to the Armory Board by the Administrator on October 14, 1954, under the authority of the Act referred to in subsection (a)(3). The conveyance shall contain such terms and conditions as the Administrator determines to be necessary to protect the interests of the United States.

Resolved, That the House agree to the amendment of the Senate to the title of the bill.

AMENDMENT NO. 966

Mr. MURKOWSKI. Mr. President, I move that the Senate concur in the House amendment with a further Senate amendment which I send to the desk on behalf of Senator DENTON.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] for Mr. DENTON, Mr. MURKOWSKI, and Mr. HEFLIN proposes an amendment numbered 966.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. CHILES. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue.

The assistant legislative clerk resumed and concluded the reading of the amendment.

The amendment is as follows:

In the table of contents in section 1(b), after the item relating to section 304 insert the following:

Sec. 305. Feasibility plan for the purchase of a facility for furnishing hospital and nursing home care.

At the end of title III, add the following:

SEC. 305. FEASIBILITY PLAN FOR THE PURCHASE OF A FACILITY FOR FURNISHING HOSPITAL AND NURSING HOME CARE

In the documents submitted by the Administrator of Veterans' Affairs to the appropriate committees of the Congress at the time of and in connection with the submission, pursuant to section 1105 of title 31, United States Code, of the Budget for fiscal year 1987, the Administrator shall provide a feasibility plan for the purchase for Veterans' Administration use of a medical facility that is located in an urban area and is suitable for furnishing both hospital and nursing home care services, and meets the current and projected needs and specific. tions of the Veterans' Administration for furnishing health care to eligible veterans. In such Budget, the President, as warranted by such feasibility plan, shall include a request for an appropriate amount to purchase such a facility which meets those needs and specifications.

Mr. DENTON. Mr. President, this amendment, which was just read, is simple and straightforward. It puts back into the bill a provision adopted unanimously by the Veterans' Affairs Committee and by the Senate, a provision that was deleted by the House.

The language is identical to that approved by the committee and included in our bill. That language was not what I personally, wanted at the time, but it was a compromise worked out in good faith carefully and effectively by the majority and the minority on our committee. I found it acceptable ultimately, and I appreciated the cooperation shown by members and staff on both the majority and the minority, and particularly the leadership and consideration shown by the chairman, the Senator from Alaska.

Because it was supported unanimously in our Veterans' Affairs Committee, there can be little controversy about it now on the merits.

The amendment will not cost the Government or the taxpayers any money.

Indeed the study which is called for by the amendment will most likely confirm that significant sums will be saved during the coming years.

The amendment requires the Veterans' Administration to provide, as part of the fiscal year 1987 budget submission, a feasibility plan for the purchase of an existing hospital located in an urban area which is capable of providing both hospital and nursing home care and which meets the current and projected needs and specifications of the Veterans' Administration.

The amendment further provides that, as warranted by the feasibility plan, the President shall include in the budget a request for funds to purchase a facility that meets the needs and specifications.

In other words, that inclusion in the budget for funds would be dependent on the findings of the feasibility plan.

Report language adopted by the committee at the time indicates that the hospital that should be studied is the Providence Hospital in Mobile, AL.

Lest anyone think that this is simply a parochial matter, let us examine several facts.

First, the hospital has already been examined by the facilities people in the Veterans' Administration, who concluded in a formal written report that it is in good condition and suitable for conversion to a VA facility.

Second, the facility and its possibilities have been examined by senior staff from both the House and the Senate Veterans' Affairs Committees. There has been nothing but enthusiasm for its potential benefit to the VA and to veterans.

Third, the amendment does not require that the Veterans' Administration purchase the hospital. It provides only that the VA conduct a study of the feasibility of purchase and conversion and request funds if the study suggests that that course should be followed.

Fourth, the VA itself has identified a need for an additional VA hospital to serve the veterans of the gulf coast region. A new facility could not be built before the mid-1990's at the earliest, and would cost many millions of dollars. The veterans of the region, who are among the most underserved in the country, strongly support the provision of a hospital as quickly as possible, and a great many of them strongly support the acquisition of Providence Hospital in Mobile. The VA needs, therefore, to consider whether the advantages of speed of establishment and the lower cost of acquiring an existing facility offset any disadvantages that might flow from the location of the hospital.

Mr. President, at a time of budgetary stringency, we need to be concerned about effective ways to minimize costs and save money in any program, including in our veterans programs.

Although the Veterans' Administration has had the authority in law to acquire and convert existing facilities for its own use, it has never done so. I say again the Veterans' Administration has had the authority in law to acquire and convert existing facilities but it has never chosen to do so. Many of us on the committee believe that, if our veterans are to continue to receive adequate care at a time of declining Federal budgets, the VA must begin to use that option.

That option has been endorsed by the Congressional Budget Office, by the Office of Management and Budget, and by the VA itself. In other words, for many years the Veterans' Administration has been pressed to buy existing facilities suitable rather than build hospitals from scratch. Strangely enough there has been no evidence of desire or determination on the part of the Veterans' Administration to follow that course and that course is not followed I believe for reasons that are not connected with the economies or with adequacies of service to our veterans.

It is, of course, the case that most hospitals in our country that are or could be offered for VA acquisition and use are not up to the standards that are required. most cases, organizations that close or dispose of hospitals do so because those hospitals are no longer adequate. That is not the case in this instance, as the VA's own facility study demonstrated.

This situation, therefore, provides an opportunity to see whether conversion makes sense and is feasible. If it is, then we can save a great deal of money in this instance, and even more in future years from other hospitals that might be acquired through the same process, an acquisition process which is long overdue and has been long urged.

Mr. President, let me reiterate the key points:

First, this amendment was unanimously approved by the Senate Committee on Veterans' Affairs and was included in our bill as sent to the House. The other body removed it for reasons best known to itself.

Second, it involves no expenditure of funds unless the VA itself decides that the option is cost effective and should be pursued.

Third, it promises the possibility of saving a great deal of money not only in the case of a facility already proposed for addition to the VA system but for the provision of other facilities in the future.

Fourth, if the feasibility plan shows that the idea makes sense, it offers a way to respond quickly, effectively, and economically to the needs of thousands of American veterans who are currently not well served by the VA medical system precisely because such economies and practicalities are not being followed.

Mr. President, I hope that the managers of the bill will accept this amendment to restore our own provision in our own bill. I hope that my other colleagues in this body will join them in supporting it.

Mr. MURKOWSKI. Mr. President, I rise in support of Senator DENTON's amendment to H.R. 505, the proposed Veterans' Administration Health Care Amendments of 1985 and urge my colleagues to approve its adoption.

The Senator is quite correct in his assessment that this particular legislation moved unanimously out of the Senate Veterans' Affairs Committee which I have the pleasure of chairing. There was a good deal of discussion at that time. I would propose that the amendment is identical to the provision contained in S. 876. This was action taken by the Senate Veteran's Affairs Committee on July 9 and passed the Senate as H.R. 505 on July 30. I would highlight again, Mr. President, the fact that the provision requires the VA to study the feasibility of acquiring an available private sector hospital.

We are not suggesting that the VA acquire a property or hospital, but simply study the feasibility. And we have seen opposition to this in the House as they have refused to accept this recommendation. Unfortunately, Mr. President, the threat is that the House will let the bill die if indeed this feasibility study is attached. I find that extraordinary and I think we have to recognize it for what it is.

Unfortunately, we have an issue that pits one State against another. Whether it be Alabama, Mississippi, or Florida, the question of which State may

get a new hospital, or if indeed the feasibility study suggests that it is in the interests of the VA and the Government that the hospital in Alabama is feasible, then it may be in the best interests to go ahead and eventually acquire that. But that is not the question before the Senate today. It is a question of determining whether or not a feasibility study occur. I think it is a most reasonable request. That is why I support my colleague from Alabama.

I cannot begin to comment on the number of feasibility studies that are done and authorized by Congress. It is not a question of further funding being necessary. The VA has currently in their budget the capability to meet the monetary requirements to initiate a feasibility study.

So, as chairman of the committee, and acting on behalf of the unanimous vote taken in the committee, I think it is indeed unfortunate that we have been unable to work out some arrangement on this matter and that we are forced to accept a dictate from the House that the bill be killed if, indeed, it carries on an amendment suggesting that the feasibility study be initiated.

I think it points out the reality that we are down to either accepting the House's dictate or threatening the bill to be killed. And while I certainly do not support killing the bill which is in the best interest of the veterans, I do not know why necessarily we have to take the dictate of the House on this matter.

The Senator from Alabama has already indicated clearly the provisions and the position of the VA and these that have indeed made a recommendation. It would seem to me, Mr. President, that it is appropriate that we make a determination of whether or not this is in the Federal Government's interests and the VA. It very well may be that those who are opposed to this are concerned that an independent feasibility study will support the reality that the acquisition of this hospital is in the best interests of the VA and the Federal Government.

I think it is clear to point out, too, that we are approaching a precedent-setting consideration here, because this would mark almost the initial effort of the VA to step outside its traditional procedure, which indicates a feasibility study and then a VA hospital, to utilizing existing facilities that might be available that would provide the VA with substantially less strain on their hospital facility and construction budget.

All we are doing here is asking for this feasibility study to occur, which I feel is most reasonable. In time of budgetary constraints and high cost of medical facility construction, it is appropriate that we consider some alternatives. The VA's construction budget has been approximately $1 billion a year for some time. It is long past the appropriate time when the VA should seriously consider purchasing or leasing private sector facilities instead of expending large sums of Federal dollars to build entirely new facilities.

I am not objecting to new facilities, by any means. But if we are looking responsibly toward meeting the requirements of America's veterans, we have to show some flexibility and recognize that there may be the capabilities of providing our veterans with quality care cheaper by looking at alternatives that may exist in the private sector that are not totally utilized. And this, Mr. President, may be one of those alternatives.

So again I would point out the reality that it is an entirely reasonable request. Under the current law, the VA has the option, even under severe budget restraint and rising construction costs. The VA has yet to use this authority. Mr. President, I think that tells you something about the bureaucracy. They are opposed to this because it suggests a precedent. I do not say that is good utilization of Government spending.

This certainly would not result in the Congress selecting the sites for VA medical facility construction projects and circumventing the VA's existing construction priority setting process. We are not asking for that, nor do we suggest that. This provision would, instead, send the VA a clear message that Congress wants the VA to go ahead with acceptable available and cost-effective alternatives to construction to meet an already defined process. Why is it not used, Mr. President, if it is already defined? That is a good question. We believe that the approach, when appropriate, will expedite the VA's construction process and provide needed services to veterans in a more timely manner.

On October 30, the House passed H.R. 505. The House-passed version, as I have indicated, did not include the Denton provision and, therefore, prevented the House and the Senate from reaching a compromise agreement on H.R. 505.

Mr. President, I respectfully urge my colleagues to reconfirm the Senate Veterans' Affairs Committee commitment to this provision. I do not feel that the Senate necessarily has to take the dictate from the House and surely we do not have to take the responsibility for killing this legislation if the House does not prevail in a manner in which they have forwarded their information on to us.

I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 967

Mr. CRANSTON. Mr. President, on behalf of Senator CHILES, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], on behalf of Mr. CHILES, proposes an amendment numbered 967 to amendment No. 966.

Mr. MURKOWSKI. Mr. President, we have not had a chance to see the amendment.

Mr. CRANSTON. It is being read now.

Mr. MURKOWSKI. We would like to have an opportunity to at least review it for a few moments. I can either suggest the absence of a quorum or maybe the Senator from California will allow us a few moments to take a look at the amendment.

The PRESIDING OFFICER. The clerk will resume reading of the amendment.

The assistant legislative clerk resumed reading as follows:

Amend the amendment of Mr. MURKOWSKI by striking out "specifications." and insert in lieu thereof:

"Specification: *Provided*, That this section shall not be construed to require the Administrator to provide a feasibility plan with respect to the purchase of a facility that would have the effect of making it infeasible to construct, acquire, or lease a medical facility in the Northern Florida panhandle to finish health care to veterans in the area."

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, the Senator from Florida will speak to that amendment. I will speak to the underlying amendment which has been proposed by the Senator from Alabama.

Mr. President, I appreciate the ongoing interest of the Senator from Alabama [Mr. DENTON] in the issue of the purchase by the VA of the Providence Hospital which is located in Mobile in his home State. Indeed, I was instrumental in working out the provision contained in the Senate bill which might have brought about VA reconsideration of the appropriateness of such a purchase. I understand about such home State issues, and I have tried to be of assistance to the Senators from Alabama.

However, I can not support his amendment to the pending measure which is in the nature if not the form of a conference agreement with the House. I urge my colleagues to reject the pending amendment for several reasons: First, it is urgently important to have the underlying legislation move forward and go to the President

for his signature. This clearly will not happen if the amendment is adopted. Second, the subject matter addressed by the amendment has had a fair hearing—both in legislation, as considered and passed by the Senate, and in our negotiations with the House, and before the Administrator of Veterans' Affairs, Harry Walters, who has given this issue his personal attention.

Mr. President, H.R. 505 should go forward to the President, and do so now, because it is good legislation which contains a variety of important provisions that should enhance the VA's overall ability to meet the health-care needs of eligible veterans. Such legislation, of general interest and benefit to all veterans, should not be held hostage to the concerns of one geographic area. And let there be no mistake, in my opinion, adding the pending amendment to this legislation will effectively end its chance of enactment. Our colleagues in the House have made it clear beyond a doubt that they do not support any legislative action regarding the Providence Hospital.

I am in concurrence with the statements by the Senator from Alaska and the Senator from Alabama that we should not yield to dictates from the other body, insofar as I am concerned, on matters that we feel are appropriately being handled by this body, but in this case I do not believe that there is a good cause for the amendment by the Senator from Alabama because of the factor of cost and other factors relating to what is in the best interests of health care for veterans.

So for the reason I do not believe that we should proceed in the way that would mean this bill will not become law in a timely fashion or will not become law at all in view of the importance of this legislation.

Perhaps of more immediate concern—this is why it is important to get this legislaition enacted now—this legislation contains three authorities which expired at midnight last Thursday—the authority to operate a VA regional office in the Philippines, the authority to provide fee-basis care for certain veterans in Puerto Rico, and the authority to contract with halfway houses to provide treatment to veterans suffering from drug and alcohol abuse disabilities. Each of these would be extended by provisions in the pending legislation and our failure to send this measure to the President in a timely manner threatens unnecessary disruption in the lives of thousands of sick veterans.

As I indicated, Mr. President, this bill as passed by the Senate in late July contained a provision indirectly relating to the Providence Hospital in Mobile, AL. However, despite our best efforts in the negotiations with our House counterparts, we were unable to gain their agreement to include it in the final compromise bill. As I noted earlier in my remarks on the bill itself, a number of Senate- and House-passed provisions met this same fate, including two provisions that I regard as quite important from my bill, S. 6. I understand the disappointment of the Senator from Alabama [Mr. DENTON], but I must support the compromise agreement that we have worked out.

Moreover, even if the Senator's amendment were enacted, the Senator's amendment would not change the VA's position on the purchase of Providence Hospital. As was set forth in a June 19, 1985, letter I received from Administrator Walters, the VA, after a "formal review of a proposal to establish a VA medical center in Mobile, AL," reached the finding that the presence of a VA medical center in Mobile, AL is not supportable. Administrator Walters went on to note that he had studied these findings and agreed with them.

I would like to read that letter in its entirety. It is quite brief. It is dated June 19, 1985. It is addressed to me. It is from Harry N. Walters.

The letter is as follows:

DEAR SENATOR CRANSTON: The Veterans Administration has completed a formal review of a proposal to establish a VA Medical Center in Mobile, Alabama. The final review process resulted in a finding that the presence of a VA Medical Center in Mobile, Alabama is not supportable. I have studied these findings and agree with them. It is my decision that the proposal is not the most beneficial alternative for providing health care to veterans who reside in a wide geographic area along the gulf coast of Mississippi, Alabama and northern Florida.

Please be assured that we have done a complete analysis of this entire issue prior to making this decison. Our deliberations assessed the health care needs of all veterans in this area including those who reside in the entire area at issue. This decision does not leave the needs of any group to veterans unaddressed. It is our intent to provide the best possible medical care and place our facilities where they will provide service to the greatest number of veterans possible. Alternative strategies which will be pursued by the Department of Medicine and Surgery will also recognize these needs. Based on the factual information of the Mobile/Providence issue, I cannot recommend at this time the establishment of a VA medical center in Mobile, Alabama. If more information becomes available, we, of course, would review it without bias.

I thank you for your interest and look forward to our continued common goal of meeting the total health care needs of the veteran population.

Sincerely,

HARRY N. WALTERS,
Administrator.

On August 26, 1985, Deputy Administrator of Veterans Affairs Everett Alvarez, Jr., reiterated the VA's position to the mayor of Mobile, AL. The letter reads as follows:

AUGUST 26, 1985.

Hon. LAMBERT C. MIMS,
Mayor of Mobile,
P.O. Box 1827,
Mobile, AL.

DEAR MAYOR MIMS: The July 5, 1985, letter to the President from you and Commissioners Dayle and Outlaw was referred to my office for response. This is to inform you that the Veterans Administration has completed a formal review of a proposal to establish a VA medical center in Mobile, Alabama. The final review process resulted in a finding that the presence of a VA medical center in Mobile, Alabama, is not supportable. The Veterans Administration's decision is that the proposal is not the most beneficial alternative for providing health care to veterans who reside in the wide geographic area along the gulf coast of Mississippi, Alabama, and northern Florida.

A complete analysis of this entire issue was conducted prior to the making of this decision. Please be assured that our deliberations assessed the health care needs of all veterans in this area. The alternative strategies which will be pursued by the Department of Medicine and Surgery also recognize these needs. This decision does not leave the needs of any group of veterans unaddressed but rather provides a more prudent plan for improving access to VA health care and meeting the existing, as well as the projected, health care needs of all veterans.

Thank you for your interest in this matter.

Sincerely,

EVERETT ALVAREZ JR.,
Deputy Administrator.

In light of this clear administration position—which was reached after extensive study as urged by my colleague from Alabama [Mr. DENTON]—there is nothing constructive to be gained by continuing to pursue this issue, particularly at the cost of the timely enactment of the pending measure.

On the more general issue of whether the VA takes appropriate account of the possibility of purchasing or leasing existing facilities when the agency is considering the establishment of a new health-care facility—a concern that Senator DENTON raised in the committee in connection with the Providence Hospital—I am pleased to note that H.R. 505 contains a provision, section 303, which requires the administrator, as part of a prospectus for a new or replacement medical facility, to submit to the two Veterans' Affairs Committees a description of the consideration that was given to leasing or purchasing an existing facility. Although this will not affect the decision with respect to the Providence Hospital at this time, it is an important step forward and Senator DENTON should be congratulated for his advocacy of such a change in current law and practice.

Mr. President, in light of these concerns and reasons, I cannot support the pending amendment and I strongly urge my colleagues to join me in opposing the amendment so that we can agree to the House amendment to

H.R. 505 and send it to the President for his signature.

Mr. DENTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. DENTON. Mr. President, I would like to respond to my friend from California. I appreciate his support, and his contribution to the unanimous support of the thrust of this amendment which was unanimously approved by the Senate Veterans' Affairs Committee not on the basis as implied by my friend—namely, that it does something for my State.

It was an action which was presented as the evident beginning of a long-urged new trend in establishing medical care at lesser cost and perhaps at better quality for our veterans.

We are in a budget crunch. The veterans are going to be squeezed in terms of their medical care, as are the services.

We have one agonizing decision after another now here on the floor as we attempt to decide how to deal with the necessity of cutting our budget.

This recommendation was proposed that way. It was investigated that way by the staffs of both the minority and the majority on the Veterans' Affairs Committee, with onsite visits to this hospital in Mobile, AL.

I admit that the hospital is in my home State and in my hometown, but I do not wish to leave my colleagues with a misimpression that I am a pork barrel Senator. I would not go for this were it not in the interest of the veterans and in the interest of the Nation.

I will give an example: When I first came to the Senate, the hottest issue in my State was the proposed appropriation of $4.1 billion in Federal money for a coal degasificiation plant in a certain part of Alabama. I looked into it. On its merits, I could not support it. I was the only Member of the Alabama delegation to oppose the Federal funding of that project and to urge that private funding be the method of installing that coal degasification plant, if, indeed, it was worthy of being installed.

Gradually, the other Members joined me and eventually that coal degasification plant found private funding and, in a sense, has fallen into limbo because of the feasibility of it in profi-and-loss terms.

I do not want to be seen as a person who goes for pork. I go for this hospital because I believe it will result in the breaking of a long-term lock of political control by people who wish to erect new hospitals really at the expense of our veterans when in some cases they are artistic hospitals.

There are a number of Senators here who will propose that this new trend be continued. This is sort of a test case. It had the total concurrence of the staffs of both sides. I want to say that in no way do I want to hold up the veterans bill but also in no way do I want to see a parochial interest rise to the absurd position of saying that this body with jurisdiction through the Veterans' Affairs Committee unanimously passed something and they are going to hold up the whole bill simply because they disagreed for parochial reasons and wished to perpetuate the uneconomical and pork barrel practice of the Veterans' Administration over which we are supposed to have jurisdiction.

I have oversight over the FBI and the Drug Enforcement Administration as subcommittee chairman of Security and Terrorism. We in Veterans' Affairs, under Chairman MURKOWSKI, and the ranking member, Senator CRANSTON, have oversight over the Veterans' Administration. The Veterans' Administration has been following the wrong path. They have built at the profit of real estate speculators and contractors and in every case they have built new facilities for our veterans which takes money that need not be taken in every case from their budget. In some cases they should have bought existing hospitals with great savings.

The Office of Management and Budget and other agencies have insisted that they stop that practice.

It is proper oversight for us to have passed this on the Senate side unanimously. I must take exception to the pork barrel aspect of it and disagree with my colleague from California. I urge that our colleagues adopt this amendment.

Without yielding the right to the floor, I would like to suggest to the Senator from Florida if he is here, to Senator CHILES, that the amendment I believe he is proposing is to my amendment, not to Senator MURKOWSKI's, if he wants to make that correction.

Senator MURKOWSKI has told me that, but he said he offered it on my behalf. I withdraw my suggestion.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I would like to make reference to a couple of facts.

First of all, the feasibility study does nothing more than address the issue of whether this private hospital in Mobile, AL, can be utilized in the scope of the future needs of the VA with regard to health care in that particular area of the United States.

It is apparent that what we have here is a situation whether it would be recommended as feasible at the expense of another proposed hospital in another area of the South that might benefit from new medical facilities being constructed.

Let there be no mistake about it, the significance of those who have spoken on the issue, including the significance of the senior members of the House Veterans Committee, have feelings that are not unknown on this matter.

Mr. President, I want to make sure my colleagues understand the issue and the merits of the issue.

Is it not appropriate that we give this particular consideration for this hospital the test of a fair and open examination based on the merits? We are not asking for more money. Funds are in the VA budget. So there is no drain on the Treasury.

We are not addressing the issue with any assurance of whether the hospital will be built.

Mr. President, I must oppose the Chiles amendment. I must state for the record that it is clearly designed to kill the study. I must bring to the attention of my colleague from California, Senator CRANSTON, the ranking minority member of the Veterans' Committee, that, indeed, the committee is in an extraordinary position.

We believe that the proposal of the feasibility study in the committee was worthwhile. It was proposed and passed before this body. We seek to change nothing now from the Senate-passed version.

The interesting thing, Mr. President, is that Senator CHILES did not object during the Senate passage. He had every right to do so.

Mr. President, let me read to you the Senate report on the bill S. 876 regarding my committee's intent on this matter.

> The committee intends that the VA carefully consider the Providence Hospital in Mobile, Alabama, as the subject for the feasibility plan required by this provision.

Here we are now, trying to undo what the committee did unanimously, trying to undo what Senator CHILES and any other Member of this body who objected to this in the normal course of its being brought before the Senate failed to do. I find this extraordinary. We have a dictate from the chairman of the House committee that we either accept this or he is going to kill the bill.

Mr. President, I think it is time that this body stood on the principal recommendation of the committee and, as a consequence, join my colleague, the Senator from Alabama [Mr. DENTON] and myself. I, therefore, move to table the Cranston amendment. The yeas and nays have been asked for.

Mr. COCHRAN. Mr. President, will the Senator withhold his motion to table, because other speakers want to be heard?

The PRESIDING OFFICER. The Senator has made a motion to table the amendment. The motion is not debatable.

Is there a sufficient second for the yeas and nays?

There does not appear to be a sufficient second.

The question is on agreeing to the motion to lay on the table the amendment of the Senator from California.

Mr. MURKOWSKI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I believe there are a number of my colleagues who wish to speak on the issue. According to parliamentary procedure, I ask to vitiate the yeas and nays with the intention of proceeding to the conclusion of statements from my colleagues, at which time I shall propose again to table the amendment.

The PRESIDING OFFICER. The yeas and nays on the motion to table have not been ordered. The Senator may withdraw his motion to table at this time.

Mr. MURKOWSKI. Mr. President, I withdraw the motion at this time.

The PRESIDING OFFICER. The motion is withdrawn.

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I appreciate very much the distinguished chairman's withdrawing of his motion to table.

I simply point out to the Senate that this is an area of interest in my State of Mississippi, as well as in the State of Alabama and in the State of Florida, too, with respect to the construction or location of additional veterans' hospital facilities in that area. The Senate should know, and this may have been pointed out by the chairman of the committee, that there is an existing veterans' hospital in Gulfport, MS, which is within an hour's drive of the city of Mobile and within an easy 2 hours' drive, maybe less, of the north Florida area which is of interest to the distinguished Senators from Florida.

Mr. President, I do not know where a new facility ought to be located if there should be a new facility located. I do know this, and the distinguished Senator from Alabama has probably pointed it out: The facility at Gulfport, MS, is subject from time to time to overcrowding and there probably is a need for either an enlarged facility at Gulfport or another facility of some kind in that general area to help serve the health care needs of our veterans. I am simply rising to point out that, from my observations and experience and from talking with friends and veterans in the area, we do have a need for a better health care delivery of services in that general area.

I do not know whether we can decide today on the floor of the Senate whether there should be a new facility in Pensacola or in some other area of Florida, whether an existing hospital should be purchased by the Veterans' Administration in Mobile, or whether there should be an enlarged facility in the Gulfport, MS, area. These are alternatives that the Veterans' Administration should properly consider. I know there are procedures for doing that. One of the procedures has not been, up to this point, legislating the location of new facilities.

That is the concern I have, Mr. President. I hope that we would not get into the business in the Senate of trying to make those decisions. I think we have the obligation, however, as the Senator from Alabama is trying to do, to point out alternatives that ought to be considered. I think, certainly, he has done that in a very commendable way and I congratulate him on the work he has done in this effort. It should be considered; his suggestions ought to be considered.

I do not know that the amendment of the Senator from Florida is the answer to it or would be helpful. I would like to see the amendment changed to say that the study shall be no more than a study for the purpose of getting information. Certainly, the study, just because it is going to take place if we approve the study, does not mean that any other option is not feasible. We are just suggesting, as I understand the amendment of the Senator from Alabama, that this be looked at.

Mr. CHILES. Will the Senator yield?

Mr. COCHRAN. I am happy to yield to the Senator from Florida.

Mr. CHILES. As I read the amendment, it looks to me as if it is a little bit more than that. It says the Administrator shall provide a plan. It does not say a study; it says he shall provide a feasibility plan for the purchase of a medical facility for the use of the Veterans' Administration that is located in an urban area and is suitable for furnishing both hospital and nursing home care services, and meets the current and projected needs.

I read that with some apprehension, I can tell my good friend from Mississippi, because it does not say to me that he should study, and then compare this option to other options including whether the facility would better serve existing needs if it was located elsewhere. This is much more pointed than that; it says he shall provide a plan.

Then, it goes further and talks about including a request for an appropriate amount to build that facility. So I would say that if this proposal was simply to study it, the Senator from Florida would not object to that.

Mr. DENTON. Will the Senator yield for a question?

The PRESIDING OFFICER. The Senator from Mississippi has control of the time.

Mr. COCHRAN. Mr. President, I am happy to yield to the Senator from Alabama.

Mr. DENTON. I thank the Senator.

Mr. President, I just wanted to ask the Senator from Florida if he heard the emphasis in my talk and also notes the emphasis in the amendment which says "in such budget, the President, as warranted by such feasibility plan."

It does not include a request for an appropriation. It says if the feasibility plan indicates that one should be provided to meet those needs, an appropriate amount would be requested.

Mr. COCHRAN. Mr. President, I am glad to have the assurance of the Senator from Alabama about the intent of the language. I would hope maybe we could modify that amendment, or he could modify his amendment to spell that out in a clearer way. If not, I will be in a position of having to vote against the Senator's amendment. I do not want to have to do that because I think that bringing this alternative to the attention of the Veterans' Administration is certainly an appropriate and proper thing for the Senator to do. What I do not want to see us do, though, in taking action on this amendment is mandating a decision, directing that a decision be made by the Veterans' Administration in choosing a Mobile site over a potential Florida site or a potential Mississippi site. I do not know that they are even considering enlarging Gulfport Hospital to accommodate the additional needs but since I have the floor I will suggest that as an alternative, as a third option that just might be feasible. I do not know that it is. But if the Senator could modify that language some way—and I have not really worked on the language to come up with a suggestion—so that we are just asking a feasibility study be done or that this plan as proposed by the Senator from Alabama be considered before any final decision is made, then I can support that. But directing them to purchase the Providence Hospital in Mobile, AL, I do not think I can support. I applaud just as enthusiastically as I can the efforts of the Senator from Alabama and the intent that he has to try to satisfy these critical needs because they do exist, Mr. President, and they ought to be taken into account by the Veterans' Administration.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I think we are awfully close to resolving this, if the question before us is the language to give the Senator from Florida assurances that the VA is not

going to go off and build a hospital here, that it is limited to the issue of a feasibility study. I would be happy to suggest as chairman of the committee that Senator DENTON perhaps during a quorum could work out some specific language to give the assurances that both sides apparently need. I think we are debating a very fine line here. I would defer to my colleague, the senior minority member of the Veterans' Committee, for an expression from him whether or not he has the same observation that I do, that we are close to an agreement.

Mr. CRANSTON. Mr. President, I want to speak to the subject of cost in regard to the acquisition of this hospital in Alabama. The Senator from Alabama has stated and the Senator from Alaska has suggested that purchasing the Mobile, AL, Providence Hospital would save money. That is just not the case.

If that hospital were purchased in fiscal year 1987, for the $25 million asking price, it would set in motion the following process:

Certain funds would be needed to make modifications in that structure. The extent of the modifications is not known at this time. So, of course, the cost is not known.

Next, that facility would need to be equipped with much new equipment to bring it up to VA standards for furnishing first-rate medical care. Again, we do not know what those costs would be.

Then and finally, Mr. President, the VA would begin to operate the hospital in fiscal 1987. That would require approximately $35 million per year for operation of an approximately 300-bed VA hospital that would then exist in Mobile. That is $35 million for 6 fiscal years, or a total of $210 million that would not otherwise be spent. It would not be spent because the VA's plans do not call for a VA facility——

Mr. MURKOWSKI. I wonder if my colleague will yield for a question.

Mr. CRANSTON. When I am finished speaking—do not call for a VA facility in northern Florida until fiscal year 1993, 6 fiscal years away.

So we would be spending at least $235 million plus inflation costs that would otherwise simply not be spent. Therefore, there is a huge additonal cost—not a savings—involved in this proposal by the Senator from Alabama.

I would like to point out an irony in connection with this amendment. Just yesterday the Senate rejected an amendment we offered to Gramm-Rudman that was designed to maintain the basic funding level for VA medical care. That amendment was defeated. So we now have in prospect a reduction in support for the medical care program in the VA.

That amendment was opposed by the Senator from Alabama. Today the Senator from Alabama comes in and proposes that we now proceed to bust the budget, to increase the budget, that we have a large expense added to the VA budget, which he voted yesterday to be allowed to be curtailed. What hospital would the Senator from Alabama propose be shut, in what State, to provide the funding for this new hospital in Alabama?

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, while we are talking about studies and what we should require the VA study to look at, I would like the Senate to understand that there already have been some studies. One of the things we should be concerned about as Members of the Senate is providing health care in the locale in which it is needed, providing facilities so veterans can get that care. One of the things Mr. Walters did when he became the Director of the VA was to come to see the Senator from Florida, and I think many of the other Senators, and he said, "If you will allow us to make these decisions on the basis of merit, we will try." In Florida we have a tremendous number of veterans and more are coming every day from all over the country. We never seem to catch up in Florida because we do not start getting the money for them until we get a census or new allocations. New veterans cannot understand why in the State in which they lived they could get good services, and then they move to Florida and they cannot get services. The reason for that is pretty clear. The money stays in the State from which they came and it takes us a long time to get it transferred. But Mr. Walters said, "If you will allow us to do these studies based on merit, we will do something about providing some additional facilities for your veterans in Florida." We said fine, we would allow him to do that.

Studies were made, and there have been two very distinct studies that say the need for a new VA facility is in the panhandle of Florida. Why there? Because that is where the veterans are, and that is where future growth is projected. If you look at the number of veterans that retire because they served at some time at the Pensacola Naval Air Station or they served at Eglin Field or they served at Tyndall or they just liked that particular area, you can understand the tremendous concentration of veterans. They have not been able to get care. They have had to go to Biloxi or to Gainesville or Lake City in Florida and drive tremendous distances.

Studies have shown that this is the area in which a facility should be built. Those are not studies that the Senator from Florida dictated. Those are studies that are done by the professionals in the Veterans' Administration.

At the same time, a plan to purchase a facility in Mobile, AL, was proposed. It was an existing facility, and that was studied, too; and the VA has said that they did not feel that was feasible.

The concern of the Senator from Florida is not that we shouldn't look at Mobile. My concern is that we are throwing out the window the studies that have been made that say that a facility should be put into the panhandle of Florida. That is where the need is, that is where the veterans are.

If we in Congress are going to start pinpointing where every VA hospital should be built, we will not have time to do anything else, because the fights will take place from now on. We need to allow the professionals to be able to do this.

The Senator from Florida is concerned that we are now going to dictate a feasibility plan: The language of this amendment says he shall do a feasibility plan. It does not say "study." It does not say "may." It does not say what he will consider. It does not say that that plan shall consider whether it is going to be able to best serve the veterans of this area of the country.

It almost pinpoints that you are going to make a VA hospital out of an existing hospital, in spite of demographic information on where the veterans would be and, in this instance, that is Florida.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. DOLE. Mr. President, I wonder if we could return to the pending business, House Joint Resolution 372 and whether, while we are disposing of one amendment and final passage, we might work out the disagreement in this matter and come back to it after that vote.

Mr. CHILES. If the Senator from Florida could still have the floor.

Mr. DOLE. Yes.

I say to the distinguished chairman that we are going to go back to the debt ceiling and then return to this issue. Is that satisfactory?

Mr. MURKOWSKI. That is satisfactory.

INCREASE IN PERMANENT PUBLIC DEBT LIMIT

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of House Joint Resolution 372.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A House message on H.J. Res. 372, a joint resolution increasing the permanent limit on the public debt.

Mr. DOLE. Mr. President, it is my understanding that the distinguished minority leader will not offer his amendment, and I will not offer my amendment.

Is it all right to vitiate the order for those two amendments?

Mr. BYRD. It certainly is. I thank the majority leader. As I indicated to the majority leader earlier, I have no intention of calling up the amendment.

Mr. DOLE. I have no intention of calling up my amendment, and I ask unanimous consent that the order for both those amendments be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I understand that the distinguished Senator from New York wishes a rollcall vote. I hope we can dispose of it quickly and have final passage by 1:30.

AMENDMENT NO. 968

(Purpose: To amend Title II)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 968:

At the end of the Amendment, add the following new section:

SEC. . EXEMPTION FOR AGENCIES INVOLVED WITH ECONOMIC FORECASTING.

Owing to the extraordinary dependence on economic forecasts required by this legislation, government agencies or programs involved with economic forecasting, including the relevant branches of the Intellegence Community, shall be exempt from budget reductions as otherwise provided in this Act.

Mr. MOYNIHAN. Mr. President, I asked that the amendment be read because it is straightforward and it tells the Senate what is involved here.

Mr. President, when the Senate first began to debate this extraordinary legislation or, rather, when finally it was printed and available to Members, I was struck by a kind of pseudo-scientism that pervades the measure: A curious combination of highfalutin and the primitive.

Thus, we read that:

The amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year shall be treated as "statistically significant" if the amount is greater than 5 percent of such maximum deficit amount.

Now, what the authors mean by the term "statistically significant" is "too much." But they are somehow uncomfortable with simple language. They prefer language which suggests arcane knowledge and professionalism. Fancy stuff. And so they turned to "statistically significant," all puffed-up with quotation marks, mind.

The problem is that "statistically significant"—in quotes, or not—does not mean "too much." It is a term used by mathematicians in estimating levels of confidence in the results of a sample. One such is the chi-square test. Most of us have become familiar with the concept from public opinion polls which are said to be accurate within, say, "plus or minus 3 percent." This is a measure of statistical significance.

And so a crucial section in the bill as written, and as approved by a 75-24 vote in the Senate, is in fact meaningless. It is gobbledygook. But it sounds so good.

That is the highfalutin' side. The primitive side is this business of knowing the future. If you think about it for a bit, the great thing that separates modern man from primitive man is that modern man, who knows more, is confident of much less. That is the great paradox of modernity: The more you know the more you know you don't know. By contrast, most primitive belief systems seem to rest on the assumption that everything can be known and in fact is known.

It is similarly plain primitive of the Senate to suppose that we know enough about our economy to forecast when it will enter a recession or a period of slow growth, which this legislation assumes we will do.

We seem not to realize how new all these concepts are, and how uncertain. James Q. Wilson has observed that "the very concept of 'economic policy'—or even a concept of the 'economy'—was largely an alien notion" in the early decades of this century. Gross national product, as a measurable quantity, is an idea conceived in the 1930's.

This brings us to the proposal, which would establish maximum deficit ceilings for this fiscal year and the following five—fiscal years 1986-1991—and provide that should CBO and OMB forecast that the budget will exceed the ceiling by 5 percent or more, automatic mechanisms to reduce spending to meet the ceiling would be activated.

Certain spending would be exempt from these automatic cuts: Social Security, net interest, claims and judgments against the Government, salaries for judges and the President, and Federal credit guarantee and insurance programs.

The rest of Government would be divided into two categories—those with automatic spending increases, such as annual cost-of-living adjustments—and so-called controllable programs. About $1.7 billion of automatic spending increases would be available for cuts; the rest of the cuts required to meet the deficit ceiling would be achieved by applying a uniform percentage reduction in outlays to controllable programs.

All this will happen—unless the economic forecasters in the Office of Management and Budget and the Congressional Budget Office predict that economic growth will be less than 1 percent in the coming fiscal year, or less than 1 percent for any two consecutive quarters in that fiscal year.

This scheme, then, we are told, would apply only when the economy is expanding—or more precisely, when we expect the economy to expand. When we expect—which is to say, predict or divine—a recession coming, we are given the opportunity to truncate the process, so as not to deepen that recession.

All such assumes we know what we're talking about, that we can predict when a recession is coming. We can't, and neither, in this matter, can anyone else.

Economists do not know the future—they study, and barely know, the past. This is really an adventure in mad scientism, pretending to know what cannot be known.

Dr. Rudolph Penner, Director of the Congressional Budget Office, testified on this legislation before the Legislation and National Security Subcommittee of the House Committee on Government Operations, and offered the following observation on the accuracy of economic forecasting:

. . . given the record of economists, it will not be difficult to convince anyone that economic forecasting is a very uncertain art. Reasonable men and women can differ widely about what the future holds, and even if there is agreement on an added layer of uncertainty involved in translating that forecast into an estimate of budget totals.

Dr. Penner later referred to the problems associated with linking budgetary policies to "the inherently uncertain forecasts of technicians," and stated that for his part, he would rather not publish quarterly economic growth estimates. In fact, he noted that:

Quarterly numbers contain a great deal of statistical noise and are therefore highly erratic. Thus, quarterly forecasts can be widely in error, even though the forecast for the entire year is fairly accurate.

There is a simple proposition here. This entire machine for deficit reduction rests on our ability to forecast increases or decreases in the gross national product and the deficit. And that we cannot do with any semblance of confidence.

Two months before the beginning of the last fiscal year, fiscal year 1985, OMB forecast that GNP would grow 4.9 percent in that fiscal year; CBO was a bit less optimistic, forecasting a growth rate of 4.5 percent. The actual results will not encourage those who would rest the direction of fiscal policy on the accuracy of these forecasts: GNP grew 3.3 percent.

Between 1976 and 1984, the GNP forecasts issued by the Office of Management and Budget were, on average, 1.15 percentage points off from the actual GNP growth rate—which was 3.3 percent for those years. The forecasting record of the Congressional Budget Office was only slightly better: On average, 0.98 percentage points off. Dr. Penner testified, "I consider any forecast of GNP a year ahead that is off by no more than 1 percentage point to be an excellent forecast."

Let me explain that 1 percentage point is a lot more than 1 percent. If GNP were forecast to grow 4 percentage points, an error of 1 percentage point is obviously sizable.

In President Reagan's first full budget, for fiscal year 1983, the Office of Management and Budget forecast a deficit of $91.5 billion for that fiscal year. The actual deficit was $195.4 billion. A forecasting error of massive proportions, such as would derail the operations of a scheme—the scheme we debate today—that depends on pinpoint accuracy in just such forecasts.

In the President's fiscal year 1984 budget, on pages 3-18 and 3-19, the Office of Management and Budget published a very enlightening table—one acknowledging the degree to which OMB's own forecasts had been drastically revised over the course of only 2 fiscal years. The 1983 forecast for GNP for that year and the following 3 years, fiscal year 1983-86, as an aggregate, were some $2.175 trillion less had been forecast in 1981, just 2 years earlier. That is no trivial sum. Projections of budget outlays increased by a total of $475 billion; forecasts for receipts dropped by $530 billion. Projections for receipts changed more than 16 percent in 2 years, and budget outlay projections changed by 14 percent.

And now we are about to enact legislation that would set in place automatic cuts in national defense, in support for poor children, in benefits owed to American war veterans—all on the basis of deficit projections assumed to be accurate.

We are about to set fixed deficit targets to 1990 and beyond. Now let's consider one variable of those deficits, one of the pieces on the basis of which budget deficits—and GNP growth rates—are predicted. Interests rates, for example—a crucial factor in determining rates of economic growth and interest costs for the Federal Government.

In August 1985, CBO published "The Economic and Budget Outlook: An Update." There, CBO projected that the 3-month Treasury bill rate for fiscal year 1990 will be 7.2 percent. OMB's "Midsession Review of the 1986 Budget" projects that 3-month T-bills will be issued at 5 percent. A 2.2-percentage point difference in interest rates on a $2-trillion debt, amounts to some $44 billion, and that means a $44-billion difference in the deficit forecast."

There is an escape valve, we are reassured: These deficit forecasts and deficit targets will not matter if we forecast a recession in the coming fiscal year. But the record of predicting recessions in advance is no better than the record of predicting interest rates of deficits.

The official arbiter of recessions—when they begin and when they end—is the Business Cycle Dating committee of the National Bureau of Economic Research. The dating committee, established in the 1940's, is made up of seven distinguished economists, including today Robert Hall (chairman), Benjamin Friedman and Martin Feldstein. The dating committee does not meet on a formal schedule. When members want to meet to discuss economic conditions, they arrange to do so. Invariably, however, it is after the fact: The dating committee dates the beginning of recessions long after they have actually begun, and dates the end well into the recovery. And that is because economics, practiced properly, can tell us about the past, not the future.

In the last two recessions, the dating committee has determined that a recession was underway about 6 months after the downturn had commenced. Similarly, the committee determined that the recessions had ended 6 months after the bottom of the business cycles had been reached.

Albert Malabre, news editor of the Wall Street Journal, wrote of much the same problem in yesterday's edition of that paper. He recalled:

> As late as August 1974, with the 1973-1975 slump already nine months old, no less an economist than Arthur Burns, then chairman of the Federal Reserve Board, assured a committee of Congress that the "economy's movements do not have . . . the characteristics" of a recession. Several months before . . . the President's Council of Economic Advisers proclamined that "a number of factors . . . support the expansion of the economy" in the months ahead.

The record of the Bureau of Economic Analysis at the Department of Commerce, the official arbiter of GNP growth rates, positive and negative, is much the same. The first estimate of quarterly GNP growth is released in the last 2 weeks of each quarter—that is, after-the-fact. Not, as this legislation requires, before-the-fact. In the course of the next 3 months, three revisions of that first GNP estimate—the "preliminary revision," "first revision," and "second revision" of the first "flash" estimate—are released.

From 1980 through the second quarter of this year, the difference between the first or "flash" estimate of GNP and the final revised estimate 4 months later averaged 1.5 percentage points. In a $4 trillion economy, that comes to $60 billion. And often, even the direction of economic growth is misjudged—all after-the-fact. The "flash" estimate for the third quarter of 1981, for example, was GNP contracting at a 0.5-percent rate. Four months later, the second revised estimate said GNP was expanding the previous quarter at a 1.4-percent annual rate. In the third quarter of the following year, 1982, the Commerce Department first estimated that GNP was growing at a 1.5-percent annual rate—above the recession trigger of this legislation. By the second revision, Commerce said GNP had actually grown that quarter at an annual rate of only 0.7 percent—below the recession trigger.

And I repeat, these estimates, inaccurate as many are, were all made after the quarter had ended. The operation of this legislation will depend on accurate GNP and deficit estimates forecast before the fact. And that, I say, is nonsense. Scientism of the worst sort, placed as the engine of fiscal policy.

In 1981, a new administration came to Washington, elected on the premise and the promise that the budget would be balanced in short order. Instead, that administration doubled the national debt, and gave the Nation a permanent deficit. The same administration has complained, criticized, and attacked any whiff of what they consider economic planning. Now it embraces a proposal not even mad Keynesian would contemplate.

Two final observations, Mr. President.

The first is that the prospect of automatic, across-the-board reductions in Federal outlays seems to me to be especially threatening to the intelligence community. Last January I completed an 8-year term on the Intelligence Committee, where, latterly, I served as vice chairman. During those latter years it fell to me to bring the Intelligence authorization bill to the floor, in the company of my respected chairman, the Senator from Arizona [Mr. GOLDWATER]. As we made clear on repeated occasions, those were years of great and necessary growth in the Intelligence budget, no small part of which is concerned with economic forecasting. This legislation threatens our intelligence community just as it threatens our defense program, and to my mind, mindlessly so.

My closing observation is not especially relevant, but I hope interesting. For some years now, an important theme among conservative economists is that the United States and other industrial democracies took the promise of Keynesian economics much too seriously. The thought—and I was here in Washington when it was thought—that we could "fine tune" the economy ultimately rested on the proposition that we could predict the economy.

Nonsense, the conservative economists have been saying. We just do not know that much, and never will. Certainly, we do not know more than markets know, and just as certainly there is a severe limit to what we can change. Yet, here we are today acting on almost the opposite premise. But then, this is not conservative legislation. It is radical and it is dangerous, and it will pass. What has become of us?

Mr. President, on a number of occasions since we began this debate, I have commented on what seemed to me to be a combination of the highfalutin and the primitive in the measure before us. By the highfalutin, I mean a kind of false scientism that suggests that there are degrees of knowledge and accuracy in economic forecasts that really do not and will never exist.

I noted that one of the provisions in the early version, still there, provides that certain mechanisms will be triggered if the deficit forecast is greater than the maximum deficit ceiling by 5 percent or more. Such deficits are defined to be "statistically significant."

What the authors of the legislation mean is that the excess is too big, is to much, but they use "statistically significant" as if this suggested some arcane and sophisticated professionalism. The problem is that they or their words are wrong.

The words "statistically significant" refer to a term statisticians use to describe the degrees of confidence you can have from the results of a sample. Statistical significance is most frequently determined by something called the chi-square test, and whatever statistical significance means, it does not mean too big. It means something very different, and I wonder whether, in consequence, the measure itself is meaningless.

The PRESIDING OFFICER. Will the Senator withhold?

The Senate will be in order.

Mr. MOYNIHAN. I thank the Chair.

However, along with the highfalutin, there is the primitive, and what is most primitive about this measure is the presumption of knowing the future.

If you think about it for a bit, the great thing that separates modern man from primitive man is that modern man, who knows much more, is confident of much less. That is the great paradox of modernity—the more you know, the more you know you do not know. By contrast, most primitive belief systems seem to rest on the assumption that everything can be known and in fact is known.

A man knows why his arms hurt, why it rains, why the corn crop fails. All those things are know. In fact, they are not known at all, but the confidence is there.

It is primitive for the Senate to suppose that we know enough about our economy to forecast when it will enter a recession or a period of slow growth, which this legislation assumes we will know.

We seem not to realize how new these concepts are. At the turn of the century, the very concept of economic policy or the concept of an economy was largely an alien notion. The idea of the gross national product was conceived in the 1930's and was never measured with any success until about 40 years ago.

This brings us to the proposal before us, which would establish maximum deficit ceilings and provide that the CBO and the OMB forecast the budget deficit, when it will exceed this ceiling or that ceiling, and when there is going to be a period of no growth or of slow growth.

The assumption that this is going to be possible is almost not credible.

Rudolph Penner, the distinguished Director of the Congressional Budget Office, all but pleaded with the conference committee not to get into this mad scientism. I quote him. He said:

> . . . given the record of economists, it will not be difficult to convince anyone that economic forecasting is a very uncertain art. Reasonable men and women can differ widely about what the future holds, and even if there is agreement on an economic forecast, there is an added layer of uncertainty involved in translating that forecast into an estimate of budget totals.

Mr. President, may I give you an example? In the President's first full budget, which is that for fiscal 1983, the Office of Management and Budget forecast a deficit of $91.5 billion. The actual deficit was $195.4 billion. The actual deficit was more than twice that predicted.

Between 1980 and the present year the difference between the first flash estimate of GNP and the final judgment is nearly 1.5 percentage points. That is not 1.5 percent but percentage points—a big jump.

The question of when we enter a recession, Mr. President, is almost not known. For more than 70 years the National Bureau of Economic Research has been studying the business cycle.

There is a group within the NBER, called the Business Cycle Dating Committee. This is not an escort service, Mr. President. This is a group of economists, trained for their profession, who work hard at it, and it is by common agreement in the Nation the NBER and this committee that decides when we have entered a recession and when a recession has ended. As a matter of principle, the dating committee never declares a recession to have begun until it has been going on at least 6 months, and does not declare one to have ended until it has ended at least 6 months. Just professional prudence tells them they do not know enough to do more than that.

Indeed, the examples of not knowing are considerable. In yesterday's Wall Street Journal, Albert Malabre describes testimony of Arthur Burns, the distinguished former Chairman of the Federal Reserve Board, and once head of the National Bureau of Economic Research. In August 1974, as Chairman of the Federal Reserve Board, and when the 1973-75 slump was almost 9 months in being, Arthur Burns told a committee of Congress that "the economy's movements do not have * * * the characteristics" of a recession.

You know, he is the first to admit it is an imperfect and necessarily inaccurate, or at least not within a wide margin of error, approximate discipline.

It is primitive to think you know the future, and in my view simply wildly irresponsible to make some of the most serious choices about this Government rest upon a presumed knowledge of that future.

I call attention, Mr. President, and I make two final observations, which are related to this measure. The first is that the prospect of automatic across-the-board reductions in Federal outlays seems to me to be especially threatening to the intgelligence community of our country. We do not come on to this floor and talk about the sums of the intelligence community budget but they are large and every Member of this body knows them or could if he or she chooses.

For 4 years as vice chairman of the Intelligence Committee I came to the floor, and with my revered and distinguished chairman, Senator GOLDWATER, presented the intelligence authorization bills. We made clear that we had commenced a very large increase in outlays on the various segments of the community. Such increases began under the previous administration, have continued under this one, and they increased because we felt increases were needed. These were matters of urgency, and there were times when, in the best judgment of intelligence officers, if we could not find a very large increase amount for a particular project, we might be jeopardizing the security of this Nation. We found those funds.

Now, we are about to subject the intelligence community to automatic cuts. Last night I joined the Senator from Colorado [Mr. HART] in proposing that the Secretary of Defense report to the Congress on the reductions that would come about in defense under the terms of Gramm-Rudman, given various assumptions. We estimate more than half the amounts of money that will be subject to automatic cuts will come from defense and, Mr. President, I reveal no matter of confidence when I say that most of the intelligence budget is in the defense budget. I mean, the Defense Intelligence Agency and Nation-

al Security Agency are part of the Defense Department.

I will not continue much longer. I have a closing observation which, if not especially relevant, I hope is of some interest.

For some years now an important theme among conservative economists has been that the United States and other industrial democracies took the promise of Keynesian economics much too seriously. The thought, and I was here in Washington at a time when it was the thought, that we could fine tune the economy ultimately rested on the proposition that we could predict the future state of the economy. Nonsense, the conservatives have been saying. We just do not know that much and never will. Certainly we do not know more than markets know and just as certainly there is a severe limit to what we can change.

The conservative counsel has been to set your course, stay with it as long as you can, let it be known what you will do, and let others react to you rather than your reacting to others.

Yet here we are today acting on almost the oposite premise.

But then, Mr. President, this is not conservative legislation. It is radical and it is dangerous, and yet it will pass. I wonder what has become of us or what will.

I have one small detail to add. I see my distinguished friend, the chairman of the Finance Committee, on the floor, and I point out to him that among the things that we have to forecast in this legislation are interest rates. In the OMB midsession review, which is by and large in August, CBO projected a 7.2 interest rate for 3-month Treasury bills in 1990. OMB projected 5 percent. That is a difference of maybe a third.

Could I just say to my friend, the chairman, if he could listen to me for just one moment—and perhaps if he is silent I will take silence in the form of an assent—would he not agree that anybody who can forecast interest rates is not likely to be working for $60,000 in the U.S. Government? Anybody who can forecast interest rates is not likely to be working for anybody. Such a person is simply sitting somewhere getting richer and richer and richer and richer, because to know that future is to have the key to wealth beyond the imagination of the Saudis or the wildest expectations of predictability of the much maligned Keynesians.

We cannot predict interest rates and yet we are going to run the Government on the basis of such predictions.

Mr. President, I do not want to keep the Senate longer. I know that our distinguished minority leader must be in West Virginia, owing to the flooding there. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MOYNIHAN. Mr. President, I move the amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. DENTON addressed the Chair.

Mr. PACKWOOD. Mr. President, is the time controlled on this amendment or not?

The PRESIDING OFFICER. The time is controlled.

Mr. PACKWOOD. How much time does the Senator from Alabama need?

Mr. DENTON. As much as the Senator will give me, understanding that he plans to accommodate the minority leader and get a vote at 1:30 on Gramm-Rudman.

Mr. PACKWOOD. Mr. President, I wonder if the Senator from Alabama would be willing to withhold just for a moment and let us vote on the Moynihan amendment, because there is going to be no other amendments offered, as I understand it. I have talked to Senator DOMENICI. This is the last amendment. If we could dispose of this amendment right now, I would like to do so.

Mr. DENTON. Yes, if I may have the assurance that I will be able to make my statement on Gramm-Rudman before we vote on it.

Mr. PACKWOOD. As far as I am concerned, the Senator can, because there are no other statements to be made and we can vote before 2 o'clock.

Is the Senator from New York prepared to yield back all of his time?

Mr. MOYNIHAN. I yield back the balance of my time.

Mr. PACKWOOD. Mr. President, I would make one statement to partially correct the record. My good friend, the Senator from New York, stated that silence is acquiescence. It did not work for Thomas More.

Having said that, I am prepared to yield back the time on our side.

Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon [Mr. PACKWOOD] to table the amendment of the Senator from New York [Mr. MOYNIHAN]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Connecticut [Mr. WEICKER] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 82, nays 16, as follows:

[Rollcall Vote No. 284 Leg.]

YEAS—82

Abdnor	Ford	McClure
Andrews	Garn	McConnell
Armstrong	Glenn	Metzenbaum
Baucus	Goldwater	Mitchell
Bentsen	Gore	Murkowski
Bingaman	Gorton	Nickles
Boren	Gramm	Nunn
Boschwitz	Grassley	Packwood
Bradley	Hatch	Pressler
Bumpers	Hatfield	Proxmire
Burdick	Hawkins	Pryor
Chafee	Hecht	Quayle
Chiles	Heflin	Rockefeller
Cochran	Heinz	Roth
Cohen	Helms	Rudman
Cranston	Hollings	Simon
D'Amato	Humphrey	Simpson
Danforth	Kassebaum	Specter
DeConcini	Kasten	Stafford
Denton	Kerry	Stevens
Dixon	Lautenberg	Symms
Dodd	Laxalt	Thurmond
Dole	Leahy	Trible
Domenici	Levin	Wallop
Durenberger	Long	Warner
East	Lugar	Wilson
Evans	Matsunaga	
Exon	Mattingly	

NAYS—16

Biden	Johnston	Riegle
Byrd	Kennedy	Sarbanes
Eagleton	Mathias	Sasser
Harkin	Melcher	Stennis
Hart	Moynihan	
Inouye	Pell	

NOT VOTING—2

Weicker	Zorinsky

So the motion to lay on the table Amendment No. 968 was agreed to.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the House amendments and the Senate amendments to the House amendments to House Joint Resolution 372 be printed in bill form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

MOTION TO CONCUR IN AMENDMENT OF THE HOUSE TO SENATE AMENDMENT NUMBERED 2, WITH PACKWOOD AMENDMENT NO. 957, IN THE NATURE OF A SUBSTITUTE, AS AMENDED

Mr. DOMENICI. Mr. President, I rise today in support of the amendment that Senator PACKWOOD and I have introduced to House Joint Resolution 372, the debt limit extension. The amendment does several things, Mr. President, but it focuses on one thing: Making as perfect as we know how the Gramm-Rudman-Hollings balanced budget plan that this Senate approved by a 75-to-24 margin just last month.

The Senate approved the Domenici-Chiles substitute to the Gramm-Rudman-Hollings legislation by a large vote. That substitute merely built upon the good work and the originality of the authors. It contained 25 per-

fecting and clarifying amendments, not an unusually large number considering that the legislation itself ran more than 40 pages. The legislation Senator PACKWOOD and I have now put before the Senate continues the perfecting and clarifying process. It contains an additional 50 amendments to Gramm-Rudman-Hollings, but keeps intact the basic concepts of the authors.

Now, 50 amendments may sound like a large number. However, as my colleagues who have worked on such legislation as the Clean Air Act or the Natural Gas Policy Act with me remember, 50 amendments of a technical variety occur on any bill of substance. And, of the 50 amendments Senator PACKWOOD and I now offer the Senate in the substitute, fully 20 of them are purely technical and another 9 are procedural or related to the Budget Act and its operation. Only 9 of the amendments are of a major, substantive category, and another 12 are substantive, but of less importance.

Mr. President, I ask unanimous consent that a listing of amendments by these four categories be inserted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAJOR SUBSTANTIVE AMENDMENTS

1. A comprehensive baseline description, which includes a procedure for computing the base, the sequester percentages for any sequester order, and the base against which such an order will be administered. In addition, this amendment clarifies how to handle expiring legislation and other technical matters.

2. Maintains the present legislation's use of both OMB and CBO as the institutions that develop the sequester percentage, but places responsibility for reporting to the President and the Congress in the Comptroller General.

3. Keeps the FY 1986 deficit level at $180 billion, but changes the 7 percent trigger to 5 percent. Provides that any Presidential reduction order for FY 1986 shall be pro-rated on the basis of the number of remaining months in the fiscal year.

4. Clarifies that federal civilian pay and military basic pay may not be reduced under a sequester order.

5. Specifies precisely the accounts to be considered in the "automatic spending increases" category. Medicare has been moved from this category to category II.

6. Specifies precisely the programs to be exempt from either sequester or modification of automatic spending increases. Accepts most of the technical recommendations of the House Task Force II.

7. Clarifies treatment of prior-year contracts and requires new language to allow sequestering of future-year contracts.

8. Allows expendited judicial review and severability in case of a finding of unconstitutionality.

9. Revises special procedures in the event of a recession.

MAJOR SUBSTANTIVE AMENDMENTS

1. *Baseline* (the dollar amounts from which automatic cuts will be made):

Assume current law for spending and revenues at the time the report is prepared. If a regular appropriation, or a continuing appropriation of a full 12 months' duration, has not yet been enacted for a program for the upcoming fiscal year, the current year funding level would be assumed.

Assume that expiring provisions do indeed expire. The only exceptions to this rule are: (a) expiring excise taxes that are dedicated to a trust fund would be assumed to be extended at the same rates just prior to expiration, and (b) Farm (CCC) programs would be assumed to be extended.

Medicare spending levels with regard to hospital reimbursement would be based upon regulations issued around July 1. The baseline for purposes of determining whether automatic cuts need be made (under a sequestration order) is the same as the baseline used in determining the amount of those cuts.

2. *OMB-CBO-GAO:* The new procedure requires an OMB-CBO joint report to be submitted to the Comptroller General (not to the President and the Congress) on December 10, 1985 (for FY 1986) and on September 15th for each fiscal year thereafter. it then requires the Comptroller General to consider the joint OMB-CBO report (which is made available to the public). After giving due regard to the OMB-CBO report, the Comptroller General must issue a report to the President and to the Congress. This report is due no later than December 15, 1985 (for FY 1986) and September 25 for each fiscal year thereafter. It is the Comptroller General's report which triggers a Presidential order.

3. *Lower "trigger" for FY 1986 sequester order:* Maintains the FY 1986 maximum deficit amount at $180 billion, but lowers the amount of a deficit excess which is considered "statistically significant" from 7% to 5%.

4. *Treatment of Federal pay:* Clarifies that Federal civilian and military pay may not be reduced under a sequester order below the levels to which an individual is entitled on the effective date of the order. If a pay raise is scheduled to take effect in the future, the amount of the raise may be reduced only by the amount of the uniform percentage reduction (down to zero).

5. *"Automatic spending increases"* (category I): Retains the definition of "automatic spending increase" to mean increases in budget outlays due to changes in indexes, but specifically lists the programs to be in this category, as follows:

(a) Rail Industry Pension Fund,
(b) Supplemental Security Income,
(c) Veterans' Pensions,
(d) Veterans' Compensation,
(e) Civil Service Retirement and Disability,
(f) Military Retirement,
(g) Foreign Service Retirement and Disability,
(h) Public Health Service Retirement,
(i) Coast Guard Retirement,
(j) Federal Judiciary Survivors Benefits (including Tax Court),
(k) United States Presidents Pensions,
(l) CIA Retirement and Disability,
(m) Federal Reserve Board Employees Retirement System,
(n) Comptrollers General Retirement System,
(o) Tennessee Valley Authority (TVA) Retirement System,
(p) FECA (Worker's Compensation for Federal Employees),
(q) Food Stamps,
(r) Child Nutrition,
(s) Medicare Payments for Clinical Laboratory Services,
(t) National Wool Act,
(u) Black Lung Program, and
(v) Special Benefits for Disabled Coal Miners.

The definition retains the explicit exclusion of increases due to program participation rates and Social Security COLAs benefits.

6. *Exempt category:* Amends the definition of "controllable expenditures" (Category II) to specifically exempt the following programs from reduction under a sequester order:

(a) Specified in H.J. Res. 372:
(1) Earned Income Tax Credit,
(2) Net Interest,
(3) OASI and DI trust funds (except administrative expenses)
(4) Outlays due to increases in the number of program participants, and
(5) Outlays for prior-year obligations except certain contracts as detailed in item 7, below.
(b) Claims and Judgments Against the Government:
(1) Defense Claims,
(2) Claims, judgments, and relief acts,
(3) Eastern Indian land claims settlement fund,
(4) Payment for claims, Soldiers and Airmen's Home, and
(5) Payment of Vietnam and USS Pueblo Prisoner of War Claims.
(c) Constitutional Limitations:
(1) Salaries of Judges, and
(2) Salary of the President.
(d) Federal Credit Guarantee and Insurance Programs (only the outlay portions of the following programs that result from prior legal obligations of the government would be exempt from sequestration):
(1) VA loan guaranty revolving fund,
(2) Agriculture Credit Insurance fund,
(3) AID-Housing guarantee,
(4) Overseas Private Investment Corporation,
(5) Rural Development Insurance Fund,
(6) International Trade Administration,
(7) Economic Development Assistance,
(8) Government National Mortgage Association (Guarantee of mortgage-backed securities),
(9) Federal Housing Administration Fund,
(10) Credit Union share insurance fund,
(11) Federal Savings and Loan Insurance Corporation fund,
(12) Pension Benefit Guaranty Corporation,
(13) Federal Crop Insurance Corporation,
(14) FAA Aviation Insurance Revolving Fund,
(15) Maritime Administration (War-risk insurance revolving fund),
(16) Small Business Administration (lease guarantee revolving fund and Surety Bond guarantees revolving fund,
(17) Export-Import Bank of the United States,
(18) Federal Emergency Management Agency (National Insurance development fund and National Flood insurance fund),
(19) Nuclear Regulatory Commission,
(20) Check Forgery Insurance Fund,
(21) Railroad rehabilitation and improvement fund,
(22) Synthetic Fuels Corporation,
(23) SBA-Business loan insurance fund,
(24) SBA-Pollution control,

(25) Low-rent Public Housing,
(26) Federal Ship Financing Fund,
(27) Federal Ship Financing-Fishing Vessels,
(28) Rural housing insurance fund,
(29) Indian Loan Guarantee and Insurance Fund,
(30) Rail Service Assistance,
(31) VA Serviceman's group life insurance fund,
(32) VA U.S. Government life insurance,
(33) VA National service life insurance,
(34) VA Service-disabled life insurance,
(35) Veterans' special life insurance,
(36) Veterans' reopened insurance,
(37) Veterans insurance and indemnities,
(38) Employees life insurance fund,
(39) Federal Deposit Insurance Corporation.

(e) Payments of general funds into Trust Funds:
(1) Foreign service retirement and disability fund,
(2) Health Care trust funds,
(3) Railroad retirement accounts,
(4) Social Security trust funds,
(5) Civil Service retirement fund,
(6) Military retirement fund,
(7) State and Local Government Fiscal Assistance Trust Fund.

(f) Funds held for other governments and entities:
(1) Foreign military sales trust fund,
(2) BIA Miscellaneous trust funds (Tribal funds), and
(3) District of Columbia non-federal appropriations (only Federal funds would be subject to sequestration, not locally raised funds which are also appropriated).

(g) Federal Financing Operations:
(1) Exchange stabilization fund, and
(2) Coinage profit fund.

(h) Other:
(1) Offsetting receipts,
(2) Payment to copyright owners,
(3) Railroad Social Security equivalent benefits account,
(4) TVA power program borrowing authority,
(5) Bonneville Power Administration fund and borrowing authority,
(6) TVA Seven States Energy Corporation,
(7) Non-Federal unemployment benefits, and
(8) Postal Service Fund.

(i) Private bequests and donations.

(j) Intragovernmental funds, such as stock funds and revolving management funds, the outlays from which derive primarily from resources paid in from other government accounts, would be excluded from sequestration unless such funds received a direct appropriation for a fiscal year during which a sequestration order is in effect. It is the intention that government funds transferred from one account to another should not be subject twice to sequestration.

(k) Makes clear that receipts credited to an account shall not be deducted from outlays for the purpose of determining the amount to be sequestered.

7. *Contracts:* Clarifies treatment of contracts. Existing contracts providing for modification, renegotiation or termination are included in controllable expenditures if making such changes does not result in a net loss to the government in the first year. Also, requires that future contracts contain termination, modification, and renegotiation clauses and may not include penalty clauses, in order to make sure they will be subject to sequestering.

8. *Expedited judicial review and severability:* Any Member of Congress may bring an action to challenge the constitutionality of the Act in the D.C. Court of Appeals, sitting en banc. Review of the Appeals Court and appeal to the Supreme Court will be expedited. Any provision of the Act found unconstitutional will be severed and have no bearing on the remainder of the Act. If the President does not sequester any amounts required to be sequestered under this Act (and, if the courts decide he is not required to do so), the entire sequester order is null and void. If the courts render invalid the GAO reporting procedure to the President, provision is made for expedited Congressional consideration of a joint resolution to establish the deficit overage, percentage, reductions, and other elements of the report.

9. *Special procedures in the event of a recession:* Provides that if the report of the Comptroller General to the President and the Congress projects negative real economic growth for the fiscal year or two consecutive quarters, or if the Department of Commerce reports actual negative real economic growth for the previous two consecutive quarters, the Congress may initiate a joint resolution suspending or revising this Act in whole or in part. Such a joint resolution would be considered under highly expedited procedures.

OTHER SUBSTANTIVE AMENDMENTS

1. Clarifying how the uniform percentage reduction will be applied to both automatically indexed and controllable programs.

2. COLA language to insure that no catch-up of COLAs will occur.

3. Bringing off-budget items on-budget for purposes of this legislation.

4. Modifying how sequestering applies to the Guaranteed Student Loan program.

5. Modifying how the sequestering applies to the Commodity Credit Corporation.

6. Clarifying how unemployment compensation funds will be treated under a sequestering order.

7. Striking language requiring that contracts of more than $20 million be examined for inflation clauses.

8. Striking language relating to the Achile Lauro hijacking.

9. Clarifying sequestering as it applies to disabled coal miners and the Black Lung program.

10. Clarifying that social security related benefits under Railroad Retirement are exempt from sequestering or modification.

11. Requiring baseline updates daily for spending and revenue bills and clarifies what happens if legislation eliminating the deficit excess is passed in the middle of the sequester timetable.

12. Clarifying the treatment of social security administration programs, other than social security trust funds, under a sequester order.

Item No. and descriptions:

1. *Uniform percentages.*—Clarifies that automatic spending increases shall be reduced by a uniform percentage and controllable expenditures are to be reduced by a uniform percentage, but they may be different percentages.

2. *COLA's.*—Clarifies that any COLA which is reduced by a sequestering order will be disregarded for the purpose of computing any future COLAs.

3. *Off-budget programs.*—Clarifies that off-budget programs are treated as on-budget for purposes of this bill (House Task Force II).

4. *Guaranteed student loans (GSL).*—Clarifies how sequester process is to be applied to GSL (based in part on House Task Force II recommendation).

5. *Commodity Credit Corporation (CCC).*—Adds clarifying language authorizing the Secretary of Agriculture to adjust both target prices and loan levels in order to meet the uniform percentage reduction required under a sequester order.

6. *Unemployment compensation.*—Clarifies that regular State unemployment benefits, the State-funded share of extended unemployment benefits, and loans to States from the Federal unemployment account are exempt from a sequestering order (House Task Force II recommendation).

7. *Contracts study.*—Strikes language requiring examination of contracts over $20 million for inflation clauses.

8. *Achille Lauro.*—Strikes language relating to Achille Lauro hijacking.

9. *Disabled coal miners and black lung benefits.*—Benefits in these programs are indexed to Federal pay levels and are adjusted whenever Federal pay raises are given. Clarifying language ensures that a sequestration order would limit the maximum reduction in these programs to the COLA increases, if any.

10. *Railroad retirement.*—Clarifies that Social Security related benefits under the Railroad Retirement program are exempt.

11. *Baseline updates/sequester orders.*—Requires that baseline updates be furnished to the President for each day on which spending and revenue legislation is enacted, up to the day on which the order is issued. Also clarifies that if intervening legislation which eliminates the entire deficit excess is enacted, the order shall so state and no reductions shall be made.

12. *Special rules for SSA programs.*—Requires across-the-board reductions in payments under Medicare, Medicaid, Aid to Families with Dependent Children, foster care and adoption assistance under a sequester order. Prohibits the President from increasing any deductible coinsurance or premium under Medicare. Specifies that administrative expenses are sequesterable.

PROCEDURAL/BUDGET ACT AMENDMENTS

1. Three budget process amendments from the Beilenson proposal to accelerate the President's budget submission date, to accelerate the Congressional budget process timetable, and to accelerate the reconciliation timetable.

2. Expansion of the Budget Act Section 303 point-of-order to include bills providing credit authority.

3. Mandating a new CBO report each January on programs appropriated, but not authorized, and expiring authorizations.

4. Clarifying a point of order against budget resolutions that exceed the maximum deficit amount.

5. Clarifying a point-of-order against bills which have spending that would cause the maximum deficit amount to be exceeded.

6. Clarifying that the point-of-order in No. 5 above does not apply if a declaration of war occurs.

7. Clarifying a point-of-order against consideration of an expedited reconciliation bill, not its adoption.

8. Clarifying that a point-of-order lies against an expedited reconciliation bill that fails to eliminate the entire excess deficit amount.

9. Clarifying waivers of points-of-order.

Item No., description:

1. Incorporates several budget process deadlines proposed by Mr. Beilenson:

A. Presidential budget submission moved up to first Monday after January 3,

B. Annual budget resolution must be adopted by April 15, and

C. Reconciliation must be completed by June 15.

2. Expands Section 303 (Budget Act) point of order to include bills providing credit authority (Mr. Beilenson).

Mandates a new CBO report each January listing:

A. All programs appropriated but not authorized, and

B. All authorizations expiring at the end of the fiscal year.

4. Clarifies that points of order will lie against the consideration, not the adoption, of budget resolutions which propose deficits exceeding the maximum deficit amount.

5. Clarifies that a point of order lies only against bills which propose spending which cause the maximum deficit amount to be exceeded. This eliminates the dual standard for a point of order in the current language which allows a point of order to lie against a bill because the maximum deficit amount would be exceeded or because the deficit set forth in the budget resolution would be exceeded.

6. Clarifies that the point of order discussed in No. 5 does not apply if war is declared, and corrects section references in the Budget Act.

7. Clarifies that a point of order lies only against the consideration of an expedited reconciliation bill, not its adoption.

8. Clarifies that a point of order will lie against an expedited reconciliation bill that does not eliminate a deficit in excess of the maximum deficit amount. Like No. 5, this eliminates the dual standard.

9. Clarifies that all points of order under the Budget Act may be waived by majority vote or by unanimous consent, with the following exceptions:

A. Points of order against nongermane amendments,

B. Points of order against legislation within the jurisdiction of the Budget Committee, and

C. All points of order created by the Senate amendment, all of which can be waived only by a three-fifths vote of all members duly chosen and sworn.

TECHNICAL AMENDMENTS

This bill makes 20 technical and conforming amendments. These amendments include such things as correcting mis-numbering of provisions that might have occurred in the original legislation, conforming new language to old Budget Act provisions, elimination of redundant or confusing language in the original, and, finally, an amendment to the definition of "sequester" to insure that direct loans and loan guarantees are subject to a sequester order.

Item number and description of amendment

1. Deletes a technical amendment to the Budget Act which corrects a spelling error. As drafted, the correction would expire in 1991. The correction is made permanent.

2. Inserts the word "Section" before "301 (a)" (referring to Budget Act).

3. Makes a conforming amendment to the Budget Act regarding scorekeeping for points of order under Section 311 of the Budget Act.

4. Clarifies the redesignation of certain subsections in the Budget Act.

5. Deletes unnecessary and confusing cross-reference language to clarify that the President may issue a sequester order only after receipt of the report which indicates that the maximum deficit amount will be exceeded by a statistically significant amount.

6. Technical amendment. Introduces the terminology "base levels" to reflect the language in the baseline amendment.

7. Technical cross-referencing amendment regarding the issuance of the Presidential order:

(a) 14-day delay under positive economic growth;

(b) 30-day delay under negative economic growth; and

(c) no reductions if new legislation eliminates the deficit excesses.

8. Cross-references sequester order limitations and exceptions.

9. Technical amendment regarding sequesters of controllable expenditures. Adds back "nothwithstanding the Impoundment Control Act of 1974" inadvertently dropped earlier.

10. Strikes language which is made unnecessary by redefinitions of "automatic spending increases" and "controllable expenditures."

11. Adds a section heading.

12. Changes the section heading from "Date Issued" to "Issuance of Order."

13. Clarifies that obligated balances for existing contracts are included in the term "other budgetary resources" (which are sequesterable).

14. Technical amendment. Changes the reporting date for the mid-season review of the President's budget.

15. Technical amendment. Conforms subsection redesignation.

16. Technical amendments to Budget Act to correct errors, wording, and section numbering.

17. Corrects cross-references, improves readability, clarifies wording, or corrects spelling, syntax, or grammar.

18. Reflects constitutional language which allows Congress to declare war without the enactment of legislation.

19. *Direct loan obligations and loan guarantees.*—Amends definition of "sequester" to clarify that direct loan obligations and loan guarantees shall be subjct to uniform percentage reductions required under a sequester order (House Task Force (II).

20. Clarifies exemption from cuts due to program participation by substituting words "increases in program participation" for "program participation rates."

Mr. GRAMM. Mr. President, a look at the nine major substantive amendments illustrates my contention that what Senator PACKWOOD and I have done is try to clarify and elaborate on the original Gramm-Rudman-Hollings proposal, not change in any way its basic concepts. Let me go through at least the major changes now, so that the Senate can understand what Senator PACKWOOD and I have done. I should add at this point that many of these amendments are the result of extensive negotiations and meetings with the House conferees, both Republicans and Democrats.

The first major amendment, which the authors of the legislation have freely admitted is required, is a better definition of the base to be used in all calculations. This amendment makes it clear that current law, as operating at the time the calculations of the projected deficit are made by the Congressional Budget Office and the Office of Management and Budget, will be the base used in this legislation. In addition, the amendment clarifies the base against which a sequester order will be levied and it outlines a procedure for taking into account spending or taxing bills that are passed between the time that a deficit projection takes place and the President actually signs a sequester order. This means that late action by the Congress will count toward the deficit projection, either by lowering it or raising it.

The second major amendment attempts to remove any constitutional cloud from this legislation. It does so by giving to the Comptroller General of the United States the final responsibility of reviewing the reports of the CBO and OMB, insuring their accuracy, and, if warranted, changing those reports. It is upon the final report of the Comptroller General that the President must base his sequester order.

A third major amendment also relates to constitutionality. This amendment allows for expedited judicial review and severability in case of finding of unconstitutionality. I believe that the use of the Comptroller General as the final arbiter of the figures in the report to the President, and as the final calculator of the percentages to be used in any sequester order will remove the constitutional cloud. However, in case someone wishes to challenge this legislation on constitutional grounds, an expedited process now exists in the Packwood-Domenici package.

Other major amendments are almost self-explanatory. We have changed the "trigger" for fiscal year 1986 to 5 percent, instead of the 7 percent originally in this legislation, but retained the $180 billion deficit target. We have done this despite our knowledge that it will be extremely difficult to hit that $180 billion figure unless Congress changes its ways dramatically in the next 2 months.

Other amendments clarify the treatment of Federal military and civilian pay under any potential sequester order, specifies which programs will be treated as automatically indexed programs, which will be considered controllable, and which will be entirely exempt from this process. In addition, we have clarified the question of prior-year contracts, to make it clear that we intend that all prior-year contracts, other than those whose provisions have explicit penalty clauses whose operation would cost the Government more in the sequester year than it would save in that same year, and other than those which, if subjected to a sequester order, would be a violation of a legal obligation of the Government, will be subject to sequestration.

Finally, we have added special procedures in the case of a recession or extremely low growth in the economy. Under the amendment we adopted last night, introduced by Senator LEVIN, if the economy actually has gone through two quarters of real growth of less than 1 percent, based upon the reports and data of the Department of Commerce, then the Congress has the right to waive or suspend in part or whole the operations of this law by majority vote of both Chambers and the concurrence of the President.

That is an extremely short summary of the provisions I have designated "major substantive amendments." If Members have questions about these provisions, or to the other 41 amendments that we have made a part of our package, I would be pleased to answer them. I should add that among other amendments, we have clarified the treatment of guaranteed student loans, the Commodity Credit Corporation, cost-of-living adjustments, programs for black lung and disabled coal miners, benefits under railroad retirement, and Social Security Administration administrative costs will be treated under any sequester order or under a suspension or modification of automatic indices.

Mr. President, I believe that the Senate passed a good product. I believe that the conference with the House so far has given us insights and allowed us to produce an even better product. We have attempted, in the amendments that Senator PACKWOOD and I offer to the Senate, to clarify all of those things that can be clarified. We know that we cannot cover every contingency. Under our system, Congress can always overturn what prior-year Congresses have done: the minds of active men and women in the legislature will always find ways of operating that cannot be foreseen by anyone. But, to the best of our ability we have tried to provide a workable, technically sound, constitutional, and effective process. We have spent literally thousands of man-hours on this product. It is not perfect; no law is. But, it is as sound and as well-thought-out as any piece of legislation that I have worked on in my 13 years in the Senate. And, I must say, it surely is as sound and predictable as the present laws governing the budget and appropriations processes in the Congress.

Mr. HART. Mr. President, a little more than a decade ago, Congress passed the Budget and Impoundment Control Act of 1974 to end a constitutional crisis that had been precipitated by President Nixon. Mr. Nixon unilaterally withheld funds because he disagreed with policies these moneys, duly authorized and appropriated by the Congress, were to carry out. Without hesitation, the courts struck down the excess of an "Imperial Executive"—they were ruled unconstitutional. And the courts were right.

The House and Senate labored 15 months and passed a Budget Act to impose discipline, to establish priorities, and to coordinate the process by which we spend the people's money. To the extent that our fiscal house is in disarray, we cannot blame the budget process—the process works. It is the policies which have failed.

In reading Gramm-Rudman, you need not be a lawyer to recognize we are suffering from amnesia. We are wandering down the road of impoundment yet again, mindlessly surrendering our constitutional duty to set spending priorities for the government. In a stunning and sad confession of impotence, we are lacing ourselves into a fiscal straight jacket—as if to say, "stop me before I kill again."

I will have no part of it, Mr. President.

The first principle of responsible budgeting demands us to ask: "What are our priorities?" The first principle of responsible legislating requires that we find the resources to pay for the programs the people want. The first principle of conservative government, suggests, at minimum, that we know the implications of legislation before we pass it.

We have not simply ignored these principles, Mr. President, we have savaged them.

Gramm-Rudman suggests the only priority of budgeting is to reduce the deficit by five annual increments to zero, by 1991. Forget investments in education, forget our defense needs, forget restoring the dilapidated infrastructure—Congress is incapable of setting these priorities, its authors tell us. "Put the Government on automatic pilot," they say.

That is good budgeting? Good economics? Good government? Nonsense.

For 5 years, this Government has been on a binge, Mr. President, a real bender. This economy has labored under deficits of staggering proportions. Over the last 5 years, interest on the national debt, defense spending, and tax giveaways have combined to triple the annual deficit and double the aggregate Federal debt. Only discretionary social spending has declined as a percentage of GNP. We have promised the people 100 percent of what Government has to offer, but asked they pay only 80 percent of the cost.

Now, the authors of Gramm-Rudman ask us to make tough choices. But apparently, being tough means never having to say "raise revenues." The distinguished Senators from Florida and West Virginia had the courage to present us with that option. The original Chiles-Byrd proposal asked that we reduce the deficit by $200 billion, taking equal shares from defense, domestic spending, and taxes. On that, the "tough choice" Senators took a walk. They are totally unwilling to come to terms with the eroded revenue base of this country. So much for the principle of responsible legislating.

What about that principle of conservative government? Do we know what is in this package—do we really know? The underlying legislation, a bill to increase the public debt limit, has been before the Senate since October 3. The majority leader offered the Gramm-Rudman amendment and demanded we pass it, before we knew what it contained. If it hangs around too long, people will begin to read it, the distinguished Senator from Kansas said.

Well, thank goodness we made this freight train slow down, just a little. We have spent 10 days on this floor asking questions about this bill, Mr. President, and the answers have rarely been persuasive. This bill had the benefit of no hearings, no committee consideration, no analysis.

And it shows.

It was not until the conference the sponsors realized what this would do to the banking system. It was not until yesterday that we knew what the sponsors had in mind for Medicare. And we will not know until January what this bill will do to our Nation's defense.

To the sponsors of this legislation, you have my congratulations. You have not only supported the policies which created these horrendous deficits, but you stole back the political high ground by fashioning this disgraceful bill. You have my congratulations, but you will not get my vote.

To my Democratic friends who will vote with the majority, I recognize your concerns. Our party has ridden the deficit hobby horse for too long without providing a plausible alternative. That must change. And I believe it will.

To the people of this country who ask only for a government of conscientiousness and conscience, I can only say: Gramm-Rudman represents neither of these cherished values. It is not a statement of what this country can be, it is only an affirmation of what we have become. Those who have visited these deficits upon the least fortunate among us are asking them to bear more than their share of the deficit reduction burden.

It is not fair. It will not work. It does not deserve our support.

The PRESIDING OFFICER. Is there further debate? The yeas and nays have been ordered.

Mr. CHILES. Mr. President, I know we are right at the point of passage. I want to say that I think there has been an evolution of the bill from the time that it first was introduced in the Senate. It has gone through a lot of changes. I think many of those

changes are for the better. I think now the important thing is what is going to happen. Obviously, this is going to pass here today and pass tomorrow in the House. What is going to happen then is that we go to conference with the House. I think that, given the time we have spent on this exercise, both in the House and the Senate, and given the tremendous problem that we now find ourselves facing with these huge deficits that we have, it is going to be very, very important that we do work something out as we go to conference with the House. That certainly means a situation of both sides making their best effort and being willing to give and compromise some in order to do that. I think the American people can and should expect that. I trust that the administration will be helpful in that process, too.

I hope we are not going to go through an exercise in which we simply adopt the bill here to see that there is no further progress or we do not end up actually being able to put a procedure into law that will help us in reducing these deficits. I hope we go with a spirit of attempting to work something out and I hope we meet a similar spirit on the House side. I think it is going to be very necessary that we have that, people of good will sitting down and trying to determine how we do reconcile the legitimate differences that both bodies have. As I say, I trust the administration is going to be of some help in reconciling this.

Mr. JOHNSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. JOHNSON. I thank the Chair.

Mr. President, I think the best thing that can be said for this bill is that is not as bad as it was. It is wrong in theory, it is not going to work in practice, it does violence to the Constitution.

I must say, Mr. President, I have a little curiosity in the same way that someone sees two railroad trains from afar getting ready to crash headon and, in great curiosity, they want to see what happens. I sort of want to see what happens with this train wreck we have set up.

It is a terrible thing to say, Mr. President, that this, the greatest deliberative body in the world, has to pass a piece of legislation like this because we will not face up to our duties and our responsibilities.

Now, we will not raise taxes; no, we will not cut programs, including entitlments; no, the President will not do that. We have to have something like this, which I regard as unconstitutional, too inflexible and too rigid, both at the same time.

Mr. President, I think it is a terrible indictment of this body, of the whole Congress, of the whole Government. I am glad I am not going to have any part of it. I hope it works because the good of the country and the size of the deficits are more difficult and more important than either political party and the short-term political gain. So I hope, I pray, it works. But I am afraid, Mr. President, that we are ready to see that train wreck in which the country, this body, and, indeed, our whole Government are going to be the victims.

Mr. BYRD. Mr. President, I will not take a lot of time to explain why I oppose the Packwood amendment. But let me say first that there may be no more urgent task confronting the Nation than reducing the record budget deficits that this administration has, to a major degree, created with its tax and spending policies. Last year alone, this administration added $211.9 billion in red ink to our national debt, the third record deficit in just 4 years.

Clearly this situation cannot continue without long-term and severe damage to the American economy—to industry, to jobs, to international trade. That is why I offered a budget package in the spring that would have achieved a balanced budget within the next 5 years. But it would have achieved that result in a manner that was fair, that promoted economic growth, that encouraged investment in the Nation's future, and that protected vital national security interests. It also would have required those profitable corporations that do not pay any Federal income tax to pay a minimum tax so that all Americans would contribute to the effort to balance the budget.

I believe that amendment represented the most prudent way to achieve a balanced budget for a nation with wide-ranging domestic and international responsibilities.

Unfortunately, the amendment offered by the Senator from Oregon [Mr. PACKWOOD], while attempting to achieve that same goal, is seriously deficient. If enacted as presently worded, the amendment could put a fiscal straitjacket on the Government, preventing it from responding adequately to changed economic circumstances, such as a recession, and indeed, perhaps even creating a recession or preventing the recovery from one.

The Founding Fathers never envisioned a government bound to a formula. Yet, that is what this amendment seeks to impose on the Nation.

The amendment also would make a fundamental, and unwise grant of new power to the executive branch, potentially allowing numerous political appointees to decide the degree to which programs would be cut under the so-called "automatic sequestration procedure." The sponsors of this amendment have not closed a loophole which could allow those officials to exercise near complete discretion over program funding, if those programs were not spelled out specifically in appropriations bills and reports.

One of the most serious flaws in this amendment is that it postpones the day of reckoning with the record budget deficits that continue to climb year after year under this administration. By setting a high deficit limit—one that could allow up to $17 billion more spending than approved in the budget that Congress adopted in August—the amendment effectively delays deficit reduction until late next year, after the 1986 elections.

The Nation needs deficit reduction now. The budget amendment I offered in the spring required deficit reduction this year. But the amendment before us does not force the Congress to make the hard choices now. Every day we delay is just that much more debt that accumulates—debt that must be serviced every year with over $130 billion in interest payments and that must be paid off by future generations. The harm caused by delay is not so much in what it does to the Nation today, as it is in what it does to our future and our children's future.

The amendment also places much of the burden for deficit reduction on those people and programs that have already borne the brunt of deficit reduciton over the past 5 years. For instance, the Medicare Program, which has been cut by more than $15 billion since January 1981, would be cut by an additional $3.6 billion this year if a $25 billion sequestering is required. A cut of that size would not just eliminate any inflation adjustments; it would also cut into basic benefits, almost certainly raising the cost of health care services for the Nation's elderly.

Furthermore, by requiring equal percentage cuts in outlays, rather than in budget authority, the amendment penalizes those programs with slow spendout rates, such as construction programs to repair the Nation's infrastructure and prevent natural disasters, including floods, as well as forward funded programs such as education.

Finally, the amendment continues to impose the pain of deficit reduction on some while letting others escape. Profitable corporations, some of which now pay no Federal income tax, would not be required to undergo the same sacrifices to reduce the deficit that would be required of many others. This is inherently unfair—to require the disabled coal miner to forego an inflation adjustment in his benefits while permitting some profitable major corporations to continue to milk the Tax Code without paying their fair share.

The amendment before us is fundamentally flawed in all these respects. It delays deficit reduction until some future date when we need it now. It imposes great burdens on some while

allowing others to escape without paying. It transfers considerable power to the President and unelected political appointees and bureaucrats—power that rightfully belongs to the people's elected representatives in Congress. And it locks in a course of action for the next 5 years without giving the Congress or the President the necessary flexibility to respond to changes in the economy and domestic and international events.

It is an unwise and unsound approach to the business of government our constituents sent us here to do—not to lay off on some untried automatic process that is supposed to make deficit reduction painless.

I cannot support this proposal, and I urge my colleagues to consider its implications very seriously, because I believe history will show that those who opposed it accurately foresaw the destruction it will wreak.

Mr. COHEN. Mr. President, the Balanced Budget and Emergency Deficit Control Act—now better known as the Gramm-Rudman amendment—has occasioned a storm of criticism. This is not surprising—after all, the status quo is at stake here. While it is appropriate that such an ambitious proposal should receive all due scrutiny, much of what has been said against the Gramm-Rudman proposal is just fear mongering and fallacy.

The Gramm-Rudman-Hollings, et al. proposal has certainly captured the attention of the Congress, the administration, and the press. This is so because the proposal threatens to bring about real changes in Federal fiscal policy. The amount of ink spilt in opposition and the bitterness of contention show that concerned parties really do fear that the proposal has as much bite as it does bark. In light of this, can the Gramm-Rudman proposal be dismissed as a gimmick? I think not.

The actual reduction of Federal budget deficits is truly unpleasant political business. That is why we still have huge budget deficits. That is also why any measure which will actually bring about significant deficit reduction is so widely and thoroughly damned. Much of the opposition to the Gramm-Rudman proposal, therefore, at heart actually reflects opposition to the necessities of deficit reduction—spending cuts and/or tax increases. If, however, there is ever to be real deficit reduction, there must be both spending cuts and tax increases.

Our towering $2 trillion national debt—incredibly, half of it heaped upon us in the last 5 years alone—stands as a monumental testimony to our total inability to forswear the fiscal depravity into which we have fallen. The Congress, the administration—our entire political system—all are absolutely hooked on deficit spending. The magnitude of the Federal Government's fiscal imbalance and its obvious stubbornness shows too well that there are no easy or painless remedies. Only drastic measures can reverse our current, dangerous fiscal policy.

The Gramm-Rudman proposal is indeed a drastic measure—given the wild fiscal excesses to which we have become accustomed. It proposes that we commit the Federal Government to spend no more than it has and that we actually keep that promise. It proposes that the Federal Government be temporarily limited in much the way other governments, businesses, and households are. It proposes that Americans should pay for those Government services they demand and demand only as much from the Federal Government as they are willing to pay for. It proposes that the U.S. Congress actually face the tax and spending decisions necessary to keep this country from ruin. It is, therefore, an absolutely revolutionary proposal.

Clearly, a proposal as radical as the Gramm-Rudman legislation would have been unthinkable just a few short years ago. How, then, could such a proposal recently have received 75 votes in the U.S. Senate?

A few short years ago, the national debt was half its current measure. A few short years ago, annual interest on the national debt was a small share of the Federal budget. A few short years ago, American farmers and manufacturers could compete internationally. A few short years ago, Senators could not have imagined how protracted, difficult, and futile deficit reduction efforts would become. Those who say that the Senate is acting too hastily have not learned much from 5 years of record Federal budget deficits and the fruitless budget battles of the past several years.

The decisive Senate victory of the Gramm-Rudman proposal is at once a recognition of the urgency of the need to reduce Federal budget deficits and an admission that the Congress cannot address that urgent need through the current budget process. The outcome of this year's budget deliberations, like those of last year and the year before, show conclusively that the Congress cannot and will not significantly reduce Federal budget deficits under the current rules of the game. Critics of the Gramm-Rudman legislation have derided it as some sort of cowardly substitute for the political guts which are so lacking in the Congress. Critics have also characterized the proposal as an abdication of congressional responsibility. Call it what you will, the enactment of the proposal would bring about the necessary result of real deficit reduction. In this, it is vastly superior to the status quo.

Critics of the Gramm-Rudman proposal charge that it is rigid, inflexible, and that it would limit fiscal policy options. Of course it would limit fiscal policy options. Specifically, it would limit the option of spending more than we have and borrowing the difference. However, the statutory limits of the Gramm-Rudman legisiation will not be nearly as unforgiving as the limits imposed by the economic disaster we are courting. When, during a period of continuous economic growth, Federal budget deficits measure $200 billion annually, it seems almost ridiculous to fear the limitation of our capability to engage in stimulative fiscal policy.

It is ironic that Members of Congress and others now talk of the exercise of sound fiscal policies. Where have they been these past several years? During the robust growth of the past several years, Congress could not cut spending or raise revenues enough to keep Federal budget deficits below $200 billion. Congress has surrendered its prerogative to exercise necessary fiscal policy options even during these relatively good times. Congress will not dare to exercise them when economic growth stops and deficits soar. This, far more than current efforts to balance the budget, constitutes abdication of congressional responsibility.

At the heart of opposition to the Gramm-Rudman legislation is the fear of its automatic spending reductions or sequestering. However, sequestering is not the primary means by which the measure would bring about deficit reduction. Before any sequestering would ever occur, the President and the Congress will have had a chance to adopt a budget which conforms to the measure's deficit limits. Even if the Congress initially fails to meet its goals, the President and the Congress can enact an alternative to the automatic sequestering of expenditures. The automatic sequestering provisions serve as a mechanism to keep the Congress honest. The prospect of the automatic sequestering of Federal expenditures would concentrate congressional minds wonderfully.

While few would welcome resort to the automatic across-the-board spending reduction provisions of the Senate-passed measure, they are about the least offensive self-enforcement mechanism devisable. Their effect would be at least as fair as the most recent prior budget agreement. Furthermore, they would spread automatic reductions over the broadest range of the budget which is both technically and politically possible. The Senate has also taken considerable pains to limit the President's discretion in executing any across-the-board spending restraint. As passed by the Senate, the measure would give the President only ministerial authority to carry out the required sequestering.

The controversy over the automatic sequestering provisions of the Gramm-Rudman proposal has been fueled by speculative and tenuous projections of their effect on specific Federal programs. Defenders of social spending project that automatic spending reductions would fall disproportionately on domestic social programs. Defense advocates charge that the automatic reductions would fall disproportionately on defense spending. This obvious contradiction is both predictable and illustrative of the forces that make budget deficits such a stubborn problem.

The authors of these projections fail to take into account the powerful incentive for Congress to avoid automatic sequestering through the enactment of a budget which achieves deficit reduction. They also fail to allow for the tax increases which will be necessary whether or not the Gramm-Rudman legislation goes into effect. Instead, through extrapolation from worst-case scenarios and invalid assumptions, they project the obliteration of domestic social programs and the unilateral disarmament of the United States.

What mix of arithmetic and logic could lead politicians and pundits to presume that the Gramm-Rudman proposal would obliterate domestic social programs? What combination of algebra and reasoning could lead even the chairman of the House Armed Services Committee to claim that the enactment of the balanced budget measure would lead to demobilization and disarmament?

Can the Federal budget be balanced only through savaging social programs and casting aside national defense? Of course not. Balancing the budget would require serious consideration of the necessity of Federal programs which are neither vital to the Nation's needy or crucial to national security. I venture to say that there are yet a few such programs within the vast Federal array. Balancing the budget would also require serious reconsideration of tax expenditures and the taxation of certain types of income. The administration and the Congress purport to be going through this exercise now. However, current proposals would possibly decrease rather than increase Federal revenues. Congress could and should face these spending and tax issues. Where all else has failed, the Gramm-Rudman legislation would compel Congress to do so.

The fact of the matter is that enactment of the Gramm-Rudman legislation would not and could not force the destruction of the Federal Government's good works or our surrender to a hostile world. The only thing it would force is the balancing of our Federal budget. Barring war or recession, the proposed legislation would bring about a balanced budget in 5 years. It is not possible to know its particular effects on specific programs 3 or 4 years from now—these battles have yet to be fought. Any claims to the contrary are not worth the paper they are printed on.

I will venture with confidence, however, a projection of my own regarding the general effects of the Gramm-Rudman legislation. It will spur a tax increase.

Throughout this entire year, in vote after vote, the Senate has proved unwilling to eliminate Federal programs or to significantly cut them back. There have been exceptions, but they have been few. The reconciliation bill for fiscal year 1986 would eliminate a grand total of one Federal program. During recent Senate consideration of appropriations bills, amendments providing for across-the-board reductions were repeatedly defeated. Politically, the Senate seems to be approaching what it collectively holds to be an irreducible minimum of Federal spending. Under the heightened pressure which the Gramm-Rudman would produce, the Congress would undoubtedly discover some programs and spending that we could all live without. Congress would also discover that we all could live with a tax increase.

Many of my colleagues will claim that the President's longstanding opposition precludes a tax increase. While this bit of conventional wisdom is a convenient way to further abdicate congressional responsibility, it is not necessarily so. What is past is prolog. Since the enactment of the tax cuts of the Economic Recovery and Tax Act of 1981, President Reagan has presided over no less than four tax increases. These tax increases were included in the following measures: the Tax Equity and Fiscal Responsibility Act of 1982, the Surface Transportation Assistance Act of 1982, the Social Security Amendments of 1983, and the Deficit Reduction Act of 1984. Furthermore, for all his bluster, President Reagan has made use of his veto less frequently than any modern President except Lyndon Johnson. In fact, President Reagan's tenure has been marked by repeated episodes of unflinching opposition to congressional sentiment, followed by deft acquiescence. Faced with the prospect of extreme cuts in military programs and blame for inhumane cuts in Federal social programs, President Reagan would support an increase in taxes. So would the Congress. So would the American people.

The Gramm-Rudman proposal is based upon a simple notion—that the Federal Government cannot continue its exorbitant borrowing unchecked. Its application, however, is necessarily complex because the Federal budget is so vast, involuted, and complicated. The fault of complexity, therefore, lies more in the nature of the problem than with the proposed remedy.

We all agree, at least in principle, to the need to reduce Federal budget deficits. The Gramm-Rudman legislation has at long last set in motion serious and expeditious consideration of the means to realize this end. It has spawned parallel efforts to come up with improvements upon and alternatives to its provisions. Were it not for the efforts of Senators GRAMM, RUDMAN, HOLLINGS, and others, serious discussion of viable deficit reduction measures would not have progressed so far, so fast.

It is easy to criticize proposals for deficit reduction, for they will be by necessity a mixture of unpopular restraint and sacrifice. There are literally hundreds of programs which can provide the plots for the inevitable horror stories. Differing interests and perspectives make unanimous agreement on fairness impossible. The Gramm-Rudman, Hollings, and others proposal stands up under these criticisms as well as any effective proposal could. It remains the most comprehensive, practical, effective, and honest deficit reduction and budget reform alternative under consideration. If the Congress cannot agree to a measure which preserves the basic intent and effectiveness of the Gramm-Rudman measure, it cannot reduce Federal budget deficits. This would be abdication of the worst kind.

Mr. STAFFORD. Mr. President, in an effort to clarify the impact of the Gramm-Rudman amendment on Federal education programs, I ask unanimous consent that a series of documents be inserted into the RECORD at the end of my statement.

Last Thursday, I gave the chairman of the Senate Budget Committee a series of questions to answer in order that I might better respond to the concerns of a number of my constituents about the disproportionate impact of Gramm-Rudman on education programs. Senator DOMENICI responded to my questions in letter form, and addressed certain general concerns but did not speak directly to some individual cases I presented. At the same time, the chairman and ranking member of the House Education and Labor Committee asked similar questions of the Secretary of Education, William Bennett, which the Secretary answered in a letter dated November 1, 1985. This exchange is also included in the attached documents.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

QUESTIONS FOR SENATOR DOMENICI FROM SENATOR STAFFORD

As you know, most education programs are forward funded and thus to reach required targets for outlay reductions, far more significant cuts in budget authority would be required. For example, if all programs are to be cut in a given year by 3 per-

cent, then the budget authority for education programs would have to be reduced by what percentage to reach the 3 percent outlay reduction?

The Committee for Education Funding has indicated that for some programs the budget authority would have to be reduced by almost 50 percent for a small outlay reduction. Is this figure accurate? How have you addressed the issue of forward funded programs in the conference? My concern is that education programs be treated equally and not cut more than other programs.

Let me give you an example of a forward funded program. The Committee for Education Funding, based on statistics given them by the Congressional Budget Office, has indicated that a 3 percent to 5 percent reduction in outlays for the Education for all Handicapped Children Act, P.L. 94-142, would require a budget authority reduction of 60 percent. Is this true? If not, what budget authority reduction would it require?

The Senate passed Gramm-Rudman-Hollings amendment specifically addresses the Guaranteed Student Loan Program. First, it takes away the entitlement nature of the program. Second, it provides that any contracts allowed under the GSL program are subject to change in order to reduce costs in the program.

As you may be aware, the Consumer Bankers Association, which represents almost all GSL lenders, has indicated that their members will not participate in a program in which contracts already made are subject to change, depending on the federal GSL budget in any given year. For example, why would a lender commit private funds for a ten year GSL, if his or her rate of return on the loan were to change or even be totally eliminated each year?

Additionally, there is a great deal of concern on the part of students as to changes which might be made for them while they are still in school or repayment. For example, would the GSL provision allow the in-school interest subsidy to be removed for loans which have already been made, after the student had already been told years earlier that his or her loan would be subsidized while in school? I am referring here to loans which are made after the anticipated passage of the Gramm-Rudman amendment. There is no doubt in my mind that uncertainly in this program contributes greatly to default rates. Have you considered this possibility at all?

If the GSL program has to be amended for one year to reach a certain level of savings, for example a reduction in the special allowance of a certain amount, how would this be done in legislation? What is the long term impact on budget authority or outlays of a sequester order for a given year? Would the program then revert to provisions in existing law?

Finally, the Senate and House will presumably be in conference in the near future on the reconciliation resolution which cuts outlays for GSLs by over $800 million over a three year period. Many of the so-called compromise offers which have purportedly been made on behalf of the House and Senate on the Gramm-Rudman amendment have addressed provisions already in either the House or Senate bills. Do you consider these proposals to stand on their own, or are they to be piggybacked on the provisions contained in the reconciliation resolutions? Here I am most concerned about the cumulative effect of these proposals on availability of GSLs.

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, November 1, 1985.

Hon. ROBERT T. STAFFORD,
Senate Hart Building,
Washington, DC.

DEAR BOB: I have carefully reviewed your questions and concerns and believe that we have alleviated the problems you mention in the Senate alternative to Gramm-Rudman.

The Senate-passed version of Gramm-Rudman does not contain specific language concerning forward-funded programs. However, in the estimates provided to the conference committee, CBO treated obligated, unexpended balances as uncontrollable expenditures. This means that under a sequestration order, only new outlays are subject to sequestration.

To make this clear, let me give you a hypothetical example. Education program A has $3.5 billion in budget authority and outlays in FY 1986, and new outlays of $245 million. Under a 5 percent sequestration order, outlays would be reduced by only $12 million and budget authority by $175 (a 5 percent cut).

In the case of the guaranteed student loan program, the Senate-passed version of Gramm-Rudman allows for extremely broad discretion in changing the provisions of GSLs, but solely, for loans which are negotiated after a sequestration order has been issued. The number of lenders who choose not to negotiate new student loans after a sequester order has been issued will depend on the degree of specificity in the final version of Gramm-Rudman. I believe that the changes contained in the latest Senate version will alleviate your concerns about any potential harm to the GSL program.

The Senate language specifies that GSLs are subject to sequester in the first year of the loan only. Should a sequestration order go into effect, the special allowance for lenders could be reduced up to 0.40 percentage points. However, in no case would the special allowance be reduced below 3.00 percentage points. During the remaining life of the loan, the special allowance for lenders would revert back to the level specified in the Higher Education Act of 1965, as amended. With regard to students, a student's origination fee would be increased by no more than 0.50 percentage points under the Senate proposal.

The Senate proposal leaves open the question of whether state guarantee agencies and Sallie Mae would be affected by sequestration. State guarantee agencies have $500 million in operating reserves according to GAO, as well as $175 million in federal advances they have never repaid. Sallie Mae's profits have increased in recent years.

Furthermore, the effects of a sequestration order may not be particularly severe. According to the Congressional Budget Office, a 5 percent sequester order in FY 1986 would require $500,000 in outlay savings. I note, for comparison's sake, that the budget resolution for FY 1986 contains $3.2 billion for the GSL program.

With regard to the relationship between Gramm-Rudman and reconciliation, I consider reconciliation to be a separate piece of legislation. Once reconciliation passes, it becomes current law. Next year, Congress will have two chances to make reductions in GSLs (if necessary). I am certain that Congress will carefully consider any changes in GSLs in connection with the provisions of current law. If Congress fails to make the necessary reductions in the overall budget and a sequester order is issued, lenders are protected by the statute's floor in their special allowance and students by a ceiling on increases in their origination fees.

As you know, I share your concern about this very important program which has provided so many of our nation's young people with the opportunity to attend college. I can assure you that the Senate conferees have done their very best to insure the integrity of GSLs and other education programs, while still requiring them to bear their fair share of the burden of sequestration. I hope I have responded to your questions. Thank you again for your concern

Sincerely,

PETE V. DOMENICI,
Chairman.

U.S. DEPARTMENT OF EDUCATION,
THE SECRETARY,
Washington, DC, November 1, 1985.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to the October 21 letter from you and Congressman Jeffords regarding the effects of the Gramm-Rudman-Hollings amendment on Department of Education programs. I am sending an identical letter to Congressman Jeffords.

As you know, the Administration strongly supports the Gramm-Rudman-Hollings amendment, which would mandate annual reduction in the Federal deficit to produce a balanced budget by fiscal year 1991. This would be accomplished through specific actions each fiscal year by the Executive Branch and Congress. Since non-Federal funds in general provide over 90 percent of the national expenditures for education, any overall reductions in Federal education programs—which fund less than 10 percent of total expenditures—would in general have minimal effects on education nationwide. A healthy economy, brought about by controlling the Federal deficit, will benefit American education most significantly in the long run.

In assessing specific effects on Federal education programs, three factors—with which, I am sure, you are familiar—must be considered.

First, one of the requirements would be that the President must propose to Congress a budget for each fiscal year that meets the deficit target for that year as specified in the Gramm-Rudman-Hollings amendment. Such a proposal may recommend reductions in selected areas or programs, and Congress can either accept the President's proposals or decide its own priorities for funding. Only if, after all of Congress's actions or inactions, the deficit target is still not met, would the President be required to issue a "sequester order" to place in effect a set of spending reductions sufficient to meet that target.

Second, the President would essentially perform a ministerial function in sequestering spending, being required first to reduce automatic spending increases such as cost-of-living allowances (excluding social security) to obtain half of the needed savings and then to reduce "controllable expenditures", as defined in the Gramm-Rudman-Hollings amendment, evenly across-the-board. A limited number of expenditure categories in addition to social security are excluded from the sequestering process under Gramm-Rudman-Hollings, but everything else is subject to budgetary control. If the President or Congress do not like this result, the

President and/or the Congress may propose different, alternative means of reaching the deficit target. If an alternative is not enacted, the sequester order would remain in effect.

Third, the size of any reduction—whether in the budget or through sequestration—would depend in any given year on such factors as the extent to which the projected deficit might exceed the maximum deficit amount, and the amounts that would be sequestered from programs with automatic cost-of-living increases.

In summary, until the estimate of the deficit and the size and distribution of cuts for controllable outlays are determined for any year, we cannot speculate how Federal education programs, or the services they provide, might be affected.

Similarly, any effects on staffing, salaries, or administrative costs within the Department would depend on the extent of any program reductions as well as the types of programs that might be affected. We are, however, continuing to give a high priority to more effective and efficient management of the Department and its programs, and I will continue to pursue this objective in the future.

The enclosure to this letter provides responses which address from a technical standpoint your questions pertaining to Department of Education programs.

I hope this will be of assistance to you in your consideration of the Gramm-Rudman-Hollings amendment. If we can provide you further information, please let me know.

Sincerely,

WILLIAM J. BENNETT.

Question 1: As a mater of law, which programs administered by the Department of Education would be protected fully from the reductions in resources?

Answer: It appears that two Department of Education programs would be fully protected from reduction under a sequestering order as described in Gramm-Rudman-Hollings. Reductions in outlays for the Academic Facilities Interest Grants and Teacher Cancellations of National Direct Student Loans are not possible under current law and are not addressed by Gramm-Rudman-Hollings. The outlays for these programs are determined by previous obligations of the Federal government, and there is no statutory provision for deferring payments. While there is no way to reduce outlays from the Interest Subsidy Grants, a change in the law could result in a reduction of Teacher Cancellation outlays in future years from changes in cancellation.

Question 2: As a matter of law, for which programs would there be any limits to the reductions that could be made to achieve the deficit reduction target?

Answer: Gramm-Rudman-Hollings says that no program can be eliminated entirely as a result of sequestering. However, Congress could choose to terminate a program as an alternative to across-the-board cuts in other programs. Second, only controllable expenditures—from new budget authority, unobligated balances, new loan guarantees, or existing contracts, under defined circumstances—are subject to the reductions. Almost all education programs have some outlays that would not be controllable under the Gramm-Rudman-Hollings definition. Third, outlays for the two relatively uncontrollable programs listed in response to question No. 1 could not be cut, although a change in the law authorzing payments for new cancellations of National Direct Student Loans could be made to reduce outlays. Fourth, most outlays in College Housing Loans and Higher Education Facilities Loans are related to prior loan activity; outlays from new loans or obligations could be limited by a sequestering order or authorizing law change.

Question 3: For which programs would the Department have the discretion to maintain or increase funding because of their importance to the Nation?

Answer: In the absence of Congressional action to meet the deficit targets, a Gramm-Rudman-Hollings sequestering order would apply to all controllable programs. However, the President could propose an alternative not cutting any education programs, as could the Congress. The Congress would have to adopt such an alternative to alter the uniform percentage reductions that otherwise would occur.

Question 4: Is it your understanding that programs with slow spend-out rates will absorb proportionately larger reductions than programs that spend out more rapidly? If so, please identify these programs and the reductions they will have to absorb.

Answer. Because of the Gramm-Rudman-Hollings definition of "controllable expenditures" subject to a sequestering order, it appears that no program's controllable obligation authority is affected more than another on a percentage basis. A sequestering order reducing controllable outlays by two, five, or ten percent in any one year would require a reduction in the program's controllable obligation authority of two, five, or ten percent. Programs with slower spendout rates—and lower uncontrollable outlays—would contribute relatively smaller amounts to first-year deficit reductions, but their total controllable obligation authority would be cut by the same percentage as their controllable outlays would be cut.

Question 5: Is it your understanding that total outlays can be sequestered or are prior year obligations exempt from sequestration?

Answer. It is our understanding that the provision of Gramm-Rudman-Hollings defining controllable expenditures subject to sequestering excludes outlays from prior year obligations with defined exceptions including government contracts under certain conditions. Therefore, subject to those exceptions, only those current year outlays resulting from new budget authority or other unobligated budgetary resources would be subject to reduction.

Question 6: Assuming total outlays in a fiscal year as the base, we understand that the Budget Authority cut for Chapter 1 may be as high as 40 percent, for handicapped education as high as 67 percent, and for the SEOG program as high as 60 percent. Is this the Department's understanding as well?

Answer. The stated assumption is wrong. Based on an amendment to an earlier version of Gramm-Rudman-Hollings, total outlays in a fiscal year are not the base. Only controllable expenditures, as that term is defined, are subject to reduction. Thus, the percentage cut in controllable outlays will result in the same percentage cut in controllable obligation authority. If controllable outlays are cut by two, five, or ten percent, then available Chapter 1, handicapped, or SEOG controllable obligation authority would be cut by two, five, or ten percent.

Question 7: It is our understanding that funds for Pell Grants are committed before they are obligated. As far as the Department is concerned, are commitments and obligations synonymous for purposes of Gramm-Rudman?

Answer: Commitments and obligations for Pell Grants are not the same. Under that program, the government is not legally bound to fulfill commitments if funds are not available for obligation. The government is legally bound to make payment—outlays—for obligations. Commitments are an internal aid in estimating and controlling obligations.

Pell Grants would not be disproportionately affected by the sequestration process.

Question 8: The sponsors of the amendment sought to reduce the amount of money students receive under the GSL program. Those funds are entirely private. How would the Department attempt to comply with the intent of the amendment?

Answer: Some of the Senate testimony of October 10 implies that the central impact of this amendment would be to cut GSL funds to students, as though GSLs were direct loans from the Federal Government to the student. However, given the private nature of the loan funds and the types of costs incurred under the GSL program, it is our interpretation that the sponsors of this amendment intend that the costs of the GSL program be cut, not that funds to students be cut. Moreover, it is clear that any reduction in the costs of loans or the loans themselves would apply only to new loans.

Although we have not yet obtained a complete legal interpretation of this amendment, our initial analysis of the amendment indicates a variety of possible impacts. Should a sequester order be issued, the otherwise "entitlement" costs of new GSL loans would be considered controllable over the entire life of those loans. The means by which such costs—which include both subsidy payments to lenders and reinsurance payments to guarantee agencies—would be reduced is not specified in the bill. Unless programmatic changes were legislated to effect the necessary savings, means of reducing payments might include proration of lender bills for interest subsidies on new loans, and reduced default reinsurance payments to guarantee agencies. Program costs could also be reduced by imposing some kind of limits on new loan volume, although this may require a change in substantive law.

Question 9: With respect to loans, reductions under this amendment apply to the "entire contractual period." In the case of GSL's that could be for as long as 15 or more years. Does the Department interpret the amendment to mean that the reduction following a sequester order would be in effect for up to that length of time?

Answer: Again, although we have not yet obtained a specific legal opinion, we anticipate that a sequestering order would make reductions applicable to all new loans and reduce costs of those loans for the life of each loan. If programmatic changes were legislated instead to effect the necessary savings, those changes would apply.

Question 10: The lending community has strongly indicated that all lenders would withdraw from the program if this amendment were adopted because it would be imprudent to enter into a contract with unspecified yields on loans and uncertain default coverage provisions. What, if any, information do you have on the impact of this amendment that supports or contradicts this assertion?

Answer: We currently have no specific reactions or data regarding how lenders and other participants would respond to this Bill or to the imposition of a sequester order. Certainly, the participants' reactions would

depend on the level of reduction and the specific mechanisms for making the cuts. Evidence has shown that lenders' current yields are high. Thus, we believe that lenders would continue to participate in the program, even with somewhat reduced yields. Other evidence indicates that the guarantee agencies hold substantial surplus reserves and could absorb substantial reduction in their incomes, including Federal administrative cost and reinsurance payments. Reductions in lender yields and Federal payments to guarantee agencies were proposed by the Department in legislation accompanying the President's FY 1986 budget request. We believe reductions could be enacted immediately or as a result of a sequester order without adverse impact on lender or guarantee agency participation.

Mr. LAUTENBERG. Mr. President, I will vote against the amendment of the Senator from Oregon [Mr. PACKWOOD]. We have before us a revised version of the Gramm-Rudman-Hollings amendment that the Senate approved on October 10. I opposed the amendment then, and I must oppose the amendment now.

I do so not because I reject the goal of significantly reducing our budget deficits. Indeed, I oppose the amendment because I strongly believe we must act and act now to reduce deficit spending.

The proposal before us would sanction delay in dealing with the problem of our budget deficits. At the same time, it would seriously undermine the balance of power between the Congress and the Presidency. Instead of setting budget priorities, it would avoid them. Instead of ensuring continued economic growth, it could, by forcing cuts even during an economic slowdown, increase the chances of economic contraction and recession.

Mr. President, the outline of the proposal is basically unchanged from the previous version. Budget deficit targets are adopted, leading to a balanced budget by fiscal year 1991. If budget and spending measures are not enacted into law that would meet those targets, given a 5-percent margin of error, then across-the-board cuts in Government spending would be imposed. Exempt from the across-the-board cuts would be interest payments, binding legal obligations of the Government, and certain contracts, including current farm support contracts, and defense contracts in which the penalties for modification exceed the savings that would result.

Cuts could come in two forms. For certain programs that are adjusted for inflation each year, cuts could only be made in the inflation adjustment, not in the underlying benefits. For all other programs, cuts would be made in the total program outlays.

What is wrong with this scheme?

First, it delays action, when now is the time to act. This summer, we passed a budget resolution projecting a $172 billion deficit. I said then that we could have done better. I supported a plan that would have yielded $25 billion more in deficit reduction over 3 years.

But, the pending amendment would not even keep us to the target we set this summer. Instead, it would permit deficits as high as $189 billion. That is based on a fiscal year 1986 target of $180 billion, plus an allowable 5 percent, or $9 billion margin of error.

CBO now projects the deficit for fiscal year 1986 at $185 billion. The economy is still growing. But there are signs of weakness. The longer we delay, the more likely it is that we will face cutting when the economy is slowing, and when a big cut in Government spending or an increase in taxes could bring growth to a dead halt. The longer we delay, the more we must borrow today, and pay interest on tomorrow.

Second, the pending amendment would upset the constitutional balance of power between the Congress and the Presidency. The amendment sets deficit targets, and we need targets. That's what the budget process is all about. But, under the pending amendment, Congress could pass a budget, it could pass appropriations bills, and a reconciliation bill that achieved the target. Yet, the President could use his power of veto and reject those congressional efforts, forcing a shortfall in deficit reduction, and triggering blind, across-the-board cuts in Government programs.

I am not willing to hand a trump card to a President who has sent the Congress budget after budget that would have hurt my State. I am not willing to invite mindless government budget cuts—in environmental protection, education, or health care—instead of taking responsible steps to reduce the deficit.

We are elected to make decisions about where to cut, and where not. We are not elected to avoid those decisions. That is my third point, Mr. President. The amendment sets few priorities. If deficits exceed the targets, and automatic cuts must come, they will come indiscriminately. Health care for the elderly and the poor would be cut as deeply as limousiness for bureaucrats. Care and compensation of our veterans who served this country would be cut as deeply as subsidies for profitable corporations. Spending for environmental protection would be cut, while no effort would be made to reduce tax credits or to require corporations or individuals to pay at least a minimum fair tax.

Inaction on the budget deficit is unacceptable. But, so is blind action. We are here to guide budget policy. Not to put it on automatic pilot.

The plan sets the controls for 5 years, and then walks away from the economy. That is my fourth objection to the plan. It takes too little of the threat of economic downturns, and their impact on our ability to reduce government spending, or to increase revenues.

The plan assumes steady economic growth for 5 years. I hope it happens. But, if history is any guide, it will not. At some point, the economy will slow down. When that happens, deep cuts in spending or increases in revenues could turn a slowdown into a situation much worse.

The amendment sets targets without regard to the state of the economy. All it does is provide for an expedited process for taking up a joint resolution, to revise the targets, if we are in recession or recession is predicted. So, we must enact a law to save ourselves from driving the economy into a deeper recession.

Moreover, the amendment's definition of recession is too narrow. Even as modified, the economy must experience two quarters of real growth of under 1 percent, or there must be a projection of such slow growth, over two straight quarters, or as an average over a year. But, what if the economy is bumping along at zero growth one quarter, then 1.1 percent growth the next? What if unemployment is on the rise? What if we are in a so-called growth recession? I cannot vote for a plan that threatens to dig a deeper hole for an economy in trouble, based on the promise that that there may be a rope with which to pull ourselves out.

Mr. President, these are serious flaws in the amendment. Many of these would have been cured, under the alternative that Senator CHILES and Senator BYRD offered in October. Many of these would be cured under the alternative that the House just passed. Yet, it is clear that a majority does not yet agree. It rejected amendments that I supported to require more deficit reduction now, to impose less stringent cuts on Medicare and veterans pensions and compensation, than on other spending programs.

So, we are left with a proposal that I simply cannot support. We need to slow the growth in our mounting debt. We need to reduce annual budget deficits. We need to do it now. But, Gramm-Rudman II is not the answer, just as Gramm-Rudman I was not the answer.

Mr. President, I ask unanimous consent that two editorials, one from the Philadelphia Inquirer, and one from the Washington Post, be inserted in the record at the conclusion of my remarks.

I urge my colleagues to oppose the amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer, Nov. 1, 1985]

GRAMM-RUDMAN IS A FRAUD

Congress is about to inflict a disaster on the American people. It is a proposed law called Gramm-Rudman-Hollings, after its Senate sponsors. It is utterly indefensible—yet even its most vigorous opponents concede that it is almost certain to be enacted imminently.

At best it is a monstrous fraud, a deliberate deception to trick voters into believing that Congress finally acted boldly to end federal deficits. At worst—and the worst results are probable—it could inflict crippling damage upon almost every federal program, from aid to the poor to the Pentagon. It would intensify rather than ease the next inevitable economic slowdown. And it would violate the Constitution at its essence, destabilizing the balance of powers between Congress and the President via congressional surrender.

There is an aura of unreality arising from Capitol Hill, leaving a growing perception that the Congress is not serious about dealing with the deficit problem. Thus, Gramm-Rudman-Hollings not only threatens the fundamental structure of the federal government, but also is shaking public confidence in the Congress.

The measure ostensibly sets ceilings for annual deficits—but only starting after the 1986 elections. If as usual the President and Congress cannot agree on budgets within those ceilings, the law would mandate the President alone to cut spending in most programs. Only Social Security, interest payments and some binding contracts from prior years would be spared. Proponents say this forced mechanism is the only way to assure declining deficits.

It surrenders to President Reagan full power to demolish government programs. It gives him an incentive to veto Congress' budgets, then employ these new powers, then amass enough allies to block the two-thirds vote needed in both houses to override him.

Congress never held a hearing on this bill that would revolutionize American government. It is drawn so sloppily that its authors disagree upon its terms, yet the Senate passed it 75-24 and the House may pass it today.

Mr. Reagan fathered these deficits. This bill would free him to end them on his terms. Dangerous as they are, this measure is far worse. Any House member irresponsible enough to vote for this deserves defeat.

[From the Washington Post, Nov. 5, 1985]

THE DEMOCRATS ON THE DEFICIT

You can tell who's ahead on points at any given moment in the Gramm-Rudman debate on deficit reduction by where the squeals are coming from. By that and other standards, the Democrats had a pretty successful week last week. They moved through the House a version of the controversial plan that would:

Create an early test of true intentions on all sides by taking a cut at the deficit right away, instead of deferring the serious cutting until after next year's elections, as would the Senate version.

For equity's sake, exempt from cuts not just Social Security, as would the Senate version, but the main forms of federal sustenance for the poor.

Provide a mechanism to fine-tune the deficit target each year, to guard against too great a cut in a weakening economy.

Clear up assorted procedural questions that the Senate, in its haste to go on record in favor of a balanced budget, left unresolved.

But what the House version really left clear was the choice that would be created by Gramm-Rudman. To the Senate Republicans who thought it up, the amendment was mostly a way out of fiscal embarrassment. The budget deficits of the Reagan presidency have brought a doubling of the national debt to just over $2 trillion in the last five years. Gramm-Rudman—which on paper would require the president and Congress to reach a balanced budget within five years—was attached to the bill authorizing the Treasury for the first time to have more than $2 trillion in debt outstanding. While voting to finance the policy of the last five years the Senate was also able to promise to reform.

What got lost in the Senate debate was that Gramm-Rudman would almost certainly require either a tax increase or a serious cut in defense spending. That either/or aspect of the proposal was glossed over both by Senate conservatives and by the White House after the president endorsed the amendment. Now, however, the House has clarified and accentuated the math of the amendment, and the administration and congressional Republicans have begun to wobble.

The secretaries of state and defense have sent the president a letter warning him that Gramm-Rudman threatens both his defense buildup and foreign economic policy. The congressional Republicans have meanwhile moved to alter their version so that there would be an appreciably smaller cut than before in defense; the slack would be taken up by Medicare. The Senate will be asked to adopt this dubious afterthought this week.

Gramm-Rudman has always been about three-quarters gamesmanship, and continues to be. The Democrats who sharpened it last week and a lot of Republicans who have embraced it as well will freely acknowledge that is bad law (the Democrats all but invited the courts to throw it out) and proof of procedural bankruptcy. It wins for lack of an alternative. Increasingly the problem in the last few years has been to make this president choose between the lower taxes and higher spending, particularly for defense, that are both parts of his program. His refusal to do so is what Gramm-Rudman is ultimately about.

MAKING THE TRUST FUNDS WHOLE

Mrs. HAWKINS. Would the distinguished chairman of the Finance Committee yield for a comment?

Mr. PACKWOOD. I would be glad to yield.

Mrs. HAWKINS. I have been most interested these past few weeks in the issue of disinvestment or redemption of the securities in the Social Security trust funds due to Congress' failure to extend the debt limit. I had planned to offer an amendment to the reconciliation bill that would make the trust funds whole, but am pleased that the issue has been addressed in the modification to the Gramm-Rudman bill.

My concern, Mr. Chairman, is this: I have reviewed the language passed by the House on this issue, which is identical to the language I would have used in my amendment, and believe that it is favorable to the modifications now contained in the Senate version of Gramm-Rudman.

Mr. Chairman, this issue of redemption of the Social Security trust funds has been widely misunderstood. Essentially, there are two issues: the first is actual interest lost to the funds. The Social Security trust fund is protected for some lost interest due to the way Treasury transfers FICA tax receipts to the Social Security trust funds. However, the other trust funds—civil service retirement and military retirement, for example—are losing millions of dollars. This problem is taken care of in the House language and in the Senate language.

The second problem, however, is more completely addressed by the language adopted by the House. That problem has to do with the fact that long-term securities with higher interest rates have been redeemed that otherwise would not have been redeemed had we not bumped up against the debt limit. In order to be certain that those securities are re-issued at the same interest rate and with the same maturity, it is my understanding that the Treasury Department must be directed to do so, and that legislative language simply instructing the Treasury to pay back the interest does not assure the Congress and the elderly Americans of this Nation that the Social Security portfolio will be put back in the same condition as it was before. Mr. President, the language adopted in the House version was suggested by officials at the Treasury Department.

It is for this reason, Mr. Chairman, that I would urge the Senate conferees to adopt the House language on making the trust funds whole in order to ensure that the trust funds are fully restored.

Mr. PACKWOOD. The Senator from Florida is absolutely correct. The House language to restore the trust funds to their condition prior to this debt limit situation was suggested by Treasury officials. It is more complete and should be adopted by the Senate conferees. I do want to emphasize that the precise intent of the Senate conferees is this: The trust funds adversely affected by the failure of Congress to raise the debt limit must be restored. They will be restored if Congress adopts the language drafted by the Treasury Department. I would like to thank the Senator for watching this issue so closely these past few weeks and for keeping us updated on the best solution. Her efforts on behalf of Social Security recipients are to be commended.

Mr. LEVIN. Mr. President, I have one question about the contracts provision of this legislation. During the conference committee, the Budget Committee staff indicated that the contracts language would result in

almost none of the prior HUD contracts in the public housing area due to the way in which they were drafted, from being subject to the sequester order by the President. Is that still the case?

Mr. PACKWOOD. That is still the case.

Mr. MATHIAS. Mr. President, it is odd that the issue of our $2 trillion debt is obscured by a debate over changing the Budget Act. We look at the total figure in disbelief. Like Adam, having sinned, we search for a fig leaf to hide our embarrassment. Over the past 5 years we have had the largest deficits in our Nation's history, and more remarkably, these deficits have occurred during relative calm times. No war, no pestilence, no severe economic calamities have befallen us, and yet a rising tide of debt threatens to drown us all.

No one disputes the facts. We all agree that deficits need to be cut. So what is our solution? Have we made the necessary, painful choices reevaluating our priorities? I regret to say that we have not. Instead, empty symbols substitute for rational choice. We do not like the logical outcome of our previous decisions so we amend the rules.

This debate is reminiscent of the theological dispute pitting free will against determinism. This amendment seeks to create an automatic mechanism that will do what the administration and the Congress so far have not had the will to do—significantly reduce the deficit. Both the administration and the Congress want to hide the source of the pain of difficult explicit budget choices behind a mechanical decisionmaking process. If Congress and the administration cannot reach an agreement over the budget—if the deficit pattern established over the past 5 years continues—then across-the-board spending cuts automatically occur. The process is mechanical, it is preset, it is mindless, and no one need accept blame. This amendment searches for a way to evade the hard choices that deficit reduction demands. It strives for a way to reach the goal without taking responsibility. It represents budget balancing by anonymous consent.

Some have seen in this amendment a potential constitutional danger. These critics have focused on the concentration of fiscal power in the executive branch and I do not minimize that danger. But the solution embodied in the measure before us raises another, equally troubling danger, the danger of abdication of constitutional responsibility. The proposal strives for a system that makes both legislators and the executive impotent spectators of the budget process. But it will fail and it deserves to fail. The Federal budget process involves setting national priorities and making difficult choices among competing needs. Making these choices is the heart of our constitutional duty.

Worst of all, this proposal, when enacted, is unlikely to lead to a balanced budget. It perpetuates the one-sided approach to deficit reduction. The amendment makes no direct provision for increasing revenues but continues the myth that our budget can be balanced solely through spending cuts.

Over the past 50 years Federal spending has grown tremendously, but the geometric growth in our deficit is a more recent problem. It took two centuries to accumulate the first trillion dollars of national debt and only 5 years to double it. We would be wrong to believe that spending is the only or even the major reason we are confronting a $2 trillion debt today.

Spending priorities over the last 5 years have changed. But the changes in spending priorities have not caused the problem. The cuts made in nondefense have more than compensated for the increases in defense spending. Senators may disagree over how the people's money should be spent but we all know that we have not chosen a rapid increase in total spending.

In 1981, the President proposed and the Congress passed a massive spending measure. Of course it was not called a spending measure. It was called a tax cut. This massive and ill-advised tax cut has dramatically reduced Federal revenues. The Congressional Budget Office estimates the revenue loss over the past 4 years at $326 billion. The proponents of that measure asserted that reducing tax rates would result in higher revenues to the Government because of increased savings and a robust growth in the economy. Clearly, this has not happened.

The gap between expenditures and revenues sent deficits soaring and is reflected in the compounding of interest payments on the debt. Rising by 89 percent over the past 5 years, interest payments are the fastest growing spending item and can only be controlled by reducing the debt. In this decade alone we will have to borrow well over $1 trillion just to finance the debt.

The vote today is not on any amendment that purports to balance the budget. That amendement could have been attached to other measures or brought to the floor of this chamber—after examination by the budget committee—as a free standing bill. This amendment has been attached to the debt limit bill where, by design or happenstance, it serves to camouflage that what we are really voting on today is a $2 trillion Federal debt. This most recent increase is necessitated by actions taken in this Chamber several months ago, when the Senate adopted a budget with a deficit of over $170 billion.

Last year, I reluctantly voted in favor of increasing the debt limit. At that time I conditioned my vote on progress being made toward controlling the Federal budget and reducing deficits. During the budget debate members on both sides of the aisle proposed alternatives that would have dramatically reduced the deficit. But all these alternatives were rejected by the Congress. Reluctantly, I must conclude that we have made no serious progress toward reducing deficits. No fig leaf can conceal this failure. Let those who voted for this budget vote to increase the debt limit today. I did not vote for this deficit and I will not vote to send the debt limit over $2 trillion.

Mr. PELL. Mr. President, I believe very strongly that the Congress can and must take prompt and effective action to reduce the huge Federal budget deficits that have developed during the past 5 years. But I cannot support the complex formulas and procedures of the Gramm-Rudman deficit reduction proposal.

If we must establish new procedures for congressional action on budget deficits, then the proposal passed by the House of Representatives is clearly better than the Gramm-Rudman proposal. The House deficit-reduction proposal would reduce the budget deficits more quickly, more effectively, and more fairly. I only regret that we did not vote on the House deficit-reduction plan.

The Congress has the primary responsibility for both prudent management of our Nation's finances, and for establishing our national priorities. In my view, the Gramm-Rudman proposal evades these congressional responsibilities. For the collective judgments of the Congress, it would substitute mathematical formulas and automatic actions set in motion by uncertain economic estimates produced by nonelected officials.

The Gramm-Rudman proposal attempts to place our Government on automatic pilot for the next 6 years. I cannot imagine any corporation, any business or any family attempting to manage its finances in this way. Indeed, if the board of directors of a corporation adopted this kind of hands-off fiscal management, I suspect the directors would quickly find themselves in court for failure to fulfill their responsibilities to the shareholders.

In fact, the Gramm-Rudman proposal, by including elaborate provisions regarding possible court actions, recognizes that this plan has constitutionally doubtful provisions that will end up in the Federal courts.

The virtue of the Gramm-Rudman proposal is that it recognizes the urgent need to reduce Federal budget deficits. The basic fault of the

Gramm-Rudman proposal is that it fails, and indeed makes no effort, to focus on the mistaken policies that have caused the deficits to explode during the past 5 years.

I think those causes are pretty clear. We have had very large tax reductions and we have had very large increases in defense spending. Tax expenditures—the special provisions that permit more and more tax deductions and tax credits—have ballooned, reducing Government income and producing a new class of highly profitable but nearly tax-free corporations. The huge increases in defense spending have been accompanied by increasing doubts that the spending is either essential or well-managed.

Meanwhile, the ability of the Congress to correct either the revenue losses or the excess defense spending has been severely limited by the administration's adamant refusal to agree to either an increase in revenues or a reduction in defense spending. These administration policies have been based on a misguided faith that we will simply outgrow the deficits if only we keep cutting taxes—and revenue—enough. But as we all know, it is the deficits that are outgrowing the economy, not the economy that is outgrowing the deficits. And the administration has been able to pursue this novel economic philosophy because, with the veto power, the administration needs the votes of only one-third of the Senate plus one vote to block corrective action.

The Gramm-Rudman plan, and for that matter no automatic mathematical formula, changes the basic administration policies that underlie our continuing deficits. For that change, I suggest there is no sustitute for our time-tested democratic processes, and for real and concerted efforts by the administration and the Congress to address the budget deficits in a spirit of compromise in the national interest.

This deficit-reducton legislation will be subject to further consideration and action by the Congress. I hope very much that this further consideration will result in changes that will provide a better approach to the urgent problem of reducing our Federal budget deficits.

Mr. DURENBERGER. Mr. President, on October 9, I joined 75 of my colleagues in support of the Gramm-Rudman budget proposal. I stated then my concerns with this sweeping change in the way we do business around here and I want to renew that statement of concern today.

A distinguished American military leader, commenting on the nuclear age, said that we have suddenly become technological giants, while we remain ethical pygmies. I hold a similar concern for the ability of the Congress to measure up to our obligations in the post-Gramm-Rudman era. We are about to create a budget process which consolidates considerable power in the Budget Committees and the OMB, and compresses the time in which Congress must make extremely important decisions. What we will have when this measure eventually passes will be a process; what we still need is a policy to carry out our goals.

The people of Minnesota didn't send me here to act as an observer, who watches as a mechanical process grinds out a Federal budget; I am here to protect and manifest their hopes and aspirations as Americans. That is the policymaking mandate that we all have in this body, to which the systems and procedures of this body must be subservient.

Those who heave a sigh of relief at the passage of this amendment, who feel we have "solved our deficit problem" thereby, could not be more mistaken. We are ushering in a period of intense and prolonged policy debate, such as we have not seen in decades in this body. At best, this amendment will succeed in putting everything on the bargaining table, including defense, revenue increases, and entitlement reform and getting everyone, including the President, to that table. It is with that hope that I support this amendment.

It is my fear, however that this exercise may serve as a confirmation of Wendell Wilkie's wise words: "That a good catchword can obscure analysis for years." Unless the policies we formulate and implement are wise, this process will do more harm than good.

That is the challenge we accept with the passage of this amendment.

In closing, I remind my colleagues of the old joke about where a 300 pound gorilla sits: Anywhere he wants to. It is up to us to detemine responsibly what kind of animal Gramm-Rudman will be and where in the final analysis it will sit.

Mr. ARMSTRONG. Mr. President, the Senate has now passed the Gramm-Rudman-Hollings amendment for a second time. Most of us believed the original Gramm-Rudman-Hollings amendment was a good provision—and it has now been improved. If the House is serious about deficit reduction, it will approve this amended and improved version of one of the more important measures to ever appear on a congressional calendar.

During the long discussions on this issue, questions have been raised about the constitutionality of Gramm-Rudman-Hollings. The conference willingly considered legal criticisms and made several changes in response to them. If there were any constitutional defects, I believe they have been corrected.

Of course, complaints about the constitutionality of Gramm-Rudman-Hollings can still be heard. They were heard on this floor today. And they will continue to be heard for years to come.

Following Senate passage of the Gramm-Rudman-Hollings amendment I asked the staff counsel of the Senate Republican policy committee to prepare an analysis of the amendment's constitutionality. This analysis concluded that Gramm-Rudman-Hollings can survive a constitutional challenge.

I ask unanimous consent that the policy committee analysis be printed in the CONGRESSIONAL RECORD. I commend it to our colleagues and others who read these proceedings.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
REPUBLICAN POLICY COMMITTEE,
Washington, DC, October 21, 1985.

MEMORANDUM

(Revised)

To: Hon. WILLIAM L. ARMSTRONG.
From: Lincoln Oliphant, Policy Committee Legislative Counsel.
Re: Is the Gramm-Rudman-Hollings amendment constitutional?

A PRELIMINARY RESPONSE TO CHAIRMAN RODINO

I. The Rodino letter

Chairman Peter Rodino of the House Judiciary Committee has sent a letter dated October 16 to the conferees on H.J. Res. 372, the debt limit extension, explaining his "serious concerns regarding the constitutional issues" raised by the Gramm-Rudman-Hollings Amendment. (Section 3 of the resolution; officially, the Balanced Budget and Emergency Deficit Control Act of 1985.) The chairman concludes that Gramm-Rudman-Hollings is a "procedural and constitutionally questionable proposal." [1]

Chairman Rodino bases his conclusion in large part on *Immigration and Naturalization Service v. Chadha*, 462 U.S. 919 (1983), in which the Supreme Court held that the one-House veto provision of the Immigration and Nationality Act was unconstitutional because it violated the bicameralism requirement of Article I, section 1, and the presentment requirement of Article I, section 7.

Gramm-Rudman-Hollings permits the President to permanently cancel budget authority, obligation limitations, other budgetary resources, and loan limits (see the definition of "sequester" at section 3(d)(4)(H) of

[1] The Rodino letter has been published in *Hearings on H.J. Res. 372 Before a Subcomm. of the House Comm. on Governmental Operations*, 99th Cong., 1st Sess., at 58-63 (1985). Mr. Rodino is not the only influential person to question the proposal's constitutionality. Louis Fisher, author of *Presidential Spending Power* and a Congressional Research Service specialist in American government, has stated his doubts. *Id.* at 197-215, 231. Laurence Tribe, author of *American Constitutional Law* and professor of constitutional law at Harvard Law School, has written that Gramm-Rudman-Hollings has "several serious [constitutional] infirmities." Letter to Hon. Mike Synar from Laurence H. Tribe, Oct. 22, 1985.

This memorandum responds directly to the Rodino letter. Responses to other constitutional objections may be found in Richard Ehlke, "Selected Constitutional Questions Raised by Gramm-Rudman-Hollings Deficit Reduction Proposal," Congressional Research Service, Library of Congress, Oct. 24, 1985 (mimeo).

H.J. Res. 372). Chairman Rodino argues that this power to sequester amounts to "terminating legal rights established under constitutionality enacted legislation" and "the effect . . . is to repeal duly enacted statutes." The Chairman concludes, "While under the Constitution Congress *can* delegate the authority to implement laws, it *cannot* delegate the authority to repeal laws. This is precisely what the Gramm-Rudman proposal purports to do." (Emphasis in original.)

II. Provisional responses to Rodino letter

A. Gramm-Rudman-Hollings Does Not Grant Unconstitutional Legislative Powers to the President

It is not necessary to regard Gramm-Rudman-Hollings sequester orders as equivalent to legislative repeals. The proposed sequester orders are not Article I legislative acts; they are Article II executive acts. Chairman Rodino takes the position that the orders have the force and effect of legislative repeals, but if Gramm-Rudman-Hollings is enacted *Congress* will have established the fiscal policy of the United States and empowered the executive to enforce that policy. Looked at in these terms, Gramm-Rudman-Hollings is unexceptionable.

Gramm-Rudman-Hollings sets the policy and requires the President to enforce it; his is not empowered to legislate. For example, in issuing any sequester order, Gramm-Rudman-Hollings forbids the President to eliminate any program, project, or activity (sec. 3(d)(2)(A)(iii)); grants *no* new authority for the President to alter relative budget priorities established by law (sec. 3(d)(2)(A)(v)); prohibits the reduction of automatic spending increases below zero (sec. 3(d)(2)(A)(ii)); excludes Social Security COLAs from the definition of automatic spending increases (sec. 3(d)(4)(A)); defines the treatment of certain veterans' and other benefits (sec. 3(d)(2)(A)(i)(II)); requires that persons who are or become eligible for program participation not be denied eligibility because of sequestering (sec. 3(d)(2)(A)(v)); and more. The details are important because the question of Gramm-Rudman-Hollings' constitutionality may turn on the details. The details for executive enforcement seem sufficiently narrow and precise to meet constitutional requirements.

Legislative acts are also discussed under subsection D, *infra.*

B. Gramm-Rudman-Hollings Fits the General Rule of Delegation

Congress may not abdicate or delegate the essential legislative functions vested in it by the Constitution. However, Congress may leave to others the making of subordinate rules within Congressionally prescribed limits and the determination of facts to which the legislative policy is to apply. *Panama Refining Co. v. Ryan,* 293 U.S. 388, 421 (1935); *Schechter Poultry Corp. v. United States,* 295 U.S. 495, 529-30 (1935). Congressional enactments which prescribe essential standards and policies and rely on Executive Branch enforcement are constitutional if the standards are "sufficiently definite and precise to enable Congress, the courts and the public to ascertain whether the [executive] has conformed to those standards." *Yakus v. United States,* 321 U.S. 414, 426 (1944). The statute's standards are not to be tested in isolation but must be judged with an eye to their context and the statute's purpose and factual background. *American Power & Light Corp. v. Securities & Exchange Comm'n,* 329 U.S. 90, 105 (1946). See also, *Federal Energy Administration v. Algonquin SNG, Inc.,* 426 U.S. 548 (1976) and *National Cable Television Assn., Inc. v. United States,* 415 U.S. 336 (1974).

On the matter of contingent legislation, i.e. legislation that takes effect upon an executive finding or declaration, see especially, *Opp Cotton Mills v. Administrator,* 312 U.S. 126 (1941), *Union Bridge Co. v. United States,* 204 U.S. 364 (1907), and *The Brig Aurora,* 7 Cr. (11 U.S.) 382 (1813).

The language and intent of Gramm-Rudman-Hollings can fit squarely within the general rule.

C. Gramm-Rudman-Hollings Fits the Particularities of the Delegation Rule

In a situation that is remarkably similar to the expected legal situation under Gramm-Rudman-Hollings, the United States Court of Appeals for the 4th Circuit upheld a delegation to the Secretary of Agriculture where the Omnibus Budget Reconciliation Act of 1982, Pub. L. 97-253, sec. 101, had authorized the Secretary to levy a 50-cent per hundredweight charge on all milk marketed commercially. The Secretary was permitted, but not required, to impose the charge only during a 3-year period and only if he estimated that net price support purchases of milk (or milk products) would be more than 5 billon pounds milk equivalent. (Presumably Chairman Rodino would say that the Reconciliation Act authorized the Secretary to "repeal" a law.) The charge was to be remitted to the Commodity Credit Corporation to help offset the cost of the milk price support program. The Senate report on the Reconciliation Act said its purpose was "to achieve . . . dramatic reductions in Federal spending [and] to wage an effective battle against Federal deficits." The Secretary estimated that the charge would reduce farmers income by about 4 percent.

When the Secretary imposed the charge he was sued. Plaintiffs alleged, among other things, that the charge constituted an unconstitutional delegation of legislative power. In reply, the Court said:

"There . . . is no merit to the contention that the involved statute unconstitutionally delegates legislative power to the Secretary. The legislative history . . . reveals that Congress clearly delineated the policy objectives of reducing milk production and reducing the increasing cost of the milk price support program. The statute clearly describes the effective dates during which the deduction may be implemented, the specific amount of the deduction, and requires a minimum level of expected government purchases before the deduction can be imposed. Congress thus clearly delineated the general policy, the public agency which will apply it, and the boundaries of the delegated authority. *American Power & Light Corp.* v. *S.E.C., [supra].*"

South Carolina ex rel. Tindal v. Block, 717 F.2d 874, 887 (4th Circ. 1983), *cert. denied,* 104 S. Ct. 1444 (1984).

The holding in *Tindal* is consistent with all recent applications of the delegation doctrine by U.S. Courts of Appeals in domestic policy cases. (The executive has greater independent discretion in immigration, trade, and foreign policy cases.) For example, *United States v. Sans,* 731 F.2d 1521 (11th Circ. 1984), *cert. denied,* 105 S. Ct. 791 (1985) ("laundering" money under what is now 31 U.S.C. 5311-5322 (1983)); *Avoyelles Sportsmen' League, Inc. v. Marsh,* 715 F.2d 897 (5th Circ. 1983), (Clean Water Act); *United States v. Womack,* 654 F.2d 1034 (5th Circ. 1981), *Cert denied,* 454 U.S. 1156 (1982) (Organized Crime Control Act of 1970); and *United States v. Davis,* 564 F.2d 840 (9th Circ. 1977), *cert. denied,* 434 U.S. 1015 (1978) (Drug Abuse Prevention and Control Act of 1970). See also, 1 Davis, *Administrative Law Treaties* (2d ed.), ch. 2.

D. *Chadha* Does Not Imply That Gramm-Rudman-Hollings Is Unconstitutional

1.

There is a temptation to read *Chadha* too broadly, and it appears that Chairman Rodino has succumbed to the temptation. *Chadha* held that a one-House veto violated Article I, sections 1 and 7, bicameralism and presentment. But Gramm-Rudman-Hollings does not circumvent either two-House legislative action or presentment. The President is expected to enforce Gramm-Rudman-Hollings as enacted, and *Chadha* reasserted his right and duty to do so:

". . . To be sure, some administrative agency action—rulemaking, for example—may resemble "lawmaking." See 5 U.S.C. 551(4), which defines an agency's "rule" as "the whole or part of an agency statement of general or particular applicability and future effect designated to implement, interpret, or prescribe *law* or policy. . . ." [Emphasis by the Court.] [H]owever, "[i]n the framework of our Constitution, the President's power to see that the laws are faithfully executed refutes the idea that he is to be a lawmaker." *Youngstown Sheet & Tube Co.* v. *Sawyer,* . . . . The bicameral process is not necessary as a check on the Executive's administration of the laws because his administrative activity cannot reach beyond the limit of the statute that created it—a statute duly enacted pursuant to Art. I, secs. 1, 7. The constitutionality of the Attorney General's execution of the authority delegated to him by sec. 244 [of the Immigration and Nationality Act] involves only a question of delegation doctrine. The courts, when a case or controversy arises, can always "ascertain whether the will of Congress has been obeyed," *Yakus* v. *United States* . . ., and can enforce adherence to statutory standards. . . . It is clear, therefore, that the Attorney General acts in his presumptively Art. II capacity when he administers the Immigration and Nationality Act. Executive action under legislatively delegated authority that might resemble "legislative" action in some respect is not subject to the approval of both Houses of Congress and the President for the reason that the Constitution does not so require. That kind of Executive action is always subject to check by the terms of the legislation that authorized it; and it that authority is exceeded it is open to judicial review as well as the power of Congress to modify or revoke the authority entirely. A one-House veto is clearly legislative in both character and effect and is not so checked; the need for the check provided by Art. I, secs. 1, 7 is therefore clear. Congress' authority to delegate portions of its power to administrative agencies provides no support for the argument that Congress can constitutionally control administration of the laws by way of a congressional veto."

Chadha, supra, at 953-54 n. 16 (citations omitted).

It is seems clear from *Chadha* that Congress may continue to delegate to the Executive Branch so long as the delegation is made with sufficient clarity to allow the courts to determine if the will of Congress has been obeyed. Such delegation is always subject to check by the terms of its author-

izing statute and to judicial review and Congressional oversight and revision.

2.

Not every governmental act that has the "purpose and effect of altering the legal rights, duties, and relations of persons outside the Legislative Branch," *id.* at 952, is a *legislative act.* Judicial, executive, and administrative acts also alter the legal rights, duties, and relations of persons. *Chadha* teaches that the rights, duties, and relations of persons outside of the Legislative Branch cannot be altered *by the Legislative Branch* except in compliance with the commands of bicameralism and presentment.

Chairman Rodino defines sequestering as a legislative act, apparently because it has the "purpose and effect of altering the legal rights, duties, and relations of persons," and perhaps also because the alteration is permanent. His argument, based largely on *Chadha*, depends on this definition. But the definition cannot carry the burden it is required to bear.

"Whether actions taken by either House are, in law and fact, an exercise of legislative power depends not on their form but upon 'whether they contain matter which is properly to be regarded as legislative in its character and effect.'" *Id.*, at 952 (citation omitted). Since *Chadha*, the federal district courts have been applying the same test of "character and effect" to the nonlegislative branches and holding that executive, quasi-executive, and quasi-legislative acts that alter the legal rights, duties, and relations of parties are *not* unconstitutionally delegated legislative acts. *Ameron, Inc.* v. *U.S. Army Corps of Engineers*, 607 F.Supp. 962 (D.N.J. 1985), *appeal docketed*, nos. 85-5226 & 85-5377, 3rd Circ. (Comptroller General's review of contracts under the Competition in Contracting Act is not an unconstitutional delegation of legislative power). *E.E.O.C* v. *Ingersoll Johnson Steel Co.*, 583 F. Supp. 983 (S.D. Ind. 1984) (President's transfer of Age Discrimination in Employment Act enforcement functions to the EEOC under Authority of the Reorganization Act of 1977 was not an unconstitutional delegation of legislative power). *Baylor Univ. Medical Center* v. *Schweiker*, 571 F. Supp. 374 (N.D.Tex. 1983), *rev'd in part on other grounds, sub nom.*, 758 F.2d 391 (5th Circ. 1985) (Administrative Procedure Act is not an unconstitutional delegation of legislative power). The results in *Ameron* and *Ingersoll Johnson* are predicated on the facts of each delegation, and the result of a constitutional test of Gramm-Rudman-Hollings also is likely to turn on the particular facts of the Act.

E. Gramm-Rudman-Hollings Is Not a Renunciation of Congressional Power or Prerogative

Chairman Rodino in his letter and Chief Justice Burger in his opinion for the Court in *Chadha* quote the *Steel Seizure Case* to the effect that the President is not a lawmaker or legislator. The supporters of Gramm-Rudman-Hollings do not propose to make him one. Nor do they propose to acknowledge inherent powers of the President to impound or sequester funds. Under Gramm-Rudman-Hollings, the President will have only those fiscal powers which have been granted by the Legislative Branch, and only to the extent granted. The President's powers are narrowly ministerial and contingent upon events which Congress has specified with particularity, therefore the grant does not appear unconstitutionally broad or vague. Gramm-Rudman-Hollings is consistent with the theory of separation of powers of the *Steel Seizure Case.*

To avoid a nationwide steel strike which he believed would immediately jeopardize the national defense, President Truman ordered the Secretary of Commerce to seize the nation's steel mills and keep them running. The Supreme Court held the seizure unconstitutional. There were seven opinions, but Justice Jackson's opinion seems to best summarize the reletionship of the Executive and Legislative Branches, *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U.S. 579, 635-638 (1952) (Jackson, J., concurring). According to Jackson, there are essentially three possibilities:

"1. When the President acts pursuant to an express or implied authorization of Congress, his authority is at its maximum, or it includes all that he possess in his own right plus all that Congress can delegate." Possibility number 1 will describe the President's position under an enacted Gramm-Rudman-Hollings.

"2. When the President acts in absence of either a congressional grant or denial of authority, he can only rely upon his own independent powers, but there is a zone of twilight in which he an Congress may have concurrent authority, or in which its distribution is uncertain." Possibility number 2 describes the position of the President prior to passage of the Impoundment Control Act of 1974, 2 U.S.C. 681 (1982), *et seq.* President Nixon claimed that a president's right to impound funds was "absolutely clear." L. Fisher, *Presidential Spending Power* 158 (1975). Congress disagreed strongly, enacting the Impoundment Act.

And, "3. When the President takes measures incompatible with the expressed or implied will of Congress, his power is at it lowest ebb, for then he can rely only upon his own constitutional powers minus any constitutional powers of Congress over the matter. Courts can sustain exclusive presidential control in such a case only by disabling the Congress from acting upon the subject." The steel seizure was placed in this third category because Congress had covered the field with enactments that were inconsistent with the President's seizure.

The theory of the *Steel Seizure Case supports* the power of the President to sequester funds *if* Congress has granted the power.

F. Gramm-Rudman-Hollings Is Constitutionally Consistent With State Experience

Gramm-Rudman-Hollings must pass constitutional review under the Constitution of the United States, but the constitutional experience of the states may help inform the Federal courts. The United States Supreme Court has looked to the constitutional experience of the states. E.g., *McGrain v. Daugherty*, 273 U.S. 135, 165-66 (1927) (legislative investigations); *Rochin v. California*, 342 U.S. 165, 177-78 (Douglas, J., concurring) (suppression of evidence). For Gramm-Rudman-Hollings, an Iowa case is especially instructive:

Iowa's Local Budget Law requires county boards of supervisors to submit their budgets to the State Appeal Board (composed of the State Comptroller, Auditor, and Treasurer). The Board is authorized to hear protests about the budget, conduct hearings on the protests, and to "approve, disapprove, or reduce all such proposed budgets" but not to increase the budget. Iowa Code, sec. 24.30 (1981). In June, 1981, following a protest and hearing, the State Appeal Board reduced the budget for Polk County by about $880,000. The county, the president of AFSCME, and others sued.

The Iowa Supreme Court upheld the Board's action, rejecting a complaint that the Board's authority and action constituted an unlawful delegation of legislative authority in violation of Article III of the Constitution of Iowa.[2]

In Iowa, the test is "whether such delegation is a reasonable one permitting the administrative body only to 'fill in the details' to accomplish a general purpose or policy announced by the legislature itself or whether it abdicates to the administrative body the right to legislate. . . . [T]he presence or absence of procedural safeguards is important in determining whether this delegation is reasonable." Further, the "determination of whether adequate procedural safeguards exist depends on what function the agency will serve on behalf of the legislature. . . . The procedural safeguards must advance that purpose, and effectively preclude arbitrary, capricious or illegal conduct on the part of the [administrator]." *Polk County v. Iowa State Appeal Bd.*, 330 N.W. 2d 267, 273-74 (Iowa 1983) (citations omitted).

The Iowa court concluded that the establishment and powers of the Review Board were not unlawful because the legislature, "mindful that it cannot foresee all conditions which may arise in the budgetary process, provided sufficient procedural safeguards to protect interested parties. . . ." *Id.* at 274.

The Iowa rule may be more relaxed than the Federal rule that will apply to Gramm-Rudman-Hollings, but the similarities are important and the Iowa case provides an expectation that Gramm-Rudman-Hollings will survive a Federal constitutional challenge.

III. Conclusion

There are good reasons for believing that Gramm-Rudman-Hollings can survive a constitutional challenge, and some of these reasons can be found in *Chadha*, the very case that Chairman Rodino cites against the sequestering procedure. Gramm-Rudman-Hollings is specific (thereby allowing the courts to judge whether the administrator has stayed within the statutory mandate); it requires the President to ascertain certain facts and take specific, nondiscretionary action with respect to them (the Senate sponsors emphasized again and again that the President's responsibilities are ministerial); it conforms to the constitutional law on legislative delegation, as defined by the Supreme Court; and it is consistent with the way the Courts of Appeals are applying the law to specific Congressional delegations.

Mr. WALLOP. Mr. President, for several months, since the August recess I have kept a letter on my desk. This letter has served to strengthen and refresh me for the debates this body has had during consideration of the various appropriations bills and most recently during consideration of the Gramm-Rudman amendment to put this Government on track to a balanced budget. A 36-year-old student at

[2] "The powers of the government of Iowa shall be divided into three separate departments—the Legislative, the Executive, and the Judicial: and no person charged with the exercise of powers properly belonging to one of these departments shall exercise any function appertaining to either of the others, except in cases hereinafter expressly directed or permitted." Const. of Iowa, 1857, Article III, "Of the Distribution of Powers", Section 1.

the University of Wyoming, named Martin Hudson, wrote the letter. I ask unanimous consent that his letter be printed in the RECORD.

Martin Hudson is in the process of learning new skills to compete in a changing economy. His position in life has been drastically altered, going from a comfortable life with a $30,000-a-year income to what he calls a "subsistence" level. Funding from Government programs, especially the Student Loan Program, has a great impact on the quality of his life.

While Mr. Hudson has a direct personal interest in a variety of domestic Government programs, his overriding concern is for the future of his country. His analysis of our current situation is that more citizens want benefits from the Government than the Government can afford. He realizes that sustaining a Government that meets all our needs is not possible and writes, "We have to learn that life is not all a bed of roses. We need to learn that there are thorns on the stems of those roses, and that the beauty can only be maintained by working with and respecting the thorns."

Martin Hudson urges us to appreciate the magnitude of the Government spending problem and get on with the business of getting it under control. I urge my colleagues to look to his advice. As we proceed with our deliberations on the budget, I hope Martin Hudson's letter will remind my colleagues, as it has reminded me, that the people in this country are more than ready, more than willing, to accept a solution to this problem. All we have to do is act.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

W. MARTIN HUDSON,
Laramie, WY, August 16, 1985.

Senator MALCOLM WALLOP,
Russell Senate Office Building, Washington DC.

DEAR SENATOR: I am a 36 year old college student, whose job skills have been made obsolete with a changing economy. I am planning a career in law and will graduate in 1989. And I hope that you will read this letter, not just some staff member who will respond with a form letter.

I am concerned about the deficits that plague our country today, which I believe are a much greater threat to our country than any external threat, past or present. Very few, if any, great nations that were strong internally have fallen because of outside forces. An old house generally falls because of structural failure, not from external forces, and now the financial structure of our nation-house is rapidly deteriorating due to these massive deficits. All the external forces need to do is sit and wait.

I do not believe it is a question of can or can't, but a question of will or won't. An alcoholic cures his illness by saying I will, not I can. Any true winner keeps thinking I will. I will only be successful in law school if I believe I will be. So you see, an honest politician will never say we can't, but will only say we won't. There's an old saying, "Can't never could."

I know it isn't easy. Being a student I know how important federal aid is. But I feel I can make sacrifices, such as a more realistic interest rate on my student loans. Why not charge 12% or even 14% on these loans rather than the 8%, after I graduate. Why make it so easy for everyone.

We have to learn that life is not all a bed of roses. We need to learn that there are thorns on the stems of those roses, and that the beauty can only be maintained by working with and respecting the thorns. Anyone who whines because they are not getting enough is already receiving too much.

Personally, I believe a solid freeze on all government programs is the simplest and most equitable way of solving the problem. I know the existence oriented and Murphy Law ruled government can live within a freeze. My Wife and I went from an 1800 square foot house and $30,000 a year to a subsistence income and a small student apartment at the University of Wyoming. It was tough but we are making it happen. You see, it was either this or nothing. We did not whine about our situation, but did something about it. We were not like all the whiners paraded before us every night on the evening news. Formula for political action is: Political Action=(Whining People+News Cameras÷Federal Dollars per Whiner)—Common Sense.

I don't understand why politicians don't see that the benefits of a balanced budget clearly outweigh the nonbenefits of continued deficit spending. It seems the message from Congress and the President is that special interest have a much higher priority over the American people.

I wish the President and Congress would take off the rose colored glasses and wake up to the reality of the problem. The next recession will make the last seem like a Sunday picnic, but by then it will be too late. If this deficit bubble bursts, there will not even be any pieces around to pick up.

What is really sickening about this mess, is that the rich and poor really don't have to worry. It is I, and the millions like me who will be hurt the most, the backbone of America. And that is why nothing will be done, it isn't going to hurt you, the President, or others in Congress, like it will me, and the others like me.

Sincerely,

W. MARTIN HUDSON.

Mr. DOMENICI. Mr. President, we have been working on this proposal for about 5 weeks. We were on the floor about 14 days since conference. We have worked as many hours as I have seen on any major piece of legislation. I think I am as informed on the budget process as anyone. We have made 50 amendments, technical and substantive, and I am satisfied that this bill is operative. It will work.

The only question that I have been asked by the press that makes real sense is, Is it for real? Or is it another effort at getting around deficit reduction?

Let me say, if there is any law that we could pass that would make deficit reduction real and make Congress and the President face up to it, this is it.

I am not saying that we will not find some way to get out from under it, but let me tell you, Mr. President, for Congress to pass something that has a hammer in the event we do not do our work and do that in a responsible way, this will do that. No one will like it next year, but everyone will like it if we get to the $144 billion deficit and everyone will be at the table negotiating and everything other than Social Security, as presently drawn, everything else will be on the table to accomplish it. And anyone who pulls out and decides they are not going to the table—the President, the Senate, the House, sponsors of major programs, those who favor this, that, or the other, those who are against taxes—anyone who wants to pull out from that debate will find that they will suffer the sequestration of automatic cuts in everything, including things they like.

That is about the best hammer we can draw and I regret that it must be done this way, but the last years of our history indicate it must or we will not get there.

Mr. GRAMM. Mr. President, I thank the distinguished Senator from Oregon [Mr. PACKWOOD], the Senator from New Mexico [Mr. DOMENICI], the distinguished majority leader, and Senator LONG for their leadership in helping us improve this package. I thought it was a good package when we offered it.

We have gone through 5 weeks of debate. I have to take issue with those who say we do not know what is in this bill. This bill has been debated three times longer than any other issue since I have been in the U.S. Senate and it is by far better known in terms of content than anything we have considered. If you are against this bill, you know what is in it and you are against it, but no one is against it because they do not know what is in it. I believe the bill has been improved.

A constitutional issue was raised about the involvement of CBO. We have corrected that in this bill. Interestingly enough, the House has made only the CBO the instrument of the process and thereby compounded the problem they have raised in considering our proposal.

I believe it is worked out in detail. We now no longer just have a good idea that was developed. We now have an idea that has been analyzed and debated. We are ready to vote. I urge my colleagues to vote yea.

Mr. DOLE. Mr. President, could I just have 30 seconds to indicate to my colleagues that following this vote we are trying to negotiate bringing up the military construction proposal, the D.C. appropriations, and we have a nomination or two. And so I think it is fair to say that there could be additional votes this afternoon and this evening. Vote yea on this motion.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the question is on agreeing to the motion

to concur in the House amendment with an amendment (No. 957) in the nature of a substitute.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Connecticut [Mr. WEICKER] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER (Mr. COHEN). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 74, nays 24, as follows:

[Rollcall Vote No. 285 Leg.]

YEAS—74

Abdnor	Ford	McConnell
Andrews	Garn	Murkowski
Armstrong	Goldwater	Nickles
Baucus	Gore	Nunn
Bentsen	Gorton	Packwood
Biden	Gramm	Pressler
Bingaman	Grassley	Proxmire
Boren	Hatch	Pryor
Boschwitz	Hawkins	Quayle
Bumpers	Hecht	Rockefeller
Chafee	Heflin	Roth
Chiles	Heinz	Rudman
Cochran	Helms	Sasser
Cohen	Hollings	Simon
D'Amato	Humphrey	Simpson
Danforth	Kasten	Specter
DeConcini	Kennedy	Stennis
Denton	Kerry	Stevens
Dixon	Laxalt	Symms
Dodd	Leahy	Thurmond
Dole	Levin	Trible
Domenici	Long	Wallop
Durenberger	Lugar	Warner
East	Mattingly	Wilson
Evans	McClure	

NAYS—24

Bradley	Hart	Melcher
Burdick	Hatfield	Metzenbaum
Byrd	Inouye	Mitchell
Cranston	Johnston	Moynihan
Eagleton	Kassebaum	Pell
Exon	Lautenberg	Riegle
Glenn	Mathias	Sarbanes
Harkin	Matsunaga	Stafford

NOT VOTING—2

Weicker	Zorinsky

So the motion to concur in the House amendment with an amendment (No. 957) in the nature of a substitute, was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, I would like the RECORD to show that Senator ZORINSKY, who had voted for this before, is ill and in the hospital and could not be here. I am not presuming how he would have voted but he voted for it before.

Mr. GRAMM. He was a cosponsor.

Mr. PACKWOOD. He was a cosponsor.

VETERANS' ADMINISTRATION HEALTH CARE AMENDMENTS

The Senate resumed consideration of the bill (H.R. 505).

AMENDMENT NO. 967 TO AMENDMENT NO. 966

The PRESIDING OFFICER. The question now occurs on H.R. 505. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, before the Senate now is an amendment to the conference report on the VA health care bill.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Florida.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. CHILES. Does the majority leader want recognition?

Mr. DOLE. Mr. President, I was hoping we might have a quorum call. Maybe we will not continue with this bill.

Mr. CHILES. If I may have the right to be recognized.

Mr. DOLE. If we do the Senator from Florida will have the right to the floor.

Mr. CHILES. I will be happy to yield.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California.

Mr. CRANSTON. Mr. President, I wish the attention of Senators on this floor.

Mr. President, this bill is not going to be dealt with further today apparently, but I would just like to stress one point. We are talking about a potential addition to the budget that would amount to at least $25 million initially for acquisition plus $35 million a year for 6 years to operate a hospital that the Veterans' Administrator, Mr. Walters, says is not needed, after having studied the matter with care. With inflation that's at least $250 million more in expenditures.

It is ironic, indeed, that this matter comes before us the day after the Senate voted by a narrow margin against an amendment to Gramm-Rudman that I offered with Senator RIEGLE that was designed to maintain the basic budget for medical care for veterans. That amendment was rejected. The Senator from Alabama voted against that amendment.

One day later the Senator from Alabama presents an amendment that could lead to that kind of a cost which would increase expenditures for veterans' medical care rather than decrease those costs.

Where would the money come from in a shrinking budget under Gramm-Rudman or even from the present budget? What hospital would be closed in what State in order to provide the funding for this new hospital which is not needed according to the Veterans' Administration.

I pose those questions to my fellow Members. We will be dealing with this issue in the future. I ask Members to consider carefully the matter of once again voting for increasing costs after we have had a vote to permit cuts in those expenditures.

I yield the floor.

Mr. STENNIS. Mr. President, the areas involved in this amendment, the areas where these hospitals are located, are partly in my State, and I am familiar generally with all of them and more particularly the one that is in my State.

But I go beyond my testimony or my statement of the facts to Mr. Walter's letter. He is the Administrator now nationwide of the Veterans' Administration. I am reading from a letter addressed to Hon. ALAN K. CRANSTON, a Senator from the State of California, dated June 24, 1985. The second sentence in that letter makes the statement:

"I have studied these findings—" referring to the investigation and review that had been made—

> I have studied these findings and agree with them. It is my decision that the proposal is not the most beneficial alternative for providing health care to veterans who reside in a wide geographic area along the Gulf coast of Mississippi, Alabama and northern Florida.

Now, of course, all of us want these veterans to have the facilities that are needed, the care and upkeep of the highest order, with highly competent medical people, men, personnel, all the way around, and the utmost treatment in the service and medical attention that these parties may need.

As far as Mobile, AL, I feel very friendly and very close toward the city there and the fine people. There is nothing involved that is influencing me except we just passed an amendment here involving billions and billions and billions of dollars, providing for the elimination of a great part of the benefits so-called that are in the bill, the reductions trying to hold down the deficit for years it will take to run, and we are talking about building. There is no shortage. There is no real requirement.

To the contrary, the certificate here from the administrator himself says he has been into these facts, that he has weighed them, and he has reached a decision and conclusion, and we do not have the need now for an additional hospital.

Mr. President, I am not trying to defeat anything that happens to be located somewhere else in some other

State. I would be ready any time that the need is there to vote for it, of course. But under the circumstances, we are going to have to get back in the habit of not voting money when it is not needed. So I trust that we will pass this up at the proper time and let it lay over. And if there comes a time in a short while or long while, whatever the need is, let it be met.

I yield the floor, Mr. President.

Mr. HEFLIN. Mr. President, I rise in support of the amendment requiring a feasibility study for the purchase of an existing hospital to use for veterans medical care. The Senate should give its approval to this amendment which would require the Veterans' Administration to follow a new direction with respect to the VA health care system. The Senate gave its approval to an identical amendment when S. 876 was pending before this body in July.

This amendment would, for the first time, require the VA to determine the feasibility of purchasing or leasing existing medical facilities instead of constructing costly new facilities. It also requires the VA to submit to Congress an analysis of the cost of constructing a new facility versus purchasing or leasing an existing hospital or nursing home when adding to the veterans health care system. While the VA has had the statutory authority to purchase or lease an existing facility, they have never seen fit to consider this cost saving option. This amendment would require that they consider this commonsense option.

I know firsthand of the one instance where the VA could purchase an existing hospital for 20 to 25 percent of the cost of constructing a new facility in a region of the country where a definite need for an additional VA medical center has been established by the Veterans' Administration. The VA should investigate purchasing the Providence Hospital in Mobile, AL. The Florida Panhandle study, developed by medical district 10, shows a minimum need for approximately 215 medical-surgical beds to serve the needs of the eight counties located in the Panhandle of Florida. VA medical district 10 studies also show a need for 87 hospital beds to serve the needs of the veterans in Baldwin, Clarke, Mobile, Monroe, and Washington Counties in southern Alabama. Using the VA figures, one could conclude that there is a need for a minimum of 302 additional medical-surgical beds to serve the veterans population living in the five Alabama post counties and eight Florida Panhandle counties. Other studies conclude that approximately 70 percent of the veterans along the central gulf coast live within 1½ hours driving time of Providence Hospital, which will be vacated by its current owners in 1986. Although the Veterans' Administration has established a need to construct a costly new facility in Ft. Walton Beach, FL, I believe the Providence Hospital facility could provide substantial savings.

Acting upon requests from myself and my distinguished colleague from Alabama, Senator DENTON, the Veterans' Administration conducted a study of the Providence Hospital to determine its suitability as a VA medical center. A report pulished after the study was completed concluded: ". . . if a programmatic determination was made to establish a Veterans Administration Medical Center in Mobile, Alabama, the Providence Hospital could be adapted to serve this role." Additionally, the University of South Alabama College of Medicine is located in close proximity to the site of Providence Hospital. The location of a Veterans' Administration medical center at the Providence Hospital site would greatly benefit both the Veterans' Administration and the University of South Alabama College of Medicine.

Mr. President, Alabama has a proud history of sending her sons to fight for our country. As a result, we have a comparatively large number of veterans located in Alabama who would benefit from a Veterans' Administration facility. These veterans, their families, and I support efforts to provide them with the health care they deserve. I urge my colleagues to support this amendment.

Mr. President, I hope that we can reach some amicable solution to this. There are a lot of matters involved on the gulf coast. I do not believe that that is a location where there is an existing or planned veterans' hospital that has a medical school, and there is a medical school at the University of South Alabama. There are a lot of factors involved. I hope that we can work out some sort of language relative to this feasibility study. I have been making some progress and have even contacted some people on the House side.

Under the circumstances, I believe a little more time here might work this problem out. And with that in mind, I would suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HAWKINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HAWKINS. Mr. President, while I do not oppose the purchase of an existing facility by the Veterans' Administration, the Denton amendment is a thinly veiled effort to force the Veterans' Administration to purchase a hospital which it has more than adequately considered and rejected as a waste of Veterans' Administration resources.

The Denton amendment puts the cart before the horse. It directs the VA to provide a feasibility study for the purchase of an existing facility before the need for a facility for the area has been established. Indeed, VA studies indicate that there is a need for a VA hospital in the Florida Panhandle and not in the Mobile, AL area. If the VA has not exercised its existing authority to purchase an existing facility, it may be that existing facilities have not been found in the part to meet VA needs.

The supporters of Senator DENTON's amendment have complained that building costs are high and that this measure would in some way force the VA to save money. Building costs are high, but they pale in the light of operating costs. Construction costs are a very small percentage of the overall VA budget. In 1984, the average construction cost per bed for new VA hospitals was about $188,000.

Mr. President, it should be pointed out that in 1984, the cost of operating a medical bed 1 year was $83,950 and $144,540 for a surgical bed. Savings in construction costs might not operate an acquired hospital more than a year or two, and waste VA resources in the long term. Continuing high operating costs dictate that any new VA facility be located to serve the greatest need.

In a few years, we in Florida are going to be faced with a catastrophe that I cannot stand here and explain to the Members who are listening in their offices.

Florida has one of the fastest growing veterans populations in the Nation. New VA records are being opened or transferred into the State of Florida at the rate of 5,000 a month. Think about the phenomenal rate of growth that reflects.

The panhandle is receiving its share of this rapid growth. Compounding the increase of resident veterans moving into the State is the large "snowbird" population or the great number of northern veterans who spend their winters in the State. The increase in the veteran population only exacerbates an already unacceptable situation which requires the area's many veterans to travel as much as 200 miles or more to receive necessary care at a VA hospital. Unable or unwilling to travel the great distance to get to a VA hospital, many of the panhandle veterans seek care in local, private hospitals.

Responding to the very real concern that Florida is not getting its share of the Veterans' Administration's resources, I have asked the Government Accounting Office to complete an analysis of the availability of health care in Florida as compared to northern States whose veterans populations are decreasing.

That study, I am told, should be completed late this fall. We have studied and studied and studied this question. This fall, we will have some figures that the committee can look at and, I hope, will be helpful in focusing attention to the health care needs of Florida's veterans.

Like all of Florida, the panhandle is projected to experience sustained growth through the year 2000. Of the 741,440 estimated veterans for medical district 10 in 1980, some 83,270 or 11.2 percent resided in the Florida Panhandle. By the year 2000, this number will have increased to 101,450 or 14.2 percent of the total veteran population in medical district 10. It is interesting to note that while the veterans population will increase in the panhandle, the remainder of district 10 will experience a decrease.

Within the area are three urban or metropolitan statistical areas: Fort Walton Beach, Panama City, and Pensacola. The more than 35,000 veterans living in Escambia County must travel either to Biloxi Medical Center or to the VA Montgomery Medical Center. The travel distance one way is in excess of 100 miles. The more than 17,000 veterans residing in Okaloosa County presently must travel more than 120 miles one way for treatment at the VA Medical Center at Montgomery, the nearest facility. The more than 14,000 veterans residing in Bay County must travel more than 150 miles to Montgomery or to the VA Medical Centers at Gainesville and Lake City.

To understand Florida's need for additional VA hospital beds is to understand why I oppose a measure that would force the VA to waste time and money on a feasibility study for an existing facility before it can be shown that there is a legitimate need for that facility in the area.

Mr. President, I ask that all our colleagues consider carefully the Denton amendment because we feel it would be a delay of any decisions being made at the Veterans' Administration and as it relates to the purchase of the Mobile Hospital would waste VA resources. We need the facilities. We needed them last year.

Mr. CHILES. Mr. President, I oppose the amendment offered by the Senator from Alabama. I do not believe it makes sense to move forward in a plan which contradicts what VA planners have indicated is in the best interest of veterans in the Southeast region of the United States. This amendment would do just that.

This legislation contemplates the purchase of an existing hospital in Mobile, AL. This idea, however, has been reviewed by the VA and rejected. It was rejected because the demographics do not support planning for a hospital in Mobile. In spite of being rejected by the planners, this proposal was incorporated in legislation to direct the VA to do what they had already said was not in the best interest of the veteran population. We need to continue efforts to meet the health care needs of our Nation's veterans and we need to do this by effectively planning future resource allocations and construction according to existing and projected veteran population figures. You can imagine the pressures I encounter from veterans throughout the State of Florida urging construction of new hospitals and outpatient clinics. I have attempted to address these concerns by looking to the VA planning process. I still contend we can do better in making sure the limited VA dollars flow to areas where the veterans are now residing, but we have made progress. This proposal thwarts that progress and violates the VA health care planning process and should be rejected.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, my understanding is that any time after 3:30 we could go to the Kozinski nomination. It is now 10 minutes of 4. We have in addition to this nomination other legislative matters we would like to proceed with, including military construction appropriations bill, civil service retirement, and D.C. appropriations.

Then I have been advised by the distinguished Senator from Nebraska [Senator ZORINSKY], that he has no objection at all to moving ahead on the farm bill. In fact, he feels we should move ahead because of farmers' needs and that we get some legislation passed. Hopefully we can, while we are doing the Kozinski nomination, round up something else to do this evening.

Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the amendment offered by the Senator from California, for the Senator from Florida.

Mr. DOLE. When we complete action on the Kozinski nomination, that will again be the pending business.

The PRESIDING OFFICER. The majority leader is correct.

Mr. DOLE. Mr. President, I wonder if the distinguished Senator from California understands that it would come back up.

Mr. CRANSTON. Yes; that is perfectly fine with me.

Mr. DOLE. I hope by then we can work out some resolution of that problem.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Alex Kozinski.

There being no objection, the Senate proceeded to the consideration of executive business.

THE JUDICIARY

NOMINATION OF ALEX KOZINSKI, OF CALIFORNIA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT

The PRESIDING OFFICER. The nomination will be stated.

The bill clerk read the nomination of Alex Kozinski, of California, to be U.S. circuit judge for the ninth circuit.

Mr. DOLE. Mr. President, I understand that when the distinguished Senator from Michigan arrives we can reach a time agreement. I understand he is not here. We will wait until he arrives.

Mr. President, I ask unanimous consent that on this nomination there be 2 hours under the control of the Senator from Michigan, Mr. LEVIN, or his designee, and 30 minutes under the control of the President pro tempore, Mr. THURMOND, or his designee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I also ask unanimous consent that if the yeas and nays are ordered that the vote occur on tomorrow at 2 p.m.

Mr. METZENBAUM. Mr. President, reserving the right to object, it is my understanding that one Member on this side would like to have a vote tomorrow, and another person would like to have it today.

I believe Senator LEVIN would like to have it today.

I ask the majority leader if he would be good enough to withdraw that unanimous consent request until Senator LEVIN arrives.

Mr. DOLE. We are just trying to accommodate.

Mr. METZENBAUM. I understand. I am not suggesting anything to the contrary. I think it would be better if the majority leader would be good enough to withdraw it temporarily.

Senator LEVIN is on his way. But I think if Senator THURMOND wants to proceed with the debate, I see no reason that we should not. I would be happy to debate it.

Mr. THURMOND. Mr. President, I will make a brief statement. We will be glad to hear from those who oppose the nomination.

I rise today to voice my strong support and urge my colleagues' support for Judge Alex Kozinski, President Reagan's nominee to be a U.S. circuit

judge for the Ninth Circuit Court of Appeals.

Judge Kozinski was born in Bucharest, Rumania, on July 23, 1950, and became a naturalized United States citizen in 1968. He graduated cum laude from UCLA in 1972. In 1975 Judge Kozinski received his law degree from UCLA Law School graduating first in his class. He served as managing editor of the UCLA Law Review and received the outstanding achievement award at graduation. From 1975 to 1976 he was a law clerk to the Honorable Anthony M. Kennedy of the U.S. Court of Appeals for the Ninth Circuit. In 1976 and 1977 he was a law clerk to the Honorable Warren E. Burger, Chief Justice of the U.S. Supreme Court. Judge Kozinski has been a practicing private attorney, an assistant counsel to the President of the United States, and special counsel to the Merit Systems Protection Board. He is presently chief judge of the U.S. Claims Court.

The nomination hearing for Judge Kozinski was held on July 17, 1985, at which time he was questioned concerning his background and qualifications for the position to which he was nominated. I was satisfied with the responses given by Judge Kozinski. All persons requesting to testify at that hearing were given the opportunity to do so. Even after the hearing was concluded, Judge Kozinski willingly responded to many questions from several Senators which were propounded to him in writing. Judge Kozinski answered all questions raised in an honest and forthright manner.

On November 1, 1985, at the request of Senator METZENBAUM and Senator LEVIN, the Judiciary Committee held another day of hearings on Judge Kozinski. Judge Kozinski responded to an intensive line of questioning from various Senators. I heard nothing that day which would change my opinion of Judge Kozinski's qualifications, integrity, efficiency, and dedication. Quite frankly, I thought the charges that had been brought by other people to Senators were some of the puniest, most nitpicking charges that have ever been brought before any hearing I have held.

I am confident that Judge Kozinski will have a most successful tenure as a U.S. circuit judge. He has a fine record as a public servant, and is a man of high character. I support this nomination without reservation and I urge my fellow colleagues to vote in favor of Judge Alex Kozinski for the Ninth Circuit Court of Appeals.

There have been allegations made concerning Judge Kozinski's working relationship while he was special counsel. Let me read some comments that were made by former employees of Judge Kozinski.

First Mr. Lynn R. Collins, deputy special counsel, Merit Systems Protection Board, stated the following:

I have been an employee of the Office of the Special Counsel since that office was established in January of 1979. In December of that year, I was appointed by the First Special Counsel, H. Patrick Swiggert, to the Senior Executive Service position of Associate Special Counsel for Prosecution and I occupied that position in the office until February of this year when I assumed the responsibilities that I currently have.

Also, during that period and during the latter part of the administration of Acting Special Counsel Mary Eastwood, I was her acting deputy. I was the Associate Special Counsel for Prosecution during the time that Chief Judge Kozinski was the Special Counsel of the Merit Systems Protection Board and I had opportunity to observe him, his relationships with the staff, his work habits . . .

When Judge Kozinski came as Special Counsel to the Merit Systems Protection Board, he came from a background of being a law clerk to a judge on the Ninth Circuit Court of Appeals, from being a law clerk to the Chief Justice of the United States, from being an associate in a very prestigious and well-known Washington law firm, and he came with very high standards of what he expected of himself, of his supervisors, and of his staff in the way of legal research, legal writing.

Some of his criticisms of staff appeared, at that time to many, to be harsh.

He had some concerns and there had been public criticism by members of the Merit Systems Protection Board and others of the quality of the legal work being done by the staff of the Office of the Special Counsel. One of Judge Kozinski's goals was to improve the legal work product of the staff, to improve the supervisory review of that work product to the highest professional level possible.

The measure he took to point out problems, to point out shortcomings in that work may have seemed harsh to some. His management style may not have been my own personal management style.

But, in my view, it was necessary at that particular time in order to bring about the change that he felt was needed and that many others felt was needed in the work being done by the office.

As to his working relationships with staff, I was one of his senior staff members. He was always accessible to me. I never heard from any junior member of my staff that he was not accessible to them and, to my knowledge, he was always accessible to them.

His demanding style, his insistence on the highest standards of research and writing did cause some apprehensions amongst staff members, but those who demonstrated a willingness to work for his standards, to work towards his standards were applauded; those who did not demonstrate that willingness were subject to criticism.

Mr. President, I reserve the remainder of my time.

Mr. LAXALT. Mr. President, I take this opportunity to express my strong support for the nomination of Alex Kozinski to the ninth circuit bench. Given the circuit's mammoth workload and Judge Kozinski's highly productive record at the U.S. Claims Court, I know that his talents are much needed and eagerly awaited out West. I trust that he will shortly be able to put his skills to work at the post to which the President has nominated him and for which the Judiciary Committee has unanimously recommended him.

I will not belabor Judge Kozinski's manifest qualifications. Even if he did not already have considerable judicial experience an important asset indeed, his brilliant academic record, his outstanding service as a law clerk to the Chief Justice of the U.S. Supreme Court, and his public and private legal career would argue mightily for his prompt confirmation. It is my belief, too, that beyond the extraordinary qualities reflected in his resumé, Judge Kozinski will be aided in his service on the ninth circuit by his perspective as one who has known the terrors of totalitarian government. Although only a child when his family fled Eastern Europe, Alex Kozinski remains especially sensitive to the importance of striving to preserve our system of limited Government under the rule of law.

Judge Kozinski's nomination has been before the Senate for close to half a year. Last week's supplementary hearing, called in special deference to those who oppose confirmation, saw an enormous amount of hearsay testimony from absent parties read into the record—despite which unusual practice, the hearing in my view adduced little information of any real substance. While Judge Kozinski was criticized for demanding, as one complaining witness put it, "very high standards" of his subordinates at the Merit Systems Protection Board, other witnesses attested to the nominee's fine rapport with his MSPB staff. Other allegations against Judge Kozinski, as with those arising from the Saldano case, appear to have been flatly disproven by documented fact.

Still further charges seem hardly to disqualify Judge Kozinski for his post: He apparently sent to two friends, for example, transcripts of a radio editorial linking Kozinski's nemesis, the Government accountability project, to its founder, the Institute for Policy Studies. We are now told that GAP has recently disavowed its IPS roots, but Judge Kozinski did not know that when, upon request, he sent his friends the editorial. Indeed, the Judiciary Committee has heard no evidence as to the nature and extent of GAP's "disassociation" from IPS.

In short, I see no reason for denying a man of Judge Kozinski's qualifications a spot on the ninth circuit bench, and I urge his confirmation.

Mr. LEVIN. Mr. President, I understood there was a pending unanimous-consent request. If it has been adopted, I am happy to yield to my friend from Illinois. If it has not been, I have

no objection to the request of the majority leader. He is not on the floor at the moment to present the request again. Perhaps he should be here before it is entered as a matter of courtesy.

I have no objection to it. Senator METZENBAUM was not aware of that when he was protecting my interest. I have no objection to the unanimous-consent request of the majority leader.

Again I say, if it has been entered, I will yield as much time as necessary to the Senator from Illinois.

Mr. President, are we operating under a time agreement?

The PRESIDING OFFICER (Mr. PRESSLER). We are.

Mr. THURMOND. Mr. President, I ask unanimous consent that I may ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is the Senator requesting the yeas and nays?

Mr. THURMOND. I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that the roll-call on the nomination of Judge Kozinski occur as soon as we have completed our debate. Would that be satisfactory?

Mr. LEVIN. The request of the majority leader was for 2 o'clock tomorrow afternoon, which is what I offered to accommodate. The majority leader is necessarily absent. The original request of Senator DOLE was that it be at 2 o'clock tomorrow afternoon. I have no objection to that.

Mr. THURMOND. The Senator would prefer to hold it over until tomorrow?

Mr. President, then I ask unanimous consent that the vote occur on the nomination of Judge Kozinski at 2 p.m., November 7, 1985, and that there be 10 minutes equally divided between this Senator and Senator LEVIN just prior to the vote.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Is there objection?

The Chair hears none. Without objection, it is so ordered.

Mr. THURMOND. So the vote will be at 2 o'clock tomorrow and there will be 10 minutes equally divided between the distingushed Senator from Michigan and myself prior to the vote.

Mr. LEVIN. Mr. President, I yield 5 minutes to the Senator from Illinois.

Mr. SIMON. I thank the Senator for yielding.

Mr. President, I have to confess this has been a nomination that has bothered me. I was there for the first questioning of Mr. Kozinski. I told him at that time that his nomination before us presented a real dilemma, that he would either become one of the best judges or one of the worst judges to be on the Federal bench, but I was not sure which.

I am still somewhat in that uneasy position. He is bright, no question about that. There is something good about his nomination—that he was born in Romania. It is an all-American story to see a young man like that come into this country and be nominated for the circuit court of appeals. I have no fundamental question about his integrity. I may differ from some of my colleagues on that. The bar association gave him a mixed review of qualified and not qualified—just barely passing.

The real question is whether he is mature enough, whether he has shown the judgment in the past to be a good Federal judge. There our colleague from Michigan [Mr. LEVIN] and his staff have done a great deal of work. I think the evidence is pretty substantial that we would be taking a real risk to name Mr. Kozinski or to approve Mr. Kozinski. My guess is that the votes in this body will be great enough to approve him. I am not going to vote in his behalf.

I think that, if he is approved by this body, he has the obligation, a special obligation, to those who have nominated him in this administration, to those who will vote for him, and to the people of this Nation to bend over backward to show a maturity and balance in judgment that is not always part of the record at this point.

On balance, Mr. President, I think the evidence that has been presented in committee and will be presented before this body shortly by Senator LEVIN is such that I am compelled to vote in the negative on advising and consenting to his nomination.

Mr. President, I thank my colleague from Michigan for yielding.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I ask the distinguished Senator from Michigan to yield me such time as I may need.

Mr. LEVIN. I am happy to yield, Mr. President.

Mr. METZENBAUM. Mr. President, I originally was one of those who did not raise an issue when Judge Kozinski was voted out of committee, but it is only fair to say that some of the matters that have now come out were not known at that time. I stand here this afternoon in opposition to the confirmation of Alex Kozinski to be a judge of the U.S. Court of Appeals for the Ninth Circuit, and I regret the fact that I feel constrained to do so. But the record developed before the Committee on the Judiciary demonstrates beyond a question of doubt that the nominee lacks the temperament and candor necessary to hold this critical office. One might be willing to make allowances for temperament, but no allowances can be made for candor, for being above board, and for telling all the facts, not just some of the facts, in connection with his nomination. The distinguished Senator from Michigan has been the person who has done most in raising the issues concerning Judge Kozinski and who brought to my attention his concerns with respect to Judge Kozinski. Then I, in turn, indicated to the majority leader as well as to the chairman of the Judiciary Committee that I felt an additional hearing was appropriate.

The person who brought the issue to the floor was Senator LEVIN. I know he is prepared to speak at length on the question of our confirming Alex Kozinski.

I shall only focus this afternoon on three incidents which I believe demonstrate the nominee's unfitness to serve.

First and of greatest concern to me as a member of the Committee on the Judiciary is that the nominee misled the committee in responding to objections raised to his confirmation. I want to repeat that, Mr. President, because it is a strong charge and I would not make it if it were not factual: The nominee misled the committee in responding to objections raised to his confirmation.

How did he do that, Mr. President? In a letter to Chairman THURMOND and Senator BIDEN, Judge Kozinski discussed the resignation of the senior career attorney in the Office of Special Counsel during Kozinski's tenure in that office. Mary Eastwood, an able attorney who appeared before our committee, had appealed her forced resignation. But she settled the case on the eve of the hearing. Judge Kozinski told Senators THURMOND and BIDEN that Miss Eastwood had repudiated her charges. His exact language is as follows:

> By repudiating her charges, Miss Eastwood bypassed the opportunity to make her case fully and fairly in open court and, if successful, to permanently get her job back.

I am absolutely shocked. I absolutely could not believe the facts when I learned them. This woman had not repudiated her charges. What she had done is what so often happens in litigation: She had settled her case. Settling your case means that there is some element of merit to it, that there is something to the case. There was enough merit in this woman's case that she was given $20,000 in backpay and $10,000 in attorneys' fees. Yes; they even paid her lawyer in return for her dropping her claim.

Can you believe it, Mr. President? That Judge Kozinski had the audacity and lack of candor to tell Senators THURMOND and BIDEN the whole story? But worse than that, deliberately saying she had repudiated her charges.

That is an untruth. It was not so. She did not repudiate her charges. She settled her case.

The youngest person out of law school knows that there is quite a difference between repudiating your charges and settling your case for $20,000 and the payment of legal fees.

If this were a mistake, Mr. President, or perhaps an overzealous attempt on the part of the nominee to secure his confirmation, this withholding of key facts might be excusable. But this was no mistake here. At last week's hearing, Judge Kozinski totally defended his lack of candor.

He said to the committee that the facts of the Eastwood settlement were already in the public record, so his summary to the committee could leave out half the truth. I do not know where Judge Kozinski learned his standards. I do not know what his ethics are, but I know that any lawyer, any individual, any person worth their salt would have more integrity than to say the facts are already in the public record so he could leave out half the truth. That is the man that we have before us this afternoon for confirmation to the Circuit Court of Appeals of the United States.

I can count. I am not dumb. I know that probably an overwhelming number of Members on the other side are going to vote for Judge Kozinski's confirmation because that is the political thing to do. But the right thing to do is to look at the facts and look at the record and listen to Senator LEVIN when he spells out all of the issues in this matter.

Mr. President, I do not believe that a nominee for a life tenured position on a court second only to the Supreme Court in jurisdiction should be approved with such a minimal level of candor and honesty.

Nor is Judge Kozinski's lack of candor limited to the legislative domain. As chief judge of the claims court, he issued an unprecedented opinion imposing sanctions against attorneys whom he found to have filed a frivolous complaint for judicial misconduct against a fellow judge. There is nothing wrong about imposing sanctions against attorneys who have filed frivolous complaints about judicial misconduct against a judge. That is entirely appropriate. But of key significance is that Judge Kozinski imposed these penalties without any prior notice or hearing. Now that is bad enough; albeit not necessarily a basis on which we should refuse to confirm this nomination. But in order to provide support for this unprecedented decision, what does Judge Kozinski do? This man, who now aspires to be, and in all probability will become, a Circuit Court of Appeals judge, cites a Federal circuit court case, Asberry against U.S. Postal Service. Once again, the nominee deals in half-truths. Asberry did not support Judge Kozinski's order. Asberry upheld the power of the court to impose sanctions against attorney misconduct, but see here. Listen to this. The court specifically reversed the penalties in that case because notice was not given.

That is what Judge Kozinski did. He did not give notice. And he has the audacity to cite that case as authority, when actually the case held exactly the opposite.

As with the Eastwood matter, if Judge Kozinski had admitted his error, it might be excusable. Judges are human. They have a right to misstate, or to misquote, or to misrely upon a particular decision. No judge is infallible. But Judge Kozinski did something different than that. He explained to the Judiciary Committee that he laid out his judgment, the parties were free to appeal, and that is the end of it.

That is the man this Senate may tommorrow afternoon confirm for a position on the Circuit Court of Appeals, the second highest bench in the United States.

He suggests that they can appeal. The Supreme Court only reviews 5 percent of the cases brought to them for decision. He knows that. He is smart. He is not dumb. We cannot rely on further appellate review to shield parties from the errors of a judge who has no explanation for misreading precedent.

Now, the final matter brought out in the hearing which I believe warrants a no vote concerns unfair, unjudicial and, yes, un-American guilt by association remiscent of the sad past of the McCarthy era, otherwise known as Red baiting. Kozinski was the subject of a radio editorial in Boston. That editorial was delivered by the husband of a person in Kozinski's employ. The editorial praises the nominee—no fault to find with that—but then goes on to blast the Government Accountability Project. Now, the Government Accountability Project opposes Judge Kozinski's confirmation, but in the editorial blast they indicate that the Government Accountability Project is sponsored by a revolutionary group with ties to Palestinian terrorists. The editorial worries that Kozinski's nomination may be sabotaged by "those who support terrorism and anti-Semitism," the latter a reference to the fact that Judge Kozinski happens to be Jewish.

Now, Judge Kozinski has no basis whatsoever for believing that GAP, the Government Accountability Project, in any way supports terrorism and anti-Semitism. That did not bother him in sending out the editorial. The Government Accountability Project is an independent group praised by Good Housekeeping magazine, among others, as defenders of whistleblowers.

Now, what does the nominee do about that editorial? Does he shrink from that support, written by a man who is the husband of one of his employees? No. He likes it so much he sends it out to a personal friend who is very active in Democratic Party politics, to give the friend an idea of who his opposition is.

In my opinion, Judge Kozinski's engaging in this kind of activity shows an unacceptable lack of sensitivity for the problems caused by guilt by association.

The issue is not Judge Kozinski's general philosophy, his policial views, or even his conduct as special counsel who perhaps let whistleblowers down when he was supposed to be their voice. Rather, the issue is whether a nominee should be confirmed to the Circuit Court of Appeals when doubt exists about his candor, about his temperment in endorsing contemptible guilt-by-association tactics. I believe his nomination should be rejected.

Mr. President, this body has the privilege under the U.S. Constitution to advise and consent. Sometimes I think we take our responsibilities very lightly. Sometimes we think that unless we can find that the nominee of the President is guilty of some heinous crime we ought to confirm him, that the President ought to have his appointees.

Generally speaking, I think there is some merit to the President having the right to name those whom he would choose as Cabinet appointees or as judicial appointees. But I believe that those who wrote the Constitution had in mind that we in the Senate would take our responsibilities seriously and that we would look at the facts and then we would decide whether we should consent, whether or not we should go along and approve the President's appointment.

The facts in this case, in my opinion, do not warrant our confirming the nomination of Judge Kozinski. I believe that if we do, we will err in our ways.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HECHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. HATCH. Mr. President, I yield 2 minutes to the distinguished Senator from Nevada.

Mr. HECHT. Mr. President, I know Judge Alex Kozinski well and have worked closely with him on community activities over the past year.

Not only is he held in high regard in the Jewish community, but also he is considered one of the finest legal minds on the bench today. Of equal importance, Judge Kozinski is a genuinely fine and decent man. He is warm and forthright and has a delightful sense of humor. His commitment to excellence carries over to everything he does. No one questions the sharpness of his mind or the dedication, energy, and devotion he brings to his judicial tasks.

We have heard some accusations which, to my mind, are largely without substance or significance, that a number of years ago the judge handled some administrative tasks without using sufficient tact. He refused to sugar-coat reprimands to subordinates who failed to do their work with the degree of professionalism Judge Kozinski required.

From what I have heard of the testimony before the Senate Judiciary Committee last week, these allegations that he was difficult to work for were resoundingly contradicted by a number of his former employees. But more importantly, they are largely besides the point.

Of my own personal knowlege, I can say that Judge Kozinski is a good man. In my judgment, he is going to be a superlative circuit court judge because he is an uncompromisingly fair man as well as a brilliant one. Letters and testimonials from numerous judges and attorneys and law school professors and bar associations, as well as his own record on the bench and as an attorney, all attest to this fact. I urge the Members of the Senate to join me in supporting a great judge and a great American. We should now get on with the job of confirming President Reagan's wise choice of Judge Alex Kozinski to the ninth circuit court of appeals.

Mr. HATCH. Mr. President, I understand that the distinguished Senator from Michigan is willing to allow me 10 minutes of his time, but he is not in the Chamber at this time.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. If it turns out otherwise, we will work out the time.

I ask unanimous consent that I have 10 minutes of the time allotted to the Senator from Michigan.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, today the Senate is considering the confirmation of the nomination of Alex Kozinski, currently chief judge of the U.S. Claims Court, to the U.S. Court of Appeals for the Ninth Circuit. As a member of the Judiciary Committee who has had occasion to thoroughly review Judge Kozinski's achievements, I can endorse without reservation his appointment to the Court of Appeals for the Ninth Circuit.

At only 35 years of age, he has been widely acclaimed for his well-reasoned decisions and the exceptional caliber of his legal scholarship. The New York Times has already spoken of him as a possible Supreme Court nominee. Moreover, Alex Kozinski's achievements are something this entire Nation can point to with pride.

Since its founding, our country has taken great and justifiable satisfaction in the principle that an individual's achievement does not depend on being born to wealth or power. Ability, perseverance, and hard work are supposed to be the key to success in America. There are those who challenge that supposition, but in my opinion, the phenomenal success of Alex Kozinski demonstrates that the idea still is alive in our society.

Born in Communist Rumania, Alex Kozinski came to this country as a child of 12. His parents, survivors of the Holocaust, arrived here penniless. At first, the family was supported by the generosity of concerned Jewish-Americans who wanted to help the new immigrants get a decent start. In the time-honored tradition of hundreds of thousands of Americans who came here with little but their hope of making a better life for themselves and their families, the Kozinskis entered American life on the lower rungs of the economic ladder. Told that his job was to learn, Alex applied himself to his studies and achieved an impressive scholastic record, graduating first in his class from UCLA Law School. He went on to clerk for Judge Kennedy of the ninth circuit and Warren Burger, Chief Justice of the United States. After a number of years in private practice and government service, President Reagan chose him to be the first chief judge of the new U.S. Claims Court. He served in that capacity for 3 years and received glowing reports from all quarters.

For example, Judge Harry Wood, who served as trial judge with the old Court of Claims since 1952, wrote that at first he was uncertain whether so young a man was really qualified to serve as chief judge of the U.S. Claims Court. However, after working with Judge Kozinski, he had this to say:

My doubts were totally unfounded. As a judge, administrator, and man, he rates very high in my book.

Judge Kozinski is possessed of high intellect, and is an outstanding legal scholar. He analyzes legal problems carefully and thoroughly, thinks them through, and resolves them with opinions which are models of clarity, precision and style. He is most diligent in the performance of his judicial duties.

His personal characteristics are also impressive. He is tactful in his dealings with bench and bar and with the employees of the court, and considerate of the opinions, values and feelings of others. He is scrupulously fair and he has shown me that he is patient and judicious. He has worked hard, and with imagination, to promote and enhance morale and unity at the court, and he has done an outstanding job in this area as well. He is a fine leader and human being.

Finally, his technological and organizational knowledge and skills . . . have been of incalculable value to the court and its judges in the discharge of their duties. Without . . . the procedures he has instituted, the Claims Court would not have accomplished nearly as much as it has. . . .

Throughout his entire service at this court, Judge Kozinski has, to my certain knowledge, displayed to those appearing before him as litigants or counsel, to the public and the bar generally, and especially to his colleagues, unfailing courtesy, patience and tact; tolerance of the differing views of others; a willingness to listen and to be persuaded by sound reasoning; high intellect; legal acumen; great energy; and above all, integrity. He has been fair, understanding, and judicious, even under circumstances where being so must have been hard; and he has shown me that he has a deep and abiding love and respect for the law.

It is a pleasure and a privilege to commend to you, your committee, and the Senate, without any hesitation, qualification, or equivocation whatsoever, Chief Judge Alex Kozinski.

In the same vein, Claims Court Judge Christine Cook Nettesheim also wrote supporting Chief Judge Kozinski's nomination, She said:

I thought it would be useful to share the perspective of the Chief Judge's colleagues on the United States Claims Court on his suitability for higher judicial office.

The Chief Judge's contribution to the court has been a rare combination of administrative and judicial skills, not the least of which is his abiding diplomacy. He has boundless enthusiasm for judicial endeavors. The United States Court of Claims was a sluggish institution burdened by a two-tier system of adjudication. Within two years under the Chief Judge's stewardship, the Claims Court has broken away from its former mold.

It is no overstatement to say that Chief Judge Kozinski's ability, temperament, and maturity won over the sitting judges when he came to the court in August 1982. I do not think that I am out of place in suggesting that you would receive the same assessment of Chief Judge Kozinski's suitability as a federal appellate judge should you speak with other judges of this court.

Judge Lawrence Margolis wrote that:

Chief Judge Kozinski has a keen intellect and voracious appetite for work. No one on the Court has worked as long and as hard as he has. He has carried a full caseload in addition to his numerous Chief Judge responsibilities.

Judge John Wiese had this to say:

Alex Kozinski was appointed as the first Chief Judge of the United States Claims Court in October 1982. The task he was charged with was not an easy one to fulfill: to honor the Congressional mandate of the

Federal Courts Improvement Act of 1982 by fashioning the newly-created Claims Court into a first-class judicial institution. There were formidable difficulties standing in the way of the realization of that goal. Confronting the new court were many problems: an inherited backlog of over 1,700 cases, the uncertain burden of coping with an expanded Tucker Act jurisdiction, a significant reduction in overall staffing, and, indeed, even the inefficiencies of a physical plant in drastic need of improvement.

Judge Kozinski met these problems head-on. New rules of practice were written, new procedures were adopted, improvements in plant and equipment were introduced that would allow the judges and their staff to meet the burdens of a large increase in workload and, finally, and most importantly, a note of inspiration was sounded. By personal example Chief Judge Kozinski showed that the court could manage its docket with efficiency and fairness: he performed the administrative duties of his office while concurrently maintaining a full trial docket and achieving one of the highest case disposition rates.

. . . Having observed other judicial administrations in office, I am fully convinced that, but for Chief Judge Kozinski's 'can do' philosophy, the Claims Court today would be confronting a growing backlog of cases rather than a diminishing one.

I do not mean to extol only Chief Judge Kozinski's administrative talents. Indeed, were that his forte alone, I would not consider it appropriate to urge his confirmation, for clearly the Federal Judiciary needs more than just administrative excellence among those who make up its ranks. Rather, what does persuade me to speak now is that Alex Kozinski offers that unique combination of a truly superb intellect tied to an unbending commitment to excellence. He is—if I may put it this way—a legal scholar of the first order with the dedication to task of a champion. Beyond any doubt, room should be made for him in the Federal appellate judiciary for his contribution to our legal system shall be both qualitatively and quantitatively great. Few will equal him.

These are pretty high phrases from judges who sat on the bench with him over the past 3 years, and I could get others.

Chief Judge Kozinski's performance at the Claims Court bears out these testimonials. Although a newcomer to the court and considerably younger than all of his associate judges, he was able to exert forceful leadership without sacrificing the esteem of his colleagues, as the numerous letters written by Claims Court judges show. His intelligent guidance set a wise course for the new court during its formative first years, and he is responsible for establishing it as one of the finest trial courts in the Nation. In fact, given the scope of the Claims Court's national jurisdiction and the difficulties involved in revamping it to bring the court into the 20th century, Judge Kozinski has to be credited with a superlative feat of judicial administration.

His performance on the bench was no less outstanding. A number of his opinions were ground breaking and already are being widely cited. Chief Justice Burger, in his yearend report of 1984, singled out Chief Judge Kozinski to commend a particularly notable recent decision.

Attorneys who are familar with Judge Kozinski's work have been uniformly impressed with his ability. Brice Clagett, a partner at Covington & Burling, wrote that:

He had occasion to give careful study to a number of Judge Kozinski's opinions * * * I can say without qualification that these opinions are of exceptionally high quality. Judge Kozinski is extremely thorough; he has an excellent grasp of the issues, and his analysis is superior. It is clear to me that he is one of the more powerful minds on the federal bench today.

Sheldon Cohen, an attorney with the law firm of Lewis & Bockius and a member of the board of directors of Common Cause, has this to say:

I have had the privilege of litigating a case before Judge Kozinski and found him to be extremely able. It was a pleasure to be in his court. He was well up to speed on all of the issues and had read and studied all of the pleadings in the case. He tried to move the case rapidly—but without undue pressure. My partner, Roger Pies, and I truly enjoyed working with a judge who was interested in the resolution of a controversy.

The last attorney I will cite is Daniel Gribbon, a senior partner at Covington & Burling, who has known Alex Kozinski for many years. Mr. Gribbon offered the following comments to the committee:

Following his clerkship with Chief Justice Burger and a brief period of practice on the West Coast, Judge Kozinski (then Mr. Kozinski) came to work for [Covington & Burling]. During much of the time he was with us he worked directly for me. In addition, I am quite familiar with the work he did for various of my partners.

* * * Almost from the beginning he was given responsibility for important work. In every instance he performed superbly. There can be no genuine question as to his legal qualifications.

From what I have observed of Judge Kozinski's performance on the U.S. Claims Court he has performed the duties of that important office with great distinction.

In short, the qualities of excellence that Judge Kozinski has shown as a student, as a law clerk on the Supreme Court, as a practicing lawyer and as Chief Judge of a busy and important federal court are ample evidence that he would fill with distinction the high position to which he has been appointed by the President.

Despite these and numerous other impressive testaments to his obvious qualifications, Judge Kozinski's career was subjected to exhaustive investigation by the Judiciary Committee, and a public hearing was held. His record was examined by the FBI, the ABA, and the Members of the Senate. It was given the careful scrutiny that is appropriate for those who would hold positions of responsibility in our society. No aspect of his public life remains unexamined. Objections to Judge Kozinski's appointment were fully aired before the members of the committee and the Senate. Those objections were found to be entirely without merit. They were pushed by a small group whose broader designs, I have noticed, have not gone unremarked in the press. I refer to a coalition whose avowed intent is to delay President Reagan's judicial appointments by whatever means they can contrive. There were some objections raised about his performance a number of years ago as special counsel. Testimony before the Senate Judiciary Committee revealed that of the approximately 3,000 cases handled by Alex Kozinski in his capacity as special counsel, there was not a single substantiated instance of mishandling or improper judgment. Every allegation was probed and refuted point by point. Our examination produced a complete and final validation of Judge Kozinski's superior qualifications for holding high judicial office, and for the confidence President Reagan and the Senate have reposed in him.

I would like to close with a reference to a perceptive comment that Senator SIMON made at Judge Kozinski's Judiciary Committee hearings. Senator SIMON said that he liked the idea of appointing a genuine legal scholar to the ninth circuit. I want to elaborate on this remark. I am convinced that Judge Kozinski's written opinions show the quality of legal scholarship that those of us on the Judiciary Committee, who are charged with maintaining the quality of the Federal judiciary, are most excited to see in people appointed to the bench.

I would add that he has won the enthusiastic backing of those of us on the Senate Judiciary Committee who have had the opportunity to get to know him. It is particularly appropriate that a man whose experience, quality, temperament, and integrity make him such an outstanding judge, who has accomplished so much in so short a time, should have passed the exhaustive review undertaken by the FBI, ABA, and this body over nearly 10 months of inquiry and scrutiny, and emerged as he has with flying colors.

Mr. President, let me just conclude my remarks at this particular point in the record by saying that I know this man. He is a brilliant legal scholar, a person with prodigious energy and ability who I think has respect and kindness for all people, even though there have been some criticisms of his criticisms of colleagues while he was at the Merit System Protection Board. I would question anyone and ask anyone to look at the criticisms that he did give and show me where they were wrong, even though you might disagree with some of the value judgment parts of it.

I think, having practiced law, having brought along a number of law clerks, a number of young lawyers, and having, myself, been very critical of their workmanship and their product,

I understand what he was doing. I cared enough for those young people to make sure that they had the best I could give, even though at times it was very hurtful to them to be criticized.

I have to admit that Alex Kozinski is a perfectionist. He does a terrific job. He has a great, keen intellect. He is a wonderful writer. He knows the English language as well, if not better than anyone I have met in the field of law.

I just have to say that he may have been a little too critical of some of his colleagues from time to time but I think that is to be commended.

We need perfectionists on the bench. We need people who know what they are doing.

Mr. SYMMS. Mr. President, will the Senator yield for a comment?

Mr. HATCH. My time is almost up. I yield for a comment.

Mr. SYMMS. I thank the Senator for yielding.

Mr. President, I compliment the Senator from Utah for his remarks. I listened to them.

I would only like to say that I have met Alex Kozinski through some mutual friends of mine. Mrs. Laura Nelson brought him to my office. I had an opportunity to meet him, to visit with him, to talk with him about the way he feels about this country, his appreciation for the law, his scholarly ability.

I agree with the Senator from Utah. Coming from the part of the country where he will be on the circuit I, as one Senator, am very happy to have him appointed and I am pleased that he will be on the circuit and I hope he will be confirmed by our colleagues here this afternoon.

The PRESIDING OFFICER. The Senator's time has expired.

Does the Senator from Michigan yield time?

Mr. SYMMS. Mr. President, I apologize. I did not know we were on controlled time.

Mr. LEVIN. I yield time.

Mr. HATCH. Mr. President, I thank my colleague from Michigan. I know he feels otherwise on this nomination. I respect his sincerity.

I do believe that all the questions he will raise here in the next hour or so were answered in the Judiciary Committee hearings. I do have respect for him and I will try to listen to what he has to say, even though I have to leave the Chamber temporarily. Hopefully, I can chat about some of those comments when I come back.

I thank my colleague for extending me this time.

Mr. LEVIN. Mr. President, I yield myself 60 minutes.

First, let me thank my friend from Utah. He has my mutual respect as he knows.

Mr. President, I oppose the nomination of Alex Kozinski to the Ninth Circuit Court of Appeals. I have analyzed his record and come to the conclusion that he is not qualified to serve as a Federal appellate judge. I will be discussing my reasons at some length in a few moments, but I want to preface the substantive discussion of Judge Kozinski's qualifications with a few comments.

First, I take no pleasure or satisfaction in opposing Alex Kozinski. When we participate in the "advise and consent" process established by the Constitution, we deal directly with individual human lives, and we, as a body or as individual members should act with great care.

But it is this very "advise and consent" responsibility that leads me to my second point. We do have an important, constitutionally established responsibility to participate actively in the selection of appointees to the Federal bench. The Constitution does not say "go along"—it says "advise and consent"—those are active words, requiring an active participation in the process by Senate Members. I am concerned that our view of our role in this process has been narrowed over the years, so that our standards for arriving at a decision have been minimized. It has been suggested that it requires, today, actual criminality or serious unethical conduct, explicity proved, in order to deny the Senate's consent. If that is in fact the case, then we urgently need to revisit those standards and reevaluate our role in this process. Our standards should be higher than that. It is our responsibility to ensure that truly qualified individuals serve on the Federal bench. I do not need to remind my colleagues that these are lifetime appointments with removal only by impeachment, and the power of these individuals over the document most sacred to our form of government and way of life—the Constitution—and the statutes and executive actions that flow therefrom—is enormous.

This brings me to my third point. I believe Judge Kozinski is a very intelligent—probably exceptionally so—academically superior, hard-working person. He has always, he said, wanted to be a Federal judge. He was born in 1950 which makes him perhaps the youngest person who would ever serve as a Federal appellate judge. He graduated cum laude from UCLA in 1972, was first in his class at UCLA law school, graduating in 1975. While at UCLA he served as the managing editor of the Law Review. He clerked for Judge Anthony Kennedy of the Ninth Circuit Court of Appeals and for Chief Justice Warren Burger of the U.S. Supreme Court. No one can argue that he is lacking academic excellence and achievement.

But there are a number of important qualifications required of a good judge—intellectual ability and academic training are important, of course. But judicial temperament is an equally important consideration, and this is where Judge Kozinski comes up unacceptably short. That is a matter I will discuss in a moment, but let me interject one more thought first.

The American Bar Association assesses the qualifications of nominees to Federal judgeships and places them in one of four categories—"exceptionally well qualified," "well qualified," "qualified," and "not qualified." Not one member of the ABA's Standing Committee on the Federal Judiciary rated Judge Kozinski as "exceptionally well qualified." Not one member of the committee rated Judge Kozinski as "well qualified." A majority of the committee rated Judge Kozinski as only "qualified" and a minority rated him as "not qualified." According to the ABA, the three factors it considers in assessing the qualifications of a judicial nominee are: Competence, integrity, and judicial temperament.

This minimal level of approval by the ABA makes a thorough review of Judge Kozinski's qualifications all the more compelling, and I turn to those issues now.

I oppose the nomination of Alex Kozinski because he lacks the consistent judicial temperament required for the position. The testimony, affidavits, and correspondence that has been exchanged among Senators THURMOND, BIDEN, and myself and Judge Kozinski, show that:

First, Alex Kozinski has misled the Senate;

Second, Alex Kozinski is at times intemperate, prone to anger, and lacking in compassion and sensitivity;

Third, Alex Kozinski has on occasion engaged in erratic behavior; and

Fourth, Alex Kozinski has unfairly attacked an organization that has opposed his nomination because of his treatment of Federal employees and utilized, by the way, official claims court stationery in the process. The affidavits I refer to were submitted to me and members of the Senate Judiciary Committee by six former employees of Judge Kozinski at the Office of Special Counsel [OSC] of the Merit Systems Protection Board [MSPB]. Judge Kozinski served as Special Counsel for a little over 1 year, from June 1981, to August 1982.

According to a GAO report on the OSC and the MSPB:

> OSC, headed by a presidentially appointed Special Counsel, is an independent office which shares with MSPB the responsibility of insuring that personnel practices in the Federal Government are consistent with merit system principles . . . OSC is headquartered in Washington, D.C. and has field offices in six locations. As of February 1983, OSC had a staff of 95.
>
> The Special Counsel is required to receive and investigate allegations or initiate, in the absence of an allegation, investigations of:

prohibited personnel practices, including reprisals against "whistleblowers" (Federal employees who report improper or illegal Government activities);

activities prohibited by other civil service laws, rules, or regulations;

arbitrary or capricious withholding of information under the Freedom of Information Act; and

prohibited political activity by Federal employees and certain State and local government employees.

The Special Counsel forwards allegations of mismanagement, gross waste of funds, and abuse of authority . . . to the head of the agency involved. The agency head reports to OSC on actions taken.

The Special Counsel may request MSPB to order a stay (a temporary halt) of any personnel action if there are reasonable grounds to believe that the personnel action was taken, or is to be taken, as a result of a prohibited personnel practice. MSPB can order the withholding of pay from employees who knowingly and willfully refuse or fail to comply with an MSPB order. Disciplinary action can also be taken against employees who have engaged in prohibited personnel practices. Also, the Special Counsel may request MSPB to order an agency to take appropriate corrective action whenever the agency does not take action recommended by the Special Counsel.

The former OSC employees who prepared affidavits are:

Mary Eastwood, an attorney who served for 18 years in the Office of Legal Counsel of the Justice Department, served as Acting Special Counsel from January 1980 to June 1981, when Judge Kozinski assumed his post, and remained closely involved with the operations of the Office of Special Counsel and Judge Kozinski for at least the first half of his tenure there.

Jesse James, Jr., an attorney who worked in the Office of Special Counsel in November 1979, and served as assistant special counsel for prosecution from approximately June 1980, until he left in January 1982, during which time he served under and worked closely with Judge Kozinski.

Laura Chin, the public information specialist for the Office of Special Counsel from June 1980, until September 1981, including the first 4 months of Judge Kozinski's term.

Horace Clark, an attorney at the Office of Special Counsel from May 1981, through September 1984, and currently employed as an attorney at the Department of the Interior.

John Hollingsworth, former director of administration and programs for the Office of Special Counsel where he was employed from September 2, 1979, until December 11, 1982.

Beth Don, an attorney who served in the Office of Special Counsel from 1980 to 1982 as a GS-15.

Mr. President, I understand that the squawkboxes are not working and that they are playing music instead of my melodious voice.

I ask unanimous consent that I may suggest the absence of a quorum and that the time for that quorum not be charged to either side, to give the engineers an opportunity to fix our squawkboxes.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

JUDGE KOZINSKI HAS MISLED THE SENATE

Mr. LEVIN. Mr. President, let me turn to my first of the four points I mentioned earlier—that Alex Kozinski has misled the Senate.

First, in Judge Kozinski's testimony before the Senate Judiciary Committee, he gave the following description of his working relationship with his OSC staff:

Well, Mr. Chairman, I believe that during my tenure, I had a very fine working relationship with most of the employees in the Agency . . . Now there were problem employees and I believe that we solved those problems and for the most part, I believe that I had an excellent working relationship with my staff.

The affidavits of the former employees tell a very different story. Ms. Eastwood had this to say:

As a result of Mr. Kozinski's harsh and demeaning treatment of OSC staff, many professional employees sought employment elsewhere. Six of the most senior attorneys (Grade 14 and above) in the Central Office resigned or retired during Kozinski's first year in office . . . Eight of the 15 investigators in the Central Office resigned, transferred or retired.

She added:

My observation was that despite his personal charm, Mr. Kozinski has an extremely poor working relationship with most of the OSC staff, especially those in the Central Office with whom he had more frequent, direct contact. His style as a manager was oppressive. His harsh and insulting treatment of OSC employees was unnecessary and destructive.

Mr. James made a similar assertion:

In spite of Mr. Kozinski's statements to the contrary during his confirmation hearing, staff morale was at an all-time low. Resignations from the office were higher than they had ever been and they were linked closely to the employee abuses made by Mr. Kozinski or under his direction.

And Ms. Chin had this to say:

Overall, the effect of Mr. Kozinski's behavior was to devastate the morale of the OSC staff and to cause severe depression among the individual employees.

Yet Judge Kozinski testified that his working relationship with the staff was "excellent," to use his words.

In a second example of misleading the Judiciary Committee, Judge Kozinski stated:

While I was Special Counsel, I initiated a program of monitoring Merit Systems Protection Board appeals for possible intervention by the Special Counsel's office.

Ms. Eastwood, however, states that during her 17-month term as acting special counsel, prior to Judge Kozinski's arrival, OSC intervened in 20 employee appeals pending before the MSPB, while OSC intervened in only three under Judge Kozinski, and that is proof that an intervenor program was already in place at the time Judge Kozinski arrived at OSC.

Mr. Clark also states that Judge Kozinski's statement on this subject is inaccurate. In his affidavit he stated:

Mr. Kozinski also testified that he "initiated" a program to monitor MSPB appeals for possible intervention by the Special Counsel. He added that this step was taken "to make sure that if intervention by the Special Counsel was required, that we would be there to serve." Those statements were inaccurate on two grounds. First, this had been done by his predecessor Ms. Eastwood. Second, we did not follow through to actually conduct the interventions, even when we again had "good" cases. An example from my own experience is enclosed as Exhibit 6. In this decision, *Lacy B. Ward and Renea A. Webb v. U.S. Consumer Product Safety Commission*, the MSPB Presiding Official clearly erred by holding that the requirement that job references must be based on personal knowledge only applied to references from Members of Congress. The holding flatly contradicted the legislative history and would have created a huge loophole, by exempting all members of the Executive branch from one of the prohibited personnel practices. 5 U.S.C. 2302(b)(2). On May 17, 1982 I submitted my analysis on the holding to Collins. I never heard anything more about the case, in which the Special Counsel did not intervene.

Judge Kozinski has failed to respond to these charges, either in his lengthy letter to Senators THURMOND and BIDEN or at the second hearing called by the Judiciary Committee.

A third example of misleading the Judiciary Committee is Judge Kozinski's statement on the extent to which OSC under Judge Kozinski's leadership pursued sexual harassment cases. Judge Kozinski stated the following at his nomination hearing:

We engaged in a new policy of combating sexual harassment in the workplace. On January 22, 1982, I circulated a memo to all investigators stating that sexual harassment was a very serious problem in the workplace, and it is one that we took incredibly seriously in the central office of the Special Counsel and requesting that no cases making allegations for sexual harassment be closed, unless and until special approval was received by the Assistant Special Counsel for investigation or by somebody designated within. We wanted to make sure there were no sexual harassment cases that somehow fell through the cracks and not being handled by our staff. That was in a November or January 22, 1982, memorandum.

The affidavit of Beth Don, by describing in detail the history of an "excellent" case for prosecution, refutes by specific example this statement by Judge Kozinski. I will read the entire affidavit at this time, because it is such a clear and succinct description

of Judge Kozinski's handling of this sexual harassment issue.

Here is what Beth Don says in her affidavit:

I served as a GS-15 attorney in the Office of the Special Counsel during 1980 to 1982.

While I was serving at the Office, in 1980 or 1981, a female federal employee filed a complaint of sexual harassment against her male supervisor.

After normal review, an indepth investigation of the complaint was undertaken by one of the Office's most experienced and highly thought of investigators.

The investigator interviewed dozens of people and obtained a large number of affidavits. It was the investigator's opinion that the complainant had been sexually harrassed by her supervisor.

At the point in time when the investigator became convinced that the sexual harrassment alleged had in fact occurred, the Acting Special Counsel decided to pair the investigator with an attorney since it seemed probable that the Office would file an action with the Merit Systems Protection Board (MSPB) to remedy the employee's complaint. The Acting Special Counsel believed that by teaming an attorney with the investigator the Office would achieve a very thorough investigation and a fully supportable complaint to initiate the action at the MSPB.

In the Spring of 1981, I was the attorney assigned to work with the investigator on this sexual harassment case. My review of it at the point I entered the case concurred with the views of my supervisor, the investigator and the Acting Special Counsel: The case was an excellent one to prosecute. The investigator had documentary evidence and affidavits and had discovered a pattern and practice of prior behavior on the part of the supervisor. Together we worked to fine tune the case and draft the complaint.

The investigator's second-line supervisor however made it very clear that he had no use for sexual harassment cases, and that the standard to be applied was that of "the virtuous woman." The second-line supervisor also admitted to me in the context of this case that he was a "male chauvinist."

As it became known in the Office that the Prosecution division was getting ready to file an litigate this case at the MSPB, the newly confirmed Special Counsel, Alex Kozinski, interjected himself into the decisions-making process.

While Mr. Kozinski professed to have a strong commitment to prosecute persons accused of sexual harassment, his actions were the direct opposite. First, he propounded a set of 46 questions to the investigator. To the best of my recollection, the questions served no useful purpose in terms of either strengthening an already strong case or pointing out areas of possible weakness. They served only to usurp hours and hours of the investigator's time, both professional and private. In the end, the questions were never all answered because she was ordered to stop work on the case by her second-line supervisor.

At the meeting held by Mr. Kozinski which was to decide the fate of the case, every attorney present and the investigator strongly supported the investigation and spoke of the exceptional strength of the case for prosecution purposes. The only opposition to going forward was expressed by the investigator's second-line supervisor, a non-lawyer. Mr. Kozinski then bypassed my recommendation as the attorney in charge of the case and also ignored the advice of both my supervisor and the former Acting Special Counsel. Instead, he delegated the decision-making authority not to the Prosecution division which would have been the normal and logical procedure, but told the investigator's second-line supervisor that the decision was his to make.

Every person in attendance at that meeting, and later nearly all, if not all the investigators and attorneys, knew that Mr. Kozinski's delegation amounted to his killing this sexual harassment case without personally having his name connected to the deed.

In recent conversations with the investigator and the complainant (to both of whom I have promised confidentiality), I have been told that (a) the case was "settled," and (b) the person complained of still works in the same agency and same building as the complainant; she is forced to pass him in the hallways; and she is terribly bothered that no action was taken against him as a result of her complaint.

Mr. Kozinski's decision not to prosecute in this instance was not just a decision involving one case but was rather seen in the Office as a statement of his view on sexual harassment cases in general—i.e., that he would not prosecute them in response to employees' complaints while he was Special Counsel. This decision made clear to the Office staff that if this case was closed without action, indeed no federal employee's sexual harassment case would ever stand a snowball's chance of being prosecuted by Special Counsel Kozinski.

I have read relevant portions of Alex Kozinski's testimony before the Senate Judiciary Committee regarding his efforts to combat sexual harassment in the federal work place. Any memo issued in May 1982 came, not shortly after Mr. Kozinski's confirmation as Special Counsel but rather more than halfway through the time he served in that office and nine months after the decision to close the case discussed above was made.

To my knowledge, the Office filed no sexual harassment cases for corrective or disciplinary action with the MSPB while Mr. Kozinski served as Special Counsel.

How could Judge Kozinski in good conscience state that he "wanted to make sure there were no sexual harassment cases that somehow fell through the cracks," in light of Ms. Don's affidavit? Again, Judge Kozinski leaves the question begging for a response, for he has failed to address these allegations either in his letter to Senators THURMOND and BIDEN or at the second hearing on his nomination.

A fourth example of misleading the Judiciary Committee is the following, in a comment on his commitment and actions to uphold the responsibilities of the OSC:

I can only represent to you that we brought every case that we had. I did not want to bring bad cases. I did not want to bring cases that would be burdensome to the employee the agency, and would make bad law. Every case that I thought could be brought, was brought. No one has suggested different.

No one has suggested differently? How misleading that representation to the committee is. It's certainly not true that no one has suggested differently. The affidavits which I have discussed here suggest exactly that—that Judge Kozinski failed to bring strong cases that otherwise should have been brought. I refer my colleagues back to the sexual harassment case discussed by Ms. Don in her affidavit and to a case described by Jesse James in his affidavit involving a mine safety expert. The name of that case was Spadero. Essentially, in this case, Mr. James alleges that Judge Kozinski attempted to counsel the agency to provide a lawful explanation for the firing of a mine safety expert who had talked with the press about his actions to protect the safety of miners. According to Mr. James' affidavit, what appeared to be a strong case of a realiatory-type firing for contact with the press was never prosecuted. And what about the 1982 press conference held by Congresswoman PAT SCHROEDER?

Congressman SCHROEDER wrote Chairman THURMOND on September 5, 1985, about a press conference that she held in 1982 complaining about Judge Kozinski's failure to bring cases.

Has she not suggested otherwise, or does she not count?

Here is what she wrote to the chairman of the Judiciary Committee:

The fact that the Office of Special Counsel under the leadership of Mr. Kozinski had failed to utilize its statutory powers together with the enormous number of complaints which I received from employees who tried to make use of the office convinced me to introduce legislation to abolish the Office of Special Counsel.

The data provided by Mr. Kozinski indicated that no legitimate whistle-blowers existed in the Federal Government. If this was the case, I reasoned, we ought to write off the Office as an expensive mistake.

In fact, I believe that there are legitimate whistle-blowers in the Federal Government. My experience as chairwoman of the House Subcommittee on Civil Service has convinced me that a substantial number of prohibited personnel practices are committed each week in the Government.

I have witnessed separations and reassignments of employees because their supervisors believed they blew the whistle or could not be trusted due to their work for the previous administration. As a result, I joined in the May 17, 1982 press conference with the American Federation of Government Employees, the Fund for Constitution Government, and the Government Accountability Project.

The data provided by Judge Kozinski was the basis for my disappointment with the Office of Special Counsel.

Has no one suggested otherwise? Has no one suggested he did not bring cases which could have been brought? I am not arguing that he should have brought a particular case.

I am arguing he was not fair and square with the Senate when he said no one ever suggested otherwise when PAT SCHROEDER surely suggested otherwise.

In addition to his misleading testimony and responses to written questions, Judge Kozinski has misled the committee in his response to my letter

to Senators THURMOND and BIDEN in which I discussed various aspects of his record. His discussion of numerous issues colors the truth and ends up painting quite a different picture from what really happened. Let me give you some significant examples.

In Judge Kozinski's letter of October 17, 1985, to Senators THURMOND and BIDEN, he discusses the settlement in Mary Eastwood's termination case. Ms. Eastwood was terminated by Judge Kozinski on May 3, 1982, for failure to accept a directed reassignment to the San Francisco office. Judge Kozinski had asked her to head the San Francisco regional office. Ms. Eastwood filed a complaint claiming that the termination violated the law because termination was based on political considerations as well as the views she expressed in the office. Judge Kozinski points out that the statements made by Ms. Eastwood in her affidavit are not new, and he notes that her appeal of her termination was publicized in 1982. He goes on to say, and I am quoting now from his letter:

In September 1982, on the eve of trial, Ms. Eastwood dropped her appeal and "abjure[d] her allegations that the Office of the Special Counsel, the Special Counsel or any employee of the Office of the Special Counsel engaged in any wrongdoing . . ." By repudiating her charges, Ms. Eastwood bypassed the opportunity to make her case fully and fairly in open court and, if successful, to permanently get her job back.

The facts of Ms. Eastwood's case are simple. When a vacancy occurred, I placed her in charge of our largest regional office in San Francisco, by any measure hardly a hardship assignment. In light of Ms. Eastwood's experience and familiarity with the office, I felt strongly that she could help bring our largest and most distant regional office closer to Washington. . . . For reasons never fully explained, Ms. Eastwood chose not to go to San Francisco, abandoning the responsibilities entrusted to her.

How is that for some allegation? Ms. Eastwood dropped her appeal, Judge Kozinski said, "dropped her appeal." She repudiated her charges, he says, for reasons never fully explained choosing not to go to San Francisco and abandoning the responsibilities entrusted to her.

Judge Kozinski then attached a copy of what appears to be the settlement agreement. Judge Kozinski is implying, to the average person reading this letter, that Ms. Eastwood lost her case. He says she dropped her appeal, repudiated her charges and bypassed the opportunity to be successful. The clear representation relative to the disposition of the matter is that Ms. Eastwood lost—she did not have the evidence necessary to succeed in her case.

At the Friday, November 1 hearing, I questioned Judge Kozinski on this subject and his answers only confirmed my earlier suspicions. Let me just read from the exchange since it speaks for itself:

Senator LEVIN. Judge Kozinski, you said that you have no quarrel with the statement in my letter to Senator THURMOND in which I indicated that Ms. Eastwood prevailed in her appeal. You said two or three times today that you have no quarrel at all with that statement.

Yet in your answer to my letter you wrote Senator THURMOND that Ms. Eastwood dropped her appeal and she repudiated her charges.

Now, do you see anything at all inconsistent, on the one hand, between my letter which says that she prevailed on her appeal, with which you have no quarrel, and your letter in which you say she dropped her appeal and repudiated her charges? You see no inconsistency there?

Judge KOZINSKI. I see some inconsistency. What I stated was that insofar as my response did not take issue with your statement, it remained unrebutted.

Senator LEVIN. Well, you said you had no quarrel with my statement that she prevailed on her appeal.

Judge KOZINSKI. That's right. I mean, I may have said that.

Senator LEVIN. Today.

Judge KOZINSKI. I guess I said that. Yes.

Senator LEVIN. Well, if you have no quarrel with the statement that she prevailed on her appeal, why did you represent to the committee in your letter to Senator THURMOND that she dropped her appeal and repudiated her charges, if there is an inconsistency which you now acknowledge there is?

Judge KOZINSKI. Well, I have no quarrel with the proposition that she prevailed. I have a quarrel with the proposition that she had a complete and unmitigated victory.

What I pointed out was that while she had a victory, her victory was a limited one.

Senator LEVIN. Is that what you said in your letter?

Judge KOZINSKI. That is what I am saying now.

Senator LEVIN. Is that what you said in your letter?

Judge KOZINSKI. Obviously not.

Mr. President, that comes right from the transcript of last Friday's hearing.

Let us look further at what Judge Kozinski did not tell us in his letter and what he did not attach in his appendix. In his letter, he did not tell us that Ms. Eastwood was provided with reinstatement and back pay from the date of her termination to the date of the settlement. And in the appendix, he failed to include a copy of the settlement agreement pertaining to attorney's fees.

This is a very meticulous person, almost an obsessively meticulous person. He has been credited with being an almost fanatic editor of his staff's work. He knows what he is saying and he knows what he is writing. He is proud of that. Yet, in the appendix that he forwarded to the committee—this is an appendix with—well, it looks like at least a half dozen tabs and may weigh a couple of pounds. In that appendix, he omitted a very important settlement agreement pertaining to attorneys' fees.

In that agreement, Mary Eastwood was awarded $10,000 in attorneys' fees—an award that was granted by the administrative law judge assigned to the case, who said he was empowered to make such an award to the prevailing party—the prevailing party—that means the winning party.

Judge Kozinski omitted that important fact and he omitted in his attachments a copy of the second settlement agreement in which the attorneys' fees were discussed. In short, Judge Kozinski told the Judiciary Committee in that letter only half the true story—that half which benefited his position.

In that same letter in which he said that Mary Eastwood, for reasons never fully explained, chose not to go to San Francisco, abandoning the responsibilities entrusted to her, he also said he did not know of the reasons that she chose not to go to San Francisco. It was for reasons never fully explained—that is what he wrote us—never fully explained.

Judge Kozinski is not being straight with that representation, either, because the memo sent to him by Ms. Eastwood at the time that she declined the transfer explicitly stated that she would not accept the transfer because she had lived in the Washington, DC, area for some 27 years and her friends and family were here. When I discussed this with Judge Kozinski in my office, he admitted that he did know the reasons for her refusal.

Why did he suggest something different in his letter to Senators THURMOND and BIDEN? He told us at the hearing, well, it was his hunch—it was his hunch. He did not say anything about a hunch in the letter. He just said "for reasons never fully explained," she abandoned her responsibilities to the office and did not go to San Francisco.

Mr. President, I ask unanimous consent that the memo from Mary Eastwood to Alex Kozinski giving him the reasons at the time for refusing the assignment to San Francisco be printed in the RECORD.

There being no objection, the memo was ordered to be printed in the RECORD, as follows:

[Memorandum]

OFFICE OF THE SPECIAL COUNSEL,
U.S. MERIT SYSTEMS PROTECTION BOARD.

Re: Potential reassignment to San Francisco.

To: Alex Kozinski, Special Counsel; H. Robert Mayer, Deputy Special Counsel.

From: Marie Eastwood, Associate Special Counsel for Investigation.

Date: February 16, 1982.

Over the weekend I gave considerable thought to your plan to move me to San Francisco to head the Western Regional offices if Bill Olivier leaves. I have lived in Washington, D.C. for almost 27 years. Most of my friends and part of my family live here. I therefore do not wish to leave here.

I understand your view that my present position in Washington, as you construct

and perceive it, is a "luxury." I do not agree. Nevertheless, to try to help you in your effort to conserve funds, I plan to actively seek employment elsewhere.

I thought you should know this right away so you can make other plans for the Western Region and so you will not be surprised if you receive any inquiry about me from a potential employer.

Mr. LEVIN. Mr. President, the letter to Senators THURMOND and BIDEN from Judge Kozinski is misleading in another way. This has to do with my criticism of his decision in a judicial misconduct case he considered while at the Claims Court. For background, the case is entitled *In Re Judicial Misconduct,* (2 Cl. Ct. 255 (1983)).

A 1980 statute governs the handling of judicial misconduct complaints; 28 U.S.C. 372 requires, in complaints involving U.S. Claims Court judges, that the chief judge of the U.S. Claims Court review these complaints. If the chief judge finds a complaint to be improperly filed, "directly related to the merits of a decision or procedural ruling," or frivolous, or it appropriate corrective action has already been taken, the chief judge is required to dismiss the complaint. If the chief judge does not dismiss the complaint, he is required to convene a special committee to investigate the charges. The statute on its face anticipates that there may be frivolous complaints filed and establishes a screening process for the prompt dismissal of them.

In March 1983, Judge Kozinski received a complaint against a U.S. Claims Court judge, signed by attorney Norman E. Hay. Named as "of counsel" was attorney Charles S. Gleason, whose signature did not appear on the complaint. Judge Kozinski, in a biting opinion, dismissed the complaint on the basis that it was frivolous and directly related to the merits of a pending case and fined attorneys Hay and Gleason $500 each for filing it. I will go into the details of this case later in my statement. The issue I want to discuss here, in this context of truthfulness, is how Judge Kozinski colored the facts in order to justify the action he took in that case. My criticism of his decision centers largely on his failure to provide notice or a hearing to these two attorneys before he fined them.

That was the gist of my critcism of his action, that he failed to provide notice or a hearing to the two attorneys before he fined them. But in his letter to Senator THURMOND and BIDEN, Judge Kozinski cites some 27 Federal Circuit cases to support the proposition that such a fine can be summarily imposed. What he fails to disclose is that each and every one of those cases he cites is based on and refers to the case of *Asberry* v. *U.S. Postal Service,* 692 F. 2d 1378. That case—and all the cases cited by Judge Kozinski—involve the filing of frivolous appeals with the Federal Circuit Court of Appeals, not complaints, much the less judicial misconduct complaints, in the trial court. And the authority for the imposition of the sanction, according to Asberry (at 1382), is rule 38 of the Federal Rules of Appellate Procedure—pertaining solely to courts of appeals and filing therein of frivolous appeals, not lower court activities.

Even more important is the action the court in Asberry took and the concerns it stated. One of the issues before the court in Asberry was whether the subject appeal was frivolous. The court found it to be so. It then considered a sanction and decided that pursuant to rule 38, it could impose a sanction on the appellant, and it did so in the amount of $500. But, it then rescinded the sanction, because the appellant did not have notice that such a sanction could be imposed. The court's language here is self-explanatory:

> Before the creation of this court on October 1, 1982, neither of its predecessor courts has adopted Rule 38 of the Federal Rules of Appellate Procedure or other rule providing for award of damages or costs in appeals determined by the court to have been frivolous. Nor had either court entered such an award. In light of those facts, appellants and counsel in cases originally filed in those courts may not have fully realized that the injury inflicted on the administration of justice by frivolous appeals was recognized in the Rules of Appellate Procedure or that those Rules would govern proceedings in this court. Though the present appeal would be for that reason no less frivolous, we consider it appropriate under all the circumstances to remit the costs and attorneys fees imposed in this case.

That court reversed the sanction because of the absence of notice. That is the case that Judge Kozinski cites, and all the other cases he cites are based on it. The court in that case withdrew the sanction against the attorneys rather than imposing it summarily.

Notice of the possibility of an imposition of a sanction is deemed to be so critical, in fact, by the Federal Circuit Court of Appeals, that the clerk of the court is required to routinely issue a letter of warning to each person filing an appeal.

Now in his letter to Senators THURMOND and BIDEN, Judge Kozinski wrote:

> Whatever the law may be elsewhere, it is firmly established in this circuit that a court may *summarily* (emphasis added) impose upon a party, its counsel or both, sanctions based upon a party, its counsel or both, sanctions based upon pleadings the court finds to be frivolous or otherwise inappropriate.

That is simply not what the Asberry case or the 27 cases cited by Judge Kozinski stand for. When questioned about this at last Friday's hearing, Judge Kozinski said he knew of no case that could serve as precedent. That is what he admitted in the hearing. Let me read that exchange for the RECORD:

> Senator LEVIN. . . . In the cases you cited, in the principal case, as a matter of fact, sanctions were first imposed and then because the attorneys were not notified the sanctions were withdrawn. I have asked the Library of Congress, American Law Division, to do some research for me to see whether or not a sanction has ever been imposed on a lawyer or lawyers for filing a frivolous or otherwise unsuccessful complaint against a judge without any notice, without any hearing.
>
> They can find no case.
>
> Now, maybe you can give us precedent for it. Your letter suggested a dozen cases.
>
> Judge KOZINSKI. I know of no case, Senator.

How, then, could Judge Kozinski have said what he said in his letter? Clearly, Judge Kozinski was less than candid in writing that what he did was precedented when it was by later admission unprecedented.

What is the sense that we get from this kind of record? I believe Judge Kozinski has misled the Senate. Judge Kozinski distorts the truth for his own purposes and that quality, in my book, makes Judge Kozinski unfit to serve on the Federal bench.

I wonder if I might ask the Chair how much of the time I have allotted to myself do I have remaining?

The PRESIDING OFFICER. The Senator has 26 minutes out of the hour remaining.

Mr. LEVIN. I appreciate that. I thank the Chair.

Next, Mr. President, Judge Kozinski has unfairly attacked an organization opposed to his nomination.

The organization in question is the Government Accountability Project [GAP], an independent organization whose principal purpose is to protect whistleblowers. Judge Kozinski's attack on GAP took place in letters he wrote on official Claims Court stationery soliciting help on his confirmation, in which he enclosed an editorial from a radio station in Boston saying that GAP is "sponsored by" the Institute for Policy Studies [IPS] which is a "revolutionary group hostile to the United States with ties to terrorist groups." In fact, whatever that radio station may think about IPS, GAP disassociated itself from IPS a year and a half ago. GAP is described by the Economist, in its July 5, 1985 issue, as follows:

> The main support for whistleblowers, apart from Congress and the press, comes from an independent organization, the Government Accountability Project (GAP). During the 1984 fiscal year, GAP represented more than 60 business and government whistleblowers plus some 14 public-interest groups in 10 states. It advises prospective whistleblowers of the pressures and perils of the vocation and sometimes redirects the less hardy to "third-party whistleblowing" otherwise known as an anonymous leak.

GAP is listed by Good Housekeeping magazine in the April 1985 issue as the

place to contact if you are contemplating whistleblowing. And the American Banker, in its July 30, 1984, edition lists in its Washington Whistleblowers Directory for persons in the banking industry the Government accountability project in addition to various congressional committees, investigatory units within executive branch and independent agencies and the American Banker Washington Bureau.

Going back to my previous point, Judge Kozinski also misled the Senate on this matter. In my letter to Senators THURMOND and BIDEN, I said:

Finally, Judge Kozinski has written letters on U.S. Claims Court stationery impugning persons questioning his qualifications and urging recipients to lobby on his behalf.

I then asked the Judiciary Committee to ask Judge Kozinski for copies of all such letters and enclosures to such letters.

In his letter to Senators THURMOND and BIDEN in response, Judge Kozinski said:

Finally, Mr. Chairman, Senator LEVIN raises a concern about my use of official stationery to write letters "impugning persons questioning (my) qualifications and urging recipients to lobby on (my) behalf." I am aware of no letter fitting this description and the records that I have reflect none.

Well, Mr. President, I did obtain copies of four of his letters, two of which meet this description. The only reason I was able to obtain these letters and their enclosure was because I was surprised by Judge Kozinski's response and I followed up with another letter directly to Judge Kozinski specifically asking for any letters on Claims Court stationery containing my name and which letters enclose a copy of a radio station editorial impugning persons questioning his qualifications.

Then and only then did Judge Kozinski acknowledge the existence of these letters.

I discussed this issue with Judge Kozinski at the Friday hearing. He agreed that the editorial impugns GAP. He admitted to enclosing it in at least one of the four letters he disclosed to me, and that he may have enclosed it in more than that one. Let me read my exchange with Judge Kozinski on this matter:

Senator LEVIN. You do agree that at least your judgment is that that editorial, impugns persons questioning your qualifications?

Judge KOZINSKI. Would you repeat the question?

Senator LEVIN. Is it your judgment that, in effect, that editorial impugns persons that are questioning your qualifications?

Judge KOZINSKI. I think, in effect, it does.

Senator LEVIN. So that part of my statement you would agree with.

Judge KOZINSKI. Right.

Judge Kozinski did not agree, however, that he wrote letters—because the editorial was only an enclosure. And, although our exchange was not completed because we were interrupted, he said he doesn't believe he asked the recipients of the letters to lobby on his behalf. Let me read parts of one of these letters and let my colleagues be the judge.

The opposition is being orchestrated by the government Accountability Project [GAP], an offshoot of the radical Institute for Policy Studies [IPS]. I understand that Senator CARL LEVIN has been the principal subject of their interest. I assure you that the issues they are raising have been thoroughly refuted before the Senate Judiciary Committee. As the enclosed press clips show, my appointment has received solid backing from the legal community as well as from the Jewish community. Any help you can provide would be genuinely appreciated.

At the bottom of that letter it has the word "enclosures." Judge Kozinski can't remember whether or not the Boston radio editorial was included in the enclosures with this letter.

And in another letter, which Judge Kozinski states did include the Boston radio editorial, Judge Kozinski wrote:

(1) Some press discussing my nomination and the nature of the opposition. The first piece, which just appeared in Washington Jewish Week, has a particularly good discussion of the GAP-IPS connection and their motives in opposing me * * *

If CARL is really concerned, he might find this interesting reading. In addition, I would be pleased to meet with him and discuss any of his concerns.

Do those fit the description of my letter to Senators THURMOND and BIDEN—writing letters on Claims Court stationery impugning persons questioning his qualifications and urging the recipients to lobby on his behalf?

I think they do, and Judge Kozinski was again not being straight with the Senate when he said he knew of no such letters.

Is there any doubt that those are letters within the ordinary meaning of the English language which impugn persons questioning his qualifications and urging the recipients to lobby on his behalf? They surely impugn persons, unless organizations are made up of nonpersons, and they clearly urge recipients to lobby on his behalf. Yet, he represents to the committee—to Senators THURMOND and BIDEN—that he does not know of any letters he wrote that meet that description. I do not think Judge Kozinski was being straight with the Senate when he said he knew of no such letters.

Let me add here that there is a significant inconsistency in Judge Kozinski's testimony at the Friday hearing on the issue of this Boston radio editorial.

In response to Senator METZENBAUM's questioning, Judge Kozinski stated that he enclosed the editorial in his letter to David Ifshin because David Ifshin had asked him for information about the GAP-IPS connection.

That is a critical point, because he told Senator METZENBAUM that the reason he enclosed the editorial to Mr. Ifshin was that Mr. Ifshin had asked him for information. About what? About the GAP-IPS connection.

Judge Kozinski said:

He asked me what I knew about that. I told him that as far as I knew the two organizations were affiliated. He asked me whether there was anything in writing I had that might identify that relationship. I said, "I think so." I was at home when he called me. I said I would look it up and if I did I would send him those materials at his request.

While we were talking—well, that's what brought about my sending it to Mr. Ifshin.

In that context, then, Judge Kozinski admitted he used and mailed the editorial for the purposes of informing the recipient, in this case David Ifshin, about the GAP-IPS connection.

But later in the hearing, when I questioned him about the editorial, there was this exchange:

Senator LEVIN. So when you send out an enclosure which impugns people's qualifications, you don't think that that is considered as part of the letter which people receive.

Judge KOZINSKI. Senator, this editorial contains five paragraphs—one, two, three, four, five—the two first of which say very positive things about me. I must tell you that what struck me about the editorial was the nice things it said about me.

I certainly do not mean to adopt every statement in every article I have ever sent with a letter. In fact, I have sent out articles that were highly critical of me and I would hope that when I do that it is understood that I am not endorsing those highly critical comments.

In response to my questions, Judge Kozinski tried to give us the impression that he used the editorial for the good things it said about him, and not the GAP-IPS connection. In light of his earlier comments to Senator METZENBAUM about why he sent out the editorial, his comments to me are at best disingenuous.

The circulation of such inaccurate and inflammatory materials by Judge Kozinski demonstrates poor judgment in the matter, and conduct unbefitting a Federal appeals court judge.

Mr. President, I ask unanimous consent to have printed in the RECORD the editorial to which I referred.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EXHIBIT 2

Subject: The Nomination of Judge Alex Kozinski.

Broadcast: September 9, 1985: 4:12 AM, 7:39 AM, 11:42 AM, 4:39 PM; September 10, 1985: 6:39 AM, 1:35 PM, 5:39 PM.

This week the Senate Judiciary Committee is scheduled to vote on the nomination of Judge Alex Kozinski to the Federal Appeals Court. Judge Kozinski, 35, has had a meteoric career. He graduated first in his law school class at UCLA and later clerked for Chief Justice Warren Burger.

Judge Kozinski has built an impressive reputation on the insightfulness and scholarship of his decisions and on his understanding of jurisprudence. He is also an effective administrator. Since 1982 he has been Chief Judge of the U.S. Claims Court. There he has raised the level of professionalism and reduced the backlog of cases. For these reasons the Kozinski nomination has drawn support from legal scholars of ranging ideological perspectives.

Opposing confirmation is an organization called the Government Accountability Project, which is sponsored by the Institute for Policy Studies [IPS]. IPS is a revolutionary group hostile to the U.S. and with ties to terrorist groups such as the PLO and the Middle East Research and Information Project or MERIP. MERIP is perhaps best known for its leaflet after the massacre of Israeli Olympic athletes in Munich, praising "the achievements of the Munich action."

This takes on added significance in that Alex Kozinski is Jewish and still speaks with a slight Rumanian accent.

IPS types have spent a lot of money lobbying against confirmation; but we hope this radical opposition fails. Good judicial appointments are rare enough, and certainly we should permit no sabotage by those who support terrorism and anti-semitism. We urge the Senators to confirm Judge Kozinski.

I'm Avi Nelson, Editorial Director, WEEI.

JUDGE KOZINSKI IS INTEMPERATE AND LACKS COMPASSION AND SENSITIVITY

Mr. LEVIN. Mr. President, the former employees who submitted affidavits challenging Judge Kozinski's fitness to serve as a Federal judge, describe a man who was—and these are their words—"intemperate," "harsh," "cruel," "demeaning," "sadistic," "disingenuous," and "without compassion." The accounts by them of Judge Kozinski's actions while special counsel portray an unusual degree of hostility displayed by Judge Kozinski at times and an almost complete disregard for the human consequences of many of his actions.

Let me quote their words at greater length here.

John Hollingsworth in his affidavit concluded, "After 20 years of Federal personnel management experience, I cannot recall a more callous disregard for people than Mr. Kozinski exhibited." Mr. Hollingsworth's affidavit contains more material on this subject of abusive treatment.

Mr. President, I ask unanimous consent to have the entire affidavit printed in the RECORD.

There being no objection, the affidavit was ordered to be printed in the RECORD, as follows:

AFFIDAVIT

I, John F. Hollingsworth, being duly sworn, depose and state:

I was employed by the Office of the Special Counsel from 9/2/79-12/11/82. After Mr. Alex Kozinski was appointed Special Counsel in mid-1981, he took a number of adverse actions and humiliating actions toward many employees, myself included. First, he hired another individual, Mr. William Caldwell, to assume the duties of my position, Director of Administration and Program, GS-15, and threatened me with removal, downgrade, or loss of pay. I felt so harassed and intimidated that I accepted the change to a lower grade, GS-14, on 9/6/81. In spite of this treatment and many humiliating actions toward me by Mr. Kozinski (such as issuing and withdrawing a letter of reprimand), I believe that I remained loyal, conscientious and productive to the U.S. Government and to the Office of Special Counsel. However, I cannot help but question Mr. Kozinski's sense of fair-play, evenhandedness, and sensitivity or judgment in dealing with people.

After 20 years of Federal personnel management experience, I cannot recall a more callous disregard for people than Mr. Kozinski exhibited. Incidents included demanding that a messenger be fired when one piece of correspondence could not be located; issuing a notice of farewell to an employee who had cancer and had not yet finalized plans to leave the office and retire; insulting/belittling staff in front of others in written comments; and similar incidents.

In my own case, Mr. Kozinski displayed an uneven and sometimes ill temperament toward me. For example, in 8/82, he marked up with great criticism Directive No. 1400-1, enclosed as Attachment 1, in blue, yellow, green, and red colors. This type of marking-up was not unusual at the Office of the Special Counsel. In fact, his obsession with "proper writing" caused him to require all staff to attend a USDA-sponsored writing course from 9/8-11/81 at a course cost of $14,000 and travel costs for staff of $25,000.

Besides derisive remarks on writing, Mr. Kozinski was prone to berate the staff for items over which staff had no control or influence. For example, on 7/29/82, Mr. Kozinski called Mr. Caldwell and me to his office. He was very upset and angry. He shook when talked to and had a menacing look on his face. He reamed us out verbally about the following—lack of air conditioning; not fixing his squeaky, sticky door; not repairing his new lounge-seating group; and not acquiring new sectional desks. When we tried to explain that GSA or private companies had been continually urged to provide the services and that the delays were uncontrollable, Mr. Kozinski asked me: "Don't you have compassion for the girls in the word processing room who are burning up from lack of air-conditioning?" I replied, "Yes, besides trying to get air-conditioning on an expedited basis from GSA, I would have taken the girls out of the word-processing room months ago if allowed." Mr. Kozinski stated that I always had too many excuses and that he expected much more for my salary of $50,000. Also, he stated that he expected the impossible from me and that he didn't care how I got results, but he wanted results. Mr. Kozinski closed by demanding in a furious manner that air-conditioning and other mentioned repairs/adjustments/receipts be accomplished "by tomorrow."

Mr. Kozinski frequently directed and expected that I personally adjust or repair any of his furniture, move furniture or equipment, or clean-up areas. When I did this to avoid his wrath or castigation, he seemed to enjoy watching me do the manual labor as if he took pleasure in my subjugation. It was humiliating to do these chores as a GS-14 professional, but I wanted to keep my job and a satisfactory record until I could locate another position. Also, had I challenged Mr. Kozinski, the turmoil and actions against me would have left me in a bad situation personally, and would have left me ineffective in my efforts to protect the dignity and rights of others in the office.

Although Mr. Kozinski often got very upset at the staff for not somehow overcoming regulatory/procedural steps in impossible timeframes, he himself spent much time over a period of weeks and months having his chauffeur drive him around the D.C. area to look at numerous stores' and companies' offerings of carpet, furniture, computer equipment, curtains, and a microwave oven for his office. He seemed preoccupied with the interior appointments of his office.

While the Special Counsel, Mr. Kozinski approved the Merit Systems Protection Board (MSPB) using at least $200,000 of the Special Counsel's unobligated FY 81 funds for such MSPB items as a new kitchen, furniture, carpet, curtains, and computers. During FY 82, the MSPB used its funds to "reimburse" the Special Counsel for such costs as $200,000 for office space rent and $25,000 to OPM for OSC payroll services. These transactions seemed illegal to me since the Special Counsel and MSPB receive separate and distinct congressional appropriations. However, Mr. Caldwell worked confidentially with MSPB to effect these manipulations. In fact, he boasted of the maneuver. See Attachment 2 for record maintained at the time.

Mr. Kozinski's view/evaluation of staff members was that many were incompetent. He gave many staffers very low or unsatisfactory performance appraisals and kept them in a high-stress situation due to his ability to keep them in suspense as to his next adverse/unfavorable action to them. Many have verified this. However, in his notice to staff of 7/30/82, he announced 30 awards and 12 promotions for staff. Some of these very same employees previously had received unsatisfactory performance appraisals by Mr. Kozinski; others, including some who worked for me, had well-known performance shortcomings. None of these announced awards had been preceded by the required justification. I cannot account for Mr. Kozinski's action except to remember how the press and congressional sources were criticizing him for negative treatment of his staff, prior to these awards. In fact, in a 4/13/82 memo to staff, he had declared in effect that he was requiring a superior level of performance in lieu of the satisfactory level required by law and regulation for within-grade pay increases. His inconsistency on performance, awards and recognition for the staff baffled us.

JOHN F. HOLLINGSWORTH.

Mr. LEVIN. Mr. President, Laura Chin stated:

Overall I perceived Mr. Kozinski as a man without compassion. I believed that he engaged in sadistic behavior, because at the time he appeared to enjoy mistreating individuals. He simply did not treat the human beings at the Office with dignity and respect. He did not exhibit a sense of fairness, of proportion, or of the rational implications of his actions. Most fundamentally, his behavior displayed no sign that he realized the law deals with people.

I have reviewed closely two of the examples referred to in the affidavits of actions taken by Judge Kozinski which demonstrate his insensitivity to human concerns. One is the case of an OSC attorney who was a 25-year veteran of Federal employment with critically high blood pressure who, while

on sick leave, was terminated by Judge Kozinski.

Since that employee, Phillippe Neff, brought a successful suit in U.S. District Court for reinstatement and use of his sick leave, I was curious to see what the Federal judge in the case, as an impartial observer, had decided. The judge was William B. Bryant. Since the hearing had not been transcribed, I had to order a transcript. On page 33, Judge Bryant says:

If the Government is small enough to, you know, just line itself in this type of situation and stake out a war against this gentlemen—if they wanted to do it, let them do it. I think it is absolutely incredible to do something that way.

And on page 34 Judge Bryant concludes:

(T)here is no discernible, valid, legitimate, acceptable, governmental interest in doing anybody this way. A man with 235-over-130, he's almost prima facie mentally incapacitated.

The other example is that of Dessie Proctor, a long-time clerk typist who had contracted cancer. In that case, Judge Kozinski announced her departure 1 month before her retirement and without her knowledge. It was so offensive and unsettling to her that she immediately turned in her employee badge and left the office.

Both of these examples are described by Mr. James at some length in his affidavit.

I want to read a portion of that affidavit.

Examples of Mr. Kozinski's abuses include the following: At the time of Kozinski's confirmation as Special Counsel, the Office of Special Counsel employed, as a clerk-typist, an elderly female employee who had been a loyal and dedicated federal employee in excess of twenty years. Prior to Mr. Kozinski's arrival, the employee had been hospitalized for several months after learning that she had cancer. Her condition was such that we were uncertain whether she would live or even return to work. However, to our surprise, she regained her strength and managed to return to the office just about the time of Mr. Kozinski's confirmation. About three or four weeks after his confirmation, Mr. Kozinski summoned me and at least one or two individuals from the OSC Administrative Division and informed us that he was going to terminate the elderly employee. When I questioned the basis for the termination, Mr. Kozinski claimed that the employee was not performing her duties. I found that difficult to believe, because I knew what assignments she had received and was uncertain whether such a small number of assignments were sufficient to form a basis for termination. Further, the employee only performed duties as required by the staff attorneys she worked for. Because of her illness and age, she was slower and not as proficient as younger secretaries. But I did not feel her performance was such that it warranted removal. This was especially true because it was generally well known that she planned to retire shortly. When I determined that Mr. Kozinski was determined to terminate the employee, I questioned the basis for the termination and I suggested that he wait until the employee retired. Because no one in attendance at the meeting was certain when the employee would retire, I was asked to find out and to advise Mr. Kozinski. Upon checking with fellow employees, I learned that the employee planned to retire in October of 1981. This meant that Mr. Kozinski only had to wait two months and the employee would voluntarily leave the office. I subsequently advised Mr. Kozinski of my finding and he indicated that he would take no further actions. However, a few weeks later (some time during the first week of September), while I and all professional staff members were attending a training course, Mr. Kozinski circulated throughout the office one of his famous memos in which he stated that on that day, he was saying goodbye to the employee and he thanked her for her extensive number of years of government service. Prior to receiving the memo, there were no formal nor informal discussions with the elderly employee about leaving the office. She had made no formal statements about leaving at that time. When the employee received Mr. Kozinski's memo, she got up, placed her OSC government identification on her typewriter, walked out of the door and never returned to the office. When the employee's husband called and raised questions about Mr. Kozinski's actions, he claimed it was all a mistake.

In another situation involving another elderly employee, who had more than 25 years of government service, he too was forced out of the office. It began when Mr. Kozinski requested that the employee and I meet with him to discuss the employee's performance. During the meeting, Mr. Kozinski became very loud, caustic and threatening in tone. The employee listened without comment. After the meeting, the employee requested sick leave and left the office. The next day, the employee called me on the telephone and requested use of sick leave, which I granted. At the time, the employee had in excess of 300 hours of sick leave. During the telephone conversation, the employee stated that he was suffering from hypertension and a severe heart condition and his doctor had instructed him not to return to work because of the stressful conditions which the employee reported existed within the Office. According to the employee, his doctor had instructed him not to return to work until he (the doctor) gained control of his hypertension and could then treat his heart condition. Mr. Kozinski was later advised of this conversation and shortly thereafter, he (Mr. Kozinski) began to question whether the employee was actually ill. During this period, as immediate supervisor, I had several telephone conversations with the employee and I became convinced that the employee was ill.

Within two to three weeks of the employee leaving the office, Mr. Kozinski held a meeting to discuss the employee's absence. In attendance at the meeting was the Associate Special Counsel, a representative from OSC's Administrative Division and myself. Mr. Kozinski began the meeting by stating that he did not believe the employee was ill and that he therefore proposed to remove the employee immediately. I suggested that Mr. Kozinski could not terminate the employee if the employee was truly ill. I also suggested that if Mr. Kozinski did not believe the employee was ill, he should require the employee to take a fitness for duty physical prior to proposing any personnel action. Mr. Kozinski agreed and instructed the Administrative Office to issue a letter to the employee ordering him to take a fitness for duty physical immediately.

The letter requiring the fitness for duty physical contained a listing of about three or more OPM approved doctors for the employee to select from. After a few telephone conferences with the employee and the doctor's office, the employee selected one of the recommended doctors and scheduled an appointment. Because of the employee's condition, the physical was to be given in two parts over a two week period of time. On the day of the first part of the test, I called the doctor to learn of the results and to assure that he would submit a written report to the office. I was advised that the employee's condition was severe, that there was no need for the second part of the test, that the employee's condition was such that he should be hospitalized and that if the employee returned to the stressful conditions of our office, he could die. With that information, I requested the doctor to provide a written opinion and I advised Mr. Kozinski and the Associate Special Counsel of the doctor's comments.

I assumed the matter was closed. However, to my surprise, a few days after the arrival of the doctor's letter, I received a telephone call at home from Associate Special Counsel for Prosecution. In that telephone conversation, the Associate Special Counsel informed me that Mr. Kozinski had requested that he call me and ask if I would call the employee and advise him that Mr. Kozinski was thinking of removing him. I was told that by doing so, the employee might resign his position. I told the Associate Special Counsel that I would not be a party to such an action. The Associate Special Counsel stated that Mr. Kozinski would be most appreciative if I would assist him. I then stated that the only telephone call I would make would be to the employee to inform him of our conversation and Mr. Kozinski's attempt to force him to resign.

Mr. President, this was an employee who was later discharged and then went to Federal court and the Federal court's opinion is what I read before in the RECORD.

The Federal judge said, "there is no discernible, valid, legitimate, acceptable, governmental interest in doing anything this way."

Following that statement this matter was settled in that court.

When asked about these cases and those affidavits at the Friday hearing, Judge Kozinski said he did not have a specific recollection of the events described by Mr. James in his affidavit, that he had no recollection inconsistent with Mr. James, and at another point he said, quoting Judge Kozinski last Friday:

Such recollections as I have are consistent with Mr. James. As to the balance, I can neither affirm nor deny whether his version of the events is accurate.

Given the small size of the office and the nature of the illnesses and court case relating to these two employees, I find Judge Kozinski's answer a damning one indeed.

In response to allegations that Laura Chin, the Public Information Office for OSC, had been derogating Judge Kozinski's performance in her discus-

sions with OCS field staff, Judge Kozinski drafted a memo which, while it remained in draft form, apparently was used to explain to Ms. Chin just what she was and was not allowed to do.

The text of the memo is as follows:

MEMORANDUM: OFFICE OF THE SPECIAL COUNSEL

To: Laura Chin, Public Information Officer.
From: Alex Kozinski, Special Counsel.

Some field office personnel have told me that you have been spreading false and baseless rumors. This has created a serious morale problem. To deal with this problem, I am instituting the following policy.

Effective immediately, you may not communicate with OSC field or branch office employees unless you have specifically cleared the communication with the relevant field office chief.

This means:

(1) You will not use office telephones to call field or branch office personnel for any purpose, and you will not use any other telephones to discuss official business with field or branch office personnel, unless the conversation has first been cleared. Similarly, you will not correspond with field or branch office personnel on official business without passing the correspondence through the field office chief.

(2) If you should receive a telephone call from an employee in a field or branch office, and the relevant field office chief has not specifically told you that the telephone call is authorized, you will say *only* the following and then promptly hang up: "I am not authorized to speak to you unless your field office chief calls me and tells me it's o.k. Thank you. Good bye." Correspondence from field or branch office employees should be promptly referred to Bob Mayer.

You are, of course, free to discuss any matter not constituting official business with field or branch office personnel so long as both of you are in a non-duty status and are using private telephones and/or stationery.

This policy will be in effect until the present problem has been cleared up. Please give Bob Mayer any thoughts you may have on the subject.

According to Ms. Chin's affidavit her "do nots" extended to contact with the Congress and the press. I cite this as an example of the consequences that flowed from Judge Kozinski's anger with employee conduct. Clearly the tone and directive of this memo is something with which a normal employee cannot live. Either Judge Kozinski knew that, and it was a first step in his effort to terminate Ms. Chin, or he was insensitive to what motivates an employee. On top of that, if in fact Ms. Chin was directed to stop her contacts with the Congress and the press, if indeed she had any, Judge Kozinski's anger would have resulted in his ordering what is well known as a prohibited personnel practice—limiting the first amendment rights of a Federal employee.

An opinion Judge Kozinski issued while at the U.S. Claims Court shows the same intolerance and intemperate behavior.

I mentioned this case earlier. It is an unprecedented opinion issued by Judge Kozinski in a case involving the filing of a judicial misconduct complaint. I have described the basic facts and mentioned the concern I had over the issue of due process.

As I may have indicated, I have no quarrel with Judge Kozinski's decision to dismiss the complaint. It does seem to be lacking in merit. But Judge Kozinski, in his wrath over the filing of this complaint and apparent conduct by these two attorneys in cases pending before the Claims Court, ignores the basic concerns for and requirements of due process, and the sensitive nature of the judicial misconduct process. His anger got in the way of his judgment and fairness.

Judicial misconduct cases are not the same as ordinary civil litigation. These cases are matters in which the judiciary is policing itself, and the appearance of the fairness of the process is critically important, so that no one can claim that judges are unwilling to police their own colleagues. The Second Circuit Court of Appeals recently highlighted the importance of providing complete access to the judicial misconduct process. In that case *In Re Martin-Trigona*, 737 F.2d, 1254 (1984), the district court had issued an order prohibiting Anthony Martin-Trigona from filing any case in any court in the country, unless he was granted leave to file by the court. This was because Martin-Trigona had abused his access to Federal court by filing over 250 civil actions and appeals throughout the United States.

While the court of appeals upheld the concept of what the district court did, it created two exceptions to the order—one for State courts, over which it determined it did not have jurisdiction, and two, with regard to judicial misconduct cases brought under 28 U.S.C. 372. On the second point, the court said (at page 1263):

We believe the injunction should explicitly exempt complaints by Martin-Trigona or anyone acting in his behalf under 28 U.S.C. 372(c). This provision related to the complaints of judicial misconduct and, absent a finding that Martin-Trigona has abused such proceedings so as to impair the administration of justice, we believe access to this avenue of redress should not be limited at this time. Other litigants are not affected by such a proceeding and, since its purpose is to impose a form of monitoring upon the judiciary itself, we believe that enjoining resort to it can be justified only by a finding of abuse impairing the administration of justice. Moreover, consideration of whether the process established under Section 372(c) is being abused and, if so, what remedies are appropriate may best lay with the judicial council of the circuit.

Mr. President, Judge Kozinski simply ignores this distinction. He not only fined the attorneys without notice or a hearing, for the filing of the complaint, but he writes a scathing opinion, orders it sent to their clients, and publishes the opinion, with the names of the attorneys disclosed. Let me discuss here why those actions are so offensive to due process.

Neither I nor the American Law Division of the Congressional Research Service could find one other judicial misconduct case in which such a sanction was imposed for the mere filing of a complaint. This is true even though there are numerous cases of dismissals based on the same reasons used by Judge Kozinski. In fact, the statute itself anticipates the filing of frivolous complaints, which is why it allows for immediate and summary dismissal.

It is the sanction, without notice or a hearing, which is unprecedented. Had there been notice or a hearing, Judge Kozinski could have learned that Attorney Gleason claimed that he was not even aware of the filing of the complaint over his name by the other attorney. That is what Attorney Gleason has represented in a court document and to us. Whether that is correct or not is not the issue. The issue is, had Judge Kozinski given notice to people before he imposed sanctions on them, he would have learned of the allegation that one of the people that he was imposing a sanction on did not even know that the complaint had been filed.

The absence of notice or a hearing is also contrary to the stated case law on the subject, particularly the appellate court governing the Claims Court. I have discussed already the Federal circuit's opinion in the Asberry case. The Supreme Court in *Roadway Express, Inc.* v. *Piper*, 447 U.S.C., had similar concerns. The Court in that case said:

Like other sanctions, attorney's fees certainly should not be assessed lightly or without fair notice and an opportunity for a hearing on the record.

In Judge Kozinski's deposition in the case of Mary Eastwood's challenge to her termination, Judge Kozinski said this: "I tend to be very single-minded when I go after things." He is—to the detriment of an open and complete view of the facts, and in the end, to the detriment of justice.

In this case involving a claim of judicial misconduct, Judge Kozinski was angry. There is no doubt in my mind. I would have been, too, probably. Its easy for anyone to act with outrage. What is not easy, but what is expected and must be demanded of a judge, is a higher degree of self-control and a commitment to due process and the law. Judge Kozinski was lacking in this area as demonstrated by this case.

Let me add that I am well aware that competency of a judge should not and cannot be fairly assessed on the basis of one opinion or decision, alone. Judge Kozinski's opinion in this case is important, however, because it confirms what some others have said about him—that he is intemperate,

partial in situations where he has already made up his mind, and impatient.

JUDGE KOZINSKI HAS SEEMED AT TIMES TO ENGAGE IN ERRATIC BEHAVIOR

I am also troubled by a slew of reports of actions taken by Judge Kozinski which can only be described as erratic. The most famous of these is probably the technicolor memos. Judge Kozinski, when at the OSC, used four or five different colors of ink to edit the staff's work. It is that coupled with the intensity of the editing which shocks the viewer when he or she sees one of these memos. I have an example here at my desk. Mary Eastwood described these edited memos in her affidavit:

The caustic, handwritten criticisms made by Mr. Kozinski on that brief (which he called "technicolor") were typical of numerous cruel and intemperate comments he repeatedly wrote on drafts of work and on routing slips to the professional staff in OSC after he became Special Counsel.

She also stated that her early introduction to Judge Kozinski, before he was even on board at the OSC, was a rather public critique of a brief she had supervised, which was subject to this technicolor editing.

There are additional instances described in the affidavits in which Judge Kozinski tried to fire a messenger when one piece of material could not be located and reprimanded an employee for allowing a room partition to fall and scrape the wall in the process. Mr. James discusses this and another incident in his affidavit. I quote from that affidavit:

In a third incident, an employee who was very loyal to Mr. Kozinski unintentionally caused a portable partition to fall against the wall, leaving a small scar on the wall. When Mr. Kozinski learned of the incident, he initially discussed the matter with the employee in what the employee described as a caustic and demeaning tone. He then gave the employee a written reprimand for causing the partition to fall.

Finally, in an incident involving my selection of summer law clerks, Mr. Kozinski requested that I get some digs in on an employee who had not taken any improper actions. The incident arose during a discussion between the clerk and Mr. Kozinski, after being hired. The clerk indicated that the processing of her selection had taken a long period of time and she wondered why. Mr. Kozinski, subsequently, requested that I find out why it took so long. I explained that I made my selection prior to his confirmation hearings and afterward the Acting Special Counsel suggested that we put a hold on filling positions until after Mr. Kozinski was confirmed. At that point, Mr. Kozinski told me to discuss the matter with personnel in the Administrative Division and see what they had to say for themselves. Pursuant to his request, I did discuss the matter with the Administrative Division and I was told exactly what I told Mr. Kozinski had caused the delay. That same day, I again discussed the matter with Mr. Kozinski and I again advised him that the Administrative Division was not at fault. He then stated he knew, but I should, in his words, "get some digs in on personnel." I shook my head and walked away.

These descriptions are not those of a sensitive or compassionate individual. Rather, they suggest an absence of patience, a high degree of intolerance, and a continuing disregard for the human consequences of one's actions.

I am well aware of the letters of support for Judge Kozinski that the Judiciary Committee has received, and the respect of some members of the legal community who praise this appointment. And I am aware of the extent to which Judge Kozinski has improved the operation of the Claims Court by reducing the backlog and shortening the time to disposition. He is to be commended for those accomplishments. But I am also aware of the record I have described today and it is a record that does not and cannot support nomination to the second highest court in this country. It falls far below the standard for judicial temperament required by the office.

Ultimately, what we are talking about here are the essential, bottom-line qualifications that we expect of Federal judges. What we mean by the term "judicial temperament," at the very least, is fairness, decency, and forthrightness. But I suggest that what every Member of the Senate—which has the obligation, on behalf of the American people, to consider these nominations—has a right to expect of every nominee is, at the very least, demonstrated fairness, decency, and forthrightness. And I must conclude that Alex Kozinski has not adequately demonstrated these qualities. He may develop them

Indeed, if this review of and debate upon his conduct up to this point accomplishes nothing more than to make Alex Kozinski aware that these qualities are what the American people expect of their judges, I believe it will have been useful. But so far, at least, he has not adequately demonstrated them. He has not been decent to employees of the Office of Special Counsel when he has not considered the impact of his discipline upon them as individuals. He has not been forthright with the Senate in describing his behavior at OSC or at the Claims Court, when he has given only part of the story on some things and been silent in the face of challenges to his testimony on other things. And he has not been fair to certain lawyers practicing before the Claims Court when he has not given them notice and a chance to respond before imposing discipline upon them.

Alex Kozinski is a bright young man, maybe even brilliant. Alex Kozinski has excellent academic credentials. And, yes, Alex Kozinski has impressive testimonials from a lot of people. But I hope that today, in deciding how to vote on this nomination, all of us in the Senate—whatever conclusion we might have reached up to this point—will examine this nomination in the light of a fundamental question: Do we want to put on the Federal bench—indeed, the second-highest bench in the country—a person who has not adequately demonstrated qualities which I believe are essential for those empowered to pass judgment on other Americans—fairness, decency, and forthrightness?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LEVIN. Mr. President, how many minutes do we have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes and 30 seconds remaining.

Mr. LEVIN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Mr. President, I have already yielded to Senator THURMOND, I believe, 10 minutes. I would rather not yield more time. I believe I could safely, and perhaps with the help of staff, take some action here if I was sure he supported it. He did ask me to protect his time on the floor. I do want to do that to the best of my ability.

Does the Senator from California need some time?

Mr. WILSON. Yes; I would request 5 minutes of Senator THURMOND's time.

Mr. LEVIN. I see the Senator from South Carolina is here now and he can respond to that request.

The PRESIDING OFFICER (Mr. TRIBLE). The Senator from South Carolina has 19 minutes and 56 seconds remaining.

Who yields time? Absent the yielding of time, the time will be assessed against both sides equally.

Mr. THURMOND. Mr. President, I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. Five minutes is yielded to the Senator from California.

Mr. WILSON. I thank the Chair and I thank the distinguished chairman of the Judiciary Committee.

Mr. President, I come to the floor reluctantly. I had hoped that this nomination would be accorded relatively routine passage. But when I learned that there were some concerns, I did not object to the request of some Senators on the other side for a special hearing, although it seemed to be strange because they conceded that they could find no fault with the candidate's intellect. Indeed, they accorded him the unquestioned status of a brilliant student of the law. They found no problem with the way that, as a court administrator, he had conducted the Court of Claims. Indeed, no complaint emerges from the record. To the contrary, his colleagues have praised him for his conduct on the

bench and as the chief judge of the Court of Claims.

It seems that their unhappiness with this young and brilliant, conservative judge is that he has offended some along the way; that his style is such that they question his judicial temperament.

So, Mr. President arises: On what evidence are Senators made unhappy about Judge Kozinski's judicial temperament?

Well, it seems that some who have worked for the judge have not found him to be "Miss Congeniality." If we are to condition our approval of judicial candidates on their having never offended counsel or even other judges, or certainly those on their staffs to whom they have held to a high standard, or perhaps being stern taskmasters, then we are going to greatly narrow the ranks of those who are eligible for elevation to the bench. And I do not think that is what we wish to do.

I believe we should be concerned with the knowledge of a candidate of the law, with the candidate's experience, and with the candidate's ability to deal with difficult cases fairly. And no one has contended that, as a judge sitting, Judge Kozinski has been guilty of the kind of conduct that has rendered an unfair decision.

He has been accused of being a stern taskmaster. He has been accused of running a taut ship. Apparently part of the motive in sending him to the Office of Special Counsel was to clean up an office that needed some discipline. He, evidently, exerted that discipline and there were some who objected to his managerial style. He was known as a tough, no-nonsense manager, who set high standards and, thereby, raised everyone's performance.

But, Mr. President, Judge Kozinski was already confirmed by the Senate to serve on the Claims Court. No one came forward then to question his judicial temperament. Judge Kozinski appeared before the Judiciary Committee in July for his confirmation hearings and, even with testimony then in the record questioning his temperament, based on this work of his at the Office of Special Counsel, he was reported out by the committee unanimously.

Nonetheless, when the request for a special hearing was made, the chairman of the committee was inclined to grant it, and I did not raise an objection. It seemed to me better and, if there were questions, they would be clarified.

The chairman of the Judiciary Committee and Senator HATCH have quite bluntly assessed what went on at that hearing last Friday as inconsequential, as a waste of time, as a rather petty flyspecking.

I hope we do not on this floor come to the point where we ask questions that would tax anyone's memory, and then hold the respondent to an absurdly high standard of whether or not he accurately remembered petty details. Because if we do that, Mr. President, I think we are not being fair.

Mr. President, in conclusion, I will say that I do not think judicial confirmation hearings, or debate on this floor, should have the character of Prometheus' ordeal where he was tied to the rock and pecked to death by those who were endlessly full of questions that really do not relate to the basic character, to the basic ability, and the knowledge of the law of the judicial candidate.

We have in this young man an extraordinary candidate, one able to give long, and distinguished service.

I hope the Senate will fulfill its mandate to give careful consideration, but not to engage in flyspecking.

I thank the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I yield 6½ minutes to the distinguished Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, we have heard allegations that Judge Kozinski "misled the Senate when he testified at his confirmation hearing that he had had 'an excellent working relationship with his staff' at OSC."

In fact that is not what Judge Kozinski said at all. The full statement reads as follows: "Now there were problem employees and I believe that we solved those problems and for the most part, I believe that I had an excellent working relationship with my staff." Even this qualified statement came after two pages of discussion, where he informed the committee of problems that existed with employee morale when he got to the agency because a few employees "were not pulling their weight." He also informed the committee that he advised employees that "those who could not or would not perform would not be entitled to stay on the Federal payroll."

Now I just cannot see where Judge Kozinski's statements can be characterized as misleading in the slightest. In fact, what is misleading is to take out a small snippet of what he has said, not even a full sentence, and hold it up as if that were his complete representation to the committee. It plainly is not, and I would challenge anyone to read Judge Kozinski's full discussion of his relationship of his employees and then declare it any way misleading. By the way, Judge Kozinski's successor, Mr. O'Connor, and several other witnesses confirmed the difficulties with problem employees faced by the judge.

As further clarification of the judge's statement, I asked former employees of Judge Kozinski at OSC during the second hearing—held at the request of Senators LEVIN and METZENBAUM—what their relationship was with the special counsel. They described their relationship with Judge Kozinski as "excellent." Two of these former employees were Mr. Lynn Collins and Mr. William Olivier. Numerous other letters were received by the Judiciary Committee confirming Judge Kozinski's assessment of his relationship.

The lack of evidence supporting this charge of "misleading the Senate" is apparent, as I think there is lack of evidence on all of the charges.

SALADANA CASE

We have heard allegations that Judge Kozinski misled the Senate in connection with his statements about a Saladana case handled by OSC during his tenure. Judge Kozinski testified that he had no knowledge of the circumstances surrounding the Saladana case because it was handled by the staff far below his level of consideration. A Mr. Horace Clark contended by memorandum, not in testimony before the committee, that his recommendations to drop the prosecution were overruled. In checking the written record of the Saladana case, however, the committee—in its second hearing—found several memos bearing on the question. In particular, the committee located two memos by Mr. Clark. The first recommended prosecution because Mr. Clark found a clear violation; the second spoke favorably about the case and recommended that certain be considered relevant to its adjudication. There was no indication that Mr. Clark ever recommended against prosecution.

In order to be thorough, the committee asked Mr. Clark's supervisor at the time, Mr. Collins, to testify. He had no recollection whatsoever of Mr. Clark ever recommending against prosecution. Moreover, he testified that Judge Kozinski was correct; that to his, Mr. Collins', knowledge the special counsel never was involved in the case.

Once again after exhaustive examination of the evidence, it became very clear that there was no substance whatsoever to the charge that Judge Kozinski had misled the Senate. In fact, the evidence was directly to the contrary.

SETTLEMENT QUESTION

We have also heard charges that Judge Kozinski misled the Senate, when in a letter to Senators THURMOND and BIDEN * * * he implied that Ms. Eastwood lost her case. In the first place, I would question whether we could make much of a case for misleading out of a mere implication which was all that the charge against the judge states. In this case, however, even the implication of the judge was entirely understood and far from mis-

leading. In fact, he attached with the letter one of the settlement documents which clarified the Eastwood case status. He did not attach the second, independent settlement document dealing with attorney fees only because that document was already before the Senate Judiciary Committee. He was hiding nothing. This case was entirely on the public record. The entire case was in the committee files. It had been discussed in the first hearing of the committee. This is hardly a case of misleading.

The faultiness of this claim goes even further, however. What I think is striking about the Eastwood case is not Judge Kozinski's conduct but Ms. Eastwood's. In the settlement agreement she stated that she "abjure[d] her allegations that Judge Kozinski or his staff engaged in any wrongdoing," the very same charges she now made before the committee. The American Heritage Dictionary defines that word "abjure" as follows:

To repudiate, or recant solemnly; to renounce under oath; forswear.

What I think is misleading is for Ms. Eastwood now to come in and make these same charges and not inform the committee that she had solemnly repudiated them in the past, and not to explain why she has now taken back her solemn oath. Ms. Eastwood did, in fact, "repudiate" her case as Judge Kozinski stated with all the facts on the record and before the committee. I fail to find, and think most any dispassionate observer would agree, that this is any basis for a charge of "misleading."

HARSH, CRUEL, "TECHNICOLOR" MEMOS

The two witnesses mustered against Judge Kozinski in response to the call of Senators LEVIN and METZENBAUM both agreed on one thing: He was "observed with proper writing," to use the words of one of them. They used words like "harsh" and "without compassion" to describe the efforts he put into correcting their written drafts. Frankly, I cannot think of a better commendation for a judicial candidate than that he is concerned enough about proper writing and legal argument to correct his employees.

AWARDS

During the hearing, it was noted that Judge Kozinski had given special achievement awards to 22 members of his staff while at the Office of Special Counsel. We heard allegations that Judge Kozinski gave awards to employees who had previously received unsatisfactory performance appraisals and that Judge Kozinski might have given out awards without the prior required justification. To clarify that issue, Senators METZENBAUM and LEVIN asked for the personnel records on all those employees given awards. At random, I picked the record of one employee who had been specifically identified by a prior witness in the hearing as someone who had received prior unsatisfactory performance assessments. In that record, we found the required prior justification. We read it into the record and clearly the individual in question did merit the recognition of the award.

In order to preclude someone from "second guessing" whether the justification was sufficient for an award, however, we called to testify Mr. O'Connor, Judge Kozinski's successor at OSC. He testified that the discretion to give an achievement award would lie entirely with the senior supervisor, in this case Judge Kozinski. He further testified:

I don't think he could give an award that was not justified if he decided to give it. The fact that he decided to give it justifies it.

Once again we have looked at allegations and find that they are not supported by the least evidence. If anything, these allegations ought to strengthen the Senate's resolve to support this nominee as worthy of the office to which he has been appointed.

LETTERS ON OFFICIAL STATIONERY

We heard further allegations that Judge Kozinski might have violated some sense of fair play by sending out letters concerning his nomination. He was accused of "lobbying on official stationery." Upon further examination and questioning, we learned that the judge had written to a few friends, the number of letters mentioned in the hearing was four, in response to written questions from them about the status of his nomination. In these letters, Judge Kozinski had commented upon the status of his nomination and, in one case at least, enclosed information about the nomination, but these were not instances of unsolicited lobbying. Once again, the allegations lack any merit.

WEEI EDITORIAL

We also heard allegations that the judge had somehow become involved in making an error of fact by enclosing with one of his letters of response to a friend requesting information about the nomination an editorial from radio station WEEI. I will read the relevant part of that editorial:

Opposing confirmation is an organization called the Government Accountability Project, which is sponsored by the Institute for Policy Studies (IPS). IPS is a revolutionary group hostile to the U.S. and with ties to terrorist groups such as the PLO and the Middle East Research and Information Project or MERIP. MERIP is perhaps best known for its leaflet after the massacre of Israeli olympic athletes in Munich, praising "the achievements of the Munich action."

In response to questions, however, it was made clear that Judge Kozinski did not ask WEEI to write the article, neither had he participated in any way in the radio broadcast of this editorial. He further testified that he sent it solely as a piece of information to a friend without necessarily endorsing its contents. If Senators were held to have fully endorsed everything they put in the RECORD, we might have some embarrassed colleagues. This charge is almost frivolous. Its relevance to this entire process is speculative at best.

AGE AND EXPERIENCE

We have heard suggestions that Judge Alex Kozinski lacks the age and experience to serve on the bench.

Judge Kozinski's ability and legal acumen more than compensate for his lack of age. Even though the ABA has a cardinal rule that requires a minimum of 12 years of bar membership before ascending to the bench, Judge Kozinski—with only 9 years as an attorney—was rated "qualified" by the ABA. In truth, he had to be exceptionally qualified to overcome the presumption raised by his youth. He did that to the satisfaction of the ABA.

Moreover, Justice William O. Douglas was about the same age as Judge Kozinski when he joined the Supreme Court. Justice Story was several years younger when he joined the Supreme Court. William Howard Taft was younger when he began his service on the U.S. Court of Appeals.

The Senate is not convened to judge age, but qualifications which Judge Kozinski has, and those are outstanding.

I would add that Judge Kozinski has had more experience than most Americans and has done a terrific job. He has lived behind the Iron Curtain and learned, from an absence of freedom, to appreciate the Constitution. His parents survived the Holocaust, teaching him to recognize and deplore tyranny and injustice to minorities.

He has clerked for Chief Justice Burger, finished No. 1 in his class at UCLA, edited his law review, and served with distinction for 3 years as chief judge of the Claims Court. We must also acknowledge his experience on the Claims Court.

Judge Kozinski took over a new court with new jurisdiction, few resources, and myriad unanticipated problems that accompany the inauguration of a new Federal court. He has earned the respect and loyalty of all the judges and staff of his court. In only 3 years, he has established that court as one with a fine reputation. He has reduced the backlog it was born with, despite being short one judge for more than a year. He has carried a full caseload in addition to his administrative duties as chief judge. In 3 years, he has published 56 opinions, disposed of over 170 cases, and handled countless motions and hearings. He has already logged 110 days of trial on the bench.

JUDICIAL MISCONDUCT CASE

We have heard allegations that Judge Kozinski "without the basic

procedural fairness * * * fined two attorneys * * * for filing a complaint he found to be without merit."

Once again, the facts disclosed by lengthy hearings show no evidence of unfairness or mishandling.

Judge Kozinski held that charges brought against Claims Court judges were not only groundless, but represented a serious abuse of the judicial process. In accord with well-established precedent in the Federal circuit, he imposed monetary sanctions and reprimanded the responsible attorneys. Both sanctions and reprimand fully complied with Claims Court rules and ABA standards.

The decision was affirmed by the full Claims Court and not appealed.

Only 4 months later, the same attorneys were reprimanded for the same practices by the chief judge of the seventh circuit in a related case.

Moreover, in the 1984 yearend report on the judiciary, Chief Justice Warren Burger singled out Judge Kozinski for praise for imposing sanctions on attorneys who abused the judicial process.

CONCLUSION

In sum, no allegation raised against Judge Kozinski has been shown to have probative evidence backing it up. The Senate has held three hearings on Judge Kozinski, has already confirmed him once as chief judge of the U.S. Court of Claims, has posed innumerable questions to him in writing and face to face, has requested vast piles of documents from offices he has served, and has inquired into minutiae of his life for the 5 months this confirmation has been pending. The Senate has reviewed all these allegations, lacking in substance though they may be.

After all these prolonged efforts to find some reason to fault Judge Kozinski, his record still rises above all criticism. I repeat, no allegation remains unrebutted, no criticism unexplained.

Without reservation and after examining every detail involved with this nomination, I can pronounce Judge Kozinski, in every way, an outstanding nominee worthy of the confirmation of the Senate.

I believe that he will make one of the finest judges this country has ever seen.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McCONNELL. Mr. President, I am pleased to join in support of the nomination of Mr. Alex Kozinski, Chief Judge of the U.S. Claims Court, for appointment to a position on the U.S. Court of Appeals for the ninth circuit. Chief Judge Kozinski is one of the most qualified individuals to be nominated for this position in recent times, notwithstanding the fact that he is only 35 years of age. Because of his extraordinary background, and because of the extraordinary measures that those who oppose his nomination have taken, I would like to review both his background and the course of his nomination for the benefit of my colleagues.

Chief Judge Kozinski was born in 1950 in Bucharest, Rumania. I'm informed he came to the United States at the age of 12, and become a naturalized U.S citizen in 1968. After receiving his bachelors degree from UCLA in 1972, Chief Judge Kozinski took his law degree from that same institution in 1975. He graduated first in his class.

Following graduation from UCLA, Chief Judge Kozinski served as law clerk to Hon. Anthony M. Kennedy of the U.S. Court of Appeals for the Ninth Circuit, the same court to which he is now nominated to be a judge himself. The following year, he served as law clerk to Hon. Warren E. Burger, the Chief Justice of the U.S. Supreme Court. For the next 3 to 4 years, Chief Judge Kozinski was employed at prestigious law firms in Los Angeles and in Washington.

Following the election of President Reagan, he served as deputy legal counsel and as assistant counsel in the Office of the Counsel of the President. He became special counsel for the Merit Systems Protection Board in 1981. In August 1982, he became chief trial judge of the U.S. Court of Claims, and, when that court was abolished and the new U.S. Claims Court created, Chief Judge Kozinski assumed his current position. He has held that position for the past 3 years.

Throughout this period, Chief Judge Kozinski has displayed remarkable legal talent, and has demanded the highest standards of both himself and of those employed by him. At various times, he has been an innovative, effective and dedicated law clerk, attorney, special counsel, and chief judge.

Nevertheless, a small but dedicated group of opponents has gone to extraordinary lengths to sabotage Chief Judge Kozinski's nomination. An organization called the Government Accountability Project has steadfastly sought to elicit damaging testimony against Chief Judge Kozinski. Its legal director testified against him at the first Senate Judiciary Committee hearing in July of this year. In conjunction with that group, a number of former employees of the Office of Special Counsel of the Merit Systems Protection Board testified against Mr. Kozinski. Some, however, chose not to testify, but to air their grievances at a news conference conducted under the auspices of the Government Accountability Project. None of the allegations raised by these opponents to Chief Judge Kozinski's nomination had any serious merit, but served instead to highlight the demanding standards maintained by the judge, as well as, it must be admitted, the impatience the judge has displayed with those who worked under him who were unwilling to go about their professional obligations with the same sort of dedication.

On September 12, 1985, the Judiciary Committee unanimously, by a 17 to 0 vote, voted to report Chief Judge Kozinski's nomination favorably to the full Senate. Notably, at that hearing, the distinguished Senator from Illinois, Senator SIMON, whose staff had worked closely with the Government Accountability Project in connection with the nomination, stated that he knew of no reason to oppose this nomination.

Nevertheless, long after the nomination had been reported to the Senate floor, the distinguished chairman of the Senate Judiciary Committee agreed with the Senator from Ohio, Senator METZENBAUM, to hold a second hearing. That hearing, held on November 1, of course, had no bearing on the committee's recommendation to the full Senate, since the nomination had already been reported to the floor. Nevertheless, following a recently developed pattern concerning administration nominees to the higher Federal courts or to high positions in the Justice Department, that hearing focused not on the substance of the nominee's testimony or even on the qualifications of the nominee. Those issues had been considered and resolved in the prior hearing.

No, the November 1 hearing, much like the June 22 hearing on the nomination on William Bradford Reynolds to be Associate Attorney General, focused on the question of whether the nominee had misled, in any respect, the Judiciary Committee in its deliberations. In his Dear Colleague letter of October 30, 1985, the distinguished Senator from Michigan, in reference to affidavits provided by former employees of the Office of Special Counsel, as well as to certain other letters and documents, suggested that Chief Judge Kozinski "has misled, in a number of instances, the Senate Committee and its members."

I am happy to report today that far from such a state of affairs, I believe it can safely be said that Chief Judge Kozinski's critics, in their affidavits, had misled the Senator from Michigan. From my understanding of the testimony presented in that nearly full day of hearing, none of the allegations raised about Chief Judge Kozinski's integrity or his judicial temperament proved to have any merit. Moreover, as the Senator from Utah, Senator HATCH, so ably demonstrated at the hearing, the Judiciary Committee was never misled in its evaluation of the nominee's suitability for the office.

As the Senator from Michigan himself pointed out in his October 30, 1985, Dear Colleague letter, he was "well aware of support that Judge Ko-

zinski has gotten from well-respected members of the legal community." That support is well founded, for Chief Judge Kozinski has demonstrated his intellectual and temperamental suitability for the U.S. Court of Appeals beyond question. If there are those Government employees who found his standards too demanding, so be it. The U.S. Government could well do with more managers of Judge Kozinski's caliber, managers who demand performance and results in exchange for GS-15 level salaries and the perquisites and protections that go with them. More importantly, if Chief Judge Kozinski takes to the Federal court of appeals the same dedication to scholarship, hard work and respect for traditional values that he has displayed in his prior roles, then we are all the better for it.

SCHEDULE

Mr. DOLE. Mr. President, I had a number of inquiries from Senators from both sides about whether or not there would be votes tonight. I am advised that there was unanimous consent given to vote on this nomination to occur at 2 o'clock, but that prior to the vote there would be 10 minutes equally divided for debate. So I am prepared to announce there will be no more votes this evening.

We will be on the military construction bill tomorrow by 10 a.m. We will have votes probably before noon. This vote on the nomination will occur at 2 p.m.

We hope to do military construction; civil service—we are close to a time agreement on that—and D.C. appropriations. If we can conclude all those, plus get an agreement on reconciliation, we will not be in on Friday. But I do not want anybody to misunderstand what I just said. The "if" is conditional on the disposition of those items and getting an agreement on reconciliation. Otherwise, we will be in on Friday and votes can be expected.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I reserve the balance of our time.

The PRESIDING OFFICER. If neither side yields time, time will run equally against both sides.

Mr. HATCH. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, how much time remains?

The PRESIDING OFFICER. There are 9 minutes to each side remaining.

Mr. THURMOND. Mr. President, I yield myself such time as I may require.

Mr. William K. Olivier, former attorney-in-charge of the Office of Special Counsel, stated at the special hearing held on November 1, 1985:

I was the attorney in charge of the San Francisco field office of the Office of the Special Counsel from October 1979 until May of 1982.

I served under three separate Special Counsels: Patrick Swiggert, Mary Eastwood and Alex Kozinski. During that period of time, I enjoyed a good working relationship with all of the Special Counsels.

I think my best working relationship was with Alex Kozinski, himself. In fact, it was an excellent working relationship.

I have talked with the other field office chiefs—P.J. Windsor and Lennie Gavinski—and they have also echoed my sentiments regarding their working relationship with Alex as an excellent one.

I would like to address myself to a few comments that were made earlier today during this testimony as far as management of the office. In addition to a law degree, I have a Master's degree in Judicial Administration.

I have served as a management consultant to the Federal Judges for about three years while working with the Administrative Office of the U.S. Courts, as well as being in charge of the San Francisco field office of Special Counsel. I believe I am qualified to exercise an opinion as to Judge Kozinski's management ability, and I think he is an excellent manager.

I did leave the Office of the Special Counsel while Judge Kozinski was in charge. I advised him, as soon as he took over the Office of the Special Counsel, of my intentions to leave the office. It has nothing to do with Alex Kozinski whatsoever.

In fact, I stayed longer with the Office of the Special Counsel because of Alex Kozinski than I would have otherwise. It was a pleasure and a privilege to work for Alex Kozinski and I would work for him again.

Some of the comments earlier in the testimony today regarded morale of the office. I would say that, in my experience, morale during Mary Eastwood's tenure was the lowest in the Office of the Special Counsel while I was there.

I am not sure it had anything to do with Mary Eastwood so much as circumstances of the office; and the criticism of the office as being ineffective was widespread and brought by Congresswoman Patricia Schroeder as well as others.

This criticism of the office generally, as well as the office's inability to secure any successes with the Merit Systems Protection Board, since decisions had come down against us, had a large amount to do with the disatisfaction and frustration of the staff, and the consequent low morale of the staff.

Prior to Alex Kozinski even coming to the office I had many of my staff members talk to me about leaving the Office of the Special Counsel and pursuing some other careers, and these are very dedicated individuals.

In working with Judge Kozinski, I found that his judgment and his decisions were well-reasoned. He often required extensive reasons for us to pursue things. If I made a recommendation to him, he would always examine me very carefully on it and explore all avenues before he made a decision.

In my experience in working with him, everything he did was well-reasoned and well thought out. He was a very caring individual and he thought very much about the morale of the staff as well as the care of the staff in pursuit of their jobs.

Mr. President, I think that absolutely refutes any charge here that this man did not care about his staff.

The whole thing was this man, Judge Kozinski, is a perfectionist. He demanded high standards. Those who did not want to produce and live up to those high standards were unhappy.

I admire Judge Kozinski. I wish we had more people in the Federal Government like him who would set high standards for employees. We would have a much more efficient administration of the Government than we have otherwise.

Again, I want to say that Judge Kozinski is an able man. He is a man of character. No one questions his ability. No one questions his professional attainments. No one questions his integrity. No one questions his efficiency.

He is an absolutely fine man who sets high standards and those who lived up to high standards and agreed to high standards are all for him.

Here is a man who served with a number of the special counsel and he puts Judge Kozinski at the top. To me it is unthinkable that the Senate would not confirm this fine, outstanding young man who has done so well in everything he has undertaken.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. THURMOND. Mr. President, Mr. John Erck, former attorney in charge of Hatch Act enforcement for the Office of Special Counsel, informed the committee by affidavit on November 1, 1985:

I regret that I am unable to attend this hearing and testify in person concerning Alex Kozinski's qualifications to be a judge on the Ninth Circuit Court of Appeals. I am currently on Reserve duty at Fort Drum, New York, and will not return to the Washington, DC, area until November 2nd.

If I were present, I would testify, under penalty of perjury, that Alex Kozinski was an outstanding Special Counsel. He was demanding, but he was fair.

He set high standards for himself and for everyone who worked for him. In my opinion, the standards were neither impossible nor unreasonable.

He was always available and always eager to teach everyone who demonstrated a willingness to meet his standards. I cannot recall a single time when Alex did not make himself available to discuss legal issues, office matters or personal concerns.

I worked harder for Alex Kozinski than any attorney for whom I have ever worked. I would hasten to add that I learned more and enjoyed my work more than I have before or since.

I would like to comment briefly on his professional ethics. He would not allow at-

torneys to prepare briefs advancing specious or frivolous arguments, and he would require us to include citations to case authority which was contrary to the position being argued by our office.

He constantly emphasized a high standard of objectivity that he required of a Government attorney.

I was the attorney primarily in charge of Hatch Act enforcement during the time that Alex Kozinski was Special Counsel. I learned early that Alex did not want to know the political party of the respondent in a case being investigated.

Because he made it clear on so many occasions that he wanted to make decisions regarding prosecutions in Hatch Act cases without knowing the political affiliation of the person being charged, political affiliation was an item of information that was never discussed.

With regard to the case involving Guadalupe Saldanna, I recall discussing the fact-finding strategy with the investigator. I do not recall the investigator or anyone else recommending against prosecution.

After the investigation was completed, I discussed the case with Alex and we agreed that the prosecution should go forward. He did not demonstrate any peculiar interest in the facts of the case that would cause Saldanna to be singled out for special treatment.

In this case, as in others, Alex was concerned with whether there was sufficient evidence to establish a violation of the law. Saldanna's party affiliation never entered the discussion.

Mr. President, there is a statement by another former attorney, one in charge of the Hatch Act enforcement for the Office of Special Counsel, Mr. John Erck.

Mr. President, that, again, corroborates the statement that I just gave by Mr. William K. Olivier.

Mr. President, these are lawyers who admired Mr. Kozinski for setting high standards, who were willing to work hard and did work hard under him, harder than they did before or afterward, according to their statements.

Judge Kozinski is a man of principle. He is a man of dedication. He worked harder than most people. He sets standards higher than most people. It is because of that that some of these employees who did not want to work as hard or to those high standards complain against him.

These people whose statements I have read have said he was caring of people.

I think sometimes employees who did not want to exert the last effort that Judge Kozinski required of them complain about it. That is natural, I guess.

We have all kinds of people in public service, some who will work and do what they have to, some who will do less than they ought to, and some who will do more than they ought to.

Judge Kozinski is a man who would do more than required of him; who would go the extra mile and who would fight for his Government, for the Government for which he was working. I admire Judge Kozinski for the high standards he set and the great principle for which he stood.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. THURMOND. Mr. President, I ask unanimous consent to have a statement of allegations and responses printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ALLEGATIONS AND RESPONSES

1. Allegation: Judge Kozinski misled the Senate in a letter to Senators Thurmond and Biden describing a settlement agreement arrived at with former Acting Counsel Mary Eastwood and the OSC.

Response: Judge Kozinski responded:

"As you are aware * * * my letter of October 17, 1985, was a response. It was response to a letter written earlier by Senator Levin to the Committee. It is an October 8th letter.

"At page 8 of that letter Senator Levin stated the following:

* * * 'Ms. Eastwood, herself, was terminated by Judge Kozinski after being isolated by him from the rest of the staff and ordered to accept reassignment out of town. Her appeal of the termination was settled in her favor, however, after Mr. Kozinski left office.'

"Now, I took no issue with that statement. That was a statement that was presented to the Committee and I had no quarrel with it. I simply added two facts:

"The first one, that she had repudiated her charges as part of the settlement; the second one, that she did not get her job back permanently.

"When taken together with Senator Levin's statement—which, again, I did not dispute—my statement simply completed the record * * *

"Senator Levin's statement obviously disclosed to the Committee that she had gotten a lot. She won the appeal, Senator Levin said, was settled in her favor.

"I did not dispute that. I did not say it was not settled in her favor. I took that as a given * * *

'What I stated was—the question, I believe, Senator Levin asked me is whether my characterization was fair. What I said to him are that standards of fairness depend on the context and the type of document.

"If this were a judicial opinion, I would, of course, have to disclose the evidence on both sides, set it forth in the same document, and then reach a conclusion. I felt that this was not that kind of document, that this was an advocatorial document: that allegations had been made to him and, through him, to the Committee, and that the purpose in my letter was to respond and add such facts that I thought would give a clearer, fuller, more accurate and, yes, more favorable picture of the situation to me * * * taking as given that what Senator Levin had said and what I had not disputed would stand unrebutted * * *

"I think that one has to be fair with the Committee. I think one has to be honest with the Committee. One has to disclose any fact that the Committee is not otherwise aware of that might be relevant.

"The Mary Eastwood appeal has been a matter of public record. All those documents have been a matter of public record.

"It was clear to me that Senator Levin had either talked to Ms. Eastwood or was otherwise fully advised of the situation and, through him, the Committee had been fully advised of the situation.

"I am simply pointing out, as I said, the parts of the record that I thought might have been overlooked and that might have been favorable to me."

2. *Allegation:* Judge Kozinski did not advise the two attorneys sanctioned in a judicial misconduct complaint by notice or give them a hearing on the matter or the opportunity to respond. *Eash* v. *Riggins Trucking* (1985) was cited as the case of precedent in this matter.

Response: Judge Kozinski's ruling on this complaint occurred in 1983, two years prior to the *Eash* case. Therefore, how could Judge Kozinski have been bound by this ruling? On this same allegation, Judge Kozinski also stated that:

"It may be significant to note that only four months later, Chief Judge Cummings of the Court of Appeals for the Seventh Circuit imposed a monetary sanction upon the very same counsel in a case involving the same subject matter (*Reid* v. *United States*). In so doing the chief judge stated: 'In these cases it is not the obstinacy of the appellants but rather that of their attorney which is of more concern. The record suggests that this litigation was commenced to harass the government. In addition, counsel for the appellants' argument that federal condemnation authority can be preempted by state regulation and counsel's response to the appellees' motion to correct a clerical error in *Winkler* are both so meritless as to amount to further evidence of bad faith.' "

3. *Allegation:* On the Claims Court, Judge Kozinski angrily and summarily—without the basic procedural fairness of notice or an opportunity for a hearing—fined two attorneys $500 each for merely filing a judicial misconduct complaint he found to be without merit, and widely distributed copies of his opinion castigating the attorneys.

Response: Judge Kozinski responded:

"I discussed that case at some length. Eight pages of my letter of November 17th dealt with that case.

"Now, I wrote a lengthy opinion in the case because, like you, I thought the issue was a difficult one. I don't think it is an easy issue, but it is the nature of trial judges that we can get reversed on appeal and I wanted to be very careful that my reasons, my methodology were laid out in case I should be wrong.

"Now, the attorneys in question could have, had they thought me wrong, taken appeal and, if successful, they would have had their fine suspended or reversed. They did not.

"The fines were paid. My action became final.

"That doesn't make it 100 percent free from doubt because law simply is not like that. We do our best. We try to lay it out. And then we let a higher authority decide whether or not we were correct * * *

"Senator Levin and I had discussed our differences about this case when we spoke in private and we have different views as to what is relevant precedent. He points out, and I think he is absolutely right, that there are no precedents involving complaints of judicial misconduct cases; and he views—and I think this is a very respectable view—he views these types of cases as inherently different from other cases.

"I view judicial misconduct cases as simply another pleading before a court and, therefore, that precedents relevant in other contexts are applicable. I would suggest that my view is at least worthy of respect; per-

haps in Senator Levin's view not equal respect, but as a different view * * *

"In any case, I pointed out to Senator Levin, I laid it all out. It was a very lengthy opinion. I invited the view, as I do with all of my opinions.

"I have written almost sixty opinions since I have been at the Claims Court. I have decided numerous cases. And I try to be very careful in my rulings to lay out my reasons so that if the appellate court should disagree I want to be reversed.

"I don't want to be affirmed because it misunderstands my reasons because it is important that the law be developed in an intelligent, fair and honest fashion. I would much rather be reversed because the appellate court disagrees with me than be affirmed because it misunderstands my reasoning.

"That is what I did in this case. There was no appeal so we do not know what the appellate court would have done.

"I cannot warranty to this body that had an appeal been taken I would have been affirmed. Obviously, if I did not think I would be affirmed in an eventual appeal I would not have issued the opinion.

"I still think it's right."

4. *Allegation:* An employee of the Office of Special Counsel with critically high blood pressure, while on sick leave, was terminated by Judge Kozinski. This employee brought suit in the U.S. District Court for reinstatement and use of his sick leave.

Response: Judge Kozinski's response states:

"As to the case involving Philippe Neff, I can add very little to what is disclosed in the transcript of the hearing before Judge Bryant. As the transcript makes clear, the question in that case was not whether the employee would continue working in the office; it was clear that he was permanently disabled and that he could not return. At issue was whether he would continue on the payroll while 'running out' his sick leave. The employee would have had a right to do so if he had applied for disability retirement, an option that my staff had strenuously urged upon him. The case was finally settled when Mr. Neff agreed to pursue this course of action. It is regrettable that a lawsuit was required to persuade Mr. Neff to take the course we urged upon him to begin with, although I recognize that members of my staff could have been more careful and thorough in explaining to him (and to me) his rights in the circumstances. As head of the office I must, of course, accept responsibility for any shortcomings in the agency's treatment of Mr. Neff."

5. *Allegation:* Judge Kozinski is described as an individual who was "intemperate," "harsh," "cruel," "demeaning," "disingenious," and "without compassion" while serving as Special Counsel to the Merit Systems Protection Board.

Response: Judge Kozinski stated:

"I do not, Mr. Chairman, claim that my performance as Special Counsel approached perfection; I am human and therefore neither omniscient nor immune from error. There are certainly things I did as Special Counsel that, although defensible, I might do differently with the benefit of hindsight and experience. While I believe that I did a good job as Special Counsel, I hope that I would do a better job today if entrusted with a similar responsibility."

6. *Allegation:* Judge Kozinski allegedly sought the dismissal of an employee who had contracted cancer. Judge Kozinski allegedly issued a memo, approximately one month prior to her retirement, announcing her immediate departure.

Response: Judge Kozinski stated:

"This was an unfortunate clerical error. It is my practice to issue memoranda announcing the arrival and departure of staff; I have continued this practice at the Claims Court. These memoranda promote fellowship among employees by keeping them advised of each other's arrival, departure and future plans. As best I can reconstruct events, the person in charge of preparing such memos for my signature made an error as to the employee's proposed departure date and the memo was issued about a week prematurely. Instead of bringing the error to my attention, the employee left without a word. As Mr. James' affidavit notes, a subsequent call from her husband brought the matter to my attention and I advised him of the error. Embarrassing as this incident is to me personally, there is no claim that the employee in question suffered an early termination or loss of pay. My memorandum was not an official personnel action and could have no effect for purposes of pay or employment. While I do not have access to the employee's personnel file to verify this, my understanding is that she remained on the payroll until her scheduled departure date."

7. *Allegation:* An employee was terminated by Judge Kozinski after being isolated by him from the rest of the staff and ordered to accept reassignment out of town.

Response: Judge Kozinski stated that:

"The facts of Ms. Eastwood's case are simple. when a vacancy occurred, I placed her in charge of our largest regional office in San Francisco, by any measure hardly a hardship assignment. In light of Ms. Eastwood's experience and familiarity with the Office, I felt strongly that she could help bring our largest and most distant regional office 'closer' to Washington. For reasons never fully explained, Ms. Eastwood chose not to go to San Francisco, abandoning the responsibilities entrusted to her. While I cannot quarrel with Ms. Eastwood's personal decision, a small agency such as the Office of the Special Counsel cannot always accommodate employees in their geographic preferences; indeed, geographic flexibility is one of the hallmarks of the Senior Executive Service, of which Ms. Eastwood was a member. Upon Ms. Eastwood's refusal to serve, we were forced to hire an attorney from the outside to head the office, obviously, a much less desirable alternative. I might add that, contrary to Ms. Eastwood's charges of discrimination on the basis of political affiliation, the person hired turned out to have probably been a Democrat."

8. *Allegation:* A former employee of the Office of Special Counsel stated that Judge Kozinski placed a "gag order" on her activities.

Response: Judge Kozinski responded to this allegation that:

"The matter of Ms. Chin and the so-called 'gag order' was considered by the Committee, having been raised in the testimony of Thomas M. Devine on July 17, 1985. I am pleased that a copy of the so-called 'gag order' has found its way to the Committee because, on its face, the order refutes the claims made about it. In the first place, the memo was a draft never actually issued to Ms. Chin; she herself admits she had to obtain a copy through FOIA. Moreover, the memo does not bear my manuscript initials, the *sine qua non* of final approval.

"More importantly, the memorandum simply is not a gag order. It is a supervisory directive as to matters within the employee's *official* responsibilities; it circumscribes only intra-agency communications concerning government business, conducted by use of government facilities. The memorandum specifically left Ms. Chin 'free to discuss any matter not constituting official business with field or branch office personnel * * *' Even had the memorandum been issued to Ms. Chin, it would not have impaired her right to speak to the press, to Congress, to other government employees or to anyone else, so long as she did so on her own time as a private individual."

Mr. CRANSTON. Mr. President, will the Senator from Michigan yield me some time?

Mr. LEVIN. Mr. President, I yield to my friend from California that portion of the remaining time he may need.

Mr. CRANSTON. I thank the Senator from Michigan. I shall not use all the time and shall yield back the remainder of it.

Mr. President, several months ago, when Alex Kozinski was nominated for the ninth circuit court, I was contacted by several friends and attorneys from California who recommended Judge Kozinski as a man whose high intellect and superior legal ability qualified him eminently for the court. At the time I advised the Judiciary Committee of my confidence in the recommendations I had received and indicated that I supported his nomination.

Since then, the continuing allegations and revelations about Judge Kozinski have persuaded me to reconsider my earlier judgment about his qualifications. I feel I must, in good conscience, vote against his confirmation.

The case against Judge Kozinski's confirmation has been adequately presented by Senator LEVIN and others. I will not rehearse it here. Moreover, I presume that Judge Kozinski will be confirmed and soon will be a judge on the ninth circuit—my opinion notwithstanding.

Since our focus should always be on the future, my major concern today is the kind of judge Alex Kozinski will be. There is no question in my mind about his intellect or his legal ability. But intellectual strength, like any God-given ability, can be misused and abused. When a highly intelligent judicial candidate exhibits qualities that can be described as overbearing, disingenuous, hostile, without compassion, and even sadistic, it is reasonable to question whether intellectual arrogance has diverted that individual from the pursuit of wisdom, which should be the foremost activity of any judge. Although Alex Kozinski appears to be thus diverted, he is clearly intelligent enough to learn from his confirmation experience and to understand that he will never be a superior judge unless he remedies these failings.

I sincerely hope he does so.

Mr. President, I yield back whatever time remains to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. I thank the Chair. I believe all the time on the other side has been utilized. I yield back the remainder of my time.

Mr. DOLE. Mr. President, I am pleased to support Alex Kozinski to serve on the Ninth Circuit Court of Appeals.

Judge Kozinski has an extensive legal background which will serve him well as Federal court of appeals judge. A graduate of the University of California Law School, he has clerked for both Judge Anthony Kennedy on the ninth circuit and Chief Justice Burger on the Supreme Court. He is a member of both the California and District of Columbia bars. He also has a number of years of experience practicing law with the firm of Forry, Golbert, Singer, & Gelles in Los Angeles and the local firm of Covington & Burling. Finally, he has also served as a legal counsel to President Reagan, as well as head of the U.S. Claims Court—experience which gives him a solid base of experience in both the public and private sectors.

An immigrant from Bucharest, Romania, Alex Kozinski has overcome language and cultural barriers to excel in his chosen profession. Few attorneys at his young age, or any age, can claim such a broad range of experience.

Regrettably, there was some measure of controversy which surrounded his confirmation during the Judiciary Committee's hearings. However, after extensive scrutiny, I believe the record compiled by the committee amply demonstrates that Judge Kozinski is a man of integrity and honor who will be a great asset to the Federal judiciary.

My congratulations to him, his wife, Marcy Jane Tiffany, and their two children.

The PRESIDING OFFICER. All time having expired, the majority leader is recognized.

Mr. DOLE. Mr. President, I ask unanimous consent that the vote on the nomination occur, following 10 minutes evenly divided, at 2 p.m., tomorrow.

The PRESIDING OFFICER. The vote will occur at 2 p.m. tomorrow.

Mr. LEVIN. Mr. President, following the 10 minutes that will be equally divided.

The PRESIDING OFFICER. After 10 minutes debate as indicated by the majority leader.

Mr. DOLE. No, Mr. President, the vote will be at 2 p.m. The 10 minutes start at 1:50 p.m.

The PRESIDING OFFICER. That is correct.

Mr. DOLE. I thank my colleague.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I have already indicated there will be no more votes this evening. I am not sure whether the distinguished chairman wishes to move to the Cooper nomination tonight.

LEGISLATIVE SESSION

Mr. DOLE Mr. President, I ask unanimous consent the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 10:22 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

H.R. 1210. An act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes;

H.J. Res. 126. Joint resolution to designate the week of November 3, 1985, through November 9, 1985, as "National Drug Abuse Education Week"; and

H.J. Res. 282. Joint resolution designating the week beginning October 27, 1985, as "National Alopecia Areata Awareness Week."

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1968. A communication from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, a report on decisions to extend time periods for action by the Commission on certain pending appeals; to the Committee on Commerce, Science, and Transportation.

EC-1969. A communication from the Secretary of Transportation and the President of the National Railroad Passenger Corporation, transmitting, pursuant to law, a report on the progress of the Northeast corridor improvement project; to the Committee on Commerce, Science, and Transportation.

EC-1970. A communication from the Administrator of the National Oceanic and Atmospheric Administration transmitting, pursuant to law, the Federal plan for ocean pollution research, development, and monitoring, 1985-89; to the Committee on Environment and Public Works.

EC-1971. A communication from the assistant legal adviser for treaty affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the 60 days previous to November 4, 1985; to the Committee on Foreign Relations.

EC-1972. A communication from the Attorney General of the United States transmitting, pursuant to law, the 1984 report of the Attorney General on the administration of the Foreign Agents Registration Act; to the Committee on Foreign Relations.

EC-1973. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Implementing the Small Business Innovation Development Act—the First Two Years"; to the Committee on Small Business.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations, with amendments:

H.R. 3629: A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes (Rept. No. 99-176).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Finance:

Ronald E. Robertson, of Virginia, to be general counsel of the Department of Health and Human Services.

(The above nomination was reported from the Committee on Finance with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS:

S. 1834. A bill for the relief of Manuel S. Nzambi, his wife, Beatrice Nzambi, and their children, Edward Nzambi, Immanuel

Nzambi, Paul Nzambi, and Wakanwa Nzambi; to the Committee on the Judiciary.

By Mr. METZENBAUM:

S. 1835. A bill to provide assistance in alleviating the suffering of victims of Alzheimer's disease and their families; to the Committee on Finance.

By Mr. SIMON (for himself, Mr. BOREN, Mr. BRADLEY, Mr. BUMPERS, Mr. CHILES, Mr. COCHRAN, Mr. D'AMATO, Mr. DECONCINI, Mr. DOLE, Mr. EAST, Mr. EXON, Mr. GORE, Mr. HELMS, Mr. HOLLINGS, Mr. INOUYE, Mr. KASTEN, Mr. KERRY, Mr. MCCLURE, Mr. MELCHER, Mr. MURKOWSKI, Mr. NUNN, Mr. PELL, Mr. PRYOR, Mr. QUAYLE, Mr. STAFFORD, Mr. STENNIS, and Mr. THURMOND):

S.J. Res. 232. Joint resolution to designate October 6, 1986, through October 10, 1986, as "National Social Studies Week"; to the Committee on the Judiciary.

By Mr. COHEN (for himself and Mr. MITCHELL):

S.J. Res. 233. Joint resolution disapproving the decision of the President to deny import relief to the domestic footwear industry; to the Committee on Finance.

By Mr. WILSON (for himself, Mr. DOLE, and Mr. BRADLEY):

S.J. Res. 234. Joint resolution to designate the week of February 9, 1986, through February 15, 1986, as "National Burn Awareness Week"; to the Committee on the Judiciary.

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. CHAFEE, Mr. HOLLINGS, and Mr. KASTEN):

S.J. Res. 235. Joint resolution to designate the week of January 26, 1986, to February 1, 1986, as "Truck and Bus Safety Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. METZENBAUM:

S. 1835. A bill to provide assistance in alleviating the suffering of victims of Alzheimer's disease and their families; to the Committee on Finance.

ALZHEIMER'S DISEASE DEMONSTRATION, RESEARCH, RESPITE, AND ASSISTANCE ACT

● Mr. METZENBAUM. Mr. President, I am today introducing the Alzheimer's Disease Demonstration, Research, Respite, and Assistance Act, legislation designed to strengthen and to make more coherent our national response to Alzheimer's disease, an affliction that has devastated the lives of millions of Americans.

Alzheimer's disease, Mr. President, is a neurological disorder that, before killing its victims, renders them incapable of caring for themselves.

How widespread is it?

Approximately 2.5 million to 3 million Americans suffer today from Alzheimer's.

According to the Public Health Service, this terrible disease strikes 1 of every 20 people between the ages of 65 and 75. And beyond the age of 80, it afflicts one person in every five. But it has been known to strike people in their thirties, too, and people at the peak of their careers and contributions to society.

Alzheimer's is a deadly disease—the fourth leading killer of adults in this country. Each year, 150,000 Americans die from this disorder and related complications.

But these are only numbers, Mr. President. And numbers cannot begin to convey the tragedy of Alzheimer's—the tragedy for those who contract this affliction, and for their families, who must not only watch the mental and physical disintegration of a loved one, but in many cases, provide the round-the-clock care to the victim.

Mr. President, in the past few years, several Members of the House and the Senate, myself included, have sponsored a variety of efforts to address one or another facet of Alzheimer's disease. And from these efforts, we have learned that, to deal with the very broad impact of Alzheimer's requires bringing together in a coordinated manner a wide, wide range of programs and services.

The legislation I am introducing today will establish basic guideposts in order to promote a coordinated program.

NATIONAL ADVISORY COUNCIL

Two years ago, the Secretary of HHS established an interagency task force to help coordinate Government efforts pertaining to Alzheimer's disease. The task force has served in many ways as a catalyst for agency programs and activities.

The legislation I am introducing today would take the task force concept a step further, by establishing in statute for a period of 6 years, an advisory council that would report to the President and the Congress.

This advisory council would be composed of representatives from Government, the research and medical communities, health care providers, researchers, and representatives of families whose members have been stricken with Alzheimer's. One of the council's primary functions would be to help develop, encourage, and guide research on Alzheimer's disease. But beyond that, the council would serve as a "switching station"—a mechanism for conveying new information and ideas to physicians, nurses, care givers, and family members.

RESEARCH, STATISTICS, AND INFORMATION EXCHANGE

To begin with, this legislation would underscore the critical need for both basic and clinical research on Alzheimer's disease. It would promote research partnerships between Government agencies such as the National Institutes of Health and the Veterans' Administration and, at the same time, encourage collaborative efforts among Government agencies, university research centers, pharmaceutical houses, and others throughout the medical and scientific community. And it would establish five additional research centers.

I hasten to add that while medical research offers the only real hope for finding a cure, we cannot overlook the desperate needs of those who are already struggling to cope with the day-to-day ravages of this disease. For that reason, the legislation I am introducing would also encourage long-overdue research and demonstration on delivering health services.

The legislation would designate the National Institute on Aging as the agency responsible for collecting and disseminating information on Alzheimer's disease.

DEVELOPMENT AND COORDINATION OF SERVICES

Approaches that may be helpful to Alzheimer's patients are often beyond the reach of too many people, owing to a lack of income, and absence of community resources, and shortages of trained personnel.

Rather than establish a whole new system of community-based services, this legislation would make use of mechanisms already in place throughout the country. The administration on aging's extensive network of State and area agencies, the VA's medical and nursing facilities, and the family support systems of national voluntary organizations, such as the Alzheimer's Disease and Related Disorders Association, would all be utilized in a coordinated way to assist victims and their families. The legislation provides also for low-cost loans to those private individuals who will establish day care centers for Alzheimer's families.

Among other things, the National Institute on Aging and the National Institute on Mental Health with the advice of the National Advisory Council would be assigned responsibility for designing and implementing training programs for those professionals whose job it is to care for victims of the disease.

LONG-TERM CARE STRATEGIES

Mr. President, since the turn of this century our Nation has made tremendous strides in the fields of health and medical science. New drugs, new technologies, and improved procedures have all helped to raise the health standards of our citizens.

Still, our system of social protections—particularly for the elderly—is not reaching all of the target population. In the case of Alzheimer's patients, families most often bear the full burden of care with little help from others. Medicare does not cover the long-term costs of caring for victims, nor do most private insurance plans. For that matter, few local communities are either able or willing to assume at least a part of the responsibility for care.

Under the legislation I am introducing today, there would be tax relief for the short term, but for the longer term, the appropriate Government agencies such as the Health Care Financing Administration, would, with the assistance of the National Council,

assume responsibility for developing systems to provide long-term care and alternative financing mechanisms specifically for victims of Alzheimer's disease and related disorders. An advisory subpanel of the National Council would work with HCFA, providing recommendations and expertise.

In order to encourage new and innovative approaches to care, the Secretary of HHS is directed to authorize Medicare waivers for home health care and other support services. The Secretary will also promulgate regulations to prohibit discrimination against Alzheimer's patients who are eligible for Medicaid assistance.

At the same time, the National Institute on Aging and the National Center for Health Statistics are directed by the legislation to collect, maintain and provide for the exchange of medical information and the development of a national data base on Alzheimer's disease.

UNIFORM VETERANS' ADMINISTRATION POLICY

It is not easy to believe, Mr. President, but it is a fact that the Veterans' Administration currently has no consistent policy with respect to veterans with Alzheimer's disease. As a consequence, some victims of the disease are admitted to VA medical facilities, while others are either denied admission or are referred to State-run or private facilities.

The legislation I am proposing today will address this problem by requiring the VA to set fair and consistent guidelines regarding veterans with Alzheimer's disease. As part of that effort, VA facilities will be required to provide at least minimum services, including assessment and diagnosis, counseling, and tracking for veterans over age 55 who suffer from Alzheimer's disease. The VA is also required to develop a limited number of high quality demonstration projects in order to explore the most effective means of providing care outside of institutional settings. Such services would include adult day care, respite care, hospital-based home care, and home intervention teams.

SOCIAL SECURITY DISABILITY BENEFITS

Yet another problem confronting most victims of Alzheimer's disease pertains to the Federal Disability Insurance Program.

Currently, the statutes authorizing disability benefits do not preclude benefit payments to individuals suffering from Alzheimer's disease. Nevertheless, the guidelines used by State examiners to evaluate benefit claims are rather vague when it comes to this ailment. This, in turn, has led to what can only be described as unfair treatment of those who have a rightful claim to benefits.

This legislation charges the National Advisory Council with responsibility for channeling the most current scientific and medical information to the Social Security Administration. The information will then be used to update Social Security guidelines on the Disability Program, as well as on supplemental security income [SSI]. And, in addition to putting the latest information in the hands of those who need it most—the claims examiners—the Social Security Administration will be required, periodically, to train and retrain examiners.

TAX-RELATED PROVISIONS

In addition, this legislation will extend tax relief to families. First, it increases the dependent adult day care tax credit allowed while caring for a victim at home. Second, it provides a deduction for dependent adult home health care services and equipment. And finally, it allows a tax deduction for nursing home care prescribed by specified health professionals.

EDUCATION AND TRAINING

Finally, this legislation provides for the development and dissemination of curricula on Alzheimer's disease and for the training of various care givers, including clinical care providers, patient families, home health aides, nursing home personnel, and safety and transportation personnel. This month is national Alzheimer's Disease Awareness Month, and we must continue to raise public awareness to the tragic need to provide assistance for its victims and to move toward its elimination. Mr. President, the intent of this legislation is to promote a coordinated and compassionate approach to the problem of Alzheimer's disease. I hope that we will be able to act expeditiously on this legislation, and ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1835

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Alzheimer's Disease Demonstration, Research, Respite, and Assistance Act of 1985".

SEC. 2. NATIONAL COUNCIL ON ALZHEIMER'S DISEASE.

(a) ESTABLISHMENT.—There is established the National Council on Alzheimer's Disease (hereafter in this Act referred to as the "National Council").

(b) DUTIES.—The National Council shall be responsible for planning, coordinating, and monitoring activities carried out by Federal agencies under this Act and shall carry out the duties assigned to the National Council by this Act.

(c) COMPOSITION.—(1) The National Council shall be composed of twenty-four members as follows:

(A) Eight members appointed by the President.

(B) Eight members appointed by the President pro tempore of the Senate, upon the recommendations of the majority leader and the minority leader of the Senate.

(C) Eight members appointed by the Speaker of the House of Representatives, upon the recommendations of the majority leader and the minority leader of the House of Representatives.

(2) Of the eight members appointed by the President under paragraph (1)(A), of the eight members appointed by the President pro tempore of the Senate under paragraph (1)(B), and of the eight members appointed by the Speaker of the House of Representatives under paragraph (1)(C)—

(A) three shall be physicians or scientists involved in the treatment of, or research relating to, Alzheimer's disease; and

(B) five shall be from representatives of family members of patients with Alzheimer's disease, individuals providing health and social services to patients with Alzheimer's disease, individuals conducting health services research with respect to Alzheimer's disease, private insurers, national voluntary organizations, and the general public.

(d) TERM OF OFFICE.—The term of office of a member of the National Council shall be four years, except that—

(1) of the members first appointed to the National Council under subsection (c)(1)(A), four shall be appointed for a term of two years and four shall be appointed for a term of four years, as designated by the President at the time of appointment;

(2) of the members first appointed to the National Council under subsection (c)(1)(B), four shall be appointed for a term of two years and four shall be appointed for a term of four years, as designated by the President pro tempore of the Senate at the time of appointment; and

(3) of the members first appointed to the National Council under subsection (c)(1)(C), four shall be appointed for a term of two years and four shall be appointed for a term of four years, as designated by the Speaker of the House of Representatives at the time of appointment.

(e) CHAIRMAN.—The National Council shall elect a Chairman from among its members.

(f) MEETINGS.—The National Council shall meet four times each year, as well as at the call of the Chairman.

(g) QUORUM.—Fourteen members of the National Council shall constitute a quorum, but a lesser number may hold hearings. A vacancy in the National Council shall not affect its powers.

(h) HONORARIUM.—Each member of the National Council who is not an officer or employee of the United States shall receive an honorarium of $100 for each meeting of the National Council which such member attends. Any member of the National Council who is an officer or employee of the United States shall receive no compensation for service as a member of the National Council.

(i) EXPENSES.—While away from their homes or regular places of business in the performance of services for the National Council, all members of the National Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under section 5702 of title 5, United States Code.

(j) PERSONNEL.—(1) The Chairman of the National Council may, without regard to the civil service laws, rules, and regulations, appoint and fix the compensation of an executive secretary and such other additional personnel as may be necessary to enable the National Council to carry out its functions.

(2) Any Federal employee may be detailed to the National Council without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(3) The National Council may produce temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates of individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for GS-18 of the General Schedule under section 5332 of such title.

(k) POWERS.—(1) The National Council may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the National Council considers appropriate.

(2) The National Council may secure directly from any department or agency of the United States information necessary to enable the National Council to carry out this Act. Upon request of the Chairman of the National Council, the head of such department or agency shall furnish such information to the National Council.

(3) The National Council may accept, use, and dispose of gifts or donations of services or property.

(4) The National Council may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(l) SUPPORT SERVICES.—The Administrator of General Services shall provide to the National Council on a reimbursable basis such administrative and support services as the National Council may request.

(m) ANNUAL REPORT.—Within one year after the date of enactment of this Act, and annually thereafter, the National Council shall prepare and transmit to the President and the Congress a report which describes the activities of the National Council under this Act.

(n) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out the activities of the National Council under this Act.

(o) TERMINATION.—The National Council shall terminate six years after the date of enactment of this Act.

SEC. 3 EXPANSION AND COORDINATION OF RESEARCH ON ALZHEIMER'S DISEASE.

(a) RESEARCH PARTNERSHIPS.—(1) To facilitate research with respect to Alzheimer's disease, the National Council shall develop and encourage partnerships between—

(A) Federal agencies, particularly the National Institute on Aging, the National Institute on Mental Health, the Health Care Financing Administration, and the Veterans' Administration; and

(B) academic institutions, pharmaceutical companies, nursing homes, providers of day care services and respite services for patients with Alzheimer's disease, private insurers, and other private entities.

(2) Under paragraph (1), the National Council shall facilitate partnerships for research in areas such as—

(A) the etiology, diagnosis, clinical course, treatment, and epidemiology of Alzheimer's disease;

(B) the psychological and social functioning of patients with Alzheimer's disease; and

(C) effective methods of raising or sustaining the quality of life for patients with Alzheimer's disease, means of financing each such method, and the cost-effectiveness of each such method.

(3) To facilitate research partnerships under this subsection, the National Council shall establish a scientific and medical advisory panel on Alzheimer's disease, which shall consist of biomedical researchers and health services researchers, including health economists and medical sociologists, who are conducting research with respect to Alzheimer's disease.

(b) DATA COLLECTION.—The National Center for Health Statistics, in cooperation with the National Institute on Aging, shall collect, maintain, and provide for the exchange of medical information necessary to—

(1) diagnose and evaluate individuals with Alzheimer's disease; and

(2) develop and establish a national data base concerning Alzheimer's disease, including accurate information on Alzheimer's disease as a cause of death.

(c) RESEARCH.—The Director of the National Institutes of Health shall establish five research centers on Alzheimer's disease and related disorders for basic and clinical research into, training in, and demonstration of advanced diagnostic, prevention, and treatment methods for Alzheimer's disease and related disorders, which shall be in addition to the number of such centers which have been established prior to the date of enactment of this Act. For such additional centers, there are authorized to be appropriated $3,500,000 for fiscal year 1987.

SEC. 4. SPECIAL PROJECTS IN ALZHEIMER'S DISEASE SERVICES.

The Older Americans Act of 1965 is amended by adding after section 426 the following new section:

"SPECIAL PROJECTS IN ALZHEIMER'S DISEASE SERVICES

"SEC. 427. (a)(1) The Commissioner is authorized, directly or through grants or contracts, to develop programs which are designed to assist elderly victims of Alzheimer's disease and other related neurological and organic brain disorders, whether living independently or with their families to meet their day-to-day needs including—

"(A) home health care for such victims, including functional health care, physical therapy, and occupational therapy;

"(B) adult day care for such victims;

"(C) home management assistance, transportation to access services, and in-home respite care for the families, particularly spouses of such families;

"(D) referral services to appropriate community services for such victims and their families throughout the continuum of care; and

"(E) the conduct of workshops for health care professionals and other personnel in the field of aging relating to the provision of functional and skilled care to individuals who suffer from Alzheimer's disease and other related neurological and organic brain disorders.

"(2) The Commissioner may, whenever appropriate, provide for the charging of fees for services under paragraph (1).

"(3) The Commissioner is authorized to make grants and to enter into contracts under this section with State agencies, area agencies on aging, and appropriate nonprofit private organizations in the private sector, including the Alzheimer's Disease and Related Disorders Association.

"(b) In carrying out the provisions of this section, the Commissioner shall, in addition to agencies specified in section 402(b), request the technical assistance and cooperation of the Veterans' Administration.".

SEC. 5. LOANS TO FINANCE NONPROFIT ADULT DAYCARE CENTERS AND RESPITE CARE PROGRAMS.

(a) AUTHORIZATION OF LOANS.—The Small Business Administration is authorized to make loans to private, nonprofit corporations to finance the development of adult daycare centers and respite care programs for Alzheimer patients and their families.

(b) TERMS OF LOANS.—A loan under this section shall have—

(1) a maximum principal amount of $60,000;

(2) an interest rate equal to the lesser of 9 per centum per annum or 2 percentage points less than the average of the prime rates as established from time to time by the three largest United States commercial banks from which such data are available; and

(3) be repayable over a period of not to exceed ten years.

(c) CONSULTATION AND TECHNICAL ASSISTANCE.—In carrying out this section, the Small Business Administration shall provide technical assistance relative to establishing and maintaining a small business (i.e., adult day care or respite care center), and shall consult and coordinate with, and make referrals as necessary to, the Administration on Aging and the National Institutes of Health for additional technical assistance.

(d) RESEARCH.—The nonprofit corporate owner of each center assisted under this section shall enter into appropriate arrangements with the Administration on Aging or the National Institutes of Health to permit research designed to measure the cost effectiveness of centers assisted under this section as well as the effectiveness of the diverse therapeutic modalities of the programs established.

(e) SOURCE OF LOAN FUNDS.—For the purpose of this section, loans may be made from the business and investment loan fund of the Small Business Administration.

SEC. 6. RESEARCH AND DEMONSTRATION PROGRAMS ON SYSTEMS AND FINANCING FOR LONG-TERM CARE FOR ALZHEIMER'S DISEASE VICTIMS.

(a) RESEARCH.—(1) The National Council, in cooperation with the Health Care Financing Administration, shall conduct research relating to methods for financing systems for providing long-term care to victims of Alzheimer's disease and related disorders.

(2) For purpose of conducting research under paragraph (1), the National Council shall establish a subpanel of the National Council. The National Council shall include on the subpanel such representatives as may be necessary from—

(A) State and Federal agencies involved in providing long-term care;

(B) private health insurers;

(C) health services researchers, including health economists and medical sociologists;

(D) health specialists skilled in functional assessment and management, including occupational therapists and physical therapists;

(E) national voluntary organizations concerned with Alzheimer's disease and related disorders; and

(F) health care consumers.

(3) Within one year after the date of the enactment of this Act and annually thereafter, the National Council shall prepare and transmit a report to the Congress describing the results of the research conducted under this subsection and containing such recommendations as the National Council considers appropriate.

(b) DEVELOPMENT OF DATA BASE.—The National Council, in cooperation with the Health Care Financing Administration, the Administration on Aging, the National Institute on Aging, the National Institute on Mental Health, the National Center for Health Statistics, and the Veterans' Administration, shall develop a data base on needs (current and projected) for long-term care, and on costs of alternative funding strategies for such care through a mix of private and governmental resources. The National Council shall report to the Congress with respect to the development of such data base within one year after the date of the enactment of this Act and annually thereafter.

(c) MEDICARE WAIVERS.—(1) The Secretary of Health and Human Services shall conduct demonstration projects pursuant to the authority in section 402(a) of the Social Security Amendments of 1967 and section 222 of the Social Security Amendments of 1972 under which home care and other support services are provided under the Medicare program for victims of Alzheimer's disease and related disorders who could otherwise not be cared for at home. Such services shall be prescribed through the hospital discharge planning office at the point of discharge, or shall be prescribed, implemented, or provided by a social work agency or by a certified occupational or physical therapist skilled in the assessment and management of functional impairment. The Secretary may, whenever appropriate, provide for the charging of fees for such services.

(2) The Commissioner of the Administration on Aging, through the State agencies designated under section 305(a)(1) of the Older Americans Act of 1965, shall direct the area agencies on aging to maintain—

(A) registries for referrals to certified skilled professionals to provide the services described in paragraph (1), including social workers, physical therapists, occupational therapists, nurses, psychologists, and psychiatrists; and

(B) registries of other community services.

(3) The Secretary of Health and Human Services shall report annually, beginning one year after the date of the enactment of this Act, to the Congress and to the National Council with respect to the results of demonstration projects conducted under this subsection.

SEC. 7. NONDISCRIMINATION BY NURSING HOMES AGAINST MEDICAID-ELIGIBLE ALZHEIMER'S DISEASE VICTIMS.

(a) NONDISCRIMINATION.—No skilled nursing facility or intermediate care facility which receives payments under title XVIII of the Social Security Act or under a State plan approved under title XIX of such Act may discriminate in the acceptance or refusal of individuals as patients on the grounds that an individual is eligible for medical assistance under a State plan approved under title XIX of the Social Security Act, or on the grounds that an individual is a victim of Alzheimer's disease.

(b) FUNCTIONAL ASSESSMENT.—Skilled nursing facilities and intermediate care facilities receiving payments under title XVIII or a State plan under title XIX of the Social Security Act shall be required to include in the initial admission evaluation a functional assessment of the Alzheimer's patient prepared by an occupational or physical therapist with respect to management of functional impairment. Such assessment shall be reviewed periodically, but not less than three times per year, by the administrator of the skilled nursing facility or the intermediate care facility with the occupational or physical therapists.

(c) ANNUAL REPORT.—The Secretary of Health and Human Services shall report annually, beginning one year after the date of the enactment of this Act, to the Congress with respect to implementation of this section.

SEC. 8. VETERANS' HEALTH CARE.

(a) IN GENERAL.—(1) Subchapter II of chapter 17 of title 38, United States Code, is amended by adding at the end thereof the following new section 620B:

"§ 620B. Care and treatment for Alzheimer's disease; demographic information; demonstration project

"(a) The Administrator shall promulgate consistent national policies for treatment of eligible veterans who have Alzheimer's disease and are at least 55 years of age. The policy and procedures shall include provisions for unified case management for each such veteran. Unified case management under such procedures shall include medical, functional, and psychological assessment, diagnosis, referral, and followup monitoring.

"(b) In order to assist in demographic research on Alzheimer's disease, the Administrator shall compile information on the cases of Alzheimer's disease in which care and services are furnished under this chapter, and shall provide such data to the National Council on Alzheimer's Disease, the National Institute on Aging, and the National Center for Health Statistics.

"(c)(1) The Administrator shall conduct a demonstration project to furnish comprehensive community-based care and related services to eligible veterans who have Alzheimer's disease and are at least 55 years of age and to their families in order to delay the need for hospital or nursing home admissions of such veterans. The Administrator may, whenever appropriate, provide for the charging of fees for such services.

"(2) Under the demonstration project, the Administrator shall, as the Administrator considers appropriate—

"(A) furnish day care and respite care to veterans referred to in paragraph (1) of this subsection; and

"(B) furnish home intervention services to such veterans' and their families, including medical and functional assistance.

"(3) The Administrator, with the advice and consent of the National Council on Alzheimer's Disease, shall prescribe regulations to carry out this subsection. The regulations shall specify the respite care services and home intervention services which are to be furnished under the demonstration project.

"(d)(1) The Administrator shall transmit an annual report to the Committees on Veterans Affairs of the Senate and the House of Representatives and to the National Council on Alzheimer's Disease on the Administrator's actions under this section and on the administration of the provisions of this section and the policy and procedures prescribed under subsection (a) of this section during the fiscal year ending on the day before the fiscal year in which the report is transmitted to such committees.

"(2) Each report made under paragraph (1) of this subsection for a fiscal year during which the demonstration project required by subsection (c) of this section is conducted shall include—

"(A) a description of the experience under such demonstration project and actions taken in conducting such demonstration project during such fiscal year; and

"(B) any recommendations for legislation on the care and treatment of veterans who have Alzheimer's disease which the Administrator considers appropriate.".

(2) The chapter analysis at the beginning of such chapter is amended by inserting after the item relating to section 620A the following new item:

"§ 620B. Care and treatment for Alzheimer's disease; demographic information; demonstration project.".

(b) SUBMISSION OF REPORT.—The first report required by section 620B(d) of such title, as added by subsection (a), shall be submitted not later than one year after the date of enactment of this Act.

SEC. 9. DISABILITY GUIDELINES.

(a) UPDATING GUIDELINES.—The National Council shall review current information relating to Alzheimer's disease which may be relevant with respect to establishing and updating eligibility criteria for the disability programs under titles II and XVI of the Social Security Act on the basis of such disease. The National Council shall report its findings to the Congress not less often than annually.

(b) DISSEMINATION OF INFORMATION AND TRAINING.—The Secretary of Health and Human Services shall establish a mechanism for prompt dissemination of information and guidelines relating to Alzheimer's disease, and for providing training relating to work evaluation of individuals with such disease, to personnel of the Social Security Administration, and of the State agencies making disability determinations pursuant to section 221 of the Social Security Act, who are involved in the disability determination process. Such information shall be geared to enhancing the understanding of such personnel with respect to Alzheimer's disease as an organic brain malfunction.

SEC. 10. CREDITS FOR ADULT DEPENDENT CARE FOR ALZHEIMER PATIENTS.

(a) INCREASE IN CREDIT ALLOWABLE FOR EXPENSES FOR HOUSEHOLD AND DEPENDENT CARE SERVICES.—Paragraph (2) of section 21(a) of the Internal Revenue Code of 1954 (relating to allowance of credit) is amended by striking out "30 percent" and inserting in lieu thereof "40 percent".

(b) CREDIT ALLOWABLE FOR HOME CARE AND NURSING HOME CARE EXPENSES FOR DEPENDENTS WITH ALZHEIMER'S DISEASE.—(1) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to nonrefundable personal credits) is amended by inserting after section 22 the following new section:

"SEC. 22A. CREDIT FOR HOME CARE AND NURSING HOME CARE EXPENSES FOR DEPENDENTS WITH ALZHEIMER'S DISEASE AND RELATED NEUROLOGICAL AND ORGANIC BRAIN DISORDERS.

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the applicable percentage of qualified dependent care expenses paid by such individual for the care of a qualifying family member during the taxable year.

"(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 40 percent reduced by 1 percentage point for each $1,000 (or fraction thereof) by which the adjusted gross income of the taxpayer for the taxable year exceeds $25,000.

"(b) DOLLAR LIMITATIONS ON AMOUNT OF CREDIT.—For purposes of this section—

"(1) MAXIMUM QUALIFIED DEPENDENT CARE EXPENSES TAKEN INTO ACCOUNT.—The amount of qualified dependent care expenses taken into account under subsection (a) by any taxpayer for any taxable year shall not exceed $20,000, except that not more than $10,000 may be taken into account with respect to any one qualifying family member.

"(2) 2 OR MORE INDIVIDUALS MAKING EXPENDITURES WITH RESPECT TO SAME QUALIFYING FAMILY MEMBER.—If 2 or more individuals have qualified for dependent care expenses with respect to any qualifying family member during any calendar year, then—

"(1) the amount of the qualified dependent care expenses taken into account with respect to such qualifying family member shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year, and

"(ii) the amount of such expenditures taken into account by each of such individuals for the taxable year in which such calendar year ends shall be equal to the amount which bears the same ratio to the amount determined under paragraph (1) as the amount of such expenditures made by such individual during such calendar years bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFYING FAMILY MEMBER.—The term 'qualifying family member' means any individual who—

"(A) is the spouse (as determined under section 143) or a dependent (as defined in section 152(a)) of the taxpayer, and

"(B) suffers from Alzheimer's disease or a related neurological or organic brain disorder, and is physically or mentally incapable of caring for himself, as determined by a physician.

"(2) QUALIFIED DEPENDENT CARE EXPENSES.—The term 'qualified dependent care expenses' means payments by the taxpayer for home health agency services provided by an organization certified by the Health Care Financing Administration, including functional care and management services provided by a physician, certified occupational or physical therapist, nurse, psychologist, or social worker, homemaker services, adult day care, respite care, health-care equipment and supplies, or care in a nursing home which—

"(A) are provided to such qualifying family member,

"(B) are provided by an organization or individual not related to the taxpayer or to the qualifying family member,

"(C) are not compensated for by insurance or otherwise, and

"(D) are prescribed by a physician, certified social worker, nurse, psychologist, or certified occupational or physical therapist.

"(3) PHYSICIAN.—The term 'physican' has the meaning given much term by section 1861(r) of the Social Security Act.

"(d) SPECIAL RULES.—

"(1) DENIAL OF DOUBLE BENEFIT.—No deduction or credit shall be allowed under any other provision of this chapter with respect to any amount for which a credit is allowed under subsection (a).

"(2) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of a married individual filing a separate return, subsections (a)(2) and (b)(1) shall be applied by substituting for each dollar amount contained therein an amount equal to 1/2 of such dollar amount.".

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 22 the following new item:

"Sec. 22A. Credit for home care and nursing home care expenses for dependents with Alzheimer's disease."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1985.

SEC. 11. TRAINING PROGRAMS.

(a) DEVELOPMENT OF CURRICULA.—The National Institute on Aging and the National Institute on Mental Health, in cooperation with the Veterans' Administration, shall—

(1) develop curricula for the training of personnel who provide health services to patients with Alzheimer's disease; and

(2) disseminate such curricula, and provide consultation services with respect to such curricula, to health care providers who provide such services.

(b) CLINICAL CARE.—The National Institute on Aging, through the centers for research on Alzheimer's disease and related disorders, and in cooperation with appropriate national voluntary organizations, shall develop and implement programs—

(1) to train providers of clinical care services (such as physicians, psychologists, nurses, social workers, occupational therapists, and physical therapists) to patients with Alzheimer's disease; and

(2) to train families of patients with Alzheimer's disease to provide care for such patients in their homes.

(c) LONG-TERM CARE.—The Secretary of Health and Human Services shall develop and implement programs to train personnel (including home health care aides) who provide long-term care services to patients with Alzheimer's disease, including continuing in-service training programs.

(d) NURSING HOME PROGRAMS.—The Secretary of Health and Human Services shall make grants to schools of medicine to establish training programs for physicians and other health care personnel who provide health services to patients with Alzheimer's disease who reside in nursing homes.

(e) SAFETY AND TRANSPORTATION PERSONNEL.—The Secretary of Health and Human Services shall conduct training programs on Alzheimer's disease for safety and transportation personnel, such as police, security guards, bus drivers, and other operators of, and attendants on, public conveyances.

(f) MEDICAL EXAMINERS.—(1) The Secretary of Health and Human Services shall conduct training programs for medical examiners, coroners, and pathologists in the proper conduct of an autopsy to determine whether Alzheimer's disease was a contributing factor to the death of an individual.

(2) The Secretary of Health and Human Services shall promulgate regulations encouraging medical examiners, coroners, and pathologists to provide reports concerning the findings of autopsies in which Alzheimer's disease contributed to the death of an individual to the Director of the National Institute of Aging, the Director of the National Center for Health Statistics, and the family of such individual. The Director of the National Center for Health Statistics shall include information from such reports in the data base established under section 3(b)(2).

(g) ADVICE AND COOPERATION.—In carrying out this section, the Secretary of Health and Human Services shall obtain the advice and cooperation of appropriate national organizations concerned with Alzheimer's disease and shall work in cooperation with the National Council.

(h) AUTHORIZATION.—To carry out this section, there are authorized to be appropriated such sums as may be necessary.●

By Mr. SIMON (for himself, Mr. BOREN, Mr. BRADLEY, Mr. BUMPERS, Mr. CHILES, Mr. COCHRAN, Mr. D'AMATO, Mr. DECONCINI, Mr. DOLE, Mr. EAST, Mr. EXON, Mr. GORE, Mr. HELMS, Mr. HOLLINGS, Mr. INOUYE, Mr. KASTEN, Mr. KERRY, Mr. MCCLURE, Mr. MELCHER, Mr. MURKOWSKI, Mr. NUNN, Mr. PELL, Mr. PRYOR, Mr. QUAYLE, Mr. STAFFORD, Mr. STENNIS, and Mr. THURMOND):

S.J. Res. 232. Joint resolution to designate October 6, 1986, through October 10, 1986, as "National Social Studies Week"; to the Committee on the Judiciary.

NATIONAL SOCIAL STUDIES WEEK

● Mr. SIMON. Mr. President, I wish to introduce today a joint resolution which will recognize and commemorate the role of the social studies teacher in the United States. We have all known social studies as different things through our years in school. The social studies include; anthropology, sociology, geography, history, political science, psychology, economics, philosophy, arts, music, law, urban studies, folklore, area studies, government, and citizenship, among other subject areas. The social studies teacher must be a master of not one, but several of these areas within this list. These teachers must not only be bright, creative, and inquisitive, but they must also possess a world view and be committed to democratic values such as freedom, equality, peace, and justice. This knowledge is necessary in addition to the basic qualities needed to be a teacher: Strong interpersonal skills, flexibility, tolerance of divergent viewpoints, and the ability to withstand the pressures of conflicting values within the classroom and the community. Social studies teachers are the ones who present the basics of our Government to the children of our Nation. They initiate an interest of the world and its peoples and cultures.

One group which assists social studies teachers in these numerous and difficult duties is the national council for the social studies. This group assists in the formulation of curriculum, presents criteria for qualification in the profession, and coordinates, nationwide, the national issues forum. They also offer professional publications to the membership, including a newsletter and a monthly journal as well as monographs on education and the social studies professional. This group should also be commended for its efforts in support of the social studies professions.

In the view that national attention should be focused on the exemplary efforts of social studies teachers in the United States, I would like to set aside October 6 through October 10, 1986 as "National Social Studies Week." During this week, social studies classes nationwide may undertake special projects, give recognition to their social studies teachers, and achieve a renewed spark of interest in their government, their country, and their world.

Mr. President, I ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 232

Whereas national attention should be focused on the exemplary efforts of social studies teachers in the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 6, 1986, through October 10, 1986, is designated as "National Social Studies Week", and that the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies, programs, and activities.●

By Mr. WILSON (for himself, Mr. DOLE, and Mr. BRADLEY):

S.J. Res. 234. A joint resolution to designate the week of February 9, 1986 through February 15, 1986 as "National Burn Awareness Week"; to the Committee on the Judiciary.

NATIONAL BURN AWARENESS WEEK

● Mr. WILSON. Mr. President, I rise this morning to speak of a problem little noticed in America—except by those who are its victims. For them, it is literally life-shattering in its implications. I rise to introduce a Senate Joint Resolution designating the week of February 9, 1986 as "National Burn Awareness Week." And in so doing, I would suggest that this is but the first small step on a journey of many miles, a journey which must be taken by all of us who live in a country with the worst burn problem of any industrialized nation in the world.

Burns exact a tremendous toll of human life, suffering, disability, and financial loss. Burn injuries continue to be one of the leading causes of death in the United States. Of the 2 million people who are victims of burn injury each year, 70,000 are hospitalized and another 12,000 suffer death as a result of their burns. An even more tragic statistic of this problem is the fact that children, elderly, and the disabled represent a majority of burn victims, with a death rate of five times that of any other group. Finally, the severe psychological impact of burn rehabilitation for the victim cannot be measured in simple economic terms.

Each year millions of dollars are spent trying to remedy the effects of burns and burn-related incidents. Recent studies conclude, however, that approximately 75 percent of all burns could be prevented by proper education of children and adults. For this reason, the resolution provides for a public awareness program designed to familiarize the public with methods of burn prevention.

I ask my colleagues support in this resolution by cosponsoring the establishment of "National Burn Awareness Week."

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 234

Whereas the burn problem in the United States is the worst of any industrialized nation in the world;

Whereas burn injuries are one of the leading casues of accidental death in the United States;

Whereas every year approximately two million people are victims of burn injury in the United States;

Whereas of these injuries, seventy thousand are hospitalized and account for nine million disability days annually;

Whereas approximately twelve thousand people die from burn injuries;

Whereas the rehabilitative and psychclogical impact of burns are devastating;

Whereas children, the elderly, and the disabled are most likely to suffer serious burns;

Whereas it is estimated that approximately 75 percent of all burns could be prevented by proper education of children and adults; and

Whereas there is a need for an effective national program that deals with all aspects of burn prevention: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of February 9, 1986 through February 15, 1986 is designated as "National Burn Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States and all Federal, State, and local government officials to observe such week with appropriate programs and activities.●

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. CHAFEE, Mr. HOLLINGS, and Mr. KASTEN):

S.J. Res. 235. Joint resolution to designate the week of January 26, 1986, to February 1, 1986, as "Truck and Bus Safety Week"; to the Committee on the Judiciary.

TRUCK AND BUS SAFETY WEEK

● Mr. DANFORTH. Mr. President, today I am introducing legislation on behalf of myself and Senators PACKWOOD, CHAFEE, HOLLINGS, and KASTEN to designate the week of January 26 through February 1, 1986, as "Truck and Bus Safety Week." This is an especially important time to be focusing attention on the issue of truck and bus safety. Increased emphasis is being placed on enhancing motor carrier safety within the motor carrier industry and at all levels of government. We have now a unique opportunity to give this issue the national visibility it deserves.

The trucking and intercity bus industries play vital roles in our Nation's transportation system. The trucking industry provides extensive service throughout America. Further, this industry employs 7.4 million Americans, operates 5 million trucks, logs 138 billion miles of travel each year on our Nation's roads, and generates annual revenues in excess of $200 billion.

The intercity bus industry is smaller than the trucking industry, but the service provided by bus companies is crucial to Americans. The intercity bus industry provides more passenger service than Amtrak and the airlines, linking together some 10,000 cities and communities, from rural America to our major cities.

Mr. President, because of the importance of motor carrier transportation in this country, and the extensive nature of this transportation system, we must be increasingly vigilant to ensure the safest operations possible. Important steps have been taken to this end. As part of the Surface Transportation Assistance Act of 1982, Congress created the Motor Carrier Safety Assistance Program. Under this program, the Federal Government provides grants to States to enable the States to build and deploy their own truck and bus inspection forces to ensure compliance with and enforcement of Federal and compatible State motor carrier safety regulations. Testimony presented on October 29 to the Commerce Committee by the Department of Transportation [DOT], motor carrier associations, and representatives of State government show that this program is working well. In fact, according to DOT's testimony, this program has enabled State personnel to perform an estimated 300,000 inspections over and above what otherwise would have been performed. The growth in State inspection forces will enable DOT's Bureau of Motor Carrier Safety to focus its efforts where they belong—on conducting safety audits and in facilitating full implementation of this important grant program.

Last year, additional action was taken to improve motor carrier safety with the enactment of the Motor Carrier Safety Act of 1984, which I was proud to sponsor. This legislation comprehensively addressed the motor carrier safety issue by providing DOT with new civil penalty authority to prosecute violators of Federal motor carrier safety regulations, requiring periodic inspections of motor carrier equipment, and strengthening the safety fitness procedure for motor carriers entering the industry. The legis-

lation also requires a complete review of both Federal and State safety regulations to ensure that we have the most effective regulatory system in place and take steps toward achieving uniformity between Federal and State motor carrier safety regulations.

Mr. President, these two pieces of legislation clearly are positive steps toward improving motor carrier safety. Nevertheless, motor carrier safety remains a serious problem. This week, the St. Louis Post-Dispatch is running a series of articles on truck safety which document the fact that more must be done to improve safety in this industry. Current regulations must be enforced effectively and we must continue to seek new and better ways to enhance safety.

The truck and bus industries, along with others, are working hard to promote and foster safer operations. The American Trucking Associations [ATA], for one, is taking a major leadership role in promoting truck safety and is undertaking several important safety initiatives. The Teamsters, the Private Truck Council of America, and others, also are working hard to improve truck safety. In the intercity bus industry, the American Bus Association and the United Bus Owners of America both have important safety activities underway.

Designation of the week of January 26 through February 1 as "Truck and Bus Safety Week" will add emphasis to efforts on motor carrier safety already planned for the month of January. These include a symposium on increasing the effectiveness of State commercial driver licensing, jointly sponsored by the American Association of Motor Vehicle Administrators and the Highway Users Federation; selection of a safe driver of the year award by the American Trucking Associations; truck safety seminars and technical workshops by the Transportation Research Board; and the first substantive session of the Commercial Motor Vehicle Safety Regulatory Review Panel established by the Motor Carrier Safety Act of 1984.

Mr. President, I urge my colleagues to join me in supporting this legislation.●

ADDITIONAL COSPONSORS

S. 1061

At the request of Mr. PRESSLER, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 1061, a bill to amend title 38, United States Code, to establish a program of delayed reentry and psychological readjustment assistance and vocational rehabilitation for Vietnam veterans.

S. 1174

At the request of Mr. MCCONNELL, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 1174, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide States with assistance to establish or expand clearinghouses to locate missing children.

S. 1742

At the request of Mr. TRIBLE, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 1742, a bill to improve the enforcement of the restrictions against imported pornography.

S. 1754

At the request of Mr. SIMON, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 1754, a bill to ensure adequate verification of peaceful uses of nuclear exports from the United States to the People's Republic of China, and for other purposes.

S. 1794

At the request of Mr. THURMOND, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 1794, a bill to amend Revised Statutes section 722 (42 U.S.C., sec. 1988) to exempt State judges and judicial officers from assessment of attorneys' fees in cases in which such judge or judicial officer would be immune from actions for damages arising out of the same act or omission about which complaint is made.

S. 1795

At the request of Mr. HATCH, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 1795, a bill to provide that in judicial actions against State judges, such judges shall not be held liable for attorney fees.

SENATE JOINT RESOLUTION 222

At the request of Mr. D'AMATO, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Joint Resolution 222, a joint resolution concerning the cruel and inhuman killing of Leon Klinghoffer by international terrorists abroard the cruise ship Achille Lauro, because he did not submit to the demands of these terrorists.

SENATE JOINT RESOLUTION 229

At the request of Mr. NUNN, the names of the Senator from New York [Mr. MOYNIHAN], The Senator from Illinois [Mr. SIMON], the Senator from Alabama [Mr. DENTON], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Joint Resolution 229, a joint resolution designating the week of January 13 through January 19, 1986, as "National Productivity Improvement Week."

SENATE CONCURRENT RESOLUTION 78

At the request of Mr. BRADLEY, the names of the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Virginia [Mr. WARNER], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Concurrent Resolution 78, a concurrent resolution in support of universal access to immunization by 1990 and accelerated efforts to eradicate childhood diseases.

SENATE CONCURRENT RESOLUTION 83

At the request of Mr. D'AMATO, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of Senate Concurrent Resolution 83, a concurrent resolution expressing the sense of the Congress that Federal tax reform legislation not take effect until its date of enactment, but in no case earlier than July 1, 1986.

SENATE RESOLUTION 212

At the request of Mr. GORTON, the names of the Senator from Louisiana [Mr. LONG], the Senator from Ohio [Mr. GLENN], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Michigan [Mr. LEVIN], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of Senate Resolution 212, a resolution expressing the sense of the Senate concerning violence against health care facilities.

AMENDMENTS SUBMITTED

VETERANS' ADMINISTRATION HEALTH-CARE AMENDMENTS

DENTON (AND OTHERS) AMENDMENT NO. 966

Mr. MURKOWSKI (for Mr. DENTON for himself, Mr. MURKOWSKI, and Mr. HEFLIN) proposed an amendment to the amendment of the House to the amendment of the Senate to the bill (H.R. 505) to amend title 38, United States Code, to improve the delivery of health care services by the Veterans' Administration, and for other purposes; as follows:

In table of contents in section 1(b), after the item relating to section 304 insert the following:

SEC. 305. FEASIBILITY PLAN FOR THE PURCHASE OF A FACILITY FOR FURNISHING HOSPITAL AND NURSING HOME CARE

At the end of title III, add the following:

SEC. 305. FEASIBILITY PLAN FOR THE PURCHASE OF A FACILITY FOR FURNISHING HOSPITAL AND NURSING HOME CARE

In the document submitted by the Administrator of Veterans' Affairs to the appropriate committees of the Congress at the time of and in connection with the submission, pursuant to section 1105 of title 31, United States Code, of the Budget for fiscal year 1987, the Administrator shall provide a feasibility plan for the purchase for Veterans' Administration use of a medical facility that is located in an urban area and is suitable for furnishing both hospital and nursing

home care services, and meets the current and projected needs and specifications of the Veterans' Administration for furnishing health care to eligible veterans. In such Budget, the President, as warranted by such feasibility plan, shall include a request for an appropriate amount to purchase such a facility which meets those needs and specifications.

CHILES AMENDMENT NO. 967

Mr. CRANSTON (for Mr. CHILES) proposed an amendment to amendment No. 966 proposed by Mr. MURKOWSKI (for Mr. DENTON and others) to the amendment of the House to the amendment of the Senate to the bill H.R. 505, supra; as follows:

Amend the amendment of Mr. Murkowski by striking out "specifications." and insert in lieu thereof "specifications: *Provided,* That this section shall not be construed to require the Administrator to provide a feasibility plan with respect to the purchase of a facility that would have the effect of making it infeasible to construct, acquire, or lease a medical facility in the Northern Florida panhandle to furnish health care to veterans in that area."

INCREASE IN PUBLIC DEBT LIMIT

MOYNIHAN AMENDMENT NO. 968

Mr. MOYNIHAN proposed an amendment to amendment No. 957 proposed by Mr. PACKWOOD to the amendment of the House to the amendment of the Senate No. 2 to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt; as follows:

At the end of the Amendment, add the following new section:

SEC. . Exemption for Agencies Involved With Economic Forecasting.

Owing to the extraordinary dependence on economic forecasts required by this legislation, government agencies or programs involved with economic forecasting, including the relevant branches of the Intelligence Community, shall be exempt from budget reductions as otherwise provided in this Act.

NOTICES OF HEARINGS

SUBCOMMITTEE ON AGRICULTURAL RESEARCH, CONSERVATION, FORESTRY, AND GENERAL LEGISLATION

Mr. HELMS. Mr. President, I wish to announce that the Subcommittee on Agricultural Research, Conservation, Forestry, and General Legislation of the Committee on Agriculture, Nutrition, and Forestry has scheduled a hearing to receive testimony on S. 703, the Kentucky Wilderness Act of 1985.

The hearing, to be chaired by Senator MCCONNELL, will begin at 9 a.m. on Wednesday, November 13, in room 328-A Russell Senate Office Building.

Please contact the committee staff at 224-2035 if further information is needed.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MCCLURE. Mr. President, I would like to announce for the information of the Senate and the public that the public hearing scheduled before the Committee on Energy and Natural Resources has been moved from November 19 to Tuesday, December 3, at 9:30 a.m. in room SD-366 of the Senate Dirksen Building in Washington, DC.

Testimony will be received on Senate Joint Resolution 192, to authorize financial assistance for the Northern Mariana Islands, and for other purposes and S. 1441, to amend the Guam Organic Act, and for other purposes.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Room SD-358, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Debbi Rice or Al Stayman at 202-224-2366.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, November 6, in order to receive testimony concerning the following nominations:

U.S. CIRCUIT JUDGE

Frank X. Altimari, of New York, to be U.S. circuit judge for the second circuit.

John T. Noonan, Jr., of California, to be U.S. circuit judge for the ninth circuit.

Glenn L. Archer, Jr., of Virginia, to be U.S. circuit judge for the Federal circuit.

U.S. DISTRICT JUDGE

Morris S. Arnold, of Arkansas, to be U.S. district judge for the western district of Arkansas.

Partick A. Conmy, of North Dakota, to be U.S. district judge for the district of North Dakota.

Lynn N. Hughes, of Texas, to be U.S. district judge for the southern district of Texas.

U.S. COURT OF INTERNATIONAL TRADE

Nicholas Tsoucalas, of New York, to be a judge of the U.S. Court of International Trade.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet in executive session, during the session of the Senate on Wednesday, November 6, to conduct a hearing on policy and technology objectives of the strategic defense initiative.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. DOLE. Mr. President, I ask unanimous consent that the Space Subcommittee of the Committee on Commerce, Science and Transportation be authorized to meet during the session of the Senate on Wednesday, November 6, to conduct a meeting on the Space World Administrative Radio Conference.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, November 6, to hold a hearing on matters relating to the Deputy Director of OMB.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, November 6, to conduct a business meeting to consider the following bills: S. 1517, S. 595, H.R. 1185, S. 1503, S. 1596, H.R. 2776, S. 1116, Senate Joint Resolution 187, H.R. 3003, and other pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE PLIGHT OF SOVIET JEWRY

● Mr. CHAFEE. Mr. President, on the eve of the first meeting between President Reagan and General Secretary Gorbachev, I believe the Senate should again express its deep concern for the plight of Soviet Jews who have sought to emigrate from behind the Iron Curtain.

In 1979, the Soviets allowed 51,320 Jews to emigrate. In the last 5 years, fewer than 36,000 Jews have been issued emigration visas. This travesty reached a low point in 1984 when the Soviets permitted only 896 Jews to emigrate. All too many horror stories have been heard in the Western world of bright young Soviet Jews who have been forced out of their jobs, arrested on false charges, and often placed in Soviet mental hospitals for "observation," solely because they or members of their family have sought emigration visas. This must not be allowed to continue.

Despite international outrage, including a tremendous amount of pressure from this Congress, the Soviet Union has maintained its prejudicial policies toward Soviet Jews. I believe now, however, we have an opportunity

at the Geneva summit for President Reagan to express to Chairman Gorbachev—face to face—our country's distress at the treatment of Soviet Jews.

Mr. President, those of us who have grown up with, and respect, the freedom that America represents, cannot condone this kind of persecution to which Soviet Jews are subjected on a regular basis. Religious freedom is a doctrine upon which our Nation was built, and for which the United States has traditionally fought. It is for this reason that I join the Jewish Federation of Rhode Island's women's plea for Soviet Jewry in condemning Soviet intransigence on the question of the emigration of Soviet Jews.

The women's division of the Jewish Federation of Rhode Island has planned a special Shabbat service on December 13, in conjunction with the celebration of Hanukkah, to "recognize the desperate plight of Soviet Jews." Hanukkah—the festival of lights—celebrates the miracle of light that was bestowed on the Maccabees as a miracle from God. This is a most fitting observance to strive for the miracle of light for those Soviet Jews so long in the darkness of religious persecution. I join with the members of the Jewish Federation of Rhode Island in their commitment to alleviate the plight of Soviet Jews, and will continue to press for these goals in the Senate.●

CALL TO CONSCIENCE

● Mr. LEVIN. Mr. President, I am speaking today again in support of the Congressional Call to Conscience to draw attention to those who are unable to exercise their basic human rights of freedom and safety.

One particular case about which I remain gravely concerned, as do many of my colleagues, is that of Abe Stolar in the Soviet Union. Abe Stolar is an American citizen, born in Chicago, who has repeatedly been denied permission to emigrate with his entire family.

Abe Stolar's wife Gita has an Israeli passport, and their son Michael has an American one. They have tried for over a decade to emigrate. Earlier this year, they thought they might finally have that opportunity, but instead were offered a cruel choice. The Soviet Government finally offered the Stolars three exit visas, but not one for Michael's wife Julia. The Stolars faced the impossible decision of splitting up their family, or passing up perhaps their last chance at freedom.

Members of Congress were active in contacting the Soviet Union and urging a humanitarian resolution to this case. A telegram signed by 21 Senators asked General Secretary Gorbachev to intervene in this matter. I sent an urgent letter to Ambassador Dobrynin. Unfortunately, these efforts were to no avail. The Soviets were inflexible in refusing to grant Julia a visa. The Stolars ultimately did not use their exit visas, because Abe and Gita did not want Michael to leave his wife, and they did not want to leave Michael behind.

I am very concerned about the uncertain future of the Stolars, particularly Abe and Gita who are quite elderly.

Another family facing a similar plight is that of Sandra Gubin, an American citizen separated from her husband in the Soviet Union.

Sandra met Aleksei Lodisev while participating in the International Research and Exchanges Board Program. This program is part of an official cultural exchange between the U.S. and the U.S.S.R. They were married in April 1981, and Ms. Gubin returned to the United States that summer. She subsequently submitted an invitation to her husband to join her, and he applied for an exit visa. He was denied, and has continued to be denied.

I have worked to help reunite this couple for several years. They are eager to begin a normal married life together, and there is no reason for them to be kept apart.

Leonid Volvovsky is yet another case which warrants our attention. The harassment and arrest of this man is, regrettably, indicative of the treatment frequently afforded those who try to emigrate.

Leonid Volvovsky has a scientific degree in cybernetics and was elected a member of the New York Academy of Sciences. In 1974, Leonid and his wife Ludmilla applied to repatriate to Israel. After the application, both the Volvovskys lost their jobs and have had difficulty since finding steady employment.

Leonid is self-taught in Hebrew and has taught others, and was involved with Jewish cultural activities in Moscow. Evidently because of this, the family was exiled to Gorky in 1980. That same year, Leonid was granted Israeli citizenship. Their home has been searched several times, and all Jewish materials confiscated.

On June 26, 1985, Leonid Volvovsky was arrested. Charged with defaming the Soviet State, he has recently been sentenced to 3 years of imprisonment. His family and friends were barred from his trial, at which he conducted his own defense.

We must continue to speak out on behalf of people like Abe Stolar, Sandra Gubin, and Leonid Volvovsky, and we must be willing to seek out and pursue any other ways of helping them. As a humanitarian nation, we must work to resolve the frustrating and tragic problem of those who are imprisoned or whose family lives are torn apart because of restrictive human rights policies.●

SQUEEZE ON FEET

● Mr. HEINZ. Mr. President, as Senator COHEN has also done, I would like to draw attention to a recent article in the Wall Street Journal which reaffirms rumors that swift congressional action could save hundreds of thousands of American feet, taken hostage by tenacious and oppressive foreign shoes. The results of these efforts could bring about a happy ending on more than one front. Beyond the positive results which would be experienced by the American shoe industry, American feet would slowly be rescued from their insensitive foreign captors. We could all take great pride in the legislation which may be passed to restrict foreign shoe imports. Such restrictions would become known throughout the United States by podiatrists and others, as the "neat feat that saved U.S. feet."

I acknowledge that my view of this Wall Street Journal article is somewhat whimsical, but I think it makes an important point: American shoes fit Americans better. Let's make sure that Americans have the opportunity to purchase American shoes.

Mr. President, I ask that this article be printed in the RECORD.

The article follows:

[From the Wall Street Journal, Oct. 28, 1985]

CHEAP IMPORTS PUT THE SQUEEZE ON U.S. FEET

(By Teri Agins)

NEW YORK.—For Jakki Gill, a medical-records clerk, shopping for footwear has become an exasperating and ultimately painful experience.

Most of the modestly priced shoes she tries on are imported, she says, and "fit strangely." They're too tight across the toes or too wide at the heels, she explains, and make her feet and legs ache after a few hours.

Foot specialists across the country are seeing an increase in patients with similar complaints. As more Americans, especially women, buy imported shoes, they're finding it tough to get a good fit. But because imports—which will account for 77% of all footwear sales in the U.S. this year according to Commerce Department estimates—offer a wide range of fashionable styles at low prices, consumers wear them anyway.

PAYING WITH PROBLEMS

"People are compromising more on shoe fit these days," says Jerome J. Erman, a Union, N.J., podiatrist. "and we're paying for it with more foot problems." Paul Taylor, a podiatrist in Silver Spring, Md., adds, "I see patients wearing cheap imported shoes made of hard plastics who complain they get blisters and a burning sensation on the soles of their feet."

Eugene Milosh, president of the New York-based American Association of Exporters and Importers, feels that imports aren't alone to blame. "The quality is quite high for the medium range and high-quality range from places like Italy," he says. As for cheaper models, he adds, "shoe for shoe and price range for price range," imports stack up well against domestic shoes.

Too tight or too loose, shoes can cause leg pains, backaches and the thick heel calluses that doctors call "pump bumps." Ill-fitting shoes also aggravate hereditary foot problems, such as flat feet, bunions and hammertoes. Podiatrists have even traced an outbreak of one kind of dermatitis to the dyes and glues used in some imported athletic shoes. (The 121.6 million pairs of imported athletic shoes sold in the U.S. last year represented 91.5% of the market.)

BLAME IT ON CHEAP SHOES

Shoes that cost less than $30 a pair are responsible for most of the problems, doctors say. And this end of the market is dominated by imported shoes. In the early 1970s, says Buddy Katz, president of Encore Shoe Inc. in Rochester, N.H., "when women started regarding shoes as throwaway fashion items, they wanted more style at all price levels." Foreign shoemakers, who were able to meet the demand more cheaply than American companies, flooded the market with their products.

But the sizing system used for most imported shoes, foot specialists say, isn't as refined as the U.S. system. American shoes, for instance, are ordinarily available in two or three widths. Imports are typically made in one standard width, which is often too wide for the average American foot. In the countries of manufacture, where people are apt to be less ethnically diverse than in the U.S., says Nathaniel Gould, a Manchester, Vt., orthopedist, "more feet tend to fall within a limited range of sizes."

To cater to the U.S. trade, some foreign shoemakers have bought American lasts, the forms on which shoes are built. But many of the 10 to 150 hand operations required to produce a shoe can affect the fit, and some makers "don't make the shoe with accuracy," says David Serling, president of Serling Lasts in New York. "They make it for price. We get calls from people who have worn a model made with our lasts for years, which is now made abroad with our lasts but doesn't fit the same."

Rockport Co. in Marlboro, Mass., which imports 70% of the shoes it sells, has found European makers that will supply shoes in half sizes and three widths. Rockport is one of only two brands to have won the American Podiatric Medical Association's seal of acceptance.

But Rockport's shoes aren't considered stylish and usually retail for around $70 a pair. "We just can't make a good shoe for any less," says Jens Bang, Rockport's vice president of marketing.

Some consumers and podiatrists think retailers share the blame for misfits. Part of the reason it's harder to get a good fit from all shoes nowadays, says Donald Skorr, a Memphis podiatrist, is that "salespeople who used to fit shoes aren't around anymore."

Wayne Muller, a longtime shoe retailer in Grand Rapids, Mich., believes children are growing up with no notion of proper fit. "There's a younger generation who're being raised in sneakers, which are fairly easy to fit, and they don't understand fit," he says. "They'll just cram their foot in a shoe and wear it."●

BILINGUAL EDUCATION

● Mr. SIMON. Mr. President, on September 26, the Secretary of Education spoke to the Association for a Better New York on bilingual education. In 1984, when Congress reauthorized the Bilingual Education Act, the problems and successes of bilingual education were fully examined, and we approved bilingual programs as a necessary response to the large population of limited English-speaking students in our Nation. The idea behind bilingual education is sound as or reauthorization of the program affirmed last year.

The Secretary misunderstands the purpose of bilingual education. No one can quarrel with the Secretary's statement that

• • • we expect our schools to help teach all of our students English, the common language that will enable them to participate fully in our political, economic, and social life.

Bilingual education is more than the method by which schools teach English. The student needs an opportunity to learn math, science, and history while learning English language skills. We all must see that knowledge of a subject is imperative and central to education. The Secretary does; he speaks convincingly about education and excellence.

If we attack bilingual education, and focus entirely on the acquisition of English language skills, we forsake the criteria of excellence in education held by Dr. Bennett. We would not provide the opportunity for excellence by limiting the skills our students are taught. We would be denying opportunities for excellence. Worse, we would be denying equity. Worse still, we would enter a period of outright neglect of over 4 million limited English-speaking students in this Nation.

That is not my goal, nor do I suspect it is the goal of Secretary Bennett. There is room for debate on how best to achieve a literate and skilled population of all backgrounds. What should be foremost in our minds, however, should be access to necessary skills which are the very opportunities that our schools promise. There is room for debate, but that debate should not artificially be limited to the teaching and learning of English. English language skills are critical, but so is the knowledge of math and science and history.

Most of us can point to immigrant ancestors and point to their "sink or swim" immersion in our English-speaking culture. The opportunities of the last century and the first quarter of this century were not always dependent on knowledge of the English language—rather, they were opportunities of hard work in the Pennsylvania coal mines, Massachusetts factories, and Illinois farmlands. Opportunities still exist today, but today's opportunities involve more than hard work. They involve knowledge of technology, marketing, finance, engineering, and the humanities as well as the English language.

Secretary Bennett has labled bilingual education a failure. I do not agree. The purpose of bilingual education is twofold—teaching English and teaching academic course content. Bilingual education does even more. It keeps students in the classroom. Concepion Valdez, professor of education at UCLA states:

Bilingual education is not what's keeping kids from learning English. What keeps students from learning English is flunking them out or making them feel inferior by thrusting them into classes where they don't understand the language.

Dr. Paul Ylvisaker, dean emeritus of the Harvard Graduate School of Education takes this statement further in a report he coauthored, "Make Something Happen":

The major problem non-English-speaking students experience is that of falling behind in course content while they are in the process of acquiring English competency.

This is exactly the problem addressed through bilingual education. And bilingual education provides one answer to another problem in the schools.

A 1983 hearing before the House Education and Labor Committee during consideration of bilingual education legislation, disclosed some statistics, among them the statistics for New York City's Brandeis Bilingual School, where 85 percent of the students in bilingual programs are admitted to institutions of higher education, while only 75 percent of their peers who are not in bilingual programs are admitted to postsecondary institutions. Secretary Bennett's predecessor at the Department of Education, Terrel Bell, cited many successes of bilingual education at the same hearing.

Bilingual education also helps address a foundation of academic success which is, simply, attendance. Attendence rates and dropout rates have everything to do with the basis of learning and subsequent success in finding employment. The President's Commission on Industrial Competitiveness issued a report this year, "Global Competition: The New Reality." The Commission says:

The high dropout rate in our secondary schools is contributing to the development of a growing, permanent underclass in our society. Twenty six percent of students enrolled in school drop out. At this rate, our Nation is producing in excess of 1 million dropouts annually. Minorities are the fastest growing segment of the young worker population that is most likely to drop out of school and enter the work force without critical basic skills.

Bilingual education teaches not only English and academic and vocational knowledge, but encourages the basics the President's Commission deems crucial to economic success as a Nation. Bilingual education has an impact on dropout rates.

The 1983 House hearing on bilingual education also received evidence that bilingual education teaches more than

English and academics. In a sample New York school, attendence in bilingual classes is 90 percent, while the school norm for students not enrolled in bilingual programs in 75 percent. Nationally, a 1981 study shows that students in bilingual classes have half the dropout rate as their peers who are not in bilingual classes. Based on these statistics, and the findings of the President's own Commission on Industrial Competitiveness, the advantages of continuing bilingual education should be clear.

The Ninth Annual Report of the National Advisory and Coordinating Council on Bilingual Education (1984–85) finds that 82 percent of the local bilingual project directors thought that their services would be reduced or dropped if Federal bilingual education funds were reduced or discontinued. We can get some sense of the repercussions of this when we compare the attendance and dropout rates of those bilingual programs and those not in bilingual programs. When cities such as New York have an Hispanic dropout rate, for example, of 80 percent; Chicago, 70 percent; Los Angeles, 50 percent; we have a compelling reason to reaffirm our commitment to bilingual education.

National policy affirms that all students have the right to learn. This includes our limited English-speaking students. The right to learn means the right to learn English and the right to learn academic and vocational subjects. Bilingual education is a successful way to provide the educational rights we guarantee all young people in the Nation.

Secretary Bennett's speech last month on bilingual education noted that we expect our schools to prepare youth to fully participate in the opportunities and challenges of American society. He then says bilingual education fails at this task. I say it does not. For if we expect students to participate in society, in the economy, in the political process, we must give them the tools to do these things. English skills are only one tool. We must provide more; we must educate in math, science, and history, and we must provide students an opportunity to learn whether their native language is English or Tagalog. We must make sure our students stay in school and graduate into productive roles in our economy and society. We should support bilingual education as it brings young people into the mainstream, and helps them achieve the dreams of opportunity which Americans, native born and immigrant, have shared for centuries.●

BARRIERS TO U.S. SODA ASH EXPORTS IN JAPAN, TAIWAN, AND SOUTH KOREA

● Mr. HEINZ. Mr. President, we have seen this year no dearth of statements from both Congress and the administration on our country's trade problems. Both are taking action to address the issues, one of which continues to be unfair government barriers to U.S. exports. Although we are aware of many of these difficulties, there is one example I have discussed before that is particularly troublesome. It concerns the U.S. soda ash industry, one of America's most competitive internationally, and the market access barriers it faces in Japan, Taiwan, and South Korea, countries enjoying major trade surpluses with the United States.

Soda ash is the raw material used to make glass. The U.S. export industry is thriving. It will grow 9 percent this year with sales exceeding $225 million. It is responsible for 20,000 U.S. jobs and over 60 percent of the world's nonregional trade in soda ash worldwide. Where fair market access is available, the U.S. industry has captured over 50 percent of demand in foreign markets. It has achieved this success despite a strong dollar. The two key reasons we have a large comparative advantage are enormous U.S. reserves of the raw material to make soda ash—enough to supply world demand for over 1,000 years—and technological superiority. U.S. production uses half the energy and half the manpower required by manufacturers elsewhere.

Yet despite these positive factors, the industry faces tremendous foreign government barriers in exporting its product. This is particularly the case in Asia, where growth in demand for soda ash is highest; and specifically in Japan, Taiwan, and South Korea, where there is large market potential.

At this time, U.S. soda ash exports comprise merely 20 percent of Japanese and Taiwanese consumption, and only 5 percent of South Korean consumption. The reasons for this are varied.

In Japan, the U.S. industry is so clearly barred from competition that the Japan Fair Trade Commission itself found in 1983 that domestic soda ash producers banding together had violated Japan's antimonopoly laws on numerous counts. Despite these findings, virtually no punishment or damages have been levied and many of the unlawful practices continue to the detriment of U.S. sales and U.S. jobs.

Regarding Taiwan, the licensing procedure required to approve soda ash imports requires that the sole Taiwanese soda ash manufacturer consent to the license. Worse yet, licenses are unavailable to potential local distributors of soda ash who would supply many small end users of soda ash. These smaller firms, mostly glass manufacturers, comprise over 50 percent of the market for soda ash demand. U.S. product basically is excluded from reaching that market, which also happens to be where high profit margins exist.

In South Korea, U.S. exports face a tight import embargo and an excessive tariff. The embargo prohibits import of soda ash unless the importer, such as a glass producer, can demonstrate that he has exported an equivalent amount of finished product. And where limited amounts of imports are allowed, they face a stiff 25-percent tariff in a commodity where average duty levels of 10 percent are considered high.

Korea has announced it will lift the embargo and reduce the tariff to 20 percent in July 1986. That is encouraging but not good enough. The tariff will still be among the highest in the world, and the industry fears the embargo will be replaced by other trade-restricting measures which would slow down imports.

Soda ash is a prime example of America's natural resource capability being exported with state-of-the-art technology. It shouldn't have to lose its sales potential because of discriminatory government barriers, especially when these countries receive considerable trade benefits from the United States. Ours is a relatively open market to their exports, certainly in areas where they have a comparative advantage. I am hopeful our Government's trade negotiators will give the soda ash problem higher visibility and action in their talks with these countries.●

VETERANS DAY

● Mr. LAUTENBERG. Mr. President, on November 11, Veterans Day, the contributions of our veterans will be honored across the Nation.

On November 11, Americans will gather to pay tribute to the 28½ million men and women who have proudly worn the military uniform of our country in time of war. On November 11, we will take a moment to say "thank you" to them for keeping our country free. As a veteran myself, I am proud of the contributions that veterans have made to the security of our Nation.

I had a special opportunity to remember the contributions of our country's fighting men this year. In May, I traveled to an American military cemetery in Europe. The cemetery is near the small Belgian village of Henri-Chapelle, just west of the German border. Almost 8,000 Americans lie at rest in that Belgian field—297 of those men called New Jersey home. Most gave their lives repelling the Nazi counteroffensive at the Battle of the Bulge. Some died just before the sur-

render was announced, even as the back of the German Army was completely broken.

That cemetery was filled with a pure, still quiet. Row after row of white marble headstones, topped with crosses or stars of David fan down a slope of lush woods. The scene was profoundly tranquil. Tranquility is what our veterans fought for. We fought for peace.

I went to Henri-Chapelle to honor the heroism and the sacrifice of those who died fighting Nazi tyranny. Those brave Americans fell defending democracy. As a nation, we owe our freedom, our spirit, and our progress to their sacrifice, and the sacrifice of other veterans before and since.

On May 9, when we celebrated the 40th anniversary of V-E Day, America publicly honored the many American servicemen who willingly risked their lives for their country. Our veterans left their homes and their loved ones to save Western civilization. They were ordinary men called to do extraordinary things. They answered that call. They accomplished that goal. And they did it, inch by inch, bullet by bullet, foxhole by foxhole. They put their lives on the line to defend the democratic ideals on which this country was founded.

To honor these contributions, I introduced legislation to pay tribute to World War II veterans on V-E Day. That resolution acknowledged the enormous debt this country owes our veterans for their patriotism and bravery on the battlefields of World War II. On May 9, V-E Day, that resolution passed the Senate unanimously.

This year also marked the 10th anniversary of the end of the Vietnam war. For many Vietnam veterans, the recognition and thanks that poured out on that anniversary were long overdue. For those who returned from Vietnam, the aftereffects of that war linger on. Vietnam veterans with the most intense combat exposure are still paying a heavy price for their war service. Vietnam veterans also suffer from posttraumatic stress disorder and from exposure to agent orange.

Honoring veterans with monuments, resolutions, and public recognition on the anniversaries of their victories is important. It is a public way to say thank you. But symbols alone are not enough. A democratic society should say thank you to its war heroes in the way they did—not only with words, but with deeds.

Veterans gave of themselves when our country asked. Our country needs to keep its commitment to its veterans now that they are coming to a point in their lives when they need our help the most. That commitment does not end when Federal budget dollars are being given out. I do not believe the red ink of the Federal deficit should be balanced on the red blood of our American veterans.

On Veterans Day, we should take the opportunity not only to praise our veterans for their contributions but to affirm our commitment to their needs. Only then can we truly honor our veterans in a fitting and meaningful way.●

JOHN B. ZELLARS COMPLETES TERM AS CHAIRMAN OF U.S. LEAGUE OF SAVINGS INSTITUTIONS

● Mr. MATTINGLY. Mr. President, today brings to a close the 1-year term of a fellow Georgian—John B. Zellars—as chairman of the U.S. League of Savings Institutions, the national trade association representing this Nation's savings and loan associations and savings banks. Mr. Zellars can be proud of his year of national association service, because he has presided over his industry during a period of remarkable rebound from the traumas it experienced just a few short years ago.

Consider, Mr. President, that savings institutions this year are virtually certain to post record earnings; that the pace of mortgage lending—the primary investment of savings institutions—continues at record levels; that the proportion of institutions insured by the Federal Savings and Loan Insurance Corporation operating in the black during the second quarter of 1985—the most recent period on which the Federal Home Loan Bank Board has reported—was the highest since 1979; and that savings institutions this year have recorded the widest spread between the cost of funds and portfolio yield since 1956. By anybody's standard, that has got to be considered a banner year.

Mr. Zellars played a major role in his industry's accomplishments during the period of his chairmanship. His contributions were many, but I'd like to single out one for particular mention—the role of Mr. Zellars and his U.S. League colleagues in the effort to reduce the Federal budget deficits which have threatened to cripple this Nation.

In his inaugural address, delivered here in Washington just a year ago, Mr. Zellars vowed that the first priority of his chairmanship would be to assure passage of a budget plan that would reduce the size of the Federal deficit. Following through on that pledge, Mr. Zellars saw to it that the U.S. League launched a massive, nationwide campaign to raise the level of public awareness of the deficit problem. It was a campaign aimed at the grassroots and designed in such a way as to provide public support for us in Congress as we faced up to the difficult and sometimes unpopular task of Federal belt-tightening.

There is still much to be done in this regard, and Mr. Zellars is well aware of that. Indeed, in a message to delegates to the U.S. League's 93rd annual convention this week in Dallas, Mr. Zellars wrote:

> The beginning that Congress and the administration made has helped to keep the financial markets calm and interest rates below the disastrous levels of just a few years ago. But more must be done in the years ahead.

The legacy of Mr. Zellars' chairmanship of the U.S. League no doubt will be one of innovative leadership, of which his adamant pursuit of Federal fiscal responsibility will be remembered as the hallmark.

John B. Zellars, chairman and president and chief executive officer of Georgia Federal Bank, F.S.B., of Atlanta, has served his industry proudly and with great distinction. In the process, he also has shown himself to be a loyal and unselfish contributor to the economic well-being of these United States.

The State of Georgia is proud of her native son, Mr. President, and we wish Mr. Zellars and his wife, Julia, best wishes as they enjoy his deserved position as a senior statesman of the savings institutions community.●

NEWARK RALLY AGAINST APARTHEID

● Mr. LAUTENBERG. Mr. President, this weekend there will be a mass rally and march against apartheid in Newark, NJ, that will begin at Essex County College and proceed to Military Park. The rally, projected to be the largest of its kind in New Jersey, is expected to draw 20,000 people from all walks of life.

The expected success of this rally and march clearly reflects the dedicated efforts of its sponsors and organizers, the United Auto Workers District 65 and the New Jersey Anti-Apartheid Mobilization Coalition. It also demonstrates the deep and continuing commitment of New Jerseyans to ending apartheid in South Africa.

Public demonstrations at the South African Embassy first awakened American public opposition to the evils of apartheid. Public demonstrations like this one will keep the pressure of American public opinion on South Africa, and will let our own Government know that Americans do not support the continuing repression in South Africa.

During the historic struggle to secure equal rights for American blacks, the Reverend Martin Luther King wrote from the Birmingham Jail: "Injustice anywhere is a threat to justice everywhere." Americans know this to be true. That is why 20,000 New Jerseyans will participate in this march.

In South Africa, injustice is a way of life under the yoke of apartheid. As a matter of official policy, South Africa routinely deprives blacks of their civil and political rights.

Black South Africans have no right to vote or to participate in the Government. They live where they are told, in areas assigned to them by whites. They still must carry passbooks whenever they move beyond that area, despite talk of reform.

South Africa robs its blacks of educational opportunity. The Government spends 11 times more on a white child's education than on a black child's. Blacks have minimal job opportunities, and the results are stark.

Black South Africans earn, on average, less than a third what white workers do. No matter how much education a black South African receives, or how hard he or she works, the chance for advancement is nonexistent. And workers risk jail, or even death if they strike for better wages or justice on the job.

If this country's commitment to equality means anything, then we must speak out forcefully against apartheid. And we must do it now. We must make it very clear where we stand on this issue. The system of racism known as apartheid is an affront to all our country stands for.

Anyone who remembers the civil rights struggle in this country knows that. When South African police used whips to smash a peaceful protest by nonwhite students singing "We are the World," I was reminded of how Martin Luther King and his supporters were subjected to the brutality of Birmingham Police Commissioner Bull Connor and his police force. The Birmingham police used attack dogs to scare the protestors. They sprayed protestors with high powered hoses to try to extinguish the fires of freedom burning within them. It did not work in Birmingham. And it will not work in Capetown.

The American people reacted in revulsion at the violence in Birmingham defenseless blacks fighting to be free. From these events flowed landmark civil rights legislation.

Millions of Americans feel the same revulsion today. Our sense of justice is offended by the arrest and jailing of hundreds of black South African children because they did not attend a school that denies them an equal education.

Our sense of fair play is outraged by the deaths of almost 700 blacks this year in the fight against a racist, repressive regime.

And Americans are incredulous at a South African leader who refuses to realize the need for real reform even when his country is under attack from all sides. The black South African fight against apartheid, with its historic parallels to the civil rights struggles in America, is in some measure our fight. It touches a wellspring in the American experience.

This is a time to step forward, not a time to retreat. We must stand with South Africa's blacks and not with their oppressors. The upcoming rally in Newark expresses that solidarity.

As is true so often, New Jersey has provided leadership to the Nation by approving Assemblyman Willie Brown's legislation to take State pension funds out of South Africa. This rally shows a real commitment to continue that leadership, and to keep the pressure on.

Now is the time to stand with South African blacks in their fight to be free. With Alan Boesak, who has suffered in solitary confinement. With Nelson Mandela, who has sacrificed more than two decades of his life for his dream. And with the hundreds of blacks who have died this year. Without such a stance, our commitment to equality is nothing more than empty words. We've had enough words. We need to act. I pledge my full support for strong action to end apartheid. And I commend each and every participant in the Newark rally for putting him or herself out today to express opposition to the evils of apartheid.●

DEATH OF SPENCER W. KIMBALL

● Mr. SYMMS. Mr. President, I rise today to honor one of America's greatest leaders who passed away last night. He was not a leader in the ordinary usage of the word because he held no elected office, commanded no army, or performed no feat that accorded him celebrity status.

I refer to Spencer W. Kimball, the president of the Church of Jesus Christ of Latter-day Saints, the Mormon Church.

Spencer Kimball achieved the true greatness that often eludes world leaders because he was completely true to the highest principles known to mankind. He taught and lived genuine God-like charity to all people, empathy and compassion, sound work ethics, pride in country, and the fundamental importance of the family to society.

At an advanced age Spencer Kimball set an example for all Americans by asking his church members to follow him and lengthen their stride in their service to others. Then, lest they become too comfortable, he asked them to join him and quicken their pace.

Owing to the vision of this remarkable man, the Mormon Church not only grew in numbers and stature worldwide, but expanded its mission to assist the world's less fortunate. In a single, special fast the church responded to President Kimball's call for help by raising some $6 million for impoverished Ethiopians.

Perhaps Spencer Kimball's greatest contribution to his church, to his Nation, and indeed the nations of the world, was his continued emphasis on the family. He taught that true love at home had greater power to heal society's wounds than all the government programs and all the wisdom of the so-called experts combined.

With the passing of President Spencer W. Kimball the world has lost a great man of vision and understanding—a prophet to his people.●

HONORING IGNACY JAN PADEREWSKI

● Mr. RIEGLE. Mr. President, today marks the 125th anniversary of the birth of one of Poland's greatest citizens, Ignacy Jan Paderewski. I am pleased to be a cosponsor of Senate Joint Resolution 208, to declare November 6 "Ignacy Jan Paderewski Day.

Paderewski's varied interests and unusual abilities took him down many paths during his lifetime. A world-renowned musician, statesman and humanitarian, Paderewski's accomplishments continue to inspire us.

Combining his great musical ability with diligent hard work, Paderewski launched a career that made him, for 50 years, the best-known and best paid pianist of all time. His musical compositions include the opera "Manru," a symphony, a piano concerto, a sonata for violin and piano and a work entitled "Fantasy on Polish Melodies." Paderewski's use of themes based on Polish folk music places him among the other nationalistic composers of the time.

Beyond making his mark in the musical world, Paderewski became a leading spokesman for the cause of a free Poland and a free world. In that effort, he was drawn into the political arena, and, in 1915, he became the representative of the wartime Polish National Committee in the United States. With the help of President Taft, Paderewski set up a relief committee which raised over $9 million. Two years later, as a result of Paderewski's efforts, permission was granted to recruit in America a Polish Army to fight in France. Over 27,000 Polish-Americans volunteered to join the ranks of the Allied Forces.

During a concert tour of the United States at the time of the Great Depression, Paderewski's commitment to helping his fellow man was poignantly demonstrated. Concerned with the plight of Polish victims of the war, he raised large sums of money for them through benefit concerts. He also skillfully united Polish-American groups to work for the same end. Contributing over $28,000 in concert receipts to help veterans groups and the unemployed

in the United States, Paderewski became the largest single contributor to the American Legion Fund. As a result, he was named honorary member of the Legion, thus becoming the only civilian foreigner to receive this distinction.

Convinced that a strong Poland was vital for the future peace of Europe, Paderewski prevailed upon President Wilson to include in his famous "Fourteen Points" the provision that a free Poland should emerge following World War I.

Back in Poland, Paderewski, in 1919, was elected and served for 11 months as Premier and Minister of Foreign Affairs. During his term in office, he represented Poland at the Paris Peace Conference, where he successfully convinced the other statesmen that a united Poland was necessary.

Mr. President, as a musician, Paderewski understood that artistic expression can only flourish in a free society. His involvement in the political world flowed from his desire to preserve the essential freedoms of thought and expression.

Today, the fight for human rights and political freedom continues in Poland. Courageous and committed individuals in that country, supported by Polish people around the world, continue the struggle. Through their efforts, and our undying commitment, we will bring closer the day when freedom reigns in Poland, and Paderewski's remains, in accordance with his wishes, can finally be returned home.●

IN MEMORY OF BOB CRAWFORD

● Mr. ANDREWS. Mr. President, it is with great sadness that I must rise to recognize the passing of Bob Crawford, an outstanding young Indian leader who dedicated his life to improving health care for American Indian people. Bob was 42 when he died of a massive heart attack at his home on the Colorado River Indian Reservation on Sunday. He had been in Washington last week for an unprecedented meeting between representatives of tribal governments and officials of the Department of Health and Human Services on Indian health care matters. It has been Bob's hope that Department officials would agree to work with the tribal governments to develop a statement of Indian health policy that would guide the Department's administration of health care services for Indian people.

At the meeting last week, Bob implored the Department to make a commitment to the President's policy of Indian self-determination and to the goal of raising the health status of Indian people to parity with that of the general population. He had asked the Department representatives, "Can you make a commitment to me, and to my children, that we can live as long as you can live?" Unfortunately, like so many Indian people, Bob did not live long enough to hear his question answered.

Bob was a member of the Cherokee Nation of Oklahoma, serving as the director of the Cherokee Nation Health Department from 1978 to 1980, and for the last 5 years, as executive director of Health and Social Services for the Colorado River Indian Tribe. Bob had been honorably discharged following 4 years of service in the U.S. Air Force, and had worked with the Bureau of Indian Affairs social services program on the Mississippi Choctaw Indian Reservation after completing a bachelor's degree at Northwestern Oklahoma State University and additional training in the administration of social services at the University of Wyoming and Arizona State University. Like his father, Bob led his people in the struggle to assure that future generations of Indian children would not face the same fate of early death, poverty and disease that their ancestors have endured.

Bob will be remembered for his unbridled honesty, his contagious energy and enthusiasm, and his persevering dedication to the cause of improving Indian health. He had a vision of quality health care for all Indian people—he fought tirelessly to see that vision realized—and those whose lives he touched in the process will remember his question and seek to have it answered.

Bob Crawford is survived by his mother Glenna, by the children of his first marriage to Reva Crawford, his son Bretley, his daughter Lacey, his brother Gary, his sister Judy Vann, and by his wife Sherrie, and her children Jennifer and Jerome. Funeral services will be held at the Parker Methodist Church at 7 p.m. on November 6, 1985, in Parker, AZ, and burial services will be held at the Reed Culver Funeral Home at 11 a.m. on November 8, 1985, in Tahlequah, OK.●

RALPH NEAS

● Mr. MOYNIHAN. Mr. President, I rise today to call my colleagues' attention to an article that appeared in Tuesday's Wall Street Journal, describing an extraordinary and courageous man, Ralph Neas, and the organization that he skillfully helps lead, the Leadership Conference on Civil Rights.

Mr. President, all of us long involved with and concerned about social justice and economic progress in America know well Ralph Neas and his contributions. As executive director of the Leadership Conference on Civil Rights since 1981, Ralph has helped win important victories for the 185 national organizations representing blacks, women, the disabled, the elderly, and other important groups. He has earned new admiration from those who have known him as an effective advocate, and the respect of those he has opposed.

Those of us who have been in the Senate for a while remember Ralph as one of the Senate's most gifted legislative aides—first with our former colleague from Massachusetts, Senator Edward Brooke, and, then, with the distinguished Senator from Minnesota, DAVID DURENBERGER.

Just as notable as his service to this body is the consistent courage Ralph demonstrated during his struggle with Guillain-Barre syndrome or French polio, a near-fatal illness that paralyzes the victim's body, which struck him in 1979.

Everyone who knows Ralph Neas admires his courage and his ability to get things done, and I ask that the article from the Journal be printed in the RECORD.

The article follows:

[From the Wall Street Journal, Nov. 5, 1985]

VETERAN POLITICAL OPERATIVE ARRANGES CAMPAIGN TO SAVE ANTI-BIAS RULES FOR FEDERAL CONTRACTORS

(By Joann S. Lublin)

WASHINGTON.—Civil-rights lobbyist Ralph Neas slouches comfortably in a congressional office chair, one foot draped over a marble coffee table. A Democratic House staffer tells him the congressman is ready to introduce a bill blocking Reagan administration efforts to weaken federal affirmative-action rules.

Mr. Neas suggests that any possible legislation be carefully timed. The staffer agrees to weigh that advice.

The lobbyist understands timing is key. But the current flap over affirmative-action policy sorely tests the talents of even this skillful political operative. As executive director of the Leadership Conference on Civil Rights, Mr. Neas is orchestrating a campaign to prevent changes in a 1965 anti-bias order that covers companies with a total of $100 billion in yearly federal work. President Reagan soon may issue a new executive order that would end the requirement that government contractors use hiring goals and timetables for minorities and women.

Mr. Neas challenges an administration with an unprecedented commitment to alter most traditional civil-rights remedies. And he operates in a highly conservative congressional climate. Civil rights "no longer is a burning issue with most members of the House and Senate," says Linda Williams, a researcher at the Joint Center for Political Studies, a think tank on black issues.

Critics fault the 39-year-old lawyer for alienating past civil-rights supporters by his championship of racial preferences, such as hiring goals. "His cause isn't in the American tradition" of civil rights, contends Morris Abram, a conservative Democrat who is vice chairman of the U.S. Civil Rights Commission. "He has turned (the Leadership Conference) into a special-interest group."

Mr. Neas doesn't always prevail in Congress. Despite the Leadership Conference's opposition, the Senate Judiciary Committee last week voted to confirm Charles Cooper,

a deputy assistant attorney general, to become an assistant attorney general.

Few Reagan officials, however, under-estimate Ralph Neas, a tireless ex-Senate staffer who once aspired to the priesthood, nor the clout of the Leadership Conference, a longstanding coalition of 185 national groups representing blacks, women, the disabled, the elderly and others. In a rare action last June, the Republican-led Senate committee killed the presidential nomination of William Bradford Reynolds, the department's civil-rights chief, to become associate attorney general. Mr. Neas "set about lobbying to achieve it (the defeat), and he did an effective job," Mr. Reynolds admits.

Ralph Neas's odd credentials—he's a white, Republican male—stirred debate within the black-dominated coalition when he became its first full-time director in 1981. But his political pragmatism and personal ties with many congressional Republicans have helped the nation's biggest civil-rights coalition to win bipartisan support in other fights, such as the 1982 extension of the voting-rights act.

Yet Mr. Neas differs from well-heeled Washington lobbyists who often sway Congress through computerized direct-mail drives and big political contributions. He runs the Leadership Conference from a drab, bunkerlike basement with four staffers and a shoestring $200,000 annual budget. Shadowing Mr. Neas for a few days shows how financially pinched interest groups nevertheless can stir up considerable pressure over hot issues like the possibility of a new executive order altering the affirmative-action program.

He alternately acts as a gung-ho cheerleader or a harsh drill sergeant, exhorting the coalition to reach agreement and then rally their millions of members with petition drives and phone banks.

On a recent morning, Mr. Neas gives marching orders to 30 Leadership Conference representatives: Ask senators to sign one of two letters urging President Reagan to keep the hiring-goals mandate. Minnesota GOP Sen. David Durenberger is circulating a milder version than one pushed by California Democrat Alan Cranston.

"Just call these 10 to 20 people," Mr. Neas says, handing out lists of names. "If they are Republican, ask them to sign the Durenberger letter. If they're Democrat, ask them to sign the Cranston letter." The tactic's failure could mean, he warns, "another legislative battle ahead of us in 1985 and 1986."

Mr. Neas also tries to foster the impression that most employers share the civil-rights coalition's view. In a Democratic Senate staffer's office, he rattles off the names of major corporations, such as International Business Machines Corp. and Monsanto Co., fighting any rollback of the executive order. Many Senate aides he used to work with are now corporate lobbyists, he notes, "and they tell me their CEOs are making the calls" to top administration officials. These business believe goals and timetables have advanced minorities and women and protected management against private job-bias suits.

But he doesn't mention that most small businesses oppose hiring goals as de facto quotas.

On his way out, he commandeers the receptionist's desk to call a Republican senator's office and to arrange other congressional visits that evening. The lobbyist's 14-hour work day ends at 10 p.m. He doesn't stop pressing his case until the last possible minute. On another day, he arrives late for a women's group speech, his curly black hair awry and ruddy cheeks redder than usual. Senate Majority Leader Robert Dole (R., Kans.) has just announced his support for keeping the 1965 executive order intact.

The statement comes just before a cabinet session on the affirmative action rules. "I made a dozen phone calls before I left the office to let people going to the meeting know what was said (by Sen. Dole)," the civil-rights activist says.

Letters signed by nearly 200 members of Congress have arrived at the White House by the time the session begins. Cabinet moderates and conservatives split over the draft executive order; they decide to let the president resolve the politically sticky question without any firm recommendation from them.

The next day, the lobbyist rapidly calls one congressional staffer after another to exult about the White House stalemate. "Let's get today's press coverage (of the cabinet meeting) to our target group" of senators, he tells a GOP Senate aide.

Mr. Neas uses the media extensively to promote his cause, often appearing on network TV and radio programs. He leaked word of the draft executive order in August, overcoming reluctance from other Leadership Conference officials. The civil rights advocate who wants to run for Congress someday, clearly relishes the limelight.

"He has become a real personality in this town," says a friend, American Jewish Committee lobbyist Hyman Bookbinder. There are "great ego-satisfying aspects to his job."●

COMMENDATION OF ROGER DUFOUR

● Mr. SPECTER. Mr. President, I wish to call the Senate's attention to the exemplary life of public service of Mr. Roger Dufour, councilman from Uniontown, Fayette County, PA, who is retiring after many dedicated years of community service.

Mr. Dufour has served western Pennsylvania for more than 27 years—as city councilman in charge of parks and public property and as councilman in charge of public safety. In June 1980, Mr. Dufour received an award from the Pennsylvania League of Cities for having served consecutive terms for over 21 years. This is the longest tenure on record in Pennsylvania.

A member of Laurel Lodge No. 651 of the Free and Accepted Masons, Mr. Dufour has attained the status of 32d degree Mason, Pennsylvania Consistory. He is also a life member of the Syria Temple of Pittsburgh as well as a 35-year member of the Rotary International and a member of the BPO Elks No. 370. In 1984, Mr. Dufour was chosen as the Paul Harris fellow by the Rotary International.

I am sure my colleagues join me in commending Mr. Roger Dufour for his long and devoted service to western Pennsylvania.●

JAPANESE AUTO IMPORTS ARE TOO HIGH

● Mr. RIEGLE. Mr. President, distinguished colleagues, I would like to draw your attention to a news report in today's Washington Post that is entitled "Imports Take 30 percent of October's U.S. Car Sales." I ask permission that this article be inserted into the RECORD at the end of my remarks. I am concerned because this is not a single occurrence, but part of an accelerating trend that will have a devastating effect on our domestic auto industry, and also on steel, rubber, electronics, textiles, and auto parts suppliers here in the United States.

The U.S. auto industry has made great strides in the last several years: It has been striving to improve product quality and productivity by investing nearly $70 billion in product improvement and modernizing U.S. plants and equipment. There have been major productivity gains and technological advances. Massive additional expenditures are needed to meet intense world competition. Failing to renew the export restraint agreement with Japan this past April now threatens the industry just at the time when it needs a strong and sustained capital recovery to continue modernizing.

In April of this year, the voluntary restraint agreement negotiated by our two governments expired. Under that arrangement, 1.85 million Japanese imports were allowed in this country. In March of this year, imports accounted for only 20 percent of the market, a vast improvement from 28 percent at the end of 1982.

President Reagan, in a very damaging trade decision did not renew the agreement, signaling his approval for a higher level of Japanese imported cars. That was a serious mistake.

Clearly, the present import level of 30 percent is not acceptable. While the Japanese have agreed internally to limit auto exports to the United States to 2.3 million vehicles for the year that will end April 1, 1986, the additional 450,000 units will mean the loss of 100,000 auto and other directly related jobs. And if current predictions for an import total of 40 percent within the next few years come true, then another 300,000 American manufacturing jobs will be lost to Japanese imports.

We cannot allow this Japanese trade invasion to continue. The President should undertake immediate steps to bring Japanese car imports back to a level that is less than 2 million vehicles, and he should act now before more damage is done to the U.S. economy and our international financial position.

The article follows:

IMPORTS TAKE 30 PERCENT OF OCTOBER U.S. CAR SALES

(By Edward Miller)

DETROIT, Nov. 5.—Imports, led by Japanese models, captured 30 percent of the U.S. car market in October as domestic auto makers foundered with low inventories, according to company reports released today.

Sales of Japanese-made imports shot up 25 percent from a year ago and accounted for one-fourth of all October new-car sales. Sales of European-made cars were up 19.4 percent from a year ago, capturing 5.7 percent of the market.

Sales of cars produced by U.S. auto makers were down 13.2 percent from a year ago.

Analysts at the domestic companies said the weak performance was caused by the artificially high sales of late August and September, when General Motors Corp. set off a rebate and cut-rate financing war among the Big Three.

In September, at the height of the price clash, Japanese-made cars accounted for less than 17 percent of the market as U.S. car sales soared.

GM sales in October were off by the same amount as the total market, 13.2 percent, and sales for the No. 2 producer, Ford Motor Co., were off 26.9 percent. Chrysler Corp. sales rose in October by 8.5 percent.

"There are crummy-looking sales, and we don't think it's going to get significantly better unless and until the [U.S.] companies come back with incentives," said automotive industry analyst Harvey Heinbach of Merrill Lynch in New York.

However, Louis Lataif, Ford's vice president for sales, said that domestic sales showed signs of recovery late in the month and that "sales will continue to move upward as [dealer] inventories are replenished."

For the month, U.S. auto makers sold 598.363 autos, 13.2 percent below the 689.563 sold a year ago.

Among the small producers, American Honda Motor Co. Inc.'s sales of Ohio-made cars were down 19.5 percent, American Motors Corp. sales were off 30.1 percent and Volkswagen of America Inc. sales rose 51.3 percent from depressed levels of a year ago.●

PROPOSED ARMS SALES

Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notifications which have been received. The classified annexes referred to in two of the covering letters are available to Senators in the office of the Foreign Relations Committee, SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington DC, November 1, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-09 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to Egypt for defense articles and services estimated to cost $24 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 86-09]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Egypt.

(ii) Total estimated value:

	Million
Major defense equipment[1]	$16
Other	8
Total	24

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Two AN/TPQ-37 Radar Systems with ancillary and support equipment.

(iv) Military department: Army (UGT).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See Annex under separate cover.

(vii) Section 28 report: Included in report for quarter ending 30 September 1985.

(viii) Date report delivered to Congress: November 1, 1985.

POLICY JUSTIFICATION

Egypt—AN/TPQ-37 radar systems.—The Government of Egypt (GOE) has requested the purchase of two AN/TPQ-37 Radar Systems with ancillary and support equipment. The estimated cost is $25 million.

The proposed sale supports the American foreign policy and national security objectives of assisting the GOE in its program of modernizing its armed forces so that it may provide for its own security and self-defense and contribute to regional security and stability. A strong and independent Egypt will be able to participate in the Middle East peace process and resist incursions of Soviet client states in the region.

The Egyptian Army needs these weapon-locating radar systems as a primary means of locating the source of hostile artillery fire. Egypt will have no difficulty absorbing these systems into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Hughes Aircraft Corporation of Fullerton, California.

Implementation of this sale will require the assignment to Egypt of five additional U.S. Government personnel for two weeks and one contractor representative for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, November 1, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding under separate cover Transmittal No. 86-08, concerning the Department of the Air Force's proposed Letter of Offer to Switzerland for defense articles and services estimated to cost $14 million or more. Since most of the essential elements of this proposed sale are to remain classified, we will not notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 86-08]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Switzerland.

(ii) Total estimated value:

Major defense equipment[1]	$[Deleted]
Other	[Deleted]
Total	[Deleted]

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: [Deleted.]

(iv) Military Department: Air Force [YAP].

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See Annex under separate cover.

(vii) Section 28 report: Included in report for quarter ending September 30, 1985.

(viii) Date report delivered to Congress: November 1, 1985.

POLICY JUSTIFICATION

[Deleted.]

[Deleted.]

(U) This sale will further the foreign policy goals of the United States by helping to assure the defense of a friendly country whose avowed neutrality has long contributed to the security of Western Europe. It is consistent with the U.S. policy of assisting other nations to provide for their own defense and security. Switzerland has traditionally based its independence on a strong and ready military establishment.

[Deleted.]

(U) The prime contractor will be the Ford Aerospace Corporation of Newport Beach, California.

(U) Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Switzerland.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.●

ORDERS FOR THURSDAY

RECESS UNTIL 9 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the

Senate completes its business today, it stand in recess until 9 a.m. on Thursday, November 7, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. I further ask unanimous consent, Mr. President, that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators PROXMIRE, BRADLEY, and BAUCUS.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, Mr. President, I ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following morning business, it will be the intention of the majority leader to turn to the consideration of Calendar No. 380, H.R. 3327, the military construction appropriations bill, and votes can be expected in relation to that measure.

By unanimous consent, at 1:50 we will return to the nomination of Alex Kozinski to be U.S. circuit judge for the ninth circuit. Following 10 minutes of debate equally divided, at 2 p.m. there will be a rollcall vote on that nomination.

Also, following the vote on the nomination, we will either return to the military construction bill or move to the consideration of S. 1527, the civil service retirement bill, hopefully under a time agreement.

Mr. LEVIN. Mr. President, I want to make clear one point Senator CRANSTON asked me to protect. As I understand it, the pending legislative business is H.R. 505. My inquiry of the Chair is, does the majority leader's proposal require that we set aside H.R. 505?

The PRESIDING OFFICER. There is no request pending to do that.

ORDER TO SET ASIDE HOUSE MESSAGE H.R. 505

Mr. DOLE. Mr. President, I ask unanimous consent that the House message on H.R. 505 be set aside until the closing of morning business on Wednesday, November 13.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT SUBJECT TO APPROVAL OF THE MINORITY LEADER

Mr. DOLE. Mr. President, I have a rather lengthy unanimous-consent request which will be implemented unless the distinguished minority leader should raise an objection tomorrow morning. I ask unanimous consent that that be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. On that basis, I ask unanimous consent that when the Senate turns to the consideration of S. 1527, the Civil Service retirement bill, it be considered under the following time agreement: 3 hours total on the bill, on all debate, and amendments, to be equally divided between the chairman of the Governmental Affairs Committee and the ranking minority member, or their designees; that the following amendments be the only amendments in order, with the exception of the committee report amendment in the nature of a substitute for S. 1527, and each amendment be limited to 10 minutes, to be equally divided:

Mr. TRIBLE, second election for survivor's benefits; Mr. CHILES, increase disability protection; Mr. GORE, loosen restrictions on loan arrangements; Mr. LUGAR, cover Foreign Service under retirement program; Mr. EAGLETON, cover CIA under the retirement program; Mr. DURENBERGER, second degree amendment to Eagleton CIA amendment to increase accrual rate for CIA; Mr. STEVENS, makes transfer provisions consistent among Federal Retirement, Foreign Service, and CIA systems; and Mr. ROTH, technical amendments en bloc.

I also ask unanimous consent that there be no time on debatable motions, appeals, or points of order, and that no motions to recommit with instructions be in order, and that the agreement be in the usual form.

I further ask unanimous consent that once S. 1527 has been advanced to third reading, the Senate immediately turn to the consideration of H.R. 2672, to redesignate the New York International and Bulk Mail Center, and the only action in order prior to third reading be an amendment which will be the text of S. 1527, as amended, if amended, and committee reported technical amendment.

Finally, I ask unanimous consent that following adoption of the two amendments in order to H.R. 2672, the Senate proceed to third reading and final passage of H.R. 2672, without any intervening action.

Before the Chair rules on the request, I again state that this would be subject to an objection by the distinguished minority leader at any time before the bill comes up tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move we stand in recess until 9 a.m. Thursday, November 7, 1985.

The motion was agreed to; and, at 6:48 p.m., the Senate recessed until Thursday, November 7, 1985, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate November 6, 1985:

DEPARTMENT OF STATE

Paul Matthews Cleveland, of Florida, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand.

DEPARTMENT OF THE INTERIOR

J. Steven Griles, of Virginia, to be an Assistant Secretary of the Interior, vice Garrey Edward Carruthers, resigned.

DEPARTMENT OF ENERGY

Sylvester R. Foley, Jr., of Florida, to be an Assistant Secretary of Energy (Defense Programs), vice William W. Hoover, resigned.

IN THE NAVY

The following-named permanent limited duty officers, to be reappointed permanent lieutenant as limited duty officers in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

Alexander, Lewis M.
Allen, Jimmie S.
Arbogast, Michael L.
Arnold, James L.
Arnold, James M.
Barley, Donald G.
Bellew, Richard J.
Brown, Ernest W.
Brustol, John L.
Buehler, Lynn R.
Canino, Lind A.
Chapman, Thomas E.
Clemente, Philip L.
Collins, Kenneth L.
Conner, Marion R.
Cooney, Robert F.
Crawford, James W.
Daniels, Larry M.
Darnell, Kenneth W.
Davis, Raymond E.
Derrick, Gary L.
Diaz, Robert J.
Dodd, Oliver, Jr.
Dziedzicki, Robert A.
Edwards, William R.
Evans, Tracy W.
Fagan, Lemuel D.
Ferrell, Charles T.
Frazier, Richard J.
Garcia, Doncarlos S.
Geitz, William C.
Gore, Benny D.
Grant, Donald L.
Guffey, Lloyd L.
Hood, Robert H.
Houston, Robert E.
Huntsman, Kenneth A.
Kirkpatrick, Larry A.
Klaus, Peter W.
Lachance, Paul M.
Lang, Darrell J.
Leasure, James G.
Lefebvre, Andre

Lusk, Sherman H.
MacDonald, Ronald W.
Mattson, Kenneth L.
McCurdy, Harold D.
McElroy, Richard S.
Morgan, Ronnie H.
Morgan, William R.
Mott, Dale A.
Nichols, Leo G.
Ogg, Paul R.
Pasquarelli, Vincent
Phillips, Dewayne E.
Phillips, Kim A.
Rasbeary, James A.
Repak, George E.
Reynolds, Thomas K.
Riehn, Carl J.
Riley, Jerry R.
Ross, Louis N.M.N.
Schell, Edward G.
Spellman, Frank R.
Spencer, Jerald W.
Storm, Henry J.
Stover, Edward M.
Stringfield, Melvin E.
Stroble, John T.
Tesnow, Ronald L.
Thomason, James A.
Thompson, John E.
Tilton, William E.
Tomer, Arthur W.
Trujillo, Michael G.
Waits, John D.
Wilde, Vincent L.
Williams, George A.
Williamson, Charles
Wilson, James D.

The following-named temporary limited duty officers, to be appointed permanent lieutenant as limited duty officers in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

Acfalle, George C.
Adair, Thomas A.
Allen, Daniel C.
Allen, David J.
Allen, Jon C.
Asher, Terry E.
Baber, John W.
Baldwin, Gregorgy J.
Ballinger, Michael K.
Banks, Herman F.
Barbato, David M.
Barcomb, Wayne D.
Barnes, Donald A.
Barton, Lawrence B.
Baulisch, Harry L.
Bauman, David F.
Beach, Coulson C.
Beadle, Francis R.
Bean, James L.
Beardslee, Kay L.
Berthiaume, Ralph J.
Bishop, Stephen S.
Blackmore, Dennis N.
Blake, Jesse A.
Blow, James W.
Bobbitt, Bobby L.
Bohannon, William D.
Bohr, Steve J.
Boone, Kenneth R.
Booth, Martin S.
Bowker, Douglas A.
Boyd, Stephen M.
Brittian, David L.
Brock, Steve W.
Brooks, Henry K.
Brown, Thomas W.
Bukoski, George E.
Burdick, Edwin J.
Butler, Wilton N.
Byrne, Patrick J.
Cain, Robert P.
Cameron, Wayman E.
Campbell, Alan C.
Campbell, Gary L.
Carroll, Patrick
Cartaya, Sergio A.
Cates, Michael H.
Cauble, Lawrence M.
Chapman, Peter C.
Chewning, Donald W.
Chidester, Lonnie T.
Cipperly, Stephen L.
Clark, Douglas W.
Clark, H. Lawrence, Jr.
Coffey, Vance R.
Coleman, Michael A.
Collins, Ernest L.
Conery, Joseph E.
Conner, Robert C.
Conrad, Donnie J.
Crandall, James R.
Crep, Mark E.
Cronk, Kenneth H.
Culbert, Mitchell D.
Cunningham, Anthony R.
Daniels, Philip E.
Day, Glenn A..
Dehart, Richard S.
Dickerson, Frederick
Diunizio, Dennis L.
Dotlich, Paul R.
Dotterer, Danny J.
Douglas, William C.
Drew, Tony L.
Drexler, Peter U.
Dubay, Mary D.
Duke, William C.
Duncan, James E.
Dunn, John S.
Eckel, Paul C.
Ellison, Rogr Dale.
English, James D.
Erwin, Ronald L.
Falardeau, Leo O.
Feldhauser, Bruce K.
Finnegan, Denis M.
Fiore, George P.
Fiscus, William H.
Fisher, James L.
Fisher, Ronald W.
Franklin, Kent R.
Frolander, Carl L.
Funke, John B.
Galluzzi, Donald R.
Garcia, Paul A.
Gardner, Stephen G.
Gitchell, David D.
Godwin, Vernon L.
Gowen, Terry L.
Graham, James C.
Gustafson, Jack A.
Guy, Donald W.
Hand, David E.
Harris, David M.
Harris, William D.
Hausauer, David C.
Heim, Gilbert W.
Helm, Robert L.
Hendren, Scott R.
Henry, Arlie N.
Herrington, Charles K.
Herron, William M.
Hicks, James G.
Hill, Thomas R.
Hilyer, Joseph E.
Hoberg, Gary E.
Hogue, Gary G.
Holloway, Dennis W.
Holman, Barry W.
Hooley, Kevin R.
Hoover, Thomas E., Jr.
Hope, Richard R.
Howard, Dennis B.
Howard, Gene T.
Howell, Jack E.
Hundley, Donald R.
Hurd, Daniel E.
Hurst, Darrell W.
Hutchison, Michael L.
Jackson, Michael D.
Johnson, Douglas C.
Johnson, Lee R.
Jones, Frederick A.
Justice, Kenneth B.
Kankelborg, Lyle J.
Kantor, Michael A., Jr.
Kearns, Daniel W.
Kemp, James P.
Kennedy, Billy D.
Ketcham, Timothy E.
Kink, Owen M.
Korbal, Martin A.
Lacey, Michael A.
Laird, Dean R.
Laird, Jon T.
Landis, Marvin C.
Lane, Alan D.
Langston, Arthur L.
Larribeau, John D.
Larson, Steven M.
Larson, Todd M.
Lavelle, James P.
Lay, David M.
Leist, Larry W.
Liles, Kenneth A.
Lillge, Robert E.
Loeber, Michael C.
Loebs, Michael E.
Lunak, Raymond E.
MacDonald, Scott A.
Majerus, Arthur P.
Maloney, Willard A.
Mansfield, Jim D.
Marshall, William R.
Martin, Charles F.
McCrow, Samuel R.
McGinty, Cornelius F.
McKnight, Michael L.
McMorris, Alonzo, Jr.
McNulty, Michael F.
Melges, David K.
Michaelis, James M.
Miller, Pat W.
Mollica, Richard L.
Mollitt, Tommy J.
Moore, Alden G.
Morgan, Francis C.
Mortenson, David L.
Moyer, Dennis W.
Mueller, Thomas E.
Mullen, Steven W.
Muscarello, Vincent
Nelson, Myron E.
Niemela, Ernest M.
Page, Thomas E.
Patrick, Timothy J.
Pavlat, Jack M.
Pawelczak, Joseph M.
Pehl, Peter N.M.N.
Peterson, Gregory J.
Petry, Robert J.
Piirainen, Dale W.
Pitts, Henry A.
Pugh, Royden E.
Rathman, Randell L.
Reese, Bruce R.
Reynolds, Timothy L.
Rhone, Christopher M.
Richard, Craig S.
Rivenbark, Michael D.
Robie, Robert L.
Rodgers, Freddie L.
Romano, Jim O.
Ruddeforth, Mark C.
Sandeman, Steven S.
Sanders, David L.
Schamberger, Thomas W.
Schmidt, Michael P.
Schott, George
Scott, Morris V.

Seely, Richard S., Jr.
Shannon, Robert J.
Shay, William F.
Sheldon, Robert R.
Shughart, Paul T.
Simmons, John A.
Snook, Rickie E
Spicker, Wilhelm H.
Spires, Gordy A.
Spratt, Edwin L.
Spry, Joseph J.
Stebbins, Wilbur L.
Sterett, Robert B.
Stevens, Steven L.
Stities, Tommy W.
Stofan, Wayne E.
Stone, James F.
Stringfellow, William
Sullivan, William A.
Swartz, John S.
Tabinga, Nelson C.
Taylor, Delmain R.
Taylor, Kathryn B.
Terry, John W.
Thomas, Gregory A.
Thome, Robert L.
Thorne, Robert C.
Tibbitts, Stephen K.
Uhrich, Andrew R.
Vann, Benny L.
Vest, Eugene T.
Vetter, Alan T.
Vital, Manuel F.
Vollman, John J.
Warn, Richard D.
Warren, Richard L.
Weathers, Marshall
Weeks, Tony M.
Werbelow, Roger L.
Werkman, Brent R.
West, Michael L.
Westrick, Jeffrey A.
Whalen, William J.
White, Paul D.
Whitehead, Michael E.
Whitney, Walter M.
Willi, Carl B.
Williams, Ronald K.
Wilson, Donald W.
Wilson, Richard A.
Wojtuniak, Joseph S.
Wright, William F.
Yackel, David D.
Yaskin, Michael.
Young, Richard M.
Zajac, Joseph J.
Zanski, Michael T.

The following-named permanent limited duty officers, to be reappointed permanent lieutenant in the supply corps as limited duty officers of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

Bernardo, Carlos G.
Bishop, Raymond L.
Fabie, Marcelino D.
Moody, Melvin
Salonga, Cipriano C.
Watson, David, n.m.n.

The following-named temporary limited duty officers, to be appointed permanent lieutenant in the supply corps as limited duty officers of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

Adams, Thomas E.
Bartholomew, Robert L.
Charboneau, Charles T.
Costello, Joseph P.
Dietz, Earl F.
Jenkins, John D.
Johns, Gerald R.
Marsh, Robin E.
Oldaker, Charles G.
Reyes, Norlan M.
Sarmiento, Jose T.
Stahurski, Richard J.
VanBuren, Randell L.

The following-named permanent limited duty officer, to be reappointed permanent lieutenant in the civil engineer corps as a limited duty officer of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

Green, Barrett A.

The following-named temporary limited duty officer, to be appointed permanent lieutenant in the civil engineer corps as a limited duty officer of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

Socha, John M.

IN THE NAVY

I nominate the following-named Naval Reserve Officers' Training Corps candidates to be appointed permanent ensign in the line or staff corps of the U.S Navy, pursuant to title 10, United States Code, section 531:

Abarbanell, Susan Y.
Abbatiello, Leonard M.
Abel, Stephan R.
Acker, David M.
Ackerman, Steven E.
Aclaro, Melven V.
Adams, Cecilia C.
Adams, Mark A.
Admiral, Mark A.
Ahern, Matthew P.
Ainsworth, Kevin N.
Alaman, Henry P.
Allen, James A.
Alvarez, Richard R.
Amendola, John B.
Amidon, Todd C.
Amundson, Craig A.
Adersen, Steven M.
Anderson, Charles R.
Anderson, Earle J.
Anderson, Erik M.
Anderson, Erns M., Jr.
Anderson, Gregory S.
Anderson, Ian C.
Anderson, James W., II
Anderson, John M.
Anderson, Phillip Q.
Anderson, Robert N.
Anderson, Steven K.
Anderson, William A., Jr.
Anderson, William C.
Anderson, William W.
Andrews, Daniel M.
Apodaca, Ronald D.
Arcuri, Karen M.
Armstrong, Timothy J.
Arnold, Jefrey M.
Ashburner, Edmund J.
Ashcraft, Paul D.
Ashton, Augustus T.
Asselin, Mark T.
Atkinson, Daniel J.
Atkinson, Mark E.
Augustine, Mark D.
Babcock, Richard S.
Bables, Michael T.
Baccanari, Patrick A.
Badt, David E.
Bagot, Eugene F.
Bailey, Christopher J.
Bailey, T. Bruce
Bakalars, Michael E.
Baker, Frederick C.
Baker, John R.
Baker, Jon R.
Baker, Matthew E.
Baker, Timothy R.
Baker, William B.
Baker, William H.
Baldwin, Claude, IV
Ball, Gregory K.
Ball, William A.
Bandura, Bradley A.
Barber, Jon A
Barboo, Elizabeth J.
Barger, James R.
Barich, Kurt W.
Barker, Michele C.
Barnard, Mark A.
Barnard, Kurt M.
Barnes, Darryl G.
Barnes, Landis L.
Barnett, John W.
Barnett, Steven B.
Barnett, Todd F.
Baron, Edward J.
Barr, Bruce E.
Barr, David H.
Barrera, Bernard B.
Barrett, Gary C.
Barringer, James T.
Barry, Michael T.
Bartel, Joseph R.
Bartell, Thomas E.
Barth, Andrew T.
Bartleman, William M.
Bartlett, Robert L.
Bartley, Joseph W.
Bass, Harold C.
Baudanza, John S.
Bauer, Lawrence
Baughn, Jerry R., Jr.
Baus, Patricia R.
Baxter, Dwayne F.
Bayer, Robert S.
Beach, Bobby G.
Beatty, Daniel P.
Beaubien, John R.
Beaver, William F.
Beckett, David R.
Bede, John J.
Beeler, Michael E.
Beers, Robert M.
Belcher, George M.
Belke, James C.
Bell, John G.
Bell, Wilbur R.
Bellay, John L.
Beller, Stephen C.
Belleville, Thomas R.
Bellit, Thomas P.
Belton, David C., Jr.
Benford, Robert B.
Benhoff, David A.
Benner, Steven M.
Bennett, Edward J.
Benson, Kenyon C.
Bentivegna, Scott M.
Bergensen, Sean A.
Berget, Christopher C.
Bergmann, Christian V.
Bernard, Mark B.
Bernardo, Jorge I.
Bevan, Timothy P.
Bielby, Michael E.
Biglin, Robert M.
Biltonsmith, Andrew M.
Birdsong, Jeffrey L.
Bissell, Michael S.
Black, James T.
Black, Mark E.
Blaha, Dean R.
Blair, David S.
Blair, Maurice L.
Blakemore, John T.
Bley, John C.
Blinn, Steven B.
Blomlie, Roxanne K.
Blon, Thomas A.
Bluff, Brian J.
Bly, Brian V.
Boardman, Gerald R.
Boes, Eugene F.
Boese, Mark J.

Boffey Christopher
Bohler, Jeffrey A.
Bohn, Michael B.
Bohn, Michael F.
Boisa, John E.
Boling, Erik W.
Bolinger, Charles V.
Bolton, James J.
Bomber, Mark
Bonds, Lincoln D.
Boney, Ronald E.
Boning, William B.
Bontell, Michael J.
Booker, David Q.
Boos, Paul M.
Borsody, Joseph J.
Bosley, Duncan
Boss, William J.
Bonticario, Luis A.
Bottenberg, John A.
Bouchard, Joseph C.
Bowden, Brian E.
Bowdish, William E.
Bowen, Peter S.
Bowens, Brian E.
Boyd, Carl J.
Boyd, Milton J.
Boyer, Stephen P.
Boyles, Daniel E.
Braddock, Michael J.
Bradford, Frederick I.
Brady, William H.
Brandstetter, James E.
Brannan, Patrick S.
Brannen, William P.
Brannon, David A.
Braverman, Scott H.
Breay, James E.
Brennan, John F., Jr.
Brewer, Monica F.
Briggs, Jeffrey S.
Brigham, Henry D., III.
Brill, Philip J.
Briseno, Anthony.
Brodehl, Lisa M.
Brodfuehrer, Steven P.
Brogan, Sean M.
Broniec, Frank G.
Bronikowski, Peter J.
Brooks, Darryl B.
Brooks, Gary R.
Brooks, Sheryl E.
Brown, Chad K.
Brown, Edward S.
Brown, Mark D.
Brown, Stephen P.
Brown, Thaddeus M.
Brown, Timothy C.
Brown, William S.
Bruening, John G.
Bruner, Russell S.
Brunkhorst, David J.
Brunter, Randy J.
Brush, Anthony.
Bryant, Stephen P.
Buch, Philip E.
Buesking, David W.
Buhlmann, Christian A.
Bunker, Alyson L.
Bunting, Brian M.
Burcham, Jeffrey A.
Burchinal, David L.
Burgess, Terry C.
Burks, Kenneth T.
Burleson, Leigh
Burns, Patrick C.
Burns, Paula, M.
Burpee, Craig W.
Burpee, John H.
Burton, Christopher D.
Buscemi, Nicholas A.
Busse, David E.
Butler, Daniel E.
Butler, James C.
Butler, John G.
Butler, Steve A.
Byrne, James S.
Byrne, Ronda L.
Cabe, George B.
Cade, James S.
Cager, John, E., III.
Caggiano, Joseph P.
Cain, Robert A.
Cain, William D.
Caldwell, Kenneth C.
Caldwell, Robert B.
Caldwell, Ronald W.
Callahan, Patrick J.
Campbell, Dwayne C.
Campbell, Ira L.
Campos, Edward C.
Canada, Jimmy D.
Cannon, Louis T.
Capewell, Dale L.
Caramanian, Max A.
Carberry, Michael M.
Carley, Joseph G.
Carlson, Alan L.
Carlson, Christopher G.
Carnesi, Thomas
Carpenito, Daniel M.
Carpentier, William A.
Carrera, Michael S.
Carrico, Timothy K.
Carroll, Geoffrey C.
Carroll, William K.
Carsley, Renton B., Jr.
Carson, Reginald B.
Carusone, Jeffrey S.
Carvalho, Ronald M.
Casali, Richard R.
Casement, Christopher D.
Cashman, Michael M.
Cashmere, John B.
Caspero, John F.
Cassell, Jeffrey E.
Cassell, Kerry T.
Cassidy, Michael J.
Cassidy, Sean P.
Castor, Susan C.
Catlin, John C.
Cattani, Frank
Cavagnaro, James J.
Cave, William F.
Celikay, Recep W.
Cenfetelli, Ron T.
Chambers, Wilbert M.
Champagne, Joseph R.
Chapman, Jeffrey J.
Chappell, James H.
Chase, David A.
Chatham, James K.
Chauncey, Wayne M.
Chebuske, Andrea M.
Chenard, Brent D.
Chenard, John E.
Chiarotti, Charles G.
Childress, Kenneth W.
Childs, Kevin W.
Chipley, Michael A.
Christenson, Todd J.
Christmann, William P.
Chura, Gary P.
Claar, Matthew T.
Clancy, Matthew J.
Clancy, Steven P.
Clark. Allen L.
Clark, David D.
Clark, Gregg T.
Clark, James B.
Clark, Pfclyle R.
Clark, Timothy L.
Clarke, Stephen M.
Claugherty, James P.
Clawson, Paula S.
Clemens, Lance M.
Clemente, Mark A.
Clemmons, Richard
Clendinnen, John W.
Clifton, Ronald M.
Cobb, Steven R.
Cockrel, Timothy S.
Codrington, Erik C.
Cohen, Philip
Colacicco, Bernard J.
Cole, Jennifer C.
Collier, John B.
Collins, Dawn
Collins, John D.
Colon, Charles
Colston, Michael J.
Comer, James A.
Condon, Clifford G.
Congdon, Herbert V., II
Connally, Timothy S.
Connolly, James R.
Connor, Jeffrey W.
Connor, Richard A.
Connors, John P.
Conron, Michael W.
Conroy, Michael V.
Conti, Carl R.
Conti, Richard C.
Cook, Daniel R.
Cook, Jay K.
Cook, Kathleen L.
Cook, Lisa D.
Cooke, James R.
Coon, Robert J.
Cooper, John H.
Cordek, Andrew T.
Cordero, Luis G.
Corey, Brian K.
Cornell, Christina L.
Coss, Richard A.
Costain, Ronald R.
Cote, Johanne L.
Cotton, Derek W.
Coulter, James L., Jr.
Coulter, Jeffrey A.
Courtney, William L.
Covington, Almonte L.
Cowie, James J.
Cox, Craig R.
Cox, Earl C.
Cradic, Anthony L.
Craft, Douglas M.
Craig, Colin M.
Craig, Michael R.
Craig, Robert M.
Crawford, David M.
Crawford, Jeffrey
Crawford, Richard M.
Crissman, Mark S.
Critchley, David W
Cromer, Peter G.
Cronin, Sean B.
Crow, Border L., Jr.
Crow, David S.
Crowe, Robert A.
Croxton, Martin F.
Cuddington, Donald R.
Cunningham, Joseph E.
Curtis, Christopher M.
Cusaac, Carl W.
Cushen, Robert C.
Cutler, James W.
Dale, Susan M.
Dangelo, Edward J.
Danger, Jonathan E.
Daniel, Robert G.
Dannenfelser, David M.
Dantonio, Patrick J.
Darmi, Mickey T.
Daugharty, Jeffrey T.
Daugherty, Shannon F.
Davidson, George R., Jr.
Davidson, Robert L.
Davies, Theodore J.
Davis, David E.
Davis, Gregory K.
Davis, Joel R.

Davis, Mark E.
Davis, Peter G.
Davis, Phyllis Y.
Dawson, David P.
Day, James P.
Deangelis, Kevin M.
Dearolph, Daniel J.
Deckert, Paul B.
Deerkop, John C.
Deguire, Stephen C.
Deighan, Daniel K.
Delaney, Scott C.
Delvecchio, Timothy H.
Demane, Peter C.
DeMarco, Francis C.
DeMello, Bruce R.
Denehy, Timothy J.
Deni, Carl J.
Denn, Douglas A.
Dennis, Aaron L.
Dennis, Anthony
Dennison, Patrick J.
Dentch, Jonathan M.
Descisciolo, Dominic
Dettbarn, James K.
Deveer, Philip J.
Devens, Thomas J.
Devlin, Craig S.
Diamond, David D.
Diaz, Bruce A.
Diaz, George E.
Dickerson, Steven R.
Dickinson, James E.
Dickson, Billie S.
Diedrich, Mark K.
Diehl, Scott A.
Dillon, James T.
Dixon, John R.
Dobinski, Joseph W.
Doctor, Bernard
Dodds, Richard B.
Dodge, Stephanie A.
Doidge, Mark E.
Doig, Michael A.
Dollan, Jon A.
Dominguez, Jorge I.
Donaldson, Jeffrey M.
Donithan, Michael G.
Donnelly, John C.
Donovan, Brian E.
Donovan, David M.
Dooling, Edward D.
Dorian, Winston F.
Dorman, Clifford E.
Dorman, Steven B.
Dostie, Thomas N.
Dougherty, Thomas V., Jr.
Douglas, Tommy E.
Douglass, Mark T.
Douglass, Travis L.
Dowd, Craig W.
Doxey, David E.
Drake, Charles B.
Dreis, Nicholas J.
Dresser, Brayton
Driscoll, Peter M.
Dube, Hans G.
Dubois, Matthew P.
Dubrouillet, Paul E.
Ducharm, Donald E.
Dugan, Craig R.
Duke, David H.
Duke, David L.
Dumke, Brad R.
Dunaway, William J.
Duncan, Robert A., Jr.
Dunham, Gerald L.
Dunigan, Timothy J.
Dunn, Edward J.
Dunn, James C.
Dunne, Michael R.
Duplessis, Ernest L.
Durbin, Liam A.
Durham, David E.
Eagan, Patrick S.
Ebbesen, Vincent A.
Ebinger, Edwin J.
Eddingfield, William J.
Edgerly, Daniel O.
Eichner, David M.
Eid, Bradley F.
Eidman, Brian E.
Ek, Robert S.
Ekland, Eric J.
Eldridge, Brian G.
Eldridge, Richard L.
Ellefsen, Wendy L.
Elliott, Kevin D.
Elliott, Peter G.
Ellis, Michael P.
Ellithorpe, Robert N.
Ello, Mark J.
Elser, Eric T.
Emerson, George H.
Emerson, Stephen M.
England, Kenneth A.
English, Richard E.
Eppes, John A.
Erickson, Philip O.
Erlendsson, Erik
Escalante, Yori R.
Essig, Paul T., Jr.
Estes, Todd G.
Evans, John D.
Evans, Stephen C.
Even, Kirk
Everett, Todd S.
Fagan, Thomas F., III
Fahringer, Phil A.
Fahs, Jon R., Jr.
Fairfield, Douglas H.
Falk, Terrance A., Jr.
Farmer, Thomas L.
Farr, Peter R.
Favorite, Matthew E.
Fazekas, Scott J.
Ferguson, John F.
Ferrell, Steven H.
Fick, Gregory J.
Fidler, Charles R.
Fielder, John R.
Figliola, Patricia A.
Filbin, Edwin
Filippi, Stephen C.
Finley, Lyle D., Jr.
Finnegan, David E.
Fitzgerald, Matthew
Fitzpatrick, William P., Jr.
Fix, Gretchen M.
Flanagan, Hugh M.
Flanagan, Timothy J.
Flather, Jennifer R.
Flavin, Michael L.
Fleck, Michael A.
Fleischman, Paul A.
Fleischman, Peter A.
Fohl, Kurt H.
Foley, Brian T.
Foley, James J.
Folson, William B.
Fong, Peter
Forbes, Allen P.
Ford, Patrick W.
Forrest, Thomas A.
Fortney, Kyle G.
Foster, John G.
Fowler, Ellen B.
Fowler, James T.
Fowler, Mark P.
Fowler, Michael G.
Fowler, Timothy N.
Fox, James P.
Fox, Terry L.
Fox, Thomas S.
Fox, Timothy R.
France, Theodore R.
Frank, Larry J.
Frantz, Edward J.
Fraser, Mark G.
Fraser, Roderick J.
Frayer, Edward J.
Frazier, Robert D.
French, Jacqueline R.
Freund, Kirk L.
Frick, Angela R.
Frische, Michael F.
Fritch, Heidi L.
Fritsch, Frederick C.
Frost, Kenneth S.
Fuka, Louis
Fuller, Jeffrey C.
Fuller, Melvin
Fuller, Wayne A.
Fulmer, Brett A.
Gacevich, Kenneth M.
Gage, James L.
Gainey, Wesley R.
Gallagher, Douglas G.
Gallagher, Sean M.
Gangsaas, Aasgeir
Gannon, Brian B.
Gannon, James M.
Garcia, Alejandro Q.
Garcia, Daniel
Garcia, Larry L.
Garcia, Randall E.
Garcia, Reynaldo P.
Gardey, Jonathan M.
Garigliano C.J.
Garrity, Robert T.
Gartz, Russell G.
Gats, Thomas A.
Gathright, Emmet S.
Gates, Cindy H.
Gaus, Thomas J.
Gavan, Glenn T.
Geaney, Sean P.
Gehan, Robert F.
Genoesezerbi, Federico
Gerard, Henry J.
Gero, John K.
Gervais, Robert M.
Gibson, Bradley J.
Giddings, Thomas V.
Gieringer, Stephen T.
Gilardi, Bruce R.
Gilbert, Kenneth J.
Gilbert, Robert A.
Gile, Charles C.
Gill, Peter B.
Gillespie, Peter A.
Gillespie, Stuart M.
Gilmour, Gregory S.
Gilroy, Brian K.
Ginnetti, Autumn L.
Gionfriddo, Robert J.
Giorgianni, Anthony P.
Giovenco, John D.
Gipson, Michael R.
Glackin, Patrick J.
Glazier, Guy P.
Gleason, Frederick F.
Gody, Anthony T.
Golanka, Stanley M.
Goldblatt, David J.
Gomes, Paul V.
Gonzales, Robert P.
Gonzalez, Gilberto C.
Goode, Christopher J.
Goodwin, Bonita A.
Gordon, Kerry T.
Gordon, Russell W., Jr.
Gordy, Michael A.
Gould, Dean A.
Gouldman, John R.
Goulet, David G.
Graham, Robert S.
Grambo, David R.
Graney, Kevin M.
Grant, Jeffrey G.
Graul, Michael H.
Gray, Garrett T.

Green, Daniel M.
Green, Gerald E.
Green, Paul W.
Greer, Adam T.
Gregg, John M.
Gregory, Daniel T., Jr.
Gregory, Robert S.
Greisen, Bruce R.
Grier, Ann R.
Grierson, Steve L.
Griffin, Brian E.
Griffin, Jeffrey T.
Griffin, Paul
Griffith, Charles B.
Grinalds, Richard D.
Groh, Jonathan C.
Groth, John F.
Guernsey, Brent R.
Guibault, James R.
Guillory, Terryl G.
Gunerman, Todd A.
Gunnell, Dan B.
Gunzel, Charles
Gurray, Kathryn K.
Guyer, Jonathan E.
Guziewicz, Adam J.
Hadar, Dawn S.
Hadley, Herbert M.
Hagins, Mark A.
Hagood, Mark E.
Haines, Samuel J.
Hale, Edward E., III
Hall, Charles E.
Hall, Stephen F.
Halliday, Joseph M.
Hallums, Andrew L.
Halvorson, Dean C.
Hamester, Mark
Hamilton, Michael D.
Hamlin, David M.
Hamm, Lance D.
Hampton, Lana D.
Hanby, Gregory F.
Haney, John R.
Hanke, Matthew P.
Hansborough, Michael J.
Hansen, Dennis J.
Hansen, Gary R.
Hardin, Lori J.
Harleston, Charles D.
Harmon, Robert A.
Harpham, Tami L.
Harrell, John M.
Harrington, Kevin M.
Harrington, Martin F.
Harrington, Timothy J.
Harris, David M.
Harris, Kenneth N.
Harris, Mark E.
Harris, Samuel R.
Harris, Sharon E.
Harryman, Timothy P.
Hart, Edward H.
Hart, Robert W.
Hart, Shawn G.
Hartman, Wayne W., Jr.
Harvey, Mark W.
Hazbrouck, John C.
Haselman, Keith S.
Haskins, Paul A.
Hatch, Robert A.
Hatcher, Wesley M.
Hatke, Thomas M.
Hatt, Darrell C.
Hausauer, Daniel J.
Havenar, Perry L.
Hawkins, Donald F.
Haws, Ronald P.
Hayes, John A.
Hayes, Michael F.
Haynes, Peter D.
Hazlett, Gregory S.
Headle, Alyson C.
Heady, Douglas E.
Healy, Paul F.
Heaps, Joseph F.
Hearney, Brenden K.
Hearon, Ronald P.
Heath, Robert P.
Heckmann, John V., Jr.
Hecmanczuk, Thomas A.
Hedberg, Kurt E.
Heid, Linda L.
Heide, Steven D.
Hekman, Thomas P.
Helme, Ernest C., III
Hempel, Matthew E.
Henderson, Fred P., Jr.
Henderson, Jeffrey S.
Henderson, Joseph W.
Henderson, Philip G.
Henderson, Steven C.
Henle, Andrew C.
Hennes, Joseph L.
Henry, David S.
Henry, Mark C.
Hensell, James L., Jr.
Herdegen, Dale W.
Herig, Elisabeth C.
Herkert, Kenneth A.
Hernandez, Andrew A.
Herr, Richard K., II
Herran, Francisco
Hershberger, William K.
Hesby, Richard M.
Hess, Daniel G.
Hewson, John G.
Hiatt, Daniel S.
Hibbert, Kirk R.
Hickey, John C.
Hickey, Kevin S.
Hicks, Jonathan P.
Hicks, Kevin A.
High, Wayne
Hillier, Scot P.
Hillman, James F.
Hineline, James H.
Hinsey, James S.
Hintermister, Frederick A.
Hirsch, Jeffrey D.
Hoban, John F.
Hobley, Leslie K.
Hochsprung, Loren K.
Hoens, Robert J., Jr.
Hoerst, Stephen R.
Hofert, Glenn D.
Holdener, Michael A.
Hollis, Patrick C.
Holloway, Harold L.
Holmes, Brian T.
Holmes, John P., Jr.
Holton, Christopher W.
Hooker, Daniel L.
Hoopes, Mark A.
Horn, Mark G.
Hornburgh, Kirk D.
Horsefield, Michael J.
Horst, Derek M.
Horvath, Patrick L.
Horvath, Peter D.
Hovius, Miles C.
Howard, Chris E.
Howard, Roderick M.
Howe, David W.
Howes, Brian T.
Hrinko, John J.
Hubbard, David L.
Huber, Mark M.
Hudak, David J.
Hudak, Douglas J.
Hughes, Gary B.
Hughes, Ronald W.
Hughes, Samuel B.
Humphries, Donald E.
Hunter, Parks D.
Hurton, James A.
Hutchinson, Jeffrey D.
Hutton, Geoffrey T.
Hybki, Gary J.
Hymas, Hewitt M.
Hymes, Robert C.
Hyson, Todd C.
Igoe, Scott F.
Ingebrigtsen, Hans S.
Ingram, Henry B.
Insardi, Stephen R.
Irizarry, Javier E.
Israel, Michael S.
Jabs, Eric P.
Jackonis, Michael J., Jr.
Jackson, Darryl E.
Jackson, George C.
Jaeger, Steven M.
James, Wanda L.
James, William B.
Jamieson, Richard G.
Janssen, Daniel F.
Jarosz, Suzanne K.
Jaworowski, Ronald O.
Jeakle, David M.
Jeffrey, Joseph M.
Jeffries, Edward M.
Jensen, Michael D.
Jensen, Teresa E.
Jenson, James T.
Jernigan, Michael T.
Johnson, Andrew O.
Johnson, Borden M.
Johnson, Christian C.
Johnson, Gary E.
Johnson, George W.
Johnson, James L.
Johnson, Kathryn E.
Johnson, Russell D.
Johnston, Brian D.
Jolly, Martin E.
Jones, David R.
Jones, Julian
Jones, Kathleen A.
Jones, Misty A.
Jones, Robert A.
Jones, Steven
Jones, Thomas E.
Jones, Thomas L.
Joosse, Stanley B.
Jordan, George A.
Juarez, Edward T.
Judkins, Warren T.
Judson, Philip R.
Jung, Curt R.
Jurinka, Werner H.
Kane, Erik W.
Kane, Michael R.
Kapopoulos, Ernest J.
Kapp, Edward A.
Karnes, Jeffrey A.
Karsch, Michelle E.
Kashin, Peter
Kass, Stephen
Kauffeld, Joanne
Kaufman, Stephen J.
Kearney, James H.
Kearsley, Herbert J.
Kee, Valarie R.
Keene, Christopher D.
Keers, Frederick T., III
Kees, William D.
Kellen, Scott P.
Kelley, Barry W.
Kelley, Britt K.
Kelly, David A.
Kelly, John F.
Kelley, Robert J.
Kelly, Steven S.
Kelsey, Dana L.
Kennedy, Andrew R.
Kennedy, Dale
Kennedy, Martin D.
Kesler, Michael P., Jr.
Keutel, Martin P.
Kicklighter, Rodney K.
Kiefer, John F.

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Kiernan, Brian M.
Kile, Nelson H.
Kilroy, Robert G.
Kimble, Daniel E.
King, Robert J., Jr.
King, Timothy J.
King, William A., III
Kingsley, Jeffrey A.
Kinnie, Glenn A.
Kirby, Mark R.
Kirby, Timothy G.
Kirk, David W.
Kirk, Scott A.
Kirkpatrick, John H., Jr.
Kirwan, Nancy A.
Kirzl, John W.
Kissane, Philip A
Klausner, Daniel E.
Klearman, Stuart A.
Kletter, Daniel M.
Kling, John P.
Knapp, Michael T.
Knaus, Daniel J.
Knight, Tracy S.
Knudson, Stephen B.
Koch, Catherine A.
Koch, David H.
Kocks, Michael D.
Kohnhorst, Christopher S.
Kohnle, Jeffrey A.
Koke, Jeffrey S.
Koman, Charles R.
Konefes, William A.
Korka, John W.
Kotcha, Jerry A.
Koteskey, Robert W.
Koziuk, Gregory G.
Krafft, Andrew E.
Kraus, Daniel
Krauss, Wayne J.
Kremer, Anthony M.
Kress, Jeffrey B.
Krieger, Jeff J.
Krogman, Kenneth A.
Krolak, Brian P
Kronz, James, C.
Kucera, Dane, P.
Kuriyama, William A.
Kurth, Douglas S.
Kute, Theresa L.
Lachance, Stephen A.
Laches, Peter C.
Lacina, Douglas E.
Lackey, Gregory J.
Lacourse, Timothy E.
Lay, Benjamin P.
Laforest, James R., Jr.
Lager, Edgar A.
Lagorio, John H.
Lajousky, William, III
Lamarche, Warren T.
Lambert, Alan D.
Lance, Edwards S.
Landers, James W.
Landman, Hank
Landreth, Jack J.
Lane, Shawn D.
Lange, Ian C.
Larkin, Matthew A.
Larkin, Timothy H.
Larock, Todd R.
Larsen, Paul D.
Larson, James A.
Latimer, Brandt W.
Laughlin, Daniel F.
Lauridsen, Eric S.
Lauson, William J.
Lawless, John C.
Lawrence, David A.
Lawrence, Eric B.
Lawson, Allen V.
Leahy, Matthew F.
Leary, Michael P.
Leatherman, Brent L.
Lecompte, Thomas J.
Ledoux, Joseph M.
Lee, David M.
Lee, Jae K.
Lee, Mark R.
Lee, Robert K.
Lee, Timothy D.
Lefkowitz, Wayne M.
Leifeld, Kevin J.
Lenhard, Lee E.
Leo, Kenneth J.
Leung, Stephen K.
Lewandowski, Michael F.
Lewis, Barbara J.
Lewis, Michael J.
Lewis, Michael P.
Lewis, Robert C.
Lewis, Samuel W.
Lewis, Stuart W.
Lewis, Timothy L.
Leysath, Joseph A.
Liang, Stanford T.
Liddell, Daniel W.
Lindgren, John S.
Lindquist, Stanford A.
Lipera, Scott D.
Lippincott, Alice H.
Lockard, John R.
Logan, Timothy K.
Loguidice, John J.
Long, David W.
Longhini, John M.
Lonie, Christopher M.
Lord, John S.
Lord, John S.
Loughlin, Patrick A.
Lovaglia, Melanie J.
Love, Eric W.
Lovejoy, Owen R., II
Lozada, Eriberto, P., Jr.
Lozano, Jose R.
Lucas, Robert F.
Lucente, Frank J.
Lucke, Shawn B.
Lunsford, Kennison C.
Luster, Frank
Luther, Patrick A.
Lutkenhouse, John F.
Lutton, Andrew E.
Luttrell, John A.
Lutz, Henry J.
Lyons, William A.
Mabry, Jeffrey D.
Macaulay, Frank A.
MacDonald, Timothy H.
MacFarlane, Colin J.
MacGarvey, Mark D.
MacGregor, Mary J.
Machalick, Gerard M.
MacLay, Jeffrey D.
MacLnnan, Andrew G.
Magann, Lawrence F.
Magbuhat, Steven M.
Mahaffie, James L.
Mahler, Mark A.
Mahne, Kevin P.
Mahon, Charles M., Jr.
Maino, Robert M.
Makela, Ray A.
Maki, Wayne D.
Malavet, Roman F.
Malloy, Mitchell A.
Malone, Michael L.
Malone, William E.
Maloney, David S.
Maloy, Patrick O.
Manning, Stephen F.
Manning, Thomas J.
Mannix, John H.
Manoni, Gary D.
Maples, William C.
Marano, Joseph A.
Marble, Douglas C.
Marincic, Tomislav A.
Marinello, Anthony F.
Marino, Philip
Marquis, Daniel N.
Marsh, Christopher N.
Marsh, William B.
Marshall, Christopher A.
Marshall, Eric W.
Martellotto, Michael J.
Martens, Scott L.
Martin, Kelly A.
Martin Mary J.
Martin, Susan M.
Martin, William K.
Masci, Nicholas
Masters, Ronald J., II
Mastic, Robert S.
Matheny, Melinda L.
Matthesen, George S.
Maxmin, Christopher W.
May, James P.
May, William D.
Mayer, Michael L.
Mazzola, Anthony D.
Mazzola, Patrick R.
McAndrew, Walter T.
McAtee, Aaron M.
McBride, Brian
McCabe, James P.
McCarden, Ronald W.
McCarthy, Christopher R.
McCarthy, Daniel J.
McCarthy, Kevin F.
McCarthy, Timothy W.
McCartney, Terrence E.
McCaskill, John R.
McClellan, Michael S.
McClure, Sean D.
McClurg, Henry J.
McCombs, Robert H.
McCourt, Thomas B., III
McCoy, Marc D.
McCoy, Mitchell A.
McCray, Mark M.
McCue, Timothy P.
McCullogh, James C.
McDermott, Frederick C.
McDonald, James A., III
McDonough, Joh F., III
McDonough, Matthew J.
McElvain, Richard A.
McFall, Monte R.
McGee, Russell O.
McGinn, Terence J.
McGinnis, Thomas D.
McGirr, John J.
McGovern, Mark R.
McGowan, Michael R.
McGraw, Mark D.
McGuire, Billy D.
McGuirk, Martin J.
McHugh, James J.
McHugh, James P.
McIlmail, James F.
McIlvried, Bruce D.
McIntire, Scott R.
McKinney, Terrence H.
McKitrick, Michael P.
McLauchlin, John S.
McLaughlin, Gregory D.
McLaughlin, Stephen D.
McLaughlin, Stephen E.
McLean, Michael D.
McCoughlin, Robert E.
McPhee, Sean M.
McPherson, Scotty E.
McRee, Michael H.
McVety, Peter E.
McWhorter, Andrew L.
McWhorter, Mark A.
Medina, Christopher D.
Megna, Joseph A.
Meklo, Robert
Melchor, Willie
Melendez, James R.

Mendez, Philip R.
Mendoza, Marco A.
Mercer, Leslie F.
Merola, Joseph M.
Merriman, Gerard A., II
Mettler, Quentin S.
Metzler, Scott P.
Meyer, Chris D.
Meyer, Scott D.
Michaelis, Kent A.
Michalski, James A.
Micheletti, Andrew T.
Mickey, Kevin J.
Mihal, Joseph J.
Mikatarian, Douglas W.
Miller, Douglas W.
Miller, Gerald J.
Miller, Jeffrey S.
Miller, Marion B.
Miller, Peter W.
Miller, Richard J.
Miller, Scott D.
Miller, Steven J.
Milligan, Allie W.
Milner, Richard P.
Min, Bryan B.
Minchin, Edward H., III
Minke, Scott P.
Mishler, Daniel K.
Mitchell, Robert S.
Mitchell, Robert T.
Mitchell, Robert V.
Mitchell, Susan M.
Mitchell, William O.
Moan, Michael R.
Molenda, Patrick A.
Moline, Todd D.
Moliski, Robert M.
Molleur, John T.
Monahan, Daniel P.
Monahan, Timothy J.
Montgomery, Douglas W.
Mooldyk, Evan J.
Mooney, Kevin G.
Moore, Clinton C.
Moore, Freddie, Jr.
Moore, Gregory A.
Moore, Keith M.
Moore, Robert A., Jr.
Moore, Ronald D.
Moralesortiz, Manuel C.
Moran, Brian S.
Moran, John M.
Morant, Kevin F.
Moretz, David G.
Morgan, John R., Jr.
Morgan, Patricia B.
Morgart, Drew S.
Morgioni, Michael S.
Morris, John S.
Morris, John W.
Morris, Scott A.
Morrison, Jonathan B.
Morse, Jeffrey E.
Moses, Julia A.
Moskowitz, Douglas W.
Mottola, Paul A.
Moulton, Teresa N.
Mueller, Marc A.
Mullen, William F., III
Mullendore, Krista J.
Mulligan, George D.
Mullins, James M.
Mulroy, Bernard P.
Murphy, Patrick J.
Murphy, Patrick J.
Murphy, Robert S.
Murphy, Scott C.
Murray, Major D.
Murray, Mark M.
Murray, Marybeth
Murtha, Michael P.
Myers, Caroline L.
Myers, David R.
Myers, Wendy L.
Nagma, Elmer E.
Nakagawa, Steven D.
Neal, Anthony W.
Needham, Peter D.
Negelspach, Greg L.
Neights, Gary M., Jr.
Nelms, Joe D.
Nelson, David S.
Nelson, Ty D.
Nerad, Anton H.
Neulen, Barry C.
Neuman, Kathylynn
Nevius, Paul
Newell, Dwight J.
Newton, Doyle G.
Newton, Peter J.
Nguyen Jacques D.
Nicholas, William C.
Nicholls Marc T.
Nicholson, John C.
Nickerson, Brian C.
Nickle, Bruce E.
Nielsen, Stephen P.
Nieves, Nelson A.
Nieves, Norberto
Nixon, Sheri L.
Nolan, Jeffrey S.
Norton, Samuel R.
Notarnicola, John S.
Nowadly, Francis W.
Nuckols, Donald B.
Nusbaum, Christopher A.
Nyilis, Mary T.
Oakes, Thomas J.
Oakland, Paul R.
O'Brien, Andrew G.
O'Brien, David G.
O'Brien, Richard G.
O'Casio, Michael L.
O'Connell, Noreen A.
O'Day, Thomas J.
O'Dell, Dale A.
O'Donnell, Kevin P.
O'Donnell, Richard K.
O'Dowd, Elizabeth A.
O'Gara, Edward M.
Ogburn, David A.
O'Keefe, Timothy F.
Old, Philip E.
Olds, Thomas E.
O'Leary, James D.
Oliver, DeWayne S.
Oliver, James J.
Oliver, Lawrence J.
Olson, Stephan M.
O'Neil, Owen T.
O'Neill, Daniel K.
Ongjoco, Roderick S.
Onorato, Susan J.
Orr, Alan L., II
Oshei, Ross J.
Ott, David E.
Oubari, Hesham D.
Oversen, Ernest J.
Overson, Christopher J.
Overton, Christopher G.
Owen, Evan W.
Owen, Stephen S.
Owens, Ben H.
Ozmer, Joseph W.
Paap, Maryanne
Pacious, Christopher J.
Paco, Tina M.
Padgett, Robert N.
Padovano, Francis D.
Pagett, Steven L.
Paiva, Arthur J., Jr.
Palacios, Lynette O.
Palisin, Robert E.
Palmer, James C.
Panoff, Timothy J.
Papp, Raymond A.
Pappone, John N.
Parenti, Nicholas J.
Park, John C.
Parker, Gerald C.
Parker, John K.
Parode, Steven L.
Parsons, Brett S.
Parsons, Gerald B.
Paschal, Steven R.
Pash, Phillip L.
Pastva, Timothy A.
Patrick Mark S.
Patton, William R.
Patzman, Mark A., II
Pavcik, David J.
Payne, Craig M.
Payne, Dana H.
Payne, Thomas E.
Peabody, Benjamin H.
Pearl, Joseph R.
Pearson, Dean H.
Pearson, Frank W.
Peet, Christopher H.
Peitso, Loren E.
Pentaleri, Edward A.
Perkins, Jeffrey K.
Perkins, Michael D.
Perri, Richard P.
Perrotta, Lisa C.
Perry, David T.
Perry, Douglas B.
Perry, James P.
Person, James S., III
Petersen, Antonio P.
Peterson, Brent A.
Peterson, Joel L.
Peterson, Kevin R.
Petrie, Sean C.
Petro, Kenneth C.
Pettit, John M.
Petto, Joseph.
Pfiester, Andrew J.
Phillips, Brian R.
Phillips, Glenn P.
Pickett, Geroge D.
Pietrowicz, Michael J.
Pigeon, Raymond G.
Pilarski, James M.
Pingree, James L.
Piraino, Frank, IV
Pitsokos, Michael J.
Pitts, David D.
Pitts, Vincent P.
Pixler, Darryl S.
Planeta, Christopher C.
Platt, Thomas W.
Plummer, Bryan D.
Plunk, Curtis D.
Pockette, Michael D.
Poindexter, Alan G.
Poirier, John A.
Polasek, Robert J.
Poling, Brian J.
Politis, Irene B.
Polk, William M.
Pollock, Michael J.
Poremba, Sean E.
Porter, Philip H.
Post, John C.
Potter, Scott A.
Poulin, Gregory A.
Powell, Cecile R.
Powell, Kenneth D.
Powers, Eric A.
Powers, Gregory S.
Prado, Frederico P.
Price, Arthur C.
Price, Patrick D.
Prince, Sandra J.
Pritchett, John S.
Probert, Jeffrey A.
Prose, Gregory N.
Pruitt, Paul R., Jr.
Pulk, Michael P.
Quick, Dennis D.

Rabil, Daniel J.
Rabin, Patrick P.
Raby, Joseph E.
Racela, Raymundo C.
Rademacher, Brian A.
Radnich, Lisa M.
Rahmes, Mark D.
Ralls, Richard N.
Ramos, Michael R.
Ranta, Jeffrey A.
Rantala, Tomi M.
Rapacki, John C.
Ratcliffe, Cassandra M.
Rathert, Robert J.
Ready, Scott A.
Ready, Warren D.
Reamer, Eric S.
Reamer, James C., Jr.
Rebarker, Warren A.
Rebrovich, Victor E.
Recio, Francisco
Reck, Thomas G.
Redford, Tomus S.
Redman, Benjamin L.
Reel, Michael W.
Reeves, Brian
Regan, Brian F.
Reimers, Stephen P.
Reino, John M.
Reiswig, Lora J.
Reitz, David M.
Rempe, John K.
Renier, Jeffrey S.
Replogle, Eric S.
Resare, Nils A.
Reynolds, Jay A.
Ricardo, Brian K.
Ricci, Ronald J.
Rich, James H., III
Richard, Lynn P.
Richards, Timothy A.
Richmond, Edward L.
Richter, Charles D.
Ridderhof, Phillip J.
Riedel, Jeffery S.
Ries, Thomas A.
Riley, Joseph K.
Riordan, Stephen R.
Rios, Jorge P.
Ripley, John F.
Rischmiller, Frederick W., III
Rishel, David R.
Ristuccia, James E.
Rivenbark, Michael D.
Rivers, Eugene P.
Rivers, Kevin N.
Roa, Michael J.
Robbins, John C.
Roberson, Keith W.
Robinson, Charles P.
Robinson, Greg A.
Robinson, John K.
Robnett, Joseph P.
Roche, Paul, L. III
Rock, Charles W.
Rodenas, Diego N., Jr.
Rodriguez, Jose L.
Roe, Paul D.
Roesch, Thomas J.
Rogers, Joseph M.
Rogers, Kevin C.
Rogers, Michael J.
Rogers, Paul M.
Rogers, Philippe D.
Rogers, Richard A.
Rogowski, Leon R.
Rollins, Charles H., III
Roman, Daniel R.
Ronevich, John E., Jr.
Root, Christopher R.
Roper, Allen F.
Rosa, Raymond
Rosholt, Karen E.
Ross, Gregory C.
Ross, Paul G.
Ross, Robert B.
Roth, Michael B.
Rothermel, Karl F.
Rothermel, Ray M.
Rouin, Christopher J.
Roux, Ronald S.
Rowland, Stephen A.
Royston, Timothy M.
Rozier, Robert
Ruane, Thaddeus A.
Ruby, John M.
Rudolfer, Joe
Ruf, Joseph, III
Rush, Forrest R, Jr.
Russ, John K.
Russell, Douglas V.
Russell, Michael J.
Russel, Philip K.
Russell, Thomas W.
Rust, David M.
Ruth, Richard S.
Rutkin, Andrew T.
Ryan, John C.
Ryan, Justin M., Jr.
Ryan, Timothy J.
Ryan, William K.
Rydell, Erwin D.
Ryder, Lawrence S.
Ryken, Brian S.
Rymer, David L.
Rynne, Brian T.
Sabin, Stephen A.
Sadwick, Steven J.
Sagcal, Alexander O.
Sain, Ricky F.
Salazar, Daniel
Salazar, Jaime A.
Sampson, Richard D.
Samuels, Karen D.
Sandberg, Susan M.
Sanders, Clark D.
Sanders, David E.
Sanders, Gregory J.
Sanders, Kelvin
Sanford, Alison N.
Sankanung, Vuttinan
Sanvictores, Douglas B.
Sapera, Lance S.
Saporito, Frank C.
Sarver, Robert W.
Satterly, Thomas A.
Sauer, Aletta
Sauer, Joel S.
Scanlon, Robert M.
Scarcella, Joseph A.
Schachterle, Michael B.
Schafer, Guy W.
Schafer, Peter F.
Schaffer, Stephen J.
Schauer, Timothy M.
Scheenstra, John K.
Schellenberger, Keith W.
Schick, Samuel D.
Schlichting, Gregory H.
Schmanske, Brain M.
Schmid, Eric A.
Schmidt, Lawrence A.
Schmidt, Theresa M.
Schneider, Eric S.
Schneider, John J.
Schnell, Walter M.
Schnurr, Russell A.
Schodlbauer, Michael F.
Scholes, Dallas S.
Schraven, John A.
Schreck, Paul C.
Schueler, Jeffrey J.
Schuerman, Todd J.
Schuller, Geoffrey H.
Schultz, Steven M.
Schwartz, Elizabeth S.
Schwartz, Louis G.
Schwarz, Gregory T.
Schwass, Roderick G.
Schwingshakl, Kenneth J.
Scofield, Christopher D.
Scott, John R.
Scott, Steven J.
Scott, Tyler A.
Scovill, Mark H.
Sears, Stephen A.
Sears, Todd R.
Seeley, Jimmie W., II
Seith, James P.
Selby, Michael W.
Sell, Charles F.
Sellers, Ralph
Shanley, Kevin E.
Sharp, Christopher A.
Sharp, George, B.
Sharp, Mark D.
Shattuck, Jeffery W.
Shaver, Scott N.
Shea, Joseph W.
Shea, Michael E.
Sheckells, David B.
Sheets, Dennis T.
Shelley, Mark P.
Shelton, Jamie L.
Shepherd, Stephen S.
Sherry, Elysheva H.
Shepwood, Walter A.
Shew, William E.
Shilling, Edward E.
Shinkle, James R.
Shipley, William R.
Shipman, George L.
Shock, Paul J.
Showers, Thomas R.
Shriner, Philip G.
Shrove, Richard R.
Shuford, Robert F.
Sikora, Douglas J.
Silkman, William R.
Simanson, Arthur T.
Simmons, Michael T.
Simon, David E.
Simpkins, Mark B.
Sinclair, Steven R.
Singley, Roy A.
Skaggs, Kenneth W.
Skinner, Bradley D.
Skinner, Scott N.
Skuodas, Michael A.
Slaughter, Aaron T.
Slaughter, Arnold D.
Slaveski, Jon A.
Slayne, Kevin F.
Slick, Charles E., III
Slupecki, Mark A.
Small, Alvin W.
Small, Dwane L.
Smigelski, Robert J.
Smith, Brian P.
Smith, Cary K.
Smith, Donald K.
Smith, Gregory T.
Smith, Linda M.
Smith, Paul R., Jr.
Smith, Scott M.
Smith, Thomas R.
Smith, Timothy N.
Smith, Valerie D.
Smitherman, Joe V.
Smithmeck, Matthew J.
Snelgrove, Andrew H.
Snuffer, Michael K.
Snyder, Blakely E.
Sobotik, Mark S.
Sohl, Paul A.
Solfermoser, Kirk W.
Sonnenberg, Bradley R.
Soong, Warren
Sorhaindo, Alphonso L.
Souther, James R.
Spanial, Martin G., Jr.
Sparks, Monroe J.

Sparrow, Robert C.
Spatz, Glenn B.
Spears, David V.
Spitznagel, David R.
Sprague, Jonathan E.
Spratto, Timothy B.
Sprenkle, Richard A.
Staab, Christopher A.
Staggs, Thomas J.
Stahlman, David A.
Stalker, Michael J.
Stallard, Willard L.
Stanbro, Stewart W.
Standage, Mark G.
Stanley, Reginald O.
Stanovich, Mark E.
Staron, Scott D.
Statts, Kurt H.
Stead, Craig W.
Stehn, William G.
Steidl, Eric J.
Stein, Fredric C.
Stein, James E.
Steiner, John P.
Steinle, Daniel W.
Stenken, Joseph F.
Stephan, David P.
Stephenson, Blair P.
Stettler, Andrew
Stevens, Gary W.
Stevens, John, A.
Stevenson, David A.
Stevenson, James R.
Stewart, Gregory G.
Stilwell, William C. Jr.
Stivers, Walter J.
Stolten, Susan E.
Stone, Eric B.
Storch, Andrew D.
Stoughton, Julie A.
Stowe, Abraham R.
Stpierre, Scott M.
Strange, Samuel J.
Straw, Jennifer L.
Street, John W.
Strotman, Samuel J.
Strumph, Peter M.
Stuart, Joseph M.
Stune, Robert C., II.
Suarez, Henry
Sudbeck Kevin
Sullivan, Daniel J.
Sulzbach, Edward F., III
Summerlin, Raymond M.
Sumner, Jennifer D.
Sutton, George M.
Sutton, Jeffrey R.
Sweeney, Raymond F.
Swensen, Neal L.
Swift, Lloyd F.
Swindler, Steve B.
Switick, Kevin G.
Szumski, Christopher
Taber, George L., IV
Tadeo, Terrell A.
Tagg, David A.
Taggart, Jimmy L.
Tague, James R.
Takvorian, John H.
Talbott, Edgar F., III
Tallman, Jeffrey A.
Tapp, Eric A.
Tassinari, Vincent P.
Tateishi, Gary T.
Taussig, Gregory C.
Taussig, William C.
Tavel, Javier I.
Taylor, Brian S.
Taylor, John G.
Taylor, Regina A.
Taylor, Rena H.
Taylor, Thomas T.
Taylor, Timothy J.
Teeples, James S.
Teichman, Michael W.
Temples, David D.
Terrell, Michael D.
Terris, Nancy J.
Thatcher, Andrew H.
Thatcher, Gary A.
Theres, Michael J.
Thias, Mark A.
Thien, Michael G.
Thigpen, George D.
Thomas, Karl O.
Thomas, Michael K.
Thomas, Windsor P.
Thome, Christopher W.
Thompson, Anthony M.
Thompson, Donald M.
Thompson, Gregory K.
Thompson, John F.
Thompson, Kevin L.
Thompson, Mark A.
Thompson, Robert T.
Thoreen, John B.
Thorne, Thomas R.
Thornton, Jack C., III
Thornton, Michael W.
Tiplady, Timothy J.
Tiska, Carl T.
Tisthammer, Corey E.
Tobik, Steven E.
Todd, Jack L.
Tolley, Bruce E.
Tomascak, Peter D.
Tomassetti, Arthur
Tompkins, Richard W.
Tomzik, John M.
Toney, Winfred E.
Tornetta, Stephen A.
Torres, Richard D.
Totaro, Douglas R.
Toth, Elek C.
Touton, Charles P.
Trabocco, Justin C.
Trabun, Michael A.
Tran, Hai N.
Travers, Terence R.
Trawick, Benton J.
Traxler, John A.
Trego, David N.
Trent, Jeffrey L.
Trimble, Kent D.
Triplett, Jadel D.
Trotman, Virgil R., Jr.
Trott, Daniel T.
Truscott, James R.
Turek, Paul J.
Turner, Gordon M.
Turner, Jeffrey W.
Turner, Mark A.
Turner, Tera L.
Tye, Robert T.
Ugan, David H.
Uhlir, James P.
Ulrich, Peter A.
Urie, James H., Jr.
Ursich, Robert L.
Vagedes, Michael M.
Vander, Patrick V.
Vanschoonhoven, James A.
Vanwagoner, Ace E.
Varady, Jeffrey D.
Vaseghi, George H.
Vaults, Thelonious U.
Vazirani, Ashish S.
Veazie, Todd G.
Valasquez, Carlos H.
Velez, Miguel, Jr.
Venegas, Arthur
Vergauwen, James L.
Verheul, Danial F.
Vhay, Thomas C.
Villanueva, Elino
Vincent, William L.
Vitha, James P.
Vlasic, Thomas M.
Voboril, Joseph P.
Vosteen, David A.
Vreeman, Steven J.
Wackowski, John P.
Waechter, Jonathan L.
Wagnon, David L.
Waite, Joseph P.
Walden, Thomas L., Jr.
Waldron, Lori P.
Wales, William S.
Walker, Gordon E.
Walker, James S.
Walker, Russell C.
Walker, Steven E.
Wallace, Philip H., Jr.
Walls, Toby J.
Walpole, Kenneth K.,
Walsh, Hans T.
Walsh, Matthew T.
Walsh, Timothy R.
Walton, James G.
Walton, Kyle M.
Ward, David K.
Ward, Eric A.
Ward, Torilus O.
Warren, Douglas M.
Wasiak, Michael D.
Wasilak, Ronald J.
Waterman, Todd, A.
Waters, Jeffrey A.
Watkins, Donald J.
Watkins, Edward F.
Watkiss, Eric, J.
Watters, Joseph A.
Wawrzyniak, Daniel J.
Webb, James D.
Weber, Francis, J. Jr.,
Weber, Hans F.
Webster, Jeri L.
Wegmann, James J.
Wehnert, Marcie K.
Weinberg, Steven B.
Weiss, Steven P.
Weitfle, Paul L.
Welch, James P.
Welsh, Timothy, K.
Welter, James N.
Wember, Anthony P.
Wendel, Gregory J.
Whalen, Daniel W.
Whearty, Elizabeth F.
Wheaton, Wellington Y.
Wheelwright, Jason B.
White, George A.
White, Gordon O.
Whitefield, Jeffrey G.
Whitehead, Tonya Y.
Whitehouse, Thomas W.
Whiteman, Eric S.
Whiteside, Pamela J.
Whitlow, Gregory
Whittaker, Arthur D., Jr.
Whitten, Susan L.
Widman, John R.
Widman, Steven J.
Wiedenhoeft, Shawn I.
Wilde, Andrew C.
Wiley, Shannon S.
Wilk, Christopher F.
Wilkenson, Wade F.
Wilkins, Arnold K.
Will, John A.
Willard, Lee B.
Williams, Alan F.
Williams, Gwendolyn D.
Williams, Holly L.
Williams, James E.
Williams, Joseph E.
Williams, Kenneth A.
Williams, Mark R.
Williams, Michael L.
Williams, Richard M., II
Williams, Vincent L.
Williamson, Anne M.

Williamson, Byron M.
Willits, Donald W.
Wills, Martin D.
Wilson, Edward M.
Wilson, Kevin M.
Wilson, Robert C.
Wilson, Ruby S.
Wince, Lawrence
Winchell, James C.
Wingo, Sheryl M.
Wink, James M.
Winter, Elizabeth M.
Wintermeyer, Karl A.
Winters, Daniel H.
Wirsching, David B.
Wisbith, Anthony W.
Wise, Lawrence A.
Wise, Mark R.
Wiser, Mickie K.
Wisor, Ronald L.
Wixted, Donna M.
Wojcik, Dennis M.
Wolfe, Howard G.
Wolfe, Scott D.
Wolfgang, Robert J.
Womack, Tanya L.
Wong, Albert Y.
Wood, Lewis E.
Woods, Donald M.
Woolston, Jonathan R.
Woolwine, Roy F.
Worden, John L.
Worthington, Michael C.
Worthington, Robert J.
Wortman, Thomas R.
Wright, Daniel W., Jr.
Wright, Justin A.
Wright, Stephanie L.
Wunder, George F., IV
Wyllie, David A.
Yarborough, Bryan K.
Yaw, Perry D.
Yetter, Brian
Youel, Donald A.
Young, Kenneth R.
Yuziuk, Jeffrey A.
Zerr, Robert J.
Ziegler, Mark W.
Zimmer, Ithan B.
Zimmer, Paul A.
Zinck, John F.
Zobrist, Kenneth E.
Zolman, Lynda

CONFIRMATIONS

Executive nominations confirmed by the Senate November 6, 1985:

DEPARTMENT OF COMMERCE

Orson G. Swindle, III, of Georgia, to be an Assistant Secretary of Commerce.

DEPARTMENT OF STATE

Alan Lee Keys, of Maryland, to be an Assistant Secretary of State.

DEPARTMENT OF AGRICULTURE

Vance L. Clark, of California, to be Administrator of the Farmers Home Administration.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Wednesday, November 6, 1985*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Oh God, teach us to appreciate each day and Your wonderful gifts which are on every side. We admit we so easily see the dangers and fears of our time and we recognize the problems of life. Yet, we know that You allow us light to brighten the darkness of despair and You give hope to every person. May Your spirit make glad our hearts that our eyes may see the beauty of our world and the opportunities for service to others that surround us each day. This we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House with an amendment to a joint resolution of the Senate of the following title:

S.J. Res. 29. Joint resolution to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1124. An act to amend title 49, United States Code, to reduce regulation of surface freight forwarders, and for other purposes.

YESTERDAY VIRGINIA HAD A RENDEZVOUS WITH HISTORY

(Mr. BOUCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOUCHER. Mr. Speaker, yesterday Virginia had a rendezvous with history.

Building on the effective leadership of Gov. Chuck Robb, Virginians elected Jerry Baliles, a man of great ability, to guide the Commonwealth for the next 4 years.

The election of Doug Wilder as Lieutenant Governor, the first black candidate elected to statewide office in the South since Reconstruction, and Mary Sue Terry, only the second woman attorney general in American history, confounded the skeptics.

Virginia showed the Nation that in our State neither race nor gender will stand as a barrier to election to high public office.

Our success is a tribute to Governor Robb's administration, which set a standard of excellence to which all Virginians aspire. We are all very proud of Governor Robb and the victory he is largely responsible for engineering.

Our Nation's democratic roots reach deep into the Old Dominion. There are many who believe today that our soil is fertile ground from which national leadership will again blossom.

HHS CONTINUES TO IGNORE CONGRESS ON ELDER ABUSE FUNDING

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, it has been called granny bashing and the King Lear syndrome.

It is estimated to strike over 1 million senior citizens annually.

We know it as elder abuse.

Last Congress we approved, for the first time, legislation to address this problem.

Last year, for the first time ever, Congress provided $6 million to fund a new prevention and treatment program for victims of family violence, including elderly family members.

To date, the Department of Health and Human Services has continued to ignore this funding and has steadfastly refused to issue regulations in order to implement this program.

Mr. Speaker, as an original member of the Select Committee on Aging which has been deeply involved in this issue and one of the authors of the family violence legislation, I remain shocked and dismayed at the arrogant and callous attitude of the Department in this matter.

While seniors are being victimized, physically and financially, the Department does nothing.

I call upon the Department to act immediately to issue regulations and release these funds to combat one of the most immediate and pressing health problems facing our vulnerable elderly today.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING THE 5-MINUTE RULE ON THURSDAY, NOVEMBER 7, 1985

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit at 10 a.m. on Thursday, November 7, 1985, for the purpose of continuing hearings on H.R. 277, a bill to amend the laws on limitation of a shipowner's liability, and on chapter 311 of H.R. 3156 pertaining to limitation of liability.

The ranking minority member of the committee, the gentleman from New York [Mr. LENT], and the ranking minority member of the subcommittee, the gentleman from Kentucky [Mr. SNYDER], have been apprised of the hearing date and time and are in accord with this request.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

A TRIBUTE TO CHRIS PEDERSON

(Mr. SABO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SABO. Mr. Speaker, I rise today in memory of Chris Pederson. Chris, you were a free spirit; you excited all of us who knew you. In an age of conformity, you questioned. You were young, but a friend to many. You leave us wondering about the mysteries of life, and learning to accept what we cannot understand.

To his parents, Dwight and Marion, and his sister, Denise, I offer my sympathy and concern.

Chris, you will be remembered and missed.

GUATEMALA'S FIRST ROUND ELECTIONS

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, I am pleased to report that there is good news from Guatemala. Vinicio Cerezo and Roberto Carpio were declared the top two finishers in the No-

vember 4 first round Presidential elections.

This sets the stage for a runoff election to be held on December 8. The winner will be sworn in on January 14 as Guatemala's first elected civilian President in 15 years.

This historic occasion took place without any interference by the military, and a bipartisan delegation of election observers from this country unanimously agreed that the election was fairly and efficiently conducted.

Mr. Speaker, this is a big step toward real democracy in Guatemala, and I urge my colleagues to join with me in cosponsoring House Concurrent Resolution 200, which commends the current military government of Guatemala for its commitment to returning that country to civilian rule.

APPOINTMENT OF CONFEREES ON H.R. 3038, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATION ACT, 1986

Mr. SABO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3038), making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota? The Chair hears none, and appoints the following conferees: Messrs. BOLAND, TRAXLER, and STOKES, Mrs. BOGGS, and Messrs. SABO, BONER of Tennessee, WHITTEN, GREEN, COUGHLIN, LEWIS of California, and CONTE.

THE SOCIAL SECURITY TRUST FUND INTEGRITY BILL

(Mr. FORD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Tennessee. Mr. Speaker, in an attempt to address the problem of Social Security Trust Fund disinvestment and other Federal trust fund disinvestments, I am introducing today the Social Security Trust Fund integrity bill, which would restore to the Social Security Trust Funds and other Federal retirement trust funds losses resulting from the recent noninvestments, redemptions, and disinvestments in connection with efforts to meet the public debt limit. Most importantly, it would require prior congressional approval of any further disinvestment of trust funds in connection with efforts to meet the public debt limit.

Last week, the Secretary of the Treasury violated the old age and survivors trust fund by removing $13 billion. These funds represented over one-third of the $37 billion value of the trust. The Secretary's action was a serious breach of his fiduciary responsibility as a trustee of the fund threatening the fund's integrity and possibly costing Social Security beneficiaries $1.1 billion—CBO estimate—over the next 5 years in lost revenues.

We cannot continue to compromise the economic safety of the elderly and disabled to avoid confronting the Federal deficit. Senior citizens and the disabled who rely on the availability of Social Security for their future are justly outraged and frightened by the potential loss of $1.1 billion to the fund. Although payments to beneficiaries were unaffected, the long-term fiscal health of the trust fund was jeopardized.

This legislation will renew our commitment to the American people to safeguard the Social Security Trust Fund, particularly from the annual debt limit battle. Contrary to the glib remarks of several administration officials, Social Security beneficiaries should not be pawns or scapegoats whenever the Government is faced with an economic crisis.

The Social Security Trust Fund surplus is a necessary source of financing for Government programs. However, we owe the trust fund and its beneficiaries the same treatment that private lenders receive—the payment of interest on debt. To do less would be blatantly unjust.

JUST ANOTHER FORM OF CREATIVE FINANCING?

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, this morning's media reports that the Federal Home Loan Bank Board chartered, without public discussion or comment or involvement by the Congress, a thrift to manage and dispose of savings and loan assets owned by the financially troubled Federal Savings and Loan Insurance Corporation. I support whatever help we can give to FSLIC, but these reports that I have seen raise more questions than they provide answers to how this new quasi-governmental organization will be structured and who will provide the capital necessary to transfer assets from FSLIC's books to the new corporation. We must know the long-range implications of this proposal. Let me mention just a few concerns that must be resolved:

Is this liquidating thrift just another form of creative accounting that moves assets from one place to another? The asset character at the ski resorts, condos and mushroom farms which FSLIC has inherited from insolvent thrifts will not change because they are held by a new corporation. Another unresolved question is how much liquidity will this new organization provide the FSLIC? And how much will the district banks be required to ante up to finance this liquidating thrift? Any contribution by the district banks must not endanger their credit standing in the financial markets, adversely affecting and influencing the cost of funds for the entire thrift industry.

We must insure, Mr. Speaker, that this proposal is not just a new, modern version of the pea and shell game. I hope the Congress will provide oversight to the Bank Board's new liquidating corporation.

□ 1010

THE NOTHING BURGER OF 1985

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, one important contribution the Reagan administration has made to political dialog in this country is the now famous concept of the nothing burger.

Yesterday's elections, coupled with other special elections this year, offer convincing proof that the highly touted realignment of Democratic voters to the Republican Party is the Nothing Burger of 1985. Yesterday, in Virginia, the voters of that great Commonwealth—targeted by Republicans for realignment—resoundingly rejected the rightwing Republican ticket strongly supported by Mr. Reagan and Rev. Jerry Falwell.

Only 1 month ago the voters of Honolulu voted to recall three Democratic city councilmen who switched to the Republican Party in an attempt to bring about a realignment by Mr. Reagan. And, of course, let us not overlook the election of our newest colleague from Texas, who withstood the most expensive Republican challenge of the year in this House race.

Mr. Speaker, based on all of these key tests of realignment, we Democrats can only look at Mr. Reagan's paltry Nothing Burger and wonder "Where's the beef?"

DEATH OF PRESIDENT SPENCER W. KIMBALL

(Mr. MONSON asked and was given permission to address the House for 1 minute.)

Mr. MONSON. Mr. Speaker, I rise today to pay tribute to a true man of God—the revered and loved prophet and president of the Church of Jesus

Christ of Latter-day Saints, Spencer W. Kimball. President Kimball, the respected leader of the so-called Mormon Church since 1973, died late last night in Salt Lake City, UT. President Kimball has presided over the church during years of unprecedented growth. At the time of his death, the church flourished as the fastest growing church in the world—now almost 6 million members strong.

President Kimball, the 12th president of the Mormon Church, has been one of the most energetic leaders of the church since its early days in the 1800's. At 90 years of age and in a frail state of health, President Kimball continued to serve as he had for decades giving strength and courage to the church members he so loved. He served as an example of honesty, truth, and love to all who knew him and exemplified his life's motto, which was simply: Do it. He delivered practical messages for the good of men and women all over the world, not just members of the Mormon Church. He advised people to be prepared; to have a house of order; to strengthen and cherish family relationships; to be energetic and true to the best that is in us. His sweet and loving presence will long be remembered and savored by those touched by his influence.

A TRIBUTE TO THE LATE DEACON JOHN H. ROEBUCK

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, I rise today to honor a gentleman who died yesterday morning, the father of one of our faithful employees, Raymond Roebuck.

Ray's father, Deacon John Roebuck, who was affectionately known as Papa Roebuck by his fellow Canaanites, was one of the original organizers of the Canaan Baptist Church. As a result of his calling, Deacon Roebuck was appointed the first deacon and the first chairman of the deacon board in the history of Canaan.

Prior to his affiliation with Canaan, Deacon Roebuck lived in Madison County, VA, where he was born on February 18, 1894. While there, he found joy in his work as a farmer before migrating to Washington, DC, in 1930. He attended Oak Grove Baptist Church and served as deacon there. Along his journey, Deacon Roebuck met and married Ms. Lillian Chivas, who became the mother of his 11 children.

Upon moving to the Washington area, Deacon Roebuck decided to work for the D.C. Park Service. He later accepted a position with the U.S. Post Office, and retired from there. He also became a deacon at the 1st Baptist Church of Mount Pleasant.

All of his 11 children, 14 grandchildren, and 15 great-grandchildren share mutually warm feelings toward him, as do all of us today.

AN EXPRESSION OF SYMPATHY TO RAYMOND ROEBUCK ON THE DEATH OF HIS FATHER

(Mr. LELAND asked and was given permission to address the House for 1 minute.)

Mr. LELAND. Mr. Speaker, let me join with my colleague, the gentleman from California [Mr. COELHO], in paying tribute to the father of our good friend, Raymond Roebuck.

Raymond, of course, has been a friend to many of us here in the Congress, Democrats and Republicans alike. Those who have traipsed through the Democratic Cloakroom know of the faithful and loyal service he has rendered to all of us. Even today, the day after his father passed away, Raymond is back there working.

We not only want to memorialize his father, but also pay tribute to Raymond for the contributions he has made to all of us. We want Raymond to know that he is indeed our friend and we his friend, and we want to say to him that if indeed he needs a shoulder or a hand, from this day forward, he has got many, many of those.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Monday, November 4, 1985, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.J. Res. 36, by the yeas and nays;

H.R. 2205, by the yeas and nays; and

H.J. Res. 142, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

MEMORIAL TO HONOR WOMEN WHO HAVE SERVED IN OR WITH THE ARMED FORCES

The SPEAKER. The unfinished business is the question of suspending the rules and passing the joint resolution, House Joint Resolution 36, as amended.

The Clerk read the title of the joint resolution.

The SPEAKER. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and pass the joint resolution, House Joint Resolution 36, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 405, nays 0, not voting 29, as follows:

[Roll No. 391]

YEAS—405

Ackerman	Donnelly	Jenkins
Alexander	Dorgan (ND)	Johnson
Anderson	Dornan (CA)	Jones (NC)
Andrews	Dowdy	Jones (OK)
Annunzio	Downey	Jones (TN)
Applegate	Dreier	Kanjorski
Archer	Duncan	Kaptur
Armey	Durbin	Kasich
Aspin	Dwyer	Kastenmeier
Atkins	Dymally	Kennelly
Badham	Dyson	Kildee
Barnard	Early	Kindness
Barnes	Eckart (OH)	Kleczka
Bartlett	Eckert (NY)	Kolbe
Barton	Edgar	Kolter
Bateman	Edwards (CA)	Kostmayer
Bedell	Edwards (OK)	Kramer
Beilenson	Emerson	LaFalce
Bennett	English	Lagomarsino
Bentley	Erdreich	Lantos
Bereuter	Evans (IL)	Latta
Berman	Fascell	Leach (IA)
Bevill	Fawell	Leath (TX)
Biaggi	Fazio	Lehman (CA)
Bilirakis	Feighan	Lehman (FL)
Bliley	Fiedler	Leland
Boehlert	Fields	Levin (MI)
Boggs	Fish	Levine (CA)
Boner (TN)	Flippo	Lewis (CA)
Bonior (MI)	Florio	Lewis (FL)
Bonker	Foglietta	Lightfoot
Borski	Foley	Lipinski
Bosco	Ford (MI)	Livingston
Boucher	Ford (TN)	Lloyd
Boulter	Frank	Long
Boxer	Franklin	Lott
Breaux	Frenzel	Lowry (WA)
Brooks	Frost	Lujan
Broomfield	Fuqua	Luken
Brown (CA)	Gallo	Lundine
Brown (CO)	Gaydos	Lungren
Broyhill	Gejdenson	Mack
Bruce	Gekas	MacKay
Bryant	Gephardt	Madigan
Burton (CA)	Gibbons	Markey
Burton (IN)	Gilman	Marlenee
Bustamante	Gingrich	Martin (IL)
Byron	Glickman	Martin (NY)
Callahan	Gonzalez	Martinez
Campbell	Goodling	Matsui
Carney	Gordon	Mavroules
Carper	Gradison	Mazzoli
Carr	Gray (IL)	McCain
Chandler	Gray (PA)	McCandless
Chappell	Green	McCloskey
Chappie	Gregg	McCollum
Cheney	Grotberg	McCurdy
Clinger	Guarini	McEwen
Coats	Gunderson	McGrath
Cobey	Hall (OH)	McHugh
Coble	Hall, Ralph	McKernan
Coleman (MO)	Hamilton	McKinney
Coleman (TX)	Hammerschmidt	McMillan
Collins	Hansen	Meyers
Combest	Hartnett	Mica
Conte	Hatcher	Michel
Conyers	Hayes	Mikulski
Cooper	Hefner	Miller (OH)
Coughlin	Heftel	Miller (WA)
Courter	Hendon	Mineta
Coyne	Henry	Mitchell
Craig	Hertel	Moakley
Crockett	Hiler	Mollohan
Daniel	Hillis	Monson
Darden	Holt	Montgomery
Daschle	Hopkins	Moody
Daub	Horton	Moore
Davis	Howard	Moorhead
de la Garza	Hoyer	Morrison (CT)
DeLay	Hubbard	Morrison (WA)
Dellums	Huckaby	Mrazek
Derrick	Hughes	Murphy
DeWine	Hunter	Murtha
Dickinson	Hutto	Myers
Dicks	Hyde	Natcher
Dingell	Ireland	Neal
DioGuardi	Jacobs	Nichols
Dixon	Jeffords	Nielson

Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whittaker
Whitten
Williams
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—0

NOT VOTING—29

Addabbo
Akaka
Anthony
AuCoin
Bates
Boland
Chapman
Clay
Coelho
Crane
Dannemeyer
Evans (IA)
Fowler
Garcia
Hawkins
Kemp
Lent
Loeffler
Lowery (CA)
Manton
McDade
Miller (CA)
Molinari
Nelson
Quillen
Towns
Traxler
Whitley
Wilson

□ 1035

Mr. LEWIS of California and Mr. DICKINSON changed their votes from "nay" to "yea."

Mr. TORRICELLI and Mr. FRANK changed their votes from "present" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the joint resolution was amended so as to read: "Joint resolution authorizing establishment of a memorial to honor women who have served in or with the Armed Forces of the United States."

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

KOREAN WAR MEMORIAL ACT

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2205, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and pass the bill, H.R. 2205, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 406, nays 0, not voting 28, as follows:

[Roll No. 392]

YEAS—406

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Bellenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Billirakis
Bliley
Boehlert
Boggs
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (OH)
Miller (WA)
Mitchell
Moakley
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—0

NOT VOTING—28

Addabbo
Anthony
AuCoin
Boland
Bustamante
Clay
Crane
Dannemeyer
Evans (IA)
Fowler
Garcia
Hall, Ralph
Hawkins
Kemp
Lent
Loeffler
Lowery (CA)
Manton
Martinez
McDade
Miller (CA)
Mineta
Molinari
Nelson
Rodino
Towns
Watkins
Wilson

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to authorize the American Battle Monuments Commission to establish a memorial to honor members of the Armed Forces of the United States who served in the Korean conflict."

A motion to reconsider was laid on the table.

□ 1045

BLACK REVOLUTIONARY WAR PATRIOTS MEMORIAL

The SPEAKER. The unfinished business is the question of suspending the rules and passing the joint resolution, House Joint Resolution 142, as amended.

The Clerk read the title of the joint resolution.

The SPEAKER. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and pass the joint resolution, House Joint Resolution 142, as amended, on which the yeas and nays were offered.

The vote was taken by electronic device, and there were—yeas 408, nays 0, not voting 26, as follows:

[Roll No. 393]

YEAS—408

Ackerman	Bryant	DioGuardi
Akaka	Burton (CA)	Dixon
Alexander	Burton (IN)	Donnelly
Anderson	Bustamante	Dorgan (ND)
Andrews	Byron	Dornan (CA)
Annunzio	Callahan	Dowdy
Applegate	Campbell	Downey
Archer	Carney	Dreier
Armey	Carper	Duncan
Aspin	Carr	Durbin
Atkins	Chandler	Dwyer
Badham	Chapman	Dymally
Barnard	Chappell	Dyson
Barnes	Chappie	Early
Bartlett	Cheney	Eckart (OH)
Barton	Clinger	Eckert (NY)
Bateman	Coats	Edgar
Bates	Cobey	Edwards (CA)
Bedell	Coble	Edwards (OK)
Beilenson	Coelho	Emerson
Bennett	Coleman (MO)	English
Bentley	Coleman (TX)	Erdreich
Bereuter	Collins	Evans (IL)
Berman	Combest	Fascell
Bevill	Conte	Fawell
Biaggi	Conyers	Fazio
Bilirakis	Cooper	Feighan
Bliley	Coughlin	Fiedler
Boehlert	Courter	Fields
Boggs	Coyne	Fish
Boner (TN)	Craig	Flippo
Bonior (MI)	Crockett	Florio
Bonker	Daniel	Foglietta
Borski	Darden	Foley
Bosco	Daschle	Ford (TN)
Boucher	Daub	Frank
Boulter	Davis	Franklin
Boxer	de la Garza	Frenzel
Breaux	DeLay	Frost
Brooks	Dellums	Fuqua
Broomfield	Derrick	Gallo
Brown (CA)	DeWine	Gaydos
Brown (CO)	Dickinson	Gejdenson
Broyhill	Dicks	Gekas
Bruce	Dingell	Gephardt
Gibbons	Matsui	Schuette
Gilman	Mavroules	Schulze
Gingrich	Mazzoli	Schumer
Glickman	McCain	Seiberling
Gonzalez	McCandless	Sensenbrenner
Gordon	McCloskey	Sharp
Gradison	McCollum	Shaw
Gray (IL)	McCurdy	Shumway
Gray (PA)	McEwen	Shuster
Green	McGrath	Sikorski
Gregg	McHugh	Siljander
Grotberg	McKernan	Sisisky
Guarini	McKinney	Skeen
Gunderson	McMillan	Skelton
Hall (OH)	Meyers	Slattery
Hall, Ralph	Mica	Slaughter
Hamilton	Michel	Smith (FL)
Hammerschmidt	Mikulski	Smith (IA)
Hansen	Miller (OH)	Smith (NE)
Hartnett	Miller (WA)	Smith (NJ)
Hatcher	Mineta	Smith, Denny (OR)
Hayes	Mitchell	
Hefner	Moakley	Smith, Robert (NH)
Heftel	Mollohan	
Hendon	Monson	Smith, Robert (OR)
Henry	Montgomery	
Hertel	Moody	Snowe
Hiler	Moore	Snyder
Hillis	Moorhead	Solarz
Holt	Morrison (CT)	Solomon
Hopkins	Morrison (WA)	Spence
Horton	Mrazek	Spratt
Howard	Murphy	St Germain
Hoyer	Murtha	Staggers
Hubbard	Myers	Stallings
Huckaby	Natcher	Stangeland
Hughes	Neal	Stark
Hunter	Nichols	Stenholm
Hutto	Nielson	Stokes
Hyde	Nowak	Strang
Ireland	O'Brien	Stratton
Jacobs	Oakar	Studds
Jeffords	Oberstar	Stump
Jenkins	Obey	Sundquist
Johnson	Olin	Sweeney
Jones (NC)	Ortiz	Swift
Jones (OK)	Owens	Swindall
Jones (TN)	Oxley	Synar
Kanjorski	Packard	Tallon
Kaptur	Panetta	Tauke
Kasich	Parris	Tauzin
Kastenmeier	Pashayan	Taylor
Kennelly	Pease	Thomas (CA)
Kildee	Penny	Thomas (GA)
Kindness	Pepper	Torres
Kleczka	Perkins	Torricelli
Kolbe	Petri	Traficant
Kolter	Pickle	Traxler
Kostmayer	Porter	Udall
Kramer	Price	Valentine
LaFalce	Pursell	Vander Jagt
Lagomarsino	Quillen	Vento
Lantos	Rahall	Visclosky
Latta	Rangel	Volkmer
Leach (IA)	Ray	Vucanovich
Leath (TX)	Regula	Walgren
Lehman (CA)	Reid	Walker
Lehman (FL)	Richardson	Watkins
Leland	Ridge	Waxman
Levin (MI)	Rinaldo	Weber
Levine (CA)	Ritter	Weiss
Lewis (CA)	Roberts	Wheat
Lewis (FL)	Robinson	Whitehurst
Lightfoot	Rodino	Whitley
Lipinski	Roe	Whittaker
Livingston	Roemer	Whitten
Lloyd	Rogers	Williams
Long	Rose	Wilson
Lott	Rostenkowski	Wirth
Lowry (WA)	Roth	Wise
Lujan	Roukema	Wolf
Luken	Rowland (CT)	Wolpe
Lundine	Rowland (GA)	Wortley
Lungren	Roybal	Wright
Mack	Rudd	Wyden
MacKay	Russo	Wylie
Madigan	Sabo	Yates
Markey	Savage	Yatron
Marlenee	Saxton	Young (AK)
Martin (IL)	Schaefer	Young (FL)
Martin (NY)	Schneider	Young (MO)
Martinez	Schroeder	Zschau

NOT VOTING—26

Addabbo	Anthony	AuCoin
Boland	Goodling	Miller (CA)
Clay	Hawkins	Molinari
Crane	Kemp	Nelson
Dannemeyer	Lent	Scheuer
Evans (IA)	Loeffler	Shelby
Ford (MI)	Lowery (CA)	Towns
Fowler	Manton	Weaver
Garcia	McDade	

So (two-thirds having voted in favor thereof) the rules were suspended, and the joint resolution, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "Joint resolution authorizing establishment of a memorial to honor the estimated five thousand courageous slaves and free black persons who served as soldiers and sailors or provided civilian assistance during the American Revolution and to honor the countless black men, women, and children who ran away from slavery or filed petitions with courts and legislatures seeking their freedom."

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RODINO. Mr. Speaker, during the vote on H.R. 2205, the Korean War Memorial, I was in the Chamber but failed to vote. Had I voted, I would have voted "aye."

PERSONAL EXPLANATION

Mr. AKAKA. Mr. Speaker, during the vote on House Joint Resolution 36, I was unavoidably detained.

Had I been here, I would have voted "yes."

VACATING 60-MINUTE SPECIAL ORDER AND AUTHORIZING 5-MINUTE SPECIAL ORDER

Mr. PARRIS. Mr. Speaker, I ask unanimous consent that my 60-minute special order for today be vacated, and that I be permitted to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

WATER RESOURCES CONSERVATION, DEVELOPMENT, AND INFRASTRUCTURE IMPROVEMENT AND REHABILITATION ACT OF 1985

The SPEAKER. Pursuant to House Resolution 305 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the further consideration of the bill, H.R. 6.

□ 1058

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6) to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure, with Mr. TRAXLER [Chairman pro tempore] in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, November 5, 1985, all time for general debate had expired.

Pursuant to the rule, an amendment in the nature of a substitute consisting of the text of H.R. 3670 is considered by titles as an original bill for the purpose of amendment under the 5-minute rule in lieu of the committee amendments now printed in the bill, and each title is considered as having been read. Prior to title I, there are six sections which will be designated separately.

No amendments to the substitute are in order to title XV.

It is in order to consider en bloc the amendments to the substitute printed in the CONGRESSIONAL RECORD of November 4, 1985, by, and if offered by Representative HOWARD or his designee, and said amendments are in order although changing portions of the substitute not yet considered for amendment, and said amendments are not subject to a demand for a division of the question.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985".

The CHAIRMAN pro tempore. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. In order to insure against cost overruns, each estimated cost set forth in this Act for a project shall be the maximum amount authorized to pay for the Federal share of the cost of that project, except that such maxium amount shall be automatically increased for—

(1) changes in construction costs (including real property acquisitions, preconstruction studies, planning, engineering, and design) from October 1984 as indicated by engineering and other appropriate cost indexes;

(2) modifications which do not materially alter the scope or functions of the project as authorized; and

(3) additional studies, modifications, and actions (including mitigation and other environmental actions) authorized by this Act or required by changes in Federal law.

□ 1100

The CHAIRMAN pro tempore. Are there any amendments to section 2?

The Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. For purposes of this Act, the term "Secretary" means the Secretary of the Army, acting through the Chief of Engineers.

The CHAIRMAN pro tempore. Are there amendments to section 3?

The Clerk will designate section 4.

The text of section 4 is as follows:

SEC. 4. Sections 201 and 202 and the fourth sentence of section 203 of the Flood Control Act of 1968 shall apply to all projects authorized by this Act.

The CHAIRMAN pro tempore. Are there any amendments to section 4?

The Clerk will designate section 5.

The text of section 5 is as follows:

SEC. 5. Any spending authority under this Act shall be effective only to such extent and in such amounts as are provided in appropriation Acts. For purposes of this Act, the term "spending authority" has the meaning provided in section 401(c)(2) of the Congressional Budget Act of 1974, except that such term does not include spending authority for which an exception is made under section 401(d) of such Act.

The CHAIRMAN pro tempore. Are there any amendments to section 5?

The Clerk will designate section 6.

The text of section 6 is as follows:

SEC. 6. If any provision of this Act, or the application of any provision of this Act to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this Act, shall not be affected thereby.

The CHAIRMAN pro tempore. Are there any amendments to section 6?

The Clerk will designate title I.

The text of title I is as follows:

TITLE I—PORT DEVELOPMENT

SEC. 101. DEEP-DRAFT PORT PROJECTS.

The following projects for ports are hereby authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines advisable in any case in which there is no report designated.

NORFOLK HARBOR AND CHANNELS, VIRGINIA

The project for navigation, Norfolk Harbor and Channels, Virginia: Report of the Chief of Engineers, dated November 20, 1981, at an estimated cost of $252,700,000 including such modifications as may be recommended by the Secretary in the report or reports transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the effects that construction, operation, and maintenance of each segment of the proposed project will have on fish and wildlife resources and the need for mitigation of any damage to such resources resulting from such construction, operation, and maintenance. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study with respect to the project or separate reports on the results of such study with respect to each segment of the project, along with recommendations for modifications in any such segment which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of such construction, operation, and maintenance on such resources. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, any such segment if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

MOBILE HARBOR, ALABAMA

The project for navigation, Mobile Harbor, Alabama: Report of the Chief of Engineers, dated November 18, 1981, at an estimated cost of $387,000,000, including such modifications as may be recommended in a plan transmitted under this paragraph; except that if non-Federal interests construct a bulk material transshipment facility in lower Mobile Bay, the Secretary, upon request of such non-Federal interests, may limit construction of such project from the Gulf of Mexico to such facility and except that, for reasons of environmental quality, dredged material from such project shall be disposed of in open water in the Gulf of Mexico in accordance with all provisions of Federal law. For reasons of environmental quality, not later than one year after the date of enactment of this Act, the Secretary, the United States Fish and Wildlife Service, the National Marine Fisheries Service, the Administrator of the Environmental Protection Agency, and appropriate non-Federal interests shall develop, and transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a plan to dispose of dredged material from such project in the Brookley disposal area, referred to in such report of the Chief of Engineers, and a plan to mitigate damages to fish and wildlife from disposal of such material in the Brookley disposal area. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project unless such plans have been approved by resolution adopted by each such committee or unless the non-Federal sponsor of such project transmits, in the one-year period beginning on the date of enactment of this Act, a letter to each such committee indicating that the Secretary, the United States Fish and Wildlife Service, the Administrator of the Environmental Protection Agency, and the non-Federal interests are not able to develop such plans. Notwithstanding any other provision of law, no dredged or fill material shall be disposed of in the Brookley disposal area, referred to in such report of the Chief of Engineers unless such plans have been approved by resolution adopted by each such committee.

MISSISSIPPI RIVER SHIP CHANNEL, GULF TO BATON ROUGE, LOUISIANA

The project for navigation, Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana: Report of the Chief of Engineers,

dated April 9, 1983, at an estimated cost of $175,100,000. Nothing in this paragraph and such report shall be construed to affect the requirements of Public Law 89-669, as amended.

TEXAS CITY CHANNEL, TEXAS

The project for navigation, Texas City Channel, Texas: Report of the Board of Engineers for Rivers and Harbors, dated January 19, 1983, at an estimated cost of $118,000,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, any portion of the project (other than reaches six, seven, eight, and nine of the Common Entrance Channel) if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

NEW YORK HARBOR AND ADJACENT CHANNELS, NEW YORK AND NEW JERSEY

The project for deepening of the Ambrose Channel feature of the navigation project, New York Harbor and Adjacent Channels, to a depth of 55 feet and widening such channel to 770 feet, and for deepening of the Anchorage channel feature of such navigation project to a depth of 55 feet and widening such channel to 660 feet, at an estimated cost of $178,000,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103. Disposal of beach quality sand from construction, operation, and maintenance of such features of such project shall take place at the ocean front on Staten Island, New York, and Sea Bright and Monmouth Beach, New Jersey, at full Federal expense. No disposal of dredged material from construction, operation, and maintenance of such features of such project shall take place at Bowery Bay, Flushing Bay, Powell's Cove, Little Bay, or Little Neck Bay, Queens, New York. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

LOS ANGELES AND LONG BEACH HARBORS, SAN PEDRO BAY, CALIFORNIA

The project for deepening of the entry channel to the harbor of Los Angeles, California, to a depth of 65 feet and for deepening of the entry channel to the harbor of Long Beach, California, to a depth of 76 feet, including the creation of 800 acres of land with the dredged material from the project, as Phase I of the San Pedro Bay development, at an estimated cost of $230,000,000.

SEC. 102. GENERAL CARGO PORT PROJECTS.

The following projects for ports are hereby authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines advisable in any case in which there is no report designated.

PORTSMOUTH HARBOR AND PISCATAQUA RIVER, NEW HAMPSHIRE

The project for navigation, Portsmouth Harbor and Piscataqua River, New Hampshire: Report of the Chief of Engineers, dated February 25, 1985, at an estimated cost of $17,000,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph or with respect to such project under section 103. The Secretary, in consultation with Federal, State, and local agencies, shall study the adequacy of potential disposal sites necessary for construction, operation, and maintenance of the project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to assure that adequate disposal sites are available for construction, operation, and maintenance of such project. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

NEW HAVEN HARBOR, CONNECTICUT

The project for navigation, New Haven Harbor, Connecticut: Report of the Chief of Engineers, dated July 26, 1982, with such modifications as may be recommended by the Secretary in the report submitted under this paragraph, at an estimated cost of $18,600,000. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the effects that construction, operation, and maintenance of the proposed project will have on oyster beds and the production of oysters in New Haven Harbor. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to mitigate adverse effects of such construction, operation, and maintenance on such beds and production. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project unless such acquisition and actual construction have been approved by resolution adopted by each such committee.

GOWANUS CREEK CHANNEL, NEW YORK

The project for navigation, Gowanus Creek Channel, New York: Report of the Chief of Engineers, dated September 14, 1982, at an estimated cost of $1,610,000.

KILL VAN KULL, NEW YORK AND NEW JERSEY

The project for navigation, Kill Van Kull and Newark Bay Channels, New York and New Jersey: Report of the Chief of Engineers, dated December 14, 1981, at an estimated cost of $260,000,000. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

ARTHUR KILL, NEW YORK AND NEW JERSEY

The project for navigation, Arthur Kill, New York and New Jersey: Draft report of the District Engineer for New York, dated May 1983, at an estimated cost of $59,000,000, including any modifications that may be recommended by the Secretary with respect to that project under section 103 of this Act.

NEW YORK HARBOR AND ADJACENT CHANNELS, NEW YORK AND NEW JERSEY

The project for (1) an access channel 45 feet deep below mean low water and generally 450 feet wide with suitable bends and turning areas to extend from deep water in the Anchorage Channel, New York Harbor, westward approximately 12,000 feet along the southern boundary of the Port Jersey peninsula to the head of navigation in Jersey City, New Jersey, at an estimated cost of $29,700,000; and (2) for a channel 42 feet deep below mean low water and generally 300 feet wide with suitable bends and turning areas to extend from deep water in the Anchorage Channel westward approximately 11,000 feet to the head of navigation in Claremont Terminal Channel, at an estimated cost of $16,000,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103. No disposal of dredged material from construction, operation, and maintenance of such project shall take place at Bowery Bay, Flushing Bay, Powell's Cove, Little Bay, or Little Neck Bay, Queens, New York. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

WILMINGTON HARBOR-NORTHEAST CAPE FEAR RIVER, NORTH CAROLINA

The project for navigation, Wilmington Harbor-Northeast Cape Fear River, North Carolina: Report of the Chief of Engineers, dated September 16, 1980, at an estimated cost of $7,160,000.

CHARLESTON HARBOR, SOUTH CAROLINA

The project for navigation, Charleston Harbor, South Carolina: Report of the Chief of Engineers, dated August 27, 1981, including construction of an extension of the harbor navigation channel in the Wando River to the State port authority's Wando River terminal, Report of the Chief of Engineers, dated May 1, 1985, at an estimated cost of $65,700,000.

SAVANNAH HARBOR, GEORGIA

The project for navigation, Savannah Harbor, Georgia: Report of the Chief of En-

gineers, dated December 19, 1978, at an estimated cost of $15,125,000, except that non-Federal interests shall be reimbursed by the Secretary for moving or modifying docks, bulkheads, warehouses, towers, and railroad facilities necessary for project construction, at an estimated cost of $3,160,000. Such reimbursement at total Federal expense shall be based on the replacement costs, exclusive of betterment, minus the fair market value of the existing structures.

MANATEE HARBOR, FLORIDA

The project for navigation, Manatee Harbor, Florida: Report of the Chief of Engineers, dated May 12, 1980, at an estimated cost of $10,800,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the effects that construction, operation, and maintenance of the proposed project will have on the benthic environment of the area to be dredged. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of such construction, operation, and maintenance on such benthic environment. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee. The Secretary shall monitor the effects of construction, operation, and maintenance of the project on the benthic environment of the dredged area.

TAMPA HARBOR, EAST BAY CHANNEL, FLORIDA

The project for navigation, Tampa Harbor, East Bay Channel, Florida: Report of the Chief of Engineers, dated January 25, 1979, at an estimated initial cost of $2,860,000. The Secretary shall monitor the effects of construction, operation, and maintenance of the project on water quality and the environment.

SAN JUAN HARBOR, PUERTO RICO

The project for navigation, San Juan Harbor, Puerto Rico: Report of the Chief of Engineers, dated December 23, 1982, at an estimated cost of $63,000,000, including the acquisition of 22 acres of land for mitigation of the loss of algal beds associated with the project, as recommended in the report of the District Engineer, Jacksonville, Florida, entitled "Phase I: General Design Memorandum on San Juan Harbor, Puerto Rico".

CROWN BAY CHANNEL—ST. THOMAS HARBOR, VIRGIN ISLANDS

The project for navigation, Crown Bay Channel—St. Thomas Harbor, Virgin Islands: Report of the Chief of Engineers, dated April 9, 1982, at an estimated cost of $3,560,000. The Secretary shall monitor the turbidity associated with construction, operation, and maintenance of the project and establish a program to maintain, to the extent feasible, such turbidity at a level which will not damage adjacent ecosystems. In selecting a configuration for the disposal area for dredged material from the project, the Secretary shall consider configurations which will minimize, to the extent feasible, the loss of shallow water habitat.

LAKE CHARLES, LOUISIANA

The project for deepening of the project for navigation, Lake Charles, Louisiana, to a depth of 45 feet, at an estimated cost of $60,000,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

GULFPORT HARBOR, MISSISSIPPI

The project for navigation, Gulfport Harbor, Mississippi: Report of the Chief of Engineers, House Document Numbered 96-18, at an estimated cost of $59,100,000; except that, for reasons of environmental quality, dredged material from such project shall be disposed of in open water in the Gulf of Mexico in accordance with all provisions of Federal law. For the purpose of economic evaluation of this project the benefits from such open water disposal shall be deemed to be at least equal to the costs of such disposal. If the Secretary determines, after competitive bidding and pursuant to the provisions of Public Law 95-269, that transportation and disposal of dredged material cannot be carried out by contract at reasonable prices and in a timely manner, the Secretary is authorized to acquire any dredged material transport equipment necessary for prosecution of the project.

CLEVELAND HARBOR, OHIO

The project for harbor modification, Cleveland Harbor, Ohio: Report of the Board of Engineers for Rivers and Harbors, dated January 22, 1985, including bulkheading and other necessary repairs at pier 34 and approach channels and necessary protective structures for mooring basins for transient vessels in the area south of pier 34 and including such modifications as may be recommended by the Secretary with respect to such project under section 103. The existing dredged material containment site known as site 14 may be used for the containment of excavated material from construction of the project. There are authorized to be appropriated not to exceed $36,000,000 to carry out this paragraph.

LORAIN HARBOR, OHIO

The project for navigation, Lorain Harbor, Ohio: Report of the Chief of Engineers, dated February 5, 1985, at an estimated cost of $4,020,000.

GRAND HAVEN HARBOR, MICHIGAN

The project for navigation, modifications to Grand Haven Harbor, Michigan: Report of the Chief of Engineers, dated October 9, 1979, at an estimated cost of $13,000,000.

MONROE HARBOR, MICHIGAN

The project for navigation, Monroe Harbor, Michigan: Report of the Chief of Engineers, dated November 25, 1981, at an estimated cost of $114,300,000, including, for reasons of environmental quality, the formation of a 700 acre marsh in Plum Creek Bay, as described in the report of the District Engineer, Detroit District, dated February 1980, as revised December 15, 1980. The formation of such marsh shall be a Federal responsibility.

BRAZOS ISLAND HARBOR, TEXAS—BROWNSVILLE CHANNEL

The project for navigation, Brazos Island Harbor, Texas—Brownsville Channel: Report of the Chief of Engineers, dated December 20, 1979, at an estimated cost of $22,600,000. The Secretary shall study, in consultation with appropriate Federal, State, and local agencies, the need for additional measures to mitigate losses of estuarine habitat and productivity associated with the project. The Secretary is authorized to undertake any measures which he determines to be necessary and appropriate to mitigate such losses.

DULUTH-SUPERIOR, MINNESOTA AND WISCONSIN

The project for navigation, Duluth-Superior, Minnesota and Wisconsin: Report of the Chief of Engineers, dated August 16, 1984, at an estimated cost of $9,410,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary shall study, in consultation with appropriate Federal, State, and local agencies, the need for measures to mitigate losses of fish and wildlife habitat and productivity. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to mitigate such losses. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

OAKLAND OUTER HARBOR AND OAKLAND INNER HARBOR, CALIFORNIA

The project for navigation, Oakland Outer Harbor, California: Reports of the Chief of Engineers, dated January 7, 1980, and July 1, 1983, at an estimated cost of $28,800,000. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study alternative dredged material disposal plans, including but not limited to plans which include marsh formation. The Secretary is authorized to undertake and monitor the effects of such dredged material disposal measures, including but not limited to such measures as will result in fish and wildlife habitat enhancement, as the Secretary determines are necessary and appropriate. Any measures required for construction of the project to protect the Bay Area Rapid Transit facilities shall be a Federal responsibility.

The project for navigation, Oakland Inner Harbor, California, as described in the Report of the Board of Engineers for Rivers and Harbors, dated January 28, 1985, at an estimated cost of $19,700,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103. The Secretary, the United States Fish and Wildlife Service, the National Marine Fisheries Service, the Administrator of the Environmental Protec-

tion Agency, the State of California, and the Port of Oakland shall develop, and transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a plan for a turning basin for such project. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the existence of, and possible adverse effects of project dredging on, any underground freshwater aquifer in the project area.

RICHMOND HARBOR, CALIFORNIA

The project for navigation, Richmond Harbor, California: Report of the Chief of Engineers, dated August 8, 1982, at an estimated cost of $26,500,000.

SACRAMENTO DEEP WATER SHIP CHANNEL, CALIFORNIA

The project for navigation, Sacramento Deep Water Ship Channel, California: Report of the Chief of Engineers, dated November 20, 1981, at an estimated cost of $92,500,000.

HILO HARBOR, HAWAII

The project for navigation, Hilo Harbor, Hawaii: Report of the Chief of Engineers, dated December 4, 1984, at an estimated cost of $3,160,000.

BLAIR AND SITCUM WATERWAYS, TACOMA HARBOR, WASHINGTON

The project for navigation, Blair and Sitcum Waterways, Tacoma Harbor, Washington: Report of the Chief of Engineers, dated February 8, 1977, House Document Numbered 96-26, at an estimated cost of $25,900,000; except that a permanent bypass road for the Blair Waterway may be constructed in lieu of construction of the East 11th Street bridge replacement recommended in such report if (1) the Secretary determines that construction of the bypass road is economically and environmentally feasible, (2) construction of the bypass road is approved by the Governor of the State of Washington, and (3) the bypass road is approved through adoption of resolutions by both the Tacoma City Council and the Tacoma Port Commission. If the bypass road is constructed in lieu of the bridge replacement project, the Federal share of the cost of construction of the bypass road shall not exceed an amount equal to the amount which would have been the Federal share of the cost of the bridge replacement project if the bridge replacement project had been carried out in accordance with such report.

GRAYS HARBOR, WASHINGTON

The project for navigation, Grays Harbor, Washington: Report of the Chief of Engineers, dated May 4, 1985, at an estimated cost of $61,500,000.

EAST, WEST, AND DUWAMISH WATERWAYS, WASHINGTON

The project for navigation, East, West, and Duwamish Waterways, Navigation Improvement Study, Seattle Harbor, Washington: Report of the Chief of Engineers, dated May 31, 1985, at an estimated cost of $36,700,000.

SAIPAN HARBOR, COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

The project for navigation and harbor modification, Saipan Harbor, Commonwealth of the Northern Mariana Islands: Report of the Secretary of the Interior, pursuant to Public Law 96-597, prepared by the Army Corps of Engineers dated July 22, 1981, at an estimated cost of $14,000,000.

SEC. 103. GENERAL PROVISIONS.

(a) FINAL EIS AND SECRETARIAL RECOMMENDATIONS FOR CERTAIN PROJECTS.—In the case of any project authorized by this title for which a final report of the Chief of Engineers has not been completed before the date of enactment of this Act, the Secretary shall, as soon as possible after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by such committees.

(b) LIMITATION ON APPLICABILITY OF CERTAIN PROVISIONS IN REPORTS.—If any provision in any report designated by this title recommends that a State contribute in cash 5 percent of the construction costs allocated to non-vendible project purposes and 10 percent of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

SEC. 104. DESIGN AND CONSTRUCTION OF PROJECTS BY NON-FEDERAL INTERESTS.

(a) DESIGNING AND PLANNING.—

(1) SUBMISSION TO SECRETARY.—A non-Federal interest may plan and design any navigation project for a port not authorized by Federal law and submit such plan and design to the Secretary for review under paragraph (2).

(2) REVIEW BY SECRETARY.—The Secretary shall review each plan and design submitted under paragraph (1) for the purpose of determining whether or not such plan and design and the process under which such plan and design were developed comply with Federal laws and regulations applicable to the planning and designing by the Secretary of navigation projects for ports.

(3) SUBMISSION TO CONGRESS.—Not later than 180 days after receiving any plan and design submitted under paragraph (1), the Secretary shall transmit to the Congress, in writing, the results of such review and any recommendations the Secretary may have concerning the project described in such plan and design.

(4) CREDIT AND REIMBURSEMENT.—If a project for which a plan and design have been submitted under paragraph (1) is authorized by any provision of Federal law enacted after the date of such submission, the Secretary shall credit toward the non-Federal share of the cost of construction of such project an amount equal to the portion of the cost of developing such plan and design that would be the responsibility of the United States if such plan and design were developed by the Secretary. If the amount of such portion exceeds such non-Federal share, the Secretary shall reimburse the non-Federal interest for the amount of such excess. Such reimbursement shall be subject to appropriation of funds.

(b) CONSTRUCTION AND ACQUISITION OF LANDS.—

(1) APPROVAL OF PLANS; COST SHARING AGREEMENTS.—A non-Federal interest may—

(A) construct, in whole or in part, any navigation project for a port authorized by this title or any other provision of Federal law enacted before, on, or after the date of enactment of this title, and for which appropriations may be made for acquisition of interests in real property and actual construction; and

(B) acquire lands for disposal of dredged material, and make relocations of utilities, structures, and other improvements, necessary for such construction;

if the Secretary first approves the plans for construction of such project by the non-Federal interest and if the non-Federal interest enters into an agreement to pay the non-Federal share (if any) of the cost of operation and maintenance of such project.

(2) MONITORING.—The Secretary shall regularly monitor and audit any project for a port being constructed under this subsection by a non-Federal interest in order to ensure that such construction is in compliance with the plans approved by the Secretary.

(3) REIMBURSEMENT.—Subject to appropriation of funds, the Secretary shall reimburse any non-Federal interest for the Federal share of the cost of any port project carried out substantially in accordance with the plans approved by the Secretary under this section.

(c) COORDINATION AND SCHEDULING OF FEDERAL, STATE, AND LOCAL ACTIONS.—

(1) NOTICE OF INTENT.—The Secretary, on request from an appropriate non-Federal interest in the form of a written notice of intent to construct a navigation project for a port under subsection (b) or this subsection, shall initiate procedures to establish a schedule for consolidating Federal, State, and local agency environmental assessments, project reviews, and issuance of all permits for the construction of the project, including associated access channels and berthing areas, and onshore improvements, before the initiation of construction. The non-Federal interest shall submit with the notice of intent studies and documentation, including environmental reviews, that may be required by Federal law for decisionmaking on the proposed project.

(2) PROCEDURAL REQUIREMENTS.—Within 15 days after receipt of notice under paragraph (1) of this subsection, the Secretary shall publish that notice in the Federal Register. The Secretary also shall provide written notification of the receipt of a notice under paragraph (1) of this subsection to all State and local agencies that may be required to issue permits for the construction of the project or related activities. The Secretary shall solicit the cooperation of those agencies and request their entry into a memorandum of agreement described in paragraph (3) of this subsection. Within 30 days after publication of the notice in the Federal Register, State and local agencies that intend to enter into the memorandum of agreement shall notify the Secretary of their intent in writing.

(3) SCHEDULING AGREEMENT.—Within 90 days after receipt of notice under paragraph (1) of this subsection, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and any State or local agencies that have notified the Secretary under paragraph (2) of this subsection shall enter into an agreement with the Secretary establishing a schedule of decisionmaking for approval of the project and permits associated with it and with related activities. The

schedule of compliance may not exceed two and one-half years from the date of the agreement.

(4) CONTENTS OF AGREEMENT.—The agreement entered into under paragraph (3) of this subsection, to the extent practicable, shall consolidate hearing and comment periods, procedures for data collection and report preparation, and the environmental review and permitting processes associated with the project and related activities. The agreement shall detail, to the extent possible, the non-Federal interest's responsibilities for data development and information that may be necessary to process each permit, including a schedule when the information and data will be provided to the appropriate Federal, State, or local agency.

(5) PRELIMINARY DECISION.—The agreement shall include a date by which the Secretary, taking into consideration the views of all affected Federal agencies, shall provide to the non-Federal interest in writing a preliminary determination whether the project and Federal permits associated with it are reasonably likely to receive approval.

(6) REVISION OF AGREEMENT.—The Secretary may revise the agreement once to extend the schedule to allow the non-Federal interest the minimum amount of additional time necessary to revise its original application to meet the objections of a Federal, State, or local agency which is a party to the agreement.

(7) PROGRESS REPORTS.—Six months before the final date of the schedule, the Secretary shall provide to Congress a written progress report for each navigation project for a port subject to this section. The Secretary shall transmit the report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. The report shall summarize all work completed under the agreement and shall include a detailed work program that will assure completion of all remaining work under the agreement.

(8) FINAL DECISION.—Not later than the final day of the schedule, the Secretary shall notify the non-Federal interest of the final decision on the approval of the project and related permits.

(9) REPORT ON TIMESAVINGS METHODS.—Not later than one year after the date of enactment of this Act, the Secretary shall prepare and transmit to Congress a report estimating the time required for the issuance of all Federal, State, and local permits for the construction of navigation projects for ports and associated activities. The Secretary shall include in that report recommendations for further reducing the amount of time required for the issuance of those permits, including any proposed changes in existing law.

(d) NONAPPLICABILITY TO SAINT LAWRENCE SEAWAY.—This section does not apply to any port project for that portion of the Saint Lawrence Seaway administered by the Saint Lawrence Seaway Development Corporation.

SEC. 105. COST SHARING.

(a) GENERAL RULE FOR CONSTRUCTION.—The non-Federal share of the cost of construction of general navigation features, including but not limited to navigation channels and turning basins, for a navigation project for a port shall be the sum of—

(1) the amount required to be paid in cash for such project under subsection (b)(1), plus

(2) the lands, easements, and rights-of-way required to be contributed under subsection (b)(2).

(b) NON-FEDERAL INTERESTS' RESPONSIBILITY FOR CONSTRUCTION.—

(1) PAYMENTS DURING CONSTRUCTION.—The non-Federal interests for a navigation project for a port shall pay, during the period of construction of the project—

(A) in the case of a shallow port, 10 percent of the cost of construction of the project;

(B) in the case of a general cargo port, the sum of—

(i) 10 percent of the cost of construction of the portion of the project which has a depth not in excess of 20 feet; plus

(ii) 25 percent of the cost of construction of the portion of the project which has a depth in excess of 20 feet; and

(C) in the case of a deep-draft port, the sum of—

(i) 10 percent of the cost of construction of the portion of the project which has a depth not in excess of 20 feet; plus

(ii) 25 percent of the cost of construction of the portion of the project which has a depth in excess of 20 feet but not in excess of 45 feet; plus

(iii) 50 percent of the cost of construction of the portion of the project which has a depth in excess of 45 feet.

An amount equal to amounts paid with respect to a project under this paragraph is authorized to be appropriated to the Secretary to carry out such project. Amounts appropriated pursuant to the preceding sentence are in addition to, and not in lieu of, amounts authorized by any other provision of this Act for construction of a project to which this section applies.

(2) LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—The non-Federal interests shall provide all lands, easements, and rights-of-way required for a navigation project for a port, except that the value of lands, easements, and rights-of-way required to be provided by non-Federal interests by this paragraph shall not exceed 5 percent of the cost of the project. For purposes of this section, "lands, easements, and rights-of-way" include dredged spoil disposal areas.

(3) FEDERAL RESPONSIBILITY FOR LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—If the Secretary estimates, before the beginning of construction of any navigation project for a port, that the value of all lands, easements, and rights-of-way required for such project, will be a percentage of the cost of such project, which is greater than 5 percent, the Secretary shall, upon request by the non-Federal interests, acquire such lands, easements, and rights-of-way, except that the aggregate amount of the value of lands, easements, and rights-of-way acquired by the Secretary shall be limited to the amount by which such estimated value exceeds an amount equal to 5 percent of the estimated cost of the project.

(4) FEDERAL REIMBURSEMENT.—If the sum of—

(A) the cash contributed under paragraph (1) with respect to a navigation project, plus

(B) the value of lands, easements, and rights-of-way provided by the non-Federal interests for such project,

exceeds the non-Federal share of the cost of construction of the general navigation features of such project (as determined under subsection (a)), the Secretary shall pay to the non-Federal interests an amount equal to such excess, plus interest from the date of such determination. Such payment shall be subject to the general availability of appropriations for that purpose.

(5) TRANSFER OF LANDS TO NON-FEDERAL INTERESTS.—After completion of a navigation project for a port, the Secretary shall transfer, without consideration, to the non-Federal interests any lands, easements, and rights-of-way acquired by the Secretary under paragraph (3).

(6) INTEREST RATE COMPUTATION FOR FEDERAL REIMBURSEMENT.—The interest rate used for purposes of computing interest under paragraph (4) shall be determined by the Secretary of the Treasury as of the date on which the project is substantially completed and provides the navigation benefits for which such project is designed, as determined by the Secretary. Such interest rate shall be determined on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for 15 years from the date of issue.

(7) Notwithstanding another law, the cost of removal, alteration, and reconstruction of the armor (protective covering) of an existing bridge tunnel attendant to dredging a channel deeper than 45 feet for a port navigation project authorized by this Act or by the Supplemental Appropriations Act, 1985 (Public Law 99-88, 99 Stat. 293) shall be borne by the Secretary.

(8) Notwithstanding another provision of this Act, the non-Federal share for projects for deep-draft ports authorized prior to January 1, 1985 shall be fully credited for the acquisition, construction, and operation of lands, easements, rights-of-way, and dredged spoil disposal sites that were constructed to comply with the terms of the original authorization and related purposes.

(c) OPERATION AND MAINTENANCE.—The Federal share of the cost of operation and maintenance of each navigation project for a port shall be—

(1) in the case of a shallow port, 100 percent;

(2) in the case of a general cargo port, 100 percent; and

(3) in the case of a deep-draft port, an amount equal to the sum of—

(A) an amount equal to 100 percent of the cost which the Secretary determines would be incurred for operation and maintenance of such project if such project had a depth of 45 feet, and

(B) an amount equal to 50 percent of the excess of the cost of the operation and maintenance of such project over the cost which the Secretary determines would be incurred for operation and maintenance of such project if such project had a depth of 45 feet.

(d) UTILITY RELOCATIONS.—The Federal share of the cost of relocation of any oil, natural gas, or other pipeline, any electric transmission cable or line, any communications cable or line, and facilities related to such pipeline, cable, or line the relocation of which is necessary for construction, operation, and maintenance of each navigation project for a port and which may only be built or commenced if authorized by the Secretary under section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), shall be—

(1) in the case of a shallow port, 50 percent;

(2) in the case of a general cargo port, 50 percent; and

(3) in the case of a deep-draft port, an amount equal to the sum of—

(A) an amount equal to 50 percent of the cost the Secretary determines would be incurred for such relocations if such project had a depth of 45 feet, and

(B) an amount equal to 25 percent of the excess of the cost of such relocations over the cost which the Secretary determines would be incurred for such relocations if such project had a depth of 45 feet.

In the case of any relocation to which the Federal share established by this subsection applies, the non-Federal share shall be paid by the owner of the facility being relocated; except that in the case of a deep-draft port, two-thirds of the non-Federal share shall be paid by such owner and one-third of the non-Federal share shall be paid by the non-Federal interest.

(e) OTHER COSTS.—The Federal share of any cost of a navigation project for a port, including reasonable mitigation measures, for which cost a Federal share is not provided in subsection (a), (b), (c), or (d) of this section, shall be the share of such cost otherwise provided by law.

(f) APPLICABILITY.—This section shall apply to any navigation project for a port authorized by this title (except as provided in subsection (g)) or any other provision of Federal law enacted before, on, or after the date of enactment of this title, except that subsections (a), (b), and (d) shall not apply to any project for which Federal funds have been obligated for actual construction before January 1, 1985.

(g) EXCEPTION.—Subsections (a), (b), (c), and (d) of this section shall not apply to the project for Gowanus Creek Channel, Brooklyn, New York, authorized by section 102 of this title.

SEC. 106. NON-FEDERAL PAYMENTS DURING CONSTRUCTION.

The amount of any non-Federal share of the cost of any navigation project for a port authorized by this title or any other provision of Federal law enacted before, on, or after the date of enactment of this title shall be paid to the Secretary and shall, in the case of the non-Federal share of the cost of construction, be paid on an annual basis during the period of construction, beginning not later than one year after construction is initiated.

SEC. 107. GUARANTEE OF OBLIGATIONS TO FINANCE PORT PROJECTS.

(a) AUTHORITY OF SECRETARY TO GUARANTEE OBLIGATIONS.—On application by the appropriate non-Federal interest and notwithstanding another law, the Secretary may guarantee and enter into commitments to guarantee, the payment of the interest on, and the unpaid balance of the principal of, any obligation issued by a non-Federal interest to finance a navigation project authorized for a port by this title or another law of the United States enacted after the date of enactment of this Act, that is subject to a requirement for non-Federal contribution to the cost of project construction, operation, and maintenance under section 105 of this Act and with respect to which the non-Federal interest elects to construct the project with the approval of the Secretary under section 104 of this Act.

(b) AMOUNT OF GUARANTEES.—The Secretary may guarantee the payment of any obligation in the amount of 90 percent of the principal of that obligation.

(c) FULL FAITH AND CREDIT.—The full faith and credit of the United States Government is pledged to the payment of a guarantee made under this section, including interest as provided for in the guarantee accruing between the date of default on a guaranteed obligation and the payment in full of the amount guaranteed.

(d) REIMBURSEMENT OF CERTAIN INTEREST COSTS.—The Secretary, to the extent provided for in appropriations laws, may reimburse a non-Federal interest for not to exceed one-half of the interest cost incurred by the non-Federal interest on any obligation which is guaranteed under subsection (a) of this section and the interest on which is subject to Federal income taxes, during the period of project construction and until the level of project-derived revenues equals those amounts necessary to make payments of principal and interest on such obligations for the project.

(e) INCONTESTABILITY OF GUARANTEE.—A guarantee made by the Secretary under this section is conclusive evidence of the eligibility of the obligation for that guarantee, and the validity of any guarantee so made is incontestable.

(f) LIMITATION ON AMOUNTS GUARANTEED.—The unpaid principal amount of the obligations which are guaranteed, or for which commitments to guarantee have been entered into, under this section and which are outstanding at any time may not exceed $1,000,000,000.

(g) FEES.—The Secretary shall assess a guarantee fee of not less than one-quarter of 1 percent per year of the average principal amount of a guaranteed obligation outstanding under this section. All amounts received by the Secretary shall be deposited in the Federal Port Navigation Project Financing Fund established by subsection (h) of this section.

(h) FEDERAL PORT NAVIGATION PROJECT FINANCING FUND.—There is established in the Treasury of the United States a fund to be known as the "Federal Port Navigation Project Financing Fund" (hereinafter in this section referred to as the "Fund"), consisting of such amounts as may be deposited in the Fund under subsection (g). Amounts in the Fund shall be available to the Secretary, as provided by appropriation Acts, for making payments under subsection (i) of this section. Amounts in the Fund which are not needed for current withdrawals shall be invested in bonds or other obligations of, or guaranteed as to principal and interest by, the Federal Government.

(i) DEFAULTS.—

(1) DEMAND FOR PAYMENT.—For a default that has continued for thirty days in a payment by the obligor of principal or interest due under an obligation guaranteed under this title—

(A) the Secretary may assume the obligor's rights and duties under the guarantee or agreement related to the guarantee before a demand is made under subparagraph (B) of this paragraph; or

(B) the obligee or the obligee's agent, not later than the period specified in the guarantee or related agreement (but not later than ninety days from the date of the default), may demand payment by the Secretary of the unpaid principal amount of that obligation and the unpaid interest on the obligation to the date of payment, except when the Secretary—

(i) has assumed the obligor's rights under subparagraph (A) of this paragraph and the Secretary has made the payments in default;

(ii) finds there was not a default by the obligor in the payment of principal or interest; or

(iii) finds that the default has been remedied before the demand.

(2) PAYMENT ON GUARANTEES; ISSUANCE OF OBLIGATIONS.—Any amount required to be paid by the Secretary under this section shall be paid in cash from the Fund. If the amounts in the Fund are not sufficient to pay any amount the Secretary is required to pay under this subsection, the Secretary may issue to the Secretary of the Treasury notes or other obligations in any form and denomination, bearing any maturities and subject to any terms and conditions that are prescribed by the Secretary, with the approval of the Secretary of the Treasury. Those notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the Federal Government of comparable maturities during the month preceding the issuance of those notes or other obligations. The Secretary of the Treasury shall purchase any notes and other obligations to be issued under this paragraph. For that purpose the Secretary of the Treasury may use as a public debt transaction the proceeds from any securities issued under chapter 31 of title 31, United States Code. The purposes for which securities may be issued under that chapter include purchase of those notes and obligations. The Secretary of the Treasury may sell the notes or other obligations acquired by the Secretary of the Treasury under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of those notes or other obligations shall be treated as public debt transactions of the Federal Government. Amounts borrowed under this section shall be deposited in the Fund, and redemptions of those notes and obligations shall be made by the Secretary of the Treasury from the Fund.

(3) ACTIONS BY SECRETARY.—For a default under a guaranteed obligation or a related agreement, the Secretary shall take any action against the obligor or any other liable parties that the Secretary believes is required to protect the interests of the Federal Government. A suit may be brought in the name of the Federal Government or in the name of the obligee, and the obligee shall make available to the Federal Government all records and evidence necessary to prosecute that suit. The Secretary may accept a conveyance of title to and possession of property from the obligor or other parties liable to the Secretary, and may purchase the property for an amount not to exceed the unpaid principal amount of the obligation and interest thereon. If the Secretary receives, through the sale of property, money in excess of any payment made to an obligee under this section and the expenses of collection of those amounts, the Secretary shall pay that excess to the obligor.

SEC. 108. CONSTRUCTION IN USABLE INCREMENTS.

Any navigation project for a port authorized by this title or any other provision of law enacted before, on, or after the date of enactment of this title may be constructed in usable increments.

SEC. 109. PORT OR HARBOR DUES.

(a) CONSENT OF CONGRESS.—Subject to the following conditions, a non-Federal interest may levy port or harbor dues (in the form of tonnage duties or fees) on a vessel engaged in trade entering or departing from a port and on cargo loaded on or unloaded from that vessel under clauses 2 and 3 of section 10, and under clause 3 of section 8, of article 1 of the Constitution:

(1) PURPOSES.—Port or harbor dues may be levied only in conjunction with a port

navigation project whose construction is complete (including a usable increment of the project) and for the following purposes and in amounts not to exceed those necessary to carry out those purposes:

(A)(i) to reimburse the United States Government for the non-Federal share of construction and operation and maintenance costs of a navigation project for a port under the requirements of section 105 of this Act; or

(ii) finance the cost of construction and operation and maintenance of a navigation project for a port under section 104(b) or 104(c) of this Act, less any reimbursement by the Secretary from the Port Infrastructure Development and Improvement Trust Fund under section 111 of this Act; and

(B) provide emergency response services in the port, including contingency planning, necessary personnel training, and the procurement of equipment and facilities, less any reimbursement by the Secretary from the Port Infrastructure Development and Improvement Trust Fund under section 113 of this Act.

(2) LIMITATION ON PORT OR HARBOR DUES FOR EMERGENCY SERVICE.—Port or harbor dues may not be levied for the purposes described in paragraph (1)(B) of this subsection after the dues cease to be levied for the purposes described in paragraph (1)(A) of this subsection.

(3) GENERAL LIMITATIONS.—(A) Port or harbor dues may be levied only on a vessel entering or departing from a port and its cargo if the vessel—

(i) requires a channel with a depth of more than 14 feet in the case of a port navigation project greater than 14 feet and not greater than 20 feet in depth;

(ii) requires a channel with a depth of more than 20 feet in the case of a port navigation project greater than 20 feet and not greater than 45 feet in depth; and

(iii) requires a channel with a depth of more than 45 feet in the case of a port navigation project in excess of 45 feet in depth.

(B) Port or harbor dues may not be levied in conjunction with a port navigation project on any vessel if that vessel, when fully loaded, could have utilized the port or harbor before construction of such project.

(C) Port or harbor dues may not be levied on a vessel entering or departing from a port and its cargo if the vessel—

(i) is engaged in intraport movement; or

(ii) is owned and operated by the United States Government, a foreign country, a State, or a political subdivision of a country or State, unless engaged in commercial service.

(4) FORMULATION OF PORT OR HARBOR DUES.—Port or harbor dues may be levied only on a vessel entering or departing from a port and its cargo on a fair and equitable basis. In formulating port and harbor dues, the non-Federal interest shall consider—

(A) the direct and indirect cost of construction, operations, and maintenance, and providing the facilities and services under paragraph (1) of this subsection;

(B) the value of those facilities and services to the vessel and cargo;

(C) the public policy or interest served; and

(D) any other pertinent factors.

(5) NOTICE AND HEARING.—(A) Before the initial levy of or subsequent modification to port or harbor dues under this section, a non-Federal interest shall transmit to the Secretary—

(i) the text of the proposed law, regulation, or ordinance that would establish the port or harbor dues, including provisions for their administration, collection, and enforcement;

(ii) the name, address, and telephone number of an official to whom comments on and requests for further information on the proposal are to be directed;

(iii) the date by which comments on the proposal are due and a date for a public hearing on the proposal at which any interested party may present a statement; however, the non-Federal interest may not set a hearing date earlier than 45 days after the date of publication of the notice in the Federal Register required by subparagraph (B) of this paragraph or set a deadline for receipt of comments earlier than 60 days after the date of publication; and

(iv) a written statement signed by an appropriate official that the non-Federal interest agrees to be governed by the provisions of this section.

(B) On receiving from a non-federal interest the information required by subparagraph (A) of this paragraph, the Secretary shall transmit the material required by clauses (i) through (iii) of subparagraph (A) of this paragraph to the Federal Register for publication.

(C) Port or harbor dues may be imposed by a non-Federal interest only after meeting the conditions of this paragraph.

(6) REQUIREMENTS ON NON-FEDERAL INTEREST.—A non-Federal interest shall—

(A) file a schedule of any port or harbor dues levied under this subsection with the Secretary and the Federal Maritime Commission, which the Commission shall make available for public inspection;

(B) provide to the Comptroller General of the United States on request of the Comptroller General any records or other evidence that the Comptroller General considers to be necessary and appropriate to enable the Comptroller General to carry out the audit required under subsection (b) of this section;

(C) designate an officer or authorized representative, including the Secretary of the Treasury acting on a cost-reimbursable basis, to receive tonnage certificates and cargo manifests from vessels which may be subject to the levy of port or harbor dues, export declarations from shippers, consignors, and terminal operators, and such other documents as the non-Federal interest may by law, regulation, or ordinance require for the imposition, computation, and collection of port or harbor dues; and

(D) consent expressly to the exclusive exercise of Federal jurisdiction under subsection (c) of this section.

(b) AUDITS.—The Comptroller General of the United States shall—

(1) carry out periodic audits of the operations of non-Federal interests that elect to levy port or harbor dues under this section to determine if the conditions of subsection (a) of this section are being complied with;

(2) submit to each House of the Congress a written report containing the findings resulting from each audit; and

(3) make any recommendations that the Comptroller General considers appropriate regarding the compliance of those non-Federal interests with the requirements of this section.

(c) JURISDICTION.—(1) The district court of the United States for the district in which is located a non-Federal interest that levies port or harbor dues under this section has original and exclusive jurisdiction over any matter arising out of or concerning, the imposition, computation, collection, and enforcement of port or harbor dues by a non-Federal interest under this section.

(2) On petition of the Attorney General or any other party, that district court may—

(A) grant appropriate injunctive relief to restrain an action by that non-Federal interest violating the conditions of consent in subsection (a) of this section;

(B) order the refund of any port or harbor dues not lawfully collected; and

(C) grant other appropriate relief or remedy.

(d) COLLECTION OF DUTIES.—

(1) DELIVERY OF CERTIFICATE AND MANIFEST.—

(A) UPON ARRIVAL OF VESSEL.—Upon the arrival of a vessel in a port in which the vessel may be subject to the levy of port or harbor dues under this section, the master of that vessel shall, within forty-eight hours after arrival and before any cargo is unloaded from that vessel, deliver to the appropriate authorized representative appointed under subsection (a)(6)(C) of this section a tonnage certificate for the vessel and a manifest of the cargo aboard that vessel or, if the vessel is in ballast, a declaration to that effect.

(B) BEFORE DEPARTURE OF VESSEL.—The shipper, consignor, or terminal operator having custody of any cargo to be loaded on board a vessel while the vessel is in a port in which the vessel may be subject to the levy of port or harbor dues under this section shall, within forty-eight hours before departure of that vessel, deliver to the appropriate authorized representative appointed under subsection (a)(6)(C) of this section an export declaration specifying the cargo to be loaded on board that vessel.

(e) ENFORCEMENT.—At the request of an authorized representative referred to in subsection (a)(6)(C) of this section, the Secretary of the Treasury may:

(1) withhold the clearance required by section 4197 of the Revised Statutes of the United States (46 App. U.S.C. 91) for a vessel if the master, owner, or operator of a vessel subject to port or harbor dues under this section fails to comply with the provisions of this section including any non-Federal law, regulation or ordinance issued hereunder; and

(2) assess a penalty or initiate a forfeiture of the cargo in the same manner and under the same procedures as are applicable for failure to pay customs duties under the Tariff Act of 1930 (19 App. U.S.C. 1202 et seq.) if the shipper, consignor, consignee, or terminal operator having title to or custody of cargo subject to port or harbor dues under this section fails to comply with the provisions of this section including any non-Federal law, regulation, or ordinance issued hereunder.

(f) MARITIME LIEN.—Port or harbor dues levied under this section against a vessel constitute a maritime lien against the vessel and port or harbor dues levied against cargo constitute a lien against the cargo that may be recovered in an action in the district court of the United States for the district in which the vessel or cargo is found.

SEC. 110. INFORMATION FOR NATIONAL SECURITY.

Any non-Federal interest shall provide the United States the information necessary for military readiness planning and port and national security, including information necessary to obtain national security clearances for individuals employed in critical port positions.

SEC. 111. AUTHORIZATIONS OF APPROPRIATIONS FROM TRUST FUND.

There is authorized to be appropriated from the Port Infrastructure Development and Improvement Trust Fund for fiscal years beginning after September 30, 1985, such sums as may be necessary to make reimbursements under section 104 and to pay the Federal share of the cost of projects authorized by sections 101 and 102 and of navigation projects for ports authorized by any other provision of Federal law enacted before the date of enactment of this title.

SEC. 112. ALTERNATIVES TO MUD DUMP FOR DISPOSAL OF DREDGED MATERIAL.

(a) DESIGNATION OF ALTERNATIVE SITES.—Not later than four years after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall designate one or more sites in accordance with the Marine Protection, Research, and Sanctuaries Act of 1972 for the disposal of dredged material which, without such designation, would be disposed of at the Mud Dump (as defined in subsection (g)). The designated site or sites shall be located not less than 20 miles nor more than 40 miles from the shoreline. The Administrator, in determining sites for possible designation under this subsection, shall consult with the Secretary and appropriate Federal, State, interstate, and local agencies.

(b) USE OF NEWLY DESIGNATED SITE.—Beginning on the 30th day following the date on which the Administrator of the Environmental Protection Agency makes the designation required by subsection (a), any ocean disposal of dredged material (other than acceptable dredged material) by any person or governmental entity authorized pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972 to dispose of dredged material at the Mud Dump on or before the date of such designation shall take place at the newly designated ocean disposal site or sites under subsection (a) in lieu of the Mud Dump.

(c) INTERIM AVAILABILITY OF LAWFUL SITES.—Until the 30th day following the date on which the Administrator of the Environmental Protection Agency makes the designation required by subsection (a), there shall be available a lawful site for the ocean disposal of dredged material by any person or governmental entity authorized pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972 to dispose of dredged material at the Mud Dump on or before the date of such designation.

(d) STATUS REPORTS.—Not later than one year after the date of enactment of this Act and annually thereafter until the designation of one or more sites under subsection (a), the Administrator of the Environmental Protection Agency shall submit a report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate describing the status of such designation.

(e) FUTURE USE OF MUD DUMP RESTRICTED TO ACCEPTABLE DREDGED MATERIAL.—Notwithstanding any other provision of law, including any regulation, the Secretary shall ensure that, not later than the 30th day following the date on which the Administrator of the Environmental Protection Agency makes the designation required by subsection (a), all existing and future Department of the Army permits and authorizations for disposal of dredged material at the Mud Dump shall be modified, revoked, and issued (as appropriate) to ensure that only acceptable dredged material will be disposed of at such site and that all other dredged material determined to be suitable for ocean disposal will be disposed of at the site or sites designated pursuant to subsection (a) of this section.

(f) DEFINITION OF ACCEPTABLE DREDGED MATERIAL.—For purposes of this section, the term "acceptable dredged material" means rock, beach qualify sand, material excluded from testing under the ocean dumping regulations promulgated by the Administrator of the Environmental Protection Agency pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972, and any other dredged material (including that from new work) determined by the Secretary, in consultation with the Administrator, to be substantially free of pollutants.

(g) DEFINITION OF MUD DUMP.—For purposes of this section, the term "Mud Dump" means the area located approximately 5¾ miles east of Sandy Hook, New Jersey, with boundary coordinates of 40 degrees 23 minutes 48 seconds N, 73 degrees 51 minutes 28 seconds W; 40 degrees 21 minutes 48 seconds N, 73 degrees 50 minutes 00 seconds W; 40 degrees 21 minutes 48 seconds N, 73 degrees 51 minutes 28 seconds W; and 40 degrees 23 minutes 48 seconds N, 73 degrees 50 minutes 00 seconds W.

SEC. 113. EMERGENCY RESPONSE SERVICES.

(a) GRANTS.—The Secretary is authorized to make grants to any non-Federal interest operating a project for a port for provision of emergency response services in such port (including contingency planning, necessary personnel training, and the procurement of equipment and facilities either by the non-Federal interest, by a local agency or municipality, or by a combination of local agencies or municipalities on a cost-reimbursable basis, either by a cooperative agreement, mutual aid plan, or mutual assistance plan entered into between one or more non-Federal interests, public agencies, or local municipalities).

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated from the Port Infrastructure Development and Improvement Trust Fund for fiscal years beginning after September 30, 1985, such sums as may be necessary to carry out subsection (a) of this section.

SEC. 114. PORT OFFICE AT MORRO BAY, CALIFORNIA.

(a) GRANT.—For reasons of navigation safety, the Secretary is authorized to make a grant to the non-Federal interest operating Morro Bay Harbor, California, for construction of a new port office at such harbor.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated from the Port Infrastructure Development and Improvement Trust Fund for fiscal years beginning after September 30, 1985, such sums as may be necessary to carry out subsection (a) of this section.

SEC. 115. DEFINITIONS.

For purposes of this title—

(1) the term "deep-draft port" means a port which is authorized to be constructed to a depth of more than 45 feet (other than a port for which a project is authorized by section 102 of this title);

(2) the term "general cargo port" means a port for which a project is authorized by section 102 of this title and any other port which is authorized to be constructed to a depth of more than 20 feet but not more than 45 feet;

(3) the term "non-Federal interest" has the meaning such term has under section 221 of the Flood Control Act of 1970;

(4) the term "port" means (A) any port or channel in the United States with a depth authorized by law of more than 14 feet, including any channel administered by the Saint Lawrence Seaway Development Corporation and any channel connecting the Great Lakes, and (B) any lock or other improvement on any such channel; except that such term does not include an entrance channel providing access solely to a harbor with an authorized depth of fourteen feet or less and does not include the Bonneville Lock and Dam project on the Columbia River;

(5) the term "shallow port" means any port which is authorized to be constructed to a depth of not more than 20 feet; and

(6) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

SEC. 116. SHORT TITLE.

This title may be cited as the "Port Development and Navigation Improvement Act of 1985".

AMENDMENTS OFFERED BY MR. ROE

Mr. ROE. Mr. Chairman, I offer the amendments in bloc made in order under the rule.

The Clerk read as follows:

Amendments offered by Mr. ROE: At the end of title XI, add the following new section:

SEC. 1199k. (a) The Secretary shall make a grant of $50,000, subject to an appropriation for that purpose, to the Governor of the State of Florida for the establishment of a Miami River Management Commission to develop a comprehensive plan for improving the water quality of the Miami River, Florida, and its tributaries and managing all activities which affect the water quality and use of such river and tributaries. The commission shall be composed of seven members appointed by the Governor.

(b) There is authorized to be appropriated to carry out this section $50,000 for fiscal years beginning after September 30, 1985.

Page 3, line 21, after the period insert the following: "Notwithstanding section 105(d) of this Act, the cost of any relocations described in such section which are necessary for construction of such project shall be at full Federal expense.".

Page 6, line 3, after "Service," insert "the National Marine Fisheries Service,"

Page 8, line 15, strike out "65" and insert in lieu thereof "70".

Page 11, strike out line 9 and all that follows through line 2 on page 12 and insert in lieu therof the following:

KILL VAN KULL AND ARTHUR KILL, NEW YORK AND NEW JERSEY

The project (1) for navigation, Kill Van Kull and Newark Bay Channels, New York and New Jersey: Report of the Chief of Engineers, dated December 14, 1981, at an estimated cost of $260,000,000, and (2) for navigation, Arthur Kill, New York and New Jersey: Draft report of the District Engineer for New York, dated May 1983, except that such project shall extend the Arthur Kill Channel at a depth of 40 feet to the Fresh Kills in Carteret, New Jersey, and such easing of bends as the Secretary determines are necessary to enhance navigation, at an estimated cost of $85,000,000. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall

be made for the acquisition of any interest in real property for, or the actual construction of, the project described in clause (1) if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. The project described in clause (2) shall include any modifications that may be recommended by the Secretary with respect to such project under section 103 of this Act.

Page 16, line 17, strike out "$60,000,000" and insert in lieu thereof "$145,000,000".

Page 35, after line 23, insert the following:

(9) Notwithstanding any other provision of law, the Secretary shall not collect fees or other charges from non-Federal interests for the disposal of dredge material resulting from the construction, operation, or maintenance of any project authorized by this Act into the Craney Island dredge disposal facility, Virginia.

Page 38, line 12, insert "(1)" after "to".

Page 38, line 14, strike out the period and insert in lieu there of the following: ", (2) the construction or modification of the four anchorages authorized as part of the Channel to Newport News, Norfolk Harbor, and Thimble Shoal Channel, Virginia, project, authorized by the Rivers and Harbors Act of 1965, and (3) the construction of the anchorage authorized as part of the project for navigation, Norfolk Harbor and Channels, Virginia, authorized by section 101 of this Act.".

Page 66, line 2, after the period insert the following: "The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after January 1, 1978, and before the date of the enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.".

Page 68, after line 12, insert the following:

RIO PUERTO NUEVO, PUERTO RICO

This project for flood control, Rio Puerto Nuevo, Puerto Rico: Report of the Board of Engineers for Rivers and Harbors, dated September 4, 1985, at an estimated cost of $180,000,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

Page 104, strike out lines 3 through 12.

Page 104, line 13, strike out "(2)" and insert in lieu thereof "(m)".

Page 93, strike out line 15 and all that follows through line 8 on page 95 and insert in lieu thereof the following:

The project for flood control, Santa Ana River Mainstem, including Santiago Creek, California: Report of the Chief of Engineers, dated January 15, 1982, and as modified by the Report of the District Engineer, dated September, 1985, at an estimated cost of $1,100,000,000, including such measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary shall study (1) the feasibility and environmental impact including conservation storage at the end of the winter storm season at Prado Dam as a project purpose, (2) the effects of such storage on recreation and leasehold interests at Prado Reservoir and on riparian rights downstream of such dam, and (3) any water supply benefits associated with such storage. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study. The right-of-way taking line for Prado Reservoir shall be limited to elevation 566 feet. Funds may be appropriated to the Environmental Protection and Mitigation Fund pursuant to Section 1104 of this Act and to the construction fund for engineering and acquisition of real property. Actual physical construction of the project may commence upon adoption of resolutions of agreement for said construction by the non-federal sponsoring agencies. Any relocation of the Talbert Valley Channel undertaken in connection with the project shall be constructed with a channel capacity sufficient to accommodate a 100-year flood.

Page 99, line 3, after the period insert the following: "The Secretary is authorized to undertake reasonable measures for mitigation of fish and wildlife losses in connection with the measures undertaken under this paragraph.".

Page 99, line 9, after the period insert the following: "The Secretary is authorized to accept funds from a project co-sponsor in connection with construction of such project.".

Page 115, after line 2, insert the following:

SEC. 308. The Secretary shall include as part of the non-Federal contribution of the project for flood control, Fairfield Vicinity Streams, California, authorized in accordance with section 201 of the Flood Control Act of 1965, the cost of any work carried out by non-Federal interests on the project after December 31, 1973, and before the date of the enactment of this Act, if the Secretary determines such work is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

Page 115, after line 21, insert the following:

ORCHARD BEACH, NEW YORK

The project for beach erosion control, Orchard Beach, New York: Draft Report of the District Engineer, New York District, dated July 1985, at an estimated cost of $2,480,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

Page 119, after line 20, insert the following:

PINELLAS COUNTY, FLORIDA

The project for beach erosion control for Pinellas County, Florida: Report of the Board of Engineers for Rivers and Harbors, dated April 23, 1985, at an estimated cost of $14,000,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

Page 124, line 24, after the period insert the following: "In addition, the Secretary is authorized and directed to conduct necessary reconnaissance studies and feasibility studies on extending such project from Lawrence, Massachusetts, to Haverhill, Massachusetts, and from Haverhill, Massachusetts, to the mouth of the Merrmack River.".

Page 129, line 14, after the second comma insert the following: "except that such project shall be constructed, operated, and maintained at full Federal expense,".

Page 141, strike out lines 3 through 6.

Page 152, line 4, after the period insert the following: "In addition, for the purpose of providing improved flood protection, the Secretary, on an emergency basis, shall alter Beatties Dam in Little Falls, New Jersey, by installation of flood gates or make other improvements to such dam and shall remove the existing rock shelf in the vicinity of such dam, at an estimate cost of $15,000,000.".

Page 168, line 25, strike out "consisting" and all that follows through the period on line 4 of page 169 and insert in lieu thereof the following: "consisting of one or more of the reclamation project alternatives (other than the ocean outfall alternative) included in the Final Environmental Impact Report, Sonoma County Wastewater Reclamation Project, adopted by the Sonoma County Board of Supervisors, April 21, 1981, that the Secretary considers appropriate, at an estimated cost of $150,000,000. Such project shall only be constructed after consultation with affected local governments.".

Page 173, line 3, after "of" insert "the Virgin Islands,".

Page 173, line 8, strike out "four" and insert in lieu thereof "five".

Page 173, line 19, after the period insert the following: "Any funds made available under this section for a study for any such jurisdiction which is not needed for such study shall be available to the Secretary to construct authorized water resources projects in such jurisdiction and to implement the findings of such study.".

Page 176, line 19, strike out "in response to" and insert in lieu thereof "subsequent to".

Page 186, after line 24, insert the following:

(d) Notwithstanding any other provision of law (including the Water Supply Act of 1958), the Secretary may not enter into any contract for the sale of storage to be reassigned to water supply in any water resource project under the jurisdiction of the United States that is not based on—

(1) repayment of the portion of the original construction cost of such project, including interest during construction that has been reallocated to water supply, and

(2) the interest accrued on the construction cost from the date of construction to the date of such reallocation,

until completion of the study under this section and enactment of a law after the date of enactment of this Act which authorizes the Secretary to enter into such a contract. The interest rate during construction and accrued construction cost interest shall be determined by the Secretary of the Treasury for the fiscal year in which construction of such project was initiated.

At the end of title V, add the following new section:

SEC. 542. The Secretary is authorized to take such measures as may be necessary to maintain a harbor of refuge in Port Ontario, Sandy Creek, New York. Non-Federal interests shall provide a public wharf and such other facilities as may be necessary for a harbor of refuge which shall be open to all on equal terms and such other requirements as the Secretary deems necessary.

Page 192, line 8, strike out "restore" and insert in lieu thereof "construct".

Page 193, line 23, strike out "$425,000" and insert in lieu thereof "$1,600,000".

Page 204, line 25, after "River" insert "and take such other actions as may be necessary".

Page 205, line 6, after the period insert the following: "The Secretary is authorized and directed to conduct further study and design on such project.".

Page 209, line 1, strike out "to" and all that follows through "facility," on line 4 and insert in lieu thereof "to dredge the modified harbor area,".

At the end of title VI, add the following new section:

SEC. 631. (a) The Secretary shall conduct a feasibility study on providing flood protection along the James River, South Dakota.

(b) Not later than two years after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of such study together with such recommendations as the Secretary determines to be appropriate.

Page 213, strike out line 23 and all that follows through line 2 on page 214 and insert in lieu thereof the following: "Secretary to dredge and maintain a 250-foot wide channel in the Upper Newport Bay to the boundary of the Upper Newport Bay State Ecological Preserve to a depth of 15 feet mean lower low water, and to deepen the channel in the existing project below the Pacific Coast Highway bridge to a depth of 15 feet mean lower low water, at an estimated cost of $2,500,000.".

Page 220, line 6, after the period insert the following: "The Secretary is authorized to reimburse the non-Federal interest for the cost of the dredging and maintenance incurred by the non-Federal interest in advance of this modification if the Secretary determines that such work is reasonably compatible with the project.".

Page 226, after line 23, add the following new section:

SEC. 782. The project for Fishtrap Lake, Pike County, Kentucky, authorized as part of the flood control project for the Ohio River Basin by section 4 of the Flood Control Act approved June 28, 1938 (52 Stat. 1217), is modified to authorize the Secretary, notwithstanding the completion of such project in 1968, to acquire by purchase any property in the drainage area for Fishtrap Lake, Kentucky, which is being used as a residence and any property in such drainage area which is being used as a cemetery and to relocate the owners of any property so acquired and any cemetery so acquired.

Page 226, after line 23, insert the following:

SEC. 782. The Sabine River channel of the Sabine-Neches Waterway, Texas, authorized by the River and Harbor Act of 1954, is modified to authorize an extension of such channel at a depth of 30 feet and a width of 200 feet, from its present upstream terminus opposite Green Avenue in Orange, Texas, generally following the present river alignment a distance of approximately one and one-quarter miles to a point opposite Little Cypress Bayou.

At the end of title VII, insert the following new section:

SEC. 782. The project for flood control, Clarks Hill Reservoir, Savannah River Basin, Georgia and South Carolina, authorized by the Flood Control Act approved December 22, 1944, is modified to include recreation and fish and wildlife management as project purposes. Project lands which are managed or reserved as of the date of the enactment of this section for the conservation, enhancement, or preservation of fish and wildlife and for recreation shall be considered as lands necessary for such purposes.

At the end of title VII, insert the following new section:

SEC. 782. The project for flood control, Red Rock Dam and Lake, Iowa, authorized by the Flood Control Act approved June 28, 1938, is modified to authorize the Secretary—

(1) to acquire by purchase fee simple interest in real property, and

(2) to acquire additional flowage easements in real property,

Which is subject to periodic flooding in connection with the operation of the project.

At the end of title VII of the bill, insert the following new section:

SEC. 782. The project for navigation, Cape Charles City Harbor, Virginia, authorized by the River and Harbor Act approved March 2, 1945 (59 Stat. 15), is modified to provide that the local interests shall not be required—

(1) to provide bulkheads, or

(2) to reserve berthing space for general public use,

along a greater distance of the shoreline than such bulkheads are provided or such berthing space is reserved on the date of the enactment of this Act.

Page 226, after line 23, insert the following:

SEC. 782. The project for navigation, East Chester Creek, New York, authorized by the River and Harbor Act of 1950, is modified to provide that the Secretary, out of any amounts made available to the Secretary for operation and maintenance of water resources projects, shall dredge within two years after the date of the enactment of this Act, and maintain thereafter, the Y-shaped portion of such project, at an estimated cost of $500,000.

Page 286, strike out lines 15 through 17.

At the end of title IX, add the following new section:

SEC. 916. The Patoka Reservoir, Wabash River, Indiana, authorized by the Flood Control Act of 1965 shall hereafter be known and designated as the "Vance Hartke Reservoir". Any law, regulation, document, or record of United States in which such reservoir is referred to shall be held to refer to such reservoir as the "Vance Hartke Reservoir".

At the end of title IX, add the following new section:

SEC. 916. The Stinson Creek Recreation Area which is to be constructed by the Army Corps of Engineers as part of the Columbus Lake portion of the Tennessee-Tombigbee Waterway project and which is located in Lowndes County, Mississippi, shall hereafter be known and designated at the "DeWayne Hayes Recreation Area". Any law, regulation, document, or record of the United States in which such recreation area is referred to shall be held to refer to such recreation area as the "DeWayne Hayes Recreation Area".

Page 256, strike out lines 11 through 13.

Page 260, strike out lines 15 through 19.

Page 264 after line 9, insert the following:

That portion of the project for navigation, Tampa Harbor and Hillsborough Bay, Florida, authorized by the Act of August 8, 1917, which portion consists of the turning basin at the junction of Garrison Channel, Seddon Channel, and Hillsborough River.

Page 265, strike out lines 17 through 19.

Page 269, strike out lines 4 through 6.

Page 269, strike out lines 16 through 22.

Page 287, strike out lines 12 through 16.

Page 299, strike out lines 3 and 4.

Page 306, strike out lines 9 through 11.

Page 309, after line 20 insert the following:

(c) The interest rate used for purposes of analyzing the costs and benefits of any water resources project for which an agreement under section 215 of the Flood Control Act of 1968 has been entered into before the date of the enactment of this Act shall be the applicable interest rate at the time such agreement was entered into.

Page 323, line 13, strike out "2,400" and insert in lieu thereof "2,500".

Page 325, line 17, after the period insert the following: "Such approval shall not constitute authorization of any recommendation contained in such master plan.".

Page 326, after line 13, insert the following:

(3) For the purpose of ensuring the coordinated planning and implementation of of programs authorized under subsections (e) and (h)(2) of this section, the Secretary shall enter into an interagency agreement with the Secreatary of the Interior to provide for the direct participation of the Fish and Wildlife Service and any other agency or bureau in the Department of the Interior in the planning, design, implementation, and evaluation of such programs.

Page 326, line 14, strike out "(3)" and insert in lieu thereof "(4)".

Page 326, line 20, after "recommendations" insert "and offer other recommended changes to the master plan".

Page 326, line 22, after "comments" insert "and other recommended changes".

Page 326, line 23, after "comments" insert "and other recommended changes".

Page 327, line 1, after "with" insert "the Secretary of the Interior and".

Page 327, line 14, after "with" insert "the Secretary of the Interior and".

Page 328, strike out line 18 and all that follows through line 2 on page 329.

Page 329, line 3, strike out "(7)" and insert in lieu thereof "(6)".

Page 329, line 11, after "Secretary" insert ", in consultation with any such agency,".

Page 330, line 1, before "any agency" insert "the Secretary of Transportation and".

Page 330, line 13, after "with" insert "the Secretary of the Interior and".

Page 330, lines 22 and 23, strike out "for each of the ten fiscal years beginning after the date of the enactment of this Act".

Page 331, strike out lines 10 through 18.

Page 331, line 19, strike out "(2)" and insert in lieu thereof "(j)".

Page 331, line 20, strike out "paragraph (1) of this subsection," and insert in lieu thereof "subsection (d)(3) of this section,".

Page 332, after line 3, insert the following:

(k) Any sum authorized to be appropriated for a specific fiscal year by this subsection but not appropriated during such fiscal year is authorized to be appropriated for succeeding fiscal years until such sum has been appropriated. Any funds appropriated to carry out this section shall remain available until expended.

(l) This section may be cited as the "Upper Mississippi River Management Act of 1985".

Page 358, line 22, strike out the comma and all that follows through the period on line 24 and insert in lieu thereof a period.

Page 359, line 1, strike out "Hydroelectric" and all that follows through the period on line 4 and insert in lieu thereof the following: "The Secretary shall include in this study funds appropriated by previous Congresses, as well as any funds appropriated by the 99th Congress, as sunk costs.".

Page 359, line 19, after the period insert the following: "As part of such study the

Secretary shall consider appropriate measures to increase reliance on the private sector in the conduct of the water resources program of the Corps of Engineers.".

Page 359, line 20, strike out "such capabilities" and insert in lieu thereof "the capabilities referred to in the first sentence of this section".

Page 360, line 25, strike out "to" and all that follows through the period on line 3 on page 361 and insert in lieu thereof the following: "may be used to pay the non-Federal share of any other Federal grant-in-aid program.".

Page 395, line 9, after "jurisdiction" insert "or by a regulated public utility".

Page 396, lines 14 and 15, strike out "the purchase" and all that follows through the period on line 23 and insert in lieu thereof "$32,000,000.".

Page 397, strike out line 11 and insert in lieu thereof the following:

(g) Subsection (b) shall become effective on the earlier of—

(1) the 90th day following the date on which the Governor of the State of Florida certifies to the Secretary that such State has met the conditions set forth in subsection (h) unless the Secretary determines within such 90-day period that the State has not met such conditions; or

(2) the date of the final order in any action commenced by such State in a Federal district court for such State which includes a finding that such State has met such conditions.

(h) In order for subsection (b) to become effective the following conditions must first be met:

Page 397, line 25, after "such State" insert "or the Canal Authority of such State".

At the end of title XI of the bill, add the following new section:

SEC. 1199K. The Secretary shall remove from the Miami River and Seybold Channel in Miami, Florida, between the mouth of the Miami River and the salinity control structure of 36th Street, any abandoned vessels and any vessels under the control of the United States by reason of their seizure or forfeiture. The Secretary shall enter into an interagency agreement to facilitate the removal of any vessel under the control of the United States with the head of any Federal department, agency, or instrumentality which has control of such vessel.

At the end of title XI, add the following new section:

SEC. 1199K. The Secretary is authorized to undertake streambank erosion protection measures in Illinois along the Ohio River, from the mouth of the Ohio River to Uniontown Dam, and along the Wabash River, from the mouth of the Wabash River to its confluence with the Little Wabash River.

Page 399, after line 5, insert the following:

SEC. 1199K. Any funds appropriated after the date of the enactment of this Act to complete the Brewerton Extension of the Baltimore Harbor and Channels (connecting channels to the Chesapeake and Delaware Canal), authorized by the River and Harbor Act of 1958, which are not needed to complete such project because of savings resulting from the redesign of the project shall be used to carry out maximum maintenance dredging of the Inland Waterway from the Delaware River to the Chesapeake Bay, Delaware and Maryland (Chesapeake and Delaware Canal), authorized by the River and Harbor Act of 1954.

At the end of title XI, add the following new section:

SEC. 1199K. Section 88(c) of the Water Resources Development Act of 1974 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", except for encroachments which are transportation facilities or other public facilities and which do not significantly change the flood plain boundaries or significantly reduce the capability for recreation of such areas.".

At the end of title XI, add the following new section:

SEC. 1199K. The Secretary is authorized to construct necessary repairs on the Marsh Creek Bridge near Foster Joseph Sayers Lake, Centre County, Pennsylvania, at an estimated cost of $47,000.

Page 399, after line 5, insert the following:

SEC. 1199K. That portion of the waterway in which is located Dark Head Creek in the community of Middle River, Baltimore County, Maryland, lying northwest of a line extending south 68 degrees 37 minutes 56 seconds west from a point (227.50 feet from the northeast corner of the existing bulkhead and pier line) whose coordinates in the Maryland State Coordinate System are north 544967.24 and east 962701.05 (latitude north 39 degrees 19 minutes 42 seconds and longitude west 76 degrees 25 minutes 29.5 seconds) and thence south 44 degrees 48 minutes 20 seconds west, 350.12 feet to a point (at the southwest corner of the existing bulkhead and pier line) whose coordinates in the Maryland State Coordinate System are north 544635.94 and east 962242.46 (latitude north 39 degrees 19 minutes 39 seconds and longitude west 76 degrees 25 minutes 35.4 seconds), is declared to be a nonnavigable water of the United States for purposes of the navigation servitude.

(b) The line described in subsection (a) shall be established as a combined pierhead and bulkhead line of Dark Head Creek.

(c) Any project heretofore authorized by any Act of Congress, insofar as such project is within the boundaries of Dark Head Creek as described in subsection (a), is not authorized after the date of enactment of this Act.

(d) The right to alter, amend, or repeal this section is hereby expressly reserved.

Page 399, after line 5, insert the following:

SEC. 1199K. (a) Notwithstanding any other provision of law, if the agreement described in subsection (b) is executed by all parties described in subsection (b), the Cherokee Nation of Oklahoma may design and construct hydroelectric generating facilities (described in the report of the Chief of Engineers dated December 23, 1981) at the W.D. Mayo Lock and Dam on the Arkansas River in Oklahoma, in conformance with design and construction standards established by the Secretary.

(b) The Secretary and the Secretary of Energy shall enter into a binding agreement with the Cherokee Nation of Oklahoma under which—

(1) the Cherokee Nation of Oklahoma agrees—

(A) to design and initiate construction of the generating facilities referred to in subsection (a) within three years after the date of such agreement;

(B) to reimburse the Secretary for the costs incurred in—

(i) approving such design and inspecting such construction, and

(ii) providing any assistance authroized under subseciton (c) (2); and

(C)(i) to release the Federal Government from any claim or cause of action which may arise from such design or construction, and

(ii) to indemnify the Federal Government from any liability which may arise from such design or construction;

(2) the procedures and requirements for approval and acceptance of such design and construction are set forth;

(3) the rights, responsibilities, and liabilities of each party to the agreement are set forth; and

(4) the amount of the payments under subsection (g), and the procedures under which such payments are to be made, are set forth.

(c)(1) No Federal funds may be expended for the design or construction of the generating facilities referred to in subsection (a) before the date on which title to such facilities are accpted by the Secretary under subsection (e).

(2) Notwithstanding any other provision of law, the Secretary may provide, on a reimbursable basis, any assistance requested by the Cherokee Nation of Oklahoma in connection with the design and construction of the generating facilities referred to in subsection (a).

(d) The Secretary is authorized—

(1) to approve the design of the generating facilities referred to in subsection (a), and

(2) to inspect (as may be necessary) the construction of such facilities.

(e) Notwithstanding any other provision of law, upon completion of the construction of the generating facilities referred to in subsection (a) and final approval of such facilities by the Secretary—

(1) the Cherokee Nation of Oklahoma shall transfer title to such facilities to the United States; and

(2) the Secretary shall—

(A) accept the transfer of title to such generating facilities on behalf of the United States, and

(B) operate and maintain such facilities.

(f) The Southwestern Power Administration shall market the power produced by the generating facilities referred to in subsection (a) in accordance with seciton 5 of the Act of December 22, 1944 (58 Stat. 890; 16 U.S.C. 825s).

(g) Notwithstanding any other provision of law, the Secretary of Energy may pay to the Cherokee Nation of Oklahoma, in accordance with the terms of the agreement entered into under subsection (b), out of the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration—

(1) all of the costs incurred by the Cherokee Nation of Oklahoma in the design and construction of the generating facilities referred to in subsection (a), including the capital investment in such facilities and interest on such capital investment; and

(2) for a period not to exceed 50 years, a reasonable annual royalty for the design and construction of the generating facilities referred to in subsection (a).

(h) Notwithstanding any other provision of law, the Secretary of Energy may—

(1) construct such transmission facilities as necessary to market the power produced at the generating facilities referred to in subsection (a) with funds contributed by non-Federal sources; and

(2) repay those funds, including interest and any administrative expenses, directly from the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operat-

ed by the Secretary and marketed by the Southwestern Power Administration.

(i) As used in this section, the term "Secretary of Energy" means the Secretary of Energy, acting through the Southwestern Power Administration.

(j) There are authorized to be appropriated for the fiscal year in which title to the generating facilities is transferred and accepted under subsection (e), and for each succeeding fiscal year, such sums as may be necessary to operate and maintain such facilities and to market the power from such facilities.

Page 399, after line 54, insert the following:

SEC. 1199K. The Secretary of the Interior, acting through the Fish and Wildlife Service, is authorized and directed to sell surplus water which may be available at the Devil's Kitchen Lake project, Illinois, for municipal use to the city of Marion, Illinois, on such terms and at such rates as such Secretary determines to be reasonable based upon comparable rates in the area of southern Illinois.

Page 399, after line 5, insert the following new section:

SEC. 1199K. The property described in subsection (b) of this section is declared to be not a navigable water of the United States within the meaning of the Constitution and the laws of the United States.

(b) The property referred to in subsection (a) of this section consists of the following two parcels of land:

(1) All that piece or parcel of land, containing 120.54 acres, situate, lying and being in the city of Jersey City, Hudson County, State of New Jersey, upon or around that certain lot or piece of land known as the Caven Point Area, being more particularly described as follows:

Beginning at a point in the southeasterly right-of-way line of Caven Point Road, said point being the southwesterly corner of a tract of land owned now or formerly by Tankport Terminals, Inc.;

thence along the southwesterly line of the aforesaid tract of land south 52 degrees 39 minutes 04 seconds east, a distance of 733.07 feet to a point, said point being marked by a found galvanized nail set in concrete;

thence along lands now or formerly of the State of New Jersey (Department of Environmental Protection) south 27 degrees 13 minutes 11 seconds east, a distance of 364.72 feet to a point, said point being marked by a found monument;

thence still along said lands south 54 degrees 22 minutes 11 seconds west, a distance of 155.40 feet to a point, said point being marked by a found monument;

thence still along said lands south 13 degrees 06 minutes 47 seconds east, a distance of 197.51 feet to a found monument;

thence still along said lands south 11 degrees 10 minutes 08 seconds east, a distance of 202.01 feet to a point in the center of Caven Creek;

thence along the centerline of Caven Creek in a general northeasterly direction the following ten courses:

north 72 degrees 56 minutes 02 seconds east, a distance of 0.67 feet;

north 62 degrees 23 minutes 54 seconds east, a distance of 7.44 feet;

north 64 degrees 27 minutes 24 seconds east, a distance of 14.20 feet;

north 68 degrees 20 minutes 06 seconds east, a distance of 9.14 feet;

north 66 degrees 13 minutes 24 seconds east, a distance of 44.49 feet;

north 65 degrees 55 minutes 31 seconds east, a distance of 18.62 feet;

north 52 degrees 14 minutes 36 seconds east, a distance of 32.36 feet;

north 47 degrees 53 minutes 41 seconds east, a distance of 33.25 feet;

north 52 degrees 44 minutes 00 seconds east, a distance of 18.17 feet;

north 63 degrees 21 minutes 24 seconds east, a distance of 5.62 feet;

thence still along a new line south 04 degrees 53 minutes 00 seconds west, a distance of 141.80 feet to a point;

thence still along a new line south 10 degrees 11 minutes 02 seconds east, a distance of 203.89 feet to a point;

thence still along a new line south 04 degrees 53 minutes 00 seconds west, a distance of 350.00 feet to a point;

thence still along a new line south 02 degrees 42 minutes 32 seconds east, a distance of 410.00 feet to a point;

thence still along a new line south 19 degrees 14 minutes 44 seconds east, a distance of 105.40 feet to a point;

thence still along a new line south 05 degrees 44 minutes 29 seconds east, a distance of 151.21 feet to a point;

thence still along a new line south 09 degrees 29 minutes 34 seconds east, a distance of 270.90 feet to a point;

thence still along a new line south 0 degrees 45 minutes 47 seconds east, a distance of 224.44 feet to a point;

thence still along a new line south 06 degrees 49 minutes 07 seconds west, a distance of 123.96 feet to a point;

thence still along a new line south 22 degrees 04 minutes 07 seconds west, a distance of 531.58 feet to a point in the southerly edge of an existing 41.30 foot wide concrete pier;

thence south 44 degrees 26 minutes 38 seconds west, a distance of 6.87 feet to a point;

thence north 47 degrees 47 minutes 04 seconds west, a distance of 231.00 feet to a point;

thence south 44 degrees 16 minutes 49 seconds west, a distance of 26.34 feet to a point;

thence along the northeasterly line of lands now or formerly of the United States Government (Caven Point Marine Base) north 45 degrees 30 minutes 22 seconds west, a distance of 1,000.000 feet to a point;

thence along the northwesterly line of lands now or formerly of the United States Government (Caven Point Marine Base) south 43 degrees 36 minutes 47 seconds west, a distance of 100.00 feet to a point in the northeasterly line of an existing 100 foot sewer easement granted to the City of Jersey City (Richard Street Sewer) as set forth in Deed Book 1402, Page 449;

thence along the same north 45 degrees 37 minutes 46 seconds west, a distance of 553.25 feet to an angle point;

thence still along said sewer easement line north 14 degrees 24 minutes 21 seconds west, a distance of 195.88 feet to a point, said point being the intersection of the sewer line with the projection of the northeasterly line of the above mentioned lands now or formerly of the United States Government (Caven Point Marine Base);

thence along said projected new line north 45 degrees 30 minutes 22 seconds west, a distance of 186.13 feet to a point;

thence along a new line north 88 degrees 14 minutes 02 seconds west, a distance of 1,184.70 feet to a point;

thence along lands now or formerly of the Trustee of the Lehigh Valley Railroad north 49 degrees 07 minutes 25 seconds west, a distance of 340.40 feet to a point in the southeasterly right-of-way line of Route 185;

thence along a new line north 54 degrees 19 minutes 18 seconds east, a distance of 253.59 feet to a point;

thence still along the same north 54 degrees 53 minutes 41 seconds east, a distance of 100.00 feet to a point;

thence still along the same north 54 degrees 19 minutes 18 seconds east, a distance of 395.99 feet to a point;

thence still along the same south 86 degrees 50 minutes 15 seconds east, a distance of 177.10 feet to a point;

thence still along the same south 45 degrees 31 minutes 04 seconds east, a distance of 57.24 feet to a point;

thence still along the same north 44 degrees 28 minutes 56 seconds east, a distance of 50.00 feet to a point;

thence still along the same north 05 degrees 16 minutes 41 seconds east, a distance of 210.44 feet to a point;

thence still along the same north 54 degrees 19 minutes 18 seconds east, a distance of 444.08 feet to a point;

thence still along the same north 53 degrees 44 minutes 55 seconds east, a distance of 100.00 feet to a point;

thence still along the same north 54 degrees 19 minutes 18 seconds east, a distance of 233.24 feet to a point of tangency;

thence still along the same and along a curve to the left having a radius of 10,061.00 feet, an arc distance of 100.61 feet to a point of compound curvature;

thence still along the same and along a curve to the left having a radius of 4,061.00 feet, an arc distance of 50.76 feet to a point of compound curvature;

thence still along the same and along a curve to the left having a radius of 2,661.00 feet, an arc distance of 102.35 feet to a point of compound curvature;

thence still along the same and along a curve to the left having a radius of 2,061.00 feet, an arc distance of 428.08 feet to a point in the southwesterly line of Caven Point Road;

thence still along the same south 52 degrees 42 minutes 47 seconds east, a distance of 48.66 feet to an angle point;

thence still along the same south 37 degrees 17 minutes 13 seconds east, a distance of 50.00 feet to an angle point;

thence still along the same south 52 degrees 42 minutes 47 seconds east, a distance of 47.22 feet to an angle point;

thence still along the same north 31 degrees 21 minutes 52 seconds east, a distance of 359.61 feet to the point and place of beginning.

(2) All that piece or parcel of land, containing 18 acres more or less, situate on the northwesterly side of New Jersey State Highway Route 185, more particularly described as follows:

Beginning at a point in the southeasterly right-of-way line of lands now or formerly of Lehigh Valley Railroad Company (Natinal Docks Branch), said point being the intersection of said line with the southwesterly lines (if projected) of lands now or formerly of the United Sates Government (Caven Point Army Trminal);

thence south 45 degrees 37 minutes 46 seconds east along said southwesterly line of U.S. Government property 830.84 feet to a point in the northwesterly right-of-way line of New Jersey State Highway Route 185;

thence along the same line south 44 degrees 28 minutes 56 seconds west along a line 39.06 feet to a point;

thence along the same line south 05 degrees 16 minutes 48 seconds west along a line 210.45 feet to a point;

thence along the same line south 54 degrees 19 minutes 18 seconds west along a line 427.65 feet to a point;

thence along the same line south 53 degrees 44 minutes 55 seconds west along a line 100.00 feet to a point;

thence along the same line south 54 degrees 19 minutes 18 seconds west, along a line 182.76 feet to a point of intersection with a northeasterly line of land now or formerly of the trustee of the Lehigh Valley Railroad;

thence north 49 degrees 07 minutes 25 seconds west along said line and also along lands now or formerly of the Linden urban Renewal Association 724.48 feet to a point in the aforesaid southeasterly right-of-way of the Lehigh Valley Railroad Company;

thence north 37 degrees 13 minutes 52 seconds east along the same line 953.84 feet to the point or place of beginning.

Page 399, after line 5, insert the following:

SEC. 1199K. (a) The Secretary may enter into a contract providing for the payment or recovery of an appropriate share of the costs of a project under his responsibility with a Federal Project Repayment District or other political subdivision of a State prior to the construction, operation, improvement, or financing of such project. The Federal Project Repayment District shall include lands and improvements which receive identifiable benefits from the construction or operation of such project. Such districts shall be established in accordance with State law, shall have specific boundaries which may be changed from time to time based upon further evaluations of benefits, and shall include the power to collect a portion of the transfer price from any transaction involving the sale, transfer, or change in beneficial ownership of lands and improvements within the district boundaries.

(b) Cost recovery pursuant to the provisions of this section shall be deemed to meet cost recovery requirements of other provisions of Federal law if the economic study required by subsection (c) of this section demonstrates that income to the Federal Government equals or exceeds that required over the term of repayment required by that cost recovery provision.

(c) Prior to execution of an agreement pursuant to subsection (a) of this section, the Secretary shall require and approve a study from the State or political subdivision demonstrating that the revenues to be derived from a contract under this section, or an agreement with a Federal Project Repayment District, will be sufficient to equal or exceed the cost recovery requirements over the term of repayment required by Federal law.

(d) The Secretary is authorized to participate with appropriate non-Federal sponsors in a project to demonstrate the feasibility of non-Federal cost sharing for ports and harbors under the provisions of subsections (a) through (c). Such project shall consist of the project for navigation, flood control, and protection of the Seal Beach Naval Weapons Station at Sunset Beach Harbor, Bolsa Chica Bay, California at an estimated cost of $89,600,000. Including such modifications as the Secretary may determine are advisable and upon execution of agreements by the State of California and/or local sponsors for preservation and mitigation of wetlands areas and appropriate financial participation. The Secretary may not undertake construction without the concurrence of the Secretary of the Navy on measures to protect the Naval Weapons Station. The Secretary shall, not later than two years after the date of enactment of this Act, make a determination of financial feasibility of the project and transmit a copy of a final feasibility study and a copy of an final environmental impact statement required by section 102(2)(c) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. No appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee. Agreements for local financial participation shall include the repayment agreements set forth in subsection (a) so as to meet up front cost contributions as required by Federal law together with full amortization of the remaining federal investment including costs of project feasibility studies.

At the end of title XI, insert the following new section:

SEC. 1199K. The Secretary is authorized and directed to remove polluted bottom sediments, at full Federal expense, from the Miami River and Seybold Canal in Miami, Florida, between the mouth of the Miami River and the salinity control structure at 36th Street. Local interest shall furnish all lands, easements, rights-of-way, relocations, and alterations necessary for initial dredging and subsequent maintenance before the Secretary removes any such sediments.

At the end of title XI, add the following new section:

SEC. 1199K. The Secretary is authorized to rehabilitate the Eishenhower and Snell Locks, Saint Lawrence River, Massena, New York, in accordance with the Reconnaissance Report prepared for the Saint Lawrence Seaway Development Corporation by the district engineer for the Buffalo District, dated November 1984 and revised February 1984, at full Federal expense.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ROE. I thank the chairman for recognizing me on the committee substitute. This substitute has been printed in the RECORD. The committee substitute that we are working with now contains a number of items that clear up a number of points that were made requiring different adjustments throughout the bill.

This is an enormous bill, and we have had to come back and readjust this bill to meet those points. I think that the Members know about this substitute. It was printed in the RECORD.

I yield to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. I certainly concur in what the chairman has said, and fully support taking these amendments up en bloc.

Mr. LIVINGSTON. Would the gentleman yield?

Mr. ROE. I yield to the gentleman.

Mr. LIVINGSTON. Will the gentleman inform me whether or not an amendment involving the West Bank Hurricane Protection Levee of Jefferson Parish, LA, is in his bulk amendment?

Mr. ROE. Is this the one you are working on now?

No; we have not gotten to that point yet. We will consider that. This is only the first stop.

Mr. LIVINGSTON. I appreciate the gentleman's response.

Mr. HOWARD. Mr. Chairman, I ask unanimous consent to delete, as a modification of the amendments offered by the gentleman from New Jersey [Mr. ROE] before the Committee at this time, as follows:

On page 148, line 3 of the text of H.R. 3670 delete the word "shall" and insert the word "may".

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. SAXTON. Reserving the right to object, Mr. Chairman.

If I may enter into a colloquy with the gentleman from New Jersey.

Mr. Chairman, I understand that the thrust of the amendment would be to make discretionary on the part of the Corps of Engineers as to whether or not a certain fishing pier would be built, at the cost of about $500,000 on a project modification at Barnegat Inlet. Is that correct?

Mr. HOWARD. Will the gentleman yield?

Mr. SAXTON. I yield to the gentleman.

Mr. HOWARD. Yes; in language now concerning Barnegat Inlet in the State of New Jersey toward the dredging and reconstruction of the pier, there is a provision that says that the corps shall construct a fishing pier on the southern jetty.

We understand that there may be some objection locally, in that area, and so what this would do would just leave it open, rather than lock it in, so that the Corps of Engineers and local interests may have some input in this. That is all the change would do.

Mr. SAXTON. Mr. Chairman, I appreciate very much the gentleman's cooperation in this matter. There is a significant objection on the part of many municipalities in the area who are fearful of traffic congestion and it is a very, very serious matter to many small communities; particularly in light of the infrastructure which is not probably capable of taking care of much of the traffic and parking problems that would occur.

In addition to that, I might point out to the gentleman from New Jersey [Mr. HOWARD], and again thanking him for his cooperation, that the State

of New Jersey would fund approximately half of this fishing pier, which would be about $250,000, and there has been some objection raised by the State Department of Environmental Protection relative to that matter.

Mr. Chairman, I withdraw my reservation of objection and support the measure wholeheartedly.

The CHAIRMAN pro tempore. Is there objection to the modification of the gentleman from New Jersey [Mr. HOWARD]?

There was no objection.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, during preparation for the dedication ceremonies for the Tennessee-Tombigbee Waterway, a young National Guardsman lost is life in a tragic accident. Pvt. L. DeWayne Hayes was killed while helping to install a pontoon bridge as part of the grand opening of the Tenn-Tom at the Stinson Creek Recreation Area in Columbus, MS. Private Hayes was a resident of West Blocton, AL, and was a member of the National Guard unit from Centreville, AL.

I propose to rename the Stinson Creek Area the "DeWayne Hayes Recreation Area" in honor of the 20-year-old private. My amendment would pay tribute to this young serviceman, whose contributions and hard work are remembered by his fellow guardsmen, area residents, and Tenn-Tom officials. Private Hayes' death is a sad loss, and renaming the Stinson Creek Area for him is a fitting memorial.

I would like to thank subcommittee Chairman ROE; the ranking minority member, Mr. STANGELAND; full committee Chairman HOWARD; and the ranking minority member of the full committee, Mr. SNYDER, for their help and cooperation in accepting this amendment.

Mr. ROE. Mr. Chairman, I commend the gentleman on that. I want to say that I think that the suggestion that he offered and the amendment he offered created a human touch to what we are doing in this House. The gentleman's amendment recognizes where someone gave up their life because of what had to be done in improving our whole system.

So I compliment him for that, and I thank the gentleman for his contribution.

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman from New Jersey.

AMENDMENTS OFFERED BY MR. ROE TO THE AMENDMENTS OFFERED BY MR. ROE

Mr. ROE. Mr. Chairman, I ask unanimous consent to offer five clarifying, technical amendments to the pending amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ROE to the amendments offered by Mr. ROE:

In the matter proposed to be inserted on and after page 93, line 15 (relating to the Santa Ana River Mainstem project), insert at the end the following: "Construction of the Upper Santa Ana River Dam portion of the project shall proceed at the same time as construction of the upstream portions of the project in San Bernardino and Riverside Counties.".

In the matter proposed to be inserted on page 11, on and after line 9, relating to Kill Van Kull and Arthur Kill, New York and New Jersey—

(1) strike out "except that such project shall extend the Arthur Kill Channel at a depth of 40 feet to the Fresh Kills in Carteret, New Jersey, and such easing of bends as the Secretary determines are necessary to enhance navigation,";

(2) strike out "$85,000,000" and insert in lieu thereof "$59,000,000"; and

(3) strike out the last period and insert in lieu thereof the following: "and on satisfying the terms of section 103 shall be included in the project described in clause (1).".

In lieu of the matter proposed to be inserted on page 186, after line 24, insert the following:

(d) Notwithstanding any other provision of law (including the Water Supply Act of 1958), the Secretary—

(1) may not enter into any contract for the sale of storage to be reassigned to water supply in any water resource project under the jurisdiction of the United States that is not based on—

(A) repayment of the portion of the original construction cost of such project, including interest during construction that has been reallocated to water supply; and

(B) the interest accrued on the construction cost from the date of construction to the date of such reallocation; and

(2) may not implement any contract described in paragraph (1) which was entered into before the date of the enactment of this Act but for which no funds have been expended as of such date of enactment for water acquisition; until completion of the study under this section and enactment of a law after the date of enactment of this Act which authorizes the Secretary to enter into such a contract. The interest rate during construction and accrued construction cost interest shall be determined by the Secretary of the Treasury for the fiscal year in which construction of such project was initiated.

In the matter proposed to be inserted on line 25 of page 397, after "Canal Authority of such State" insert the following: "(except existing State roads, highways, and bridges and related rights-of-way, which may be transferred to a county or other local government)".

(1) In the matter proposed to be inserted as subsection (k) after line 3 on page 332, strike out "subsection" and insert in lieu thereof "section".

(2) In the amendment which proposes to add a new section 1199K at the end of title XI of the bill, relating to removal of certain vessels under the control of the United States, strike out "Seybold Channel" and insert in lieu thereof "Seybold Canal".

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ROE. Mr. Chairman, on these amendments, these are technical, conforming amendments where some errors had been made, and figures had to be recalculated; but I say to the House, these are technical amendments, and they offer no substantive change.

Mr. LEWIS of California. Will the gentleman yield?

Mr. ROE. I yield to the gentleman.

Mr. LEWIS of California. I appreciate my distinguished colleague yielding.

First, let me say the chairman has been most cooperative in our concerns relative to the Santa Ana River project, and the gentleman mentioned that specifically. Could he clarify for me what that technical amendment would do as it relates to that project?

□ 1110

Mr. ROE. On the Santa Ana project, may I at the outset say to the distinguished gentleman from California and his colleagues what an extraordinary job you all have done in putting together a frightfully, terribly complicated project. I know that the gentleman had been working in a bipartisan manner with all Members on both sides of the aisle to get this matter resolved. This technical amendment that we would be adding to the Santa Ana River project which would simply say, and let me read it to you:

The construction of the upper Santa Ana River Dam portion of the project shall proceed at the same time as the construction of the upstream portion of the project in the San Bernadino and Riverside Counties.

What we are doing here is simply two things. We have a communique from the corps that reaffirms that the integrity from the Prado Dam to the new revision of what was the Mentone Dam and the other counties' floodproofing program is all part and parcel of one particular program. We have authorized in this House, under our language, the entire project. I understand there is a question in the other body because they only authorized the lower reaches of that particular Santa Ana River flood protection program but only because they did not have the full report that was filed in September when they drafted their bill.

Therefore, what we are saying in further discussions with the corps that as they build the alternative to what was the Mentone Dam, part of the integrity of that construction is, there

are excavations involved which they want to be able to use some of that material to flood-proof and build dikes along different streams in San Bernadino and Riverside Counties. I believe that is the name that sticks in my mind.

This amendment comes back and says, it assures one thing, that when they are building the alternative to the Mentone Dam, the one that we are talking about in the September report, that the construction must proceed simultaneously with the upstream portions of the project in San Bernardino and Riverside Counties.

Mr. LEWIS of California. Will the gentleman yield further?

Mr. ROE. I yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentleman for yielding.

Mr. Chairman, generally I agree with the thrust of that language, but would the gentleman help me with a technical question that could develop and perhaps be critical? It is my understanding that the Prado Dam is located within Riverside County, and this language then would address itself to the Prado Dam as well as to other construction elements.

Mr. ROE. Not to my understanding of it, not to my understanding. Let us have a colloquy on this.

What the gentleman is saying, what the gentleman's concern is, that he does not want to have part of the Riverside flood control program delayed because of the Mentone. That is not the intent of the amendment. The intent of this amendment is only to affect those areas that would be affected upstream when the alternate to the Mentone Dam is constructed.

Mr. LEWIS of California. The gentleman then responded to one-half of my concern. That is that the Prado Dam construction, further development would not be delayed, it is not the intent of this amendment to delay that. I appreciate that.

Mr. ROE. The gentleman is correct.

Mr. LEWIS of California. The other side of the question is, it is my understanding that it is just conceivable that we could have near the Prado Dam the finding of some endangered species, somewhere I have heard of those little problems developing.

Mr. ROE. Not in California.

Mr. LEWIS of California. Now, if such a thing should occur, that conceivably could impact the Prado Dam in a fashion that neither the gentleman nor myself would intend. But if that was the case, is it conceivable that that portion of the project might be delayed, and if that were the circumstance, would such a delay, in turn, delay construction that might in a reasonable way take place?

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. ROE] has expired.

(By unanimous consent, Mr. ROE was allowed to proceed for 5 additional minutes.)

Mr. LEWIS of California. Mr. Chairman, will the gentleman continue to yield?

Mr. ROE. I yield to the gentleman further, of course.

Mr. LEWIS of California. I thank the gentleman for yielding.

Mr. Chairman, my concern is, if we found such a difficulty, the language of the amendment appears as though it might impact logical construction proceeding in the upper dam which is currently being considered as the logical alternative to the Mentone. Is that the intent of the gentleman? Would indeed this amendment do that?

Mr. ROE. No. I think what you are saying is, as we unfold the program and we go through the necessary environmental impact statement and other studies that are involved, if there comes about some, I am trying to think of the name, some snail darter that comes out of the woodwork——

Mr. LEWIS of California. The finch-toed lizard, perhaps?

Mr. ROE. What is that?

Mr. LEWIS of California. The finch-toed lizard.

Mr. ROE. Well, the lizard could, someone could come in and stop the project?

Mr. LEWIS of California. If they delayed Prado as a result of such a problem, would the language of this technical amendment, in turn, lead to an automatic delay of the construction of the proposed project upstream?

Mr. ROE. No.

Mr. LEWIS of California. If that indeed is the intent of the technical amendment.

Mr. ROE. That is right.

Mr. LEWIS of California. I agree with that. I have no problem with the technical amendment of the gentleman from New Jersey.

I thank my colleague.

Mr. McCANDLESS. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from California.

Mr. McCANDLESS. I thank the gentleman for yielding.

I am the other part of the puzzle, Mr. Chairman.

Mr. ROE. Yes.

Mr. McCANDLESS. Riverside County. I have a concern here, Mr. Chairman, about how the construction would proceed with respect to the traditional downstream-working-upstream concept that other projects have been constructed on. This technical amendment, does it deal with constructing all of the project at the same time the raising of the Prado Dam, at the same time that the construction of the Mentone alternative would take place?

Mr. ROE. It does at the same time that the Mentone alternative takes place, yes.

Mr. McCANDLESS. So if there were to be a cost-to-benefit ratio on the part of the Corps of Engineers, the cost-to-benefit ratio would address the entire project, not some portion that might be left over.

Mr. ROE. The gentleman is absolutely correct. The cost-to-benefit ratio would relate to the whole project.

Mr. McCANDLESS. I thank the chairman.

Mr. PACKARD. Mr. Chairman, will the gentleman yield?

Mr. ROE. Of course I yield to the distinguished gentleman from California [Mr. PACKARD] who has done yeoman's work on this program.

Mr. PACKARD. I sincerely appreciate the work of the chairman on this project which involves so many different parts of California, three counties in particular.

I appreciate the gentleman yielding.

I would like to inquire about the requirement in this technical amendment of having all parts of the upper portion of the project moving at the same time or simultaneously. Will this bring about a delay in any portion of the upper part of the project, and will those delays cause increased costs by virtue of the delay?

Mr. ROE. No; I do not see where that would happen, if I may respond to the distinguished gentleman from California, because this project, as the gentleman knows from his own work and efforts he put forth, is of such magnitude that it is impossible to build all at one time, to put out one contract. That is just not possible, there is land acquisition involved. So it would proceed segmentally.

So I see absolutely no problem that the gentleman is referring to here at all, from my point of view.

Mr. PACKARD. With that explanation, Mr. Chairman, I support the technical amendment.

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to commend my colleagues from New Jersey, Mr. HOWARD, chairman of the Public Works Committee, and Mr. ROE, chairman of the Subcommittee on Water Resources, for their continuing support of beach restoration in Pinellas County, FL, which I represent.

I also want to thank the chairman for including in his amendment a recommendation by the Army Corps of Engineers to extend the Federal authorization for this project.

As you know, Hurricane Elena pounded Pinellas last September, leaving houses falling into the sea, damaging sea walls, and seriously eroding the beaches. The beaches, sea walls, and

property along the coast were left extremely susceptible to future storm damage. Last week that was in evidence as high tides and waves from Hurricane Juan again pounded the beaches, causing further erosion and weakening sea walls.

As a result of President Reagan's disaster declaration, the Corps of Engineers and the Federal Emergency Management Agency are completing plans to renourish and repair previously completed Federal beach restoration projects along Pinellas County's coast.

In other cases, immediate relief for beach renourishment is not available to those cities along the coast that chose in the past not to participate in the Federal Beach Renourishment Program.

If I might, Mr. Chairman, I would like to engage in a brief colloguy with my colleague from New Jersey, Mr. HOWARD, the chairman of the committee, to clarify his amendment, which includes an extension of the life of the Pinellas County beach renourishment project.

Mr. Chairman, as I stated earlier, a number of cities in Pinellas County had chosen not to participate in our ongoing beach renourishment project and, therefore, are not currently authorized to receive emergency beach restoration funds. It's important, however, that these communities be permitted to become a part of the Pinellas County project with as little delay as possible. I understand that your amendment, as it is written, would allow those cities desiring to become a part of this project to do so without the need for further Congressional authorization and appreciate that and inquire of the gentleman if my understanding is accurate?

Mr. STANGELAND. Mr. Chairman, if the gentleman will yield, I want to commend my colleague from Florida, Mr. YOUNG, for continuing to keep the committee aware of the serious situation that developed in Pinellas County as a result of Hurricanes Elena and Juan. Through his work with our committee, we have been able make provisions for the needs of the beautiful beaches of Pinellas County, and to do so without disruption.

My colleague from Florida is correct in saying that those communities in Pinellas County not currently participating in this project can do so without the need for further congressional authorization.

Mr. YOUNG. Mr. Chairman, I want to thank my colleague for his response and say that as a member of the Appropriations Committee, I will continue to do all I can to provide the necessary funding for those communities that decide to become a part of this authorized beach project.

Mr. Chairman, I appreciate the comments of my friend, the gentleman from Minnesota [Mr. STANGELAND].

Mr. ROE. Mr. Chairman, I ask for adoption of the five technical amendments.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from New Jersey [Mr. ROE] to the amendments offered by the gentleman from New Jersey [Mr. ROE].

The amendments to the amendments were agreed to.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from New Jersey [Mr. ROE], as amended, as modified.

The amendments, as amended, as modified, were agreed to.

Mr. BIAGGI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the statement that I am making in connection with this bill is one that I would have made yesterday but for the elections in New York.

Mr. Chairman, I rise in strong support of the committee substitute amendment to H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. As the principal author of title I of the legislation—the Port Development and Navigation Improvement Act of 1985, I am pleased to join with my friend and colleague, the gentleman from New Jersey [Mr. ROE], in bringing this legislation before the House for the third time.

At this time, I would also like to mention the excellent job done by one of my subcommittee counsels, Larry Mallon. He has worked long and hard on the port bill since its inception, and he deserves a great deal of credit for his extraordinary effort in the development of this legislation.

This is the third consecutive Congress that has considered comprehensive reform of the process of authorizing, financing, and constructing port navigation projects in the United States. Following 7 days of hearings in the field and here in Washington, and endless meetings as chairman of the Merchant Marine Subcommittee, I developed and introduced the grandfather of current port development legislation (H.R. 4627) in the 97th Congress—the only such measure reported to the House in that Congress. Title I of H.R. 6 incorporates most of the generic reforms formulated to expedite the port development process that have been embodied in every port bill introduced since then.

I reintroduced the bill (H.R. 1512) in the 98th Congress, and the Merchant Marine Committee reported it out again. At the request of Chairman ROE, I agreed to the incorporation of my bill into H.R. 3678—water resources authorization—in the 98th Congress, hoping for its expeditious passage. The House acted twice, but the bill languished in the other body.

I agreed to the inclusion of my port development bill in the water resources legislation last Congress and this one for one reason—I was assured it would be acted on quickly. It's no secret that the administration is squarely behind the port development bill, and its inclusion is critical to the passage of H.R. 6.

In all, the Merchant Marine Committee and the subcommittee have held 11 days of hearings on this legislation spanning the last three Congresses. I offer this chronology to underscore the genesis of the legislation and the commitment of the Merchant Marine Committee to the enactment of comprehensive port development legislation.

To those of us on the committee, title 1 represents the culmination of 5 years of sustained effort toward the enactment of meaningful procedural reform of the process of port development in the United States. These reforms affect the authorization, permitting, financing, and construction of port navigation projects in the national interest. The substitute amendment contains those procedural and substantive elements we deem critical to ensure the timely completion of necessary port projects in the future.

These include:

First, fast tracking. This is reflected in the adoption of a consolidated economic, engineering, and environmental decisionmaking process for port project review and approval involving all levels of government, the public, and affected interests.

These critically needed reforms will shorten the approval process for an individual port project from 22 years to 2½ years on the average. The fast-track process may be utilized by a local port—whether or not the non-Federal interest seeks later congressional authorization for reimbursement of the Federal share of the cost of project construction. Fast track is applicable to projects undertaken in whole or in part by a local port.

Second, project financing reforms. These are reflected foremost in the adoption of a graduated system of cost sharing between the Federal Government and non-Federal interests corresponding to project depth. This system is based upon the adoption of an international recognized threshold of 45 feet in depth as the line of demarcation between general cargo and deep-draft ports. This recommendation emanated from a survey of the national port policy practices of most developed countries conducted by the Merchant Marine Committee.

The adoption of a cost-sharing approach for the financing of new project construction incorporates the substitution of a market test, in lieu of

traditional cost-benefit analysis, in the determination of the economic viability of port projects. This should result in those projects having greater national and regional economic benefits proceeding to completion expeditiously.

Project financing reform, as advanced by the Merchant Marine Committee, also incorporates a Federal guarantee of the local share of the cost of new project construction as a substitute for direct Federal funding—at least until such time as a demonstrated market develops for locally issued channel dredging bonds.

These reforms institutionalize formerly ad hoc cost-sharing arrangements requiring inkind local contribution to project construction cost, such as dredged spoil disposal areas and reasonable environmental mitigation measures. These elements have frequently amounted to between 10 and 30 percent of total construction cost in the past.

Third, local user fee authority. This is implemented through the conferral of the consent of Congress upon non-Federal interests to levy local port or harbor dues. This is the traditional method for implementing a national policy requirement for cost sharing of navigation improvements adopted by other developed countries.

This authority may be exercised for the purpose of financing the local share of the cost of project construction, operation, and maintenance of a port navigation project constructed either by the Federal Government or by a local port.

I would like to raise at this point a concern of mine.

The Ways and Means Committee's version of H.R. 6 imposes a 0.04 percent ad valorem fee on cargo to recover a portion of the Federal operation and maintenance costs. I believe this fee whether called a fee or a tax raises questions of constitutionality, and I anticipate a challenge in court.

Combined, these reforms should go a long way toward improving the institutional process of port development in the United States by: Expediting the construction of long overdue and economically viable projects; reallocating national and local resources to higher priority projects; and affording, for the first time since the adoption of the Constitution, the opportunity for local ports to undertake the planning, financing, and construction of navigation projects under Federal approval and supervision.

In my judgment, the generic procedural reforms incorporated in title 1 of this legislation chart a new course in federalism and national port policy. They represent the first major restructuring of the original agreement between the newly established Federal Government and the States concerning port development—a compromise underlying the adoption of the constitution nearly 200 years ago.

It is very fulfilling to see an idea reach fruition. I am proud to have been the first sponsor of port development legislation. Although my original concept has been modified, the general thrust of that first bill remains intact. Passage of this bill will mean a new era in port development.

I strongly urge the support of this legislation, so long in the making, as we proceed to its consideration for the final time.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, October 15, 1985.

To: House Merchant Marine and Fisheries Committee, Merchant Marine Subcommittee. (Attention: Larry Mallon).

From: Lenore Sek, Analyst in Transportation, Economics Division.

Subject: Revenues from an 0.04 Percent Ad Valorem Port User Fee, by Customs District.

The attached table show the value of total U.S. waterborne merchandise trade for 1984, and the revenue that would be received if an ad valorem fee of 0.04 percent were assessed on the merchandise at each of the Customs districts. The table shows that the districts in the North Atlantic area would account for 32 percent of the revenues that would be received, with the district of New York accounting for half of the revenues from the North Atlantic area. The Pacific area would account for 30 percent of revenues, with Los Angeles accounting for about half of the area's revenues. The Gulf area would account for 26 percent of revenues. The remaining areas would account for smaller portions: South Atlantic, 9 percent; Great Lakes, 2 percent; and other areas, 1 percent.

If you would like further information, please call me.

VALUE OF TOTAL WATERBORNE MERCHANDISE TRADE, AND REVENUE FROM AN 0.04 PERCENT AD VALOREM FEE, BY CUSTOMS DISTRICT, 1984

[Dollar amounts in millions]

Customs district	Value of imports	Value of exports	Total value of merchandise	Revenue from ad valorum fee	Percent of revenue
Grand total	192,990.9	101,970.9	294,961.8	117.98	100.0
North Atlantic area, total	69,841.6	23,600.8	93,442.4	37.38	31.7
Portland, ME	577.1	94.1	671.2	.27	.2
St. Albans, VT					
Boston, MA	3,333.0	412.2	3,745.2	1.50	1.3
Providence, RI	766.5	43.1	809.6	.32	.3
Bridgeport, CT	1,249.6	29.7	1,279.3	.51	.4
New York, NY	36,811.1	10,280.0	47,091.1	18.84	16.0
Philadelphia, PA	13,279.0	1,804.4	15,083.4	6.03	5.1
Baltimore, MD	9,149.2	5,602.6	14,751.8	5.90	5.0
Norfolk, VA	4,599.1	5,334.5	9,933.6	3.97	3.4
Washington, DC	77.0	.2	77.2	.03	[1]
South Atlantic area, total	16,588.2	10,961.4	27,549.6	11.02	9.3
Wilmington, NC	809.9	1,292.8	2,102.7	.84	.7
Charleston, SC	3,034.5	2,893.3	5,928.3	2.37	2.01
Savannah, GA	3,764.0	2,686.1	6,450.1	2.58	2.2
San Juan, PR	3,523.8	857.3	4,381.1	1.75	1.5
U.S. Virgin Islands	2,456.9	208.2	2,665.1	1.07	.9
Miami, FL	2,999.1	3,023.2	6,022.3	2.41	2.0
Gulf area, total	39,709.9	35,618.9	75,328.8	30.13	25.5
Tampa, FL	4,823.6	2,693.9	7,517.5	3.01	2.5
Mobile, AL	3,128.2	1,225.9	4,354.1	1.74	1.5
New Orleans, LA	8,689.8	16,693.4	25,383.2	10.15	8.6
Port Arthur, TX	5,243.8	1,653.3	6,897.1	2.76	2.3
Laredo, TX	109.3	37.9	147.2	.06	[1]
St. Louis, MO	37.7		37.7	.02	[1]
Houston/Galveston, TX	17,677.5	13,314.5	30,992.0	12.40	.5
Pacific area, total	63,495.5	25,943.3	89,438.8	35.78	.3
San Diego, CA	81.9	138.3	220.2	.09	.1
Los Angeles, CA	33,308.7	9,153.4	42,462.1	16.98	14.4
San Francisco, CA	10,528.5	6,730.9	17,259.4	6.90	5.9
Portland, OR	3,182.4	4,086.7	7,269.1	2.91	2.5
Seattle, WA	15,172.5	4,768.3	19,940.8	7.98	6.8
Anchorage, AK	222.5	921.4	1,143.9	.46	.4

VALUE OF TOTAL WATERBORNE MERCHANDISE TRADE, AND REVENUE FROM AN 0.04 PERCENT AD VALOREM FEE, BY CUSTOMS DISTRICT, 1984—Continued

[Dollar amounts in millions]

Customs district	Value of imports	Value of exports	Total value of merchandise	Revenue from ad valorum fee	Percent of revenue
Honolulu, HI	999.0	144.3	1,143.3	.46	.4
Great Lakes area, total	3,235.4	3,407.3	6,642.7	2.66	2.3
Ogdensburg, NY	15.2	9.0	24.2	.01	(1)
Buffalo, NY	84.0	9.1	93.1	.04	(1)
Pembina, ND					
Minneapolis, MN					
Duluth, MN	140.8	1,179.9	1,320.7	.53	.4
Milwaukee, WI	148.4	236.1	384.5	.15	.1
Detroit, MI	1,143.3	306.4	1,449.7	.58	.5
Chicago, IL	1,124.8	153.5	1,278.3	.51	.4
Cleveland, OH	578.9	1,513.3	2,092.2	.84	.7
Other statistical areas, total	120.3	2,439.2	2,559.5	1.02	.9
El Paso, TX		NA	NA	NA	NA
Nogales, AZ		NA	NA	NA	NA
Great Falls, MT		NA	NA	NA	NA
Dallas/Ft. Worth, TX					
Norfolk/Mobile/Charleston [2]		2,296.9	2,296.9	.92	.8
Other	120.3	142.3	262.6	.11	.1

[1] Less than 0.05 percent.
[2] Bituminous coal shipments. Not included in other district figures.
Source: U.S. Department of Commerce. Bureau of the Census. Highlights of U.S. Export and Import Trade. December 1984. Washington, 1985. Exports table 6 and imports table 10.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, September 11, 1985.

To: House Merchant Marine and Fisheries Committee.
(Attention: Larry Mallon).
From: Lenore Sek, Analyst in Transportation, Economics Division.
Subject: Calculation of a Port User Fee Based on Revenue Tons.

You requested that CRS calculate a port user fee based on revenue tons that would generate $140 million in revenues. A revenue ton is defined as a long ton when the freight charge is calculated on the basis of weight, as in the case of many bulk shipments, and it is defined as a measurement ton when the freight charge is calculated on the basis of volume, as in the case of many liner shipments. You requested that port fees be calculated for each of these two types of revenue ton.

The Maritime Administration (MarAd), Office of Port and Intermodal Development, provided the following 1980 data on U.S. waterborne commerce that probably was shipped by each of the two meanings of revenue ton.

Foreign trade (739 million long tons total):
weight: 665 million long tons.
measure: 168 million measurement tons (equivalent to 74 million long tons).

Domestic trade—coastal (294 million long tons total):
weight: 280 million long tons.
measure: 33 million measurement tons (equivalent to 14 million long tons).

Domestic trade—Great Lakes (103 million long tons total):
weight: 101 million long tons.
measure: 2 million measurement tons (equivalent to 2 million long tons).

Because 1980 measurement tonnage was one-fifth of the weight tonnage, you requested that the proportion of measurement fee to weight fee be 5:1 to balance receipts from these two sources. On the basis of a 5:1 ratio, the fees that would have to be charged are $.0679 per revenue ton (rounded to $.07 per revenue ton) for commodities shipped on the basis of weight (bulk shipments) and $.3396 per revenue ton (rounded to $.34 per revenue ton) for commodities shipped on the basis of measure (liner shipments).

In considering how the calculated port fee based on revenue tons would compare to the ad valorem fee of .04 percent that is currently proposed in some port development bills, you requested a comparison of the two types of fees (ad valorem and revenue ton) for selected commodity groups according to their value per ton. The table on the next page shows the results of such a comparison for 1980 foreign trade. The commodity groups, determined by MarAd, were separated into bulk or liner according to our conversation. The tonnage for liner commodities was converted into revenue tons using the foreign trade ratio on the preceding page. According to the table, bulk commodities with lower values per ton (up to $137 per ton in the table) pay less under an ad valorem fee than under the revenue ton fee. These groups were 30 percent of the total bulk tonnage in long tons. The remaining bulk commodities (values per ton of $175 and more) pay more under an ad valorem fee than under the revenue ton fee.

Of the 10 commodities categorized as liner (measurement ton basis), only the commodity with the lowest value per ton ($1430 in the table) would pay less under the ad valorem fee than revenue ton fee. The remaining nine commodities would pay less under the revenue ton fee.

It should be noted that receipts from an ad valorem fee for all foreign trade are seen to be about twice the receipts from the revenue ton fee.

If you would like further information, please call me.

COMPARISON OF RECEIPTS UNDER TWO PORT USER FEES: 1980 FOREIGN TRADE

Commodity group	Total long tons (thousands)	Value per ton	Ad valorem receipts	Revenue ton receipts (thousands)
Bulk				
Cement and limestone	10,995	$16.17	$71.12	$746.56
Iron ore and concentrates	25,258	32.29	326.18	1,715.02
Nonmetalic minerals	9,987	38.55	154.00	678.12
Coal and coke	83,604	57.81	1,933.11	5,676.71
Sulphur	1,530	113.85	69.68	103.89
Fertilizer	26,604	115.70	1,231.19	1,806.41
Corn	58,296	137.37	3,203.36	3,958.30
Residue and dirty petroleum product	38,465	175.04	2,693.14	2,611.77
Wood	23,121	175.44	1,622.52	1,569.92
Other ores and concentrates	21,848	178.61	1,560.93	1,483.48

COMPARISON OF RECEIPTS UNDER TWO PORT USER FEES: 1980 FOREIGN TRADE—Continued

Commodity group	Total long tons (thousands)	Value per ton	Ad valorem receipts	Revenue ton receipts (thousands)
Wheat	32,514	181.32	2,358.13	2,207.70
Other building material except cement	4,070	185.74	302.39	276.35
Liquefied petroleum gas and liquefied natural gas	3,563	208.47	297.12	241.93
Waste and scrap materials	10,219	225.05	919.90	693.87
Other grains and seeds	11,899	232.94	1,108.71	807.94
Crude oil	239,446	238.77	22,868.73	16,258.38
Soybeans	20,123	273.91	2,204.75	1,366.35
Clean petroleum products	14,809	308.89	1,829.73	1,005.53
Primary iron and steel	1,777	450.80	320.43	120.66
Sugar, molasses, honey	4,865	503.70	980.20	330.33
Fruits and vegetables	5,646	529.14	1,195.01	383.36
Pulp and paper	8,010	534.34	1,712.03	543.88
Iron and steel products	12,835	550.92	2,828.43	871.50
Edible oils and fats	3,589	607.23	871.74	243.69
Chemicals	16,518	662.49	4,377.20	1,121.57
Other food and farm products	19,829	982.22	7,790.56	1,346.39
Natural and synthetic fibers	2,270	1,557.32	1,414.05	154.13
Natural and synthetic rubber, plastics	4,821	1,727.32	3,330.96	327.35
Nonferrous metals	2,007	2,707.77	2,173.80	136.28
Motor vehicles, parts	4,259	4,807.37	8,189.84	289.19
Total	722,777	18,516.54	79,938.90	49,076.56
Liner				
Alcoholic beverages	1,740	1,429.62	995.01	1,341.35
Metal manufacturers	2,054	2,388.02	1,962.00	1,583.41
Chemical products	1,012	2,466.09	998.27	780.14
Furniture, parts	354	2,896.69	410.17	272.90
Dry cargo, necessary	2,895	4,229.42	4,897.67	2,231.73
Other transportation equipment, parts	1,017	5,304.90	2,158.04	784.00
Textiles and apparel	1,732	5,649.51	3,913.98	1,335.18
Industrial and agricultural machinery, parts	3,302	6,655.30	8,790.32	2,545.49
Electrical, electronics, optics	2,086	8,597.86	7,174.05	1,608.08
Exempt commodities	128	12,112.74	620.17	98.67
Total	16,320	51,730.15	31,919.69	12,580.96

Source: Commodity groups, total long tons, and value per ton provided by the Maritime Administration, Office of Port and Intermodal Development. Ad valorem receipts and revenue ton receipts calculated by CRS. Table prepared by Jose Padua, Reference Assistant, Economics Division.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, DC, September 20, 1985.

Hon. WILLIAM GRAY,
Chairman, House Budget Committee, Washington DC.

DEAR BILL: As the Merchant Marines and Fisheries Committee considers the options available for meeting our reconciliation instructions, I would appreciate your review

of the enclosed proposals on port development fees.

The first would impose a fee based on the tonnage or volume of cargo, the second the value of the cargo. Discussions between our respective Committee staffs have indicated that the tonnage fee could be used to meet our reconcilation requirements, while the value fee could not.

I would appreciate your confirming this information and providing me with the rational for making the differentiation between the two approaches.

Because of the obvious time contraints we are both working under, a response at your earliest convenience will be most welcome.

Sincerely,

WALTER B. JONES,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, September 25, 1985.

Hon. WALTER B. JONES,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, DC.

DEAR WALTER: I write in response to your letter of September 20 concerning the Merchant Marine and Fisheries Committee's proposed legislation to comply with its reconciliation instructions. I am also advised that the staffs of our committees have met to discuss this and other related issues.

As you know, S. Con. Res. 32, The First Concurrent Resolution on the Budget for Fiscal Year 1986, contained reconciliation instructions to your committee to change laws within its jurisdiction sufficient to reduce budget authority and outlays for fiscal years 1986 through 1988. The conferees of the first budget resolution, in formulating your committee's instruction, assumed deficit reduction to be accomplished through either cuts in direct spending or increases in offsetting receipts, not through revenue increases.

As to your first proposal, after consulting with the House Parliamentarian, it is my opinion that there is sufficient precedent for your committee to exercise jurisdiction over tonnage fees on cargo to be used for purposes or projects within its jurisdiction.

The second proposal which provides for a fee to be imposed based upon the value of the cargo would not be a change in laws within the jurisdiction of the Merchant Marine and Fisheries Committee. This determination was reached in consultation with the House Parliamentarian who advised that your committee does not have jurisdiction over the imposition of an ad valorem fee or tax on cargo. Since there is no relationship between the fee or tax being imposed and the projects being financed by such collections, the proposal is more like a tax imposed by the United States pursuant to its revenue raising power.

The rationale used by the Budget Committee in advising committees whether a proposed fee is a proprietary receipt or user fee or whether it is a revenue is based upon the nature of the fee.

For example, in your two proposals the fees collected would be used "to reimburse the United States Government towards the cost of operation and maintenance of port navigation projects authorized under this Act or other Federal law." (Page 18 of Merchant Marine and Fisheries Committee draft.)

The tonnage fee on cargo bears some relationship to the purposes for which the fee is levied and will be used, in the sense that the heavier or more voluminous the cargo the more navigational, harbor, and port serivces may be required. Conversely, a tax or fee on the value of the cargo bears little relationship to the purposes for which the fee will be used. A very valuable cargo, diamonds for example, would be taxed at a higher rate than a less valuable cargo which might weigh substantially more. This would be the result even though the less valuable cargo may require larger port facilities, deeper harbors, etc.

As you see, there are general principles which are followed in determining the difference between a proprietary receipt or user fee and a revenue; however, it is difficult to enunciate a clear test that can uniformally be applied to all types of collections.

I would welcome the opportunity to meet with you should you have any further questions or if I might assist you in any way as you work to respond to the reconciliation instructions.

With best wishes,

Sincerely,

WILLIAM H. GRAY III,
Chairman.

DEPARTMENT OF THE TREASURY,
Washington, DC, July 10, 1985.

Hon. MARIO BIAGGI,
Chairman, Subcommittee on Merchant Marine, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in further response to your May 16 letter to President Reagan regarding the impact of certain provisions of the Treasury Department's tax reform proposal on the maritime industry. I apologize for the delay in responding.

As you are aware, the President has reviewed those provisions of the Treasury Department's original recommendations to him and, after careful consideration, has outlined a program which he believes will promote the objectives of fairness, growth, and simplicity. We support the President's position and believe these proposals represent sound tax policy.

The proposed lengthening of depreciation rates for certain capital assets is substantially more generous than the Treasury Department's original recommendations to the President. As a result, these provisions should impact more favorably on the maritime industry than under the Treasury Department proposal.

Repeal of merchant marine capital construction funds (CCFs) is justified because the current rules for taxation of these funds are a gross departure from generally applicable principles of taxation. Earnings on deposits are generally exempt from tax in these funds and eligible taxpayers can expense capital investments made with fund withdrawals while claiming an investment tax credit on assets in which the basis is zero. Should a CCF subsidy be necessary, a direct spending or regulatory program would be a more proper vehicle to achieve the objects of a subsidy.

Repeal of the deduction for business expenses for travel onboard cruise ships is appropriate because such travel involves a high degree of personal consumption. Your suggestions that a potential source of taxable income may be found in the foreign cruise ship industry operated out of U.S. ports and that the Subpart F rules provide an advantage to U.S.-owned, foreign flag shipping is certainly of interest and will be taken under advisement.

Finally, the President's proposals would deny tax exemption to any obligation issued by a State or local government where more than one percent of the proceeds were used directly or indirectly by any person other than a governmental unit. In essence, this proposal would prevent the issuance of tax-exempt bonds to finance any facility other than facilities to be owned and operated by the State or local governmental unit. Thus, obligations could no longer be issued on a tax-exempt basis to finance facilities intended for private use, such as marine terminals that are sold or leased on a long-term basis to private businesses. Tax-exempt financing for channel dredging projects would probably not be affected unless some private company owned the channel or was granted special rights to use the channel different from that granted to the public at large.

Tax-exempt financing is an inefficient Federal subsidy where the Federal government foregoes $3 of tax revenues to provide a $2 interest cost savings to the party who uses the tax-exempt bond proceeds. This subsidy program also results in significant revenue losses for the Federal government equal to approximately $10 billion in this fiscal year for all nongovernmental bonds. This revenue loss must result in a larger deficit, higher marginal tax rates that would otherwise be necessary, or a decrease in other government spending. The elimination of all nongovernmental bonds, including those IDBs issued to finance port improvements, will, of course, force the beneficiaries of such programs to pay market rates on their borrowing. In return, however, the lower corporate and individual tax rates proposed will promote growth and fairness in the economy at large.

Sincerely,

J. ROGER MENTZ,
Acting Assistant Secretary, Tax Policy.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, DC, May 16, 1985.

Hon. RONALD W. REAGAN,
President, The White House, Washington, DC.

DEAR MR. PRESIDENT: I request your urgent reconsideration of a number of items contained in the draft Treasury tax reform proposal from the aspect of their likely adverse economic impact upon the potential for revitalization of the maritime industry in the United States.

In testimony before the House Ways and Means Committee on February 27, 1985, Treasury Secretary James A. Baker, III, said he would look carefully at the final Treasury proposal "to make sure we don't do something that affects capital formation, or that makes us even less competitive overseas. There is a need for balancing interests and equities". I concur completely with that statement and submit to you that these are the two most critical precepts with which to evaluate the equity and economic impact of various elements of the Treasury proposal.

Mr. President, I understand the current Treasury proposal includes several provisions that would impact the maritime industry inequitably and ill-advisedly to a disproportionate extent than other industries in the United States of equal or lesser importance to our international trade and national security. Were these elements of the proposal to be enacted into law, standing alone they would further damage the international competitiveness of the ocean shipping in-

dustry. That industry is already facing intensified Government-sponsored foreign competition concurrent with continuing withdrawal of traditional U.S. Government support. The proposal would remove any likelihood of economic revitalization and restoration of international competitiveness to the commercial shipbuilding industry in the United States. It would also critically threaten vital U.S. international trade and economic interests by jeopardizing the ability of U.S. ports to raise private capital to finance badly needed port improvements. At the very time your Administration is working closely with the Congress in seeking resolution of long overdue policy reforms to shift a major portion of the responsibility for financing port improvements from the Federal Government to the private sector these changes would be ill-advised. I cannot overstate the adverse impact of these proposed tax law changes upon a struggling industry, whose welfare we both value.

The specific provisions I refer to are the following:

First, the differentiation of the maritime industry for the most discriminatory tax treatment, which would affect private capital formation, of any segment of U.S. industry is potentially disastrous. This includes the proposed lengthening of the period of accelerated cost recovery from five to twenty-five years, representing the longest period of economic depreciation in U.S. tax history and of any industrialized country in the free world.

Second, the proposal includes the outright repeal of the Capital Construction Fund (CCF), tax deferral provisions contained not in the tax code but in the Merchant Marine Act, 1936. That provision was enacted originally in 1920 at the request of both the Departments of Commerce and Treasury to protect the Government's financial interest in subsidized vessels. This program has been evaluated repeatedly as the most cost-effective maritime promotion program in United States history. It encourages reinvestment in U.S.-flag shipping and accelerated replacement of technologically and economically obsolete tonnage in foreign trade.

Repeal of the CCF provision would effectively insure that no commercial vessel of any size would ever be constructed in a domestic shipyard in the United States for operation in foreign trade.

Third, the Treasury proposal calls for the repeal of a provision in current law that permits the deductibility of business expenses for travel onboard U.S.-flag cruise ships. Testimony before this Subcommittee has indicated significant potential for U.S.-flag vessel entry into this $5 billion cruise industry. The industry is comprised at the present time of 50 foreign-flag passenger ships effectively homeported in U.S. ports whose clientele are 90 percent U.S. citizen nationals. In contrast, there are only two U.S.-flag vessels currently operating in the trade.

Moreover, under current law this entire $5 billion industry is outside the incidence of U.S. tax laws. I respectfully submit that if the Treasury is aggressively searching for all available sources of potentially-taxable domestic and foreign source income, the cruise ship industry is a most likely candidate for taxation under the U.S. worldwide system of taxation encompassing the taxation of aliens doing business in the United States.

At the very least, the continued availability of the provision in current law permitting the deductibility of business expenses for travel on board U.S.-flag passenger vessels is a critical prerequisite to the investment planning of every U.S. entrepreneur seeking to enter this rapidly growing sector of the maritime industry.

Fourth, the Treasury proposal would reportedly incorporate without any independent analysis or justification, a one percent limitation on the potential beneficiaries of tax-exempt industrial revenue bonds issued by port authorities to finance marine terminal facilities. If port modernization legislation were to be finally enacted into law, the financing of channel dredging projects would be affected as well. This would effectively eliminate the principal tax-exempt institutions market for public port-initiated general obligation and revenue bond securities.

This very issue was debated at length prior to enactment of the Tax Reform Act of 1984, which encompassed other limitations on the use of tax-exempt bond financing by public entities, from which port authorities, in recognition of their critical importance to U.S. international trade, were expressly exempted. Annual customs receipts of $6 billion from a levy of duties at seaports represents one of the largest sources of Federal revenue at the present time outside of the Federal Income Tax. From that perspective, ports generate an approximately 25 to 1 return on investment in relation to current Federal expenditures for port maintenance by the Federal Government.

In addition to the inequity of these proposals in comparison to the tax treatment of other domestic industries and the tax policies of other nations, I must also point out the neutrality-violating or investment-distorting aspect of this proposal. For example, tax deferral of the reinvested earnings of U.S.-owned, foreign-flag shipping under Subpart F of the Internal Revenue Code is left undisturbed by the Treasury proposal. The discriminatory tax treatment of the maritime industry exists under present law also. You may not be aware that with respect to the investment tax credit recommended for repeal by the Treasury proposal, the maritime industry is the only industry in the United States subject to a 50 percent arbitrary ceiling in the amount of the eligible tax credit that may be claimed in conjunction with investment in capital equipment in the United States.

Mr. President, limitations of time and space preclude my going into further detail on the enormous economic impact on the maritime industry likely to result from enactment of these provisions contained in the current Treasury Tax Reform Proposal. I hope my urgent request will result in your serious reconsideration of these elements of the proposal prior to its formal transmittal to the Congress.

As the Congress proceeds toward the consideration of meaningful tax reform I look forward to working with you in the same spirit of cooperation that resulted in enactment of the landmark Shipping Act of 1984, and continues with concurrent Congressional consideration of comprehensive port development legislation, which I initiated four years ago. In order to facilitate comprehensive examination of the impact of the entire Treasury tax reform proposal upon the prospects for long-term economic revitalization of the maritime industry, I intend to introduce a complementary package of maritime tax reform initiatives substantially identical to that prepared by an Interagency Task Force Report of your Administration under the leadership of former Transportation Secretary Drew Lewis. I look forward to working with your Administration in seeking the inclusion of many of the concepts developed by your Interagency Task Force in the tax reform proposal eventually enacted by Congress.

Respectfully yours,

MARIO BIAGGI,
Chairman,
Subcommittee on Merchant Marine.

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Mr. ROE. Mr. Chairman, H.R. 6, the Water Resources Conservation, Development and Infrastructure Act of 1985, contains water resources projects, modifications to authorized projects, and other provisions relating generally to the Water Resources Development Program of the Corps of Engineers. It also contains a program for assistance to communities for the construction, repair, and rehabilitation of water supply systems, the creation of a National Board on Water Resources Policy, and the deauthorization of a large number of older water resources development projects which have not been constructed. In addition, H.R. 6, as amended by the committee amendment in the nature of a substitute, contains revenue provisions imposing a 0.04-percent tax on the value of cargo.

With the exception of the revenue provisions—which fall within the jurisdiction of the Ways and Means Committee—the remaining portions of the bill—titles I through XIV—fall primarily within the jurisdiction of the Committee on Public Works and Transportation.

Under the House Rules and precedents, the Public Works Committee has jurisdiction over: Flood control and improvement of rivers and harbors; oil and other pollution of navigable waters; water power; and public works for the benefit of navigation, including bridges and dams.

This covers among other items the civil functions of the U.S. Corps of Engineers.

Thus, title I through XIV—which deal primarily with water resource development, flood control, projects for improvement of navigation, and port development—fall predominantly within the jurisdiction of the Public Works Committee.

This fact has been reflected in the referrals of H.R. 6. H.R. 6, as originally introduced, was referred exclusively to the Committee on Public Works and Transportation. It was not jointly referred to the Ways and Means Committee because the introduced version did not contain any revenue provisions. H.R. 3670, the text of which is the committee amendment in the nature of a substitute made in order by the rule, was jointly referred to the Public Works Committee and the Ways and Means Committee.

The Committee on Merchant Marine and Fisheries has some incidental jurisdiction relating to the matters covered principally in title I of H.R. 6. For this reason, H.R. 6 was sequentially referred to the Merchant Marine Committee for consideration of matters within its jurisdiction. It is also for this reason that we are prepared to yield

some of our general debate time to the Merchant Marine Committee.

However, the Merchant Marine Committee's argument that it has extensive jurisdiction over title I—port development—of the bill is specious.

The basic subject matter of that title—navigation projects to be carried out by the Corps of Engineers to develop the Nation's ports—falls squarely within the jurisdiction of the Public Works Committee. The Merchant Marine Committee does not have jurisdiction over corps projects.

Title I does, however, also contain a few provisions directly relating to the disposal of dredged materials under the Marine Protection, Research and Sanctuaries Act; environmental impact statements under the National Environmental Policy Act; and fish and wildlife mitigation matters.

These matters are clearly incidental to the primary subject matter of title I—port development. Thus, the Speaker's exclusive referral of title I of H.R. 6 and H.R. 3670 to the Public Works Committee is correct and belies any claim by the Merchant Marine Committee that its jurisdiction is any more than incidental.

Notwithstanding this situation, the Merchant Marine Committee argues that the joint referral of H.R. 45—(the Port Development and Navigation Act of 1985)—to the two committees somehow gives them joint jurisdication of H.R. 6. This is nonsense. H.R. 45 is significantly different than title I of H.R. 6, and contains a number of provisions which are not even included in H.R. 6. Moreover, title I of H.R. 6 is just a small part of a comprehensive water resources bill.

In conclusion, Mr. Chairman, the Speaker's decision to exclusively refer the nonrevenue portions of H.R. 6 and H.R. 3670 to the Public Works Committee was clearly correct.

Mr. FOGLIETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I join with the many supporters of this legislation, recognizing as they do, the need to go forward with many vital water resource projects.

I do, however, want to reiterate my reservation to the ad valorem fee this legislation will impose on all cargoes. I oppose this concept and I regret that we must break with the Nation's 200-year commitment to provide 100 percent of the operations and maintenance costs for our general cargo ports. There are many compelling reasons why we should not impose such a user fee; these range from the constitutionality of such a proposal to the potential for cargo diversion and possible foreign retaliation.

I appreciate the effort of those who agreed to the ad valorem fee in order to break the longstanding impasse on the omnibus water resources bill. It is my belief and fervent hope that the issue of a user's fee is now settled for the future, that there will be no attempt to change the level or the nature of this fee in the future. The ad valorem fee must not go higher than 0.04 percent of the commercial value of cargo and must remain uniform.

Mr. Chairman, at this point I want to commend the leadership of both parties of the Merchant Marine, Ways and Means, and Public Works and Transportation Committees for the effort that went into this important legislation.

In particular, however, I want to commend the distinguished chairman of the Merchant Marine Subcommittee, the gentleman from New York, who has put together so much of the substantive elements that are critical to the timely completion of projects necessary for the Nation's ports. These elements include the fast-tracking of the economic, environmental, and engineering decisionmaking process; project financing reforms; and local user fee authority. These latter two elements were recommended after the Merchant Marine Subcommittee undertook a survey of the national port policies of most developed nations. The gentleman from New York is to be congratulated for his fine effort.

I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. DASCHLE].

Mr. DASCHLE. Mr. Chairman, I had hoped to be recognized earlier, but I rise to ask unanimous consent that the words "nonprofit entity" be added after the words "political subdivisions" to that section of the substitute numbered 17, and referring to page 399 of the substitute bill.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

Mr. SNYDER. Mr. Chairman, reserving the right to object, we do not know what this is on this side.

Mr. DASCHLE. If the gentleman will yield, Mr. Chairman, we have cleared it with the ranking minority member.

Mr. SNYDER. I thought I was the ranking minority member.

Mr. DASCHLE. I am sorry. The gentleman from Minnesota [Mr. STANGELAND].

Mr. SNYDER. Mr. Chairman, I withdraw my reservation of objection.

Mr. DASCHLE. I thank the gentleman.

The CHAIRMAN. Will the gentleman from South Dakota [Mr. DASCHLE] please state his request, for the benefit of the Clerk, please?

Mr. DASCHLE. Mr. Chairman, I ask unanimous consent that the words "nonprofit entity" be added after the words "political subdivision" to that section of the substitute numbered 17 in dealing with and referring to page 399 in the substitute.

The CHAIRMAN. The gentleman will suspend for a moment while the Clerk seeks the appropriate position for the amendment.

Will the gentleman withhold his request until the issue of its proper positioning is clarified, and will the gentleman approach the podium for that purpose?

Mr. DASCHLE. I will, Mr. Chairman.

AMENDMENTS OFFERED BY MR. ROE

Mr. ROE. Mr. Chairman, I offer 14 committee amendments, and I ask unanimous consent that they be considered en bloc, notwithstanding the fact that some of the amendments refer to portions of the bill not yet designated.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ROE: Page 8, line 20, strike out "$230,000,000" and insert in lieu thereof "$310,000,000.

Page 20, after line 9, insert the following new paragraph:

The Secretary shall also study, in consultation with appropriate Federal, State, and local agencies and taking into consideration existing plans, studies, and reports, whether it would be more cost-effective and environmentally sound to control future sedimentation than to conduct periodic maintenance dredging of such project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for implementing measures to control sedimentation if such measures prove to be more cost-effective and environmentally sound.

Page 59, line 3, strike out the semicolon and insert in lieu thereof the following: "and includes any interstate agency and port authority established under a compact entered into between two or more States with the consent of Congress under the section 10 of Article I of the Constitution;".

Page 107, after line 24, insert the following new subsections:

(t) The Secretary is authorized and directed to undertake such structural and nonstructural measures as he deems feasible to prevent flood damage to those areas identified in the February 1984 draft environmental impact statement for the West Bank Hurricane Protection Levee, Jefferson Parish, Louisiana, at an estimated cost of $20,000,000. Funds provided by non-Federal interests for interim hurricane protection shall be considered beneficial expenditures and credited as part of the non-Federal contribution of the project.

(u) The Secretary is authorized to construct six additional floodgates at Bayou Rigolette, Louisiana, adjacent to the existing drainage structure, at an estimated cost of $6,900,000.

Page 108, line 1, strike out "(t)" and insert in lieu thereof "(v)".

Page 172, after line 12, insert the following:

SEC. 542. The Secretary is authorized to construct shoreline protection measures for the shoreline adjacent to the runway at the Sky Harbor Municipal Airport, Duluth,

Minnesota, including riprap shore protection, fueling area repairs and protection, and topsoil and turf establishment, at an estimated cost of $250,000.

Page 193, line 5, strike out "$36,000,000" and insert in lieu thereof "$3,600,000".

Page 212, line 14, after the period insert the following: "with respect to any water supply contract entered into by the Secretary under this section after June 1, 1985, the Secretary shall determine (1) the amount of hydropower lost, if any, as a result of the implementation of such contract, and (2) the replacement cost of the hydropower lost (where replacement cost is defined as the cost to purchase power from existing alternative sources). If hydropower is lost as a result of the implementation of such contract, the Secretary shall provide credits to the Southwest Power Administration of amounts equal to such replacement costs. Such credits shall be against sums required to be paid by the Southwest Power Administration for costs of the project allocated to hydropower. In each such case the Southwest Power Administration shall reimburse each preference customer for an amount equal to the customer's actual replacement cost for hydropower lost as a result of the implementation of such contract, less the cost such customer would have had to pay to the Southwest Power Administration for such hydropower. The Secretary may not increase payments of water users under a water supply contract under this section on account of the credits and reimbursement required to be provided under this section.".

Page 223, line 20, strike out "Beach" and insert in lieu thereof "Branch".

Page 226, after line 23, insert the following:

SEC. 782. The project for navigation, Savannah Harbor, Georgia, authorized by the River and Harbor Act of 1965, is modified to authorize the Secretary, as part of operation and maintenance, to remove drift and debris from the harbor.

Page 322 strike out line 4 and all that follows through line 20.

Redesignate succeeding sections accordingly.

Page 346, after line 14, insert the following:

(e) In any case in which a person holds a lease of property at Clarks Hill Reservoir, Georgia, which is terminated under this section on or after December 31, 1989, the Secretary shall offer for sale to such person real property at Clarks Hill Reservoir which is owned by the United States and is not needed for the project (if there is any such property). The property offered for sale shall be approximately equal in size to the property that was subject to such lease. The Secretary shall offer any such property for sale at the fair market value of the property, as determined by the Secretary. Each offer under this subsection shall be made on or before the date on which the lease is terminated and shall be open to such person for 18 months from the time the offer is made. As a condition to a sale under this subsection, the leaseholder shall restore the property subject to the terminated lease to a condition acceptable to the Secretary.

Page 382, strike out lines 17 through 20.

Redesignate the subsequent sections of title XI of the bill accordingly.

Page 384, strike out line 21 and all that follows through line 9 on page 387.

Redesignate succeeding sections accordingly.

Page 399, after line 5, insert the following new section:

SEC. 1199K. The Secretary shall allow a State or its political subdivisions to withdraw water on a monthly basis for municipal and industrial uses within the State from any Missouri River mainstem reservoir which is under the control of the Secretary and situated wholly or partially within such State but only to the extent that such withdrawals do not exceed the monthly average historical natural flows at the point of withdrawal as determined by the Secretary. Any such water withdrawal for municipal and industrial uses within the affected State shall not require any fee or payment to the Federal Government for waters or project storage or for any reason without the prior consent of Congress.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. DASCHLE. Mr. Chairman, reserving the right to object, I do so only because this is the appropriate section of amendments to which I have addressed my unanimous-consent request earlier. It is numbered 17 in this section. It is with that understanding that I find the amendment now to be appropriate where I would add "or nonprofit entity," as I suggested earlier.

The CHAIRMAN. The Chair would advise the gentleman from South Dakota, if he is asking the question, that consideration of the amendments en bloc of the gentleman from New Jersey [Mr. ROE] is being requested at this time, and that the unanimous-consent request of the gentleman from South Dakota [Mr. DASCHLE] would be in order during the debate on the amendments offered by the gentleman from New Jersey [Mr. ROE].

Mr. DASCHLE. I thank the Chair and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ROE. I thank the Chairman for resolving that matter.

These 14 amendments are committee amendments. There are a number of projects in here, for example, the Mount St. Helens projects, which we had in the original legislation, which is still in this legislation, and has already been enacted into law in a supplemental appropriations bill.

One of these amendments would remove that provision.

There are figures and corrections, again, for one or two port projects.

Basically, these are technical amendments. For example, there was an error made in printing. It read $36 million, and for all of us who are budget savers, the figure should have read $3.6 million. So it is lesser than that in the printed bill.

There is a technical amendment that dealt with what the gentleman from New Jersey [Mr. HOWARD] mentioned, where the word was spelled as "beach" and it should have been "branch."

There is another amendment that speaks to continuing authorization for debris removal from the Savannah Harbor.

Mr. WYLIE had an amendment that struck this section relating to a park program, which has since been put into an appropriations bill.

Mr. BARNARD had an amendment which refers to exchange of properties for the Clarksville Reservoir, for people who are being moved off from their country cottages.

And Mr. QUILLEN had an amendment to remove a section, which is strictly housekeeping and was in the supplemental appropriations bill.

And Mr. HARKINS had an amendment that redesignated a section, so we could straighten out the housekeeping.

There are no questions on the amendments, Mr. Chairman.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Certainly we support the amendments en bloc on this side. We urge their passage.

Mr. LIVINGSTON. Mr. Chairman, this last week, Hurricane Juan brought a Halloween present to South Louisiana—which was far too much trick, and no treat at all. All in all, at least 10 parishes were damaged to the tune of over $1 million.

In Jefferson Parish alone, which is represented by both Representative BILLY TAUZIN and me, 10,000 people were left homeless—permanently or temporarily, 3,000 automobiles were extensively damaged, and losses were estimated at $50 million. Some of these damages were unavoidable. But others might have been avoided had we had adequate protection in place.

Mr. Chairman, the Jefferson westbank hurricane protection levee has been on the books since 1966. Everyone knew there might come a day when just the right hurricane might push the Gulf of Mexico northward—into the bayous and bays of the Louisiana marshland—and beyond.

The people of Jefferson Parish knew that if that happened, one of the vulnerable inhabited areas was the land mass west of New Orleans and the Mississippi River.

There were studies done which portrayed the potential damage, and everyone agreed that a good strong levee system was needed to protect residents from the danger of rapidly rising waters. Local, State, and Federal officials all agreed that the levee should be built, and, in fact, a temporary, make shift levee was built and maintained over the years.

But although considerable damage occurred as a result of Hurricanes Betsy in 1965 and Hilda in 1964, the matter was never really given top consideration by all of the interested parties at the same time.

And so it was that for financial, logistical, or environmental reasons, and others, the Government authorities, the landowners, the environmentalists and the local residents could never agree on exactly where the needed permanent levee was to go.

Well, Mr. Chairman, the time for discussion is over. Hurricane Juan won the argument. Juan decided that if the people couldn't agree on an adequate levee, he would show them what they were missing. And that's what he did.

Actually, he was a gentle soul. His winds were slight, so his damage—while extensive—was not nearly what it might have been had he been much stronger.

Nevertheless, he wiped out two entire subdivisions in Westbank Jefferson with his rising waters. He put 1,200 homes out of commission—along with approximately 1,500 automobiles. Carpets, furniture, appliances, bedding, walls and insulation, and clothing—all of this was ruined, leaving people dazed, bewildered and homeless.

Mr. Chairman, the damage did not have to happen to these people in Westbank Jefferson. If everyone could have agreed on a levee alignment years ago, a levee in this area would have been built—and Hurricane Juan would have been newsworthy, but not devastating for these particular people.

For these reasons, I'm asking that this amendment, offered by Chairman ROE at my request, be passed with H.R. 3670 to authorize whatever work may be necessary to build a permanent westbank hurricane protection levee.

The entire cost of the levee should not exceed $20 million, only a fraction of the damage suffered by my constituents this year, at the hands of that halloween prankster, Hurricane Juan.

I urge the adoption of this provision, and H.R. 3670.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. DASCHLE] for his unanimous consent request.

Mr. DASCHLE. Mr. Chairman, I ask unanimous consent that at this point we include in that section of these amendments being offered en bloc the words "nonprofit entity."

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. ROE, as modified: Page 399, after line 5, insert the following new section:

SEC. 1199K. The Secretary shall allow a State or its political subdivisions nonprofit entity to withdraw water on a monthly basis for municipal and industrial uses within the State from any Missouri River main stem reservoir which is under the control of the Secretary and situated wholly or partially within such State but only to the extent that such withdrawals do not exceed the monthly average historical natural flows at the point of withdrawal as determined by the Secretary. Any such water withdrawal for municipal and industrial uses within the affected State shall not require any fee or payment to the Federal Government for waters or project storage or for any reason without the prior consent of Congress.

Mr. DASCHLE. Mr. Chairman, I rise in support of the committee amendment which includes a provision offered by Mr. Dorgan and myself to forbid the Army Corps of Engineers from charging a storage fee for the use of a Federal reservoir, provided the withdrawals do not exceed natural flows of the river.

Earlier this year, former OMB Director, David Stockman, proposed a storage fee as a means of raising revenue from rural water users and the administration has singled out a few rural water systems in North and South Dakota to test the new taxing device. This spring the corps sent a storage fee contract to two rural water systems, the WEB rural water project in northeastern South Dakota and the Southwest rural water project in North Dakota.

The administration contends that those who benefit from the use of the Missouri River main stem dams should have to help pay for the benefits of the project. This rationale conveniently ignores the fact that the main stem dams also carry associated costs.

South Dakota has borne the lions share of that cost with the forfeiture of over 520,000 acres of rich farm bottomland. Moreover, my State was promised compensation in the way of the construction of irrigation projects for hundreds of thousands of acres of land, a promise that has never been kept.

Now the Corps of Engineers is proposing to force North and South Dakota, the two States which lost the most through the construction of the dams, to pay for the whole system through a storage fee. The inconsistency and inequity of this policy is striking. Downstream flood control, irrigation, and navigational interests are not similarly being asked to share the cost of the main stem system.

It is also important to point out that neither WEB nor the Southwest project is dependent, in whole or in part, on the existence of the main stem reservoirs. The amount of water that will be taken from the Missouri River for municipal and industrial use by WEB is about one-fifth of the total evaporation of the reservoir in a given year.

Mr. Chairman, the committee's language is very simple and fair. Any water supplier that withdraws, for municipal and industrial uses, an amount of water that does not exceed the natural flows of the river at the point of withdrawal cannot be charged any fee by the Federal Government for the use of that water. This clearly is the only reasonable way to deal with the problem.

WEB will draw a very small amount of water from the Missouri River and could easily be drawing the same amount from the natural riverbed if the Oahe reservoirs were not in existence. We consider use of the natural flows to be a birthright as citizens of the State. It is a great irony that South Dakota, which sacrificed over 520,000 acres of farmland with the construction of the main stem dams and reservoirs, is now being asked to pay for the privilege of drawing its small daily supply of drinking water while other downstream interests are getting a virtual free ride. The administration's storage fee proposal is inconsistent and very unfair to rural water users. I urge the adoption of this amendment to stop the corps plan now.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey [Mr. ROE], as modified.

The amendments, as modified, were agreed to.

The CHAIRMAN. Are there further amendments to title I?

AMENDMENT OFFERED BY MR. SHUMWAY

Mr. SHUMWAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHUMWAY: Section 109(a)(1)(A)(ii) of H.R. 3670 is amended by striking the word "and" after the ";" and inserting in lieu thereof the word "or", and inserting a new subparagraph "(iii)" immediately thereafter reading as follows:

" '(iii) to recover the market value at the time of contribution for non-Federal contributions made in the form of lands, easements, rights-of-way, relocations, and dredge spoil disposal areas for port navigation projects constructed before enactment of this Act; and".

Mr. SHUMWAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHUMWAY. Mr. Chairman, this bill, as it is presently drafted, gives ports the authority to recover all non-Federal cost-sharing contributions through the assessment of fees and dues. I think this is a good and necessary authority because ports are highly competitive, and as such, I think need that discretionary free-market oriented kind of authorization.

But the bill does not give ports which have, in the past, undertaken port navigation projects the same kind of authority for recovery of non-Federal contributions. Although ports presently can, and sometimes do, legally charge fees to recover these costs, the lack of clear-cut legal authority has often tempted beneficiaries to raise legal challenges against such fees designed for recovery of these specific costs.

The costs of ports, in turn, of meeting these legal challenges; although their legal authority has been borne out in decisions of the courts and the Federal Maritime Commission, has proved to be a disincentive for ports to even exercise their authority. The result has tied the hands of many port directors in trying to remain competitive.

My amendment, therefore, Mr. Chairman, seeks to provide ports that particular authority. I think it should be noncontroversial because it does not spend a single Federal dollar. It simply clarifies the present legal authority for ports in assessing port fees and harbor dues, and I believe by reinforcing this existing authority and giving this flexibility to ports we will inject greater free-market conditions, which will help our ports, including the ones in this bill which are subject to the new cost-sharing requirements.

To the extent that ports have had to amortize these costs in the past, they have had to do so by offsetting these costs from general port fees. This often means, Mr. Chairman, that ports have had to either absorb these costs totally on their own, with a commensurate reduction in profit, or everyone who does business with the port, that is to say, not just the direct beneficiaries, but all of those, somehow have had to pay for these costs through general fees.

I think that is an inequitable situation, Mr. Chairman, and I think we should provide a clear provision in this law for ports to recoup those expenses which they have provided for Federal projects in the past to put them on an equal competitive basis with those who will receive projects through this bill and in the future.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I yield to the gentleman from New York.

□ 1140

Mr. BIAGGI. I thank the gentleman.

Mr. Speaker, I would inquire of the gentleman, this is an amendment to title I? Is that correct?

Mr. SHUMWAY. It is; to title I.

Mr. BIAGGI. What effect does it have? The costs that are done retroactively, it would be the same process that we have been using prospectively.

Mr. SHUMWAY. The gentleman is correct.

Mr. BIAGGI. So that the user fees could be applied to the cost that the ports have already expended in their development. It would be the same thing we will be doing in the future?

Mr. SHUMWAY. That is exactly correct.

Mr. BIAGGI. I have no objection to it.

Mr. SHUMWAY. I appreciate the chairman's remarks. It simply gives those ports the discretion. It does not mandate upon them any requirement to go back and recoup those fees. But if they want to exercise that discretion, this amendment would open that door to them.

Mr. Chairman, I think that it is a fair amendment and one which will put all of the ports on an equal footing. It is an amendment which is supported by the American Association of Port Authorities. I think it is totally consistent with the provisions regarding future port projects which are already contained within this legislation. I, therefore, urge the adoption of the amendment.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield further?

Mr. SHUMWAY. I yield to the gentleman.

Mr. BIAGGI. I thank the gentleman.

I have no problem with the concept, but the question that comes up in my mind is when you say retroactive, how far back do you go? There is no date certain. Is there a date certain?

Mr. SHUMWAY. We wondered whether we should go back for a particular period of time and limit it in terms of its retroactivity, but what we found, I would say to the gentleman from New York, is that in antiquity, ports have already resolved these fees or else they did not advance them as part of Federal projects.

It seems to me that in its operative effect this amendment would only go back into the recent past. It would not go back into the ancient past. It just seemed inappropriate to draw a line as to where it might cut off or otherwise be affected.

Mr. BIAGGI. If the gentleman will continue to yield, I would say recent past, that still is not specific enough. That is my only concern. I am sure the chairman, Mr. ROE, has some additional comments in that regard.

Mr. SHUMWAY. I appreciate the gentleman's concern in that regard but I would just say in response that in practical effect, it will be the recent past without drawing a particular line as to what the timeperiod may be. That was a difficult decision to make, and I am sure the gentleman can appreciate that.

Mr. ROE. Mr. Chairman, I rise in opposition to the amendment.

I have the highest regard for the gentleman who has presented this proposed amendment, and I know of his extraordinary work in the House. His concern has been of great help to us in developing our port program.

I have to call out to the Members on this issue so they understand it. In view of the fact that this particular language does not give any dimentions. It says retroactivity ad infinitum. That means that anything, from my interpretation of the amendment and reviewing it, anything that has happened any time at any port during any work whatsoever, in lands, easements, right-of-ways, could be totally without dimensions in price, if you like, and that they would be considered a credit offset against what the new fee charges would be.

This could amount to billions of dollars. We have absolutely no idea how to interpret what the order of magnitude of that retroactivity would be. So I would suggest that the gentleman may wish to withdraw this amendment in view of that deficiency, and maybe offer a suggestion which our committee would accept that the corps would be directed to study the potential of this amendment and report back in a year. That, we would certainly be willing to accommodate the gentleman on. But if we were to accept this amendment, basically without a lot of additional information, we would be going back to the time when ports began. You could be talking about countless billions of dollars of credit offsets, and it would knock out the entire cost-sharing mechanism that has been devised from the port system.

Mr. SHUMWAY. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman.

Mr. SHUMWAY. I am not sure what the chairman means by credit offsets. What my amendment purports to do is simply give those ports that have expended moneys in the past in connection with a Federal project in their ports, to go back now and recover them.

Mr. ROE. Yes; I understand that.

Mr. SHUMWAY. Recover them from those who benefit from them. It would be the shippers, the other beneficiaries of any kind of port-deepening project.

If, in their discretion, they feel it would make them noncompetitive to go back and recover those costs, they certainly would not do so.

Mr. SNYDER. Mr. Chairman, will the gentleman, yield?

Mr. ROE. I yield to the gentleman from Kentucky.

Mr. SNYDER. I thank the gentleman for yielding.

Mr. Chairman, section 109 of the substitute grants congressional consent to non-Federal interests to levy port and harbor dues—including duties of tonnage—to recoup the additional non-Federal share of port dredging costs which would be required under section 105 of the bill. As contained in the substitute, section 109 represents the culmination of a great deal of thoughtful analysis and construction, primarily by the Committee on Merchant Marine and Fisheries, with the Public Works Committee playing a secondary role.

Clauses 2 and 3 of section 10 of article I of the U.S. Constitution expressly prohibit the levy of duties of tonnage except with the consent of Congress. Section 109 grants that consent in recognition that non-Federal interests, particularly ports, may require additional revenue-raising devices in order to recoup costs for port dredging which, until now, have been entirely a Federal responsibility. That is a monumental change in policy—one of sever-

al in this bill—which is why section 109 has been drafted as it has.

Mr. Chairman, I see no such extraordinary circumstance attaching to the amendment offered by the gentleman from California. Lands, easements, and rights-of-way have traditionally been a non-Federal responsibility in the construction of a variety of water-related projects, not just port dredging. As such, all ports that have had channel work completed under the traditional cost-sharing rules have done so with the full realization that they were expected to absorb those costs. I suspect, as I am certain many of you do, that in most cases the ports and other non-Federal interests have recovered most or all of those costs under the types of docking fees, terminal leases and other means which they have traditionally employed as revenue-raising devices. They don't need this amendment in order to continue to be able to do so.

The Members are being asked to legislate extraordinary measures to address simply ordinary revenue needs. I submit that such a sweeping policy change is not warranted or desirable. I see great potential for abuse as well Mr. Chairman, in that we may well be granting ports the means to raise revenues to recoup expenses which by now have been long amortized or retired. All this would be accomplished on the backs of vessel owners and operators who, everyone knows, aren't exactly in the economic shape to withstand additional costs of this nature or possible magnitude.

I urge a "no" vote on the gentleman's amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. SHUMWAY].

The amendment was rejected.

MODIFICATION OF AMENDMENT

Mr. GRAY of Illinois. Mr. Chairman, I ask unanimous consent that in the amendment which adds a new section at the end of title XI relating to Devil's Kitchen Lake project, that the word "surplus" be struck from such amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LOWRY of Washington. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in the Merchant Marine Committee when we were working on this bill, the committee unanimously adopted an amendment called the antidiversion amendment.

For the purpose of making sure that American ports were not put at a competitive disadvantage because of the fee called for in this legislation; for cargo that would be ending up its last destination in Canada or in Mexico, or for cargo that would be starting in the United States and going out of a port in either of Canada or Mexico. The reason being that the American ports would be paying the fee and the Canadian and the Mexican ports would not be paying the fee.

So in that case, and in only that particular cargo, the amendment that I offered in the Merchant Marine Committee that was unanimously adopted, would exempt that cargo only from the fees so that our ports would not be put at a competitive disadvantage.

Because of the rules on the floor, that amendment is not in order at this time because it is a fee and that is a Ways and Means Committee jurisdiction, and that amendment is not in order. I am told that the other body will consider taking up that amendment, and I would like to enter into a colloquy with the distinguished chairman of the subcommittee, who I would like to compliment for this yeoman work, as well as the distinguished subcommittee ranking minority and full committee ranking minority member and the full committee chairman, who I really think have done a good job on this bill, but we have a serious problem.

So if I could engage for just about 2 minutes with the distinguished subcommittee chairman. The ports of Seattle and Tacoma and many other American ports would be placed at an artificial competitive disadvantage by the application of the national uniform user fee, or tax, in this legislation. These ports are in constant competition with neighboring foreign ports for American cargo and for Canadian and Mexican cargo. In the case of Seattle, 725,000 tons of cargo moved through the port that was either bound for or coming from Canada in trade with third countries. Application of the user fee, or tax, would add up to $55 per container in shipping costs to move a container through the port of Seattle. Port personnel indicate that shipping cost differentials of as little as $15 or $20 could make the difference between choosing Seattle over a Canadian port. In addition, Canadian ports are already diverting $7 billion of American cargo through their ports for delivery into the United States by truck or rail.

My amendment would have exempted from the fee, or tax, any cargo using American ports either for imports to or exports from Canada or Mexico in third country trade. In return, the fee, or tax, would be applied to all American cargo diverted through Canadian or Mexican ports.

Mr. Chairman, do you believe that this amendment is consistent with the overall concept of the national uniform user fee, or tax, as adopted in this bill?

□ 1150

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the distinguished subcommittee chairman.

Mr. ROE. Mr. Chairman, I think the gentleman makes a very good point. The answer to the question is "Yes." We did not intend to put any American port at a competitive disadvantage through application of the fee.

Mr. LOWRY of Washington. I thank the subcommittee chairman. I understand that the other body may include provisions similar to the amendment I had in the Committee on Merchant Marine and Fisheries in their version of the water resources bill. Would the gentleman support inclusion of such provisions in the conference report?

Mr. ROE. Yes, I would, I say in response to the distinguished gentleman, because I think his cause is just and I think it is important to the competitive advantage of our own ports in the United States.

Mr. LOWRY of Washington. Mr. Chairman, I thank the subcommittee chairman very much, and again I compliment him and the other members of the committee for their work on this bill.

Mr. WYLIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do this in order to explain, if I may, an amendment which was part of a package offered by the gentleman from New Jersey [Mr. ROE] a little while ago. The amendment which he offered on my behalf would strike language similar to language contained in the omnibus water resources bill which passed the House last year and did not pass the other body.

Meanwhile, under the Federal Property and Administrative Services Act, which provides for the sale of Government real surplus property, this land was sold to the Columbus Metropolitan Park District in December of last year, and the original cost plus some interest was recovered from the sale of the land.

I am pleased to report today, Mr. Chairman, that the Federal Government is happy, that the Metropolitan Park District is happy, and the citizens of central Ohio are pleased to have this beautiful recreational facility available as a wildlife refuge.

I could never say enough in the way of thanks to the gentleman from New Jersey [Mr. ROE] and his staff for the extraordinary assistance which he and they provided to make this wonderful result come about. I wanted to publicly say that here on the House floor, and also to express the appreciation I feel to the gentleman from New Jersey [Mr. HOWARD] and the gentleman from Kentucky [Mr. SNYDER] for their approval of this procedure. It was ap-

propriate to strike the language which was stricken from the bill, as it no longer applies, and I thank the gentleman for taking care of that.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I would like to respond to the generosity of the gentleman's comments. I know as far as our committee is concerned that he has always been right there helping us all the time. We are pleased that it worked out. The gentleman has a formula, perhaps, that we have not understood yet. He gets things done. It takes us a little bit longer, and we compliment him for the job he has achieved.

Mr. WYLIE. It would not have happened without the help of the gentleman, and again I thank you very much. In this case a very wonderful, extraordinary result occurred, and everybody involved was pleased about the effect of it.

Mr. ROE. Mr. Chairman, I thank the distinguished gentleman.

Mr. MOORE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to enter into a colloquy with the chairman of the subcommittee, Mr. ROE, concerning the Mississippi River ship channel project which is in section 101 of H.R. 6.

Mr. ROE. If the gentleman will yield, I would be happy to engage in a colloquy with the gentleman from Louisiana.

Mr. MOORE. Mr. Chairman, as you know, the bill would provide authorization for six deep draft navigation projects, including the proposed deepening of the Mississippi River ship channel to a depth of 55 feet. It is my understanding that the Chief of Engineers has reported favorably on deepening the Mississippi River all the way to Baton Rouge based on his finding that, from a national perspective, the project would produce economic benefits which are over eight times the proposed cost of the project.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the subcommittee chairman.

Mr. ROE. The gentleman is correct. The plan recommended by the Army Corps of Engineers calls for deepening the channel from the mouth of the Mississippi to Baton Rouge as the preferred project alternative with a current benefit to cost ratio of 8.2 to 1.

Mr. MOORE. It is also my understanding that the committee conducted hearings on this issue and heard testimony from the corps, Members of Congress and other affected interest groups.

Mr. ROE. That is correct, the subcommittee heard extensive testimony on this project in the summer of 1982 and has continued to monitor this project since then.

Mr. MOORE. Based on that review of the project, I understand that the Subcommittee on Water Resources and the Committee on Public Works is recommending authorization of the project all the way to Baton Rouge at a depth of 55 feet and that the committee intends that the entire project should be built.

Mr. ROE. The gentleman from Louisiana is correct. Having reviewed this project in depth, it is the view of the committee that construction of the entire project to Baton Rouge is not only justified but that from a national perspective, it is the preferred approach.

Mr. MOORE. Mr. Chairman, I thank the subcommittee chairman for entering into this colloquy with me, and I thank him and the members of the subcommittee for their work on this important project.

TITLE II—INLAND WATERWAY TRANSPORTATION SYSTEM

SEC. 201. (a) The following works of improvement for the benefit of navigation are hereby authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines are advisable in any case in which there is no report designated. The Secretary shall complete each such work of improvement not later than seven years after the date on which funds are first appropriated for such project.

OLIVER LOCK AND DAM, BLACK WARRIOR–TOMBIGBEE RIVER, ALABAMA

Construction of a lock and dam to replace the William Bacon Oliver Lock and Dam, Black Warrior–Tombigbee River, Alabama: Report of the Chief of Engineers, dated September 26, 1984, at an estimated cost of $158,000,000.

GALLIPOLIS LOCKS AND DAM REPLACEMENT, OHIO RIVER, OHIO AND WEST VIRGINIA

The project for navigation, Gallipolis Locks and Dam Replacement, Ohio River, Ohio and West Virginia: Report of the Chief of Engineers, dated April 8, 1982, and Supplemental Report of the Chief of Engineers, dated August 13, 1983, at an estimated cost of $260,000,000.

WINFIELD LOCKS AND DAM, KANAWHA RIVER, WEST VIRGINIA

Construction of improvements to, and an additional lock in the vicinity of, the Winfield Locks and Dam, Kanawha River, West Virginia, and acquisition of lands for fish and wildlife mitigation in such vicinity, at an estimated cost of $134,000,000. The Secretary shall, not later than one year after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

LOCK AND DAM 7 REPLACEMENT, MONONGAHELA RIVER, PENNSYLVANIA

The project for navigation, Lock and Dam 7 Replacement, Monongahela River, Pennsylvania: Report of the Chief of Engineers, dated September 24, 1984, with such modifications (including acquisition of lands for fish and wildlife mitigation) as the Secretary determines are advisable, at an estimated cost of $95,000,000.

LOCK AND DAM 8 REPLACEMENT, MONONGAHELA RIVER, PENNSYLVANIA

The project for navigation, Lock and Dam 8 Replacement, Monongahela River, Pennsylvania: Report of the Chief of Engineers, dated September 24, 1984, with such modifications (including acquisition of lands for fish and wildlife mitigation) as the Secretary determines are advisable, at an estimated cost of $68,000,000.

LOCK AND DAM 26, MISSISSIPPI RIVER, ALTON, ILLINOIS AND MISSOURI

Construction of a second lock having a length of 600 feet at lock and dam 26, Mississippi River, Alton, Illinois, and Missouri at an estimated cost of $245,000,000.

BONNEVILLE LOCK AND DAM, OREGON AND WASHINGTON—COLUMBIA RIVER AND TRIBUTARIES, WASHINGTON

The project for navigation, Bonneville Lock and Dam, Oregon and Washington—Columbia River and Tributaries, Interim Report: Report of the Chief of Engineers, dated March 14, 1980, and the Supplement thereto, dated February 10, 1981, at an estimated cost of $191,000,000. Dredged material from the project shall be disposed of at such sites considered by the Secretary to be appropriate to the extent necessary to prevent damage to the Blue Heron rookery on Pierce and Ives Islands. No construction shall take place on Pierce and Ives Islands during the heron nesting period. The Secretary shall establish a bioengineering committee to review plans for the project, recommend measures to minimize adverse affects of the project, and develop a mitigation plan for the project. Such committee shall include representatives of the Corps of Engineers, the contractor for construction of the project, and appropriate State and Federal agencies.

(b) If any provision in any report designated by subsection (a) recommends that a State contribute in cash 5 percent of the construction costs allocated to non-vendible project purposes and 10 percent of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

SEC. 202. (a) Two-thirds of the cost of construction of the general navigation features, including but not limited to, channels, locks, dams, and turning basins, of each project authorized by this title shall be paid only from amounts appropriated from the general fund of the Treasury. One-third of such cost shall be paid only from amounts appropriated from the Inland Waterways Trust Fund. For purposes of this subsection, the term "construction" shall include planning, designing, engineering, and surveying, the acquisition of all lands, easements, and rights-of-way necessary for the project, in-

cluding lands for disposal of dredged material, and relocations (other than relocations described in subsection (b)) necessary for the project.

(b) One-third of the cost of relocation of any oil, natural gas, or other pipeline, any electric transmission cable or line, any communications cable or line, and facilities related to such pipeline, cable, or line (1) the relocation of which is necessary for construction, operation, and maintenance of a project authorized by this title, and (2) which may only be built or commenced if authorized by the Secretary under section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), shall be paid only from amounts appropriated from the general fund of the Treasury. One-sixth of such cost shall be paid only from the Inland Waterways Trust Fund. The remainder of such cost shall be paid by the owner of the facility being relocated.

(c) Any Federal responsibility with respect to a project authorized by this title which responsibility is not provided for in subsection (a) or (b) of this section shall be paid only from amounts appropriated from the general fund of the Treasury.

SEC. 203. There is authorized to be appropriated for fiscal years beginning after September 30, 1985, such sums as may be necessary from the general fund of the Treasury and from the Inland Waterways Trust Fund to pay the costs specified in section 202.

The CHAIRMAN. Are there amendments to title II of the bill?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—FLOOD CONTROL

SEC. 301. (a) The following works of improvement for the control of destructive floodwaters are hereby adopted and authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines are advisable in any case in which there is no report designated.

QUINCY COASTAL STREAMS, MASSACHUSETTS

The project for flood control, Quincy Coastal Streams, Massachusetts (Town Brook Interim): Reports of the Chief of Engineers, dated December 14, 1981 and December 13, 1984, at an estimated cost of $20,630,000.

ROUGHANS POINT, MASSACHUSETTS

The project for flood control, Roughans Point, Revere, Massachusetts: Report of the Chief of Engineers, dated May 4, 1985, at an estimated cost of $6,990,000.

CAZENOVIA CREEK, NEW YORK

The project for flood control, Cazenovia Creek Watershed, New York: Report of the Chief of Engineers, dated September 8, 1977, House Document Numbered 96-126, at an estimated cost of $2,360,000. Such project shall include features necessary to enable the project to serve as a part of a streamside trail system if the Secretary determines such features are compatible with the project purposes.

MAMARONECK, SHELDRAKE, AND BYRAM RIVERS, NEW YORK AND CONNECTICUT

The project for flood control, Mamaroneck and Sheldrake River Basins, New York and Connecticut, and Byram River Basin, New York and Connecticut: Report of the Chief of Engineers, dated April 4, 1979, at an estimated cost of $52,400,000. Such project shall include flood protection for the town of Mamaroneck as recommended in the report of the Division Engineer, North Atlantic Division, dated March 28, 1978.

RAHWAY RIVER AND VAN WINKLES BROOK, NEW JERSEY

The project for flood control, Rahway River and Van Winkles Brook at Springfield, New Jersey: Report of the Chief of Engineers, dated October 24, 1975, House Document Numbered 96-20, at an estimated cost of $12,500,000.

ROBINSON'S BRANCH—RAHWAY RIVER, NEW JERSEY

The project for flood control, Robinson's Branch of the Rahway River at Clark, Scotch Plains, and Rahway, New Jersey: Report of the Chief of Engineers, dated October 10, 1975, House Document Numbered 96-21, at an estimated cost of $20,000,000.

GREEN BROOK SUB-BASIN, RARITAN RIVER BASIN, NEW JERSEY

The project for flood control, Green Brook Sub-basin, Raritan River Basin, New Jersey: Report of the Chief of Engineers, dated September 4, 1981, at an estimated cost of $137,000,000. Such project shall include flood protection for the upper Green Brook Sub-basin and the Stony Brook tributary, as described in plan A in the report of the District Engineer, New York District, dated August 1980.

JAMES RIVER BASIN, VIRGINIA

The project for flood control, James River Basin, Richmond, Virginia: Report of the Chief of Engineers, dated November 16, 1981, at an estimated cost of $93,300,000. Such project shall include flood protection for the Richmond municipal wastewater treatment facility, as recommended in the report of the District Engineer, Norfolk District, dated September 1980.

OATES CREEK, GEORGIA

The project for flood control, Oates Creek, Georgia: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $9,430,000. Such project shall include (1) measures determined by the Secretary to be necessary and appropriate to minimize pollution of shallow ground and surface waters which may result from construction of the project, and (2) planting of vegetation along the channel for purposes of enhancing wildlife habitat.

VILLAGE CREEK, ALABAMA

The project for flood control, Village Creek, Jefferson County, Alabama: Report of the Chief of Engineers, dated December 23, 1982, at an estimated cost of $21,000,000.

THREEMILE CREEK, ALABAMA

The project for flood control, Threemile Creek, Mobile, Alabama: Report of the Chief of Engineers, dated April 20, 1984, at an estimated cost of $13,300,000. The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after January 1, 1982, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

BUSHLEY BAYOU, LOUISIANA

The project for flood control, Bushley Bayou, Louisiana: Reports of the Chief of Engineers, dated April 30, 1980, and August 12, 1982, at an estimated cost of $42,500,000.

LOUISIANA STATE PENITENTIARY LEVEE

The project for flood control, Louisiana State Penitentiary Levee, Mississippi River, Louisiana: Report of the Chief of Engineers, dated December 10, 1982, at an estimated cost of $20,400,000. No acquisition of land for or actual construction of the project may be commenced until appropriate non-Federal interests shall agree to undertake measures to minimize the loss of fish and wildlife habitat lands in the project area.

SOWASHEE CREEK, MERIDIAN, MISSISSIPPI

The project for flood control, Sowashee Creek, Meridian, Mississippi: Report of the Chief of Engineers, dated February 25, 1985, at an estimated cost of $12,300,000.

NONCONNAH CREEK AND ST. JOHNS CREEK, TENNESSEE AND MISSISSIPPI

The project for flood control, Nonconnah Creek, Tennessee and Mississippi: Report of the Chief of Engineers, dated December 23, 1982, at an estimated cost of $18,500,000. The improvements for St. Johns Creek and tributaries shall be included as a separate part of the project and shall be constructed by the United States Department of Agriculture Soil Conservation Service, at an estimated cost of $19,500,000, in accordance with the recommendations of the State Conservationist as contained in the report, Nonconnah Creek and Tributaries, Tennessee and Mississippi, dated September 1981. Subsection (f) of this section shall not apply to such improvements. The project shall include an evaluation of fish and wildlife losses which may result from construction of the project and such additional measures as the Secretary deems necessary and appropriate to mitigate such losses. The Secretary shall adopt and implement guidelines in connection with clearing and snagging as the Secretary determines necessary and appropriate to minimize adverse effects on fish and wildlife habitat.

HORN LAKE CREEK AND TRIBUTARIES, TENNESSEE AND MISSISSIPPI

The project for flood control, Horn Lake Creek and Tributaries, including Cow Pen Creek, Tennessee and Mississippi: Report of the Chief of Engineers, dated January 4, 1983, at an estimated cost of $2,400,000, including such additional measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary shall (1) reexamine the adequacy and feasibility of the recommended measures for fish and wildlife habitat, and (2) reexamine upland dredged disposal alternatives. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such reexamination, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment

and Public Works of the Senate. The Secretary shall also adopt and implement such guidelines in connection with channel clearing and drift removal for the project as the Secretary, in consultation with the Fish and Wildlife Service, determines are necessary and appropriate to minimize adverse effects on fish and wildlife habitat.

ISLAND CREEK BASIN, WEST VIRGINIA

The project for flood control, Island Creek Basin, in and around Logan, West Virginia: Report of the Division Engineer, dated April 3, 1985, at an estimated cost of $70,000,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

MUSKINGUM RIVER, KILLBUCK, OHIO

The project for flood control, Muskingum River, Killbuck, Ohio: Report of the Chief of Engineers, dated February 3, 1978, House Document Numbered 96-117, at an estimated cost of $5,100,000.

MUSKINGUM RIVER, MANSFIELD, OHIO

The project for flood control, Muskingum River, Mansfield, Ohio: Report of the Chief of Engineers, dated February 3, 1978, House Document Numbered 96-117, at an estimated cost of $3,000,000.

HOCKING RIVER, LOGAN, OHIO

The project for flood control, Hocking River at Logan, Ohio: Report of the Chief of Engineers, dated June 23, 1978, at an estimated cost of $6,460,000. The Secretary shall review potential sites for disposal of dredged material from the project and shall select such sites as he determines necessary and appropriate with a view toward minimizing adverse effects on fish and wildlife habitat areas.

HOCKING RIVER, NELSONVILLE, OHIO

The project for flood control, Hocking River at Nelsonville, Ohio: Report of the Chief of Engineers, dated June 23, 1978, at an estimated cost of $7,040,000. The Secretary shall review potential sites for disposal of dredged material from the project and shall select such sites as he determines necessary and appropriate with a view toward minimizing adverse effects on fish and wildlife habitat areas.

SCIOTO RIVER, OHIO

The project for flood control, Scioto River at North Chillicothe, Ohio: Reports of the Chief of Engineers, dated September 4, 1981 and February 1, 1985, at an estimated cost of $8,990,000.

LITTLE MIAMI RIVER, OHIO

The project for flood control, Miami River, Little Miami River, Interim Report Number 2, West Carrollton-Holes Creek, Ohio: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $6,630,000.

MIAMI RIVER, FAIRFIELD, OHIO

The project for flood control, Miami River, Fairfield, Ohio: Report of the Chief of Engineers, dated June 22, 1983, at an estimated cost of $10,500,000. To the extent the Secretary, in consultation with appropriate Federal, State, and local agencies, determines necessary and appropriate, the project shall include additional measures for mitigation of losses of fish and wildlife habitat, including seeding and planting in disturbed areas, limiting removal of riparian vegetation to the minimum amount necessary for project objectives, performing work along the north streambank where construction is planned on only one side of the channel, limiting construction activities to the right streambank in the reach of Pleasant Run extending from mile 2.75 to mile 3.10, the use of gabions and riprap for bank protection in lieu of concrete, and the inclusion of pool-riffle complexes at bridges. The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after July 1, 1979, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

HARRISBURG, PENNSYLVANIA

The project for flood control, Harrisburg, Pennsylvania: Report of the Chief of Engineers, dated May 16, 1979, at an estimated cost of $103,000,000, including such modifications and additional measures as may be recommended by the Secretary in the report transmitted under this paragraph. To the extent the Secretary, in consultation with appropriate Federal, State, and local agencies, determines necessary and appropriate, the project shall include (1) a low-flow channel or fishway in both the improved earth channel and the concrete channel portion of the project, (2) utilization of sloping side sections in the concrete channel, and (3) modifications to bridges crossing Paxton Creek to prevent damming of the creek. The project shall include the cost of any relocation required for geodetic control survey monuments. The Secretary shall study the feasibility of providing a floodway along Paxton Creek between Wildwood Lake and Maclay Street as an alternative to the recommended plan and shall reexamine fish and wildlife habitat mitigation measures recommended in the report of the Chief of Engineers. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such study and reexamination, along with recommendations for any modifications in the project which the Secretary determines to be feasible and appropriate to construct such floodway and for any additional measures which the Secretary determines to be necessary and appropriate to reduce fish and wildlife habitat losses in the project area. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

LOCK HAVEN, PENNSYLVANIA

The project for flood control, Lock Haven, Pennsylvania: Report of the Chief of Engineers, dated December 14, 1981, at an estimated cost of $66,700,000. The project shall be constructed to provide protection at least sufficient to prevent any future flood losses to the city of Lock Haven, Pennsylvania, from flooding equivalent to a level of flooding 50 percent greater than the level of flooding which occurred as a result of tropical storm Agnes in 1972. The Secretary shall include as part of the non-Federal contribution of the project any work carried out by non-Federal interests after January 1, 1973, which the Secretary determines is reasonably compatible with the project. Cost and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

SCHUYLKILL RIVER BASIN, POTTSTOWN, PENNSYLVANIA

The project for flood control and other purposes for Pottstown and vicinity, Schuylkill River Basin, Pennsylvania: Report of the Chief of Engineers, dated March 7, 1974, House Document Numbered 93-321, at an estimated cost of $4,590,000. The Congress hereby finds that the application of the provisions of section 209 of the Flood Control Act of 1970 result in the benefits from flood control measures authorized by this paragraph exceeding their economic costs.

SAW MILL RUN, PENNSYLVANIA

The project for flood control, Saw Mill Run, Pittsburgh, Pennsylvania: Report of the Chief of Engineers, dated January 30, 1978, House Document Numbered 96-25, at an estimated cost of $30,100,000, including construction of the portion of the Saw Mill Run relief sewer in the city of Pittsburgh, Pennsylvania, beginning at the northern boundary of Woodruff Street and ending at the point where Saw Mill Run Creek crosses the southern boundary of such city.

WYOMING VALLEY, PENNSYLVANIA

The project for flood control, Wyoming Valley, Pennsylvania: Report of the Chief of Engineers, dated October 19, 1983, at an estimated cost of $218,000,000.

EIGHT MILE CREEK, PARAGOULD, ARKANSAS

The project for flood control, Eight Mile Creek, Paragould, Arkansas: Report of the Chief of Engineers, dated August 10, 1979, including improvement of Fifteen Mile Bayou and tributaries as recommended by the District Engineer and the Mississippi River Commission in reports dated February 1978 and May 24, 1977, respectively, at an estimated cost of $14,200,000.

FOURCHE BAYOU BASIN, ARKANSAS

The project for flood control, Fourche Bayou Basin, Little Rock, Arkansas: Report of the Chief of Engineers, dated September 4, 1981, at an estimated cost of $22,800,000.

HELENA AND VICINITY, ARKANSAS

The project for flood control, Helena and Vicinity, Arkansas: Report of the Chief of Engineers, dated June 22, 1983, at an estimated cost of $11,200,000.

WEST MEMPHIS AND VICINITY, ARKANSAS

The project for flood control, West Memphis and Vicinity, Arkansas: Report of the Chief of Engineers, dated September 7, 1984, at an estimated cost of $19,900,000.

MINGO CREEK, OKLAHOMA

The project for flood control, Mingo Creek, Tulsa, Oklahoma: Report of the Chief of Engineers, dated November 16, 1981, at an estimated cost of $93,200,000. The project shall include measures determined appropriate by the Secretary, after consultation with the city of Tulsa, to minimize adverse effects associated with the use of flood water detention sites for the project.

FRY CREEKS, OKLAHOMA

The project for flood control, Fry Creeks, Oklahoma: Report of the Chief of Engineers, dated September 7, 1983, at an estimated cost of $9,100,000, except that the

Secretary shall acquire a total of 20 acres of land for mitigation of fish and wildlife losses and such lands, to the extent feasible, shall be contiguous and shall be in a corridor not less than 50 feet wide.

MALINE CREEK, MISSOURI

The project for flood control, Maline Creek, Missouri: Report of the Chief of Engineers, dated November 2, 1982, at an estimated cost of $44,800,000.

ST. JOHNS BAYOU AND NEW MADRID FLOODWAY, MISSOURI

The project for flood control, St. Johns Bayou and New Madrid Floodway, Missouri: Report of the Chief of Engineers, dated January 4, 1983, at an estimated cost of $76,200,000, except that the land for mitigation of damages to fish and wildlife shall be acquired as soon as possible from available funds, including the Environmental Protection and Mitigation Fund established by section 1104 of this Act and except that lands acquired by the State of Missouri after January 1, 1982, for mitigation of damage to fish and wildlife within the Ten Mile Pond mitigation area shall be counted as part of the total quantity of mitigation lands required for the project and shall be maintained by such State for such purpose.

STE. GENEVIEVE, MISSOURI

The project for flood control, Ste. Genevieve, Missouri: Report of the Board of Engineers for Rivers and Harbors, dated April 16, 1985, at an estimated cost of $29,400,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section. Congress finds that, in view of the historic preservation benefits resulting from the project, the overall benefits of the project exceed the costs of the project.

BRUSH CREEK AND TRIBUTARIES, MISSOURI AND KANSAS

The project for flood control, Brush Creek and Tributaries, Missouri and Kansas: Report of the Chief of Engineers, dated January 3, 1983, at an estimated cost of $12,300,000. The project shall include, at an estimated additional cost of $700,000, replacement of the Kansas City Public Service Railway Bridge recommended for removal as part of the project if the Secretary determines, before the acquisition of any land for or the actual construction of the project, that appropriate non-Federal interests will use the bridge as part of a regional public transportation system in the ten-year period following initiation of the project.

CAPE GIRARDEAU, MISSOURI

The project for flood control, Cape Girardeau, Jackson Metropolitan Area, Missouri: Report of the Chief of Engineers, dated December 8, 1984, at an estimated cost of $18,700,000, except that the project shall include the nonstructural measures recommended in the Report of the Division Engineer, dated January 3, 1983.

HALSTEAD, KANSAS

The project for flood control, Halstead, Kansas: Report of the Chief of Engineers, dated May 8, 1979, at an estimated cost of $6,100,000, including the acquisition of such additional lands and access points as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the need for additional lands for mitigation of fish and wildlife losses caused by the project and the need for additional access points to the Little Arkansas River. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such study, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

UPPER LITTLE ARKANSAS RIVER, KANSAS

The project for flood control, Upper Little Arkansas River Watershed, Kansas: Report of the Chief of Engineers, dated December 18, 1983, at an estimated cost of $9,590,000.

ROCK RIVER, ILLINOIS

The project for flood control, Rock River, Rockford and Vicinity, Illinois (Loves Park Interim): Report of the Chief of Engineers, dated September 15, 1980, at an estimated cost of $23,400,000. The project shall include flood protection measures along Small Unnamed Creek, as described in the Interim Report of the District Engineer, Rock Island, dated February 1979. Before the acquisition of land for or the actual construction of the project the Secretary shall study the probable affects of the project on existing recreational resources in the project area and, as part of the project, shall undertake such measures as he determines necessary and appropriate to mitigate any adverse effects on such recreation resources.

GREEN BAY LEVEE AND DRAINAGE DISTRICT NUMBER 2, IOWA

The project for flood control, Mississippi River, Coon Rapids Dam to Ohio River, Green Bay Levee and Drainage District Number 2, Iowa: Report of the Chief of Engineers, dated October 21, 1981, except that borrow material for the project shall be obtained from the island source as recommended by the District Engineer, Rock Island District, in his report dated November 1978, and revised November 1979, at an estimated cost of $5,550,000.

SOUTH QUINCY DRAINAGE AND LEVEE DISTRICT, ILLINOIS

The project for flood control, South Quincy Drainage and Levee District, Illinois: Report of the Chief of Engineers, dated January 24, 1984, at an estimated cost of $10,800,000. The Secretary shall, to the extent feasible, obtain borrow material from sites in the main channel of the Mississippi River and place fill material on the landward side of the existing levee in order to protect wildlife habitat.

NORTH BRANCH OF CHICAGO RIVER, ILLINOIS

The project for flood protection for the North Branch of the Chicago River, Illinois: Report of the Chief of Engineers, dated October 29, 1984, at an estimated cost of $16,700,000. In recognition of the flood damage prevention benefits provided in the North Branch of the Chicago River, Illinois Basin, by the Techny Reservoirs constructed by non-Federal interests on the West Fork of the North Branch of the Chicago River and by the Mid Fork Reservoir and the Mid Fork Pumping Station constructed by non-Federal interests on the Middle Fork of the North Branch of the Chicago River, the Secretary shall, subject to such amounts as are provided in appropriation Acts, reimburse non-Federal interests for an amount equal to 75 per centum of the costs of planning and construction of such reservoirs and pumping station.

LITTLE CALUMET RIVER, INDIANA

The project for flood control, Little Calumet River, Indiana: Report of the Chief of Engineers, dated July 2, 1984, except that such project shall be carried out substantially in accordance with the Report of the Division Engineer, dated October 12, 1982, at an estimated cost of $60,900,000.

LITTLE CALUMET RIVER BASIN (CADY MARSH DITCH), INDIANA

The project for flood control, Little Calumet River Basin (Cady Marsh Ditch), Indiana, designated as Plan D as described in the Final Feasibility Report of the District Engineer, dated April 1984, at an estimated cost of $4,530,000.

PERRY CREEK, IOWA

The project for flood control, Perry Creek, Iowa: Report of the Chief of Engineers, dated February 4, 1982, House Document Numbered 98-179, at an estimated cost of $31,000,000.

MUSCATINE ISLAND, IOWA

The project for flood control, Muscatine Island Levee District and Muscatine-Louisa County Drainage District No. 13, Iowa: Report of the Chief of Engineers, dated July 22, 1977, at an estimated cost of $12,700,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary shall reexamine the drainage system recommended in the report of the Chief of Engineers and the feasibility of obtaining material for the levee from upland rather than aquatic sources in order to minimize adverse effects on fish and wildlife habitat. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such reexamination, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to minimize adverse effects of the project on Spring Lake and on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

DES MOINES RIVER BASIN, IOWA AND MINNESOTA

The project for flood control, Des Moines River Basin, Iowa and Minnesota: Report of the Chief of Engineers, dated July 22, 1977, at an estimated cost of $11,300,000. Before the acquisition of any interest in real property for or the actual construction of the project, the Secretary shall, in consultation with appropriate Federal, State, and local agencies, study the feasibility of minimizing

increased flood stages along Jordon Creek in the vicinity of the Chicago, Rock Island and Pacific Railroad Bridge and the implementation of nonstructural and structural flood plain management techniques along the reach of Walnut Creek, including the improvement of channel capacity in the vicinity of Grand Avenue. In addition, the Secretary shall, in consultation with appropriate Federal, State, and local agencies, review the location of river access points and boat ramps. The Secretary is authorized to undertake such additional measures as he determines necessary and appropriate to carry out the results of such study and review.

REDWOOD RIVER, MINNESOTA

The project for flood control, Redwood River at Marshall, Minnesota: Report of the Chief of Engineers, dated November 16, 1981, at an estimated cost of $3,650,000.

ROOT RIVER BASIN, MINNESOTA

The project for flood control, Root River Basin, Minnesota: Report of the Chief of Engineers, dated May 13, 1977, House Document Numbered 96-17, at an estimated cost of $7,680,000.

SOUTH FORK ZUMBRO RIVER, MINNESOTA

The project for flood control, South Fork Zumbro River Watershed at Rochester, Minnesota: Report of the Chief of Engineers, dated February 23, 1979, House Document Numbered 96-115, at an estimated cost of $55,000,000. Notwithstanding such report and any other provision of law (including section 302 of this title), the Federal share of the cost of the project shall be determined in accordance with such section, except that non-Federal interests shall not be required before and during construction of the project to provide lands, easements, and rights-of-way necessary for changes to highway bridges and foot bridges and approaches to such bridges, and to make relocations of utilities, structures, and other improvements necessary for such changes.

MISSISSIPPI RIVER AT ST. PAUL, MINNESOTA

The project for flood control, Mississippi River at St. Paul, Minnesota: Report of the Chief of Engineers, dated June 16, 1983, at an estimated cost of $7,350,000.

PORTAGE, WISCONSIN

The project for flood control, Wisconsin River at Portage, Wisconsin: Report of the Chief of Engineers, dated May 20, 1985, at an estimated cost of $5,150,000.

PARK RIVER, GRAFTON, NORTH DAKOTA

The project for flood control, Park River, Grafton, North Dakota: Report of the Chief of Engineers, dated April 17, 1984, at an estimated cost of $15,400,000.

FOUNTAIN CREEK, COLORADO

The project for flood control, Fountain Creek, Pueblo, Colorado: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $6,930,000.

METROPOLITAN DENVER, COLORADO

The project for flood control, Metropolitan Denver and South Platte River and Tributaries, Colorado, Wyoming, and Nebraska: Reports of the Chief of Engineers, dated December 23, 1981, and July 14, 1983, House Document Numbered 98-265, at an estimated cost of $10,000,000. The Secretary shall include as part of the non-Federal contribution of the project any work carried out by non-Federal interests after January 1, 1978, and before the date of enactment of this Act for upstream drainage improvements and downstream channelization which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

BOGGY CREEK, TEXAS

The project for flood control, Boggy Creek, Austin, Texas: Report of the Chief of Engineers, dated January 19, 1981, at an estimated cost of $15,100,000. The Secretary shall include as part of the non-Federal contribution of the project any work carried out by non-Federal interests on the project (including any acquisition of lands required for the project) after September 30, 1979, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

BUFFALO BAYOU AND TRIBUTARIES, TEXAS

The project for flood control, Buffalo Bayou and Tributaries (Upper White Oak Bayou), Texas: Report of the Chief of Engineers, dated June 13, 1978, House Document Numbered 96-182, at an estimated cost of $76,000,000.

LAKE WICHITA, HOLLIDAY CREEK, TEXAS

The project for flood control, Lake Wichita, Holliday Creek, Texas: Report of the Chief of Engineers, dated July 9, 1979, at an estimated cost of $19,100,000. The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after January 1, 1983, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

LOWER RIO GRANDE, TEXAS

The project for flood control, Lower Rio Grande Basin, Texas: Report of the Board of Engineers for Rivers and Harbors, dated April 29, 1983, at an estimated cost of $153,000,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study adverse effects of discharges of sediments and pollutants from the project on fish and wildlife. The Secretary is authorized to undertake such measures as he determines necessary and appropriate to minimize such adverse effects and to mitigate the adverse effects of the project on fish and wildlife habitat. Before the acquisition by the Secretary of any interest in real property for the project or the actual construction of the project, the Secretary, after consultation with the Secretary of Agriculture, shall determine that Phases II and III of the project (as set forth in such report) will be undertaken by the Secretary of Agriculture. The Secretary and the Secretary of Agriculture, in consultation with appropriate Federal, State, and local agencies, shall develop an overall mitigation plan for Phases I, II, and III of the project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a copy of such plan, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SIMS BAYOU, TEXAS

The project for flood control, Sims Bayou, Texas: Report of the Chief of Engineers, dated April 17, 1984, at an estimated cost of $102,000,000, except that the level of protection provided shall be in accordance with the Report of the Division Engineer, dated March 18, 1983.

MIDDLE RIO GRANDE, NEW MEXICO

The project for flood control, Middle Rio Grande Flood Protection, Bernalillo to Belen, New Mexico: Report of the Chief of Engineers, dated June 23, 1981, at an estimated cost of $40,000,000. The project shall include the establishment of 75 acres of wetlands for fish and wildlife habitat and the acquisition of 200 acres of land for mitigation of fish and wildlife losses, as recommended by the District Engineer, Albuquerque, District, in his report dated June 13, 1979.

PUERCO RIVER AND TRIBUTARIES, NEW MEXICO

The project for flood control, Puerco River and Tributaries, Gallup, New Mexico: Report of the Chief of Engineers, dated September 4, 1981, at an estimated cost of $3,810,000.

LITTLE COLORADO RIVER, ARIZONA

The project for flood control, Little Colorado River at Holbrook, Arizona: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $9,520,000.

CACHE CREEK BASIN, CALIFORNIA

The project for flood control, Cache Creek Basin, California: Report of the Chief of Engineers, dated April 27, 1981, at an estimated cost of $25,300,000, except that, in lieu of constructing the recommended bypass channel, the Secretary shall accomplish the purposes of the project by removing the rock formation at the outlet channel and widening and deepening the channel in accordance with alternative 8 as described in the Feasibility Study of the District Engineer dated August 1979.

REDBANK AND FANCHER CREEKS, CALIFORNIA

The project for flood control, Redbank and Fancher Creeks, California: Report of the Chief of Engineers, dated May 7, 1981, at an estimated cost of $63,500,000. The project shall include measures determined appropriate by the Secretary to minimize adverse effects on groundwater and to maximize benefits to groundwater, including ground water recharge.

SANTA ANA RIVER MAINSTEM, CALIFORNIA

The project for flood control, Santa Ana River Mainstem, including Santiago Creek, California: Report of the Chief of Engineers, dated January 15, 1982, at an estimated cost of $1,213,000,000, including such measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary shall study (1) the feasibility and environmental impact

of including conservation storage at the end of the winter storm season at Prado Dam as a project purpose, (2) the effects of such storage on recreation and leasehold interests at Prado Reservoir and on riparian rights downstream of such dam, (3) any water supply benefits associated with such storage, and (4) upstream alternatives to construction of Mentone Dam in accordance with section 1304 of the Supplemental Appropriations Act, 1984. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for actual construction of the following elements of the project: improvements at Prado Dam which limit the reservoir taking line to no greater than elevation 566 feet, Santa Ana River channel improvements in Orange County, improvements along Santiago Creek, improvements of the Oak Street drain, improvement of the Mill Creek levees, features for mitigation of project effects on and preservation of endangered species, and recreation features as identified in the report of the Chief of Engineers for these project elements, and no appropriation shall be made for acquisition of any interest in real property for or the actual construction of other elements of the project, if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. No acquisition of any interest in real property for or actual construction of other elements of the project shall be undertaken unless such acquisition and actual construction have been agreed to by resolutions of the non-Federal sponsoring agencies. Any relocation of the Talbert Valley Channel undertaken in connection with the project shall be constructed with a channel capacity sufficient to accommodate a 100-year flood.

ALENAIO STREAM, HAWAII

The project for flood control, Alenaio Stream, Hawaii: Report of the Chief of Engineers, dated August 15, 1983, at an estimated cost of $5,500,000, except that the level of protection provided shall be in accordance with the Report of the Board of Engineers for Rivers and Harbors, dated January 18, 1983.

AGANA RIVER, GUAM

The project for flood control, Agana River, Guam: Report of the Chief of Engineers, dated March 14, 1977, House Document Numbered 96-16, at an estimated cost of $6,670,000.

LITTLE WOOD RIVER, IDAHO

The project for flood control, Little Wood River, vicinity of Gooding and Shoshone, Idaho: Report of the Chief of Engineers, dated November 2, 1977, Senate Document Numbered 96-9, at an estimated cost of $3,800,000. After completion of the project, the Secretary shall evaluate and monitor the extent of any fish losses that are attributable to the project and undertake such additional mitigation measures as he determines appropriate.

YAKIMA-UNION GAP, WASHINGTON

The project for flood control, Yakima-Union Gap, Washington: Report of the Chief of Engineers, dated May 7, 1980, at an estimated cost of $8,160,000, including such additional measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall review the probable effects of the project on fish and wildlife resources and the feasibility of including recreation as a project purpose. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such review, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat.

CHEHALIS RIVER, WASHINGTON

The project for flood control, Chehalis River at South Aberdeen and Cosmopolis, Washington: Report of the Chief of Engineers, dated February 8, 1977, House Document Numbered 96-27, at an estimated cost of $19,700,000. Before beginning the actual construction of the project, the Secretary shall perform additional studies relating to foundation materials in the project area and with regard to dredged spoil disposal sites and make such modifications as he determines appropriate.

CENTRALIA, WASHINGTON

The project for flood control, Centralia-Chehalis Flood Damage Reduction Study, Chehalis River and Tributaries, Washington: Report of the Chief of Engineers, dated June 20, 1984, at an estimated cost of $18,500,000.

(b) The Secretary is authorized and directed to design and construct, at full Federal expense, such flood control measures at or in the vicinity of Salyersville, Kentucky, on Licking River as the Secretary determines necessary and appropriate to afford the city of Salyersville, Kentucky, and its immediate environs a level of protection against flooding at least sufficient to prevent any future losses to such city from the likelihood of flooding such as occurred in December 1978, at an estimated cost of $7,000,000. With respect to such project, Congress finds that the benefits determined in accordance with section 209 of the Flood Control Act of 1970 and attributable to the flood measures authorized for such project exceed the cost of such measures.

(c) The Secretary is authorized to construct a project for flood damage prevention in the community of Gold Gulch, near Felton, Santa Cruz County, California, at an estimated cost of $6,000,000. The provisions of section 302 of this title shall apply to such project.

(d)(1)(A) The Secretary is authorized and directed to undertake such structural and nonstructural measures as he deems feasible to prevent flood damage to communities in the Pearl River Basin, St. Tammany Parish, Louisiana, at an estimated cost of $25,000,000.

(B) For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of the study entitled Pearl River Basin, Mississippi and Louisiana, the Secretary shall take into account the costs and benefits of measures undertaken pursuant to this paragraph.

(2) The Secretary is authorized and directed to design, construct, and undertake such measures as the Secretary determines are necessary to provide a level of protection sufficient to prevent recurring flood damages along the following rivers:

(A) Amite River, Louisiana;

(B) Comite River, Louisiana;

(C) Tangipahoa River, Louisiana;

(D) Tchefuncte River, Louisiana;

(E) Tickfaw River, Louisiana;

(F) Bogue Chitto River, Louisiana; and

(G) Natalbany River, Louisiana;

at an estimated cost of $25,000,000.

(e) The Secretary is authorized and directed to purchase such land along Highway 75 in Minnesota as may be required for the construction of the International Levee segment of the Emerson, Manitoba, flood control project and to upgrade existing flood control levees in the vicinity of Noyes, Minnesota, at an estimated cost of $200,000.

(f) In the case of any project authorized by subsection (a) of this section for which a final report of the Chief of Engineers has not been completed before the date of enactment of this Act, the Secretary shall, as soon as possible after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee.

(g) The Secretary is authorized to undertake flood control works along the lower portion of Calleguas Creek, Conejo Creek to the Pacific Ocean, California, at an estimated cost of $40,000,000. The provisions of section 302 of this title shall apply to such project.

(h) The Secretary is authorized to undertake appropriate local flood control protection measures along the lower portions of Coyote Creek adjacent to and in the vicinity of Alviso, California, and along the Guadalupe River in the vicinity of San Jose, California. The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after January 1, 1983, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with such measures. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of such measures. The provisions of section 302 of this title shall apply to such project.

(i)(1) The Secretary is authorized and directed to undertake such structural and nonstructural measures as he deems feasible to prevent flood damage to the cities of Monroe and West Monroe, Louisiana, and Ouachita Parish, Louisiana, at an estimated cost of $40,000,000.

(2) For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of the study entitled Monroe-West Monroe Interim Study of the Ouachita Basin Study, Ouachita River Basin, Arkansas and Louisiana, the Secretary shall take into account the costs and

benefits of measures undertaken pursuant to this subsection.

(j) The Secretary is authorized to undertake the following elements of the overall project for flood damage protection and allied purposes in the Passaic River Basin, New Jersey and New York, as described in the report of the Chief of Engineers, dated February 18, 1976, and in accordance with the reports hereinafter designated or, in any case in which a report is not designated, with such modifications as the Chief of Engineers deems advisable, which modifications shall include, but are not limited to, plans being developed by the District Engineer:

(1) Molly Ann's Brook Subbasin, New Jersey: Report of the Board of Engineers for Rivers and Harbors, dated April 16, 1985, at an estimated cost of $7,470,000;

(2) Lower Saddle River Basin, New Jersey: Report of the Board of Engineers for Rivers and Harbors, dated April 16, 1985, at an estimated cost of $25,200,000;

(3) Ramapo River at Oakland, Pompton Lakes and Wayne, New Jersey: Report of the Board of Engineers for Rivers and Harbors, dated April 16, 1985, at a cost of $4,520,000;

(4) Upper Rockaway River Basin, New Jersey, at an estimated cost of $25,000,000;

(5) Nakoma Brook Sloatsburg, New York, at an estimated cost of $4,500,000;

(6) Ramapo and Mahwah Rivers at Mahwah, New Jersey: Report of the Chief of Engineers, dated November 27, 1984, at an estimated cost of $4,340,000; and

(7) the project for flood protection in the Third River, Passaic Basin, New Jersey, at an estimated cost of $12,000,000.

Such modifications shall also include, with respect to the project for the Lower Saddle River Basin, New Jersey, measures to improve aquatic habitat, consisting of the following instream habitat structures (among others): pool-riffle areas, submerged scour holes, wing dam deflectors, and low-flow pilot channels. The instream habitat structures shall be carried out on the Saddle River beginning at Grove Street in Ridgewood, New Jersey, and continuing downstream to the Passaic River, on Sprout Brook from the Garden State Parkway to the Saddle River, and on Hohokus Brook from Grove Street downstream to the Saddle River. The provisions of section 302 of this title shall apply to such projects.

(k)(1) The Secretary is authorized to design and construct flood control works for the protection of Meredosia, Illinois, at an estimated cost of $80,000. Such project shall include, but not be limited to, a levee which is approximately one-fifth of a mile long. The provisions of section 302 of this title shall apply to such project.

(2) For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of any study on the Illinois River, authorized by resolution of the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives, the Secretary shall take into account the costs and benefits of any measures undertaken by the Secretary pursuant to paragraph (1) in the interest of preventing flood damages along the Illinois River in the vicinity of Meredosia, Illinois.

(l) The Secretary is authorized to undertake a project for flood control works along Mission Zanja Creek within the city of Redlands, California, in accordance with the plan developed by the District Engineer based on studies pursuant to section 205 of the Flood Control Act of 1948, at an estimated cost of $13,209,000. The provisions of section 302 of this title shall apply to such project.

(m)(1) The Secretary is authorized and directed to study the nature and scope of flood problems resulting from Rio Puerto Nuevo, Puerto Rico. Such study shall take into account the objectives described in section 1101 of this Act and the benefits and costs attributable to any project considered to minimize such flood problems. Not later than 18 months after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of such study including recommendations on measures necessary to minimize such flood problems.

(2) The Secretary is authorized and directed to undertake, on an emergency basis, such structural and nonstructural measures as the Secretary deems necessary to prevent flood damage in the city of San Juan, Puerto Rico, from Rio Puerto Nuevo, Puerto Rico, at an estimated cost of $25,000,000.

(n) The Secretary is authorized to undertake such measures, including silt removal and channel modification, in the vicinity of the confluence of the Salt and Eel Rivers, California, as the Secretary determines necessary to prevent recurring floods along the Eel River and its tributaries, at an estimated cost of $800,000. The provisions of section 302 of this title shall apply to such project.

(o) The Secretary is authorized and directed to undertake such structural and nonstructural measures as the Secretary determines necessary to prevent flood damage resulting from rising lake levels at Malhauer and Harney Lakes, Oregon, at an estimated cost of $15,000,000. The provisions of section 302 of this title shall apply to such project.

(p) The Secretary is authorized to construct the project for flood control, O'Hare System of the Chicagoland Underflow Plan, Illinois, substantially in accordance with the Report of the Chief of Engineers, dated June 3, 1985, at an estimated cost of $18,100,000, except that the capacity of the flood control reservoir shall be at least 1,050 acre-feet in order to provide optimum storage capacity for flood control purposes. The provisions of section 302 of this title shall apply to such project.

(q)(1) The Secretary shall undertake such measures as he deems necessary to correct flooding problems in the south end of Louisville, Kentucky, within an area bounded by New Cut Road west to the city limits and Palatka Road south to the city limits at an estimated cost of $1,200,000. The provisions of section 302 of this title shall apply to such project.

(2) The Secretary is authorized to provide technical assistance to the city of Louisville, Kentucky, to assist such city in the correction of flooding caused by drainage problems in such city.

(r) The Secretary is authorized to construct a project for flood control for Poplar Brook, New Jersey, including reconstruction of the brook through the Borough of Deal, New Jersey, to accommodate the runoff from a storm having an average frequency of occurrence of once every 15 years, replacement of the culvert through the Conrail railroad embankment with a new culvert designed to pass a maximum flow equivalent to the peak flow from a storm having an average frequency of occurrence of once every 15 years, use of the area upstream of the embankment as an on-stream detention basin, and gabion or other lining as determined appropriate by the Secretary, at an estimated cost of $2,300,000. The provisions of section 302 of this title shall apply to such project.

(s)(1) The Secretary is authorized and directed, at an estimated cost of $81,225,000, to design and construct for the purpose of providing flood control for the Pearl River Basin in Mississippi, including, but not limited to, Carthage, Jackson, Monticello, and Columbia, Mississippi—

(A) a flood retarding dam on the Pearl River, upstream of the Ross Barnett Dam, in the vicinity of Shoccoe, Mississippi;

(B) a combination roadway crossing of the Pearl River and floodwater detention and storage facility in east central Leake County, Mississippi;

(C) a levee system in the south part of Carthage, Mississippi, which will upgrade, extend, and improve the protective levee system on the south side of Highway 16 in Leake County and the city of Carthage;

(D) appropriate drainage structure and bridge modifications to expand and improve the stormwater conduits under Mississippi Highway 35, south of Carthage, Mississippi, for the purposes of reducing backwater influence for areas upstream of such highway;

(E) upstream reservoirs on the Pearl River;

(F) such other structures as may be necessary to alleviate unforeseen flooding in the Leake County area as a result of the construction of the Shoccoe Dry Dam; and

(G) channel improvements on the upstream Pearl River.

(2) Prior to initiation of construction of the projects authorized by paragraph (1), non-Federal interests shall agree (A) to hold and save the United States free from damages due to the construction and operation of such projects, and (B) to operate and maintain such projects in accordance with regulations prescribed by the Secretary. The provisions of section 302 of this title shall apply to such projects.

(t) If any provision in any report designated by subsection (a) of this section recommends that a State contribute in cash 5 percent of the construction costs allocated to nonvendible project purposes and 10 percent of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

SEC. 302. (a)(1) Except as provided in paragraph (2) of this subsection, the non-Federal share of the cost of any project for flood control (A) which is authorized by section 301(a) of this title, or (B) which is authorized by any other law enacted before the date of enactment of this Act and for which a contract for construction has not been entered into before such date of enactment, shall be 25 percent.

(2) If, for a project for flood control to which paragraph (1) applies (other than a nonstructural project), the sum (as determined by the Secretary upon completion of the project) of—

(A) the cash required to be paid under subsection (b)(1) for such project, plus

(B) the value of all lands, easements, and rights-of-way required for such project, plus

(C) the cost of all necessary relocations of utilities, structures, and other improvements for such project,

is a percentage of the cost of such project which is greater than 25 percent, the non-Federal share of the cost of such project shall be such percentage, except that in no event shall the non-Federal share deter-

mined under this paragraph exceed 30 percent of the cost of the project.

(b)(1) The non-Federal interests shall pay, during the period of construction of any project for flood control to which subsection (a) applies, 5 percent of the cost of such project. An amount equal to amounts paid with respect to a project under this paragraph is authorized to be appropriated to the Secretary to carry out such project. Amounts appropriated pursuant to the preceding sentence are in addition to, and not in lieu of, amounts authorized by any other provision of this Act for construction of a project to which this section applies.

(2) If the Secretary estimates before the beginning of construction of any project for flood control to which subsection (a) applies that the sum of (A) the value of all lands, easements, and rights-of-way required for such project, plus (B) the cost of all necessary relocations of utilities, structures, and other improvements for such project will be a percentage of the cost of such project which is greater than 25 percent (or which is greater than 20 percent in the case of a nonstructural project), the Secretary shall, upon request by the non-Federal interests, acquire such lands, easements, and rights-of-way and make such relocations, except that the aggregate amount of the value of lands, easements, and rights-of-way acquired by the Secretary and the cost of necessary relocations made by the Secretary shall be limited to the amount by which such estimated sum exceeds an amount equal to 25 percent of the estimated cost of the project (or an amount equal to 20 percent of the estimated cost of a nonstructural project).

(c) If the Secretary determines after completion of a project for flood control to which subsection (a) applies that the sum of—

(1) the cash paid under subsection (b)(1), plus

(2) the value of lands, easements, and rights-of-way provided by the non-Federal interests, plus

(3) the cost of relocations of utilities, structures, and other improvements made by non-Federal interests,

is less than the non-Federal share of the cost of the project, the non-Federal interests shall pay to the Secretary the amount necessary to meet the non-Federal share, plus interest from the date of such determination (as computed under subsection (e)), over a period of fifteen years from the date of such determination or such shorter period as the non-Federal interests may request. If such sum exceeds the non-Federal share of the cost of the project (as so determined), the Secretary shall pay to the non-Federal interests an amount equal to such excess, plus interest from the date of such determination, subject to the general availability of appropriations for that purpose. Payments under the preceding sentence shall not be subject to the limitation contained in the last sentence of section 215(a) of the Flood Control Act of 1968.

(d) After completion of any project to which subsection (a) applies, the Secretary shall transfer, without consideration, to the non-Federal interests any lands, easements, and rights-of-way acquired by the Secretary under subsection (b).

(e) The interest rate used for purposes of computing interest under subsection (c) shall be determined by the Secretary of the Treasury as of the date on which the project is substantially completed and provides the flood protection benefits for which such project is designed, as determined by the Secretary. Such interest rate shall be determined on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from the date of issue.

(f)(1) For purposes of this section, the cost of a project includes, but is not limited to, the value of lands, easements, and rights-of-way, and the cost of relocations of utilities, structures, and other improvements, necessary to carry out the project.

(2) For purposes of this section, the value of lands, easements, and rights-of-way (other than lands, easements, and rights-of-way acquired by purchase for the project by the Secretary for any non-Federal interest) shall be determined by the Secretary as of the date on which actual construction of such project is begun.

(g)(1) For purposes of analyzing the costs and benefits of a proposed project for flood control in any study of such project, the Secretary shall take into account the costs incurred in and the benefits produced by any local flood protection work carried out by non-Federal interests after the later of (A) the first day of the five-year period ending on the date of enactment of this Act, or (B) the first day of the five-year period ending on the date on which funds are first obligated for such study, if the Secretary determines that such work can reasonably be expected to be compatible with the project being considered by the Secretary. This paragraph shall not apply to any study for a project which project is authorized by this Act or any Act enacted before the date of enactment of this Act.

(2) The Secretary shall include as part of the non-Federal contribution of any authorized project for flood control the cost of any local flood protection work which is part of such project and which is carried out by the non-Federal interests after the date of such authorization or after the date of enactment of this Act, whichever is later. With respect to any local flood protection work carried out by non-Federal interests after the first obligation of funds for a study of a project for flood control (but not before the first day of the five-year period ending on the date of enactment of this Act), the Secretary shall recommend in any report submitted to Congress relating to such project that the cost of such work be included as part of the non-Federal contribution of such project if the Secretary determines that such work is reasonably compatible with the proposed project. Any local flood protection work included as part of the non-Federal contribution of a project for flood control under this paragraph shall not be subject to the limitation contained in the last sentence of section 215(a) of the Flood Control Act of 1968.

SEC. 303. Before construction of any project for local flood protection, the non-Federal interests shall agree to participate in and comply with applicable Federal flood plain management and flood insurance programs.

SEC. 304. Section 2 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (58 Stat. 889; 33 U.S.C. 701a-1), is amended by inserting after "drainage improvements" the following: "and flood prevention improvements for protection from groundwater-induced damages".

SEC. 305. The Secretary is authorized and directed to undertake local flood protection measures, including such channel widening and deepening and environmental measures as the Secretary and the Governor of the State of New Jersey may agree, to prevent flood damage to the residents of the Pine Brook section of Manalapan Township, New Jersey, substantially in accordance with the report of the Division Engineer, North Atlantic Division, entitled "Expanded Reconnaissance Report for Flood Control on Pine Brook, New Jersey, Manalapan, New Jersey", dated September 8, 1977, at an estimated cost of $1,400,000.

SEC. 306. The Secretary is hereby authorized to construct a comprehensive project for flood control in the Las Vegas Valley and tributaries area, Nevada, at an estimated cost of $80,000,000.

SEC. 307. The Secretary is authorized to design and construct flood control works for the protection of Brockton, Massachusetts, at an estimated cost of $12,500,000. Such project shall include, but not be limited to, improvements to ponds in the D. W. Field Park area and the existing Brockton-Avon Reservoir to provide additional storage, improvements to the drainage system under E. B. Keith Field, new culverts, improvements to miscellaneous bridges and utilities, and such other downstream improvements as the Secretary deems necessary. The provision of section 302 of this title shall apply to such project.

AMENDMENT OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I offer an amendment to title III.

The Clerk read as follows:

Amendment offered by Mr. EDGAR: Page 108, line 13, after the period add the following sentence:

For purposes of this section each element of the project for flood control Mississippi River and tributaries, shall be considered as a separate project, except those elements which consist of channel and levee construction work and acquisition of related lands, easements and rights of way on the main stem of the Mississippi and Atchafalaya Rivers.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. EDGAR] is recognized for 5 minutes in support of his amendment.

(By unanimous consent, Mr. EDGAR was allowed to proceed for an additional 10 minutes.)

The CHAIRMAN. The gentleman from Pennsylvania [Mr. EDGAR] is recognized for 15 minutes.

Mr. EDGAR. Mr. Chairman, before I begin the explanation of my single amendment to this landmark omnibus water resources bill, I would like to spend just a couple of minutes talking about its merits and then clarify why I stand in the well in strong support of the bill but also in strong support of an amendment which would help to provide some more equity within this legislation.

As my colleagues know, over the last 11 years I have been one of the leading opponents of passing an inequitable omnibus water bill that was based on simply devising a shopping list of projects and bringing those to the House floor for agreement. What I

have tried to do over the last 11 years is to develop a merit selection process so that with our limited Federal dollars—and as many Members know from the budget debates and the reconciliation debates, we have far less dollars to spend—with those limited dollars we may target them to the most needy of the flood control projects, the dam projects, the river projects, and the deepwater and shallow ports projects, and that we spend those dollars targeted on the most meritorious projects whether they are in Mississippi, or Alabama, or whether they are in Pennsylvania, or New York.

As we studied over many years the expenditure of dollars, we discovered some interesting things; 82 cents out of every dollar we spent was spent in the South and West building new projects, many of them very necessary projects, but less than 18 cents out of every dollar expended from 1955 to 1980 was spent on the older industrial areas of the Northeast and Midwest region rehabilitating and reconstructing the existing dams and water supply projects in those areas. We discovered that often the cost-benefit ratios were not sufficient to justify the new construction projects, and we found in some instances that we were building holding ponds for catfish farmers and marinas that were in fact not in the best interest of the Nation.

Over the course of the last 11 years we worked hard with the Appropriations Committee and with the authorization committee on a bill that includes many policy initiatives that we believe are part of the reform of the whole water process. I, as one Member of Congress, have been talking throughout the Nation about the fact that if energy was our problem of the seventies, water, its quality, and its quantity is really the problem of the late 1980's and 1990's, and it is appropriate for us in the Clean Water Act, the omnibus water bill, the Superfund legislation, and the Safe Drinking Water Act, to bring Federal policy into compliance with the concerns of quality and quantity.

□ 1200

Now this bill that is before us, H.R. 6, has many worthy provisions. Let me just take a moment to talk about four of those provisions which I think my colleagues ought to focus in on.

The first and most important is that this bill for the first time has a consistent statement of cost sharing.

Why is that important? It is difficult with the national geography to develop a merit selection process that is fair and equitable across the country. The needs of California, and Texas, and Mississippi are different than the needs of Illinois, and Indiana, and Pennsylvania.

Therefore, we devised a system where if the local communities and the State government would share in a small percentage of cost, they would begin to make some choices as to what in fact is of value and a merit to the project.

So, in fact, in the case of this bill, we have a minimum cost-sharing requirement on all new projects, whether they are dams, whether they are flood control, and it brings within this legislation for the first time a merit-selection system based on the ability of communities and States to come up with some local investment tied with their ability to provide local easements and rights-of-way.

So the first major reform of this bill is the issue of cost sharing.

Second, this bill shifts significantly the dollars expended on new starts and rehabilitation. In the past we spent very little rehabilitating locks and dams, rehabilitating existing water systems, choosing, instead, to build new projects while the old, existing projects decay. But in this bill we take care of lock and dam 7 and 8 on the Monongahela and Allegheny River system. We begin to address the modernization needs of the Ohio River lock at Gallipolis. By spending more on rehabilitation and reconstruction and less on new construction, we also improve the share of the Federal water dollar received by the Northeast and Midwest from about 18 cents on every dollar to 38 cents on every dollar.

We as politicians often do not like to invest the time or the money on cutting ribbons on old projects; we like new projects. This bill includes a major reemphasis or retargeting of the dollars to restoring existing projects.

At the same time it includes sufficient funds for new projects for new development. The older areas of the country, the areas that put their water systems in place over the last 75 years are aided significantly by this bill.

So in the area of cost sharing and in the area of rehabilitation, this bill makes a major step forward in water policy.

The third thing that this bill does, this bill provides for investments in environmental mitigation up front. No longer will we simply come in and do a project and worry about the environmental damage later. We will now come in and make sure that the environment is cared for in the total cost of that project. That is a significant contribution.

Finally, the bill provides a major new section to help replace aging water supply systems. If we look at the quality of our water in our older cities and communities over the last 10 years, it is decreasing, not increasing in quality. Our main water supply tunnels are leaking tremendous amounts.

This bill provides for a reasonable revolving loan fund to replace aging water supply systems and provides for a new mechanism where in fact those dollars are repaid to the Federal Government. Specifically, title VIII of H.R. 6 includes a provision I authored to provide $800 million for water supply rehabilitation loans.

So we have cost sharing, we have a focus on rehabilitation; we have a commitment to environmental mitigation; we deauthorize some projects that are not going to be built.

Finally, we have provided a very necessary ingredient, that of water supply.

I am also pleased that the bill includes a number of meritorious projects which are desperately needed in my home State of Pennsylvania. In particular, I note that the bill funds the replacement of the aging lock and dam 7 and 8 on the Monongahela River. Flood control projects for Harrisburg, Lock Haven, Pottstown, the Wyoming Valley, and Saw Mill Run in Pittsburgh are also authorized. Section 1120 allows the continued functioning of the navigation channel in the Delaware River up to Philadelphia, and section 401 funds the breakwaters we need at Presque Isle near Erie. These projects are vital to the economic health of the Commonwealth of Pennsylvania.

This bill with its policy changes has drawn the attention of the environmental community and of the communities across the Nation that have opposed water policy over many years. As one of the leaders in trying to cut the past practices of water policy, I can stand in the well as an enthusiastic supporter of this bill and I hope my colleagues, Democrats and Republicans, Conservatives and Liberals, will support this legislation.

Now, my amendment which I am offering at this time provides another sense of fairness. What my amendment does is simply bring a whole network of waterways and tributaries that are exempted from the cost-sharing provisions of this bill and requires cost sharing. These are the Mississippi River tributaries that have been excluded from any cost-sharing provisions in H.R. 6.

Now, why is that important? It is important because if a flood occurs in your district and you want Federal aid for floodwalls or levees that will alleviate that flood damage in your district, under the reasonable, simple, and minor cost-sharing provisions of this bill, you have to provide between 25 and 30 percent local or State investment; but if you happen to represent a district that is in the seven States in the Mississippi River and tributaries program, you are exempted and 100 percent of the dollars cost of the project will be borne by the Federal

Government and the Federal taxpayer.

My amendment would simply mean that all the projects on those tributaries that are new projects would have to comply with the same cost sharing that is in our bill that every other project in the bill must meet.

My amendment does exempt—and I think this has to be underscored—we exempt the main stem of the Mississippi. We exempt the Atchafalaya River, but we do not exempt the tributaries that flow into the Mississippi or into the Atchafalaya River system.

Now, all old projects, and this Mississippi project has been with us since the late twenties, all of the projects that presently are under construction still will get 100-percent Federal funding. All this does is focus in on the new projects that have not moved to construction at this point in time.

I would urge my colleagues to look carefully at this legislation. We are going to hear in a few minutes from people who support the exemption, saying that all of the waters from Pennsylvania and other States flow down the Mississippi River and that causes all the floods in the lower tributaries and therefore it should be a national priority to spend 100 percent of our dollars cleaning up that problem. That is only partially true. That is the reason my amendment exempts the main stem of these river systems from compliance to the cost sharing.

The only thing that we include are the tributaries. It cannot be said that all the water from Pennsylvania is filling the tributaries to the Mississippi River.

I would urge my colleagues to look carefully at this amendment. This massive MR&T undertaking was originally authorized in 1928 and has been repeatedly enlarged over the years with the addition of scores of major and minor projects. Many of these remain to be built and are quite separable from the essential flood control levees and navigation improvements on the main stem of the lower Mississippi River. The remaining cost to complete the MR&T project, as outlined in the fiscal year 1984 budget appendix, is $5.8 billion. This year the Army Corps of Engineers expenditures on the MR&T project will be about $269 million, about one-quarter of the entire Army Corps of Engineers budget is expended on this project.

Because this large agglomeration of MR&T work has technically been authorized as one big project, no cost sharing would be required under the current language of section 302(a)(1) of this bill, which applies only to projects which are not yet under construction. If considered as one large project, MR&T has been under construction for over 50 years.

My amendment would simply state that for purposes of the flood control cost-sharing requirements in section 302, each separable element of the MR&T project will be considered as a separate project. Thus, cost sharing would be required for those unbuilt components authorized as part of MR&T, just as they would for flood control projects everywhere else in the Nation.

Most of these separable elements are drainage projects, including extensive stream channelization, on tributaries to the Mississippi River in the lower Mississippi River Valley States of Arkansas, Kentucky, Louisiana, Tennessee, Mississippi, and Missouri. They are not part of the main stem work in the Mississippi River itself, which has been largely completed.

In fact, my amendment would not—and I repeat, my amendment would not—be applied to the main stem work on the Mississippi or the Atchafalaya Rivers. I agree with Chairman ROE, Chairman HOWARD, and the distinguished gentleman from Mississippi [Mr. WHITTEN], who have pointed out many times that these "main stem" parts of the MR&T work are truly a national responsibility on a national river system.

However, it would be unfair to allow the rest of the $5 billion MR&T project to be excluded from the cost sharing that will be applied to every other flood control project in every other Member's district in the Nation. We should not take the unfair and inequitable step of excluding billions of dollars in flood control projects from the scope of the bill's cost-sharing reform merely because we want to have it as one technical large project.

I urge you to join me in making new MR&T flood control work subject to the cost-sharing provisions of H.R. 6.

Mr. WHITTEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first, I wish to congratulate the chairman of the full committee, Mr. HOWARD, and the chairman of the subcommittee Mr. ROE, as well as the ranking Republican, Mr. SNYDER, and other members of the committee.

I have pointed out for some years, I believe it was first during the term of President Johnson, that hopefully when we slow down the growth of military expenditures, we can divert our energy, and attention to worth while, valuable, and essential public works. We must keep the wheels turning for you cannot pay a cheap dollar borrowed with a hard-to-get dollar thus we must have a vital economy.

We have tried through the years to get an authorization for the backlog of worthwhile projects, so we could begin to spend money wisely and now the time has come so that we can do it. I think our committee, and all our colleagues, have done a great job in providing these authorization so that we will have some place to focus our resources when the time comes.

In the years that I have been here I have presided over the Subcommittee on Public Works of Appropriations, and I am a member of the subcommittee now. Our subcommittee has held hearings in the State of Pennsylvania to deal with floods in that area and other affected areas because their water flows down the Mississippi to New Orleans.

I remember when the Mount St. Helens volcano eruption occurred, we brought out a supplemental bill and called the committee back together so our House colleagues could get on with the task of taking care of that area which suffered from the volcano, Mount St. Helens.

Whether it is in California, Maine, New York, or wherever it may be, this committee has looked without partisanship to taking care of flood control in all our country.

Now, it is hard for me to understand my friend, the gentleman from Pennsylvania. I do not know what the gentleman is opposed to through the years, but it is just unreasonable to say that any section of the country can handle water from 41 percent of the United States by itself. From some parts of Canada and New York State, the water goes down the Mississippi to New Orleans.

Let me tell you that in 1928 in the lower Mississippi we had one of the most disastrous floods in the history of the United States. Following that, the Congress had the Corps of Engineers draw up a plan to try to handle the flooding along the Mississippi River because at that time and since you could not control the volume of water draining 41 percent of the country. You have to work with it.

I want you to know that from 1928 until now we have completed 86.6 percent of the overall projects, and all we do here is let the corps finish that huge project without putting it under a new requirement which would require years to accomplish.

What is involved here is the completion of a plan to handle the next flood.

We have already invested $3.7 billion and the overall project is 86.6 percent complete.

Now we have gotten control of the main stem to a great degree, but when the main stem drains all the water from 41 percent of this country into our area, then the tributaries have to go into a flooded river which means widespread flooding over several States.

Should you on the remaining part of the 1928 plan, 13.4 percent, you would put a stop to further efforts to control the Mississippi River, which drains 41 percent your country.

Do you realize that to bring the remaining work under your provision, you would have to get the State legislatures to act, you would have to see whether the bonded indebtedness necessary would hit the ceiling. You would have to slow down and let various land areas form a taxing unit to issue bonds.

I say to you, when we are here today trying to do these great things for the future of this country, let us not go backwards and stop that which we are already doing and which nears completion.

I want to tell you, the damages we have in my area which is in the tributary area, we had three 100-year floods in 10 years. Millions of acres were flooded. We must complete the 1928 plan one way or the other.

□ 1215

So I say while we are starting out on new things, do not stop that which is 86⁹⁄₁₀ percent completed, and where we, through geography and through such as this bill, have to live with all the water from 41 percent of the country, for it goes down into this funnel that hits New Orleans. I do not believe you would do that.

Let me digress a little bit here, and I think it is worthwhile to say it. Some years ago I was walking over from the other body where we had been in a conference, and the late Secretary of the Treasury, Joe Fowler, who was Chairman of the Commission which was to buildup a sufficient productive capacity for us to compete with Russia, said, "Jamie, you know, if I was in charge of Russia, I would declare 5 years of peace."

Just think, he said "It would bring disaster to our economy." Just think if all the boys were to come home from the service, if all the contracts with the Federal Government for military equipment were cancelled, what would happen here. Our economy would break down. At that time we had more cars than we could park, more clothes than we could wear, and the finest time in the history of this country. But I decided that it simply should not take a war or preparation for war in order to have prosperity. We could have prosperity if we would use the same energy in protecting and developing our country, and would end up with a richer country.

I want to congratulate my colleagues in charge of this bill. They have provided something for us to turn to so we may improve our country, and if we will just do that we can do wonders. Once again, let us not try to stop that which is nearly complete in the interest of trying to improve the country, as this bill otherwise would do.

Mr. BEDELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think the House needs to know what it is voting for, and certainly I am interested in knowing what I am voting for. I would feel it proper to ask some questions.

I would ask the gentleman from Pennsylvania: Does the gentleman's amendment in any way decrease the efforts to control the flooding on the main stem of the Mississippi itself, or the work that needs to be done in that regard?

Mr. EDGAR. If the gentleman will yield, the answer is, my amendment does not touch the main stem of the Mississippi River or the Atchafalaya River. That's where upstream water from our States goes. Our States are not flooding your tributaries, and that's where we want you to have to pay the same cost sharing we have to pay.

Mr. BEDELL. So that if the gentleman's amendment is adopted, it would mean that my people, who have flood control projects on rivers that eventually flow into the Mississippi, would be treated the same as people in the States we have mentioned who have flood control projects that flow into the Mississippi. Is that correct?

Mr. EDGAR. That is correct. In fact, at the table there is a map that I am sure some of the opponents of the amendment are going to offer which shows the large basin that drains down into the Mississippi. It is only those projects in the narrow tributaries at the southern end of that which get 100 percent funding under the bill. Under my amendment, they would be brought into equity with projects in the gentleman's State which have to come up with 25 or 30 percent cost sharing and are part of that same system.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Chairman, I do not think this statement is entirely correct because if this amendment were passed, we are going to require local governments, levee boards, county governments, to come up with funds for their cost-share of desperately needed new authorized projects; whereas, many of these today do not even have the funds that they need that they have to come up with to acquire rights-of-way on the main stem of the Mississippi River.

The main-stem levees are under grade today in several States of this Nation because of the fact that the local government bodies do not have the money today to acquire the rights-of-way, which they must do, and then the Federal Government funds the entire project. It is going to compound the problem.

Mr. BEDELL. Of course, any water we pour into the Mississippi compounds the problem. I think there is no argument about that. But the fact is that I have water that flows into the Mississippi as well, and I guess the question I do not understand is why we should treat somebody from Illinois or Ohio or Iowa or some other place differently from the way we would treat those communities that are in the States that have been mentioned. If I understand the amendment correctly, it would say that if you happen to live in Louisiana then you do not have to come up with any cost sharing, but if you happen to live in Illinois or Ohio or Iowa or any of those States, then you do have to come up with cost sharing.

We do not have a heck of a lot of extra money. I hope everybody understands that. If we pass Gramm-Rudman, that is certainly going to be the case. If it makes sense, which I think it does, to say that people have to come up with part of the cost, then I do not understand what the argument can possibly be that would say if you happen to live in some States it does not apply, but if you live in other States it does apply, as long as we are providing the funds to take care of the main stem of the river.

Is there something the gentleman does not understand?

Mr. EDGAR. If the gentleman will yield, in further explanation of the gentleman's question, the gentleman from Iowa is precisely right. We have farmers who are going under, we have poor communities, we have banks and savings and loans that barely can make it, and we have a high level of stress in many of those communities.

If we have an area of flood control as a new project in this bill, your communities, as poor as they are, have to come up with 25 to 30 percent cost-sharing. That is a fact of life under the legislation that is before us, and it is something that has to be addressed by local and State governments. It is the same as in your communities. When your people are inundated with floods in those tributaries, they have to come up with a project, but under the provisions of this bill, your poor people are exempt from any cost sharing and Mr. BEDELL's poor people are not.

All we are suggesting is that the main stem of the Mississippi is national property and we are not including that. The main stem of the Atchafalaya River system is not included. The only thing that is included is those projects which feed into the Mississippi that are called tributaries, and they are no different than the tributaries in Mr. BEDELL's district or in my district or in someone else's district that flow into that large water system.

Mr. HUCKABY. If the gentleman will yield further, would the gentleman not agree that the farther downstream one goes, the greater the volume and the quantity of water as such, especially at flood time, compounds the magnitude of the problem?

The CHAIRMAN. The time of the gentleman from Iowa [Mr. BEDELL] has expired.

(By unanimous consent, Mr. BEDELL was allowed to proceed for 3 additional minutes.)

Mr. HUCKABY. Mr. Chairman, will the gentleman yield further?

Mr. BEDELL. I yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

For instance, Mr. Chairman, I have one project in this bill. This is my ninth year in Congress, and in 3 of the 9 years they have had 100-year floods in this agricultural district, as such. Certainly these people have all the problems that the rest of agriculture does, but in addition to that, in the other tributaries there is water coming from Arkansas, probably from Iowa, water coming from Pennsylvania, et cetera, that compounds this problem because the water cannot get into the Mississippi River when the Mississippi River is high.

Mr. BEDELL. If I might, I do see the problem, and I think it is a problem, but I think we have that same problem all across the country in other areas. It seems to me water is water, whether it comes from Iowa or whether it comes from Louisiana. Water is water, and it causes similar problems.

I guess if it is right for Iowa, it seems to me it should be right for Louisiana as well. I do not see why we should discriminate and say that if you happen to live in some other area than those States, then you have to get 25 percent cost sharing from the local area, but if you live those States you do not have to.

Mr. EDGAR. If the gentleman will yield further, today, right at this moment, lock and dam 7 and 8 on the Monongahela River are under about 8 feet of water. Right there in Pennsylvania today there are families being displaced in southwestern Pennsylvania because of large, enormous floods. Those floodwaters are heading down the main stem of the Mississippi because that is part of the flow of the water.

The point that is being made, to address the flood problems in the southwestern corner of Pennsylvania, those people, devastated, loss of homes, loss of property, loss of agricltural ingredients, are no better off than people in your area in Louisiana. Loss of heavy steel and industry is there, in western Pennsylvania too.

What we are suggesting is that in equity and fairness, not to the extent that the administration wanted—the administration wanted 100 percent cost recovery; we do not think that is equitable—but we do think that it is very difficult to see poor and impoverished communities inundated with floods in one section having to come up with cost sharing, and poor and inundated areas in another section not having to have equal time or equal money.

□ 1225

Mrs. BOGGS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I think we should get something straight here. This is what we are talking about; the Mississippi River and its tributaries are neither isolated streams nor local waterways. As you have heard from the gentleman from Mississippi, together they comprise a drainage system for the watershed of 41 percent of this country, the third largest watershed in the world.

You have also heard from the gentleman from Mississippi that recognizing the needs of the people to control flooding, yet understanding the inability of localities to fund such a vast national flood control program, Congress authorized the project in 1928. That is the project we are talking about in this bill, Mr. Chairman.

In that act, Congress specifically recognized the gigantic scale of this project involving flood waters of a volume, and flowing from a drainage area largely outside of the States most affected. Therefore, no local contribution was required.

Well, through the years, Mr. Chairman, that has changed. Of course, some $3.7 billion in Federal funds have been spent on the project since 1928, but the State and local governments have expended over $922 million for the costs of lands, easements, rights-of-way and maintenance. Continuously, we have fulfilled our legally established cost-sharing obligations.

In the 1983 and 1984 floods alone, the project prevented an estimated $31 billion in damages, over nine times the U.S. investment in the last 60 years, and over its lifetime, the project is estimated to have prevented some $100 billion in damages.

We sympathize and we empathize with the poor people in Pennsylvania, with the poor people in Virginia, with the poor people in West Virginia who are experiencing terrible floods, and we are happy that they have had them only once or twice in the last 10 years. We have had them continuously in the lower Mississippi Valley over those past 10 years.

The project that was authorized in 1928 is now 76 percent complete. The mainstem levee system is only 71 percent complete to approved grade and section. Much remains to be done in the tributary rivers.

In Louisiana alone, some 500 miles of approximately 800 miles of levees are incomplete. We have built the funnel, Mr. Chairman, but the drain is not complete.

A flood control system is built from the top down, not the bottom up. And while much of the mainstem features are substantially complete in the upper reaches of the project, in Louisiana this system is only 65 percent complete. So it is unfair to require more individual project costs from Louisiana now that the project upstream is effectively able to pass the flood down to us.

We in Louisiana have always paid our fair share, and in practically all, if not all instances, we have paid more than any other State for flood control, navigation and water resources projects. We do not believe it is equitable for the Federal Government to retreat from its commitment of 57 years to the people of the Mississippi Valley. A change in cost-sharing to us would be disastrous.

The localities bordering on the Mississippi River and tributaries are no more beneficiaries of this project than the States to the north, east, and west who have sent the waters which must be controlled. The Mississippi River and tributaries flood control program cannot be dissected and considered as a series of local problems to be addressed by each individual area. It is a single, national program addressing a single, potentially disastrous problem for the benefit of a vast area of the country.

I urge my colleagues to vote no on the Edgar amendment.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Edgar amendment. I think it is absolutely incredible that the gentleman from Pennsylvania would have initially sought to put the burden of all of the costs of maintenance of the Mississippi River on the backs of the States through which it flows. Now he has amended his amendment, but I still think that his suggestion is likewise ridiculous, and I would simply call the attention of the House to this map which sits by my left and point out that what he is talking about is the largest drainage system in the world.

The water which flows through the Mississippi River, particularly through Louisiana, comes from virtually one-half of the rest of the United States. This greater Mississippi River tributary system provides the life stream for America's domestic and foreign commerce. Forty-three percent of all of the grain exported by U.S. farmers is shipped through the lower Mississippi River channel.

The Mississippi and her tributaries provide power through hydroelectric dams. Hundreds of thousands of jobs, and billions of dollars in economic benefits flow to the Nation because of this great old river and her tributaries.

The river provides drinking water for America's thirsty. It provides the core and the balance for America's ecosystems and environment.

But, of course, the gentleman from Pennsylvania would say, well, we appreciate all of the benefits that accrue from the river system; we will enjoy its bounty; but only those States through which it flows should pay the cost for its upkeep.

Mr. Chairman, that is not fair. Fully two-thirds of the United States' water flows through the Mississippi River system and the whole Nation benefits from its smooth and efficient performance. So it is hardly fair to say that just a few States must bear the cost, and cost there is for the maintenance of this system.

If left to its own devices, fully one-third of the Nation would be subject to annual floods as the system overruns its banks. Actually that may be closer to 50 percent. So to control that flow, we need reservoirs on the tributary streams, we need floodways to receive the excess flow. And to protect and continue the river commerce, we need channel improvements like revetments, and dikes, and dredging to increase the channel capacity. We need control structures and cutoffs and pumping plants and floodwalls and floodgates to make the whole system work efficiently.

To maintain the 10,000 miles of natural and manmade waterways with a navigable depth of 6 feet or more, it costs $100 million a year in maintenance costs alone. When you consider the new construction that is needed to constantly improve the system, those costs increase by another $245 million a year.

And even if we approve the planned 1986 improvements, we would still have 400 miles of levies below flood safety standards.

Louisiana alone has 2,200 miles of levies along the Mississippi River. She has another 1,600 miles of levy floodwall in addition to those on the main stem, and of that amount, we have a constant need for improvements and upgrade. Had we not had the current system, millions upon millions of people would have been devastated beyond belief, and beyond the damage that actually did occur in the floods of 1983, 1979, 1975, 1973, and going all the way back to 1929 when the system began.

In 1983 alone, had we not had the Mississippi River and tributary project in place, 6.1 million acres would have been flooded and $17 billion in damages would have been sustained by the American people.

Mr. Chairman, the Edgar amendment presents false economy. This project has paid for itself many times over. America has received well over $100 billion in direct benefits since the project's inception, and it has saved many times that in terms of losses that Americans might have sustained had the system not been adopted.

Let us not turn our backs on a real success story. I would urge my colleagues to defeat the Edgar amendment.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. LIVINGSTON] has expired.

(On request of Mr. EDGAR and by unanimous consent, Mr. LIVINGSTON was allowed to proceed for 2 additional minutes.)

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I will be happy to yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I thank the gentleman for yielding.

I would first like to ask the gentleman a question. Was the gentleman suggesting in his comments that somehow in the Edgar amendment that we were changing national policy as it relates to maintenance of flood control projects.

Mr. LIVINGSTON. Well, the gentleman is the author of the amendment, and he certainly knows what in the world this amendment does better than I. I am not going to attempt to explain his amendment for him.

In further answer to the gentleman's point, I would simply say that this map illustrates quite well that millions of gallons and tons of water are flowing through this system which is of great benefit to the Nation at large. There is absolutely no reason to put upon the focal point of that system the burden of maintaining its tributaries and the costs of their upgrading and improvement.

Mr. EDGAR. If the gentleman will yield further, I appreciate the gentleman suggesting that the author of the amendment knows what the amendment does. The amendment does not touch any of the maintenance practices that are presently in place, the maintenance of the flood projects, the levies, they are not affected by the Edgar amendment.

Mr. LIVINGSTON. If I might reclaim my time, he would then put that $250 million worth of much needed new construction on the backs of those States that can least afford them. They are the recipients of all of the water that flows from the north through the southern regions of the United States. The gentleman would impose the costs of such devices as control structures, cutoffs, pumping plants, floodwalls and floodgates on those States, and I think that that is not at all a fair proposition.

Mr. EDGAR. If the gentleman will yield further, the gentleman's numbers should be reduced by two-thirds because the gentleman from Pennsylvania's amendment only provides that 25 percent of that cost not be borne only by the local communities, but by the State and local communities, just as the States and localities that are north of the gentleman's district have to bear 25 to 30 percent of the costs. The majority of project costs—70 to 75 percent—will continue to be paid by the Federal Government. I think that's a fair balance.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. LIVINGSTON] has again expired.

(On request of Mr. BEDELL and by unanimous consent, Mr. LIVINGSTON was allowed to proceed for 1 additional minute.)

Mr. LIVINGSTON. I will be happy to yield in a minute, but I simply would like to respond to the gentleman that, in fact, what the gentleman is doing with his amendment is overturning a system which has worked successfully to provide power, to provide commerce, to provide benefits of untold millions of dollars to the United States, which system has been in place since 1929, yet which he would eliminate.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I will be happy to yield to the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, I appreciate the gentleman's statement. The gentleman points out quite clearly that two-thirds of the United States furnishes water to this area. Those of us who do not happen to be in the States that are exempted would point out, as the gentleman has, that two-thirds of the water comes from these other States, and we are going to say to those States that are exempted we are going to treat you differently than we do all of the other States that are in that area where they have flooding. Many of us have real trouble in the time that we have and with the shortage of funds that we have to say to that we are going to give this extra money to those States, but you are going to treat all of the rest of the States completely differently.

Mr. BREAUX. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. BREAUX. Mr. Chairman, I have always been struck by the novelty of the argument that somehow a few States are benefiting from the project that others are not getting the same benefits from. Nothing could be further from the truth.

We are talking about a project that does not affect just the States at the bottom of the funnel, but all of the States, over 31 States and two Canadi-

an Provinces who happen to dump water down the funnel, which just happens to come through the bottom of the Mississippi River Valley tributary system.

I want my colleagues to know that what is done in Louisiana for flood protection certainly benefits all of the States in the system.

□ 1240

If the water is not available to be drained outside of the Mississippi River, the Mississippi River is going to start flowing backward, and we are going to have water going north instead of south, flooding the States of the system.

So what we are talking about is a project that is 76 percent complete, a project that was authorized in 1928; a project that benefits all of the States on the entire system.

I am also amazed at the argument that somehow, people are trying to create the impression that the States at the bottom of the system are not contributing their share. Nothing could be further from the truth.

We are paying for the land to construct the levees and to construct the projects. We are paying for the easements and the rights-of-way that are necessary and have to be purchased in order to create the project and make it work successfully. We are doing the maintenance on the project to ensure that the levees do not break, and that the system works in order that all of the States in the system, 31, 2 Canadian Provinces, benefit from the system.

This affects agriculture in all of the States along the system, and I think it makes a great deal of sense to keep the project going as it is and to not let it be disrupted by the mischievous amendment offered by the gentleman from Pennsylvania [Mr. EDGAR].

I dare say that I think the people of the northern part of the project would not be offering amendments if they were being inundated by all of the water coming from the Gulf of Mexico going north, other than what we are having to face with the water coming from 31 States.

Mr. HUCKABY. Will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Chairman, I would like to take this time to commend my good friend and colleague, the chairman of the subcommittee, the gentleman from New Jersey [Mr. ROE] as well as the gentleman from Minnesota [Mr. STANGELAND] for the outstanding job that they have done in bringing this well-balanced bill to the floor, that I am optimistic that we can finally get passed through both bodies as well as signed into law.

I would like to thank the gentleman from New Jersey [Mr. ROE] also for accepting an amendment of mine; one at the last moment regarding the Laourea Gully project in Louisiana, which the gentleman is also concerned with. We have been operating for years, really, under the impression that this project was authorized; and the corps has now made the decision that was not authorized, and I thank the gentleman for accepting that amendment.

I also would like to echo the gentleman's comments regarding the amendment before the House of Representatives. Much has been done in Louisiana, in other Southern States that are tributaries of the Mississippi; but so much more remains to be done.

This section of our Nation floods far more, with greater frequency, duration of floods than any other section of the Nation. These States, to be honest with you, cannot afford by themselves the amount of funds that are still needed for the flood protection.

As has been pointed out, this river basin is the greatest river basin drainagewise in the entire world. So I would urge my colleagues to reject the amendment.

Mr. BREAUX. Reclaiming my time, I thank the gentleman from Louisiana [Mr. HUCKABY] for his comments. What we are talking about, ladies and gentlemen, is a national problem. It has to be viewed as a national problem.

What happens in Louisiana is going to affect all of the 31 additional States, and it is a national problem and should be viewed in a national perspective. The tributaries cannot be separated away from the main stem of the Mississippi. To say that "Well, we are going to take care of the Mississippi but folks, you are going to have to take care of the local tributaries" is trying to separate a project that cannot simply be separated at all.

It has to be looked at as a national project as it has been looked at since 1928.

Mr. BEDELL. Will the gentleman yield?

Mr. BREAUX. I yield to the gentleman.

Mr. BEDELL. The gentleman, if I understood him, made the point that if there was a flood on the tributaries, the river would back up and flood areas such as my area of Iowa.

Mr. BREAUX. I was suggesting that.

Mr. BEDELL. I think the gentleman understands that my area of Iowa is over 1,000 feet above sea level, which would mean that we would have to have more than 1,000 feet of water all across the rest of the country in order to do so.

However, if we do have a flood——

Mr. BREAUX. I would say to the gentleman we are almost there now in Louisiana.

Mr. BEDELL. However, if we do have a flood in Iowa, then certainly that water is going to flow down the river and cause trouble downstream as well.

So that for the gentleman to say that it is more important in the national interest to take care of the tributaries downstream than upstream seems to me to be a pretty ridiculous argument, unless the gentleman thinks we are going to get 1,000 feet of water over the whole country.

Mr. BREAUX. Reclaiming my time, if you do not do anything with the tributaries——

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. EDGAR and by unanimous consent, Mr. BREAUX was allowed to proceed for 2 additional minutes.)

Mr. BREAUX. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding. The gentleman mentioned my name, and characterized this as a mischievous amendment.

I just draw to the gentleman's attention, and one of the reasons I am standing on the Republican side is that I have in my hand this statement of administration policy dated October 23, 1985, from the White House, which states its position on this particular bill.

Now, the gentleman from Louisiana knows that I frequently disagree with this administration. But sometimes they're right. This time they are. In their letter, on the second page, it says:

> The bill also fails to treat all regions of the nation equitably, by not extending the compromise cost-sharing agreement to as-yet unstarted, multi-million dollar features of the Mississippi River and Tributaries comprehensive flood control project.

It goes on to say, simply, that:

> The Administration urges the Congress to eliminate or modify objectionable provisions or omissions in H.R. 6 during floor or conference action. If H.R. 6 is enacted in its present form, the President's advisors would recommend that the bill be disapproved.

So I do not think the gentleman's characterization of it as being a mischievous amendment is true. The gentleman from Pennsylvania has excluded Mississippi and Atchafalaya River systems from the amendment in order to address the concerns you've raised.

Mr. BREAUX. Let me take back the time the gentleman gave me to respond. I think this is yet another good example of the administration being clearly dead wrong on a position of national importance, when they are trying to single out the project and divide it up.

Is this another example of them being wrong? I take no consolation in the fact that it is opposed by the administration; they are not correct on the issue.

Mr. HUCKABY. Will the gentleman yield?

Mr. BREAUX. I yield to the gentleman.

Mr. HUCKABY. I thank the gentleman for yielding.

I would like to point out to the gentleman from Iowa [Mr. BEDELL] that when you have a flood in Louisiana, in Iowa you are going to have a flood downstream. When you have a flood over in Pennsylvania, you probably are not having one in Iowa. You are still going to have a flood downstream. When you have heavy snows in Iowa in the wintertime, they melt; usually not causing damage in that section of the country.

Mr. BREAUX. Reclaiming my time, the gentleman is making a good point.

If the tributaries and the main stem of the river do not work, you are going to have flooding in Iowa and in Pennsylvania and everywhere up the stream. What is done in Louisiana at the bottom of the funnel also affects everything that happens upstream, all the way to Iowa and all the way to Canada.

Mr. HUCKABY. I thank the gentleman.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Edgar amendment. This area of the country has a unique problem. This is exactly why the Congress of this United States, in 1928, passed legislation to help this area of the country that has 41 percent of the water pouring into it, down the Mississippi River with all its tributaries.

So there are unique problems; this is the same old amendment; it has just been watered down a little to try to get us to pass it.

The Appropriations Subcommittee that I chair listens to the testimony of the Corps of the Engineers, we hear the testimony of the officials from the States, the public witnesses, we know the massive problems. I hope nobody is getting hoodwinked by this amendment, because it is a bad amendment that would create chaos in this part of the country if it were to go into effect, and I hope it is voted down.

Mr. Chairman, the Mississippi River has the third largest drainage basin in the world, draining 41 percent of the continental United States, exclusive of Alaska. The basin covers more than 1,245,000 square miles. Its waters come from 31 States, and were it not for the levees, it would flood over 30,000 square miles, a territory greater than many of our States.

The river combines size with usefulness and is one of the most valuable assets of the United States. Through its aid to drainage, navigation, water supply, power, manufacturing, agriculture, and other incidental uses, it renders vital service to over 40 percent of that area of the country. At the same time, the river poses a significant and continuing flood threat to the inhabitants of the lower Mississippi Valley.

The Flood Control Act of 1928 authorized the necessary work to correct the disastrous flood problems created by the record flood of 1927, affecting seven States—Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

Congress took this action because 41 percent of the continental United States, exclusive of Alaska, sends its water down the Mississippi River. In recognition that local interests had spent $292 million in an effort to protect themselves from the floods of the river which are of immense volume and which flow from a drainage area largely outside of the States most affected and which exceed those of any other river in the United States, the 1928 act requires no local contribution.

The Mississippi River and tributaries project is one project addressing the flood problems of the seven States—failure to complete this project as a complete unit will totally cripple the project.

As chairman of the Subcommittee on Energy and Water Development of your Appropriations Committee, I have heard the testimony of Members of Congress, local interests, and representatives of the Corps of Engineers year after year outlining the critical need for this project.

Although only partially complete, the project, through its flood control benefits, has more than returned to the Nation the accumulated construction investment of approximately $3.7 billion from May 1928 to September 1984. For example, in the 1983 and 1984 floods alone, the project prevented an estimated $31 billion in damages. Hence, in two seasons, the benefits were nearly 9 times the investment in the project over the last half century. Add that to the previous tally, and it means the MR&T project has saved some $100 billion since its inception; all in all, a pretty good benefit-to-cost ratio.

In closing, let me reiterate my opposition to this amendment which if passed would create a tremendous financial burden on the people adversely affected by the flood waters of 31 States.

Mr. STANGELAND. Will the gentleman yield?

Mr. BEVILL. I yield to the gentleman.

Mr. STANGELAND. I thank the gentleman for yielding and I just would like to associate myself with his remarks, commend him for his observations, and commend the other speakers on this issue.

Mr. Chairman, I rise in opposition to the amendment of the gentleman from Pennsylvania.

I understand the gentleman's concern that cost-sharing provisions in this legislation be applied fairly and equitably, and I certainly share those concerns.

However, given the history and unique nature of the Mississippi River and tributaries project, to treat each element as a separate project would, in my judgment, be most unfair to the MR&T project—and I am sure that is not what the gentleman desires.

These are, in fact, not new projects; they are elements and features of a single comprehensive overall project. These works were authorized in 1929 as a flood control project, and that project is not completed. What remains is not new but represents additional steps toward completing an existing project. Each element is an integral and interdependent part of the overall project.

At the outset, it is important that the MR&T be viewed as a national project, rather than a regional one. The Mississippi basin drains 41 percent of the continental United States. It is, in fact, the fourth largest drainage basin in the world—and that has enormous implications for the lower Mississippi Valley.

The people in that region constantly endure the ravages of floods coming down upon them from over 40 percent of the land area of the United States. The situation is aggravated by the increased urbanization of our Nation, which has produced higher runoff rates and volumes and lower ground water tables. These developments have only increased the threat of flooding to the lower Mississippi Valley.

Studies by the Corps of Engineers show that within the lower Mississippi Valley alone, about 6 million acres of farmland were flooded in fiscal year 1984. Therefore, the need for the MR&T project is without question.

Frankly, it is unrealistic to expect citizens in those States in the lower Mississippi Valley to pay new or additional costs to protect themselves from devastating floods from outside their boundaries. In more ways than one, they have already paid enough.

I urge defeat of the amendment.

Mr. BEVILL. Mr. Chairman, I yield to the distinguished ranking minority member of our House Committee on Public Works and Transportation, the gentleman from Kentucky [Mr. SNYDER], and I would like to commend him, and Chairman HOWARD and Chairman ROE, the subcommittee chairman, and the subcommittee ranking minority member, Congressman STANGELAND for this fine bill here. I

commend you all for this fine bill you have brought to the floor.

This bill has been passed twice by the House and there is no reason to waste a lot of time on amendments like this. We ought to just vote them down and move on.

I yield to the gentleman.

Mr. SNYDER. I thank the gentleman for his commendation, but I certainly want to commend the gentleman for his statement and the others who have opposed this for giving good, articulate reasons as to why it should be defeated; it is mischievous, even though the proponent does not want to admit that that is the title for it, but I think it ought to be dismissed for being just that.

Mr. Chairman, I rise in opposition to the amendment.

The cost-sharing provisions of section 302 should not apply to the Mississippi River and tributaries project. In the last 56 years, the $3.5 billion spent by the Federal Government on this project has, according to estimates, saved $100 billion in the protection of property and lives.

The mighty Mississippi has been the benefactor of great economic wealth, and it has also brought pain, suffering, and devastation when its floodwaters have taken their toll. That is why the flood control part of this project was authorized in 1928; and it would never have succeeded as it has if it had been broken up into hundreds of individual projects as though they were totally unrelated.

This is a single project, albeit a large one, with many parts, and to apply a new cost-sharing formula to these parts by considering each as a separate project is unrealistic, unfeasible and unfair.

The people in the lower Mississippi River Valley have been fighting the floodwaters of that great river and its tributaries for years, and they have contributed substantially to flood control efforts. It is not their water which floods their land and their homes. It is water brought down to them from the upper reaches of the Mississippi.

The cost of the protection from rainfall from over 40 percent of the land area of the United States is beyond the ability of the citizens in the lower Mississippi Valley to pay, and it is totally unrealistic to expect them to do so.

I urge defeat of the amendment.

Mrs. LONG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the Edgar amendment.

Mr. Chairman, the amendment would require affected States and local governments in the lower Mississippi Valley, including my own State of Louisiana, to share the cost of previously authorized but not yet constructed flood control projects in the region. Requiring cost sharing by these units of government represent a serious policy mistake and I urge my colleagues to reject the amendment for several reasons.

First, the Mississippi River and its tributaries is the third largest drainage basin in the world. The river system drains over 41 percent of the continental United States and parts of Canada. The Mississippi River represents a national asset, not a local one. Billions of dollars of interstate and international commerce depend on the river system for water, for power, recreation, and the transportation of food, fuel, and manufactured goods. Millions of Americans, in every State of the Union, directly or indirectly and whether they realize it or not, benefit from the river and its tributaries, and from the billions of dollars invested in it over time. Just as the benefits of the Mississippi River belong to all Americans, so do its problems. The costs of maintaining the river as a viable instrumentality of interstate commerce inescapably fall hardest on those who live near it, therefore, adoption of the amendment will simply make matters worse for all.

The Federal Government has been sharing the cost of flood control in the lower Mississippi Valley since the creation of the Mississippi River Commission in 1879. Congress recognized its larger Federal responsibility for flood protection in the lower Mississippi Valley in 1928. Congress noted that governments and residents of the region had already spent some $300 million for flood control prior to 1926, and that the valley had always borne the direct costs of flooding in loss of property and life. The Flood Control Act of 1928 authorized the Mississippi River and tributaries project to mitigate damages from future floods. The project included substantial local contribution of funds, rights-of-way and easements, and construction on the the Mississippi River and tributaries project is now more than three-quarters complete under the original authorization, as amended.

Mr. Chairman, Congress must not change the ground rules and suddenly subject the remainder of this massive project to the new cost-sharing formula contained in H.R. 3670. Flood control in the lower Mississippi Valley is a national problem because of the national importance of the Mississippi River. Congress recognized that fact in 1928, and nothing has changed since then.

Flooding in the lower Mississippi Valley does not restrict its impact to residents of the valley. Flood waters destroy all types of property—agricultural, commercial, residential, public and private indiscriminately. Floods on the Mississippi River interrupt traffic on national highways, waterways, and air routes with equal vigor. Anyone who believes flood control on the Mississippi River is a problem local to areas adjacent to it simply cannot see the big picture.

Second, Mr. Chairman, the ultimate effect of the Edgar amendment will be to end construction of necessary flood control projects in the valley. Louisiana tragically has the second highest unemployment rate in the Nation. This has caused substantial reduction in State and local revenues. State and local governments simply will not be able to raise their share of the cost at a time of reduced Federal aid and revenue. Future levee construction will be abandoned, and future floods will result in ever greater loss of life, property, and commerce. America as a whole will suffer and the flood damage and loss of life will cost the economy much more with just one massive flood than this amendment hopes to save. Federal emergency disaster assistance, lost property, revenue man-hours spent on cleaning up, and so forth, cost the economy hundreds of millions. And, because of the lack of effective flood control, the scenario would be repeated, time and time again, flood after flood.

Third, the imposition of cost-sharing on government in the region is unjust because the residents of the area already pay a disproportionate cost of flood control because of their proximity to the river. The Mississippi River and Tributaries project will not and cannot prevent floods; nature is by far the stronger actor. The floods which will continue to come and which will affect all Americans because the use of the Mississippi River system will always cost valley residents more. To require them to pay an increased share of the burden of protecting the interests of all Americans is unsound and unfair public policy.

Mr. Chairman, I again urge my colleagues to reject this amendment which jeopardizes the Mississippi River and Tributaries project. There is more at stake here than cost-sharing for Federal water projects. Flood control in the lower Mississippi Valley is a national problem with national implications. Residents of the region must not be asked to contribute more than their fair share of the cost of the flood protection which benefits all America. The Mississippi River and Tributaries project is more than three-quarters complete. Congress must not change the rules at this late stage of the game.

□ 1250

Mr. EMERSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Edgar amendment.

Mr. Chairman, I regret to see this debate develop in such a way that it appears to be Louisiana against the

rest of the world. As the representative of southeast Missouri, I want to assure my colleagues that there is indeed a lot more to this problem than just Louisiana.

The Mississippi is truly a national resource, but it is also a national problem. As such, I believe that my colleagues should come to understand the fact that the Nation should participate in the solution.

The Mississippi, if I may quote here, and I am going to refer to my source a little bit later, but I do want to quote now:

> The Mississippi is well worth reading about. It is not a commonplace river, but on the contrary is in all ways remarkable. Considering the Missouri its main branch, it is the longest river in the world—four thousand three hundred miles. It seems safe to say that it is also the crookedest river in the world, since in one part of its journey it uses up one thousand three hundred miles to cover the same ground that the crow would fly over in six hundred and seventy-five. It discharges three times as much water as the St. Lawrence, twenty-five times as much as the Rhine, and three hundred and thirty-eight times as much as the Thames. No other river has so vast a drainage basin: it draws its water supply from twenty-eight States and Territories; from Delaware, on the Atlantic seaboard, and from all the country between that and Idaho on the Pacific slope—a spread of forty-five degrees of longitude. The Mississippi receives and carries to the Gulf water from fifty-four subordinate rivers that are navigable by steamboats, and from some hundreds that are navigable by flats and keels. The area of its drainage basin is as great as the combined areas of England, Wales, Scotland, Ireland, France, Spain, Portugal, Germany, Austria, Italy, and Turkey; and almost all this wide region is fertile; the Mississippi valley, proper, is exceptionally so.

My source on this is none less than Mark Twain. He stated the magnitude and realization of the scope of the subject back in the 1880's when he wrote that wonderful volume entitled "Life on the Mississippi."

This truly is a national problem, and it ought to be treated as such as we arrive at our solution.

The gentleman from Pennsylvania [Mr. EDGAR] has crossed the aisle here and identified himself with the Republicans to say that the White House is in support of his position.

Let me say to my Republican colleagues and to my colleagues in the House at large, as a Republican, that I think the White House is wrong on this subject.

Mr. Chairman, I oppose the Edgar amendment, and I urge my colleagues to do likewise.

Mr. ROE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the amendment on the floor and join, if I may, with the statement of my colleagues from Louisiana.

Looking at the map, you can see the reason for our opposition. All the water in an area larger than most nations on Earth flows through our town. And to have us pay the full 30 percent cost of flood control protection in that case is not in the Nation's interest nor our own.

I thank the chairman.

Mr. ROE. I thank the gentleman.

You know, I have been laboring in the vineyards with most everyone in this House, and it has nothing to do with partisanship. If the gentleman from Pennsylvania would listen, there is a series, I understand, which I read about, on the television now. It is colorful and talks about the heritage of our country. I believe the name of it is "The North and South." We have been doing budgets and all that sort of thing around here in the last couple or 3 weeks, and I have not had a chance yet to see any of the episodes. It talks about a Confederate and a Yankee. It has a person from the Confederacy, a young fellow, and a young fellow from the North.

As I understand it, they get together, and they become dear personal friends, and they go on to West Point, and they go in the service of their country. The division between the areas then arose, between the North and the South.

I think that the North and South battle is over. What happens in Louisiana or Mississippi or any other place down South has a material bearing on what happens in New Jersey as it does to what happens in the Midwest and the Far West.

I know I have spoken on this issue, and I have been concerned with this issue, myself, and I am sure people could come back to me and say, "Bob, you are chameleon, you are jumping from one side to the other." Well, I never was on one side or the other. The battle was fairness and equity. I wonder what we say when we come to a law that was passed in 1928 when the Congress decided this issue. I just think it is wrong, without public hearings and getting into the ramifications; what does it mean to just come up and put an amendment on the floor and say that, "From 1928 until now all bets are off because I don't believe it should be helpful in the Mississippi area, what we ought to do is cut that all off by one single debate."

So from my point of view, I reappraised my opinion because I, along with ARLAN STANGELAND, "JIMMY" HOWARD, the chairman of our committee, and the ranking minority member, Mr. SNYDER, we have talked about these different issues in equity and fairness. We came up with the point that we have been considering; in the bill we have a concern that has arisen in five of the States on the upper Mississippi, and in that particular concern we are developing the relationship of the economics involved, the dynamics of the natural areas, and what happens in those upper waters that affect the Mississippi. Five States are involved.

We are establishing a special commission. And the commission is going to be allocated, at least under the authorization, I believe, it was approximately $150 million.

We are going to spend $150 million to look at what happens up there. Strangely, though, strangely, in that authorization, there is not any cost sharing involved. There is not any cost sharing involved; and the reason for this is because it affects the entire dynamics of the beginning of the Mississippi River and its tributaries.

Rife throughout this bill is fair play, and I helped to write most of it, and I can tell you this, Member after Member in every State, and no State is sovereign on this comment I choose to make, in every single State Members have legitimately come to the committee and they have said, "We need an adjustment here, we need some help there, we can't afford to carry that there. Can the committee consider this?"

I would suggest to you that if you were to look at the bill in depth and you were to pick out point by point, we have been generous, because the generosity was needed to be able to get the job done in the national interest.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ROE] has expired.

(On request of Mr. EDGAR and by unanimous consent, Mr. ROE was allowed to proceed for 2 additional minutes.)

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, I understand the gentleman's comments. I just want to point out to the gentleman that in the bill that the gentleman brought to the House floor 1 year ago in the last Congress, we had in fact included language like my amendment today, to treat the tributaries to the Mississippi like all other tributaries to all other river systems. The flood control cost sharing in our bill as we brought it to the House floor last year included the language that I am now asking to include here.

I would just urge the gentleman to accept it now like he did in 1984.

Mr. ROE. If I may recapture my time from the distinguished gentle-

man, the gentleman is speaking to this issue, as he well knows and as I know, being dear personal friends, as to what my feelings are, but I have to respond in this way: In the great sovereign State of Pennsylvania, when you had the Johnstown Flood and half of the area was going into other States, the same Congress of the United States voted to help the great sovereign State, the Commonwealth I believe it is, of Pennsylvania because the people needed the help.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. ROE. No, I have only got a few seconds. I will get another 5 minutes. I do not want to spend all day arguing with you on this.

We have been on this issue for the last 3 years.

□ 1305

The point in question is that we all helped each other all throughout this country. I remarked to myself last night, I thought to myself, "Isn't it ironic that we should be bringing a water resources bill up, at all times, now?" Half of Louisiana is under water, we have had the Gloria storm, we have got toxic wastes running down the Susquehanna, part of my State is under water, we have a situation in West Virginia where I understand the dam broke, half of West Virginia is under water, and we get into talking about nit-picking, "We will do a little here and we will do a little there," and I am so tired—if I can say this, and if you will indulge me, being very tired myself today, when we have worked on this bill, and each one of you, almost, individually, as we worked on the bill, everybody comes——

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ROE] has expired.

(By unanimous consent, Mr. ROE was allowed to proceed for 3 additional minutes.)

Mr. ROE. Everybody comes up and they tinker, "We will move this language over here, and maybe what we will achieve * * *." Do you know what that tinkering does? It does somebody else in. It is not fair. It is not equitable. It is all well to go and try to grab something out of the pot, but it is fundamentally wrong if we deny somebody else, and that is the one code that this committee has worked on, that is the one code this committee has taken. We have taken the point of view that we have got to be fair.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. ROE. One more time, yes.

Mr. EDGAR. I just want to remind everybody that I support the bill. The gentleman from Pennsylvania assisted the gentleman from New Jersey in writing the bill. The bill is a good one, it is pulling together.

Mr. ROE. Then let us vote.

Mr. EDGAR. The gentleman from Pennsylvania is not offering an amendment that is tinkering. It is at the fundamental heart of the question of fairness, equity and cost sharing. And it will save millions of dollars.

I thank the gentleman for yielding.

Mr. ROE. I thank the gentleman one more time for his great contribution and also, seriously, for his help on the bill. The gentleman has been marvelous on that, and I want to thank him very much for his help.

It is reasonable that brothers can disagree once in a while, and this is a point I disagree on.

I would urge the Members to join together and let us end this debate on this issue once and for all and vote down the Edgar amendment.

Mr. TAUZIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me thank the gentleman from New Jersey for all his splendid help on this bill, and particularly his defense of the structure of the bill that does protect those of us who accept so much water into our State in Louisiana.

Water is a blessing. Those of us who are of the Christian faith use water in our baptismal ceremonies. Most religions refer to water as a source of life. We in Louisiana certainly know what a blessing it is. We call ourselves the Bayou State. We have got more water I think than most people could ever realize. We have waters and streams and rivers and coulees and bayous and canals, and you name it, we have it.

We also know that water can be a curse and a great burden. I recently came back from my district, where about 40,000 homes were recently under floodwaters. And to call that water a blessing is certainly wrong. It was a curse. It was a killer. It destroyed lives and destroyed families and homes. We have seen what floodwaters did in the Shenandoah Valley in the last couple of days.

Water to Louisiana is both a blessing and a curse. We are particularly dangerously situated when it comes to water. We are backed up, on one end, by the Gulf of Mexico, which can get awfully mean and awfully treacherous, as we have seen as Hurricane Juan made its way into the coastal areas of Louisiana and continually dumped coastal water upon us. Some communities in Louisiana received as much as 25 inches of rain water in 1 month, 7 times more than some of the Western States get in a year. In 1 month, 25 inchs of water.

And it is no coincidence when the great Mississippi River system is cresting, and one crest after another comes down to Louisiana from 31 States, that the backwaters of Louisiana begin to flood, and the backwater areas, the bayou country, becomes deeply inundated with water, and more and more lives and property become threatened by this curse and this burden.

Now, to say to a State and to its people that you must accept this high water that is a curse and a burden, outside of its blessing; that you must accept it as part of this national flood control system for this great river basin; you must accept it on behalf of those other citizens of our Nation who want to get rid of it because it is a curse to them; to say that when you accept it, you have to pay some additional burden in dollars, that in addition to lost lives and damages to families and property, you also have to put up some money, to accept the curse and burden of more water upon your people, is a little strong.

I do not think the gentleman from Pennsylvania means to say that, but that is what the amendment does. It tells the folks at the end of the great Mississippi funnel, when you accept all that additional burden of drainage, you also have to pay to take it. That is like telling people in Louisiana that "We are going to send you our hazardous waste, and we also want to make you pay to take it." There is something wrong with that kind of logic. The logic that makes sense is that if our State is going to be at the bottom of the funnel, threatened to the south by the waters of the gulf, if we are going to accept the additional burden and responsibility of all the additional water coming to us from 41 percent of the land mass of our Nation, that we ought not be required to pay to take it. To the contrary, ought to be given some help in dealing with it, to prevent the kind of loss and destruction that I have recently witnessed in my State.

Mr. Chairman, I urge the defeat of the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. EDGAR].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. EDGAR. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 124, noes 296, not voting 14, as follows:

[Roll No. 394]

AYES—124

Ackerman	Bryant	Eckart (OH)
Applegate	Carper	Eckert (NY)
Archer	Cobey	Edgar
Armey	Combest	Edwards (CA)
Barnes	Conte	Evans (IL)
Bartlett	Conyers	Fawell
Barton	Coughlin	Feighan
Bates	Crockett	Fiedler
Bedell	Daub	Fish
Berman	Davis	Foglietta
Boehlert	Dellums	Frank
Bonior (MI)	Derrick	Frenzel
Borski	Dingell	Garcia
Boxer	Downey	Gejdenson
Brown (CO)	Dreier	Gibbons

Goodling
Gradison
Gray (PA)
Green
Gregg
Henry
Hertel
Hyde
Jacobs
Jeffords
Johnson
Kaptur
Kastenmeier
Kildee
Kindness
Kleczka
Kostmayer
LaFalce
Leach (IA)
Levin (MI)
Lundine
Lungren
Mack
MacKay
Markey
Martin (NY)
McCollum
McDade
McHugh
McKernan
Meyers
Miller (OH)
Miller (WA)
Moody
Morrison (CT)
Mrazek
Neal
Nielson
Nowak
Obey
Petri
Porter
Pursell
Ritter
Russo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Sharp
Sikorski
Siljander
Smith (FL)
Smith, Robert (NH)
Snowe
Solomon
Stallings
Stark
Studds
Swindall
Synar
Tauke
Towns
Vander Jagt
Vento
Walgren
Walker
Waxman
Weber
Williams
Wirth
Wolpe
Wortley
Yates
Yatron
Zschau

NOES—296

Akaka
Alexander
Anderson
Andrews
Annunzio
Aspin
Atkins
AuCoin
Badham
Barnard
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilirakis
Billey
Boggs
Boland
Boner (TN)
Bonker
Bosco
Boucher
Boulter
Breaux
Brooks
Broomfield
Brown (CA)
Broyhill
Bruce
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Cooper
Courter
Coyne
Craig
Daniel
Darden
de la Garza
DeLay
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Edwards (OK)
Emerson
English
Erdreich
Fascell
Fazio
Fields
Flippo
Florio
Foley
Ford (TN)
Franklin
Frost
Fuqua
Gallo
Gaydos
Gekas
Gephardt
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Gray (IL)
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Ireland
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kennelly
Kolbe
Kolter
Kramer
Lagomarsino
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Madigan
Manton
Marlenee
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCurdy
McEwen
McGrath
McKinney
McMillan
Mica
Michel
Mikulski
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Nichols
O'Brien
Oakar
Oberstar
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Pickle
Price
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Sabo
Saxton
Schaefer
Schuette
Schulze
Shaw
Shelby
Shumway
Shuster
Sisisky
Skeen
Skelton
Slattery
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (OR)
Snyder
Solarz
Spence
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Strang
Stratton
Stump
Sundquist
Sweeney
Swift
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Visclosky
Volkmer
Vucanovich
Watkins
Weaver
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wise
Wolf
Wright
Wyden
Wylie
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—14

Addabbo
Anthony
Clay
Crane
Dannemeyer
Daschle
Evans (IA)
Ford (MI)
Fowler
Loeffler
Mitchell
Nelson
Slaughter
Weiss

□ 1330

Mrs. ROUKEMA and Messrs. COBLE, CHAPMAN, ROWLAND of Connecticut, and WEAVER changed their votes from "aye" to "no."

Messrs. YATES, ECKERT of New York, and NIELSON of Utah changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WEISS. Mr. Speaker, I unavoidably and inadvertently missed the vote on the Edgar amendment to H.R. 6, Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. I was within 1 minute of the vote, but I did not get here on time. Had I been present, I would have voted "aye."

AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California: Page 93, strike out line 14 and all that follows through line 8 on page 95.

The CHAIRMAN. The gentleman from California [Mr. BROWN] is recognized for 5 minutes in support of his amendment.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I am happy to yield to the distinguished chairman of the subcommittee.

Mr. ROE. Mr. Chairman, I thank the gentleman from California for yielding.

For the benefit of the Members, I understand that there are a number of Members who are on conference committees or in committee sessions who would like to have an opportunity for the gentleman from California to yield to them.

Therefore, Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. BROWN] be given an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. BROWN] is recognized for 10 minutes.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of this measure and commend the committee for its action.

Mr. Chairman, I support this measure offered by the members of the Public Works and Transportation Committee. I commend Chairman HOWARD and Chairman ROE and the members of the committee for bringing to the floor of the House a fair piece of legislation dealing with an important function of the Federal Government. I especially want to commend Chairman ROE and the Subcommittee on Water Resources for crafting a bill that addresses very effectively an area of vital national importance.

In my opinion, this measure takes balanced and equitable approach to the improvement of our national infrastructure, the conservation of our water resources and development of a water plan for the Nation. In addition, this measure establishes a plan for dealing with the problems of flooding in communities across the United States. I am especially pleased that a project of major importance to the people of my district is included in the bill, with language that establishes a fair approach for the city of Austin and the Federal Government to work together in protecting the homes and businesses of the people of East Austin. The project I speak of is the Boggy Creek flood control project.

Boggy Creek is a tributary of the Colorado River. The Colorado, in the course of its route to the Gulf of Mexico, runs through my congressional district and through the city of Austin.

Normally a thing of beauty, the Colorado River can, on occasion, become a dangerous torrent of flood waters. When a central Texas thunderstorm descends on the Austin area and lingers for a long enough amount of time, the Colorado will swell and back into its tributaries. Boggy Creek has been described by the flood control experts at the U.S. Army Corps of Engineers as a large, natural fishbowl waiting to be filled with water. When that happens, the more than 2,000 businesses and homes surrounding Boggy become part of the creek and are flooded, causing tremendous damage to

residences and businesses along its banks. This results in great financial cost to the owners and the possibility of physical harm to those people caught in the flood.

For many years, I have worked with the U.S. Army Corps of Engineers, the city of Austin, and my colleagues on the Public Works and Transportation Committee to secure Federal involvement in a flood control project on Boggy Creek. The measure before us today contains the result of that work.

H.R. 6 goes much further than assisting the people of one Texas city. It establishes projects across the country, where people need some assistance and expertise in establishing flood control projects, port development, inland waterway projects, shoreline protection, and water resources policy development.

This is a much needed measure and I urge the Members of Congress in both the House and Senate to expedite its passage.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to my friend, the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, the water resource authorization bill before us today is extremely important to my State of Oklahoma. I rise in support of it and commend the committee.

Mr. Chairman, the water resources authorizing legislation before us today is of the highest importance to the State of Oklahoma. Years of delay on authorizing these critical flood control and water quality projects have stymied development, restricted water use, and cost lives and millions of dollars of damage in flooding.

Last year this body passed legislation similar to H.R. 6. Unfortunately, the Reagan administration refused to accept the cost-sharing provisions, and Oklahoma and other States with pressing projects were left to wait at least another year.

We can wait no longer. In my home city of Tulsa, a flood control system for Mingo Creek has been on the drawing board for years. Last Memorial Day, after heavy rains, the creek overflowed its banks and unleashed a flood which took many lives and cost close to $200 million in damage. That is more than twice the Federal cost of the flood control system.

South of Mingo Creek, in southeast Tulsa and Bixby, OK, Fry Creeks are in desperate need of improved channelization. This bill provides the necessary funding for that project, alleviating the flooding which hits on an annual basis with the spring rains.

H.R. 6 also provides badly needed funding for other projects throughout the State of Oklahoma.

While Sardis Lake is now complete, poor access has limited its appeal as a recreation area. This bill allows for the upgrading of the existing access road, and also provides a small sum for recreation facilities.

The Parker Lake project, just east of Ada, OK, when complete will provide a stable supply of water for many cities in the Oklahoma City area. The recent rapid growth in that area has put pressure on existing water sources. Parker Lake will go a long way toward easing that pressure.

Fort Gibson Lake, a critical source of power for the region, has ample capacity for more power generation. H.R. 6 will allow the addition of two more hydropower units.

Finally, Mr. Chairman, the bill authorizes construction of the treatment and conveyance system of water from Lake Arcadia to Edmond, OK. This project, which will be paid for over the long term by non-Federal interests, provides badly needed water for the growing Edmond area.

Mr. Chairman, these projects are extremely important to the health and growth of the State of Oklahoma. They are all clearly in the national interest, and I am pleased that they have been placed in this legislation.

I urge my colleagues to join me in supporting H.R. 6, and I hope that the other body will act quickly to approve it as well. We have waited long enough.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I am happy to yield to my friend, the gentleman from California.

Mr. LEHMAN of California. Mr. Chairman, I rise in support of the legislation.

Mr. Chairman, I would like to commend the chairman and members of the Public Works Committee for their efforts in drafting H.R. 3670/H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. This bill addresses a number of important issues, including flood control, water conservation, and basic infrastructure projects vital to the Nation, and I am pleased to lend my support to the legislation.

I would, however, like to take this opportunity to express my concerns regarding the Redbank-Fancher Creeks flood control project located in Fresno County, CA. The project, as proposed by the corps and local sponsors and as described by the "Report of the Chief of Engineers, dated May 7, 1981," addresses a very serious flood control problem which annually threatens the Fresno-Clovis Metropolitan area, provides for additional water storage to relieve a serious ground water overdraft problem, and allows for recreation and habitat development. These are all important components of the project and have long had the support of the affected local communities.

My specific concern relates to the inclusion of the recreation component. The May 7, 1981, corps report cited by the legislation and the accompanying House report—Report 99-251—describe the components of the project and specifically cite recreation as an integral part of the project. According to the House report, "Recreational facilities at Big Dry Creek Reservoir will provide for boating, fishing, and picnicking, and 70 acres of riparian species will be planted around the reservoir." However, in its letter of transmittal dated November 17, 1983, the corps, citing administration policy, unilaterally removed this component from the project.

While I have been assured by the chairman of the Public Works Subcommittee on Water Resources that it is the intent of the legislation that the recreation component be included as part of the project pursuant to "Report of the Chief of Engineers, dated May 7, 1981," as cited by the bill, I would like to reiterate my concern that the intent of the legislation be met. As clearly indicated in the corps report, recreation and the riparian habitat development are vital elements of this project and are obligations which should be fulfilled by the corps. The decision by the corps to remove this component from the project in its letter of transmittal was an administrative decision done without the advice from local sponsors and inconsistent with the intent of the legislation.

As the corps report indicates, the recreation and riparian habitat needs of the area will be well served by the inclusion of this component and are certainly justified under the responsibilities of the corps in this regard, and I urge the corps to meet the intent of the H.R. 3670/H.R. 6 as it relates to the Redbank-Fancher Creeks project.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I rise in support of the legislation. I commend the subcommittee chairman and the committee for this excellent bill.

I would like to express my appreciation to Congressman BOB ROE for his diligent efforts on H.R. 6, the Water Resources Conservation, Development, and Infrastructure, Improvement and Rehabilitation Act. I especially appreciate the attention which the chairman has given to the inclusion of the Cleveland Harbor improvement project in the bill. The activity surrounding the development of the Cleveland Harbor and lakefront is an integral part of the continuing revitalization of the economy of Metropolitan Cleveland. Ohio and Cleveland public officials, the private sector and the Army Corps of Engineers have worked closely together and are in agreement that the work on the Cleveland Harbor needs to be undertaken. This work will create important jobs for Clevelanders.

H.R. 6 authorizes $36 million for the deepening and widening of the east harbor entrance, bulkheading and other necessary repairs for Pier 34 and approach channels and necessary protective structures for mooring basins for transient vessels, as well as other work to be recommended by the Army Corps of Engineers. The approval

of this bill moves us one giant step forward in a Federal, State, and private cooperative effort to bring the Cleveland Harbor improvement project to fruition.

I especially appreciate the colloquy between Congressman ROE and Congresswoman MARY ROSE OAKAR to clarify the intent of Congress with regard to the development of this project. I would like to reiterate my understanding that H.R. 6 provides to the Army Corps of Engineers the necessary authorization for the sheeting, bulkheading, and related improvements to Dock 24, Dock 32 and Dock 36, as well as the removal of navigational impediments at specific bridges, the correction of "bow thruster" problem areas and other infrastructure problems at the Cleveland Harbor. As I understand it, it is the committee's intention that these activities be undertaken by the Army Corps of Engineers and, further, that the Corps of Engineers work with Ohio and local officials in permitting local funds spent on the basin south of Pier 34 to be part of the local match required for all of the project components comprising the Cleveland Harbor improvement project.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. Mr. Chairman, let me point out that I am yielding to all these Members on the assumption that they are supporting my amendment, and, of course, I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I have been with the committee so far.

Mr. Chairman, if the gentleman will yield, I would like to engage in a very brief colloquy that we have been waiting to have for some time with the distinguished chairman, and I rise in support of the bill as well.

I thank the gentleman for yielding to me for a colloquy, and I would ask that he yield to the distinguished chairman also.

Mr. BROWN of California. I certainly yield to the gentleman from New Jersey.

Ms. OAKAR. I would first like to commend the chairman of the Water Resources Subcommittee and the members of the Public Works Committee for their outstanding work on this vital legislation. I am grateful for the committee's attention to the navigation and infrastructure needs of Cleveland's Harbor, for which $36 million is authorized in H.R. 6.

Mr. Chairman, I would like to clarify the committee's intent with respect to the project. Is the committee's intent to provide for the deepening and widening of the east entrance to the Cleveland Harbor?

Mr. ROE. That is the intent.

Ms. OAKAR. Is it also the committee's intention that bulkheading and other repairs to pier 34 be performed to remove potential navigation hazards, and that cost sharing be consistent with provisions relating to navigation?

Mr. ROE. The gentlewoman is correct.

Ms. OAKAR. Is the committee's intent to direct the Corps of Engineers to work in conjuction with the State of Ohio and local authorities in the construction of the basin south of pier 34, particularly in allowing local funds spent on the basin to be part of the local share of funding for all work elements in the authorization?

Mr. ROE. The gentlewoman is correct.

Ms. OAKAR. Does the committee recognize the purpose of this basin for mooring smaller vessels that seek safe harbor in the event of dangerous weather that can occur suddenly in Lake Erie, and is the local non-Federal cost to be consistent with the formula established for shallow ports, those between 14 and 20 feet deep?

Mr. ROE. That is the intent of the committee.

Ms. OAKAR. Finally, Mr. Chairman, does the authorization also permit sheeting, bulkheading, and related improvements to Dock 20, Dock 24, Dock 32 and Dock 36, and along the navigational channel of the Cuyahoga River, as well as the removal of navigational hazards at specific bridges, the correction of "bow thruster" problems, repair and building of breakwalls, and other related navigational and infrastructure problems at the Cleveland Harbor area as will be identified by local authorities working in cooperation with the Corps of Engineers and this committee, subject to the provisions of section 103?

Mr. ROE. The gentlewoman from Ohio is again correct.

Ms. OAKAR. I thank the gentleman for yielding. I thank him for his courtesy and leadership. I thank the gentleman from California very much as well.

Mr. BROWN of California. Mr. Chairman, if there are no other Members who wish to have me yield in order to endorse my amendment, I will proceed.

Mr. Chairman, I also ask unanimous consent that in the event that my amendment is not properly designated because I have not followed all of the changes that have already been made this morning, that it be properly referenced to the Santa Ana River mainstem project in California which it intends to knock out of the bill.

Mr. CHAIRMAN. The Chair is aware that the amendment is properly drafted.

Mr. BROWN of California. If the amendment is properly drafted, Mr. Chairman, then I have no request.

Mr. CHAIRMAN. The Chair recognizes the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I support this bill, and I intend to vote for it. I also support the Santa Ana River project, and if I knew what it was, I would vote for that. Unfortunately, this bill purports to authorize a project which has not yet been approved.

We were further ahead in the design and approval of this project 3 years ago than we are today, and I would like to indicate on this chart what the situation is. We have a very significant flood control problem in California on the Santa Ana River. The river originates in the mountains, flows through my district, which is indicated in green here, flows on down across the boundary into Orange County, and goes on out to the ocean.

Now, 3 years ago the Corps of Engineers had approved the all-river plan which included the Mentone Dam, located at this point. I supported that. I still support it. All of the public agencies support it. What happened is that after the project went to the next level in the Department of the Army, it was vetoed by then Assistant Secretary Gianelli.

□ 1340

Mr. Gianelli's reasons were that there were some objections locally for environmental reasons and that it costs too much.

This is the single most costly element of this project. It is approximately a half a billion dollars. We are not talking about chicken feed here; we are talking about a half a billion dollars.

Unfortunately, the committee bill that we have before us, as originally before us, and the committee report still refers to the Mentone Dam as being authorized. It is not authorized. It has already been vetoed.

The Corps of Engineers has initiated a new study for an alternative. That study has been completed, and they have recommended a smaller dam higher up in the mountains.

That is satisfactory to me. I have no problems with it. It only provides about 80 percent of the flood control that the Mentone Dam would, and it has about 80 percent of the cost, but it is satisfactory.

Now, where do we stand on the alternative?

Well, the district Corps of Engineers recommended that plan about 2 months ago. The local agencies have supported it.

You have received a "Dear Colleague" letter from some of my friends in Orange County indicating that all the local people agree on it. I agree on it. That is not the issue.

I would settle for that plan, but here is the problem. Everyone also agrees that this project must be completed as a whole, that it cannot proceed with the parts which protect Orange County from flood and leave the only part of the project which protects San Bernardino County and Riverside

County from flood in limbo, and that is the situation we are in today.

We are in limbo because there is no approved plan.

Now, I am not trying to be obstructionist about this matter. I told my good friend, the gentleman from California [Mr. PACKWOOD], and I have told the chairman of the full committee and the chairman of the subcommittee that if we could get assurances that this project would be approved by the administration, I would not offer an amendment, and I mean that sincerely, because I support the currently recommended project.

So what has happened? The chairman fought diligently yesterday to get a letter from the Corps of Engineers or from the Department of the Army endorsing the current plan as recommended by the corps and what he got was a letter saying that "in September the L.A. District Engineer completed his draft report on possible alternatives to Mentone. The report is still under review by the Corps of Engineers, so its findings, conclusions and recommendations, are subject to revision."

Well, we were further along than that 3 years ago when they knocked out Mentone. That is not exactly the sort of assurance that I am looking for, assurance that my district, my two counties are going to be protected. I want to see what those revisions are. Does it include minor changes in the design of the dam or does it include knocking it out, as happened 3 years ago? I think we are entitled to an answer.

Now, the committee in its wisdom and with the strong initiative of Congressman PACKARD who is on the committee, has sought in every way they could to reassure me that the upper part of this project would go ahead.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 5 additional minutes.)

Mr. BROWN of California. At one point in the bill, at the initiative of the gentleman from California [Mr. PACKARD], there was language that the project could not proceed unless the final approved design of this alternate dam had been brought back and approved by the Public Works Committee in the House and a similar committee in the other body.

Now, does that give me the assurance that I seek? I will tell you in all honesty that it does not. And why does it not?

I have here a quotation, a letter from the U.S. Department of Justice, Office of Legislative and Governmental Affairs, sent to the chairman of the Senate committee just a few months ago. This letter says, among other things, the language that no appropriation shall be made without the approval of the House and Senate committees, would be without any legal significance.

In other words, it is a nullity.

Now, I appreciate the good faith of the committee members who have sought to reassure me that they would protect the interests of my constituents. I think they did so in full good faith. I know they did so in good faith, but they are under some misapprehension.

In a "Dear Colleague" letter which several of my colleagues in Orange County sent out, they stated, for example, that the Senate has maintained the integrity of the project by authorizing the entire project. That is not true.

The Senate has specifically said the upper Santa Ana Dam is not authorized and will not be authorized until it has been approved by the administration. The chairman of the subcommittee knows that.

Unfortunately, even in the report of the Public Works Committee the language is still there referring to Mentone, although recognizing that there needs to be an alternative.

Unfortunately, I hesitate to say this, and I will quote from the committee report:

> The committee notes the particular concerns with regard to the Mentone Dam. Accordingly, although the total plan is authorized—

This is in the report—

> The Corps is directed to acquire land for and construct only the following elements—

And it lists everything else except the dam that is of concern to me.

Now, what is the effect of this? My friends in Orange County point to the billions of dollars of assets in their county that are in danger. Those assets are currently protected by a dam right here in Riverside County. They say that we have got to move quickly to raise this dam and give further protection to Orange County.

We had a major flood in California in 1969, just 16 years ago. That flood did close to 100 million dollars' worth of damage. That would be a quarter of a billion dollars today.

Where did that damage take place? Not a dollar of it was in Orange County. It was all in my district.

So we have a bill now which provides adequate protection for Orange County, but leaves the two counties of San Bernardino and Riverside in limbo as to whether there is any protection whatsoever for them.

Now, I hesitate to make one final point, but I will. There have been some rumors to the effect that I might be trying to be an obstructionist to this bill because I was peeved at some of my dear colleagues in Orange County because they made such an assiduous effort to defeat me in last year's election. I resent that kind of remark because it belittles the importance of the points I have just been making. The interests of my constituents are all that concern me and I think that I am entitled to demand assurances that we are not going to suffer half a billion dollars damage in the next big storm, while Orange County suffers no damage, because we have no approved project on the upper part of the Santa Ana River which will give us any protection in the area I have outlined in green, which just happens to be my district.

Now, I have not made a big effort to conduct a campaign on this. I have expressed my concerns to the committee members. I want to fully explain it to the House. I think my position is reasonable. I would like very much to have the support of the House in taking this project out, not permanently, but just until the design is completed.

The Senate will not consider approving a plan until it has gone through the full approval process in the administration. But in their anxiety to do something to take home to their constituents, certain of my colleagues from Orange County want to rush this project along.

I know they did this in good faith and I am not questioning it. I know they want to protect me and I appreciate that. But as I have explained, I still do not feel protected. I ask your consideration and support for this amendment.

Mr. PACKARD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have struggled with this project for the last 3 years as we have been drafting H.R. 6. We have spent an inordinate amount of time trying to address the concerns of all agencies involved.

This project covers at least three counties in the State of California. It is no small process to address the concerns of each county and particularly each Member that has some interest in this project.

We have consistently tried to put in the language of the bill, wording that would resolve the concerns of the gentleman from California who has just addressed us.

There is no project in the country that has been deemed to be a more important flood control project than this one. It has more potential for danger and for damage in terms of dollar amounts than any project in the country.

Certainly this project cannot and ought not be eliminated, as the gentleman's amendment would do. To eliminate this project from the bill would doom it to failure. It would not be reintroduced. It would not be reconsidered by the committee in the near future. It would be impossible for us.

This is the first water bill of any consequence that has come before this body for the last 8 years. To expect this committee to take this project as a freestanding bill next year or the following year, after the final reports have been submitted, is totally inconceivable. It will not happen.

Therefore, this project would be delayed for what I believe would be at least a decade before it could be brought before this body again.

Second, the corps has completed its studies and has submitted its preliminary reports. We simply are waiting now for their final report which they have said would be before us in 1 month. Then the rest of the approval process would simply be pro forma, would not be altered. Because of the timing it would be impossible and irresponsible, in my judgment, for us to delay this project or to eliminate it from H.R. 6, as the gentleman's amendment would do.

Third, the other body, according to the gentleman's own statements, has eliminated the upper portion of this project from their bill. If that is the case, and I am not certain that it is because they have included the entire amount of money required for the full project, their intention is to approve the entire project, recognizing that there is yet some unfinished study work and report work to be done. They have made it very clear, however, in their report language that they intend to include this as part of the project and it will be done at the appropriate time. They would not have included 100 percent of the funding for the entire project otherwise.

If the gentleman is correct in stating that they have not included this upper portion of the project in their bill and then he seeks to eliminate this project from our House bill, I do not understand how he then feels that we could include this in conference committee action that would allow the whole project to survive. It would eliminate the upper portion of the project from conference and would destine this entire project to failure, in my judgment.

I think it would be imprudent, and unwise, and certainly shortsighted for us not to include this project, along with the multitude of other water projects across this country, in H.R. 6.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. PACKARD. I am happy to yield to the gentleman.

Mr. BROWN of California. Mr. Chairman, as I said before, my distinguished colleague from Orange County has really gone out of his way to seek to accommodate the interests of my constituents and I have expressed my appreciation to him.

I think the gentleman is aware of the difficulties in providing absolute assurances. Even if the Chief of the Corps of Engineers approves this project, he cannot guarantee me, and the letter we just received today from the Department of the Army makes that clear, that the upstream dam would be approved at the level of the Corps of Engineers, at the level of the Army.

Now, what I would like to have from the gentleman and the reason that I have suggested that we knock out the whole project—let me back up just a moment.

The Senate bill provides authorization to proceed with construction on the lower two-thirds. The House bill in the report language does the same thing.

I would like the gentleman's assurance that, first of all, he will seek to change the House report language; second, he will not accept a bill in conference that does not allow the whole project to proceed together.

Can the gentleman give me that kind of assurance?

Mr. PACKARD. I can certainly give the gentleman assurance that I will work to that end, but I cannot make assurances for the Department of Defense. I cannot make assurances for what will definitely be included in the House report.

The CHAIRMAN. The time of the gentleman from California [Mr. PACKARD] has expired.

(At the request of Mr. BROWN of California, and by unanimous consent, Mr. PACKARD was allowed to proceed for an additional 6 minutes.)

□ 1355

Mr. PACKARD. But certainly I can make assurances to the gentleman from California that I will work to that end, becuase I do not think we are at variance on that point.

Mr. BROWN of California. If the gentleman will yield further, I want to be even more precise.

Would the gentleman assure me that he would not support a bill which allowed the construction of the part of that project which benefits his district unless the part that benefits my district can be included; that he would not vote for such a bill?

Mr. PACKARD. Mr. Chairman, if I may reclaim my time, I can tell the gentleman that I have worked hard to put that kind of language in the bill, and I think that there is basically language now in the bill that addresses this project to that effect. It will protect the upper portion of the project so that it can move forward simultaneously with the rest of the project. Again, I will work to that end.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. PACKARD. I would be happy to yield to my friend, the gentleman from California.

Mr. LEWIS of California. I appreciate my colleague yielding.

Mr. Chairman, I do understand the concerns being expressed by my colleague, the gentleman from California [Mr. BROWN], but it is my understand that those sections of the bill as printed which referred to all sorts of portions of the project that might be constructed, and did not refer to the northern portion, have been struck from the bill, and that the Howard amendment takes directly into consideration the concerns the gentleman is expressing. It not only talks about the total dollar amount; it also talks about the report that is in transition.

That, which the gentleman is expressing, concern about in terms of a lack of recognition of the upper portions of this project have been taken care of by the committee.

Mr. BROWN of California. If the gentleman will yield further to me on that point, I will read the language in the bill, just to make sure there is no misunderstanding.

Actual, physical construction of the project may commence upon adoption of a resolution of agreement for said construction by the non-Federal sponsoring agencies.

That language, according to the best legal opinion I have, is null and void, just like the previous language about approval by the two committees.

Not only that, it does not even specify whether it requires unanimous consent, which would protect San Bernardino. It could be done by a majority vote of all the boards of supervisors, which might very well approve a project that did not include that specific upper river dam or included some less satisfactory provision.

Mr. PACKARD. Mr. Chairman, let me reclaim my time and simply assure the gentleman that our intentions and the intentions of the committee are to address the concerns that the gentleman has expressed. As far as commitments are concerned, as far as the legality of the language, I think it is as legal as any other language in our bill, but nevertheless, I think the gentleman understands our intent. But to make assurances on hypothetical circumstances that we cannot foresee, I am not sure that we could make those kinds of assurances under any circumstances.

The gentleman has my word that we will work toward the concerns. We have in the past. We will continue to do so in the future in conference and in other areas where the bill will have to move. I think that is all we can offer to the gentleman from California. I hope that will be satisfactory and that he would not see fit to introduce an amendment to strike the entire project, which I think would be particularly counterproductive for his own constituents and certainly for a project that is in the best interest of

California and the many people that we represent.

Mr. BROWN of California. If the gentleman will yield further, I would say that I am equally as sincere as the gentleman in wanting this project with the upstream dam. It so happens that without the upstream dam, my constituents, the constituents of Mr. LEWIS, the constituents of Mr. MCCANDLESS, have no protection. We are the ones who suffered the $100 million damage in the last storm, not Orange County.

Mr. PACKARD. Mr. Chairman, if I may reclaim my time, I think the gentleman is aware, though, that we have included the upstream dam as the alternative now in the House version. That upstream dam is not in the Senate version and for that reason it is essential that we leave it in the House version so that it might become a conferenceable item. We have the assurance that the Senate is willing to accept that alternative, but it has to be conferenceable. If you remove it from the entire project, we have no conferenceable project for the gentleman's district.

Mr. BROWN of California. If the gentleman will yield further, as long as we are conducting a dialog here, I appreciate the point the gentleman makes. The Senate position, of course, is that they will not have anything in their authorization that has not been approved by the Corps of Engineers and by the Department of the Army, which means that they might not be willing to conference it. If that is the situation, and the House yield to the Senate, then you have authorization for the lower two-thirds.

Mr. PACKARD. Mr. Chairman, in response to that, I think that the intent of the Corps of Engineers is to have the study completed before conference, and the Senate will be able to move with an approved project. Therefore, it will be addressed in the conference, in my judgment.

Mr. ROE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, again, this is a matter among brothers, and unfortunately, there are all brothers and no sisters on this delegation, but let me point something out.

I think what the gentleman from California has raised with his chart has merit. We looked at this and studied it in depth, as Mr. PACKARD knows, who worked so diligently on the committee on this issue, and I deliberately got in touch with the Corps of Engineers and met with them, along with members of our committee, and the gentleman from Minnesota, ARLAN STANGELAND.

We said, "We want to review this because we are concerned about the issues that Mr. BROWN of California has raised, and the concerns raised by the gentleman from California, Mr. PACKARD, and we wanted to be sure of certain basic, factual items. The factual items were: Is there such a thing as a Santa Ana water resource flood control program? Is that what you are talking about, the river? Bring us some charts and maps and let us study this, being technically trained myself, so we can take a look at this."

Then I said to them, "I would like to have a communique, which I will include in the RECORD, from the Department of the Army.

The letter follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, DC.

Hon. ROBERT A. ROE,
Chairman, Subcommittee on Water Resources, House of Representatives, Washington, DC.

DEAR CHAIRMAN ROE: This is in response to your recent request for information regarding the Corps of Engineers investigations of flood control alternatives along the Santa Ana River main stem in southern California.

As you know, the fiscal year 1984 Supplemental Appropriations Act directed the Corps to study alternatives to Mentone Dam, a previously proposed upstream storage element of the overall plan for flood control on the Santa Ana River main stem in Orange, Riverside and San Bernardino Counties, California. In September of this year, the Los Angeles District Engineer completed his draft report on possible alternatives to Mentone. This report is still under review by the Corps of Engineers, so its findings, conclusions, and recommendations are subject to revision. However, the Corps' preliminary findings are that there is a viable alternative to Mentone Dam, the Upper Santa Ana River Dam, and that this alternative, in conjunction with other elements of the overall plan, would be economically justified, environmentally acceptable, technically sound, and acceptable to affected local interests.

An upstream flood storage feature, whether it be Mentone Dam, Upper Santa Ana River Dam, or some other comparable structure or structures, is the optimal approach that will permit the plan recommended by the Chief of Engineers to function as intended. The ability to control significant flood flows in the Upper Santa Ana River basin will permit the elements of the plan that are further downstream to function as designed and will allow detailed design and construction to proceed as an integrated system, providing benefits to Orange, Riverside, and San Bernardino Counties.

Even though I must reiterate that the upstream alternatives to Mentone are still being analyzed, I am confident that the best solution will involve an integrated system of improvements, to include features in the upper basin as well as the lower basin.

I trust this information is responsive to your inquiry. If you need further assistance in this matter, please call on me.

Sincerely,

H.J. HATCH,
Major General, U.S. Army,
Director of Civil Works.

In that letter, particularly we wanted the corps to reiterate that the Santa Ana River project was a single project and its integrity, its ability to control the flooding, had to be handled as a total project. I gave a copy of the letter to the gentleman from California [Mr. BROWN]. The last paragraph reads as follows:

The ability to control significant flood flows in the upper Santa Ana River basin will permit the elements of the plan that are further downstream to function as designed and will allow detailed design and construction to proceed as an integrated system providing benefits to Orange, Riverside and San Bernardino Counties.

What that says, in fact, is that the integrity of the engineering to achieve the goals of the program, depends upon doing the whole thing. I think the corps has reconfirmed that.

Again, the question asked by the distinguished gentleman from California [Mr. BROWN], can we assure that this body or the Senate will go ahead and agree to constructing the entire project, in view of what the Senate has done, or whether or not the President will even sign this bill. I have heard people get up here today and say the whole bill is going to be vetoed by the President, which of course is his prerogative.

In order to be further helpful, in thinking this situation out and checking out the engineering, it was reported to me that during the course of engineering to build the alternative dam to Mentone they have to do a certain quantitative excavation and the integrity of the building of the alternate Mentone Dam to the flood protection areas in San Bernardino and Riverside Counties relate to that part of the construction program. As they remove that material, in building that dam, they will also be flood proofing San Bernardino County and Riverside County. This is a fact.

In the amendment to the amendment offered by the gentleman from New Jersey [Mr. HOWARD], we came back and put language in deliberately and we said that the construction of the upper Santa Ana River Dam, and did not speak to Metone, which is the alternate project, shall proceed at the same time as construction of the upstream portions of the project in San Bernardino and Riverside Counties.

We locked those two things together because they are an integral part of the program and the whole program cannot achieve its efficiency unless they are both built at the same time.

Let me just make one more point, and forgive me if I am too loquacious. I did not mean to be. I am trying to be helpful here.

I am the chairman of the subcommittee. We have our dear, distinguished chairman of our full committee here, the gentleman from New Jersey [Mr. HOWARD], who certainly will speak for himself, but as a conferee, I am sure, I will sustain the point of view of both or all gentlemen from California that this project is consid-

ered to be in its entirety a single project.

□ 1405

Now beyond that point, if we can convince the conferees on the other side of the aisle and the chairmen of the committees in the other body, we will fight for that.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ROE] has expired.

(By unanimous consent, Mr. ROE was allowed to proceed for 5 additional minutes.

Mr. ROE. Let me close on this point: Mention was made that the other body has a rule that if there is not a report from the corps filed at a certain time that they will not consider the project.

May I respectfully suggest to all of us in this House today that there are a host of projects that do not have final reports that are in this bill, and that is also true of the bill in the other body unequivocably. So I suggest if we could impose upon the distinguished gentleman from California to have confidence, and faith, and trust, that we believe in what he is trying to do, have extended enormous energy to be of help, withdraw this amendment and not stop the project, and let us work together to achieve it.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Chairman, I thank the gentleman for yielding and would like to associate myself with the remarks that have been made here this afternoon. We will be completing this legislation and going into conference with the other body, and we have said, those of us who will be the conferees, that this will be a top-priority item in the conference.

It has been said that perhaps the other body will not accept any projects unless they are agreed to by the Corps of Engineers, or OMB, or the White House. As the gentleman is well aware, as far as this committee has been concerned, it is not downtown that makes policy in this country, it is the Congress of the United States, the House of Representatives and the Senate. I think the gentleman knows of the record of this committee in going to conference with the other body, that we have been strong, and we have been very successful. We intend that in this bill, and we intend that on this one project.

So we are going every step that we can, except saying that we would in some way dump the whole bill if this is not complete. We just cannot quite say that but I certainly feel in my heart that when we come back with the conference report the gentleman will be well satisfied with what we do.

Mr. PACKARD. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from California.

Mr. PACKARD. I certainly agree with the subcommittee chairman as to what our intent and our approach ought to be. I think the worst thing that we could do would be to strike this project from this bill. I think we need to sit down and determine how we can best work with the other body and the conference committee to accomplish our common objectives.

I do not think we are that far apart on our objectives. The problem is simply how to devise the language. In our efforts to get that done, I certainly concur with the chairman.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield to me?

Mr. ROE. Of course, I yield to the gentleman from California.

Mr. BROWN of California. Again, let me reiterate that I understand and appreciate the efforts that have been made by all, by the chairman of the subcommittee, the chairman of the full committee, the ranking minority member to protect the integrity of the whole project here.

In their anxiety to reassure me, they have made a number of changes in the bill. Unfortunately, we all understand the fragility of legislative language, and if the chairman will permit me to reference his last amendment, which he mentioned, and I quote the language "construction of the upper Santa Ana River Dam portion of the project shall proceed at the same time as construction of upstream portions of the project in San Bernadino and Riverside County," there is no other upstream portion but this dam.

What I want to see in that bill is language that says that construction of the upstream dam shall proceed at the same time as the downstream portions of the project in Orange County. Then I would be protected, if we can depend upon any legislative language to protect us. And I would urge that the next time the staff drafts an amendment that they look at it a little more closely in order to achieve the purpose that they are really seeking here.

Mr. ROE. If I may reclaim my time, sir, I would respectfully suggest to the distinguished gentleman from California that at midnight last night, we were attempting, with a battery of engineers from the Corps of Engineers and billwriters, to help the gentleman, because we believe in what he is trying to achieve.

Now if in some way this committee erred in its language, then I humbly apologize publicly on the floor to the gentleman. I think what is fair play is fair play. We have given you all of the credibility of this committee to fight for what we believe is right, and for what you are trying to achieve. There is no further assurances we can give you other than our word, and on that basis I yield back the balance of my time.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield to me briefly?

Mr. LEWIS of California. I will be happy to yield to my colleague from California.

Mr. BROWN of California. Mr. Chairman, I have a feeling that I have offended the distinguished chairman of the subcommittee, and that was the last thing I intended to do.

What I intended to say to the gentleman, and I hope he will appreciate it, is that I think his word is far more important in this situation than any of the language in this bill. And it is his word that I rely upon, and it is his word that might lead me to withdraw this amendment.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I will be happy to yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I cannot afford the luxury, I found out in my public career, to get angry. Life is too short for that.

I think what we achieve together in life is trying to get something done and that is what is important. I am very honored for what—yes, I will say that I am very honored for what the gentleman said. I would on the basis of what he just said give him that assurance, and would humbly request that he withdraw his amendment, and give us a chance to work this out.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield further?

Mr. STANGELAND. Mr. Chairman, will the gentleman yield to me?

Mr. LEWIS of California. I will be happy to yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding and would be happy to join my chairman in giving the gentleman from California [Mr. BROWN] the same kind of assurances on my part that the gentleman from New Jersey has just given.

Mr. LEWIS of California. Mr. Chairman, if I could take just a moment, I would like to speak to the point that the chairman, and the gentleman from New Jersey [Mr. ROE] and my ranking member have just made. We have had a long history of working on this project, and especially with this committee, and with the gentleman from New Jersey. I cannot recall a circumstance in my own public experience where I have seen more bipartisan cooperation to accomplish this project. Indeed, from the day I came to the

House and had the honor and privilege of serving on the Committee on Public Works and Transportation, the Santa Ana River project was before us, and the chairman of the committee, the ranking members involved on both sides of the aisle recognized the critical circumstances that we face in southern California and wanted to cooperate fully with us in moving toward a reasonable solution to that difficulty.

In the initial stages of my own involvement there was general agreement that the all-river plan, including the Mentone Dam, should be a part of the project. At that point in time, the committee was taking us at our word and expressed a willingness to go along with that huge project.

It was only after local leaders in the San Bernadino and Riverside County wanted to look again that the committee responded once again by expressing their will to support an appropriation in 1983 that directed the Corps of Engineers to look for possible alternatives, to the controversial Mentone Dam.

The corps, responding to our direction, did so, and that led to the alternative proposal that is really before us today. This comprehensive solution addresses the downstream problems as well as the upstream element in the Santa Ana canyon. This alternative caused us to spend $2 million in 1983 and 1984, but will save us $228 million.

I think it is critical to realize that my colleague from San Diego, the gentleman from California [Mr. PACKARD], is exactly correct when he pointed out that we are in a very delicate situation at this moment. Presently the Senate water resources bill does only authorize the downstream projects or a portion of the projects. Indeed, if we should strike the Santa Ana from this bill, as is suggested originally by this amendment, we would find ourselves in a circumstance where when we went to conference with the other body, we would have an item to negotiate.

It is critically important that we keep this project in our bill so that at least we can undo the language from the other body.

I must say that the other body has been more than responsive as well. While they have indicated that they do have a rule which does not finally authorize projects, at least in terms of committee action, until a final report has been signed by the Corps of Engineers, they have indicated very clearly that if an amendment should be presented on the floor by the Senators from California that would amend their language to include the upper reaches authorization, that they would tend to look positively upon that amendment.

Nevertheless, if we do not delete the Santa Ana now at least we will have a foundation for discussion in the conference committee.

Mr. Chairman, it is very important for us to realize that dealing with the corps in the first place is at best difficult. Their process is an extended one. It takes a number of years.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 2 additional minutes.)

Mr. LEWIS of California. Mr. Chairman, we have been involved in attempting to come to a legislative solution of the Santa Ana difficulty for all of the time that I have been in the Congress and longer. Indeed, I do not have a crystal ball, but it is very clear that at some time in the future, we are going to have that 150- or that 200-year flood.

We are talking about a floodplain in which there are thousands of lives potentially at risk, maybe as much as $18 billion of property. My crystal ball does not tell me whether we will have the 200-year flood next year or 5 years from now, but not to go forward, to even consider risking the deauthorization to me would only open the possibility of indeed standing in the way of that flood as it rushed to Orange County. I do not think my colleague from California [Mr. BROWN] wishes to do that.

It is very apparent that the committee is being more than cooperative at this moment, as they have been in the past. I really rise today to express my grave concern about the gentleman's proposed amendment which would strike this project, and I urge my colleague to withdraw his amendment.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has again expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. LEWIS of California was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I will be happy to yield to the gentleman.

Mr. BROWN of California. I appreciate the gentleman's fine statement. I think we are reaching a common understanding of the situation here.

The gentleman knows that if that 200-year flood comes, it is his district that is going to get washed out first. Would the gentleman confirm that?

Mr. LEWIS of California. I beg your pardon?

Mr. BROWN of California. I say that if that 200-year flood comes, it is your district that is going to be washed out first because you are right at the foot of the mountain.

Mr. LEWIS of California. Frankly, my crystal ball is not even that clear. But I do know that if we do have the 200-year flood, we all have a case for somebody who has a higher authority than you or I.

Mr. BROWN of California. May I ask the gentleman one more question?

Mr. LEWIS of California. Surely.

Mr. BROWN of California. If I should withdraw my amendment and the bill passes, and is signed into law and if it authorizes only a portion of the project, omitting the upper Santa Ana River Dam, that still does not guarantee that the project will be built unless the Appropriations Committee appropriates the money for it.

Would the gentleman indicate his attitude to me about appropriating money for a project that did not include any flood control protection for his district?

Mr. LEWIS of California. I will be happy to try to respond to the gentleman.

In the appropriations bill that involved the energy conference report from last year, with the cooperation of the chairman of the subcommittee, the authorizing committee as well as the cooperation of the gentleman from California [Mr. FAZIO] and the others, there was language inserted that specifically attempted to go as far as one could conceivably go to assure the kind of development of this project that would see that all parts of it went forward together. That is my view and attitude. It is the view expressed by the Appropriations Committee and, indeed, I believe it is the view of the committee. That will continue to be my position on this issue.

Mr. BROWN of California. I appreciate the gentleman's comment.

Mr. McCANDLESS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened to the the dialog of my colleagues from California, those who assist me in representing that regional area, a critical area as far as flood control is concerned. At this time, I draw on some 12 years of knowledge in another body serving as the flood control management for the area, and the length of time that it has taken us to get to this point, a point where we have an agreement of three counties on one subject, which in itself is a small miracle, but within those counties, we not only have incorporated cities that finally have agreed, which is a large miracle, but we have all of the various areas, regional and otherwise, communities that are not necessarily a part agreeing after we have provided the alternate to the Mentone Dam.

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Thirty days have transpired in the answers session of the system; 15 more are required. It is my understanding that the preliminary report will be approved sometime in December, around the 15th; possibly earlier if we make

that take place, and that is something that people have been working for something like 50 years off and on, but in reality the last 12 years will have come to a culmination.

I would ask my colleague from California [Mr. BROWN] to assist me in representing these areas of critical importance. To take a second look at this with the idea in mind that the blocks are finally in place to complete the project in its entirety: The communities, the jurisdictions, the Corps of Engineers and the expressed favoritism by those two Members of the other body who represent the area as well as the mechanics of the conference committee that we can move forward on this project and provide the much-needed help and essential emergency value that this flood control system provides.

I ask my colleague to certainly reconsider, if he would, his amendment for the purposes that I have referred to.

Mr. BADHAM. Will the gentleman yield?

Mr. McCANDLESS. I yield to the gentleman.

Mr. BADHAM. I thank the gentleman for yielding.

Mr. Chairman, from time to time as one of the concerned Members of this body on this subject of the Santa Ana River Basin, there were times when I felt constrained to oppose this project because of its huge magnitude, and I will have to say that as the project went on, and I, working with others got the project to a more manageable and realistic point, that at that time I became in support of the project, which was scaled down in cost and would do practically all the needed things to be done to solve the flood control problems in that area.

I remain now in support of that project, and I thank the committee for getting it this far. So I, too, would join my distinguished colleague and good friends from California, in that area of southern California, in asking the gentleman who has offered this amendment to very seriously consider not going ahead with that amendment, because it would put the project back to zero, and I think the time is now to go ahead.

Mr. McCANDLESS. I would conclude, Mr. Chairman, simply by saying that there are tributary projects that are a part of this master project that play a very important part in the drainage of the area in question.

Without the master plan, or the backbone system, the other tributaries are put on the back burner, on an indefinite basis, and contrary to some language that we saw here earlier in this body, those tributaries and those projects are being shared by a number of jurisdictions as far as the financial responsibility is concerned, and only waiting for the approval of the master plan of the Santa Ana River project.

So this is a double digit type of situation, where one level is waiting on the other level to contribute to the overall protection of the people in the area.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be very brief. I simply would like to say that I think the gentleman from Riverside County, Mr. BROWN, deserves a great deal of credit for the role that he has played on behalf of the upstream constituencies of this project. There is no question that the work that he did with the cooperation of Mr. McCANDLESS and Mr. LEWIS was instrumental in sensitizing the Appropriations Committee, as it funded the remaining elements of the study, which will lead eventually to the administration's support for a modified Santa Ana River project authorization.

The role he played was crucial, and I think today in bringing this very contentious issue to the attention of his colleagues here on the floor, and certainly in gaining the kind of concessions that I believe he has legitimately derived from the gentlemen from New Jersey [Mr. HOWARD and Mr. ROE], he continues to serve his constituency to the utmost.

This is a very expensive project: $1.2 billion in fact. It is a very important one at the same time. A standard flood in Orange County, in the downstream area, could very easily destroy $11 billion worth of property. I think it is very clear that the cost/benefit ratio argues for the construction of this project.

Mr. Chairman, I think the players have all had their say. I think it is important, however, to note that there is a statewide and perhaps even national interest in this. It is clear that every drop of water that we can conserve in southern California means less that we have to import from northern California or somewhere else in the Colorado River Basin, and I think it is particularly important that the issue of water conservation was addressed in the appropriations language this year, funding the study, and it will I am sure be included in the authorization when it is finally worked out.

So I would like to conclude by saying that I concur with the general consensus that is emerging that we have to go forward, but with more sensitivity for the protection of the upstream watershed and the need to conserve our scarce water resources.

At this point, I yield to my friend from California, Mr. BROWN.

Mr. BROWN of California. I thank my friend for yielding. I am grateful for his kind words.

I am somewhat apologetic at taking the time of the House to go into this project in such detail, but as the gentleman in the well has said, this is the largest single project in the bill; it is $1.2 billion. That one little dam in that one little circle up there on the map is a half a billion dollars. It is not chicken feed we are talking about.

The implications in terms of policy are very widespread. So I think that the time has been well spent, in getting a better understanding of the project, and from my standpoint, getting a feeling that the key people on the Committee on Public Works are committed to this project as a whole; not to some bifurcated project.

I am also somewhat reassured to know of the support that this position has in the Committee on Appropriations, where the gentleman in the well serves, and where my good friend from San Bernardino County also serves. I think if anything should go wrong and we are unable to resist the blandishments of the other body in conference, we might still have a secondary line of defense in the appropriations committee.

So with these understandings, Mr. Chairman, I ask unanimous consent to withdraw my amendment at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. PACKARD. Mr. Chairman, reserving the right to object, I simply want to take a moment to thank the gentleman from California [Mr. BROWN] for withdrawing the amendment and again commit myself to work with him in trying to accomplish the objectives that we have talked about.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

Are there further amendments to title III of the bill?

If not, the clerk will designate title VI.

The text of title IV is as follows:

TITLE IV—SHORELINE PROTECTION

SEC. 401. (a) The following works of improvement for the benefit of shoreline protection are hereby adopted and authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines are advisable in any case in which there is no report designated.

ROCKAWAY INLET TO NORTON POINT, NEW YORK

The project for shoreline protection, Atlantic Coast of New York City from Rockaway Inlet to Norton Point: Report of the Chief of Engineers, dated August 18, 1976, House Document Numbered 96-23, includ-

ing beach fill up to 250 feet beyond the historical shoreline as described in the report of the District Engineer, New York District, dated August 1973, at an estimated cost of $9,400,000. The non-Federal share of the cost of construction and nourishment of the additional beach fill shall be 50 per centum.

CAPE MAY INLET TO LOWER TOWNSHIP, NEW JERSEY

The project for shoreline protection, Cape May Inlet to Lower Township, New Jersey: Report of the Chief of Engineers, dated December 23, 1981, including construction of beach erosion mitigation measures from Cape May Inlet to Lehigh Avenue in Cape May Point Borough substantially in accordance with Plan A of the Phase I General Design Memorandum, titled "Cape May Inlet to Lower Township, New Jersey", dated August 1980, at an estimated cost of $40,000,000.

ATLANTIC COAST OF MARYLAND (OCEAN CITY)

The project for shoreline protection, Atlantic Coast of Maryland (Ocean City) and Assateague Island, Virginia: Report of the Chief of Engineers, dated September 29, 1981, at an estimated cost of $22,718,000.

WILLOUGHBY SPIT, VIRGINIA

The project for shoreline protection, Willoughby Spit and Vicinity, Norfolk, Virginia: Report of the Chief of Engineers, dated April 17, 1984, at an estimated cost of $2,583,000.

VIRGINIA BEACH, VIRGINIA

The project for beach erosion control and hurricane protection, Virginia Beach, Virginia: Report of the Chief of Engineers, dated May 22, 1985, at an estimated cost of $27,344,000.

WRIGHTSVILLE BEACH, NORTH CAROLINA

The project for shore and hurricane wave protection, Wrightsville Beach, North Carolina: Report of the Chief of Engineers, dated December 19, 1983, at an estimated annual cost of $260,000.

FOLLY BEACH, SOUTH CAROLINA

The project for shoreline protection, Folly Beach, South Carolina: Report of the Chief of Engineers, dated March 17, 1981, at an estimated cost of $1,174,000.

PANAMA CITY BEACHES, FLORIDA

The project for shoreline protection, Panama City Beaches, Florida: Report of the Chief of Engineers, dated July 8, 1977, House Document Numbered 96-65, at an estimated cost of $28,100,000.

ST. JOHNS COUNTY, FLORIDA

The project for shoreline protection, St. Johns County, Florida: Report of the Chief of Engineers, dated February 26, 1980, at an estimated cost of $8,140,000. To the maximum extent feasible, the Secretary shall construct such project so as to avoid adverse effects on sea turtle nesting.

CHARLOTTE COUNTY, FLORIDA

The project for shoreline protection, Charlotte County, Florida: Report of the Chief of Engineers, dated April 2, 1982, at an estimated cost of $1,470,000. To the maximum extent feasible, the Secretary shall construct such project so as to minimize the harm to marine borrow areas and reefs.

INDIAN RIVER COUNTY, FLORIDA

The project for shoreline protection, Indian River County, Florida: Report of the Chief of Engineers, dated December 21, 1981, House Document Numbered 98-154, at an estimated cost of $2,550,000, except that the non-Federal share of the cost of the Sebastian Inlet State Park segment shall be 30 percent. To the maximum extent feasible, the Secretary shall construct such project so as to avoid adverse effects on sea turtle nesting.

DADE COUNTY, FLORIDA

The project for shoreline protection, Dade County, north of Haulover Beach Park, Florida: Report of the Chief of Engineers, dated December 27, 1983, at an estimated cost of $7,490,000. To the maximum extent feasible, the Secretary shall construct the project so as to minimize adverse effects on coral reefs.

MONROE COUNTY, FLORIDA

The project for shoreline protection, Monroe County, Florida: Report of the Chief of Engineers, dated April 22, 1984, at an estimated cost of $1,561,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the effects that construction, operation, and maintenance of the proposed project (other than the portion of the project consisting of Smathers Beach) may have on the seagrass community in the project area. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to minimize the adverse effects of such construction, operation, and maintenance on such seagrass community. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project (other than the portion of the project consisting of Smathers Beach) unless such acquisition and actual construction have been approved by resolution adopted by each such committee. The portion of the project consisting of Smathers Beach shall include any measures which the Secretary determines, in consultation with the United States Fish and Wildlife Service, the Environmental Protection Agency, and the National Marine Fisheries Service, are appropriate to minimize adverse effects from carrying out such portion on the seagrass community.

PRESQUE ISLE PENINSULA, ERIE, PENNSYLVANIA

The project for shoreline protection, Presque Isle Peninsula, Erie, Pennsylvania: Report of the Chief of Engineers, dated October 2, 1981, at an estimated cost of $18,200,000.

CASINO BEACH, CHICAGO, ILLINOIS

The project for shoreline protection, Interim II, Casino Beach, Chicago, Illinois: Report of the Chief of Engineers, dated September 26, 1984, at an estimated cost of $3,320,000.

ILLINOIS BEACH STATE PARK, ILLINOIS

The project for shoreline protection, Illinois Beach State Park, Illinois described as alternative 3A in Interim Report 1, Illinois-Wisconsin Stateline to Waukegan of the District Engineer, Chicago District, dated June 1982, at an estimated cost of $11,900,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

INDIANA SHORELINE, INDIANA

The project for shoreline protection, Indiana Shoreline Erosion, Indiana: Report of the Chief of Engineers, dated November 18, 1983, at an estimated cost of $7,920,000.

MAUMEE BAY, LAKE ERIE, OHIO

The project for shoreline protection for the southeast shore of Maumee Bay State Park, Ohio: Report of the Chief of Engineers, dated July 9, 1984, at an estimated cost of $8,485,000. The requirements of section 221 of the Flood Control Act of 1970 (Public Law 91-611) shall not apply to any agreements between the Federal Government and the State of Ohio for local cooperation as a condition for the construction of such project. The Secretary is authorized to contract with the State of Ohio on the items of local cooperation for such project, which are to be assumed by the State, notwithstanding that the State may elect to make its performance of any obligation contingent upon the State legislature making the necessary appropriations and funds being allocated for the same or subject to the availability of funds on the part of the State.

(b) In the case of any project authorized by subsection (a) of this section for which a final report of the Chief of Engineers has not been completed before the date of enactment of this Act, the Secretary shall, as soon as possible after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee.

(c) The Secretary is authorized and directed to design and construct an erosion control structure approximately 8,200 feet in length on the western shore of Tangier Island, Virginia, adequate to protect such island from further erosion, at an estimated cost of $3,500,000. Such project shall be carried out on an emergency basis, in view of the national, historic, and cultural value of the island and in order to protect the Federal investment in public facilities.

(d) The Secretary is authorized to carry out the project for shore protection at Coconut Point, Tutuila Island, American Samoa, including a 3,600-foot long rock revetment to protect communal lands and public facilities, at an estimated cost of $1,500,000.

(e) If any provision in any report designated by subsection (a) recommends that a State contribute in cash 5 percent of the construction costs allocated to non-vendible project purposes and 10 percent of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

SEC. 402. (a) The Secretary shall undertake demonstration projects for shoreline erosion control at the following communities in New Jersey: Fort Elsinboro, Sea

Breeze, Gandys Beach, Reeds Beach, Pierces Point, and Fortescue.

(b) Such demonstration projects shall be carried out in cooperation with Federal, State, and local agencies, and private organizations.

(c) Such demonstration projects may be carried out on private or public lands except that privately owned lands shall not be acquired under authority of this section. In the case of sites located on private or non-Federal public lands, the demonstration projects shall be undertaken in cooperation with non-Federal interests who shall pay 25 percent of construction costs at each site and assume operation and maintenance costs upon completion of the project.

(d) The Secretary shall prepare and submit to Congress a report on each site during the fiscal year following completion of construction at that site. Such report shall include an analysis of the technique or techniques used and an evaluation of their functioning to that point.

(e) There is authorized to be appropriated not to exceed $12,500,000 to carry out this section for fiscal years beginning after September 30, 1985.

The CHAIRMAN. Are there amendments to title IV of the bill?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—WATER RESOURCES CONSERVATION AND DEVELOPMENT

SEC. 501. (a) The following works of improvement for water resources development and conservation and for other purposes are hereby adopted and authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines advisable in any case in which there is no report designated.

NEPONSET RIVER, MILTON TOWN LANDING TO PORT NORFOLK, MASSACHUSETTS

The project for dredging, Neponset River, Milton Town Landing to Port Norfolk, Massachusetts, including the disposal of the dredged material at sea, at an estimated cost of $1,500,000.

MERRIMACK RIVER, MASSACHUSETTS

The project for navigation, Merrimack River, Massachusetts, consisting of (1) improvements along the Merrimack River from Lowell, Massachusetts, to Lawrence, Massachusetts (including a concrete weir running eastward from the confluence of the Concord River and the Merrimack River parallel to the southern bank of the Merrimack River), (2) a lock at the end of the channel created by the weir, and (3) such other measures as the Secretary deems necessary in the interest of navigation, at an estimated cost of $8,000,000, including any modifications that may be recommended by the Secretary with respect to such project under subsection (b) of this section.

BIG RIVER RESERVOIR, RHODE ISLAND

The project for flood control, Big River Reservoir, Rhode Island: Report of the Chief of Engineers, dated March 9, 1983, at an estimated cost of $39,900,000, including the acquisition of such additional lands as the Secretary recommends in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall reevaluate the acquisition of mitigation lands recommended in the report of the Chief of Engineers for purposes of determining the need for additional lands for mitigation of fish and wildlife losses. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such reevaluation, including a description of any additional lands determined by the Secretary to be necessary and appropriate for mitigation of fish and wildlife losses. No appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

OLCOTT HARBOR, NEW YORK

The project for navigation, Olcott Harbor, New York: Report of the Chief of Engineers, dated June 11, 1980, at an estimated cost of $6,230,000. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall conduct additional studies of the effects of the project on fish and wildlife resources. Such studies shall include the development and testing of a physical model of the proposed plan. The Secretary is authorized to undertake any additional measures which he determines necessary and appropriate to minimize any adverse effects of the project on fish and wildlife production and habitat.

HAMPTON ROADS DEBRIS REMOVAL, VIRGINIA

The project for the removal of debris from Hampton Roads and Vicinity, Virginia: Report of the Chief of Engineers, dated October 19, 1983, at an estimated cost of $2,280,000.

RUDEE INLET, VIRGINIA

The project for navigation and shoreline protection, Rudee Inlet, Virginia Beach, Virginia: Report of the Division Engineer, dated February 4, 1983, at an estimated cost of $1,040,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

ATLANTIC INTRACOASTAL WATERWAY BRIDGES, NORTH CAROLINA

The project for replacement of Atlantic Intracoastal Waterway Bridges, North Carolina: Report of the Chief of Engineers, dated October 1, 1975, House Document Numbered 94-597, at an estimated cost of $8,800,000, which shall be in addition to, and not in lieu of, any amounts authorized to be appropriated for such project under section 101 of the River and Harbor Act of 1970.

RICHARD B. RUSSELL DAM AND LAKE, GEORGIA AND SOUTH CAROLINA

The project for mitigation of fish and wildlife losses at Richard B. Russell Dam and Lake Project, Savannah River, Georgia and South Carolina: Report of the Chief of Engineers, dated May 11, 1982, House Document Numbered 97-244, at an estimated cost of $20,200,000, including utilization for purposes of fish and wildlife habitat mitigation of such Federal lands as may be described by the Secretary in the report transmitted under this paragraph. The Secretary and the State of South Carolina, in consultation with the United States Fish and Wildlife Service, shall identify those Federal lands at Clarks Hill Lake to be utilized for purposes of fish and wildlife habitat mitigation. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report describing the lands so identified. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

METROPOLITAN ATLANTA AREA, GEORGIA

The project for water supply, Metropolitan Atlanta Area, Georgia: Reports of the Chief of Engineers, dated June 1, 1982, and September 7, 1983, at an estimated cost of $26,400,000, including such additional measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall further evaluate the possible effects of the proposed project on fish and wildlife habitat and related resources. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such evaluation, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat and related resources. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

JACKSONVILLE HARBOR (MILL COVE), FLORIDA

The project for navigation, Jacksonville Harbor (Mill Cove), Florida: Report of the Chief of Engineers, dated February 12, 1982, House Document Numbered 98-233, at an estimated cost of $6,600,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with the State of Florida, shall study the adequacy of available dredged material disposal areas for construction, operation, and maintenance of the project and the potential of such disposal areas for recreational development. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to assure that adequate dredged material disposal areas are available for construction, operation, and maintenance of the project and recommendations for a recreational master plan. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be

made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee. After completion of the project, the Secretary shall monitor and evaluate the effectiveness of the project in reducing shoaling.

PORT CANAVERAL HARBOR, FLORIDA

The project for mitigation of fish and wildlife losses at the Port Canaveral West Turning Basin Project, Florida, in accordance with a plan transmitted under this paragraph. The Secretary, the United States Fish and Wildlife Service, the National Marine Fisheries Service, the Administrator of the Environmental Protection Agency, and appropriate agencies of the State of Florida and political subdivisions thereof shall develop, and transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a plan for mitigation of fish and wildlife losses resulting from the Port Canaveral West Turning Basin Project. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project unless such plans have been approved by resolution adopted by each such committee.

YAZOO BACKWATER AREA, MISSISSIPPI

The project for mitigation of fish and wildlife losses at the Yazoo Backwater Project, Mississippi: Report of the Chief of Engineers, dated July 12, 1984, at an estimated cost of $17,700,000. The project shall include acquisition of 40,000 acres for mitigation of project-induced fish and wildlife losses as recommended in the report of the District Engineer, Vicksburg District, dated July 1982. A portion of such 40,000 acres which the Secretary, in consultation with the United States Fish and Wildlife Service and the Governors of the States of Mississippi and Arkansas, may determine may be acquired from willing sellers in the State of Arkansas.

GREENVILLE HARBOR, MISSISSIPPI

The project for navigation, Greenville Harbor, Mississippi: Report of the Chief of Engineers, dated November 15, 1977, as amended by the supplemental report of the Chief of Engineers dated February 22, 1982, at an estimated cost of $30,300,000, except that initial construction of the project shall be to the full project dimensions, including a channel width of 500 feet and a depth of 12 feet.

VICKSBURG HARBOR, MISSISSIPPI

The project for navigation, Vicksburg Harbor, Mississippi: Report of the Chief of Engineers, dated August 13, 1979, at an estimated cost of $60,700,000, except that initial construction of the project shall be to the full project dimensions.

MEMPHIS HARBOR, MEMPHIS, TENNESSEE

The project for navigation, Memphis Harbor, Memphis, Tennessee: Report of the Chief of Engineers, dated February 25, 1981, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph, at an estimated cost of $40,500,000, except that initial construction of the project shall be to the full project dimensions and the project shall include acquisition of such additional lands, but not to exceed 500 acres, for mitigation of losses of bottomland hardwood habitat as may be recommended by the Secretary in such report. The Secretary shall reevaluate, in consultation with the Fish and Wildlife Service, the need for mitigation of project-induced losses of bottomland hardwood habitat. The Secretary, in consultation with the Environmental Protection Agency, shall conduct further studies of the quality of the water in the project area and the need for measures to prevent adverse effects on the quality of the water. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such reevaluation and study, along with recommendations for additional lands which the Secretary determines to be necessary and appropriate to mitigate project-induced losses of bottomland hardwood habitat and for additional measures which the Secretary determines necessary and appropriate to prevent adverse effects on water quality. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee.

LAKE PONTCHARTRAIN NORTH SHORE, LOUISIANA

The project for navigation, Lake Pontchartrain North Shore, Louisiana: Report of the Chief of Engineers, dated February 14, 1979, at an estimated cost of $1,260,000.

ATCHAFALAYA BASIN, LOUISIANA

The project for flood control, Atchafalaya Basin Floodway System, Louisiana: Report of the Chief of Engineers, dated February 28, 1983, at an estimated cost of $200,000,000.

RED RIVER WATERWAY, LOUISIANA

The project for mitigation of fish and wildlife losses, Red River Waterway, Louisiana: Report of the Chief of Engineers, dated December 28, 1984, at an estimated cost of $10,500,000.

CABIN CREEK, WEST VIRGINIA

The project for flood damage prevention features, Cabin Creek, West Virginia: Report of the Chief of Engineers, dated March 1, 1979, at an estimated cost of $5,100,000, including channel improvement for 10.5 miles on Cabin Creek, establishment of flood plain management guidelines, and supplemental flood proofing. The construction of such features shall be coordinated with any construction by other Federal agencies of other features described in such report under applicable Federal laws.

OBION CREEK, KENTUCKY

The project for mitigation of fish and wildlife losses, West Kentucky Tributaries Project, Obion Creek, Kentucky: Report of the Chief of Engineers, dated September 16, 1980, at an estimated cost of $4,000,000, except that (1) the Secretary, in consultation with the United States Fish and Wildlife Service, shall acquire and preserve not less than 6,000 nor more than 9,000 acres of woodland for mitigation of project-induced woodland and wetland habitat losses, and (2) the land for mitigation of damages to fish and wildlife shall be acquired as soon as possible from available funds, including the Environmental Protection and Mitigation Fund established by section 1104 of this Act.

MUDDY BOGGY CREEK, PARKER LAKE, OKLAHOMA

The project for flood control and water supply, Parker Lake, Muddy Boggy Creek, Oklahoma: Report of the Chief of Engineers, dated May 30, 1980, at an estimated cost of $43,000,000.

FORT GIBSON LAKE, OKLAHOMA

The project for Fort Gibson Lake, Oklahoma: Report of the Chief of Engineers, dated August 16, 1984, at an estimated cost of $24,100,000.

HARRY S TRUMAN DAM AND RESERVOIR, MISSOURI

The project for modification of the Harry S Truman Dam and Reservoir Project, Missouri: Report of the Chief of Engineers, dated December 21, 1981, at an estimated cost of $2,100,000. The Secretary, in consultation with the State of Missouri and the United States Fish and Wildlife Service, shall acquire lands, or designate project joint-use lands, for mitigation of fish and wildlife losses in addition to those lands recommended for such purposes by such report; except that the total acreage of all mitigation lands shall not exceed 1,000 acres.

TRIMBLE WILDLIFE AREA, SMITHVILLE LAKE, LITTLE PLATTE RIVER, MISSOURI

The project for replacement of the Trimble Wildlife Area, Smithville Lake, Little Platte River, Missouri: Report of the Chief of Engineers, dated September 22, 1977, House Document Numbered 95-389, at an estimated cost of $7,870,000.

ST. LOUIS HARBOR, MISSOURI AND ILLINOIS

The project for navigation, St. Louis Harbor, Missouri and Illinois: Report of the Chief of Engineers, dated April 30, 1984, at an estimated cost of $11,300,000, except that initial construction of the project shall be to the full project dimensions.

MISSOURI RIVER MITIGATION, MISSOURI, KANSAS, IOWA, AND NEBRASKA

The project for mitigation of fish and wildlife losses, Missouri River Bank Stabilization and Navigation Project, Missouri, Kansas, Iowa, and Nebraska: Report of the Chief of Engineers, dated April 24, 1984, at an estimated cost of $50,500,000. The Secretary shall study the need for additional measures for mitigation of losses of aquatic and terrestrial habitat caused by such project and shall report to Congress, within three years after the date of enactment of this Act, on the results of such study and any recommendations for additional measures needed for mitigation of such losses.

DAVENPORT, IOWA (NAHANT MARSH)

The Davenport, Iowa Local Protection Project—Fish and Wildlife Mitigation Plan: Report of the Chief of Engineers, dated July 9, 1979, House Document Numbered 97-218, at an estimated cost of $414,000.

HELENA HARBOR, PHILLIPS COUNTY, ARKANSAS

The project for navigation, Helena Harbor, Phillips County, Arkansas: Report of the Chief of Engineers, dated October 17, 1980, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph, at an estimated cost of $37,800,000, except that initial construction of the project shall be to the full project dimensions and the project shall include acquisition of such additional lands as may be recommended by the Secretary in such report. The Secretary, in consultation with the Fish and Wildlife Service,

shall evaluate the adequacy of the recommended measures for mitigation of losses of wildlife habitat. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such evaluation, along with recommendations for additional lands which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

WHITE RIVER NAVIGATION TO BATESVILLE, ARKANSAS

The project for navigation, White River Navigation to Batesville, Arkansas: Report of the Chief of Engineers, dated December 23, 1981, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph, at an estimated cost of $23,400,000, except that the project shall include 1,865 acres of habitat mitigation lands. The Federal share of the cost of relocation of any oil, natural gas, or other pipeline, any electric transmission cable or line, any communications cable or line, and facilities related to such pipeline, cable, or line (1) the relocation of which is necessary for construction, operation, and maintenance of the project, and (2) which may only be built or commenced if authorized by the Secretary under section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), shall be 50 percent. The non-Federal share of such cost shall be paid by the owner of the facility being relocated. The acquisition of all lands, easements, and rights-of-way necessary for the project, including lands for disposal of dredged material, shall be at full Federal expense. The Secretary, in consultation with the Fish and Wildlife Service, shall evaluate the effect of the project on the Fat Pocketbook Pearly Mussel. The Secretary shall also evaluate, in consultation with the Fish and Wildlife Service, the feasibility of including weirs in tributary areas to benefit aquatic habitat and is authorized to include them as he determines appropriate. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such evaluations, along with recommendations (A) for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on the Fat Pocketbook Pearly Mussel, and (B) for weirs in tributary areas which the Secretary determines to be necessary and appropriate to benefit aquatic habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee. Nothing in this paragraph shall be construed to effect the requirements of Public Law 89-669, as amended.

TRINITY RIVER, TEXAS

The project for the mitigation of fish and wildlife losses, Trinity River, Texas: Report of the Board of Engineers for Rivers and Harbors, dated October 4, 1982, at an estimated cost of $9,460,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section for additional mitigation measures.

COOPER LAKE AND CHANNELS, TEXAS

The project for the mitigation of fish and wildlife resource losses, Cooper Lake and Channels, Texas: Report of the Chief of Engineers, dated May 21, 1982, at an estimated cost of $14,700,000, except that the non-Federal share of any portion of the costs of mitigation of fish and wildlife losses attributable to water supply features of the project shall be repaid in accordance with the Water Supply Act of 1958 and the non-Federal share of any portion of the costs of mitigation of fish and wildlife losses attributable to recreation features of the project shall be repaid in accordance with the Federal Water Project Recreation Act.

SACRAMENTO RIVER BANK PROTECTION, CALIFORNIA

The project for mitigation of fish and wildlife losses, Sacramento River Bank Protection Project, California: Reports of the Chief of Engineers, dated September 1, 1981, at an estimated cost of $1,700,000.

SWEETWATER RIVER, CALIFORNIA

The project for mitigation of fish and wildlife losses, Sweetwater River channel improvement project, California: Report of the Division Engineer, dated July 15, 1982, at an estimated cost of $3,477,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section for additional mitigation measures.

LAVA FLOW CONTROL, HAWAII

The project for lava flow control, Island of Hawaii: Report of the Chief of Engineers, dated July 21, 1981, at an estimated cost of $5,030,000.

WAILUA FALLS, WAILUA RIVER, KAUAI, HAWAII

The project for hydroelectric power generation at Wailua Falls, Wailua River, Kauai, Hawaii: Report of the Board of Engineers for Rivers and Harbors, dated July 18, 1983, at an estimated cost of $13,400,000.

CITY WATERWAY, TACOMA, WASHINGTON

The project for the relocation of the boundaries of the City Waterway, Tacoma Harbor, Washington: Report of the Chief of Engineers, dated May 5, 1983, House Document Numbered 98-244, at an estimated cost of $5,000.

MCNARY LOCK AND DAM, WASHINGTON AND OREGON

The project for McNary Lock and Dam, Second Powerhouse, Columbia River, Washington and Oregon, Phase I, General Design Memorandum: Report of the Chief of Engineers, dated June 24, 1981, at an estimated cost of $649,000,000.

BETHEL BANK STABILIZATION, ALASKA

The project for bank stabilization, Bethel, Alaska: Report of the Chief of the Engineers, dated July 30, 1983, at an estimated cost of $15,100,000, including such modifications as may be necessary to accommodate related work undertaken and carried out by non-Federal interests.

KODIAK HARBOR, ALASKA

The project for navigation, Kodiak Harbor, Alaska: Report of the Chief of Engineers, dated September 7, 1976, Senate Document Numbered 96-6, at an estimated cost of $14,500,000.

ST. PAUL ISLAND, ALASKA

The project for navigation, St. Paul Island Harbor, Alaska: Report of the Chief of Engineers, dated August 9, 1983, at an estimated cost of $11,800,000. The cost sharing for the project shall be determined in accordance with section 105 of this Act.

(b) In the case of any project authorized by this section for which a final report of the Chief of Engineers has not been completed before the date of enactment of this Act, the Secretary shall, as soon as possible after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee.

(c) If any provision in any report designated by this title recommends that a State contribute in cash 5 percent of the construction costs allocated to non-vendible project purposes and 10 percent of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

SEC. 502. The Secretary is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth from Albert Lea Lake, Freeborn County, Minnesota, at full Federal expense and at an estimated cost of $4,270,000. The Secretary shall report to the Administrator of the Environmental Protection Agency the plans for and results of such project together with such recommendations as the Secretary determines necessary to carry out the program for freshwater lakes under section 314 of the Federal Water Pollution Control Act.

SEC. 503. (a) The Secretary shall, after consultation with the advisory committee established under subsection (b), carry out a demonstration project for the development, operation, and maintenance of a recreation and greenbelt area on, and along the Des Moines River, Iowa, between the point at which the Des Moines River is intersected by United States Highway 20 to the point downstream at which relocated United States Highway 92 intersects the Des Moines River. Subject to subsections (b) and (c) of this section, such project shall include, but not be limited to—

(1) the construction, operation, and maintenance of recreational facilities and streambank stabilization structures;

(2) the operation and maintenance of all structures constructed before the date of enactment of this Act (other than any such structure operated and maintained by any person under a permit or agreement with the Secretary) within the area described in the Des Moines Recreational River and

Greenbelt Map and on file with the Committee on Public Works and Transportation of the House of Representatives;

(3) such tree plantings, trails, vegetation, and wildlife protection and development and other activities as will enhance the natural environment for recreational purposes; and

(4) the prohibition or limitation by the Secretary of the killing, wounding, or capturing at any time of any wild bird or animal in such areas as may be designated by the Secretary.

(b)(1) The advisory committee referred to in subsection (a) shall be constituted as follows:

(A) five persons shall be appointed by the Governor of Iowa;

(B) two persons shall be appointed by their respective board of supervisors to represent each of Mahaska, Marion, Warren, Jasper, Polk, Dallas, Boone, and Webster Counties;

(C) one person shall be appointed by the mayor of the city of Des Moines and one additional person shall be appointed by the mayor of each other incorporated municipality within whose boundaries a portion of such recreation area lies; and

(D) three employees or officials of the Corps of Engineers shall be appointed by the Secretary.

(2) Each member of the advisory committee shall serve at the pleasures of the authority which appointed such member.

(3) No member of the advisory committee who is not an officer or employee of the United States shall receive compensation on account of his service on the committee or travel expenses or per diem in lieu of subsistence with respect to the performance of services for the committee. Members of such advisory committee who are officers or employees of the United States shall not receive additional compensation on account of their service on the committee.

(4) The advisory committee may elect such officers and spokesmen as it deems appropriate and may appoint such ad hoc committees of interested citizens as it deems appropriate to assist the committee in advising the Secretary.

(c) The construction and maintenance of structures and plant and husbandry activities referred to in subsection (a) of this section shall be conditioned upon the ownership by the United States of the land or interests therein necessary for such purposes.

(d) In carrying out the project described in subsection (a) of this section, the Secretary may acquire by purchase, donation, exchange, or otherwise land and interests therein, as the Secretary determines are necessary to carry out such project. If the Secretary purchases any land or interest therein from any State or local agency, he shall not pay more than the original cost paid by such State or local agency for such land or interest therein. No land or interest therein may be acquired by the United States to carry out such project without the consent of the owner, and nothing herein shall constitute an additional restriction on the use of any land or any interest therein which is not owned by the United States.

(e) Notwithstanding any other provision of law, the Federal share of the project to be carried out pursuant to this section shall be 100 percent of the cost of the project.

(f) The Secretary may enforce paragraph (4) of subsection (a) and such regulations as the Secretary may issue to carry out such paragraph. The Secretary may delegate such enforcement authority to such Federal, State, and local agencies as the Secretary deems appropriate to accomplish the purposes of this section.

(g) There is authorized to be appropriated to carry out this section $8,000,000, for fiscal years beginning after September 30, 1985.

SEC. 504. The Secretary is authorized to carry out the project for beach erosion control, navigation, and storm protection from Hereford Inlet to the Delaware Bay entrance to the Cape May Canal, New Jersey, substantially in accordance with the report of the Chief of Engineers, dated September 30, 1975, at an estimated cost of $40,000,000. The Secretary may construct the beach erosion control, navigation, or storm protection features of the project separately or in combination with the other such features. The non-Federal share for any such feature which is separately constructed shall be the appropriate non-Federal share for that feature.

SEC. 505. The Secretary is authorized to carry out the project for beach erosion control, navigation, and storm protection from Barnegat Inlet to Longport, New Jersey, substantially in accordance with the report of the Chief of Engineers dated October 24, 1975, except that such project shall also include construction of a fisherman walkway on top of a jetty as described in the report of the Chief of Engineers dated January 20, 1983, at an estimated total cost of $61,300,000. The Secretary may construct the beach erosion control, navigation, or storm protection feature of the project separately or in combination with the other such features. The non-Federal share for any such feature which is separately constructed shall be the appropriate non-Federal share for that feature.

SEC. 506. The Secretary shall carry out a demonstration project for the removal of silt, aquatic growth, and other material in Lake George, Hobart, Indiana, and in that part of Deep River upstream of such lake through Lake Station, Indiana, and to construct silt traps or other devices to prevent and abate the deposit of sediment in Lake George and such part of Deep River, at full Federal expense and at an estimated cost of $5,200,000.

SEC. 507. (a) The Secretary is authorized and directed to establish and conduct for a period of five years at multiple sites on the Ohio River and its tributaries a streambank erosion prevention and control demonstration program. The program shall—

(1) identify streambank erosion measures likely to provide the highest degree of protection technically and economically feasible for both high and low flow conditions;

(2) conduct necessary research on the interaction of erodible boundaries with flowing water in order to more accurately predict the behavior and optimum design of protective works;

(3) define and test optimum designs of bed slopes and grade control structures for a wide range of soil and flow conditions;

(4) develop, field test, and evaluate new erosion protection products or methods, including but not limited to earth or rock-filled grids, reinforced earth bulkheads, stabilized mattings for vegetation seeding, and patterned schemes using manufactured blocks in loose, matted, or interconnected configurations;

(5) develop and evaluate engineering techniques to control overbank drainage;

(6) identify and quantify economic losses occurring along the Ohio River and its tributaries due to streambank erosion; and

(7) construct demonstration projects, including bank protection works.

(b) For each demonstration project and streambank measure undertaken under subsection (a) of this section, the Secretary shall evaluate the environmental impacts of such project or measure with respect to both riverine and adjacent land-use values, with the view of minimizing environmental losses.

(c) Demonstration projects authorized by this section shall be undertaken to reflect a variety of geographical and environmental conditions, including naturally occurring erosion problems and erosion caused or incurred by man-made structures or activities. At a minimum, demonstration projects shall be conducted at sites on—

(1) that reach of the Ohio River between the Captain Anthony Meldahl Locks and Dam and the McAlpine Locks and Dam;

(2) the Licking River; and

(3) the Kanawha River in the vicinity of St. Albans, West Virginia.

(d) There is authorized to be appropriated not to exceed $25,000,000 to carry out this section.

(e) The Secretary shall report to Congress each year on work undertaken pursuant to this section.

SEC. 508. (a) The Secretary is authorized to construct demonstration projects for low-cost projects along the shore of the Chesapeake Bay and its tributaries for the control of streambank and shoreline erosion. The Secretary shall select an equal number of projects under this section in each of the States of Maryland, Pennsylvania, and Virginia. In selecting projects in Virginia under this section, the Secretary shall give priority consideration to the shoal at the mouth of the Coan River.

(b) The Federal share of the cost of the demonstration projects under this section shall be 50 percent.

(c) Information gathered in the study conducted under section 54 of the Water Resources Development Act of 1976 shall be used to the extent possible in selecting appropriate projects.

(d) There is authorized to be appropriated for fiscal years beginning after September 30, 1985, $5,000,000 to carry out this section.

SEC. 509. The Secretary is authorized and directed to implement at full Federal cost snagging and clearing and channel rectification measures along the Passaic, Pompton, Pequannock, and Ramapo Rivers, New Jersey, from Beatties Dam in Little Falls on the Passaic River upstream to the confluence of the Pompton River at Two Bridges, upstream along the Pompton River to and including the Pompton Feeder on the Pequannock and Ramapo Rivers, and upstream along the Ramapo River to the Pompton Lakes Dam, and along tributaries of such rivers (including Singac Brook and Weasel Brook), including the modification of such structures, flood proofing, and flood warning measures as determined necessary by the Chief of Engineers, at an estimated cost of $25,000,000. None of the work authorized by this section shall affect the analysis of costs and benefits for projects presently being studied by the Secretary.

SEC. 510. The Secretary is authorized to replace the dike at the Small Boat Harbor, Buffalo Harbor, New York, at an estimated cost of $9,000,000.

SEC. 511. The Secretary is authorized and directed to take such measures as may be necessary to correct erosion problems along the banks of the Red Lake River, Minnesota, approximately one and one-half miles

west of Gentilly, Minnesota, adequate to protect the nearby highway and bridge, at an estimated cost $300,000.

SEC. 512. The Secretary is authorized to perform intermittent dredging and such other work as may be required on the Yazoo River in Mississippi, from Greenwood south, to remove natural shoals as they occur, at an annual average cost of $200,000, so as to allow commerce to continue. Responsible local interests shall agree to (1) provide without cost to the United States all lands, easements, and rights-of-way required for dredging and disposal of dredged materials; (2) accomplish without cost to the United States such alterations, relocations, and rearrangement of facilities as required for dredging and disposal of dredged materials; and (3) hold and save the United States free from damages due to the dredging and disposal of dredged materials.

SEC. 513. The Secretary is authorized and directed to undertake a demonstration project for the removal of silt and stumps from Greenwood Lake and Belcher Creek, New Jersey, at full Federal expense and at an estimated cost of $10,000,000. The Secretary shall report to the Administrator of the Environmental Protection Agency the plans for and results of such project together with such recommendations as the Secretary determines necessary to carry out the program for freshwater lakes under section 314 of the Federal Water Pollution Control Act.

SEC. 514. (a) The Secretary shall take such action as may be necessary to remedy slope failures and erosion problems (1) along the banks of the Coosa River, Alabama, in order to protect the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in Elmore County, Alabama, at an estimated cost of $29,000,000, and (2) along the banks of the Black Warrior River, Alabama, in order to protect the Mound State Monument National Historic Landmark near Moundville, Alabama, substantially in accordance with the study conducted by the District Engineer dated July 20, 1981, at an estimated cost of $4,118,000. Such actions shall be coordinated with the Secretary of the Interior and the State of Alabama.

(b) Prior to initiation of construction of the project authorized by subsection (a), appropriate non-Federal interests shall agree—

(1) to provide without cost to the United States all lands, easements, and rights-of-way necessary for construction and operation of the project;

(2) to hold and save the United States free from damage due to construction, operation, and maintenance of the project, not including damages due to the fault or negligence of the United States or its contractors;

(3) to accomplish without cost to the United States all modifications or relocations of existing sewerage and drainage facilities, buildings, utilities, and highways made necessary by construction of the project; and

(4) to maintain and operate all features of the project after completion, in accordance with regulations prescribed by the Secretary.

SEC. 515. The Secretary is authorized to undertake such measures as may be necessary to maintain the Larkspur Ferry Channel, Larkspur, California, at a depth sufficient for ferry boat service between Marin County and San Francisco, California, at an estimated cost of $500,000.

SEC. 516. The Secretary is authorized to perform dredging in Weeks Bay, Vermilion Bay, and Southwest Pass, Louisiana, to a depth of 13 feet, as necessary to provide a water access route to the Gulf of Mexico from the Port of Iberia Commercial Canal through Weeks Bay, Vermilion Bay, and Southwest Pass, at an estimated cost of $3,000,000.

SEC. 517. The Secretary is authorized to undertake in La Conner, Washington, such bank erosion control measures along the Swinomish Channel as the Secretary determines necessary to prevent damage to structures in the La Conner Historical District, at an estimated cost of $1,177,000.

SEC. 518. The Secretary is authorized to acquire from willing sellers in a timely manner at fair market value 67,000 acres of land for mitigation of wildlife losses resulting from construction and operation of the project for the Tennessee-Tombigbee Waterway, Alabama and Mississippi. Such lands shall be in addition to, and not in lieu of, lands currently owned by the United States in the project area which are designated as wildlife mitigation lands for such project. Of the lands acquired under this section, not less than 20,000 acres shall be acquired in the area of the Mobile-Tensaw River delta, Alabama, and not less than 25,000 acres shall be acquired in the areas of the Pascagoula River, the Pearl River, and the Mississippi River delta, Mississippi. Other lands acquired under this section may be acquired anywhere in the States of Alabama and Mississippi. The Secretary shall select lands to be acquired under this section in consultation with appropriate State and Federal officials. Emphasis shall be placed on acquisition of lands which are predominantly flood plain forest. The States of Alabama and Mississippi shall provide for the management for wildlife purposes of lands acquired under this section and lands currently owned by the United States in the project area which are designated as wildlife mitigation lands for such project. Subject to such amounts as are provided in appropriation Acts, the Secretary shall reimburse such States for such management and initial development costs as specified in a plan for management of mitigation lands to be developed by the Secretary, the United States Fish and Wildlife Service, and the States of Alabama and Mississippi.

SEC. 519. The Secretary is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth from Sauk Lake and its tributary streams in the vicinity of Sauk Centre, Stearns County, Minnesota, at full Federal expense and at an estimated cost of $2,000,000. The Secretary shall report to the Administrator of the Environmental Protection Agency the plans for and results of such project together with such recommendations as the Secretary determines necessary to carry out the program for freshwater lakes under section 314 of the Federal Water Pollution Control Act.

SEC. 520. The Secretary shall repair and rehabilitate the Muck Levee, Salt Creek, Logan County, Illinois, at an estimated cost of $12,000.

SEC. 521. (a) The Secretary shall, after consultation with the Passiac River Restoration Steering Committee, carry out a demonstration project for bank stabilization and development, operation, and maintenance of a recreation and greenbelt area on public properties on, and along the east bank of the Passaic River, New Jersey, from Dundee Dam to Kearney Point. Such project shall include, but not be limited to—

(1) the construction, operation, and maintenance of recreational facilities (including, but not limited to, a multipurpose pathway described in the Passaic River Restoration Master Plan) and streambank stabilization structures;

(2) terraforming; and

(3) such tree plantings, vegetation and wildlife protection and development, and other activities as will enhance the natural environment for recreational purposes.

(b) The construction and maintenance of structures and plant and husbandry activities referred to in subsection (a) of this section shall be conditioned upon the ownership by the public of the land or interest therein necessary for such purposes. The operation and maintenance of such structures and activities shall be undertaken by the counties or cities owning the lands on which such structures are to be located or on which such activities are to be carried out.

(c) In carrying out the project described in subsection (a) of this section, the Secretary may acquire by purchase, donation, exchange, or otherwise, lands and interests therein as the Secretary and the Passaic River Restoration Steering Committee determine are necessary to carry out such project. No lands or interests therein may be acquired by the United States or any State or local government to carry out such project without the consent of the owner, and nothing herein shall constitute an additional restriction on the use of any lands or interests therein which is not owned by the United States or a State or local government.

(d) Notwithstanding any other provision of law, the Federal share of the project to be carried out pursuant to this section shall be 100 percent of the cost of the project. There is authorized to be appropriated to carry out this section $10,000,000 for fiscal years beginning after September 30, 1985.

SEC. 522. The Secretary is authorized and directed to undertake a project for bank erosion control on the Rillito River in the vicinity to Tucson, Arizona, for the purpose of providing protection against the level of flooding that occurred in October 1983, at an estimated cost of $30,000,000. The Secretary shall include as part of the non-Federal contribution of the project any bank erosion control work on the Rillito River carried out by non-Federal interests after January 1, 1985, which the Secretary determines is reasonably compatible with such project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

SEC. 523. The Secretary shall construct the Agat small boat harbor in Guam in accordance with the provisions of section 107 of the River and Harbor Act of 1960. Such project shall be carried out with any available funds.

SEC. 524. The Secretary is authorized and directed to provide protection against stream bank erosion on the Little River in the vicinity of the Highway 41 bridge, Horatio, Arkansas, at an estimated cost of $500,000.

SEC. 525. The Secretary is authorized to take such measures as may be necessary to maintain a harbor of refuge in Swan Creek, Newport, Michigan. Non-Federal interests shall provide a public wharf and such other facilities as may be necessary for a harbor of refuge which shall be open to all on equal terms and such other requirements as the Secretary deems necessary.

SEC. 526. (a) The Secretary is authorized to construct such bank stabilization meas-

ures as the Secretary determines necessary for flood damage prevention and erosion control along approximately 3,000 feet of Caney Creek in the vicinity of Jackson, Mississippi, between McDowell Road and Raymond Road, at an estimated cost of $1,250,000.

(b) The Secretary shall complete his study of flood and soil erosion problems along Caney Creek and its tributaries in the vicinity of Jackson, Mississippi. For purposes of analyzing cost and benefits of any project recommended by the Secretary as a result of such study, the Secretary shall take into account the cost and benefits of measures undertaken pursuant to subsection (a).

SEC. 527. The Secretary shall undertake a demonstration project for the removal of silt and stumps from, and the control of pollution from nonpoint sources in, Deal Lake, Monmouth County, New Jersey, at an estimated cost of $8,000,000. Upon completion of the demonstration project, the Secretary shall submit a report of such project, along with recommendations for further measures to improve the water quality of Deal Lake, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 528. Notwithstanding any other provision of law, the Secretary shall transfer to New Hanover County, North Carolina, its successors or assigns, without consideration, all right, title, and interest of the United States to a surplus dredging vessel (known as the "Hyde hopper dredge") in Wilmington, North Carolina, if such county agrees in writing to utilize such vessel only for the purpose of establishing an artificial fish habitat at no cost to the United States.

SEC. 529. The Secretary is directed to construct a low-level weir across the cutoff channel of the Wabash River at Grayville, Illinois to restore the river flow to its original channel and prevent streambank erosion and damage to public and private facilities, at an estimated Federal cost of $2,200,000.

SEC. 530. (a) The Secretary is authorized and directed to establish and conduct for a period of five years at multiple sites on the Platte River and its tributaries in Nebraska a demonstration program consisting of projects for flood control and streambank erosion prevention. The program shall have as its objectives the protection of property, environmental enhancement, and social well-being.

(b) Flood control projects carried out under this section shall include projects for the construction, operation, and maintenance of flood damage reduction measures, including but not limited to bank protection and stabilization works, embankments, clearing, snagging, dredging, and all other appropriate flood control measures, and shall also include recreational facilities deemed appropriate by the Secretary. Such projects shall be carried out substantially in accordance with the plan of action of the Chief of Engineers dated February 6, 1984, and with the Platte River and Tributaries, Nebraska, study of 1978 and the Platte River Basin, Nebraska, Level B Study of 1976.

(c) In carrying out any streambank erosion prevention project under this section, the Secretary shall—

(1) identify streambank erosion measures likely to provide the highest degree of protection technically and economically feasible for both high and low flow conditions;

(2) conduct necessary research on the interaction of erodible boundaries with flowing water in order to more accurately predict the behavior and optimum design of protective works;

(3) define and test optimum designs of bed slope and grade control structures for a wide range of soil and flow conditions;

(4) develop, field test, and evaluate new erosion protection products or methods, including but not limited to earth or rock-filled grids, reinforced earth bulkheads, stabilized mattings for vegetation seeding, patterned schemes using manufactured blocks in loose, matted, or interconnected configurations, and any other appropriate techniques recommended under section 32 of the Water Resources Development Act of 1974;

(5) develop and evaluate engineering techniques to control overbank drainage; and

(6) identify and quantify economic losses occurring along the Platte River and its tributaries due to streambank erosion.

(d) For each demonstration project under this section, the Secretary shall evaluate the environmental impacts of such project with respect to both riverine and adjacent land-use values, with the view of enhancing wildlife and wildlife habitat as a major purpose coequal with all other purposes and objectives, and with the view of minimizing environmental losses.

(e) Demonstration projects authorized by this section shall be undertaken to reflect a variety of geographical and environmental conditions, including naturally occurring erosion problems and erosion caused or incurred by man-made structures or activities. At a minimum, demonstration projects shall be conducted at sites on—

(1) that reach of the Platte River between Hershey, Nebraska, and the boundary between Lincoln and Dawson Counties, Nebraska; and

(2) that reach of the Platte River from the boundary between Colfax and Dodge Counties, Nebraska, to its confluence with the Missouri River and that portion of the Elkhorn River from the boundary between Antelope and Madison Counties, Nebraska, to its confluence with the Platte River.

(f) The Secretary shall condition the construction, operation, and maintenance of any project under this section upon the availability to the United States of such land and interests in land as he deems necessary to carry out such project and to protect and enhance the river in accordance with the purposes of this section. Lands and interests in land for any project under this section shall not be acquired without the consent of the owner, except that not to exceed five percent of the lands acquired for such a project may be acquired in less than fee title without the consent of the owner if determined necessary by the Secretary because of flooding or streambank erosion problems causing or threatening to cause serious damage in the Platte River Basin.

(g) The Secretary shall establish a Platte River Advisory Group consisting of representatives of the State of Nebraska and political subdivisions thereof, affected Federal agencies, and such private organizations as the Secretary deems desirable. Projects under this section shall be carried out in coordination and consultation with such Advisory Group.

(h)(1) Except as provided in paragraph (2), projects carried out under this section shall be at full Federal expense.

(2) Prior to construction of any project under this section, non-Federal interests shall agree that they will provide without cost to the United States lands, easements, and rights-of-way necessary for construction, operation, and maintenance of such project; hold and save the United States free from damages due to construction, operation, and maintenance of such project; and share equally in the costs required to operate and maintain such project.

(i) There is authorized to be appropriated for fiscal years beginning after September 30, 1985, not to exceed $25,000,000 to carry out this section.

(j) The Secretary shall report to Congress each year of the demonstration program under this section on work undertaken pursuant to such program.

(k) The Congress finds that the benefits for national economic development, regional development, social well-being, and environmental quality exceed the costs of the projects authorized by this section.

SEC. 531. (a) The Secretary, in consultation with the Soil Conservation Service of the Department of Agriculture, the United States Geological Survey and the Office of Surface Mining of the Department of the Interior, the State of Ohio, and other appropriate Federal and non-Federal agencies, shall study the flooding problems in the Wheeling Creek Watershed, Ohio, and measures to prevent or reduce such flooding, including control of erosion of coal mine areas to reduce deposition of sediments in Wheeling Creek, removal of sediment deposits in Wheeling Creek, and other measures deemed appropriate by the Secretary. Not later than two years after the date of enactment of this Act, the Secretary shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study together with recommendations taking into consideration the objectives set forth in section 1101 of this Act.

(b) The Secretary is authorized to undertake interim emergency flood control measures, including the removal of sediment deposits from Wheeling Creek and other measures deemed appropriate by the Secretary, to reduce flood damage in the vicinity of Goosetown, Wolfhurst, Barton, Crescent, Maynard, Blainsville, Fairpointe, Crabapple, and Lafferty, Ohio. For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of the study authorized by subsection (a) of this section, the Secretary shall take into account the costs and benefits of measures undertaken pursuant to this subsection.

(c) There is authorized to be appropriated to carry out the provisions of subsection (b) of this section not to exceed $7,000,000.

SEC. 532. The Secretary shall maintain the navigation project for Wilson Harbor, Wilson, New York, to its authorized dimensions.

SEC. 533. The Secretary shall maintain the navigation project for Oak Orchard Harbor, Carlton, New York, to its authorized dimensions.

SEC. 534. The Secretary is authorized to construct a project for flood protection along Five Mile Creek, Dallas, Texas, including dredging of a channel at the lower end of such creek and developing a retention structure at the upper end of such creek, at an estimated cost of $7,100,000.

SEC. 535. (a) The Secretary shall construct a bridge (including approaches thereto) across the Ohio River between Newport, Kentucky, and Cincinnati, Ohio, to replace a bridge on United States Route 27, at an estimated cost of $30,000,000.

(b) The Secretary shall construct a bridge (including approaches thereto) across the Ohio River between Covington, Kentucky, and Cincinnati, Ohio, to replace a bridge on Kentucky State Route 17, at an estimated cost of $31,000,000.

(c) Subject to subsection (d) of this section, the Secretary shall construct, in whole or in part, a bridge (including approaches thereto) across the Ohio River between Maysville, Kentucky, and Aberdeen, Ohio, to replace a bridge on United States Route 68.

(d) In allocating funds made available to carry out this section, the Secretary shall assure that sufficient funds are allocated to the projects authorized by subsections (a) and (b) of this section to complete such projects. Any remaining funds shall be used to carry out subsection (c) of this section.

(e) The Secretary may enter into agreements with the highway departments of the States of Kentucky and Ohio to carry out subsections (a), (b), and (c) of this section.

(f) The Secretary of Transportation shall transfer any amounts set aside under section 147 of the Federal-Aid Highway Act of 1978 which were in excess of amounts needed to complete projects authorized by such section to the Secretary for the purpose of carrying out this section. Such funds shall be available to the Secretary for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except that such funds shall remain available until expended.

SEC. 536. The Secretary shall construct in the vicinity of the former site of Tolay Lake in Sonoma County, California, a water resources development project consisting of a storage reservoir, a dam and three wing dams, and such discharge, transmission, distribution, and other related facilities as the Secretary considers appropriate, at an estimated cost of $150,000,000.

SEC. 537. The Secretary is authorized and directed to undertake a demonstration project to remove silt and aquatic growth from Lake Worth, Tarrant County, Texas, including constructing silt traps and providing other devices or equipment to prevent and abate the further deposit of sediment in Lake Worth. Such project shall also provide for the use of dredged material from Lake Worth for the reclamation of despoiled land. The Secretary may take such other actions as may be necessary to carry out such project. Upon completion of the demonstration project the Secretary shall submit a report of such project, along with recommendations of further measures to improve the water quality of Lake Worth, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. There is authorized to be appropriated $1,750,000 to carry out this section.

SEC. 538. The Secretary is authorized and directed to construct such streambank protection works as the Secretary deems necessary to prevent further bank failure and erosion of a 1,200-foot reach of the left descending bank of the Kanawha River from approximately 55th Street to a point approximately 100 feet upstream of 57th Street in Charleston, West Virginia, at an estimated Federal cost of $440,000. Such works are authorized on the condition that local interests furnish all lands, easements, rights-of-way, access routes and relocations necessary for project construction. Local interests shall also hold and save the United States free from damages, and maintain and operate the works after completion. Funds to carry out the provisions of this section will be allocated from available Construction General funds of the Treasury, and shall remain available for purposes of this section until completion of such works.

SEC. 539. The Secretary is authorized and directed to deepen the Fox River Channel, Green Bay, Wisconsin, to a depth of twenty-seven feet in accordance with such plans as the Chief of Engineers determines are advisable. There is authorized to be appropriated for fiscal years beginning after September 30, 1985, such sums as may be necessary to carry out this section.

SEC. 540. (a) The Secretary of Agriculture, acting through the Administrator of the Soil Conservation Service, is authorized to complete construction of the following projects for run-off and waterflow retardation and soil erosion prevention:

(1) Bush River Watershed, Virginia;

(2) Great Creek Watershed, Virginia; and

(3) Cottonwood-Walnut Creek Watershed, New Mexico.

(b) Construction of such projects shall be completed in accordance with the resolutions adopted by the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives which authorized such construction; except that—

(1) construction of the project for Cottonwood-Walnut Creek Watershed, New Mexico, shall be completed in accordance with such resolutions as modified by Committee Print 99-11 of the Committee on Public Works and Transportation of the House of Representatives; and

(2) the amount authorized to be appropriated for construction of such projects shall be as follows:

(A) for Bush River Watershed, Virginia, $6,490,000;

(B) for Great Creek Watershed, Virginia, $2,900,000; and

(C) for Cottonwood-Walnut Creek Watershed, New Mexico, $24,630,000.

SEC. 541. (a) The Secretary is authorized and directed to undertake a demonstration project to remove accumulated silt and debris from Hamlet City Lake, Hamlet, North Carolina, including constructing silt traps and providing other devices or equipment to prevent and abate the further deposit of sediment in Hamlet City Lake.

(b) Upon completion of the demonstration project, the Secretary shall submit a report of such project, along with recommendations of further measures to improve the water quality of Hamlet City Lake, to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

(c) There is authorized to be appropriated $300,000 to carry out this section.

The CHAIRMAN. Are there amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—WATER RESOURCES STUDIES

SEC. 601. The Secretary is authorized and directed to prepare and submit to Congress feasibility reports on the following water resources projects at the following locations:

Illinois River in the vicinity of Hardin, Illinois, to recommend remedial measures for bank stabilization.

Kinnickinnic River, Milwaukee County, Wisconsin, for flood control and allied purposes.

SEC. 602. The Secretary is authorized and directed to undertake the detailed engineering and design for a flood control project at Milton, Pennsylvania, including, but not limited to, final construction plans at a cost not to exceed $2,500,000.

SEC. 603. The Secretary is hereby authorized and directed to make studies in cooperation with the Secretary of the Interior and the governments of Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands for the purposes of providing plans for the development, utilization, and conservation of water and related land resources of such jurisdiction, at an estimated cost of $2,000,000 for each of the four studies. Such studies shall include appropriate consideration of the needs for flood protection, wise use of flood plain lands, navigation facilities, hydroelectric power generation, regional water supply and waste water management facilities systems, general recreation facilities, enhancement and control of water quality, enhancement and conservation of fish and wildlife, and other measures for environmental enhancement, economic and human resources development. Such studies shall be compatible with comprehensive development plans formulated by local planning agencies and other interested Federal agencies.

SEC. 604. (a) The Secretary shall make a study of the possibility of rehabilitating the hydroelectric potential at former industrial sites, millraces, and similar types of facilities already constructed and of the possibility of converting such sites for use as new, small hydroelectric projects. The Secretary shall also provide technical assistance to local public agencies and cooperatives in any such rehabilitation at sites studied or qualified for study under this section.

(b) There is authorized to be appropriated to carry out this section, $5,000,000 per fiscal year for the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988.

SEC. 605. (a) The Secretary shall investigate and study the feasibility of utilizing the capabilities of the United States Army Corps of Engineers to conserve fish and wildlife (including their habitats) where such fish and wildlife are indigenous to the United States, its possessions, or its territories. The scope of such study shall include the use of engineering or construction capabilities to create alternative habitats, or to improve, enlarge, develop, or otherwise beneficially modify existing habitats of such fish and wildlife. The study shall be conducted in consultation with the Director of the Fish and Wildlife Service of the Department of the Interior, the Assistant Administrator for Fisheries of the National Oceanic and Atmospheric Administration, and the Administrator of the Environmental Protection Agency, and shall be transmitted, within the 30-month period beginning on the date of enactment of this Act, by the Secretary to Congress, together with the findings, conclusions, and recommendations of the Chief of Engineers. The Secretary, in consultation with the Federal officers referred to in the preceding sentence, shall undertake a continuing review of the matters covered in the study and shall transmit to Congress, on a biennial basis, any revisions to the study that may be required as a result of the review, together with the find-

ings, conclusions, and recommendations of the Chief of Engineers.

(b) The Secretary is further authorized to conduct demonstration projects of alternative or beneficially modified habitats for fish and wildlife, including but not limited to man-made reefs for fish. There is authorized to be appropriated not to exceed $10,000,000 to carry out such demonstration projects. Such projects shall be developed, and their effectiveness evaluated, in consultation with the Director of the Fish and Wildlife Service and the Assistant Administrator for Fisheries of the National Oceanic and Atmospheric Administration. One of such demonstration projects shall be the construction of a reef for fish habitat in Lake Erie in the vicinity of Buffalo, New York, one of such projects shall be the construction of a reef for fish habitat in the Atlantic Ocean in the vicinity of Fort Lauderdale, Florida, and one of such projects shall be the construction of a reef for fish habitat in Lake Ontario in the vicinity of the town of Newfane, New York.

SEC. 606. The Secretary, in consultation with appropriate Federal, State, and local agencies, is authorized to make a nationwide study and appraisal of the nature and scope of the Nation's flood problems and the effectiveness of existing programs, both structural and nonstructural, in reducing losses from floods, at an estimated cost of $5,000,000, and to report thereon to Congress within three years with recommendations on proposed modifications to existing laws and policies to improve the overall effectiveness of the nationwide efforts to reduce such losses. In the conduct of this study particular attention should be given to flood problems existing in highly developed urban watersheds and their relationships to local storm drainage and pollution control measures.

SEC. 607. Section 142 of the Water Resources Development Act of 1976 (Public Law 94-587) is amended by inserting immediately after "Napa," the following: "San Francisco, Marin,".

SEC. 608. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall determine the extent of shoreline erosion damage in the United States causally related to the regulation of the waters of Lake Superior by the International Joint Commission—United States and Canada, in response to an emergency application by the United States made on January 26, 1973. The Secretary shall report to Congress, not later than the end of the fiscal year following the fiscal year for which the initial appropriation is made to carry out this section, the results of such survey, together with recommendations of a methodology for, and a determination of, the costs of indemnifying individual shoreline property owners, and a recommended schedule for such indemnification. There is authorized to be appropriated to carry out this section not to exceed $2,130,000.

SEC. 609. The Secretary shall study the feasibility of requiring, in the interest of safety, each boat loading facility which is or has been built only after authorization by the Secretary under section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), to display sufficient lighting from sunset to sunrise to make such facility's presence known within a reasonable distance. The Secretary shall transmit a report of such study, including recommendations to the Congress not later than September 30, 1986.

SEC. 610. (a) Not later than two years after the date of enactment of this Act, the Secretary shall prepare and submit to Congress an estimate of the long-range capital investment needs for water resources programs under the jurisdiction of the Secretary, including, but not limited to, deep-draft ports, inland waterway transportation, flood control, municipal and industrial water supply, and hydroelectric power and recreation and fish and wildlife conservation and enhancement associated with such programs.

(b) The estimate prepared under this section shall include, but not be limited to—

(1) an estimate of the current service levels of public capital investments and alternative high and low levels of such investments over a period of ten years in current dollars and over a period of five years in constant dollars;

(2) capital investment needs in each major program area over a period of ten years;

(3) an identification and analysis of the principal policy issues that affect estimated capital investment needs;

(4) an identification and analysis of factors that affect estimated capital investment needs including but not limited to the following factors:

(A) economic assumptions;

(B) engineering standards;

(C) estimates of spending for operation and maintenance;

(D) estimates of expenditures for similar investments by State and local governments;

(E) estimates of demand and need for public services derived from such capital investments and estimates of the service capacity of such investments; and

(F) the effects of delays in planning and implementation of water resources projects on the capital investment costs of water resources programs, including increased costs associated with interest rates and inflation; and

(5) a description of the economic, social, and environmental benefits realized from past investments and expected to be realized from future investments, including the protection of life and property.

SEC. 611. The Secretary is directed to expedite completion of the study of New York Harbor and Adjacent Channels, New York and New Jersey, authorized by a resolution of the Committee on Environment and Public Works of the Senate, dated December 15, 1980, and to submit a report to Congress on the results of such study not later than October 1, 1986.

SEC. 612. The Secretary is authorized to study the feasibility of identifying the amounts, types, and locations of flood control benefits produced by reservoir projects and of requiring non-Federal participation in such projects in proportion to the benefits received from such projects. The Secretary shall transmit a report on the results of such study together with recommendations to Congress not later than two years after the date of enactment of this Act.

SEC. 613. (a) The Secretary shall study and monitor the extent and adverse environmental effects of dioxin contamination in the Passaic River-Newark Bay navigation system.

(b) Not later than one year after the date of enactment of this Act, the Secretary shall transmit a report on the results of such study and monitoring along with any recommendations of the Secretary concerning methods of reducing the effects of such contamination to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

SEC. 614. Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a list of water resources studies which have been authorized before the date of enactment of this Act and for which no report has been transmitted to the Congress. For each such study the Secretary shall include the following information:

(1) the date of authorization and the manner in which the study was authorized;

(2) a description of the purposes of the study;

(3) a description of funding that has been made available for the study;

(4) a description of any work that has been performed in carrying out the study; and

(5) a description of any work that remains to be done in carrying out the study and the time necessary for and estimated cost of completing such work.

For each such study the Secretary shall make a recommendation as to whether the study should continue to be authorized.

SEC. 615. (a) The Secretary shall prepare and submit the annual report required by section 8 of the Act of August 11, 1888, in two volumes. Volume I shall consist of a summary and highlights of Corps of Engineers' activities, authorities and accomplishments. Volume II shall consist of detailed information and field reports on Corps of Engineers' activities.

(b) The Secretary shall prepare biennially for public information a report for each State containing a description of each water resources project under the jurisdiction of the Secretary in such State and the status of each such project. The report for each State shall be prepared in a separate volume.

SEC. 616. The Secretary is authorized and directed to undertake a study of the feasibility of navigation improvements at Saginaw Bay and Saginaw River, Michigan, including channel widening and deepening. The Secretary shall submit the feasibility report on such study to the Congress not later than September 30, 1986.

SEC. 617. The Secretary is authorized to study the feasibility of constructing shoreline erosion mitigation measures along the Rancho Palos Verdes coastline, California, for the purpose of providing additional stabilization for the Portuguese Bend landslide area. The Secretary shall submit the feasibility report on such study to the Congress not later than two years after the date of enactment of this Act.

SEC. 618. The Secretary is directed to expedite completion of the study of the navigation project for Sunset Harbor, California, at an estimated cost of $820,000, and to submit a report to the Congress on the results of such study not later than October 1, 1986. The study shall include a determination of the feasibility of recovery of Federal project costs through Federal participation in the local economic benefits created by the construction and operation of the project.

SEC. 619. In order to determine the advisability of specific measures to diminish shoreline erosion, marsh deterioration, salt water intrusion, hurricane vulnerability, and barrier island destruction and to carry out reasonable planning efforts that require suitable sediment for nourishment, the Secretary is authorized to conduct a nearshore sediment inventory to determine availability of suitable sediment in the offshore waters of Louisiana between Southwest Pass and

Sabine Pass and in Lake Pontchartrain and in Lake Borgne, at a cost not to exceed $2,000,000.

SEC. 620. The Secretary is authorized to undertake a study of the feasibility of opening a channel between Jamaica Bay and Reynolds Channel, Long Island, New York, for the purpose of water quality improvement. The Secretary shall report the results of such study to Congress not later than one year after the date of enactment of this Act.

SEC. 621. The Secretary shall study land acquisition policies applicable to water resources projects carried out by the Secretary, including, among other things, an analysis of the acquisition policies of mineral rights in connection with such projects. Such study shall also include a complete detailed report on (1) the acquisition policies and procedures utilized by the Secretary in the acquisition of mineral rights at the water resources project for Lake Sommerville, Texas, authorized by the Flood Control Act of June 28, 1938, and (2) the acquisition policies and procedures followed in permitting reservoir lands to be used for mineral exploration and development subsequent to construction of such project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study along with such recommendations as the Secretary may have for modifications of such land acquisition policies.

SEC. 622. No Federal agency shall study or participate in the study of any regional or river basin plan or any plan for any Federal water and related land resource project which has as its objective the transfer of water from the Columbia River Basin, or the Arkansas River Basin, to any other region or any other major river basin of the United States, unless such study is approved by the Governors of all affected States.

SEC. 623. The Secretary shall immediately investigate erosion problems on the southern bank of the Black Warrior-Tombigbee River from river mile 253 to river mile 255. Not later than six months after the date of enactment of this Act, the Secretary shall report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on the results of such investigation along with recommendations for measures to alleviate such erosion problems.

SEC. 624. The Secretary is authorized to conduct a study of the feasibility of developing measures to control storm water runoff on a watershed basis. Such study shall include, among other things, a review of existing drainage codes, State statutes, and Federal programs relating to prevention of drainage soil erosion and flooding. Not later than two years after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on the results of such investigation along with recommendations concerning development of such measures.

SEC. 625. The Secretary is authorized and directed to conduct a study (1) to analyze the differences among Corps districts and Corps divisions regarding boundary delineation and fencing practices, (2) to analyze the cost of fencing activities and the relationship of such cost to the benefits derived from such activities, and (3) to analyze the need for providing, to the greatest extent practicable and consistent with authorized project purposes, access of the project area to the general public for recreational purposes. The Secretary shall submit a report on the results of such study to Congress not later than one year after the date of the enactment of this Act.

SEC. 626. The Secretary is authorized and directed to complete a study of the Army Corps of Engineers project evaluation and selection criteria identifying all factors which create a disproportionate burden adverse to the selection of flood control or other projects under the Secretary's authority in rural areas and in areas with greater percentages of low-income individuals. Within one year of the date of the enactment of this Act the Secretary shall transmit a report to Congress on the results of such study together with specific recommendations for changes in the selection criteria that would effectively eliminate any bias against projects in such areas.

SEC. 627. The Secretary is authorized and directed to study the eradication and control of hydrilla in the Potomac River and to develop an effective plan of action for such eradication and control. Not later than September 30, 1986, the Secretary shall submit to Congress a report on the results of such study together with the plan of action which the Secretary recommends and an estimate of the cost of implementing such plan.

SEC. 628. (a) The Secretary shall study the requirements relating to inclusion of storage for present and future water supply in water resources projects constructed by the Secretary, including establishment of costs for and repayment schedules for principle and interest for such water supply features.

(b) Such study shall determine whether such requirements ensure development of adequate supplies of water for municipal and industrial use and availability of such supplies at equitable price levels.

(c) The Secretary shall submit a report on the results of the study required by this section, together with recommendations, to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives within one year after the date of the enactment of this Act.

SEC. 629. (a) The Secretary shall study and develop a plan for drought management and low fresh-water inflow maintenance on the major tributaries entering the Chesapeake Bay, including, but not limited to, water conservation, water storage, emergency restrictions, and ground water recharge.

(b) Not later than two years after the date of the enactment of this Act, the Secretary shall submit a report of the study required by this section, together with recommendations, to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House.

SEC. 630. (a) The Secretary shall conduct a feasibility study on providing flood protection in the Guayanilla River Basin, Puerto Rico.

(b) Not later than two years after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of such study together with such recommendations as the Secretary determines to be appropriate.

AMENDMENT OFFERED BY MR. DYSON

Mr. DYSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DYSON: Page 175, line 19, strike out "and".

Page 175, line 21, strike out the period and insert in lieu thereof the following: "and one of such projects shall be the construction of a reef for fish habitat in the Chesapeake Bay in Maryland.".

Mr. DYSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. DYSON. Mr. Chairman, I applaud the committee for the fine work it has done on H.R. 6. This is a good bill which meets the pressing needs of today and fulfills the obligations we have to future generations.

In title VI of this bill, the Secretary is authorized to construct demonstration projects for fish habitats in various regions of the country. My amendment seeks to add the Chesapeake Bay to this list.

Mr. Chairman, as one of the world's largest ecosystems, the Chesapeake provides spawning and nursery sites for several rare and endangered species of fish. Hundreds of thousands of migratory birds and waterfowl find food and shelter in the bay and the bay is also a nesting area for the endangered bald eagle and osprey.

From the rich waters of the bay we have harvested more crabs than any other body of water in the world. Not only my colleagues, but the entire Atlantic seaboard has feasted on the abundant supply of crabs, oysters, clams, and other seafood which have been fished from the bay.

Mr. Chairman, as I am sure you know, we are surrounded by almost 4,000 miles of shoreline. Our beautiful bay has fallen on hard times. Many years of unchecked pollution and general neglect has depleted the bay of some of its bounty, most notably, the striped bass or rockfish. Despite a moratorium on rockfish in Maryland and severe restrictions in Pennsylvania and Virginia, the most recent survey has indicated that the number of striped bass spawned in the upper bay—which historically accounts for over one-fourth of all striped bass—is at its lowest level in three decades.

Our Government recognized the important role the bay has in our economy, our diet, and as a natural resource enjoyed by millions of Americans. Therefore, it is of extreme importance that we include the bay in this project for it is through efforts such as this planned habitat demonstration project that we will replenish, and save, our bay.

I yield to the chairman of the subcommittee.

Mr. ROE. I want to compliment the gentleman from Maryland [Mr. DYSON] for a splendid approach, and I know the great work that he has been doing in the Chesapeake Bay Program over these years, and has been a real leader in that field, and for this modification that he is looking for for increasing reef fish habitat, which is a general advanced environmental view.

I think it is an excellent amendment, and we have no problems on our side of the aisle.

Mr. STANGELAND. Will the gentleman yield?

Mr. DYSON. I yield to the gentleman.

Mr. STANGELAND. I, too, want to commend the gentleman and say we have looked at the amendment on this side of the aisle; we think it is an improvement on this section, and we certainly accept it.

Mr. DYSON. I thank both gentlemen.

Mr. Chairman, I would like to say for the benefit of the House that I think we would not have made the great strides that we have made in the Chesapeake Bay if it wasn't for the gentleman from New Jersey and the gentleman from Minnesota.

They have been tremendous helps in that regard, especially in their role on the Water Resources Subcommittee.

I yield to the gentlewoman from Maryland [Mrs. BENTLEY].

□ 1430

Mrs. BENTLEY. Mr. Chairman, I would like to join in support of this amendment by my colleague from Maryland. Chesapeake Bay, of course, is the most important asset of the State of Maryland and, we think, one of the most important in the United States.

Mr. Chairman, I commend the gentleman for his amendment.

Mr. DYSON. Mr. Chairman, I thank all those Members for their fine remarks.

Mr. Chairman, I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. DYSON].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title VI of the bill?

Mr. ROEMER. Mr. Chairman, I have an amendment at the desk, and unfortunately it is to title V. I was so fascinated by the last debate, I let it go by.

Mr. Chairman, I ask unanimous consent that my amendment be considered at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MR. ROEMER

The Clerk read as follows:

Amendment offered by Mr. ROEMER: Page 134, line 5, strike out the period and insert in lieu thereof the following: ", except that the land the Secretary may purchase for such project may include all or such portion of any land referred to in the report or all or such portion of any land adjacent to the Loggy Bayou Wildlife Management Area in Bossier Parish, Louisiana, which the Secretary determines is appropriate.".

Mr. ROEMER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. ROEMER. Mr. Chairman, I have discussed my amendment with the chairman of the subcommittee, Mr. ROE.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the gentleman from Louisiana.

Mr. Chairman, I compliment the gentleman on this added dimension of the wildlife program in Loggy Bayou.

I think it is a great addition to the bill.

Mr. Chairman, we have no objection to the amendment.

Mr. ROEMER. I thank the gentleman for his comments.

Mr. Chairman, I also talked to my colleagues on the Republican side of the aisle.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. I yield to the gentleman fom Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, we, too, have looked at the amendment and think it serves a good purpose in the bill.

Mr. ROEMER. I thank the gentleman for his comments.

The amendment, simply put, allows Red River Waterway mitigation the potential purchase of property around Loggy Bayou for the purpose of wildlife preserve. It does not add any cost to the bill. It just gives the Corps of Engineers another option.

I appreciate the time and ask for passage by the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. ROEMER].

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments to title VI?

Mrs. BENTLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of H.R. 3670.

Mr. Chairman, shortly before this Congress recessed for the congressional August recess, the House and Senate agreed to and passed the supplemental appropriations bill for fiscal year 1985. Included in the bill was appropriations for water construction projects.

President Reagan signed the supplemental appropriations bill into law in August of this year, thereby, giving his approval for water construction development that is funded through Federal, State, and local cost sharing measures.

Under the Supplemental Appropriations Act of 1985 funds will be released for the construction of water projects long overdue. It has been over a decade since a bill has been enacted that provides for port and inland waterways development.

Today, Mr. Chairman, we have before us H.R. 3670, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. As a member of both the Committee on Public Works and Transportation and the Merchant Marine and Fisheries, I have participated in the markup of H.R. 3670. I wish to commend the leadership and members of all the committees responsible for getting H.R. 3670 to the floor for House action.

It is imperative for this Congress to act and pass H.R. 3670, the omnibus water bill, in a timely fashion. As soon as H.R. 3670 becomes law, cost sharing measures will be established and funds appropriated in the Supplemental Appropriations Act of 1985 will be released to begin long overdue port development and water resources construction.

On Sunday of this week, some 600 of my constituents of the Second Congressional District of Maryland, joined me in celebrating the deepening of the main ship channel leading into the Port of Baltimore. Those who joined me in celebrating the dredging of the harbor shared the vision that with the use of water construction funds greater economic growth will result.

After the dredging, larger ships will be free to enter the Baltimore Port. Greater means for trade will create more jobs and a stronger economy with the importation and exportation of goods.

Port development of the Baltimore Port is just one example of the many ways our Nation's water infrastructure will benefit from investing in construction of our water resources. I strongly urge my colleagues to join me in supporting H.R. 3670, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

Enactment of H.R. 3670 will provide cost-sharing measures for the initi-

ation of water construction projects. Port development, inland waterways, flood control projects, beach erosion, municipal water supply systems, and other water resources projects will receive necessary funding to maintain and develop this Nation's water infrastructure. A vote for H.R. 3670 will be a vote for investment in America's means to foster economic growth.

The CHAIRMAN. Are there further amendments to title VI of the bill?

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 187, after line 19, insert the following:

SEC. 631. The Secretary shall prepare and submit to Congress not later than October 1, 1986, a report on the status of feasibility and reconaissance studies (including studies completed and studies currently being conducted) relating to the hydroelectric power potential at existing Corps of Engineers projects in the States of Illinois, Indiana, Michigan, Ohio, Wisconsin, Iowa, Minnesota, Pennsylvania, and West Virginia.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ROBINSON. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Arkansas.

Mr. ROBINSON. Mr. Chairman, I rise in support of the bill, H.R. 3670, the Omnibus Water Resources Authorization. Contained within the bill is money for a vitally necessary and long standing flood control project—the improvement of the Fourche Creek and its tributaries. The Federal share authorized is $22.8 million.

The principal water problem in southwest Little Rock is urban flooding caused by inadequate channel capacities of Fourche Creek and its tributaries, particularly Coleman, Grassy Flat and Rock creeks. A major flood, in September 1978, caused over $17 million in damages in 1978 dollars. More recent storms have routinely resulted in extensive local flooding.

The recommended plan of improvement consists of channel clearing, channel improvement, flood plain management measures to restrict future development in the 100-year flood plain, and acquisition of 1,750 acres of bottomland for environmental preservation. The project is designed to prevent approximately 95 percent of the average annual damages of overbank flooding.

The final Environmental Impact Statement was filed with the Environmental Protection Agency on March 20, 1981. The presentation of the bottomland acreage will provide unique opportunities for the public enjoyment of nature in an urban setting.

The passage of the bill has been long delayed due to controversy surrounding the local funding and funding ratios for various projects contained in the bill. The local share for this project has been available for some time—demonstrating the urgent need and local support for the Fourche project. Once approved by the Senate and signed by the President, an appropriation bill will be required. I will seek to have funds included for the Fourche Creek in a supplemental appropriation bill.

Mr. TRAFICANT. Mr. Chairman, today I am offering an amendment that directs the Army Corps of Engineers to prepare and submit to Congress a report on the status of feasibility and reconnaissance studies relating to the hydroelectric power potential at existing corps projects in the Great Lakes region; namely, Illinois, Indiana, Michigan, Ohio, Wisconsin, Iowa, Minnesota, Pennsylvania, and West Virginia.

We have a great opportunity before us. The opportunity to tap an underutilized source of energy: hydropower. Its clean, environmentally safe and renewable. Converting the falling water that is now wasted at existing corps projects into useable energy opens up new possibilities for becoming less dependent on foreign sources of oil.

Two points I want to stress are:

First, this amendment will allow for a status of these corps studies, those completed and underway, and the cost-benefit of engaging them to produce hydroelectric power—not studying the construction of new projects.

Second, other regions throughout the country have been successful in receiving hydroelectric development. It is now time for the Northeast-Midwest to share in reliable, nonpolluting power sources. I urge my colleagues to approve this amendment.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the chairman of the subcommittee.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, again, I want to compliment the gentleman from Ohio for his extensive contribution to our efforts in Public Works and this overall legislation.

Mr. Chairman, I think that the amendment that the gentleman has presented is very workable, and it is a good idea, and we should be doing it.

Mr. Chairman, we have no objection to the amendment of the gentleman from Ohio.

Mr. TRAFICANT. Unless there is opposition, Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments to title VI?

If not, the Clerk will designate title VII.

The text of title VII is as follows:

TITLE VII—PROJECT MODIFICATIONS

SEC. 701. The navigation project for Lynnhaven Inlet, Bay, and connecting waters, Virginia, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173, 1174) is hereby modified to provide that the United States shall pay for the remedial work to Long Creek Canal which the city of Virginia Beach, Virginia, was required to carry out as a result of such navigation project, at a cost not to exceed $1,660,000.

SEC. 702. The project for navigation on the Southern Branch of Elizabeth River, Virginia, authorized by resolutions of the Senate and House Public Works Committees, dated October 1, 1976, and September 23, 1976, respectively, under the provisions of section 201 of Public Law 89-298, is hereby modified to delete the requirement that local interests contribute in cash for land enhancement benefits 2.4 per centum of the construction cost, including engineering and design and supervision and administration thereof, of all work to be provided by the Corps of Engineers.

SEC. 703. The general comprehensive plan for flood control and other purposes in the Ohio River Basin authorized by the Flood Control Act approved June 28, 1938, is hereby modified to authorize the Secretary to reconstruct and repair the Cherry Street bridge and the Walnut Street bridge, Massillon, Ohio, at an estimated cost of $2,100,000. Non-Federal interests shall own, operate, and, upon completion of the work authorized by this section, maintain such bridges in accordance with the requirements of the Flood Control Act approved June 28, 1938.

SEC. 704. The navigation project at Mamaroneck Harbor, New York, authorized by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved September 22, 1922 (42 Stat. 1038), the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved August 30, 1935 (49 Stat. 1029), and section 101 of the Rivers and Harbors Act of 1960 (74 Stat. 480) is hereby modified to provide that the Federal share of the additional cost of disposing in ocean waters dredged material resulting from dredging necessary to maintain the project, above the cost of disposing of such dredged material on land, shall be 80 per centum.

SEC. 705. The hurricane-flood protection project for Lake Pontchartrain, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89-298) is hereby modified to provide that the Secretary is authorized to construct features, such as a flood wall with sluice gates or other means, at an estimated cost of $3,500,000, to insure that, by the most economical means, the level of protection within Jefferson Parish provided by the hurricane-flood protection project will be unimpaired as the result of any pumping station constructed by local interests. Requirements for non-Federal cooperation for the additional work authorized by this section shall be on the same basis as levee improvements for hurricane-flood protection on this project.

SEC. 706. The project for Reelfoot Lake, Lake numbered 9, Kentucky, authorized by resolution of the Committee on Public Works of the Senate adopted December 17, 1970, and resolution of the Committee on

Public Works of the House of Representatives adopted December 15, 1970, under section 201 of the Flood Control Act of 1965 (Public Law 89-298), is hereby modified to provide that operation of the pumping plant feature of such project shall be the responsibility of the United States.

SEC. 707. The Yaquina Bay and Harbor project, Oregon, authorized by the River and Harbor Act approved March 2, 1919, is modified to authorize the Secretary to raise the south jetty to protect vehicular access which was provided at non-Federal cost and to protect public use areas on accreted land adjacent to the south jetty, from damaging effects of overtopping of the jetty, on condition that local interests provide the necessary lands, easements, and rights-of-way for such modification. The estimated Federal construction cost of this modification is $2,200,000.

SEC. 708. The project for flood control and other purposes on the South Platte River Basin in Colorado, authorized by the Flood Control Act of 1950 (64 Stat. 175) is hereby modified to authorize the Secretary, upon request of and in coordination with the Colorado Department of Natural Resources and upon the Chief of Engineers' finding of feasibility and economic justification, to reassign a portion of the storage space in the Chatfield Lake project to joint flood control-conservation purposes, including storage for municipal and industrial water supply, agriculture, and recreation and fishery habitat protection and enhancement. Appropriate non-Federal interests shall agree to repay the cost allocated to such storage in accordance with the provisions of the Water Supply Act of 1958, the Federal Water Project Recreation Act, and such other Federal laws as the Chief of Engineers determines appropriate.

SEC. 709. The project for flood protection on the Sacramento River, California, authorized by the Flood Control Act approved March 1, 1917, as amended, is hereby further modified to authorize the Secretary to construct bank protection works along the reach of the Sacramento River and its tributaries from Red Bluff to Shasta Dam, and from Chico Landing downstream along each bank to the head of the Sacramento River flood control project levees, subject to the same requirements of non-Federal cooperation applicable to other similar elements of the project, and to include mitigation of fish and wildlife losses induced by the project. The evaluation and justification of the project shall be based on the overall benefits and costs of all project elements. In addition to previous authorizations, there is hereby authorized to be appropriated the sum of $25,000,000 to carry out the purposes of this section.

SEC. 710. The project for King Harbor, Redondo Beach, California, authorized in the River and Harbor Act of 1950, is hereby modified to provide that all costs of the dredging and maintenance of such project shall be borne by the United States and that the Secretary shall restore the breakwaters to a height of 22 feet and maintain the breakwaters at such height. The Secretary is authorized to study the need for and feasibility of raising the breakwater to a height greater than 22 feet. Not later than two years after the date of enactment of this Act, the Secretary shall make a report of such study with recommendations to the Congress.

SEC. 711. The plan for the harbor improvement at Honolulu Harbor, Oahu, Hawaii, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1092) is hereby modified to delete the requirement that local interests contribute in cash, prior to initiation of construction, a lump sum amounting to 2.6 per centum of the estimated first cost of the general navigation facilities for the project, ascribed to land enhancement through disposition of dredged material.

SEC. 712. (a) The navigation project for Santa Cruz Harbor, Santa Cruz, California, authorized in section 101 of the River and Harbor Act of 1958 (Public Law 85-500) is hereby modified to provide that the United States shall reimburse the non-Federal interests for 80 per centum of the cost of acquiring and installing the sand bypassing facility authorized as part of such project, at an estimated cost of $36,000,000, and that none of the costs of operating and maintaining such facility or of any maintenance dredging in such harbor shall be paid by the United States. Such project is also modified to authorize the Secretary to seal the east jetty of such harbor to prevent sand from passing through.

(b) The Secretary shall study the long-term solutions to the shoaling problems in Santa Cruz Harbor and shall report the results of such study, along with recommendations, to the Congress upon completion of such study. There is authorized to be appropriated $600,000 for fiscal years beginning after September 30, 1985, to carry out this subsection.

SEC. 713. The project for the mouth of the Colorado River, Texas, authorized by the River and Harbor Act of 1968, is hereby modified to provide that the diversion channel authorized as a part of such project to divert Colorado River flows into Matagorda Bay shall be constructed and maintained entirely at Federal expense and for the purpose of fish and wildlife enhancement, at an estimated additional construction cost of $425,000. The benefits attributable to the diversion channel shall be deemed to at least equal its costs.

SEC. 714. The project for the town of Niobrara, Nebraska, authorized by section 213 of the Flood Control Act of 1970 (84 Stat. 1824, 1829) is hereby modified to authorize and direct the Secretary to relocate existing Nebraska Highway Numbered 12 through the relocated town of Niobrara, Nebraska, with necessary connections to Nebraska Highway Numbered 14, at an estimated cost of $1,600,000.

SEC. 715. The comprehensive plan for the development of the water resources of the Alabama-Coosa River and tributaries, authorized by section 2 of the River and Harbor Act approved March 2, 1945 (59 Stat. 10), as modified by Public Law 83-436, approved June 29, 1954 (68 Stat. 302), is further modified as follows: the plan for the Coosa River segment of the waterway between Montgomery and Gadsden, Alabama, is hereby modified generally in accordance with the plans contained in the report of the District Engineer, Mobile District, entitled "Montgomery to Gadsden, Coosa River Channel, Alabama, Design Memorandum No. 1, General Design", dated May 1982, subject to such modification thereof from time to time as the Secretary may deem advisable. The interest rate to be used in determining benefits and costs of the modified project shall continue to be that rate which is applicable to the project as originally authorized.

SEC. 716. (a) The LaFarge Dam project for flood control and allied purposes for the Kickapoo River, Wisconsin, authorized by the Flood Control Act of 1962, is hereby modified to authorize and direct the Secretary to construct as soon as possible and with available funds, the flood control levee, channel improvement, and interior drainage facilities for Gays Mills, Wisconsin, substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 450, Eighty-seventh Congress, at an estimated cost of $4,000,000. The project features authorized by this section may be funded under section 205 of the Flood Control Act of 1948, as amended. Benefits and costs resulting from construction of such project features shall continue to be included for purposes of determining the economic feasibility of completing the partially constructed LaFarge Dam.

(b) The Secretary is authorized and directed to complete as soon as possible a reconnaissance study under section 205 of the Flood Control Act of 1948 with respect to such structural and nonstructural measures as the Secretary determines are necessary and appropriate to prevent flood damage in the vicinity of Viola, Wisconsin.

SEC. 717. The project for flood control in East Saint Louis and vicinity, Illinois, authorized by section 204 of the Flood Control Act of 1965, is hereby modified to authorize the Secretary to provide drainage channels in conjunction with the pumping plant to improve project effectiveness and the local environment, substantially in accordance with the report of the District Engineer, Saint Louis district, entitled "Reevaluation Report, Bluewaters Ditch area", dated September 1976, at an estimated additional cost of $1,130,000.

SEC. 718. The project for flood protection at Winona, Minnesota, authorized under the provisions of section 201 of the Flood Control Act of 1965, is hereby modified to provide that changes to two bridges within the limits of the city of Winona, Minnesota, made necessary by the project and its present plan of protection, shall be accomplished entirely at Federal expense, at an estimated cost of $630,000.

SEC. 719. The project for flood control, Wenatchee, Washington, Canyons 1 and 2, authorized by resolution of the Committees on Public Works of the House of Representatives and Senate on December 15 and 17, 1970, respectively, is hereby modified, notwithstanding any other provision of law (including section 302 of this Act), to authorize the Secretary to acquire lands, easements, and rights-of-way and to make relocations for such project on condition that local interests enter into a legally binding agreement before construction to reimburse the United States for the non-Federal share of the cost of such project, including interest on the unpaid balance, in not more than fifty equal annual installments. The non-Federal share of the cost of such project shall be determined under such section 302. The rate of interest on the unpaid balance shall be that specified in section 301(b) of the Water Supply Act of 1958 (Public Law 85-500).

SEC. 720. The project for replacement of locks and dam 26, Mississippi River, Alton, Illinois and Missouri, authorized by section 102 of the Act of October 21, 1978 (Public Law 95-502), is modified to provide for the repair of the Red School House County Road, St. Charles County, Missouri, to such standard as the Secretary determines reasonable, but in no event to a standard less than the minimum standard required by such county.

SEC. 721. (a) Subsection (a) of section 66 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and thereafter to maintain such channel free of such trees, roots, silt, debris, and objects.".

(b) Subsection (b) of section 66 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by adding at end thereof the following new sentence: "Non-Federal interests shall pay 25 per centum of the cost of maintaining the channel free of such trees, roots, silt, debris, and objects.".

SEC. 722. Subsection (a) of section 92 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended—

(1) by inserting "(1)" immediately after "(a)";

(2) in the third sentence thereof, by striking out "Each installment" and inserting in lieu thereof "Except as provided in paragraph (2) of this subsection, each installment"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The Secretary of the Army, acting through the Chief of Engineers, shall, upon the request of Saint Bernard Parish, Louisiana, modify the agreement entered into between the Secretary and Saint Bernard Parish pursuant to this section so that each installment to be paid by Saint Bernard Parish as its part of the non-Federal share of the cost of the hurricane-flood protection project on Lake Pontchartrain, Louisiana, shall be one-fiftieth of the remaining unpaid balance as set forth in such agreement plus interest on such balance, and the total of such installments shall be sufficient to achieve full payment of such balance, plus interest, within fifty years of the initiation of project construction.".

SEC. 723. The second sentence of subsection (b) of section 116 of the River and Harbor Act of 1970 (84 Stat. 1822) is amended to read as follows: "The Secretary of the Army, acting through the Chief of Engineers, shall, before beginning any operation to maintain the channel authorized by this section, enter into a separate agreement with the appropriate non-Federal interests which is applicable only to that operation and which requires such non-Federal interests to pay 25 per centum of the cost of such maintenance operation.".

SEC. 724. The second paragraph under the center heading "BRAZOS RIVER BASIN" in section 10 of the Flood Control Act of 1946 (60 Stat. 649), is amended by inserting "or water supply" after "irrigation".

SEC. 725. The project for navigation at Houston Ship Channel (Greens Bayou), Texas, authorized under section 301 of the River and Harbor Act of 1965 (79 Stat. 1091) is hereby modified to authorize and direct the Secretary to perform such dredging operations as are necessary to maintain a forty-foot project depth in that section of Greens Bayou from mile 0 to mile 0.34 as described in House Document Numbered 257, Eighty-ninth Congress.

SEC. 726. The Secretary is authorized to modify any water resources development project for mitigation of damages to fish and wildlife if the estimated cost of such modification does not exceed 10 per centum of the estimated total cost of such project or $7,500,000, whichever is the lesser. No appropriation shall be made for any such modification of a project if such modification has not been approved by resolutions adopted by the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives. For the purpose of securing consideration of such approval, the Secretary shall transmit to Congress a report of such modification, including all relevant data and all costs.

SEC. 727. (a) Bank protection activities conducted under the Rio Grande bank protection project pursuant to the First Deficiency Appropriation Act, 1945, approved April 25, 1945 (59 Stat. 89), may be undertaken in Starr County, Texas, notwithstanding any provision of such Act establishing the counties in which such bank protection activities may be undertaken, at an estimated cost of $700,000.

(b) Any bank protection activity undertaken in Starr County, Texas, pursuant to subsection (a) of this section shall be—

(1) in accordance with such specifications as may be prepared for such purpose by the International Boundary and Water Commission, United States and Mexico; and

(2) except as provided in subsection (a), subject to the terms and conditions generally applicable to activities conducted under the Rio Grande bank protection project.

SEC. 728. The project for the Anacostia River and tributaries, District of Columbia and Maryland, approved under authority of section 205 of the Flood Control Act of 1948, is hereby modified to authorize the Secretary to prevent damage to the project caused by the one hundred-year flood, including, but not limited to, replacing riprap, removing sediment deposits, shaping and sodding slopes, and seeding, at an estimated cost of $4,400,000.

SEC. 729. The navigation project for Yazoo River, Mississippi, authorized by the River and Harbor Act of 1968, is hereby modified to provide that the cost of the alteration of the Shepardstown Bridge (mile 147.8) shall be entirely borne by the United States, at an estimated cost of $3,600,000.

SEC. 730. The project for flood control on Corte Madera Creek, Marin County, California, authorized by section 201 of the Flood Control Act of 1962 is hereby modified to authorize and direct the Secretary to construct the project for unit 4, from the vicinity of Lagunitas Road Bridge to Sir Francis Drake Boulevard, substantially in accordance with the plan, dated February 1977, on file in the office of the San Francisco district engineer. The plan is hereby further modified to authorize and direct the Secretary to construct such flood proofing measures as may be necessary to individual properties and other necessary structural measures in the vicinity of Lagunitas Road Bridge to insure the proper functioning of the completed portions of the authorized project. The non-Federal share of the costs of such measures shall be in accordance with the cost-sharing provisions contained in section 73(b) of the Water Resources Development Act of 1974. The project is hereby further modified to eliminate any channel modifications upstream of Sir Francis Drake Boulevard.

SEC. 731. The project for improvement of the Mississippi River below Cape Girardeau with respect to the Teche-Vermilion Basins, Louisiana, authorized in the Flood Control Act of 1966, is hereby modified to require the Secretary to relocate at Federal expense the Highway 71 bridge required to be relocated by this project or, at his discretion, to reimburse local interests for such relocation carried out by them at an estimated cost of $1,200,000.

SEC. 732. The Granger Dam project, San Gabriel River, Texas, is modified to require the Secretary to elevate, relocate, or make such other changes as may be necessary to insure that county roads numbered 361 and 428, including bridges, Williamson County, Texas, be upgraded to conform to the same standards as relocated FM Road numbered 971 at a cost not to exceed $3,800,000. The work authorized by this section shall not be commenced until appropriate non-Federal interests agree to furnish without cost to the United States lands, easements, and rights-of-way necessary for the work, to hold and save the United States free from damages due to the work, and to accept all such work thereafter for operation and maintenance.

SEC. 733. The project for Lewisville Lake, Texas, authorized by the River and Harbor Act approved March 2, 1945, is hereby modified to authorize and direct the Secretary to take such actions as may be necessary to insure that approximately four thousand feet, including bridges and approaches, of the road crossing Cottonwood Branch of Lewisville Lake, Texas, formerly designated State Highway 24T, will be above elevation five hundred and thirty-two feet above mean sea level, at an estimated cost of $3,200,000. Prior to the undertaking of the work authorized by this section, appropriate non-Federal interests shall agree to furnish without cost to the United States lands, easements, and rights-of-way necessary for the work, to hold and save the United States free from damages due to the work and to accept all such work thereafter for operation and maintenance.

SEC. 734. The project for Dardanelle lock and dam, Arkansas, authorized by the River and Harbor Act approved July 24, 1946, is hereby modified to authorize and direct the Secretary to take such action as may be necessary to replace the existing bridge across Cane Creek, Logan County, Arkansas, with a new bridge at an estimated cost of $1,800,000. Prior to the undertaking of the work authorized by this section, appropriate non-Federal interests shall agree to furnish without cost to the United States lands, easements, and rights-of-way necessary for the work, to hold and save the United States free from damages due to the work, and to accept all such work thereafter for operation and maintenance and no other requirements shall be imposed on non-Federal interests in connection with this work.

SEC. 735. The project for flood protection on the Susquehanna River at Sunbury, Pennsylvania, authorized by the Flood Control Act of 1936, as modified by the Flood Control Act of 1941, is hereby modified to authorize and direct the Secretary to permanently seal the closure structure at the abandoned Reading Railroad site, at an estimated cost of $75,000.

SEC. 736. The project for the Hudson River, New York; New York City to Waterford authorized by the Act of June 25, 1910 (Public Law 318, Sixty-first Congress), as amended, is modified to authorize the Secretary to remove shoals between the mouth of Roeliff Jansen Kill, Columbia County, New York, and the present navigation channel and to place such removed material at an appropriate site designated by the State of New York, at an estimated cost of $150,000.

SEC. 737. The flood control project for the San Lorenzo River, Santa Cruz County, California, authorized by the Flood Control Act of 1954, is hereby modified to authorize and direct the Secretary to dredge the San Lorenzo River to provide flood protection to

Santa Cruz, California, and surrounding areas, entirely at Federal expense, at an estimated cost of $3,500,000. No dredging of such river (other than that authorized by the preceding sentence) shall be accomplished by the Secretary, except as provided in a law enacted after the date of enactment of this Act.

SEC. 738. The project for flood protection along the Sacramento River and its tributaries, California, authorized by the Flood Control Act of 1917, as amended, is hereby modified to authorize and direct the Secretary to accomplish remedial construction necessary to restore the project flood control levees along the Colusa Trough Drainage Canal and the Knights Landing Ridge Cut, at an estimated cost of $10,400,000.

SEC. 739. The project for New Melones Dam and Reservoir, California, authorized by the Flood Control Act of 1962 is hereby modified to authorize the following roads to be upgraded to Federal-aid secondary system standards: (1) 5.1 miles of the Parrotts Ferry Road, from north of the Parrotts Ferry Bridge to State Route 4 at Vallecito, Calaveras County, California, and (2) 5.4 miles of Parrotts Ferry Road from south of the Parrotts Ferry Bridge to State Route 49 near Sonora, Tuolumne County, California, at an estimated Federal cost of $15,000,000. The cost of the work authorized by this section shall be paid entirely by the United States.

SEC. 740. After the date of the enactment of this section, the Secretary of the Army shall have all of the authority which the Secretary of the Air Force has immediately prior to such date over the Trilby Wash Detention Basin (McMicken Dam) and Outlet Channel, Maricopa County, Gila River Basin, Arizona. The Secretary is authorized to take necessary remedial measures to assure structural integrity and flood control capacity of the Trilby Wash Detention Basin (McMicken Dam) and Outlet Channel, Maricopa County, Gila River Basin, Arizona, constructed under authority of section 304 of Public Law 209 of the Eighty-third Congress, at an estimated cost of $7,500,000. The Secretary is authorized to reimburse any non-Federal interest for any remedial measure (1) carried out by such interest, after January 1, 1983, and before the date of enactment of this Act, to assure structural integrity and flood control capacity of the Trilby Wash Detention Basin (McMicken Dam) at a level of flood protection equal to the level of flood protection provided by such dam before January 1, 1977, and (2) approved by the dam safety agency of the State of Arizona.

SEC. 741. The Secretary is authorized to acquire real property by condemnation, purchase, donation, exchange, or otherwise, as a part of any water resources development project for use for public park and recreation purposes, including but not limited to, real property not contiguous to the principal part of the project.

SEC. 742. The following water resources development projects are modified to authorize the Secretary to construct the beach erosion control, storm protection, or navigation feature of the project separately or in combination with the other such features:

(1) Great Egg Harbor Inlet and Peck Beach, New Jersey, authorized in accordance with section 201 of the Flood Control Act of 1965 (79 Stat. 1073, 1074).

(2) Corson Inlet and Ludlam Beach, New Jersey, authorized in accordance with section 201 of the Flood Control Act of 1965.

(3) Townsend Inlet and Seven Mile Beach, New Jersey, authorized in accordance with section 201 of the Flood Control Act of 1965.

The non-Federal share for any such feature which is separately constructed shall be the appropriate non-Federal share for that feature.

SEC. 743. The project for the Apalachicola-Chattahoochee-Flint Rivers, Georgia and Florida, authorized in section 2 of the River and Harbor Act of 1945 (Public Law 79-14; 59 Stat. 10) is hereby modified to authorize the Secretary—

(1) in the course of routine maintenance dredging, to restore and maintain access (in the interest of navigation and ecological restoration) to bendways and interconnecting waterways, including the upper and lower inlets to Poloway cutoff, isolated during construction and maintenance activities by the Federal Government; and

(2) to acquire lands for and to construct, operate, and maintain water-related public use and access facilities along and adjacent to the Apalachicola River downstream of Jim Woodruff lock and dam to Apalachicola, Florida, except that the Secretary shall proceed with the acquisition of lands for the construction of water-related public use and access facilities and the operation and maintenance of such facilities at not more than one area within each county bordering the Apalachicola River.

The Federal and non-Federal share of activities authorized by paragraph (2) of this subsection shall be determined in accordance with the provisions of the Federal Water Project Recreation Act of 1965 (Public Law 89-72; 79 Stat. 213).

SEC. 744. The project for Racine Harbor, Wisconsin, authorized by the River and Harbor Act of March 2, 1945, is hereby modified as described in Racine County Federal permit application number 85-196-02. The Secretary is authorized to construct and maintain the modified harbor area, including initial dredging of such harbor area and entrance channel and construction of a dredged-spoil containment facility, at an estimated cost of $3,000,000.

Sec. 745. The project on Milk River for local flood protection at Havre, Montana, authorized by section 10 of the Flood Control Act approved December 22, 1944 (58 Stat. 897), is hereby modified to authorize the Secretary to reconstruct or replace, whichever the Chief of Engineers determines necessary and appropriate, the water supply intake weir of the city of Havre, Montana, at an estimated cost of $1,400,000.

SEC. 746. The Lower Granite lock and dam feature of the project for navigation, Snake River, Oregon, Washington, and Idaho, authorized by the first section of the River and Harbor Act approved March 2, 1945 (59 Stat. 21), is hereby modified to authorize the Secretary to construct an all-weather surface road in Whitman County, Washington, from Whitman County Road 9000 in Wawawai Canyon to Lower Granite Dam and the Port of Almota, at an estimated cost of $7,870,000.

SEC. 747. The project for Curwensville Lake, Pennsylvania, authorized by the Flood Control Act of 1954 is hereby modified to authorize the Secretary to construct, at full Federal expense, a water line with pumps from the Pike Township Water Authority to the Bloomington holding tank in order to provide water for municipal use to the town of Bloomington, Pennsylvania, at an estimated cost of $300,000.

SEC. 748. The project for flood protection, Waterloo, Iowa, authorized by section 204 of the Flood Control Act of 1965 is hereby modified to provide that the reconstruction of the bridge on United States Highway 20 and the Lafayette Street bridge which are required as a result of the Blowers Creek phase of the project shall be carried out at full Federal expense, at an estimated cost of $1,700,000.

SEC. 749. The Mud Lake feature of the project for the western Tennessee tributaries, Tennessee and Kentucky, authorized by resolution of the Committee on Public Works of the Senate adopted December 17, 1970, and resolution of the Committee on Public Works of the House of Representatives adopted December 15, 1970, under section 201 of the Flood Control Act of 1965 (Public Law 89-298), is hereby modified to provide that the requirements of local cooperation shall be (1) to hold and save the United States free from damages due to the construction works, and (2) to maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary.

SEC. 750. The project for flood control on the Kawkawlin River, Michigan, authorized under the authority of section 205 of the Flood Control Act of 1948, as amended, is hereby modified to provide that the operation and maintenance of the project shall be the responsibility of the Secretary, at an estimated annual cost of $70,000.

SEC. 751. The project for Denison Dam (Lake Texoma), Red River, Texas and Oklahoma, authorized by the Flood Control Act approved June 28, 1938 (52 Stat. 1219), as amended, is hereby modified to provide that the Secretary is authorized to reallocate from hydropower storage to water supply storage, in increments as needed, up to an additional 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Texas and up to 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Oklahoma. For that portion of the water storage reserved for users in the State of Oklahoma, the Secretary may contract, in increments as needed, with qualified individuals, entities, or water utility systems for use within the Red River Basin; except that for any portion of that water to be utilized outside the Red River Basin, the Secretary shall contract with the RedArk Development Authority. For the portion of the water storage reserved for users in the State of Texas, the Secretary shall contract, in increments as needed, for 50,000 acre-feet with the Greater Texoma Utility Authority and 100,000 acre-feet with the North Texas Municipal Water District. All contracts entered into by the Secretary under this section shall be under terms in accordance with section 301(b) of the Water Supply Act of 1958 (Public Law 85-500). No payment shall be required from and no interest shall be charged to users in the States of Oklahoma or Texas for the reallocation authorized by this section until such time as the water supply storage reserved under such reallocation is actually first used. Any contract entered into for the use of the water received under this section shall require the contracting entity to begin principal and interest payments on that portion of the water allocated under the contract at the time the entity begins the use of such water. Until such time, storage for which reallocation is authorized in this section may be used for hydropower production. Nothing in this section shall be construed as amending or altering in any way the Red River Compact. In consideration of benefits in connection

with such reallocation and usage of municipal, industrial, and agricultural water, all benefits that can be assigned to the Red River chloride control project, Texas and Oklahoma, or the Red River and tributaries multipurpose study, Oklahoma, Texas, Arkansas, and Louisiana, and any individual projects arising from such study, shall be reserved for such projects. Nothing in this section shall affect water rights under the laws of the States of Texas and Oklahoma.

SEC. 752. The navigation project for Buffalo Ship Canal, Buffalo, New York, authorized by the River and Harbor Act of March 2, 1945, is hereby modified to authorize and direct the Secretary to take such actions as may be necessary to construct a high-lift span bridge in the vicinity of the Coast Guard station, approximately 3,600 feet north of South Michigan Avenue, over the ship channel, at full Federal expense, at an estimated cost of $18,000,000.

SEC. 753. The project for Jackson Hole, Snake River, local protection and levee, Wyoming, authorized by the River and Harbor Act of 1950, is hereby modified to provide that the operation and maintenance of the project and additions and modifications thereto constructed by non-Federal interests shall be the responsibility of the Secretary, except that the non-Federal interests shall pay the first $35,000, in cash or materials, of the cost of any such operation and maintenance in any one year.

SEC. 754. The project for navigation for Newport Bay Harbor, Orange County, California, authorized by the River and Harbor Act approved August 26, 1937 (50 Stat. 849), and section 2 of the River and Harbor Act approved March 2, 1945 (59 Stat. 21), is modified to authorize the Secretary to dredge and maintain the upper Newport Bay to the boundary of the Upper Newport Bay State Ecological Preserve to a depth consistent with the depth in the existing project for lower Newport Bay, at an estimated cost of $2,500,000.

SEC. 755. The project for flood control and other purposes in the South Platte River Basin in Colorado, authorized by the Flood Control Act of 1950 (64 Stat. 175), is modified to provide that the Chatfield Dam and any other authorized Federal improvements in the South Platte River Basin shall be operated in a manner that achieves the authorized level of flood protection, as determined by the Secretary, for the area beginning at the Chatfield Dam and ending at a point 82 miles downstream.

SEC. 756. The multipurpose project at Beaver Lake, Arkansas, authorized by the Flood Control Act of 1954, is hereby modified to authorize and direct the Secretary, in cooperation with the Administrator of the Environmental Protection Agency and in consultation with appropriate State and local agencies, to conduct a one-year comprehensive study of the Beaver Lake reservoir to identify measures which will optimize achievement of the project's purposes while preserving and enhancing the quality of the reservoir's water. Upon completion of the study the Secretary shall undertake a demonstration project at Beaver Lake to determine the effectiveness of measures identified in such study for preserving and enhancing the quality of the reservoir's water for current and future users, at full Federal expense and at an estimated cost of $5,000,000.

SEC. 757. (a) The Mississippi River-Gulf outlet feature of the project for Mississippi River, Baton Rouge to Gulf of Mexico, authorized by the Act of March 29, 1956 (Public Law 455 of the Eighty-fourth Congress, 70 Stat. 65), is modified to provide that the replacement and expansion of the existing industrial canal lock and connecting channels or the construction of an additional lock and connecting channels shall be in the area of the existing lock. The Federal share of the cost of such modification shall be paid from the Port Infrastructure Development and Improvement Trust Fund. The conditions of local cooperation specified in House Document Numbered 245, Eighty-second Congress, shall apply to the construction of the replacement or additional lock and connecting channels, except that the additional costs, as determined by the Chief of Engineers, of lands, easements, and rights-of-way acquisition and relocations of residences, industries, and utilities beyond those costs at the Meraux site (Violet), including such costs attributable to the relocation, replacement, modification, or construction of bridges, shall be borne by the United States. All other costs of relocation, replacement, modification, or construction of bridges (at a cost not to exceed $94,500,000), required as a result of the construction of the replacement or additional lock and connecting channels shall be borne by the United States; and before construction of bridges may be initiated the non-Federal public bodies involved shall agree (1) to hold and save the United States free from damages resulting from construction of the bridges and their approaches, (2) upon completion of construction, to accept title to such bridges and approaches and thereafter to operate and maintain the bridges and their approaches as free facilities.

(b) The Secretary is directed to make a maximum effort to assure the full participation of members of minority groups, living in the affected areas, in the construction of the replacement or additional lock and connecting channels authorized by subsection (a) of this section, including actions to encourage the use, wherever possible, of minority-owned firms. The Chief of Engineers is directed to report on July 1 of each year to the Congress on the implementation of this section, together with recommendations for any legislation that may be needed to assure the fuller and more equitable participation of members of minority groups in this project or others under the direction of the Secretary.

SEC. 758. The project for flood protection on the Saginaw River, Michigan, authorized by the Flood Control Act of 1958 (Public Law 85-500), is modified (1) to provide that the Secretary shall first construct the Flint and Shiawassee Rivers portion of the Shiawassee Flats unit of such project and that such construction shall begin, with available funds, during fiscal year 1986, and (2) to authorize the Secretary to reconstruct or relocate, whichever the Secretary determines is necessary, the Curtis Road Bridge, at full Federal expense and at an estimated cost of $350,000. Such project is also modified to include necessary measures to alleviate project-induced flood damages to areas outside the project area and to include such channelization measures in the Shiawassee Flats unit as the Secretary determines necessary for flood control purposes. For the purpose of determining the non-Federal share of the cost of the project, as modified, the cost of reconstruction or relocation of the Curtis Road Bridge, as the case may be, shall not be included in the cost of the project.

SEC. 759. The navigation project for Brunswick Harbor, Georgia, authorized by the River and Harbor Act of 1950, is hereby modified to incorporate the Georgia Ports Authority's 30-foot-deep by 300-foot-wide by 8,000-foot-long channel in the South Brunswick River serving Colonel's Island terminal facilities.

SEC. 760. The project for navigation at Houston Ship Channel (Barbour Terminal Channel), Texas, authorized by section 107 of the River and Harbor Act of 1960 (74 Stat. 486), is modified to authorize and direct the Secretary to perform such dredging operations as are necessary to maintain a 40-foot project depth in the Barbour Terminal Channel.

SEC. 761. (a) The Hansen Dam project authorized as part of the flood control project for the Los Angeles and San Gabriel Rivers, California, by section 5 of the Flood Control Act approved June 22, 1936 (49 Stat. 1589), is hereby modified to authorize the Secretary to contract for the removal and sale of dredged material from the flood control basin for Hansen Dam, Los Angeles County, California, for the purposes of facilitating flood control, recreation, and water conservation. All funds received by the Secretary from the removal and sale of such dredged material shall be deposited in the general fund of the Treasury.

(b) There is authorized to be appropriated for fiscal years beginning after September 30, 1985, an amount not to exceed the amount of funds received by the Secretary from the removal and sale of dredged material under subsection (a). Amounts appropriated under this subsection shall be available to the Secretary—

(1) to construct, operate, and maintain recreational facilities at the Hansen Dam project; and

(2) to the extent consistent with other authorized project purposes, to facilitate water conservation and ground water recharge measures at the Hansen Dam project in coordination with the city of Los Angeles, California, and the Los Angeles County Flood Control District;

at full Federal expense.

SEC. 762. The project for navigation, Newport News Creek, Virginia, authorized by the River and Harbor Act of 1946, is hereby modified to authorize the relocation and reconstruction by the State of Virginia of the project upon approval of plans for such relocation and reconstruction by the Secretary.

SEC. 763. The project for flood protection, Turtle Creek, Pennsylvania, authorized by the Flood Control Act of 1958, is hereby modified to authorize and direct the Secretary to repair and restore such project so that such project serves its project purposes. Such repairs and restoration shall not be commenced until each non-Federal interest has entered into a written agreement with the Secretary to furnish its required cooperation for such repairs and restoration in accordance with the project agreement and to comply with section 221 of the Flood Control Act of 1970 and the non-Federal share requirements of section 302 of this Act.

SEC. 764. The project for navigation, Dunkirk Harbor, New York, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and resolution of the Committee on Public Works of the Senate, dated June 22, 1971, is modified to authorize the Secretary to include dredging and maintenance of the east-

ern inner harbor of such project in accordance with such plans as the Secretary, in consultation with appropriate non-Federal interests, may develop, at an estimated cost of $2,300,000.

SEC. 765. The project for navigation at Houston Ship Channel (Bayport Ship Channel), Texas, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 298), is modified to authorize and direct the Secretary to perform such dredging operations as are necessary to maintain a 40-foot project depth in the Bayport Ship Channel.

SEC. 766. (a) The project for navigation for Honolulu Harbor, Hawaii, authorized by section 101 of the River and Harbor Act of 1954, is modified to authorize and direct the Secretary to maintain a 23-foot project depth in the Kalihi Channel portion of such project.

(b) The consent of Congress is hereby given to the State of Hawaii to construct, operate, and maintain a fixed-span bridge in and over the water of the Kalihi Channel, Honolulu Harbor, Hawaii.

SEC. 767. The project for navigation, Bayou Lafourche and Lafourche-Jump Waterway, Louisiana, authorized by the River and Harbor Act of August 30, 1935, is hereby modified to provide for the maintenance by the Secretary of a channel 30 feet deep from mile minus 2 to mile 0 in Belle Pass and of a channel 24 feet deep from mile 0 to mile 4 in Bayou Lafourche. The Secretary is authorized and directed to study the feasibility of deepening the channel from mile 0 to mile 4 in Bayou Lafourche to 30 feet. The Secretary shall report the results of such study with recommendations to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 768. (a) The project for harbor improvement at Noyo, Mendocino County, California, authorized by the River and Harbor Act of 1962 (76 Stat. 1173), is hereby modified to provide that the non-Federal interests shall contribute 25 per centum of the cost of areas required for initial and subsequent disposal of dredged material, and of necessary retaining dikes, bulkheads, embankments, and movement of materials therefor.

(b) The requirements for appropriate non-Federal interests to contribute 25 per centum of the construction costs as set forth in subsection (a) shall be waived by the Secretary upon a finding by the Administrator of the Environmental Protection Agency (1) that for the area to which such construction applies, the State of California, municipalities, and other appropriate political subdivisions of the State and industrial concerns are participating in, and in compliance with, an approved plan for the general geographical area of the dredging activity for construction, modification, expansion, or rehabilitation of waste treatment facilities, and (2) that applicable water quality standards are not being violated.

(c) If, in lieu of diked disposal, the Secretary determines ocean disposal is necessary to carry out the project, the Federal share of the cost of such ocean disposal shall be 100 per centum.

SEC. 769. The project for flood control, Endicott, Johnson City, and Vestal, New York, authorized by the Flood Control Act of 1954, is hereby modified to authorize the Secretary to undertake such measures as may be necessary to correct erosion problems affecting the levee at Vestal, New York, and to perform necessary work to protect the levee and restore it to its design condition, at an estimated cost of $700,000. The non-Federal share of the cost of such measures and work shall be determined under section 302 of this Act.

SEC. 770. The flood control project for Sardis Lake, authorized by section 203 of the Flood Control Act of 1962, as modified by section 108 of the Energy and Water Development Appropriation Act of 1982, is modified to authorize and direct the Secretary to plan, design, and construct access road improvements to the existing road from the west end of Sardis Lake to Daisy, Oklahoma, at full Federal expense and at an estimated cost of $10,000,000. Non-Federal interests shall operate and maintain facilities at their own expense.

SEC. 771. The project for navigation, Cambridge Creek, Maryland, is modified to authorize and direct the Secretary to narrow the channel in the existing project, as determined necessary by the Secretary for the purpose of enhancing economic development in the area of such creek. No appropriation shall be made for carrying out such modification, if such modification has not been approved by resolution adopted by the Committee on Public Works and Transportation of the Houses of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 772. (a) The project for beach erosion control, Sandy Hook to Barnegat Inlet, New Jersey, authorized by the River and Harbor Act of 1958, is modified to provide that the first Federal construction increment of the Ocean Township to Sandy Hook reach of such project shall consist of a berm of approximately 50 feet at Sea Bright and Monmouth Beach extending to and including a feeder beach in the vicinity of Long Beach, at an estimated cost of $40,000,000.

(b) The non-Federal share of the cost of construction and maintenance of the Ocean Township to Sandy Hook reach of the project for beach erosion control, Sandy Hook to Barnegat Inlet, New Jersey, shall consist of amounts expended by non-Federal interests for reconstruction of the seawall at Sea Bright and Monmouth Beach, New Jersey.

(c) Before initiation of construction of any increment of the project for beach erosion control, Sandy Hook to Barnegat Inlet, New Jersey, non-Federal interests shall agree to provide public access to the beach for which such increment of the project is authorized in accordance with all requirements of State law and regulations.

SEC. 773. The project for flood control, Taylorsville Lake, Kentucky, authorized by the Flood Control Act of 1956, is modified to authorize and direct the Secretary to replace the Floyd's Fork Bridge on Routt Road, Jefferson County, Kentucky, in order to provide improved access to the project, at an estimated cost of $650,000.

SEC. 774. The project for the Lower Snake River Fish and Wildlife Compensation Plan, authorized by the Water Resources Development Act of 1976, is modified in accordance with the recommendations contained in the report of the Chief of Engineers, dated March 6, 1985.

SEC. 775. The project for navigation, Illinois River at Peoria, Illinois, authorized by the River and Harbor Act of 1946, is modified to provide for the inclusion within the project an adjacent downstream water area of approximately 400 feet long by 200 feet wide developed by local interests for an enlarged small boat harbor, including Federal construction and maintenance of such area and an access channel to a depth of 7 feet, at an estimated cost of $50,000. The project features authorized by this section may be funded under section 107 of the River and Harbor Act of 1960.

SEC. 776. The project for navigation for Tampa Harbor, Florida, authorized by the River and Harbor Act of 1970 is modified to provide for the widening of the authorized Port Sutton Turning Basin an additional 105 feet to the fender line along Pendola Point, at an estimated cost of $850,000.

SEC. 777. The project for Coralville Reservoir on Iowa River, Iowa, authorized by the Flood Control Act approved June 28, 1938, is modified to provide that the Secretary shall take such measures as are necessary to improve the Johnson County, Iowa, Road F-28 between Interstate route I-380 and Front Street in North Liberty, Iowa, at an estimated cost of $1,400,000.

SEC. 778. The project for flood protection on the Chariton River, Iowa and Missouri, authorized by section 203 of the Flood Control Act of 1954 (68 Stat. 1262), is modified to authorize and direct the Secretary to sell to the Rathbun Regional Water Association, Incorporated, a sufficient number of acre-feet of storage space from Rathbun Lake, Iowa, to yield to such association one billion five hundred million gallons of water annually based on a 90-percent chance of sufficient water being available from such lake. Such sale of storage space shall be subject to such terms and conditions as the Secretary and association may agree to under existing law, except that the construction costs of such project allocated to water supply required to be repaid under section 301(b) of the Water Supply Act of 1958 and the interest and amortization rate used to calculate the annual financial cost shall be the same as those used in contract number DACW41-76-C-0031 entered into by the United States and such association and approved by the Assistant Secretary of the Army for Civil Works on October 10, 1975.

SEC. 779. The project for navigation, Salem River, New Jersey, is hereby modified to provide that the depth of such project shall be 20 feet.

SEC. 780. The navigation project, Cold Spring Inlet, New Jersey, is hereby modified to provide that the depth of the 2,000 foot reach of the New Jersey Intracoastal Waterway in Cape May County shall be 15 feet.

SEC. 781. The project for navigation and power generation, Fort Peck, Montana, authorized by the Act entitled "An Act to authorize the completion, maintenance, and operation of the Fort Peck project for navigation, and for other purposes", approved May 18, 1938 (16 U.S.C. 833), shall include recreation as a purpose of such project.

AMENDMENTS OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer three amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. CONTE:

On page 312, line 9 strike "protection and";

On page 312, lines 10 and 11 strike ", mitigation of project—caused fish and wildlife losses (including habitat),"; and

On page 312, line 12, insert a comma before "shall".

On page 199, line 19 insert a period after "wildlife" and delete all thereafter through "lesser." on line 21, and

On page 200, line 4 insert the following after the period: "The Secretary shall, under the terms of this section, obligate not more than $30,000,000 in any fiscal year.".

On page 341, line 1, strike "involves" and insert in lieu thereof "necessitates the mitigation of fish and wildlife losses, including";

On page 341, line 4, after "such" insert "mitigation or enhancement, including acquisition of the";

On page 341, line 4, after "shall be" insert "undertaken or"; and

On page 341, line 6, after "shall be" insert "undertaken or".

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONTE. Mr. Chairman, I have three amendments at the desk, one in title VII and two in title XI. Since they deal with the same subject matter, I ask unanimous consent that they be considered en bloc.

Mr. Chairman, let me begin by commending the gentleman from New Jersey [Mr. ROE] and the gentleman from Minnesota [Mr. STANGELAND], as well as other members of the subcommittee and full committee, for their work on this bill. This bill represents the best efforts of four committees to respond to our Nation's critical water resource needs, while being mindful of our continuing budgetary problems. The bill provides for increased cost sharing on various water projects, and, I am pleased to note, also provides for the implementation of a program of water supply construction loans and grants. This program, contained in title VIII, is one on which I have worked closely with the chairman and other members of the committee, particularly the gentleman from Pennsylvania [Mr. EDGAR] and I applaud the committee's inclusion of that program in this bill.

The bill also contains important environmental safeguards to be pursued in the construction of water projects. Federal projects that dam, drain, and divert the waters and wetlands of the United States almost invariably affect the value of fish and wildlife habitat in the project area. Over the years, significant improvements have been made by the Corps of Engineers in the consideration of fish and wildlife impacts, and this bill will continue those improvements. But the legacy of major wildlife losses from projects built in years past, as well as overwhelming size of the construction program contemplated by this bill, lead me to propose several amendments to strengthen and clarify the treatment of important fish and wildlife habitat at corps projects.

With the populations of numerous species of migratory waterfowl reaching record lows on our major flyways this year, it is time to redouble our efforts to preserve the habitat upon which the very survival of these species depends.

Mr. Chairman, my first amendment deals with the provision in title VII of the bill clarifying the Corps of Engineers' authority to retrofit existing projects with fish and wildlife mitigation features. My amendment would strike the $7.5 million ceiling for individual project modifications, and substitute a $30 million annual aggregate ceiling for such work. This will provide greater flexibility to the corps to meet real mitigation needs on a project by project basis, while also maintaining budgetary discipline with a reasonable, and by all estimates adequate, ceiling on expenditures.

My second amendment would clarify a provision in title XI regarding the evaluation of fish and wildlife measures included in Corps of Engineers projects. I am concerned that the language currently in the bill might have the effect of clouding the distinction between fish and wildlife mitigation and fish and wildlife enhancement, for purposes of project benefit-cost analysis. My understanding is that mitigation is currently, and appropriately, treated as a project cost and allocated among other project purposes such as hydropower or water supply.

My amendment would strike the reference to mitigation in this section, to avoid any inference that fish and wildlife mitigation should be subject to separate benefit/cost analysis.

My third amendment, also to title XI, would clarify an important new provision of the bill requiring the implementation of fish and wildlife mitigation concurrently with the implementation of other project features, My amendment would make clear that all activities constituting a mitigation plan—and not merely the acquisition of mitigation lands—are to be implemented concurrently with project construction. Such other features might include fish ladders, greentree reservoirs, or other facilities necessary to effectively manage fish and wildlife resources for mitigation purposes.

I want to commend the members of the committee for their sensitivity to these issues, and urge the adoption of my amendments.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to my good friend from New Jersey, the chairman of the subcommittee, Mr. ROE.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, at the outset I would like to thank the gentleman for his enormous contribution that he has made over the years to our public works efforts, particularly in the areas of wildlife and mitigation, and the work he has done throughout the country, and all the legislation that he has handled.

Mr. Chairman, I think the career of the gentleman speaks well to protecting the environment and the quality of life here in America.

So that is one reason, above and beyond everything else, that I think, as a member of this committee, I would certainly accept your amendment, as being of extraordinary increased value to our legislation.

But there is a second reason I would recommend to our committee that they would accept your outstanding amendment, and that is because I understand it is your birthday today.

Mr. Chairman, on this side of the aisle we have no objection whatever to the amendments of the gentleman from Massachusetts.

Mr. CONTE. I want to thank the gentleman from New Jersey for his gracious remarks.

I would like to make one correction: My birthday is actually on Saturday. We are celebrating it tonight because the House is in session, and I hope that the gentleman from New Jersey and my other colleagues will be able to attend.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I would be glad to yield to the gentleman from Minnesota, the ranking minority member on the subcommittee.

Mr. STANGELAND. Happy birthday. As a birthday present, I will say that we will accept your amendments on this side of the aisle as well.

Mr. CONTE. I thank the gentleman very much. You are very kind.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Massachusetts [Mr. CONTE].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. RALPH M. HALL

Mr. RALPH M. HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered By Mr. Ralph M. Hall: Page 211, line 5, insert "(a)" after "751.".

Page 211, line 21, strike out "For" and all that follows through the period on line 21 and insert in lieu thereof the following: "For that portion of the water storage reserved for users in the State of Texas, the Secretary shall contract, in increments as needed, for 50,000 acre-feet with the Greater Texoma Utility Authority and 100,000 acre-feet with other qualified individuals, entities, or water utility systems. Nothing in the preceding sentence shall supersede any requirement of State law with respect to the use of any water".

Mr. RALPH M. HALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be

considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RALPH M. HALL. I thank the Chairman.

Mr. Chairman, under section 751, the Dennison Dam, better known as Lake Texoma, has an allocation. The State of Oklahoma and the State of Texas got together and received 300,000 acre feet allocation divided evenly, pursuant to an agreement.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. RALPH M. HALL. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, again we have reviewed this amendment. I know that our colleague, Mr. WATKINS, is also interested in this amendment. We have reviewed it for sufficiency and what it achieves. We have no objection to the amendment of the gentleman; it makes a contribution to and improves our bill.

Mr. RALPH M. HALL. I thank the Chairman, and I thank the gentleman for his work on this bill.

Mr. Chairman, I yield back the balance of my time.

□ 1445

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. RALPH M. HALL).

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments to title VII of the bill?

If not, the clerk will designate title VIII.

The text of title VIII is as follows:

TITLE VIII—WATER SUPPLY

SUBTITLE A—LOAN PROGRAM

SEC. 801. This subtitle may be cited as the "Water Supply Rehabilitation and Conservation Act of 1985".

SEC. 802. The Congress hereby finds that—

(1) many water supply systems are in deterioration and that authority has not been granted to any Federal water development agency to assist many existing municipal and industrial water supply systems;

(2) certain regions of the Nation are facing serious water supply problems and large quantities of water are being wasted as a result of aging and deteriorating water supply and distribution facilities;

(3) modernizing existing water supply systems is an important part of any effort to rejuvenate the Nation's older cities and remove impediments to economic growth;

(4) many water supply systems have experienced difficulty in obtaining capital necessary to accomplish repairs, rehabilitations, expansions, and improvements required for efficient and reliable operation;

(5) in light of historic and continuing Federal involvement in meeting many other water supply needs, there is a national need to rehabilitate and upgrade existing water supply systems;

(6) in all regions of the country and in all circumstances in which the Federal Government is involved in providing water supply, it is essential to promote water conservation; and

(7) encouraging the use of low-flow devices in new construction, improving metering and rate schedules and leak detection programs, and adopting other water conservation methods saves water and energy.

SEC. 803. For purposes of this subtitle—

(1) The term "expansion", as used with respect to a water supply system, means the installation of water supply facilities necessary to increase the service capability or efficiency of the water supply system.

(2) The term "improvement", as used with respect to a water supply system, means any activity other than rehabilitation designed to improve service reliability or efficiency of the water supply system.

(3) The term "rehabilitation", as used with respect to a water supply system, means the repair or replacement of components or facilities required to restore service reliability or efficiency of the water supply system.

(4) The term "State" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

(5) The term "water supply system" means the facilities used in the production and pumping of water for consumption (including, but not limited to, water storage, desalination, and other collection and purification techniques), water treatment facilities (other than sewage treatment facilities), and the water distribution and conveyance facilities used to provide water for municipal and industrial purposes.

SEC. 804. (a) Subject to the provisions of this subtitle, the Secretary may make loans to—

(1) any department, agency, or instrumentality of one or more State or local governments which operates a water supply system, and

(2) any person who operates a water supply system the rates and services of which are subject to regulation by a department, agency, or instrumentality of a State government,

for the purpose of repair, rehabilitation, expansion, or improvement of such system.

(b)(1) Subject to the provisions of section 810, the amount of any loan under this subtitle shall not exceed 80 per centum of the cost of the project for which the loan is made. Such costs shall include, but not be limited to, the costs of (A) engineering, (B) design, and (C) acquisition of water rights, lands, easements, and rights-of-way, necessary to carry out the project.

(2) The Secretary may not lend under this subtitle in any fiscal year (A) more than $40,000,000 to any operator of a water supply system, and (B) more than $80,000,000 for water supply projects in any State.

(c) No loan may be made under this subtitle for any purpose not related to water supply or water conservation.

(d) No loan may be made under this subtitle for the purpose of acquisition by a supplier of water of any other supplier of water serving a population of more than 1,000 persons.

(e) No loan may be made under this subtitle for any project which is intended solely to increase the number of persons served by a water supply system.

(f)(1) For the purpose of securing consideration and approval of loans under this subtitle, not later than 180 days after the date of enactment of this Act, and not later than January 15 of each year thereafter, the Secretary shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate (hereinafter in this subsection referred to as "the committees") a list of any applications for loans fulfilling all requirements for loans under this subtitle, a detailed summary of all such applications, and a recommendation of approval or disapproval for a loan for each such application. Not later than 270 days after the date of enactment of this Act, and not later than May 15 of each year thereafter, the committees shall adopt a resolution listing those loans, if any, approved under this subtitle. Except for loans authorized by section 813 of this Act, no appropriation shall be made for any loan under this subtitle if the application for such loan has not been approved by such resolution adopted by the committees.

(2) Any loan approved and authorized for appropriations pursuant to the provisions of paragraph (1) of this subsection shall not be authorized after the 5-year period beginning on the date of approval of such loan by the committees unless during such period funds have been obligated for such loan under this subtitle.

SEC. 805. (a) Any operator of a water supply system seeking a loan under this subtitle shall submit an application to the Secretary for such loan in such form and manner as the Secretary may require by regulation. Each such application shall be accompanied by a payment of one percent of the amount of the loan requested in such application (but in no event more than $10,000).

(b) Any application for a loan under this subtitle shall include, among other things (1) a detailed plan and estimated cost of the project for which the loan is applied, (2) a showing (A) that the applicant holds or can acquire all lands and interests in land (except public and other lands and interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by the Secretary) and rights to the use of water pursuant to applicable State law necessary for the successful completion, operation, and maintenance of the project, and (B) that the applicant is ready, willing, and able to finance the portion of the cost of the project which will not be covered by the loan, and (3) a showing of the improvements the proposed project will make in supplying water for domestic, commercial, and industrial purposes, as well as public purposes including fire protection and recreation.

(c) The Secretary may only make loans under this subtitle with respect to projects which the Secretary determines are technologically feasible and which constitute a reasonable financial risk.

(d) In making loans under this subtitle, the Secretary shall give priority to those water supply systems which are polluted, contaminated, or threatened with pollution or contamination, to such an extent that they present a potential danger to human health.

SEC. 806. Upon approval or disapproval of a loan application under this subtitle by the Secretary, the Secretary shall pay the applicant the amount by which the payment made by such applicant under section 805(a) with respect to such application exceeds the

cost incurred by the Secretary in processing such application.

SEC. 807. (a) The Secretary may only make loans under this subtitle to an operator of a water supply system if the Secretary determines that, before completion of the proposed project, the operator will, to the best of the operator's ability, implement a model water conservation program or a water conservation program, suitable to local conditions, which is equivalent to a model water conservation program.

(b) For purposes of this section, the term "model water conservation program" includes the following:

(1) Encouraging each community served by the water supply system to establish plumbing codes which promote water conservation in new construction.

(2) To the extent feasible and appropriate, utilizing water meters which promote water conservation.

(3) Establishing water rate schedules which encourage water conservation.

(4) Providing a comprehensive leak detection and repair program for water supply systems.

(5) Making public information available on home and business water conservation techniques and benefits.

(6) Developing a drought contingency plan.

SEC. 808. The Secretary shall enter into an agreement with each person to whom a loan is to be made under this subtitle. Subject to the provisions of section 810, such agreement shall include the following terms, among others:

(1) The maximum amount of the loan to be made and the time and method of making funds available under the loan.

(2) An interest rate for the loan determined in accordance with section 301(b) of the Water Supply Act of 1958 (72 Stat. 319; Public Law 85-500).

(3) Computation of interest in accordance with such section 301(b).

(4) A repayment period and a plan of repayment of the sums lent and interest determined in accordance with such section 301(b).

(5) Such provisions as the Secretary shall deem necessary or proper to provide assurance of and security for prompt repayment of the loan and interest, including a provision that the operator of the water supply system shall maintain adequate rates in order to be reasonably expected to meet its obligations under the agreement and to maintain, repair, and rehabilitate the project for which the loan is made.

SEC. 809. Amounts paid with submission of loan applications under section 805(a) and amounts of loans (including interest accruing on such loans) repaid under this subtitle shall be deposited in the general fund of the Treasury.

SEC. 810. The Secretary may increase the maximum percentage of the cost of a project for which a loan may be made under this subtitle if the project for which the loan is made will serve a remote rural area or if the Secretary determines that such increase is appropriate for economic reasons.

SEC. 811. The Secretary shall issue such regulations and carry out such actions as may be necessary to carry out the objectives of this subtitle, except that the Secretary may not provide planning, design, or construction-related services to applicants for loans under this subtitle.

SEC. 812. There is authorized to be appropriated to carry out this subtitle $800,000,000 per fiscal year for each of the fiscal years ending September 30, 1986, September 30, 1987, September 30, 1988, and September 30, 1989, and such sums as may be necessary for each fiscal year thereafter.

SEC. 813. The following water supply projects are authorized to receive loans under this subtitle:

(1) Treatment, conveyance, distribution, and pumping facilities for Buffalo, New York, at an estimated cost of $20,000,000.

(2) Treatment, conveyance, distribution, and pumping facilities for Berlin, New Hampshire, at an estimated cost of $10,000,000.

(3) Treatment, conveyance, distribution, and pumping facilities for Rochester, New Hampshire, at an estimated cost of $10,000,000.

(4) Treatment, conveyance, distribution, pumping, and storage facilities for the Islands of Saint Thomas, Saint Croix, and Saint John, Virgin Islands, at an estimated cost of $35,000,000.

(5) Conveyance, distribution, pumping, and storage facilities for Dupage County, Illinois (Dupage County Commission), at an estimated cost of $280,000,000.

(6) Conveyance facilities (Third Water Tunnel, First Stage) for New York City, at an estimated cost of $220,000,000.

(7) Treatment, conveyance, distribution, pumping, and storage facilities for Fort Smith and Van Buren, Arkansas, at an estimated cost of $25,000,000.

(8) Treatment, conveyance, distribution, production, pumping, and storage facilities for American Samoa, at an estimated cost of $20,000,000.

(9) Treatment, pumping, and conveyance facilities for William H. Harsha Lake, Ohio River Basin, Ohio, at an estimated cost of $18,400,000.

(10) Treatment, conveyance, distribution, and pumping facilities for Totowa, New Jersey (Passaic Valley Water Commission), at an estimated cost of $25,000,000.

(11) Conveyance, pumping, and distribution facilities for Jersey City, New Jersey, at an estimated cost of $15,000,000.

(12) Treatment, conveyance, pumping, distribution, production, and storage facilities for Rockaway Township, New Jersey, at an estimated cost of $10,000,000.

(13) Treatment, conveyance, pumping, distribution, production, and storage facilities for Falmouth, Kentucky, at an estimated cost of $2,500,000.

(14) Treatment, distribution, pumping, and storage facilities for the Borough of Ford City, Pennsylvania, at an estimated cost of $1,600,000.

(15) Treatment, conveyance, distribution, pumping, and storage facilities for Tucson, Arizona, at an estimated cost of $50,000,000.

(16) Conveyance, pumping, and distribution facilities for Boston, Massachusetts, at an estimated cost of $86,000,000.

(17) Conveyance, pumping, distribution, and storage facilities for Cook County, Illinois (Northwest Suburban Municipal Joint Action Water Agency), at an estimated cost of $124,400,000.

(18) Treatment, conveyance, pumping, distribution, production, and storage facilities for Brockton, Massachusetts, at an estimated cost of $9,500,000.

(19) Treatment, conveyance, pumping, distribution, production, and storage facilities for Hesperia, California, at an estimated cost of $32,000,000.

(20) Treatment, conveyance, distribution, and pumping facilities for Philadelphia, Pennsylvania, at an estimated cost of $66,000,000.

(21) Intake, pumping, and distribution facilities for Huntington, West Virginia, at an estimated cost of $2,400,000.

(22) Treatment, conveyance, distribution, and pumping facilities for Grand Haven, Michigan, at an estimated cost of $6,900,000.

(23) Treatment, conveyance, pumping, distribution, production, and storage facilities for Battle Creek, Michigan, including identification and development of alternative sources of water and necessary relocation of wells, at an estimated cost of $3,000,000.

(24) Storage facilities consisting of a water tank in Tafuna, Tualauta County, Western Tutuila Island, American Samoa, at an estimated cost of $450,000.

(25) Storage facilities consisting of a water tank in the Village of Leona, Lealataua County, Western Tutuila Island, American Samoa, at an estimated cost of $425,000.

(26) Treatment, conveyance, pumping, distribution, and storage facilities for the Beccaria-Houtzdale area, Pennsylvania, at an estimated cost of $2,000,000.

(27) Conveyance, pumping, distribution, and storage facilities for the community of Blue Creek, Ohio (Northwest Water System, Inc.), at an estimated cost of $2,200,000.

(28) Treatment, conveyance, pumping, distribution, production, and storage facilities for Morris County, New Jersey (Morris County Municipal Utilities Authority), at an estimated cost of $26,300,000.

(29) Treatment, conveyance, pumping, distribution, and production facilities for Johnstown, Pennsylvania, at an estimated cost of $5,500,000.

(30) Treatment, conveyance, distribution, and pumping facilities for East Hazelcrest, Illinois, at an estimated cost of $350,000.

SEC. 814. Section 401(d) of the Act entitled "An Act to enhance the economic development of Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and for other purposes" (98 Stat. 1735), is amended by striking "in fiscal" and inserting in lieu thereof "effective fiscal".

SUBTITLE B—WATER SUPPLY PROJECTS

SEC. 851. (a) The Congress declares that there is a national interest in the conservation of existing water supplies and in the development of new water supplies, on an economical basis, for domestic, municipal, industrial, and other public purposes through Federal participation in the repair, rehabilitation, and improvement of water supply systems and through Federal construction of single and multiple purpose water supply projects.

(b) In carrying out a policy to encourage a more efficient use and adequate supply of water as a way to benefit municipal and industrial development, wetland preservation, fish and wildlife protection, and other national purposes, the Secretary is authorized and directed to survey, plan, and recommend to the Congress (1) projects for the repair, rehabilitation, expansion, and improvement of water supply systems (including, but not limited to, demand-reducing techniques), and (2) projects for the construction of single and multiple purpose water supply systems (including, but not limited to, storage, treatment, conveyance, and distribution facilities) needed to meet existing and anticipated future demand, consistent with the policies set forth in this section. No appropriation shall be made for any such survey if such appropriation has not been approved by resolution adopted by the Committee on Environment and Public Works of the Senate or the Committee on

Public Works and Transportation of the House of Representatives.

(c)(1) Except as provided in paragraph (2), the appropriate non-Federal interests shall provide the necessary lands, easements, and rights-of-way for any project carried out pursuant to a survey undertaken under subsection (b). If the value of the lands, easements, and rights-of-way so provided is less than 20 per centum of the cost of the project allocable to municipal and industrial water supply (including the value of such lands, easements, and rights-of-way), the non-Federal interests shall pay to the Secretary before construction of the project an amount equal to the excess of (A) the amount equal to 20 per centum of such cost, over (B) the value of such lands, easements, and rights-of-way.

(2) If the Secretary estimates before the beginning of construction of any project to which paragraph (1) applies that the value of all lands, easements, and rights-of-way required for such project will be a percentage of the cost of the project allocable to municipal and industrial water supply which is greater than 20 per centum, the Secretary shall, upon request by the non-Federal interests, acquire such lands, easements, and rights-of-way, except that the aggregate amount of the value of lands, easements, and rights-of-way acquired by the Secretary shall be limited to the amount by which such estimated sum exceeds an amount equal to 20 per centum of the estimated cost of the project allocable to municipal and industrial water supply.

(3) An amount equal to the cost of the project allocable to municipal and industrial water supply less the value of lands, easements, and rights-of-way provided and any amount paid to the Secretary under paragraph (1) by the non-Federal interests shall be repaid to the United States over a period not to exceed fifty years, with interest determined in accordance with section 301(b) of the Water Supply Act of 1958.

(4) The Secretary may reduce the amount required to be paid under paragraph (1), and the value of lands, easements, and rights-of-way required to be provided under paragraph (2), by non-Federal interests for any project to which paragraph (1) applies if the project will serve a remote rural area or if the Secretary determines that such reduction is appropriate for economic reasons.

SEC. 852. (a) Except as provided in subsection (b), the Secretary is authorized to provide technical assistance to operators of public water supply systems for the purpose of identifying water supply problems and developing measures for repair, rehabilitation, expansion, and improvement of public water supply systems.

(b) The authority of the Secretary to provide technical assistance under subsection (a) is limited to providing technical assistance for reconnaissance reports and prefeasibility studies except in any case in which the Secretary determines that the public water supply operator cannot utilize the services of the private sector for economic or other reasons.

SEC. 853. The Secretary shall study existing water resources projects under the jurisdiction of the Secretary to determine the feasibility of utilizing such projects for water supply on an interim or permanent basis. The Secretary shall transmit a report of the results of such study, along with recommendations for the utilization of such projects for water supply, not later than two years after the date of enactment of this Act.

SEC. 854. The Secretary is authorized to design and construct a treatment plant and a regional conveyance system of water from Lake Arcadia to Edmund, Oklahoma, at an estimated cost of $19,000,000. The Secretary shall acquire and provide to the non-Federal interests the necessary lands, easements, and rights-of-way for the project. The non-Federal interests shall pay to the Secretary, before construction of the project, an amount equal to 20 per centum of the cost of such project (including the value of such lands, easements, and rights-of-way). The non-Federal interests shall repay the remainder of the costs of the project to the Secretary in accordance with the Water Supply Act of 1958, except that the interest rate shall be the applicable rate under the existing water supply contract, signed by the Secretary on November 13, 1979, and numbered DACW 56-79-C-0072.

SEC. 855. The Secretary is authorized and directed to construct treatment facilities and conveyance facilities to treat and convey water from Parker Lake to municipalities and rural water systems within the jurisdiction of the RedArk Development Authority in the State of Oklahoma, at a cost not to exceed $88,636,000. Subsection (c) of section 851 shall apply to such project.

SEC. 856. (a) The project for the Caesar Creek, Ohio River Basin, Ohio, authorized by section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1217), is hereby modified to authorize and direct the Secretary to construct a public water supply system in accordance with the document entitled "Southwest Ohio Water Plan", prepared by the Ohio Department of Natural Resources (April 1976), with such modifications as the Chief of Engineers deems advisable, at an estimated cost of $66,000,000.

(b) Prior to the construction of the water supply system pursuant to subsection (a) of this section, the Secretary shall enter into an agreement with appropriate non-Federal interests which provides that (1) such non-Federal interests will provide the Secretary with the lands, easements, and rights-of-way necessary for the Secretary to construct such water supply system, (2) after such construction is completed, all right, title, and interest of the United States, in such water supply system shall be conveyed to such non-Federal interests who shall thereafter operate and maintain such water supply system, and (3) the costs of construction shall be repaid to the Federal Government over a period of fifty years after completion of construction of the water supply system. The first annual payment shall be a minimum of 0.1 per centum of the total amount to be repaid. The annual payments shall be increased by 0.1 per centum each year until the tenth year at which time the payment shall be 1 per centum of the total principal amount to be repaid. Subsequent annual payments for the balance of forty years shall be one-fortieth of the balance remaining after the tenth annual payment (including interest over such fifty-year period at the rate specified in section 301(b) of the Water Supply Act of 1958).

SEC. 857. The Secretary, in cooperation with the States and political subdivisions thereof, shall make a detailed estimate of needed repair, rehabilitation, and construction of water supply and distribution facilities for municipal and industrial uses and the costs thereof in all of the States and of needed repair, rehabilitation, and construction of water supply and distribution facilities for municipal and industrial uses and the costs thereof in each of the States. The Secretary shall not include in this estimate any needed repair, rehabilitation, and construction of water supply and distribution facilities constructed in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory and supplementary thereto). In preparing such detailed estimate, the Secretary shall utilize information provided by the States. The Secretary shall transmit such detailed estimate to Congress not later than two years after the date of enactment of this Act.

The CHAIRMAN. Are there amendments to title VIII of the bill?

If not, the Clerk will designate title IX.

The text of title IX is as follows:

TITLE IX—NAMINGS

SEC. 901. The reservoir created by dam numbered 9 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Winthrop Rockefeller Reservoir". Any law, regulation, document, or record of the United States in which such reservoir is referred to shall be held to refer to such reservoir as the "Winthrop Rockefeller Reservoir".

SEC. 902. Lock and dam numbered 4 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Emmett Sanders Lock and Dam". Any law, regulation, document, or record of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "Emmett Sanders Lock and Dam".

SEC. 903. Lock and dam numbered 3 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Joe Hardin Lock and Dam". Any law, regulation, document, or record of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "Joe Hardin Lock and Dam".

SEC. 904. Lock and dam numbered 13 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "James W. Trimble Lock and Dam". Any law, regulation, document, or record of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "James W. Trimble Lock and Dam".

SEC. 905. Lock and dam numbered 9 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Arthur V. Ormond Lock and Dam". Any law, regulation, document, or record of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "Arthur V. Ormond Lock and Dam".

SEC. 906. The harbor located in Elmwood Township, Leelanau County, Michigan, and authorized as the Grand Traverse Bay by section 101 of the River and Harbor Act of 1948 (62 Stat. 1173) shall hereafter be known and designated as the "Greilickville

Harbor". Any reference in a law, map, regulation, document, record, or other paper of the United States to that harbor shall be deemed to be a reference to the "Greilickville Harbor".

SEC. 907. The harbor of the Port of Hickman on the Mississippi River at Hickman, Kentucky, shall hereafter be known and designated as the "Elvis Stahr Harbor, Port of Hickman". Any law, regulation, document, or record of the United States in which such harbor is referred to shall be held to refer to such harbor as the "Elvis Stahr Harbor, Port of Hickman".

SEC. 908. Dam numbered 2 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Wilbur D. Mills Dam". Any law, regulation, document, or record of the United States in which such dam is referred to shall be held to refer to such dam as the "Wilbur D. Mills Dam".

SEC. 909. The China Bluff access area which is being constructed by the Army Corps of Engineers as part of the Gainesville lock and dam portion of the Tennessee-Tombigbee Waterway project and which is located near Warsaw in Sumter County, Alabama, shall hereafter be known as the "S. W. Taylor Memorial Park". Any reference in any law, map, regulation, document, or other record of the United States to the China Bluff access area shall be held to be a reference to the "S. W. Taylor Memorial Park".

SEC. 910. The main channel of the project for San Leandro Marina, California, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution adopted by the Committee on Public Works of the House of Representatives on June 22, 1971, and by the Committee on Public Works of the Senate on December 15, 1970, shall hereafter be known and designated as the "Jack D. Maltester Channel". Any law, regulation, document, or record of the United States in which such channel is referred to shall be held to refer to such channel as the "Jack D. Maltester Channel".

SEC. 911. The visitor center at the powerhouse at the Richard B. Russell Dam and Lake project, South Carolina and Georgia, shall hereafter be known and designated as the "Peyton S. Hawes Visitor Center". Any reference in any law, map, regulation, document, record, or other paper of the United States to such visitor center shall be deemed to be a reference to the "Peyton S. Hawes Visitor Center".

SEC. 912. Calion Lock and Dam located on the Ouachita River near Calion, Arkansas, shall hereafter be known and designated as the "H. K. Thatcher Lock and Dam". Any reference in a law, map, regulation, document, record, or other paper of the United States to such lock and dam shall be held to be a reference to the "H. K. Thatcher Lock and Dam".

SEC. 913. The lock and dam on the Tombigbee River in Pickensville, Alabama, commonly known as the Aliceville Lock and Dam, and the visitor center to be constructed for the Tennessee-Tombigbee waterway in Pickensville, Alabama, shall hereafter be known as the "Tom Bevill Lock and Dam" and the "Tom Bevill Visitor Center", respectively. Any reference in a law, map, regulation, document, or paper of the United States to such lock and dam and any reference in a law, map, regulation, document, or paper of the United States to such visitor center shall be held to be a reference to the "Tom Bevill Lock and Dam" and the "Tom Bevill Visitor Center", respectively.

SEC. 914. The Lowndesville Recreation Area, located within the Richard B. Russell Dam and Lake project, South Carolina and Georgia, shall hereafter be known and designated as the "Jim Rampey Recreation Area". Any reference in any law, map, regulation, document, record, or other paper of the United States to such recreation area shall be deemed to be a reference to such area as the "Jim Rampey Recreation Area".

SEC. 915. (a) The visitors center described in subsection (b) shall hereafter be known and designated as the "J. E. Carnahan Visitors Center". Any reference in a law, map, regulation, document, record, or other paper of the United States to such visitors center shall be held to be a reference to the "J. E. Carnahan Visitors Center".

(b) The visitors center referred to in subsection (a) is the visitors center that—

(1) is located on State Road 73 at Caesar Creek Lake in the State of Ohio; and

(2) was constructed and is maintained under the general authorization of section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1216).

The CHAIRMAN. Are there amendments to title IX?

If not, the Clerk will designate title X.

The text of title X is as follows:

TITLE X—PROJECT DEAUTHORIZATIONS

SEC. 1001. The following projects, with a total estimated authorized cost of $11.1 billion, are not authorized after the date of enactment of this Act, except with respect to any portion of such a project which portion has been completed before such date or is under construction on such date:

ALABAMA

The project for flood control, Alabama River, Montgomery, Alabama, authorized by the Flood Control Act of 1958.

The project for hydroelectric power, Alabama-Coosa River Basin, Big Wills Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Crooked Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Hatchet Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Little River Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Mill Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Terrapin Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Waxahatchee Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Weogufka Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Yellowleaf Creek, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Big Canoe Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

ALASKA

The project for navigation, Myers Chuck Harbor, Alaska, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The jetty extension feature of the project for navigation, Nome Harbor, Alaska, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress.

The project for navigation, Skagway River, Alaska, authorized by the River and Harbor Act of June 20, 1938, Public Law 685, Seventy-fifth Congress, and section 10 of the Flood Control Act of 1946, except the 6,700 foot training dike and the 1,800-foot breakwater.

ARKANSAS

The project for flood control, Crooked Creek Lake Levee, Arkansas, authorized by the Flood Control Act of 1968.

The Gillette New Levee feature of the project for flood control, Lower Arkansas River, North Bank, Arkansas, authorized by the Flood Control Act of May 15, 1928, Public Law 391, Seventieth Congress; the Flood Control Act of June 22, 1936, Public Law 738, Seventh-fourth Congress; and the Flood Control Act of 1946.

The project for flood control, Murfreesboro Reservoir, Pike County, Arkansas, authorized by the Flood Control Act of 1950.

CALIFORNIA

The project for flood control, Alhambra Creek, California, authorized by the Flood Control Act of 1968.

The Aliso Creek Dam feature of the project for the Santa Ana River Basin, Orange County, California, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for flood control, Bear River, California, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works and Transportation of the House of Representatives, dated September 23, 1976, and resolution of the Committee on Environment and Public Works of the Senate, dated October 1, 1976.

The project for flood control, Butler Valley Dam, Mad River, California, authorized by the Flood Control Act of 1968.

The project for flood control, Eel River, California, authorized by the Flood Control Act of 1965, except for the completed levees on the right bank of the Eel River in the Sandy Prairie area.

The Sierra Madre Wash feature of the project for flood control, Los Angeles County Drain Area, California, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

The barrier groin and sandtrap feature of the project for navigation, Monterey Harbor, California, authorized by the River

and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Napa River Basin, California, authorized by the Flood Control Act of 1965.

The features of the project for navigation, Napa River, California, authorized by the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress, which features consist of construction of dikes and revetments.

That portion of the project for navigation, Old River, San Joaquin County, California, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress, consisting of a side channel at Orwood and completion of the project channels from the mouth of Old River to Lammers Ferry road and from Crocker Cut to the Holly Sugar Factory.

The San Juan Dam feature of the project for the Santa Ana River Basin, Orange County, California, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The Trabuco Dam feature of the project for the Santa Ana River Basin, Orange County, California, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for flood control, University Wash and Spring Brook, California, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and resolution of the Committee on Public Works of the Senate, dated June 22, 1971.

The shallow-draft channel, Colusa to Red Bluff, feature of the project for navigation, Sacramento River, California, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress.

Those features of the project for navigation, San Joaquin River, Stockton Deepwater Ship Channel, California, authorized by the River and Harbor Act of 1950, which features consist of construction of a new turning basin near Rough and Ready Island; enlargement of Upper Stockton Channel; construction of a 30-foot depth Burns Cut-off Channel around Rough and Ready Island, including construction of a combination rail and highway bridge; and construction of a new settling basin on San Joaquin River upstream from its confluence with Stockton Channel.

COLORADO

The project for flood control, Boulder, Colorado, authorized by the Flood Control Act of 1950.

The project for flood control, Castlewood Lake, Douglas County, Colorado, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

CONNECTICUT

The features of the project for navigation, Bridgeport Harbor-Black Rock Harbor, Connecticut, authorized by the River and Harbor Act of 1958, which features provide for construction of two rubble-mound breakwaters at the entrance to Black Rock Harbor and dredging a 28-acre anchorage 6 feet deep in Burr and Cedar Creeks at the head of Black Rock Harbor.

The project for navigation, Connecticut River below Hartford, Connecticut, authorized by the River and Harbor Act of 1950.

The feature of the project for navigation, Mystic River, New London County Channel, Connecticut, authorized by the River and Harbor Act of March 4, 1913, Public Law 429, Sixty-second Congress, which provides for the widening of the channel extending 4,700 feet from the United States Route 1 drawbridge to the Mystic Seaport site from its constructed width of 80 to 90 feet to a width of 100 feet.

The Walnut Beach and impermeable groins features of the project for beach erosion control, Silver Beach to Cedar Beach, Connecticut, authorized by the River and Harbor Act of 1954.

The six-foot anchorage at northeast end of Stonington Harbor feature of the project for navigation, Stonington Harbor, New London County, Connecticut, authorized by the River and Harbor Act of 1950.

The feature of the project for navigation, Thames River, New London County, Connecticut, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which provides for an increased channel width in the bend at Long Reach Upper Light (river mile 6.8).

The uncompleted portions of the project for navigation, New Haven Harbor, Connecticut, authorized by the River and Harbor Act of 1946, which portions consist of deepening the lower end of the Quinnipiac River Channel to 22 feet up to a point 1,000 feet above Ferry Street.

The project for navigation, New Haven Harbor, Connecticut, authorized by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress.

The uncompleted portions of the project for navigation, Milford Harbor, Connecticut, authorized by the River and Harbor Act of June 13, 1902, and the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress, which portions consist of a 5-acre anchorage, 10 feet deep, behind the east jetty at the east side of such jetty.

DISTRICT OF COLUMBIA

The project for flood control, Washington, D.C., and vicinity, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

FLORIDA

The Cross Bank to Key West portion of the project for navigation, Atlantic Intracoastal Waterway, Miami to Key West, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Biscayne Bay, Dade County, Florida, (Hurricane Barrier) authorized by the Act of June 15, 1955, Public Law 71, Eighty-fourth Congress.

That portion of the project for navigation, Cedar Keys Harbor, Levy County, Florida, authorized by the River and Harbor Act of July 5, 1884, consisting of the excavation of 1,500 cubic yards from an area known as the "middle ground" within the alignment of the main ship channel.

The Sebastian Channel feature of the project for navigation, Intracoastal Waterway, Jacksonville to Miami, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

Those portions of the project for navigation, Jacksonville Harbor Mooring Basin, Naval, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which portions consisting of a channel 28 feet deep by 590 feet wide extending from Laura Street to Saint Elmo W., Acosta Bridge; a channel and floodway along the south side of Commodore Point; and an approach and mooring basin at the Naval Reserve Armory near the Main Street bridge.

That portion of the project for navigation, Key West Harbor, Monroe County, Florida, authorized by the River and Harbor Act of September 19, 1890, consisting of two uncompleted jetties at the entrance to the northwest channel.

The uncompleted portions of the project for navigation, Miami Harbor, Miami River, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which portions consist of widening the mouth of the Miami River; providing a channel 8 feet by 20 feet from the mouth of the river to the Intracoastal Waterway, thence 100 feet wide to Government Cut; and providing a channel 12 feet by 100 feet from Miami to a harbor of refuge in Palmer Lake.

The Stuart turning basin feature of the project for navigation, Okeechobee Waterway, Martin County, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

That portion of the project for navigation, Oklawaha River, Florida, authorized by the River and Harbor Act of March 2, 1907, consisting of a channel 6 feet deep from the mouth of the river to the head of Silver Springs Run.

That portion of the project for navigation, Palm Beach Harbor, Florida, authorized by the River and Harbor Act of June 20, 1938, Public Law 685, Seventy-fifth Congress, consisting of a channel 16 feet deep and 150 feet wide from the Palm Beach Harbor Channel to an anchorage basin 16 feet deep, 750 feet wide, and 2,000 feet long in Lake Worth opposite Tangier Avenue.

The project for beach erosion control, Lake Worth Inlet to South Lake Worth Inlet, Palm Beach County, Florida, authorized by the River and Harbor Act of 1958, except the transfer plant.

The Carrabelle to St. Marks portion of the Gulf Intracoastal Waterway, Apalachicola Bay to Saint Marks River, Florida, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress; the Act of July 23, 1942 (Public Law 675, Seventy-seventh Congress); and the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The modification of the project for navigation, Pensacola Harbor, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

That portion of the project for navigation, Saint Augustine Harbor, Florida, authorized by the River and Harbor Act of 1950, which portion consists of the uncompleted future landward extension of the groin and jetty on the northside of the inlet.

That portion of the project for navigation, Tampa Harbor, Florida, authorized by the Flood Control Act of 1970, which portion consists of the last incremental one-foot depth for underkeel clearance.

GEORGIA

The project for hydroelectric power, Alabama-Coosa River Basin, Canton Lake, Georgia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Cartecay Lake, Georgia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Gilmer Lake, Georgia, authorized by the River and

Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Kingston Lake, Georgia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Lazer Creek Lake, Georgia, authorized by the Flood Control Act of 1965.

The project for hydroelectric power, Lower Auchumpkee Creek Lake, Georgia, authorized by the Act of December 30, 1963, Public Law 88-253.

The project for hydroelectric power, Spewrell Bluff Lake, Georgia, authorized by the Act of December 30, 1963, Public Law 88-253.

HAWAII

The project for navigation, Ala Wai Harbor, Oahu, Hawaii, authorized by the River and Harbor Act of 1968.

The project for beach erosion control, Hanapepe Bay Seawall, Kauai, Hawaii, authorized by the River and Harbor Act of 1958.

The project for navigation, Kaunakakai Deep Draft Harbor, Molokai, Hawaii, (modification) authorized by the River and Harbor Act of 1962.

The project for beach erosion control, Waimea Beach Seawall, Kauai, Hawaii, authorized by the River and Harbor Act of 1958.

IDAHO

The project for flood control, Mud Lake Area, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, South Fork, Clearwater River, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, Teton River, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, Blackfoot Reservoir, Idaho, authorized by Flood Control Act of 1962.

The project for flood control, Boise Valley, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, Cottonwood Creek Dam, Idaho, authorized by Flood Control Act of 1966.

The project for flood control, Heise-Roberts Levee Extension, Idaho, authorized by Flood Control Act of 1950, except for constructed levees along the left bank of the Snake River downstream from the mouth of Henry's Fork.

The project for flood control, Weiser River, Idaho, authorized by Flood Control Act of 1950.

The projcct for flood control, Whitebird Creek, Idaho, authorized by Flood Control Act of 1950.

ILLINOIS

The project for navigation, Chicago River, Cook County, Illinois, authorized by the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress.

The improvements to the beartraps feature of the project for navigation, Dam 43, Ohio River, Illinois, authorized by the River and Harbor Act of March 3, 1909, Public Law 317, Sixtieth Congress.

The project for flood control, Farmers Drainage and Levee District, Illinois, authorized by Flood Control Act of 1962.

The project for flood control, Freeport, Illinois, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The feature of the Illinois Waterway Navigation project, Illinois, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress, which feature consists of straightening a curve in the channel in the vicinity of Pekin, Illinois.

That portion of the project for shore protection, Kenilworth, Illinois, Shore of Lake Michigan, Illinois, authorized by the River and Harbor Act of 1954, which portion consists of protection of the Mahoney Park 200-foot long beach frontage located at the extreme south end of the village limits by constructing a steel sheet piling impermeable groin, about 200 feet long near the south lines of Mahoney Park.

The project for flood control, Levee Unit 1, Wabash River, Gallatin County, Illinois, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for flood control, Levees District Numbered 21, Vandalia, Illinois, authorized by the Flood Control Act of 1958.

The project for flood control, Little Calumet River, Illinois, authorized by the Flood Control Act of 1954.

The project for flood control, Metropolis, Illinois, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

That portion of the project for navigation, Mississippi River between Missouri River and Minneapolis, Minnesota, authorized by the River and Harbor Act of July 3, 1930, Public Law 520, Seventy-first Congress, which portion consists of construction of about 600 feet of guidewall extensions each at locks numbered 4, 5, 5A, 7, 8, 9, and 10.

The project for navigation, Ohio River Open Channel, Louis District, Illinois, authorized by the River and Harbor Act of March 2, 1827.

The project for navigation, Ohio River Open Channel, Ice Pier, Illinois, authorized by the River and Harbor Act of January 21, 1927.

The project for navigation, Ohio River Open Channel, Illinois, authorized by the River and Harbor Act of July 3, 1930.

The project for flood control, Peoria, Peoria County Levees, Illinois, authorized by the Flood Control Act of 1962.

The project for flood control, Shawneetown, Gallatin County Levee Enlargement, Illinois, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Scott County Drainage and Levee District, Illinois, authorized by the Flood Control Act of 1962.

The project for flood control, South Beloit, Illinois, authorized by the Flood Control Act of 1948.

The project for navigation, Waukegan Harbor, Illinois, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 17, 1970, and resolution of the Committee on Public Works of the Senate, dated December 8, 1970.

The project for flood control, William L. Springer Lake, Illinois, authorized by the Flood Control Act of 1962.

The project for navigation, Alton Commercial Harbor, Illinois, authorized by the River and Harbor Act of 1958.

The project for flood control, Keach Drainage and Levee District, Green County, Illinois, authorized by the Flood Control Act of 1962.

The project for flood control, Big Swan Drainage and Levee District, Illinois, authorized by the Flood Control Act of 1962.

The project for flood control, Fort Chartres and Ivy Landing Drainage District Numbered 5, Illinois, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and resolution of the Committee on Public Works of the Senate, dated December 17, 1970.

INDIANA

The project for flood control, Anderson, Madison County, Indiana, Earth Levee, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for navigation, Illinois Waterway, Cal-Sag Channel, Part 2, Indiana, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, and the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress.

The project for flood control, Levees between Shelby Bridge & Baums Bridge, Indiana, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for flood control, Marion, Indiana, authorized by the Flood Control Act of 1968.

That portion of the project for flood control, Vincennes, Indiana, authorized by the Flood Control Act of 1946, which portion consists of the uncompleted downstream levee to connect with high ground southeast of the city.

IOWA

The project for flood control, Davids Creek Lake, Iowa, authorized by the Flood Control Act of 1968.

The project for navigation, Fort Madison Harbor, Iowa, authorized by the River and Harbor Act of 1968.

The project for navigation, Keokuk Small Boat Harbor, Iowa, authorized by the River and Harbor Act of 1962.

The project for flood control, Missouri Levee System (units L-753, L-747, L-739, L-733, L-729, L-728, L-715, L-700, L-691, L-670, L-651, L-650, L-643, L-637, L-528), Iowa, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

KANSAS

The project for flood control, El Dorado, West Branch, Walnut River, Butler County, Kansas, authorized by the Flood Control Act of 1965.

The project for flood control, Garnett Lake, Pottawatomie Creek, Kansas, authorized by the Flood Control Act of 1954.

The project for flood control, Grove Lake, Kansas, authorized by the Flood Control Act of 1962.

The project for flood control, Indian Lake, Kansas, authorized by the Flood Control Act of 1970.

The project for navigation, Kansas River Navigation, Kansas, authorized by the River and Harbor Act of 1965.

The project for flood control, Missouri River Levee System, Kansas, (units R402 and R395-393) authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

The project for flood control, Neodesha Lake, Wilson County, Verdigris River, Kansas, authorized by the Flood Control

Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

The project for flood control, Tomahawk Lake, Blue River, Johnson County, Kansas, authorized by the Flood Control Act of 1970.

The project for flood control, Towanda Lake, Kansas, authorized by the Flood Control Act of 1965.

The modification to the project for flood control, Tuttle Creek Lake, Kansas, authorized by section 18 of the Water Resources Development Act of 1974, which modification consists of relocation of a portion of FAS 1208.

The project for flood control, Wolf-Coffee Lake, Kansas, authorized by the Flood Control Act of 1970.

The project for flood control, Cedar Point Lake, Kansas, authorized by the Flood Control Act of 1950.

The project for flood control, Cow Creek-Hutchison, Kansas, authorized by the Flood Control Act of 1962.

The project for flood control, Missouri River Levee System Levee R414, Kansas, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

KENTUCKY

The project for flood control, Caseyville, Union County, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Cloverport, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Concordia, Meade County, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The section A-A portion of the floodwall of the project for flood control, Louisville, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Middlesboro, Yellow Creek, Bell County, Kentucky, authorized by the Flood Control Act of December 22, 1944, Public Law 534, Seventy-eighth Congress.

The project for flood control, Tolu, Crittenden County, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

LOUISIANA

The project for flood control, Black Bayou, Reservoir, Caddo Parish, Louisiana, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for navigation, Overton-Red River Waterway above Mile 31, Louisiana, authorized by the River and Harbor Act of July 24, 1946, Public Law 526, Seventy-ninth Congress.

A portion of the project for navigation, Bayou La Fourche, Louisiana, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress, which portion consists of a 6-foot deep by 60-foot wide channel, 22 miles in length from Thibodaux to Lockport, Louisiana.

MAINE

That portion of the project for navigation, Bar Harbor, Maine, authorized by the River and Harbor Act of August 11, 1888, and the River and Harbor Act of September 19, 1890, which portion consists of completing the breakwater to its fully authorized cross-section.

The Dickey-Lincoln School project, Saint John River, Maine, authorized by section 204 of the Flood Control Act of 1965.

That portion of the project for navigation, Kennebec River, Maine, authorized by the River and Harbor Act of June 13, 1902, which portion consists of the 27-foot channel above the bridge at Bath, Maine.

That portion of the project for navigation, Rockland Harbor, Maine, authorized by the Act of June 29, 1956, Public Law 630, Eighty-fourth Congress, which portion consists of an 18-foot access channel, 100 feet wide and 900 feet long to the shipyard along southern waterfront, and uncompleted portions of the outer limits of three branch channels along the central waterfront.

MARYLAND

The feature of the project for navigation, Baltimore Harbor and channels, Maryland, authorized by the River and Harbor Acts of August 8, 1917, January 21, 1927, July 3, 1930, October 17, 1940, March 2, 1945, July 3, 1958, and December 31, 1970, which feature consists of a navigation channel 150 feet wide to Ferry Bar and thence 27 feet deep and 150 feet wide to the Hanover Street Bridge.

MASSACHUSETTS

The project for navigation, Edgartown Harbor, Massachusetts, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution adopted by the Committee on Public Works of the House of Representatives on December 15, 1970, and by the Committee on Public Works of the Senate on December 19, 1970.

The feature of the project for navigation, Fall River Harbor Channel, Massachusetts, authorized by the Act of July 3, 1930, Public Law 520, Seventy-first Congress, which feature consists of rock removal to a depth of 30 feet at the lower end of Hog Island Shoal at the north side of the entrance to Mount Hope Bay.

The project for navigation, Ipswich River, Massachusetts, authorized by the Flood Control Act of 1968.

The feature of the project for navigation, Nantucket Harbor of Refuge Anchorage, Massachusetts, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which feature consists of 15-foot deep anchorage, 2,800 feet long by 300 to 1,100 feet wide near the west side of the inner harbor, and a 15-foot deep fairway 200 feet wide between the anchorage and the main waterfront.

The project for navigation, New Bedford and Fairhaven Harbor, Bristol County, Massachusetts, authorized by the River and Harbor Act of July 25, 1912, Public Law 241, Sixty-second Congress.

The feature of the project for navigation, Newburyport Harbor, Essex County, Massachusetts, authorized by the Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which feature consists of deepening the entrance channel from 12 to 15 feet and deepening the turning basin along the Newburyport waterfront from 9 to 12 feet.

The Nookagee Lake feature of the project for flood control, North Nashua River, Massachusetts, authorized by the Flood Control Act of 1968, which feature consists of a multiple-purpose earthfill dam and reservoir on the North Nashua River in Westminster, Massachusetts.

The project for navigation, Pleasant Bay, Massachusetts, authorized by the Flood Control Act of 1970.

The feature of the project for navigation, Salem Harbor, Essex County, Massachusetts, authorized by the Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which feature consists of deepening to 10 feet a channel from deep water in the central part of Salem Harbor to Pickering Wharf near the South River.

The uncompleted groin feature of the project for beach erosion control, Winthrop Beach, Massachusetts, authorized by the River and Harbor Act of 1950.

The feature of the project for navigation, Lynn Harbor, Massachusetts, authorized by the River and Harbor Act of 1954, which feature consists of enlarging the turning basin to include the easterly 300 feet of the municipal channel.

The feature of the project for navigation, Lynn Harbor, Massachusetts, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress, which feature consists of deepening from 22 to 25 feet a 2.7-mile channel from Bass Point to and including a turning basin at the head of Lynn Harbor.

The project for flood control, Monoosnoc Brook, Massachusetts, authorized by the River and Harbor Act of 1966.

The project for flood control, Monoosnoc Lake, Worcester County, Massachusetts, authorized by the River and Harbor Act of November 7, 1966.

The feature of the project for beach erosion control, Cape Cod Canal to Provincetown, Massachusetts (Town Neck Beach), authorized by the River and Harbor Act of 1960 which feature consists of widening approximately 6,500 feet of beach east of the eastern entrance to Cape Cod Canal to 125 feet and raising the inshore end of the existing east jetty at the east entrance to such Canal.

MICHIGAN

The project for navigation, Forestville Harbor, Michigan, authorized by the River and Harbor Act of 1968.

The project for navigation, Middle Channel, Saint Clair River, Michigan, authorized by the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress.

The project for flood control, Red Run Drain, Lower Clinton River, Michigan, authorized by the Flood Control Act of 1970.

The uncompleted portion of the project for navigation, Grand Marais Harbor, Michigan, authorized by the River and Harbor Act of June 14, 1880, which portion consists of widening the inner portion of the channel from 250 to 300 feet.

The uncompleted portion of the project for navigation, Keweenaw Waterway, Houghton County, Michigan, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-third Congress, which portion consists of extending the lower entrance breakwater by 2,000 feet, including the necessary alteration or replacement of structures due to channel deepening.

The turning basin feature of the project for navigation, Ontonagon Harbor, Ontonagon County, Michigan, authorized by the River and Harbor Act of 1962.

The Sanilac Flats feature of the project for flood control, Saginaw River, Michigan, authorized by the Flood Control Act of 1958, which feature provides for major drainage improvements on Middle Branch and South Branch, Cross River, and a short reach of East Branch.

The Corunna feature of the project for flood control, Saginaw River, Michigan, authorized by the Flood Control Act of 1958,

which feature provides for flood protection by channel improvement, levee construction, and related work including construction of a 1,500 foot levee on the right bank; widening of two constrictive reaches of the Saginaw River at, and downstream of, the mill dam; enlargement of the spillway capacity of the mill dam; and removal of the remains of an abandoned railway bridge at the tile plant.

The Owosso feature of the project for flood control, Saginaw River, Michigan, authorized by the Flood Control Act of 1958, which feature provides flood protection by enlarging the river channel from the Ann Arbor Railroad Bridge to the city sewage treatment plant, removal of a portion of a building which encroaches on the river channel, removal of four dams and underpinning of the Main Street Bridge, and the provision of scour protection of four bridges.

The project for beach erosion control, Berrien County, Michigan (Saint Joseph Shore), authorized by the Flood Control Act of 1958.

The feature of the project for navigation, Alpena Harbor, Michigan, authorized by the River and Harbor Act of 1965, which feature consists of the proposed turning basin and breakwater reconfiguration.

MINNESOTA

The project for flood control, Warroad River and Bull Dog Creek, Minnesota, authorized by the Flood Control Act of 1962.

The feature of the navigation project for the Mississippi River between the Missouri River and Minneapolis, Minnesota, authorized by the River and Harbor Act of July 3, 1930, which feature consists of extension of the upper guidewall about 600 feet in length at lock numbered 3.

MISSISSIPPI

The project for navigation, Biloxi Harbor, Old Fort Bayou, Mississippi, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Buffalo River, Mississippi, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for navigation, Pascagoula Harbor, Main Channel, Mississippi, authorized by the River and Harbor Act of March 2, 1827.

MISSOURI

The project for recreation, Angler Use Sites, Missouri, authorized by the Flood Control Act of 1966.

The project for flood control, Braymer Lake Shoal Creek, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Brookfield Lake, Yellow Creek, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, East Muddy Creek, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Mercer Lake, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Mississippi River Agricultural Area 12, Missouri, authorized by the Flood Control Act of 1966.

The project for flood control, Pattonsburg Lake, Missouri, authorized by the Flood Control Act of 1965.

The project for hydroelectric power, Pomme de Terre Lake (Power Project), Missouri, authorized by the Flood Control Act of 1954.

The project for navigation, Sandy Slough Remedial Measures, Missouri, authorized by the River and Harbor Act of 1962.

The project for flood control, Trenton Lake, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Upper Grand River, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Mill Creek Lake, Missouri, authorized by the Flood Control Act of 1970.

NEBRASKA

The project for flood control, Little Nemaha River, Nemaha County, Nebraska, authorized by the Flood Control Act of 1965.

NEVADA

The project for flood control, Gleason Creek Dam, Nevada, authorized by the Flood Control Act of 1960.

The project for flood control, Humboldt River and Tributaries, Nevada, authorized by the Flood Control Act of 1950.

NEW JERSEY

The feature of the project for navigation, Newark Bay, Hackensack and Passaic Rivers, New Jersey, authorized by the River and Harbor Act of 1954 and by the River and Harbor Act of 1966 which feature consists of deepening of portions of the Hackensack River to 32 and 15 feet.

NEW YORK

The project for flood control, Allegany, New York, Unit 2, Five Mile Creek, authorized by the Flood Control Act of July 24, 1946, Public Law 526, Seventy-ninth Congress.

The project for flood control, Allegany, New York, Unit 1, Allegheny River, authorized by the Flood Control Act of July 24, 1946, Public Law 526, Seventy-ninth Congress.

The project for navigation, Hudson River, New York City to Albany (12-foot harbors), New York, authorized by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress.

The project for navigation, Hudson River, New York City to Albany (27-foot channel), New York, authorized by the Act of March 3, 1925, Public Law 585, Sixty-eighth Congress.

The project for navigation, Ogdensburg Harbor, New York, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-third Congress.

The project for flood control, Red Creek, New York, authorized by the Flood Control Act of 1966.

The uncompleted portion of the project for navigation, Ticonderoga River, Essex County, New York, authorized by the River and Harbor Act of March 3, 1881.

The project for navigation, Cape Vincent Harbor, New York, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for navigation, East Chester Creek, New York, authorized by the River and Harbor Act of 1950.

The project for hurricane protection, East Rockaway Inlet to Rockaway Inlet, Part 2, New York, authorized by the Flood Control Act of 1965.

The project for flood protection, Hammondsport, Glen Brook (Glen Brook Flume), New York, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

NORTH CAROLINA

The feature of the project for navigation, Atlantic Intracoastal Waterway—Peltier Creek, Carteret County, North Carolina, authorized by the River and Harbor Act of 1954, which feature includes a 12-foot channel. Maintenance of the existing 6-foot deep by 50-foot wide channel shall remain authorized.

The project for navigation, Atlantic Intracoastal Waterway Tidal Lock in Snows Cut, North Carolina, authorized by the River and Harbor Act of January 21, 1927, Public Law 560, Seventieth Congress.

The unconstructed portion of the project for flood control, Carolina Beach and Vicinity, South Area, North Carolina, authorized by the Flood Control Act of 1962, which portion extends south of the town limits of Carolina Beach.

The feature of the project for beach erosion control, Fort Macon State Park, North Carolina, authorized by the River and Harbor Act of 1962 and the Flood Control Act of 1962, which feature includes placing of capstone and remaining portions of beach fill and replenishment thereof.

The feature of the project for navigation, Morehead City Harbor, North Carolina, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress.

The project for beach stabilization and hurricane protection, Ocracoke Island, North Carolina, authorized by the Flood Control Act of 1965.

The project for beach stabilization and hurricane protection, Ocracoke Island-Village Shore, North Carolina, authorized by the Flood Control Act of 1965.

The feature of the project for navigation, Ocracoke Inlet Jetty, Hyde County, North Carolina, authorized by the River and Harbor Act of 1960, which feature consists of a single jetty extending from Ocracoke Island to the 20-foot depth in the Atlantic Ocean.

The portion of the project for navigation, Roanoke River, Halifax County, North Carolina, authorized by the River and Harbor Act of June 20, 1938, Public Law 685, Seventy-fifth Congress, which portion consists of constructing a 50-mile-long channel above Palmyra Landing to Weldon, North Carolina, 5 feet deep and 50 feet wide by dredging, snagging, and regulating.

OHIO

The additional beartraps, guardwalls, and extension of guidewalls features of the project for navigation, Ohio River, Ohio, authorized by the Flood Control Act of 1937.

The project for flood control, Burlington, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Chesapeake, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Empire-Stratton, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Martins Ferry, Belmont County, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Powhatan Point, Belmont County, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Proctorville, Ohio, authorized by the Flood Control Act

of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, South Point, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Salt Creek Lake, Ohio, authorized by the Flood Control Act of 1962.

OREGON

The project for flood control, Columbia Drainage District No. 1, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Deer Island Drainage District, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Shelton Ditch, Marion County, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Umpqua River-Scholfield River, Oregon, authorized by the Flood Control Act of September 22, 1922, Public Law 362, Sixty-seventh Congress, and the Flood Control Act of 1954.

The project for flood control, Cascadia Lake, Oregon, authorized by the Flood Control Act of 1962.

The project for flood control, Gate Creek Lake, Oregon, authorized by the Flood Control Act of 1962.

The project for flood control, Grande Ronde Lake, Oregon, authorized by the Flood Control Act of 1965.

The project for flood control, Grande Ronde Valley, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Holley Lake, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Pendleton Levees, Riverside Area, Oregon, authorized by the Flood Control Act of 1950.

The uncompleted portions of the project for navigation, Willamette River above Portland and Yamill River, Oregon, authorized by the River and Harbor Act of June 3, 1896, as modified by the River and Harbor Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for navigation, Willamette River at Willamette Falls, Oregon, authorized by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress, and the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

PENNSYLVANIA

The project for flood control, Brackenridge, Tarentum, and Natrona, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for navigation, Chester River, Delaware County (8-ft. channel), Pennsylvania, authorized by the River and Harbor Act of March 2, 1919, Public Law 323, Sixty-fifth Congress.

The project for flood control, Leetsdale, Allegheny County, Levee and Drainage Facility, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Muddy Creek Lake, Pennsylvania, authorized by the Flood Control Act of 1962.

The project for flood control, Neville Island, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, New Kensington and Parnassus, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Rochester, Beaver County, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Trexler Dam and Lake, Lehigh County, Pennsylvania, authorized as part of the Delaware River Basin project pursuant to section 203 of the Flood Control Act of 1962.

The project for navigation, Youghiogheny River Canalization, Pennsylvania, authorized by the River and Harbor Act of 1930, Public Law 395, Seventy-first Congress.

The project for flood control, Aquashicola Lake, Pennsylvania, authorized by the Flood Control Act of 1962.

The project for flood control, Maiden Creek Lake Earth Dam, Pennsylvania, authorized by the Flood Control Act of 1962.

PUERTO RICO

The project for navigation, Fajardo Harbor (28 foot Channel and Tidal Basin), Puerto Rico, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for navigation, Guayanes Harbor (23 foot channel and anchorage), Puerto Rico, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress.

RHODE ISLAND

The features of the project for navigation, Great Salt Pond, Newport County, Rhode Island, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which features include a 1,200-foot long north jetty at the entrance to Great Salt Pond and a 12-foot access channel and basin in the inner harbor (Trim Pond).

The features of the project for navigation, Harbor of Refuge, Block Island, Rhode Island, authorized by the River and Harbor Act of July 25, 1912, Public Law 241, Sixty-second Congress, which features include two 15-foot anchorages in the outer harbor.

The portions of the project for navigation, Pawcatuck River, Washington County, Rhode Island, authorized by the River and Harbor Act of June 3, 1896, which portions include widening the middle section of the Little Narraganset Bay channel by an additional 100 feet to 200 feet, widening a 5,000 foot section of the river channel at Avondale by an additional 100 feet to 200 feet, and by deepening a 2,000 foot section of the upper river channel by an additional 3 feet to 10 feet.

The portion of the project for navigation, Providence River and Harbor, Rhode Island, authorized by the River and Harbor Act of 1965, which portion consists of the branch channel along the India Point waterfront, 30 feet deep, 150 feet wide, and about 1,000 feet long.

The project for flood control, Westerly Hurricane Protection, Rhode Island, authorized by the Flood Control Act of 1965.

SOUTH CAROLINA

The project for navigation, Charleston Harbor, Ft. Moultrie Anchorage Area, South Carolina, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for navigation, Myrtle Beach, Anchorage Basin, South Carolina, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Reedy River, Greenville, South Carolina, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 1970, and resolution of the Committee on Public Works of the Senate, dated December 1970.

TENNESSEE

The project for navigation, Cumberland River above Nashville, Tennessee, authorized by the River and Harbor Act of August 5, 1886.

The project for navigation, Hiwassee River, Polk and Bradley Counties, Tennessee, authorized by the River and Harbor Act of August 14, 1876.

The project for flood control, Rossview Lake, Tennessee and Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Jacks River Lake, Tennessee, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

TEXAS

The project for flood control, Alpine, Texas, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated April 11, 1974, and resolution of the Committee on Public Works of the Senate, dated May 31, 1974.

The portion of the project for navigation, Brazos Island Habor, Texas, authorized by the River and Harbor Act of 1960, which portion consists of the north jetty extension.

The project for navigation, Brazos River, Velasco to Old Washington, Texas, authorized by the River and Harbor Act of June 13, 1902.

The project for navigation, Cedar Bayou (mile 3.0 to mile 11.0), Harris, Texas, authorized by the River and Harbor Act of September 19, 1890, as amended by the River and Harbor Act of July 3, 1930, Public Law 520, Seventy-first Congress.

The feature of the navigation project for the Channel to Port Bolivar, Texas, authorized by the River and Harbor Act of March 2, 1907, Public Law 168, Fifty-ninth Congress, as amended by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress, and the River and Harbor Act of March 2, 1919, which feature consists of a turning basin of 750 wide by 1,600 feet long and 30 feet deep.

The project for flood control, Duck Creek Channel Improvement, Texas, authorized by the Flood Control Act of 1965.

The portion of the project for navigation, Gulf Intracoastal Waterway Channel to Harlingen, Texas, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which portion consists of a channel from mile 25.8 to mile 31.0 on the Arroyo Colorado, upstream of the turning basin between Rio Hondo and Harlingen, Texas.

The feature of the project for navigation, Gulf Intracoastal Waterway-Chocolate Bayou, Texas, authorized by the River and Harbor Act of 1965, which feature consists of channel enlargement to 9 by 100 feet from channel mile 8.2 to channel mile 13.2 and construction of a turning basin 600 feet wide and 9 feet deep at channel mile 13.2 on Chocolate Bayou.

The portion of the project for navigation, Houston Ship Channel, Greens Bayou, Texas, authorized by the River and Harbor Act of 1965, which portion consists of the upper 1.1 mile increment of the project channel on Greens Bayou.

The portion of the project for navigation, Gulf Intracoastal Waterway, Texas, Channel Relocation in Matagorda Bay, authorized by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress, as amended by the River and Harbor Act of 1925, Public Law 585, Sixty-eighth Congress, the River and Harbor Act of January 21, 1927, Public Law 560, Sixty-ninth Congress, the River and Harbor Act of July 23, 1942, Public Law 675, Seventy-seventh Congress, and the River and Harbor Act of 1962, which portion consists of the relocation of a segment of the Gulf Intracoastal Waterway in Matagorda Bay between miles 454.3 and 471.3.

The project for flood control, Lake Brownwood, Texas, authorized by the Flood Control Act of 1968.

The project for flood control, Lake Fork Lake-Lake Fork Creek, Texas, authorized by the Flood Control Act of 1970.

The project for flood control, Navasota Lake, Texas, authorized by the Flood Control Act of 1968.

The project for flood control, Pecan Bayou Lake, Texas, authorized by the Flood Control Act of 1968.

The project for flood control, Peyton Creek, Matagorda County, Texas, authorized by section 201 of the Flood Control Act of 1965 and approved by resolutions of the Committee on Public Works of the House of Representatives and the Committee on Public Works of the Senate, dated October 12, 1972.

The project for flood control, Plainview, Texas, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and the Committee on Public Works of the Senate, dated December 17, 1970.

The project for flood control, Roanoke Lake, Texas, authorized by the River and Harbor Act of 1965.

The portion of the project for navigation, Sabine Neches Waterway Channel to Echo, Texas, authorized by the River and Harbor Act of 1962, which portion consists of the unconstructed channel in the Sabine River between Orange and Echo, Texas.

The project for navigation, Sabine River, Echo to Morgan Bluff, Texas, authorized by the Flood Control Act of 1970.

The Dallas Floodway Extension feature of the Trinity River project for flood control, Trinity River and tributaries, Texas, authorized by the Flood Control Act of 1965.

The Liberty Local Protection feature of the project for flood control, Trinity River and tributaries, Texas, authorized by the Flood Control Act of 1965.

The portion of the project for Gulf Intracoastal Waterway-Channel to Port Mansfield, Texas, authorized by section 4 of Public Law 86-248, which consists of a small craft basin at Port Mansfield, Texas.

UTAH

The project for flood control, Weber River and Tributaries, Morgan County, Utah, authorized by section 206 of the River and Harbor Act of 1968.

VERMONT

The project for flood control, Bennington, Vermont, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for navigation, Otter Creek, Addison County, Vermont, authorized by the River and Harbor Act of June 10, 1872.

The project for flood control, Rutland Otter Creek, Vermont, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress, as amended by the Flood Control Act of July 31, 1947, Public Law 296, Eightieth Congress.

VIRGINIA

The project for navigation, Thimble Shoal Channel, Virginia, authorized by the River and Harbor Act of 1954 consisting of side channels 32 feet deep and 450 feet wide on both sides of the 1,000-foot channel.

The project for flood control, water quality control, recreation, fish and wildlife enhancement, and hydroelectric power generation, Moore's Ferry Lake, Virginia and North Carolina, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The feature of the project for navigation, Pamunkey River, Hanover and King Counties, Virginia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which feature consists of a channel 5 feet deep and 50 feet wide between Bassett Ferry and Manquin Bridge.

VIRGIN ISLANDS

The uncompleted portion of the project for navigation, Christiansted Harbor-St. Croix, Virgin Islands, authorized by the River and Harbor Act of 1950, which portion consists of an approach channel 25 feet and 300 feet wide from the Caribbean Sea to and including a turning basin 25 feet deep, approximately 600 feet wide, and 900 feet long.

The portion of the project for navigation, St. Thomas Harbor, Virgin Islands, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress, which portion consists of construction of an entrance channel 36 feet deep and 600 feet wide, an anchorage area 33 feet deep, a breakwater 700 feet long between Rupert Rock and the mainland, and removal of Scorpion Rock to a depth of 36 feet.

WAKE ISLAND

The project for navigation, Wake Island Harbor, Wake Island, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress.

WASHINGTON

The project for flood control, Entiat River, Chelan County, Washington, authorized by the Flood Control Act of 1950.

The project for flood control, Lower Walla Walla River, Washington, authorized by the Flood Control Act of 1950.

The project for flood control, Methow River, Okanogan County, Washington, authorized by the Flood Control Act of 1950.

The uncompleted portion of the project for flood control, Okanogan River, Okanogan, Washington, authorized by the Flood Control Act of 1950.

The unconstructed groin feature of the project for navigation, Quillayute River, Clallam County, Washington, authorized by the Act of July 3, 1930, Public Law 520, Seventy-first Congress.

The feature of the project for navigation, Seattle Harbor, King County, Washington, authorized by the Act of July 3, 1930, Public Law 520, Seventy-first Congress, which feature consists of a settling basin located at the upper end of the existing Duwamish waterway navigation project about 1.4 miles above the 14th Avenue South Bridge.

The project for flood control, Spokane River, Spokane, Washington, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Yakima River at Ellensburg, Washington, authorized by the Flood Control Act of 1950.

The project for flood control, Palouse River, Whitman County, Washington, authorized by the Flood Control Act of 1950.

The project for flood control, Pullman Palouse River, Washington, authorized by the Flood Control Act of 1944.

The project for navigation, Stillaquamish River, Washington, authorized by the Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

WEST VIRGINIA

The project for flood control, Moundsville, Marshall County, Levees, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Panther Creek Lake, West Virginia, authorized by the Flood Control Act of 1965.

The project for flood control, Proctor, Wetzel County, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Ravenswood, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Rowlesburg Lake, West Virginia, authorized by the Flood Control Act of 1965.

The project for flood control, Warwood, Ohio County, Wall and Drainage, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, North Wheeling, Ohio County, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Wheeling, Ohio County, Levees, Walls and Pumping Plant, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Wheeling Island, Ohio County, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Birch Lake, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Woodlands, Marshall County, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

WISCONSIN

The project for navigation, Hudson Small Boat Harbor, Wisconsin, authorized by the Flood Control Act of 1950.

The project for navigation, Cassville Small Boat Harbor, Grant County, Wisconsin, authorized by the River and Harbor Act of 1962.

WYOMING

The project for flood control, Buffalo, Johnson County, Diversion Channel, Wyoming, authorized by the Flood Control Act of 1950.

SEC. 1002. (a) The project for navigation at Eastport Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 480), is not authorized after the date of enactment of this Act.

(b) The Secretary shall transfer without consideration to the city of Eastport, Maine, title to any facilities and improvements con-

structed by the United States as part of the project described in subsection (a) of this section. Such transfer shall be made as soon as practicable after the date of enactment of this Act. Nothing in this section shall require the conveyance of any interest in land underlying such project title to which is held by the State of Maine.

SEC. 1003. (a) The project for flood control, Lakeport Lake, California, authorized by the Flood Control Act of 1965, is not authorized after the date of enactment of this Act.

(b) Notwithstanding section 203 of the Federal Property and Administrative Services Act of 1949 and any other provision of law, the Secretary shall, during the five-year period beginning on the date of enactment of this Act, make all lands acquired by the United States for the Lakeport Lake project available for purchase by the Lake County Flood and Water Conservation District at the price at which such lands were acquired by the United States. Such District may waive the right to purchase any lands under the preceding sentence at any time during such period.

(c) Any conveyance of land under subsection (b) shall be made on the condition that the Lake County Flood and Water Conservation District administer such land for flood control and related purposes. If, at any time after such conveyance, such land is not so administered, all right, title, and interest in such land shall revert to the United States which shall have immediate right of reentry thereon.

SEC. 1004. (a) The Onaga Lake project, Vermillion Creek, Kansas, authorized by the Flood Control Act of 1962 (Public Law 87-874), is not authorized after the date of enactment of this Act.

(b) The Secretary shall expedite the current study under section 216 of the Flood Control Act of 1970 with respect to the addition of water supply storage at Tuttle Creek Lake, Kansas.

SEC. 1005. (a) The portion of the flood control project for the Illinois River and tributaries, Illinois, Wisconsin, and Indiana, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1189) which is to be located on the Sangamon River, Illinois, about 1 mile upstream from Decatur, Illinois, and which is known as the William L. Springer Lake project is not authorized after the date of enactment of this Act.

(b) Notwithstanding section 203 of the Federal Property and Administrative Services Act of 1949 and any other provision of law, before any lands acquired by the United States for the William L. Springer Lake project referred to in subsection (a) of this section are sold or otherwise disposed of or used for any purpose other than to carry out such project, such lands shall first be made available for purchase by the city of Decatur, Illinois, at the price at which such lands were acquired by the United States.

AMENDMENT OFFERED BY MR. WEAVER

Mr. WEAVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WEAVER: Page 308, after line 23, insert the following:

SEC. 1006. The project for Elk Creek Lake, Rogue River Basin, Oregon, authorized by the Flood Control Act of 1962, is not authorized after the date of the enactment of this Act.

Mr. WEAVER. Mr. Chairman, I would like to rise in support of this amendment and tell my distinguished colleague, the chairman of the subcommittee, and the ranking minority member of the subcommittee, that I believe this amendment strengthens your bill. I support your bill. I think it is a good bill. There are extremely valuable projects in this bill that I believe will enhance the strength of this country, and I commend you for it. I believe my amendment further strengthens the bill. It does not touch any provision in the bill now. I want that understood.

The Elk Creek Dam is not in this bill. It was authorized in 1962, 23 years ago, and it was authorized as part of a three-dam project. Two of those dams, Lost Creek Dam, Apple Creek Dam, have been built. They are in operation now. The third dam, Elk Creek Dam, the Corps of Engineers now says is no longer necessary. The job is being done by the two dams up there.

I would like to tell my colleagues that, for instance, the flood control situation in the Rogue River Basin is taken care of by these two dams now in operation. So, therefore, we have here a $120 million dam that is not needed. The Corps of Engineers says, "We do not want to build it."

The Oregonian, the leading newspaper of Oregon, the statewide daily, a pro-public works newspaper, has said this is the kind of overvalued and irresponsible project that gives legitimate projects a bad name.

Sentiment in Oregon has turned against the dam. Even a newspaper in the Rogue Valley, the Ashland Daily Tidings, has said, "We don't want the dam."

And so in these days of serious budget cutting, here is $120 million we can save. Actually we can save $32 million cash today on the barrelhead by deauthorizing this dam.

I want to make two things very clear to the Members, and I think these are extremely important things. First, the damsite was wholly in my district for 40 years. In 1975 I prevailed on the House to kill this dam. It was wholly in my district. Reapportionment came along a couple of years ago and drew new boundaries. Now the dam lies along the boundary of the district. It is shared by another Member and myself. But its effects, flood control and irrigation, what there is of them, are in my district. The major irrigation area is entirely in my district. The people affected are in my district. The Rogue River—and this is a dam on the Rogue River system—the Rogue River flows 200 miles from the dam to the ocean, and lies mostly in my district, for over half the distance, entirely in my district. So this dam is, in effect, in my district, although the site itself lies along the boundary.

The second point I would like to make to my colleagues is that construction has not begun. That is very important. Construction has not begun. They have been building a road, $40 million for a road that goes nowhere to nowhere, and literally nowhere to nowhere, and is money that should also be rescinded. But we are talking now about the dam itself and the deauthorization of this dam. That is the issue.

And to make sure the construction of this dam had not begun, I went during Labor Day down, and I stood at the very site of the dam, right where the dam is going to be built. I stood there, and there is not a thing done, absolutely nothing. No construction of any kind has been done. As a matter of fact, when I say I stood in the dam site, I stood right in the stream. There is something you should know about Elk Creek itself, right where the dam is. I jumped over the stream. And I am not a particularly good jumper. This is a little, tiny creek. It has no power in it, no hydroelectric power, no nothing. The Corps of Engineers says it now really does not have flood control, the irrigation project is killed. The Corps has canceled any recreational developments. The corps says it is just simply not needed. So it seems to me that in this day of budget cutting—maybe some other day we could afford to spend $120 million on a dam that did nothing, but today it seems this is the place to cut the deficit.

So when I could stand and jump over this little stream right where the dam is going to be built, is there any wonder that the Corps of Engineers does not want to build this monument to waste? Remember, I emphasize, this dam is not in this bill. This dam was authorized in 1962.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. WEAVER] has expired.

(By unanimous consent, Mr. WEAVER was allowed to proceed for 5 additional minutes.

Mr. WEAVER. I stood in the middle of this stream, actually jumped over it. It is a little creek. To dam it is inconceivable, and it is not in this bill. It was authorized in 1962 as part of a three-dam project. Two of the dams have been built. They take care of the flood control, the irrigation, the municipal water, good recreation facilities. And again I emphasize, I support this bill. This amendment strengthens an already good bill.

So we should not go ahead, mindlessly, as part of a three-dam project—and that is what has happened. It was part of a three-dam project planned 20 years ago, and we are just mindlessly going ahead and building it, if we do, without reevaluating it.

So I am going to conclude by asking my colleagues to consider themselves a board of directors of a company, and you are making products to sell, and are you going to make them at a profit? Consider the House as a board

of directors, and we are sitting as this board of directors. We have approved some very valuable projects that are going to be very helpful to us and our company, and now we have brought before us the Elk Creek Dam. So what do our accountants say? We asked our accountants to come in and give us an evaluation of the dam.

Well, the General Accounting Office has done a thorough study of Elk Creek Dam. The auditors will come in and testify to the board of directors that it is, they say, the worst project in the United States, the very worst that they have ever seen. It returns 20 cents on the dollar. It has got a cost-benefit ratio of one-fifth to one, according to the General Accounting Office auditors.

All right. Let us call in the construction division that are going to have to build it. What do they say about it? The Corps of Engineers comes in and talks to the board of directors, and they say, "We think the dam is a waste of money, we think it should not be built, we think the benefits are already there from the other two dams. We do not want it."

All rights, what about our customers, the people that this dam would serve? Sentiment has overwhelmingly changed against this dam. The newspapers in Oregon, the leading newspaper in Oregon, a newspaper in the Rogue Valley, say no, do not build the dam, it is irresponsible and overvalued. And we want to build other projects, they say. We want this money for other projects, not a waste, not a monument.

So as the board of directors, I ask my colleagues, let us not spend the money. I ask this House, vote yes on this amendment to deauthorize the Elk Creek Dam.

Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as the board of directors I want to appeal to you, as well, regarding this issue of Elk Creek Dam. And make no mistake about it, Elk Creek Dam is in my district. If there is any question about that, I just want to refer to a letter from the Jackson County assessor, when I ask him about this question: "Mr. Weaver must not be aware of the location of the district boundary or the location of Elk Creek."

This is an authorization bill. This is not a money bill. This bill does not appropriate any money, as we all know. And I must say that the gentleman from Oregon who has just spoken is the only public elected figure in Oregon who has been vocal against Elk Creek Dam.

Now, who is supporting it? I think that is fair to offer to the board. The support comes from the Governor of Oregon, from the two U.S. Senators from Oregon, from the county governments, which include one of this gentleman's counties, county governments affected, Jackson, Josephine, and Douglas, as well as this Member of Congress, where this particular dam is to be located, as well as the nonpartisan public water policy group in the State of Oregon, which has already identified its support for Elk Creek Dam. This is, as you have heard, a three-dam project, authorized in 1962. Two of the dams have been built, Lost Creek and Applegate, and this is the third part of that triangle of dams. And the fourth part, which has already, by the way, been built, is the mitigation against the destruction of salmon, which you may hear later. The Coe River hatchery is already in place, it is functioning at full capacity and, as a result, we have had the highest salmon runs on the Rogue River in history. So do not let anybody tell you a story about how this dam is going to injure the salmon runs on the Rogue River or the salmon runs in the Northwest.

An attempt to separate this dam from the complex would be, if done, the first time in history of this country that the Congress has pulled one leg of the triumvirate of this dam project apart. It is like cutting off the leg of your best halfback and asking him to go get you 100 yards in the game, or chopping off the arm of your tennis player and asking him to go out and win a tennis match.

This brings up the question of the cost-benefit ratio, which you have heard about, alleged. Let me say to you that the dam in the complex has a cost-benefit ratio of 1.24 to 1, without separating it out. And if you consider the sunk costs, in other words, what we have spent already on the Elk Creek Dam, you will find that the cost-benefit ratio is 1.62 to 1. This Congress has acted on this issue three times in the last 2 years. The Public Works Committee has looked at it, the Appropriations Committee, the Subcommittee on Energy and Water, has approved funding for this area, and now we are being asked to separate out from an appropriation bill this very important flood control project.

Let us get back to the question of salmon. As I mentioned, we have a mitigation program that protects the salmon runs on the Rogue River.

The two other dams, Lost Creek and Applegate, were also charged with the same kind of situation, where it would destroy the salmon run and would increase the turbidity of the river.

In the face of that, the two dams have been completed. As I mentioned, the largest salmon runs in the history of Oregon, twice their normal number, came up the Rogue, the salmon season was extended, even, for a period of time, because of the huge salmon runs in that area.

□ 1500

Turbidity is another issue charged against the other two dams; it will be charged here. Let me say to you that the Oregon Water Policy Review Commission, a nonpartisan commission, has made a study and they find that the Jackson Turbidity Unit, the unit used to measure turbidity, will be at five. Five is the legal, Federal requirement for drinking water. No turbidity.

Let us talk about the GAO study. The GAO study was conducted in 1982 based upon information gathered, pulled together numbers developed in the late seventies. It is old; it is antiquated, and the numbers that are used here should not be used in the argument on this issue.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. ROBERT F. SMITH] has expired.

(By unanimous consent, Mr. ROBERT F. SMITH was allowed to proceed for 3 additional minutes.)

Mr. ROBERT F. SMITH. I have asked the GAO to conduct a new study and they refused. There is a study involved in the bill as it is before you today, which is a good idea. But I suggest that using GAO numbers today is not proper and should not be used that way. What newspapers are approving this program?

The gentleman from Oregon noted that the leading newspaper in Oregon, the Oregonian, 300 miles to the north, by the way, this gentleman lives 200 miles to the north, 300 miles to the north, has made a statement about Elk Creek Dam. Now, if you want to side with somebody, why not side with the people who know about it in the localities and the counties. The Jackson County leading newspaper endorses it. The Josephine County leading newspaper endorses it as well as every other public official with the exception of one. I suggest if you are going to listen to the local opinion and who supports it and who does not, I think you should go to the local communities.

Members, the Public Works Committee on which I serve, was proud to serve for a period of 2 years, in this bill is authorizing a number of very, very important capital assets for the future of America. This ought to be one of them. The strength we have derived in this country is to be blessed with great natural resources and the ability and the ingenuity to harness them for the purpose of our people and for our future. Our only strength is in harnessing natural resources and providing for our future.

I ask the Members to retain this issue within this very fine bill. And I ask you to oppose the Weaver amendment which is supported by very, very few if none but one.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman.

Mr. WEAVER. Well, the gentleman knows that a majority of Members of the Oregon delegation oppose this dam and are going to vote against it.

Mr. ROBERT F. SMITH. I question that. I think you are wrong about that. I would suggest a majority have voted for it, if you look at the last vote.

Mr. WEAVER. I have their word today that a majority of the Oregon delegation is opposed to this dam.

Mr. ROBERT F. SMITH. But see there are seven in the Oregon delegation; two in the U.S. Senate and two here; that is four out of seven who support it.

Mr. WEAVER. If the gentleman will yield further, the gentleman knows that a letter was sent to Senator MARK HATFIELD by Assistant Secretary of the Army for Civil Works, William R. Gianelli, in which he says:

> At my request, the Corps of Engineers reviewed the Elk Creek project to test its economic feasibility in light of current conditions. This review shows that the project does not have a benefit-cost ratio greater than one either as a last added element or as part of the reservoir system and thus lacks economic feasibility.

Mr. ROBERT F. SMITH. Reclaiming my time, if I may point out to the gentleman, Mr. Gianelli is in Calfornia.

Mr. SEIBERLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of Congressman WEAVER's amendment to deauthorize the Elk Creek Dam project on the Rogue River in Oregon.

This project to construct a flood control and irrigation dam in Jackson County, OR, is unnecessary, potentially harmful to the environment, and economically unsound. The Corps of Engineers and the General Accounting Office both say that the dam isn't worth building. The Environmental Protection Agency has warned that releases from the dam would likely violate the Clean Water Act. And the administration opposes the project. At this time of concern about the budget deficit, we should stop this wasteful project and save around $100 million of Federal dollars.

The Elk Creek Dam is part of a three-dam project first authorized in 1962. The first two dams have already been built, but the third dam won't add appreciably to the system's benefits. The Portland Oregonian states that the project, "is not needed for flood control, not needed for power generation, not needed for irrigation and not needed for recreational enhancement." The project could severely damage the fishing and tourism industries along the Rogue River, part of the protected Wild and Scenic Rivers System. It could also harm the deer and elk populations in the area. Local business and environmental groups have joined forces in opposition to the project.

It is true that the dam itself would be inside of the district now represented by Representative BOB SMITH. But most of the negative impact on the Rogue River is in Representative WEAVER's district.

Since actual construction of the dam hasn't yet started, we should deauthorize the project and save millions of the taxpayers' oney. There is no reason to continue pouring millions of dollars into a project that has so little merit. The Portland Oregonian has stated, "Budget-minded national politicians have pointed to Elk Creek Dam over the years as an example of the worst kind of pork-barreling in the American West." I urge my colleagues to support the Weaver amendment and kill this wasteful, destructive, and unnecessary project.

It seems at a particularly appropriate time to do so when we are again going to be asked to vote on the Gramm-Rudman resolution. How on earth can we possibly, realistically get a handle on the Federal deficit if we are going to go on voting for turkeys like this. Here is an opportunity to strike about $100 million out of future deficits. It seems to me the gentleman from Oregon [Mr. WEAVER] ought to be given a merit badge for bringing it up instead of being opposed by Members of this House.

Mr. EMERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Oregon [Mr. ROBERT F. SMITH].

Mr. ROBERT F. SMITH. I thank the gentleman for yielding to me.

Mr. Chairman, let me say as I stand here before you and as the existing condition occurs in the House of Representatives, one-half of Elk Creek Dam is now funded. One-half. Should the House of Representatives take action as recommended by Mr. WEAVER, it will be a step backward not only for my constituents in southern Oregon but for the whole idea of public works and what is proposed to be in this country.

Yes; we can sever contracts across this Nation if we want to save money. If we want to stop progress in America, we want to sever dams that are being constructed across the Nation then we will stop them all. We could save some money, but I submit to you, that even Gramm-Rudman would not be opposed to financing this dam simply because it is half funded, and the cost-benefit ratio to finish is 1.62 to 1.

Now the Appropriations Committee, as I mentioned, has acted. They took action through the Energy and Water Program as well as the supplemental and as well as the Public Works Committee has reviewed this program. The GAO report again is ancient. I want to see another report; I want to see another study. The GAO report does not apply to today's numbers.

□ 1510

The Corps of Engineers' report is what you make of it and what you may see of it; it is here, it is there. If you want Mr. WEAVER's cost-benefit ratio, use it. If you want my Corps of Engineers' cost-benefit ratio, you will come up with 1.24 to 1 in one case, and with the sunk cost you will come up with 1.62 to 1.

Now, the Corps of Engineers' decision is not one that is final. It is this House of Representatives that directs what occurs in this Nation, and I urge the Members to examine this project carefully because it is a good project. It is cost-beneficial, and it does what the rest of the public works dams do in this country, it stops people from being flooded away from their homes in southern Oregon.

Mr. WEAVER. Mr. Chairman, will the gentleman yield so I may respond to the things the gentleman has just said?

Mr. EMERSON. I yield to the gentleman from Oregon.

Mr. WEAVER. Mr. Chairman, I thank the gentleman for yielding.

I want to make just one point among the many things said that I could contest. That is that there is not one single contract let on this dam, not a one. Absolutely, the corps is waiting for this vote in the House.

Now, the gentleman from Oregon cannot have it both ways. He argued on the appropriation bill that the money was all for a road. True, $40 million has been spent on a road from nowhere to nowhere. I mean literally it is out in the woods in Oregon, and I agree that is kind of silly. But not a penny has been spent on the dam except for land acquisition, and not a single contract has been let.

Mr. ROBERT F. SMITH. Mr. Chairman, will the gentleman yield further?

Mr. EMERSON. I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. Mr. Chairman, let me make this clear to the Members of the House who may be somewhat confused by this argument. The facts are that there has been appropriated, passed by the House and Senate, and sent to the President and signed into law not only the supplemental appropriation bill but also the energy and water bill containing the money for Elk Creek Dam. It is the law of the land, so let us not have anybody mistake the fact and say that there has not been one dime expended. There has been $24 million sunk already and, as well, $33 million signed by the President into law. So again we

are going to take a step back and eliminate a project that is half completed, half funded.

Mr. EMERSON. Mr. Chairman, I yield back the balance of my time.

Mr. STANGELAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Oregon, Mr. WEAVER. There are many reasons why this amendment should be rejected.

The project which Mr. WEAVER wants to delete would allow for the construction of a dam, a gated concrete spillway and an intake tower to control water quality. As part of a three-dam system, Elk Creek would provide flood control, water supply, water quality control, fish and wildlife enhancement, recreation and irrigation.

Work on Elk Creek was stopped after the State of Oregon withdrew its support in 1975. It is important to note, however, that this position changed. After extensive review, evaluation, and a public hearing, the State water policy review board reversed its position and supported Elk Creek.

The gentleman from Oregon now wants to reverse this decision once again. He would also treat Elk Creek as a separate project. Let me remind Members that our water resources omnibus bill makes numerous changes in the program of water resources development policy. A key to this approach is that authorized projects, especially those already under construction—like Elk Creek—should be treated as they were initially and not reevaluated under constantly changing procedures.

We have already made substantial, justifiable investments in the Elk Creek project. Up to September 30, 1984, $11.9 million had been appropriated. For fiscal year 1985, the regular appropriation was $10 million. It is important to note that the fiscal year 1985 Energy and Water Development Appropriation Act provides specific appropriations and statutory directions for the corps to proceed with Elk Creek's construction. In addition, the fiscal year 1985 supplemental appropriation and the fiscal year 1986 regular appropriation provide $33 million for dam construction. The entire project is well under way. In fact, $18.2 million have already been spent. We should resist the temptation of stopping what we've already started.

Elk Creek is one portion of the overall Rogue River project. It should not be treated as a separate project because it is an integral part of the system. Attempts to piecemeal this or other projects are very harmful to the need for a comprehensive approach to solving water resources problems. We should respect this approach.

There is another important reason to reject this amendment. The Elk Creek project is in another Member's district. The gentleman offering the amendment may have represented this area in the past, but he does not do so now. Therefore, we should deal with this project as the Member representing the area desires. The provision in H.R. 6 is one which the other Member has recommended.

For these reasons, I urge all my colleagues to reject the amendment.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would hope that this House would support the Weaver amendment.

So far the arguments against the Weaver amendment have been, first, that it was offered by a gentleman against this project which is outside his own district. We were then read a letter by the Assistant Secretary to the Army that said that this project had no economic feasibility, and we are told we should not consider that because the letter is signed by a gentleman from California.

We are told that we should not listen to the Oregonian newspaper because they are 300 miles to the north. But nobody has addressed the issue that has been raised by the Weaver amendment, and that is simply this: That we have billions of dollars in construction in this country waiting. There are hundreds of millions of dollars of construction that is immediately waiting, and at some point we have to pick and choose our priorities, whether it is in the Bureau of Reclamation or in the Corps of Engineers. And here we have a project seeking to come to the forefront, seeking to be funded by the appropriations process and be continued under this authorization process that simply does not merit our continued support.

The strongest argument that has been made on this floor is that somehow we should not stop what we started. I say to the Members that is how we end up spending hundreds of millions, if not billions of dollars, on boondoggles, and that is exactly what we have here. We have a project that started out to provide flood control M&I, water supply, irrigation water, all of which has been disavowed.

And let me tell the Members as the chairman of the authorization committee for the Bureau of Reclamation that it is a rare moment when the Bureau of Reclamation finds a project they do not want to sponsor. It is a rare moment when the Secretary of the Army and the Corps of Engineers find a project that they think has no economic feasibility. Do you know how bad a project has to be before the Corps of Engineers will disavow it? It has got to be horrible, because we have sat here during the 10 years that I have been in Congress and approved project after project where we had bad benefits, phony benefits, phony audits, and we continued them all.

Rarely in those instances will the corps come forward and say that this is a bad project, but that is exactly what they have done in this case when they have been asked to review this project. It is a rare moment when Members of this House can get up and stop a $120 million mistake in its tracks.

There has been planning money spent and design money spent, but there is not construction money. I happened to vote with the gentleman who is opposing this amendment during the appropriation process because there were suggestions that this project was well under way. In fact, that is not the case at all.

So we do no damage here. The damage we will do is to the public treasury should Members commit us on this course to build a $120 million project. For those Members who are afraid to look at other Members' projects lest their projects come under the same kind of scrutiny, let me just say that I think the Oregonian hit it on the head. It is these kinds of projects that give public works a bad name. It is these kinds of boondoggles that make it so difficult for those of us who are concerned about water development and about the development and enhancement of this resource in the West and elsewhere in this country. That is what destroys the credibility of public works because Congress apparently is unable to draw the distinctions between old dinosaurs and boondoggles and those which are relevant to today's setting and will enhance the infrastructure of this country.

Mr. Chairman, I would ask that the members of this committee support the Weaver amendment. It is good economics, it is good planning, it is very, very good policy, and it will mean that projects of greater merit will have an opportunity to be funded.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

I want to emphasize one point. The gentleman from Oregon who is seated here said that there were no contracts that had been let for this $32 million. The other gentleman from Oregon said that the $32 million has been appropriated. Both are accurate. The $32 million has been appropriated, but no contracts have yet obligated that $32 million, which means very simply that if we pass this amendment, we get the $32 million back.

The fact that it is appropriated does not automatically spend any of it. Had contracts been signed obligating the

$32 million, we would then be in a position where we could not get it back, but the fact that it has been appropriated does not in any way mean in this case that it is beyond salvage because no contracts have been signed.

□ 1520

I think the gentleman from California, who speaks with great expertise in the water field, ought to be listened to. We are in a position now whichever alternative passes in deficit reduction, $100 million here comes out of $100 million somewhere else. It is not necessarily that things are outrageous projects that have to be turned down. We are in, if we all take ourselves seriously, a new era in which we are giving a very tight limitation on money and we are checking one thing against another. This one seems clearly to me to fail the test.

But I want to emphasize that if we vote for this amendment, we save $32 million right away.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. I would just like to respond to the gentleman from Massachusetts' remarks.

That is very clear. I sit on the Budget Committee. I know what happened when we went through this account on the Budget Committee. I am chairman of the authorizing committee on the Bureau of Reclamation, and I watched what happened in the Corps of Engineers, and I can tell you it is going to happen again if any of the scenarios we have laid out before us now come to pass in this Congress in the next few days.

We gave up hundreds of millions of dollars. There is not room in those budgets for these kinds of projects, because there are projects that are valid, that are necessary, that are urgently needed in different areas of this country, but what we have now is we have projects with a few politically powerful sponsors that crown out the ability of anything else to be funded. And we gave up in the Bureau budget and we gave up in the corps budget an awful lot of budget authority. We are going to go back to that and you are going to have this kind of project sitting there and using up resources when they cannot be justified in any way, shape or form.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has again expired.

(At the request of Mr. WEAVER, and by unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Oregon.

Mr. WEAVER. Mr. Chairman, I thank the gentleman for yielding and for his good comments.

Mr. Chairman, I just want to conclude by saying to my chairman that I support his bill. It has extremely valuable projects in it. This amendment will strengthen the bill. It takes out a worthless project and gives the money to those things that are important.

And one final thing as to whether the dam is started or not. Only a few weeks ago I stood right on the dam site. Not a thing has been done.

Mr. MILLER. Did the gentleman get wet?

Mr. WEAVER. Not a contract has been let.

But I was about to jump over this little stream, jump over it, where the dam would be built. That is why the corps thinks it should not be built.

Mr. MILLER. Mr. Chairman, I would hope that the committee would support the Weaver amendment.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, as a member of the Public Works Committee, I, too, was a part of deauthorizing some $11 billion of projects in this Nation and at the beginning of the work that is culminating here today on a very excellent H.R. 6 2 years ago. But not one time do I recall that there was ever a project deauthorized over the objection of the person in that particular district. It did not occur. It did not happen.

For the life of me, I cannot understand why one small district in America, in southern Oregon, is getting all the attention from California, Massachusetts, and Ohio to do the same things that public works projects do for the people in Massachusetts, Ohio, and California, and that is to protect their citizens against floods and disasters.

This is part of a three-dam program to provide flood control to stop disasters in southern Oregon. Why would all of these people suddenly find—and I guarantee you I suspect not one has been to southern Oregon, not one knows the exact whereabouts of this particular dam and not one knows the consequences of the drastic flooding that has occurred along the Rogue River in the past.

I am asking what we are going to give to Ohio, Massachusetts, and California for southern Oregon, no more and no less.

Mr. CALLAHAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. WEAVER].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SNYDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 220, answered "present" 1, not voting 13, as follows:

[Roll No. 395]

AYES—200

Ackerman	Ford (TN)	Obey
Alexander	Frank	Olin
Andrews	Frenzel	Owens
Annunzio	Fuqua	Pease
Anthony	Garcia	Porter
Archer	Gejdenson	Ray
Armey	Gephardt	Reid
Aspin	Gibbons	Richardson
AuCoin	Glickman	Ritter
Barnes	Gonzalez	Roemer
Bartlett	Gradison	Rose
Barton	Gray (PA)	Roybal
Bates	Green	Russo
Bedell	Gregg	Sabo
Beilenson	Hall (OH)	Savage
Berman	Hamilton	Schneider
Biaggi	Hatcher	Schroeder
Bilirakis	Hayes	Schumer
Boehlert	Hefner	Seiberling
Boland	Heftel	Sharp
Bonior (MI)	Henry	Shelby
Bonker	Hertel	Sikorski
Borski	Hiler	Skelton
Bosco	Hughes	Slattery
Boxer	Jacobs	Smith (FL)
Brooks	Jeffords	Smith, Robert (NH)
Brown (CA)	Jenkins	Snowe
Broyhill	Johnson	Solarz
Bruce	Jones (NC)	Spratt
Bryant	Jones (OK)	Stallings
Burton (CA)	Jones (TN)	Stark
Bustamante	Kaptur	Stenholm
Carper	Kastenmeier	Stokes
Carr	Kennelly	Stratton
Chapman	Kildee	Studds
Coats	Kleczka	Sweeney
Cobey	Kostmayer	Swift
Coelho	Lantos	Swindall
Coleman (TX)	Leach (IA)	Synar
Collins	Lehman (CA)	Tallon
Conyers	Leland	Tauke
Cooper	Levin (MI)	Torres
Crockett	Levine (CA)	Traxler
Daniel	Lowry (WA)	Udall
Darden	Lundine	Vento
Dellums	MacKay	Visclosky
Derrick	Markey	Volkmer
Dixon	Martinez	Walgren
Dornan (CA)	Matsui	Walker
Downey	McCloskey	Waxman
Dreier	McCollum	Weaver
Durbin	McCurdy	Weber
Dymally	McKernan	Weiss
Early	McKinney	Wheat
Eckart (OH)	Meyers	Whitehurst
Edgar	Miller (CA)	Whitley
Edwards (CA)	Miller (WA)	Williams
English	Mineta	Wirth
Erdreich	Mitchell	Wise
Evans (IL)	Moakley	Wolpe
Fascell	Moody	Wright
Fawell	Morrison (CT)	Wyden
Feighan	Mrazek	Yates
Fish	Murphy	Yatron
Flippo	Neal	Young (MO)
Foglietta	Oakar	Zschau
Foley	Oberstar	

NOES—220

Akaka	Barnard	Bevill
Anderson	Bateman	Bliley
Applegate	Bennett	Boggs
Atkins	Bentley	Boner (TN)
Badham	Bereuter	Boucher

Boulter	Hubbard	Pepper
Breaux	Huckaby	Perkins
Broomfield	Hunter	Petri
Brown (CO)	Hutto	Pickle
Burton (IN)	Hyde	Price
Byron	Ireland	Pursell
Callahan	Kanjorski	Quillen
Campbell	Kasich	Rahall
Carney	Kemp	Rangel
Chandler	Kindness	Regula
Chappell	Kolbe	Ridge
Chappie	Kolter	Rinaldo
Cheney	Kramer	Roberts
Clinger	LaFalce	Robinson
Coble	Lagomarsino	Rodino
Coleman (MO)	Latta	Roe
Combest	Leath (TX)	Rogers
Conte	Lehman (FL)	Rostenkowski
Coughlin	Lent	Roth
Courter	Lewis (CA)	Roukema
Coyne	Lewis (FL)	Rowland (CT)
Craig	Lightfoot	Rowland (GA)
Daschle	Lipinski	Rudd
Daub	Livingston	Saxton
Davis	Lloyd	Schaefer
de la Garza	Long	Scheuer
DeLay	Lott	Schuette
DeWine	Lowery (CA)	Sensenbrenner
Dickinson	Lujan	Shaw
Dicks	Luken	Shumway
DioGuardi	Lungren	Shuster
Donnelly	Mack	Siljander
Dorgan (ND)	Madigan	Sisisky
Dowdy	Manton	Skeen
Duncan	Marlenee	Slaughter
Dwyer	Martin (IL)	Smith (IA)
Dyson	Martin (NY)	Smith (NE)
Edwards (OK)	Mazzoli	Smith (NJ)
Emerson	McCain	Smith, Denny (OR)
Fazio	McCandless	Smith, Robert (OR)
Fiedler	McDade	Snyder
Fields	McEwen	Solomon
Florio	McGrath	Spence
Ford (MI)	McHugh	St Germain
Franklin	McMillan	Stangeland
Frost	Mica	Strang
Gallo	Michel	Stump
Gaydos	Mikulski	Sundquist
Gekas	Miller (OH)	Tauzin
Gilman	Molinari	Taylor
Gingrich	Mollohan	Thomas (CA)
Goodling	Monson	Thomas (GA)
Gordon	Montgomery	Torricelli
Gray (IL)	Moore	Towns
Grotberg	Moorhead	Traficant
Guarini	Morrison (WA)	Valentine
Gunderson	Murtha	Vander Jagt
Hall, Ralph	Myers	Vucanovich
Hammerschmidt	Natcher	Watkins
Hansen	Nichols	Whittaker
Hartnett	Nielson	Whitten
Hawkins	Nowak	Wilson
Hendon	O'Brien	Wolf
Hillis	Ortiz	Wortley
Holt	Oxley	Wylie
Hopkins	Packard	Young (AK)
Horton	Parris	Young (FL)
Howard	Pashayan	
Hoyer	Penny	

ANSWERED "PRESENT"—1

Schulze

NOT VOTING—13

Addabbo	Eckert (NY)	Nelson
Clay	Evans (IA)	Panetta
Crane	Fowler	Staggers
Dannemeyer	Loeffler	
Dingell	Mavroules	

□ 1535

Mr. DASCHLE and Mr. SCHEUER changed their votes from "aye" to "no."

Messrs. CROCKETT, ARMEY, WEBER, DREIER of California, VOLKMER, WHITLEY, HEFNER, and GONZALEZ changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1545

Mr. ROE. Mr. Chairman, we find we have made a technical error in title I. I ask unanimous consent to revert back to title I so that I may offer a corrective amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AMENDMENT OFFERED BY MR. ROE

Mr. ROE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROE: Page 12, after line 2, insert the following:

FRESH KILLS IN CARTERET, NEW JERSEY

The project for navigation, Fresh Kills in Carteret, New Jersey, which project consists of extending the Arthur Kill Channel at a depth of 40 feet to the Fresh Kills in Carteret, New Jersey, and easing of such bends as the Secretary determines are necessary to enhance navigation, at an estimated cost of $26,000,000. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Such project shall include any modifications that may be recommended by the Secretary with respect to such project under section 103 of this Act.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ROE Mr. Chairman, this is a technical error. We struck out a section in the port title on a project in New Jersey and New York which was done in error, and that is really all it amounts to. We are reinstating that language. It was a technical error.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, we have reviewed the amendment on this side and we agree that it is a technical correction. We think it ought to be done and certainly support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. ROE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COLEMAN OF MISSOURI

Mr. COLEMAN of Missouri. Mr Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLEMAN of Missouri: Page 283, strike out lines 12 through 21.

Page 284, strike out lines 1 and 2.

Page 284, strike out lines 9 through 12.

Mr. COLEMAN of Missouri. Mr. Chairman, the thrust of this amendment is to retain the authorization for several water projects in the Grand River basin which I have asked the Chairman to reinstate.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I certainly yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, we have reviewed this amendment in title X. The gentleman has three dam authorizations that were stricken, and we have no objection on this side.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding. I, too, have reviewed the amendment. We had deauthorized projects that now Missouri and the gentleman wish to have reauthorized, and we approve of the gentleman's amendment.

Mr. COLEMAN of Missouri. I thank the gentleman and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. COLEMAN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LEATH OF TEXAS

Mr. LEATH of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEATH of Texas: Page 299, strike out lines 3 and 4.

Mr. LEATH of Texas. Mr. Chairman, my amendment to title X is very simple, and I will not take much of the committee's time. It strikes existing language that would deauthorize the Pecan Bayou Lake flood control project originally authorized in 1968.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. LEATH of Texas. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I rise in support of the gentleman's amendment and I urge its adoption.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. LEATH of Texas. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, the committee has reviewed the amendment on our side. It is a corrective amendment and we have no objection to it on our side.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. LEATH of Texas. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, we have reviewed the amendment and we certainly support the amendment.

Mr. LEATH of Texas. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. LEATH].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title X?

If not, the Clerk will designate title XI.

The text of title XI is as follows:

TITLE XI—GENERAL PROVISIONS

SEC. 1101. (a) The objectives of enhancing regional economic development, the quality of the total environment (including its protection and improvement), the well-being of the people of the United States, the prevention of loss of life, preservation of cultural and historical values, and national economic development shall be the objectives to be included in water resources projects carried out by the Secretary, and the benefits and costs attributable to such objectives, both quantifiable and unquantifiable, shall be included in the evaluation of the benefits and costs of such projects.

(b) Notwithstanding any other provision of law, for purposes of analyzing in accordance with the first section of the Flood Control Act of June 22, 1936 (49 Stat. 1570; 33 U.S.C. 701a), the costs and benefits of a water resources project which includes any element which provides flood protection to any distressed low-income area, as determined by the Secretary, the benefits to be derived from carrying out such element shall be deemed to exceed the costs of carrying out such element.

SEC. 1102. (a) In the case of any water resources study authorized to be undertaken by the Secretary, the Secretary shall prepare a feasibility report. Such feasibility report shall describe, with reasonable certainty, the environmental benefits and detriments, the costs and benefits attributable to each of the objectives set forth in section 1101 of this title, the engineering features (including hydrologic and geologic information), the public acceptability, and the purposes, scope, and scale of the recommended plan. The feasibility report shall also include the views of other Federal agencies and non-Federal agencies with regard to the recommended plan, a description of a nonstructural alternative to the recommended plan when such plan does not have significant nonstructural features, and a description of the Federal and non-Federal participation in such plan, and shall demonstrate that States, other non-Federal interests, and Federal agencies have been consulted in the development of the recommended plan. This subsection shall not apply to (1) any study with respect to which a report has been submitted to Congress before the date of enactment of this Act, (2) any study for a project which project is authorized by this Act, and (3) any study for a project which is authorized under any of the following sections: section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), section 2 of the Flood Control Act of August 28, 1937 (33 U.S.C. 701g), section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r), section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), section 3 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426g), and section 111 of the River and Harbor Act of 1968 (33 U.S.C. 426i).

(b) Before preparing any feasibility report under subsection (a), the Secretary shall first perform, at full Federal expense, a reconnaissance survey of the potential water resources project for the purpose of defining water resources problems and needs to be addressed by such project and identifying potential solutions to such problems in sufficient detail to enable the Secretary to determine whether or not planning of such project should proceed to the preparation of such feasibility report. Such survey shall include a preliminary analysis of the Federal interest, costs, benefits, and environmental impacts of such project and an estimate of the costs of preparing the feasibility report.

(c)(1) Non-Federal interests shall contribute 50 percent of the cost of any feasibility report for any water resources study prepared by the Secretary or the Secretary of the Interior during the period of such study. Not less than one-half of such non-Federal contribution shall be made by payments, and not more than one-half of such contribution may be made by the provision of services, materials, or supplies necessary to prepare the feasibility report. Any amount contributed by non-Federal interests under this paragraph shall be credited toward the non-Federal share, if any, of the cost of construction of the project for which such report is prepared.

(2) This subsection shall only apply to any water resources study for which no Federal funds have been obligated before the date of enactment of this Act. This subsection shall not apply to any water resources study for any navigation improvement to the inland waterway system.

SEC. 1103. In the evaluation by the Secretary of benefits and costs of a water resources project, the benefits attributable to measures included in a project for the purpose of environmental quality, including protection and improvement of the environment, mitigation of project-caused fish and wildlife losses (including habitat), and fish and wildlife enhancement shall be deemed to be at least equal to the costs of such measures.

SEC. 1104. There is established an Environmental Protection and Mitigation Fund. There is authorized to be appropriated to such fund $35,000,000 for fiscal years beginning after September 30, 1985. Amounts in the fund shall be available for undertaking, in advance of construction of any water resources project authorized to be constructed by the Secretary, such measures authorized as part of such project, including the acquisition of lands and interests therein, as may be necessary to ensure that project-induced losses to fish and wildlife production and habitat will be mitigated. The Secretary shall reimburse the Fund for any amounts expended under this section for a water resources project from the first appropriations made for construction, including planning and designing, of such project.

SEC. 1105. (a) The Secretary, in coordination with the Secretary of the Interior and in consultation with appropriate Federal, State, and local agencies, is authorized to study the water resources needs of river basins and regions of the United States. The Secretaries shall report the results of such study to Congress not later than October 1, 1987.

(b) In carrying out the studies authorized under subsection (a) of this section, the Secretaries shall consult with State, interstate, and local governmental entities.

SEC. 1106. (a) The Secretary may establish and develop separate campgrounds for individuals sixty-two years of age or older at any lake or reservoir under the jurisdiction of the Secretary where camping is permitted.

(b) The Secretary may prescribe regulations to control the use of and the access to any separate campground established and developed under subsection (a) of this section.

(c) There are authorized to be appropriated such sums as may be necessary for fiscal years beginning after September 30, 1985, to carry out subsection (a) of this section.

(d) The Secretary shall establish and develop the parcel of land (located in the State of Texas at the Sam Rayburn Dam and Reservoir) described in subsection (g) of this section as a separate campground for individuals sixty-two years of age or older.

(e) The Secretary shall prescribe regulations to control the use of and the access to the separate campground established and developed pursuant to subsection (d) of this section.

(f) There are authorized to be appropriated for fiscal years beginning after September 30, 1985, $600,000 to carry out subsection (d) of this section.

(g) The parcel of land to be established and developed as a separate campground pursuant to subsection (d) of this section is a tract of land of approximately 50 acres which is located in the county of Angelina in the State of Texas and which is part of the Thomas Hanks survey. The boundary of the parcel begins at a point at the corner furthest west of tract numbered 3420 of the Sam Rayburn Dam and Reservoir:

thence north 81 degrees 30 minutes east, approximately 2,800 feet to a point at the edge of the water;

thence south along the edge of the water approximately 2,600 feet;

thence north 80 degrees 30 minutes west, approximately 1,960 feet to a point at the reentrant corner of tract numbered 3419 of the Sam Rayburn Dam and Reservoir;

thence along the boundary line of tract numbered 3419 north 46 degrees 15 minutes west, 220 feet to a point at the center line of a road at the corner common to tract numbered 3419 and tract numbered 3420;

thence along the southwestern boundary line of tract numbered 3420 north 46 degrees 15 minutes west, 230 feet to a point at the corner furthest east of tract numbered 3424 of the Sam Rayburn Dam and Reservoir;

thence along the boundary line of tract numbered 3424 south 32 degrees 4 minutes west, 420 feet to a point;

thence along the boundary line of tract numbered 3424 north 28 degrees 34 minutes west, 170 feet to a point;

thence along the boundary line of tract numbered 3424 north 38 degrees 15 minutes east, 248 feet to a point;

thence along the boundary line of tract numbered 3424 north 32 degrees 44 minutes east, 120 feet to a point at the corner furthest north of tract numbered 3424;

thence along the southwestern boundary line of tract numbered 3420 north 46 degrees 15 minutes west, 460 feet to the beginning point.

SEC. 1107. Section 2(h) of the Act entitled "An Act to deauthorize several projects within the jurisdiction of the Army Corps of Engineers" (Public Law 97-128) is amended to read as follows:

"(h) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake, at full Federal expense, such structural and nonstructural measures as he determines to be economically and engineeringly feasible to prevent flood damage to communities along the route of the Meramec River and its tributaries in Saint Louis, Jefferson, and Franklin Counties (including the community of Pacific, Missouri), Missouri, at an estimated cost of $100,000,000. Such structural measures shall not include the construction of any dam or reservoir on the Meramec River.".

SEC. 1108. Section 111 of the River and Harbor Act of 1968 is amended by inserting after "construct projects" the following: "(both structural and nonstructural)".

SEC. 1109. (a) Section 4 of the Act entitled "An Act to authorize the Secretary of the Army to undertake a national program of inspection of dams", approved August 8, 1972 (Public Law 92-367; 33 U.S.C. 467c), is amended by inserting "(a)" immediately after "SEC. 4.", and by adding at the end thereof the following new subsection:

"(b)(1) In any case where the Secretary determines that a dam inspected under this Act or under the authority of any other Federal law which is owned by a State, a political subdivision thereof, or any other such public agency or instrumentality is in such a hazardous condition that it is a danger to human life or property, the Secretary is authorized to restore such dam to a safe condition if the State, political subdivision, or other public agency or instrumentality owning such dam agrees prior to any such restoration (A) to pay 20 percent of the costs of such restoration during the period such restoration is carried out, (B) to repay to the United States, over a period not to exceed 50 years from the date of completion of the restoration, the remaining costs of such restoration, together with interest, at a rate computed in accordance with section 301(b) of the Water Supply Act of 1958, and (C) to maintain such dam upon completion of such restoration in a safe condition.

"(2) The Secretary is not authorized to carry out any of the work described in this subsection unless the State in which the work is to be accomplished has in existence and is maintaining a dam safety program for non-Federal dams which insures that non-Federal dams are built in accordance with sound engineering practice, protect the safety of the public, and are maintained in safe condition.

"(3) There are authorized to be appropriated to carry out this subsection $30,000,000 for each fiscal year beginning after September 30, 1985.".

(b) Section 3 of such Act (33 U.S.C. 467b) is amended by adding after the first sentence thereof the following new sentence: "In any case in which any hazardous conditions are found during an inspection, upon request by the owner, the Secretary, acting through the Chief of Engineers, may perform detailed engineering studies to determine the structural integrity of the dam, subject to reimbursement of such expense.".

(c) The Secretary, in accordance with section 4 of such Act, as amended by subsection (a) of this section, shall repair the spillway and undertake such other measures as the Secretary determines are necessary to restore the safety of the dam used to supply water to Schuyler County Public Water Supply District Number 1, Missouri.

(d) The Secretary, in accordance with such section 4, shall make necessary repairs to the Milton Dam in Mahoning County, Ohio, in accordance with the remedial measures described in the report of the District Engineer, Pittsburgh District, entitled "Milton Dam, Mahoning County, Ohio, Investigation to Determine the Adequacy of Structural and Hydraulic Components", dated February 1980.

(e) Section 5 of such Act is amended by inserting "(a)" after "SEC. 5." and by adding at the end thereof the following new subsection:

"(b) The Secretary shall annually update the inventory of dams required to be prepared under subsection (a) and submit a report to the Congress on the results of such update. In conducting such update, the Secretary shall take into account any other review of dams which the Secretary has conducted under the authority of any other law.".

SEC. 1110. (a) Section 202(f) of the Water Resources Development Act of 1976 is amended to read as follows:

"(f) There is authorized to be appropriated to carry out this section such sums as may be necessary for fiscal years beginning after September 30, 1985.".

(b) The Secretary shall develop, implement, and maintain a project under section 202 of the Water Resources Development Act of 1976 for removal of drift and debris from Buffalo Harbor, New York, and removal of dilapidated structures from the adjacent shoreline.

SEC. 1111. Lake Pend Oreille, Idaho, is hereby declared to be not a navigable water of the United States for purposes of section 10 of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 3, 1899 (33 U.S.C. 403).

SEC. 1112. Section 104(b) of the River and Harbor Act of 1958, as amended, is amended by striking out "$10,000,000" and inserting in lieu thereof "$12,000,000".

SEC. 1113. Upon request of the Governor of a State, or the appropriate official of local government, the Secretary is authorized to provide designs, plans, and specifications, and such other technical assistance as he deems advisable, at Federal expense, to such State or local government for its use in carrying out projects for removing accumulated snags and other debris, and clearing and straightening channels in navigable streams and tributaries thereof.

SEC. 1114. (a) The Secretary shall undertake a program to increase his capability to control river ice and harbor ice, and to assist communities in breaking up such ice that would otherwise be likely to cause or aggravate flood or other damage or severe streambank erosion.

(b) The Secretary is further authorized to provide technical assistance to units of local government to implement local plans to control or break up river ice and harbor ice. As part of such authority, the Secretary is authorized to purchase, utilize, and, if requested by units of local government, loan any necessary ice-control or ice-break equipment to such units of local government.

(c) The Secretary shall carry out this section on a priority basis with respect to the Kankakee River in the vicinity of Wilmington, Illinois. The Secretary shall report to Congress not later than one year after the date of enactment of this Act and annually thereafter on the effectiveness of the program under this section with respect to the Kankakee River in the vicinity of Wilmington, Illinois.

(d) The sum of $5,000,000 is authorized to be appropriated to the Secretary for each of the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988, to implement this section.

SEC. 1115. The laws of the United States relating to the improvement of rivers and harbors, flood control, beach erosion, and other water resource development enacted after November 8, 1966, and before January 1, 1985, shall be compiled under the direction of the Secretary of the Army and the Chief of Engineers and printed for the use of the Department of the Army.

SEC. 1116. The Secretary is authorized to preserve, restore, interpret, and maintain those historic properties located on water resource development projects under the jurisdiction of the Department of the Army if such properties have been entered into the National Register of Historic Places.

SEC. 1117. Subsection (b) of section 120 of the Water Resources Development Act of 1976 is amended to read as follows:

"(b) There is authorized to be appropriated $10,000,000 per fiscal year for each fiscal year beginning after September 30, 1985, to carry out this section.".

SEC. 1118. (a) The Secretary shall, notwithstanding any other provision of law, convey to the Metropolitan Park District of Columbus and Franklin County, Ohio, all right, title, and interest of the United States in and to all or any part of the eight hundred thirty-four and nine one-hundredths acres of land which were acquired for the Big Darby Lake flood control project and which have been determined to be surplus property. The Secretary shall convey any such right, title, and interest for consideration in an amount equal to the consideration paid by the Secretary for acquisition of such right, title, and interest for such project.

(b) The conveyance of land under subsection (a) of this section shall be made on the condition that such Park District administer such land for park purposes. If, at any time after such conveyance, such land is not so administered, all right, title, and interest in such land shall revert to the United States which shall have immediate right of reentry thereon.

SEC. 1119. Section 16(b) of the Water Resources Development Act of 1974 is amended by striking out "$1,342,000" and all that follows through the period at the end of such section and inserting in lieu thereof "$1,700,000.".

SEC. 1120. The Secretary shall maintain the navigation project for the Delaware River, Philadelphia to the sea, and the navigation project for the Delaware River, Trenton to Philadelphia, to their authorized dimensions.

SEC. 1121. (a) Whitewater recreation on the Gauley River downstream of the Summersville Lake Project in West Virginia is a project purpose of that project.

(b) During the fall flood control drawdown period for the Summersville Lake Project, the Secretary shall provide releases from the Summersville Dam for whitewater recreation in the 26 mile tailwater segment of the Gauley River commencing at the base of such dam. Such releases shall be at levels (minimum 2,400 cubic feet per second) and at times, suitable for whitewater recreation. The releases shall commence on the first weekend after Labor Day of each year. In each year there shall be releases on at least 20 days during the 6-week period beginning on Labor Day. Additional releases may be provided at other times during the fall drawdown at the discretion of the Secretary.

(c) The Secretary may temporarily suspend (for such period as may be necessary) or modify any release required under subsection (b) when necessary for purposes of flood control or any other project purpose, or for reasons of public health and safety. Except in cases of emergency, no suspension or modification of such releases may be made solely for reasons associated with the generation of hydroelectric power at the Summersville Dam.

(d) Nothing in subsection (b) of this section shall be construed to affect the authority of the Secretary regarding releases of water from the Summersville Dam for any project purpose (including the purpose set forth in subsection (a)) at any time other than during the period specified in subsection (b).

SEC. 1122. (a) To ensure the coordinated development and enhancement of the Upper Mississippi River system, it is hereby declared to be the intent of Congress to recognize that system as a nationally significant ecosystem and a nationally significant commercial navigation system. Congress further recognizes that the system provides a diversity of opportunities and experiences. The system shall be administered and regulated in recognition of its several purposes.

(b) For purposes of this section—

(1) the terms "Upper Mississippi River system" and "system" mean those river reaches having commercial navigation channels on the Mississippi River main stem north of Cairo, Illinois; the Minnesota River, Minnesota; Black River, Wisconsin; Saint Croix River, Minnesota and Wisconsin; Illinois River and Waterway, Illinois; and Kaskaskia River, Illinois;

(2) the term "master plan" means the comprehensive master plan for the management of the Upper Mississippi River system dated January 1, 1982, prepared by the Upper Mississippi River Basin Commission and submitted to Congress pursuant to Public Law 95-502; and

(3) the term "GREAT I, GREAT II, and GRRM studies" means the studies entitled "GREAT River Environmental Action Team—GREAT I—A Study of the Upper Mississippi River", dated September 1980, "GREAT River Environmental Action Team—GREAT II—A Study of the Upper Mississippi River", dated December 1980, and "GREAT River Resource Management Study", dated September 1982.

(c)(1) Congress hereby approves the master plan as a guide for future water policy on the Upper Mississippi River system.

(2) Subsection (i) of section 101 of Public Law 95-502 is repealed. Section 101(b) of such Public Law is amended by striking out the parenthetical clause in the last sentence.

(d)(1) The consent of the Congress is hereby given to the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, or any two or more of such States, to enter into negotiations for agreements, not in conflict with any law of the United States, for cooperative effort and mutual assistance in the comprehensive planning for the use, protection, growth, and development of the Upper Mississippi River system, and to establish such agencies, joint or otherwise, or designate an existing multi-State entity, as they may deem desirable for making effective such agreements. Such agreements shall become final only after ratification by an Act of Congress.

(2) The Secretary is authorized to enter into cooperative agreements with the Upper Mississippi River Basin Association or any other agency established under paragraph (1) of this subsection to promote and facilitate active State government participation in the river system management, development, and protection.

(3) The Upper Mississippi River Basin Association or any other agency established under paragraph (1) of this subsection is hereby designated by Congress as the caretaker of the master plan. Any changes to the master plan recommended by the Secretary shall be submitted to such association or agency for review. Such agency or association may make such comments with respect to such recommendations as such agency or association deems appropriate and shall transmit such comments to the Secretary. The Secretary shall transmit such recommendations along with the comments of such agency or association to the Congress for approval.

(e)(1) The Secretary, in consultation with the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, is authorized to undertake, as identified in the master plan—

(A) a program for the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement;

(B) implementation of a long-term resource monitoring program; and

(C) implementation of a computerized inventory and analysis system.

(2) Each program referred to in paragraph (1) shall be carried out over a ten-year period beginning on the date of enactment of this Act. Before the last day of such ten-year period, the Secretary, in consultation with the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, shall conduct an evaluation of such programs and submit a report on the results of such evaluation to Congress. Such evaluation shall determine each such program's effectiveness, strengths, and weaknesses and contain recommendations for the modification and continuance or termination of such program.

(3) For purposes of carrying out paragraph (1)(A) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $8,200,000 for the first fiscal year beginning after the date of enactment of this Act, not to exceed $12,400,000 for the second fiscal year beginning after the date of enactment of this Act, and not to exceed $13,000,000 per fiscal year for each of the succeeding eight fiscal years.

(4) For purposes of carrying out paragraph (1)(B) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $7,680,000 for the first fiscal year beginning after the date of enactment of this Act and not to exceed $5,080,000 per fiscal year for each of the succeeding nine fiscal years.

(5) For purposes of carrying out paragraph (1)(C) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $40,000 for the first fiscal year beginning after the date of enactment of this Act, not to exceed $280,000 for the second fiscal year beginning after the date of enactment of this Act, not to exceed $1,220,000 for the third fiscal year beginning after the date of enactment of this Act, and not to exceed $975,000 per fiscal year for each of the succeeding seven fiscal years.

(6) The Secretary shall determine if the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin are adequately participating in the planning, construction, evaluation, and implementation of those programs authorized by paragraph (1) of this subsection during the third fiscal year after the first appropriation of funds to carry out such paragraph. If participation of the States is not adequate to allow the Secretary to carry out such paragraph, the Secretary shall submit a report to Congress asking for termination of the program's funding.

(7) None of the funds appropriated pursuant to any authorization contained in this subsection shall be considered to be chargeable to navigation.

(f)(1) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, is authorized to implement a program of recreational projects for the system substantially in accordance with the recommendations of the GREAT I, GREAT II, and GRRM studies and the master plan reports. In addition, the Secretary shall conduct an assessment of the economic benefits generated by recreational activities in the system.

(2) For purposes of carrying out the program of recreational projects authorized in paragraph (1) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $500,000 per fiscal year for each of the first ten fiscal years beginning after the effective date of this Act and, for purposes of carrying out the assessment of the economic benefits of recreational activities as authorized in paragraph (1) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $300,000 per fiscal year for the first and second of such fiscal years and $150,000 for the third of such fiscal years.

(g) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall submit to Congress annual recommendations to be undertaken to increase the capacity of specific locks throughout the system by employing nonstructural measures and making minor structural improvements.

(h)(1) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall monitor traffic movements on the system for the purpose of verifying lock capacity, updating traffic projections, and refining the economic evaluation so as to verify the need for future capacity expansion of the system.

(2) The Secretary, in consultation with the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, shall determine the need for river rehabilitation and environmental enhancement based on the condition of the environment, project developments, and projected environmental impacts from implementing any proposals resulting from recommendations made under subsection (g) and paragraph (1) of this subsection.

(3) There is authorized to be appropriated to the Secretary for each of the ten fiscal years beginning after the date of the enactment of this Act such sums as may be necessary to carry out this subsection.

(i)(1) The Secretary shall, as he determines feasible, dispose of dredged material from the system pursuant to the recommendations of the GREAT I, GREAT II, and GRRM studies.

(2) The Secretary shall establish and request appropriate Federal funding for a program to facilitate productive uses of dredged material. The Secretary shall work with the States which have, within their boundaries, any part of the system to identify potential users of dredged material.

(j)(1) Notwithstanding another provision of this section, the Secretary shall enter into an interagency agreement with the Sec-

retary of the Interior, with respect to projects and programs in the master plan for which the Department of the Interior (or any agency or bureau of the Department) is designated in the plan as the lead agency, under which the Secretary of the Interior will carry out all functions that the Secretary, but for this subsection, would carry out regarding those projects and programs.

(2) For purposes of carrying out the functions set forth in the agreement under paragraph (1) of this subsection, there is authorized to be appropriated such sums as may be necessary to the Secretary of the Interior for each of the first ten fiscal years beginning after the date of enactment of this Act. Amounts appropriated for any fiscal year under this paragraph shall be in lieu of, and shall not be in addition to, amounts authorized to be appropriated to the Secretary of the Army, acting through the Chief of Engineers, under this section for such fiscal year.

SEC. 1123. (a) To ensure the coordinated economic revitalization and environmental enhancement of the Great Lakes and their connecting channels and the Saint Lawrence Seaway (hereinafter in this section referred to as the "Great Lakes"), known as the "Fourth Seacoast" of the United States, it is hereby declared to be the intent of Congress to recognize the importance of the economic vitality of the Great Lakes region, the importance of exports from the region in the United States balance of trade, and the need to assure an environmentally and socially responsible navigation system for the Great Lakes. Congress finds that the Great Lakes provide a diversity of agricultural, commercial, environmental, recreational, and related opportunities based on their extensive water resources and water transportation systems.

(b)(1) There is hereby established a Board to be known as the Great Lakes Commodities Marketing Board (hereinafter in this subsection referred to as the "Board").

(2)(A) The Board shall develop a strategy to improve the capacity of the Great Lakes region to produce, market, and transport commodities in a timely manner and to maximize the efficiency and benefits of marketing products produced in the Great Lakes region and products shipped through the Great Lakes.

(B) The strategy shall address, among other things, environmental issues relating to transportation on the Great Lakes and marketing difficulties experienced due to late harvest seasons in the Great Lakes region. The strategy shall include, as appropriate alternative storage, sales, marketing, multimodal transportation systems, and other systems, to assure optimal economic benefits to the region from agricultural and other commercial activities. The strategy shall develop—

(i) methods to improve and promote both bulk and general cargo trade through Great Lakes ports;

(ii) methods to accelerate the movement of grains and other agricultural commodities through the Great Lakes;

(iii) methods to provide needed flexibility to farmers in the Great Lakes region to market grains and other agricultural commodities; and

(iv) methods and materials to promote trade from the Great Lakes region and through Great Lakes ports, particularly with European, Mediterranean, African, Caribbean, Central American, and South American nations.

(C) In developing the strategy, the Board shall conduct and consider the results of—

(i) an analysis of the feasibility and costs of using iron ore vessels which are not being utilized to move grain and other agricultural commodities on the Great Lakes;

(ii) an economic analysis of transshipping such commodities through Montreal, Canada, and other ports;

(iii) an analysis of the economic feasibility of storing such commodities during the nonnavigation season of the Great Lakes and the feasibility of and need for construction of new storage facilities for such commodities;

(iv) an analysis of the constraints on the flexibility of farmers in the Great Lakes region to market grains and other agricultural commodities, including harvest dates for such commodities and the availability of transport and storage facilities for such commodities; and

(v) an analysis of the amount of grain and other agricultural commodities produced in the United States which are being diverted to Canada by rail but which could be shipped on the Great Lakes if vessels were available for shipping such products during the navigation season.

(D) In developing the strategy, the Board shall consider weather problems and related costs and marketing problems resulting from the late harvest of agricultural commodities (including wheat and sunflower seeds) in the Great Lakes region.

(E) In developing the strategy, the Board shall consult United States ports on the Great Lakes and their users, including farm organizations (such as wheat growers and soybean growers), port authorities, water carrier organizations, and other interested persons.

(3) The Board shall be composed of seven members as follows:

(A) the chairman of the Great Lakes Commission or his or her delegate,

(B) the Secretary or his or her delegate,

(C) the Secretary of Transportation or his or her delegate,

(D) the Secretary of Commerce or his or her delegate,

(E) the Administrator of the Saint Lawrence Seaway Development Corporation or his or her delegate,

(F) the Secretary of Agriculture or his or her delegate, and

(G) the Administrator of the Environmental Protection Agency or his or her delegate.

(4)(A) Members of the Board shall serve for the life of the Board.

(B) Members of the Board shall serve without pay and those members who are full time officers or employees of the United States shall receive no additional pay by reason of their service on the Board, except that members of the Board shall be allowed travel or transportation expenses under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business and engaged in the actual performance of duties vested in the Board.

(C) Four members of the Board shall constitute a quorum but a lesser number may hold hearings.

(D) The cochairmen of the Board shall be the Secretary or his or her delegate and the Administrator of the Saint Lawrence Seaway Development Corporation or his or her delegate.

(E) The Board shall meet at the call of the co-chairmen or a majority of its members.

(5)(A) The Board shall, without regard to section 5311(b) of title 5, United States Code, have a Director, who shall be appointed by the Board and shall be paid at a rate which the Board considers appropriate.

(B) Subject to such rules as may be prescribed by the Board, without regard to 5311(b) of title 5, United States Code, the Board may appoint and fix the pay of such additional personnel as the Board considers appropriate.

(C) Upon request of the Board, the head of any Federal agency is authorized to detail, on a reimburseable basis, any of the personnel of such agency to the Board to assist the Board in carrying out its duties under this subsection.

(6)(A) The Board may, for purposes of carrying out this subsection, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate.

(B) Any member or agent of the Board may, if so authorized by the Board, take any action which the Board is authorized to take by this paragraph.

(C) The Board may secure directly from any department or agency of the United States any information necessary to enable it to carry out this subsection. Upon request of the co-chairmen of the Board, the head of such department or agency shall furnish such information to the Board.

(D) The Board may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(E) The Administrator of General Services shall provide to the Board on a reimbursable basis such administrative support services as the Board may request.

(7) Not later than September 30, 1988, the Board shall transmit to the President and to each House of the Congress a report stating the strategy developed under this subsection and the results of each analysis conducted under this subsection. Such report shall contain a detailed statement of the findings and conclusions of the Board together with its recommendations for such legislative and administrative actions as it considers appropriate to carry out such strategy and to assure maximum economic benefits to the users of the Great Lakes and to the Great Lakes region.

(8) The Board shall cease to exist 180 days after submitting its report pursuant to this subsection.

(9) There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection for fiscal years beginning after September 30, 1985, and ending before October 1, 1989.

(c)(1) The President shall invite the Government of Canada to join in the formation of an international advisory group whose duty it shall be (A) to develop a bilateral program for improving navigation, through a coordinated strategy, on the Great Lakes, and (B) to conduct investigations on a continuing basis and make recommendations for a system-wide navigation improvement program to facilitate optimum use of the Great Lakes. The advisory group shall be composed of five members representing the United States, five members representing Canada, and two members from the International Joint Commission established by the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington, January 11, 1909 (36 Stat. 2448). The five members representing the United States shall include the Secretary of State, one member of the Great

Lakes Commodities Marketing Board (as designated by the Board), and three individuals appointed by the President representing commercial, shipping, and environmental interests, respectively.

(2) The United States representatives to the international advisory group shall serve without pay and the United States representatives to the advisory group who are full time officers or employees of the United States shall receive no additional pay by reason of their service on the advisory group, except that the United States representatives shall be allowed travel or transportation expenses under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular place of business and engaged in the actual performance of duties vested in the advisory group.

(3) The international advisory group established by this subsection shall report to Congress and to the Canadian Parliament on its progress in carrying out the duties set forth in this subsection not later than one year after the formation of such group and biennially thereafter.

(d) The Secretary and the Administrator of the Environmental Protection Agency, in cooperation with the Secretary of the Interior, the Administrator of the National Oceanic and Atmospheric Administration, and other appropriate Federal and non-Federal entities, shall carry out a review of the environmental, economic, and social impacts of navigation in the United States portion of the Great Lakes. In carrying out such review, the Secretary and the Administrator shall use existing research, studies, and investigations relating to such impacts to the maximum extent possible. Special emphasis shall be made in such review of the impacts of navigation on the shoreline and on fish and wildlife habitat, including, but not limited to, impacts associated with resuspension of bottom sediment. The Secretary and the Administrator shall submit to Congress an interim report of such review not later than September 30, 1987, and a final report of such review along with recommendations not later than September 30, 1989.

SEC. 1124. In the case of any water resources project which is authorized to be constructed by the Secretary before, on, or after the date of enactment of this Act, construction of which has not commenced before such date of enactment, and which involves the acquisition of lands or interests in lands for the mitigation of fish and wildlife losses attributable to the project or for fish and wildlife enhancement, such lands or interests (1) shall be acquired before any construction of the project (other than such acquisition) commences, or (2) shall be acquired along with the acquisition of lands and interests in lands for project purposes (other than mitigation of fish and wildlife losses or enhancement of fish and wildlife), whichever the Secretary determines is appropriate.

SEC. 1125. In the case of any water resources project which is authorized to be constructed by the Secretary before, on, or after the date of enactment of this Act, construction of which has not commenced before such date of enactment, and which involves the acquisition of lands or interests in lands for recreation purposes, such lands or interests shall be acquired along with the acquisition of lands and interests in lands for other project purposes.

SEC. 1126. The Secretary shall not require, under section 4 of the Flood Control Act of December 22, 1944 (58 Stat. 889), and the Federal Water Project Recreation Act, non-Federal interests to assume operation and maintenance of any recreational facility operated by the Secretary at any water resources project as a condition to the construction of new recreational facilities at such project or any other water resources project.

SEC. 1127. The Secretary shall establish in the Directorate of Civil Works of the Office of the Chief of Engineers an Office of Environmental Policy. Such Office shall be responsible for the formulation, coordination, and implementation of all matters concerning environmental quality and policy as they relate to the water resources program of the United States Army Corps of Engineers. Such Office shall, among other things, develop, and monitor compliance with, guidelines for the consideration of environmental quality in formulation and planning of water resources projects carried out by the Secretary, the preparation and coordination of environmental impact statements for such projects, and the coordination with Federal, State, and local agencies of environmental aspects of such projects and regulatory responsibilities of the Secretary.

SEC. 1128. (a) Section 4 of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 4, 1915 (38 Stat. 1053; 33 U.S.C. 560), is amended by adding at the end thereof the following: "No funds may be accepted or expended under this section unless such acceptance and expenditure has been specifically authorized for that project by law.".

(b) The proviso in section 5 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes" approved June 22, 1936 (33 U.S.C. 701h), is amended by inserting after "as advantageous in the public interest," the following: "except that no such funds may be accepted or expended unless such acceptance and expenditure has been specifically authorized for that project by law,".

SEC. 1129. In addition to amounts authorized to be appropriated to carry out agreements entered into with the State of Illinois pursuant to section 110 of the River and Harbor Act of 1958 relating to the repair and modification of the Illinois and Mississippi Canal, there is authorized to be appropriated to the Secretary not to exceed $15,000,000 to carry out such agreements.

SEC. 1130. For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of any study on the Pearl River Basin, Mississippi and Louisiana, authorized by resolution of the Committee on Environment and Public Works of the Senate, or the Committee on Public Works and Transportation of the House of Representatives, adopted before the date of enactment of this Act, the Secretary shall take into account the costs and benefits of any measures undertaken by the Secretary pursuant to any provision of law (other than any provision of this Act) enacted after July 1, 1983, and before December 31, 1986, in the interest of preventing flood damages along the Pearl River in the vicinity of Jackson, Mississippi.

SEC. 1131. The prohibitions and provisions for review and approval of activities in waters of the United States as set forth in sections 9, 10, and 13 of the Act of March 3, 1899 (30 Stat. 1151), the first section of the Act of June 13, 1902 (32 Stat. 371), and section 404 of the Federal Water Pollution Control Act shall not apply to any works or improvements constructed or maintained now or in the future in the Great Miami River Basin, the Great Miami River, and the tributaries of the Great Miami River above river mile 7.5, by any political subdivision established pursuant to chapter 6101, Ohio Revised Code, as in effect on July 1, 1983.

SEC. 1132. Any project authorized for construction by this Act shall not be authorized after the last day of the five-year period beginning on the date of enactment of this Act unless during such period funds have been obligated for construction, including planning and designing, of such project.

SEC. 1133. (a) On and after December 31, 1989, the Secretary shall continue in effect any lease or assignment thereof to which this section applies, until such time as such lease is terminated by the leaseholder, any successors or assigns of the leaseholder, or by the Secretary under subsection (b) of this section. Any such continuation beyond the date of expiration of such lease as in effect on December 31, 1989, shall be at fair market rentals and on such other reasonable terms and conditions not inconsistent with this section as the Secretary deems necessary. No continuation shall be made beyond such date unless the leaseholder agrees to hold the United States harmless from any claim for damages or injury to persons or property arising from occupancy of or through the use of the property subject to such lease.

(b)(1) On and after December 31, 1989, the Secretary and any other officer or employee of the United States shall not terminate a lease to which this section applies, except as provided in paragraph (2) of this subsection.

(2) On and after December 31, 1989, the Secretary may terminate a lease to which this section applies only if—

(A) the property covered by the lease is needed for immediate use for public park purposes or other higher public use or for a navigation or flood control project; or

(B) the leaseholder substantially violates a provision of such lease.

(c) Subsections (a) and (b) of this section apply to (1) any cottage site lease of property, which lease was entered into by the Secretary of the Army pursuant to section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (58 Stat. 889; 16 U.S.C. 460d), and is in effect on December 31, 1989, and (2) any assignment of such a lease.

(d) On and after December 31, 1989, no houseboat, floating cabin, marina (including any with sleeping facilities), or lawfully installed dock or cabin and appurtenant structures shall be required to be removed from any Federal water resources reservoir or lake project administered by the Secretary on which it was located on the date of enactment of this Act, if such property is maintained in usable condition, and, in the judgment of the Secretary, does not occasion a threat to life or property, except where necessary for immediate use for public purposes or other higher public use or for a navigation of flood control project.

SEC. 1134. In the construction of any water resources project, the Secretary is authorized to make only such modifications—

(1) as reflect changes in construction costs (including costs of real property acquisitions, preconstruction studies, planning, and

engineering and design), as are indicated by engineering and other appropriate cost indexes;

(2) as do not materially alter the scope or functions of the project; or

(3) as are the result of additional studies, modifications, or other actions (including mitigation and other environmental actions) authorized by this Act or any other law enacted before, on, or after the date of enactment of this Act.

SEC. 1134. (a) The Secretary is authorized to review the operation of water resources projects constructed by the Secretary before the date of enactment of this Act to determine the need for modifications in the structures and operations of such projects for the purpose of improving the quality of the environment in the public interest.

(b) The Secretary is authorized to carry out a demonstration program in the two-year period beginning on the date of enactment of this Act for the purpose of making such modifications in the structures and operations of water resources projects constructed by the Secretary before the date of enactment of this Act which the Secretary determines (1) are feasible and consistent with the authorized project purposes, and (2) will improve the quality of the environment in the public interest.

(c) The Secretary shall coordinate any actions taken pursuant to this section with appropriate Federal, State, and local agencies.

(d) Not later than two years after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the review conducted under subsection (a) and on the demonstration program conducted under subsection (b). Such report shall contain any recommendations of the Secretary concerning modification and extension of such program.

(e) There is authorized to be appropriated not to exceed $25,000,000 to carry out this section.

SEC. 1136. (a)(1) The Secretary is authorized to reimburse the State of New York for 50 percent of the costs of maintaining and operating the New York State Barge Canal, if the work involved is in accordance with an agreement between the Secretary and the State of New York. The State of New York shall continue to own and operate such canal.

(2) The Secretary is authorized to reimburse the State of New York for 50 percent of the cost of reconstructing and rehabilitating the New York State Barge Canal for navigation, flood control, water supply, irrigation, power, recreational, historic, and environmental purposes in accordance with the recommendations of the Secretary in the report transmitted under subsection (b) and in accordance with an agreement between the Secretary and the State of New York.

(b) The Secretary shall, in cooperation with the State of New York, study the need for reconstruction and rehabilitation of the New York State Barge Canal for navigation, flood control, water supply, irrigation, power, recreational, historic, and environmental purposes. Not later than two years after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such study, along with recommendations of the Secretary for reconstruction and rehabilitation of such canal. No appropriation shall be made for any rehabilitation and reconstruction authorized by subsection (a), if such reconstruction and rehabilitation have not been approved by resolution adopted by each such committee.

(c) For purposes of this section, the term "New York State Barge Canal" means—

(1) the Erie Canal, which connects the Hudson River at Waterford with the Niagara River at Tonawanda;

(2) the Oswego Canal, which connects the Erie Canal at Three Rivers with Lake Ontario at Oswego;

(3) the Champlain Canal, which connects the easterly end of the Erie Canal at Waterford with Lake Champlain at Whitehall; and

(4) the Cayuga and Seneca Canals, which connect the Erie Canal at a point near Montezuma with Cayuga and Seneca Lakes and through Cayuga Lake and Ithaca and through Seneca Lake with Montour Falls.

SEC. 1137. (a) The Secretary is hereby authorized to develop and implement a flood warning system for the Whitewater River, San Bernadino and Riverside Counties, California, at an estimated cost of $300,000.

(b) Prior to installation, local interest shall agree to operate and maintain the system authorized by subsection (a), and develop, maintain, and implement emergency evacuation plans satisfactory to the Secretary.

SEC. 1138. (a) In constructing any water resources project in a labor market area which has a high unemployment rate, the Secretary shall, to the extent he determines feasible, provide for the employment of residents of such labor market area.

(b) Not later than ninety days after the President or any other official of the executive branch requests the appropriation of initial funds for any water resources project, the Secretary shall transmit to Congress current information on the potential benefits of the project which are attributable to the employment of unemployed residents of the labor market area in which the project is located.

(c) For purposes of this section—

(1) The term "labor market area" shall have the meaning given such term by the Secretary of Labor.

(2) A labor market area has a high rate of unemployment if the average rate of unemployment for such area, as determined by the Secretary of Labor, over the most recent twelve-month period for which statistics are available is higher than the national average rate of unemployment, as determined by the Secretary of Labor, over such twelve-month period.

SEC. 1139. Notwithstanding section 5901(a) of title 5, United States Code, the uniform allowance for uniformed civilian employees of the United States Army Corps of Engineers may be up to $400 annually.

SEC. 1140. Section 145 of the Water Resources Development Act of 1976 is amended by inserting "by such State of 50 percent" after "upon payment".

SEC. 1141. The Secretary shall amend the contract between the State of Illinois and the United States for use of storage space for water supply in Rend Lake on the Big Muddy River in Illinois to relieve the State of Illinois of the requirement to make annual payments for that portion of the maintenance and operation costs applicable to future water supply storage as is consistent with the Water Supply Act of 1958 (Public Law 85-500), until such time and in such proportion as the storage is used for water supply purposes.

SEC. 1142. After an agreement for the sale by the Southern California Water Company to the city of Hawaiian Gardens, California, of the water supply system which serves such city is entered into, the Secretary shall make a loan to such city to pay the cost of acquisition and rehabilitation of such system at an estimated cost of $8,500,000. Such city shall repay the cost of such acquisition and rehabilitation to the Secretary in accordance with the Water Supply Act of 1958.

SEC. 1143. The Secretary shall procure by contract not less than 30 percent of architectural and engineering services required for the design and construction of water resources projects undertaken by the Secretary.

SEC. 1144. Any surveying or mapping services to be performed in connection with a water resources project which is or has been authorized to be undertaken by the Secretary shall be procured in accordance with title IX of the Federal Property and Administrative Services Act of 1949.

SEC. 1145. (a) The California Debris Commission established by the first section of the Act of March 1, 1893 (33 U.S.C. 661) is hereby abolished.

(b) All authorities, powers, functions, and duties of the California Debris Commission are hereby transferred to the Secretary.

(c) The assets, liabilities, contracts, property, records, and the unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used arising from, available to, or to be made available in connection with the authorities, powers, functions, and duties transferred by this section, subject to section 202 of the Budget and Accounting Procedure Act of 1950, are hereby transferred to the Secretary for appropriate allocation. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(d) All acquired lands, and other interests therein presently under the jurisdiction of the California Debris Commission are hereby authorized to be retained, and shall be administered under the direction of the Secretary, who is hereby authorized to take such actions as are necessary to consolidate and perfect title; to exchange for other lands or interests therein which may be required for recreation or for existing or proposed projects of the United States; to transfer to other Federal agencies or dispose of as surplus property; and to release to the coextensive fee owners any easements no longer required by the United States, under such conditions or for such consideration as the Secretary shall determine to be fair and reasonable. Except as specifically provided herein all transactions will be in accordance with existing laws and procedures.

SEC. 1146. Section 5(a) of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved August 18, 1941 (33 U.S.C. 701n), is amended by striking out "drinking" each place it appears in the second sentence and by inserting after the first sentence the following new sentence: "In any case in which the Chief of Engineers is otherwise performing work under this section in an area for which the Governor of the affected State has requested a determination that an emergency exists or a declaration that a major disaster exists under the Disaster Relief Act of 1974, the Chief of Engineers is further authorized to perform on public and private lands and waters for a period of ten

days following the Governor's request any emergency work made necessary by such emergency or disaster which is essential for the preservation of life and property, including, but not limited to, channel clearance, emergency shore protection, clearance and removal of debris and wreckage endangering public health and safety, and temporary restoration of essential public facilities and services.".

SEC. 1147. Section 156 of the Water Resources Development Act of 1976 (90 Stat. 2933) is amended by striking out "fifteenth" and inserting in lieu thereof "fiftieth".

SEC. 1148. (a) Section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) is amended by striking out "$30,000,000" in the first sentence and inserting in lieu thereof "$50,000,000" and by striking out "$4,000,000" in the third sentence and inserting in lieu thereof "$7,500,000". Such section is further amended by adding at the end thereof the following new sentence: "Section 302 of the Water Resources, Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985, relating to non-Federal share, acquisition of lands, easements, and rights-of-way, and relocations of utilities, structures, and other improvements, shall apply to projects under this section.".

(b) Section 2 of the Flood Control Act of August 28, 1937 (33 U.S.C. 701g) is amended by striking out "$5,000,000" and inserting in lieu thereof "$10,000,000" and by striking out "$250,000" and inserting in lieu thereof "$750,000".

(c) Section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r) is amended by striking out "$10,000,000" and inserting in lieu thereof "$15,000,000" and by striking out "$250,000" and inserting in lieu thereof "$750,000".

(d) Subsection (a) of section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577) is amended by striking out "$25,000,000" and inserting in lieu thereof "$50,000,000". Subsection (b) of such section is amended by striking out "$2,000,000" and inserting in lieu thereof "$4,000,000".

(e) Section 3 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426g), is amended (1) by striking out "$25,000,000" and inserting in lieu thereof "$30,000,000", and (2) by striking out "$1,000,000" and inserting in lieu thereof "$3,000,000".

(f) Section 111 of the River and Harbor Act of 1968 (33 U.S.C. 426i) is amended by striking out "$1,000,000" and inserting in lieu thereof "$3,000,000".

(g) Section 3 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works or rivers and harbors, and for other purposes", approved March 2, 1945 (33 U.S.C. 603a), is amended by striking out "$300,000" and inserting in lieu thereof "$4,000,000".

(h) The Secretary is authorized to use the authority contained in section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), section 2 of the Flood Control Act of August 28, 1937 (33 U.S.C. 701g), section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r), section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), section 3 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426g), and section 111 of the River and Harbor At of 1968 (33 U.S.C. 426i) in the Trust Territory of the Pacific Islands.

(i) The amendments made by this section shall not apply to any project under contract for construction on the date of enactment of this Act.

SEC. 1149. The Secretary shall expedite completion of the study of a new lock parallel to the existing Poe Lock being undertaken as part of the study of additional locks on the Saint Lawrence Seaway and shall submit to the Congress a report on such additional lock not later than September 30, 1986.

SEC. 1150. (a) After the Chief of Engineers transmits his recommendations for a water resources development project to the Secretary of the Army for transmittal to the Congress, as authorized in the first section of the Act of December 22, 1944, and before authorization for construction of such project, the Chief of Engineers is authorized to undertake continued planning and engineering (other than preparation of plans and specifications) for such project if the Chief of Engineers finds that the project is without substantial controversy and justifies further engineering, economic, and environmental investigations and the Chief of Engineers transmits to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a statement of such findings. In the two-year period after authorization for construction of such project, the Chief of Engineers is authorized to undertake planning, engineering, and design for such project.

(b) Not later than January 15, 1986, and each January 15 thereafter, the Secretary shall prepare and transmit a report on the activities undertaken under this section in the preceding fiscal year to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(c) There is authorized to carry out this section not to exceed $20,000,000 per fiscal year for each of the fiscal years 1986 and 1987.

(d) The authorizations made by this section shall be in addition to any other authorizations for planning, engineering, and design of water resources development projects and shall not be construed as a limitation on any such other authorization.

SEC. 1151. The Secretary shall reevaluate the feasibility of the Elk Creek Lake feature of the project for the Rogue River, Oregon and California, authorized by the Flood Control Act of 1962 (76 Stat. 1192), including an evaluation of the feasibility of adding hydroelectric power as a project purpose. The evaluation and justification of the Elk Creek Lake feature shall be based on the benefits and costs of all features of the project for the Rogue River. Hydroelectric power shall be added as a project purpose if the Secretary determines that such addition will increase the amount by which total economic benefits of the project exceed total economic costs. In reviewing the economic feasibility of such project, the Secretary shall use the rate of interest that applied at the time such project was authorized.

SEC. 1152. In recommending funding for construction of water resources projects, the Secretary shall not give priority to any project for which the non-Federal interests agree to provide a greater non-Federal share than is required by the law authorizing such project.

SEC. 1153. The Secretary shall study and evaluate the measures necessary to increase the capabilities of the United States Army Corps of Engineers to undertake the planning and construction of water resources projects on an expedited basis and to adequately comply with all requirements of law applicable to the water resources program of the Corps of Engineers. The Secretary shall implement such measures as may be necessary to improve such capabilities, including the establishment of increased levels of personnel, changes in project planning and construction procedures designed to lessen the time required for such planning and construction, and procedures for expediting the coordination of water resources projects with Federal, State, and local agencies.

SEC. 1154. Not later than January 15, 1987, and each January 15 thereafter, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report which—

(1) specifies the amount of electricity generated by each water resource project constructed by the Secretary which generated electricity in the preceding fiscal year;

(2) specifies the revenues received by the United States from the sale of electricity generated by such project; and

(3) specifies the costs of construction, operation, and maintenance of such project allocated to the generation of electricity.

The first report submitted under this section shall specify the amounts of electricity generated, the revenues received, and the costs allocated for each such project before October 1, 1985, on a fiscal year basis. Each report thereafter shall specify the amounts of electricity generated, the revenues received, and the costs allocated for each such project for the preceding fiscal year.

SEC. 1155. Notwithstanding any other provision of law, Federal assistance made available by the Farmers Home Administration to any political subdivision of a State may be used to provide the non-Federal share of the cost of any construction project carried out under section 201 of the Federal Water Pollution Control Act.

SEC. 1156. (a) The President may appoint a regular officer of any of the Armed Forces who is serving on active duty as the Federal Commissioner of the Red River Compact Commission.

(b) Notwithstanding any other provision of law, acceptance by a regular officer of any of the Armed Forces of an appointment as the Federal Commissioner of the Red River Compact Commission, or the exercise of the functions of the Federal Commissioner and chairman of such Commission, by such officer shall not terminate or otherwise affect such officer's appointment as a military officer.

SEC. 1157. The Secretary shall undertake such measures as are necessary to ensure that standard and uniform procedures and practices are followed by each district office (and each division office for any area in which there is no district office) of the United States Army Corps of Engineers in the preparation of feasibility reports on water resources projects.

SEC. 1158. The first proviso of section 4 of the River and Harbor Act approved July 5, 1884 (23 Stat. 147), as amended by section 6 of the River and Harbor Act, approved March 3, 1909 (33 U.S.C. 5), is amended to read as follows: "*Provided*, That whenever, as determined by the Secretary, the condition of any of the aforesaid works is such

that its reconstruction is essential to its efficient and economical maintenance and operation, the reconstruction thereof may include such modifications in plan and location as may be necessary to provide adequate facilities for navigation. No appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, any such reconstruction if such acquisition and actual construction have not been approved by resolution of the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives:".

SEC. 1159. (a) In the preparation of feasibility reports for projects for flood damage prevention in urban and rural areas, the Secretary shall consider and evaluate measures to reduce or eliminate damages from flooding without regard to frequency of flooding, drainage area, and amount of runoff.

(b) The provisions of section 302 of this Act shall apply to all measures authorized after the date of enactment of this Act to reduce or eliminate damages from flooding in urban and rural areas.

SEC. 1160. The Secretary is authorized to construct and improve facilities at the Niagara Frontier Transportation Authority, Port of Buffalo, including the construction of covered bulk storage facilities, additional paved wharf area, bulkheading up to a total length of 1,000 feet sufficient to facilitate a 1,000-foot class X vessel or a 730-foot class VII vessel, and other projects consistent with implementation of the master plan for the Port of Buffalo, at an estimated cost of $7,000,000.

SEC. 1161. The Secretary is authorized to construct and maintain a navigation channel 9 feet deep and 100 feet wide from the mouth of the Beaver River at Bridgewater, Pennsylvania, a distance of approximately three miles upriver, to the dam at New Brighton, at an estimated cost of $700,000. Prior to initiation of construction of the project, non-Federal interests shall agree to pay one-half of the costs of construction of the project attributable to recreational boating.

SEC. 1162. Section 1114 of title 18, United States Code, is amended by inserting "or any uniformed civilian official or uniformed civilian employee of the Corps of Engineers of the Department of the Army assigned to perform investigations, inspections, or law or regulatory enforcement functions in connection with civil activities of the Department of the Army," immediately after "Foreign Service,".

SEC. 1163. The Secretary, in consultation with appropriate Federal, State, and local agencies, is authorized to plan, design, and construct a demonstration project for the recharge of groundwater in the drainage basin of the Tucson, Arizona, metropolitan area, at an estimated cost of $2,500,000.

SEC. 1164. (a) The Secretary is authorized, for the period ending January 1, 1989, with the concurrence of the Director of the National Park Service and the South Florida Water Management District, to modify the schedule for delivery of water from the central and southern Florida project to the Everglades National Park required by section 2 of the River Basin Monetary Authorization and Miscellaneous Civil Works Amendments Act of 1970 (Public Law 91-282) and to conduct an experimental program for the delivery of water to the Everglades National Park from such project for the purpose of determining an improved schedule for such delivery.

(b) The Secretary is further authorized to acquire such interests in lands currently in agricultural production which are adversely affected by any modification of the schedule for water delivery to Everglades National Park under subsection (a). The Secretary shall acquire any interest in land at the fair market value of such interest based on conditions existing after the construction of the project described in subsection (a) and before any modification of such delivery schedule. The Secretary is also authorized to construct necessary flood protection measures for protection of homes in the area affected by any modification of such delivery schedule, at an estimated cost of $10,000,000.

SEC. 1165. The Secretary is authorized and directed to undertake such emergency bank stabilization measures as are necessary to protect bridges on Elm Creek in the vicinity of Decatur, Nebraska, at an estimated cost of $500,000.

SEC. 1166. Section 221(a) of the Flood Control Act of 1970 is amended by adding at the end thereof the following: "In any such agreement entered into by a State, such State may make the furnishing of all or any portion of its required cooperation contingent upon the appropriation by the State of necessary funds for that purpose.".

SEC. 1167. The Secretary is authorized and directed to improve public access to, and lessen a health and safety hazard at, Pearson-Skubitz Big Hill Lake, Kansas, by upgrading existing roads to the extent feasible and acquiring additional rights-of-way and constructing new roads as required, at an estimated cost of $4,780,000.

SEC. 1168. The Secretary is authorized to contract with existing, nonprofit economic development organizations to assist in the preparation of projects as provided in sections 804(a) and 851(b) and to undertake such actions as may be necessary to identify and stimulate the long-term economic development envisioned as the result of projects which serve remote rural areas or in areas where such are justified because of economic reasons.

SEC. 1169. (a) The first sentence of the paragraph under the center heading "ARKANSAS AND RED RIVERS" in section 203 of the Flood Control Act of 1966, as amended, is amended by striking out "$46,400,000" and inserting in lieu thereof "$177,600,000".

(b) Section 201 of the Flood Control Act of 1970, as amended by section 153 of the Water Resources Development Act of 1976, is amended by striking out the last sentence under the center heading "ARKANSAS-RED RIVER BASIN" and adding the following: "No funds shall be appropriated or expended under authority granted in the Flood Control Act of 1966, as amended, for construction of chloride control projects within the Arkansas River Basin. The chloride control projects for the Red River Basin and the Arkansas River Basin shall be considered to be separate projects, with separate authority.".

(c) The Secretary is authorized to conduct a restudy of the Arkansas River chloride control project to determine its economic feasibility and report the findings of such study to Congress.

SEC. 1170. In order to assure the most economical and cost-saving construction of water resources projects authorized before, on, or after the date of enactment of this Act, the Secretary shall require a value engineering review during design for each water resources project authorized before, on, or after such date of enactment which has an estimated cost in excess of $10,000,000. For purposes of this section, the term "value engineering review" means a specialized cost control technique which uses a systematic and creative approach to identify and to focus on unnecessarily high costs in a project in order to arrive at a cost saving without sacrificing the reliability or efficiency of the project.

SEC. 1171. (a) Except as provided in subsection (b), the appropriate non-Federal interests shall provide the necessary lands, easements, and rights-of-way for any water resources demonstration project authorized by this Act or by any Act enacted after the date of enactment of this Act. If the value of the lands, easements, and rights-of-way so provided is less than 10 percent of the cost of the project (including the value of such lands, easements, and rights-of-way), the non-Federal interests shall pay to the Secretary over a 15-year period an amount equal to the excess of (1) the amount equal to 10 percent of such cost, over (2) the value of such lands, easements, and rights-of-way.

(b) If the Secretary estimates before the beginning of construction of any project to which subsection (a) applies that the value of all lands, easements, and rights-of-way required for such project will be a percentage of the cost of the project which is greater than 10 percent, the Secretary shall, upon request by the non-Federal interests, acquire such lands, easements, and rights-of-way, except that the aggregate amount of the value of lands, easements, and rights-of-way acquired by the Secretary shall be limited to the amount by which such estimated value exceeds 10 percent of the estimated cost of the project.

SEC. 1172. (a) Beginning October 1, 1985, the Secretary, in cooperation with the State of Illinois, shall carry out measurements and make necessary computations required by the decree of the United States Supreme Court (388 U.S. 426) relating to the diversion of water from Lake Michigan and shall coordinate the results with downstate interests. The measurements and computations shall consist of all flow measurements, gauge records, hydraulic and hydrologic computations, including periodic field investigations and measuring device calibrations, necessary to compute the amount of water diverted from Lake Michigan by the State of Illinois and its municipalities, political subdivisions, agencies, and instrumentalities, not including water diverted or used by Federal installations.

(b) There are authorized to be appropriated such sums as may be necessary for fiscal years beginning after September 30, 1985, to carry out this section, including those funds necessary to maintain the measurements and computations, as well as necessary capital construction costs associated with the installation of new flow measurement devices or structures declared necessary and appropriate by the Secretary.

SEC. 1173. Notwithstanding any other provision of this Act and any other provision of law, the total amount which may be appropriated from the general fund of the Treasury for construction of water resources projects by the Secretary shall not exceed $1,500,000,000 per fiscal year for each of the fiscal years ending September 30, 1986, and September 30, 1987, and $1,600,000,000 per fiscal year for each of the fiscal years ending September 30, 1988, September 30, 1989, and September 30, 1990.

SEC. 1174. Section 22(b) of the Water Resources Development Act of 1974 is amended—

(1) by striking out "$4,000,000" and inserting in lieu thereof "$10,000,000"; and

(2) by striking out "$200,000" and inserting in lieu thereof "$500,000".

SEC. 1175. The Secretary is authorized and directed to remove the Berkeley Pier, which extends into San Francisco Bay, California, approximately 12,000 feet, at an estimated cost of $1,050,000.

SEC. 1176. (a) The Secretary is authorized to implement a program of research in order to demonstrate the cropland irrigation and conservation techniques described in the report issued by the New England Division Engineer, dated May 1980, for the Saint John River Basin, Maine.

(b) For the purposes of this section, there is authorized to be appropriated to the Secretary the sums of $1,825,000 for the fiscal year ending September 30, 1986, $820,000 for the fiscal year ending September 30, 1987, and $785,000 for the fiscal year ending September 30, 1988, such sums to remain available until expended.

SEC. 1177. The Secretary is authorized to construct a seawall from the canneries in the village of Atu'u, Ma'oputasi County, to Breakers Point near the village of Tafananai, Sua County, Western Tutuila Island, American Samoa, at an estimated cost of $1,200,000.

SEC. 1178. The Secretary is authorized to rehabilitate the fuel dock adjacent to the Rainmaker Hotel between the villages of Utulei and Fagatogo in Ma'oputasi County, Eastern Tutuila Island, American Samoa, at an estimated cost of $350,000.

SEC. 1179. Section 215(a) of the Flood Control Act of 1968 is amended by striking out "$1,000,000" and inserting in lieu thereof "$5,000,000".

SEC. 1180. Notwithstanding any other provision of law, in any case in which the use of fill material for beach erosion and beach nourishment is authorized as a purpose of an authorized water resources project, the Secretary is authorized to acquire by purchase, exchange, or otherwise from nondomestic sources and utilize such material for such purposes if such materials are not available from domestic sources for environmental or economic reasons.

SEC. 1181. The Secretary, the Director of the Federal Emergency Management Agency, and the Administrator of the Soil Conservation Service shall take necessary actions, including the posting and distribution of information and the preparation and distribution of educational materials and programs, to ensure that information relating to flood hazard areas is generally available to the public.

SEC. 1182. The Secretary is authorized to accept funds from any entity, public or private, in accordance with the Pacific Northwest Electric Power Planning and Conservation Act to be used to protect, mitigate, and enhance fish and wildlife in connection with projects constructed or operated by the Secretary. The Secretary may accept and use funds for such purposes without regard to any limitation established under any other provision of law or rule of law.

SEC. 1183. (a) The Secretary may require compliance with any requirements pertaining to cooperation by non-Federal interests in carrying out any water resources project authorized before, on, or after the date of enactment of this Act.

(b) Whenever on the basis of any information available to the Secretary, the Secretary finds that any non-Federal interest is not providing any cooperation required under subsection (a), the Secretary shall issue an order requiring such non-Federal interest to provide such cooperation. After notice and opportunity for a hearing, if the Secretary finds that any person is violating an order issued under this section, such person shall be subject to a civil penalty not to exceed $10,000 per day of such violation, except that the total amount of civil penalties for any violation shall not exceed $50,000.

(c) The Secretary may request the Attorney General to bring a civil action for appropriate relief, including permanent or temporary injunction, for any violation of an order issued under this section, to collect a civil penalty imposed under this section, or to recover any cost incurred by the Secretary in undertaking performance of any item of cooperation under section 221(d) of the Flood Control Act of 1970. Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides, or is doing business, and such court shall have jurisdiction to restrain such violation, to require compliance, to require payment of any civil penalty imposed under this section, and to require payment of any costs incurred by the Secretary in undertaking performance of any such item.

SEC. 1184. (a) In recognition of the serious impacts that are expected to occur to the Great Lakes environment as a result of a projected fivefold increase in consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, and in recognition of the national goal to provide environmental protection and preservation of our natural resources while allowing for continued economic growth, the Administrator of the Environmental Protection Agency, in cooperation with other interested departments, agencies, and instrumentalities of the United States and the eight Great Lakes States and their political subdivisions, is authorized to conduct a study of control measures which can be implemented to reduce the quantity of Great Lakes water consumed without adversely affecting projected economic growth of the Great Lakes region.

(b) The study authorized by this section shall include an analysis of both existing and new technology which is likely to be feasible in the foreseeable future and shall at a minimum include the following:

(1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses;

(2) an analysis of the effect that enforcement of provisions of the Federal Water Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water;

(3) an analysis of the effect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

(4) an analysis of the economic effects on a consuming industry and other Great Lakes interests associated with a particular consumptive use control strategy;

(5) an analysis of associated environmental impacts, both singularly and in combination with other consumptive use control strategies; and

(6) a summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

(c) There is authorized to be appropriated for fiscal years beginning after September 30, 1985, $4,500,000 to carry out this section. Sums appropriated under this section shall remain available until expended.

(d) For purposes of this section, the term "Great Lakes States" means Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York.

SEC. 1185. (a) The Congress finds and declares that—

(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for moving products into and out of the Great Lakes region, and recreational uses for millions of United States and Canadian citizens;

(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes States and Canadian provinces;

(3) any new diversions of Great Lakes water for use outside of a Great Lakes State will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

(4) four of the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

(b) It is therefore declared to be the purpose and policy of the Congress in this section—

(1) to take immediate action to protect the limited quantity of water available from the Great Lakes system for use by the Great Lakes States and in accordance with the Boundary Waters Treaty of 1909;

(2) to prohibit any diversion of Great Lakes water by any State, Federal agency, or private entity for use outside of a Great Lakes State unless such diversion is approved by the Governor of each of the Great Lakes States; and

(3) to prohibit any Federal agency from undertaking any studies that would involve the transfer of Great Lakes water for any purpose for use outside of a Great Lakes State.

(c) As used in this section, the term "Great Lakes State" means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York, and Wisconsin.

(d) No water shall be diverted from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes State unless such diversion is approved by the Governor of each of the Great Lake States.

(e) No Federal agency may undertake any study, or expend any Federal funds to contract for any study, of the feasibility of diverting water from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes State, unless such study or expenditure is approved by the Governor of each of

the Great Lakes States. The prohibition of the preceding sentence shall not apply to any study or data collection effort performed by the Corps of Engineers or other Federal agency under the direction of the International Joint Commission in accordance with the Boundary Waters Treaty of 1909.

SEC. 1186. (a) Subject to the provisions of this section, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, is authorized to take such action as may be necessary to remove and dispose of toxic pollutants from areas of the Buffalo River, New York, which contain high levels of such pollutants.

(b) No appropriation shall be made for the removal and disposal of toxic pollutants from the Buffalo River, New York, under this section if such removal and disposal have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(c)(1) The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall conduct a study of the Buffalo River to determine which areas of such river contain high levels of toxic pollutants, to determine whether or not removal and disposal of such pollutants from such areas is economically and environmentally feasible, and to determine the most efficient and effective methods of removing such pollutants from such areas and of disposing of such pollutants after their removal.

(2) Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of the study conducted under this subsection (including a list of areas identified as containing high levels of toxic pollutants), along with recommendations concerning whether or not removal and disposal of toxic pollutants from identified areas is economically and environmentally feasible and concerning methods of removing and disposing of such pollutants.

(3) There is authorized to be appropriated such sums as may be necessary to conduct the study under this subsection of this section for fiscal years beginning after September 30, 1985.

SEC. 1187. (a) Bayou Lafourche, in the State of Louisiana, between Canal Boulevard, city of Thibodaux, Parish of Lafourche, and the Southern Pacific Railroad bridge crossing the bayou, city of Thibodaux, Parish of Lafourche, is hereby declared to be a nonnavigable waterway of the United States within the meaning of the laws of the United States relating to the construction of bridges across navigable waters.

(b) The right to alter, amend, or repeal this section is hereby expressly reserved.

SEC. 1188. Section 14 of the Act of March 3, 1899 (33 U.S.C. 408), is amended by inserting "(1)" after "grant permission for" and by striking out the period at the end thereof and inserting in lieu thereof ", and (2) the alteration or permanent occupation or use of any of the aforementioned public works when in his judgment such occupation or use will not be injurious to the public interest and will not impair the usefulness of such works.".

SEC. 1189. The Secretary is authorized to acquire from willing sellers lands on which residential structures are located, which lands are subject to frequent and recurring flood damage, within the area being studied pursuant to the Passaic River Basin flood control study authorized by section 101 of the Water Resources Development Act of 1976. Lands acquired by the Secretary under this section shall be retained by the Secretary for future use in conjunction with flood protection and flood management in the Passaic River Basin. There is authorized to be appropriated $50,000,000 to carry out this section.

SEC. 1190. (a) In order to assure a fair and reasonable distribution of civil works contracts set aside for small and disadvantaged business, the Secretary shall, on a quarterly basis, transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a report describing the number and dollar amount of contracts awarded in each industry category or subcategory broken down by Engineer District of the Army Corps of Engineers. Such report shall include the number and dollar amount of contracts (1) set aside for small business concerns; (2) awarded to small business or small disadvantaged business concerns; (3) available for competition by qualified firms of all sizes; and (4) awarded to other than small business or small disadvantaged business concerns.

(b) For purposes of this section, the term—

(1) "contract" means any contract, or any subcontract in connection with a subcontracting plan entered into pursuant to section 8(d) of the Small Business Act, as amended (15 U.S.C. 637(d)), which is funded through appropriations made available to the Corps of Engineers-Civil; and

(2) "industry category or subcategory" means the four digit SIC category or subcategory defined by the Small Business Administration.

SEC. 1191. Notwithstanding any other provision of law, the Secretary may dispose of any vessel, and any related equipment, which is under the control of the Corps of Engineers and is used for dredging, through sale or lease to a non-domestic government as part of a Corps of Engineers technical assistance program or to a Federal or State maritime academy for training purposes, or through sale solely for scrap to non-domestic or domestic interests. Any such vessel shall not be disposed of under this section or any other provision of law for use within the United States for the purpose of dredging. Amounts collected from the sale or lease of any such vessel or equipment shall be deposited into the revolving fund authorized pursuant to the Civil Functions Appropriations Act, 1954 (33 U.S.C. 576), to be available, as provided in appropriations Acts, for the operation and maintenance of vessels under the control of the Corps of Engineers.

SEC. 1192. The Secretary is authorized and directed to construct a second lock 1,294 feet in length, 115 feet in width, and 32 feet in depth, adjacent to the existing lock at Sault Sainte Marie, Michigan, at full Federal expense and at an estimated cost of $240,000,000, in accordance with the Report of the District Engineer, dated .

SEC. 1193. (a) Notwithstanding any other provision of law, the State of California or any political subdivision thereof, or any non-Federal public body organized under the laws of the State of California, which is operating the William G. Stone Lock in Yolo County, California, under lease agreement with the Secretary may levy and collect tolls or other user fees from vessels using such lock. Such tolls or fees shall be in amounts not exceeding amounts necessary to recover the costs of operating and maintaining the William G. Stone Lock by such State, political subdivision, or public body under such lease agreement.

(b) Any lease for the operation of the William G. Stone Lock entered into by the Secretary after the date of enactment of this Act shall require the lessee to develop a plan of operation for such lock acceptable to Yolo County, California.

SEC. 1194. The Secretary is authorized to construct a water transmission line in Bristol, Tennessee, in order to provide a safe supply of water to such town, at an estimated cost of $5,000,000.

SEC. 1195. The Secretary shall—

(1) undertake a demonstration project consisting of the placement of earthen plugs at Noyes and Bull Whirl Cuts on the Umbrella Creek-Dover Creek system in the Satilla River Basin in Camden County, Georgia, for the purpose of reducing shoaling; and

(2) monitor the effect of such plugs on the estuarine tidal system for a ten-year period.

at an estimated cost of $500,000. The Secretary shall use the results of such monitoring to verify a hydrodynamic model which will allow the Secretary to reasonably predict the effects of cuts and closures in tidally-influenced estuarine systems.

SEC. 1196. The first sentence of section 108(k) of the Water Resources Development Act of 1974 is amended to read as follows: "There are authorized to be appropriated $156,600,000 to carry out the provision of this section, other than subsection (j) of this section.".

SEC. 1197. (a) The Secretary, on the recommendation of the Chief of Engineers, is authorized to permit the delivery of water from the District of Columbia water system at the Dalecarlia filtration plant, or at other points on the system, to any competent State or local authority in the Washington, District of Columbia, metropolitan area in Maryland. All of the expense of installing the connection or connections and appurtenances between the water supply systems and any subsequent changes therein shall be paid by the requesting entity, which shall also pay such charges for the use of the water as the Secretary may, from time to time in advance of delivery, determine to be reasonable. Payments shall be made at such time, and pursuant to such regulations, as the Secretary prescribes. The Secretary may revoke any permit for the use of water at any time.

(b) The Secretary is authorized to purchase water from any competent State or local authority in Maryland or Virginia that has, at the time of purchase, completed a connection with the District of Columbia water system. The Secretary is authorized to pay such charges for the use of the water as the Secretary has agreed upon in advance of delivery.

SEC. 1198. The Secretary is authorized to study measures to prevent flooding in the Thurman to Hamburg area of the Missouri River in western Fremont County, Iowa. Not later than two years after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of such study along with recommendations for measures to prevent such flooding. Pending completion of the study the Secre-

tary shall install pumping facilities in such area, at an estimated cost of $800,000.

SEC. 1199. (a) The Secretary is authorized to design, construct, operate, and maintain a Federal project for reduction of both flood damage and navigation maintenance on the Toutle, Cowlitz, and Columbia Rivers, Washington. Specifically, the Secretary is authorized to construct a single stage retention structure near the confluence of the Toutle and Green Rivers with such design features as the Secretary determines to be advisable, including justified measures to mitigate adverse environmental impacts associated with the project; except that, based on the results of Continuation of Planning and Engineering studies, the Secretary may select and implement a staged sediment retention structure at the confluence of the Toutle and Green Rivers or dredging alternative on the Toutle, Cowlitz, and Columbia Rivers if he determines that continuing monitoring of sedimentation and further analysis of benefits and costs provide compelling and convincing new evidence to justify selection of a staged retention structure or dredging alternative.

(b) Prior to initiation of measures authorized by this section, non-Federal interests shall agree to—

(1) convey or otherwise provide to the United States, all lands, easements, and rights-of-way which the Secretary determines to be necessary for project construction and maintenance, including borrow sites for the removal of material needed for retaining works and disposal sites for the disposal of excavated material;

(2) accomplish any alteration or relocation of buildings, roads, bridges, or other structures or utilities which the Secretary determines to be necessary in connection with implementation of the project;

(3) in the event local interests are unable to comply with paragraph (1) or (2) in a timely manner, provide a cash contribution to the United States, at such times and in such amounts as the Secretary determines to be necessary to allow acquisition of the property by the United States in accordance with project construction schedules;

(4) hold and save the United States free from damage due to design, construction, operation, and maintenance of the project except damages due to the fault or negligence of the United States or its contractors;

(5) operate and maintain any federally undertaken mitigation project which the Secretary determines to be justified; and

(6) maintain all dredged material disposal sites.

(c) All items of local cooperation shall be provided at the time needed, as determined by the Secretary, and without cost to the United States; except that in the event the Secretary selects a staged sediment retention structure or dredging alternative rather than the single stage sediment retention structure, any increase this selection causes in the cost of local cooperation requirements, as determined by the Secretary, shall be reimbursed by the Federal Government.

(d) Any goods and services purchased by the United States in connection with the project authorized pursuant to this section shall not be subject to the tax imposed by Chapters 82.04, 82.08, and 82.14 of the Revised Code of Washington and made applicable to contractors of the United States pursuant to Section 82.04.190(6) of the Revised Code of Washington.

SEC. 1199A. (a) The Secretary shall disclose petroleum product information to any State taxing agency making a request under subsection (b). Such information shall be disclosed for the purpose of, and only to the extent necessary in, the administration of State tax laws.

(b) Disclosure of information under this section shall be permitted only upon written request by the head of the State taxing agency and only to the representatives of such agency designated in such written request as the individuals who are to inspect or to receive the information on behalf of such agency. Any such representative shall be an employee or legal representative of such agency.

(c)(1) Requests for the disclosure of information under this section, and such disclosure, shall be made in such manner and at such time and place as shall be prescribed by the Secretary.

(2) Information disclosed to any person under this section may be provided in the form of written documents or reproductions of such documents, or by any other mode or means which the Secretary determines necessary or appropriate. A reasonable fee may be prescribed for furnishing such information.

(3) Any reproduction of any document or other matter made in accordance with this subsection shall have the same legal status as the original, and any such reproduction shall, if properly authenticated, be admissible in evidence in any judicial or administrative proceeding as if it were the original, whether or not the original is in existence.

(d) The Secretary shall not disclose information to a State taxing agency of a State under this section unless such State has in effect provisions of law which—

(1) exempt such information from disclosure under a State law requiring agencies of the State to make information available to the public, or

(2) otherwise protect the confidentiality of the information.

Nothing in the preceding sentence shall be construed to prohibit the disclosure by an officer or employee of a State of information to another officer or employer of such State (or political subdivision of such State) to the extent necessary in the administration of State tax laws.

(e) For purposes of this section, the term—

(1) "petroleum product information" means information relating to petroleum products transported by vessel which is received by the Secretary (A) under section 11 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved September 22, 1922 (42 Stat. 1043; 33 U.S.C. 555), or (B) under any other legal authority; and

(2) "State taxing agency" means any State agency, body, or commission, or its legal representative, which is charged under the laws of such State with responsibility for the administration of State tax laws.

(f) Section 11 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved September 22, 1922 (42 Stat. 1043; 33 U.S.C. 555) is amended by striking out "$100" and inserting in lieu thereof "$500".

SEC. 1199B. (a) For any survey, planning, or design of any water resources project for the Upper St. John's River Basin, Florida, the Secretary shall give equal consideration to structural, nonstructural, and primarily nonstructural alternatives including, but not limited to, floodproofing of structures; flood plain regulation; acquisition of flood plain lands for recreational, fish and wildlife, and other public purposes; relocation; reductions in water demand; water-borne traffic scheduling; and vessel modification with a view toward formulating the most economically, socially, and environmentally acceptable means of solving the water resources problem.

(b) Subject to the provisions of subsection (c) of this section, if a nonstructural or primarily nonstructural alternative is recommended for a water resources project, non-Federal participation shall be equal to the non-Federal participation which would have been required if the most cost effective structural alternative had been recommended.

(c) Notwithstanding any other provision of law, except as provided in subsection (d) of this section, the non-Federal share of the costs for any water resources project on the Upper Saint John's River Basin shall not exceed 25 percent.

(d) Notwithstanding any other provision of law, a nonstructural or primarily nonstructural alternative shall be recommended by the Secretary for the Upper Saint John's River Basin if, in the survey, planning, or design of the water resouces project, the Secretary determines that the benefits of such alternative do not exceed its costs and if the non-Federal participant agrees to increase its share of the project costs by an amount equal to the difference between the costs and benefits of such alternative.

SEC. 1199C. The Secretary shall conduct mitigation activities recommended in the 1982 Environmental Protection Agency diagnostic feasibility study for Gorton's Pond in Warwick, Rhode Island, including the installation of retention basins, necessary dredging, disposal of dredged material, and weed harvesting and nutrient inactivation. There is authorized to be appropriated to the Secretary to carry out this section for fiscal years beginning after September 30, 1985, $730,000, to remain available until expended.

SEC. 1199D. The Secretary is authorized to construct a set of emergency gates in the conduit of the Abiquiu Dam, New Mexico, to increase the safety and enhance flood and sediment control, at full Federal expense and an estimated cost of $2,500,000.

SEC. 1199E. In order to restore and preserve the Acequia irrigation ditch systems in New Mexico and their cultural and historic values, the Secretary shall (1) undertake such measures as may be necessary to protect and restore the river diversion structures and associated canals attendant to the operations of such systems, at a Federal share of 80 percent of the cost of such measures; and, (2) study the feasibility of constructing flood storage reservoirs to enhance the overall effectiveness of the acequia water delivery system in San Miguel, Taos, Colfax, and Mora Counties in New Mexico. There are authorized to be appropriated to carry out the purposes of this section $40,000,000.

SEC. 1199F. The Secretary of Agriculture, acting through the Administrator of the Soil Conservation Service and in coordination with the Secretary, may study and conduct feasibility studies on authorizing any water resources development project—

(1) for flood prevention;

(2) for conservation, development, utilization, and disposal of water; or

(3) for conservation and proper utilization of land;

in excess of the size restrictions specified in section 2 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1002) if the benefits of such project accrue primarily to agricultural areas. The Secretary of Agriculture shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of any study conducted under the preceding sentence.

SEC. 1199G. In planning and implementing any navigation project (including maintenance thereof) on the Great Lakes and adjacent waters, the Secretary shall consult and cooperate with concerned States in selecting disposal areas for dredged material which is suitable for beach nourishment.

SEC. 1199H. (a)(1) For the multiple purposes of preserving, enhancing, interpreting, and managing the water and related land resources of an area containing unique cultural, fish and wildlife, scenic and recreational values and for the benefit and enjoyment of present and future generations and the development of healthful outdoor recreation, there is hereby established the Cross Florida National Conservation Area (hereinafter in this section referred to as the "Conservation Area").

(2) The Conservation Area shall consist of all lands and interests in lands held by the Secretary for the barge canal project referred to in subsection (b) of this section, all lands and interests in lands held by the State of Florida or the Canal Authority of such State for such project, and all lands and interests in lands held by such State or such Canal Authority and acquired pursuant to section 104 of the River and Harbor Act of 1960.

(3) Subject to the provisions of subsection (c), the State of Florida shall retain jurisdiction and responsibility over water resources planning, development, and control of the surface and ground waters pertaining to the Conservation Area, except to the extent that any uses of such water resources would be inconsistent with the purposes of this section.

(b) In order to further the purposes set forth in subsection (a)(1), the portion of the high-level lock barge canal from the Saint Johns River across Florida to the Gulf of Mexico, authorized by the Act of July 23, 1942 (56 Stat. 703), which is located between the Eureka Dam and the Inglis Dam (exclusive of such dams) is not authorized after the date this subsection becomes effective and shall not be authorized without a further Act of Congress enacted after the date this subsection becomes effective.

(c) Those portions of the barge canal project referred to in subsection (a) which are located between the Gulf of Mexico and the Inglis Dam and between the Atlantic Ocean and the Eureka Dam shall be operated and maintained by the Secretary for the purposes of navigation, recreation, fish and wildlife enhancement, and for the benefit of the economy of the region.

(d)(1) Not later than one year after the date of the enactment of this Act, the Secretary, in consultation with the United States Forest Service, the United States Fish and Wildlife Service, and the State of Florida, shall develop, transmit to Congress, and begin implementation of a comprehensive management plan with respect to lands (including water areas) located in the Conservation Area.

(2) Such plan shall, at a minimum, provide for—

(A) enhancement of the environment;

(B) conservation and development of natural resources;

(C) conservation and preservation of fish and wildlife;

(D) scenic and recreational values;

(E) establishment of a procedure for the prompt consideration of applications for easements across conservation area lands, when such easements are requested by local or State governmental jurisdictions for a public purpose; and

(F) preservation and enhancement of water resources and water quality, including ground water.

(3) Such plan shall establish, among the Secretary, the Forest Service, the Fish and Wildlife Service, and the State of Florida, responsibility for its implementation.

(4) The Secretary shall transmit recommendations for protecting and enhancing the values of the Conservation Area to Congress together with such plan.

(5) Until transmittal of such plan to Congress, the Secretary shall operate, maintain, and manage the lands and facilities held by the Secretary for the barge canal project referred to in subsection (b), other than those lands described in subsection (c).

(6) The Secretary shall consult and cooperate with other departments and agencies of the United States and the State of Florida in the development of measures and programs to protect and enhance water resources and water quality with the Conservation Area.

(e) The Secretary shall operate the Rodman Dam, authorized by the Act of July 23, 1942 (56 Stat. 703), in a manner which will assure the continuation of the reservoir known as Lake Ocklawaha. The Secretary shall not operate the Eureka Lock and Dam in a manner which would create a reservoir on lands not flooded on January 1, 1984.

(f)(1) The Secretary shall acquire all lands and interests in lands held on the date of the enactment of this Act by the Canal Authority of the State of Florida for the barge canal project referred to in subsection (b). For acquisition of such lands and interests in lands, the Secretary shall pay the purchase price paid by the Canal Authority plus interest compounded annually at the average rate at which the Canal Authority borrowed funds for project purposes over the total period of financial commitment by the Canal Authority. In addition, the Secretary shall reimburse the Canal Authority for the purchase price paid by the Canal Authority for any lands and interests in lands for such project which lands and interests were transferred to the Secretary before the date of the enactment of this Act. The Secretary shall operate, maintain, and manage the lands and facilities acquired under this subsection.

(2) From amounts received under paragraph (1) of this subsection, the Canal Authority shall make payments to the counties of Duval, Clay, Putnam, Marion, Levy, and Citrus. Such payments shall, in the aggregate, be equal to $32,000,000. The amount of payment under this paragraph to each such county shall be determined by multiplying such aggregate amount by the amount of ad valorem taxes paid to the Cross Florida Canal Navigation District by such county and dividing such product by the amount of such taxes paid by all such counties.

(g) Subsection (b) shall not become effective until—

(1) the State of Florida enacts a law which assures that, on and after the date on which construction of the portion of the barge canal project referred to in subsection (b) is no longer authorized, all lands and interests in lands held by the State of Florida or the Canal Authority of such State and acquired pursuant to section 104 of the River and Harbor Act of 1960 will continue to be held by such State or Canal Authority, as the case may be, to carry out the objectives of this section;

(2) the State of Florida enacts a law which assures that, on and after such date, the State of Florida will never transfer to any person (except the Federal Government) any lands owned by such State and contained within the expanded boundary of the Ocala National Forest as proposed and shown on the map dated July 1978, on file with the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia; and

(3) the State of Florida enacts a law which assures that, on and after such date, the interests in the lands described in paragraph (1) held by the State of Florida is sufficient to carry out the purposes of this section.

SEC. 1199I. The Secretary, in consultation with the Secretary of the Interior and the Secretary of Commerce and appropriate State agencies, shall develop and implement projects for the creation, protection, restoration, and enhancement of wetlands in conjunction with authorized projects for navigation and flood control in the lower Mississippi Valley.

SEC. 1199J. (a) The Secretary shall waive local cost-sharing requirements up to $200,000 for all studies and projects in American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The Secretary may approve the construction of projects in American Samoa, Guam, and the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands which may have a benefit to cost ratio of less than 1.0 if the chief executive of the government involved states in writing that the intangible benefits may be significant to the economic and social development of the insular area concerned.

AMENDMENT OFFERED BY MR. WEAVER

Mr. WEAVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WEAVER: Page 371, line 13, insert "(a)" after "1182.".

Page 371, after line 20, insert the following:

(b) The construction of any hydroelectric facility at a water resources development project of the Secretary within the Pacific Northwest (as defined in section 3(14) of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839a(14)) shall be conditioned upon a determination by the Administrator of the Bonneville Power Administration at the time construction is to proceed that the project—

(1) will produce power that is necessary to satisfy the Administrator's statutory requirements, and

(2) will produce power at least cost and consistent with sound business principles.

Mr. WEAVER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WEAVER. Mr. Chairman, 5 years ago, the House passed and enacted into law the Northwest Power Act. What the Northwest Power Act did was set up a planning council in the Northwest, together with the Bonneville Power Administration to plan power projects in the Northwest. They stipulated that the power projects should be cost-effective and meet sound business principles.

All this amendment does is say any hydroelectric project in the Northwest, and only in the Northwest, should be brought under the umbrella of that Northwest Power Act, because newly authorized Corps of Engineers projects are outside of the act.

It stands to reason if we are going to plan our power needs in the Northwest that we need to have in the Power Planning Council the complete ability to consider all power planning projects. All this amendment does is bring newly authorized Corps of Engineers projects under the aegis of the Power Planning Council. It gives the Bonneville Power Administration the right to condition the determination of any hydroelectric facility on the basis that it produces power that is necessary to satisfy the administrative and statutory requirements, and that will produce power at the least cost and consistent with sound business principles.

So as I say, this is a housekeeping amendment simply to bring all projects in the Northwest under the aegis of the Northwest Power Act. It would simply give to the Bonneville Power Administrator, the Federal agency now marketing all power in the Northwest from the Columbia River system, the authority to determine whether a new project met the terms of the Northwest Power Act.

That is all the amendment does, and I ask the House to accept it.

I yield back the balance of my time.

Mr. CRAIG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, my colleague from Oregon has told us that this is a simple housekeeping measure consistent with the Northwest Power Act. I have to take opposition with that approach toward describing what is a precedent move in who has the authority in the determination of certain types of projects that currently come under the responsibility of the Congress.

Under existing law and procedures, the Corps of Engineers are required to consult with the marketing agent or the Bonneville Power Administration in this case on particular corps projects. This does, in fact, happen and take the form of marketability determinations by BPA on individual projects.

When the Army Corps of Engineers was before our committee, this question was directly asked of them if they did consult with the other agencies involved, and they said, of course they did, and where there was a question of marketability and there was a recommendation on the part of the Bonneville Power Administrator or other agency that this was not an appropriate type of project, that advice or recommendation was taken under major consideration in the ultimate decision-making process.

But the bottom line is, where does the decision on projects rest? It certainly rests with the appropriate authorizing committee and with the Congress. For the first time, we are suggesting, or my colleague from Oregon is suggesting, by this amendment that we are going to allow a regional group, in this case the Bonneville Power Administration Administrator, to have veto power, veto power by his act of simply saying no, that is not consistent with what he believe to be necessary for the region.

I think this is a precedent-setting move that takes the ultimate authority and the responsibility to make these kinds of determinations away from the appropriate authorizing committee, and, more importantly, the Congress of the United States.

For that reason, I would have to stand clearly in opposition to this amendment. I think it is sweeping in nature, and I think the Members of this body have to ask themselves, are they willing to give up their own authority and grant it to an appointed official who happens to be director of a power marketing system, or in this case, the Bonneville Power Administration in a region where the decisions we make are very critical to the entirety of the region and the well-being of its people.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. CRAIG. I am happy to yield to the gentleman from Oregon.

Mr. WEAVER. Mr. Chairman, it appears to me that the Members from the Northwest have not had time to examine this amendment. I want universality from the Northwest on this amendment because I am doing this for the Bonneville Power Administration.

Therefore, Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Are there further amendments to title XI?

Mr. ANDERSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when the conference committee convenes on this legislation, I hope that careful consideration will be given to the bill's local user fee section.

Many U.S. ports—including the Ports of Los Angeles and Long Beach in my area—are deeply concerned that they will not be able to finance the costs associated with their projects due to restrictions in section 109 of the bill.

Language reported by the Merchant Marine and Fisheries Committee on the local fee issue could provide a good compromise between shippers and port interests.

I hope the chairman will further examine this section of the bill.

Mr. Chairman, that is my inquiry.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, if I may respond to the gentleman from California, we are alerted to the gentleman's deep concern about this, which we do share, and I assure the gentleman that we will be reviewing this as we proceed in the process.

Mr. ANDERSON. Mr. Chairman, I thank the gentleman, and I yield back the balance of my time.

AMENDMENT OFFERED BY MR. WISE

Mr. WISE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WISE: Page 399, after line 5, insert the following:

SEC. 1199K. The Secretary shall carry out emergency flood recovery measures in the 33-county area of West Virginia for which the Governor of West Virginia requested a declaration of emergency or major disaster under the Disaster Relief Act of 1974 with respect to the flooding occurring on and after October 31, 1985. The State of West Virginia shall not be required to reimburse the United States for any emergency flood recovery work carried out by the Secretary in such area as a result of such flooding.

Mr. WISE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

□ 1600

Mr. WISE. Mr. Chairman, this amendment is offered by myself and the other members of the West Virginia delegation; Congressman RAHALL, Congressman STAGGERS, and Congressman MOLLOHAN.

During the last 2 days, massive flooding has ravaged 33 counties in West Virginia, the worst flooding in at least 100 years. Yesterday, I spent most of the afternoon in a boat floating through the streets of Weston. Thousands homeless; roads and bridges destroyed; the State's entire National Guard was activated.

West Virginians are tough, Mr. Chairman, we will dig out and we will be stronger than before. We appreci-

ate the committee's assistance in looking at our situation. What the amendment does is simply permit the Army Corps of Engineers to perform the necessary flood recovery work, the emergency flood recovery work, without requiring reimbursements in the State of West Virginia.

Mr. ROE. Will the gentleman yield?

Mr. WISE. I yield to the gentleman.

Mr. ROE. Mr. Chairman, we have examined this amendment on our side and we find it to be completely in order, and we understand what the emergency situation is in West Virginia. So we accept the amendment.

Mr. STANGELAND. Will the gentleman yield?

Mr. WISE. I yield to the gentleman.

Mr. STANGELAND. I thank the gentleman for yielding. We have reviewed the amendment on this side, Mr. Chairman. In light of the emergency situation, this is a very appropriate amendment and we support it.

Mr. WISE. We in West Virginia thank you very much.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. WISE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PETRI

Mr. PETRI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PETRI: Page 399, after line 5, add the following new section:

SEC. 1199K. Notwithstanding any other provision of law, the unpaid balance of principal allocated to power for facilities constructed by the Secretary, including that portion of the unpaid balance of principal for such irrigation facilities to be repaid from power revenues, shall be repaid annually beginning in fiscal year 1988 at a level not less than would be required under straight-line amortization schedule, as applied separately to each investment placed in service: *Provided*, That this amortization schedule may be phased in over several years, starting in 1988, if necessary to limit to five percent per year the annual increase in revenue requirement that is solely attributable to the increase in scheduled repayments required by this section, compared to the most recent repayment schedule approved by the Federal Energy Regulatory Commission; *Provided further*, That principal repayments may be deferred in years with low hydro-electric generation, subject to the same terms and conditions applicable to deferred payments of interest.

Mr. PETRI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. PETRI. Mr. Chairman, this amendment would require straight line amortization of the remaining principal balance on all Corps of Engineers hydropower projects. This would be a small step toward sounder financial practice. It would put the repayments for these projects on the same basis as a standard home mortgage.

This change has been recommended by the Grace Commission and many other organizations through the years, including the Chief of Engineers of the Corps of Engineers, the Federal Energy Regulatory Commission, the Inspector General of the Department of Energy, the General Accounting Office, and the Energy and Water Subcommittee, House Appropriations Committee. In fact, I have here a whole stack of reports recommending it.

Let me explain what is going on. It has been longstanding Federal policy to recover 100 percent of the cost of hydropower facilities through the sale of power. Unfortunately, various stratagems have been used to undermine that policy. The worst of these, which I am not challenging today, is the assigning of artificially low interest rates to these projects. For example, the second powerhouse at Bonneville Dam was placed in service from 1981 to 1983, at a time when short-term Treasury rates were in the high teens and long-term Treasury rates were in the mid teens. And do you want to guess what interest rate was assigned to this $639 million project? It was 3¼ percent. That's right. At a time when our Nation's taxpayers were paying 15 to 18 percent to borrow money, they were turning around and loaning it out to the Bonneville Power Administration and its customers at 3¼ percent. That represents a tremendous subsidy to the consumers of this power. In fact, the range of interest rates on corps projects under the Bonneville Power Administration is from a low of 2½ percent to a high of 6⅞ percent.

Now as I said before, I am not challenging these interest rates today. But Bonneville and its customers are not satisfied with these subsidies. They have a further stratagem to increase their subsidies, which I am challenging today in this amendment. They apply all principal repayments to those projects carrying the highest interest rates. In this way they reduce future interest payments on the high interest projects and achieve a cross-subsidy from the lower interest projects to the higher interest projects. It's as if you had an older home mortgage at 6 percent and a vacation home mortgage at 12 percent, and you asked your friendly neighborhood banker if you could apply all the principal repayments from both mortgages to the vacation home, thereby retiring that debt early and lowering your total interest payments. You wouldn't get very far, and neither should Federal bureaucrats with the same practice.

This amendment would simply make the repayments for corps hydro projects as businesslike as your home mortgage payments, with a phasein starting in 1988, and with a provision to lower payments in low water years with low power generation. It is an extremely modest step toward actually recovering the full taxpayer investment in hydroelectric power facilities.

OMB estimates that this amendment would increase repayments to the Treasury by $170 million per year when fully phased in by 1990. Four-fifths of that, or $138 million, would come from the Bonneville Power Administration in the Nothwest. If the entire burden of that increase were placed on residential customers so as not to threaten in any way the viability of any business, residential electric rates in the Northwest would rise at most from 46 percent of the national average to about 49 percent of the national average. In other regions the effects would be almost negligible. In areas served by the Southeastern Power Administration, retail rates could rise by about one-half of 1 percent. In areas served by the Southwestern Power Administration, retail rates could rise by 1.7 percent. In areas of the Great Plains served by the Pick Sloan Project, there would be no impact at all, because repayments there are already ahead of what straight line amortization would require.

This amendment is supported by the administration, the National Taxpayers Union, and most of the major environmental organizations. It is one modest step toward sounder financial management. It does not challenge the tremendously subsidized interest rates on hydropower facility debts. It just requires those debts to be repaid in a businesslike way.

Mr. Chairman, we hear a lot of talk around here about the need to cut the deficit. Here's a chance to take a responsible step to cut the deficit by $170 million with virtually no pain to anyone. I can understand why members from the Northwest will oppose this, because no one likes increases in electric rates no matter how favored he or she might be already. But if the rest of my colleagues can't support this step, what measures can they support to deal with our No. 1 domestic problem? We have here in this little amendment an easy test of our willingness to do something about those terrible deficits we all posture against.

I hope we pass this test.

I urge all my colleagues to vote for this amendment.

Mr. STANGELAND. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Wisconsin [Mr. PETRI]. There are many reasons why this amendment should be rejected.

The Petri amendment would unilaterally and unjustifiably change the current power repayment schedules. Under the existing repayment system, power customers must repay the total Federal investment over a 50-year period. The Petri amendment would ignore market conditions and the lessons of past experience to require levelized annual payments by the power marketing agencies.

Why should we change something that already works? We must remember that power revenues face unpredictable fluctuations. The current pay back system takes into account the continually changing market conditions and gives power marketing agencies the flexibility to vary the amount of repayment from year to year. For example, in high water years when more revenues are generated, power marketing agencies pay larger amounts on the debt. In low water years, when less energy is produced and revenues decrease, the power marketing agencies may wait until the following year to make their scheduled repayments. Even then, they would be subject to substantial interest penalties. The Petri amendment, which requires straightline amortization, would throw this whole system into disarray. It would ignore the practical realities of hydropower.

Perhaps the most disturbing aspect of the amendment is that it would impose a massive rate increase on power consumers. Conservative estimates indicate that the Petri amendment would cost Bonneville Power Administration ratepayers $70 million in additional rates for hydropower and $15 million for irrigation. Similarly, in the midwest, power is derived from the Pick-Sloan system, which would also be adversely impacted. Most Pick-Sloan power users are farmers, ranchers, and other persons dependent upon the agricultural economy. We all know how critical and perilous the agricultural conditions are in the Great Plains region. Mr. PETRI's amendment would add to these problems by creating unnecessary and unreasonable rate increases.

Mr. Chairman, a similar proposal emanating from the Office of Management and Budget last February, was soundly rejected by both the House and Senate Appropriations Committees. I think these were wise decisions. We should follow them.

Mr. Chairman, I would also like to read into the RECORD a letter from a former, very distinguished Member of this body, my predecessor, Bob Bergland, who also was Secretary of Agriculture.

He says, and I quote:

The proposed Petri amendment would change the long established accounting methodology for Federal hydroelectric projects, and would thereby substantially raise the wholesale cost of electricity purchased from these projects by some 650 rural electric cooperatives. As the national association representing more than 1,000 such electric cooperatives which serve about 25 million people in 46 states, we express our strongest opposition to the Petri amendment and urge its defeat.

Under present practice, Federal power marketing administrations set their wholesale rates to recover the full Federal investment in power facilities over a 50 year period and defray all operation and maintenance costs. All of the Federal power marketing administrations are current in their repayment obligations.

For all of these fundamental reasons, I urge my colleagues to reject this far-reaching amendment.

□ 1610

I think this is good advice from a respected former colleague.

Mr. Chairman, I urge that the Petri amendment be defeated.

Mr. ROBERT F. SMITH. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the amendment offered by Mr. PETRI.

This action would, if approved, require Federal power marketing administrations like the Bonneville Power Administration which provides power to more than 100 utility companies in Oregon, many in my own Second Congressional District, to use a fixed-year straightline amortization system for repayment of Federal investments.

Of the total $170 million new Federal income which Mr. PETRI anticipates from this amendment, fully four-fifths, more than 80 percent, would come from the BPA alone. Obviously, I have a critical interest in this measure.

Mr. PETRI's amendment simply should not be under consideration today. Though the change in repayment systems was suggested by the administration, it has already been rejected by both House and Senate Appropriations Committees. And even though it seeks to accomplish a complicated and highly controversial change, it has never been explored in any kind of congressional hearing.

Simply stated, this is not the kind of issue that should be decided in a few minutes of general debate on the floor of the House.

The sad fact, however, is that the amendment is here. As such, you should know something about it.

On the most basic level, the Petri amendment is a question of fair play. It amounts to changing the rules in the middle of the game. Federal power marketing administrations like BPA contracted under specific and well-defined terms for the use of Federal construction capital. Rates were established to meet those terms.

Now, in a period of particularly high need for new Federal revenue, Mr. PETRI's amendment suggests that original agreements don't count.

Without even considering the economic impact on my constituents, I just don't think anyone can justify this kind of change of the rules. It would be like suggesting in the last inning of the sixth game of the World Series that the underdog team can have four outs instead of three.

I realize that many, in this House, in the administration and in the power production business around the country, believe that the Pacific Northwest is sitting on top of the world with cheap hydroelectric power. And many, privately covet what they consider to be a grand advantage, harboring the notion that cheap power would settle all of the industrial and economic development problems in their own area.

Well, I want to tell you, not so.

Allow me to share just a little insight on the economic problems this would cause in my own district, my home State, and the entire Northwest region.

The Pacific Northwest, and Oregon in particular, has yet to reach the stage of economic recovery that most other regions of the United States have already reached. Our timber industry is still in the dumps and double-digit unemployment lingers in far too many Oregon timber-producing communities.

Things are no better in the high-energy usage businesses of aluminum production and irrigated farming. In those, any increase in BPA rates threatens to not just hurt, but kill the remaining businesses which are today just barely holding their heads above water.

This amendment would dramatically increase power rates from BPA by forcing them to charge bloated power rates for the sake of meeting a fixed-rate repayment schedule in the bad years as well as the good.

This year, BPA faithfully paid $682 million in interest, principal and operating costs exactly as they would be paid under this plan. Indeed, we were fortunate that this year it could be done.

But to remove the flexibility of the original repayment schedule, which allows an occasional repayment year below full principle, would be to balloon an unbearable mandate on the Pacific Northwest.

It would mean loss of an estimated 50,000 jobs—about 10 years of normal economic growth in the Northwest. I don't need to tell the Members of this Congress—most of whom have watched the cycle of economic stagnation in the industrialized Northeast—what happens when you break the backbone of a State's industrial base.

Mr. Chairman, colleagues, I urge you to oppose the Petri amendment. It is ill-advised, inadequately studied, often-rejected, unfairly created, economic poison for the Pacific Northwest and Oregon. It must be defeated.

Mrs. SMITH of Nebraska. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I oppose any amendment that would revive the infamous plan of last year put forth by the

Office of Management and Budget that would have immediately more than doubled the bills for electric power to dozens of the cities and towns in my district dependent for all or part of their needs upon hydroelectrically generated power from Federal facilities.

This sharp additional cost would have been passed on immediately to the desperately financial troubled farmers, ranchers, businessmen, and all consumers generally in rural Nebraska.

Testimony before my Appropriations Subcommittee on Energy and Water Develpment earlier this year revealed that the cost to Nebraska's municipalities alone would have jumped to more than $6.7 million this fiscal year from only about $3.7 million in the previous 12-month period.

It is my understanding this amendment by the gentleman from Wisconsin will be aimed at making these towns and their power customers begin paying higher bills by requiring a straight-line amortization, including interest at current rates.

This would break agriculture—pure and simple, if imposed too quickly. Even if the proposed cap of an annual increase of 5 percent were adopted, it would still be an unwarranted burden on people who already are in deep trouble.

Last year, Congress rejected the idea out of hand. I ask my colleagues to reject it again—as it should be, at least until prosperity again smiles on our agricultural sector.

Mr. SWIFT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, there are a lot of reasons why the Petri amendment should be rejected, but the major one is that this amendment is patently unfair and discriminatory. Public works projects by the hundreds have been funded directly and completely by the Federal Government. We have all benefited from them. The entire Nation has benefited from public works projects that were virtually paid in toto by the Federal Government. That is not the kind of project we are talking about here. We are talking about projects, the full cost, every penny of the principal is being repaid by the ratepayers of those power marketing areas, with interest.

The irony is that had this been one of those projects that was paid for fully by the Federal Government, there would not be any repayment schedule on which to attach this amendment.

The fact that we are paying for these projects out of the rates of the people who benefit most directly is what sets up the mechanism to harass people in the power marketing areas.

Let me make another point. It is charged that somehow we are getting some special deal, and yet in any business you would amortize something over the useful life of that capital expense.

We are repaying over 50 years. Virtually every one of these dams has a useful life of 35 years. We have given up 35 years of amortization in an agreement with the Federal Government in which we repay every penny of the principal with interest.

That is a good deal for the Federal Government, it is a good deal for the people as well.

One last point: The gentleman made an analogy with regard to your home loans. Consider this: Who would let their banker unilaterally renegotiate their home loan contract half-way through that contract? Which is precisely what this amendment would do. It is patently and directly unfair, it does not take into consideration the deal that the ratepayers have given the Federal Government, and it is unilaterally renegotiating a contract that was made in good faith years ago.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I will be happy to yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment my colleague from Washington for having made a very correct statement. Just so that our colleagues again understand it, the gentleman made a very important point: It is the ratepayers of the Pacific Northwest who are paying back the money for these dams. It is not the rest of the country. That is No. 1.

Second, on September 30 of this year, Bonneville made a payment of $682 million to the Treasury. Of this amount, $226 million was principal, $374 million was interest, and $82 million was for O&M costs.

Now, they have made a Herculean effort to get back on their payment schedule, and yesterday the Administrator of BPA said we are now back on our payment schedule.

So I would hope that the House would reject this amendment. I do not think it is necessary. We are back on our schedule. We are paying because we want to pay back the money that was used for these facilities. Again, it is the people of the Northwest who are paying those bills.

Mr. Chairman, I would like to join my colleagues in expressing my strongest opposition to this amendment, and I urge the House to reject it convincingly. While I believe that Mr. PETRI may have had the best of intentions in offering the amendment, what he has actually done is to offer a proposal that will have a major and dramatic adverse impact on large sections of our country. While it is true that the greatest impact will be on the Pacific Northwest, both Southeast and the Southwest have projects which would be included under the repayment provisions. This proposal has never undergone hearings or any formal consideration by any committee or subcommittee in this Congress, and did not even exist on paper just 3 days ago. It has already gone through numerous changes since its original draft, and still contains technical problems which clearly indicate a lack of understanding of power marketing operations which will make its application extremely difficult.

First of all, let me try to explain, in the simplest terms, how the Bonneville Power Administrative finances its construction program. BPA takes out loans, just like you and I do when we're purchasing a house, and then repays these loans over a 50-year time period. During the early years, the payments are mainly made up of interest, with very little principal, and these proportions shift over as the payments are made. During the latter years of each loan it is largely principal with very little interest. This shift takes place even though the total amount paid by BPA each year remains constant.

Many of us have home loan payments that operate in this same manner, as does most of the business world. The alternative is a balloon payment program, during which annual principal payments are low with a large final payment when the loan is finally due. But no one, to my knowledge, would take out a loan which requires a balloon payment during the first years, and then tapers off during the last years of the loan—which is effectively how this amendment would force BPA to operate.

On September 30 of this year, Bonneville made a payment of $682 million to the Treasury. Of this amount, $226 million was principal, $374 million was interest, and $82 million was O&M costs. Because the Petri amendment is so new we have not had the opportunity to determine exactly what its impact will be, but according to OMB, during 1988, which is the first year the amendment would go into effect, BPA would have an increase of $112 million in payment of principal, and this would go up to $136 million by 1989. This is a 50-percent increase in the payment of principal, a 50-percent increase which this amendment would sanction without even a hearing on its potential impact. So don't let anyone tell you that this is a minor change in repayment that won't really affect anyone, it is simply not the case.

The second point that I would make is that, presumably, the entire reason for this amendment is to make sure that power marketing administrations such as Bonneville make timely and regular payments to the U.S. Treasury. If this is the case, it is unnecessary because BPA is operating on a sound fiscal basis, and is completely up to date in its payments to the Federal Treasury of both principal and interest. In all, BPA has made a total payment to the Treasury of $5.5 billion; $865 million of this amount has been repayment of principal.

I would like to draw your attention to the fact that this amendment is offered to H.R. 6, the omnibus water resources bill. I find a certain degree of irony in this fact, because the Bonneville projects this amendment affects are already unique in one respect from any other project included in this bill—their costs are already being paid entirely by the regional ratepayers. Yes; that's right, the only case of 100 percent local cost sharing you will find in this bill. There are a number of projects included in H.R. 6 which are being paid for entirely by the Federal Government—obviously there is no issue of repayment schedules here because there is no repayment being made. Period. The remainder of the projects are paid for jointly by the Federal Government and local governments—again, no one is even considering having the Federal contribution repaid.

Yet in the BPA projects we have a unique situation in which local ratepayers have agreed to repay the Federal Government the entire cost of building the projects, plus interest, and now we stab them in the back for their efforts and try to make them pay back the loans faster, against all concepts of good business practice or logic. It can hardly escape the ratepayers of the Northwest that if they had not agreed to repay the Federal Government in the first place, they would not be faced with this amendmemt today.

I would also point out to ratepayers all over the country that may enjoy the benefits of projects included in this bill that the amendment being offered today is a retroactive change in existing schedules. The only example I can find to compare this to is to imagine that we pass this bill, and the projects it authorizes are built, and years down the line some Congress, with no hearings or any other type of review, decides that the cost-sharing provisions should actually have been 50 percent and retroactively imposes the new requirements. You can well imagine the effect such a proposal would have on everyone already paying the original local share on the projects.

The Federal Government made a commitment to the ratepayers of the Pacific Northwest years ago, that has been confirmed regularly until today, that repayment of Federal loans would be in the lowest cost manner consistent with prudent business practices. That is how BPA has operated during this time period, and the entire Northwest economy has been built upon this presumption. Our entire region is still reeling from the effects of the recession that crippled the rest of the Nation just a few years ago. We have not yet seen the economic recovery that this administration promised every region of the country.

Unemployment in our most fundamental industries such as timber and aluminum still hovers around 30 percent. In many counties, one in every three citizens is still unemployed. Many of those businesses which remain are tottering on the brink of bankruptcy. Rate increases which were necessitated by the WPPSS debacle easily exceeded 700 percent, and have only recently stabilized to about the rate of inflation. Our ratepayers, both commercial and residential, have clearly shown they cannot absorb yet another increase in rates. The last rate increase of 5 percent which was approved in 1983 resulted in an overall decrease in load utilized by BPA customers.

Obviously, those most affected are the poorest of our citizens, who cannot afford even a small increase in their power rates. Unfortunately, in the Pacific Northwest, no one customer class has recovered from the recession, so there is nowhere to shift the burden of the increase. If you try to protect small businesses, you incease the impact on direct service industries and consumers. If you protect consumers, thousands of marginal businesses could go under. No matter where you look, the results are increased unemployment and decreasing revenues to Bonneville.

I will conclude my comments by again strongly urging my colleagues to oppose this amendment. If Congress is to impose such a dramatic change in repayment methodologies for power marketing administrations we should do it in a logical, coherent manner with the introduction of a bill on the issue and hearings in the authorizing committees. It should not be the result of a quickly drafted amendment that is only offered 1 day before a vote, which no one can clearly interpret or analyze. If we're going to do this, let's do it correctly, so we can really say to our constitutents that we knew what we were doing.

Thank you Mr. Chairman.

Mr. SWIFT. I thank the gentleman for those remarks.

Mr. Chairman, I would add and point out it is not only the Pacific Northwest affected by this amendment, because it also deals with the Western Area Power Administration, the western Missouri River basin, the intermountain States, Texas, Oklahoma, California, the Southeastern area, Southwestern area as well.

Mr. CHANDLER. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman from Washington.

Mr. CHANDLER. I thank the gentleman for yielding.

Mr. Chairman, I compliment the gentleman for his leadership on this issue. I simply would like to add that this is no time to hit the Pacific Northwest with an economic broadside. We are having enough trouble in our agricultural sector, our forest products sector, our aluminum smelting sector. This would simply add to the economic woes that have already crippled many of the areas in our State.

I thank the gentleman for yielding. Again, my compliments to the leadership of the gentleman on this issue.

Mr. SWIFT. I thank the gentleman for his contribution.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman.

Mr. FAZIO. I thank the gentleman for yielding.

I would like to compliment the gentleman on the leadership he played on this occasion and on so many other occasions when this particular attack has been made.

My constituents at SMUD in Sacramento have had a 28-percent increase in their rates this year. This very ill-considered amendment would increase the rates they pay by another $10 million within this calendar year. I want to associate myself with the remarks of the gentleman.

Mr. Chairman, there are many good things in this bill which we are debating and amending today. These things extend from special provisions enabling a local takeover of operating costs for the William G. Stone lock in my own district, to the largest coal exporting ports on the east coast. The bill's main achievement, however, is that it breaks a drought which has persisted since 1970 on the development of new port, flood control, and environmental enhancement projects which this Nation has very badly needed.

Before I turn to a discussion of these, however, I would like to applaud the bill for one thing it does not include. That is an overturning of the established formula for the repayment of hydropower obligations by Federal power customers. An amendment to impose a so-called straight line amortization schedule on these customers may be offered today. It should fail, because it presumes several things which are not true:

It is not true that Federal customers are paying their debt back more slowly than current 50-year shedules call for

Nor is it true that the current schedules fail to recompense the Government quickly enough.

And it is not true that the customers can simply regularize their debt payments regardless of the amount of hydropower the Government provides them, because that amount is dependent on the weather.

The amendment should also be defeated because it confers upon the Federal Energy Regulatory Commission powers over the Energy Secretary which it does not now have and which it should not be given. Last, the amendment seeks to impose on Federal customers higher interest rates for the shortfalls in their payments during times when hydropower is not plentiful. On such occasions Federal customers pay less to the Government to reflect the smaller amount of power they receive. To hold the customers to a higher repayment for power that they are not getting, or to consider the forgone payment a loan to be paid back at higher interest rates, is unfair.

The amendment to be offered by my colleague from Wisconsin echoes back to broader proposals made by the administration at the onset of the fiscal year 1986 budget debate. Rate increases imposed unilaterally and in violation of existing contract provisions between the Federal Government and its customers would have

caused substantial dislocation among these customers, who include my own constituents served by the Sacramento Municipal Utility District. This amendment seems more narrowly crafted, to affect only corps dams and thus not the central valley project facilities which serve us. Nevertheless, as a matter of principle, retroactively changing the arrangements between the Government and its customers is not right.

Further, we can safely assume that if this policy were adopted to affect corps dams, it would be inconsistent for the Congress to fail to extend it to affect all Federal dams, including the Bureau of Reclamation's. The total affect of such a move on the Western Area Power Administration within 4 years from today would be $54 million a year, almost $30 million of it attibutable to boosted rates charged by recipients of power from the existing Pacific Northwest intertie and the Central Valley project. My SMUD constituents have already suffered a 28-percent rate increases in the past year; since they pay roughly one-third of the Federal bill, this single ill-considered amendment would cost them $10 million.

We have an infrastructure in this Nation which was planned and built essentially in the forties, fifties, and sixties. The national and world economies have changed drastically since then. Trade patterns have altered with the changing fortunes of individual nations. We need larger ports in new locations to handle new commodities between different destinations in larger, modern vessels. Urban and suburban development has exploded all over the Nation, establishing new requirements for flood protection and water supply. Our encroachments on the environment have created new pressures for mitigation above and beyond those attributable to a new sensitivity to environmental values.

Moreover systems we developed in the post World War II era, and in many cases well before that, have deteriorated even where their designs may not have become obsolete. Particularly in the older regions of the Nation need is intense for rehabilitated or better integrated water supply systems. This Nation has devoted many decades to the development of water supply systems for cities and agriculture in the West. It is appropriate now that we turn greater attention to the problems in the East, where so much capital was raised in past years to invest in the West.

This bill does all these things. It does so in a way that most of the needs we have can still be financed within the requirements the bill imposes on local jurisdictions to share in the cost. It has been cost sharing—not a failure to recognize the needs enumerated above—which has prevented this omnibus legislation from passing. The issue is particularly sensitive in our new budget climate, where the Federal burden must be reduced and where a stiffer test is required of local interests in order to weed out those projects which perhaps have less merit than others.

I say perhaps because a local inability to pay is not always a sign that a project is not important or valuable. In fact, a local inability to pay may signify that basic infrastructure improvements are more needed in that place than they are where plenty of cash is available. One of the secrets of our Nation's strength is that the Federal Government has invested tax funds, garnered from regions where economies are strong, in regions where the economy has yet to become strong. This is so particularly when the investment is infrastructural, the sort of facility which is so basic to the functioning of the economic and social system that it is virtually impossible to isolate and rank the beneficiaries for purposes of charging them user fees.

The cost share provisions in this bill approach and, frankly, will exceed the ability of some local sponsors to commit the cash required up front. In that sense the bill represents a levelling off of our aspirations for our economic development, a statement that in some instances those who do not have will not get, whereas before the presumption was always that basic investments will pay off even if—especially if—they were made among the have nots.

Nevertheless, the bill still injects stimulus into regions that would not be able to enrich themselves. Though we are reigning in our ambitions, this bill still makes badly needed progress.

It is far better than the alternative promoted by the other body and the administration, where the philosophy seems to prevail that you need no Federal assistance if you cannot afford it by yourself anyway. For instance, in my own district the Port of Sacramento, authorized by this bill as it was by the supplemental appropriations bill last spring, will have to contribute 25 percent of its total cost in cash during the time of construction. The official figures in this bill list this obligation as a $92 million Federal cost supported by a $33 million local contribution. I have some reason to hope and expect that the final costs for this project will not total $125 million as the corps' October 1984 figures would have it. I am also told that these figures are subject to significant readjustment as requirements and designs of the project are made final.

Nonetheless, these figures illustrate how these percentage requirements are significant local burdens, difficult burdens for a newer port which has yet to build up the business that older ports have been able to establish under the former financing systems.

The local cost is made far worse by the necessity of obtaining lands, easements and rights of way. In the case of Sacramento these amount to roughly $23 million, almost 20 percent of the total project. The principal reason why the House bill is more fair than the Senate bill is that it acknowledges the burden this cost puts on the local sponsor, and credits the sponsor with having to pay it.

The Senate-administration bill, as I understand it, would allow lands easements and rights of way to apply only toward 5 percent of the total project cost, in this case about $6 million. The balance of the lands, easements, and rights of way obligation would not go away, but would have to be absorbed entirely by the local sponsor.

In short, under the Senate proposal the local sponsor at Sacramento would be required to contribute much more than $33 million in cash. Only $6 million of that could be offset by $23 million in lands, easements, and rights of way costs. The local sponsor would still have to absorb $17 million of the latter, on top of the basic $33 million cost-share requirement.

I do not know whether Sacramento can raise capital from conventional sources to finance a debt that large. All the benefits to a port do not accrue in ways direct enough to tap. Sacramento might not be able to afford the burden that the administration would impose. This is not a matter of lacking merit. The cost-benefit ratio is a strong 2.3 to 1, despite inclusion in the corps' October 1984 figures of salinity repulsion sill which might not turn out to be necessary.

This is not the only instance in which the administration is blind towards very tangible local contributions. The administration is now negotiating cost share terms with local sponsors whose projects were funded in last summer's supplemental. The corps representatives are requiring that the local flood control sponsors contribute a minimum of 5 percent of a total project cost in cash during the period of construction, which was a condition established during Senate negotiations with the administration.

I understand that the administration has been unwilling to give the local sponsors credit towards this cash requirement for cash expenditures they have already made, even though they were made to implement recognized features of the project while waiting for the new starts impasse to break. Thus local sponsors would be penalized for having taken initiatives that were Federal responsibilities during that long 8-year period when the Federal Government was paralyzed with indecision on water projects. This posture seems unfair and hypocritical to me, since those local sponsors who ventured nothing on their own will now get full credit for the expenditures they will make henceforth.

I urge our House conferees to adhere strictly to their positions when they meet with the Senate over the final provisions of this bill. The outcome of those negotiations will determine in great measure whether this is a bill for America as a whole or simply those portions of America which were lucky enough to have gotten their public investments already.

Besides the Port of Sacramento, there are a number of valuable provisions in this bill for Northern California and for my constituents in particular:

I am deeply appreciative of the committee's special consideration of Sacramento's attempts to assume financing responsibilities of Stone Lock, a facility which is of great value to Sacramento's recreational boaters and perhaps to the economy of its renovating waterfront as well.

The Corps of Engineers has decided that the fall-off of commercial traffic through

the lock in recent years required its mothballing in late 1982. Of the 7,500 vessels a year through the lock carrying 19,800 passengers, 97 percent were recreational boats. While this recreational activity may not be a Federal interest, it is of great importance to local government, which has been searching for mechanisms to finance the lock's estimated $25,000 per year operating costs under a lease from the corps.

Funding constraints on local governments in California have prevented Sacramento from devising these mechanisms. The ability to charge fees of the lock's users, even though the lock is remaining in the ownership of the corps, will mean that the lock will be available to the boaters who need to traffic between the main Sacramento River and the port's deepwater ship channel.

Perhaps more significant in the long run, an operating lock could provide the economic margin for commercial tour boats between San Francisco and Old Sacramento, the one-time terminous of heavy river traffic during the Gold Rush. Inability to charge these boats fees would mean the lock could not be used, and without the lock the tour boats could not make a round trip to San Francisco quickly enough.

The committee's inclusion of the Stone lock provisions implements a bill introduced by my colleague BOB MATSUI and myself for the past several Congresses. I am personally appreciative of provisions which ensure that Yolo County will be consulted when a schedule for opening the lock and thus interrupting Jefferson Boulevard traffic is determined.

The bill would enable the $37 million Cache Creek flood control project to proceed. I am especially grateful to Chairman BOB ROE for his support of my request that the settling basin near Woodland at the downstream end of the project be acquired in fee title as a 3,600 acre wildlife refuge. The corps had dropped the refuge from the project plans. I appreciate the committee's restoration of it to the bill.

The committee also saw fit to include two important environmental mitigation provisions for the Sacramento River at my request, one of which would authorize the corps to participate in environmental improvement programs from Collinsville to Shasta Dam. Mitigation authority is especially important for the salmon fishery remaining between Chico Landing to Red Bluff, where controversy has plagued bank stabilization years. The corps has been essentially passive in the face of these problems, being confined to the terms of its old authorization. I am hopeful that this mitigation authority will enable the Federal Government to respond more creatively to the problems stabilization causes.

In another instance, the committee has adopted the provisions of a bill introduced by myself and Representative GENE CHAPPIE in 1981, to implement a mitigation plan for the Federal Government to pay 63 percent of the $3 million necessary to purchase 668 acres of riparian habitat along the Sacramento south of Chico Landing. This new authority would enable the corps to mitigate damages caused over the last several decades by phase I of the Sacramento bank protection project, which consists of flood protection levees from Collinsville to Chico. The program fulfills a requirement established by then-Governor Reagan's state administration for continuation of the bank protection project into its second phase.

The bill would authorize badly needed restoration of Sacramento bank levees along the Colusa Trough Drainage Canal and the Knights Landing Ridge Cut, compensating for damage caused by general subsidence of the area.

Last, the bill deauthorizes an old Federal project along the Sacramento River, the Colusa to Red Bluff project, which would have the corps maintain a 10 foot channel from the Suisun Bay to Sacramento, and a 5 foot channel from Sacramento to Colusa. The project has been rendered obsolete by the 30 foot deepwater channel to Sacramento, and by the demise of gravel barging operations above Sacramento.

This is a bill for many purposes. It is an extraordinary achievement by the Public Works Committee, its Chairman JIM HOWARD, and the Water Resoures Subcommittee and its chairman Bob Roe. In literally hundreds of ways it brings our national water infrastructure into synchronization with the economic, social, and environmental objectives of the latter half of the 20th century. For many reasons the bill deserves to be passed.

Mr. MORRISON of Washington. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman from Washington.

Mr. MORRISON of Washington. I thank the gentleman for yielding.

Mr. Chairman, I want to associate my comments with those of the gentleman from Washington.

The CHAIRMAN. The time of the gentleman from Washington [Mr. SWIFT] has expired.

(On request of Mr. AUCOIN and by unanimous consent, Mr. SWIFT was allowed to proceed for 3 additional minutes.)

Mr. MORRISON of Washington. Mr. Chairman, will the gentleman continue to yield?

Mr. SWIFT. I yield to the gentleman from Washington.

Mr. MORRISON of Washington. The amendment as proposed by the gentleman from Wisconsin in the area of irrigation projects changes the format to the point that ratepayers would be picking up the cost of both the dams that are necessary as well as the irrigation projects. Instead of having them run one after the other, they would be running concurrently. So the costs would be dramatically increased to the point of probably making both projects unaffordable as far as ratepayers are concerned. This is an amendment we must defeat for the sake of the interests in a variety of parts of the United States.

I thank the gentleman for yielding.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman from Oregon.

Mr. WEAVER. I thank the gentleman for yielding.

Mr. Chairman, I would like to be associated on the victorious side for a change.

Mr. Chairman, I strongly oppose this amendment. I join my colleagues from the Northwest in opposing it.

Mr. CRAIG. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman from Idaho.

Mr. CRAIG. I thank the gentleman for yielding.

Mr. Chairman, I do not know of any of us who question and are concerned about a variety of the costs that we in our wisdom years ago decided were appropriate as related to certain projects that ultimately created economic movement within given areas of the country. I am sure there are a good many of our colleagues who would like to be on the side of some of the Grace Commission studies and efforts. But the question is, why do you segregate or pick out certain areas of Federal expenditure and not others?

We have been in the business of providing low-cost loans across the board in a tremendous number of areas because, in the wisdom of this Congress over the years, we decided it was a good thing to do, to stimulate certain types of economic development.

What we do by this legislation is impose an increased tax. It is a tax increase, without any argument. That is ultimately what happens in given regions of the country where this is impacted.

Is it not wise to say we ought not be subsidizing student loans? No, we find them to be a certain net benefit to the well-being of this country. So I think if you are going to look at this in an incremental way, you had better broaden the base and look at it all. That is why I would have to oppose this kind of legislation at least currently, because of the narrow scope, based on its failure to address the much broader spectrum that we will probably be looking at down the road in something like Gramm-Rudman or some other major effort that brings into play all segments of the Federal Government.

Mr. SWIFT. I thank the gentleman.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I thank the gentleman for getting me the additional time, and if there is any of it left, I would be glad to yield to the gentleman.

Mr. AUCOIN. Mr. Chairman, how much time does the gentleman have remaining?

The CHAIRMAN. Thirty seconds.

(By unanimous consent, Mr. SWIFT was allowed to proceed for 2 additional minutes.)

Mr. SWIFT. Mr. Chairman, I yield to the gentleman from Oregon.

Mr. AuCOIN. I thank the gentleman for yielding.

Mr. Chairman, I rise today in opposition to the Petri amendment to H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

This amendment is just another in a series of recent attacks on power marketing administrations—attacks that the House have repelled year after year.

This amendment will unnecessarily penalize the Bonneville Power Administration, which is the power marketing agent for 30 Federal dams in the Northwest that were built by the Army Corps of Engineers and the Bureau of Reclamation. BPA serves Oregon, Washington, Idaho, and western Montana, as well as small neighboring portions of Nevada, Utah, Wyoming, and California. It provides nearly 80 percent of the transmission capacity in the region. Indeed, this network is the "backbone" grid for all interconnected utilities in the Northwest.

BPA is responsible for repaying the Federal investment in power producing resources in the Pacific Northwest. The current repayment agreement requires that the total Federal investment be repaid, with interest, over a 50-year period. Power rates are set, and adjusted when necessary, to guarantee timely payback. This method of repayment provides for flexibility—flexibility that is vital in a system that is hydro-based and subject to the whims of nature.

Like many other utilities, BPA had difficulty meeting its costs in the late 1970's and early 1980's. Revenue shortfalls forced BPA to make smaller-than-planned payments on the principal in those years. And between 1979 and 1983 BPA deferred paying a portion of the interest expense owed to the U.S. Treasury.

But recently BPA has put its financial house in order. In fiscal year 1984 BPA made a $217 million payment to Treasury, paying off all deferred interest costs. On September 30, 1985, they made a payment of $682 million which consisted of $374 million for interest on the capital invested in the FCRPS, $82 million to cover the annual operations and maintenance costs of the Corps of Engineers and the Bureau of Reclamation, and a return of $226 million in capital to the Treasury. Those payments were exactly the payments that Bonneville had pledged to make to the Treasury.

The Petri proposal changes the rules of the game. Under this amendment, BPA would be required to repay the capital invested in the power features of the Army Corps of Engineers hydropower projects using a fixed-year straight line amortization basis.

Based on BPA's recent good performance, there is no justification for changing the repayment procedures.

And the only result will be to increase the cost of power to the citizens of the Pacific Northwest.

Mr. Chairman, this amendment is being proposed at a particularly inopportune time. It is a time when many industries in the State of Oregon are struggling for survival. The aluminum industry, for example, which relies heavily on power from BPA, is having serious financial problems. The passage of this amendment will be another nail in the coffin of that struggling industry.

The most important consideration, however, is the effect this proposal will have on the average consumer of electricity. OMB estimates that the passage of this amendment will result in wholesale power rate increases of 5 percent. Is it fair to increase electricity costs for consumers by changing a system that ain't broke? No.

Years ago the Federal Government entered into an agreement with BPA and other power marketing administrations regarding the repayment of the Federal investment in hydropower facilities. Aside from a few unusually rough years, BPA has kept its part of the bargain. Now, we're being asked to ignore their efforts and change the rules. This is wrong. And I urge my colleagues to defeat this unneccessary and punitive amendment.

Mr. LOWRY of Washington. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman from Washington.

Mr. LOWRY of Washington. I thank the gentleman for yielding, and I thank the chairman of the subcommittee and the ranking minority member of the subcommittee for the responsible handling of this very bad amendment before us. We have kept our part of the deal. OMB now wants to break their part of the deal.

I thank the chairman of the subcommittee and the ranking minority member.

Mr. SWIFT. Mr. Chairman, I join with my colleagues in thanking the chairman.

Mr. DASCHLE. Mr. Chairman, I rise in opposition to the Petri amendment to H.R. 6, the Water Resources Act, which would change existing repayment policy for Federal hydroelectric facilities to require the costs of present and future hydroelectric power facilities to be repaid in levelized annual payments.

The Petri amendment ignores the practical realities of hydropower production. Current repayment agreements between the United States and Federal power customers require the entire cost of the project, plus interest, to be reimbursed over a 50-year period. The reality of hydropower is that more revenue is generated in years of high water flow than in years of low water. Thus, power marketing agencies need special flexibility in their repayment schedule because of their special circumstances.

Existing repayment agreements recognize this fact and provide that in low water years when less energy is produced, the power market agencies may defer part of its scheduled repayment until the following year. It is important that when the repayment is deferred an interest penalty is assessed to the public power marketing agencies.

Also what little problem existed in the past has been corrected. Since 1983, the power marketing agencies are current on their repayment obligations.

If it ain't broke, why fix it?

Former OMB Director David Stockman came to this body on two separate occasions this year to offer us the same concept embodied in the Petri amendment. In both cases, this body had the wisdom to refuse to adopt this straightline amortization approach.

Finally, this change of the established repayment schedule will result in an unnecessary electric rate increase for public power customers. It is estimated that individual power rates would increase approximately 5 percent each year with the adoption of this amendment.

Mr. Chairman, the Petri amendment is unnecessary, unfair, and will needlessly raise thousands of electric power user's bills. I urge my colleagues to reject this amendment as they have on two other occasions during this year.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and members of the committee, I think that the gentleman has offered a valid amendment, and I must tell you that I share the concerns of many of my colleagues from the Northeast. That is, to understand the full ramifications of this amendment. I appreciate it is a recommendation of the Grace Commission and of the administration in their budget proposal, but, as one who has jurisdiction over a fair amount of hydroelectric power generated in this country, I would hope that we would have an opportunity to have a full hearing on this measure. It has been suggested by the gentleman from Oregon and the gentleman from Washington that in fact the payment schedules have been accelerated and dramatically improved and, at the same time, there have been serious questions raised about whether or not there will be full payment back to the Government of a number of these programs and at what level and what rate that payment should take place.

□ 1625

But I think before we go ahead and adopt this amendment, we would like

to have an opportunity to have some of these issues aired.

I would like to say to the author of the amendment that I would hope that he would consider the withdrawal of this amendment, with an agreement between himself and myself that I would be willing to ask the Water and Power Subcommittee to engage in a hearing on this subject so that we might lay out the facts as they currently are, and then the House can make its will known in an intelligent fashion.

But I am just concerned that to accept this amendment at this time on this bill, which obviously has a tremendous amount of support and is very important to Members of the House, that this one becomes a great deal of trouble not only to the bill but also how we explain what the actual impacts are on purchasers of that power and on the ratepayers.

I think we have the ability to do that on the Water and Power Subcommittee on the Interior Committee, and I think that there is broad enough representation on the Interior Committee, both by the immediately affected jurisdictions and by consumers of that power and the people from other parts of the country, that we can provide that kind of a hearing.

I also know that the gentleman has presented a substantial amount of evidence that he would like to introduce in those hearings, and if we can carry it out of the room we would be delighted to take it and give it the kind of reception that it should have.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Wisconsin.

Mr. PETRI. I want to thank the gentleman, the chairman of the Subcommittee on Water and Power of the Interior Committee, and I think his point is well taken. This is clearly a very important and broad area that has many ramifications.

There is one other thing I wanted to do and I neglected to say earlier, at the beginning of my remarks, and that is to compliment the chairman of the subcommittee, my esteemed colleague, the gentleman from New Jersey [Mr. ROE], for the great work that he has done in bringing a bill that is going to pass the House without particular controversy and reach the President's desk before long, reauthorizing a whole variety of needed things in this important area.

But with the understanding that your committee will be active in this area and all these reports will see the light of day, you will have hearings on this subject, when the time is appropriate I would ask to withdraw the amendment.

Mr. MILLER of California. I appreciate the agreement of the gentleman.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the chairman.

Mr. ROE. I want to thank the gentleman from Wisconsin for the generosity of his kind comments, and I want to publicly thank him for the outstanding work that he has done on our Public Works Committee. The gentleman has really been one of the leaders in the field of developing this legislation.

As you notice, I have remained mute to this point, allowing the Representatives from the great States of California, Oregon, and Washington, because it fell upon their immediate needs to debate that issue; but from the committee's point of view, I compliment the gentleman from withdrawing this amendment, because we, too, have been reviewing this, as the gentleman knows, in Public Works, and particularly in our Water Resources Committee, as it relates to the Corps of Engineers' hydro project—and I appreciate the gentleman from California mentioning that—thoughout this country.

Any type of program that would emerge should have real solid review, should have real good understanding and should really follow some kind of uniform policy.

So I would appreciate it if the gentleman will withdraw his amendment, in which instance we, too, will join in on hearings on this important issue.

Mr. PETRI. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. ENGLISH

Mr. ENGLISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGLISH: On page 366, strike lines 8 through 22 and all that is contained therein and insert in lieu thereof the following:

Section 201 of the Flood Control Act of 1970, as amended by Section 153 of the Water Resources Development Act of 1976, is amended by striking out the last sentence under the heading "Arkansas-Red River Basin" and inserting in lieu thereof the following: "Construction shall not be initiated on any element of such project involving the Arkansas River Basin until such element has been approved by the Secretary of the Army. The chloride control projects for the Red River Basin and the Arkansas River Basin shall be considered to be authorized as separate projects with separate authority under Section 203 of the Flood Control Act of 1966, as amended.".

Mr. ENGLISH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ENGLISH. Mr. Chairman, I rise in support of my amendment which separates the authorization of the Arkansas River Basin water quality project from the Red River Basin water quality project, and which requires that the Secretary of the Army grant approval before any construction on any element of the Arkansas River Basin water quality project can occur. The intent of this measure is to ensure that no money authorized and appropriated for the Red River Basin water quality project can be spent on any portion of the Arkansas River Basin water quality project. This amendment is the same amendment which the House adopted during its consideration of H.R. 2577, the Supplemental Appropriations of 1985, earlier this year.

By separating the Arkansas River chloride control project from the Red River chloride control project, my amendment requires that each project stands on its own merits. Unfortunately, present law permits funding authorized and intended for the Red River project to be spent on the Arkansas River project. This could happen despite the fact that the Corps of Engineers has concluded after extensive study that the Arkansas River project is not economically feasible and that the corps should not proceed with it.

A closer look at the Arkansas project reveals the actual scope of this billion-dollar question mark. Basically, the Arkansas River Basin project contains a series of shallow salt brine ponds which would be used to collect, store, divert, and dispose of salt brine. These ponds would require the sacrifice of at least 60,000 acres of land in western Oklahoma.

Congress authorized the Arkansas project in the Flood Control Act of 1970. At the same time, and using the same provision, Congress authorized construction on sites for the Red River project. In 1977 corps officials testified that unless Congress was prepared to make a total commitment to the complete Arkansas project, the Congress should not support any part of it. Furthermore, the corps was not prepared to give its go ahead for the entire project. In 1981, 10 years after the initial authorization, the corps rejected plans to proceed with the Arkansas project. Specifically, the corps found that for every $1 spent on the project, only 25 cents would be returned in benefits. This ratio was substantially lower than the required dollar-for-dollar cost-to-benefit ratio. The corps recommended tabling the project until a significant change occurred which "clearly demonstrates a greater need and probable use of the improved water." This has yet to happen, and I doubt it ever will. Additionally, the

corps stated that the "environmental analysis showed that there would not be outstanding contributions to the environmental quality account to offset the lack of economic benefits."

Taxpayers from throughout Oklahoma have expressed their concern over and opposition to the Arkansas project. By separating the authorization of the two projects, however, we can at least ensure that funding intended for the Red River Basin project does not end up spent on the Arkansas River Basin project. It is also important that we maintain present law which prohibits any construction on the Arkansas River Basin water quality project without the prior approval of the Secretary of the Army. Thousands of tax dollars have been spent on corps studies of the Arkansas River Basin project. The conclusions and recommendations of these studies should be followed and not ignored and circumvented. I urge the House to support my amendment.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. ENGLISH. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, let me congratulate the gentleman on offering this amendment. Through the many weeks and months that this has been discussed, the gentleman and I have gone over that language very carefully. Let me say that since it does involve the congressional district that I represent, the language is entirely satisfactory with me, and I am authorized to say for this side that we accept the gentleman's amendment.

Mr. ENGLISH. I want to thank the gentleman from Arkansas for his cooperative support and for the spirit of cooperation in which we have worked together on this.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. ENGLISH. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, we have reviewed this amendment, and we have no objection to the amendment.

Mr. ENGLISH. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. ENGLISH].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DASCHLE

Mr. DASCHLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DASCHLE: On page 399, after line 5, insert the following new section:

SEC. 1199K. Section 5 of the Act of September 30, 1982 (Public Law 97-273, 96 Stat. 1182), is amended by inserting "(a)" after "SEC. 5." and by adding at the end thereof the following new subsection:

"(b) The Secretary of Energy is authorized and directed to deliver to the Hilltop and Gray Goose Irrigation Districts, South Dakota, electric pumping power from the Pick-Sloan Missouri Basin Program at rates to be determined by the Secretary, but in no case less than the firm power rate for the sale of such power. Such power shall be made available under the same terms and conditions as presently used for firm power customers of the Eastern Division of the Pick-Sloan."

Mr. DASCHLE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. DASCHLE. Mr. Chairman, between 1946 and 1968, five main stem dams and reservoirs were constructed on the Upper Missouri River. To build these dams over 520,000 acres of prime farmland adjacent to these projects were permanently flooded and removed from production forever.

To compensate for this enormous loss, Congress, in the Flood Control Act of 1944, called for 170 MW of Pick-Sloan power to be made available for irrigation in South Dakota. That commitment made over 40 years ago has gone unfulfilled until today, with none of the power promised for irrigation having been utilized. Today we have an opportunity to correct that oversight.

The Hilltop and Gray Goose Irrigation Districts were constructed in the late 1970's with Farmers Home Administration financing. Although these two projects sit directly adjacent to the main stem reservoirs, they have not been able to take advantage of the low-cost public power produced by the nearby main stem dams.

In the last 6 years, Hilltop and Gray Goose have realized an increase in their commercial power bills of 72 percent and 86 percent respectively. The rapid rise in power rates is the largest single reason for current financial stress being experienced by these two projects. Hilltop and Gray Goose consist of a group of small farm families working small plots of land. The irrigation system uses modern technology and a pipe delivery system to insure that the fragile environmental balance of the project area is preserved and the delivery of water is cost effective. Because the projects are so small, pumping costs are lower than most other proposed Federal irrigation projects. The two systems are considered by national standards to be of modern, efficient, and economical design. The availability of public power will allow these projects to take advantage of the benefits promised South Dakota by Congress in 1944.

There are numerous precedents for legislation of this sort. Congress has previously provided Pick-Sloan power to existing projects including the Kendrick, Colorado-Big Thompson, North Platte and Shoshone projects.

The Hilltop and Gray Goose projects will use only 5 MW of power or about 3 percent of South Dakota's Pick-Sloan allotment for irrigation. The 5 MW represents only about 0.34 percent of the capability of the Missouri River main stem system.

These small irrigation projects are already constructed and will require no appropriation of funds whatsoever for construction or maintenance.

This amendment will have a negligible effect on public power users. It enjoys the support of local citizens, the State of South Dakota, and the entire congressional delegation. With the passage of the amendment, the Federal Government can at long last take a small step toward living up to the commitment it made in the Flood Control Act of 1944.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, we have investigated this amendment, and it is a very practical amendment and well done. We have no objection on this side.

Mr. DASCHLE. I thank the gentleman for his support.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, this side agrees to the amendment, and we have no objection.

Mr. DASCHLE. I thank the gentleman for his support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. DASCHLE].

The amendment was agreed to.

Mr. BEREUTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman and members of the committee, I would like to begin by expressing my appreciation to the committee for including section 530 in this bill, a demonstration program for the Platte River and its major tributaries. I very much appreciate the wisdom of that effort.

This section is the same provision which was incorporated as part of the committee's amendment last year to H.R. 3678. I thank the members of the Public Works and Transportation Committee for their assistance and cooperation in including this provision again in H.R. 6. This section will provide much needed relief from high water and flooding for the citizens of Nebraska.

As many of you know, the Platte River traverses the entire length of the State of Nebraska. In 1984, once again many areas along the Platte River were inundated by flood waters

caused by massive snow melts in the Rocky Mountains and heavy, above-normal rainfall within the State. The high water and subsequent flooding caused damage to homes, businesses and cropland in the communities and farms throughout the Platte River valley in Nebraska.

Section 530 of H.R. 6 would provide $25 million over a 5-year period for flood control and bank stabilization demonstration projects along critical stretches of the Platte River and its tributaries which each year are prone to flooding.

All too frequently within recent years, the U.S. Soil Conservation Service, the natural resource districts, and the local dike and drainage districts in Nebraska have battled the flooding and bank stabilization problems on a piecemeal and patchwork basis. The resources of many natural resource districts and dike and drainage districts have been either inadequate or inadequately applied. The flood damage to dikes, levees, and bank stabilization structures in many areas is now so severe that the agencies responsible for maintaining these structures have neither an adequate tax base nor sufficient resources on hand to properly or permanently repair these structures.

Because of the high water and flooding in 1984 and previous years, the bank erosion along several stretches of the Platte and Elkhorn Rivers and a tributary, Salt Creek, continues unabated. Many of these stretches are seriously destabilized due to the bank erosion and improperly constructed bank stabilization structures. As river flows change their course, they create a "billiard ball" effect on other stretches of riverbank downstream. In areas where serious bank erosion has occurred, homes have been swept into the river, businesses have been placed under water and thousands of acres of cropland have either been lost or flooded.

The economic and agricultural problems we face in Nebraska are only being complicated by these seasonal floods. While we were fortunate not to experience flooding this year, it will only be a matter of time before the high water and flooding return. While it is regretable that the other body did not act on this legislation last year after it was passed by the House, we must continue to push forward with this legislation if we are to avoid additional flooding and bank erosion in the future.

Section 530, as included in H.R. 6, will encourage not only the Army Corps of Engineers, but also State and local agencies to take a comprehensive look at the flooding and bank stabilization problems along the Platte River and its major tributary, the Elkhorn River. The funds authorized in this bill will be used to provide permanent rehabilitation and reconstruction of flood control and bank stabilization structures along the Platte River and its tributaries. Hopefully, this legislation will result in the development of a long term solution to the flooding and bank stabilization problems in Nebraska.

I appreciate the support that my colleagues on the Public Works Committee have given this project in the past, and I thank them again today for including section 530 in this legislation.

However, primarily, I would like to address a matter that is relevant to title XI. If I could have the attention of the committee, I would say to its leadership that I know you may not be able to respond at this point to my colloquy, but I would like to lay out the facts with respect to a particular situation where I am seeking your advice.

The supplemental appropriation bill of 1985 asked the authorizing committee the Committee on Public Works, to determine what is "appropriate cost sharing in terms of provisions in various projects" and they encouraged a "flexible approach." Then the Energy and Water Development Appropriation Act of 1986 authorized new starts for approximately 41 projects. One of those 41 projects is truly a unique project. It is officially entitled termed the Missouri River National Recreatioin River of Nebraska and South Dakota, a bi-State project. It is unique because it gave responsibilities under the Authorizing Act of 1978, primarily sponsored by my predecessor, Charles Thone, with the help of members of this very committee still serving in leadership capacities to two agencies. It gave responsibilities both to the Corps of Engineers and to the Department of the Interior, and that is one unique aspect about the project authorizations.

The relevant stretch of the Missouri River is designated as a "Recreation River under the Wild and Scenic River Act. A "Recreation River" is one of 3 categories of specified by the Wild and Scenic Rivers Act.

When the Corps of Engineers recently tried to determine what would be an "appropriate cost-sharing provision" it apparently consulted with the Department of Interior, specifically the National Park Service. The National Park Service it reported to have said something to the effect that "we do not have cost sharing arrangements" for wild or scenic or recreation rivers. Furthermore, they indicated that there are no local sponsors for this authorized project. Who then would cost-share?

And so the Corps of Engineers, frankly, not especially committed, I gather, in having cost sharing apply to this authorized project but want to conform to the direction from the authorizing committee and being enthusiastic about starting this project, needs some guidance.

I would hope that since this is a unique project, since there are no local sponsors, and since it is a project that has total support from all parties on both sides of the river, that if the chairman and if the ranking minority member are ready at this point to give some comments and some appropriate advice, I would appreciate it. However, if they still need to do some more consultation with the Corps of Engineers and others, I would be satisfied at this point to bring this matter up and hope that we might resume the colloquy at a later point in this debate under another title of the act.

Mrs. SMITH of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I am pleased to yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. I would like to associate myself with the remarks of my good friend in the well and with the concerns he has expressed. I hope for the same kind of happy solution that the gentleman is working toward.

Mr. BEREUTER. I thank the gentlewoman, and I especially thank her for her invaluable assistance on this project on the Appropriations Committee.

I would make an inquiry of either side of the aisle, asking if they have completed their consultations, or if they would like to take this matter up later during the debate on this bill?

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Kentucky.

Mr. SNYDER. We have had the staff trying to look at the problem the gentleman has outlined here today. Quite frankly, we have not been able to reach any conclusion on it. We will continue to look to see if we can reach some reasonable solution.

Mr. BEREUTER. While title XI seems to be the proper place to take up my question, I would be pleased to return to this act at a later time when the gentleman does have his advice.

Is that consistent with the chairman's wishes?

Mr. ROE. Yes; the gentleman is correct.

Mr. BEREUTER. I thank the leadership on both sides of the aisle from the Public Works Committee, and I hope to resume this colloquy at a later point.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: At the end of title XI, add the following new section:

SEC. . The Secretary shall promptly transfer to the responsibility of the Corps

of Engineers district engineer in Albuquerque, New Mexico, those portions of the State of New Mexico that, as of the date of enactment of this Act, are under the responsibility of the district engineers in Sacramento, California, and Los Angeles, California.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, this is what my amendment will do: It will transfer the responsibility of areas in New Mexico west of the Continental Divide to the Corps of Engineers in Albuquerque, NM, from the Corps of Engineers in Sacramento and Los Angeles.

Here is the rationale for the amendment:

It will conform to language in S. 366.

It will result in a savings to taxpayers and compliment the efficiency, long-range planning and flood protection efforts of the Corps of Engineers.

Counties transferred in New Mexico to the Albuquerque corps include: San Juan, McKinley, Grant, Catron, and Hidalgo. Small portions of: Cibola, Sierra, and Rio Arriba Counties.

Under Public Law 84-99, the Albuquerque corps can only deal with these western New Mexico counties on an emergency flood basis.

In 1983 and 1984, the San Francisco and Hila Rivers in western New Mexico experienced their worst flooding situation in a century. The Albuquerque corps made all flood repairs, are familiar with the area, but will not be responsible for future long-range flood protection.

Currently all emergency repairs from flooding in the affected areas are done by the Albuquerque corps. All long-range planning and studies are done by the Los Angeles and Sacramento corps.

Travel. Corps personnel from Los Angeles and Sacramento are having to fly into Albuquerque and then rent a car and drive to the affected western New Mexico counties. This is expensive—over 900 miles.

Taxpayers are confused. They are having to deal with the Albuquerque corps for flood repairs and with the Sacramento or Los Angeles corps for long-range planning or studies.

The original Senate amendment was incorporated into S. 366 after New Mexico residents complained about the inconvenience.

It only makes sense that if an agency is responsible for emergency repairs that they would best be able to most effectively deal with long-range planning and future flood protection.

Some may ask: Are the counties in New Mexico west of the Continental Divide that you want to transfer to the Albuquerque Corps of Engineers part of another river basin or watershed?

The answer is yes. But there are many Corps of Engineer Districts that split watersheds or river basins. My amendment does not set a precedent.

For instance, the Arkansas River in Colorado is the responsibility of the Albuquerque Corps of Engineers as it flows through Colorado but, when the river reaches Kansas, the Arkansas River becomes the responsibility of the Tulsa, OK, district. Another example that comes to mind is the Canadian River. As it flows through New Mexico, the river is the responsibility of the Albuquerque Corps of Engineers, but once the Canadian River hits the Panhandle of Texas it becomes the responsibility of the Tulsa Corps of Engineers. My amendment does not set a precedent—only good, commonsense policy in enabling the Albuquerque Corps to set long-range policy and planning for areas in New Mexico that they are now responsible under law for making emergency repairs. I think it is important to keep in mind that other large rivers cross into several corps districts.

Some have asked if my amendment ends up costing the taxpayers money.

In the long run, I believe it will save the taxpayers money. I am told that this change will require some adjustments but nothing significant. Second, corps officials from Los Angeles and Sacremento are having to fly into Albuquerque and then rent a car to drive to the affected western New Mexico counties. This is expensive—over 900 miles in some instances. Local government officials in New Mexico are having to place long-distance calls to California or Sacramento and sometimes to Albuquerque because of confusion over what corps they should talk to: New Mexico or California. Last, the corps agency making emergency flood repairs has the best information on how to effectively implement a long-range planning program.

Mr. STRANG. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman.

Mr. STRANG. I thank the gentleman for yielding.

Mr. Chairman, I would like simply to share with the gentleman some of the concerns. We have a district in Colorado, Colorado III, which adjoins New Mexico III. We have some of the same concerns with regard to the jurisdiction. I do feel that whereas it may not be appropriate to do this by floor amendment, I would like to join with my colleagues and friend from New Mexico in trying to get this issue sorted out over the next year if this body chooses not to accept it by floor amendment. I think it is an extremely important issue.

Mr. RICHARDSON. I thank my colleague and I now yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. I thank the gentleman.

Mr. Chairman, I would hope that this amendment would be accepted. I think the hardship the gentleman has pointed out is quite correct. We had some review of this in the committee and again this is one with the jurisdiction of the Bureau. I just think it makes sense. It is not controversial, and I think it is one of the ways we can rationalize some of the delivery of services to people who have to deal with these agencies on a day-to-day basis. It makes it obviously much more convenient for people who have to work with these offices.

Mr. RICHARDSON. Mr. Chairman, once again, I would hope that the majority and minority support this amendment. It is hard for me to go to my constituents and tell them that I have to hold another hearing; that it is going to take more time. Especially when it has been done in the Senate.

I would like it if at this time the majority and minority could tell me what their views are of the amendment right now. I would very much appreciate that.

I yield to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, I had intended to get my own time, but we can just extend the gentleman's time.

The CHAIRMAN. The time of the gentleman from New Mexico [Mr. RICHARDSON] has expired.

(On request of Mr. ROE and by unanimous consent, Mr. RICHARDSON was allowed to proceed for 1 additional minute.)

Mr. RICHARDSON. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. I thank the gentleman.

Mr. Chairman, I very reluctantly oppose this amendment, but I really believe in the context of good legislation that the amendment has to be opposed at this time.

There are a number of reasons that I think are legitimate. I want to commend the gentleman from New Mexico for bringing the issue to us, for the work he has done on it, for the arguments he puts forth in defense of his amendment.

He makes the case that corps jusidiction in some hydrologic basins are shared. But I would like to point out that while it would not be a precedent to share jurisdictions, it would be a precedent for the Congress to put that basin and that shared jurisdiction into law. The shared jurisdictions today are there because the corps has estab-

lished those shared jurisdictions and not because we have done it by law.

We could very well end up doing this. But I think we ought to hold hearings as to how we do it and when we do it; who gets the major jurisdiction and who gets the lesser jurisdiction. I just do not think that we should redraw corps lines without hearings. If we did this, the question might arise: Who now has the responsibility for long-term planning in this area? Does the long-term planning transfer from Sacramento and Los Angeles to Albuquerque? Or does Sacramento and Los Angeles maintain the long-term planning while Albuquerque would continue the responsibility in the short term?

Mr. ROE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. I thank the gentleman.

Mr. Chairman, let me say that I think we might be, and I can appreciate the economics of this—I think the gentleman makes some very good arguments on the economics, but the corps is opposed to doing it by statute. At least doing it by statute without hearings.

Normally these corps districts are organized on hydrologic basin lines, and it may well be that after we look at this issue we may want to take the counties from California in this basin and put them under the Albuquerque district. We may want to take some of the Colorado counties in another corps district and put them into Albuquerque where they more naturally belong. But I do not think we should do it here. Since it is in the Senate provision, it would be my hope that we not do it here so that it is not confereeable, so that we do not make a mistake today, but rather give us the time for further analysis, further study, and perhaps if this is a good thing to do, we could do it in conference by yielding to the Senate.

I know that the gentleman would like to do it here in the House, and I can respect and appreciate that, but I would just urge that he would delay because I think there are too many unanswered questions that have to be answered before we can do this.

Certainly, I pledge full cooperation to work to do that in the time that we have, and we will not be in conference for quite some time because the Senate has not passed their provision. I am sure that the chairman of the subcommittee agrees with me that we will work and make every effort because I just commend the gentleman from New Mexico and the work he has done to bring this before us. I just do not think today is the right time and the right way to do it.

Mr. ROE. I share the response from the distinguished gentleman from Minnesota because we have great sympathy and great respect from the gentleman from New Mexico, but I think it is important to note that there are three other areas in the country we have been asked to readjust corps facilities.

If we are successful in getting this bill passed, which is one we have been waiting to get passed now for 15 years, it is going to alter a part of the work force and part of the work program and scheduling, whatever, of the entire corps, and we think it would be highly more profitable to organize properly, which I know is the gentleman's concern and your concern in the Southwest. So I would respectfully suggest to the gentleman that we will consider this matter. We are not unsympathetic, but we would rather not consider it in this legislation.

Mr. RICHARDSON. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman.

Mr. RICHARDSON. I thank the gentleman.

Mr. Chairman, I appreciate the diplomacy and the helpfulness that both managers have shown in this discourse with me. I would like to inquire from both of the managers, would they be particularly offended if I did request not a recorded vote but a vote that would at least enable me to return to my constituents and explain to them that an effort was made but that the committee is considering this further?

I just do not want to prejudice myself, but I just feel, I have had too many cases. I brought this up before the Interior Committee. Many of these issues that we in the West have serious problems with, and I think for my own reasons, unless the gentlemen feel it would be prejudicial, I would like to request a vote.

□ 1650

Mr. ROE. Mr. Chairman, of course, the gentleman has his prerogatives, and it could very well go into a recorded vote. But I think he has had a great dialog between the two of us and with all the leadership of this committee. We are sympathetic. Why would the gentleman want to do this? We have asked him not to bring this up because of legitimate purposes, and we would not want to have to vote against him.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, I would say to my friend, the gentleman from New Mexico [Mr. RICHARDSON], I do not know how that vote would come out, but if the gentleman from New Mexico was not successful and the House spoke on the issue, it might put us in a bad position to try to look at it very objectively.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, that is my concern. First of all it takes a heck of a lot to offend me, and the gentleman's calling for a vote would not offend me personally. But calling for a vote and having this proposition rejected by the House could be prejudicial as we go to conference, and that concerns me, because I think we are willing to work with the gentleman, and I think it might be better—sometimes discretion is the better part of valor, and it might be better not to have the vote and allow us to fight his fight. He has fought his fight, and I think his constituents have to recognize that he has fought his fight, he has done a yeoman's job on the issue, and I would just hope that he would not do it.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ROE] has expired.

(On request of Mr. STANGELAND, and by unanimous consent, Mr. ROE was allowed to proceed for 2 additional minutes.)

Mr. RICHARDSON. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Chairman, once again, if the vote is not a recorded vote, may I ask the gentleman this: I do not intend to ask for a recorded vote, and I do not detect overwhelming support from the Members on the floor for my position at this time, but would a voice vote once again be something that the gentleman from Kentucky [Mr. SNYDER] and the gentleman from New Jersey [Mr. ROE] feel——

Mr. ROE. Mr. Chairman, I move the pevisous question.

The CHAIRMAN. The Chair will state to the gentleman that that motion is not in order in the Committee of the Whole.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I would just like to respond to the gentleman's question, if I may.

Mr. Chairman, on any vote, the House has spoken, whether it is a recorded vote or a voice vote.

Mr. RICHARDSON. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Chairman, once again I am going to implore that we deal with this issue, but I think the gentleman from Kentucky and the gentleman from Minnesota, whom I greatly respect, have made their position clear. The gentleman from New

Jersey has also made his position clear, and I am going to reluctantly withdraw my amendment. But I say to the gentlemen that I hope that a hearing or some kind of deliberation is scheduled before they go ahead and meet with the Senate, because I just cannot go back and continue to tell my constituents that when the Senate has done it, and they have done it unanimously, and I have gone through the whole procedure with all the committees, that they will not give it an honest shot. I am convinced that they will.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ROE] has expired.

Mr. RICHARDSON. Mr. Chairman, I ask unanimous consent that my amendment be withdrawn.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. UDALL. Mr. Chairman, there are a number of provisions of this bill which concern our territories and commonwealths. The Committee on Public Works and Transportation is to be commended for the attention that it paid to the needs of the insular areas as it developed this omnibus water resources legislation.

Several needs are addressed in the bill that they originally reported. Others would be met by amendments reported by the Committee on Interior and Insular Affairs.

All but one of these amendments are incorporated in the substitute before us today and another provision is partially based upon the other amendment. So, I particularly want to thank Chairman HOWARD, subcommittee Chairman ROE, ranking minority member SNYDER, and other members of the Public Works and Transportation Committee for their cooperation regarding these amendments.

These members include two who also serve on the committee that I chair and are largely responsible for the insular areas provisions, Delegates DE LUGO and SUNIA. The gentlemen from the Virgin Islands, for example, sponsored the amendments reported by the Interior and Insular Affairs Committee.

These provisions were further made possible by the work of the gentleman from California, Representative LAGOMARSINO, the committee's minority spokesman on insular issues and the gentlemen from Puerto Rico and Guam, Resident Commissioner FUSTER and Delegate BLAZ. The chairman of the Subcommittee on Water and Power Resources, the gentleman from California, and our ranking minority member, the gentleman from Alaska, also helped bring about the insular amendments. Finally, I want to recognize the contributions made by the gentleman from Hawaii, Representative AKAKA; the Resident Representative of the Northern Marina Islands; and the staff of the Pacific Basin Development Council.

Perhaps the most important of our amendments restates the intent of current law and is a necessary extension of it.

Under all Federal programs, amounts that all but one of the territories and commonwealths would have to match in order to participate are waived to a limited extent. The amendment ensures that this adjustment is applied in the case of Corps of Engineers projects. It should not suggest, however, that additional statutory authority is needed in the case of projects or programs of other agencies, such as those of the Environmental Protection Agency, which are already covered.

The limited matching waiver is essential for the participation of insular governments in many programs. It also makes sense because our fiscal arrangements with the territories and commonwealths means that much of their revenue is direct or indirect Federal assistance.

The amendment also provides the Corps of Engineers with critical flexibility in applying standards of evaluating water resources projects in the smaller insular areas. Discretionary authority would be given to factor in criteria related to the unique—and often vastly greater—social and economic needs of these islands, if requested to do so by their chief executive.

This flexibility is essential since several important, small projects on generally remote, small islands have not been able to proceed because of requirements designed for the States. Corps officials in the field recognize that these standards are inapplicable to insular conditions because they give inadequate weight to the unique circumstances and needs of insular situations.

This flexibility should, for example, permit serious erosion of shorelines to be halted so that the sole artery to communities is not cut off from the rest of an island. It should permit the construction of dock facilities so that fishermen do not have to travel extra hours daily and residents of remote and sparsely populated communities have access to essential public services, employment, and shopping.

Costs may be extraordinary because of the distances involved, relatively minuscule markets, and very high rates of deterioration. Basic infrastructure for these Americans it is often only minimally developed in comparison to that of the States. Generally very underdeveloped communities would be assisted.

Similar authority to modify program requirements to adapt them to the special circumstances and needs of the insular areas has been granted to other agencies in other statutes.

Two of the amendments concern the Northern Mariana Islands. Since it is the newest member of the American political family and the only one lacking representation in the Congress, it is incumbent upon us to pay special attention to the needs of these islands.

One amendment is essentially a technical correction of the 1984 omnibus insular areas assistance act. It clarifies the authorization for improvements of the commonwealth's water system.

The deficiencies of the system are so serious as to present a clear danger to public health as well as an impediment to development of the islands' tourism industry.

The other amendment would address another priority need of these western Pacific islands: improvement of the main port which is in Saipan.

The authorization follows a study mandated by the 1980 omnibus insular areas assistance act. The Corps of Engineers study found that the harbor is in a general state of disrepair, prevents economies and modern shipping, and outlined necessary work.

The provision that is partially based on an amendment of the Interior and Insular Affairs Committee would not extend the new tax on port use that the bill would impose to cargo loaded or unloaded at insular ports including those in Hawaii. It further exempts articles shipped to the insular areas for consumption in them from the levy.

The provision, which was reported by the Committee on Ways and Means, differs from the amendment we recommended primarily in that it would apply to the tax to articles grown or manufactured in the insular areas and shipped to other U.S. ports.

There is little economic sense in applying the tax to these shipments. The additional cost will only further penalize manufacturers in the insular areas or result in added costs to U.S. mainland consumers of heating oil, medicine, sugar, and other products.

Insular businesses already face operational costs in some respects higher than mainland businesses and in others higher than regional, foreign competitors. If insular businesses are forced by the market to absorb the cost, it could compel some to curtail operations.

With unemployment rates in the territories and commonwealths ranging to over 20 percent and per capita incomes no more than half those of the States, it is counterproductive to impose further burdens on insular businesses. Doing so contradicts Federal policies providing incentives to insular manufacturing.

The reason that we have accepted the compromise I have outlined is that the adverse impact of the tax on cargo shipped to other areas in the United States is mitigated by the fact that these revenues should be returned to the territories and commonwealths.

The mutual agreements that we have with our commonwealths, the Puerto Rico Federal Relations Act and the act approving the Northern Mariana Islands Covenant, and the organic acts establishing the territories of Guam and the Virgin Islands all provide that all taxes on articles produced in these insular areas and transported to the States are covered into insular treasuries. It is our intent that this fundamental and long-standing principle of Federal-insular fiscal relationships applies in the case of this tax.

I would hope that the insular areas use the proceeds of these revenues for employment-creation purposes.

The compromise does, however, meet the most important concern of the committee that I chair regarding new tax: the potential impacts on insular consumers.

Transportation costs already account for a much greater portion of the cost of most articles in the islands than they do on the mainland. Ocean freight over the long distances involved is expensive, particularly because disparate locations with small populations must be served.

The impacts of a new tax on ocean cargo to the insular areas would, therefore, be significantly more adverse in them than to the States. The States generally have much larger populations served by ports than the insular areas. Because of their nature, insular areas must have many more ports serving their much smaller populations than the mainland.

Again, I want to thank Chairman HOWARD and the others who have helped us adjust this legislation to the important water resources needs of the territories and commonwealths.

Mr. ROGERS. Mr. Chairman, I rise today in strong support for the Water Resources Act of 1985 and H.R. 3670 which will be offered as an amendment in the nature of a substitute.

I would like to begin by commending my distinguished friend from Kentucky, Mr. SNYDER, the chairman of the full committee, Mr. HOWARD, the chairman of the subcommittee, Mr. ROE, and the ranking minority member of the subcommittee, Mr. STANGELAND. They have provided excellent leadership in bringing this bill to the floor.

The bill before us today is desperately needed. It addresses many serious water problems in communities across our country. And it provides the authorizations for us to take responsible action in developing our Nation's water resources so they can contribute to the prosperity of our Nation.

I would like to commend the committee for their actions to reach a compromise agreement that will allow us to deepen our Nation's ports. As chairman of the House Task Force on Coal Exports, I have been concerned about the impact which our lack of such deep ports could have on the long-term competitive position of American coal. In 1981, the landmark year of American coal exports, our Nation sold 110 million short tons of coal to foreign buyers. Last year, they totaled a meager 80 million.

There are many important factors relating to this decline. And fortunately, the current glut of bulk shipping capacity has helped to keep our shipping costs down. But the fact remains, that with our major trading partners in Europe, especially France, the Netherlands, Denmark and Italy, developing their deep port capacity, and with our competitors in South Africa and Australia already using deep water ports, in years to come American coal exporters could find themselves at a terribly serious disadvantage in this overseas trade. Some estimates would give our competitors a $5–6 per ton advantage, once the current excess capacity shrinks to a more normal level, all of which spells out lost jobs in our coal mines, lost jobs on our railroads, lost coal business and a worsening balance of trade.

The bill before us will help us to restore the momentum toward increased American coal exports. It will send a clear signal to the world that America is determined to be fully competitive in the world coal market. And it will help us to close the competitive margin gained by our competitors.

In addition, I would like to thank the committee for their assistance in two matters of particular importance to my district.

First, there is a provision in the bill to raise the authorization ceiling on the Big South Fork National River and Recreation Area by $52.6 million. This will expand the scope of the current project, to include the development of the Bear Creek facilities in Kentucky and the Rugby facilities in Tennessee.

Big South Fork already offers immense economic development potential for McCreary, Wayne, and Pulaski Counties in Kentucky, and in our neighboring counties across the Tennessee line. These are communities battling chronic underdevelopment, poverty, and unemployment hovering around 15 percent. But they are determined to harness this immense tourism business potential, and local chambers of commerce, businesses, and communities are already hard at work to turn this promise into the reality of business, jobs, and economic development.

The provisions in this legislation will expand the current scope of the project, increasing the currently projected increase in tourism by a huge 20 percent. Let me tell you some about the long term benefits of this whole project.

When Big South Fork is fully operational, it is estimated that 400,000 tourists per year will visit McCreary County alone, spending about $16.8 million annually. That will mean 560 new jobs in McCreary County alone. And the promises get better and better. The National Travel Center estimates that if an area has 100 people per day coming in as tourists, they will create $1.9 million in business, $507,000 in payroll income, 47 new jobs, $105,000 in State and local taxes, will support 45 school children, will increase the population in that area by 119 people, will mean 44 new households, and will add 6 new businesses. If all these benefits can be expected to result from just 100 tourists, the potential benefits from 400,000 tourists are deeply heartening.

In addition, I would like to thank the committee for inserting clarifying language in the report relating to flood control measures authorized by section 202 of the 1981 Energy and Water Development Appropriations Act, relating to the Levisa-Tug Forks of the Big Sandy and Upper Cumberland Rivers. This language makes it clear that the cost sharing requirements for new flood control construction are not intended to be applied to construction of the 202 project. Since this project has been under construction for several years, it would seem readily apparent that it was well outside the scope of the new cost sharing requirements. But in view of the ongoing bureaucratic delays in the construction of the project, this language is intended to make it entirely clear that the cost sharing requirements are not intended to be applied to any of the flood control measures on any of the stream reaches constructed pursuant to section 202 of the 1981 Energy and Water Development Appropriations Act.

Once again, I would like to commend and to thank my distinguished colleagues on the committee for all their work on this important bill. I urge my colleagues to support it.

Mr. SYNAR. Mr. Chairman, I rise in strong support of the Howard amendment. Among other items, this amendment will authorize the Cherokee Nation of Oklahoma to construct hydroelectric facilities at the W.D. Mayo lock and dam No. 14 on the Arkansas River. This provision in the Howard amendment will create as many as 400 jobs in an area of Oklahoma that continues to experience excessive unemployment, will provide regional consumers with needed low-cost electricity and will result in a significant contribution to the long-term economic prosperity of the Cherokee Tribe. Mr. Speaker, all of these tremendous benefits can be realized without expending any Federal funds.

The Cherokees have proposed to provide 100 percent—and I emphasize 100 percent—of the financing for design and construction of the hydro plant. Upon completion, the Corps of Engineers would assume ownership of the facility and operate the plant in connection with its current responsibilities at the lock and dam. Power from the 40 mega-watt facility would be marketed by the Southwestern Power Administration, thereby providing needed low-cost electricity for its preference customers. In turn, the power sales will cover the Federal costs associated with the Corps' maintenance of the powerplant, reimbursement costs associated with construction of the facility by the Cherokees and a reasonable annual royalty payment to help secure the economic well-being of the tribe.

The arrangement I have just outlined and embodied in legislation, H.R. 3601, which I introduced a short time ago, has been the source of extensive discussions by all parties involved. Indeed, I believe that all of the parties are in agreement about the enormous near and long-term benefits offered by this proposal.

We are all well aware of the tremendous budget constraints facing the Government today. This provision in the Howard amendment offers economic benefits to the Cherokee Nation, local economies and regional electricity consumers without expending any Government funds. The Cherokees are willing to accept the full financial responsibility of this novel proposal. I commend them for their courage and foresight. And, I also commend them for bringing forth what I hope becomes the benchmark for similar future efforts to provide local economic development opportunities while recognizing the severe budgetary limitations we face as a Nation.

For these reasons I urge my colleagues to join with me in supporting the Howard

amendment. I would like to thank the distinguished chairman for including this provision in his amendment. I would also like to express my sincere gratitude to the subcommittee chairman, Mr. ROE, and his staff for their hard work and assistance on this matter.

Mr. MCEWEN. Mr. Chairman, I appreciate the opportunity to address the House in support of H.R. 6, the long awaited Water Resources, Conservation, Development, and Infrastructure Improvement Act of 1985.

It has now been nearly a decade since Congress has sent a water projects reauthorization bill to the White House. This delay has resulted in the loss of valuable time, and continued negligence will only cause an increase in the cost of these vital projects. The time is long past due for a bill to address the water infrastructure needs of our Nation.

I have the honor of representing a rural area of Ohio, which not unlike most rural areas of America is in dire need of the projects contained in H.R. 6. American history can be traced along the development of the traffic and trade on its rivers. The maintenance of the waterways such as the Ohio River are essential to American industry as are its tributaries essential to the economy of the areas they access.

One such project needing immediate attention is the Gallipolis lock and dam project. This modification to the Ohio River is said to be one of the most dangerous navigation projects on the 981 mile Ohio River. The replacement of this lock and dam is critical to river cargo transfer and safety. In its current state, the hazardous lock, requires diesel powered tows to wait up to eight hours to get through the lock at the river's bend. If these improvements are not made by 1990, 15 percent of the river cargo will not even be able to pass through the lock. A chain is only as strong as its weakest link and at the present time, the Ohio River transportation system is only as strong as its weakest lock—the one at Gallipolis.

Although Congress has appropriated the money for the advanced engineering and design work currently underway at Gallipolis, the work cannot continue without the authorization of H.R. 6.

There are, of course, many other important projects for Ohio in the bill. Of particular interest to southern Ohio are water supply and distribution projects at Ceasar Creek in Warren County and William H. Harsha Lake in Clermont County. The effort at Ceasar Creek is a modification of existing authority to construct a public water supply and distribution system. Completion of the two projects will assure the availability of safe drinking water for southwestern Ohio into the next century.

The passage of H.R. 6 will mean approval for two long awaited flood control projects for the Ohio towns of Logan and Nelsonville in my district. This authorization will enable the construction of the Logan Channel enlargement, following the completion of the planning and engineering stage presently underway. The Nelsonville project will reduce annual flood damage by about 83 percent. These two projects are usually thought of in tandem as they are equally crucial to flood ravaged areas of central Ohio.

The provision to remove the Army Corps of Engineers from jurisdiction over the portion of Great Miami River and its tributries which are under the management of the Miami conservancy district is an excellent example of removing Federal interference where it doesn't belong. These waterways are not navigable, never have been and never will be. The multitude of dams and depths that are barely deep enough "to float a toy boat," to quote the Dayton Journal Herald, are reason enough to return local control to this area of the Great Miami. The Miami conservancy district has an excellent management record. Federal permits, regulations and paperwork amount to unnecessary encroachment. We have the opportunity with the passage of this bill to correct an absurd situation.

Also addressed by H.R. 6 is the problem of land erosion at the Maumee Bay State Park at the recommendation of the Army Corps of Engineers. Ohio is ready to go forward with this key effort and simply awaits congressional approval.

Just as Ohio River played an important role in the growth of the Queen City, the greater Cincinnati area now relies on a series of bridges to connect its heart with the areas across the river which it vitalizes. The bridges currently providing this important linkage between Ohio and northern Kentucky are in desperate need of repair and are destine for replacement. With H.R. 6, the 119-year-old John A. Roebling Bridge will be retired to remain as a landmark, and a new bridge will provide access between Cincinnati and Covington, KY. The central bridge with a life expectancy of only 3 to 8 more years will be replaced by a modern four-lane deck to carry U.S. 27 traffic from Cincinnati to Newport, KY. And the remainder of the allocated funds will be used to repair the bridge linking Aberdeen, OH to Maysville, KY.

Finally, harbor work at Lorain and Cleveland will vastly improve navigation and commerce in Lake Erie. These two crucial projects are important to meet the infrastructure needs of northeast Ohio.

As a strong supporter of legislation that maximizes economic and community development through well planned and controlled water systems, I am hopeful that this will be the Congress which approves this long-awaited and much-needed legislation.

Mr. SMITH of New Jersey. Mr. Chairman, I rise today to urge my colleagues to support H.R. 6, the Water Resources Act of 1985, which, as you know, authorizes 240 water projects nationwide.

Mr. Chairman, our Nation's water-resources infrastructure is in desperate need of repair, rehabilitation, and improvement. I would point out to my colleagues that many canals, inland waterways, locks and dams are past the end of their useful lives. One third of U.S. dams inspected by the Corps of Engineers were found to be unsafe. Clearly, water is an irreplaceable resource that must be properly utilized H.R. 6, the Water Resources Act of 1985, is a responsible answer to the water crisis we face.

I am particularly pleased that the Public Works Committee included a provision in H.R. 6 which I authored that will address and hopefully resolve the Pine Brook flood problems in New Jersey's Manalapan Township. Residents from the Pine Brook section of Manalapan have been plagued by heavy flooding since 1969. And, worse, the incidence of flooding has increased in frequency with continued housing development within this flood plain area. Section 305 of the Water Resources Act—found on page 109 of the bill and page 212 of the accompanying committee report—directs the Secretary of the Army to undertake protection measures to prevent flood damage to Pine Brook residents of Manalapan.

I would like to praise my fellow colleague from New Jersey. BOB ROE, for his leadership fairness and effectiveness with regard to this important water bill and especially, with regard to section 305 which affects the well-being of the present and future residents of Pine Brook community in New Jersey.

Mr. LIGHTFOOT. Mr. Chairman, I rise in support of H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

This legislation is badly needed and long overdue. The last true comprehensive water resources legislation to pass this body was in 1970. The Nation's infrastructure is directly tied to the Nation's economic well-being and our quality of life, and it is badly in need of repair and improvement.

I would like to take a moment to cite a couple of examples of what this bill would do. One of these is a project near Hamburg, IA, which provides for the installation of pumping facilities to correct a long-standing problem with flooding in that area. Mr. Lyle Hodde has organized and recruited membership for a pumping district in the area which will pay for operation and maintenance of the pumping facilities. I believe this is a fine example of how Federal resources can be used in cooperation with a local initiative to provide widespread benefits.

The bill also addresses the inequities which have resulted from the construction of Red Rock Dam. Many farmers and property owners have suffered substantial losses from unforeseen flooding caused by the reservoir's lack of holding capacity. This bill authorizes the Secretary of the Army to purchase land adjacent to the reservoir which should have been part of the project from the beginning. The owners of that land would then be compensated for their property which has been rendered virtually useless because of constant flooding which is beyond the control of the regulation of the Army Corps.

While I now support H.R. 6, I want to note that I withheld my support until I saw the inclusion of the cost-sharing measures which will require non-Federal sources to

help finance these improvements. Under these new requirements, State and local sponsors would pay between 10 and 55 percent of the cost of the project.

I believe these cost-sharing measures are essential to a responsible water resources bill. These requirements will result in a savings of Federal tax dollars as well as shift the responsibility for payment to those who more directly benefit from them. More importantly, it will discourage the use of Federal funds for projects with a low cost-benefit ratio, and help to ensure that only the well-planned, worthwhile projects will be funded.

This bill also deauthorizes 310 projects not yet under construction, which have an estimated completion cost of $11.1 billion. In addition, H.R. 6 provides that projects authorized by this bill will be automatically deauthorized 5 years after enactment of this law if they have not received construction funding by that time.

I would also like to take this opportunity to express my appreciation to the chairman of the Water Resources Subcommittee, the gentleman from New Jersey, Mr. ROE, and the ranking minority member of the subcommittee, the gentleman from Minnesota, Mr. STANGELAND, and all of the members in both public works and other committees who have helped develop this bill.

Again, Mr. Chairman, I believe H.R. 6 is a responsible water resources bill, and I urge my colleagues to join me in supporting this badly needed legislation.

AMENDMENT OFFERED BY MR. MACK

Mr. MACK. Mr. Chairman, I offer an amendment which I sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. MACK: On page 399, after line 5, add the following new section:

"SEC. 1199K. Notwithstanding any other provisions of this Act, not more than 91.8 percent of the funds authorized to be appropriated may be expended in fiscal year 1986 as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as adopted by the House of Representatives on November 1, 1985."

Mr. SNYDER. Mr. Chairman, until we have a chance to look at this amendment, I reserve a point of order on the amendment.

Mr. ROE. We do not have a copy of the amendment, Mr. Chairman.

Mr. SNYDER. Mr. Chairman, the amendment was just handed to us, and, therefore, we reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Kentucky [Mr. SNYDER] reserves a point of order on the amendment, and the gentleman from Florida [Mr. MACK] is recognized for 5 minutes in support of his amendment.

Mr. MACK. Mr. Chairman, the amendment that I offer today is pretty simple and pretty straightforward.

I realize that there may be some Members on the floor who will ask the question: Why us, and why now? Well, the reason "now" and the reason "you" is because on Friday, November 1, the Democratic Party basically put together what they referred to as the Rostenkowski alternative, the deficit-reduction plan. What we heard over and over again was that there was a need to reduce the deficit number in 1986 to $161 billion. And the thing that we heard after that was that we have to do it now, that we must do it now. In fact, one of the speakers came to the floor and said something like this: that there are three differences between the Rosty plan and the Gramm-Rudman or the Republican plan; the first difference was that the Rosty plan would do it now, the second point he made was that the Rosty plan would do it now, and the third point he made was that the Rosty plan would do it now.

What we are attempting to do now today is to give you the opportunity to do it now, to reduce that spending by 8.2 percent.

You might ask yourself, where did we come up with 8.2 percent? Did we just pick that figure out of the air? No, we did not.

Just recently the Congressional Budget Office provided us with some information, information based on what the difference was between the two alternatives, what would happen under the Democratic or the Rostenkowski alternative and what would happen under the Republican plan. The CBO letter basically outlines it and gives us a table showing the possible effects in 1986 of the House-passed and the Packwood amendments to the debt-ceiling bill. It says, "For the purpose of estimating the deficit we have assumed an outlay base of $982.5 billion," which is the figure we have been using for all illustrative sequestered calculations. This reflects current law for entitlements and other mandatory spending at 1985 levels for discretionary accounts. The assumed revenue base is $787.9 billion, which is an estimate of current law revenues under CBO, August economic and technical assumptions.

Now, what has happened is that as a result of establishing a deficit target of $161 billion for 1986 and saying that we want to do it now, coupled with the fact that you exempted certain programs, nine programs that you have exempted, and that in addition to that you moved certain programs from category 2 to category 1, now, what that meant was that the number of dollars that were left in the pot to be sequestered was substantially reduced. In fact, it was reduced from roughly $500 billion to less than $300 billion, about $285 billion to be exact.

Now, as a result of that smaller reduction or that smaller number of dollars to be sequestered, what happens is that those programs that are left in the pot have to take a little bit harder hit. And what CBO says down at the bottom of its estimate here is that to reach the percentage reduction in category 2 in outlays necessary to reach the deficit targets that you have established, we would have to cut 8.2 percent across the board in this particular project.

Again I realize that this is difficult for you to do. I suggest you are going to have difficulty in many of the programs that we are going to consider. One of the estimates they made was that in the veterans' medical care under the Senate plan, $172 million in budget authority would have to be reduced. In the House plan, the 8.2 percent is going to require budget authority reductions of $737 million.

This is the plan that you voted for. This is the plan where you set aside the various exemptions. You have chosen those people whom you want to protect, and by the same decision you have stated those people whom you are not going to protect. As a result of that, you are going to have to stand up over the next several months and vote on those issues such as veterans' health care and water projects.

□ 1700

So, Mr. Chairman, it is my intention and the reason that I offer this amendment today is that I think it is about time that we found out if the rhetoric that we heard on Friday really was a true establishment of what we wanted to accomplish. If it is, no one should have any difficulty in voting for this particular amendment to reduce 8.2 percent across the board.

So I would ask my colleagues on both sides of the aisle if they would consider supporting my amendment and voting "yes" on this proposal.

Mr. ROEMER. Mr. Chairman, will the gentleman yield for a question?

Mr. MACK. I would be glad to yield to the gentleman.

Mr. ROEMER. Mr. Chairman, just to make sure I understand the gentleman's proposal, the gentleman is taking the alternative to Gramm-Rudman passed by the House last week and working the percentage reductions that that plan would call for on this particular bill; am I correct?

Mr. MACK. Mr. Chairman, if I may reclaim my time, what I am doing here is after receiving the information back from the Congressional Budget Office which said they took a look at both plans as they had been passed and made an estimate of what the growth in the economy was going to be and what the projected spending was——

The CHAIRMAN. The time of the gentleman from Florida [Mr. MACK] has expired.

(At the request of Mr. ROEMER, and by unanimous consent, Mr. MACK was allowed to proceed for 2 additional minutes.)

Mr. MACK. Again, what CBO said was that given the certain economic projections for growth and certain projections as far as spending is concerned, they made an estimate that certain spending reductions would have to take place. And in order to comply with the House-passed Democratic version of last Friday, an 8.2-percent reduction across the board in those programs that were left in the pot would have to take place.

And the purpose for my amendment today is to say, as so many people said last Friday, it is time to get started now. We cannot wait. So I am offering that opportunity.

Mr. ROEMER. Mr. Chairman, will the gentleman yield further?

Mr. MACK. I am glad to yield.

Mr. ROEMER. As I also understand the gentleman's amendment, he accepts not the OMB numbers, but accepts the CBO numbers; am I correct in that?

Mr. MACK. At this particular point, the only numbers I have available to me are those of the CBO, that is correct.

Mr. ROEMER. I know the gentleman's amendment is a tough one, but I think it is fair under the circumstances.

Mr. MACK. Mr. Chairman, I thank the gentleman.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. MACK. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, let me say that after having looked at the amendment, I am convinced that the point of order does not lie.

Mr. MACK. I beg pardon?

Mr. SNYDER. I am convinced that the point of order does not lie and I intend to withdraw it shortly, but I am a little bit confused as to what it does.

Mr. MACK. Mr. Chairman, who controls the time?

Mr. SNYDER. The gentleman referred to 91.8 percent of the funds authorized to be appropriated in fiscal year 1986.

Mr. MACK. Mr. Chairman, I reclaim my time just to find out where we are.

Mr. SNYDER. Oh, I am sorrry.

The CHAIRMAN. The Chair would announce that the gentleman from Florida is controlling the time.

The Chair would inquire of the gentleman from Kentucky if he withdraws his point of order?

Mr. SNYDER. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

The gentleman from Florida is recognized.

Mr. MACK. Mr. Chairman, I am glad to yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, I thank the gentleman.

The gentleman referred to not more than 91.8 percent of the funds authorized to be appropriated and expended in fiscal year 1986. If we stop there, I would assume it would apply to the $1.5 billion that appears in section 1173.

Then it goes ahead and says, bringing the definition of the Balanced Budget Emergency Deficit Control Act of 1985 adopted by the House on November 1. What is that number?

Mr. MACK. The number as I understand it $161 billion.

The CHAIRMAN. The time of the gentleman from Florida [Mr. MACK] has again expired.

(At the request of Mr. SNYDER, and by unanimous consent, Mr. MACK was allowed to proceed for 1 additional minute.)

Mr. MACK. It is $186 billion, the deficit target for 1986.

Mr. SNYDER. Mr. Chairman, if the gentleman will yield further, that is the total figure. What is the figure that the gentleman would be reducing for this function?

Mr. MACK. It is an 8.2-percent reduction across the board.

Mr. SNYDER. What is the base?

Mr. MACK. From the gentleman's authorization bill.

Mr. SNYDER. Oh, our authorization bill then is $1.5 billion in section 1173 for that fiscal year, so that is the number the gentleman would be reducing by.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. MACK. Mr. Chairman, if I may reclaim my time, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

I think that the amendment language, which I do not have in front of me, indicates that it is in the general provisions section; it would relate to all authorized spending within the bill so that it would not be just that which is in section 11, it would be in all authorizations that would be subject to appropriations in the bill.

Mr. SNYDER. Mr. Chairman, if the gentleman will yield, I think the gentleman is not aware of the fact that in section 1173, we have a cap that can be spent for this whole bill, which is $1.5 billion in the fiscal year which the gentleman mentions.

My question is, Is that the number we are reducing?

The CHAIRMAN. The time of the gentleman from Florida [Mr. MACK has again expired.]

(At the request of Mr. HOWARD, and by unanimous consent, Mr. MACK was allowed to proceed for 5 additional minutes.)

Mr. WALKER. Mr. Chairman, will the gentleman yield further?

Mr. MACK. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, it is my understanding that if that is the cap that is on spending in the bill, if that is the total amount of money that can be spent in fiscal year 1986, since the amendment only goes to fiscal year 1986, what the amendment would purport to do then is limit the spending to 91.8 percent of the number that is capped in the bill.

Mr. SNYDER. That is of the $1.5 billion for fiscal year 1986; there are other caps for other years, but that is the figure we are using here.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further, this figure only goes to fiscal year 1986, because that is the figure around which the Rostenkowski proposal went the other day, where it went to the $161 billion of overall spending.

Mr. SNYDER. Mr. Chairman, could I ask the gentleman in the well if he concurs in that explanation of his amendment?

Mr. MACK. I certainly do.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. MACK. I am glad to yield.

Mr. DURBIN. Mr. Chairman, first, I would like to commend my colleague, the gentleman from Florida, for extending this olive branch. I think we may finally have broken this impasse between the House and the other body by rejecting the approach of the other body. I am sure the gentleman offers this amendment in good faith and has given a clear signal that he is prepared to accept the Rostenkowski approach which we passed in the House of Representatives last week.

Is that a fair summation of the gentleman's position today?

Mr. MACK. If I may reclaim my time, Mr. Chairman, let me suggest to the gentleman that if this amendment were to pass with the support of those individuals who supported the $161 billion deficit reduction plan as outlined by the alternative of the gentleman from Illinois [Mr. ROSTENKOWSKI] on Friday, November 1, I certainly would consider supporting that House position.

Mr. DURBIN. Mr. Chairman, will the gentleman yield further?

Mr. MACK. I am glad to yield?

Mr. DURBIN. Mr. Chairman, if we are going to dispel the darkness of this impass that has been created between the House and the other body, is the gentleman from Florida prepared to light the first candle and suggest that he is going to stand tall now for the Rostenkowski alternative, that he is going to be there voting for the appropriation that is required?

Mr. WALKER. Mr. Chairman, will the gentleman yield to me?

Mr. MACK. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I would say that, of course, there are

more than money figures involved with many of us on this side.

The fact that the Rostenkowski plan was a direct act of sabotage against the whole approach to a balanced budget by first of all requiring a court challenge and then saying that all sections of that bill were subject to being ruled out of order if one section was ruled out of order and then specifically putting one section in the bill that was obviously unconstitutional, it was a direct act of sabotage, without some assurance that the program was going into effect.

A lot of us would be reluctant to accept just an amendment or a program that had only figures in it; so I think that there would be other things involved here, but what this particular amendment does is, it says, let us make real what we said we were going to do the other day. Let us cut the 8.2 percent out of the program as a start.

There are a whole series of other programs, too, that we are going to have to do to get to Rostenkowski.

The CBO also shows that the Older Americans Program would have to be cut, in order to get to that $161 billion, by $94 million compared to $22 million in the Gramm-Mack proposal, that authority for low-income energy assistance would have to be cut by $173 million instead of $40 million in the Gramm-Mack proposal; that student financial assistance would have to be cut by $404 million compared to $94 million in the Gramm-Mack proposal; that we would in fact have to make those kinds of cuts as we go through the process here, but this is a start, and I thank the gentleman for yielding.

Mr. DURBIN. Mr. Chairman, will the gentleman from Florida yield?

Mr. MACK. Possibly in just a moment, but I would just like to make another point.

I realize that this may cause some heartburn, that people may look and say, "Wait a minute. Is this really a serious offer? I mean, come on—8.2 percent?"

What I am saying here today is that in response to what I heard last Friday, I disagreed with the proposal that you all put together, but I am giving the gentleman an opportunity to prove to the American people that we are very serious about reaching that goal of $161 billion.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. MACK. I am glad to yield to the gentleman.

Mr. DURBIN. Mr. Chairman, I believe the gentleman from Florida is acting in good faith and I am prepared to lock arms with my colleague from the opposite side of the aisle to break this impasse, as long as I have an assurance from my colleague that we are going to walk down this path together all the way. As long as I know the gentleman is willing to stand behind the Rostenkowski alternative to the final path and take it all the way through to completion, I am willing to do that; but if the gentleman is going to pick and choose the things he likes about some packages and not others, then perhaps the gentleman's motives might be questioned.

Mr. MACK. Well, again, if I can reclaim my time, I can understand why one might want to question my motives. I understand the gentleman clearly does not do that.

Mr. DURBIN. Clearly, I would not.

Mr. MACK. I am certainly prepared to vote for my own amendment. I mean, I certainly would not want to give the impression that I would not do that.

The CHAIRMAN. The time of the gentleman from Florida [Mr. MACK] has again expired.

Mr. ROE. Mr. Chairman, I rise in opposition to the amendment. I rise in opposition to the amendment because I thought we were proceeding so well here on a very complicated public works bill that was totally bipartisan and we were supposed to be putting together the needs and the infrastructure of the Nation.

Then, regrettably, I hear a very distinguished Member talk like this and we begin to hear that there is the Rostenkowski bill or the Rudman or whatever. I do not know what that has to do with public works.

So I would like to engage the gentleman in a little bit of colloquy if we can get some attention over there.

It is well to put down words. We have had so many people testify or participate today and have said the shadings of language and whatever. The gentleman might have a great idea.

We are under the impression, as the gentleman from Kentucky pointed out, we probably are one of the very responsible committees because we put a ceiling in our bill. Regardless of the authorizations, we have a ceiling for 1986 of $1.5 billion; so we are not going to the Appropriations Committee or any Budget Committee openhanded. We say that is the maximum we feel we can ask for.

The question I am asking the gentleman specifically, is the 91.8 percent—and I reiterate what the gentleman from Kentucky said—is the gentleman talking about 91.8 percent of our cap of the $1.5 billion?

Mr. MACK. I was referring to that number as——

Mr. ROE. No, not what the gentleman is referring to. Does the gentleman's amendment mean that specifically?

Mr. MACK. The amendment means that specifically.

Mr. ROE. So the gentleman is saying to this committee that if we were to accept the amendment at 91.8 percent, as I am understanding it, that that would only diminish our cap of the $1.5 billion by that other 8 percent. Is that what the gentleman is saying? Is that what the amendment does?

Mr. MACK. I am saying 8.2 percent.

Mr. ROE. Is that the specific understanding?

Mr. MACK. That is the specific understanding.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, it strikes me that the legislative history has been pretty well laid out as to what the propounder of the amendment means; but to resolve any doubt, if you put a period after 1986 and struck the rest of the language, then it would be very clear.

Would the gentleman be willing to entertain a unanimous-consent request that we do that?

Mr. MACK. No, we do not accept that.

Mr. SYNDER. Then it makes me wonder what the gentleman means.

Mr. ROE. Well, Mr. Chairman, I believe it is my time, if I am not mistaken.

If we mean that, the gentleman spoke to 1986 and nobody is being surreptitious here, the gentleman might have a good idea. We are listening to him.

If we are coming back and saying we have in our committee put a cap on what we would recommend for expenditures at $1.5 billion, that is far below what we need in this bill; then we are coming back and the gentleman is saying, as I understood the gentleman and he is telling the people of this House, that he wants to put this through, he wants us to be responsible, which we are trying to do, and we are simply asking, is the gentleman saying that that 8.2 percent is what we would be doing—8.2 percent lesser than the $1.5 billion; is that what the gentleman means?

Mr. MACK. I have already answered that several times.

Mr. ROE. And the gentleman is limiting it to 1986, why would the gentleman strike the rest of the language then?

Mr. MACK. I just happen to be married to that language. I do not see what we gain by the changes made.

Mr. WALKER. Mr. Chairman, will the gentleman yield further?

Mr. ROE. I yield to the gentleman.

Mr. WALKER. Mr. Chairman, let me ask the gentleman whether or not the $1.5 billion which is in the gentleman's bill is in fact the same amount——

Mr. ROE. That is the cap in the bill.

Mr. WALKER. Yes, the cap in the bill, is consistent with the Rostenkow-

ski plan that was brought on the floor last week?

Mr. ROE. We are not voting on that. That is not part of the public works bill.

Mr. WALKER. Well, if the gentleman will yield further?

Mr. ROE. Well, it is my time, if it is, sir.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. ROE. Well, I know, but I can also take it back, if I understand the rules of the House. I do not want the gentleman to put words in my mouth.

There seems to be acrimony being developed by certain people at the tail end of the public works bill.

We are not disagreeing with the gentleman. We are not dealing with the gentleman from Illinois [Mr. ROSTENKOWSKI] or Senator RUDMAN or anybody else here. The House has not spoken to that issue and the Senate combined.

All I am simply asking, we have an amendment before us and we are willing to try to read the amendment and understand what the gentleman is trying to say and we may accept the amendment. God forbid we should accept an amendment to control financing.

□ 1715

All we are simply saying to the gentleman from Florida, since he is married to that language, is should we offer an amendment if he is married to that language?

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ROE] has expired.

(By unanimous consent, Mr. ROE was allowed to proceed for 5 additional minutes.)

Mr. ROE. Mr. Chairman, if the gentleman is talking to the fiscal year 1986, we have NO problem with that. So what is the magic?

Mr. WALKER. Mr. Chairman, if the gentleman would yield, when we dealt with the bill on the floor the other day, it was an important distinction on the floor about which category certain spending fell into. This particular spending would fall into category II under that particular bill, which would result in an across-the-board 8.2-percent decrease in spending.

All I am trying to ascertain is whether or not the spending in the gentleman's bill was consistent with the spending that was in that overall budget approach that was brought to the floor the other day. If, in fact, those two match up, it seems to me there is no problem. If in fact, those two do not match up, then there may be somewhat of a problem in this language and I am trying to work that out. There is no acrimony involved. I am trying to find out where we are.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

Mr. Chairman, to start with, it is consistent because that bill the other day deals with outlays and we are dealing with budget authority here. There is no attempt in that bill to deal with the accumulation of budget authority. It would not make any difference if we have $5 billion in budget authority. We still have a limitation on outlays according to the amount appropriated, and then an 8.2-percent reduction from that.

So it is totally consistent to not even reduce budget authority.

Mr. WALKER. If the gentleman would yield further, we are, in fact, dealing with authority here. We can, in fact, map the authority figures. CBO did that in their analysis today. So we can map authority figures as they relate to the particular legislation that was brought to the floor, and that is all we are trying to do, is make certain the two track. If the two figures are similar, if, in fact, this bill tracks with the approach brought to the floor the other day, there is no problem on this. If has been an 8.2-percent reduction and everybody is happy.

Mr. SMITH of Iowa. If the gentleman will yield further, I would say that $1½ billion in budget authority is going to make us considerably less than $1½ billion in outlays in 1986. So you are already way below $1½ billion. I think you are dealing with two different things here.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Chairman, let me understand, because I think in trying to implement any of these proposals, whether it is Gramm-Rudman or whether it is the alternative that was adopted on Friday, the question is: What assumptions go into the base to determine what percentage ought to be cut?

The gentleman from Pennsylvania has reached a figure of, I think, 8.9 percent.

Mr. WALKER. 8.2 percent, based upon CBO's analysis.

Mr. PANETTA. All right. Now, 8.2 percent is based on what assumptions? For example, does the gentleman take credit for what the Committee on Appropriations has done in terms of appropriations bills already adopted?

Mr. MACK. Mr. Chairman, if the gentleman would yield, if I could read to the gentleman the wording of the CBO letter as to what they did, I would be glad to do that to clarify the point.

Mr. PANETTA. Just answer my question. In effect, does the gentleman know what assumptions were presented to CBO? Let me ask the gentleman this: Did CBO make an independent judgment here? Yes or no.

Mr. MACK. I feel that they made an independent judgment; yes.

Mr. PANETTA. That is not my understanding. My understanding is that CBO made a judgment based on what was presented to them in terms of assumptions.

Mr. MACK. It says:

> We have assumed an outlay base of $982.5 billion, which is the figure we have been using for an illustrative sequester calculation. This reflects current law for entitlements and other mandatory spending in 1985 levels for discretionary accounts.

Mr. PANETTA. But the problem is, and the gentleman was part of the conference, this was an illustrative sequestering. It was not based on firm assumptions as to what went into the base. It was an illustrative development that was done within the context of the conference.

My point is this: If we are going to be serious about this, then the gentleman ought to lay out what assumptions are going into his base to reach the 8.2-percent figure. Do not just throw out an 8.2-percent number.

Mr. ROE. Mr. Chairman, if I may reclaim my time, please, I have an amendment I want to offer.

The CHAIRMAN. Does the gentleman yield back the balance of his time?

Mr. ROE. No, Mr. Chairman, not yet.

The CHAIRMAN. The Chair will advise the gentleman from New Jersey [Mr. ROE] that if he wishes to offer an amendment, he must yield back the balance of his time.

Mr. ROE. Yes. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. For what purpose does the gentleman from New Jersey [Mr. ROE] rise?

AMENDMENT OFFERED BY MR. ROE AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MACK

Mr. ROE. Mr. Chairman, I offer an amendment as a substitute of the amendment.

The Clerk read as follows:

> Amendment offered by Mr. ROE as a substitute for the amendment offered by Mr. MACK: On page 399, after line 5, add the following new section:
>
> "SEC. 1199K. Notwithstanding any other provision of this Act, not more than 91.8 percent of the funds authorized to be appropriated may be expended in fiscal year 1986."

Mr. WALKER. Mr. Chairman, I reserve a point of order on the amendment.

Mr. ROE. Mr. Chairman, we have been working here today and we are putting together a very, very important piece of legislation for this country. It seems to me to be a little bit

sad, if not too bad, that this kind of situation has to arise.

I say to all the people who are going to debate this as we fight in some other arena, it could very readily be that his bill could be delayed or could be defeated. It seems to me that the substitute we are offering here simply tracks exactly what the gentleman said and precisely what he wanted to achieve. He wanted to reduce our cap, which is $1.5 billion, which is one of the few bills around here which has an automatic, built-in cap which is there.

We are willing to accept the substitute and reduce that cap by the 8.2 percent. We are willing to accept that substitute, because that does what the gentleman spoke to.

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. ROE. I most assuredly yield to the gentleman from Florida.

Mr. MACK. I thank the gentleman for yielding.

Mr. Chairman, if the gentleman will allow me the time, I want to say that the intent was honest, that the information I have given to the gentleman as far as the CBO is concerned is different from the information that we looked at during the conference. I think it is a good analysis of what would happen under present conditions.

I just want to say to the gentleman, I am prepared to accept his substitute, but I want to make it clear that I intend, each time we have the opportunity, to request that the House live up to what it passed on Friday. Again, as far as I am concerned, that is an 8.2-percent reduction wherever we can get it in the programs that are left in the pot.

Mr. ROE. Let me suggest this point of view as the temperatures here all begin to come down a little bit.

I thoroughly respect the gentleman for his concern and his responsibility. I think when we have a committee like this that is doing the right thing, we are willing to move in that direction, if the gentleman can accept that substitute, then I think we are beginning to make progress.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. ROE. Yes, of course I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank my colleague for yielding and for his efforts here.

Mr. Chairman, let me point out to the other side of the aisle, if I could, that from the same CBO estimates, the paragraph reads further:

> These estimates, however, are highly preliminary and are unlikely to be those which CBO would use for an actual report pursuant to the House-passed Packwood amendments.

Mr. Chairman, I have already said publicly I agree with the spirit of what the gentleman from Florida is trying to do, but let us be careful about the figures. It is too early.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

I just want to commend the chairman for what he is trying to do. I just want to back up what the gentleman from Louisiana just said.

There is nothing wrong with us cutting the authorization in this bill to the amount necessary for whatever deficit reduction program we pass. But while this House spoke last Friday, that is not the final word. We do not know exactly what the deficit reduction will call for. So while we may reduce today 8.2 percent, the requirement in the final Budget Act may only require 7.5, 5.4, or 3.8.

I think the gentleman is being very magnanimous and I certainly applaud him for his efforts.

Mr. ROE. Mr. Chairman, if the gentleman would indulge in a little bit of colloquy with me on this, I raised concerns, too, in Public Works. I guess we are the first ones on the totem pole to receive this kind of a shock, let us put it that way, or as the distinguished gentleman from Florida says, a little bit of responsibility, which we are.

I think to us, and let me suggest this to the distinguished gentleman from Florida who brought this matter up, to us it is a bit of a crapshoot. I suppose maybe that is not the right word to use on the floor of the House of Representatives, but it connotes that it is a game we play with dice, or the 40 pieces of silver or something like that, as my father taught me.

So what is being suggested to the chairman, and maybe I am moving too fast here, is that it is a crapshoot, but we expect it to be lived up to. In other words, if somebody has some other scheme that goes through the House and they further reduce that, we are not agreeing to that. We are saying this is about the bottom line that we can possibly go to, and there are all kinds of variables involved in this issue.

So I do not think that we could possibly move anywhere beyond that particular figure.

Mr. AUCOIN. Mr. Chairman, I would inquire as to how much time the gentleman from New Jersey [Mr. ROE] has remaining.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ROE] has now expired.

(On request of Mr. AUCOIN and by unanimous consent, Mr. ROE was allowed to proceed for 5 additional minutes.)

□ 1725

Mr. AUCOIN. Mr. Chairman, I appreciate the gentleman yielding.

I would have to say to my colleagues that I think the gentleman who is managing this bill is handling a surprise move with a great deal of courtesy to the other side of the aisle and with a great deal of evenhandedness. He has agreed to an 8.2-percent reduction in his cap on the basis of information that CBO says is only peliminary in nature in terms of its calculations, and yet the gentleman has agreed to accept that. I want to compliment him for that.

But at the same time, I would like to make a word of warning to all of my colleagues, and that simply is if this is what we are to expect on every single bill that comes forward until this other matter is resolved, then the House is going to be put in the position of accepting and being locked into an 8.2-percent figure when even CBO said, as the gentleman from Louisiana [Mr. ROEMER] brought out only a few minutes ago, when CBO admitted that these are very, very preliminary data. And I think that is a very dangerous situation to force the House into.

So I for one compliment the gentleman who is managing this bill well, as he always does, but certainly do not want to state that in my judgment this is any precedent for how this Member is going to vote, nor, I hope, how the House will vote on future matters of this kind until the other budget and Gramm/Rudman argument is worked out.

I yield back to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman and I yield back the balance of my time.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. WALKER] withdraw his reservation of a point of order?

Mr. WALKER. Yes, Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. The reservation of a point of order is withdrawn.

Mr. HOWARD. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. BOUCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6) to provide for the conservation and devlopment of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of

the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 372) entitled "Joint resolution increasing the statutory limit on the public debt."

The message also announced that the Senate concurs in first House amendment to Senate amendment No. 1.

The message also announced that the Senate concurs in second House amendment to Senate amendment No. 1, with an amendment.

The message also announced that the Senate concurs in House amendment to Senate amendment No. 2, with an amendment.

PUBLIC DEBT LIMIT INCREASE

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House considers the Senate amendments to the House amendments to the Senate amendments to House Joint Resolution 372, it first consider motions to dispose of the Senate amendment to the House amendment to Senate amendment No. 2.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PREFERENTIAL MOTION OFFERED BY MR. MACK

Mr. MACK. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. MACK moves to take from the Speaker's table House Joint Resolution 372, with the Senate amendment to the House amendment to Senate amendment No. 2 and to concur in the Senate amendment as follows:

Senate amendment to House amendment to Senate amendment No. 2.

In lieu of the matter proposed to be inserted by the amendment of the House of Representatives, insert:

TITLE II—DEFICIT REDUCTION PROCEDURES

SEC. 201. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the "Balanced Budget and Emergency Deficit Control Act of 1985".

(b) TABLE OF CONTENTS.—

TITLE II—DEFICIT REDUCTION PROCEDURES

Sec. 201. Short title and table of contents.
Sec. 202. Congressional budget.
Sec. 203. Budget submitted by the President.
Sec. 204. Emergency powers to eliminate deficits in excess of maximum deficit amounts.
Sec. 205. Budgetary treatment of social security trust funds.
Sec. 206. Budget Act waivers.
Sec. 207. Other waivers and suspensions.
Sec. 208. Supplemental budget estimates.
Sec. 209. Point of order.
Sec. 210. Application.
Sec. 211. Exercise of rulemaking power.
Sec. 212. Sense of the Senate.
Sec. 213. Report required.
Sec. 214. Treatment of certain cost-of-living adjustments.
Sec. 215. Conforming amendment to President's budget.
Sec. 216. Expedited review of constitutionality of this title.
Sec. 217. Permanent technical corrections.
Sec. 218. Congressional Budget Office reports.
Sec. 219. Revenue estimates.
Sec. 220. General Accounting Office study.
Sec. 221. Early election of committees of the House.
Sec. 222. Interest and repayments to Social Security Trust Funds and other retirement funds.
Sec. 223. Reports on national defense.

SEC. 202. CONGRESSIONAL BUDGET.

(a) ONE CONCURRENT RESOLUTION ON THE BUDGET REQUIRED ANNUALLY.—

(1) IN GENERAL.—Section 310 of the Congressional Budget Act of 1974 is amended—

(A) by striking out the section heading and all that follows through "necessary—" in the matter preceding paragraph (1) of subsection (a) and inserting in lieu thereof the following:

"RECONCILIATION PROCESS

"SEC. 310. (a) IN GENERAL.—Any concurrent resolution on the budget considered under section 301 or section 304 for a fiscal year shall, to the extent necessary—";

(B) by striking out subsection (b) and redesignating subsection (c) as subsection (b); and

(C) by inserting at the end thereof the following new subsection:

"(h) COMPLETION OF RECONCILIATION PROCESS IN THE HOUSE OF REPRESENTATIVES.—It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period for more than three calendar days during the month of July until the House of Representatives has completed action on the reconciliation legislation for the fiscal year beginning on October 1 of the calendar year to which the adjournment resolution pertains, if reconciliation legislation is required to be reported by the concurrent resolution on the budget for such fiscal year.".

(2) CONFORMING CHANGES.—

(A) The table of contents in subsection (b) of section 1 of the Congressional Budget and Impoundment Control Act of 1974 is amended—

(i) by striking out "Adoption of first concurrent resolution" in the item relating to section 301 and inserting in lieu thereof "Annual adoption of concurrent resolution";

(ii) by striking out "First concurrent resolution" in the item relating to section 303 and inserting in lieu thereof "Concurrent resolution"; and

(iii) by striking out "Second required concurrent resolution and reconciliation" in the item relating to section 310 and inserting in lieu thereof "Reconciliation".

(B) Paragraph (4) of section 3 of such Act is amended—

(i) by adding "and" after the semicolon at the end of subparagraph (A);

(ii) by striking out subparagraph (B); and

(iii) by striking out "(C) any other" and inserting in lieu thereof "(B) a".

(C) Section 300 of the Congressional Budget Act of 1974 is amended to read as follows:

"TIMETABLE

"SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:

"On or before:	*Action to be completed:*
First Monday after January 3.	*President submits his budget.*
February 15	*Congressional Budget Office submits report to Budget Committees.*
February 25	*Committees submit views and estimates to Budget Committees.*
April 15	*Congress completes action on concurrent resolution on the budget.*
May 15	*Appropriation bills may be considered in the House.*
June 10	*House Appropriations Committee reports last regular appropriation bill.*
June 15	*Congress completes action on reconciliation legislation.*
June 30	*House completes action on regular appropriation bills.*
October 1	*Fiscal year begins.".*

(D)(i) The heading of section 301 of the Congressional Budget Act of 1974 is amended to read as follows:

"ANNUAL ADOPTION OF CONCURRENT RESOLUTION".

(ii) Section 301(a) of such Act is amended by striking out "the first concurrent resolution on the budget" in the first sentence and inserting in lieu thereof "a concurrent resolution on the budget".

(iii) Section 301(b) of such Act is amended—

(I) by striking out "first concurrent resolution on the budget" in the matter preceding paragraph (1) and inserting in lieu thereof "concurrent resolution on the budget referred to in subsection (a)"; and

(II) in paragraph (1) by striking out all beginning with "the concurrent resolution" through "both" the second place it appears and inserting in lieu thereof "the Congress has completed action on any reconciliation bill or reconciliation resolution, or both, required by such concurrent resolution to be reported in accordance with section 310(b)".

(iv) Section 301(c) of such Act is amended by striking out "March 15" and inserting in lieu thereof "February 25".

(v) Section 301(e) of such Act is amended by striking out "first concurrent resolution on the budget" each place it appears and inserting in lieu thereof "concurrent resolution on the budget referred to in subsection (a)".

(vi) Section 301 of such Act is amended by inserting at the end thereof the following new subsections:

"(g) CONSIDERATION OF PROCEDURES OR MATTERS WHICH HAVE THE EFFECT OF CHANGING ANY RULE OF THE HOUSE OF REPRESENTATIVES.—If the Committee on the Budget of the House of Representatives reports any concurrent resolution on the budget which includes any procedure or matter which has the effect of changing any rule of the House of Representatives, such concurrent resolution shall then be referred to the Committee on Rules with instructions to report it within five calendar days (not counting any day on which the House is not in session). The Committee on Rules shall have the jurisdiction to report any concurrent resolution referred to it under this paragraph with an amendment or amendments which change or strike out any such procedure or matter.

"(h) BUDGET COMMITTEES CONSULTATION WITH STANDING COMMITTEES.—The Committee on the Budget of each House shall consult with the standing committees of its House during the preparation, consideration, and enforcement of the concurrent

resolution on the budget with respect to all matters which relate to the jurisdiction or functions of such committees.".

(E) Section 302(c) of such Act is amended by striking out "or 310".

(F)(i) The heading of section 303 of such Act is amended by striking out "FIRST".

(ii) Section 303(a) of such Act is amended by striking out "first concurrent resolution on the budget for such fiscal year has been agreed to pursuant to section 301" in the matter following paragraph (4) and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a) for such fiscal year has been agreed to".

(G) Section 303(a) of such Act is amended—

(i) by striking out "or" at the end of paragraph (3),

(ii) by inserting "or" at the end of paragraph (4), and

(iii) by adding the following new paragraph:

"(5) new credit authority for a fiscal year;".

(H) Section 304 of such Act is amended—

(i) by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)"; and

(ii) by striking out "pursuant to section 301".

(I)(i) Section 305(a)(3) of such Act is amended by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(ii) Section 305(b) of such Act is amended—

(I) in paragraph (1) by striking out ", except that" and all that follows through "15 hours"; and

(II) in paragraph (3) by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(J) Section 307 of such Act is amended to read as follows:

"HOUSE COMMITTEE ACTION ON ALL APPROPRIATION BILLS TO BE COMPLETED BY JUNE 10

"SEC. 307. On or before June 10 of each year, the Committee on Appropriations of the House of Representatives shall report bills and resolutions providing new budget authority under the jurisdiction of all of its subcommittees for the fiscal year which begins on October 1 of that year.".

(K) Section 308(a)(2)(A) of such Act is amended by striking out "first concurrent resolution on the budget" and inserting in lieu thereof "concurrent resolution on the budget referred to in section 301(a)".

(L) Section 309 of such Act is amended to read as follows:

"HOUSE APPROVAL OF REGULAR APPROPRIATION BILLS

"SEC. 309. It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period of more than three calendar days during the month of July until the House of Representatives has approved bills and resolutions providing new budget authority under the jurisdiction of all the subcommittees of the Committee on Appropriations for the fiscal year beginning on October 1 of such year, other than supplemental, deficiency, and continuing appropriation bills and resolutions.".

(M) Section 310(f) of such Act is amended by striking out "subsection (a)" and inserting in lieu thereof "section 301(a)".

(N) Section 311(a) of such Act is amended—

(i) by striking out "310(a)" the first place it appears and inserting in lieu thereof "301(a)"; and

(ii) by striking out "310(c)" and inserting in lieu thereof "310(b)".

(b) MAXIMUM DEFICIT AMOUNTS.—

(1) ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

(A) POINT OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively, and inserting after subsection (b) the following new subsection:

"(c) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—

"(1)(A) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider any concurrent resolution on the budget for a fiscal year under this section, or to consider any amendment to such a concurrent resolution, or to consider a conference report on such a concurrent resolution, if the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report (or that would result from the adoption of such amendment), exceeds the recommended level of Federal revenues for that year by an amount that is greater than the maximum deficit amount specified for such fiscal year in section 3(7).

"(B) In the House of Representatives the point of order established under subparagraph (A) with respect to the consideration of a conference report or with respect to the consideration of a motion to concur, with or without an amendment or amendments, in a Senate amendment, the stage of disagreement having been reached, may be waived only by three-fifths of the Members voting for or against the waiver, a quorum being present.

"(2) Paragraph (1) of this subsection shall not apply if a declaration of war by the Congress is in effect.".

(B) CONFORMING CHANGES.—

(i) Section 301(a)(6) of such Act is amended by striking out "subsection (e)" and inserting in lieu thereof "subsection (f)".

(ii) Section 301(e) of such Act, as redesignated by clause (i) of this subparagraph, is amended by inserting "; and when so reported such concurrent resolution shall comply with the requirement described in paragraph (1) of subsection (c), unless such paragraph does not apply to such fiscal year by reason of paragraph (2) of such subsection" after "October 1 of such year" in the third sentence thereof.

(2) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—Section 304 of such Act is amended—

(A) by inserting "(a) IN GENERAL.—" after "SEC. 304."; and

(B) by adding at the end thereof the following new subsection:

"(b) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—

"(1)(A) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider any concurrent resolution on the budget for a fiscal year under this section, or to consider any amendment to such a concurrent resolution, or to consider a conference report on such a concurrent resolution, if the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report (or that would result from the adoption of such amendment), exceeds the recommended level of Federal revenues for that year by an amount that is greater than the maximum deficit amount specified for such fiscal year in section 3(7).

"(B) In the House of Representatives the point of order established under subparagraph (A) with respect to the consideration of a conference report or with respect to the consideration of a motion to concur, with or without an amendment or amendments, in a Senate amendment, the stage of disagreement having been reached, may be waived only by three-fifths of the Members voting for or against the waiver, a quorum being present.

"(2) Paragraph (1) of this subsection shall not apply if a declaration of war by the Congress is in effect.".

(3) DEFINITIONS.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end thereof the following new paragraphs:

"(6) The term 'deficit' means, with respect to any fiscal year, the amount by which total budget outlays for such fiscal year exceed total revenues for such fiscal year. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (and notwithstanding section 710(a) of the Social Security Act), the receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for a fiscal year, and the taxes payable under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 during such fiscal year, shall be included in total revenues for such fiscal year, and the disbursements of each such Trust Fund for such fiscal year shall be included in total budget outlays for such fiscal year. Notwithstanding any other provision of law, for all purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, the budget authority and outlays of each off-budget Federal entity for a fiscal year shall be included in total budget authority, total budget outlays, and the amounts of budget authority and outlays set forth for each major functional category, for such fiscal year. Amounts paid by the Federal Financing Bank for the purchase of loans made or guaranteed by a department, agency, or instrumentality of the Government of the United States shall be treated as outlays of that department, agency, or instrumentality.

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1985, $180,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1986, $144,000,000,000;

"(C) with respect to the fiscal year beginning October 1, 1987, $108,000,000,000;

"(D) with respect to the fiscal year beginning October 1, 1988, $72,000,000,000;

"(E) with respect to the fiscal year beginning October 1, 1989, $36,000,000,000; and

"(F) with respect to the fiscal year beginning October 1, 1990, zero.

"(8) The term 'off-budget Federal entity' means any entity—

"(A) established by Federal law, and

"(B) the budget outlays of which are required by law to be excluded from the totals of—

"(i) the budget of the United States Government submitted by the President pursuant to section 1105 of title 31, United States Code, and

"(ii) the budget adopted by the Congress pursuant to title III of this Act.

"(9) The term "credit authority" means authority to incur direct loan obligations or

to incur primary loan guarantee commitments.".

(c) RECONCILIATION.—

(1) ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

(A) DIRECTIONS TO COMMITTEES.—Section 301(b) of the Congressional Budget Act of 1974 is further amended—

(i) by striking out "may also require" in the matter preceding paragraph (1) and inserting in lieu thereof "shall also, to the extent necessary to comply with subsection (c)";

(ii) by inserting "require" after the paragraph designation in paragraph (1);

(iii) by inserting "require" after the paragraph designation in paragraph (2); and

(iv) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) specify and direct any combination of the matters described in paragraphs (1), (2), and (3) of section 310(a);".

(B) CONFORMING CHANGES.—

(i) Section 310(a) of such Act is amended—

(I) by inserting "or" at the end of paragraph (2);

(II) by striking out "; or" at the end of paragraph (3) and inserting in lieu thereof a period; and

(III) by striking out paragraph (4).

(ii) Section 310(d) of such Act is amended by striking out "subsection (c)" and all that follows through "year" and inserting in lieu thereof "subsection (b) with respect to a concurrent resolution on the budget adopted under section 301(a) not later than June 15 of each year".

(iii) Subsections (e) and (f) of section 310 of such Act are amended by striking out "subsection (c)" each place it appears and inserting in lieu thereof "subsection (b)".

(2) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—

(A) IN GENERAL.—Section 304(a) of such Act (as redesignated by paragraph (2)(A) of subsection (b)) is amended by adding after the period the following new sentence: "Any concurrent resolution agreed to under this section shall specify and direct any combination of the matters described in paragraphs (1), (2), and (3) of section 310(a) to the extent necessary to comply with subsection (b).".

(B) CONFORMING CHANGE.—Section 310(d) of such Act (as amended by paragraph (1)(B) of this subsection) is further amended by adding at the end thereof the following new sentence: "Congress shall complete action on any reconciliation bill or reconciliation resolution reported under subsection (b) with respect to a concurrent resolution on the budget adopted under section 304(a) not later than 30 days after the adoption of the concurrent resolution.".

(d) LIMITATION ON AMENDMENTS.—

(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—

(A) HOUSE OF REPRESENTATIVES.—Section 305(a) of such Act is amended to read as follows:

"PROVISIONS RELATING TO THE CONSIDERATION OF CONCURRENT RESOLUTIONS ON THE BUDGET

"SEC. 305. (a) PROCEDURE IN HOUSE OF REPRESENTATIVES AFTER REPORT OF COMMITTEE; DEBATE.—

"(1) When the Committee on the Budget of the House has reported any concurrent resolution on the budget, it is in order at any time after the fifth day (excluding Saturdays, Sundays, and legal holidays) following the day on which the report upon such resolution by the Committee on the Budget has been available to Members of the House and, if applicable, after the first day (excluding Saturdays, Sundays, and legal holidays) following the day on which a report upon such resolution by the Committee on Rules pursuant to section 301(c) has been made available to Members of the House (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(2) General debate on any concurrent resolution on the budget in the House of Representatives shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority parties, plus such additional hours of debate as are consumed pursuant to paragraph (3). A motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

"(3) Following the presentation of opening statements on the concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the House, there shall be a period of up to four hours for debate on economic goals and policies.

"(4) Only if a concurrent resolution on the budget reported by the Committee on the Budget of the House sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Full Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.

"(5) Consideration of any concurrent resolution on the budget by the House of Representatives shall be in the Committee of the Whole, and the resolution shall be considered for amendment under the five-minute rule in accordance with the applicable provisions of rule XXIII of the Rules of the House of Representatives. After the Committee rises and reports the resolution back to the House, the previous question shall be considered as ordered on the resolution and any amendments thereto to final passage without intervening motion; except that it shall be in order at any time prior to final passage (notwithstanding any other rule or provision of law) to adopt an amendment (or a series of amendments) changing any figure or figures in the resolution as so reported to the extent necessary to achieve mathematical consistency.

"(6) Debate in the House of Representatives on the conference report on any concurrent resolution on the budget shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

"(7)(A) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

"(B)(i) No amendment that would have the effect of increasing any specific budget outlays above the level of such outlays set forth in a concurrent resolution on the budget, or of reducing any specific Federal revenues below the level of such revenues set forth in such concurrent resolution, shall be in order unless such amendment ensures that the amount of the deficit for any fiscal year set forth in such concurrent resolution is not increased, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof.

"(ii) Clause (i) of this subparagraph shall not apply if a declaration of war by the Congress is in effect.".

(B) SENATE.—Section 305(b)(2) of such Act is amended—

(i) by inserting "(A)" before the paragraph designation; and

(ii) by adding at the end thereof the following new subparagraph:

"(B)(i) No amendment that would have the effect of increasing any specific budget outlays above the level of such outlays set forth in a concurrent resolution on the budget, or of reducing any specific Federal revenues below the level of such revenues set forth in such concurrent resolution, shall be in order unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the concurrent resolution is not increased, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof.

"(ii) Clause (i) of this subparagraph shall not apply if a declaration of war by the Congress is in effect.".

(2) RECONCILIATION BILLS AND RESOLUTIONS.—Section 310 of such Act is amended by inserting after subsection (b) (as redesignated by subsection (a)(1)(C)) the following new subsection:

"(c) LIMITATION ON AMENDMENTS TO RECONCILIATION BILLS AND RESOLUTIONS.—

"(1)(A) It shall not be in order in the Senate to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill or resolution, or would have the effect of reducing any specific Federal revenues below the level of such revenues provided in the bill or resolution, unless such amendment ensures that the amount of the deficit for any fiscal year set forth in the most recently agreed to concurrent resolution on the budget is not exceeded, by making at least an equivalent reduction in other specific budget outlays or at least an equivalent increase in other specific Federal revenues, or at least any equivalent combination thereof, except that a motion to strike a provision shall always be in order.

"(B) In the House of Representatives, no provision shall be reported in any reconciliation bill, or be in order as an amendment thereto, which is not related to achieving the purposes of the directives to committees contained in the most recently agreed to concurrent resolution: Provided, That nothing in this subparagraph shall be construed to prevent the consideration of any provision in a reconciliation bill or, or any amendment thereto, which only achieves savings greater than those directed of a committee,

or to prevent the consideration of motions to strike made in order by the Committee on Rules to achieve the purposes of the directives. For the purposes of this paragraph, a provision shall be considered related to achieving the purposes of directives contained in the most recently agreed to budget resolution if it is estimated by the Committee on the Budget, in consultation with the Congressional Budget Office, to effectuate or implement a reduction in budget authority or in new spending authority described in section 401(c)(2)(C), or to raise revenues, or both, and, in the case of an amendment, if it is within (in whole or in part) the jurisdiction of any committees instructed in the concurrent resolution. The point of order in this subparagraph shall not apply to Senate amendments or to conference reports.

"(2) Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.".

(e) ENFORCEMENT.—

(1) ALLOCATIONS OF BUDGET AUTHORITY AND OUTLAYS.—

(A) REPORTING DATE FOR ALLOCATIONS.—Section 302(b) of such Act is amended by striking out "Each such committee shall promptly report" in the last sentence and inserting in lieu thereof "Each such committee, within ten days of session after the concurrent resolution is agreed to, shall report".

(B) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(i) new budget authority for any fiscal year;

(ii) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in any fiscal year; or

(iii) direct loan authority, primary loan guarantee authority, or secondary loan guarantee authority for any fiscal year;

within the jurisdiction of any committee which has received an allocation of budget authority or new spending authority described in section 401(c)(2)(C) pursuant to section 302(a) of the Congressional Budget Act for a fiscal year, unless and until such committee makes the allocation or subdivisions required by section 302(b) of the Congressional Budget Act, in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year.

(C) ALLOCATIONS MADE BINDING.—Section 311 of such Act is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and inserting immediately after "SEC. 311" the following new subsection:

"(a) LEGISLATION SUBJECT TO POINT OF ORDER AFTER ADOPTION OF ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.—

"(1) IN GENERAL.—At any time after the Congress has completed action on the concurrent resolution on the budget required to be reported under section 301(a) for a fiscal year, it shall not be in order—

"(A) in the Senate—

"(i) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides for budget outlays or new budget authority in excess of the appropriate allocation of such outlays or authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year; or

"(ii) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides new spending authority described in section 401(c)(2)(C) to become effective during such fiscal year, if the amount of budget outlays or new budget authority that would be required for such year if such bill or resolution were enacted without change or such amendment were adopted would exceed the appropriate allocation of budget outlays or new budget authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year, unless such bill, resolution, or amendment was favorably reported by the Committee on Appropriations of the House involved under section 401(b)(2) along with a certification that if such bill, resolution, or amendment is enacted or adopted, the committee will reduce appropriations or take any other actions necessary to assure that the enactment or adoption of such bill, resolution, or amendment will not result in a deficit for such fiscal year in excess of the maximum deficit amount specified for such fiscal year in section 3(7); or

"(B) In the House of Representatives—

"(i) to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides for new budget authority or new spending authority described in section 401(c)(2)(C) in excess of the appropriate allocation of such authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year; or

"(ii) the point of order established under subparagraph (B)(i) may be waived only by three-fifths of the Members voting for or against the waiver, a quorum being present.

"(2) ALTERATION OF 302(b) ALLOCATIONS.—At any time after a committee reports the allocations required to be made under section 302(b), such committee may report to its House an alteration of such allocations. Any such alteration of allocations must be consistent with any actions already taken by its House on legislation within the committee's jurisdiction.

"(3) EXCEPTION.—Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.".

(D) CONFORMING CHANGE.—Section 311(c) of such Act (as redesignated by subparagraph (C)) is amended by striking out "subsection (a)" and inserting in lieu thereof "subsections (a) and (b)".

(2) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 311(b) of such Act, as redesignated by paragraph (1)(C) of this subsection, is amended by inserting before the period at the end thereof the following: "or, in the Senate, would otherwise result in a deficit for such fiscal year that exceeds the maximum deficit amount specified for such fiscal year in section 3(7) (except to the extent that paragraph (1) of section 301(c) or section 304(b), as the case may be, does not apply by reason of paragraph (2) of such subsection)".

(3) REPORTING REQUIREMENT EXTENDED TO CONFERENCE REPORTS.—Section 308(a) of such Act is amended by striking out "the report accompanying that bill or resolution" in the matter preceding paragraph (1) and inserting in lieu thereof the following: "or whenever a conference report is filed in either House, the report accompanying that bill or resolution or the statement of managers accompanying that conference report".

SEC. 203. BUDGET SUBMITTED BY THE PRESIDENT.

(a) MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.—Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The budget transmitted pursuant to subsection (a) for a fiscal year shall be prepared on the basis of the best estimates then available, in such a manner as to ensure that the deficit for such fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

"(2) Subject to paragraph (3) of this subsection, the deficit set forth in the budget so transmitted for any fiscal year shall not exceed the maximum deficit amount specified for such fiscal year in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974, with budget outlays and Federal revenues at such levels as the President may consider most desirable and feasible.

"(3) Paragraph (2) shall not apply if a declaration of war by the Congress is in effect.".

(b) REVISIONS AND SUPPLEMENTAL SUMMARIES.—Section 1106 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Subsection (f) of section 1105 shall apply to revisions and supplemental summaries submitted under this section to the same extent that such subsection applies to the budget submitted under section 1105(a) to which such revisions and summaries relate.".

SEC. 204. EMERGENCY POWERS TO ELIMINATE DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNTS.

(a) REPORTING OF DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNTS.—

(1) IN GENERAL.—The Director of the Office of Management and Budget and the Director of the Congressional Budget Office (hereafter in this section referred to as "the Directors") shall, with respect to any fiscal year (A) estimate the base levels of total revenues and total budget outlays for such fiscal year, (B) determine whether the deficit for such fiscal year will exceed the maximum deficit amount for such fiscal year and whether such excess is statistically significant, and (C) estimate the rate of real economic growth that will occur during such fiscal year and the rate of economic growth that will occur during each quarter of such fiscal year. The Directors jointly shall issue a report to the Comptroller General on December 10 of the fiscal year beginning October 1, 1985, and on September 15 preceding each succeeding fiscal year identifying the amount of any excess, stating whether such excess is statistically significant, specifying the estimated rate of real economic growth for such fiscal year and for each quarter of such fiscal year, and specifying the uniform percentage by which automatic spending increases shall be reduced during such fiscal year and the uniform percentage by which controllable expenditures shall be reduced during such fiscal year in order to eliminate any such excess. In the event that the Directors are unable to agree on an amount to be set forth with respect to any item in any such report, the amount set forth for such item in such report shall be the average of the amounts proposed by each of them with respect to such item. The Directors shall make such report public on the day on which it is transmitted to the Comptroller General. The Comptroller General shall consider the report issued by the Directors for a fiscal year and, with due regard for the data, assumptions, and methodologies used in reaching the conclusions set forth therein, the Comptroller General shall issue a report to the President and the Congress not later than December 15 (for fiscal year 1986) and the September 25 preceding each fiscal year thereafter (for fiscal years 1987 through

1991), estimating the base levels of total revenues and total budget outlays for such fiscal year, identifying the amount by which the deficit for such fiscal year will exceed the maximum deficit amount for such fiscal year, stating whether such excess is statistically significant, specifying the estimated rate of real economic growth for such fiscal year and for each quarter of such fiscal year, and specifying the uniform percentage by which automatic spending increases shall be reduced during such fiscal year and the uniform percentage by which controllable expenditures shall be reduced during such fiscal year in order to eliminate any such excess. The report of the Comptroller General shall explain fully any differences between the contents of such report and the report of the Directors.

(2) EXCEPTION.—Paragraph (1) shall not apply if a declaration of war by the Congress is in effect.

(b) PRESIDENTIAL ORDER.—

(1) CONTENTS.—

(A) IN GENERAL.—Upon receipt of any report from the Comptroller General under subsection (a) of this section which identifies a statistically significant amount by which the deficit for a fiscal year will exceed the maximum deficit amount for such fiscal year, the President shall eliminate the full amount of the deficit excess by issuing an order, in accordance with subparagraph (B), that—

(i) subject to the succeeding subparagraphs, and notwithstanding the Impoundment Control Act of 1974, eliminates one-half of such excess by modifying or suspending the operation of each provision of Federal law that would (but for such order) require an automatic spending increase to take effect during such fiscal year, in such a manner as to reduce (but not below zero) the amount of the outlay increase under each such provision by a uniform percentage, and

(ii) subject to the succeeding subparagraphs, and notwithstanding the Impoundment and Control Act of 1974, eliminates one-half of such excess by sequestering from each affected program, project, or activity (as defined in the most recently enacted relevant appropriations Acts and accompanying committee reports) or from each affected account if not so defined, for funds provided in annual appropriations Acts or, otherwise from each budget account, such amounts of budget authority, obligation limitation, other budgetary resources, and loan limitation, and by adjusting payments provided by the Federal Government, to the extent necessary to reduce the outlays for each controllable expenditure by a uniform percentage; and

shall transmit to both Houses of the Congress a message—

(iii) identifying—

(I) the total amount and the percentage by which automatic spending increases are to be reduced under clause (i) of this subparagraph;

(II) the total amount of budget authority, obligation limitations, loan limitations, and other budgetary resources which is to be sequestered under clause (ii) of this subparagraph with respect to controllable expenditures;

(III) the amount of budget authority, obligation limitations, loan limitations, and other budgetary resources which is to be sequestered with respect to each such controllable expenditure in order to reduce it by the required percentage; and

(IV) the account, department, or establishment of the Government to which each amount of budget authority, obligation limitations, loan limitations, and other budgetary resources described in clause (ii) of this subparagraph would be available for obligation; and

(iv) providing full supporting details with respect to each action to be taken under clause (i) or (ii) of this subparagraph.

Upon receipt in the Senate and the House of Representatives, the message shall be referred to all committees with jurisdiction over programs, projects, or activities affected by it.

(B) EXCEPTION.—If, in order to reduce by one-half the amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year, actions under subparagraph (A)(i) would require the reduction of automatic spending increases below zero, then, in order not to require such reductions below zero, the remaining amount shall be achieved through further uniform reductions under subparagraph (A)(ii).

(C) LIMITATION.—No action taken by the President under clause (i) or (ii) of subparagraph (A) shall have the effect of eliminating any program, project, or activity of the Federal Government.

(D) LIMITATION.—Any automatic spending increases modified or suspended, or any amounts of budget authority, obligation limitation, other budgetary resources, or loan limitations sequestered by an order of the President under this title are permanently cancelled, and the legal rights, if any, of persons to receive such automatic spending increases shall be deemed to be extinguished to the extent that the operation of laws providing for such increases are modified or suspended by such an order. Notwithstanding any other provision of law, any change in the Consumer Price Index or any other index measuring costs, prices, or wages (or in any component of any such index) that is not taken into account for purposes of determining the amount of an automatic spending increase (if any) for a fiscal year for which an order is issued pursuant to subparagraph (A) shall not be taken into account for purposes of determining any automatic spending increase during any fiscal year thereafter.

(E) LIMITATION.—Nothing in clause (i) or (ii) of subparagraph (A) shall be construed to give the President new authority to alter the relative priorities in the Federal budget that are established by law, and no person who is, or becomes, eligible for benefits under any provision of law shall be denied eligibility by reason of this title.

(F) BASE LEVELS.—

(i) IN GENERAL.—Any order issued by the President under this paragraph shall use the base levels of total revenues and total budget outlays (as defined in paragraph (11) of subsection (d)) and the uniform percentage reductions specified in the report issued by the Comptroller General pursuant to subsection (a), adjusted, as provided in clause (ii), for any laws enacted or regulations promulgated between the date the base levels for such report were established and the date of such order. The order shall also use the same economic and technical assumptions used in the report issued by the Comptroller General pursuant to subsection (a).

(ii) ADJUSTMENTS FOR INTERVENING LEGISLATION.—

(I) With respect to legislation enacted or regulations promulgated after an estimation of base levels under subsection (a)(1) for a fiscal year but before the date of the report of the Comptroller General under such subsection for such fiscal year and which have budgetary impact, the Directors shall transmit to the Comptroller General on September 24 a joint report estimating the budgetary impact of such legislation or regulations. On September 25, the Comptroller General shall transmit to the President and to the Congress a report estimating the cost of such legislation or regulations, with due regard for the contents of the Directors' report, and stating his reasons for any divergence therefrom.

(II) With respect to legislation enacted or rules promulgated after the date of the report of the Comptroller General under subsection (a)(1) for a fiscal year but before the date of an order issued under subsection (b)(1) for such fiscal year and which have budgetary impact, the Directors shall transmit to the Comptroller General on each day on which legislation is enacted or rules are promulgated a joint report estimating the budgetary impact of such legislation or regulations. On the same day on which the Directors' report is received, the Comptroller General shall transmit to the President and to the Congress a report estimating the budgetary impact of such legislation or regulations, with due regard for the contents of the Directors' report, and stating his reasons for any divergence therefrom.

(G) FEDERAL PAY.—For purposes of any order issued under subparagraph (A), Federal pay under statutory pay systems (within the meaning of section 5301(c) of title 5, United States Code) and pay of members of the uniformed services (as defined in section 101(3) of title 37, United States Code) shall be treated as controllable expenditures and shall be subject to the uniform percentage reduction under the order; except that (i) no such order may reduce the rate of pay (in the case of a civilian officer or employee of the Government) or the rate of basic pay (in the case of a member of the uniformed services) to which any individual is entitled on the effective date of the order under any such statutory pay system or title 37, United States Code, as the case may be, and (ii) any increase in such rates of pay or rates of basic pay which is scheduled to take effect under section 5305 of title 5, United States Code, section 1009 of title 37, United States Code, or any other provision of law may be reduced under such order only by the uniform percentage reduction.

(H) TREATMENT OF OFF-BUDGET ENTITIES.—Notwithstanding any other provision of law, outlays for each off-budget Federal entity (as defined in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974) shall be subject to uniform percentage reductions under any order issued under subparagraph (A). Amounts paid by the Federal Financing Bank for the purchase of loans made or guaranteed by a department, agency, or instrumentality of the Government of the United States shall be treated as outlays of that department, agency, or instrumentality.

(I) MEDICARE PROGRAM AND ADMINISTRATIVE EXPENSES OF SOCIAL SECURITY TRUST FUNDS.—(i) Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under title XVIII of the Social Security Act so as to reduce all payments under such title for items or services furnished during the period of the order by the uniform percentage reduction specified in such order.

(ii) Payments which are made under such title from annual appropriations and payments for administrative expenses which are made pursuant to limitations on expendi-

tures from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, or the Federal Supplemental Medical Insurance Trust Fund contained in annual appropriations Acts, shall be reduced for the period of the order by the uniform percentage reduction specified in the order.

(iii) The President may not, pursuant to any authority granted in this section, increase any deductible, coinsurance amount, or premium amount under such title.

(iv) This clause shall not apply to payments for clinical diagnostic laboratory tests to which section 1833(h) the Social Security Act applies.

(J) MEDICAID PROGRAM.—Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under title XIX of the Social Security Act so as to reduce all payments to States under such title for State expenditures for medical assistance furnished, and administrative expenses incurred, during the period of the order by the uniform percentage reduction specified in the order.

(K) AFDC, FOSTER CARE, AND ADOPTION ASSISTANCE.—Reductions pursuant to the order issued under subparagraph (A) of this paragraph shall apply to payments under parts A and E of title IV of the Social Security Act so as to reduce all payments to States under such parts for State expenditures for aid to families with dependent children, foster care maintenance payments, adoption assistance payments, and administrative expenses, made during the period of the order by the uniform percentage reduction specified in the order.

(L) PROHIBITION ON ALTERING PAYMENT TIMETABLE.—No State may, after the date of the enactment of this Act, change the timetable for making payments under a State plan approved under title XIX of the Social Security Act or under part A or E of title IV of such Act, which has the effect of changing the fiscal year in which expenditures under such title or part are made.

(M) UNEMPLOYMENT COMPENSATION.—(i) The order under subparagraph (A) of this paragraph shall not apply to payments of regular unemployment compensation made by a State from amounts in the State's account in the Unemployment Trust Fund, and shall not apply to loans to States made under title XII of the Social Security Act.

(ii) The reduction required pursuant to the order issued under subparagraph (A) of this paragraph shall apply to Federal payments made under the Federal-State Extended Unemployment Compensation Act of 1970 so as to reduce payments to States for extended compensation (or sharable regular compensation) for weeks of unemployment occurring during the period of the order by the uniform percentage reduction specified in the order.

(iii) The reductions required pursuant to the order issued under subparagraph (A) of this paragraph shall apply to amounts payable to States pursuant to titles III and IX of the Social Security Act and under the Wagner-Peyser Act so as to reduce payments to States under such provisions for the period of the order by the uniform percentage reduction specified in the order.

(N) TREATMENT OF CERTAIN BENEFITS.—For purposes of clause (i) of subparagraph (A), increases in black lung benefits and special benefits for disabled coal miners which are required by reason of increases in Federal pay shall be considered to be indexed by such Federal pay increases.

(O) TREATMENT OF CHILD SUPPORT ENFORCEMENT PROGRAM.—Any order issued by the President under subparagraph (A) shall accomplish the full amount of the required reduction in expenditures under the child support enforcement program (established by part D of title IV of the Social Security Act) by reducing the Federal matching rate for State administrative costs under such program, as specified (for the fiscal year involved) in section 455(a) of such Act, to the extent necessary (as provided in the report submitted under section 203 of this title) to reduce such expenditures by that amount.

(P) FISCAL YEAR 1986 REDUCTIONS.—In the case of fiscal year 1986, the reductions and sequestrations required by the order issued pursuant to subparagraph (A) of this paragraph shall be pro rated on the basis of the number of remaining months in such fiscal year.

(Q) COMMODITY CREDIT CORPORATION.—

(i) REDUCTION IN PAYMENTS MADE UNDER CONTRACTS.—After an order is issued under subparagrah (A) for a fiscal year, any payment made by the Commodity Credit Corporation—

(I) under the terms of any contract entered into in such fiscal year; and

(II) out of an entitlement account,

to any person (including any producer, lender, or guarantee entity) shall be deemed to be a controllable expenditure and shall be subject to reduction under the order. Any contract entered into in a fiscal year after an order has been issued under subparagraph (A) for such fiscal year shall provide explicitly for such reduction to be made for the entire period for which such contract is in effect and that in regard to commodity loans made to producers or producer cooperatives for a commodity produced in the same crop year, those loans for the same commodity shall be subject to the same terms and conditions.

(ii) REDUCTION IN NONCONTRACTUAL PRICE SUPPORT PROGRAMS.—Price support provided for an agricultural commodity through the Commodity Credit Corporation by a method other than a payment of the type described in clause (i) shall be deemed to be a controllable expenditure, and such level of price support for the fiscal year for which an order is issued under this subsection shall be subject to reduction under the order.

(iii) ADJUSTMENTS TO ACHIEVE REDUCTIONS.—In order to reduce expenditures for programs of the Commodity Credit Corporation as required under the Presidential order, the Secretary of Agriculture is authorized to adjust both target prices and loan rates in such a manner as to achieve the required percentage reduction of such order.

(iv) OPERATING AND ADMINISTRATIVE EXPENSES.—Operating and administrative expenses of the Commodity Credit Corporation shall be considered controllable expenditures and shall be subject to reduction under the order.

(v) UNIFORM PERCENTAGE RATE OF REDUCTION.—All reductions described in clauses (i), (ii), (iii), and (iv) required to be made in connection with an order issued under subparagraph (A) for a fiscal year shall be made at a uniform percentage rate and may not be made at a rate exceeding the rate of reduction specified in the order for the programs to which such subsections apply.

(R) TREATMENT OF LENDING ACTIVITIES OF ENTITIES PROVIDING FEDERAL GUARANTEES FOR STUDENT LOANS.—For the purposes of this title, the lending activities of entities providing Federal guarantees for student loans shall be deemed to be controllable expenditures. Actions taken in response to an order issued under this subsection shall include, but not be limited to, the following:

(i) With respect to loans granted after such an order has been issued, the reduction of the special allowance factor paid to a lender by not more than 0.40 percentage points in the first year of the loan only, but in no case would the statutory special allowance component be reduced below 3.00 percent, except that during the remaining life of the loan, the special allowance factor paid to the lender shall be that provided by the Higher Education Act of 1965, as amended.

(ii) With respect to loans granted after such an order has been issued, the increase of a student's origination fee by an amount not in excess of 0.50 percentage points.

(2) ISSUANCE OF ORDER.—

(A) POSITIVE REAL ECONOMIC GROWTH.—If the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section is zero or greater, the President shall issue the order required to be issued under this subsection pursuant to such report not later than 14 days after transmittal of such report.

(B) NEGATIVE REAL ECONOMIC GROWTH.—If the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section is less than zero with respect to such fiscal year or with respect to each of any two consecutive quarters of such fiscal year, the President shall issue the order required to be issued under this subsection pursuant to such report not later than 30 days after transmittal of such report.

(C) SPECIAL RULE.—If any adjustment made pursuant to paragraph (1)(F) eliminates the entire deficit excess, the order issued pursuant to this subsection shall so state, and no reductions shall be made pursuant to clauses (i) and (ii) of subparagraph (A).

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except to the extent that it is superseded by a reconciliation bill enacted under subsection (c) of this section, an order issued pursuant to this subsection shall become effective 30 days after its issuance. Any modification or suspension by such order of the operation of a provision of law that would (but for such order) require an automatic spending increase to take effect during a fiscal year shall apply for the one-year period beginning with the date on which such automatic increase would have taken effect during such fiscal year (but for such order).

(B) WITHHOLDING OF BUDGET AUTHORITY FOR 30-DAY PERIOD.—During the 30-day period referred to in subparagraph (A), the President shall withhold from obligation the amounts that would have been suspended or sequestered under such order with respect to such 30-day period if the order issued pursuant to this paragraph had become effective on the date of its issuance. If a reconciliation bill enacted under subsection (c) of this section becomes law on or before the last day of such 30-day period, amounts withheld from obligation pursuant to the preceding sentence shall be made available for obligation to the extent permitted by such reconciliation bill. If such a reconciliation bill does not become law during such period, the budget authority withheld from obligation under the first sentence of this subparagraph shall be permanently cancelled as described in paragraph (1)(D) of this subsection.

(4) PROPOSAL OF ALTERNATIVES.—A message transmitted pursuant to this subsection

with respect to a fiscal year may be accompanied by a proposal setting forth in full detail alternative ways to reduce the deficit for such fiscal year to an amount not greater than the maximum deficit amount for such fiscal year. Upon receipt in the Senate and the House of Representatives, the message and any accompanying proposal shall be referred to all committees with jurisdiction over programs, projects, or activities affected by it.

(c) CONGRESSIONAL ACTION.—

(1) REPORTING OF CONCURRENT RESOLUTIONS AND RECONCILIATION BILLS AND RESOLUTIONS.—

(A) IN GENERAL.—Not later than 10 days after issuance of an order by the President under subsection (b) with respect to a fiscal year, the Committee on the Budget of the House of Representatives and the Senate may report to its House a concurrent resolution. The concurrent resolution may affirm the impact of the order issued under subsection (b), in whole or in part. To the extent that any part of the order is not affirmed, the concurrent resolution shall state which parts are not affirmed and shall contain instructions to committees of the House and the Senate of the type referred to in section 310(a) of the Congressional Budget Act of 1974, sufficient to achieve at least the total level of deficit reduction contained in those sections which are not affirmed.

(B) RESPONSE OF COMMITTEES.—Committees instructed pursuant to subparagraph (A) of this paragraph, or affected thereby, shall submit their responses to their respective Budget Committees no later than 10 days after the conference report on the concurrent resolution referred to in subparagraph (A) is agreed to in both Houses, except that if in either House only one such Committee is so instructed such Committee shall, by the same date, report to its House a reconciliation bill or reconciliation resolution containing its recommendations in response to such instructions. A committee shall be considered to have complied with all instructions to it pursuant to a concurrent resolution adopted under subparagraph (A) if it has made recommendations with respect to matters within its jurisdiction which would result in a reduction in the deficit at least equal to the total reduction directed by such instructions.

(C) BUDGET COMMITTEE ACTION.—Upon receipt of the recommendations received in response to a concurrent resolution referred to in subparagraph (A) of this paragraph, the Budget Committee of each House shall report to its respective House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without any substantive revisions. In the event that a committee instructed in a concurrent resolution referred to in subparagraph (A) fails to submit any recommendation (or, when only one committee is instructed, fails to report a reconciliation bill or resolution) in response to such instructions, the Budget Committee of the relevant House shall include in the reconciliation bill or reconciliation resolution reported pursuant to this subparagraph legislative language within the jurisdiction of the noncomplying committee to achieve the amount of deficit reduction directed in such instructions.

(D) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill or resolution reported under subparagraph (C) with respect to a fiscal year, any amendment thereto, or any conference report thereon if—

(i) the enactment of such bill or resolution as reported;

(ii) the adoption and enactment of such amendment; or

(iii) the enactment of such bill or resolution in the form recommended in such conference report;

would cause the amount of the deficit for such fiscal year to exceed the maximum deficit amount for such fiscal year, unless the report submitted under subsection (a)(1) projects negative real economic growth for such fiscal year, or for each of any two consecutive quarters during such fiscal year; nor shall it be in order in the House of Representatives to consider a conference report on any such bill or resolution if its enactment would cause the maximum deficit amount for that fiscal year to be exceeded, unless the report submitted under subsection (a)(1) projects negative real economic growth for such fiscal year, or for each of any two consecutive quarters, and in such case consideration may only be by the affirmative vote of three-fifths of those present and voting if the conference report alters or suspends the maximum deficit amount for that fiscal year.

(E) TREATMENT OF CERTAIN AMENDMENTS.—In the Senate, an amendment which adds to a concurrent resolution reported under subparagraph (A) an instruction of the type referred to in such subparagraph shall be in order during the consideration of such resolution if such amendment would be in order but for the fact that it would be held to be non-germane on the basis that the instruction constitutes new matter.

(F) DEFINITION.—For purposes of subparagraphs (A) and (B), the term "day" shall mean any calendar day on which either House of the Congress is in session.

(2) PROCEDURES.—

(A) THE SENATE.—Except as provided in subparagraph (B), in the Senate the provisions of sections 305 and 310 of the Congressional Budget Act of 1974 for the consideration of concurrent resolutions on the budget and conference reports thereon shall also apply to consideration of concurrent resolutions, and reconciliation bills and reconciliation resolutions reported under this subsection and conference reports thereon.

(B) LIMIT ON DEBATE.—Debate in the Senate on any concurrent resolution reported pursuant to subparagraph (A) of paragraph (1), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to 10 hours.

(C) IN THE HOUSE OF REPRESENTATIVES.—In the House of Representatives, any concurrent resolution reported under this paragraph shall be privileged for consideration on or after the third day on which the report has been available to Members. Any concurrent resolution, or reconciliation bill or resolution under this paragraph, and any conference reports thereon, shall otherwise be considered in accordance with the applicable rules of the House.

(D) LIMITATION ON AMENDMENTS.—Section 310(c) of such Act (as added by section 202(d)(2) of this title) shall apply to reconciliation bills and reconciliation resolutions reported under this subsection.

(E) COMPLIANCE WITH INSTRUCTIONS.—Section 310 of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following new subsection:

"(g) COMPLIANCE WITH RECONCILIATION DIRECTIONS.—Any committee of a House of the Congress that is directed, pursuant to a concurrent resolution on the budget to recommend changes of the type described in paragraphs (1) and (2) of subsection (a) with respect to laws within its jurisdiction, shall be deemed to have complied with such directions—

"(1) if—

"(A) the amount of the changes of the type described in paragraph (1) of such subsection recommended by such committee, and

"(B) the amount of the changes of the type described in paragraph (2) of such subsection recommended by such committee,

do not exceed or fall below the amount of the changes such committee was directed by such concurrent resolution to recommend under such paragraph by more than 20 percent of the total of the amounts of the changes such committee was directed to make under both such paragraphs; and

"(2) if the total amount of the changes recommended by such committee is not less than the total of the amounts of the changes such committee was directed to make under both such paragraphs.".

(3) SPECIAL PROCEDURES IN THE EVENT OF A RECESSION.—

(A) IN GENERAL.—If—

(i) the estimate of real economic growth set forth in a report transmitted by the Comptroller General under subsection (a) of this section for a fiscal year is less than zero with respect to such fiscal year or with respect to each of any two consecutive quarters of such fiscal year; or

(ii) the Department of Commerce preliminary reports of actual real economic growth (or any subsequent revision thereof) for each of any two consecutive quarters of such fiscal year or of the last two quarters of the immediately preceding fiscal year indicate that the rate of real economic growth for such quarters is less than 1 percent;

the Committees on the Budget of the House of Representatives and the Senate may report to their respective Houses a joint resolution that declares that the economy is in a recession and that suspends or revises (in whole or in part) the provisions of this title or of the amendments made by this title.

(B) CONSIDERATION OF JOINT RESOLUTIONS.—

(i) A vote on final passage of a joint resolution reported to a House of the Congress pursuant to subparagraph (A) shall be taken on or before the close of the 10th calendar day of session of such House after the date on which the joint resolution is reported to such House. If the the joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a joint resolution agreed to in the Senate) shall cause the joint resolution to be engrossed, certified, and transmitted to the other House of the Congress on the same calendar day on which the joint resolution is agreed to by such House.

(ii)(I) A motion in the House of Representatives to proceed to the consideration of a joint resolution under this paragraph shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(II) Debate in the House of Representatives on a joint resolution under this paragraph shall be limited to not more than 5 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to postpone, made in the House of Representatives with respect to the consideration of a joint resolution under this paragraph, and a motion to proceed to the consideration of other business, shall not be in order. A motion fur-

ther to limit debate shall not be debatable. It shall not be in order to move to table or to recommit a joint resolution under this paragraph or to move to reconsider the vote by which the joint resolution is agreed to or disagreed to.

(III) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a joint resolution under this paragraph shall be decided without debate.

(IV) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a joint resolution under this subparagraph shall be governed by the Rules of the House of Representatives applicable to other bills and joint resolutions in similar circumstances.

(iii)(I) A motion in the Senate to proceed to the consideration of a joint resolution under this paragraph shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(II) Debate in the Senate on a joint resolution under this paragraph, and all debatable motions and appeals in connection therewith, shall be limited to not more than 5 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(III) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution under this paragraph shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(IV) A motion in the Senate to further limit debate on a joint resolution under this paragraph is not debatable. A motion to table or to recommit a joint resolution under this paragraph is not in order.

(iv) No amendment to a joint resolution considered under this paragraph shall be in order in either the House of Representatives or the Senate. No motion to suspend the application of this clause shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this clause by unanimous consent.

(d) DEFINITIONS.—For purposes of this section:

(1) The term "automatic spending increase" means increases in budget outlays due to changes in indexes in the following Federal programs:

Rail industry pension fund (60-8011-0-7-601);

Supplemental security income program (75-0406-0-1-609);

Veterans pensions (36-0154-0-1-701);

Veterans compensation (36-0153-0-1-701);

Civil service retirement and disability fund (24-8135-0-7-602);

Military retirement fund (97-8097-0-7-602);

Foreign Service retirement and disability fund (19-8186-0-7-602);

Retirement pay and medical benefits for commissioned offices, Public Health Service (75-0379-0-1-551);

Retired pay, Coast Guard (69-0241-0-1-403);

Judicial Survivors' annuities fund (10-8110-0-7-602);

Tax Court judges survivors annuity fund (23-8115-0-7-602);

Allowances and office staff for former Presidents (47-0105-0-1-802);

Central Intelligence Agency retirement and disability system fund;

Federal Reserve Board employees retirement system;

Comptrollers general retirement system;

Tennessee Valley Authority retirement system;

Special benefits, Federal Employees' Compensation Act (16-1521-0-1-600);

Food Stamp program (12-3505-0-1-605);

Child nutrition programs (12-3539-0-1-605);

National Wool Act (12-4336-0-3-351);

Black lung disability trust fund (20-8144-0-7-601);

Special benefits for disabled coal miners (75-0409-0-1-601); and

Medicare payments for clinical diagnostic laboratory tests to which section 1833(h) of the Social Security Act applies.

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix. Such term shall not include increases in Government expenditures due to increases in the number of program participants, nor shall it include any increase in benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

(2) The term "budget outlays" has the meaning given to such term in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974.

(3) The term "concurrent resolution on the budget" has the meaning given to such term in section 3(4) of the Congressional Budget and Impoundment Control Act of 1974.

(4) The term "deficit" has the meaning given to such term in section 3(6) of the Congressional Budget and Impoundment Control Act of 1974.

(5) The term "maximum deficit amount" has the meaning given to such term in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

(6) The term "real economic growth" means, with respect to a fiscal year, the nominal growth in the production of goods and services during such fiscal year, adjusted for inflation.

(7)(A) The term "controllable expenditures" means total budget outlays except outlays for programs specified in paragraph (1) and except outlays for the following programs:

Payment where credit exceeds liability for tax (20-0906-0-1-609);

Federal Old-Age and Survivors Insurance Trust Fund, except administrative expenses (20-8006-0-7-571);

Federal disability insurance trust fund, except administrative expenses (20-8007-0-7-571);

Claims, Defense (97-0102-0-1-051);

Claims, Judgments, and relief acts (20-1895-0-1-806);

Eastern Indian land claims settlement fund (14-2202-0-1-806);

Soldiers and Airmen's Home, Payment of claims (84-8930-0-7-705);

Payment of Vietnam and USS Pueblo prisoner of war claims (15-0104-0-1-153);

Salaries of judges (10-0200-0-1-752);

Compensation of the President (11-0001-0-1-802);

Payment to the foreign service retirement and disability fund (11-1036-0-1-153);

Payments to health care trust funds (75-0590-0-1-572);

Federal payment to the railroad retirement account (60-0113-0-1-601);

Payments to Social Security trust funds (75-0404-0-01-571);

Payments to civil service retirement fund (24-0200-1-1-805);

Payments to military retirement fund (97-0040-0-1-054);

Payments to State and local government fiscal assistance trust fund (20-2111-0-1-851);

Foreign military sales trust fund (11-8242-0-7-155);

Bureau of Indian Affairs, Miscellaneous trust funds, tribal trust funds (14-9973-0-7-999);

Exchange stabilization fund (20-4444-0-3-155);

Coinage profit fund (20-5811-0-2-803);

Payments to copyright owners (03-5175-0-2-376);

Railroad Social Security equivalent benefits account (60-8010-0-7-601);

Tennessee Valley Authority power program borrowing authority (including expenditures of proceeds from bonds issued or sold by the Tennessee Valley Authority pursuant to an Act of Congress which expressly prohibits any guarantee of such bonds by the United States);

Expenditures from the Bonneville Power Administration fund and borrowing authority established pursuant to section 13 of Public Law 93-454 (1974) as amended;

Tennessee Valley Authority—Seven States Energy Corporation; and

Postal Service fund (18-4020-8-3-372).

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix:

(B) Further, such term shall not include outlays in the following accounts that result from prior legal obligations to the Government:

Veterans Administration loan guaranty revolving fund (36-4025-0-3-704);

Agricultural credit insurance fund (12-4140-0-3-351);

Agency for International Development, housing and other credit guaranty programs (72-4340-0-3-151);

Overseas Private Investment Corporation (71-4030-0-3-151);

Rural development insurance fund (12-4155-0-3-452);

Economic development revolving fund (13-4406-0-3-452);

International Trade Administration operations and administration (13-1250-0-1-376);

Government National Mortgage Association, guarantees of Mortgage-backed securities (86-4238-0-3-371);

Federal Housing Administration fund (86-4070-0-3-371);

Credit union share insurance fund (25-4468-0-3-371);

Federal Savings and Loan Insurance Corporation fund (82-4037-0-3-371);

Pension Benefit Guaranty Corporation fund (16-4204-0-3-601);

Maritime Administration, war risk insurance revolving fund (69-4302-0-3-403);

Federal Crop Insurance Corporation fund (12-4085-0-3-351);

Aviation insurance revolving fund (69-4120-0-3-402);

Export-Import Bank of the United States, limitation of program activity (83-4027-0-3-155);

Small Business Administration lease guarantees revolving fund (73-4157-0-3-376);

Small Business Administration surety bond guarantees revolving fund (73-4156-0-3-376);

Federal Emergency Management Agency, National insurance development fund (58-4235-0-3-451);

Federal Emergency Management Agency, National flood insurance fund (58-4236-0-3-453);

Nuclear Regulatory Commission salaries and expenses (31-0200-0-1-276);

Check forgery insurance fund (20-4109-0-3-803);

Railroad Rehabilitation and improvement financing fund (69-4411-0-3-401);

Energy security reserve (20-0112-0-1-271);

Small Business Administration, business loan and investment fund (73-4154-0-3-376);

Small Business Administration, pollution control equipment contract guarantee revolving fund (73-4147-0-3-376);

Low-rent public housing—loans and other expenses (86-4098-0-3-604);

Federal ship financing fund (69-4301-0-3-403);

Federal ship financing fund, fishing vessels (13-4417-0-3-376);

Rural housing insurance fund (12-4141-0-3-371);

Indian loan guaranty and insurance fund (14-4410-0-3-452);

Rail service assistance (69-0122-0-1-401);

Office of Personnel Management, employees life insurance fund (24-8424-0-8-602);

Federal Deposit Insurance Corporation (51-8419-0-8-371);

Veterans Administration, servicemen's group life insurance fund (36-4009-0-3-701);

Veterans Administration, United States Government life insurance fund (36-8150-0-7-701);

Veterans Administration, National service life insurance fund (36-8132-0-7-701);

Service-disabled veterans insurance fund (36-4012-0-3-701);

Veterans special life insurance fund (36-8455-0-8-701);

Veterans reopened insurance fund (36-4010-0-3-701); and

Veterans insurance and indemnities (36-0120-0-1-701).

For purposes of the preceding sentence, program outlays are the outlays authorized by law as described by the designated account numbers set forth in the Budget of the United States Government, 1986—Appendix.

(C) Further, such term shall not include regular State unemployment benefits, the State-funded share of extended unemployment benefits, and loans to States from the Federal unemployment account.

(D) Further, such term shall not include non-federal funds appropriated for the District of Columbia.

(E) Further, such term shall not include outlays for net interest (all of budget function 900).

(F) Further, such term shall not include outlays which result from private donations, bequests, or voluntary contributions to the Government.

(G) Further, such term shall not include outlays from intragovernmental funds to the extent that such outlays are derived from other Federal Government accounts.

(H) Further, such term shall not include offsetting receipts.

(I) Further, such term shall not include outlays due to increases in the number of program participants.

(J) Further, such term shall not include outlays for prior-year obligations, except that such term shall include obligations for existing contracts except—

(i) those multiyear contracts which include a specified penalty for cancellation or modification of the contract by the Government and which, if cancelled or modified by the Government would result, due to such penalty for cancellation or modification, in a net loss to the Government in the first year; and

(ii) those contracts the reduction of which would violate legal obligations of the Government.

For purposes of subsection (b), the term "existing contracts" shall include all Federal military and civilian contracts existing at the time a sequester order is issued. Notwithstanding any other provision of law, any contract entered into or modified by the Federal Government after the date of the enactment of this joint resolution shall contain a provision that the contract may be modified, renegotiated, or terminated to the extent necessary to implement a sequester order issued under clause (ii) of subsection (b)(1)(A), and a provision that any penalties that would otherwise be payable by the Federal Government under the contract by reason of modification, renegotiation, or termination of the contract shall not be payable if the modification, renegotiation, or termination is made pursuant to a sequester order issued under clause (ii) of subsection (b)(1)(A).

(K) Receipts credited to an account shall not be deducted from outlays for the purpose of determining the amount to be sequestered pursuant to subsection (b)(1)(A)(ii).

(8) The term "sequester" means the permanent cancellation of budget authority, obligation limitations, other budgetary resources, or direct and guaranteed loan limitations, to the extent necessary to reduce each controllable expenditure by a uniform percentage.

(9) The term "other budgetary resources" means unobligated balances, obligated balances for existing contracts (as provided in paragraph (7) of this subsection), reimbursements, receipts credited to an account, and recoveries of prior-year obligations.

(10) The amount by which the deficit for a fiscal year exceeds the maximum deficit amount for such fiscal year shall be treated as "statistically significant" if the amount of such excess is greater than 5 percent of such maximum deficit amount.

(11) The term "base levels of total revenues and total budget outlays" means, with respect to the report submitted by the Directors or by the Comptroller General under subsection (a) and the order (if any) issued under subsection (b) for a fiscal year, the estimated levels of total revenues and total budget outlays for such fiscal year under laws and regulations that—

(A) are enacted or promulgated prior to the date on which such report is submitted or such order is issued, and

(B)(i) are in effect on such date, or

(ii) will become effective during such fiscal year.

Estimates of such levels shall be made on the date such report is submitted or such order is issued (or on a preceding date that is as close as possible to the date of such report or order). In cases where a regular or continuing appropriation for a full fiscal year has not been enacted by such date, the base level shall be derived from the level of funds appropriated, or otherwise made available, for the previous fiscal year for the applicable budget accounts. Except as provided in the succeeding sentence, in calculating the base level, any provision of law that will expire after the base levels of such report or order are established and prior to the end of such fiscal year shall be assumed to expire in accordance with the terms of such provision. Any provision of law imposing an excise tax the revenues from which are dedicated to a trust fund and any provision administered by the Secretary of Agriculture with respect to the Commodity Credit Corporation shall be assumed to be extended for such fiscal year.

SEC. 205. BUDGETARY TREATMENT OF SOCIAL SECURITY TRUST FUNDS.

(a) FISCAL YEARS 1986 THROUGH 1992.—

(1) IN GENERAL.—Section 710 of the Social Security Act (as added by paragraph (1) of subsection (a) of section 346 of the Social Security Amendments of 1983) is amended—

(A) by striking out all beginning with "the" the first place it appears down through "Disability Insurance Trust Fund, the" and inserting in lieu thereof "the";

(B) by striking out "Fund, and" and inserting in lieu thereof "Fund and";

(C) by striking out "sections 1401, 3101, and 3111" and inserting in lieu thereof "1401(b), 3101(b), and 3111(b)";

(D) by redesignating all after the section designation as subsection (b);

(E) by inserting after the section designation the following:

"(a) The receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund, and the taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government."; and

(F) by adding at the end thereof the following new subsection:

"(c) No provision of law enacted after the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than a provision of an appropriation Act that appropriates funds authorized under the Social Security Act as in effect on the date of enactment of the Balanced Budget and Emergency Deficit Control Act of 1985) may provide for payments from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or for payments from any such Trust Fund to the general fund of the Treasury.".

(2) APPLICATION.—The amendments made by paragraph (1) shall apply with respect to fiscal years beginning after September 30, 1985, and ending before October 1, 1992.

(b) FISCAL YEAR 1993 AND THEREAFTER.—Section 710(a) of the Social Security Act (42 U.S.C. 911 note), as amended by section 346(b) of the Social Security Amendments of 1983 (to be effective with respect to fiscal years beginning after September 30, 1992) is amended by—

(1) inserting "(1)" after the subsection designation; and

(2) adding at the end thereof the following new paragraph:

"(2) No provision of law enacted after the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than a provision of an appro-

priation Act that appropriates funds authorized under the Social Security Act as in effect on the date of enactment of the Balanced Budget and Emergency Deficit Control Act of 1985) may provide for payments from the general fund of the Treasury to any Trust Fund specified in paragraph (1) or for payments from any such Trust Fund to the general fund of the Treasury.".

SEC. 206. BUDGET ACT WAIVERS.

Section 904 of the Congressional Budget Act is amended by striking out subsection (b) and inserting in lieu thereof the following new subsection:

"(b)(1) Except as provided in paragraph (2), any provision of title III or IV may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate.

"(2) Sections 301(c), 304(b), 305(b)(2), 306, 310(c), and 311 of this Act, and section 202(e)(1)(B), 204(c)(1)(D), and 209 of the Balanced Budget and Emergency Deficit Control Act of 1985 may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members duly chosen and sworn.".

SEC. 207. OTHER WAIVERS AND SUSPENSIONS.

The provisions of this title may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members of that House duly chosen and sworn.

SEC. 208. SUPPLEMENTAL BUDGET ESTIMATES.

Section 1106 of title 31, United States Code, is amended by striking out "July 16" each place it appears and inserting in lieu thereof "September 2".

SEC. 209. POINT OF ORDER.

Notwithstanding any other provision of law, it shall not be in order in the Senate or House of Representatives to consider any reconciliation bill or reconciliation resolution reported pursuant to a concurrent resolution on the budget agreed to under section 301 or 304 of the Congressional Budget Act of 1974, or any amendment thereto, or conference report thereon that contains recommendations with respect to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, with respect to revenues attributable to the taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, or with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

SEC. 210. APPLICATION.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), this title and the amendments made by this title shall become effective on the date of the enactment of this title and shall apply with respect to fiscal years beginning after September 30, 1985, and before October 1, 1991.

(b) EXCEPTION.—The amendments made by sections 202(a), 202(b)(1), 202(c)(1), 202(e)(1)(A), and 203 of this title shall apply with respect to fiscal years beginning after September 30, 1986, and before October 1, 1991.

(c) OASDI TRUST FUNDS.—The amendments made by section 205 shall apply as provided in such section.

SEC. 211. EXERCISE OF RULEMAKING POWER.

The provisions of this title, other than those relating to the activities of the executive branch, are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

SEC. 212. SENSE OF THE SENATE.

It is the sense of the Senate that any funding reductions or sequestering of controllable expenditures implemented by the various Federal agencies as a result of this title shall be made uniformly and shall not disproportionately be made in the funding of programs targeted for rural and lesser populated areas.

SEC. 213. REPORT REQUIRED.

The Directors of the Office of Management and Budget and the Congressional Budget Office, and the Secretary of the Treasury, shall jointly report to the President and to the Committee on Finance and the Committee on Ways and Means on the projected level of revenues which would be raised by increased and improved tax enforcement and collection through audits, examinations, and other methods designed to eliminate tax cheating and increase revenue collections from individuals and corporations evading Federal taxation. The report shall include an analysis of measures which can be implemented to increase voluntary compliance with tax laws, including increased staff for taxpayer assistance, speedier processing of returns, improved information processing and collection, and public education designed to increase public trust and understanding of the Internal Revenue Service enforcement efforts. The report shall also include an estimate of the level of increased expenditures for Internal Revenue Service enforcement and compliance efforts at which additional expenditures would not yield additional revenues of at least $2 of revenue for every $1 in expenditures. The report shall be issued on an annual basis no later than the date on which the President submits a proposed budget for each fiscal year to the Congress.

SEC. 214. TREATMENT OF CERTAIN COST-OF-LIVING ADJUSTMENTS.

During the time in which a sequester order is in effect, any cost-of-living adjustment for Social Security shall not count as income for purposes of determining Supplemental Security Income payments or payments from any other programs which are offset as a consequence of cost-of-living adjustments for Social Security.

SEC. 215. CONFORMING AMENDMENT TO PRESIDENT'S BUDGET.

Section 1105(c) of title 31, United States Code, is amended—

(1) by striking out "The" the first place it appears and inserting in lieu thereof "(1) Notwithstanding any other provision of law, the";

(2) by inserting "(other than action that would require an increase in borrowing authority or an increase in the limit imposed by section 3101(b) of this title by more than the applicable amount for the fiscal year for which the budget is submitted)" after "action" the first place it appears; and

(3) by adding at the end thereof the following new paragraph:

"(2) For purposes of this subsection, the term 'applicable amount' means—

"(A) with respect to the fiscal year beginning October 1, 1986, $144,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1987, $108,000,000,000;

"(C) with respect to the fiscal year beginning October 1, 1988, $72,000,000,000;

"(D) with respect to the fiscal year beginning October 1, 1989, $36,000,000,000; and

"(E) with respect to the fiscal year beginning October 1, 1990, and each fiscal year thereafter, zero.".

SEC. 216. EXPEDITED REVIEW OF CONSTITUTIONALITY OF THIS TITLE.

(a) QUESTIONS OF CONSTITUTIONALITY.—Any Member of Congress may bring an action for declaratory judgment or injunctive relief concerning the constitutionality of this title or intervene in such action in the United States Court of Appeals for the District of Columbia, which shall hear the matter sitting en banc.

(b) APPEAL TO SUPREME COURT.—Notwithstanding any other provision of law, any decision on a matter brought under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the Court of Appeals.

(c) EXPEDITED CONSIDERATION.—It shall be the duty of the Court of Appeals and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a).

(d) SEVERABILITY.—If any provision of this title is held invalid, the remainder of such provisions shall not be affected.

(e) NONCOMPLIANCE WITH SEQUESTRATION PROCEDURES.—

(1) IN GENERAL.—If the President does not sequester any amount of budget authority, obligation limitation, other budgetary resource or loan limitation for a fiscal year which is required to be sequestered by section 204(b)(1)(A)(ii), on the claim that the constitutional powers of the President prevent such sequestration or permit the avoidance of such sequestration, and such claim is finally determined by the Supreme Court of the United States to be valid, then the entire order issued pursuant to section 204(b)(1) for such fiscal year shall be null and void.

(2) MEMBERS OF CONGRESS.—Any Member of Congress may bring an action in the United States Court of Appeals for the District of Columbia challenging the nonapplication of sequestration, or intervene in such action. The United States Court of Appeals for the District of Columbia shall hear any such action en banc.

(3) PROCEDURES.—The provisions of subsections (b) and (c) of this subsection shall apply to this subsection.

(f) ALTERNATIVE PROCEDURES FOR THE JOINT REPORT OF THE DIRECTORS.—

(1) In the event that the reporting procedures described in section 204(a)(1) are invalidated in an action brought under this section, then the report of the Directors referred to in section 204(a)(1) shall be transmitted to the joint committee established under this subsection.

(2) There is hereby established a Temporary Joint Committee on Deficit Reduction, composed of the entire membership of the House and Senate Budget Committees. The Chairman of these two committees shall act as Co-Chairmen of the Joint Committee. Actions taken by the joint committee shall be determined by the majority vote of the members representing each House. The purposes of the Joint Committee are to receive the report of the Directors as described above,

and to report a joint resolution as described in paragraph (3) below.

(3) No later than 5 days after the receipt of the report of the Directors in accordance with paragraph (1), the Joint Committee shall report to the House of Representatives a joint resolution setting forth the contents of the report of the Directors.

(4) The provisions for the consideration of a joint resolution under section 204(c)(3)(B)(ii), (iii), and (iv) shall apply to the consideration of a joint resolution reported pursuant to this subsection in the House of Representatives and the Senate, except that debate in each House shall be limited to 2 hours.

(5) Upon its enactment, the joint resolution shall be deemed to be the report received by the President under section 204(b)(1)(A).

SEC. 217. PERMANENT TECHNICAL CORRECTIONS.

(a) Section 301(f)(1) of the Congressional Budget Act of 1974 (as redesignated by section 3(b)(2)(A)(i) of this joint resolution) is amended by striking out "set for" in paragraph (1) and inserting in lieu thereof "set forth".

(b) The heading of section 304 of such Act is amended by striking out "OF" the second place it appears and inserting in lieu thereof "ON".

(c) Section 305(a) of such Act, as amended by this title, is amended by redesignating paragraphs (6), (7), (8) and (9) as paragraphs (5), (6), (7) and (8), respectively.

(d) Section 305(b) of such Act, as amended by this title, is amended by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(e) The amendments made by this section shall become effective on the date of the enactment of this title.

SEC. 218. CONGRESSIONAL BUDGET OFFICE REPORTS.

(a) Subsection (f) of section 202 of the Congressional Budget Act of 1974 is amended by inserting at the end thereof the following new paragraph:

"(3) On or before January 15 of each year, the Director shall submit to the Congress a report listing—

"(A) all programs and activities for which funds have been appropriated or otherwise made available in appropriations Acts for the fiscal year ending on September 30 of that calendar year for which authorizations for appropriations have not been enacted for that fiscal year, and

"(B) all programs and activities for which funds have been appropriated or otherwise made available in appropriations Acts for the fiscal year ending on September 30 of that calendar year, but for which no authorizations for appropriations have been enacted for the fiscal year beginning on October 1 of that calendar year.".

(b) The amendment made by subsection (a) shall become effective on the date of enactment of this title.

SEC. 219. REVENUE ESTIMATES.

Notwithstanding any other provision of this title, all revenue estimates necessary to carry out the purposes of this title after the present law base estimates made by the Congressional Budget Office at the beginning of each legislative session shall be made by the Joint Committee on Taxation and transmitted to the Congressional Budget Office for its use in carrying out the requirements of this title and the Congressional Budget Act of 1974. All revenue estimates for legislation enacted each legislative session shall be made by the Joint Committee on Taxation and shall be used exclusively by the Congressional Budget Office for all purposes related to this title. The Congressional Budget Office shall consult with the Joint Committee on Taxation as to the use of these revenue estimates in carrying out this title, and shall further, upon revision by the Congressional Budget Office of economic assumptions upon which the Congressional Budget Office estimates are based under this title and any other Act, convey those revised assumptions to the Joint Committee on Taxation, for the use of the Joint Committee on Taxation in reestimating revenue effects of enacted and considered legislation which shall be provided to the Congressional Budget Office to be used as the revenue estimates necessary for carrying out the purposes of this title and the Congressional Budget Act of 1974.

SEC. 220. GENERAL ACCOUNTING OFFICE STUDY.

Title IV of the Congressional Budget Act of 1974 is amended by inserting at the end thereof the following new sections:

"STUDY BY THE GENERAL ACCOUNTING OFFICE OF FORMS OF FEDERAL FINANCIAL COMMITMENT THAT ARE NOT REVIEWED ANNUALLY BY CONGRESS

"SEC. 405. The General Accounting Office shall study those provisions of law which provide spending authority as described by section 401(c)(2) and which provide permanent appropriations, and report to the Congress its recommendations for the appropriate form of financing for activities or programs financed by such provisions not later than eighteen months after the effective date of this section. Such report shall be revised from time to time.".

SEC. 221. EARLY ELECTION OF COMMITTEES OF THE HOUSE.

Clause 6(a)(1) of Rule X of the Rules of the House of Representatives is amended by striking out "at" and by inserting in lieu thereof "within the seventh calendar day beginning after", and by inserting at the end thereof the following new sentence: "It shall always be in order to consider resolutions recommended by the respective party caucuses to change the composition of standing committees".

SEC. 222. INTEREST REPAYMENTS TO SOCIAL SECURITY TRUST FUNDS AND OTHER RETIREMENT FUNDS.

(a) The Secretary of the Treasury shall pay, from amounts in the general fund of the Treasury not otherwise appropriated, into each of the Social Security Trust Funds and other retirement funds listed in subsection (b), net amounts equal to any amount of interest which would have accrued to such Trust Fund or retirement fund but for actions which were taken by the United States with respect to investments of such Trust Fund or retirement fund which would not otherwise have been taken (as determined by the Secretary of the Treasury) if the increase in the statutory debt ceiling had been enacted into law on September 30, 1985, as provided in H.J. Res. 372 (99th Congress, 1st Session) as it was passed by the House of Representatives and reported by the Senate Committee on Finance.

(b) For purposes of subsection (a), the term "Social Security Trust Funds and other retirement funds" means the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, the Railroad Retirement Account, the Civil Service Retirement and Disability Fund, and the Department of Defense Military Retirement Fund.

SEC. 223. REPORTS ON NATIONAL DEFENSE.

Reports shall be submitted to Congress containing the following information:

(a) The Congressional Budget Office and the Office of Management and Budget shall each estimate the amount of defense and nondefense outlays, budget authority and other budgetary resources to be sequestered at the level of detail specified in the other sections of this title, for the possible cases of a September 25, 1986, sequester order, at the levels of $10,000,000,000, $20,000,000,000 and $30,000,000,000.

(b) The Secretary of Defense shall submit to Congress a report on how the levels of defense spending reductions estimated by the Office of Management and Budget and the Congressional Budget Office pursuant to subsection (a) above would be allocated to each program, project or activity receiving a uniform percentage reduction as specified in the other sections of this title, and shall report on the impacts of such reductions. This report shall be submitted no later than 60 days following enactment of this title.

Mr. MACK (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The gentleman from Florida [Mr. MACK] will be recognized for 30 minutes and the gentleman from Missouri [Mr. GEPHARDT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. MACK].

Mr. MACK. Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. Mr. Speaker, earlier this afternoon, the other body once again voted on this issue that we have been debating, the deficit reduction package known as the Gramm-Rudman-Hollings-Mack deficit reduction package. The vote was almost identical to the vote that occurred some 3 weeks ago, I guess now, 74 to 24.

I understand from talking to our colleagues in the other body that the gentleman from Michigan [Mr. LEVIN] added an amendment that was an improvement on the bill and that was accepted.

PARLIAMENTARY INQUIRY

Mr. AUCOIN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. AUCOIN. Mr. Speaker, is it not against the rules of the House to refer to actions in the other body, either Members of the other body or votes in the other body?

The SPEAKER. Under normal circumstances, the answer is in the affirmative. But we are referring to a matter that has just been sent over from the other body, so the gentleman may refer to that fact.

Mr. AUCOIN. Mr. Speaker, does that include that announcement of the actual vote in the other body?

The SPEAKER. The Chair will state to the gentleman that that would not be in order.

Mr. LOTT. Mr. Speaker, the vote was a bipartisan vote, again in the other body, and with essentially the same Members voting the same way. It still has overwhelming bipartisan support.

It is time that we begin to move toward resolving this issue. We are not going to have a debt ceiling increase get through the Congress until we work through this deficit reduction question.

We should vote on this issue today. We should support the motion offered by the gentleman from Florida [Mr. MACK] to concur with the Senate position. We have been debating this issue back and forth now for weeks and we know what is in it. We have already enumerated the weaknesses of the House position and they are still there. The question of nonseverability and the constitutional question is still in the House-passed version. That has got to be taken out. We have set ourselves up to guarantee that this whole matter would be unconstitutional, and that is not what we want.

We need a process to move the Congress and the Government through a set of fixed amounts to a zero deficit by fiscal year 1991. That is what we really want, and yet under the House-passed version, with the Obey language, that will not even necessarily occur. We will not have a fixed reduction each year to a balanced budget by fiscal year 1991.

I think the time has come for us to get serious about a workable deficit process here to reduce the deficit and some reasonable maximum deficit amounts.

Our colleague in the Rules Committee today told that House that if we were really serious about this question of $161 billion in deficit, we ought to make it applicable to the continuing resolutions coming before the House; we ought to make it applicable to the water resources bill. The truth of the matter is the House does not intend to go to the $161 billion figure, and so there are Members around here that do not want to start making it apply to the things we are going to be voting on.

We have a chance to resolve this issue right now, today. If we do not vote for this motion to concur, we will eventually wind up, I guess, back in a conference next week, maybe Tuesday or Wednesday. I am sure we would not want to work over the weekend, or on Tuesday if the House is not really going to have votes on Tuesday. And how do we begin to resolve this thing? Are we going to have from the House of Representatives again a group from the House where we are going to have 48 conferees? Come on, let us make it 58. We can all go over, you know. Good, we have one more Member that wants to be included.

If we are going to have a conference, for goodness sake, we should have a small number and we should resolve this issue and get it done quickly so that we can get on with the Government's business.

But the way to resolve it is to go ahead and vote right now on this motion to concur.

Mr. SLATTERY. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am glad to yield to the gentleman from Kansas.

Mr. SLATTERY. I appreciate the gentleman yielding, and I have a lot of respect for the gentleman from Mississippi. I know that he would not come to the body and ask the body to vote on something——

The SPEAKER. The time of the gentleman from Mississippi [Mr. LOTT] has expired.

Mr. SLATTERY. Mr. Speaker, I ask unanimous consent the gentleman have 1 additional minute.

The SPEAKER. The gentleman from Florida [Mr. MACK] has control of the time.

Does the gentleman from Florida yield more time to the gentleman from Mississippi?

Mr. MACK. Mr. Speaker, we have a limited amount of time and the gentleman will have to get time from his own side.

Mr. SLATTERY. Mr. Speaker, would the gentleman yield me 2 minutes?

Mr. GEPHARDT. Mr. Speaker, it is not my time to yield.

Mr. LOTT. Mr. Speaker, at the proper time, when the gentleman gets time, I will be glad to respond.

PARLIAMENTARY INQUIRY

Mr. MACK. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. MACK. Mr. Speaker, the purpose of my question is to find out whether the gentleman from Missouri [Mr. GEPHARDT] has 30 minutes, as I do, or do I control the hour?

The SPEAKER. The gentleman from Florida [Mr. MACK] has 30 minutes, and the gentleman from Missouri [Mr. GEPHARDT] has 30 minutes.

Mr. MACK. I thank the Speaker.

Mr. GEPHARDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would urge that this motion be rejected, and I rise in opposition to it.

On November 1, this House voted overwhelmingly in favor of an amendment to the Gramm-Rudman proposal. This House voted for a fair deficit reduction proposal, one that would maintain our social safety net and assure that the defense budget would bear its fair share of deficit reduction.

We also voted for an honest deficit reduction proposal, one that would start this year rather than after the 1986 elections. In short, what we sent back to the other body last week was a deficit reduction proposal that was real, and that was workable, and that was fair. We replaced the smoke and mirrors of the Gramm-Rudman proposal with a deficit reduction plan that was understandable and that would begin this year.

The Senate amendment that has been sent back to us represents little improvement and little change over the original Gramm-Rudman proposal. The degree to which defense would be cut is still unclear. Medicare, Medicaid, AFDC and other domestic programs are subjected to much deeper cuts than under the House proposal.

The 1986 deficit figure is still designed to get us beyond the 1986 election before any real deficit reduction pain is felt. The Senate amendment continues to be the "Incumbant Protection Act of 1986."

The House vote last week showed that we were willing to develop a serious, workable deficit reduction plan. If we are still willing to do that, we should reject this motion, get the other body back into conference, and make them work for a real deficit reduction.

Let me say to the Members that last week, in a bipartisan way, the House conferees worked toward a solution that we could adopt and that they could adopt. We were not allowed in the ending hours of that conference to have votes on the various proposals that were in dispute between the conferees on both sides. We were literally told that the conference had to break up and that we had to go to both floors of both bodies to see what the Members wanted to do.

The conference did break up. We came here and voted for our proposal and sent it to the other body, and in essense, now the other body has readopted Gramm-Rudman I, and has sent it back. I think the only appropriate action, in light of those actions, is to go back to conference, and this time to see if real negotiations can take place, going through the various points that are still in contention to see if they can be resolved.

□ 1740

Let me assure Members that I think that these points can be, if there is serious negotiation, can be resolved.

The first major difference is that the House amendment guarantees that the Pentagon will bear its fair share of the spending cuts; that is a very important part of our proposal.

Let me give you the numbers: On a percentage basis, with a $10 billion spending cut under the House version, nondefense would bear 52 percent of that cut, the defense would bear 48 percent of that cut; almost an even

split. Under the Senate version, nondefense would bear 58 percent of the cut, defense 42 percent. Clearly an unfair share of the burden on nondefense with a $10 billion spending cut scenario.

If you had a $25 billion spending cut, nondefense would get 53 percent under the Senate version; defense only 47 percent. Under the House version, nondefense would get 46 percent, but defense would get 54 percent.

So clearly in terms of fairness, we believe the House proposal is better, but we are willing to negotiate about those differences.

Second, on immediate deficit reduction, again the House amendment would take effect immediately, calling for serious additional deficit reduction in 1986, a maximum deficit of $161 billion.

The Gramm-Rudman deficit target would not require additional action in 1986, and would allow a maximum deficit of $189 billion, a clear and important difference, one again that we are willing seriously to negotiate about.

Third, the issue of constitutionality. The charge has been made that the House proposal sets up a booby trap that will require this proposal to be found unconstitutional, which will put the whole issue aside.

I feel very strongly that we have a conflict in this proposal. We have two priorities: A lot of our Members, both Republican and Democrat want a wall to be created that takes these decisions out of the hands of the President and the Congress, and I think a lot of Members on our side share the desire to have a wall.

However if you have a wall, you also have the priority of wanting to keep constitutional powers that the Congress has in the Congress, and if you allow OMB and CBO to be the arbiters, you clearly pass some power to the President that we have not now passed.

It seems to me that there is a way to have perhaps an agreement on this issue that is different than what the House proposal originally was, but we need to have that negotiation, and I think it is clearly unacceptable to go back to the Gramm-Rudman procedure, which allows OMB and CBO to make the arbitration. If that part is found unconstitutional it is likely the Court would say that the CBO part is the part that is unconstitutional; we will wind up with OMB being the final arbiter, which passes, clearly, the power to the President.

Last, Medicare and veterans. The Gramm-Rudman proposal continues holding Medicare in category 2, which means it can be cut beyond the COLA into the parts of Medicare that are beyond the COLA; it could reduce by $7 bilion with a $25 billion cut scenario, the cuts in Medicare.

In addition, the Senate refused to exempt the veterans' programs from the sequestering order. So clearly, these are areas that the House felt strongly about. Again, there can be negotiation, but clearly the majority of the Members last week felt that those programs, the Medicare case should be in category 2 and in the veterans case, should be an exempt program altogether.

In short, let me conclude by saying that I appreciate the action the other body has taken today. Clearly, they feel strongly about a lot of these issues. It is unfortunate that we did not have a serious negotiation last week on these issues. That did not take place.

I think the important thing today is to refuse this motion, to refuse to recede to the Senate amendment and then to pass an amendment to ask that we go back to conference so that in the days between now and November 14 when we again begin to have problems with the Government being able to pay its bills, we can see our way clear to writing a deficit reduction proposal that we can get support from in both bodies, and on both sides of the aisle in both bodies.

I think it is a realizable goal, and I think the only way to reach that goal is to get back to conference.

Mr. ROEMER. Will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman.

Mr. ROEMER. I thank the gentleman for both his statement and his yielding. As a Democrat in this body, I am pleased with the effort that we made last week, and I would ask only about one part of the gentleman's statement.

The gentleman alluded on several occasions to the seriousness of our willingness and effort to negotiate. I would like the gentleman to say again to your colleague from Louisiana, the seriousness of our willingness to negotiate.

There are many in our party and in this body who want to accept a cleansed, workable version of Gramm-Rudman, and we will hang on as long as we can and as long as the attitude of our leadership is one of serious negotiation.

Would the gentleman address that point again?

Mr. GEPHARDT. Let me respond to the gentleman in two ways; first to say that there was serious work in a bipartisan manner done on many of the issues in the conference last week; and we reached agreement on many of the contested issues.

There were five or six important contested issues on which there was not serious negotiation. I feel strongly, and I think the Member from Louisiana feels strongly about some of those issues, and on some of them it will be hard for us to make changes or to make modifications; but there are many other parts of those issues on which we are willing to seriously and honestly and reasonably negotiate.

We certainly are willing to see if we cannot arrive at a deficit reduction proposal that we can get a lot of support on, on both sides of the aisle in both bodies. I think that is a realizable goal.

Mr. SMITH of Iowa. Will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman.

Mr. SMITH of Iowa. Mr. Speaker, I think it is rather strange that we keep talking about a deficit reduction proposal when in fact this proposal sent over here by the Senate would increase the deficit goal for 1986 by $8 billion over and above what we voted for on August 1.

That does not seem like a deficit reduction package to me, and if you want to abide by that bill that we passed here August 1, with an $172 billion deficit goal, we should not be voting today for a bill that would increase it or allow $180 billion.

Mr. GEPHARDT. The gentleman's point is well taken. Obviously, the House position thus far has been to reduce that deficit for 1986 to $161 billion rather than even the $172 that the House budget called for on August 1.

Clearly, your argument is well taken and it is another reason to refuse this motion to recede to the Senate position.

Mr. HUNTER. Will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman.

Mr. HUNTER. I thank the gentleman for yielding, and I thank him for his analysis of Rostenkowski, essentially, versus Mack-Gramm-Rudman. Let me ask the gentleman, because I think it is very important that all Members understand what the difference is, as I understand it, under Rostenkowski there are a number of plans or programs which are exempted including food stamps, AFDC, veterans compensation, community health centers, SSI, child nutrition, veterans pensions, migrant health, and that those plans are essentially "winners" under Rostenkowski; in other words, they are exempted.

However, because of those winners and because we still have to bring the deficit down, there are losers; and as I understand it, and I would like the gentleman to analyze this with me, is it not true that besides defense, the Farmers Home Administration, elementary and secondary education, vocational and adult education, housing programs, energy programs, Bureau of Indian Affairs, FBI, Drug Enforcement Administration, OSHS, Amtrak,

and international security assistance including aid to Israel will be cut 73 percent more than if the pot was bigger; in other words, if we used the Mack-Gramm model where we do not have as many exemptions?

In other words, what I am asking the gentleman is, is not it true that we are going to have to make heavier cuts in these programs that I have listed in order to accommodate the exemptions that were listed under Rostenkowski?

Mr. GEPHARDT. Reclaiming my time, Mr. Speaker, let me make two answers. First, I think the gentleman's percentage is probably off, and the reason I say that is that papers that have been distributed today are trying to indicate that the base that we expose in our plan to cuts is much smaller than the base in the Gramm-Rudman bill.

I think those papers and those statements are incorrect.

Mr. HUNTER. If the gentleman will yield further, could the gentleman give me the correct figure? I understand these figures of 73 percent larger reduction in the programs I listed came from CBO. If the gentleman has another figure, could he give it to the Members?

□ 1750

Mr. GEPHARDT. Well, I think the figures came from CBO, they said, on assumptions given to CBO by Members from the other side of the aisle. Our belief, when you take into account prior year obligations in a way that is fair, between the two plans, is that under the House amendment we have exempted outlays of $551 billion, and under the Senate version of $488 billion. We do not believe there is any great difference between what is exposed to cutting in terms of the base because we feel that we deal with prior year obligations in the same way that the Senate does, or if the Senate does not deal with prior obligations, then we do not either. We think that the computation has not been correctly done. We feel there is a very slight difference in the total of exempt outlays, and we feel that the argument to the contrary is simply not true.

Mr. HUNTER. Could I ask the gentleman to yield further in that case to simplify this, again understanding that these winners or these programs that are exempted under Rostenkowski are not going to be shedding the same deficit reduction that other programs are, what is your figure with regard to the rest of the pie that is going to be taking the brunt of the cuts.

Mr. GEPHARDT. We believe that the exemptions we made in our proposal over Gramm-Rudman only add $11 billion or $12 billion of program that is exempt, that is taken off the table and not subjected to cuts, and not nearly the amount that the gentleman suggests at 73 percent.

Mr. HUNTER. OK, for the gentleman's information, I would simply say the gentleman that I understand CBO calculated it at $50 billion.

Mr. GEPHARDT. I thank the gentleman.

Mr. MACK. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding. It is interesting we now raise questions about CBO's figures when in fact under the proposal we had on the floor the other day, CBO is given virtually carte blanche authority to make all these decisions. I find that rather interesting.

I think the important thing to realize is that now what we have on the House floor is a very doable, detailed procedure which can lead us successfully to a balanced budget instead of just the conceptual outlay we had dealt with in the original bill.

We have now spelled out specifically how various programs should be treated under the sequestration procedures.

The vague definitions that were there previously have been scuttled in favor of listing which programs are to be singled out for exemption or special treatment.

Treatment of prior year defense contracts is clearly defined. New contracts are specifically required to be sequestered.

Programs which are not susceptible to the sequestering for legal or technical reasons have been singled out. We have responded in this particular approach to the legitimate concern over the impact of a recession or an economic downturn, to the difficulty of projecting economic cycle accurately. We have said that if economic conditions allow the growth to go below 1 percent, that at that point, the program would no longer be effective. It recognizes the constitutional problem of leaving OMB and CBO to develop a report which triggers the sequestering process and instead gives the Comptroller General the responsibility for reporting to the President and to the Congress.

The amendment before us also recognizes that the original bill failed to clarify the baseline against which the budget deficit is measured and generally adopts the House procedure for doing that.

So, in other words, what has happened is that we have been presented with a program that has gone through some fine-tuning. We do, in fact, have a program that could be defended, and it seems to me that to break the impasse, to get beyond a lot of the argument about who is hurting whom and how, that we ought to adopt this particular amendment and get on with the process not only of doing the Nation's business now but also get on with the process of beginning to balance the books of the Federal Government.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding, and I thank him for his points.

I want to go back to the point that was made by the gentleman from Missouri. I have here—we have a difference of opinion, obviously, over the difference in cuts under Rostenkowski and under Mack-Gramm. I have a letter from Rudolph Penner that lays out the difference, and he has it as a difference under the House amendment and the Senate amendment as being $348.4 billion as opposed to $297.9 billion, which is about a $50 billion difference.

Turning to all those programs besides defense, this is not guns versus butter, this is a lot of butter versus a few programs that involve butter; the Older Americans Program is going to be cut $94 million as opposed to $11 million.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. MACK. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. HUNTER. Mr. Speaker, will the gentleman continue to yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Let me carry on: Under the Older Americans Program, the difference between the Rostenkowski package and the Mack-Gramm package is the difference between $94 million in reduction under Rostenkowski as opposed to $11 million—excuse me, it is $22 million as opposed to $11 million under Mack-Gramm.

So there is a substantial difference. Dislocated Workers, there is a large difference; Job Corps, there is a large difference; Indian Education, Head Start, Compensatory Education, Low-Income Energy Assistance, Subsidized Housing Programs, Social Services Block Grant, a large difference.

So I would ask the gentleman if the gentleman from Missouri has a different figure from this $50 billion figure. I would ask the gentleman from Missouri if he could respond, I have the letter from Mr. Penner that says there is a $50 billion difference in reductions among these loser programs because of the winners that were exempted under Rostenkowski. Could he respond? I ask the gentleman to give him 1 minute to respond. I would ask him to respond on his own time.

Mr. GEPHARDT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I would hope that we would vote to go to conference. I am delighted at the newfound concern by my Republican friends for the poor in this Nation. It is a tragedy today that the millionaires in the Senate joined with the President of the United States to turn their backs on what little semblance of a safety net we had for the poorest of the poor in this country, that they made a decision that they take more away in the health care dollars of senior citizens than any of those senior citizens will ever receive in COLA's in the future, that it is a tragedy they took away food from the children in this country who need it to sustain the very life they are seeking to thrive on in this country.

Just a few hours ago, the Select Committee on Children, Youth, and Families traveled a couple of blocks from the Capitol and talked to mothers and to children and to people who are trying to survive on a day-to-day basis.

One of the overwhelming aspects of the testimony those people, people who went to work every day of their life, but they woke up poor at the end of the year, was that these programs enabled them to feed their children, to try to maintain a roof over their heads, and that these programs were the difference between living in the street and not living in the street. They were busting their rear ends to do the best they could for their families, but along comes the Senate of the United States and the President of the United States to pull the leg out from underneath them, to say we will not support their efforts to try to remain gainfully employed. It is a tragedy, and I hope we will reject it and insist on the House-passed bill.

The SPEAKER. A point of order lies against the gentleman. He should not refer to the Senate as he has.

Mr. MILLER of California. I hope I never have to refer to the Senate again, Mr. Speaker, after the actions they took today.

Mr. MACK. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. I thank the gentleman for yielding.

Mr. Speaker, I am a bit confused, as one freshman Member listening to the gentleman from Missouri and some of the other comments that have been made here.

I came here last week prepared to vote for Gramm-Rudman. We were denied that vote. And in so doing, we heard a lot of comments about disinvesting Social Security. Now I hear comments we are going to delay things further and a willingness on the part of this side of the aisle to delay the proceedings even further on a day-by-day basis, to make us reach deeper and deeper into that Social Security Fund. I find that a little preposterous. Also, I voted—I do not know how the gentleman on this side voted—I voted against adjournment. I was prepared to stay here. I canceled my plans for the weekend.

I was prepared to stay here and resolve this matter so we would not have to reach deeper and deeper into the Social Security Fund.

I think it is time now to put up or shut up.

I thank the gentleman for yielding.

The SPEAKER. The gentleman from Missouri [Mr. GEPHARDT] has 12 minutes remaining and the gentleman from Florida [Mr. MACK] has 20 minutes remaining.

Mr. MACK. Mr. Speaker, I yield 3 minutes to the gentlewoman from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. Mr. Speaker, I am really not going to take the time, I have these in my hand, but I will not quote from them. Perhaps it is time, and really I will accept this from either side, to give us a status, because I think it starts to get a little confusing to some of us who have not been here for a long time.

Now, this started over in the other body, where they have all of these millionaires, and I must say to the gentleman from California one of the biggest regrets of my life is I am not one of them. I have never found that that is a problem. But it started with one of our ex-Members who started on that side of the aisle, moved to our side of the aisle, and that we all envy because of the incredible press he is getting.

Then he added on a Democratic candidate for the Presidency, so it became bipartisan. We had a bill come over here in very good bipartisan shape that took us by surprise. It seemed to have a life of its own, and we had my side of the aisle ecstatic because we finally thought we had you guys, and you guys worried about what you could do.

So you worked up eventually a bill that no one was sure how the voting was going to go on, because you had conference after conference, and the Democrats were fighting like crazy, and you had all of these liberals that did not want anything, and then the conservatives that kind of liked Gramm-Rudman, all of a sudden you all stuck together, which is really—parties are supposed to do that. So it is not said in a condemnatory way.

Now, the bill had a couple of flaws, and deep down the people on that side who wanted it knew it; that is, knew it was unconstitutional. A small, petty thing that was not going to make the papers but which kept all the liberals because they know it could never be law.

Now, as I understand it from the chairman of your conference, I think I understand it, you want to go to conference so that those folks of you who really want this kind of a bill, that we can compromise that. I do not know, eventually you have got to decide whether it is severable or unseverable. We cannot do that on our side. I am not going to kid you, we do not have the votes. But it is coming down to not an argument of poor against poor. I can read the programs. "My goodness, you are killing Head Start. How could you?" You know, we can go through all of that jazz. Nobody believes us any more. It is going to affect everybody, defense, nondefense; and those of my side that think you can protect every bomber and every base, we cannot do it. But those of you that are going to play the game that somehow you take one older Americans program and protect it and then exempt the Older Americans Act, we will use that against you. Too bad we do not just do it now. I think the new Gramm-Rudman answered a lot of the legitimate objections. But one of your leaders has said we have got to go to conference.

The SPEAKER. The time of the gentlewoman from Illinois has expired.

Mr. MACK. Mr. Speaker, I yield 1 additional minute to the gentlewoman from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. As one of the conferees, that does not thrill me. But we will go. I would hope that common sense would have prevailed, that we could just vote this solidly with the changes that were legitimately compromised that came over from the other body. But if we go to conference, if that is your will, the American people will be listening, and we had better come out with a bill pretty close to this one that does cut the budget in 6 years and does cut the deficit to zero. Otherwise, the farce will get bad reviews throughout America.

□ 1805

Mr. MACK. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. I thank the gentleman for yielding.

Mr. Speaker and Members of the House, there are Members on the floor who surprised me last week in voting for the Rostenkowski alternative, because, frankly, they have cast a lot of votes that I thought represented real interest in trying to reduce the deficit.

We passed the budget proposal in this House that gave us about $171.5 billion in deficits. I myself voted for the Democrat budget proposal. I would have preferred the Latta proposal, but I was willing to vote for the Democrat budget proposal because it did several things, it gave us about $55

billion in budget reductions, it had no increase in taxes and, in addition to that, it did not slash defense below what I thought was something we could not afford. So it met those three provisions that I had set up for myself in terms of judging the budget.

So we passed this budget at $171.5 billion in deficits, and now we take a look at this projection and we see we are $20 billion plus over in deficit projections. We are at $194 billion in deficits, which is $23 billion more than what we passed in our budget.

So how can we stand in this House and argue that we ought to be down to $161 billion when our budget calls for deficits of $171 billion and we are $20 billion over that mark?

Now, let us be realistic and let us be practical in terms of what we can pass.

Now, let me say this to you: In addition to this, we get reconciliation bills on this floor. Reconciliation bills are designed to reduce spending with language we pass in our budget resolution and we increase spending by $4.5 billion in reconciliation.

So not only do we have a deficit that is $20 billion over the deficit projection that we established on our budget, but we have $4.5 billion in increased deficit created by our reconciliation bill. And liberals come in this House and say, "We ought to cut it down to $161 billion." A heck of a lot of us would be prepared to live with that, but the simple fact of the matter is that nobody who is proposing this thing is prepared to live with it. None of the liberals in the House are prepared to support this action. I know this because we are passing deficits that are $20 billion over what we passed in our budget resolution and $4.5 billion in increased spending in reconciliation.

To me, it is unbelievable what we are talking about. You want to front load the proposal. And, in addition to that, you want to put this constitutional challenge in there. You really limit the power of the President to exercise veto authority. And then you say if that is challenged, the whole proposal gets thrown out and we cannot operate under any deficit reduction program.

Frankly, I hate to question whether people are legitimate in their concern, but when you are $20 billion over what we originally set as our target, an increase in spending under the reconciliation bill, I do not think you are really being serious about this; frankly, I think you are trying to destroy this whole Gramm-Rudman proposal with the Rosty proposal.

Mr. GEPHARDT. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. LEATH].

Mr. LEATH of Texas. Mr. Speaker, I think I understand partisan politics about as well as anybody, and I am probably as nonpartisan a type of person in my approach to this job as there is in this building. But I think what we need to focus on right now—we have got a right to take our partisan shots at each other—but what we need to focus on right now is this, and let me just give you a little chronology of what happened:

My good friend, Senator GRAMM—and he is my good friend, I was privileged to work with him in 1981—when we did some things around here that I think needed to be done, and I think he seized an opportunity, in great frustration, as many of us have, that we are not going to reach a consensus, so maybe we can force ourselves to do it. So a piece of legislation was worked up, it passed the Senate, primarily on a very emotional basis, let us all admit that—even they did. It comes over here and it needs some defining, it needs some clarification. There is a very simplistic formula applied to very complicated government. What is going to happen?

So we say, "OK, let's go to conference, and let's work some of these things out."

We split up into four task forces, bipartisan. And let me tell you something, we put in 16, 18, and some of the staff, 20 hours a day on a very intellectually honest basis, working through this. We come back several days later. The Senate is not doing this, the other body is not doing this. The House Members, Democrats and Republicans, are. We come back to that conference last Wednesday with reams of clarification, 75 percent of it bipartisan, 75 to 80 percent acceptable to the Senate. We go in on an honest intellectual basis. And let me tell my Repubican friends something. I know you have got a right to suspect and say, "Well, the Democrats are not serious." Let me tell you, if there has been a meeting that has been held around here since this came up, because of my being on the Budget Committee, I have been in those meetings, I have never heard one second of any Democrat, from the Speaker of this House on down, say, "Let's try to kill this thing?" We accept the fact that it is going to pass. What we are trying to do is make it better and make it work.

So we go into this conference, and the other body accepts all of this work that we have done on a bipartisan basis. The Democrats in the House said, "OK, we are dealing with the most far-reaching legislation, the most far-reaching piece of legislation in this century. We have got four or five things we would like to discuss, Mr. Chairman," they said to the chairman of the caucus. The chairman said, "Nope, sorry, we are not going to discuss it. If you have a package you want to present us, we will look at it."

We looked at each other and said, "What in the world is going on here?"

We had been working for a week to try to improve the situation. We had come to an intellectually honest place to try to work it out. And, "No, absolutely not, we are not going to discuss these points."

Now, that is when you saw the so-called Democratic alternative originate.

I do not think that is the way to deal with the most important piece of legislation in this century.

Now, what we are talking about here today is going back to that conference because nobody knows what was just passed over there, and anybody who will stand down here in this well and say that they have read it and they know everything in it is not telling all the truth, because we do not know.

So what we are talking about here is to go back to that conference and to talk to each other and, hopefully, this time the other body would say, "OK, we are going to listen."

So I would urge us to do that. I think it is reasonable and I think it is common sense.

Mr. MACK. Mr. Speaker, I yield 3½ minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, let me say to my good friend from Texas that if in fact he has been at a lot of meetings and has not heard any Democrat suggest they want to kill Gramm-Rudman, I think there must be a whole series of meetings he has not been in, because I can assure him that we have certainly had a lot of different folks who would like to kill Gramm-Rudman.

Mr. LEATH of Texas. Will the gentleman yield?

Mr. GINGRICH. I would be glad to yield to the gentleman.

Mr. LEATH of Texas. I am not saying that, I would say to my dear friend and classmate from Georgia. I am not saying that, but what I am saying is: Let us deal with each other on an intellectually honest basis. Let us accept the fact that we have got people on both sides who want to kill this, that or the other, but let us deal with each other on an intellectually honest basis.

Mr. GINGRICH. I thought I must have misheard the gentleman earlier, and I was just commenting that it does seem to me clearly there are a considerable number of people on the gentleman's side who would very much like for this whole thing to go away.

I am looking forward for what I suspect will wind up being two votes this afternoon. I have a number of friends who consider themselves conservative or moderate Democrats who were saying for weeks that if they ever got a chance to vote for Gramm-Rudman, they were going to vote for it. This afternoon they are going to get a

chance to vote for it. I am looking forward to seeking how they vote.

I am also looking forward because I suspect that if it does fail—and I think the Democratic leadership has done a masterful job of putting together a coalition to ensure that it will fail today—there probably will be a second vote, the core of which I think is on what is the central weakness, if you want to talk about being intellectually honest, of the Rostenkowski amendment last Friday, and that is the notion that, first, you design a measure which you know is unconstitutional, and then you contain a second measure which says if the first item is knocked out, the whole thing dies.

Now, I think if you are faced with the problem the Democratic leadership faced last week, which is how do you put together those Democrats who at least say they want to cut spending with those Democrats who openly say they do not want to cut spending and get them all to vote for the same thing, that certainly Friday's performance was among the finest in recent history in this building.

But the core of pulling that off was to write a document which would self-destruct. It will be very interesting to see, if, for example, instructions are offered later on today, you are given a chance to vote to take out that time bomb. How will moderate and conservative Democrats vote at that point? Will you vote to keep the time bomb in because that was the deal, or do you vote to take it out? And then you might get Rostenkowski without the unconstitutionality. And then even Rostenkowski might not look very good to the liberal wing of your party.

But, finally, let me just say—and I thought the gentleman from New Hampshire began to make this point, and he is exactly right—it has been peculiar to watch the gentlemen on the Democratic side jump up on Friday and say, "We have to pass something immediately to save Social Security, but, by the way, let us vote to go home immediately, without waiting for the other body," and then come in today and say, "Oh, we don't have to rush to do anything," as though it were all the same thing, and to hear similar gentlemen who on Friday assured us that relying only on CBO would work, Rostenkowski was better because it only relied on the Congressional Budget Office.

I will be glad to submit for the RECORD, if the gentleman from Missouri really does question it, the letter from Mr. Penner to Mr. MICHEL, from the Congressional Budget Office, specifically outlining on a purely professional basis exactly how Rostenkowski hits a whole range of programs, including those the gentleman from California was worried about earlier, things such as Older Americans Program, Social Services block grants, Maternal and Child Health, and a whole range of programs which Rostenkowski hits much harder than Gramm-Rudman.

Mr. GEPHARDT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, first of all I think we ought to set the record straight with regards to disinvestment. The minute the clock went past 12 midnight on Friday, that is when disinvestment took place. It had nothing to do with the House's action. It had everything to do with the fact that the Senate did not act prior to 12 o'clock.

Let us recognize that there is in this House a legitimate concern that we do something about the deficit. But let us also recognize that the approach we develop has to be fair, it has to be workable, it has to be balanced, and it has to be constitutional.

I think the test of our seriousness is our willingness to negotiate based on these principles.

Now, as the gentleman from Texas pointed out, the fact is that the Senate was never really serious about negotiating the first time. We did not have a conference last time. What we faced was a closed door. The reality was that the other body assumed that we did not have the votes to pass alternative and that the Senate proposal would be adopted. So for that reason, very frankly , there was no negotiation. Yes, we worked on process; yes, we worked on procedure, but when it came to the key elements of concern, the Senate basically said, "We will not consider what the House has to offer."

Now, it did not happen that way last Friday. The alternative passed. Why? Because there are legitimate concerns.

And I would hope that those legitimate concerns are shared on both sides, a legitimate concern about the workability of this proposal. If we are going to say you have to cut across the board, then that has to be verifiable, it has to be enforceable. We do it by using budget authority because the experts tell us it is the most effective way of verifying that cut across the board.

The Senate says they do it on the basis of outlays.

But let me give you one small example. The Senate says they have $75 billion of prior contracts that are part of the pot. The White House says that there are no prior contracts that are part of this pot. You talk to CBO, and they cannot confirm that prior contracts are part of this pot.

□ 1820

What we have proposed is workable because it is verifiable.

In addition to that, we are concerned about a recession trigger because we are concerned about the overall economic situation. Yes, we are concerned about making it real in 1986 and not postpone this effort until 1987 because the whole thrust of this, is to make it work now. Yes, we are concerned about the balance of powers and protecting for the Congress the ability to design that order.

You argue about CBO; the fact is that CBO is very important to our ability to protect the power of the Congress. We also wanted to be fair. The package that came from the Senate and the package that is before us now would eliminate 52 percent of Federal spending. We think the poor ought to be exempted as well in that kind of package.

Please vote to go to conference.

Mr. MACK. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. I thank the gentleman for yielding.

Mr. Speaker, last Friday afternoon we played budgetary brinksmanship. I think we probably all lost. I know that the Social Security trust funds lost, and if you look at the fingers and the directions in which they were pointing the blame, I suspect that they are pointing in all directions.

The Senate did not need to act timely because there was no one to respond to. This House had decided in its wisdom to go home and the Social Security Trust Funds got disinvested. That is bad policy; that is budgetary brinksmanship.

I suggest now we are at the edge of playing constitutional brinksmanship. This afternoon in the Michigan Legislature, the Michigan Senate voted 24 to 14 to push down the throats of this Congress a constitutional requirement that would either cause us to convene a convention or to offer forth an amendment. The reason they acted is because they are fed up. They recognize that a balanced budget in Michigan would create 30,000 new jobs in that State and Congress won't act.

Democrats and Republicans joined alike. They did not point fingers except at Washington, and they said get on with the business of getting your house in order.

Let me talk constitutional issues for just a second. The Senate substitute that we are asking you now to concur in assures that the act is constitutional by providing for a joint OMB/CBO report with GAO participation. I think my colleague from California mentioned the essentialness of CBO. I concur; so did the Senate. Maybe he ought to read the Senate amendment that was just sent back over. It dealt with the contracting issue that he was concerned about.

The Senate amendment contains an automatic fallback to cure any constitutional problem by providing for a joint resolution by Congress to trigger the sequester order. That is taken care of in the Senate amendment.

The severability clause in the Senate assures that a single constitutional flaw will not affect the entire act. Here we go again, I have to say to my colleagues, but more importantly to the American public. What did we send the Senate Friday? We sent a document that said if one "i" was not dotted properly, the whole law self-destructs. In other words, we said to the American people, "We really cannot do it; we are going to tell you we are going to try; but we are going to play games with it and it will self-destruct." We have taken care of that in the Senate version.

In the House democratic version, it means any constitutional flaw will kill the entire act. I do not think we ought to be doing that. That is brinksmanship in its finest form but not with us this time but with the American people. The House version ignores the presidential veto in determining whether a sequester order may be avoided by congressional action.

Mr. GEPHARDT. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Speaker, I support going to conference, but I hope that the conferees will consider a corporate minimum tax as part of the effort. I think there is a feeling here that is shared by the American people that deficit reduction should be borne not just by the poor, by the verterans, by health research, by agriculture, by defense or even by air safety but by corporations that do not pay their fair share of taxes, and there are a lot of them.

I think that this proposal should be shared both on the spending side as well as on the tax side. The other body has given us an opening. The other body has provided that they will try to pass a minimum tax by April 15 of next year. This minimum tax is not inconsistent with tax reform. It provides an equitable way, along with spending cuts, to get our deficits down.

My constituents cannot understand how we are making these enormous cuts without asking big defense contractors and big corporations that they should not share in the process also, and I hope that our conferees will keep this in mind when they go back to conference.

Mr. MACK. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I rise in support of the motion offered by the gentleman from Florida.

Mr. Speaker, the saga of deficit reduction continues. For the third time in the last 3 weeks, this body today has an opportunity to do something about deficits and to reduce the red ink that continues to pour across our budget.

The American people want something done about these deficits. They are not fooled by the efforts to throw a smokescreen across the serious efforts to reduce spending. They are not fooled by scare tactics about disinvestment of the Social Security Trust Fund. And they are disgusted by the finger pointing which is going on in a sad—and I predict, vain—attempt on the part of some Members to shed responsibility for this problem.

Mr. Speaker, when I was in my district over the weekend, I got a lot of questions about what we are doing to stop this deficit. But those folks weren't asking me about disinvesting the social security fund. Sure, they are concerned about that, but they know that is a sideshow to the main event. And they didn't ask about the merits of Rostenkowski or the Gramm-Mack amendments. Their message was simple: "Get back there to Washington and do something—do anything—about the deficit."

We ought to heed what these folks are telling us. Let's stop raising false issues. We are told on the floor this afternoon that disinvestment came about because the Senate failed to act last week by midnight of Friday. But the truth is that it was our rush to get out of town and our adjournment on Friday when this issue had not been resolved that brought about disinvestment. We could have avoided it. We are told we have to have Rostenkowski because of the safety net. But the truth is that picks and chooses which groups and which programs to protect and places all the burden of the cuts on the others. Is Head Start a less important program than Aid for Dependent Children? Are dislocated workers less important than veterans?

The truth is, a deficit reduction program will work only if it affects everyone. We can't pick and choose.

Mr. Speaker, let's get on with our business. Let's pass a deficit reduction plan and do it now.

Mr. MACK. Mr. Speaker, I yield 3½ minutes to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. I thank the gentleman for yielding me this time.

Mr. Speaker, first I would like to applaud the gentleman from Florida for offering this motion to give us a straight up-or-down vote on Gramm-Rudman. I think most Members of this House wanted to express their feelings on that issue.

Mr. Speaker, this is getting to be like a prizefight. We are in round 3 of the title bout on deficit reduction. There have been some blows struck, but I'm not sure who's winning.

That may be the problem here, Mr. Speaker. So many are so worried about who's going to win and who's going to lose. Our commitment to deficit reduction seems to have been left in the locker room with the rest of our dirty laundry.

We are just beginning to get a closer look at the Democratic majority's amendment which passed this House last Friday. It is not the best this body has to offer.

I've heard it argued that the Democratic majority's approach would cut more in 1986. Yet, I'm also told that if current annual GNP growth remains constant at 2.5 percent, the majority's plan will actually cut less.

I've heard it argued that the majority's approach provides protection to worthwhile programs. Yet, I can show you where protection for some programs would cause others, equally worthwhile, to be decimated beyond recognition. Those programs range from education of the handicapped to our national defense.

The new Senate version, on the other hand, has come a long way since its inception some weeks ago. Vague definitions have been made specific. Treatment of contracts is made clear. Affected programs are spelled out in detail. Constitutional questions have been answered. The baseline questions have been answered.

We need to move closer together on this issue, not farther apart.

This exercise in deficit reduction may be the model political scientists use to dramatize what the legislative process is all about. I hope, in the end, it is used as an example of how the system works not how it fails.

This exercise is critically important to the national debate over deficits and fiscal policy.

So far, we've bungled it as badly as it can be bungled. We had a regular circus performance over Social Security disinvestment. There was so much finger-pointing and politicking going on here, the House blew a golden opportunity to avoid that mess altogether. The politics of Social Security turned out to be more important than saving Social Security.

Now we are facing more deadlines. Next week the debt ceiling will be reached, the continuing resolution will expire, as will Superfund and the cigarette tax.

We all have long ago acknowledged that something needs to be done to control deficit spending. We have already committed ourselves to an approach along the lines of Gramm-Rudman. The Senate has now reaffirmed its belief in it. The House did so in instructions to conferees and with passage of the so-called Rostenkowski amendment.

□ 1830

Now, was that all a sham? Was it all just a token political gesture? If it was, let us clear the air right now and go on to other business. And let us keep in mind that that was not a close vote over in the other body today. It was a 3-to-1 majority. It had to be bipartisan to a great extent.

The gentleman from Idaho specifically made mention of those changes that were of real concern both to the majority and some on the minority,

and as has been pointed out several times here, they have been cleared up in those prior conferences that we have had and incorporated in the new package that now has been presented to us by the other body, and being made effective as it is in 1986.

Mr. Speaker, I think we ought to support the gentleman's motion. I certainly am going to do so.

The SPEAKER. The gentleman from Missouri [Mr. GEPHARDT] has 5 minutes remaining, the gentleman from Florida [Mr. MACK] has 3 minutes remaining, and the gentleman from Florida will close the debate.

Mr. GEPHARDT. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, very briefly, it seems to me that the bottom line is this: Do we know what we are voting on, or not? And it is very clear that we do not know what we are voting on. There were Members of this body a week ago that were in here urging all of us to stampede this significant piece of legislation through this body, and today I would say that the majority of those Members who a week ago were saying, "Vote for this right now, trust us, it is all good," would not stand here in this well and defend the original proposal.

I would suggest to you that there are not very many Members in this body who can come down here right now and answer my questions about how this plan would affect the Commodity Credit Corporation, military construction and highway construction, Medicare, and a number of other things that we are all deeply concerned about.

As the gentleman from Texas earlier urged, common sense demands that we go to conference, study this thing, and know what we are talking about. Our constituents have a fundamental right to expect us to know what we are voting on, and I would dare say, Mr. Speaker, that the majority of the Members of this body right now do not know what is in this proposal that was just passed within the last few hours by the other body.

I strongly urge us in the name of common sense and good reason to support the effort to get this into conference.

Mr. GEPHARDT. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, there are four tests that are important as we look at this very outstanding piece of legislation that concerns us all. No. 1 is the constitutional test: Does any legislation that we consider pass that, or will we make major changes in the checks and balances? Second, the economic test: Will what we do bring about an economic catastrophe because we may find ourselves in an economic downturn doing something that is bad for the economy? And third, the fairness test: Are we being fair to everyone in our society? Are we concerned about the widow, those who are poor and hungry who did not cause the deficit? And then finally, and the most important test of all, is the deficit-reduction test: Which proposal reduces the deficit the most?

Clearly the one that was proposed here last week does that by reducing the deficit and setting a target of $160 billion, whereas the one that comes from the other body calls for a deficit that is $20 billion higher.

I urge the Members to vote "no" on concurring and vote "yes" on going to conference so we will know what is in this new proposal, and whether the four tests can be met.

Mr. GEPHARDT. Mr. Speaker, I yield the balance of the time to the distinguished majority leader, the gentleman from Texas [Mr. WRIGHT].

The SPEAKER. The gentleman from Texas [Mr. WRIGHT] is recognized for 3 minutes.

Mr. WRIGHT. Mr. Speaker, it seems to me that there are three fundamental questions that we face. Basically we are deciding whether to go back to conference and try there to hammer out upon the anvils of mutual give-and-take some accommodation with which both Houses can live, embodying at least some of the things that we voted for so overwhelmingly in this House last week. Or, on the contrary, do we just cave in and accept the work of the other body without change, and to some degree sight unseen?

I think we want to do the former. If we want to do the former, we will vote "no" on this motion to accept Gramm-Rudman in toto, swallow it whole hog.

The first of those fundamental differences that exists is that the House position takes effect immediately. If you want to begin now, this year, to reduce these staggering deficits, you will vote "no" on this motion, and you will support the House position. The House position takes effect in fiscal year 1986; the Senate amendment would not.

The Gramm-Rudman proposal would allow the budget deficit to rise to $189 billion this year before it made the sequestration order applicable. That just happens to be at least $17 billion higher than both the House and the Senate voted for earlier this year when we adopted our concurrent resolution on the budget. Just this week, only yesterday, the other body rejected an amendment to set the sequestration trigger at $17 billion, which was the figure we earlier adopted.

So I suggest that if you want it to take effect now, if you want to reach a balanced budget sooner, you will vote "no" on this motion to swallow whole hog the Senate's work and abandon our own carefully crafted substitute.

The second difference is that the House substitute preserves at least some shred, some remaining portion of what is called the safety net. The President said, when he began with all his budget cutting, that he wanted there to be a safety net to catch those most vulnerable, those most helpless, those poorest, those most handicapped in our society. The House bill does that; the Gramm-Rudman bill does not.

Two illustrations make the point. With respect to the Medicare Program which assists our needy aged, the Senate would destroy any protection whatever for Medicare and make it subject to the same ax that would fall upon everything else. The House position at least protects it to the extent that it allows it to remain unharmed, at least from cuts below the preceding year's level. It puts it at a freeze, and it makes it subject to not gaining the cost-of-living adjustments, but at least it protects it to that extent.

In the second instance, there are questions of veterans' disability benefits for those who have suffered the loss of their wholeness in defense of their country. The House program places that in the same position as Social Security; the Senate does not.

So, Mr. Speaker, I say to the Members, if you do those things, if you would preserve some shred of the safety net, if you would preserve the constitutional balance, if you would preserve the House position, you will vote "no" on this motion.

The SPEAKER. The Chair recognizes the gentleman from Florida [Mr. MACK].

Mr. MACK. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I rise in support of the amendment and the American people who are fed up with paying $15 million an hour in interest on the national debt.

A previous speaker, the gentleman from Texas [Mr. LEATH] ventured the opinion that the Gramm-Rudman-Hollings proposal passed the other body on an "emotional basis." That may be so. The first time. But weeks later, the amendment again passed the other body by a near identical and overwhelming bipartisan vote. No emotionalism this time. Just sober reflection. Just a thoughtful, deliberative response to the expressed will of the American people.

The American people are saying to us, do something and do it now. Be fair, be even-handed, but do something.

They're fed up with annual deficits in the $200 billion range.

They're fed up with paying $360 million a day—every 24 hours—in interest on the national debt.

They're fed up with paying $15 million an hour in interest on the national debt.

Do something, say the American people. Be fair, be evenhanded, but do something. And do it now. The amendment before us offers the opportunity for all of us to respond to that call. I urge its adoption.

Mr. MACK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am including in the RECORD information in support of my motion today, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 5, 1985.

Hon. ROBERT H. MICHEL,
Minority Leader, House of Representatives, Washington, DC.

DEAR MR. LEADER: I am enclosing, as you requested, tables showing the possible effects in 1986 of the House-passed and Packwood amendments to the debt ceiling bill. The tables use the same general approach as those provided to the debt ceiling conferees on October 24, while fully reflecting the provisions of the House-passed and Packwood amendments relating to specific programs.

For purposes of estimating the deficit, we have assumed an outlay base of $982.5 billion, which is the figure we have been using for all illustrative sequester calculations; this reflects current law for entitlements and other mandatory spending and 1985 levels for discretionary accounts. The assumed revenue base is $787.9 billion, which is an estimate of current law revenues under CBO August economic and technical assumptions, plus $0.2 billion for extension of superfund taxes at current rates. These estimates, however, are highly preliminary and are unlikely to be those which CBO would use for an actual report pursuant to the House-passed or Packwood amendments. The numbers in the final report could differ significantly from the numbers used above for illustrative purposes.

If you have any questions about these calculations or would like additional information, please call me, or have your staff contact Paul Van de Water (226-2880).

With best wishes,
Sincerely,

RUDOLPH G. PENNER.

Enclosures.

	House amendment	Packwood amendment
Computation of deficit reduction:		
Outlay base	982.5	982.5
Revenue base	787.9	787.9
Resulting deficit	194.6	194.6
Deficit target	161.0	180.0
Difference	33.6	14.6
Deficit reduction prorated for 9 mo	25.2	11.0
Distribution of spending cuts:		
Indexed programs	1.8	1.6
Other nondefense	9.9	4.6
Subtotal	11.7	6.2
Defense	13.5	4.8
Total	25.2	11.0
Outlay base:		
Exempt outlays:		
Exempt programs	348.4	297.9
Prior-year obligations	203.0	104.7
Subtotal	551.3	402.6
Outlays for indexed programs (category I):		
Base outlays	144.4	87.9
Indexing	1.8	1.6
Subtotal	146.2	89.5
Controllable outlays (category II):		
Defense [1]	164.5	248.9
Nondefense	120.5	241.6
Subtotal	285.0	490.5
Total	982.5	982.5
Percentage reduction in category II outlays	8.2	1.9

[1] For purposes of estimating the effects of the Packwood amendment, Senate staff has provided estimates of 1986 outlays in controllable programs resulting from prior-year contracts that may be reduced.

DOLLAR REDUCTION

[In millions of dollars]

Program	House amendment		Packwood amendment	
	Budgetary resources	Outlays	Budgetary resources	Outlays
Function 350:				
Temporary emergency food assistance	5	4	1	1
Non-CCC farm programs	577	527	139	124
Function 370: Housing for elderly and handicapped	49	0	12	0
Function 500:				
JTPA (excluding Job Corps and dislocated)	241	31	80	10
Dislocated workers	19	2	5	1
Job Corps	50	6	12	1
WIN	22	17	5	4
Indian education	28	19	6	4
Head Start	88	40	21	9
Compensatory education	304	21	71	5
Education for the handicapped	109	5	25	1
Vocational and adult education	77	8	18	2
Student financial assistance	404	68	94	16
TRIO and aid to developing institutions	26	2	6	0
Social Services block grant	224	224	52	52
Older Americans programs	94	47	22	11
Function 550:				
Migrant health centers	4	2	1	0
Maternal and child health BG	39	22	9	5
Function 600:				
Low-income energy assistance	173	155	40	36
Subsidized housing programs	884	2	1019	2
Public housing operations subsidies	125	62	29	15
Rural rental assistance	4	0	1	0
Very low-income housing repairs	1	1	0	0
Nutrition assistance for Puerto Rico	71	71	17	17
Refugee assistance	37	30	9	7
Emergency food and shelter	0	0	0	0

SENATE AMENDMENT HAS COME A LONG WAY FROM ORIGINAL GRAMM-RUDMAN

Now have a do-able, detailed procedure which can lead us successfully to a balanced budget instead of the "conceptual outline" that constituted the original bill.

Have now spelled out specifically how various programs are to be treated under sequestration procedures—

Vague definitions have been scuttled in favor of listing which programs are singled out for exemption or special treatment;

Treatment of prior-year defense contracts is clearly defined and new contracts are specifically required to be sequesterable;

Programs which are not susceptible to sequestration for legal or technical reasons have been singled out.

Have responded to the legitimate concern over the impact of a recession or economic down turn and to the difficulty of projecting the economic cycle accurately.

Senate amendment now addresses the constitutionality issue and allows for expedited judicial review of the new law and for severability in case certain provisions are found unconstitutional.

Recognizes the constitutional problems of leaving OMB and CBO to develop the report which triggers sequestration and instead gives Comptroller General the responsibility for reporting to the President and Congress.

Packwood Amendment recognizes that original bill failed to clarify the "baseline" against which the budget deficit is measured and generally adopts the House procedure for this.

CONSTITUTIONAL ISSUES—WHY PACKWOOD AMENDMENT IS PREFERABLE

Packwood substitute assures that the Act is Constitutional by providing for a joint OMB/CBO report with GAO participation.

Packwood contains an automatic fallback to cure any Constitutional problem by providing for a Joint Resolution by Congress to trigger the sequester order.

Severability clause in Packwood assures that a single constitutional flaw will not affect the entire Act.

House passed Act contains "poison pill" which is designed to have it self-destruct on Constitutional grounds.

Non-severability clause in House version means any single Constitutional flaw will kill the entire Act.

House version ignores a Presidential veto in determining whether a sequester order may be avoided by Congressional action. Congress gets "credit" for bills the President vetoes.

IS $161 BILLION A PHONY TARGET FOR FISCAL YEAR 1986?

The Democrats claim their $161 billion deficit ceiling for FY 1986 is "tougher action" and "more immediate" action on the deficit than the Gramm-Rudman plan. In fact at the current rate of real GNP growth of 2.5%, the Democrats' deficit ceiling is $180.1 billion—virtually identical to the Gramm-Rudman ceiling.

Many credible forecasters see real GNP growth for 1986 at 2.7% or below: Bank of America, N.A.; U.S. Trust Co.; Manufacturers Hanover Trust; Metropolitan Insurance; Chase Manhattan Bank; Equitable Life Assurance; Monsanto Company; Pennzoil Company; and Arthur D. Little.

At any rate of real GNP growth below 2.5% for FY 1986, the Democrats' plan would actually cut less than Gramm-Rudman. For FY 1987 and beyond, it would cut less than Gramm-Rudman at any rate of GNP growth below 2.7%.

DEFICIT REDUCTIONS UNDER GOP PLAN AND DEMOCRAT ALTERNATIVE

[In billion of dollars]

	Democrat alternative	Gramm-Rudman
Real GNP growth cuts:		
2.7 percent	$36	$36
2.5 percent	32	36
2 percent	21	36

WHY PACKWOOD AMENDMENT IS PREFERABLE TO HOUSE-PASSED AMENDMENT

By including more programs in the sequester pot, the Packwood amendment mitigates the impact of a sequester across a broad range of programs.

By contrast the House-passed amendment would require deep cuts in those programs not accorded preferential treatment.

The House amendment exempts $551 billion in outlays, while the Packwood amendment exempts only $403 billion in outlays.

Under the House amendment, with a deficit target of $161 billion, programs in Category II would have to be cut by 8.2%. Under the Packwood amendment, with a deficit target of $180 billion, those programs would only have to be cut by 1.9%.

In specific programs the impact is staggering:

Non-CCC Farm Programs would have to be cut by $577 million in budgetary resources under the House amendment, compared to $139 million under the Packwood amendment.

Student Financial Assistance would have to be cut by $404 million in budgetary resources under the House amendment, compared to $94 million under Packwood.

Head Start would be cut by $88 million under the House amendment compared to $21 million under Packwood.

Compensatory Education would be cut by $304 million under the House amendment compared to $71 million under Packwood.

Social Services Block Grant would be cut by $224 million under the House amendment compared to $52 million under Packwood.

Education for the Handicapped would be cut by $109 million under the House amendment compared to $25 million under Packwood.

Low Income Energy Assistance would be cut by $173 million under the House amendment compared to $40 million under Packwood.

TRIO and Aid to Developing Institutions (Historically Black Colleges) would be cut $26 million under the House amendment compared to $6 million under Packwood.

Maternal and Child Health Block Grant would be cut by $39 million under the House amendment compared to $9 million under Packwood.

Older Americans Programs would be cut by $94 million under the House amendment compared to $22 million under Packwood.

JTPA (Joint Training Partnership Act, excluding Job Corps and Dislocated Workers) would be cut by $241 million under the House amendment compared to $80 million under Packwood.

Brief Explanation of Senate Packwood Amendment

I. DEFICIT TARGETS

A. Realistic, provides for firm but orderly progress to a balanced budget by FY 1991, as follows:

Fiscal year:	*Billions*
1986	$180
1987	144
1988	108
1989	72
1990	36
1991	0

B. "Trigger levels" for sequestration require "statistically significant" excess over targets of *five percent* (i.e. $189 billion in FY 1986.)

C. Recession provisions allow Budget Committees to report a resolution suspending or revising provisions of the Act when two consecutive quarters of less than one percent GNP growth are projected or have occurred.

II. EXEMPTION AND SPECIAL TREATMENT OF PROGRAMS

A. Totally exempts the original items: Social Security, interest on the debt, earned income tax credit, plus a number of other programs excluded for technical reasons.

In addition to above:

B. House exempts: AFDC, Food Stamps, SSI, Veterans Pensions, Veterans Compensation, Child Nutrition, Migrant Health, Community Health Centers, and WIC.

Senate Exempts none of these programs but puts Food Stamps, Veterans Pensions and Compensation, SSI and Child nutrition in Category I.

C. House puts Medicare in Category I, while Senate puts Medicare in Category II.

III. TIMETABLE

	Fiscal year 1986	Regular (fiscal year 1987–91)
CBO/OMB report	Dec. 10, 1985	Sept. 15.
GAO report to President	Dec. 15, 1985	Sept. 25.
Presidential sequestration order.	14 days later; i.e., Dec. 29.	14 days later; i.e., Oct. 9.
Effective date of order	30 days after issuance; i.e., Jan. 28, 1986 (retroactive to Dec. 29).	30 days after issuance; i.e., Nov. 8. (retroactive to Oct. 9)

IV. PROVISION FOR CONGRESSIONAL RESPONSE TO SEQUESTRATION ORDER

A. Budget authority is withheld for 30 days following issuance of order;

B. If alternative reconciliation bill becomes law under expedited procedures during the 30 day period, budget authority is released to the extent permitted by law;

C. If no reconciliation bill, budget authority is permanently cancelled.

V. EXPEDITED CONGRESSIONAL BUDGET PROCESS

Senate amendment adopts Beilenson expedited timetable. Includes separate track for House procedures.

SPECIAL PROVISIONS

Programs	House	Senate
Unemployment	Regular state unemployment benefits and loans to the State and Federal unemployment accounts are exempt from sequestration. Federal benefits and administrative expenses are subject to sequestration.	Same, except for technical differences.
Guaranteed Student Loans	Allows reductions only in loans made after a sequester order is issued. GSLs entered into prior to a sequester order would not be affected.	Same as House.
	Limits sequestration reductions to two options, with reductions coming equally from both: —the special allowances for lenders could be reduced up to 0.40 percentage points, but not below 3.00 percentage points, in the year of the sequester order. —a student's origination fee could be increased by up to 0.50 percentage points.	Describes same two options as the House, but does not limit savings to these two options.
Child Support Enforcement	Federal matching rates for State costs are sequesterable.	Same.
Mineworkers Benefits	Black lung and coalminers benefit increases are treated the same as other automatically indexed programs.	Same, except for technical differences.
Foster Care, Adoption Assistance Programs, and AFDC.	Increases in foster care or adoption assistance payment rates (or both) which are to take effect during the fiscal year involved are subject to sequestration to the extent that the required matching payments attributable to increases taking effect during that year. AFDC is exempted.	Expenditures for aid to families with dependent children, foster care maintenance payments, adoption assistance payments, and administrative expenses, are sequesterable. No State may change the fiscal year in which expenditures for these programs are made.
Dept. of Defense—Military	Requires proportional sequestration of all programs, projects, and activities whether or not they are identified in a committee report or bill	The Senate bill would sequester outlays from budgetary resources which include new BA, unobligated balances and outlays from existing contracts which pass the "net loss" test.
Dept. of Defense—Military	The House bill sequesters only new BA, excluding unobligated balances and all outlays from prior year actions. It requires the sequestration to yield outlays savings in the same proportion that total outlays (as compared to controllable outlays) exist in the defense function. This greatly increases the BA reduction in the slow spending accounts. For example, the House language would require approximately double the budgetary resources than the Senate language for the same sequester.	General sequestering language would sequester at the lowest level of detail identified in the most recently enacted relevant appropriation acts and reports.
Medicare	Medicare would be treated entirely as a Category I (indexed) program. Sequestration would be limited to the indexed portions of medicare (as defined below). The indexes would be defined as the annual adjustments in hospital DRG rates, and in physician reasonable charge increase limits. Sequestration would be applied (as specified below) to the payment increases specified in statute, regulations for Federal Register promulgations. (The law requires annual promulgations specifying DRG rates and physicians fee limits). If these regulations provide an increase over the payment levels in effect when the regulations are issued, sequestration could be used to reduce that proposed increase by the necessary percentage, down to zero. If these regulations establish a payment level equal to or lower than that in effect when the regulations are issued, sequestration could not reduce the payment level below that specified in the regulations.	Reductions shall apply to payments under Title XVIII of the Social Security Act so as to reduce all payments under such title for items or services furnished during the period of the order by the specified uniform percentage reduction. The President may not, pursuant to any authority granted in this section increase any deductible, coinsurance amount, or premium amount under such * * *. This clause shall not apply to payments for clinical diagnostic laboratory tests to which section 1833(h) the Social Security Act applies.
Social Security and Medicare Administrative Expenses.	Exempt.	Administrative expenses for social security are sequesterable like other controllable expenditures.
Medicaid	For all intents and purposes, Medicaid is treated as a Category I program. The only action under a sequester order would be to allow the President to prohibit Federal matching for State increases in Medicaid provided payments (hospital and physicians) to the extent necessary to achieve the needed reductions. As noted, only an increase in a State benefit payment or rate would be subject to sequestration.	Reductions shall apply to payments under Title XIX of the Social Security Act so as to reduce all payments to States under such title for State expenditures for medical assistance furnished, and administrative expenses incurred, during the period of the order by the uniform percentage reduction specified in the order as it applies to all other controllable expenditures.

SPECIAL PROVISIONS—Continued

Programs	House	Senate
CCC	Language is unspecific to the operation of the sequestration order for programs administered by the CCC. Depending upon interpretation, the CCC language in the House amendment could well result in the substantial exemption of CCC farm programs from a sequestration order. In any case, the provision allows reductions only in CCC loans and agreements entered into after a sequester order is issued for the applicable fiscal years. Payments and loan eligibility under any contract entered into with a producer by the CCC prior to the time a sequester order has been issued shall not be reduced. It has not specifically addressed reductions in noncontractual price support programs administered through CCC, but presumably such programs would be included under the general provisions of the House language as a "controllable" expenditure.	Specifically allows producers of the same crop, but in different regions of the Country, to be treated the same, regardless of the timing of a sequestration order and the beginning of a fiscal year. The Senate language also allows the Secretary to adjust both target prices and loan rates to achieve the required uniform percentage reduction of the sequester order. The Senate language clearly addresses how contractual price support programs should be affected by a sequestration order and includes CCC administrative costs as a controllable expenditure. The House amendment is silent on these issues.
Federal Pay	Pay accounts (salaries & expenses) are sequesterable except that the rate of federal civilian pay may not be reduced under a sequester order; Pay increases may be reduced but not below zero. RIFs and furloughs are to be a last resort. Note: House omits any reference to military basic pay, therefore, it appears to be fully sequesterable.	Pay accounts (salaries & expenses) are sequesterable except that the rate of federal civilian pay and military basic pay may not be reduced under a sequester order; Pay increases may be reduced but not below zero.

SIDE-BY-SIDE COMPARISON—SENATE AND HOUSE VERSIONS OF BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985

MAXIMUM DEFICIT AMOUNTS AND RECESSION PROVISIONS

House	Senate
FY 86 $161 billion.* FY 87 $110.2 billion.* FY 88 $57.2 billion.* FY 89 $4.2 billion.* FY 90 $0.* FY 91 $0.*	FY 86 $180 billion. FY 87 $144 billion. FY 88 $108 billion. FY 89 $72 billion. FY 90 $36 billion. FY 91 $0. Numbers not subject to change.

* These numbers are subject to change under the following formula: MDA = Deficit for preceding fiscal year (as calculated by CBO) minus 20% of FY 1985 deficit amount (except that this percentage shall be increased by 1% for each 1/10 of a percent by which GNP exceeds 3% and this percentage shall be reduced by 1% for each 1/10% by which GNP is less than 3%).

MAXIMUM DEFICIT AMOUNTS AND RECESSION PROVISIONS

House	Senate
When GNP growth falls below 1%, there shall be no maximum deficit amount; when it falls below zero, budget committees would have same power to report a resolution as in Senate version	If estimates of GNP growth in CG's report is less than one percent (Levin amendment), or Dept. of Commerce's preliminary reports indicate below zero growth for 2 consecutive quarters of fiscal year (including the two quarters immediately preceding the fiscal year), then budget committees may report resolutions suspending Gramm-Rudman.
If average rate of unemployment for 2 consecutive months is 1% above previous year, points of order against legislation breaching MDA would not be available	No such provision.

BUDGET PROCESS TIMETABLE CHANGES

House	Senate
President's Budget: 1st Monday after January 3rd.	Same.
CBO report: February 15th.	Same.
Views and Estimates: February 25.	Same.
Completion of Action on Budget Resolution: April 15th.	Same.
Authorization reporting deadline: Eliminated.	Current law: May 15th..
House Appropriations Committee reports last bill: June 10th.	Same.
Reconciliation deadline: June 15th.	Same.
House completes action on regular appropriations bill: June 30th.	Same.
In the House, not in order to consider a July adjournment of more than 3 days until appropriations work complete.	Same.

BUDGET RESOLUTION

House	Senate
To include BA, outlays, entitlement authority, direct loan obligations, primary loan guarantee commitments.	Current law: BA, outlays.
Point of order against budget resolution (301 or 304) which exceeds MDA.	Same.
Amendments which would cause MDA to be exceeded not in order.	Amendments which would cause a budget resolution deficit level—for any of the fiscal years—to be exceeded would not be in order.

COMMITTEE ALLOCATION

House	Senate
Allocations to apply to "discretionary action".	No such concept in the Senate.
Allocations can be for 1, 2, or 3 fiscal years.	Current law: only upcoming fiscal year.
Allocations of:	Current law: Allocations of—
New BA.	New BA.
New entitlement authority.	Outlays.
New direct loan obligations.	
New primary loan guarantees outlays will not be allocated; only divided among committees for informational purposes).	
Allocation enforcement: point of order to apply to 302(a) allocations.	Allocations enforcement: point of order to apply to 302(b) allocations.
No such provision.	Allocation enforcement: referral procedure exception for entitlement authority.
Same (but includes credit).	Not in order to consider a committee's spending bills until 302(b) suballocations are filed.
Same.	Committee allocations can be altered.

SECTION 303 POINT OF ORDER

House	Senate
Made applicable to new credit authority.	Same.
Re-write of subsection (b) exception language which alters operation of the exception.	No such provision.
Point of order lapses May 15.	No such provision.

RECONCILIATION

House	Senate
Does not allow reconciliation of authorizations.	Current Precedents: allow reconciliation of authorizations.
Instructions would apply to total savings for 1, 2, or 3 years.	Current Precedents: instructions apply to amounts for each of the 3 fiscal years.
House Rules Committee may make in order amendments to bring committees into compliance with instructions.	No such provision.
Not in order to consider amendments which would breach deficit level in most recent budget resolution.	Not in order in the Senate to consider amendments which would breach deficit level in most recent budget resolution.
No such provision.	In the House, reconciliation provisions must be related to the purposes of the instructions.

SECTION 311 POINT OF ORDER

House	Senate
Would cover bills providing new credit authority.	No such provision.
5 Separate Spending Ceilings:	Current law:
Total new BA.	Total new BA.
Total outlays.	Total outlays.
Total entitlement authority.	
Total direct loan obligations.	
Total primary loan guarantees.	
Fazio exemption included: committees held harmless if within allocations.	No such provision.

CHANGES TO TITLE IV OF THE BUDGET ACT

House	Senate
Section 401(b)(1) point of order eliminated.	No such provision.
2 new types of "backdoor authority" made subject to appropriations:	No such provision.
—Authority to forego collection of proprietary offsetting receipts.	
—Authority to make payments (including loans, grants, and payments from revolving funds) other than those covered by the other 4 types of spending authority.	
Point of order against new credit authority unless subject to appropriations.	No such provision.
GAO study of forms of Federal financing.	Same provision.
All programs presently off-budget brought on-budget; referral procedure to Gov't. Ops, Gov't. Affairs if attempt is made to take programs off-budget.	Off-budget programs including FFB to be included for purposes of this law.
"Member User Group" in House to review scorekeeping practices.	No such provision.

SOCIAL SECURITY

House	Senate
Reissue of obligations to social security and other retirement funds, as if debt limit increase had been enacted August 1, 1985.	No provision.
Appropriation to social security and other retirement funds lost interest as if debt limit had passed August 1, 1985.	Same provision.
OASI.	
DI.	
HI.	
SMI.	
Railroad Retirement.	
Civil Service Retirement and Disability.	
DOD Military Retirement.	
Social Security is moved off-budget and excluded from Presidential and Congressional budget.	Same provision.
Receipts and disbursements of OASDI to be included in budget totals for purposes of this law.	Same provision.

MISCELLANEOUS PROVISIONS

House	Senate
No such provision.	Report on tax collection.
No such provision.	Social Security COLA's not to count as income for purposes of determining SSI payments.
No such provision.	Presidential report by Nov. 8, 1985 on implications for DOD obligations if deficit reduction is achieved entirely by sequestering (Hart amendment).

COMMITTEE JURISDICTIONS

House	Senate
In the House, if Budget Committee reports a budget resolution with provisions which have the effect of changing House rules, then the resolution is referred to Rules which can report an amendment.	Same.
Budget Committees to "consult" with spending committees on budget resolutions.	Same.

ECONOMIC ASSUMPTIONS AND REVENUE ESTIMATES

House	Senate
Joint explanatory statement accompanying a conference report to set forth the common economic assumptions.	No similar requirement.
All revenue estimates for purposes of this law to be made by JCT, and transmitted to CBO.	Same.

CBO

House	Senate
Recommendations on appointment of Director to come from all committees, not just budget committees. Similar provision.	No such provision. CBO cost estimate for conference reports.

WAIVER PROVISIONS

House	Senate
3/5 duly chosen and sworn waiver in Senate for sections 305(b)(2) and 306. 3/5 duly chosen and sworn waiver in Senate for provisions of this law. No such provision. Declaration of war: automatic waiver of point of order and presidential order. No such provision	3/5 duly chosen and sworn waiver in Senate for sections 301(c), 304(b)(2), 306, 310(c), and 311 of Budget Act, and sections 202(c)(1)(B), 204(c)(1)(D), and 209 of Gramm-Rudman. Same. 3/5 of members in House to waive point of order with respect to consideration of a conference report which exceeds MDA or consideration of a motion to concur in a Senate amendment which exceeds MDA. Same. 3/5 of members in House to waive 302(b) point of order.

PRESIDENT'S BUDGET

House	Senate
President's budget to adhere to maximum deficit amounts. Implementing legislation to be submitted two weeks after budget.	Same. No such provision.

REPORT TO PRESIDENT

House	Senate
To be done by CBO (in consultation with OMB). Report to President on August 20 (or 14 days after enactment for FY 86): —Determine whether deficit expected as of Aug. 15 exceeds MDA by $10 billion. —Estimate GNP growth. —Specifications of needed sequestering percentages. Baseline Computation: —Assume current law for revenues, entitlements and other mandatories. —Assume prior year's appropriations for discretionary expenditures unless a regular appropriation or CR passed. —Assume expirations will occur except for excise taxes dedicated to a trust fund and CCC price supports. —Assume that federal pay will be as recommended by President (but no decreases assumed). —Assume medicare spending levels to be in accord with regulations. —If appropriations and reconciliaton completed, baseline to take account of such bills.	To be done by GAO (with due regard for estimates provided by CBO and OMB in a September 15 report; FY 86–Dec. 10). Report to President on September 25 (December 15 for FY 86): —Determine whether deficit will exceed MDA by statistically significant amount. —Estimate GNP growth. —Specifications of needed sequestering percentages. Baseline Computation: —Assume current law for revenues and outlays. —Assume prior year's appropriations where a regular or continuing appropriation has not been enacted. —Assume expirations will occur except for excise taxes dedicated to a trust fund and CCC price supports.

Note: Revised Estimates by CBO on October 5.

PRESIDENTIAL ORDER

House	Senate
To be issued September 1 (for FY 86, 14 days after report by CBO) if: MDA exceeded by $10 billion (for FY 86, if MDA exceeded by any amount)	To be issued not later than 14 days after Comptroller General's report if: Real growth is zero or greater and deficit is 5% over MDA. To be issued 30 days after Comptroller General's report if: Real growth is less than zero and Deficit is 5% over MDA.
Order to be effective as of October 1 (for FY 86, 30 days after date of issuance) automatic spending increases: President not to withhold any portion which represents an automatic increase becoming effective on October 1 and with respect to which the adjustments required by the order cannot be accomplished prior to the end of that month; reductions to be made within 15 days, but recoupment not to occur if reduction does not begin within this period.	Order to be permanent 30 days after its issuance.
Issuance of Final Order on October 1 (for FY 86, December 20) taking account of October 5 revised report)	No such provision.
Final Order to become effective on October 15 (for FY 86, 30 days after revised report)	No such provision.
FY 86 Order to be prorated as to number of months remaining in fiscal year	Same provision.
Appropriations Committees may define "program, project, and activity"	No such provision.
Sequestered funds are permanently cancelled (except for amounts sequestered in trust funds which became available at the end of the year).	BA withheld for 30 days following issuance of order; If an alternative reconciliation bill becomes law during 30 day period, BA is released to extent permitted by law; If no reconciliation bill, BA is permanently cancelled at end of 30 days.
One-half of deficit overage to be eliminated by reducing specified automatic spending increases (although not below zero); eliminates the remainder by sequestering outlays for direct spending programs, and new BA, new direct loan obligations, and obligations limitations for discretionary programs.	One-half of deficit overage to be eliminated by reducing automatic spending increases (although not below zero); other half to be eliminated by sequestering BA, obligation limitation, other budgetary resources, and loan limitation and by adjusting payments provided by the Federal Government, so as to reduce outlays from each affected program, project, or activity by a uniform percentage.
Sequester orders shall not have effect of eliminating any program, project, or activity	Same language.
No similar language	Alternative Congressional Plan: Budget Committees may report concurrent resolution which affirms presidential order and/or issues reconciliation instructions to achieve required deficit reduction—Debate in Senate: 10 hours. Committees to respond to instructions within 10 days. Budget Committees to package legislation without revision, except revisions may be made to bring committees into compliance with instructions. Reconciliation bills which would breach MDA not in order unless in a period of negative real growth.

TREATMENT OF PROGRAMS

Program	House		Senate		
	Only automatic spending increases included	Totally exempt	Only automatic spending increases included	Totally exempt	Included except for outlays from prior legal obligations
Claims, defense		X		X	
CIA retirement and disability fund	X		X		
Payments to military retirement fund		X		X	
Overseas Private Investment Corporation		X			X
Agency for International Development, housing and other credit guaranty programs		X			X
Payment of Vietnam and USS Pueblo POW claims		X		X	
Payments to foreign service retirement and disability fund		X		X	
Exchange stabilization fund		X		X	

TREATMENT OF PROGRAMS—Continued

Program	House		Senate		
	Only automatic spending increases included	Totally exempt	Only automatic spending increases included	Totally exempt	Included except for outlays from prior legal obligations
Foreign military sales trust fund		X		X	
Export-Import Bank of the United States, limitation of program activity		X			X
TVA retirement system	X		X		
Energy security reserve		X			X
Geothermal resources development fund		X			
Rural electric and telephone revolving fund		X			
Synthetic Fuels Corporation		X			
Nuclear Regulatory Commission, salaries and expenses		X			X
Agricultural credit insurance fund		X			X
Federal Crop Insurance Corporation fund		X			X
National Wool Act	X		X		
Credit union share insurance fund		X			X
Federal Deposit Insurance Corporation		X			X
Federal Savings and Loan Insurance Corporation fund		X			X
Rural housing insurance fund		X			X
Government National Mortgage Association, guarantees of mortgage-backed securities		X			X
Federal Housing Administration fund		X			X
Postal Service fund		X		X	
Federal ship financing fund, fishing vessels		X			X
Payments to copyright owners		X		X	
SBA, busniness loan and investment fund		X			X
SBA, control equipment contract guarantee revolving fund		X			X
SBA, lease guarantees revolving fund		X			X
SBA, surety bond guarantees revolving fund		X			X
International Trade Administration operations and administration		X			X
Rail service assistance		X			X
Railroad rehabilitation and improvement financing fund		X			X
Aviation insurance revolving fund		X			X
Federal ship financing fund		X			X
Longshoremen's and harbor worker's compensation benefits		X			X
Maritime Administration, war risk insurance fund		X			X
Retired pay, Coast Guard	X		X		
Community development grant loan guarantee		X			X
FEMA, national insurance development fund		X			
Economic development revolving fund		X			X
Indian loan guaranty and insurance fund		X			X
Rural development insurance fund		X			X
FEMA, national flood insurance fund		X			X
Community health centers		X			
Migrant health		X			
Retirement pay and medical benefits, PHS	X		X		
Health education loans		X			
Health professions graduate student loan insurance fund		X			
Medicare payments for clinical diagnostic laboratory tests to which section 1833(h) of the Social Security Act applies			X		
Payments to health care trust funds		X		X	
Black lung disability trust fund	X		X		
Federal payment to the railroad retirement account		X		X	
Pension Benefit Guaranty Corporation fund		X			X
Rail industry pension fund	X		X		
Railroad Social Security equivalent benefits account		X		X	
Special benefits for disabled coal miners	X		X		
Civil service retirement and disability fund	X		X		
Foreign Service retirement and disability fund	X		X		
Judicial survivors' annuities fund	X		X		
Military retirement fund	X		X		
Special benefits, Federal Employees' Compensation Act	X		X		
Tax Court judges survivors annuity fund	X		X		
Office of Personnel Management, employees life insurance fund		X			X
Regular state unemployment benefits, the state-funded share of extended umemployment benefits, and loans to states from the federal unemployment account		X		X	
Low-rent public housing, loans and other expenses		X			X
Child nutrition programs		X	X		
Food stamp progam		X	X		
Special milk		X			
Women, infants, and children programs		X			
Aid to families with dependent children (AFDC)		X			
Payment where credit exceeds liability for tax (EITC)				X	
Supplemental security income		X	X		
Service-disabled veterans insurance fund		X			X
VA national service life insurance fund		X			X
VA U.S. government life insurance fund		X			X
VA servicemen's group life insurance fund		X			X
Veterans compensation		X	X		
Veterans pensions		X	X		
Veterans insurance and indemnities		X			X
Veterans reopened insurance fund		X			X
Veterans special life insurance fund		X			X
VA loan guaranty revolving fund		X			X
Soldiers and Airmen's Home, payment of claims		X		X	
Salaries of judges, not including any portion of which would result from increases in compensation above the levels in effect immediately prior to the effective date of this section		X		X	
Claims, judgments, and relief acts		X		X	
Compensation of the President		X		X	
Comptrollers General retirement system	X		X		
Eastern Indian land claims settlement fund		X		X	
Federal Reserve Board employees retirement system	X		X		
Allowances and office staff for former Presidents	X		X		
Check forgery insurance fund		X			X
Coinage profit fund		X		X	
Payments to Social Security trust funds		X		X	
Payments to civil service retirement fund		X		X	
Payments to State and local government fiscal assistance trust fund		X		X	
Non-federal funds appropriated for the District of Columbia		X		X	
Net interest (function 900)		X		X	
Bureau of Indian Affairs miscellaneous trust funds, tribal funds		X		X	
TVA power program borrowing authority		X		X	
TVA—Seven States Energy Corporation		X		X	
Expenditures from the Bonneville Power Administration fund and borrowing authority established pursuant to section 13 of PL 93-454 (1974), as amended		X		X	
Outlays which result from private donations, bequests, or voluntary contributions		X		X	
Outlays from intragovernmental funds to the extent that such outlays are derived from other federal government accounts		X		X	
Offsetting receipts		X		X	

TREATMENT OF PROGRAMS—Continued

Program	House		Senate		
	Only automatic spending increases included	Totally exempt	Only automatic spending increases included	Totally exempt	Included except for outlays from prior legal obligations
Offsetting collections		X		X	
Outlays due to increases in the number of program participants		X		X	

SPECIAL PROVISIONS

Programs	House	Senate
Federal Pay	Federal pay under a staatutory pay system (within the meaning of section 5301(c) of title 5 shall be treated as constituting a controllable expenditure and shall be subject to reduction under the order in the same manner as other administrative expense components of the Federal budget; except that no such order may reduce or have the effect of reducing the rate of pay to which any individual is entitled under any such statutory pay system. Program managers should implement methods of realizing the savings requaired under a sequestration order other than furloughing personnel, which should only be implemented if the other methods are insufficient..	Federal pay under statutory pay systems (within the meaning of section 5301(c) of title 5, United States Code) and military pay (as defined in section 101(3) of title 37, United States Code) shall be treated as controllable expenditures and shall be subject to the uniform percentage reduction under the order; except that (i) no such order may reduce the rate of civilian pay or military basic pay to which any individual is entitled on the effective date of the order and (ii) any increase in rates of civilian pay or rates of military basic pay which is scheduled to take effect may be reduced under such order only by the uniform percentage reduction.
Mineworkerss Benefits	Black lung and coalminers benefit increases are treated the same as other automatically indexed programs..	Same, except for technical differences.
Foster Care, Adoption Assistance Programs, and AFDC	Increases in foster care or adoption assistance payment rates (or both) are subject to sequestration by reducing federal matching payments.. AFDC is exempted.	Expenditures for AFDC, foster care maintenance payments, adoption assistance payments, and administrative expenses, are sequesterable. No State may change the fiscal year in which expenditures for these programs are made.
Outlays for Prior Year Obligations	Exempted	Excluded except for outlays from contracts already signed but which may be reducad or terminated without a net loss to the government or without violating legal obligations of the government.
Unemployment Compensation	Regular state unemployment benefits and loans to the State and Federal unemployment accounts are exempt from sequestration. Federal benefits and administrative expenses are subject to sequestration..	Same, except for technical differences.
Guaranteed Student Loans	Allows reductions only in loans made after a sequester order is issued. GSLs entered into prior to a sequester order would not be affected..	Same as House.
	Limits sequestration reductions to two options, with reductions coming equally from both:. —the special allowance for lenders could be reduced up to 0.40 percentage points, but not below 3.00 percentage points, in the year of the sequester order. —a student's origination fee could be increased by up to 0.50 percentage points	Describes same two options as the House, but does not limit savings to these two options.
Child Support Enforcement	Federal matching rates for State costs are sequesterable.	Same.
Department of Defense—Military	Requires proportional sequestration of all programs, projects, and activities whether or not they are identified in a committee report or bill..	The Senate bill would sequester outlays from budgetary resources which include new BA, unobligated balances and outlays from existing contracts which pass the "net loss" test.
	The House bill sequesters only new BA, excluding unobligated balances and all outlays from prior year actions. It requires the sequestration to yield outlay savings in the same proportion that total outlays (as compared to controllable outlays) exist in the defense function. This greatly increases the BA reduction in the slow spending accounts. For example, the House language would require approximately double the budgetary resources than the Senate language for the same sequester..	General sequestering language would sequester at the lowest level of detail identified in the most recently enacted relevant appropriation Acts and reports.
CCC Loans	This title shall not restrict the Commodity Credit Corporation in the discharge of its authority and responsibility as a corporation to buy and sell commodities in world trade, to use the proceeds as a revolving fund to meet other obligations and otherwise operate as a corporation, the purpose for which it was created. Payments and loan eligibility under any contract entered into with a producer by the Commodity Credit Corporation prior to the time a sequestration order has been issued shall not be reduced by a sequestration order subsequently issued, but any contract entered into after a sequestration order has been for the applicable fiscal year, by which the Commodity Credit Corporation and entities providing Federal guarantees for student loans shall agree to make payments out of an entitlement account to any person, lender, or guarantee entity, shall be deemed to be controllable expenditures and shall be subject to reduction under the Presidential order: Provided, That the reduction in the level of commodity price support programs, supported through the Commodity Credit Corporation, shall not exceed a uniform percentage of reduction specified for those programs in the order..	(i) Reduction in payments made under contracts.—After an order, any payment made by the Commodity Credit Corporation— (I) under the terms of any contract entered into in such fiscal year; and (II) out of an entitlement account, to any person (including a producer, lender, or guarantee entity) shall be deemed to be a controllable expenditure and shall be subject to reduction under the order. Any contract entered into in a fiscal year after an order has been issued under subparagraph (A) for such fiscal year shall provide explicitly for such reduction to be made for the entire period for which such contract is in effect and that in regard to commodity loans made to producers or producer cooperative for a commodity produced in the same crop year, those loans for the same commodity shall be subject to the same terms and conditions. (ii) Reduction in noncontractual price support programs.—Price support provided for an agricultural commodity through the Commodity Credit Corporation by a method other than a payment of the type described in clause (i) shall be deemed to be a controllable expenditure, and such level of price support for the fiscal year for which an order is issued under this subsection shall be subject to reduction under the order. (iii) Adjustments to achieve reductions.—In order to reduce expenditures for programs of the Commodity Credit Corporation as required under the Presidential order, the Secretary of Agriculture is authorized to adjust both target prices and loan rates in such manner as to achieve the required percentage reduction of such order. (iv) Operating and administrative expenses.—Operating and administrative expenses of the Commodity Credit Corporation shall be considered controllable expenditures and shall be subject to reduction under the order. (v) Uniform percentage rate of reduction.—All reductions described in clauses (i), (ii), (iii), and (iv) required to be made in connection with an order issued under subparagraph (A) for a fiscal year shall be made at a rate exceeding the rate of reduction specified in the order for the programs to which such subsections apply.
Medicare	The only provisions which are to be considered automatic spending increases are: (A) The provision of section 1886(b)(3)(B), 1886(d)(3)(A), and 1886(e)(4) of such title (relating to increases in payment amounts for inpatient hospital services), to the extent that regulations issued pursuant to those provisions permit any percentage increase. (B) The provisions of section 1842(b) of such title relating to payment for physicians' services, to the extent they permit an annual increase in the medical economic index (referred to in the fourth sentence of such section).	Considered controllable: Reductions shall apply to payments under title XVIII of the Social Security Act so as to reduce all payments under such title for items or services furnished during the period of the order by the specified uniform percentage reduction. The President may not, pursuant to any authority granted in this section, increase any deductible, coinsurance amount, or premium amount under such title. Does not apply to payments for clinical diagnostic laboratory tests.
Social Security and Medicare Administrative Expenses	Exempt.	Administrative expenses for social security and medicare are sequesterable like other controllable expenditures.
Medicaid	The only provisions of such title which are considered to require an automatic spending increase are the provisions of sections 1902(a)(13)(A) and 1903(a)(1) of such title, and only to the extent that an increase in Federal payments to a State would otherwise occur under section 1903(a)(1) of such title as a result of an increase in payment rates established by a State with respect to the rate established for the previous fiscal year for inpatient hospital services or as a result of an increase in an index used by the State which applies to the rate of increase in payment for physicians' services over the previous fiscal year..	Reductions shall apply to payments under title XIX of the Social Security Act so as to reduce all payments to States under such title for State expenditures for medical assistance furnished, and administrative expenses incurred, during the period of the order by the uniform percentage reduction specified in the order as it applies to all other controllable expenditures.

JUDICIAL REVIEW; SEVERABILITY

House	Senate
If after all appeals are exhausted, a provision is found to be unconstitutional, then all provisions of this law automatically expire and all spending shall exist as if this law had not operated.	If any provision of this title is held invalid, the remainder of such provisions shall not be affected.
At any time within 60 days after this law takes effect, any member of Congress may sue for an injunction to suspend a presidential order on the grounds that the CBO reporting provision is unconstitutional.	Any member of Congress may sue for an injunction or declaratory order on the constitutionality of this law.
Any member of Congress may sue on grounds that the President has not complied with this law.	Same.
No single Supreme Court Justice may enjoin a presidential order.	Same.
No such provision.	If the President does not issue a sequester order as required by this law, on a claim of constitutional powers, if a court upholds such a claim as valid, then the entire presidential order at issue shall lapse.
Not such provision.	If the reporting procedure by the Comptroller General is held unconstitutional, then the OMB/CBO report shall be transmitted to a Temporary Joint Committee on Deficit Reduction composed of the members of the Budget Committees; Joint Committee shall report a joint resolution which could then trigger sequestering if enacted.

EFFECTIVE DATE

House	Senate
Changes to congressional budget process effective immediately and permanently; however, all the provisions relating to maximum deficit amounts would, in effect, lapse since there is no MDA for fiscal years beyond FY 91.	Changes to budget process expire at end of FY 91.
Emergency presidential powers apply only with reference to fiscal years 86–91.	Same.
Provisions with reference to transfers between the general fund and OASDI trust funds are permanent.	Same.

GENERAL LEAVE

Mr. MACK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my motion, and that I may include extraneous materials with my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MACK. Mr. Speaker, I yield 3 minutes to the gentleman from Wyoming [Mr. CHENEY] to close debate for our side.

Mr. CHENEY. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I think we have all grown tired of the debate. My constituents are tired of the debate, and I think the American people are tired of the debate.

The charges have been made here today that somehow this package is unknown to the Congress. The fact is that it was laid before the conference on October 31 and printed in the RECORD last week. It has received far more study than the package that the Democrats passed overwhelmingly last week and which showed up on the floor only at the moment of the vote.

With respect to the fairness charge, it is clearly not fair to cut the budget if we are going to exempt 71 percent of the programs from those cuts. We talk about hitting the budget in 1986, and it is clear that the package that is before us today, as passed by the Senate, does indeed begin the cuts in 1986. So we have heard a lot of phony arguments offered today.

Mr. Speaker, what I want to speak about is failure. I want to talk about the failure of this institution and the other body and the President of the United States to come to grips with what clearly is the most serious public-policy problem of the year.

□ 1840

I think it is important, and I would like to stress with my colleagues on the other side of the aisle, if I might, that we really would like to work out a bipartisan plan that has decent prospects to work and we think we have done it; that the program that is before us incorporates many of the proposals, worthy proposals that were developed in the conference just last week.

We have tried to allay the concerns about fairness by excluding Social Security. We have wrestled with the constitutional questions. We have included GAO.

I am personally convinced, based upon the work that the American Law Division has done at the Library of Congress, that this is indeed a constitutional package.

We have added extensive limits on Presidential power and authority to make it clear that this is not a surreptitious effort to transfer authority to the President of the United States.

The bottom line, Mr. Speaker, is that this bill puts the wood to the President and to the Congress; it will force both institutions to respond and make some of those difficult choices that so far for a long time we have been able to avoid.

Always in the past we have come to the table and had Congress take Social Security off of the table. We have had the President take defense off of the table. We have had taxes taken off the table. We have had the Democrats in the House take off many of the domestic programs. So that when we got through, the only thing that was negotiable was the deficit.

What this bill would do, Mr. Speaker, is make it clear that we no longer have the option, be it the Congress or the President, of financing continued increases in programs by running up the deficit.

Please, I would ask my colleagues, after a lot of deliberation and serious effort, support what is a sincere effort on the part of the Republicans, a bipartisan effort on the part of the Senate, to produce a meaningful bipartisan program that will make it possible for us to carry out our foremost responsibility, to manage the fiscal affairs of the Nation in a responsible manner.

The SPEAKER. All time has expired.

Without objection, the previous question is ordered on the preferential motion.

There was no objection.

The SPEAKER. The question is on the preferential motion offered by the gentleman from Florida [Mr. MACK].

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. MACK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 177, nays 248, not voting 9, as follows:

[Roll No. 396]

YEAS—177

Archer	Coble	Gallo
Armey	Coleman (MO)	Gekas
Badham	Combest	Gingrich
Bartlett	Coughlin	Goodling
Barton	Courter	Gradison
Bateman	Craig	Green
Bentley	Crane	Gregg
Bereuter	Daub	Grotberg
Billirakis	Davis	Gunderson
Bliley	DeLay	Hammerschmidt
Boehlert	DeWine	Hansen
Boulter	Dickinson	Hartnett
Broomfield	DioGuardi	Hendon
Brown (CO)	Dornan (CA)	Henry
Broyhill	Dreier	Hiler
Burton (IN)	Duncan	Hillis
Callahan	Eckert (NY)	Hopkins
Campbell	Edwards (OK)	Horton
Carney	Emerson	Hunter
Chandler	Fawell	Hyde
Chappie	Fiedler	Ireland
Cheney	Fields	Johnson
Clinger	Fish	Kasich
Coats	Franklin	Kemp
Cobey	Frenzel	Kindness

Kolbe	Moorhead	Skeen
Kramer	Morrison (WA)	Slaughter
Lagomarsino	Myers	Smith (NE)
Latta	Nielson	Smith (NJ)
Leach (IA)	O'Brien	Smith, Denny (OR)
Lent	Oxley	Smith, Robert (NH)
Lewis (CA)	Packard	Smith, Robert (OR)
Lewis (FL)	Parris	Snowe
Lightfoot	Pashayan	Snyder
Livingston	Petri	Solomon
Lott	Porter	Spence
Lowery (CA)	Pursell	Stangeland
Lujan	Quillen	Strang
Lungren	Ray	Stump
Mack	Regula	Sundquist
Madigan	Ridge	Sweeney
Marlenee	Rinaldo	Swindall
Martin (IL)	Ritter	Tauke
Martin (NY)	Roberts	Taylor
McCain	Robinson	Thomas (CA)
McCandless	Rogers	Vander Jagt
McCollum	Roth	Vucanovich
McDade	Roukema	Walker
McEwen	Rowland (CT)	Weber
McGrath	Rudd	Whitehurst
McKernan	Saxton	Whittaker
McKinney	Schaefer	Wolf
McMillan	Schneider	Wortley
Meyers	Schuette	Wylie
Michel	Schulze	Young (AK)
Miller (OH)	Sensenbrenner	Young (FL)
Miller (WA)	Shaw	Zschau
Molinari	Shumway	
Monson	Shuster	
Moore	Siljander	

NAYS—248

Ackerman	Dorgan (ND)	Jones (TN)
Akaka	Dowdy	Kanjorski
Alexander	Downey	Kaptur
Anderson	Durbin	Kastenmeier
Andrews	Dwyer	Kennelly
Annunzio	Dymally	Kildee
Anthony	Dyson	Kleczka
Applegate	Early	Kolter
Aspin	Eckart (OH)	Kostmayer
Atkins	Edgar	LaFalce
AuCoin	Edwards (CA)	Lantos
Barnard	English	Leath (TX)
Barnes	Erdreich	Lehman (CA)
Bates	Evans (IL)	Lehman (FL)
Bedell	Fascell	Leland
Beilenson	Fazio	Levin (MI)
Bennett	Feighan	Levine (CA)
Berman	Flippo	Lipinski
Bevill	Florio	Lloyd
Biaggi	Foglietta	Long
Boggs	Foley	Lowry (WA)
Boland	Ford (MI)	Luken
Boner (TN)	Ford (TN)	Lundine
Bonior (MI)	Frank	MacKay
Bonker	Frost	Manton
Borski	Garcia	Markey
Bosco	Gaydos	Martinez
Boucher	Gejdenson	Matsui
Boxer	Gephardt	Mavroules
Breaux	Gibbons	Mazzoli
Brooks	Gilman	McCloskey
Brown (CA)	Glickman	McCurdy
Bruce	Gonzalez	McHugh
Bryant	Gordon	Mica
Burton (CA)	Gray (IL)	Mikulski
Bustamante	Gray (PA)	Miller (CA)
Byron	Guarini	Mineta
Carper	Hall (OH)	Mitchell
Carr	Hall, Ralph	Moakley
Chapman	Hamilton	Mollohan
Chappell	Hatcher	Montgomery
Coelho	Hawkins	Moody
Coleman (TX)	Hayes	Morrison (CT)
Collins	Hefner	Mrazek
Conte	Heftel	Murphy
Cooper	Hertel	Murtha
Coyne	Holt	Natcher
Crockett	Howard	Neal
Daniel	Hoyer	Nichols
Darden	Hubbard	Nowak
Daschle	Huckaby	Oakar
de la Garza	Hughes	Oberstar
Dellums	Hutto	Obey
Derrick	Jacobs	Olin
Dicks	Jeffords	Ortiz
Dingell	Jenkins	Owens
Dixon	Jones (NC)	Panetta
Donnelly	Jones (OK)	Pease
Penny	Sikorski	Traxler
Pepper	Sisisky	Udall
Perkins	Skelton	Valentine
Pickle	Slattery	Vento
Price	Smith (FL)	Visclosky
Rahall	Smith (IA)	Volkmer
Rangel	Solarz	Walgren
Reid	Spratt	Watkins
Richardson	St Germain	Waxman
Rodino	Staggers	Weaver
Roe	Stallings	Weiss
Roemer	Stark	Wheat
Rose	Stenholm	Whitley
Rostenkowski	Stokes	Whitten
Rowland (GA)	Stratton	Williams
Roybal	Studds	Wilson
Russo	Swift	Wirth
Sabo	Synar	Wise
Savage	Tallon	Wolpe
Scheuer	Tauzin	Wright
Schroeder	Thomas (GA)	Wyden
Schumer	Torres	Yates
Seiberling	Torricelli	Yatron
Sharp	Towns	Young (MO)
Shelby	Traficant	

NOT VOTING—9

Addabbo	Dannemeyer	Fuqua
Clay	Evans (IA)	Loeffler
Conyers	Fowler	Nelson

□ 1855

The Clerk announced the following pairs:

On this vote:

Mr. Loeffler for, with Mr. Nelson of Florida against.

Mr. Dannemeyer for, with Mr. Fuqua against.

Mr. RALPH M. HALL changed his vote from "yea" to "nay."

So the preferential motion was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 372

Mr. GEPHARDT. Mr. Speaker, I move to take from the Speaker's table the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt, with the Senate amendments to the House amendments to the Senate amendments Nos. 1 and 2, disagree to the Senate amendments and request a further conference with the Senate thereon.

The Clerk read the title of the joint resolution.

The SPEAKER. The gentleman from Missouri [Mr. GEPHARDT] will be recognized for 30 minutes and the gentleman from Mississippi [Mr. LOTT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it appears clear to me, in view of the vote taken on the other body's version of this legislation, that we need a further conference on this matter.

Twice this House has now expressed itself on this matter. I sincerely hope that the other body will now come to this conference with a new spirit of compromise on Gramm-Rudman.

We cannot afford any longer to play chicken with the fiscal solvency and integrity of this Government.

Mr. Speaker, I urge Members to vote for the motion to go to conference.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will be brief on this particular motion because I know the Members know what the issues are, and I will have a motion to instruct conferees, but what I would like to do is to address a question to the gentleman from Missouri.

The gentleman from Missouri has made the point that we should go back to conference now and work together to see if we can resolve differences that still exist, but I made the point earlier that I am very much concerned about our ability to get together, meeting in Kennedy Stadium. We had earlier 48 House conferees. I hear a rumor that that number is going to be increased.

Could the gentleman give us any information about the limits on the size of the conference, and does he recognize—I am sure he recognizes—that it is going to be very difficult to work out a responsible agreement in this difficult area if we are trying to deal with 65 people.

Can the gentleman please inform us as to what the situation is and respond to that?

Mr. GEPHARDT. If the gentleman will yield, I cannot say to the gentleman exactly how many or who will be appointed as conferees. The Speaker must make that judgment.

It would be my suspicion that the same conferees who were appointed before will be appointed again, but again, that is the Speaker's judgment.

With that number, which was a large number, we were able to break into task forces. We were able to reach a lot of agreements on, I would say, two-thirds of the matters at issue. There is no reason that same pattern could not be followed again and that we could reach agreement on the five or six issues that remain.

I do not think the number created our problem. I think our problem was created by the Senate's unwillingness to have hard negotiations about the five or six issues that remained in contention. I do not think that lack of willingness is going to be there. I think this time they are going to negotiate and I do not see the number of conferees as being a barrier to our coming to a resolution of this issue.

Mr. LOTT. I heard the gentleman's comments earlier, I believe, or perhaps someone else's, about the Senate's unwillingness to negotiate. It was very evident to this Member of the conference that really was attended was a series of amendments that were intended to show political positions and intended to try to embarrass Members

and were not really intended to come to some conclusions. But that is history.

I am worried about how we get together and work this thing out at this point. I just want the Members to know that, as a matter of fact, there are going to be, as I understand it, 53 House conferees. I hope that at some point a representative group of a half-dozen or nine of our colleagues representing both sides can get together and bring this thing to a conclusion next week before the debt ceiling expires and the Government does shut down. I am willing to work toward finding that conclusion.

Mr. GEPHARDT. This side is more than willing to do that, and I would suggest that we can find ways and procedures to reach an agreement.

Mr. LOTT. Mr. Speaker, I yield back the balance of my time.

□ 1905

MOTION TO INSTRUCT OFFERED BY MR. LOTT

Mr. LOTT. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. LOTT moves that the managers on the part of the House, at the conference on the disagreeing votes of the two Houses on House Joint Resolution 372, be instructed to agree to provisions that will include a schedule of reductions in the deficit in fixed amounts that will lead to a balanced budget by 1991; and that the conferees be further instructed not to agree to section 275 (nonseverability) in the amendment of the House.

The SPEAKER. The gentleman from Mississippi [Mr. LOTT] is recognized for 1 hour.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not think it would be necessary to take the full hour to debate this motion to instruct, but I would like for my colleagues to make sure they understand what is in this motion to instruct.

Mr. Speaker, the motion to instruct conferees does two things. No. 1, it instructs the conference to agree to provisions that will include a schedule of reductions in the deficit in fixed amounts that will lead to a balanced budget by 1991. It does not say how it will begin. It does not say how much must be included in each year. It just says there must be a scheduled amount fixed each year that would get us to a balanced budget by 1991.

Now I want to be honest with you; this does conflict somewhat with the language that the gentleman from Wisconsin [Mr. OBEY] included in the House version. I think his version allowed for some fluctuation, and there is some question about whether or not it would ever get us to a balanced budget, particularly in 1991.

So it is a fixed scheduled reduction to a balanced budget by 1991.

Mr. HUCKABY. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I will be glad to yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Speaker, I thank the gentleman for yielding.

In the Senate version that was first sent to us, the trigger provision for recessions was in there. Is the gentleman suggesting that we back away from that by his fixed amount per year?

Mr. LOTT. No. I think that, I would hope that we would go with that fixed amount that we have. After the trigger is imposed that we would go with the fixed amount that is in the other body's version. But this instruction does not mandate that. It just says at least come back with some systematic, fixed amount in each year that would get us to a balanced budget.

What I am trying to get us to do is to make sure that we do not use floating targets or GNP considerations or other things that might lead us to not having a balanced budget in 1991.

Mr. HUCKABY. If the gentleman will yield further, the point is then you are saying let us go away from GNP with your instructions? In other words, if they have a one-tenth of 1 percent growth, we could cut the same amount as if they have a 3-percent growth in GNP; is that correct?

Mr. LOTT. The fixed amount could vary, but the answer to your direct question, I think, would be yes.

Mr. HUCKABY. I thank the gentleman.

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. Mr. Speaker, I would like to ask the gentleman from Mississippi, does your proposal call for 1991, did you say, or 1990?

Mr. LOTT. The proposal calls for 1991.

Mr. GRAY of Pennsylvania. So, therefore, you would call for a fixed target that would reach a balance by 1991 as opposed to what was passed here in the House last week which did it in 1990; is that correct?

Mr. LOTT. It is not opposed to anything. It just specifies that we are going to have a fixed schedule that would get us there by at least 1991.

Mr. GRAY of Pennsylvania. I thank the gentleman.

Mr. LOTT. The second point is it would instruct the conferees further not to agree to section 275. That is the nonseverability clause in the House amendment.

I made this comment last Friday. I am very much worried that there have been expressions of concern on both sides about the constitutional question, and one of the specific points that was raised during the debate in the Conference Committee was about the involvement of CBO and the possibility of the unconstitutionality of the Congressional Budget Office involvement. And yet we set it up in such a way that we say, OK, CBO may be unconstitutional, and then we add to that, if you go through this expedited procedure and go to the courts, and the CBO involvement is held to be unconstitutional, then the whole process collapses.

I think that that nonseverability clause really just tries to find a way to have this thing declared unconstitutional, even though it would be applicable only to one small point.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I will be glad to yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding. If we could go back just quickly to the first instruction vis-a-vis a fixed schedule for a reduction to zero in 1991, does the gentleman's instruction preclude any recession sensitivity?

I noticed the other body and this body both passed a version of Gramm-Rudman that were both recession sensitive, one better than another. But what does the gentleman's instruction do to that?

Mr. LOTT. It does not preclude anything. That sensitivity to recession would still be considered under the provisions of the bill. But there must be some set formula that begin to agree on, or we agree on in the beginning that would lead us to that point of a balanced budget.

If the situation changes, the law that we are working on would apply, and it could be waived by action of the Congress.

Mr. ROEMER. If the gentleman will yield further, the gentleman would agree that if the economy were, in fact, showing negative growth, that we would not want to take a $35 billion or $40 billion reduction in spending on top of that negative growth? I just want to make sure from you that your instructions do not guarantee that we run counter to good common economic sense.

Mr. LOTT. The gentleman is correct.

I might also say it does not preclude the possibility of getting to a balanced budget earlier. If the economy should be good and we could do it by some other means than what we have now realized, we could maybe do it by 1990, and I think we should have that possibility.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am glad to yield to the gentleman from California.

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding.

One of the reasons for the long severability question was because of our concern that in the Senate version, there is a combination of CBO and OMB. If you allow severability and the

CBO role is found to be unconstitutional, then it leaves it up to the OMB, and it, in essence, turns our power entirely over to the President and his agency. That is the issue that was at stake in terms of why we built nonseverability in, and I just wonder if the gentleman does not want to retain at least our option to consider that, at least with regard to the trigger mechanism?

Mr. LOTT. We could still perhaps develop a different nonseverability clause, although I would be opposed to that.

But what this says is not the nonseverability clause that is in the House-passed version, in the House amendment.

Let me read you, though, "during the Conference Committee's deliberations, the argument was made repeatedly about the constitutional question. In result, the Senate offer that was passed involved in their process the Comptroller General. The current Senate provision provides for expedited judicial review."

They have that expedited judicial review procedure, with a severability clause.

And, "In the event that the CBO, OMB, GAO triggering mechanism is found unconstitutional, the Senate version has a fallback position, a clearly constitutional, expedited joint resolution process."

So they even built into their package that we are going to be considering further this option that if it should be held unconstitutional, there would be this backup provision.

Mr. PANETTA. If the gentleman would just yield briefly for this comment, we have to go to conference, we have to work out a lot of problems with regard to the constitutional issue and severability. I would just hope the gentleman would not tie our hands by eliminating the nonseverability question from consideration of the conference.

Mr. LOTT. I deliberated over these particular instructions very carefully. I felt these were two very important features and that the House should speak on those particular points, that we want to go to a balanced budget, and not let it just drag out indefinitely; and second, that we do not want the whole process that we have labored on so hard now to collapse because one provision is held to be unconstitutional. And that one provision might not be one that would cause the whole process to collapse.

Mr. SYNAR. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Oklahoma.

Mr. SYNAR. I thank the gentleman from Mississippi for yielding. We are having some confusion on this side trying to determine what you are striking. When this bill left the House, there were two provisions on nonseverability. There was one provision on nonseverability as it applied to the entire bill, and then there was specific language with respect to severability and nonseverability with respect to the issue of CBO. Would the gentleman please inform this side which one you are striking?

Mr. LOTT. This is the specific provision that relates to CBO.

Mr. SYNAR. In other words, your instruction only applies to the portion with respect to CBO?

Mr. LOTT. That is correct.

Mr. SYNAR. Leaving the other section of the bill which says that if any portion of the entire bill is found unconstitutional, then it would be nonseverable. So you have chosen to eliminate the narrow nonseverability while leaving the whole bill very severable?

Mr. LOTT. Let me answer that clearly.

The section 275 nonseverability, if after all appelate review is exhausted a court of competent jurisdiction finds any provision of the act violates the Constitution or is otherwise invalid, then the provision of this title shall immediately expire.

So it does speak to the nonseverability question for any provision of the bill. That is section 275.

Mr. SYNAR. I thank the gentleman.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. GEPHARDT] for purposes of debate only.

Mr. GEPHARDT. Mr. Speaker, I would simply urge Members to vote against this motion for two reasons.

First, the motion instructs our conferees to devise a balanced budget plan that reaches a balanced budget by 1991. The House position, as established last Friday, and again confirmed with the vote of 249 Members today, is that we want to try to balance the budget by 1990 and not 1991. And if we are instructing our conferees to go to conference to change that date, it simply means that you will arrive at a balanced budget a year later than you would if we stick by the House position.

Second, I think it is very important that we keep this severability, nonseverability question alive. The reason I say that, we have had an experience recently with the Federal Elections Act where the court found one provision was unconstitutional, took it out, and left everything else in. If you wind up with the suggestion of the Senate that you have OMB and CBO, it is likely they will find the CBO participation is the unconstitutional part of the law. That means you will wind up with OMB.

That means you transfer the power to the President, something I do not think we want to do.

Second, if we retain our provision which is that the CBO should be the sole determinant of both the trigger and the sequestration order, if the court finds that unconstitutional, there is nothing left. Then the court has to make something out of whole cloth or leave that section out.

If you leave that section out, you have no one to determine if the trigger has been pulled, you have no one to write the sequestration order and, in fact, the whole act is probably unconstitutional.

□ 1920

The point of the matter is simply this: We have this provision in our proposal. We are going to conference. As the gentleman has suggested, there may be alternative ways to deal with this question. Why tie the conferees' hands? Why say that it is 1991? Why say that we cannot keep this severability clause?

Leave it the way it is. Allow us the opportunity to go back to conference. We can arrive at compromise on all of these issues, and we are determined to come back with the proposal that can find bipartisan support on both sides of the aisle and in both bodies.

I urge Members to vote against the motion.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. KINDNESS], for purposes of debate only.

Mr. KINDNESS. I thank the gentleman for yielding and again, I think we have a little problem with understanding what is likely to be on the table for consideration, but with respect to nonseverability, we have a test of good faith before us.

A test of good faith in this respect: The House provision included nonseverability language that even has a severability clause in it. The last part of the House's nonseverability clause says that the provisions of this section shall operate notwithstanding any other provision of this title.

That is an egg within a hand within an egg.

Our problem, Mr. Speaker, is that the House version of the severability question is triggered so as to defeat the Gramm-Rudman proposal in this form or whatever form it comes in.

I think we have a test of good faith to the American public to say yes, we abandon the concept that we are going to try to self-destruct this matter. Let us give it a chance to be worked out in conference.

My colleagues on the other side of the aisle have prevailed; we are going to conference. That can be a constructive process, but if we go in to conference with the notion that we are going to build a product that is faulted and depend upon that little part of the process to throw everything else out, then we have shown bad faith to the American people. It will show just as

clearly as the nose on your face, this language in the House's nonseverability provision is designed for failure.

We ought to not only abandon it, but reject it out of hand; it does not operate as the gentleman from Missouri [Mr. GEPHARDT] has described, depending upon what provisions are decided upon by the conferees with respect to CBO, OMB, and General Accounting Office Participation.

We can construct a perfectly constitutional system and it does not require a self-destruct mechanism. I would certainly urge the adoption of the motion to instruct and to tell the American people by so doing that we are going to proceed in good faith and not take a phony approach to this conference.

Mr. LOTT. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. FOLEY], for purposes of debate only.

Mr. FOLEY. Mr. Speaker, last time a motion to instruct the conferees came forward on the appointment of conferees on this issue, we found it possible on both sides of the aisle to agree to it.

I wish that the first part of this motion had been repeated, because I think the result would have been the same.

One of the issues that we intend to discuss in the conference is the issue of constitutionality; and we are going to discuss it and the issue of nonseverability and the CBO seriously and with an intention to reach agreement, but the addition of last week's instruction by this instruction is I think an unnecessary and not a helpful addition to the instruction.

So I would ask all Members who might respond to this plea to vote against the motion to instruct and to get on with the conference and to resolve this issue.

Let us vote "no" and get moving.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, the issue before us is one of constitutionality, and everybody knows that there are some problems; I have my doubts, you have yours, some of you have no doubts whatsoever.

If you have no doubts about the constitutionality, do not worry about the nonseverability clause, because it will never be found unconstitutional, and no part of it will fall. So if you believe what you say about Gramm-Rudman, that it is constitutional, pristine-pure, clean like Ivory soap, to not worry about severability.

If, however, you are like me and have some doubts, then if the unconstitutionality goes to the heart of the program, like the participation of the CBO in the triggering mechanism, you might want to say that if that does not work, then we ought to strike the whole thing.

Now I tell you, candidly, we have worked with the Senators and we are willing to work on it in the conference as we did. There are three options, basically: Do not say anything, and that means the courts could decide as to whether they wanted to make it nonseverable or not.

Or you could specify that it was severable, as the Senate wants to do;

Or you could specify that it is nonseverable, as we would like to do.

There is a fourth alternative: We could specify that it was nonseverable as far as certain provisions like the CBO and the triggering provisions, the heart of the operation, are concerned. If you believe it is constitutional, then worry not; but if you are like me and you have some doubts about it, you would want to protect the American public from the continuation of the program even when the heart of it was unconstitutional and it has been so determined by legitimate courts.

I will just say that I think you ought to leave it up to the conferees; we are as openminded as anybody you can find. Those are the alternatives, I hope you will leave it to the conferees.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume. Before I move the previous question, I just make these final points.

We may think that this just is some legal argument on nonseverability that lawyers enjoy, or maybe it is something that only those inside the beltway and the Washington media understand, but let us make it very clear: This could collapse the whole process. This is a question of whether or not you want to destroy this whole process to move to a balanced budget or not.

The main issue on constitutionality is whether we abandon the entire deficit reduction process, if any piece is held invalid, as the House version would do; or whether we retain the deficit reduction process with a constitutional fallback provision, as the Senate version would do.

This is to determine whether or not we want to destroy this process before we ever even get off the ground. I move the previous question.

The SPEAKER. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER. The question is on the motion to instruct offered by the gentleman from Mississippi [Mr. LOTT].

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. LOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 181, nays 239, not voting 14 as follows:

[Roll No. 397]

YEAS—181

Archer	Hansen	Pursell
Armey	Hartnett	Quillen
Badham	Hendon	Ray
Bartlett	Henry	Regula
Barton	Hiler	Ridge
Bateman	Hillis	Rinaldo
Bentley	Holt	Ritter
Bereuter	Hopkins	Roberts
Bilirakis	Hunter	Roemer
Bliley	Ireland	Rogers
Boehlert	Jacobs	Roth
Boulter	Jeffords	Roukema
Breaux	Johnson	Rowland (CT)
Broomfield	Kasich	Rudd
Brown (CO)	Kemp	Saxton
Broyhill	Kindness	Schaefer
Burton (IN)	Kolbe	Schneider
Callahan	Kramer	Schuette
Campbell	Lagomarsino	Schulze
Carney	Latta	Sensenbrenner
Chandler	Leach (IA)	Shaw
Chappie	Lent	Shumway
Cheney	Lewis (CA)	Shuster
Clinger	Lewis (FL)	Siljander
Coats	Lightfoot	Skeen
Cobey	Livingston	Slaughter
Coble	Lott	Smith (NE)
Coleman (MO)	Lowery (CA)	Smith (NJ)
Combest	Lujan	Smith, Denny (OR)
Coughlin	Lungren	Smith, Robert (NH)
Courter	Mack	Smith, Robert (OR)
Craig	Madigan	Snowe
Crane	Marlenee	Snyder
Daub	Martin (IL)	Solomon
Davis	Martin (NY)	Spence
DeLay	McCain	Stangeland
DeWine	McCandless	Strang
Dickinson	McCollum	Stratton
DioGuardi	McDade	Stump
Dornan (CA)	McEwen	Sundquist
Dreier	McGrath	Sweeney
Duncan	McKernan	Swindall
Eckert (NY)	McKinney	Tauke
Edwards (OK)	McMillan	Tauzin
Emerson	Meyers	Taylor
Evans (IA)	Michel	Thomas (CA)
Fawell	Miller (OH)	Vander Jagt
Fiedler	Miller (WA)	Vucanovich
Fields	Molinari	Walker
Fish	Monson	Weber
Franklin	Moore	Whittaker
Frenzel	Moorhead	Wolf
Gallo	Morrison (WA)	Wortley
Gekas	Myers	Wylie
Gingrich	Nielson	Young (AK)
Goodling	O'Brien	Young (FL)
Gradison	Oxley	Zschau
Green	Packard	
Gregg	Parris	
Grotberg	Pashayan	
Gunderson	Petri	
Hammerschmidt	Porter	

NAYS—239

Ackerman	Brooks	Dorgan (ND)
Akaka	Brown (CA)	Dowdy
Alexander	Bruce	Downey
Anderson	Bryant	Durbin
Andrews	Burton (CA)	Dwyer
Annunzio	Bustamante	Dymally
Anthony	Byron	Dyson
Applegate	Carper	Early
Aspin	Carr	Eckart (OH)
Atkins	Chapman	Edgar
AuCoin	Chappell	Edwards (CA)
Barnard	Coelho	English
Barnes	Coleman (TX)	Erdreich
Bates	Collins	Evans (IL)
Bedell	Conte	Fascell
Beilenson	Cooper	Fazio
Bennett	Coyne	Feighan
Berman	Crockett	Flippo
Bevill	Daniel	Florio
Biaggi	Darden	Foglietta
Boland	Daschle	Foley
Boner (TN)	de la Garza	Ford (MI)
Bonior (MI)	Dellums	Ford (TN)
Bonker	Derrick	Frank
Borski	Dicks	Frost
Bosco	Dingell	Garcia
Boucher	Dixon	Gaydos
Boxer	Donnelly	Gejdenson

Gephardt	Matsui	Schumer
Gibbons	Mavroules	Seiberling
Gilman	Mazzoli	Sharp
Glickman	McCloskey	Shelby
Gonzalez	McCurdy	Sikorski
Gordon	McHugh	Sisisky
Gray (IL)	Mica	Skelton
Gray (PA)	Mikulski	Slattery
Guarini	Miller (CA)	Smith (FL)
Hall, Ralph	Mineta	Smith (IA)
Hamilton	Mitchell	Solarz
Hatcher	Moakley	Spratt
Hawkins	Mollohan	St Germain
Hayes	Montgomery	Staggers
Hefner	Moody	Stallings
Hertel	Morrison (CT)	Stark
Horton	Mrazek	Stenholm
Howard	Murphy	Stokes
Hoyer	Murtha	Studds
Hubbard	Natcher	Swift
Huckaby	Neal	Synar
Hughes	Nichols	Tallon
Hutto	Nowak	Thomas (GA)
Jenkins	Oakar	Torres
Jones (NC)	Oberstar	Torricelli
Jones (OK)	Obey	Towns
Jones (TN)	Olin	Traficant
Kanjorski	Ortiz	Traxler
Kaptur	Owens	Udall
Kastenmeier	Panetta	Valentine
Kennelly	Pease	Vento
Kildee	Penny	Visclosky
Kleczka	Pepper	Volkmer
Kolter	Perkins	Walgren
Kostmayer	Pickle	Watkins
LaFalce	Price	Waxman
Lantos	Rahall	Weaver
Leath (TX)	Rangel	Weiss
Lehman (CA)	Reid	Wheat
Lehman (FL)	Richardson	Whitley
Leland	Robinson	Whitten
Levin (MI)	Rodino	Williams
Levine (CA)	Roe	Wilson
Lipinski	Rose	Wirth
Lloyd	Rostenkowski	Wise
Long	Rowland (GA)	Wolpe
Lowry (WA)	Roybal	Wright
Luken	Russo	Wyden
MacKay	Sabo	Yates
Manton	Savage	Yatron
Markey	Scheuer	Young (MO)
Martinez	Schroeder	

NOT VOTING—14

Addabbo	Fowler	Loeffler
Boggs	Fuqua	Lundine
Clay	Hall (OH)	Nelson
Conyers	Heftel	Whitehurst
Dannemeyer	Hyde	

□ 1945

The Clerk announced the following pairs:

On this vote:

Mr. Loeffler for, with Mr. Nelson of Florida against.

Mr. Dannemeyer for, with Mr. Fuqua against.

Mr. Hyde for, with Mr. Conyers against.

Mrs. COLLINS changed her vote from "yea" to "nay."

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Missouri [Mr. GEPHARDT].

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

From the Committee on Ways and Means, Messrs. ROSTENKOWSKI, GIBBONS, PICKLE, RANGEL, STARK, JONES of Oklahoma, JENKINS, GEPHARDT, RUSSO, DUNCAN, ARCHER, VANDER JAGT, CRANE, and FRENZEL; from the Committee on Appropriations, Messrs. WHITTEN, BOLAND, NATCHER, SMITH of Iowa, PURSELL, and LOEFFLER; from the Committee on Rules, Messrs. PEPPER, MOAKLEY, DERRICK, BEILENSON, FROST, LATTA, and LOTT; from the Committee on Government Operations, Messrs. BROOKS, FUQUA, WAXMAN, SYNAR, HORTON, and KINDNESS; from the Committee on the Budget, Messrs. GRAY of Pennsylvania, DOWNEY of New York, MILLER of California, LEATH of Texas, KEMP, and GRADISON.

And the following additional conferees: Messrs. FOLEY, FORD of Michigan, OBEY, ASPIN, and MINETA, Ms. OAKAR, Messrs. PANETTA, FAZIO, MICHEL, DICKINSON, CHENEY, and LEWIS of California, Mrs. MARTIN of Illinois, and Mr. MACK.

There was no objection.

NATIONAL BLOOD PRESSURE AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 130) designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservaiton of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 130

Whereas diseases resulting from hypertension cause needless mortality and morbidity which can be reduced if hypertension is discovered through blood pressure screening;

Whereas sixty million Americans are hypertensive;

Whereas hypertension is a major factor in five hundred thousand strokes and one hundred and seventy-five thousand stroke-related deaths annually as well as more than one million five hundred thousand heart attacks and five hundred and sixty-seven thousand heart attack-related deaths annually;

Whereas the prevalence of hypertension in black males is 33 per centum higher than in white males, and the prevalence of hypertension in black females is twice that of their white counterparts;

Whereas twenty-nine million workdays, representing $2,000,000,000 in earnings, are lost each year because of cardiovascular diseases;

Whereas the risk of the major cardiovascular diseases is directly related to hypertension and even mild elevation in blood pressure may result in substantial risk of illness;

Whereas much of the 30 per centum reduction in mortality between 1970 and 1980 for stroke, hypertension heart disease and other cardiovascular system disease can be partially attributed to increased awareness and better control of blood pressure; and

Whereas increased blood pressure screening will identify greater numbers of Americans at risk for hypertension-related cardiovascular disease and encourage these Americans to seek treatment to control their blood pressure: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on November 10, 1985, is hereby designated as "National Blood Pressure Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL TEMPORARY SERVICES WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 195) to designate the week of October 20 through 26, 1985, as "National Temporary Services Week", and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would like simply to inform the House that the minority has no objection to the legislation being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 195

Whereas the temporary services industry is the second fastest growing business sector in terms of job creation in the United States;

Whereas the temporary services industry employed over five million people at various times in 1984;

Whereas the temporary services industry payroll has increased between 1970 and 1984 from $547,000,000 to $6,000,000,000;

Whereas one out of every two hundred nonagriculture jobs in the United States was provided through temporary services in 1984; and

Whereas the temporary services industry provides flexibility for employers to meet short-term labor needs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 20, 1985, through October 26, 1985, is designated as "National Temporary Services Week" and as the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate conference, programs ceremonies, and activities.

AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARCIA: Page 2, lines 3 through 4, strike out "October 20, 1985, through October 26, 1985," and insert in lieu thereof "December 1, 1985, through December 7, 1985,".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. GARCIA].

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. GARCIA: Amend the title to read as follows: "Joint resolution to designate the week of December 1, 1985, through December 7, 1985, as 'National Temporary Services Week' ".

The title amendment was agreed to.

A motion to reconsider was laid on the table.

NATIONAL ADOPTION WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 51) to designate the week beginning November 24, 1985, as "National Adoption Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would like simply to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from New Jersey [Mr. SMITH], who is the chief sponsor of House Joint Resolution 320, National Adoption Week.

Mr. SMITH of New Jersey. Mr. Speaker, House Joint Resolution 320 designates Thanksgiving week—November 24 to 30—as "National Adoption Week" and is intended to focus attention on the benefits of adoption to children, parents, and society in general. Companion legislation to House Joint Resolution 320 was approved by the Senate last June.

Mr. Speaker, each year more than 100,000 children are adopted in the United States. For these children, adoption represents a chance to grow up in a home, with a family, among parents who love them. In my view, Mr. Speaker, nothing is more important, no one more precious, or vulnerable than children. For millions, adoption is their last best hope for a happy childhood.

National Adoption Week will, I believe, be very useful in highlighting the availability of approximately 50,000 children with special needs—children who are older, handicapped, in sibling groups, or members of minorities—who are legally free for adoption. Passage of this resolution sends a clear message to the American people—these children with special needs are our children, too. They belong in families and we have a responsibility for them.

Mr. Speaker, as Members will know, most aspects of adoption are governed by State law. Landmark legislation, however, was adopted in 1980 in the form of the Adoption Assistance and Child Welfare Act (Public Law 96-272). This law made numerous changes in the child welfare services, and foster care programs. It also established the adoption assistance program, a federally matched adoption subsidy for special needs children.

Today there are more than 2 million couples ready, willing, and eligible to adopt a child. The average wait for a child is painfully long—5 to 7 years. In recent years, the number of eligible children has declined due in part to the effects of permissive abortion and the fact that many teenage moms opt to keep their child.

Many prospective, adoptive parents now look overseas to adopt and the number of foreign-born children eligible is rising. The Immigration and Nationality Act, as amended, governs the admission into the United States of foreign-born children. Foreign adoptions generally take place in one of two ways. The first method is for the parents to work through a U.S.-based, international, child-placing agency, which usually completes the adoption in the child's home country and brings the child to the United States. The second approach is for the adoptive parents to work directly with a foreign, child-placing entity, and either to have the child brought to the United States for adoption, after all foreign and domestic requirements are fulfilled, or to journey to the child's country of origin and carry out the adoption there.

In sum, Mr. Speaker, every child needs a home.

Every child needs the stability and guidance of loving parents.

Every child needs the sense of genuinely belonging, of being cared for, of being wanted.

National Adoption Week enables us all to applaud the generosity of adoptive parents, to commend assisting organizations such as the Adoptive Parents Committee, and to focus on the law to ensure that adoption policy is the best we can enact.

Mr. HANSEN. Mr. Speaker, I appreciate the excellent remarks of the gentleman from New Jersey, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 51

Whereas the week of November 24 has been commemorated as National Adoption Week for the past ten years;

Whereas we in Congress recognize the essential value of belonging to a secure, loving permanent family as every child's basic right;

Whereas approximately fifty thousand children who have special needs—school age, in sibling groups, members of minorities, or children with physical, mental, and emotional handicaps—are now in foster care or institutions financed at public expense and are legally free for adoption;

Whereas the adoption by capable parents of these institutionalized or foster care children into permanent, adoptive homes would insure the opportunity for their continued happiness and long-range well-being;

Whereas public and private barriers inhibiting the placement of these special needs children must be reviewed and removed where possible to assure these children's adoption;

Whereas the public and prospective parents must be informed of the availability of adoptable children;

Whereas a variety of media, agencies, adoptive parent and advocacy groups, civic and church groups, businesses, and industries will feature publicity and information to heighten community awareness of the crucial needs of waiting children; and

Whereas the recognition of Thanksgiving week as "National Adoption Week" is in the best interest of adoptable children and the public in general: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of November 24 through November 30, 1985, hereby is designated "National Adoption Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read

the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL REYE'S SYNDROME WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 29) to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week," with a Senate amendment to the House amendments, and concur in the Senate amendment to the House amendments.

The Clerk read the title of the Senate joint resolution.

The Clerk read the Senate amendment to the House amendments, as follows:

Page 2, lines 19 and 20, strike out "to sponsor a multicenter research study by recognized authorities on Reye's Syndrome;".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would like simply to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

NATIONAL WOMEN VETERANS RECOGNITION WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 47) designating the week beginning November 10, 1985, as National Women Veterans Recognition Week, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would like simply to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from Florida [Mr. BILIRAKIS], who is the chief sponsor of House Joint Resolution 20, National Women Veterans Recognition Week.

Mr. BILIRAKIS. I thank the gentleman for yielding.

Mr. Speaker, let me first extend my sincere thanks to Mr. GARCIA, the chairman of the Subcommittee on Census and Population; and Mr. HANSEN, the ranking Republican on the subcommittee, for allowing me to bring this legislation to the floor this evening.

Senate Joint Resolution 47 would designate next week, the week of November 10, 1985, as National Women Veterans' Recognition Week. I had introduced similar legislation, House Joint Resolution 20, to designate the week of November 11 as a week of recognition for women veterans, and even though we received 204 cosponsors and could have very easily gotten the additional 14, in the interest of getting a bill enacted in a timely manner, I am pleased to have this opportunity to speak on behalf of the Senate's bill. After all, our goal is to honor the tremendous service and sacrifices of our women veterans and I am certainly supportive of whatever action is necessary to see this week of national recognition become a reality.

Until the 1980 census, we had little information about the number of women veterans in this country, and little attention was paid to providing appropriate services to this important group of Americans. Since 1980, however, awareness of the role women have played in the defense of our country has increased steadily. The commemoration of the first National Women Veterans Recognition Week in 1984 played an effective role in this public education process, and I felt it was important to continue this very positive trend in 1985.

It is interesting to note that the formal participation of women in the military began with the formation of the Army Nurse Corps in 1901. Yet women have served in and with the military services since our country was founded. Today, women are fully integrated into all branches of the Armed Forces and continue to demonstrate the invaluable role of women in America's defense.

Despite the continous service of women throughout the history of our Nation, we have not always recognized their tremendous contributions, nor have we paid close enough attention to the needs of women veterans. That is changing and I am pleased to have played a role in increasing women veterans' awareness of and access to the VA services they need through my work on the House Committee on Veterans' Affairs.

Nevertheless, I do not believe that the recognition process has been completed. And I think this country owes it to the 1.2 million women veterans, who make up 4.1 percent of our total veteran population, to continue to educate the public about their many contributions. We also need to increase awareness among women veterans themselves so that they may have the benefit of knowing that a grateful Nation cares. A recent study indicated that, overall, women veterans have made less use of veterans benefits than male veterans, and suggested that the low rate of usage seems to reflect a problem of benefit awareness rather than preference. In one sense, I welcomed this news because it hopefully reflects an improvement in the sensitivity level of the VA to the special needs of women. In another sense, I am disappointed that a higher awareness among women veterans of the care and benefits they have earned is not apparent.

So, let us once again this year make time to honor women veterans for their fine service to this country by approving this simple but important resolution to declare next week as National Women Veterans Recognition Week.

Mr. HANSEN. Mr. Speaker, I compliment the gentleman for his fine remarks, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 47

Whereas there are more than one million one hundred and sixty thousand women veterans in this country, representing 4.1 per centum of the total veteran population;

Whereas the number and proportion of women veterans will continue to grow as the number and proportion of women serving in the Armed Forces continue to increase;

Whereas women veterans through honorable military service often involving hardship and danger have contributed greatly to our national security;

Whereas the contributions and sacrifices of women veterans on behalf of this Nation deserve greater public recognition and appreciation;

Whereas the special needs of women veterans, especially in the area of health care, have often been overlooked or inadequately addressed by the Federal Government;

Whereas this lack of attention to the special needs of women veterans has discouraged or prevented women veterans from taking full advantage of the benefits and services to which they are entitled as veterans of the United States Armed Forces; and

Whereas recognition of women veterans by the Congress and the President through enactment of legislation declaring the week beginning on November 10, 1985, as "National Women Veterans Recognition Week" would serve to create greater public awareness and recognition of the contributions of women veterans, to express the Nation's appreciation for their service, to inspire more responsive care and services for women veterans and to continue and reinforce important gains made in this regard last year as a result of the designation of the first National Womens Veterans Recognition Week during the week of November 11, 1984: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on November 10, 1985, is designated "National Women Veterans Recognition Week". The President is requested to issue a proclamation calling upon all citizens, community leaders, interested organizations, and Government officials to observe that week with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolutions just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. STRANG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the subject of the special order today by the gentleman from North Carolina [Mr. BROYHILL].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

□ 2000

A FREEDOM DEARLY BOUGHT—TRIBUTE TO AMERICA'S VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, the United States now observes 10 national holidays—commemorating the discovery of America, its founding, our wars, our work force, our religious holidays, and our leaders.

We set aside one of these holidays to honor a special group of people; a group too often ignored or forgotten during the remainder of the year. On Veterans Day, we salute those men and women who have given us our freedom, and who have protected that freedom through the centuries.

Mr. Speaker, on this Veterans Day I am asking my colleagues and others who read and hear these remarks to pause for a moment and think of the freedoms and the liberties that we have in this country.

If you have ever been outside the United States, then you know that we live in a unique society. In very few places can people express themselves freely, join any church or organization they choose, investigate the actions and comments of elected officials and the Government, choose the people who govern them, and hold public meetings to make their opinions known.

Only in America do individuals have this much liberty, and only in America is it taken for granted.

The freedoms we enjoy were not a gift—they were bought for us. Men and women have paid a heavy price for over 200 years to buy the liberty we enjoy today.

The next time you pick up a newspaper, write a letter disagreeing with your mayor or your Senator, or attend church, remember that you can do these things because someone was willing to fight and even to die for you to have that privilege.

On this Veterans Day, take a moment to say a prayer of thanksgiving for the freedom we enjoy in America, and take time to say a personal thank you to those men and women who have served in our country's military.

They understand the value of the liberties we enjoy—they were willing to risk their lives to protect them. All of us who live in the United States and enjoy the privileges of American citizenship owe them a debt that we cannot repay.

The Bible says that there is no greater love that a man can show than to lay down his life for his brother. The veterans of this country have offered their lives for us, and have given us our most precious possession.

On November 11, let's show them our gratitude and offer them our thanks and our appreciation. They deserve it.

THE HONOR OF OUR COUNTRY IS INVOLVED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. OAKAR] is recognized for 5 minutes.

Ms. OAKAR. Mr. Speaker, on October 24, Miroslav Medvid jumped from a Soviet grain ship in the Mississippi River and swam to shore in Louisiana. His every action indicated he was seeking freedom. The INS translator who spoke with him by telephone confirms his intention to defect. Astonishingly, Mr. Medvid was returned to Soviet custody, despite his struggles to break free.

In justifying its actions in this case, the administration indicated it was prepared to use force, if necessary, to win an interview with Mr. Medvid. Presumably, force would have been used to insure his rights under our laws. As it turned out, force was not necessary. After spending 24 hours in Soviet custody onboard ship, Mr. Medvid was allowed to meet U.S. officials. He signed a letter indicating he wanted to return home after all, his struggles notwithstanding. The administration is satisfied that justice has been served. I am not so sure.

Mr. Medvid's initial actions certainly speak for themselves. He was seeking freedom. When he was returned to the Soviet ship, he drew his finger across his throat. He feared reprisals.

When he met with U.S. officials, he was escorted and attended to at all times by Soviet officials as well. Mr. Medvid was not given a lawyer, nor was he informed of his right to an attorney. He was not provided with a translator in his own Ukrainian language, but instead had a Russian translator. According to newspaper accounts, Soviet officials acknowledged that Mr. Medvid had been drugged. American officials noted that he had slashed his wrist, which was newly stitched.

Clearly, Miroslav Medvid was not provided with the justice that the administration claimed it was seeking for him when it threatened force on his behalf. Now, millions of Americans have serious doubts about the manner in which this case has been handled. Many who have been contacting my office believe that the Ukrainian sailor was sacrificed for the sake of politics. Yesterday, at the U.S. Court of Appeals in New Orleans that impression was confirmed when the Assistant U.S. Attorney argued against a measure to help Mr. Medvid on the grounds that "the overriding question is a political question." Fortunately, not everyone agrees. Our country stands for certain values, like freedom and justice, that must be applied in this case as well.

It is essential that the questions on the Medvid case be answered. There is only one person that can explain his motives for jumping ship and then changing his mind and that is Miroslav Medvid. If he was mistreated by the Soviets and coerced into changing his mind, we have a moral obligation to come to his rescue. If he was not mistreated, as the Soviets and the administration claim, then no one should have anything to fear from having Mr. Medvid speak his mind in a truly neutral setting, with a lawyer and a translator who speaks his own language. On Thursday, the House Foreign Affairs Subcommittee on Europe and the Middle East will hold hearings on this case. The perfect witness at the hearing would be Miroslav Medvid. If necessary, the hearing could be postponed a few days to permit him to gather his thoughts and sort out his impressions. Since it appears he has family in our country, who have expressed concern over his well-being and his civil liberties, he could be housed in a noncoercive environment as he comes to terms with the enormous changes that have transpired in his life in the last 2 weeks. If upon further reflection, Miroslav Medvid decides that he genuinely wants to go back home, he can always do so. At least he will have had an opportunity to meet his cousins from Ohio. One thing is clear—as long as there are questions about the case, it cannot be closed. The honor of our country is involved.

CONGRATULATIONS TO GOV. THOMAS KEAN ON HIS LANDSLIDE REELECTION VICTORY

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from New Jersey [Mr. RINALDO] is recognized for 5 minutes.

Mr. RINALDO. Mr. Speaker, on behalf of my Republican colleagues in the New Jersey congressional delegation, I want to congratulate Gov. Thomas Kean on his landslide reelection yesterday, and also extend our compliments to the new Republican majority of the State assembly.

With nearly all precincts reporting, Governor Kean has amassed an outstanding 70 percent of the popular vote, and the New Jersey Assembly has witnessed a swing of 14 seats for a 50-seat to 30-seat Republican majority.

What strikes me most, Mr. Speaker, is the need to look at this election in two ways.

On one hand, this is clearly a victory for all the people of New Jersey. It is an affirmation of effective government policies that provide opportunity for all people. Our State budget is in surplus; we have witnessed a renewed sense of pride in New Jersey; unemployment is below the national average; inflation has remained low, and more than 350,000 jobs have been created during the Kean administration. The voters have clearly endorsed what has been happening in our State.

But while this election was decided on policies, I think it is also time for some partisan celebrating.

Early indications are that Governor Kean swept a majority of voters in all categories—including minorities that traditionally have voted Democratic. As Governor Kean stated, this means a "Republican candidate willing to reach out to the black community and ask for their votes is able to get them."

I agree with the Governor's point of view, and I believe our party is opening its doors and must continue to do so for all groups by demonstrating that we are the party of opportunity, the party of the future, and the party that has a brighter vision of America.

Mr. Speaker, as the dean of the Republican congressional delegation of New Jersey, I want to extend my congratulations and those of my colleagues to Governor Kean and the newly elected majority in the New Jersey State as they celebrate this tremendous victory.

We urge them to continue to work on behalf of all the people of our great State, and we wish them well when they begin their new term together.

THE NAVAL INVESTIGATIONS REORGANIZATION ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BATES] is recognized for 5 minutes.

Mr. BATES. Mr. Speaker, today I am introducing legislation to correct what I consider a fatal flaw in the U.S. Navy's investigative functions.

Through my investigations of waste, fraud, and abuse at Miramar Naval Air Station and aboard the U.S.S. *Kitty Hawk,* I have been troubled by the inabilities, failures, and flaws of the Naval Investigative Service. As a recent Los Angeles Times article reported: "* * * the NIS has developed a reputation inside and outside military circles as a weak agency that does not aggressively pursue investigations," and I would suggest that this evaluation is particularly mild. If I may cite some of the failures of NIS:

NIS investigations have been short-circuited by the senior officer of the command being investigated. A case in point is the inadequate investigation by NIS of the gun-smuggling charges involving Vice Adm. Joseph Metcalf III. As our colleague, Chairman LES ASPIN, so aptly summarized: "It is this approach by NIS (being subordinate to local command) that gives a bad odor to the Metcalf case."

There was an NIS agent aboard the U.S.S. *Kitty Hawk,* but he did not discover the abuses that later surfaced, nor did he protect the whistle blower aboard ship.

The FBI broke the Walker family spy ring with little assistance from the NIS, even though Navy personnel were selling secrets to the Soviet Union.

On August 12, Secretary of the Navy John Lehman announced a restructuring of the Naval Investigative Service. Under this reorganization plan, a new chief was selected for the service with the rank of this office being upgraded from Captain to Commander. In addition, while reports will continue to be made to the command being investigated, the Service will have the authority to initiate and execute investigations of its choosing; the Secretary of the Navy will be the only person able to stop an investigation.

While the Secretary's reorganization proposal is clearly an improvement, it simply does not go far enough; the Naval Investigative Service is simply beyond repair. The old addage "if it ain't broke, don't fix it," could be changed to read "if it can't be fixed, don't waste your time trying."

The Naval Investigative Service is operating without respect or professionalism. Considering the depth of the problems plaguing the NIS, the Secretary's recommendations are purely cosmetic. Furthermore, the changes that are necessary should not be done by executive fiat—where they can be overturned later once the problems are no longer in the headlines; the chnages must be accomplished legislatively.

In addition, a 1983 General Accounting Office report, "DOD Can Combat Fraud Better By Strengthening Its Investigative Agencies." highlights many of the points I have alluded to and suggests additional reforms which I have included in this bill, including:

An effective division of responsibility so that personnel concentrate their efforts where most effective.

A clarification of the applicability of the Posse Comitatus Act on naval investigators engaged in criminal investigations. This law is viewed as hamstringing the efforts of some investigations involving nonmilitary citizens.

Focusing criminal investigations on those cases of greatest potential loss.

Placing greater emphasis on the value and use of fruad prevention surveys.

For these reason, I am introducing legislation today that would reorganize the investigative operations of the Navy. All functions of the NIS relating to investigations of waste or abuse would be transferred to the Inspector General of the Navy. I believe, the Inspector General has the expertise and track-record to justify this transfer of jurisdiction.

Security and counterintelligence functions would be performed by a new entity established by the bill, the Security and Counterintelligence Command. This new command, with its increased rank and stature, should be able to perform more effectively in detecting, preventing and investigating cases similar to the Walker case.

Criminal investigations will be conducted by the newly-established Criminal Investigations Command. This command will be aided by several provisions in the bill which will make this an effective organization: new requirements on the preparation and execution of fraud prevention surveys will help in targetting those areas most subject to instances of fraud and other criminal activities; the command will also benefit from a clarification of the restrictions of the Posse Comitatus Act. These restrictions, designed to protect the Reconstructionist South, serve today as a hinderence to navy investigators. Under these restrictions, a civilian cannot be searched, arrested or investigated by a military investigator. This hamstrings fraud cases which frequently involve civilians. In fact, military investigtors need special permission to even work with agents of the FBI. Clearly this should be corrected. An additional provision of the bill would focus attention of the new command on those instances of fraud most deserving of fraud—though where the dollar value would appear to exceed $500. According to the GAO report. 62 percent of the cases investigated were of less than $500.

In addition, I would note that the GAO report repeatedly calls for greater independence for the investigative services—an effort accomplished by this bill.

In addition, all three commands would be required to report to Congress annually on what investigations it had undertaken during the previous year. This will further facilitate Congress' oversight responsibilities.

Mr. Speaker, I call on my colleagues to join me in this endeavor to correct a serious problem that has threatened our national security and national honor.

THE QUESTION OF THE DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho [Mr. CRAIG] is recognized for 60 minutes.

Mr. CRAIG. Mr. Speaker, I have taken this special order tonight to once again discuss with my colleagues

the question of our deficit. Certainly the question of how we arrive at a solution to that deficit, and to discuss in part the debate that has gone on in this House and the other body and in conference the last 2 weeks that I think has roundly confused the American people as to what our Congress now intends to do about deficit reduction.

Before I address that question and have some of my colleagues who are with me this evening here to discuss it, I would like to inform the Members of this House of an action that was taken this afternoon in Lansing, MI, by the Lansing State Senate. They petitioned, by a vote of 24 to 14, the Congress of the United States to convene a convention for the purpose of authoring and sending forth to the people a constitutional amendment to balance the Federal budget.

What is the significance of that act? As many of us know, the second part of article V of our Constitution says that when the Congress in essence refuses to respond to the amendment process, in other words, when the American people feel that there is a need for a constitutional amendment, and the Congress of the United States, this body, who is charged with authoring the amendment, fails to do so, that the States of this Nation may petition the Congress for the purpose of convention to write that amendment and send forth to the people for ratification. It requires two-thirds of the States. That is 34 States of the Union.

To date, 32 States have petitioned Congress for that very purpose: To author an amendment to balance the budget of this country. To place it in the Constitution as constitutional law. It may very well be that within the balance of this week, the whole of the Michigan Legislature will vote in the affirmative on this issue and Michigan will become the 33d State, and then there will be only one more State and this Congress will ultimately be faced with a constitutional crisis of their own making.

Because for years, this Congress has failed to respond to the wishes of the American people, and in poll and poll taken over the last decade, the American people have consistently said by an affirmative of 70 to 80 percent that they wanted this Congress to balance the Federal budget, and that if they failed to do so, that they would accept a constitutional amendment requiring the processes of Congress to arrive at a balanced budget.

I think it is important that this action that was taken in the Michigan Senate this afternoon be called to the attention of this body, because our time is running out. The chairman of the House Judiciary Committee, who has guarded so sacredly all of the amendments that I and others have offered to have the right of this House to act to send forth to the people is just about over. His ability to guard is within possibly hours, days, or maybe weeks of being over. He may ultimately have to send forth an amendment for us to consider because we will be up against the gun. The American people will finally have said, "Enough is enough." We now put a gun to the head of the U.S. Congress and demand that they act and that they act in a responsible fashion by bringing their revenues and expednitures into balance through the constitutional route.

There will be no alternatives at that point. This House must act. The other body must act, or they must produce enabling legislation that would allow the convening of a convention for the purpose of drafting an amendment to the wishes of the American people.

That is the choice that is nearly at hand. That is a choice that will at some point in the near future be taken out of our hands if we fail to be responsive to the needs and the wishes of the American people.

Now, that is really what the Gramm-Rudman-Mack debate of the last 3 weeks has been all about. I think without question the American people sense that there are some in the U.S. Congress who would like to place in law a procedure and a process that would bring this Government in a responsible fashion to a balanced budget by about 1991, that would have limited repercussion on the programs and the systems of our Government, but at the same time would tone down at an average rate of around $36 billion a year a growing deficit to a point of balancing expenditures and revenues.

None of us have said it would be an easy process. But there are a good many of us who would like to try and, of course, we know there are a good many in this body who would simply not like to try, who believe that the only answer to providing the wishes of their people, or more importantly of keeping themselves elected to this body, is to fulfill the old adage of tax and spend, or as one person said the other day, the new adage of borrow and spend.

In the coming days we will once again in this House in conjunction with the Senate convene a conference, and that conference's responsibility will be to attempt to adjust the Gramm-Rudman amendment to a point that all of us can agree on, to serve as enabling legislation to produce by 1991 a budget of this Government that is in balance in revenues and expenditures. Hopefully, once that enabling legislation is accomplished, this body will see the wisdom to then send forth a constitutional amendment for the consideration of the three-fourths of the States of this Nation that would ratify it within a short period of time.

As hard as we work here in our effort to try to bring the budget into balance, I think there is a growing cynicism among the American people that they do not trust us, they do not believe we will do it, and they will assure that we will do it by an act much like the one taken by the Michigan Senate this afternoon, to force a constitutional amendment that would require a balanced budget. And then ultimately they would say, "Now, Congress, it is your responsibility through whatever action you take or justify in taking to bring that budget in balance somewhere by 1990 or 1991.

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. CRAIG. I would be happy to yield to my colleague from Florida [Mr. MACK] who serves as one of the authors and major sponsors of the enabling legislation that I just referred to.

Mr. MACK. Mr. Speaker, I thank the gentleman for yielding.

The point that I guess caught my attention was when the gentleman from Idaho referred to the fact that the American people really do not trust what they hear coming out of this place anymore.

I would suggest one of the problems I have with the Democratic alternative to the Gramm-Rudman proposal is that on the one hand it gives the impression that the goal is to reach a balanced budget by 1990, I believe.

Mr. CRAIG. I believe in their proposal it was that, yes.

Mr. MACK. It also says that in the first year that the deficit target should be $161 billion.

But what almost never is discussed is the escape clause that they put in. I think that if most voters around the country, most citizens around the country, if they read they would say, "There they go again."

□ 2010

They tell us one thing and yet they do something else to let themselves off the hook, because what it basically says is this. It affirms that if the real rate of growth in the country is 3 percent and remains steady over a period of time, there would be no changes in the targets that have been established. Three percent real growth across the board for 5 straight years.

It says that if that target is not met, let us say that the growth rate of the country is 3.2 percent, then they say we are to cut more out of the deficit because the country can afford more.

Then they say if the growth rate is 2.8 or 2.9 percent that we change the target.

Now, here is how it works. They are saying there will be a reduction of 20 percent a year over 5 years; in other words, from the target that they started with, $161 billion, take 20 percent

of that over the next 5 years and you get zero.

Mr. CRAIG. Now, the 161 the gentleman is referring to is the 161 deficit, the $161 billion of deficit?

Mr. MACK. That is the claim that our colleagues on the other side of the aisle make as to what their objective in the 1986 spending and revenue program would produce, a deficit no greater than $161 billion.

Let me just finish up with my point here. What is claimed is that for every one-tenth of a percent below the 3-percent real rate of growth, a 1-percent reduction takes place in spending. In other words, 1 percent would equate to a 19-percent reduction in the deficit. Then 2.8 would be an 18-percent reduction in the deficit; a 2.7-percent real growth would be a 17-percent reduction in the deficit.

The point that I am trying to lay out is that there is no such thing as a goal certain in the proposal they put together.

They claim, and I would give them some credit for that, that should economic policy, pure economic theory, would state that when you have slower levels of economic growth you should not reduce the deficit as much; but on the other hand, they make the argument that in the first year they want to reduce the deficit from—what was the projection earlier this year, $210 billion to $220 billion—they want to reduce the number from $210 billion or $220 billion down to $161 billion during a period of time in which we have experienced during the last three quarters about 2½ percent real growth.

Now, under their formula one would think they would come to the conclusion by their own analysis that the reduction in the deficit would be smaller this year as opposed to greater, as they have come up with.

Mr. CRAIG. What the gentleman is telling me then, let us say that I am the average American citizen who has had difficulty in understanding and following this issue, but I am led to believe that whatever this body or the other is working on, that if they agree and pass it, that by 1991 revenues and expenditures will be in balance.

But I think I heard the gentleman just say that in the Democratic proposal, well, that is not necessarily the case, that there is an escapability written into that proposal that might say the budget would never be balanced.

Mr. MACK. Well, that is absolutely correct. That is exactly the point I am making, that apparently they want some wiggle room, and I can understand why they want some wiggle room; but what we are saying in our proposal is—let us contrast it with what we are saying. We are saying that we want to establish a target the first year of $180 billion. And immediately, what do we hear? "Oh, that is a phony thing. They have set that up so that there will be no action taken on the deficit-reduction plan."

I think anybody who understands what is going on in the economy says that one thing for sure is that even at $180 billion there will be a sequestering order that is going to be in the neighborhood of $20 billion to $25 billion. There are going to be real spending cuts and I think if the gentleman will notice what happened here earlier today, we made a proposal of an 8.2-percent reduction across the board in the water bill that we were talking about earlier.

I was pleased to hear that the committee was ready to accept that proposal; but that is the only way we are going to meet it, if we start going after each program and reducing across the board.

Mr. WALKER. Mr. Speaker, will the gentleman yield just for a moment?

Mr. CRAIG. I yield to my colleague from Pennsylvania.

Mr. WALKER. I think the gentleman is making a good point, but let us make this very clear. The committee indicated they were willing to take the amendment, but then rose before we could vote on the amendment. Some of the people have said since that they did not think that was a real figure, so we may want to come back and revisit that later on.

So the fact is that they denied us a vote on that specific issue, knowing that if it won, it would give them problems. Their perception was that it would have a good chance of winning on the House floor, so I think we saw clearly once again an attempt to escape the very obligation they say that they are willing to impose upon themselves and on the U.S. Government.

I thank the gentleman for yielding.

Mr. MACK. Mr. Speaker, will the gentleman yield further?

Mr. CRAIG. I yield to my colleague.

Mr. MACK. The specific targets in our bill are $180 billion in the first year; $144 billion in the second year; $108 billion in the third year; $72 billion in the fourth year; $36 billion in the fifth year, with zero.

These are real numbers. There are no escape clauses.

We do say, however, that if there is a recession, not from some change in the economic level of activity in the country, but if there is a recession as identified by two consecutive quarters of negative GNP growth, that there should be some escape clause, that the Congress would have to act. They would have to say yes, we agree with that. We ought to waive the provisions at this time and adjust the spending and taxing proposal.

Mr. CRAIG. What the gentleman is saying, let me follow through on this, because one of the things that concerns me and concerns a good many of the constituents in my district when they say, "But you said one thing and you did another. We can't understand why you say what you say and then do what you do. They don't seem to be consistent."

The gentleman is saying that in the Democratic proposal that the mechaism allows a certain escape without a specific action on the part of the Congress. If the figures are there, you get into a negative growth or a lower growth proposition——

Mr. MACK. Just a lower growth, just if we got down to a level where we are today.

Mr. CRAIG. In other words, then, it automatically triggers itself. We would not have to stand here on this floor and vote yes or no, that we wanted to spend more or less, depending on the economic conditions.

In other words, we would not have to make a public commitment, if you will, by the statement of an affirmative or a negative vote as to how we wanted to spend money.

Mr. MACK. That is exactly right.

Mr. CRAIG. Ours says that we are required to act. Theirs allow the machinery of the system, if you will, to function.

Mr. MACK. Let me go a step further. There is another escape clause.

Mr. CRAIG. In whose?

Mr. MACK. In the Democratic alternative, the Rostenkowski plan, as I believe it is referred to. It is an escape clause based on unemployment.

Now, let us just assume, and here is how the formula works. If there are two consecutive months where the unemployment rate is 1 percent higher than it was 1 year ago, the whole thing is void.

Mr. CRAIG. Does it take into consideration seasonal adjustments?

Mr. MACK. There is no mention of that in the proposal.

But let us just assume they were for a second. I mean, that was a legitimate proposal there. Again what they developed is an escape clause based on a recessional concept that says the employment level is the thing that you ought to set as the triggering mechanism.

But again, think of what I said. Two consecutive months where the unemployment rate was 1 percent higher than what it was a year ago.

Now, let us just build a scenario here. Let us say that over the next year that we see a gradual reduction in the unemployment rate in the country from 7.1 percent, where it is today, to 6 percent by a year from now. What would happen under this proposal is that 1 year later if we were back to 7.1 percent, that would be a recession and therefore there is an escape clause to get out from under this whole proposal.

Mr. CRAIG. So the policy or the principal built within the Rostenkowski or the Democrat alternative is really back to where we have always been, is it not, that we spend and that we justify almost any activity in the economy as a reason to spend and the reason we do that is because the way to solve the problems in this Nation is to provide a Federal program.

I mean, I am kind of getting that sense.

The gentleman says that if unemployment bumps 1 percent up, that triggers their system, it says there is a recession and allows them to spend beyond the target levels as proposed within their package.

Mr. MACK. Absolutely, absolutely, and again just to close my remarks for this portion and I will be glad to yield to someone else, the gentleman started out by saying the American people have a great deal of problem in dealing with us in any real degree of faith. We say one thing, we do another.

All I am saying, it seems to me there are two clear alternatives here. Do you want to establish a goal certain? Do you really want to make the effort to get a balanced budget by 1991? Do you want to establish targets that you will really live with and stick to?

It is very simple, very clear, very across the board, or do you want to come up with kind of a mumbo-jumbo kind of shell game, here-today-gone-tomorrow type of thing, that says yes, our goal is $161 billion the first year, but we are not real sure of what it is going to be in the second year, depending on the level of economic growth and what might happen with the unemployment rate.

Mr. CRAIG. Let me ask the question then, if I were a citizen out there wanting this Congress to balance its budget and I wanted to write my Congressman and tell him that, which one would I tell him to vote for?

Mr. MACK. Well, I think it is pretty obvious to me.

Mr. CRAIG. I mean, it is really a black-white, yes-no kind of issue that a lot of my constituents have to deal with and ask me that question. "Don't give me all the rhetoric. Tell me which one is going to get the job done."

Mr. MACK. Clearly, the alternative to vote for is the one that everyone talks about. It is the Gramm-Rudman proposal here in the House that is called the Mack-Cheney bill. That is the one. That is the alternative that is going to do it.

Mr. CRAIG. The primary reason for that is because it establishes targets. It does not allow an escape unless there is a very real open public vote of this body.

Mr. MACK. That is correct.

Mr. CRAIG. Recorded vote by this body.

Mr. MACK. That is correct.

Mr. WALKER. Mr. Speaker, will the gentleman yield to me?

Mr. CRAIG. I am happy to yield to my colleague, the gentleman from Pennsylvania.

Mr. WALKER. It is important to recognize that a few moments ago on the House floor the Democratic Party almost en masse, with the exception of two, voted not to establish those targets. Clearly, the vote was shall we have the targets or shall we go with mumbo-jumbo. They voted for mumbo-jumbo, because it was clearly in the instructions that what we wanted to do was to assure them that we had a formula for getting there and that was voted against.

There is another portion of this, though, that also shows how phony the whole process is. The gentleman from Florida has outlined I think fairly specifically what is wrong in the formula that they have put in place if in fact this whole plan would go into effect; the problem being that there is another issue called separability that has been raised, which is a fancy word for self-destruct.

Mr. CRAIG. Would the gentleman explain in good, clear, simple, plain English what separability means?

Mr. WALKER. That is what I want to try to do, because I think it is important that the American people understand that there has been a three-step process built into the Democrat's proposal that is designed to make sure that it never goes into effect, that the whole thing folds up and goes away before it ever goes into effect.

It starts with this. It starts with the premise that there ought to be a court test of this whole process before anything takes place.

The second part. It says that if you have something in the courts that fails the constitutional test, if any one part of the bill fails a constitutional test, as defined by the courts, the whole proposal goes down. In other words, you lose the whole thing. You do not lose just one part, you lose the whole thing.

Mr. CRAIG. That is like an English teacher grading a student's term paper and he misspelled one word, so the whole term paper was "F."

Mr. WALKER. That is right. That is precisely what we are doing.

Then the third portion is you build into the proposal something which is clearly unconstitutional, which in at least two instances they have done in their proposal.

□ 2025

Mr. CRAIG. That is like the English teacher telling the student how to spell the word, knowing he or she has told the student that it was spelled wrong, so, therefore, the student uses it in the term paper and the term paper gets an "F."

Mr. WALKER. That is exactly what they have done, because in this case they have put at least 2 provisions in, one of some constitutional question, one of no constitutional question that it is unconstitutional.

One thing that they have put in was a CBO review only, that CBO would be the only one that could trigger the sequestering process, thereby leaving the Executive out of the whole process. That is probably unconstitutional.

However, there is another portion in the bill that is very unconstitutional as far as I am concerned, and that is that they take away, in limited instances within their bill, the President's veto power. That is an obvious constitutional power of the Executive that is stripped away in certain instances under their approach. So the courts would have no authority whatsoever to do other than to declare the bill unconstitutional, or to declare those parts unconstitutional, and that triggers it right back. Having declared one portion of the bill unconstitutional, the whole bill becomes unconstitutional and that, in fact, assures that it never goes into effect.

So they have built that kind of self-destruct mechanism in. That is the reason why they can get unanimity on their side on these issues. That is the reason why everybody lines up. They know the whole thing is a phony, that it is never going to take effect anyhow.

The severability issues, for all of the high-faluting lawyer talk that we get out here on the floor, is simply this: It is a time bomb designed to destroy the whole process before it ever takes effect so that the spenders can go on doing their things, this crisis will be by them and we will no longer have to face the issue again. They voted again on the same action here just a couple minutes ago to keep severability in. In other words, they voted for no formula that gets us to a balanced budget and they voted to keep the self-destruct mechanism in place.

It is clearly now the Democratic Party in this House that is against doing something to get to a balanced budget. There can be no other conclusion that can be drawn from the vote that we cast just a few minutes ago on the Lott instruction motion.

Mr. CRAIG. I thank my colleague from Pennsylvania for clarifying that. I know that some of the things that we do here, and certainly some of the words we use or the processes become confusing and that has been confusing to me, and I am pleased that the gentleman has outlined it and broken it down in a very clear way so that I think I and others can understand it.

Mr. STRANG. Mr. Speaker, will the gentleman yield?

Mr. CRAIG. I would be happy to yield to my colleague, the gentleman from Colorado.

Mr. STRANG. I thank the gentleman for yielding.

Mr. Speaker, I thank my friend, the gentleman from Idaho, for having this special order and I am most gratified to hear that the State of Michigan has become the next State to approve a referendum to call for a constitutional convention to call for a balanced budget. I believe that leaves one State to go. Am I correct?

Mr. CRAIG. If the house in Michigan now approves this measure passed by the Michigan State senate, then, yes, it would leave one more State to go.

Mr. STRANG. I have to say "Hurrah" to the State of Michigan and hope that they have enough backbone to carry through as a body in this proposal, because as a new Member of Congress, this gentleman arrived in Washington with an amendment in his hand which he dropped into the hopper to offer a constitutional amendment to balance the budget.

I believe that Jefferson meant it when he said we should have it. I know that this Congress has proved that we need to have a balanced budget. I believe that our exercise in discussing Gramm-Rudman and the Rostenkowski proposal has been an exercise in attempting to come to grips either genuinely or disingenuously with the question of balancing the budget.

But I also know from past experience that this body passes laws, and it can un-pass laws. So no matter what we do with laws requiring us to balance the budget, the people of the United States expect us to come through with more than that. As a new Member, I realize that when the Democratic majority in the House of Representatives put forth a program protecting certain areas of the budget, they had necessarily to threaten other parts of the budget, and I have to ask some rhetorical questions, if I may have leave to do so.

When it came to agriculture and the Democratic Party made some choices in this body, on top of all the other things that are happening to the American farmer, did they really mean to add $577 million more in cuts from aid to agriculture than they would have had under the $139 million available to them as a choice under Gramm-Mack?

Did the Democratic House of Representatives, did the leadership, have to choose to cut elderly handicapped housing by $49 million when they had an opportunity under Gramm-Mack to cut only $12 million?

Did the Democratic House of Representatives, in its wisdom and its leadership, really have to cut from the Job Training Partnership Act $241 million when, in fact, under Gramm-Mack they might have only cut $80 million?

Did this House have to cut from the Job Corps $50 million when, in fact, they were offered the opportunity to cut $12 million?

In compensatory education, did this House have to stand up and cut $304 million when, in fact, under Gramm-Mack they could have cut $51 million?

Handicapped education: Did this House have to cut $109 million from handicapped education when, in fact, they had the opportunity to vote for Gramm-Mack which offered cuts of $25 million?

My friends, this is a litany of choice which I, for one, have to ask: Is this the prudent way to do it? Is this the way you start the cuts when you are going through a series of quarters of relatively slow growth in this country? Is that when you put the hammer down?

Severability. My colleagues talked about severability. Severability, in essence, is simply a prudent measure which every legislative body in this country uses to protect the public from having the good parts of legislation thrown out with parts that may be imperfect, so we do not throw out, if you will, the baby with the bath water. Every State legislature does it. This Congress does it. Anybody who would put forth a piece of legislation and take out the severability clause is engaging in an act of cynical assassination on that bill that is as evident to its author as it is to all the rest of us.

Mr. CRAIG. Let me thank my colleague, the gentleman from Colorado, for those observations.

Last weekend I was home in my district speaking to a group of farmers, and they were concerned about the farm bill that had just passed the House and now working its way through the other body. They said, "How does that program, or that idea, or that—" and finally I said, "You are talking about the Rostenkowski balanced budget-debt limitation measure we passed out of the House last night." This happened to be on Friday when we took that action and I was in my district on Saturday.

They said, "Yes."

I said, "Well, I will tell you how it comes down. You lose and everybody else wins because that alternative which I opposed decided to divide an awful lot of issues and it cannot speak to fairness and equity across the board."

I know I have been consistently told by my constituents, "You can cut the budget and we want you to do it. In fact, we ask you to do it. But do it fairly, equitably, and across the board. Treat all programs alike and then we can accept it because we know that if we are benefiting from a program and we are going to take a reduction, somebody else is going to, also."

But, of course, that is not the way that program came about.

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. CRAIG. I would be more than happy to yield to my colleague, the gentleman from Florida.

Mr. MACK. I thank the gentleman for yielding.

Mr. Speaker, let me just kind of build on what the gentleman from Colorado was saying, to attempt to explain why one program would see much larger cuts than the other one under the two proposals.

The significant difference really is because of two things. One was that the Democrats desired to get to $161 billion in the first year and, by the way, that figure was arrived at because, again, they felt that the $180 billion that we had established was done for the purpose of avoiding any sequestering action during 1986. Again, I think anybody who knows and has any understanding of the spending patterns of the Nation and the economic flow of things knows darn good and well that the deficit is going to be large enough this year to require a sequestering order to go into effect under the plan passed by the Senate.

The other thing that requires such a larger hit in a number of other programs is because clearly, when you make the decision to exempt some programs, it means that someone else has to pick up the slack. What has happened in the Democrat alternative, or the Rostenkowski deficit reduction plan I guess as it is known, is that there are nine programs that have been added to the exempt list, totally exempt, not put in category I where you can only reduce the automatic cost-of-living adjustments and bring those down to zero. These nine programs are moved totally out of this proposal.

□ 2035

In addition to that, the Democratic plan takes the Medicare Program, that portion which is not affected by COLA's, which is about 97 percent of the program, and moves all of those funds from category II to category I whereby the end conclusion is that only 3 percent of the Medicare dollars are impacted by COLA adjustments.

Mr. CRAIG. Category II is the nonexempt?

Mr. MACK. There are actually three categories. There is the exempt category. Category I are those programs that have automatic cost-of-living adjustments, a COLA, as some people refer to it, and category II are what we call the controllable accounts, and that is supposed to be everything else.

The difference between the two proposals is that roughly, under our proposal, that is the Republican alternative in the House, there are approximately $490 billion in those funds or

that pool of funds. Under the Democratic alternative, there are about $285 billion.

So when you start out with a program that says you are going to cut more, but you are going to cut more out of a smaller number of programs in dollars, that means that those programs have got to get hit harder.

An example that was not mentioned earlier. Under the Veterans Medical Care Program the Senate proposal would require—now, this is again under CBO who has made some projections based on what they think economic activity for the balance of the year would be and what the spending patterns would be; therefore, they have come to a conclusion that there would be a sequester order that would go into effect. Under that sequester order, they say, in effect, in order for the Senate plan to reach the target, there has to be a 1.9 percent reduction in spending in that pool of funds, roughly $490 billion.

In the House plan, because of the large number that has to be met, that is the larger deficit savings have got to be met.

Mr. CRAIG. In other words, to cut more from less.

Mr. MACK. And the fact they are cutting more from less, it states that 8.22 percent must be cut in those programs that are left in the controllable account.

Very simply what that means is that in 1986 fiscal year budget authority under the Senate plan for veterans medical care would be reduced by $172 billion, the budget authority. Budget outlays would be $150 million. Under the House plan that was voted on last Friday, the Gramm-Rudman proposal or the Mack-Cheney proposal was defeated in the House again today, so it was a vote again for their proposal, so there should be a $737 million reduction in budget authority under the veterans medical care, which converts to a $641 million outlay reduction.

I am mesmerized by the fact that people come up here time after time and keep rolling out this word of fairness to us. Fair to who? Is it fair to one group to exempt those nine programs and say now those who are left in the pot are going to have to pick up the additional hit?

I would leave that to the American people to decide whether that is a definition for fairness.

Mr. WALKER. Will the gentleman yield?

Mr. CRAIG. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding because I think that point is an important one to build on. We heard a number of speeches in favor of the Democratic proposal that was brought to the floor saying what they were doing was protecting veterans. They, in fact, protected veterans compensation, but for the real veteran who is sick, the wounded person that is really in need of help, the person who is hospitalized, what they have really done is they have slashed those accounts to an even greater extent than could even be imagined under the Gramm/Mack proposal. In fact, what has been cited by the gentleman here is that they are taking four times as much out of the account that would help the veteran who is in real need, the one who is in the hospital.

Mr. CRAIG. Here on the floor Friday, we heard and saw several of our colleagues who may have been with us vote for the Rostenkowski alternative because it "protected veterans."

You are saying it only protected COLA's in, let us say, retirement and also in disability compensation.

Mr. WALKER. That is right.

Mr. CRAIG. But it did not protect them in the medical area. And, of course, that is the area where those large numbers of World War II veterans are now moving into.

Mr. WALKER. Those are the veterans hospitals.

Mr. CRAIG. That is right, and it did not protect them.

Mr. WALKER. It did not protect the veterans hospitals whatsoever and, in fact, subjected the veterans hospitals to greater cuts as a result of protecting other favored programs that were enumerated in their bill.

There is one other point I think I would like to make that is in answer to the gentleman from Colorado, who I think pointed out very specifically the kinds of cuts that are taking place in the program. The point is that the Democrats do not believe those cuts can be made.

The one reason why they vote for this is they are front-loading the program in such a way that they hope again it will destroy itself. If, in fact, you do or would try to do what they are proposing here of taking $173 million out of authority for the low-income energy assistance program versus $40 million in the Gramm/Rudman package, they know that they would never get that $173 million figure. They think you might be able to get the $40 million figure. They know we would never get the $173 million. They know, for example, that in the social services block grants that when you start talking about cutting $224 million out of budget authority that you probably cannot get that. You might be able to get the $52 million that is in the Gramm/Mack proposal.

In other words, they are setting it up for a fall again, because what they can then come back and say is that it did not work. You know, we tried. We had a proposal out there that tried to reduce deficits based upon the formula that you give us, and it did not work.

You see, they did the same thing, they front-loaded the tax program in such a way that it did not kick in until 2 years down the pike. We suffered through a recession in this country because instead of giving us a 10/10/10 tax cut program, we get a 5/10 and 10, and the 5-percent tax cut that we got up front in the front-loading of the process assured that we would go through the recessionary period before we could pull ourselves out when the real tax cut got into place.

The same thing is being tried here. There is an attempt to front-load the spending cut process in such a way that they hope it will fail.

I would suggest that this is one more chapter in the point that we were making here before that there is really three attempts within the Democratic proposal to torpedo the balanced-budget process, and that is why many of us believe that there is something less than sincerity in the attempts by the Democrats to present an alternative on the floor.

I thank the gentleman again for yielding.

Mr. CRAIG. I thank my colleague from Pennsylvania for bringing out those points. I guess I have never questioned sincerity on the part of any Member of this body.

I do, by your observation, certainly have to question the intent. And if the intent is to balance the budget, and the result is to not allow that to happen, then I guess the conclusion you could draw is are those who would support the type of action you have mentioned sincere in their approach?

I think in concluding this special order this evening, I would say that there were 24 very sincere senators in the State legislature in Lansing, MI, this afternoon, sincere in telling this Congress that the economy of the State of Michigan is not going to improve until the fiscal policies of the U.S. Congress improve. That is why they are attempting now to send us a very important message and to become the 33d State to petition the U.S. Congress.

I was up in Lansing, MI, Last year talking with the State legislators and encouraging them to move in the fashion that they are currently moving. I used a figure that I find still holds true in the State of Michigan, a figure that was put together by the American Enterprise Institute and some polling that was done by a couple of national polling firms. That is that a constitutional amendment requiring a balanced budget, to have it in the U.S. Constitution, would bring long-term interest rates in this country down by 2 full percentage points within a 6-month period. And in the State of Michigan alone, that would equate to 30,000 more people being employed if

long-term real interest rates were to drop by only 2 points.

In other words, the economy of this country would recognize the inability of Congress to continue this wild spending habit that we have been engaged in for decades. They would know that we would be able to take less and less of the gross national product, either in the form of taxation or borrowing, and it would leave more out there in the private sector for the purpose of investment, which would ultimately bring interest rates down, and as a result of that, 30,000 more people would go to work in the State of Michigan alone.

I congratulate my colleagues here who support the Gramm-Rudman-Mack approach, and that sincere effort, and I congratulate 24 State senators in Lansing, MI, this afternoon for having the strength and the wisdom to tell this Congress to get its act together, to balance the budget, and to become fiscally responsible.

I also thank those of my colleagues who have joined with me this evening in this special order, and I yield back the balance of my time.

THE ARMENIAN GENOCIDE AND THE OUTCRY IN THE AMERICAN PRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. EDGAR] is recognized for 60 minutes.

Mr. EDGAR. Mr. Speaker, I have been very patient today and on several occasions I wanted to get up and to challenge my colleagues, but I will leave their statements unchallenged at this point.

Mr. Speaker, it is a privilege for me to sponsor the third in a series of special orders on the American response to the Armenian genocide. My colleagues Mrs. JOHNSON and Mr. PASHAYAN have already demonstrated for us that both the Congress and our Presidents were deeply troubled by the atrocities committed against the Armenians in Ottoman Turkey and tried, over the course of some 30 years, to bring about an end to the massacres.

Today's special order examines the reaction to the Armenian genocide within the American press—in particular the New York Times and the Washington Post—during the period that pre-dates the most notorious genocidal massacres of 1915-23. I would like to thank the Armenian Assembly of America for seeking out this important information and for bringing these articles to my attention.

I hope to remind members of this body that the Armenian genocide was an issue of central concern in the United States as far back as 1890. This tragic period in history merits remembrance by Americans today, many of whom can still recall the national appeals by President Wilson and others to contribute toward the relief of the suffering Armenians.

House Joint Resolution 192, a measure that would designate a day of remembrance for victims of the Armenian genocide, is still before us. This commemorative resolution has the support of a clear majority of the members of this body. Yet, the present Government of Turkey and its Ambassador in Washington have lobbied heavily for the defeat of this resolution, claiming that the Armenian genocide did not occur and creating the false impression that this resolution somehow has a connection with modern Turkey and its relations with the United States.

This approach by our NATO ally is not constructive. There is no inconsistency in the preservation of both the integrity of American history and our friendship with Turkey today. Turkey is calling upon Members of Congress to turn our backs on 90 years of Presidential, congressional, and public recognition of the Armenian genocide. The denial of history cannot occupy a central place in our relations with Turkey.

As early as 25 years before the 1915 period of deportations and massacres of Armenians, reports of atrocities on Ottoman Turkey were reaching the United States. On July 26, 1890, the New York Times ran an article entitled "The Erzeroum Massacre—Armenians Slaughtered and the British Consulate Stoned." The article stated, "The soldiers began a massacre of the Armenians and the Turkish populace joined in the attack * * * Numbers of Armenians, relying on the promises of Turks to escort them to places of safety, were murdered in the streets. Fifty bodies have been found, mostly of persons who were bayoneted; 350 persons were wounded, and 100 are missing." Similar articles continued to appear throughout the year.

Heavy coverage of the massacres appeared again in 1894. On November 19, the New York Times published a piece called "The Massacre of the Armenians," which stated in part: "From many sources, confirmation of former reports of the massacre have been received. The utmost endeavors have been made to prevent the facts from becoming known." On December 2, a Times article entitled "Great Britain Aids Armenia" reported that "a large force of Turkish regulars, with Kurdish and Hamadic cavalry, acting under orders direct from the Turkish capital, destroyed 25 Armenian villages, and massacred some 4,000 men, women, and children." By February 19, 1895, the Washington Post, in an article entitled "Armenian Massacres Confirmed," reported: "The Italian consul at Erzeroum has reported to his government that he has confirmed the accounts of the Armenian massacres with the testimony of eye witnesses."

Throughout 1895, reports of atrocities continued to reach America. On September 10, the New York Times ran an article with the telling headline, "Another Armenian Holocaust", in which it reported that "a force of 1,000 Turkish troops was sent to Kemokh, and five villages were pillaged. Five thousand persons were rendered homeless. Men, women, and children were tortured. Four monasteries were sacked. It is reported that the Turkish minor officials have formed an anti-Christian society to slaughter Christians * * *". By December 1, 1895, the same newspaper ran an editorial entitled "Prompt Relief for Armenians," in which it stated:

* * * It is a simple fact that the wealth, intelligence, and character of the Armenian people all over the empire have been almost blotted out * * * the central Government has not merely been cognizant of the outrages, but has distinctly ordered and encouraged them.

In a December 29 article entitled "Cruelty of the Turks," the New York Times published a chronological list of atrocities in various regions of Ottoman Turkey, including this description of an October incident: "October 27-30—In the district of Kara Hissar Sharki nearly all the Armenian villages (27 are known) were destroyed, numbers of the men killed, and a great number of young women and girls were carried off to be incorporated in the Mohammedan population."

The constant flow of reports about Ottoman Turkish atrocities against the Armenians led the Senate and House to approve a resolution denouncing the massacres. The New York Times carried stories of the congressional action during January 1896, including one on the 25th entitled "An Appeal to the Powers—the Senate Reminds Them of Their Duty to Armenia." By February 2, the New York Times carried a UPI story entitled "Press Censorship in Turkey—United States Senate Resolutions Withheld from Circulation," which stated: "* * * the Government has forbidden the circulation in Turkey of the English newspapers of January 27, which contain dispatches from Washington giving the United State Senate resolutions regarding the condition of affairs in Armenia, and also a report * * * by the Right Hon. Joseph Chamberlain, Secretary of State for the Colonies, in which Mr. Chamberlain declared that the condition of Armenia was a danger and a disgrace to Europe."

The massacres continued throughout 1896 and 1897. On March 24, 1897, the New York Times carried an article entitled "The Armenian Massacre—The British Ambassador in Turkey Makes a Strong Remonstrance," and another piece on the 26th of March entitled "Seven Hundred Killed—the

Massacre of Armenians at Tokat More Extensive Than Was Reported." On July 13, it ran another article under the title "New Horrors in Armenia—Turks Boast of Having Sworn to Wipe Out the Christians Slowly but Surely."

Despite these shocking accounts of mass human destruction, the current Turkish Ambassador, The Honorable Sukru Elekdag, has repeatedly written to Members of Congress asking us to reject this history. In light of the past American record on this issue, we simply cannot comply with his wish. Tampering with history is a dangerous exercise and, as we saw in the Bitburg incident, a morally repugnant one. The credibility of modern Turkey would be enhanced greatly if it would allow the past to be left alone for those who seek to remember, not for those who wish to rewrite.

Our desire today, however, is not to tell Turkey how to handle its affairs. It is simply to remember a period of American history that is dear to many citizens of this country—to Armenian-Americans as well as to those who remember this era of selfless dedication by Americans to the salvation of the Armenian people. The effort to have a national day of remembrance designated for the victims of the Armenian genocide began 10 years and must at last be approved by both Chambers and signed by the President. The 10-year effort by the Republic of Turkey to block this remembrance by the United States must cease.

House Joint Resolution 192 is now awaiting action in the Rules Committee. I urge Chairman CLAUDE PEPPER to schedule the resolution for committee consideration as soon as possible. This body must approve House Joint Resolution 192 when it returns to the floor.

I include the articles I have referred to in my remarks in the RECORD.

[From the New York Times, July 26, 1890]

THE ERZEROUM MASSACRE—ARMENIANS SLAUGHTERED AND THE BRITISH CONSULATE STONED

LONDON, July 26.—The News gives the following details of the recent riots at Erzeroum: "On June 20 the soldiery were ordered to disperse Armenians who were holding a meeting in a churchyard. The soldiers began a massacre of the Armenians and the Turkish populace joined in the attack. The shops and houses of the Armenians were pillaged. The sack lasted four hours."

The British Consulate at which on the same night a fete was being given for the benefit of poor Armenians, was stoned and its gates and windows were broken. The Consul and the members of his family took refuge in the cellars of the building and the fete was abandoned. The American Mission served as a refuge for fifty fugitives.

Numbers of Armenians, relying on the promises of Turks to escort them to places of safety, were murdered in the streets. Fifty bodies have been found, mostly of persons who were bayoneted; 350 persons were wounded, and 100 are missing.

[From the New York Times, Nov. 19, 1894]

THE MASSACRE OF THE ARMENIANS—AN INQUIRY TO BE MADE BY THE PORTE INTO THE TRUTH OF THE REPORTS

LONDON, November 18.—The Daily News' correspondent in Constantinople says, in a dispatch concerning the massacre of Armenians in the Sassoun district:

"Sir Philip Currie sent Consul Hallward's report on the incidents at Sassoun to the Porte, in order to indicate the serious nature of the events. The Porte, instead of accepting this in a friendly manner, brusquely denied the facts, asserting that Mr. Hallward's report is untrue. It was insituated or stated outright that he had encouraged the Armenians to revolt. This was, of course, ludicrous and absurd.

"Sir Philip Currie at once informed the Foreign Minister that he should take steps to verify his assertions. His energy paralyzed the Porte, who on Saturday withdrew the allegations against Hallward. The Sultan ordered a commission of three military men and a civilian to make an immediate inquiry.

"From many sources, confirmation of former reports of the massacre have been received. The utmost endeavors have been made to prevent the facts from becoming known. A number of Armenians who fled toward Trebizend have been ordered to return."

[From the New York Times, Dec. 2, 1894]

GREAT BRITAIN AIDS ARMENIA—EXPLICIT WARNING TO THE PORTE ABOUT THE BERLIN RULE

GOVERNMENT ORGAN AND QUEEN VICTORIA'S BEHAVIOUR EMPHASIZE THE IMPRESSION OF ANGLO-RUSSIAN DEAL

LONDON, December 1.—Rustem Pasha, the Turkish Ambassador to Great Britain, had a long interview last evening with the Earl of Kimberley, Secretary of State for Foreign Affairs, in which, it is understood, he gave Lord Kimberley such a detailed statement of the intention of the Porte to make an honest investigation in regard to the Armenian atrocities as satisfied the Foreign Secretary that the matter would be thoroughly sifted.

Sir Philip Currie, the British Ambassador to Turkey, has also telegraphed to the Foreign Office a statement giving reasons which lead him to suppose that the commission appointed to investigate the matter intends to make an unbiased report. This semiofficial information conveys what the Government wish the public to believe, but withholds the exact truth regarding the position of affairs, which is that the Porte is acting under an explicit warning from England that Article LXI of the Berlin treaty, which guarantees the security of the Armenians, will be enforced through the intervention of the powers unless the result of the commission's labors shall be absolutely satisfactory and the reforms promised in Armenia be effected without delay.

The Speaker, in an article on the subject, predicts the failure of the Porte to meet England's demands, and forecasts Anglo-Russian intervention in Armenia as the inevitable outcome of the present condition of affairs. The paper says that the Porte after a long delay will produce a plan for illusory reforms, and that is the meantime the process of extirpation of the Armenians will proceed unchecked, and adds: "The Government ought to recognize that the time for words is past."

The first fruits of the proposed Anglo-Russian entente, The Speaker continues, may be Russian occupation of Armenia, as no power but Russia can reach the scene of action without raising the question of opening the Dardanelles and the complex negotiations connected therewith, and, as a precedent for such action, the paper quotes the British occupation of Egypt.

This important utterance of a Government organ is accompanied by an authoritative communication from Constantinople, declaring that, after the Armenians had repulsed the Kurds, a large force of Turkish regulars, with Kurdish and Hamadic cavalry, acting under orders direct from the Turkish capital, destroyed twenty-five Armenian villages, and massacred some 4,000 men, women, and children. There is nothing, adds the correspondent, exceptional in this massacre but its proportions.

The same thing, on a small scale, is going on throughout the large districts, where Christians, Nestorians, and Armenians are being exterminated.

With reference to Egypt the article points out the probable extension of the Anglo-Russian entente. If Russia shall occupy Armenia, as the representative of England, under the Anglo-Turkish convention, in which Armenian reforms were further guaranteed, the French policy in Egypt will receive a decisive check.

[From the Washington Post, Feb. 19, 1895]

ARMENIAN MASSACRE CONFIRMED

ROME, February 18.—The Italian consul at Erzurum has reported to his government that he has confirmed the accounts of the Armenian massacre with the testimony of eye witnesses.

[From the New York Times, Sept. 10, 1895]

ANOTHER ARMENIAN HOLOCAUST

FIVE VILLAGES BURNED, 5,000 PERSONS MADE HOMELESS; AND ANTI-CHRISTIANS ORGANIZED

LONDON, September 9.—The Daily News will tomorrow publish a dispatch from Kars, stating that fresh outrages have been perpetrated in the Erzinzian district.

A band of brigands attacked a company of Turkish gendarmes on Aug. 12, killing a Sergeant. Therefore, the Turkish authorities, without making any inquiry, decided that the assailants were Armenian revolutionaries from Kemakh, who intended to release exalted Armenians who are still in prison at Kars.

A force of 1,000 Turkish troops was sent to Kemokh, and five villages were pillaged. Five thousand persons were rendered homeless. Men, women, and children were tortured. Four monasteries were sacked.

It is reported that the Turkish minor officials have formed an anti-Christian society to slaughter Christians if the Porte accepts the scheme of reforms the powers insist upon.

[From the New York Times, Dec. 1, 1895]

PROMPT RELIEF FOR ARMENIANS

It is almost impossible to realize the magnitude of the calamity that has overwhelmed the Armenians of Asiatic Turkey. The telegrams from Constantinople urging the Red Cross Association to enter into relief work as in war times gives a hint of the disaster, and the letters that came by the last mail describe the situation as something appalling. Every shop in every city visited by the marauders has been cleared of everything. Although in their mad eager-

ness for plunder the Kurds and Turks have spared some lives, it is a simple fact that the wealth, intelligence, and character of the Armenian people all over the empire have been almost blotted out. The principal men in every city, including merchants, school teachers, and leaders of thought, were singled out for murder, and those who escaped have been reduced to abject poverty. But it is not merely the cities that have suffered. The farming regions are desolated and flocks and herds have been carried off, so that, according to the best estimates, at least a quarter of a million of people are in immediate danger of starvation.

Meanwhile the story of massacre grows worse rather than lighter. A second massacre in Marash, accompanied this time by the destruction of American school buildings, and rumors of massacre in Aintab and Van, make up the latest list. These are three of the most important cities of Northern Syria and Eastern Turkey. Van is the seat of English, French, and Russian Consuls. In Aintab the Armenian population, long noted for exceptional intelligence and corresponding influence, has always been on friendly terms with the Turks. For these two cities to be ablaze shows that the conflagration has in all probability gone far beyond the power of telegraphic orders from Constantinople to stop it, and proves that the central Government has not merely been cognizant of the outrages, but has distinctly ordered and encouraged them. The story is the same everywhere—the Armenians piteously pleading for protection; the authorities promising the fullest protection and ordering the shops to be opened, and then the Turks going to pray over it and coming out and falling on the Christians like a whirlwind, the Sultan decorating the commanding officer. Under such circumstances to believe a word that either the Sultan or his officials say or to accept a single promise is both farce and crime.

The appeal to America is one that cannot be too earnestly indorsed. In every part of the land the response should be prompt and effectual. Money is needed, but money is not all. The pillage of three months has destroyed millions of dollars' worth of property in the form of clothing and provisions. Both of these can be sent and distributed to great advantage, and the quicker they go the better. But here a very serious situation confronts those who would gladly send aid. How is the aid to reach the people? The country is absolutely closed to private enterprise. The missionaries are marked men. Those in Eraroum and Bitlis have been shot at, but have so far escaped with their lives. They will do what they can, as is shown by the heroic resolve of most of the Harput company to stay by the people even at great personal danger, but it is very evident that they cannot do much. The request for the Red Cross to act is most timely, and we hope that the two relief associations will immediately take what steps they can to come into relations with that organization and gain the indorsement and practical support of the Government. It is no time for personal preferences. Combination, mutual assistance, and united action are imperative. Winter is setting in, and unless help goes at once, it means the direst suffering and the loss of thousands of lives.

[From the New York Times, Dec. 29, 1895]

CRUELTY OF THE TURKS—DETAILS OF CRIMES AT MARASH, IN SANDJAK REGION, AND ELSEWHERE

MUSTAPHA PASHA SHARED IN BOOTY—CHRISTIANS COMPELLED TO ABJURE THEIR RELIGIOUS FAITH AND BECOME MOHAMMEDANS OR WERE TORTURED AND KILLED

CONSTANTINOPLE, December 16.—The United Press correspondent here has received the following information:

"MARASH, November 26.—The following information has been communicated to the Embassies: On the morning of the 18th, almost simultaneously, soldiers were seen discharging their guns all over the city, especially into Christian houses, whose occupants fled. The soldiers looted the houses of everything they could lay hands on. The mob followed, smashing doors, windows, and all else, and carried away as much of them as possible.

"Toward noon a squad of soldiers entered the grounds of the American Theological Seminary. They discovered two students, who had concealed themselves there, and shot one of them, so that he died that night. The other was pierced by minnie balls in four places and severely cut over the head. The soldiers then proceeded to rifle the academy boarding house of all the students' bedding, clothing, and other articles, and also the year's provisions. They were reinforced by soldiers from the barracks nearby, and then began to loot the seminary itself.

"After everything had been carried off, about 3 p.m., a few soldiers entered, and soon smoke was issuing from the rear of the building. This fact is completely proved. The sight of the edifice in flames seems to have aroused the Government to action, and the Americans were soon protected by a trustworthy Captain, with thirty soldiers. The Americans are still being guarded, for as long as the disturbance continues at Zeltoun (twelve hours distant) there is little certainty about anything. The personal losses of the Americans will reach $10,000, but heavier than the loss of the seminary is that of the choice library in it.

"Some details of events:

"Oct. 1.—Monasters of Verakugh, District of Kamekh, sacked.

"Oct. 4.—The Sourp Anardjat Monastery, at Pakarlen, pillaged.

"Oct. 12.—Five other monasteries, District of Kamekh, destroyed.

"Oct. 14.—During the massacre at Baiburt, Armenia, villagers of Baiburt were summoned to abjure their faith on pain of death; four villages yielded.

"Oct. 21.—Monastery at Chokha, District of Kamekh, pillaged.

"Oct. 22.—The church at Perouan, District of Erzinghian, pillaged. Priest and thirty people were killed in church.

"Oct. 24.—Eight monasteries, same district, sacked.

"Oct. 24.—Terjan, District of Erzroum, 1,000 Christians killed. Survivors escaped by accepting Mohammedanism. Moslems insisted upon converted women being given as wives to Moslem young men as proof of conversion.

"Oct. 27-31.—Church village of Umudum burned; priest killed; ditto Koinik, treated similarly; church village Teverik robbed and profaned; ditto Garash, ditto. All these on plain of Erzroum, where twenty-four villages were destroyed at the same time.

"Oct. 29.—Monastery Harsan Kaleh burned, together with Bishop and eleven inmates.

PLUNDERING IN SANDJAK REGION

"During the plundering of the villages in the Sandjak region two of the graduates of the theological seminary were killed at Huseink. The wife of one was carried away captive; the wife of the other was killed at his side; he himself had his arms cut off and was then hacked to pieces. At Hoh the Aghas at first promised to protect the Christians, but when they saw the villages all around burning, they said they would not. The Christians were asked to accept Islam, and they assented and were assembled in the mosque. Eighty males above fifteen years of age were picked out and led outside the village. On the way eight escaped. Their captors said to the rest: 'You are not Moslems; you are lying to us.' And they killed sixty-two and wounded ten. The fairest women were taken to the Turkish harems; the rest were sent to Turkish and Kurdish villages.

"The Kurds came into the city of Harpoot with all that was necessary for this work of destruction. They carried kerosene oil, which they poured upon the woodwork, and then set fire to it. Many eye witnesses testify to this. Those writing from the interior say it is evidently a plan on the part of the Government to make the reforms useless by destroying the Christian population. All who are left in the villages are considered Moslems and will be claimed by the Government as such. There is no restraint upon the Turks in the villages.

"One of the prominent men of Harpoot, who is a general favorite with Government officials, was the guest of an official of high position during the attack. With his host he watched the gathering of the forces to attack the city, and his host told him that the attack would take place at such an hour. He asked how that was known. He was told that it was in accordance with a pre-arranged plan. He said the raiders were soldiers of the reserve corps. They laid aside their uniforms and appeared as Kurds. He saw them go out to the villages and return.

"Another prominent man is the partner of a Kurdish Agha. This Agha told him that Mustapha Pasha, Commander in Chief of the Army, made a requisition on him for 500 men to do the work, and he said the order for it came from Constantinople. Another trustworthy man heard the booty being divided in a garden, and the dividers said: 'This is fit for this official, and this for that.'

"A wagon load of the booty was sent to Mustapha Pasha.

"Oct. 27 to 30—In the district of Kara Hissar Sharki nearly all the Armenian villages (twenty-seven are known) were destroyed, numbers of the men killed, and a great number of young women and girls were carried off to be incorporated in the Mohammedan population. From the Church of Sourp Takvor were stolen vessels and books valued at $30,000.

"Oct. 28.—At Enderes, same district, church burned, with a number of women and children who had taken refuge there.

"Nov. 2.—Denzik, same province. Armenian villagers being commanded to become Moslems on pain of death, saved their lives by professing Islam. At Zijk same thing.

"Nov. 9.—At Khizan, in the Province of Van, the Superior of the Armenian monastery was killed, his skin flayed, stuffed with straw, and hung up in a public place. Many people were forced to become Mohammedans.

"Nov. 11.—Harpool. Many priests were killed, with horrible torture, others yielded to pressure and became Mohammedans. The Protestant pastor near Koh was killed for refusing to embrace Islamism.

"Two Protestant pastor of Halakeny escaped from the horde of butchering Moslems and reached Harpoot in safety, but were taken from the house where they were hidden and ordered to accept Islam. On refusal, they were both put to death.

"An extra tax of 2½ piastres on sheep and 5 piastres on cattle is being levied in Syria for the support of the families of the reserves that have been called out.

"The Turks have called on the Druses to pay twenty-one years' back taxes, and, if these are not forthcoming, the soldiers are to advance. Following the example of the Grant Vizier, the Minister of War, and others, a collection is being taken up to provide horses for the Fifth Regiment. This has been so far successful that twenty horses have already been purchased.

"An extra tax is being levied in Asia Minor to provide uniforms for the reserves."

[From the New York Times, Jan. 25, 1896]

AN APPEAL TO THE POWERS—THE SENATE REMINDS THEM OF THEIR DUTY TO ARMENIA—CALLS ON THEM TO CURB THE TURKS—PASSAGE OF THE RESOLUTION REPORTED BY THE COMMITTEE ON FOREIGN AFFAIRS—FIERY SPEECH BY SENATOR FRYE

WASHINGTON, January 24.—Having stood idly by the months while the Turks have been slaughtering the Armenians, it is not reasonable to assume, as some United States Senators do, that the great powers that are parties to the Berlin Treaty of 1878 immediately will reverse their position out of regard for American sentiment, as expressed in a resolution of Congress—such a resolution, for example, as was reported a few days ago by the Senate Committee on Foreign Relations, and passed by the Senate today.

The resolution reviews the salient features of the Berlin Treaty, and declares that it is an imperative duty to express the hope that the concert brought about by the convention may have speedy effect in measures that will put a decisive stop to the slaughter now going on in Turkey. The President is requested to communicate the resolution to the different Governments interested, and is assured that the Senate, the House concurring, will support him in the most vigorous action he may decide to take.

This resolution was adopted to-day by the Senate without any opposition worth mentioning. Mr. Call has a scheme for committing the Government to the proposition to give Armenia a separate Government, but he is its sole advocate, and the substitute resolution he introduced to-day, embodying this idea, was thrust aside.

The question whether the committee resolution should be endorsed naturally developed some fiery oratory. Mr. Frye of Maine is at home on the subject of foreign missions, and he entertained the galleries in a fervid appeal for American protection of American missionaries in the regions where the Turks are spilling the blood of countless innocent persons. Mr. Frye's well-known tendency to twist the tail of the British lion when occasion offers gave additional strength to his assertion that if British subjects had been injured in person or property by the Turkish hordes there would have been a speedy demand for redress.

Perhaps the most sensational remark made by Mr. Frye was that if he could have had his way Russia would have been told to take possession of Armenia, with the assurance that the United States would stand by her. Mr. Frye did not refer to the possible results of such an alliance. The resolution now goes to the House for its concurrence. Possibly that body will substitute for it one of its own declarations on the same subject.

DEBATE ON THE RESOLUTION.—SPEECHES THAT VOICED THE SENATE DETESTATION OF THE TURKS

WASHINGTON, January 24.—The debate in the Senate today on the Armenian resolution was opened by Mr. Cullom (Rep., Ill.)

Mr. Cullom said he was amazed, astounded, and appalled at the accounts which he had of the awful carnival of havoc, destruction, and blood which prevailed for a time in a country with which the United States maintained amicable relations.

The concurrent and accumlated testimony of hundreds and thousands of intelligent people, Christian and Jew, Catholic and Protestant, European and American, made it conclusively certain that a massacre of innocents, unparalled for ages, had been perpetrated in the Armenian provinces of Turkey. Fire and sword had swept away over many square miles of territory the last vestige of Armenian human life, and over 300 villages the demon of damnation and fanatical hate had spread ruin, desolation, and death.

The English Government had a direct obligation resting on it to protect the Armenians and yet nothing had been done by it, nor by any of the other powers, looking to the enforcement of their treaty obligations, beyond more diplomatic correspondence between them and the Sultan. It therefore had seemed to the Committee on Foreign Relations that it could do nothing less than appeal to the powers to carry out their pledges, as it did in the concurrent resolution.

[From the New York Times, Feb. 2, 1896]

PRESS CENSORSHIP IN TURKEY—UNITED STATES SENATE RESOLUTIONS WITHHELD FROM CIRCULATION

LONDON, February 1.—The United Press correspondent at Constantinople, telegraphing under date of Jan. 31, says the Government has forbidden the circulation in Turkey of the English newspapers of Jan. 27, which contain dispatches from Washington giving the United States Senate resolutions regarding the condition of affairs in Armenia, and also a report of the speech delivered at Birmingham on the night of Jan. 25 by the Right Hon. Joseph Chamberlain, Secretary of State for the Colonies, in which Mr. Chamberlain declared that the condition of Armenia was a danger and a disgrace to Europe.

The correspondent also says that the Russian Consul, who has reached Zeitoun, has reported that hundreds of the Armenians who are holding that town are dying from disease and exposure to the intense cold.

[From the New York Times, Mar. 24, 1897]

THE ARMENIAN MASSACRE—THE BRITISH AMBASSADOR IN TURKEY MAKES A STRONG REMONSTRANCE

CONSTANTINOPLE, March 23.—In consequence of the troubles at Tokat, in the Sivas district of Anatolia, Sir Philip Currie, the British Ambassador, has sent to the Porte the strongest remonstrance that has yet been addressed to the Government in an official communication.

The official report of the affair said that fifteen Armenians and three Mussulmans were killed, but the embassies have received reliable information that fully 100 Armenians were massacred. The people were killed while in church. During and after the massacre the Armenian quarter of the city was given over to pillage.

The Turkish newspapers, in their comments upon the blockade of Crete, remark upon the pacific attitude of the powers toward Turkey. Their attitude, they say, is conformable with the rights and political interests of the Porte, and furnishes fresh proof of the striking success that has been gained by the Sultan. It also testifies to the friendship of the powers for the Porte, and their solicitude for the peace of the world.

[From the New York Times, Mar. 26, 1897]

SEVEN HUNDRED KILLED—THE MASSACRE OF ARMENIANS AT TOKAT MORE EXTENSIVE THAN WAS REPORTED

THE SULTAN FORCED TO ACTION—HE ORDERS THE ARREST OF THE TURKISH OFFICERS AT TOKAT, AND THE APPOINTMENT OF A COMMISSION TO TRY THEM

CONSTANTINOPLE, March 25.—Further and probably more accurate details of the recent massacre of Armenians at Tokat, in the Bivas district of Anatolia have been received by the Armenian Patriarchate here.

The news received today at the Patriarchate shows that the number of victims was fully 700. It was stated at the Patriarchate today that these figures were obtained from reliable persons in Tokat and the vicinity, and that the number of victims stated is without doubt correct.

Sir Philip Currie, the British Ambassador, made a most vigorous protest against the massacre in a note to the Porte, a note which was said to have been the strongest ever delivered by an Ambassador to the Turkish Government. The result of his action was shown today, when the Sultan ordered the dismissal and immediate arrest of the Turkish officials in Tokat who are suspected of complicity in the massacre and the appointment of a special commission to try them.

It is believed that the British Ambassador will watch the trial closely to see that it does not prove a farce, as so many trials of Moslem officials charged with the murders of Christians have been.

Mgr. Ormanian, the Armenian Patriarch, has made a protest to the Sultan against the murders at Tokat, and has added force to his protest by insisting that the Sultan shall accept his resignation, which was tendered some time ago. At that time the Sultan refused to accept it, and promised the Patriarch that further concessions would be made to the Armenians. His Majesty asked, however, that the granting of these concessions be deferred until after Easter. The massacre at Tokat followed.

Eight Armenians were arrested here today as a measure of precaution, the Government fearing that the news of the Tokat massacre might precipitate an outbreak. The prisoners are suspected of having been engaged in an attempt to make a demonstration here.

[From the New York Times, July 13, 1897]

NEW HORRORS IN ARMENIA—TURKS BOAST OF HAVING SWORN TO WIPE OUT THE CHRISTIANS SLOWLY BUT SURELY

LONG REPORT REACHES PARIS—CLANDESTINE EXTERMINATIONS AND TERRIBLE PERSECUTIONS CARRIED ON IN THE REMOTE PROVINCES—WOMEN CHAINED AND BURNED WITH RED-HOT IRONS

PARIS, July 12.—Pere Charmetant, Director General of the French Mission in the Levant, has received by way of the Caucasus and Tiflis a report prepared by a number of Armenian notables and Gregorian Bishops on the situation in Armenia.

It took the messenger who had the document in charge nearly three months to get through the difficulties and dangers along the Turkish frontier, which was carefully guarded against all Armenians or Armenian sympathizers.

The report, which fills thirty printed pages, is very carefully prepared and goes fully into the situation.

According to its authors, the Turks in Armenia, fearing European intervention, have abandoned the old practices of wholesale massacres, but during the last year there have been clandestine exterminations and most terrible persecutions, especially in the more remote provinces.

The Turks openly boast that they have sworn to wipe out the whole Armenian race, slowly but surely.

The document recites in detail various forms of persecution. It appears that the Tax Collectors seize the inhabitants if they do not pay everything demanded. "Women are taken through the streets with chains around their necks and kept for days without food. In some cases they are fastened to pillars, head downward. Freezing water is thrown over them or they are beaten until the blood runs. In other cases their hands are tied behind their backs, and then cats, first made furious, are thrown into their bosoms. Often they are burned in various parts of their bodies with red-hot irons.

"All the highways are guarded so as to prevent emigration. Not a single day passes without our hearing of or witnessing somewhere within our unfortunate provinces some fiendish cruelty. The Turks and Kurds enter the houses of Armenians in gangs, bind the men, and then ill treat their wives, sisters, and daugthers before their eyes."

The document concludes with the despairing cry, "Our hope is dying out. God help us. May Europe have pity upon us."

Mr. WALGREN. Mr. Speaker, I thank the gentleman from Pennsylvania for his efforts to make us better aware of the extent to which this country was aware of the atrocities against the Armenians in Ottoman, Turkey, at the time they were happening. The hundreds of appalling reports in American newspapers caused great concern in the United States over the fate of the Armenian population there.

I was especially moved by the efforts of American religious and relief organizations to provide urgently needed food and supplies and simultaneously to persuade the American Government to intervene on behalf of the Armenians. These reports underscore a deep-seated frustration among Americans over the Ottoman outrages.

On December 16, 1894, an article appeared in the New York Times entitled "Protest for Armenians—Their Treatment by the Turks Denounced as Outrageous." It describes a meeting held in the Calvary Protestant Episcopal Church in Manhattan, during which the massacres of Armenians were deplored. Another article in that newspaper on August 5, 1895, entitled "Assistance to Armenians," contains a report from the American Board of Foreign Missions about the difficulty with which American food and supplies was being distributed:

"There is a so-called Turkish Relief Company * * * and they are trying to interfere with other relief operations as far as they can."

The New York Times ran an article on October 1, 1895, about a resolution adopted by the Evangelical Alliance in Boston against the Armenian atrocities. The article, entitled "Evangelists Against Turkey," contains the text of the resolution, which reads in part:

Resolved, First, That we call upon our Government to join with the Governments of Europe in forcibly stopping the inhuman butchery of fellow Christians in Armenia.

On February 10, 1896, another New York Times article appeared under the headline "Appeal by the Bishops—Slaughter of Armenians by the Turks Should be Stopped." The opening paragraph reads:

The Bishops of the Protestant Episcopal Church in the United States, who, a week ago, sent a petition to President Cleveland asking that the Government interfere in saving the Christian Armenians from continued massacre at the hands of the Turks, have forwarded to the powers of Europe and to the Archbishop of Canterbury a memorial, praying that immediate measures be adopted to compel the Turks to cease from slaughter and persecution.

On March 19, 1896, an article was published by the New York Times entitled "Escaped Many Dangers," describing the perilous efforts of Christian Herald missionary W.W. Howard to distribute relief to the suffering Armenians. The article quotes Mr. Howard:

The Hamidieh cavalry * * * are an irregular soldiery of the Sultan, and they are devils let loose, and let loose under orders of the Sultan to commit these outrages. Wherever there was a Christian village there was destruction, outrage, robbery and murder.

Finally, on January 9, 1897, a piece was carried by the New York Times entitled "To Aid the Armenians," describing the efforts of the National Armenian Relief Committee and its chairman, Spencer Trask, to raise funds for the relief of Armenian widows and orphans. The article describes the publication of a booklet called "How To Save Alive the Orphan Children of Martyrs in Armenia."

This outpouring of American sentiment on behalf of the Armenians of Ottoman Turkey is an important part of humanitarian tradition of our history. Concern for the Armenian people was heard from every corner of America during this tragedy of nearly 30 years. The outcry of Americans echoed the concerns expressed by our Presidents and by the Congress itself in an effort to end the massacres and to bring comfort to the stricken.

This history is certainly worthy of remembrance. House Joint Resolution 192, which will be before us again soon, seeks to bring recognition to this period of our past. Many senior Americans can tell us firsthand of their own efforts on behalf of the Armenians back in this period. As a tribute to their humanitarian acts, we should approve House Joint Resolution 192. I urge my colleagues to join me in voting in favor of this measure.

Mr. MAVROULES. Mr. Speaker, as the representative of many Armenian-Americans, I am pleased to be participating in this special order on the Armenian genocide and the outcry in the American press, sponsored by Congressman BOB EDGAR.

What we know of our past comes to us through what has been left behind—documents, letters, newspapers, and, for more recent history, memories of eye witnesses. It is through this history that lessons of the past are taught to future generations.

Mr. Speaker, as you know, the Armenians were victims of a genocide in the early part of this century. This genocide, perpetrated by the Ottoman government, is now being actively denied by the Turks. The fear of upsetting our ally Turkey has made us blind to the facts. The documents, letters, newspaper articles, and eye witness accounts substantiating the genocide all exist. Our archives alone are filled with affirmative evidence, not to mention the archives of France, Britain, and Germany.

Unfortunately, it is much easier to question the past, labeling an unpleasant event alleged, than to search for the truth and accept it. Turkey is working very aggressively to eliminate all mention of the genocide and many U.S. officials are questioning its reality. What is happening though, is that we are adjusting the past to suit our current needs; we are rewriting history. Americans must have no part in this revisionism; whether a genocide was committed against Cambodians, Jews, or Armenians, it was a genocide and must be remembered as such.

Today, I would like to take a moment to look at some of our own reports of the massacres in the Turkish province of Adana in 1909. These massacres were only one wave in a hurricane of events that started in the 1890's and eventually wiped out the Armenian population of eastern Turkey by the 1920's.

The American press was very prompt and persistent about reporting the events going on in Asia Minor. The Washington Post in April of 1909, gave extensive coverage to the massacres of Armenians. On April 17, 1909, the Post reported the following:

CONSTANTINOPLE, April 16.—A massacre of Armenians has taken place at Adana, Asiatic Turkey, and, according to the latest telegrams from Mersina, still continues. Soldiers, powerless to control the situation, are joining in the pillage of the town. The fatalities are said to be numerous * * *. Consular telegrams received here report that half of the town of Adana has been burned and that the attacks upon the Armenians are extending into the villayet.

To a civilized, 20th century America, this news was shocking and distressing. In response, on April 23, 1909, the Post reports that—

In view of the pressing danger of Americans, missionaries and others in many towns of Asiatic Turkey, where massacres have been going on for a week, the administration is making strenuous efforts to send American guns to the scene of the disturbances.

Unfortunately, the steamer with the guns would not reach Gibraltar until May 1, which would be too late to be of any help.

A week later, on April 24, 1909, the Washington Post reported more of the same bloody news:

BEIRUT, April 23.—The adult male Armenian population of Antioch and vicinity has been practically wiped out in the massacres of the last few days by Fanatical Moslems. There are thousands of destitute Armenian widows and orphans still in the district, unable to get away * * *. Intense alarm exists among the Armenians still alive of a recurrence of the attacks upon them * * *. Massacres are raging today in the neighboring Armenian villages, and instant relief is needed.

The plea for help did not go unheeded. On April 29, 1909, the Washington Post, alongside the news of more carnage, reported on American efforts to provide aid to the victims.

The American National Red Cross Society has already sent $1,000 by cable to Ambassador Leishman in Beirut for relief work * * * the Red Cross would be glad to receive and transmit contributions from the people of the United States to the American ambassador to be used in relief work at his discretion.

Also—

WORCESTER, MASS., April 26.—An appeal for funds to aid the survivors of the massacre in the province of Adana, Turkey, was issued today by the National Armenia and India Relief Association, whose president is Justice David Brewer, of the United States Supreme Court.

In light of these Post articles and the American response, there can be no doubt that these events were a part of our history. Regardless of how our friends Turkey feels about it, we do not choose to rewrite the past.

House Joint Resolution 192 is an attempt by Congress to reaffirm our commitment to the victims and survivors of the Armenian genocide. We are simply echoing the response of our past by designating a national day of remebrane of man's inhumanity to man. When this resolution comes to the floor for a vote, I urge my colleagues to vote for it. It is a vote for compassion, and, more importantly, it is a vote for history.

Enclosed are the articles I referred to above. Please include them for the RECORD.

[From the Washington Post, Apr. 17, 1909]

KILL AND PILLAGE

CONSTANTINOPLE. April 16.—A massacre of Armenians has taken place at Adana, Asiatic Turkey, and, according to the latest telegrams from Mersina, still continues. Soldiers, powerless to control the situation, are joining in the pillage of the town. The fatalities are said to be numerous.

The riots began last Wednesday, and the town of Adana has been burned and many Christians killed in the streets. The Moslems having practically wrecked the town, are said to have now began operations against the Christians in the vilayet. The foreign consuls at Merina have requested that warships be sent to that port.

FOUR HUNDRED REPORTED KILLED

No definite information is obtainable as to the number of persons who lost their lives in the fighting, though one report says 460 Armenians were massacred. Two American missionaries are said to be among the dead, but no names are given, and the report as to these is unconfirmed. The British vice consul at Mersina, Maj. Daughty-Wyne, is said to have been injured during the trouble.

It is known that the regular district meeting of the American missionaries was due to be in session at Adana, and that Mr. and Mrs. William Chambers, the Misses Elizabeth and Mary G. Webb, Miss Wallis, and Miss Borel, missionaries, were to have been present there. Ambassador Leishman has instructed Vice Consul Debbas at Mersina to go immediately to Adana.

Neither the American ambassador, Mr. Leishman, nor the British embassy had received any further news concerning the massacre or confirmation of the reported murder of two American missionaries at Adana.

Consular telegrams received here report that half of the town of Adana has been burned and that the attacks upon the Armenians are extending into the vilayet. They say that the British vice consul at Mersina. Maj. Daughty-Wyne, who was ordered to Adana when the first advices of the massacre were received, has been wounded.

COMMUNICATION INTERRUPTED

Communication with the disturbed district is interrupted, however, and all reports received from there must be taken with caution. The porte declares the disturbances are subsiding. Two additional battalions have been dispatched to Adana.

The government has given assurances that it is doing its best to restore order at Adana and to protect foreigners. Additional troops are being sent in.

The Moslem attacks on the Armenians at Adana recommenced yesterday afternoon, and continued throughout the night. Large numbers of Christians are said to have been killed. One report says that 60 Armenians have lost their lives, and that many houses have been looted and burned.

The first news of this anti-Christian outbreak said the scene was Mersina, but this was erroneous. The trouble occurred at Adana, which is about 36 miles inland from Mersina.

Ambassador Leishman today instructed the American vice consul at Mersina, John Debbas to proceed immediately for Adana and report on the situation. Railroad communication between Mersina and Adana appears to be interrupted.

ANXIETY IN CHICAGO

Chicago, April 16—Press dispatches from Constantinople created alarm in Congregational Church circles today. Among the missionaries at Adana, where some of them are reported slain, are the Rev. William N. Chambers and his wife, who are maintained by the First Congregational Church of Oak Park, an aristocratic suburb of this city, under the auspices of the American board of commissioners for foreign missions.

Mr. Chambers is 70 years of age and has been in Turkey since 1879. He visited Chicago last winter, but returned to his post with Mrs. Chambers in January.

Miss Elizabeth S. Webb and Miss Mary G. Webb, sisters, whose home is in Missouri, also are supposed to be at Adana.

Philadelphia, April 16.—Dr. Talcott Williams, of the Philadelphia Press, whose sister, Mrs. William N. Chambers, is a missionary at Adana, where serious trouble is reported, has received no information as to the safety of his sister.

PRESBYTERIAN MISSIONARIES

NEW YORK, April 16.—Walter T. Miller, treasurer of the board of foreign missions of the Reformed Presbyterian Church, said today that his church had no missionaries permanently stationed at Adana. The Reformed Presbyterian missionaries stationed at Mersina and Tarsus, nearby cities, sometimes visited Adana and cooperated with the American board missionaries in the work of the mission schools, he said. The Rev. C. A. Dodds and wife, the Rev. Robert E. Willspa and wife, of Morning Sun, Iowa; Dr. John Peoples, of Philadelphia, and Miss Elma French, of Winchester, Kans., are stationed at Mersina under the control of the Reformed Presbyterian board. Mr. Miller said he had received no word from any of the Presbyterian missionaries and felt assured they were all safe or he would have been cabled.

[From The Washington Post, April 23, 1909]

FIVE AMERICAN WOMEN IN PERIL—ALONE AND DEFENSELESS AGAINST MOSLEM MURDERERS—WIRELESS APPEAL FOR AID—CUTTER TAHOMA, AT SEA, URGED TO HASTEN TO RESCUE—DEAD MAY NUMBER 15,000.

Fanatical Moslems, stirred to zeal by the events at the Capital, fall upon Christian population, killing women and babies—entire population of the town put to death—country surrounding Alexandretta scene of massacre and pillage—five thousand rendered homeless by the torch at Tarsus—Turkish officials powerless.

In view of the pressing danger of Americans, missionaries, and others in many towns of Asiatic Turkey where massacres have been going on for a week, the administration is making strenuous efforts to send American guns to the scene of the disturbance. On the way to the Mediterranean, some days' sail in advance of the cruisers ordered from Cuban waters, is the revenue cutter Tahoma.

The following wireless message has been sent to the Tahoma from the navy yard in this city. It will be sent to transatlantic steamers in order that they may transmit it to the Tahoma:

"Important Tahoma reach Gibraltar very earliest date. Make all speed. Touch Saint Michaels; coal if necessary. Acknowledge."

NOW IN MIDOCEAN

The Tahoma left Baltimore April 17, and is scheduled to arrive at St. Michaels, Azores, April 29 and at Gibraltar May 5. The vessel is now probably from 900 to 1,000 miles on her trip.

Should the wireless message reach the Tahoma, she should arrive at Gibraltar by the morning of May 1, calculating on a stay of one day at St. Michaels to coal the vessel. A cable will be sent to her at St. Michaels so that in event of the wireless message not being received her trip from that place to Gibraltar will be expedited, and in which event she would probably reach that port May 3, two days ahead of schedule time. She is now probably making 9 to 10 knots to save fuel. She can make 12 to 14 knots.

The Tahoma is a new steel vessel, schooner rigged, displacement of 1,200 tons, has a crew of 61 men, and a battery of three 6-pounder Hotchkiss guns, and a full complement of small arms.

Dispatches from the American embassy at Constantinople reiterated former assurances that everything possible was being done by the officials to guarantee the safety of Americans and American interests at Adana and other disturbed places.

WHOLE TOWN MASSACRED

Aleppo, Asiatic Turkey, April 22.—The entire population of Kirikan, between here and Alexandretta, has been massacred, even the women and children. There is not a survivor.

The French mission at Ekbaz is besieged by fanatical Moslems.

The Armenian village of Deurtyul is surrounded, and according to a messenger who crawled through the Arab lines at night and made his way here for help, the situation there is hopeless. The buildings on the edge of the town already were in flames when he escaped.

All Americans in Aleppo are in danger. The massacres are being carried out with the greatest violence. Neither women nor children are spared. The motto of the Moslem is, "No twig of the accursed race shall be suffered to live."

The Armenians, recognizing that the massacres have been organized and carried out by adherents of the old Turkish regime, are looking to the Young Turks for future protection.

FIVE AMERICAN WOMEN IN PERIL

Beirut, April 2.—Five American woman missionaries are in danger at Hadjin, in the vilayet of Adana. One of them, Miss Lambert, has sent a message down to the coast asking for immediate help. The women are entirely alone and defenseless. The villages surrounding Hadjin are in flames, and Hadjin itself is invested by nomad tribesmen. Messages from the interior are being suppressed by the authorities.

Miss Lambert's message says it is rumored an attack will be made tonight. The situation in the country north, east, and west of Alexandretta is most serious. There has been massacre and pillage at Antioch and rioting at Birejlk. Alopge is in a state of panic. There are only 400 Turkish soldiers in the city. The city is full of Bedouin Arabs, Kurds, and Circassians.

At Ayas, on the west coast of the Gulf of Alexandretta, 418 murderers have been released from prison. They at once joined the mob and began committing depredations. At Tarsus 100 persons have been killed 800 houses have been burned, and there are today 5,000 persons without homes.

Several native pastors from Aintab were killed while on their way to attend the district missionary meeting at Adana. The Turkish government officials at Mernian have done everything possible to check the trouble although they have been able to accomplish little.

TOTAL OF SLAIN MAY BE 15,000

Constantinople, April 22.—The wave of fanaticism, which originated at Adana some ten days ago and found its expression in the killing of Christians, apparently is spreading generally through the eastern provinces. Upward of 10,000 Armenians were massacred in Syrian towns and villages, principally in the villayet of Adana, during outbursts of fanatical zeal that took place at the time of the spring festival in honor of Mohammed and upon the receipt of the news of the overturn of the "heretical" government at Constantinople. One embassy places the estimates of killed as high as 15,000.

MASSACRES IN ASIA

"No two of the acquired race shall live," is motto of the Moslem.

Entire population of Kirikan killed.

Women and children slaughtered.

Five American women alone and in peril in Hadjin.

Total slain may reach 15,000. Wireless messages sent from Washington urging the cutter Tohoma, now at sea, to hasten to relief.

[From the Washington Post, Apr. 24, 1909]

MOSLEMS STILL SLAY—ARMENIAN MEN OF ANTIOCH NEARLY ALL PUT TO DEATH.—4,000 REFUGEES AT TARSUS

Gathered in the yard of the American College is pitiable Conditions—murder of missionaries Maurer and Rogers at Adana confirmed—Alexandretta district a scene of devastation.

Constantinople. April 22.—According to the latest consular dispatches received here, there has been no cessation of the massacre in the Antioch district, and the people are fleeing for their lives in every direction.

The French vice consul at Marash telegraphed that order has been restored at that point.

A cablegram received here today from Mersina sets forth conclusively that both Henry Maurer and D.M. Rogers. American missionaries, were killed during the rioting at Adana.

Beirut, April 23.—The adult male Armenian population of Antioch and vicinity has been practically wiped out in the massacres of the last days by fanatical Moslems. There are thousands of destitute Armenian widows and orphans still in the district, unable to get away. There is no security anywhere in the vicinity of Antioch.

CRITICAL AT ALEXANDRETTA

The situation at Alexandretta continues critical. Beilan is still holding out against the tribesmen that surround it.

Beirut is quiet as yet, but there is great tension between the Christian and the Moslem population. Troops are arriving here, and the authorities are taking energetic measures for the preservation of order. Many people are leaving Beirut for the Lehanon. The British Cruiser Diana came into port today.

Alexandretta, April 23.—Fugitives who arrived here yesterday relate that all the Armenian villages and settlements in the Alexandretta district are being destroyed. Nearly every Armenian dwelling has been burned by the fanatical Moslems, and the Armenians still surviving are living in the open, half starving, and in great fear, especially of Friay and Sunday.

The village of Beilah, a short distance south of Alexandretta, is holding out with difficulty against the nomad tribesmen.

BRITISH FORBIDDEN TO LAND

The British warship which sailed to relieve Deurtyul, an Armenian village on the coast, returned to Alexandretta today without having accomplished anything. The commander of the vessel applied to the governor of the district for permission to land a relief party, but he was refused.

Two more British war vessels are expected here shortly. One of the other foreign warships in port left today for Beirut.

Aleppo, Asiatic Turkey, April 23.—Many refugees have arrived here from the Alexandretta district. Their condition is miserable. Intense alarm exists among the Armenians still alive of a recurrence of the attacks upon them.

Tarsus, Asiatic Turkey, April 23.—The rioting that originated at Adana broke out here April 16. A few Armenians were killed, the whole Armenian quarter was burned, and the churches were sacked.

Over 4,000 refugees are still gathered in the yard of the American college. Their condition is pitiable. The missionaries at Tarsus are safe, but they are still apprehensive for the refugees.

Massacres are raging today in the neighboring Armenian villages, and instant relief is needed.

[From the Washington Post: Thursday, Apr. 29, 1900]

HORROR OF MASSACRE—AMERICAN WOMAN DESCRIBES SCENES AT HADJIN—ARMENIANS QUIT RESISTING

Shooting and Plundering, however, continues—thirty thousand lives lost in Adana province—Turkish troops on the way—missionaries still in dire peril—their messenger killed.

[Special Cable to the Washington Post]

Mersina, Asia Minor, April 26 (via Cyprus, April 28).—Two Turkish regiments which landed here on Saturday have proceeded to Adana, where the massacres of Christians began on April 14, and were resumed late last night with the wholesale murder of Armenians and the burning of their property.

Thousands of Armenians were burned alive, those attempting to escape being shot down by the troops. The destruction of Adana was completed, and the loss of life in the whole province of Adana is estimated at 30,000. The material losses of Europeans are enormous. The British and other foreign warships here are inactive.

In the town of Hadjin 18,000 people, thousands of them Armenians and four of them American women, are besieged by Moslem troops and irregulars.

The four Germans previously reported killed at Bakdjeh have arrived at Morsina safely. The Armenian population of that town perished.

MISS LAMBERT TELLS OF HORRORS

Constantinople, April 28.—The following telegram was received here today from Miss Rose Lambert, one of the besieged American women missionaries at Hadjin. It sets forth the danger surrounding Miss Lambert and her companions, who are quite alone. The messenger who first started with the message to the telegraph office was shot down on the way. The communication is dated Hadjin, April 26, and says:

"The rising against the Christians of Hadjin began nine days ago. The government sent troops to suppress the fighting between Mohammedans and Christians, but the men were not strong enough numerically to restore order. Many were dead and wounded on both sides.

"Desperadoes occupied the Armenian cloister five days ago, and have been firing on the people without interruption since. The Armenian churches are now showing white flags, indicating that there will be no further resistance; yet the shooting and the plundering continue. Many shops have been robbed and others undoubtedly will be. The Armenian settlements and villages in the province have been burned and many persons killed.

CITY WITHOUT FOOD

"Hadjin is almost entirely without food, and animals in the city are dying of starvation. The provincial authorities have been appealed to both orally and in writing to send more troops to Hadjin, but thus far without results.

"The messenger who first started with this dispatch to the local telegraph office was killed on his way."

The American women at Hadjin are Miss Virginia A. Billings, of Kirtland, Ohio; Miss Emily E. Richter, of Chicago; Miss Lambert, who is a daughter of Bishop Lambert, and a Miss Baldwin. The two last mentioned women were sent out by the Mennonite Brethren in Christ, of Ohio.

Christian refugees by the thousand have massed at Hadjin, and for eleven days the town has been threatened by fanatical Mohammedan tribemen, whose camps completely encircle it.

Reading, Pa., April 28.—Miss Rose Lambert and the other American women in danger at Hadjin, Asiatic Turkey, are connected with the "United Orphanage and Mission," of which the Rev. C. H. Brunner, of this city, is head of the general board. Mr. Brunner said today:

"With Miss Lambert at Hadjin at the present time are Miss Ida Tachumi, of Cleveland Ohio; Miss Anna Bowman and Miss Dorinda Bowman. The last two arrived at Hadjin from Michigan two months ago. Miss Frejerika Honk is from Indiana, but she is at present at the hospital at Beirut, where she has been ill since February 16. Miss Penner, another American woman formerly at Hadjin, has left that post, and Elder J. E. Fidler has also returned to America."

[From the Washington Post: Apr. 29, 1909]

RED CROSS ASKS AID—FUNDS NEEDED TO CARE FOR ORPHANS IN ARMENIA

$1,000 SENT TO AMBASSADOR

Mr. Leishman, at Constantinople, given authority to act for the society. Thousands of persons without food or shelter—money needed, he says, at once, or survivors will starve

Another appeal for assistance came yesterday from the relief committee at Beirut, which cabled to the American National Red Cross Society here as follows:

Request funds by cable and authority to act here, as your agents in the Asia Minor and Syria relief.

G. B. RAVDAL,
American Consul.
GEORGE POST
EDWARD G. FREYER,
Relief Committee.

In response, The Red Cross has informed the relief committee at Beirut that American Ambassador Leishman at Constantinople has been given full authority by the Red Cross for the distribution of whatever funds it may send, and refers the committee to him for assistance.

The American National Red Cross Society has already sent $1,000 by cable to Ambassador Leishman for relief work, and yesterday Miss Mabel Boardman, of the executive committee, announced that the Red Cross would be glad to receive and transmit contributions from the people of the United States to the American ambassador to be used in relief work at his direction.

DESTITUTION GREAT

Ambassador Leishman cabled yesterday as follows:

"As distress among population is very great, I am convinced that American Red Cross could not better fulfill the noble purpose for which it was founded than by such a contribution. If desired, money could be sent to the embassy for transportation to the Rev. W. W. Post, treasurer of American mission in Turkey and it would be a most humane act if our charitable organizations could be induced to follow suggestion, as thousands of poor people are without food or shelter. If American Red Cross will wire amount of draft they are donating I will hand over immediately such sum, as funds are urgently needed."

Worcester, Mass., April 28.—Miss Emily C. Wheeler, of this city, secretary and treasurer of the National Armenian and relief committee, tonight expressed her gratification that the American Red Cross had adopted Ambassador Leishman's suggestion, and already had contributed $1,000 for the relief of the sufferers from the massacres in Asiatic, Turkey.

"The funds of the Red Cross," said Miss Wheeler, "will be quickly absorbed by the immediate needs of the hungry and destitute survivors of the massacres. The Red Cross, through its character as an emergency relief organization will be in an excellent position to do this work.

ORPHANS IN NEED

"But it is necessary also to look into the future. Thousands of orphans who have to be provided for during the coming year and in the years to follow, and there is a grave possibility that there may be further disorders during the next few months, which will add to the number of orphans."

Miss Wheeler stated that she believed that it would be for the best interests of the massacre sufferers to have the Armenian relief committee raise a fund distinct from that of the Red Cross, and to be devoted entirely to the permanent support of Armenian orphans. Money for the relief committee's work should be sent to Miss Emily C. Wheeler, secretary and treasurer, 24 Oread Street, Worcester, Mass.

Justice David J. Brewer, of the Supreme Court of the United States, is president of the relief committee.

Mr. FLORIO. Mr. Speaker, I thank my colleague from Pennsylvania, BOB EDGAR, for organizing this special order to recall for us the tremendous amount of coverage given by the American press to the atrocities committed against the Armenians in Ottoman, Turkey. The truly horrifying accounts of destruction and degradation shocked the American public as early as the 1890's.

In addition to the massacres that are described in these gruesome reports, there are accounts of forced religious conversion that are equally appalling. We, Americans, whose Nation was founded on the principle of religious freedom and tolerance, are bound to find these descriptions particularly troubling.

On February 24, 1896, the Washington Post ran an article under the headline, "Turkish Persecution—Armenians Forcibly Converted to Islam Faith." The article states that "multitudes have been forcibly converted to Islam." A March 6, 1896, New York Times article, "Conversions to Islam—By Torture, Threats, False Reports, Massacre and Starvation," corroborated this assault on the religious liberties of the Armenians in estimating the number of forced conversions at 40,000 and stating:

These people were converted, some in the heat of massacre, to save their lives; some in cold blood, to save their wives and daughters from dishonor; some in hunger, to secure food offered by officials on this condition . . . In other districts the Turks have informed them that they will be killed if they attempt to return to Christianity, and that they will all be killed if they admit, upon being questioned, that they were converted by force . . . In some districts these forced convicts (sic) are daily flogged if they do not go to mosque, and if, at mosque, they make errors.

Ten days later, a March 16 New York Times article reiterated the tragedy of this genocide in "Martyrs for the Faith—Christian Armenians Must Become Moslems or Be Killed by Turks." The article states that in "Itsehmeh a certain well-known Sheik . . . murdered 40 persons in cold blood at the door of the church" because they refused to convert.

The press accounts of religious persecution are a profoundly disturbing subchapter in the long history of the attempted destruction of the Armenian people. Armenians who escaped Ottoman, Turkey, during this period are with us today and have chosen this country as their adopted homeland. Some still live with these traumatic memories and are deeply grateful to the United States for providing them safe haven and religious freedom.

These proud Americans left behind many loved ones who could not escape the horror. These press accounts reiterate that not only did this genocide occur but also that our Government and our press was willing to take a stand against this horror and roundly condemned the atrocities. House Joint Resolution 192, which I am proud to have cosponsored, seeks to honor those unfortunates that lost their lives in this tragedy and ensures that the memory of this horror will live on with future generations as an example of man's inhumanity to man. It is most fitting that the American Congress designate a day of commemoration as a tribute to the Armenian survivors, many of whom live on in this country, daily enriching it with their courage and strength.

I urge my colleagues to join in supporting House Joint Resolution 192 for passage and upholding our strong record in preserving the fundamental human rights of freedom to speak, to worship, and to gather. I would like to commend the texts of these articles from the 1890's to the attention of my colleagues:

[From the Washington Post, Feb. 21, 1896]

TURKISH PERSECUTION—ARMENIANS FORCIBLY CONVERTED TO ISLAM FAITH—THEIR DESTRUCTION IS EXTREME

(From a Correspondent of the Associated Press).

CONSTANTINOPLE, February 6.—It will be remembered that the Sublime Ports, soon after the massacre in this country sent out commissioners to investigate into the recent disturbances and take measures for quieting the country. One group of commissioners went to Eraerout and the other entered the

country at Sassoun and came to Nivas. This commission from the interior did its work very rapidly spending only a few days in each of the principal cities on the route.

The day after their arrival they summoned before them a number of leading men, Moslems and Christians. These were admitted to the presence of the commissioners separately—first the Moslems, afterwards the Christians. Reports say that the commissioners said to the Moslems, "We did not expect too much of you, but now you have done it, never mind. Henceforth you must keep the peace."

When the Christians were admitted the commissioners received them standing, and at once began to read an address reciting the benefits the Christians had received during the reign of the beneficent Sultan Abdul Hamid Khan, and the perfidious conduct of the Armenians who had started newspapers and sent men to Washington and Chicago to agitate and stir up the nations against their government. In conclusion, the address said: "Hereafter, if either Turks or Armenans stir up trouble, there will be no more imprisonments, but the death penalty will be visited upon such offenders."

THE CHRISTIANS THREATENED

After the reading of the address. Abdul Pasha began to address the Christians in a much more violent, strain. He said if the Armenians should again begin to agitate, not even the name of Armenian would be allowed to remain; they would all be blotted out. Drawing himself up to his full height and stretching out his arm like a sword, he said: "What we have gained we gained with blood, and when we give up this morsel we will give it up with blood, blood, blood."

So far as I can learn, in the Harpoot village the commissioners spent all their time in Mezreh, and did not even visit the city of Harpoot, which was plundered and burned, although it is only two miles from Mezreh. No questions were asked of the Christians summoned before them. When the commissioners had finished their speeches they dismissed them.

Another fact of interest is the sending out of officials to enroll in the government lists the names of Christians who have become Moslems. Multitudes have been forcibly coverted to Islam. I do not mean simply that they have been obliged to choose between becoming Moslems and perishing by the sword, but that they have been bound or held while the rite of circumcision was performed without their consent. I know of the case in which an aged priest was tied to his own door and circumcised, while in another village Christians begged to be killed, and their Turkish neighbors said to them:

"No, we want you to till fields. We will make you Moslems," and they circumcised the Christians of the place by force.

ENROLLING THE CONVERTS

The government has said that these conversions were worth nothing, and that no one would be forced to change his religion, but now government officials write these new converts, while the Turks drive them to say they are Moslems. In the village of Sheikhaj the official said to the Christians:

"I write your names on a separate list to satisfy the Turks; there is no force about it."

But one acquainted with Turkish ways may expect to find these Christians soon enrolled as Moslem citizens.

The carrying off of Christian girls and women still continues. In the city of Palu Turks carry off girls, keep them for a few days, and return them dishonored. The same is done in many other places. In one of the Arabkir villages eight girls of the place are imprisoned in Turkish harems. Their friends hear their cries, but can do nothing to help them.

The destitution of the Armenians beggars description. Men who were wealthy in October were begging for bread in November. Villages were pillaged of every scrap of food and clothing. When the plunderers could find nothing more to carry off the villagers returned and sifted the dust to gather a few kernels of wheat or barley. Doors and windows were carried off. In many cases the timbers of the houses were pulled out and carried off. Jars were broken. Everything of value which could not be carried away was broken. Windows, cupboards, boxes, were smashed. The utmost pains were taken to leave nothing of value to the owners.

TERRIBLE DESTINATION

And all this was done at a time when winter was so close at hand as to make it reasonably sure that cold and hunger would destroy those whom the sword had spared. Wherever you go you meet man pinched faces, and people clad in scanty garments. And you know that multitudes spend the long, cold nights huddled together with nothing to lie down upon and nothing to cover them. Of course disease sets in and carries them off.

It is estimated that there are between 30,000 and 100,000 people in extreme destitution. Europe and America are touched with compassion, and funds are being gathered for the relief of the sufferers in every town and city. It is far otherwise with the Turk. He views his work with complacency, and does not like to see it interfered with. The government has given a little aid occasionally. In many cases the allowance is one-sixth as much as is given to a Turkish gendarme or soldier. I have seen the bread given in several places. If resembles the linseed cakes used in Europe and America for feeding cattle. Even the allowance is seldom continued for any length of time. A large share of the government's appropriations for the relief of the destitute goes into the pockets of officials.

Moreover, the Turks are hostile to relief work, and oppose it in various ways. In the city of Palu the Turks said to the Christians:

"If our beneficent sultan wishes you to have money he is abundantly able to give it; but he has not seen fit to do so, and now you are receiving money from the English and forming an alliance with them. We will cut you off."

OPPOSITION TO RELIEF WORK

No Christian in Palu dares to receive or distribute relief funds. I happen to know that the Armenian missionaries tried to send money into Palu and it was returned to them because no one in Palu dared to receive and distribute it. The same is true of the town of. . . .

In some of the villages tax gatherers took from the villages the scanty pittance they had received to keep them alive. They beat them to exhort from them the money. One poor villager said: "The red is . . . the flesh is soft so we gave it up."

[From the New York Times, Friday, Mar. 6, 1896]

CONVERSIONS TO ISLAM—BY TORTURE, THREATS, FALSE REPORTS, MASSACRE, AND STARVATION—FORTY THOUSAND WERE INTIMIDATED

LONDON, Feb. 26.—*The United Press correspondent at Constantinople sends the following:*

Some anxiety is felt in regard to renewed threats of massacre made at Aintah, in the Province of Ajeppo. A Mohammedan outbreak against the Christians occurred there in November. The shops and some houses also of the Armenians were pillaged, and about 250 people were killed by the mob, but a considerable number of houses escaped pillage entirely. Since this outbreak the specially pious among the Moslems have felt it a duty to pillage the houses then untouched. They are now openly declaring their intention to do this and to kill the Armenians left alive in the city. Leading Moslems of Aintah, and even the Kaimakam, have assured the Armenians that the Government cannot protect them unless they become Mohammedans.

"The number of Armenians who have nominally accepted Mohammedanism, in various provinces of Turkey since the massacres is now estimated at somewhat over 40,000. These people were 'converted,' some in the heat of massacre, to save their lives; some in cold blood, to save their wives and daughters from dishonor; some in hunger, to secure food offered by officials on this condition, and some on receiving assurances recently that Christianity will no longer be tolerated in the empires, and that security can be restored in no other way. In some districts the Government has allowed these forced converts to return to their own faith. In other districts the Turks have informed them that they will all be killed if they attempt to return to Christianity, and that they will all be killed if they admit, on being questioned, that they were converted by force. In some districts, notably in the mountainous parts of the Province of Aleppo, these forced converts are daily flogged if they do not go to mosque, and if, at mosque, they make errors in the liturgy. The following letter from Harpoot has been received in Constantinople by the Relief Commission:

"We are spending a good deal of money here for relief work, as you already know. Mr. Oates, the treasurer, sends an occasional financial statement, but you have a right to demand from us something more general which shall set forth the needs in this district in justification of these large expenditures. I intended to send such a statement last week, but this work so crowds and overwhelms us that it is difficult to find time for any adequate presentation.

"To say nothing of Diarbekr and its villages, a part of which constitutes a portion of our mission field, there are in the seven other districts 200 villages inhabited by Christians, some of them large, which have been ravaged, and which look to us for relief. We roughly estimate that there are 100,000 persons in the towns and villages for which we have special care, and which are cared for from no other point, who are actually needy and suffering. Official relief is without system and a farce as is also the restoration of stolen property. Nobody who is not actually in the midst of it can have any comprehension of the extent of the desolation about us and of the degree of the

suffering endured. Even we ourselves are bewildered by it. We cannot take it in.

"We, however, do not attempt to care for this great multitude. Every plane is required to prepare a careful list of the most needy, giving the number of adults and of children under ten years of age in each family. This list is submitted to a central committee of nine or ten of our most reliable and sharpest business men. Protestant and Gregorian, under the presidency of the Armeanian Bishop, for their careful scrutiny. Any person whom they find upon this list who is able to squeeze through the Winter without starving is stricken from the list.

"To the remainder we give on the average, at present, 10 piasters to adults and 5 to children. To as many as possible of the needy work is furnished both to men and women in the city, in order that they may provide themselves with bread. Daily rations of bread, amounting to twenty paras for adults and ten paras for children, are given to more than 1,000 in the city, mostly refugees.

"The Misses Seymour and Bush give their whole time to a labor department for women. Some 980 in the city are sewing and ten more are knitting. Other hundreds would be glad to secure work for the 2 piasters a day, which is what is paid, but here, as in every other department, only those who are in absolute need are employed. Over 4,000 suits consisting of shirt and drawers, and 165 pairs of stockings have been made and distributed, while there are other thousands who have not had a change of underclothing since the time of the massacre; also 981 mattresses and 595 voghrans, some of them newly made and some bought second hand, have been given out. The need for bedding is very great, but cannot be met. Many would be glad of a piece of matting or carpet to lie upon, or a piece of bagging to put over them.

"In the villages the cotton industry has been a very important one in the Winter. The massacre took place just at the time of the cotton harvest. Where it had been gathered it was carried away with the rest of the plunder. In many cases it was taken from the field even. Spinning wheels and looms were carried off or broken up. Still there are some of these domestics utensils and our ladies have sent out about 2,000 pounds of cotton to be worked up into thread and cloth for which the women are paid. Wool is also sent out and made into stockings for which they receive pay, and the stockings are given to the needy poor. The whole expense of this industrial branch is 1,000 Turkish pounds. It would be greatly enlarged if there were more money.

"It will be seen from what has already been said that as compared with the demand the supply is very meager. And yet there has been great difficulty in securing the money which we have already distributed as it comes mostly by post, and we also encounter great difficulty in distributing in some of the most needy districts, those most remote from us. We have had no assistance from the Government, and, fortunately, no active opposition. The Government has urged that the work should be done through a mixed commission—two Moslems and the Christians—but this besides being very unsafe and wasteful, would tie our hands and delay the work in every direction. We have appointed good committees in every place. Protestants and Gregorians—but in some places, like Palu, Choonkoosh, and Malatia, they have been afraid to touch the money.

"The committee in Malatia are beginning to work in a quiet way, for we sent them money despite their protest. Nearly 100 lire has been distributed in the city of Malatia, but nothing has gone to its villages, twenty, perhaps, in number. Choonkoosh was not plundered, but the most of the seventeen villages have suffered badly. The Gregorian Council reported the other day that there were 2,500 refugees and destitute in the district. We have sent recently to our committee there fifty lire, and have asked them for more definite particulars. More money is imperatively demanded there.

DESPERATE NEEDS AT CHOONKOOSH

"Choonkoosh is a town of 1,000 Christian houses, of which more than 100 were burned, and the neighboring village of Adiah, with 310 houses, has scarcely anything left. These are just beyond the Taurus. Their needs are desperate, and for nearly two months we have been trying to get money into the place. A couple of weeks ago we sent 50 lire, but whether it reached the place and has been distributed we have not yet learned. The Chareanjak region, north of us, with sixty-three plundered villages and Pori as its centre, has always been an oppressed region, under the dominion of several feudal chiefs and surrounded by wild money villages which it is impossible to reach from Pori, and where, on account of strictness at the Euphrates ferry—for the district lies just north of the Euphrates—it has been impossible to send relief from here, so the people come here in person for the little which we can give them.

"A strong appeal came to us from Kgin for four villages which had been badly sacked and plundered in its vicinity—villages which have relations with Constantinople, and which had the finest village houses to be found in this part of the country. A letter from the village of Lidjo received this week say that forty of its ninety houses have been burned and the rest sacked, and the inhabitants, 600 in number, were living in its remaining houses; that until the snows came they were able to procure a part of their subsistence from the green herbage of the fields, but now that is cut off, so they appeal piteously to us for help. The large, fine village of Bingen has suffered, I believe, even worse. So this week we have sent 100 lire to a good committee in Egin, under the Presidency of the Armenian Bishop, to distribute to these four villages and sent us a report. Egin itself, although not plundered, paid a heavy sum as a ransom.

"Akubkir, like Malatic suffered much worse than Harpoot. We could not send anything there by post or otherwise for several weeks, and no committee was willing to handle the money, through fear. We have, however, succeeded in getting about a hundred and twenty lirae distributed in the city, and have sent them word to draw on us for a hundred more. But not a piaster of this has gone to the fifteen sorely stricken villages in that district, many of which were plundered three or four times and some as many as six times.

"One of the most difficult problems which we have had to consider has been Palu, with his forty-three villages, many of them large. They have had the most awful treatment from Turks and Kurds, and our committee even now, are not willing to receive and distribute funds, because they felt that it would imperial their lives. As in many other places, to save their lives, and to save their families from a fate worse than death the most of the surviving Christians have made a formal profession of Mohammedunism, so they are closely watched by the Turks; and the Turks hearing that money was to come for relief, said: 'So it seems that the Armenians still have political relations with England.' All who can are leaving the place and coming with their families, and every day a large number of villagers appear here with their village lists of the needy, after a two-days' walk, and after there lists are verified and the money is paid to them, they go back to their homes with a sum of money scarcely larger than in prosperous times they could have earned in the same number of days.

"As Palu belongs to the Diarbekr vilayet, though much nearer to Harpoot than to Diarbekr. I have written a letter to Mr. Hallward, the British Consul, to await his arrival at Diarbekr, begging him to give early attention to securing an order for Palu and Choonkoosh to facilitate distribution. This has been an unusually mild and open Winter, otherwise many of these people who have come to us from Palu, and other distant places, would have perished in their homes, or on the way. It is a great grief to us to send them home with such small sums of money, after a Winter's journey, which including their stay here takes nearly a week.

"This work, which has been providentially thrown upon us, is very laborious and very exhausting. The money which is sent to us we regard as a sacred trust, and we use great care in its administration. I can say that our Treasurer is more careful, I think, in its use than he is of his own money. What wears upon us most and is the greatest tax upon our strength is the right of the appalling wretchedness and misery which we can do so little to alleviate. The majority of the, perhaps, 15,000 who were killed, were men with women and children dependent upon them. Here are penniless, half-naked women and children, many of them from houses that have been burned, many of whom have been in comfortable circumstances, and some of the better class, now wandering about in search of food. With them, as with many others, it is not simply a question of surviving the Winter, but there is a dark and hopeless future before them.

"This report is already too long, although it does not express one-thousandth part of the dreadful reality. There is, however, another point which I must mention in closing. The knowledge that we are distributing money has evidently stimulated the Government in the gathering of taxes. In some cases the collectors are on the watch for the villagers when they return with their money. In the village of Shehaji, for example, every piastre taken, by fourteen houses, amounting to 20 piastres, was taken by the tax collectors.

MARYTRS FOR THE FAITH—CHRISTIAN ARMENIANS MUST BECOME MOSLEMS OR BE KILLED BY TURKS—WOMEN THE PREY OF THE ISLAMITES

CONSTANTINOPLE, March 15.—Information from various points in the Provinces of Sivas, Harpoot, Diarbekr, Bitlis, and Van shows that the process of forcing Christians to become Moslems is still in active progress. While Christian worship is allowed to be held in most of the cities and large towns, in the villages throughout the six provinces of the reform scheme it is in practice prohibited.

In twenty-eight villages in the District of Harpoot at last accounts there had been no

Christian worship held since the first week in November. This abolition of Christian worship among a Christian people is at least connived at by the imperial authorities for they do nothing to protect the worshippers from the attacks of the Mohammedans, who declare that it shall no more be allowed. The abolition of worship is simply a part of the scheme to abolish Christianity.

The name of the Rev. Hagop Abouhagatian, pastor of the Protestant church at Oorfa, in the Province of Aleppo, must be added to the long list of Protestant clergymen who have died as martyrs during the recent massacres. He was an able and devoted man, a graduate of the University of Leipsic. He was murdered Dec. 29, when the second massacre, this time of over 4,000 Christians, took place at Oorfa.

Later news from Harpoot shows that in that village, at least, some sort of orders have gone out to discountenance the forced conversions. When the authorities from Harpoot telegraphed to Constantinople for instructions, the reply came: "Do not use force to convert." The local Governor interpreted the orders liberally, and even announced that every one was to return. In one quarter of Harpoot all the Christians had been converted.

In Ksehmen a certain well-known Sheik, ten days after the heat of the outbreak, murdered forty persons in cold blood at the door of the church. He invited all the leading Christians to a conference. Some feared and hid; about sixty, however, assembled in the church, when the door was locked upon them, and then, under the lead of this Sheik, the Moslems brought out these men one at a time. Forty refused to accept Islam and were killed.

There are 15,000 forced converts in the Province of Harpoot alone, and 40,000, in the whole region devastated by the massacres.

The general character of the outrage and the uniformity of its methods and the apathy of the officials when appeared to for redress, all give color to the impression that there is a fiendish purpose in the degradation of womanhood among the Christian communities. A systematic debauchery of Christian women is carried on in nearly all the devastated districts. It is as if the Turks wish to make sure that the women, always conservative in matters of religion, shall lose their self-respect and the grounds of their religious hope. They therefore seize the Christian women, day after day and week after week.

At Tamzara, in the Province of Sivas, all the men were killed in the massacres early in November. From a well-to-do Armenian population of 1,500 all that now remain in this village are about 300 starving and half-naked women and children. Trustworthy information from this place says that the most horrible feature of the situation of these Armenian women and orphaned girls is that passing Turkish soldiers and Turkish travelers attack them in their homes without hesitation.

From Megere, the seat of government of the Province of Harpoot, information declares that the same license exists in that province also. Within earshot of the Governor General's palace Mohammedan young men have broken into Christian houses by night, and the officials have refused to take notice of the abomination.

Because they are Christians the Turkish officials will not protect these women, but do protect their aggressors every time a complaint is made.

The purpose to abolish Christianity is pressed forward with the whole force of the Government by the indirect means of depriving the Christian communities of their men of influence who have survived the massacres. In every town or city where the massacres occurred arrests of such men are now in progress. No charges are preferred against the men arrested. They are arrested simply at the will of the Governor. The communities are thus deprived of their natural advisers and remain a prey to any enterprise which the petty officials of the Government or the Imams of the Moslem hierarchy choose to inaugurate against them. At Aintab one of the Protestant pastors, and at Marash two of the pastors, are thus kept in prison without reason and against all right and law.

□ 2050

GENERAL LEAVE

Mr. EDGAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MORATORIUM ON FINANCIAL RESPONSIBILITY REQUIREMENTS FOR CERTAIN HAZARDOUS WASTE FACILITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BROYHILL] is recognized for 30 minutes.

Mr. BROYHILL. Mr. Speaker, today I am pleased to introduce legislation, along with Mr. TAUZIN, Mr. LOTT, Mr. SHELBY, Mr. GINGRICH, Mr. DOWDY, Mrs. JOHNSON, Mr. NICHOLS, and Mrs. SMITH of Nebraska, that will provide a 2-year moratorium for certain hazardous waste facilities to comply with the financial responsibility requirements under the Solid Waste Disposal Act. If this legislation is not enacted, many businesses will be forced to shut down, despite their good faith efforts to demonstrate financial responsibility, and despite their compliance with groundwater monitoring requirements. Let me explain.

Last year, Congress passed the Hazardous Waste Control and Enforcement Act, which the President signed into law on November 8, 1984. This legislation was designed to amend and improve the manner in which we handle the treatment, storage, and disposal of solid waste. One of the provisions of that law required all land disposal facilities to certify by November 8, 1985, that they were in compliance with both the groundwater monitoring regulations as well as the financial responsibility requirements promulgated under the Solid Waste Disposal Act. Failure to so certify would result in the closure of the land disposal facility.

I am advised by the EPA that since the time this legislation was enacted into law—less than 1 year ago—insurance has become unavailable for pollution risks. It is, therefore, impossible for many land disposal facilities to obtain the insurance they need to comply with the financial responsibility requirements. If they cannot comply with the financial responsibility requirements, these facilities will have to close.

Mr. Speaker, it is clear that there is a great inequity here. Through no fault of their own, these facilities will have to close even though the only reason they cannot comply with the law is due to problems in the insurance industry over which they have no control. They will have to close even though they have worked hard to comply with the important groundwater monitoring regulations. If we allow this to happen, we will be penalizing those very businesses that have devoted time and money to comply with the groundwater regulations. Furthermore, by forcing these businesses to close, we will destroy their financial ability to properly manage the hazardous wastes remaining in their land disposal facilities. We cannot allow this to happen.

Mr. Speaker, let me make clear that this legislation does not weaken the requirement that all land disposal facilities be able to certify compliance with the groundwater monitoring requirements as of November 8, 1985. Beyond that, this moratorium is only a means to an end. It simply affords Congress the time needed to get a handle on, and hopefully resolve, the underlying problem—the unavailability of liability insurance. I would note for the benefit of my colleagues that this insurance problem affects more than these particular businesses, and I hope that the Congress will quickly focus its attention on the broader insurance problem facing this Nation.

EPA has recently advised me that there is no way to avoid the unintended impact of the current law other than by congressional action. I urge my colleagues to join me in supporting the legislation I am introducing today and to work toward immediate passage of this legislation.

Mr. Speaker, the text of this legislation follows:

H.R. 9692

A bill to modify the deadlines applicable to hazardous waste disposal facilities required to certify compliance with certain financial responsiblity requirements under the Solid Waste Disposal Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATION OF COMPLIANCE WITH FINANCIAL RESPONSIBILITY REQUIREMENTS.

(a) EXTENSION FOR CERTAIN FACILITIES.—In the case of a facility described in subsection (b), notwithstanding the failure of the owner or operator of the facility to file for the determination and make the certification referred to in section 3005(e)(2) of that Act, the interim status of such facility under section 3005(e) shall not terminate on November 8, 1985. The interim status of such facility shall terminate 4 months after the enactment of this Act unless the owner or operator of the facility (before the end of

such 4-month period) takes each of the following action:

(1) Applies for the determination referred to in section 3005(e)(2)(A) of such Act.

(2) Certifies that such facility (A) is in compliance with all applicable groundwater monitoring requirements under subtitle C of such Act and (B) was in compliance with such requirements as of November 8, 1985.

(3) Certifies that such facility meets at least one of the criteria set forth in subsection (b) of this section.

The interim status of each such facility shall terminate on November 8, 1987, unless the owner or operator of the facility certifies (before such date) that such facility is in compliance with all applicable financial responsibility requirements under subtitle C of the Solid Waste Disposal Act. No facility shall be treated as operating in violation of the provisions of section 3005(e)(2) of the Solid Waste Disposal Act during the period between November 8, 1985 and the date 4 months after the enactment of this Act solely by reason of the failure of such facility to comply with such provisions before November 8, 1985.

(b) FACILITIES COVERED.—Subsection (a) shall apply to any facility used for land disposal of hazardous waste which has been operating pursuant to interim status under section 3005(e) of the Solid Waste Disposal Act if the facility satisfies at least one of the following criteria within the 4-month period specified in subsection (a):

(1) The owner or operator of the facility demonstrated before November 8, 1984, that the facility complied with all applicable financial responsibility requirements under subtitle C of the Solid Waste Disposal Act but insurance policies on which such compliance was based were cancelled after such date (or the owner or operator received, after such date, a notice from the issuer of any such policy of the issuer's intent not to renew the policy).

(2) The owner or operator of the facility had sales or revenues of less than $5,000,000 for all lines of business in the fiscal year preceding July 15, 1982.

(3) The facility is located in a State for which an authorized State program was in effect under section 3006 of the Solid Waste Disposal Act and, under such program, financial responsibility requirements pursuant to the Solid Waste Disposal Act did not become effective before November 8, 1984.

(4) The owner or operator of the facility has demonstrated to the Administrator that he has made a good faith effort to obtain the insurance necessary to satisfy all applicable financial responsibility requirements pursuant to the Solid Waste Disposal Act and provides documentation of that effort which is satisfactory to the Administrator.

REFLECTIONS ON THE HANDLING OF THE MEDVID AFFAIR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 60 minutes.

Mr. PEASE. Mr. Speaker, I rise today to bring to the attention of my colleagues in the House a situation regarding a young man, a sailor by the name of Medvid who twice tried to escape from a Soviet ship in the Mississippi River near New Orleans.

That ship was in the harbor in order to collect grain and take it back to the Soviet Union. While the ship was waiting in the harbor, this young sailor jumped overboard, 30 feet into the Mississippi, swam ashore, in order to escape into freedom, if you will.

He was returned to the ship not once but twice by our Immigration and Naturalization Service. It is rather clear now, after the event is over, that the event was mishandled by the Immigration and Naturalization Service, and also by the State Department. We do not know why the situation was mishandled, but we are confident that it was.

We are concerned that perhaps the Immigration and Naturalization Service, perhaps the State Department, was more concerned about keeping amicable relations with the Soviet Union on the eve of the summit between Mr. Gorbachev and President Reagan than it was with the human rights, with the freedom of this young Soviet sailor of Ukrainian descent.

I must say that if that was the motivation, if that sort of bureaucratic reasoning went into the decisions that were made to return sailor Medvid to his ship, those considerations have not been adopted by the American people; by Ukrainian Americans in particular and even more particularly by those in the United States, including one of my own constituents who believe that they may be related to this young sailor.

□ 2100

They have kept the situation alive. They have done everything in their power to get their Government to review the decision which forced this young sailor back to his ship.

I would like to take a few minutes to review the events that have happened in only the last 5 days regarding this case.

It was last Thursday, I believe, that Mr. Medvid was returned to his ship after having allegedly signed as statement for the INS that he wished to return to his home country.

But then the next morning, the interpreter who is working for the State Department and INS who did the interpreting between the U.S. officials and the sailor said that it was her feeling that he had categorically said that he wished to stay in the United States and to have asylum here.

That revelation by the interpreter caused a lot of concern on the part of a lot of Americans including myself and one of our colleagues, Representative FEIGHAN, from the neighboring 19th Congressional District in Ohio.

Accordingly, because of the confusion, Mr. FEIGHAN and I sent a telegram to President Reagan on Friday afternoon asking that the case be reopened on behalf of this young sailor. We have not heard an answer, I must say, from the White House. The White House acknowledged on Monday that it had received a telegram, said that we would receive in due course a reply; not, to my way of thinking, a very expeditious answer from the White House.

We were told, however, by the State Department that any hope of getting Mr. Medvid off the ship where he could be interviewed by United States officials would have to be done through Soviet officials here in the United States.

So on Monday, Mr. FEIGHAN and I dispatched a letter to Ambassador Dobrynin making an appeal to him that Soviet officials arrange to have sailor Medvid removed from the ship, again put in the custody of the United States officials so that he could make a decision and we could make certain in our own minds that he really did either wish to stay in the United States or wish to return to his home country.

A very interesting revelation came up over the weekend, and that is that three women, a mother and two daughters who are grown women, in my district and Mr. FEIGHAN's district believe that they may well be related, may be cousins of this young sailor. They have the same family name, they come from the same area of the Ukraine that the sailor is from, and that family, joined by Ukrainian Americans all across the country, have been engaged in the last 4 or 5 days in a heroic effort to see to it that this sailor's rights are fully protected and that this land of America, the home of the free and the brave, the Nation which has always welcomed the oppressed from other countries, does what is right by sailor Medvid.

That family went down to New Orleans on Monday to see what they could do about getting out to the ship. They actually formed a flotilla of small boats, went out to the Russian ship on Tuesday, and sought permission to go aboard and talk with the young sailor. They were denied.

At the same time, Ukrainian-American lawyers went into court here in Washington to seek permission or to seek an order from the court to keep the Soviet ship in United States waters and to get the sailor off that ship so that he could be interviewed by United States officials.

That court decision was not favorable to the plaintiffs, and, again, this morning we were in touch with my constituent, Mrs. Mary Filipovich of Wadsworth, OH, and they were trying a different tack, going into the local Federal court in New Orleans.

I have not yet heard the result of that appearance. In the meantime, Mr. Speaker, other things are happening. A hearing was held yesterday in the Subcommittee on Immigration in the

other body. In that hearing, it was perfectly clear, in fact I think it was admitted by the Immigration and Naturalization Service, that the case was simply bungled, it was mishandled, it should not have been handled the way it was.

There will be a hearing, I will announce to the House, tomorrow afternoon in the Subcommittee on Europe and the Middle East of this House of Representatives where a similar investigation will take place into the reasons why the State Department and the INS handled this case the way it did.

Congressman RITTER, our colleague from Pennsylvania, has been circulating for signatures today a resolution which he intends to introduce calling upon the President to do everything in his power not to let the Soviet ship leave United States waters until this matter is resolved. I have been circulating on the floor of the House a letter to the President carrying the same message. Over 70 of our colleagues have signed that letter so far.

In a late-breaking development, I understand that Senator HELMS of the other body has issued a subpoena calling for Mr. Medvid, the sailor, to appear before the committee of the other body on Friday of this week. It will be interesting to find out from a legal point of view whether or not a subpoena issued by the other body can do what the Federal courts and the administration choose not to do.

Time, Mr. Speaker, is of the essence in this case. My understanding is that the Soviet ship is taking on grain at the moment and could be ready to leave at any time.

I would ask Members of the body, of the House here, to join me in appealing to the President of the United States to take the actions within his power as President, as head of our executive branch, to see to it that the State Department and the Immigration and Naturalization Service reopen this case, examine it again, and try to make sure that simple justice prevails, that the sailor is again removed from the ship, is brought onshore to a neutral place, perhaps to the consulate of the Swiss Government, the Swiss Government being traditionally in world diplomacy a body to deal with international incidents in a fair and neutral way.

If the Soviets would agree, we could make a request that the sailor be taken off the ship, transferred to a neutral place like the Swiss Embassy, where he could be questioned, where he could be confronted with the American citizens from my district who believe that they are his cousins.

I believe that it could make a substantial difference in this young man's decision about his life, what lies ahead for him, if he were to, first of all, know that he was being questioned on neutral territory so that he could make a free and open decision, uncoerced by anybody. Second, it might make a difference to him if he knows that he has relatives in the United States who are concerned about him and who would help him to make an adjustment to life in our society if he were to make the decision to stay here.

Mr. Speaker, we do not know what his decision would be. Certainly that decision is up to him. It would be no more fair for us to coerce him into defecting than it would be for us to not give him the opportunity to make that decision freely, should he decide to do so.

Mr. Speaker, I would like, in conclusion, to read a few passages from the letter which went from the other body, signed by 41 Members of that body, to the President.

I understand that it went out a couple of days ago. This letter refers to what the signers view as an unconscionable miscarriage of justice, that is to say, the return of sailor Medvid to his ship. It refers to the fact that Dr. Irene Padoch, the interpreter hired by our Government to interpret the discussions between our officials and the sailor, said clearly, and I quote, "The INS officer became impatient and asked me to ask whether he, the sailor, wanted political asylum because he could only keep him here under those circumstances. I asked the sailor that, and he unhesitatingly responded, 'Yes.'" That is, yes, he did want asylum.

Yet the letter from the other body continues:

> Incredibly, in the middle of the night, U.S. officials attempted to return Medvid to the ship. En route back to his ship, Medvid jumped into the river a second time.
>
> There are many unanswered questions about this case. But Dr. Padoch gives the best explanation. In her affidavit, she states that "One of the agents told me that 'somebody goofed and that he should jump into the Mississippi himself.'"
>
> Mr. President, a life hangs in the balance because of that "goof." Even beyond that, however, what is at stake here are the very principles upon which this Nation is founded. How can we possibly turn away from the gates of freedom a brave man fleeing from heinous persecution? We cannot and we should not.
>
> We urge you to give this matter your immediate attention. If there are anxieties about disturbing the atmosphere before the summit, then surely an acceptable alternative would be to transfer Mr. Medvid to a neutral third nation, where he would be provided with an opportunity to recuperate, overcome any effects of drugs, and regather his thoughts. Then let him make a clear-headed decision, free from coercive pressures, about what he desires for his future.

Mr. Speaker, as I mentioned earlier, I do not know why the INS and the State Department were in such a hurry to close this case and why they now stonewall the situation and insist that the case is closed and that nothing can be done to reopen it. That does not seem to me to be carrying out justice as we know it in this country.

American citizens know better than that. They know that we as a nation can do better by the human rights of even one young sailor than that. They are asking their Government officials to do what can be done, clearly, and that is to insist that the Soviet officials give us another chance, give the family a chance to be reunited, to see this young man and to let him know that there are people in the United States who care for him.

So I hope the Members of the House will, over the next day or so, join me in doing everything possible to remind the President of the commitment of our Nation, including his administration, to human rights and that that means, if it means anything, that we have to observe and protect the human rights of every individual.

With that, Mr. Speaker, I yield back the balance of my time.

CHILDREN AND FAMILIES IN POVERTY: BEYOND THE STATISTICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 30 minutes.

Mr. MILLER of California. Mr. Speaker and Members of the House, earlier this morning the Select Committee on Children, Youth and Families, which I have the privilege of chairing, held a hearing just a few blocks from this Nation's Capitol to give an opportunity to a number of individuals who are currently living their lives in poverty, attempting to raise their families in poverty, to give them a chance to tell Members of Congress what it is like on a day-to-day basis to be poor in America and to look into the eyes of your children and know that you are poor. And what kind of aspirations they had for themselves, for their families, for their children.

It is a rather tragic commentary on the United States of America that here within the shadow of the dome of the Capitol, just a few short blocks away, we had to listen to the tragic stories of these individuals, individuals who, in some instances, through no fault of their own, find that they were poor and find that they are the left-out in American society.

One of the tragic stories from 1980 to today is the dramatic increase in the number of poor people in America and especially the dramatic increase in the number of poor children in America.

□ 2115

In 1984, 12.9 million or 21 percent of all of the children in America were poor; 8.1 million of those children

were white, 4.3 million were black, 2.3 million were Hispanic children and 6.7 million or 52 percent of these impoverished children were female-headed single-parent households.

The poverty rate for children under 6 was 23.4 percent in 1984. For black children under 6, the poverty rate was 51.1 percent, the highest rate recorded by this group since the Census Bureau began collecting figures on this data in 1970.

The number of poor children increased to nearly 3.5 million between 1979 and 1983 and fell by 520,000 between 1983 and 1984. The decline between 1983 and 1984 was entirely among white children, although the poverty rate for white children, 16.1 percent, remains over 40 percent higher than in 1979.

Poverty rates for black children remained at an astonishing 46.2 percent between 1983 and 1984, and rose from 37.7 percent to almost 39 percent for Hispanic children.

The increase in poverty among children since 1979 included over 2 million children in male-headed families. During that period, poverty rates for male-headed families climbed faster than in female-headed families. Between 1959 and 1969, the child poverty rate in this country was cut in half, to a record low of 13.8 percent. By 1984, the child poverty rate had risen 50 percent above the 1969 level.

Mr. Speaker, I believe that this is an indictment of the Reaganomics program. I believe this is an indictment of the claim by this President of the United States to care about poor children. I believe this is an indictment of the promise of this President that he would maintain a safety net so the poorest of our country or, as he refers to them, the truly needy in America would not fall through it. In fact, the programs of this administration, unfortunately all too often agreed to by the Congress of the United States, has shredded that safety net so that millions of children in this country have simply hit the ground and have been irreparably damaged for as far as we can see into the future.

A child in a female-headed family in this country is 4 times as likely to be poor as one in a male-headed family. A black child is three times as likely to be poor as a white child.

Forty-five percent of all poor white children and 75 percent of all poor black children live in a female-headed single-parent family. By 1990, 3 million more children under the age of 10 will live in single-parent households, totaling almost 39 million children, a 48-percent increase in this decade, raising the percentage of children in such households to 23 percent of all children.

Nearly 40 percent of the families receiving AFDC in this country in 1982 reported earnings from incomes during that year. More than one-sixth of the poor children in 1983, 2.5 million, were in families with at least one full-time year-round worker. Again this takes away the myth that poor children are in poor families because the parents of these children prefer not to work but would prefer to rely on public welfare. The fact is that millions of these poor children are in families where one or both of their parents go to work every day for a good portion of that year but their wages in fact are so low for the hours that they work that this family still ends up poor at the end of the year.

I would like to tell Members of this Congress that it is these low income families that have their income taxes increased by 300 percent in over the last few years. It is these families that have seen a greater tax increase than any other segment of our society.

So I think we have got to understand that whether their parents work or they do not work, we find millions of children in a desperate situation, a desperate situation of poverty. I think while these figures that I have simply read to the Members of this body are an indictment of the programs that we have had to try and help these children, they are a much greater indictment of the actions that this Congress has taken to reduce the programs of support for these families who are trying to work and get out of poverty.

But there is something more important in the statistics that I have just read, and that is the human dimensions to understand that behind those statistics of the millions of children in poverty and the millions of families that are impoverished in the United States today, there are in fact individuals. This morning in the hearing that we held at Friendship House down at 6th and D Streets in Southeast Washington, we heard from Tweedy Williams, who is a parent in Washington, DC, who is now working, trying to stay off of welfare, but described to us the day-to-day combat that she has with the system and with the ability for her to provide the economic well-being for her family, where she went through a great deal of turmoil to try to get shelter and a decent place for her and her 1-year-old son, only to find out after she received that shelter that the person who owned the building in which she was living, in which she paid her rent, had not paid the mortgage for a good period of time. That building was foreclosed on and all of the tenants were evicted.

Once again, she found herself and her son out on the street. Fortunately, she was able to secure a place to live in a shelter for homeless in Bethesda and she unfortunately had to stay in that shelter for some 2 months. During that time, I say to the Members of this body, she was not sitting around that shelter. She was working two jobs to try to provide the income for her and her son. She was getting up at 5 o'clock in the morning to go to work, to work for $4 an hour, and, as she pointed out, at $4 an hour, at least 1 hour of her work had to be spent simply to pay for her carfare to and from work. In fact, it exceeded her hourly wage. She had to work an hour to get the carfare to go to her job.

I do not know if Members of the Senate who voted to eliminate the low-income programs when they voted on Gramm-Rudman today need carfare to go to work; but if they do, for them to achieve the amount of money necessary for them to pay the same carfare that Tweedy Williams has to pay to go to work, I believe that roughly at our salary, if you count the honorariums that Senators and Members of Congress get, they would have to work perhaps a minute, perhaps all of 3 minutes, to achieve that same carfare that Tweedy Williams had to achieve to get to work for a job that paid $4 an hour so she could raise her 1-year-old son.

When she concluded her testimony before us, she told us of her son. She said, "I don't want him to live in the kind of life I have had. I want his home to be filled with the things he needs and wants, and I pray that I can give them to him."

The committee also heard from Aletha Harris, who is a parent from Maryland. Aletha told us about trying to raise her children as a single parent. She told us of giving birth to her first child when she was 17 but her mother discouraged her from getting married because she felt that she was not prepared to go out into the world, and she asked that she finish school so that she could get a good job so she could go to work to raise her family. She talked about what it meant to live in a violent marriage with her spouse, who was chasing her and disturbing her in the middle of the night and beating on her door. She talked about what it was like to live, when she lost her job, on a welfare check of $282 a month, when her rent was $199, when there was $77 in food stamps and she had $6 left for the rest of the month, $6 for the next 30 days.

She talked about what it meant to try to provide for her children as she worked two jobs 16 hours a day and how she finally found a house, but when she moved into the house she found out that she still did not have transportation, so she had to walk 2 miles to pick up groceries at the store and to bring them back, and how many times she had to walk a mile to take her child to be cared for, her day-care mother, so she could continue to work. She talked about how her older child, her daughter, would have to walk through the cold to bring her

younger daughter home while she was still at work and the traumatic decision of whether or not to pay the electric bill or whether or not to pay the car bill because she needed a car so that she could keep her job.

She talked about not being able to pay the electric bill, so there was no heat in the house, and about ironing her clothes on top of the grill in her stove, about the big decision about whether or not to buy curtains so that she could have privacy for her and her family.

Mr. Speaker and Members of the House, very often we like to pretend that those people who are poor, those people who are impoverished in this country are lazy, that they really have no gumption, that if they really wanted to get ahead they could. Well, let me tell you the witnesses we heard this morning simply set that myth aside. I dare say they are working harder than most Members of this body in trying to keep their families together, and they are under far more pressure than any of us.

We also heard from a young man named Michael Jacobs. Michael Jacobs is 17 years old and he told this committee after being raised in a family of a rather difficult background, with a number of brothers and sisters who have gone to the Job Corps, one who has gone to prison, how somehow he was able to escape that because a man told him that an education was more important than selling dope and smoking grass and hanging out on corners, as he was doing when he was a very young child, how Michael Jacobs told this committee "that just don't get it," and how Michael Jacobs is going to school, trying to get his grades in order so that he can go to the University of Maryland.

Michael Jacobs is doing that with a number of strikes against him, but I think he convinced the members of this committee that he was trying, and they wished him well and they were taken quite aback by his sense of gumption, by his sense of the desire to participate in the American dream. As Michael said, "Success means having what I want, a decent job, it means to settle down with a family, a career and a college degree." When I was a kid I was raised by my mother and then she met a man named Lonnie, and they have been together for 12 or 13 years, "and he showed me what life was about, and he told me that to get an education was more important than hanging out on the corner selling drugs, that selling drugs was hurting others and I was killing other people when I sold it to them."

What Michael is saying is that even coming out of a cycle of poverty, he is willing to try and make it.

□ 2130

He is willing to move forward, as are the other witnesses that we heard from in the hearing; as was Tweedy Williams, as was Aletha Harris, as was Michael Jacobs, as was Stephanie Epps. Stephanie Epps is a 17-year-old youngster with two children who is in Cardozo High School here, who told us about getting up at 2:30 in the morning so she could study while the house was quiet because they live in a house with a great number of people. She told us how she came directly home from school so she could study while her grandmother watched her children, and how she hopes some day to have a house of her own, and how she was hoping that either she could learn the trade of a beautician or perhaps even get into the U.S. Army so that she could provide a means of support for her family.

But Stephanie Epps did not drop out of school. Stephanie Epps did not shirk her responsibilities. She accepted them with the support of her family, again a family that is deeply impoverished. They have tried to provide some semblance of support for Stephanie and her children so that she could go on and hopefully provide a better life for her child.

I guess what I am trying to say to the Members of this Congress is that we ought not to treat poor people in the country as them against us.

Very often members of the select committee say to me they want to have hearings on the success stories, why some people escape poverty and why some people do not; what is it that motivates people to leave the ghetto to get an education, and for those who do not.

But very often sometimes I think what these people are really telling me is they want to see somebody who models the notion of success as we would, the kind of life that we would.

I would say to Members of the Congress that had they been in this hearing today, I think they would have understood that for millions of poor people in this country success is a daily battle. It is not the notion of a college degree. It is not the notion of 5 years from today a career move. Success is being able to provide food for your family, shelter for your family. Success is hoping that you are not going out into the street on circumstances beyond your own control. Success is hoping that you will have enough money at the end of the month to make ends meet.

But I think the real success that the witnesses before the select committee told us about is somehow not letting that spirit die, the fact that you have drawn a difficult lot; that somehow you still aspire to make this world better for your children; that somehow you desire to have a better life for them. So you continue on as Tweedy Williams, Aletha Harris, Michael Jacobs, Stephanie Epps, Ana Mareno, and others who testified today do.

What I would like this Congress to understand is that these people have so very often said they would prefer not to be on public assistance. They spent a great deal of time this morning telling us how degrading it is to wait for that check, to have your whole life dependent upon whether that check arrives on time or does not arrive on time.

But they also understand that if they work 16 hours a day on two jobs, they are still going to be poor, and they need some resources to help them over the tough spots.

What they are saying is, "We're willing to go to work. We're willing to pull our load. We're willing to try to stay in school. But we may need some help for a period of time."

Now, what the Congress has answered with the proposal on Gramm-Rudman, what this administration has answered and this Congress, all too often, is that the moment you get a job after years on welfare, we are going to cut off all the resources to you.

The question really is, should we do that, or should we try to work with these people and stay with these people and bet on their success and, as they do better, we will withdraw some of these resources over a period of time to get them on their feet? Are we prepared to look at the dignity of these individuals and to treat them as individuals and to understand what their needs are? Or are we simply prepared to class them as the poor in this country, treat them as an abstract and go on about our business?

Tragically, most Members of this House and most Members of the other body will never get a chance to meet these people who testified today, and rarely will Members of this body or Members of the Senate go out and make an attempt to talk with these people and to understand, will they make an attempt to understand what it means to be poor in America every day, what it means to grow up poor in America.

But until that time, I would hope that they would understand that there are an awful lot of decent people in this country who happen to be poor, and there are an awful lot of people in this country who, if given the chance, will take the chance and make the most of it, and that this Government ought to be as compassionate as its citizens.

It is very interesting that in a recent poll in the Los Angeles Times, the overwhelming number of people polled in the Los Angeles area felt that this Government should do more to help poor children and to help those families in need.

But we do not find that in the Congress of the United States. I guess the reason for that may be that the country is a little bit nicer than the Congress of the United States, that perhaps the country is not as mean spirited as the Congress of the United States.

You know, we hear a lot of talk when we talk about balancing the budget, when we hear about cutting these programs to the poor. We hear about bold actions and tough actions. It does not take a great deal of toughness for Members of Congress in this institution, in this Chamber, to strike out against the poor in this Nation. We do not have to be very bold to strike out against poor children. It takes no great courage to rip the food stamps away from a very young child who has no other means of support, or for the elderly in this country that have now retired and retired into poverty and need that kind of help. It does not take a great deal of courage to kick the crutches out from the elderly in the Medicare Program or the poor in the Medicaid Program. That is not courage; those are acts of cowards. Those are acts of cowards, because when we take those actions, rarely will any Members of this Congress meet the victims of those actions. Rarely will they get an opportunity to talk to the mother who, because of the cuts in the WIC Program, the hundreds of thousands of mothers who are medically eligible because they are at risk of having a low birth weight baby, that has 40 times the chance of dying in the first year of life than a normal weight baby. Rarely will Members of this Congress talk to that mother about the denial of a few dollars a month in high protein food supplements so that we can get the weight of that baby up in the normal range.

We will not talk to that mother. We will not understand the tragedy that befalls a family that sees the birth of a newborn child only to be taken in to the intensive care wards of the hospitals of this Nation.

Unfortunately, not only is the policy with respect to the cutbacks in health care for the poor, nutrition for the poor, not only is it sad policy, but it also happens to be economically very foolish, because it is the very preventative actions in the delivery of health care and nutrition to the poorest people in this country that has the opportunity, according to study after study by the Reagan administration and the previous administration, to save this Government billions of dollars in health care costs. But we, rather, talk about the short-term goal of cutting a few people off of the program.

So I would hope, Mr. Speaker and Members of the House, that the next time we cavalierly talk about cutting programs to the poor, or as this body considers whether or not to exempt programs for the poor from the Gramm-Rudman proposal, when we consider whether or not to follow the cavalier actions of Members of the Senate, many of whom are millionaires, that they cavalierly threw aside the poor in this country, Democrats and Republicans alike, liberals and conservatives alike, I would hope that we would understand that the poor people in this Nation are not an abstraction, but they are very real people who live with the anguish of poverty on a day-to-day basis. On an hour-to-hour basis, they struggle.

□ 2140

Because they are poor does not mean that they do not get an opportunity to witness America society in the media, that they do not get an opportunity to see how the other half lives, and because they are poor does not mean that they are insensitive to the actions that we might take in this Congress; so I would hope that the Congress of the United States would quit striking out at the poor in this country. I would hope in fact that the Congress of the United States would try to do as we did a decade ago, and that is to try to work toward the eradication of poverty in this country.

Let me remind this Congress that in the decade between 1960 and 1970 the child poverty rate was 13.8 percent. Today it is in excess of 21 percent. Something is terribly wrong in this country when we condemn 13 million of our children to a life of poverty. It is not to suggest for a moment that all of that can be made up by the Federal Government, nor should it, but it is to suggest that absent meaningful Federal responses to this epidemic of child poverty in the United States we will simply not be able to roll back the number of children in poverty. We will simply not be able to make the gains on infant mortality that are so necessary, and we simply will not be able to liberate those children from the quite lives of desperation that the poor in this country lead so all too often and in all too great numbers.

So, Mr. Speaker, I appreciate this opportunity to share this morning's hearing with the Members of the House of Representatives, but it is also with some degree of shame that I have to tell you, as I did at the outset, that that hearing was held within the shadow of the dome of this great Capitol, that within the shadow of the dome of this great Capitol there are children in poverty who have little hope of ever escaping that poverty, and that is a national tragedy and the commitment of this Congress ought to be to eradicate poverty among children in this country.

POLITICAL ASYLUM FOR MIROSLAV MEDVID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 30 minutes.

Mr. RITTER. Mr. Speaker, the hour is late. It is late for us here in the Halls of the Congress, and it is late for a young Ukrainian seaman named Miroslav Medvid.

Mr. Speaker, it is with deep regret that I take to the floor of the House today to bring this message on behalf of Miroslav Medvid. The case of Miroslav Medvid should never have gotten to the point it has arrived at.

There is no doubt from all the information we have that a grievous error has been made, that a significant human tragedy is underway.

Mr. Speaker, we have in our power in this country the opportunity to avoid a continuation, indeed lifelong continuation of this tragedy.

We have in our power the opportunity to give Mr. Medvid the chance he never had.

I would like to recount the events leading up to the present and how the kind of appropriate rules, regulations, and procedures that are commonly afforded defectors political asylum were not afforded to Mr. Medvid, how they were avoided.

Now I am not saying that I have some knowledge of some conspiracy from on high to somehow save the summit from the destruction of one lonely, desperate man, but I do know that the kind of treatment that this man received in this country, on our sacred American soil, is not worthy of who we are, what we are, and what we stand for.

Mr. Medvid took in a little brown jar some legal documents, a watch, and according to witnesses something red. He took this little brown jar and jumped off the side of a great and large grain ship, grain-hauling ship. He jumped into the Mississippi River in near hurricane conditions and swam to shore. When he first came to shore the first American to see him was the owner of a jewelry store, Mr. Joseph Wyman.

I would like to read the affidavit of Mr. Joseph Wyman:

In the parish of Plaquemines, town of Belle Chasse, State of Louisiana.

I, Joseph Wyman, duly sworn, hereby give the following statement of my own free will and accord:

My name is Joseph Wyman and I reside in Belle Chasse, Louisiana. Today is November 1, 1985, and I am providing this statement to Orest A. Jejna of Phoenix, Arizona.

On October 24, 1985, a Thursday, at 7:30 to 8:00 p.m., I was closing my jewelry store when I noticed a man running up the parking lot. He ran to my nephew, Wayne Wyman.

My nephew asked me to come there because the man was speaking in a foreign language.

I then walked over to them and the man appeared very excited and I noticed that he was soaking wet. It was not raining that night. The man was babbling or trying to speak in a foreign language.

The only thing I was able to understand was "Novi Orlean". I understood this to mean New Orleans. I then understood the language to be some Eastern European dialect.

I then asked the man if he was Russian. He responded by beating his chest with his fist, and saying "Ukrainian".

The man appeared extremely nervous and kept looking south, the direction from which he came.

The man was dressed in the following manner: He had on brown shorts, blue pullover shirt, sneakers, and black socks.

The man was carrying a brown jar, which I later learned from my nephew contained the man's papers, watch, and a small red object.

I then spoke with my nephew and tried to calm the man down.

I then asked the man and said: "You, New Orleans". He said "Yes".

I asked him again, "You, defect, New Orleans".

The man responded "Yes."

I'm not sure if the man understood what I meant, but, based on the facts before me, I felt this man was trying to defect to the United States.

Based on my past experiences as a Jefferson Parish deputy sheriff, I felt this man was trying to defect to the United States.

I then asked my nephew to take the man to New Orleans where he wanted to go.

I then asked the man, "New Orleans?" and gestured, "Where".

He responded, "Policia."

My nephew agreed to take him to New Orleans and they both left in my nephew's car.

Approximately 3 to 5 minutes later, three men approached me and only one man spoke. Two of the men were tall and large and muscularly and the other one was of average height and weight.

One of the men asked me if I had seen a man walking around. I asked him, "Why?" He said, "one of our comrades fell overboard and may be hurt and wandering around looking for help."

At that time I felt it was in my best interest, that I told them, "No".

I knew these men were after him and I wanted to protect him. I personally felt they were after the man.

The statement I have provided above is true and accurate to the best of my knowledge.

Signed, Joseph H. Wyman.

Sworn to before me this first day of November, 1985.

George Pivach, local notary public.

Now I ask you, is there any shadow of a doubt of the impression and of the exchange of this man, this first witness to the young Ukrainian who came off the ship? Not in my mind.

I would now like to read from the affidavit provided by the nephew, Wayne Wyman. The interesting thing, if I might digress, is that these two individuals were the first individuals to see Miroslav Medvid, the young Ukrainian sailor. So their impression and their exchanges are awfully, awfully important.

In the Parish of Plaquemines, town of Belle Chasse, State of Louisiana.

I, Wayne Wyman, duly sworn, hereby give the following statement of my own free will and accord:

My name is Wayne Wyman, and I reside in Tarrytown, Louisiana, in the parish of Jefferson.

I have read the statement of my uncle, Joseph Wyman. I would like to reiterate the facts delineated in paragraphs 1 to 14, as being true and correct to the best of my knowledge.

Upon leaving the premises with the man who approached us in the parking lot, I then drove him to New Orleans.

After we left my uncle's jewelry shop, I was together with the man for about an hour.

During that hour, I tried to figure out where he wanted to go. The man picked up an envelope from my car seat and gestured that he wanted to write.

He then wrote the words "policia" in Latin letters, not in Cyrillic, which is either Russian or Ukranian, so he had some knowledge of English. He wrote the word "policia" on the center of the page. Then he wrote "Novi Orleans" below it, and drew a circle around the word "policia" and drew an arrow to the word "Orlean".

He then drew a line separating the page. On the upper right-hand corner, he wrote "USSR". He pointed to the "USSR" and tried to gesture that that is where he was from.

I said to him "I think you are trying to defect."

I don't believe he understood what I said, but I knew that's what he wanted to do.

I then drove him to the police station and left him there.

The man was pointing at the police station and motioned for me to stop—again indicating that he had some knowledge of English.

The man appeared to be of sound mind and body as best as I could tell. He even wrote my license plate number down. He also could understand some road signs.

Once we got to the police station, I let him get out of the car.

The man tried to thank me by shaking my hand and kissing it.

The brown jar the man had with him was left in my car which I gave to the Immigration and Naturalization Service. The brown jug contained legal papers, watch and something red.

The statement I have provided above is true and accurate to the best of my knowledge.

And so on and so forth.

Sworn to before me this first day of November, 1985. George Pivach.—

The local notary.

I mean, does someone jump off a ship to go swimming in a hurricane-driven river? Does someone jump off a ship with legal papers, a watch, and a little jar if he is not desiring to defect? No, there is no doubt, there is absolutely no doubt whatsoever that Miroslav Medvid was a defector.

□ 2155

He was taken to the police station. There, between the Border Patrol and INS, they eventually hooked him up to a Mrs. Irene Padoch, an elderly woman who lives in New York City, a long-distance contact. A long-distance line was developed between New Orleans and New York City.

I spoke personally with Irene Padoch. Irene Padock has since spoken to the press. Irene Padoch has since testified in court. In Irene Padoch's mind, there was no question, there was no doubt, that Miroslav Medvid was a defector. When asked by the Immigration and Naturalization Service did she think, from what she was talking about with the gentleman, that he wanted to defect, she said, "Yes, he is asking for asylum."

She mentioned other things that Miroslav Medvid said. She mentioned that he told her he wanted to live in an honest country. She mentioned that he told her that he was very much afraid to go back.

Irene Padoch told this to INS. Irene Padoch was told by INS that she would be called back in about an hour. Irene Padoch was never called back that night by INS. That night Miroslav Medvid, after a discussion with the Ukranian-speaking interpreter who told the Immigration and Naturalization Service that Miroslav Medvid wanted to defect, that night about 1 hour after Irene Padoch was asked to tell the man, "Do not worry. There will not come any harm to you. No one is going to hurt you," that night, 1 hour after the conversation, Miroslav Medvid was returned to the Soviet ship *Marshal Koniev.*

I ask you: Does that speak well for what the principles of the United States are? Does that speak well for what America stands for? I do not think it takes a genius to understand that our very own people helped to perpetrate a monstrous tragedy.

Let me describe how Miroslav Medvid was returned to the ship. The Immigration and Naturalization Service called the shipping company that does business with the Soviet line. The shipping company that does business with the Soviet line contacted the *Marshal Koniev.* Eight burly seamen came for Miroslav Medvid, who did not want to go back. They had to drag him, kicking and screaming, back to that ship. Very American.

Miroslav Medvid was on a launch and was about to board the Soviet ship when he jumped into the water and started swimming furiously for shore. At this time, however, the only people around were eight burly Soviet seamen in a launch. They went after him in the launch. They dragged him out of the water and they put him back on the Soviet ship.

Irene Padoch was never called. By the way, this was all happening at about 11:30, when Irene Padoch was called, to about 12:30 a.m. Friday morning. He was then brought back onto the ship in the early hours of Friday morning. The State Department claims, and this is bizarre, I find

this bizarre, but this is the claim, the State Department claims that they did not hear a darn thing until 3:40 p.m. Friday. In other words, here is an international incident growing, a Soviet defector, and the State Department does not hear a darn thing until nearly a day has passed. I think it is bizarre.

The State Department finds out and they send somebody out to the ship and they did a good job getting Miroslav Medvid off that ship. That was not easy. It took some doing. According to the President, the boarding party prepared to use force. I commend them. I think that showed some guts. However, what followed seems to me not to have shown very much guts at all. I hate to say it. I have some good friends at the State Department, but I am disappointed at what happened.

What followed is this: Miroslav Medvid was taken off the Soviet ship and he was taken to a Coast Guard cutter. All the time he was with a Soviet official. When he first came off, he was groggy, he was nauseous, he appeared to have been drugged. We found out from yesterday's Senate hearing, which was not told to us, by the way, it was not offered up to us, this information, but yesterday we found out he had tried to cut his wrists. Yes; he really did want to go back to the Soviet Union.

Then he was taken to a shore facility. He was given a good night's sleep. He was given a good breakfast. In the presence of Soviet officials, he did state his will to go back to the Soviet Union. The Soviet interpreter was not Ukrainian speaking. He was a Russian-speaking person, and there may have been some suspicions there to someone who, when asked whether he was Russian, beat his chest and said, "I am Ukrainian."

Miroslav Medvid spent 24 hours or more back on that ship before the State Department got to take him off. They heard about it at 3:40. They immediately send a man down to the New Orleans area where the ship was, and they took him off. I wonder what kind of deal was made when they took him off? Maybe we will never know. But 24 hours was spent aboard this Soviet ship, 24 hours of exposure to the KGB? Sure, they have KGB officers on these transports, to the political officer, to someone in charge of discipline. Sure.

At that point, after 24 hours, he needed more. He needed more than just an interview with a State Department officer, a Russian-speaking translator, in the presence of Soviet officials. He needed far more. He needed some cooling-off time. He needed some respite. He needed to be able somehow to cool down from the drugs and the threats, the probable drugs, the probable threats that he endured while back on that grain ship for 24 hours. But he did not get it. No. It was closed up and it was said, our State Department said, "We are satisfied this man wants to go home." If that man wants to go home, I am standing here a monkey's uncle. Nothing in his actions stated that he wanted to go home.

Here are some other things that we were never told. Miroslav Medvid, when asked why he jumped off the ship, by the Soviet authorities, said blandly, "I do not remember jumping off the ship." Miroslav Medvid was not in a position to speak freely.

Today a group of us who belong to the Helsinki Commission, a congressional commission composed for Members of the Senate and the House that oversees the Soviet behavior with respect to the Helsinki accords, held a press conference this morning. We displayed a letter which later this afternoon we delivered directly to the President. It was signed by all members of the Helsinki Commission. It stated:

DEAR MR. PRESIDENT: As members concerned with the issue of human rights, particularly in the Soviet Union, we respectfully request to meet with you to discuss the agenda for your meeting in Geneva.

It goes on to talk about human rights and the lack and the sorry state of accordance with those acts that the Soviet Union itself signed.

What Miroslav Medvid did, and his forcible return to the grain-hauling ship, was in direct violation of the Helsinki accords.

□ 2205

We also took another letter to the President today, and that was also signed by all of the members of the Helsinki Commission, and that asked the President to delay the return of Miroslav Medvid to the Soviet Union pending investigation of the facts of the case, and pending the opportunity of Miroslav Medvid to, on some neutral ground, regain his bearings, perhaps speak with Ukrainian Americans, removed from the environment of the threats, and to be able to come to a clear-headed decision on his future.

Earlier some 41 Senators sent a letter requesting essentially the same thing to the President. Another 10 or so Senators have signed that letter since it went over there.

We heard earlier this evening by the gentleman from Ohio [Mr. PEASE], who has a letter to the President that some 70 Members of the House have signed onto, that letter requesting essentially the same thing, some safe harbor, some time to think clearly, some contact with people who are nonthreatening, and give the man a chance. This man is a marked man if he goes back to the Soviet Union. His life is in danger. He will be made an example of.

Today, I and the cochairman of the Helsinki Commission introduced a congressional resolution and we asked essentially for the same thing, and we circulated this resolution. There are some 60-odd Members of the House who have signed onto this resolution. We expect another 100 in addition to that or so tomorrow.

I guess what I am saying is we represent the people here in the august body, and the Senators represent the people in that august body. And what the people are saying is that they believe enough in what America means, and what America stands for, that they are not willing to let this desperate soul be taken back to Lord only knows what awaits him in the Soviet Union.

Mr. Speaker, I urge my colleagues to join with the gentleman from Ohio [Mr. PEASE], on his letter, and to join with me and the gentleman from Maryland, [Mr. HOYER], in our congressional resolution so that we can bring this message loud and clear to the President of the United States, to the White House, to the administration officials who are responsible for this decision. It is important.

We intend at the summit to speak on behalf of the freedom of mankind. I am asking, and the dozens upon dozens of other Members of the Congress are asking that we speak before it is too late on behalf of the freedom of one man.

Not to do so would be a deep embarrassment to all of us.

Mr. Speaker, I yield back the balance of my time.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. RITTER for 30 minutes, today.

(The following Members (at the request of Mr. STRANG) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, today.

Mr. MACK, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, on November 7.

Mr. BROYHILL, for 30 minutes, today.

Mr. IRELAND, for 5 minutes, on November 7.

Mr. RINALDO, for 5 minutes, today.

(The following Members (at the request of Mr. GARCIA) to revise and extend their remarks and include extraneous material:)

Mr. RAY, for 5 minutes, today.

Ms. OAKAR, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BATES, for 5 minutes, today.

Mr. ECKART of Ohio, for 60 minutes, today.

Mr. PEASE, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.
Mr. LIPINSKI, for 60 minutes, on November 7.
Mr. DYMALLY, for 60 minutes, on November 12.
Mr. SKELTON, for 60 minutes, on November 13.
Mr. ECKART of Ohio, for 60 minutes, on November 14.
(The following Members (at the request of Mr. EDGAR) to revise and extend their remarks and include extraneous material:)
Mr. MILLER of California, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:
Mr. ROE, following the remarks of Mr. BIAGGI on title I of H.R. 6, in the Committee of the Whole, today.
Mr. LIVINGSTON, in support of the Roe amendment to H.R. 6, in the Committee of the Whole, today.
(The following Members (at the request of Mr. STRANG) and to include extraneous matter:)
Mr. LUNGREN.
Mr. COURTER.
Mr. GILMAN in three instances.
Mr. THOMAS of California.
Mr. SHUMWAY.
Mr. MILLER of Ohio in three instances.
Mr. STRANG.
Mr. DAUB.
Mr. LEACH of Iowa.
Mr. CHANDLER.
Mr. LIGHTFOOT.
Mr. BARTON of Texas.
Mr. GEKAS.
Mr. GOODLING.
Mr. GINGRICH in three instances.
Mr. SOLOMON.
Mr. VANDER JAGT.
Mr. COBLE.
Mr. MICHEL in two instances.
Mr. BOULTER.
Mr. DIOGUARDI in two instances.
Mr. DENNY SMITH.
Mr. O'BRIEN.
Mr. LAGOMARSINO.
Mr. DORNAN of California in two instances.
Mr. MYERS of Indiana.
Mrs. JOHNSON.
(The following Members (at the request of Mr. GARCIA) and to include extraneous matter:)
Mr. MARKEY.
Mr. EDGAR.
Mr. LEVINE of California.
Mr. MURTHA.
Mr. WHEAT.
Mr. RUSSO.
Mr. OWENS in two instances.
Mr. PEPPER in two instances.
Mr. SHELBY in two instances.
Mr. RAHALL.
Mr. SOLARZ in four instances.
Mr. LIPINSKI.
Mr. FAZIO.
Mr. TRAFICANT.
Mr. WEISS.
Mr. FORD of Michigan in two instances.
Mr. FLORIO.
Mr. BORSKI.
Mr. KILDEE.
Mrs. BURTON of California.
Mr. ACKERMAN in two instances.
Mr. FOWLER.
Ms. MIKULSKI.
Mr. WAXMAN.
Mr. MANTON.
Mr. ANDERSON.
Mr. FASCELL.
Mr. SYNAR.
Mr. DWYER of New Jersey.
Mr. HAMILTON.
Mr. KOLTER.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1210, An act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes;

H.J. Res. 126. Joint resolution to designate the week of November 3, 1985, through November 9, 1985, as "National Drug Abuse Education Week"; and

H.J. Res. 282. Joint resolution designating the week beginning October 27, 1985, as "National Alopecia Areata Awareness Week."

ADJOURNMENT

Mr. RITTER. Mr. Speaker, I move that the House do now adjourn.
The motion was agreed to; accordingly (at 10 o'clock and 10 minutes p.m.) the House adjourned until tomorrow, Thursday, November 7, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2214. A letter from the Deputy Secretary for Programs and Commercial Activities, Department of the Army, transmitting notice of the decision to convert to contractor performance the commissary shelf stocking function at Ft. Stewart, GA, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2215. A letter from the Deputy Secretary for Programs and Commercial Activities, Department of the Army, transmitting notice of the decision to convert to contractor performance the commissary shelf stocking function at Hunter Airfield, GA, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2216. A letter from the Deputy Secretary for Programs and Commercial Activities, Department of the Army, transmitting notice of the decision to convert to contractor performance the installation support services at Yuma Proving Grounds, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2217. A letter from the Deputy Secretary for Programs and Commercial Activities, Department of the Army, transmitting notice of the decision to convert to contractor performance the facility engineering function at the Military Ocean Terminal, Bayonne, NJ, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2218. A letter from the Deputy Secretary for Programs and Commercial Activities, Department of the Army, transmitting notice of the decision to convert to contractor performance the commissary shelf stocking function at Ft. Sam Houston, TX, pursuant 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2219. A letter from the Secretary of Transportation, transmitting a report on progress toward completion of the Northeast Corridor improvement project, pursuant to Public Law 94-210, section 703(1)(D); to the Committee on Energy and Commerce.

2220. A letter from the Secretary of State, transmitting his determination that it is in the national interest to grant assistance to Costa Rica even though it is in default on loans made under the FAA, pursuant to 22 U.S.C. 2370(q); to the Committee on Foreign Affairs.

2221. A letter from the Under Secretary of State for Security Assistance, Science, and Technology, transmitting an arms sale proposal covering all sales and exports under the Arms Export Control Act, pursuant to 22 U.S.C. 2765(a); to the Committee on Foreign Affairs.

2222. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2223. A letter from the Assistant Secretary of the Interior for Indian Affairs, Bureau of Indian Affairs, transmitting a proposed plan for the use and distribution of the Wichita and Affiliated Tribe's judgment funds in Docket 371 and 372 before the U.S. Claims Court, pursuant to Public Law 93-134, sections 2(a) and 4; to the Committee on Interior and Insular Affairs.

2224. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Reclamation Project Act of August 4, 1939, to authorize modification of certain contracts, and for other purposes; to the Committee on Interior and Insular Affairs.

2225. A letter from the Comptroller General of the United States, transmitting a report on implementation of and research conducted under the Small Business Innovation Development Act of 1982 (GAO-RCED-86-13), pursuant to Public Law 97-219, section 6; jointly, to the Committees on Government Operations and Small Business.

2226. A letter from the Comptroller General of the United States, transmitting a report on Navy acquisition: SUBACS problems may adversely affect Navy attack submarine programs (GAO/NSIAD-86-12); jointly, to the Committees on Government Operations and Armed Services.

2227. A letter from the Chairman, National Advisory Committee on Oceans and Atmosphere, Department of Commerce, trans-

mitting a copy of the report entitled, "Shipping, Shipyards and Sealift: Issues of National Security and Federal Support"; jointly, to the Committees on Merchant Marine and Fisheries and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HUGHES: Committee on the Judiciary. H.R. 3132. A bill to amend chapter 44, of title 18, United States Code, to regulate the manufacture, importation, and sale of armor piercing ammunition, and for other purposes; with amendments (Rept. 99-360). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER (for himself and Mr. DAUB):

H.R. 3688. A bill to restore to the Social Security Trust Funds and other Federal retirement funds losses resulting from noninvestments, redemptions, and disinvestments in connection with efforts to meet the public debt limit, and to amend title II of the Social Security Act to provide for future treatment of the OASDI trust funds in cases in which the public debt limit has been reached; to the Committee on Ways and Means.

By Mr. FORD of Tennessee:

H.R. 3689. A bill to restore to the Social Security Trust Funds and other Federal retirement funds losses resulting from noninvestments, redemptions, and disinvestments in connection with efforts to meet the public debt limit and to require prior approval of the Congress of any further disinvestment of such funds; jointly, to the Committees on Ways and Means and Rules.

By Mr. WEISS (for himself, Mr. WOLPE, Mr. SOLARZ, Mr. CROCKETT, Mr. GARCIA, Mr. STOKES, Mr. KASTENMEIER, Mr. LELAND, Mr. DIXON, Mr. FAUNTROY, Mr. MITCHELL, Mr. WHEAT, Mr. RANGEL, Mr. DYMALLY, Mr. TOWNS, Mr. DELLUMS, and Mrs. SCHROEDER):

H.R. 3690. A bill to prohibit assistance for military or paramilitary operations in Angola; jointly, to the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence.

By Mr. BATES:

H.R. 3691. A bill to reorganize the investigations and counterintelligence functions of the Navy, and for other purposes; to the Committee on Armed Services.

By Mr. BROYHILL (for himself, Mr. TAUZIN, Mr. LOTT, Mr. SHELBY, Mr. GINGRICH, Mr. DOWDY of Mississippi, Mrs. JOHNSON, Mr. NICHOLS, and Mrs. SMITH of Nebraska):

H.R. 3692. A bill to modify the deadlines applicable to hazardous waste disposal facilities required to certify compliance with certain financial responsibility requirements under the Solid Waste Disposal Act; to the Committee on Energy and Commerce.

By Mr. COBLE:

H.R. 3693. A bill to amend title 5 of the United States Code to reform the retirement provisions for Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. DAVIS:

H.R. 3694. A bill to restore to the Social Security Trust funds and other Federal retirement funds current and future losses in connection with efforts to meet the public debt limit; to the Committee on Ways and Means.

By Mr. EDWARDS of Oklahoma:

H.R. 3695. A bill to amend the Education Consolidation and Improvement Act of 1981 to require certain minimum standards of academic achievement and school administration, and for other purposes; to the Committee on Education and Labor.

By Mr. FORD of Michigan:

H.R. 3696. A bill to amend the Higher Education Act of 1965; to the Committee on Education and Labor.

H.R. 3697. A bill to amend the Higher Education Act of 1965; to the Committee on Education and Labor.

H.R. 3698. A bill to amend the Higher Education Act of 1965; to the Committee on Education and Labor.

By Mr. LOWRY of Washington (for himself, Mr. BIAGGI, Mr. BOSCO, Mr. CALLAHAN, Mr. HERTEL of Michigan, Mr. DYSON, Mr. MANTON, Ms. MIKULSKI, Mr. HUGHES, Mr. OBERSTAR, Mr. BONKER, and Mr. ANDERSON):

H.R. 3699. A bill amending the Outer Continental Shelf Lands Act to make certain vessels considered points in the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FORD of Michigan (for himself, Mr. HAWKINS, Mr. BIAGGI, Mr. JEFFORDS, Mr. COLEMAN of Missouri, Mr. OWENS, Mr. WILLIAMS, Mr. HAYES, Mr. PERKINS, Mr. BRUCE, Mr. SOLARZ, Mr. DYMALLY, Mr. ECKART of Ohio, Mr. PENNY, Mr. ATKINS, Mr. GUNDERSON, Mr. MCKERNAN, Mr. HENRY, Mr. GOODLING, Mr. TAUKE, Mr. MARTINEZ, Mr. KILDEE, Mr. CHANDLER, Mr. CLAY, Mr. GAYDOS, Mr. MURPHY, Mr. BOUCHER, and Mrs. ROUKEMA):

H.R. 3700. A bill to amend and extend the Higher Education Act of 1965; to the Committee on Education and Labor.

By Mr. PORTER:

H.R. 3701. A bill to suspend most-favored-nation treatment to Romania; to the Committee on Ways and Means.

By Mr. SHUMWAY:

H.R. 3702. A bill to confer U.S. citizenship posthumously on Rudolph Salli; to the Committee on Judiciary.

By Mr. WEBER:

H.R. 3703. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion from gross income for interest on agricultural savings certificates and interest on obligations of the farm credit system, and to allow States to issue tax-exempt agricultural bonds in excess of limits on the issuance of private activity bonds; to the Committee on Ways and Means.

By Mr. COBEY:

H.R. 3704. A bill to protect U.S. citizens and property from state-supported terrorism; jointly, to the Committees on Foreign Affairs and Ways and Means.

By Mr. ROSE:

H.R. 3705. A bill to modify the deadlines applicable to hazardous waste disposal facilities required to certify compliance with certain financial responsibility requirements under the Solid Waste Disposal Act; to the Committee on Energy and Commerce.

By Mr. PEPPER:

H.J. Res. 444. Joint resolution to designate the week of March 3, 1986, to March 10, 1986, as National Back Awareness Week; to the Committee on Post Office and Civil Service.

By Mr. ANDERSON (for himself and Mr. SHUSTER):

H.J. Res. 445. Joint resolution to designate the week of January 26, 1986, to February 1, 1986, as "Truck and Bus Safety Week"; to the Committee on Post Office and Civil Service.

By Ms. SNOWE (for herself and Mr. MCKERNAN):

H.J. Res. 446. Joint resolution disapproving the decision of the President to deny import relief to the domestic shoe industry; to the Committee on Ways and Means.

By Mr. MICA (for himself, Ms. SNOWE, Mr. WEISS, Mr. MAVROULES, Mr. FASCELL, Mr. YATRON, Mr. WOLPE, Mr. GEJDENSON, Mr. KOSTMAYER, Mr. TORRICELLI, Mr. SMITH of Florida, Mr. LEVINE of California, Mr. ACKERMAN, Mr. MACKAY, Mr. UDALL, Mr. GARCIA, Mr. MACK, Mr. MCCAIN, Mr. BONKER, Mr. GILMAN, Mr. DANNEMEYER, Mr. LEACH of Iowa, Mr. BROOMFIELD, Mr. LAGOMARSINO, Mr. SILJANDER, Mr. SOLARZ, Mr. LANTOS, Mr. BERMAN, and Mr. FEIGHAN):

H. Con. Res. 228. Concurrent resolution condemning all acts of terrorism (including the hijacking of the *Achille Lauro*) and calling for the creation of an international coordinating committee on terrorism and for proposals to protect Americans abroad, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ROWLAND of Connecticut:

H. Con. Res. 229. Concurrent resolution expressing the sense of Congress that there should be no increase in individual income tax rates; to the Committee on Ways and Means.

By Mr. RODINO:

H. Con. Res. 230. Concurrent resolution authorizing printing of additional copies of the transcript of hearings entitled "1984: Civil Liberties and the National Security State"; to the Committee on House Administration.

By Mr. GAYDOS:

H. Res. 307. Resolution providing amounts from the contingent fund of the House for continuing expenses of investigations and studies by standing and select committees of the House from January 3, 1986, through March 31, 1986; to the Committee on House Administration.

By Mr. BOLAND:

H. Res. 308. Resolution authorizing printing of the proceedings of the portrait unveiling ceremony of the Honorable Jamie L. Whitten; to the Committee on House Administration.

By Mr. DORNAN of California:

H. Res. 309. Resolution relating to "National Day" greetings made by the President of the United States to the Chairman of the Communist Party of the Soviet Union and the people of the Soviet Union; to the Committee on Foreign Affairs.

By Mr. RITTER (for himself and Mr. HOYER):

H. Res. 310. Resolution expressing the sense of the U.S. House of Representatives that Miroslav Medvid should not be allowed to be removed from the United States until

a complete investigation can determine whether he has been accorded all rights due him as a possible defector, and until he is accorded those rights; jointly, to the Committees on Judiciary and Foreign Affairs.

By Mr. DYMALLY:

H. Res. 311. Resolution expressing the sense of the House of Representatives that February 1986 should be observed as "Anti-apartheid Awareness Month"; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 467: Mr. CROCKETT.

H.R. 479: Mr. BOSCO, Mr. SUNIA, Mr. SAXTON, and Mr. WEAVER.

H.R. 604: Mr. FAUNTROY.

H.R. 615: Mr. RAHALL, Mr. DURBIN, and Mr. BORSKI.

H.R. 864: Mr. EVANS of Illinois.

H.R. 1197: Mr. WRIGHT, Mr. LELAND, Mr. MARTINEZ, and Mr. DE LUGO.

H.R. 1284: Mrs. BURTON of California.

H.R. 1380: Mr. CONYERS.

H.R. 1524: Mrs. KENNELLY.

H.R. 1589: Ms. MIKULSKI.

H.R. 1875: Mr. YOUNG of Alaska, Mr. FROST, Mr. CONYERS, Mr. OWENS, Mr. CHAPPIE, Mr. STALLINGS, Mr. ROBINSON, Mr. ROTH, Mr. SWINDALL, Mr. KILDEE, and Mr. GEJDENSON.

H.R. 1877: Mr. CHAPPELL, Mr. BIAGGI, Mr. REID, Mr. ANDERSON, Mr. WIRTH, and Mr. HENRY.

H.R. 2001: Mr. GEJDENSON, Mr. REID, Mr. ATKINS, Mr. SMITH of Florida, Mr. BONER of Tennessee, Mr. DICKS, Mr. ZSCHAU, Mr. LOWERY of California, Mr. GUNDERSON, Mr. HUTTO, Mr. BERMAN, Mr. PETRI, Mr. SHARP, Mr. DANIEL, and Mr. LIPINSKI.

H.R. 2185: Mr. DASCHLE.

H.R. 2210: Mr. GRAY of Illinois.

H.R. 2277: Mr. EMERSON.

H.R. 2295: Mr. MANTON, Mr. CONYERS, Mr. MRAZEK, Mr. RANGEL, and Mr. SUNIA.

H.R. 2353: Mr. TORRICELLI.

H.R. 2591: Mr. SUNIA, Mr. PACKARD, Mr. WHEAT, Mr. SHAW, Mr. BURTON of Indiana, Mr. HARTNETT, Mr. ROWLAND of Connecticut, Mr. DICKINSON, Mr. CAMPBELL, Mr. TAUZIN, Mrs. LONG, Mr. LEHMAN of Florida, Mr. LELAND, Mr. MCHUGH, Mr. RALPH M. HALL, Mr. MITCHELL, Mr. SYNAR, Mr. TORRES, Mr. RICHARDSON, Mr. CHAPPIE, Mr. SCHEUER, Mr. CRAIG, Mr. MCCAIN, Mr. BREAUX, Mr. GORDON, Mr. STAGGERS, Mr. MCEWEN, Mr. SILJANDER, Mr. FAWELL, Mr. FRENZEL, Mr. FRANKLIN, Mr. BOULTER, Mr. COBLE, Mr. NATCHER, Mr. RODINO, Mr. SABO, and Mrs. SCHROEDER.

H.R. 2620: Mr. SHARP and Mr. GOODLING.

H.R. 2708: Mr. SUNIA and Mr. GALLO.

H.R. 2768: Mrs. BENTLEY.

H.R. 2943: Mr. BARNARD, Mr. WALGREN, Mr. WOLPE, Mrs. LLOYD, Mr. DARDEN and Mr. JEFFORDS.

H.R. 3006: Mr. GONZALEZ and Mr. HEFTEL of Hawaii.

H.R. 3090: Mr. MARKEY, Mr. WEISS and Mr. BARNES.

H.R. 3132: Mr. KILDEE.

H.R. 3136: Mr. FASCELL.

H.R. 3146: Mr. AUCOIN.

H.R. 3202: Mr. FOGLIETTA, Mr. CLINGER, and Mr. WOLPE.

H.R. 3211: Mr. SMITH of Florida.

H.R. 3237: Mr. SCHAEFER, Mr. BEVILL, and Mr. BURTON of Indiana.

H.R. 3263: Mr. BENNETT, Mr. WIRTH, and Mr. STAGGERS.

H.R. 3275: Mr. LUKEN.

H.R. 3291: Mr. WOLF and Mr. PARRIS.

H.R. 3296: Mr. TAUKE and Mr. MICA.

H.R. 3319: Mr. MATSUI.

H.R. 3328: Mr. OLIN, Mr. COELHO, and Ms. KAPTUR.

H.R. 3334: Mr. SHAW.

H.R. 3344: Mr. PANETTA, Mrs. BOGGS, and Mr. LUKEN.

H.R. 3349: Mr. WOLF, Mr. KOSTMAYER, Mr. LATTA, Mr. LAGOMARSINO, Mr. BEVILL, Mr. KINDNESS, Mr. DEWINE, Mr. MOAKLEY, and Mr. TOWNS.

H.R. 3371: Mr. BIAGGI and Mr. SWINDALL.

H.R. 3393: Mr. EDGAR, Mr. KOLTER, Mr. MATSUI, and Mr. WIRTH.

H.R. 3400: Mr. ANDERSON, Mrs. BENTLEY, Mr. DORNAN of California, Mr. GINGRICH, Mr. JEFFORDS, and Mr. MARTINEZ.

H.R. 3410: Mr. KOLBE, Mr. MONSON, and Mr. NIELSON of Utah.

H.R. 3459: Mr. WILSON, Mr. FROST, Mr. MCEWEN, Mr. MOLLOHAN, Mr. ORTIZ, and Mr. BUSTAMANTE.

H.R. 3474: Mr. STANGELAND and Mr. SUNIA.

H.R. 3484: Mr. LAFALCE.

H.R. 3488: Mr. SUNIA and Mr. WEISS.

H.R. 3521: Mr. NOWAK, Mr. FRANKLIN, and Mr. KINDNESS.

H.R. 3585: Mr. FISH, Mr. DARDEN, Mr. DAUB, and Mrs. SCHROEDER.

H.R. 3614: Mr. CLINGER.

H.R. 3654: Mr. SCHUMER, Mr. HOYER, and Mr. WIRTH.

H.R. 3660: Mr. MANTON.

H.R. 3661: Mr. BOLAND, Mr. DANNEMEYER, Mr. HUGHES, Mr. HUNTER Mr. MCCAIN, and Mr. THOMAS of Georgia.

H.R. 3665: Mr. STANGELAND.

H.J. Res. 20: Mr. OBERSTAR, Mr. LEWIS of California, Mr. SOLOMON, Mr. FUQUA, Mr. MACKAY, Mr. MONTGOMERY, Mr. COELHO, Mr. EDWARDS of Oklahoma, Mr. DOWDY of Mississippi, Mr. FASCELL, Mr. MCEWEN, Mr. LEHMAN of California, Mr. ROWLAND of Georgia, Mr. HILLIS, Mr. FORD of Tennessee, Mr. YOUNG of Florida, Mr. GIBBONS, Mr. SHELBY, Mr. JEFFORDS, Mr. TRAXLER, Mr. WIRTH, Mr. NELSON of Florida, Mr. LIVINGSTON, Mr. MICA, Mr. BENNETT, Mr. STAGGERS, Mr. HUTTO, Mr. CHAPPELL, Mr. DICKINSON, Mr. LUJAN, Mr. MOORE, Mr. SWEENEY, Mr. WYLIE, Mrs. VUCANOVICH, Mr. BARTLETT, Mr. LEHMAN, of Florida, Mr. PARRIS, Mr. SPENCE, and Mr. SILJANDER.

H.J. Res. 101: Mr. EVANS of Illinois, Mr. HATCHER, and Mr. TRAXLER.

H.J. Res. 127: Mr. SCHUMER, Mr. FUQUA, Mr. MCCAIN, Mr. CAMPBELL, Mr. YOUNG of Alaska, and Mr. CONYERS.

H.J. Res. 320: Mr. KOSTMAYER.

H.J. Res. 333: Mr. COOPER, Mr. CARR, Mr. KOSTMAYER, Mr. DELLUMS, Mr. CHAPMAN, Mr. MCKERNAN, Mr. BROOKS, Mr. JEFFORDS, Ms. MIKULSKI, Mr. MOAKLEY, Mr. ROBERT F. SMITH, Mr. TRAXLER, Mr. GREEN, Mr. HALL of Ohio, Mr. NELSON of Florida, and Mr. SMITH of New Hampshire.

H.J. Res. 385: Mrs. BENTLEY, Mr. MACKAY, Ms. SNOWE, Mr. RICHARDSON, Mr. LAFALCE, Mr. HORTON, Mr. HERTEL of Michigan, Mr. GEJDENSON, Mr. THOMAS of Georgia, Mr. MATSUI, Mr. DENNY SMITH, Mr. KOLTER, Mr. WYDEN, Mr. BEVILL, Mr. DERRICK, Mr. FAZIO, Mr. KEMP, Mr. DURBIN, Mr. DICKS, Mr. BONIOR of Michigan, Mr. DE LA GARZA, Mr. JONES of Tennessee, Mr. WATKINS, Mr. MURTHA, Mr. MILLER of California, Mr. EMERSON, Mr. YOUNG of Missouri, Mr. HOWARD, Mr. GINGRICH, Mr. OBEY, Mr. GRAY of Illinois, Mrs. BURTON of California, Mr. HUGHES, Mr. HOYER, Mr. LEVIN of Michigan, Mr. COELHO, Mr. DOWNEY of New York, Mr. STOKES, and Mr. WALGREN.

H.J. Res. 421: Mr. EMERSON, Mr. RICHARDSON, Mr. CARPER, Mr. BENNETT, Mr. GEPHARDT, and Mr. BEVILL.

H.J. Res. 428: Mr. BROYHILL, Mr. NATCHER, Mr. STENHOLM, Mr. MITCHELL, Mr. NOWAK, Mr. VOLKMER, Mr. SWINDALL, and Mr. HENRY.

H. Con. Res. 194: Mr. DURBIN, Mr. THOMAS of Georgia, Mr. DAUB, Mr. BURTON of Indiana, Mr. GARCIA, and Mr. HORTON.

H. Con. Res. 221: Mr. UDALL, Mr. MCKERNAN, Mr. BOLAND, Mr. WEISS, Mr. HOWARD, Mrs. BOXER, Mr. MITCHELL, Mr. SMITH of Florida, Ms. KAPTUR, and Mr. LAGOMARSINO.

H. Res. 188: Mr. STENHOLM, and Mr. GUARINI.

H. Res. 245: Mr. ANDERSON, Mr. BADHAM, Mr. BIAGGI, Mr. BLILEY, Mr. CAMPBELL, Mr. COOPER, Mr. COYNE, Mr. DAUB, Mr. ENGLISH, Mr. GAYDOS, Mr. HEFTEL of Hawaii, Mr. JACOBS, Mr. LELAND, Mr. LIVINGSTON, Mrs. LLOYD, Mrs. LONG, Mr. MCEWEN, Mr. PICKLE, Mr. SHAW, Mr. SMITH of New Hampshire, Mr. YOUNG of Florida, and Mr. WEBER.

H. Res. 274: Mr. HUTTO.

H. Res. 275: Mr. HUTTO.

H. Res. 276: Mr. HUTTO.

H. Res. 285: Mr. HUTTO.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1616

By Mr. JEFFORDS:

—Page 9, after line 21, insert the following new section (and redesignate the succeeding section accordingly).

SEC. 10. WORKER READJUSTMENT AND PLACEMENT SERVICE.

(a) REGIONAL ASSISTANCE.—The Secretary shall identify individuals, who shall include but not be limited to employees of the Department of Labor, who shall be available on a regional basis to provide planning, operational, and technical assistance to worker readjustment and placement committees described in subsection (b).

(b) WORKER READJUSTMENT COMMITTEES.—(1) A worker readjustment and placement committee may be established by an employer who has provided notice as required under section 3.

(2) The purpose of the committee shall be to facilitate and coordinate the readjustment or relocation of the workers through retraining, counseling, placement, human resource, community, education, and other services.

(3)(A) The committee shall be composed of the employer or the employer's representative, representatives of the affected employees, and any other individual selected by mutual agreement between such parties.

(B) In any case in which there is no such employee representative, employees shall choose individual employees to represent them on the committee.

(c) FINANCIAL ASSISTANCE.—(1) Subject to funds made available for such purpose, including funds from other applicable programs, the Secretary may provide financial assistance, to any worker readjustment and placement committee.

(2) Such assistance may not exceed—

(A) 50 percent of the operating costs of the committee; and

(B) 50 percent of the costs incurred by the committee is relocating affected employees.

(d) REGULATIONS.—The Secretary shall prescribe regulations establishing conditions and requirements for eligibility by worker readjustment and placement committees to the financial assistance authorized in subsection (c).

(e) VOLUNTARY PARTICIPATION.—Formation of and participation in worker readjustment and placement committees by any employer, employee representative, or employee shall be completely voluntary.

(f) NO DISCRIMINATION BASED ON EMPLOYEE REPRESENTATION.—In administering the assistance authorized under this section, the Secretary shall not discriminate on the basis of employee representation or the lack thereof.

(g) ASSISTANCE MAY NOT BE CONDITIONED ON ACCEPTANCE OF SECRETARY'S ADVICE.—In no case shall the continuation of assistance under this section be conditioned upon the acceptance of any advice or recommendation offered to a worker readjustment and placement committee by the Secretary or the Secretary's representative.

H.R. 6

By Mr. BEREUTER:

(Amendment to the amendment in the nature of a substitute (text of H.R. 3670).)

—After Sec. 1199K of title XI, add the following new section:

SEC. . (1) It is the intention of Congress that no local cost-sharing shall apply to the design, construction, operation or maintenance of streambank stabilization and river preservation structures on rivers designated and protected under the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.) or any subsequent act.

(2) Notwithstanding any other provision of law, the Secretary shall waive all local cost-sharing requirements relating to the Missouri National Recreational Project, Nebraska and South Dakota as authorized in Sec. 707 of Public Law 95-625.

EXTENSIONS OF REMARKS

NEW REPORT SHEDS LIGHT ON SOVIET A-TESTING CONTROVERSY

HON. EDWARD J. MARKEY
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. MARKEY. Mr. Speaker, for over 2 years, the Reagan administration has accused the Soviets of violating the Threshold Test Ban Treaty [TTBT] by testing some of its nuclear warheads above the treaty's 150-kiloton limit—despite what it has acknowledged to be "ambiguities" and "uncertainties" in the evidence and the growing preponderance of scientific opinion that the Soviets have not violated the 150-kiloton limit.

For years, a number of prominent scientists have contended that the evidence for this charge is based on a formula—for converting the seismic waves given off during a test explosion into estimates of yield—which does not fully account for the differences in the geology of the Soviet test site and that of the U.S. test site in Nevada.

Under pressure from the U.S. scientific community, the United States had made slight modifications in this formula. Outside critics, such as former DARPA consultant Jack Evernden, have long contended that further moves toward a more technically sound methodology have been resisted for political reasons.

Within a few weeks, we may know for certain whether this is indeed the case. Yesterday's New York Times revealed that a secret Government panel has studied the current test verification methods and concluded that our yield estimates should be lowered by 20 percent—which should lead to a reassessment of whether the Soviets had violated the TTBT.

The administration's forthcoming arms control compliance study should reflect this new finding. In the Times piece, I find rather disturbing indications that once the seismological evidence no longer supports the finding of a Soviet TTBT violation, some administration spokesmen appear to be falling back on "nonseismic" evidence. When these same spokesmen believed the seismological evidence was on their side, they did not hesitate to use it. According to the Times piece, the Defense Intelligence Agency believes that seismological evidence is still the most important method for evaluating the yield of Soviet tests. It would seem to me that if the administration's compliance study is going to have any shred of credibility, it should reflect the consensus of the expert seismological community in its discussion of the TTBT issue.

The Times piece also raises questions about the administration's current stance on ratification of the TTBT. In the past, the administration has opposed ratification of the TTBT, citing verification uncertainties. But Dr. Thomas H. Jordan, who headed the Pentagon panel studying these issues, has said that, "It appears to me right now that we can verify the Threshold Test Ban Treaty with existing national technical means." If the technical hurdles have been crossed, the administration should stop stalling and submit the treaty for ratification.

Mr. Speaker, at this point, I would like to insert into the RECORD a copy of the aforementioned article.

The article follows:

[From the New York Times, Nov. 4, 1985]

NEW MEASURE SEEN FOR SOVIET A-TEST

PANEL OF EXPERTS CALLS METHOD U.S. USES TO ESTIMATE SIZE OF EXPLOSIONS FAULTY

(By Michael R. Gordon)

WASHINGTON, Nov. 3.—Accusations by the Reagan Administration that Soviet underground nuclear tests may have violated treaty limits are based on faulty assumptions, according to a group of scientists.

The experts, chosen by the Pentagon to study test verification methods, have recommended that the Government revise its procedures for estimating the power of Soviet tests. The Administration has said the test explosions were "likely" to have been bigger than the legal limit.

The panel of eight scientists made its recommendation last month in a classified report to a Pentagon research agency and to Richard L. Wagner Jr., the assistant Defense Secretary for atomic energy.

If the group's recommendation is followed, the Government's estimates of the yield of Soviet tests would be lowered by about 20 percent, according to experts familiar with the report. An Administration official said the panel's report would lead to a reassessment of whether the Russians had violated the treaty.

The Threshold Test Ban Treaty, signed by the United States and the Soviet Union in 1974, states that each side cannot conduct tests of explosives greater than 150 kilotons, the equivalent of 150,000 tons of TNT. Both sides have said they would abide by the treaty's limits, but the Administration has not ratified the agreement, saying it could not be verified unless American observers were allowed to conduct measurements at Soviet test sites.

On Feb. 1 the Administration said in a report to Congress, "Soviet nuclear testing activities for a number of tests constitute a likely violation of legal obligations under the Threshold Test Ban Treaty of 1974."

REPORT TO CONGRESS IS DUE

The scientists' study comes as the Administration is preparing the latest in a series of reports to Congress on Soviet compliance with arms control agreements. It is due by Dec. 1.

While the development of new weaponry has gained widespread public attention, advances in verification technology and analysis have not. Nevertheless, as in the debate over Soviet underground tests, the science of verification has sometimes played a role in the dispute over arms control policy.

"Our knowledge of seismological methodologies has significantly improved over the past five years," said Thomas H. Jordan, a professor of geophysics at the Massachusetts Institute of Technology, who was chairman of the expert panel. "We have seen a steady advance in capability."

The Defense Intelligence Agency recently completed a separate classified review that includes seismic and nonseismic data, such as intercepted Soviet communications. Some experts who have read the report say the review concludes that seismic information is still the most important and reliable method for evaluating the yield of Soviet tests.

But that has not convinced some Administration officials, who have taken an aggressive stance on the issue of Soviet compliance.

"WE USE ALL SOURCES OF DATA"

"While the seismic community tends to be the most vocal, we use all sources of data when we do the analysis," said Manfred Eimer, assistant director of the bureau of verification and intelligence at the Arms Control and Disarmament Agency.

Mr. Eimer said that further consideration of the issue was necessary, adding he could not yet say if the scientists' report would have an important influence on the Administration's evaluation of Soviet compliance.

Seismology provides a window into the secret world of verification research; much seismic research is unclassified and has application in nonmilitary matters, such as the measurement of earthquakes.

Underlying the debate over allegations of Soviet cheating is a dispute over whether the current Administration view takes sufficient account of distorting effects due to differences in geology at United States and Soviet test sites. The treaty provides for the exchange of geological data, but because the United States has not ratified it, no data have been exchanged.

GEOLOGY IN NEVADA MORE ACTIVE

Experts say the Nevada Test Site, 65 miles northwest of Las Vegas, is more geologically active than the Soviet test site at Semipalatinsk in central Asia. Some of the rocks beneath the Nevada site are believed to be partly molten. In contrast, the Soviet test site "is older, cooler and more stable," said Willard J. Hannon, who manages a seismic monitoring research program of the Lawrence Livermore National Laboratory in California.

As a result of this and other differences, scientists say, some types of seismic waves are stronger at the Soviet test site than they are at the test area in Nevada. Thus, a test explosion in the United States produces a smaller discernible wave traveling through the earth's interior than a Soviet test of the same magnitude.

This anomaly has long been known, and Government estimates of the size of Soviet tests, based on seismic signals, have tried to take it into account by introducing a corrective factor in their calculations. But there

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

has been a debate over how big the correction should be.

The panel of scientists was commissioned in 1983 by the Defense Advanced Research Projects Agency to determine the size of the correction, or bias value, necessary in figuring the size of Soviet tests. Several other Government reviews, including one by the Air Force Technical Applications Center have also reached the general conclusion that current procedures for evaluating the size of Soviet tests should be changed in a way that would give a lower figure.

To evaluate the distorting effect of different geologic structures on the measurements of seismological waves traveling through the earth's interior, the scientific panel reviewed measurements taken near Ontario of United States detonations. The Canadian site is believed to have a similar geology to that of the central Asian part of the Soviet Union. These readings were compared with measurements from seismic instruments in Nevada.

The panel also pursued ways to estimate the size of Soviet tests by measuring surface waves, which travel in the upper layers of the earth. Measurements of these waves have been distorted by other factors, the scientists said, and they hoped to discover ways to improve their calculations.

"What happens is that the natural stresses and pressures in the earth are released" by the effects of a nuclear blast, said Lynn R. Sykes of the Lamont-Doherty Geological Observatory of Columbia University, who is a member of the study panel. The release of these pressures, he added, is "equivalent to a small earthquake" and has a "contaminating effect" on surface wave measures.

To deal with this problem, the researchers used a mathematical procedure to distinguish between the surface waves of earthquakes and detonations.

A third approach involved readings based on another type of surface wave that bounces around the crust of the earth and propagates over short distances. Important research on this phenomenon has been carried out by Otto Nuttli of Saint Louis University, also a panel member.

1965 SOVIET EXPLOSION STUDIED

The panel scientists also studied a 1965 nuclear explosion that the Russians used to build a dam in the region of the current Soviet test site. Information about that explosion is available in Soviet technical literature.

"All of this is being done in lieu of getting calibration information from the Soviet test site," said Dr. Ralph S. Alewine 3d, the Defense Department research scientist who helped organize the panel. "If we could get onto the Soviet test site and make our own independent estimate of the yield, this is infinitely more valuable to us to calibrate the seismological methods."

Dr. Alewine declined in an interview to discuss the panel's recommendations, but added that "we have the best people in the United States working on this."

But others familiar with the report said that these different approaches also pointed to the need to revise the formula used to estimate the yield of Soviet tests in a way that would give lower measurements.

"The bias value recommended is significantly higher than what is typically used to determine the official estimates of yield," said one expert who has reviewed the report. "Based upon the best estimate, we certainly cannot reject the hypothesis that the Soviets are complying" with the threshold test ban treaty.

The expert, who asked not to be identified, said that measurements using the panel's correction factor showed that some Soviet tests would still be over 150 kilotons. But, he said, "given the uncertainty we would not be comfortable in saying 'we caught you.'"

Mr. Eimer of the arms control agency said that seismic assessments of Soviet test yields still are highly uncertain. A revised method of estimating the yield of Soviet tests would not by itself establish that the threshold treaty is verifiable, he said, adding that additional verification steps would be necessary. The Administration has argued that American experts must take direct measurements of a Soviet test in order to confidently establish the accuracy of its seismic data.

But Mr. Jordan, who was chairman of the review panel, disagreed. "It appears to me right now that we can verify the Threshold Test Ban Treaty with existing national technical means," he said.

SPENDING ON VERIFICATION

The budget for new strategic weaponry in the fiscal year 1985, $17 billion, dwarfed that for research on verification methods. The Defense Department research agency, for example, spent $14 million in 1985 on the problem of verifying nuclear test limitations and test ban agreements.

RESTOCK INADEQUATE MUNITIONS RESERVES

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. COURTER. Mr. Speaker, there is a tendency among military strategists to only think about the next conflict, without reference to the lessons learned from the last conflict. As our colleague, Congressman DENNY SMITH, points out in his excellent essay from the Wall Street Journal, we may be condemned to repeat the lessons taught by some of the recent conventional conflicts, such as the 1973 Yom Kippur war and our own 1983 Grenada mission.

Specifically, we have paid insufficient attention to our vital stockpiles of war reserve munitions, the very weapons which would be the firebreak between conventional and nuclear conflict. As Mr. SMITH notes, "We have for too long operated under the erroneous assumption that sufficient conventional weapons will somehow be available when they are needed, to ensure that we do not have to resort to nuclear weapons early in a conflict."

Unless some remedial actions are taken soon, we may find that our high-technology military machine, even if it operates precisely according to specification, will run out of mundane but indispensable munitions without any possibility for replacement or resupply. Congressman SMITH makes some specific suggestions for heading off the threat of empty weapons magazines, and I would urge my colleagues to consider these suggestions carefully.

The essay from the Wall Street Journal follows:

RESTOCK INADEQUATE MUNITIONS RESERVES

(By Denny Smith)

The U.S. and its allies must build up their munitions stockpiles immediately. The need for such action is best demonstrated by recounting an incident during the 1973 Yom Kippur War. By day six of that war Israeli forces were close to running out of munitions. Without the help of an 11th-hour massive munitions airlift by the U.S. the Israelis would have been driven into the sea.

The lesson learned? Israeli war planning fell far short in establishing the proper level of war reserves. They, like the war planners of most Western nations, established a war-reserve requirement that is based on a huge gamble, a gamble that war would not come or that a war could be won in a few days.

Alarmingly, the U.S. is in precisely the same condition as was Israel prior to the Yom Kippur War, with one important exception. We have no one to bail us out.

Always present during times of fiscal austerity is the requirement of stretching a military budget. In this budget-stretching game, War Reserve Munitions (WRM) take a back seat to the procurement of glamorous, sophisticated and expensive weapons carriers. Our own Defense Department places the lion's share of money into the procurement of a relatively small number of expensive weapons platforms, and gamble on the notion that either sufficient WRM will somehow materialize in the future or that it is simply not important.

MYTHOLOGICAL JUDGMENTS

The problem with this practice is, if you gamble wrong, you lose a war.

There is an old saying among fighter pilots: "A fighter plane without munitions is just another unscheduled airline." Unfortunately, our own war-reserve planning is based on a series of mythological judgments that may be better suited to operating the world's largest airline instead of winning a war.

In a war, particularly a major war in Europe, our forces are certain to meet a massive number of enemy tanks. At last count, Warsaw Pact tanks outnumbered NATO tanks 2½ to 1. The Warsaw Pact has amassed 50,000 tanks and produces 3,600 more each year. The destruction of a certain percentage of these tanks by U.S. forces in a major war is allocated to the Air Force. The remainder of the task is left to the Army.

For the sake of illustration, let us assume that the Air Force must destroy a mere 10% of these tanks. A "probability of kill" (Pk) is assigned to various Air Force weapons to destroy enemy tanks—probabilities ranging as high as 0.85 Pk (i.e. once the weapon is fired, the assumption is that there exists an 85% chance the weapon will destroy its target). Thus the total number of Warsaw Pact tanks times 0.10 divided by 0.85 would provide a rough estimate of war requirements for a particular munition. From there, a procurement objective is established for the first 30 days and 60 days of a war.

With two exceptions the current Air Force munitions level, even calculated using such a loose set of assumptions as described above, does not approach even the 30-day war requirement. Some other rules of thumb that aren't considered include:

The probability of kill assigned to each weapon is almost always optimistic. The original claim for the Air Force's "Sparrow" missile was a Pk of 0.85. In operation it actually achieved a kill ratio an order of magnitude lower.

In the case of Air Force air-to-ground weapons assigned to kill tanks, the assumption that weapons will be fired only at tanks is a delusion. For every weapon fired at a tank it is probable that 20 will be fired at trucks, armored personnel carriers and other enemy vehicles.

During long storage periods of WRM, weapons "disappear." Faulty weapons and munitions that degrade over time and can be identified are often removed from the WRM stockpile and never replaced. After 10 years less than half of the original allotment may still exist.

Even the strongest advocates of high-tech weaponry and "smart" missiles will acknowledge that 20% to 30% of the weapons will not work due to an inherent complexity that increases their likelihood of failure. When war begins these weapons are worthless, and unfortunately cannot be identified beforehand.

One a war commences, munitions will be lost at a tremendous rate—a factor also not considered in the calculations of WRM. These include munitions that go down with a lost aircraft or resupply ship, those lost when a base or depot is overrun by enemy advances, munitions stored in the Pacific theater while the war is in Europe and munitions lost in the chaos of war.

U.S. war planners are content to gamble on a high-stakes, winner-take-all, short-war scenario that risks lives and jeopardizes the freedom of the U.S. and its NATO allies. Content with less than a 30-day supply of munitions, it seems our war planners must be operating from one of four assumptions:

There won't be a war. This is a wonderful hope, but a dangerous assumption. If our conventional-munitions stockpile is known to be inadequate, our policy represents the opposite of deterrence. In fact, it only makes war more likely since it is an invitation to attack.

There may be a war, but it's one we can win in just a few days. Some people believe a short, vicious blitzkrieg type of war is possible. Possible, yes. But if the Soviets win, we lose. If NATO forces could stop an initial massive Soviet armored thrust there would have to be a second, much longer and brutal campaign to regain our initial losses. With the Soviet's massive advantage in heavy armor, no serious observer believes that NATO would win a short war.

Losing a war is not all that bad an option. No one believes that losing Europe to the Soviets is an acceptable option. Today, the world industrial centers are the U.S., Japan, Europe and the Soviet Union. A new alignment in which Europe is enveloped in the Soviet Bloc would completely disrupt the balance of power.

We'll resort to tactical nuclear weapons when the going gets tough. This option, unfortunately, is all too real. However, it raises serious questions: Will the use of tactical nuclear weapons be allowed in Europe? If so, will their use escalate the conflict to the strategic nuclear level?

Assume for the moment that they will not be used. We then face the specter of embracing option three (losing Europe to the Soviets is an acceptable option) because, as is evident, our pitifully small WRM stockpiles surely do not support the pipe dream expressed in option two (we can win a major war in just a few days). "Use 'em or lose 'em" inevitably will be the driving philosophy as NATO starts to lose a conventional war.

Once tactical nuclear weapons are employed it is certainly a madman's guess as to whether their use can be contained or if one side will escalate into an all-out nuclear exchange.

These scenarios can be avoided. The U.S. and NATO have the resources to ensure an adequate WRM stockpile to deter and quite possibly win a conventional war in Europe if the Soviets attack.

In 1980 the Pentagon budget was $130 billion. Today, after five years of low inflation, that budget is now $300 billion. Yet our WRM stockpiles are still in sad shape. Only 4% of the Air Force's budget, 4% of the Army's and 5% of the Navy's are earmarked for munitions procurement.

The services currently are drafting and revising plans for their FY 1987 budgets. To date, the Air Force has contemplated its needs and decided that 22% of its "cuts" to meet budget constraints should be applied to the paltry 4% of the budget dedicated to . . . munitions.

Even at that, cuts were not applied evenly across the munitions budget. The low-cost 30-mm bullet, the only truly proven and tested antitank killer, was zeroed out. Air-dropped cluster munitions, land mines and other simple munitions took cuts of about 50%. The remaining munitions budget was dominated by two weapons: the IIR Maverick missile and the Amraam radar missile.

Both of these weapons are enormously complex and expensive, and neither has ever passed a genuinely combat-relevant test. But spending for each system approaches a billion dollars a year. Funding of the Maverick was cut about 10%. Funding for the Amraam was actually increased more than 10%.

STRAIGHTFORWARD REFORMS

This week, Sen. Gordon Humphrey (R., N.H.), chairman of the Preparedness Subcommittee of the Senate Armed Services Committee, will begin the first of four hearings to address the problem. Reforms in this area are fairly straightforward.

War-reserve munitions budgets for all of the services should be at least doubled. Also, allowances for munitions loss rates and inefficiencies must be included in future calculations of WRM requirements.

Furthermore, we should not purchase any munitions until they pass sufficient, strenuous testing in combat simulations.

And finally, the 30-day requirement for supply levels should be immediately replaced by a requirement to store enough munitions to last from the start of war until industrial mobilization can sustain a prolonged conflict. This period is typically as short as six months, but could be as long as 18 months.

If the U.S. and its allies are not willing to initiate these steps throughout their armed services they will continue to walk hand in hand down a path that unnecessarily endangers the lives and liberty of free people throughout the world.

FOREIGN GUEST WORKER PROGRAM: AN INTEGRAL PART OF IMMIGRATION REFORM

HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. LUNGREN. Mr. Speaker, over the last 7 years I have become quite involved with the immigration reform issue as a member of the Judiciary Committee's Subcommittee on Immigration, Refugees, and International Law. When initial Federal legislation to address the immigration problem surfaced in 1972 and 1973 it was piecemeal in nature. Since that time it has become evident that the broad nature of the problem requires a solution with an equally comprehensive scope. Elements that make up an immigration reform bill must be crafted to work in concert with each other. If we are going to demagnetize the attraction of unlawful employment in the United States, we must have sanctions with respect to employers who knowingly hire those who come here without benefit of papers.

At the same time if we have sanctions, we must not put those who have developed a dependency on undocumented labor in the position of intentionally violating the law or going out of business if they are unable to find a sufficient level of domestic labor. We must have a workable temporary Foreign Worker Program for agriculture that is regulated to protect the rights of American workers as well as those who participate in the program.

The argument is being voiced by those who are opposed to an organized Agricultural Guest Worker Program that California growers are simply looking for a plentiful supply of cheap labor. However, that argument is ignoring the reality of the status quo. Former INS Commissioner Leonel Castillo best characterized the current situation in stating that:

The U.S. is experiencing the world's largest temporary worker program, larger than the guest worker programs in France, Holland and Germany. Only ours is unregulated . . . resulting in the Immigration Service having to arrest over a million persons annually . . . whose crime is that they want to work in this country.

I urge my colleagues to read the following article which appeared in the Washington Post on October 31. This article reveals the plight of the California grower with a small operation, and why many of them can't use thousands of the unemployed workers available. Also, it is pointed out by the reporter that wrote this article, currently workers have no protection under the law and that some growers have housed migrant workers in caves and paid less than minimum wage.

The article reads as follows:

CALIFORNIA GROWERS LOOK TO CONGRESS FOR PICKERS

FOREIGN GUEST WORKER PROVISION BACKED

(By Jay Mathews)

FRESNO, CA.—When members of Congress and labor leaders ask Harry Kubo why Fresno growers need more Mexican laborers to pick their raisins and strawberries, when they ask why can't he use the thousands of unemployed workers already here, he tells this story:

One day last summer a member of the Nisei Farmers League, the growers group of which Kubo is president, asked if he could find 30 workers to pick 20 acres of grapes for raisins when they ripened in a month. Kubo called Doreen Caetano, a job developer for a local community of Laotian immigrants, who said it could be done.

"She kept me advised of her progress. She had found nine; she had found 15; by the time the crop was ready she said she had 25 pickers lined up," Kubo said. "She got up at 4 a.m. and went to round them up and found only nine willing to go."

Most lived on welfare and would lose their benefits if they worked more than 100 hours a month.

Time was short. The grapes were reaching their peak. When the small crew arrived at the grower's farm at 6:30 a.m., Kubo anxiously agreed to give them an hour's training and stay with them through the day.

"But when they started to work, most of them did just the opposite of what they were told. When the grower complained they were too slow, they said they would get at least the minimum $3.35 an hour anyway, so why should they speed it up?" Kubo said. A discouraged Caetano, who confirms Kubo's account, took them away that afternoon.

United Farm Workers union leaders in California's Central Valley have little patience with this episode.

"Why didn't he call us to provide some workers?" said UFW first vice president Dolores Huerta, who argues that growers want more foreign workers only to keep wage rates low.

Kubo's group was formed 14 years ago in response to UFW efforts to picket Japanese-American growers, and the mutual distrust continues to this day.

But Kubo's minidrama crystalizes a new debate that has moved from this lush fruit and vegetable growing region to the Congress:

Do the nation's growers need an additional 350,000 accredited Mexican workers each year, and if they do not get them, will the landmark immigration revision bill penalizing them for hiring illegal immigrants have a chance of success?

Kubo decried what he said is a mistaken impression in Washington, D.C., that California growers are all giants with thousands of acres and millions of dollars to get legislation turned their way.

There are some very large ranches in this valley, but the average Fresno area farm is 90 acres he said. The average for his 1,400-member association—a majority of whom are white—is 74 acres. A crop missed because of a labor shortage can wipe out some small operators.

Impressed by these arguments, the Senate has attached to the immigration bill an amendment sponsored by Sen. Pete Wilson (R-Calif.) that would allow as many as 350,000 "guest workers" into the country each year if the attorney general determines they are needed.

From the late 1940s until 1964, U.S. law allowed up to 400,000 *bracero* workers annually into the country to harvest crops up and down this valley. Charges that growers were providing sub-human working conditions and that *braceros* were remaining in the United States illegally killed the program.

Mindful of this history, Wilson has added provisions requiring proper working conditions and allowing guest workers to move to other jobs if they are dissatisfied.

To ensure that workers return to Mexico, or whatever country they came from, 20 percent of their gross wages would be withheld until they claimed them at a U.S. consulate back home.

Kubo said he and his growers already pay the prevailing wage for farm labor, about $1 above the $3.35 minimum wage, and those who fear immigrants might be exploited should support the Wilson amendment because it would allow the government to monitor wages.

Having won a narrow 51-to-44 victory in the Senate, the amendment is given only an even chance of surviving in the House.

It is attached to an immigration bill that strengthens the Border Partol, offers citizenship to illegal aliens who arrived before 1980 and—most important to growers here—institutes fines and possible criminal penalities against growers who knowingly hire illegal aliens.

Fred Campbell, who needs 40 pickers to harvest his 80 acres of grapes for raisins, said he would have no choice but to risk the fines if the immigration bill passed with no provision for guest workers.

"If we're short of help, the grapes will just dry up on the vines," he said.

His farm has been in his family since 1919, two generations. Campbell pays his workers $4 an hour and provides them with a shed that includes a refrigerator, stove, beds and a door lock for security.

Each year the same men arrive to pick his harvest and dry the fruit. Campbell said he has advanced some as much as $300 on their anticipated wages and never been cheated.

"We're relying on an illegal work force, that's no secret," Kubo said. He extols the Wilson amendment protections for "the human rights of people coming across the border, whose only desire is survival.

He notes that some growers, including one in his area he once reported to authorities, have housed migrant workers in caves and paid less than the minimum wage.

Critics of the Wilson amendment argue that it will not be needed. Enough illegal immigrants will qualify for amnesty under the immigration bill to meet farm labor needs.

Michael V. Durando, president of the California Grape and Tree Fruit League and a Wilson amendment supporter, argues instead that once illegal aliens qualify for citizenship, they will leave the fields for more lucrative, less physically taxing jobs in the cities.

The unemployment rate among legal resident farm workers is at least 14 percent, and much higher in certain California valley towns. But Tony Vang, executive director of the Lao Family Community Inc. here, said that many of those workers need training and find themselves better off accepting welfare than working long hours for wages just above the legal minimum.

Huerta charged that many workers are paid less than that. Asked about grower complaints that local workers are not as productive as immigrants, she said, "Why should they want to work that hard if they should be making twice as much money?"

Sen. Alan K. Simpson (R-Wyo), who voted against the Wilson amendment, has complained of the "greed" of fruit and vegetable growers, a charge that turns the sweet-tempered Kubo sour.

"Is it greedy to want to harvest the crop that you've worked all year for?" he said. "Is it greedy to try to survive in our society without any handouts?"

ECONOMIC OVERVIEW: TOWARD THE BREAKPOINT

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. MURTHA. Mr. Speaker, several years ago, a distinguished Member of Congress wrote a book about the American economy approaching the breakpoint—that is, the point at which major programs start to break down and the economy begins to see major dislocations.

As we near the end of this year and look toward the economic agenda for the coming months, I believe that any assessment of the economic decisions that will face Congress reinforces that we are perilously close to that breakpoint on a number of fronts.

I would like to share with my colleagues some thoughts on those problems ahead and the need to face them.

BUDGET

Congress this year approved the largest budget reduction bill in history, passing the budget resolution calling for $55 billion in budget cuts.

Yet, we still face budget deficits in the range of $200 billion. We passed this year the $2 trillion mark in accumulated debt.

It is hard even to imagine $2 trillion. It is the No. 2 followed by 12 zeros; it is 12 times all the cash in the United States; if counted in pennies with a person taking one penny a second for every 24 hours a day, it would take 63,419 years to count. However it is described, it shows a debt problem that threatens to slow economic growth by eating up the available lending funds in the country.

According to the Congressional Budget Office, domestic spending will have been cut by $333 billion over 1982–87, but that has been offset by $175 billion in Defense Department increases, $604 billion in lost revenue because of tax cuts, and $111 billion in added interest payments to cover the increased debt.

What those numbers add up to is that the budget and its accumulating deficit will have to continue to be the top economic issue we face. The steps we need to take are to continue to attack Government waste, to make prudent budget cuts, and to continue to place every economic decision in relation to its budget impact. As remarks below will note, the budget deficit is affected by our actions on trade, employment, tax reform, and other steps.

Outlook: The President presents his budget early next year and it is likely to stress another round of budget cuts. I believe Congress will respond with a reasonable package of budget cuts coupled with steps in the related areas I mentioned to keep the pressure on reducing the budget deficit.

TRADE

Whether you fall into the camps represented as free traders or protectionists, your conclusion has to be the same: The

present administration trade policy is simply not working.

We face our largest trade deficit in history. We are a debtor nation for the first time since Woodrow Wilson was President. The trade deficit shows no signs of shrinking. Our trading partners show no willingness to help voluntarily. We must shape a firm, tough trade policy.

As chairman of the House steel caucus, I have been particularly involved in the steel trade debate. Its history shows the problems we face.

For 2 years the caucus pushed for import quotas on steel to hold foreign penetration to 12 percent of the U.S. market. The administration has a philosophical opposition to quotas, but we compromised and 14 months ago the administration announced a system calling for voluntary trade agreements with our steel partners that would limit imports to 18.5 percent. Since that would promote progress and relief from imports running at 30 percent, the caucus threw its support behind the plan and has cooperated fully with the Trade Representative's Office.

Fourteen months later, however, we have had to conclude that the import levels remain totally unacceptable and that the program must be redesigned.

For the month of September, steel imports were 30.7 percent, and for the year remain at 26.7 percent. Even if fully implemented, the voluntary agreements would at best result in a limit of only 23.4 percent. And the commitment to full enforcement must be questioned when it is noted that some of our trading partners are deliberatly circumventing agreements by shipping their steel through third countries to avoid import agreements. Proof of this can be shown by the fact that present imports are arriving in the United States from 18 countries that do not even have steel mills.

In the meantime, in the year of this program, unemployment in the steel industry has risen by 13 percent, and the long list of quarterly reports of losses by American steel companies have remained.

We are at a breakpoint where import limits must give the American steel industry a chance to modernize and streamline, or we will lose the basic manufacturing capacity of our Nation.

That example can be followed in other key trade areas—most notably textiles, shoes, and electronics—with the result that our economy loses growth, jobs, and profits. We cannot count on our trading partners to solve our trade problems. We will have to get tough on trade to stabilize our economy.

UNEMPLOYMENT

The breakpoint on unemployment comes from self-delusion. The idea that we are doing a pretty good job.

When I graduated from high school in the 1950's, we were doing a good job if unemployment held at 2 percent; by the Kennedy administration that became 4 percent; now we are hearing that the economy is doing pretty well while unemployment is at 7 percent. That simply is unacceptable.

When you add in discouraged workers who have simply stopped looking for employment, part-time workers who would prefer to be full time but are not counted among the unemployed, and underreporting among teenagers, we are looking at 10 million Americans being out of work and without good job prospects. We simply cannot accept that kind of permanent unemployment in America.

In addition, I talked earlier about how these economic issues are interrelated. Note that for each percent of unemployment the Federal budget loses $30 billion in lost taxes not paid and payments made to help protect unemployed families.

One of the parts of our equation of solving the budget deficit breakpoint, must also be to put Americans back to work and I expect Congress in the coming year to focus more on this problem as unemployment continues to hold at the 7-percent range.

TAX REFORM

We will have a chance in 1986 to complete work on a tax reform bill that will sharpen the minimum tax to insure that millionaires and profitmaking corporations pay taxes, and to eliminate some loopholes. Prospects for a major redrafting of the Tax Code seem further down the line.

But a message has been delivered this year that the citizens find our Tax Code too complicated, too unfair, and too inequitable. The tax reform issue will remain with Congress until we can develop a consensus for changes that meet those goals.

This brief overview of economic problems helps illustrate the breakpoints which we face. It cannot be business as usual because of the severity of the problems and because of their massive impact on our lives. They affect both the overall stability of the Nation, and our individual stability through their impact on interest rates, jobs, inflation, and consumer prices.

TRIBUTE TO HUGH M. BATES

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SHELBY. Mr. Speaker, Hugh M. "Lally" Bates of Clanton, AL, was recently elected president of the National Association of Postmasters of the United States [NAPUS]. This is indeed a great honor for his community and the State of Alabama.

Alabama NAPUS President Cody Ward had the honor of making the nominating speech for Lally in his bid for the office. I am extremely proud of my friend Lally, and would like to share with my colleagues in the House of Representatives, Cody's remarks and Lally's acceptance speech.

WARD NOMINATES BATES

President Tom, distinguished guest, fellow postmasters—there is a man in our midst who is endowed with relentless courage, vision, ability and profound faith in NAPUS and the U.S. Postal Service. He has exemplified this during the past 20 years as a postmaster in Clanton, AL and as a champion among leaders in NAPUS.

His leadership ability and loyalty to NAPUS and the Postal Service is unquestionable in his home state of Alabama. He served his chapter faithfully in every capacity imaginable, and in 1977 earned the rights to our state presidency. The Alabama Chapter reached new heights under his leadership, which have been unequaled. He has used his talents and experience to help each state president since that time; aiding postmasters in trouble, as chairman of our state Postmaster Representation Committee; and helping us all by using his political clout and powers of persuasion in the halls of Congress, as our state legislative chairman.

Most of you know him for his faithful service to our national office over the past years. He has served us all, as national executive committeeman two times, as national membership chairman, national vice president, and on our National Postmaster Representation Committee. During these terms of office, he has proved over and over he is truly a champion of leaders.

In his hometown, he is considered by all a genuine community leader. Besides being highly respected for his role as a loving husband, and father of three, and grandfather, he also is serving or has served as chairman of the hospital board, chairman of the school trustees, commander of the American Legion, commander VFW, chairman county Civil Defense, chairman industrial development board, director Clanton Housing Authority, he is a Shriner, and has assumed numerous other community leadership roles.

He was raised in humble surroundings with ten brothers and sisters and two loving parents. He learned early in life the way to success was hard work and high moral standards. The Marine Corps recognized he was a man of courage and conviction, with the ability to lead others, when they made him a squad leader during the Korean War. When his three years were over in Korea, he had proved them right many times. When he returned home, he had earned three Purple Hearts, three Battle Stars, and a Bronze Star.

We need his proven courage, conviction and leadership ability fighting for us now. Because we, too, are in a war for survival. The Postal Service has more enemies today than ever before, waging war against us much like the enemy in Korea and Vietnam. They are not always easily recognizable. Because we have enemies from within, as well as outside the Postal Service. This ex-Marine is prepared to lead us in this war, with the same courage and conviction he led those Marines with in Korea. He will help us seek out our enemy, and will lead us in each battle.

He will join us with our allies to make our numbers and strengthen even greater. Yes, this will be a different battle field, with different rules, but it too will be won, only if our leadership has the courage with conviction to fight and win at all cost.

I deem it a personal honor to have the privilege of placing in nomination the name of just such a leader for our national president, the Honorable Hugh Bates.

BATES ACCEPTANCE SPEECH

President Costin, Secretary-Treasurer Graves, members of the executive committee my fellow postmasters, postal officials, friends and guests:

Today, with a sense of grave responsibility, and a heart filled with humility, I accept the office of National President of the National Association of Postmasters—of this great United States of America.

I could not give this acceptance speech without first passing out many roses to so many wonderful people.

First, to each of the other five postmasters who offered their time and service to our organization, I want to congratulate them and to praise their valiant efforts. Each of these postmasters has given much to NAPUS and I trust they will continue to serve wherever they are needed. To President Costin, for his leadership during these two years, we all owe a thank you for your tireless efforts.

There are many people in this convention center who are responsible for my election. Too many to recognize individually, but I must pay a tribute to all of you who worked so hard and gave so much that I might be before you today.

To the Alabama Chapter—my chapter—I can never repay you for the sweat, the pain, the agony, the tears of sadness and the laughter of happiness that we have shared together. I want everyone in Alabama to stand, so the rest of the world can see. The greatest friends a postmaster could have.

Part of my family is here and many could not be with me to share in this moment of glory. To those who are with me, and I would like for them to stand; my wife, Janie, my son, Mickey and his wife, Barbara; my daughter, Vickey and her husband, Jerry.

Last night as I lay down and thought that I could at last rest, I recalled the thousands of miles traveled, by plane and automobile and one trip by train. Of all the beautiful cities, farms and states that I had visited. It seems as if a long dream had at least come true.

I thought of the times my feet and legs were so tired that I could not stand. Of all the hours spent in airport terminals, of the lonely drives by automobile. Many times I questioned myself and wondered why any person would do this to become president. My friends, as I look out at this vast group, I no longer question myself, my question is answered. Yes, it was worth it.

Today is today, I am totally rededicated to every challenge and obstacle that lies ahead. There is nothing that we cannot do and I am confident that we will each time we face adversity.

Many of you have heard me speak briefly about what I propose to do and what direction I plan to lead this organization. The late football coach, Vince Lombardi, wrote a book entitled What It Takes to be No. 1. He said winning is a habit. I intend to keep that habit. Running a football team is no different than running NAPUS. The idea is to be No. 1. To win every battle or skirmish that we encounter.

My fellow postmasters, it's a reality of life that we are competitive and the most competitive battle will draw the most competitive opposition. I will not accept second place or compromise when it comes to the welfare of postmasters. As Coach Lombardi said, "I am not a brutal man. I believe in God and I believe in human decency, but I also believe that the tougher the battle, the sweeter the victory."

Today the United States Postal Service faces a grave crisis. I do not need to remind you all of the problems we face daily, of the injustices that we have suffered, of the reduction in service. You know these as well as I. The problem that confronts this service was not caused by postmasters, it was caused because those in command would not listen to postmasters.

The budget deficit was created due to the Postal Rate Commission refusing to admit what they knew to be the truth. A one cent increase in postage would eliminate a $700,000 deficit.

The Board of Governors, by a unanimous vote, could have overruled the Rate Commission, but they did not choose to do so. This deficit crisis is the direct result of top management, and as your president, I will not sit idly by and see you persecuted for their mistakes.

You, as a postmaster, have no control over your workload or over the rates charged and revenue generated. You don't determine the pay scale of your employees or who sets up the transportation of your mail. All this adds up to one thing: we as postmasters don't have control over operating our post office, yet we are given a budget, then have it cut three times and then harassed because the top management won't take the blame for their errors.

The Board of Governors delayed implementation of the rate increase, from October 1984 to February 1985, thus throwing out almost $900 million in revenue. Yes, as a management organization, we are concerned and we want the U.S. Postal Service to succeed, but not oiled to run on the blood of postmasters.

I know you are interested in the programs I intend to implement. This will be the first administration that consists of 22 elected national vice presidents. Every area of this country will be adequately represented by a postmaster of your choice on the National Executive Committee. I intend to see that each of these officers is working and involved in your interest. I plan to involve at least two of them at each consultation meeting with headquarters staff members. I will expect to present from personal knowledge the problems facing postmasters in their areas.

It will be their responsibility to visit the chapters they represent and to report back to their people the progress that has been made in solving these problems. These 22 vice presidents will be more involved than ever before. Each month I will expect to see columns in the Postmaster Gazette, written by national vice presidents. They will also represent the national office at meetings when requested.

Yes, we will have a large National Executive Committee, but let me assure you, NAPUS will benefit from their knowledge and expertise.

Let me comment on H.R. 2854, which will give all non-veterans access to the merit systems protection board. As a member of the National Postmaster Representation Committee, I know the importance of this bill. As your National President, I will give top priority to the passage of this bill.

On communications, I intend to activate the tape program and give first-hand information to the chapter officers on the day of each consultation meeting.

The Output will continue to be mailed to each member and on a timely basis.

The Postmasters Gazette will continue to be a magazine of interest to NAPUS members. We will continue to use regional editors to keep us informed. I will expect an update each month from these writers to appear in the Gazette.

I promise you this, that your magazine, The Postmaster's Gazette, will be printed and mailed on time each month. If it is not, those responsible will be relieved of their duty.

On the closing or retention of small post offices, let me assure you, nothing is more dear to me and nothing will take preference over my time in saving every office in this United States. I will use every ounce of energy within me and every means at my disposal to save the post offices in rural America, just as I will fight for the job protection of every person in the PCES program. While protecting rural mail service, I will not neglect the city delivery or MSC manager. The harassment and intimidation of our MSC managers by higher level officials must cease at once. I say to all who hear me or read these words, for those who would destroy our organization, we shall not retreat, we will face those who oppose us, eyeball to eyeball and cheek to cheek.

In the field of legislation, we must continue to grow stronger each year. We have witnessed our legislative efforts pay dividends, but we cannot rest on our previous accomplishments. Each year we will be confronted by those who oppose the U.S. Postal Service as we know it now. We must continue to be on the offensive and stay one step in front of our opposition. We must have a strong and healthy legislative fund. You have assessed yourself 12 dollars per year capita. How much of this money you return to National Headquarters will be your decision. However, I will present to you early in 1986 a budget of what it will cost to have an effective legislative program. I have faith in you, that you will respond as needed. Our position as postmaster and our retirement is on the line. I will give you a detailed analysis of receipts and expenditures of this fund, just as I will of all other NAPUS monies.

Speaking of money and what it can do, we must and we will continue to have an active political action program. This will, as in the past, be lead by the retired postmasters. I will assist this committee in any way possible.

There is much work to be done by all the committees and their members. Without going into details on each committee, I must comment on the Postmaster Representation Committee. Having served on this committee for the past three years, I have witnessed the case load each year. In 1985 alone, I as one member, have represented 15 postmasters. This committee must be and will be strengthened by the executive committee. I will ask your governing body of elected officials to increase the budget for this committee. Additional training will be provided to the members. The first training session will be in early January or February.

When thinking of postmaster representation, I am reminded of the famous words of John Paul Jones. When the British admiral asked, "Do you surrender?" Jones answered "I've just begun to fight." NAPUS has only begun to fight.

In membership, we must maintain above 90% at all times. NAPUS can be only as strong in Washington, D.C., as we are back home.

Residency requirements:

This is a subject that must be settled. We have heard much talk on this, but we have not witnessed action. To those of you who have been promoted to the rank of postmaster and required to sign Form 2459, stating that you would move to the delivery area of your office, within one year, let me enlighten you why this was made postal policy by postal service headquarters.

A certain postmaster was promoted from one state to another. The citizens of this community did not approve of this selection and went to their U.S. Senator. This Senator threatened to enact legislation that would amend the Postal Reorganization Act to require a postmaster to have been a resident of this delivery area one year before they could be appointed postmaster. Headquarters bowed to the pressure and compromised with this Senator, that a postmaster, once appointed, would move to that area in one year. This was an indication of weakness on the part of headquarters, when we should have challenged this threat and any others who supported threatening bills.

I, as your president, will insist that all residency requirements for all postal employees be abolished. I will seek the support of all other management organizations, as well as the crafts.

I live in my town and have no intention of ever leaving. However, how can we ask a Level 11 postmaster to move 100 miles, when the Postmaster General, his staff, the regional postmaster generals, the district managers and their subordinates, can live in their palaces, in the neighborhood of their choosing?

This is a case of discrimination in the worst way, and as your president, I am prepared to use whatever measures it takes to repeal this requirement.

In my opening remarks, I made a statement that coaching a football team was no different than leading NAPUS. I am reminded of our present dilemma, by words of the late Alabama Coach "Bear" Bryant. His team was playing the Sugar Bowl for the national championship. The opponent had first down and goal to go, from the three yard line. He called time out. The defensive captain came to the side line and asked Coach Bryant what defensive formation should they use. Coach Bryant simply looked him straight in the eyes and said, "Son, this is gut check time. If you and your teammates have got the guts and internal fortitude to want to win and be the best in the land, then you will give it all you have for four downs and you can walk out of here as champions." Yes, this is gut check time for all of us.

My fellow postmasters, if we are willing to pay the price, sacrifice when the need arises, we will walk away as champions.

As your newly elected president, I realize there will be occasions when I must make unpopular decisions with some. But my responsibility does not stop there. The president has a duty to decide, but the postmasters have a right to know why and the president has a responsibility to tell them and to explain why he chose as he did.

Only through an open, candid dialogue with the members can a president maintain his trust and his leadership. In order to lead, a president today must listen; I intend to listen.

The president of NAPUS is the one official who represents every postmaster—small office or large office. He represents the thousands who ask principally to go their own way in decency and dignity. Only if he listens to the quiet voices can he be true to this trust.

The president's chief function is to lead, not to administer.

As Theodore Roosevelt once put it, "The best executive is the one who has sense enough to pick good people to do what he wants done, and self restraint enough to keep from meddling with them while they do it."

This I promise I will do.

As I compaigned across this nation for the past two years, I travelled over 70,000 miles, visited 45 of the 51 chapters. During these times I asked you to send a message to Washington and to send that message by Hugh Bates. That message was that we no longer will turn the other cheek, that we are tired of harassment and intimidation.

You have now elected me as your spokesman for the next two years and by the grace of God, I will take your message to Washington.

In closing, I want to quote three great Americans.

Andrew Jackson said, "One person with courage makes a majority." I pray for that courage and I solicit your prayers that I may have the courage to be that majority.

Andrew Carnegie stated these words: "As I grow older, I pay less attention to what men say, I just watch what they do."

Ben Franklin, our first Postmaster General, is quoted as saying, "Well done is better than well said."

I trust that when my two years are finished, that you will say, Hugh Bates, your job has been well done.

God bless each of you.

INSURANCE CRISIS HAS WIDE IMPACT

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. FLORIO. Mr. Speaker, my subcommittee has commenced a series of hearings regarding the unaffordability and unavailability of insurance. The following article from Fortune provides an overview of the causes and impact of the insurance crisis. The article may be useful background for Members as they respond to the many inquiries Congress is receiving. It is very clear from the article that the insurance crisis poses a major economic threat and that the crisis itself may be only a symptom of even more fundamental problems.

The article follows:

[From Fortune Magazine, June 10, 1985]

NAKED CAME THE INSURANCE BUYER

(By Carol J. Loomis)

Going bare is the term for getting along without property and casualty coverage. In a litigious world it's a chilly, unwelcome experience for corporations. But a sudden seller's market has made commercial insurance a hard-to-get, expensive-when-you-can item.

Insurance companies have more than one way of refusing your business, says Norman S. Wintemute, who buys coverage for BankAmerica: "They can simply say no. Or they can quote you a fantastically lousy price."

BankAmerica has met both kinds of rejection in the last few months and so have hundreds of other corporations. With a suddenness that has astounded and horrified corporate buyers, the market for commercial property and casualty insurance has turned wicked. Premiums have risen broadly and, for some types of coverage, are up enormously—by 300%, 500%, even 1,000%. The availability of insurance, nevertheless, has sharply contracted. Many corporations do not have as much coverage as they would like, and for some kinds of potential losses have none at all.

In insurance parlance that leaves them "going bare," and most seem appalled at the exposure. In the past the insurance industry, that spreader of risk, has been the fallback in most corporate disasters. Union Carbide, for example, is believed to have $200 million of coverage for the tragedy at Bhopal, India—an amount of uncertain adequacy but balm nonetheless. Bhopal, however, qualified as "sudden and accidental pollution," a type of coverage now extraordinarily difficult to buy. The probability of a large corporate loss that is not covered by insurance, or only covered meagerly, thus increases daily—as does corporate dread of the event.

The dread is particularly great because most corporations have grown in recent years to want more insurance, not less. Asbestosis, toxic waste, the general litigiousness of society, the tendency of judges and juries to reinterpret the legal doctrines of negligence and fault—all these have driven home the need for bountiful insurance protection. And now it's in scarce supply.

Rivers of tears for the buyers are not totally justified. The property and casualty business is relentlessly cyclical, and for five years before the market turned last year, corporate customers enjoyed a hotly competitive, ever-softening market. Originally, insurers cut prices to haul in premium dollars they could invest at the high interest rates that prevailed ultimately, they scrambled for premiums to cover the claims rolling in from the bad business they had underwritten. In that leg of the cycle, prices for commercial insurance fell in some cases by 50% or more.

The corporate folk who buy insurance—called risk managers—knew prices were absurdly low. But few argued for a return to sanity, naturally, and some abandoned their traditional suppliers to shop for the cheapest prices around. They are now riding a ricochet. A threefold rate increase sounds punitive; but if the base rate is one-third what it was at the last peak—and such cases exist—the rise is no more than restorative.

Wretched results for the insurance industry in 1984—around $3.5 billion of pretax operating losses—produced the ricochet (see chart). Reinsurers, who assume some of the risks that primary insurers underwrite, finally forced the end to the soft market. Throughout the year the reinsurers jacked up premiums and retreated from some lines of business, putting pressure on primary insurers to follow suit. Then, on December 3, came Bhopal, rocking the market just as insurers, reinsurers, brokers, and customers were negotiating renewals for the great number of commercial policies and reinsurance treaties that expire on January 1. Using a metaphor that is unintentionally ghoulish, one broker says Bhopal "put the last nail in the coffin" and "scared the living wits out of reinsurers." A tight, tough sellers' market promptly materialized and has worsened since.

The most tangible part of the problem is the increase in premium rates, which is wrecking corporate budgets approved last fall. The risk manager of a major financial services company says his expenditures in 1984 for insurance—65 different packages of it—were about $8 million. For 1985, anticipating some tightening in the market and wanting if anything to overestimate the bill, he budgeted $10 million. "Today," he says, "it's looking like $24 million or more. We're writing the numbers on plastic now, with crayon, so they'll erase easily."

For their money, companies are getting substantially less coverage, at both the top and the bottom, than they got in 1984. At the bottom, businesses are taking higher "retentions"—deductibles, so to speak. At the top, where the slice is thicker, businesses have lost the high dollar limits they prize as protection against catastrophes.

Why, given the law of supply and demand, aren't the high limits available at a price? Maybe they are. Perhaps the buyers just haven't yet begun talking prices that would bring the supply out.

But another explanation is the so-called capacity problem, a creature of insurance regulation. Trying to make sure that policyholders' claims can be paid off, state insurance departments judge the soundness of insurers on easily measurable criteria. One, called the risk ratio, relates net premiums written (new and renewal premiums minus those passed on to reinsurers) to an insurer's surplus, roughly equivalent to net worth. The rule says that the premiums-to-surplus ratio should not be more than 3 to 1.

The ratio puts a crazy kind of ceiling on insurers during a tight market. They usually enter such a period with surplus depleted, driven down by losses. Were they to choose the most obvious means of getting well—the pursuit of every premium dollar possible—they would soon have a risk ratio unacceptable to the regulators. Consequently, the insurers plead "capacity constraints" to their customers and do not write all the business they can get. They also turn conservative in their choice of what types of risks they will insure. Says Robert Clements, president of the insurance brokerage firm of Marsh & McLennan Inc., "When you have a great contraction in the market, the industry first leaves the area of unpredictable risk."

The exodus is speediest from "excess" coverage that companies seek atop their primary insurance policies. An example is earthquake insurance, on which insurers have done an abrupt about-face. In the soft market, a company could secure $300 million or $400 million of excess quake coverage with ease. It could also get the excess, says broker Daniel Batonick of Johnson & Higgins, almost as a freebie, tossed in with other kinds of property coverage. The probability of a U.S. earthquake cannot be much greater this year than last. Yet today $100 million of excess coverage is about the most a buyer can pull together. "Even with a blank check, we may not be able to get more than that," says Helen Terry, risk manager of Equitable Life, a big owner of California real estate. Terry figures the insurers, focusing on the immensity of their exposure, "finally began to notice how much at risk they are."

High limits are also vanishing from the liability policies that cover such professionals as doctors, lawyers, accountants, engineers, and architects—prime targets of litigants these days. Accounting firms, for example, have proved exceedingly vulnerable to suits charging that they wrongfully gave clean opinions to clients later revealed to be dishonest or financially in deep trouble. Since 1980 the biggest accounting firm, Arthur Andersen & Co., has alone paid out $137 million in judgments and out-of-court settlements and faces many other suits. In what could be a monster case for Alexander Grant & Co., one of its partners is caught up in the litigation involving ESM Government Securities, a Florida dealer charged with defrauding customers.

Lloyd's of London writes most of the accountants' liability insurance and has grown highly nervous about the profession's exposure. Taking steps to reduce its own, Lloyd's just renegotiated policies with a number of Big Eight accounting firms, lowering their limits by about 35%. Accountants won't say what the new maximum is, but a reasonable guess is $125 million or so.

U.S. money center banks also insure with Lloyd's, long the principal provider of the fidelity bonds the banks need as protection against robberies, embezzlements, and other crimes. The lead underwriter in this business in Lloyd's Merrett group, which manages several syndicates of investors. Hit lately by heavy losses (most arising from the dishonesty of bank employees), Merrett first considered withdrawing from the business, but instead imposed higher deductibles on the banks. A couple of years ago deductibles of $2 million or less were common. The norm now is $10 million and Merrett is pushing for $25 million—what Marsh & McLennan broker Walter S. Tomenson, Jr. calls "Merrett's comfort level."

The banks have run into bigger problems in the excess market. At the moment, $150 million of coverage is about the maximum available to a money center bank and limits that big are an endangered species. Financial institutions of all kinds were shocked in March by a sudden announcement from Fireman's Fund, a subsidiary of American Express, that it was canceling all fidelity policies written for financial institutions and would write no more. Fireman's Fund had been a major player in the excess market, able to write a $50-million layer of coverage for a single buyer. But losses on the business had been large and in its announcement Fireman's Fund said it saw neither vigilant screening of risks nor pricing as a solution—so goodbye. The rejection of pricing as a cure suggests the company may have also felt hobbled by its premiums-to-surplus ratio, which at year-end 1984 was nearly 3 to 1, against the industry's average of only 2 to 1.

Companies needing pollution coverage find themselves in the ultimate sellers' market. Growing apprehensive in the early 1970s about pollution liability, the insurance industry divided coverage into two kinds. Coverage for sudden and accidental pollution was included in the general liability policies that businesses buy; it is meant to take in a Bhopal, as well as such occurrences as the spillage of toxic chemicals from an overturned truck, the accidental discharge of harmful effluents into a stream, or an explosion in a manufacturing plant. The second kind of coverage, known as environmental impairment liability, is written under a separate policy and is intended to cover gradual pollution, such as the seepage of buried toxic wastes into underground water supplies. Under Environmental Protection Agency rules, companies handling toxic waste must have both environmental impairment and sudden and accidental insurance, or the financial strength to handle the claims on their own.

But the insurance industry considers environmental impairment risks unmeasurable and therefore uninsurable. You cannot make insurance companies commit suicide, and today almost none are writing environmental impairment policies. At the annual convention of risk managers in April—held, appropriately, in the city of funeral blues, New Orleans—one speaker, broker Robert M. Grella of Alexander & Alexander, named the three suppliers remaining in the market: American International Group; St. Paul Fire & Marine; and Pollution Liability Insurance Association, a consortium. None, Grella said, could offer a buyer more than $10 million of coverage. A speaker from St. Paul Fire & Marine, Kenneth F. Goldstein, contributed further qualifiers, among them his yen to contain risks by doing business only with relatively small companies. Said he: "We're not looking for Fortune 1,000 accounts."

In the other part of the environmental market, meanwhile, the courts have been redefining sudden and accidental pollution to include the gradual variety. Robin A. G. Jackson, a director of Lloyd's Merrett Syndicates, describes the courts as having "driven a hose and cart through the sudden and accidental wording," making it "foolhardy" to continue to provide that coverage. Agreeing, the U.S. industry is scheduled to move in January to a standard general liability policy that will specifically exclude most forms of pollution coverage. Many insurers have already stopped writing sudden and accidental. It can be had, says Grella of Alexander & Alexander, but not easily.

The prospect of going bare in this danger-laden area frightens many corporate executives, among them Gerald A. White, chief financial officer of Air Products & Chemicals of Allentown, Pennsylvania. White counts himself lucky to have renewed his general liability policy last September, before the crunch. He's covered for sudden and accidental, but he worries that the coverage might not be renewable next fall, when many forecasters expect an even tighter market than now. "What we have here," says White, "is a major, major problem for industry. It is not just chemical companies, it's everybody."

In April, Air Products sold $100 million of bonds in an offering managed by Goldman Sachs and Shearson Lehman Brothers. As they must, the underwriters went through the "due diligence" process with White, digging for information that might have to be disclosed to investors. Considering the major problem that insurance has become for corporations, did the underwriters quiz White about Air Products' coverage? "No," he answers, recognizing the irony, "they never mentioned insurance."

Risk managers are searching madly today for solutions to the problems of high premiums, high deductibles, low limits, and making-the-boss-understand-why-all-this-is-happening. For some companies, one approach to the deductibles could be to relax and regard them as logical. They are a limited form of self-insurance (the industry's euphemism for no insurance), and many companies can easily handle the added risk.

In the eyes of some buyers high deductibles are perfectly affordable but unfortunately apt to cause lurches in earnings. That's because accounting rules do not allow companies to gradually build reserves for anticipated insurance losses by making periodic charges to earnings. Instead, the companies must wait until the losses come along and only then charge off the costs. The rules do not promote smoothness in earnings, as premiums paid to an insurer do.

In the last tight market, in the mid-1970s, captive insurance companies were the rage among corporations seeking to self-insure. But the Internal Revenue Service has since pared the tax advantages of captives, and some have also been economic disasters for their parents. Certain companies, however, still find special reasons to set up captives, and Bank- America has just done so. Forced recently to take a $95-million write-off on overvalued mortgage securities for which it

was trustee (Fortune, April 1), the company sued several of its own officers for gross negligence and also filed claims against the two insurers carrying its directors' and officers' insurance. One, First State, had earlier given notice that it was canceling BankAmerica's policy; it's one of many insurers cutting back on this type of coverage (Fortune, March 18). The other, Employers of Wausau, maintained that the policy did not cover the bank's action against its officers and canceled when the claim was filed. BankAmerica sued both insurers. Meanwhile its director of risk management, Wintemute, began searching widely for replacement coverage. But Wintemute ran into those two types of rejection: no and, from one insurer, an out-of-sight price. This presented a thorny problem: under the laws of Delaware (where it is incorporated) BankAmerica cannot reimburse its officers and directors if they are held liable for damages in suits brought on behalf of the company. They must be covered by an outside insurer.

BankAmerica has created one, so to speak: a captive, based in the Cayman Islands. Wintemute says the captive will deal with the parent at arm's length and will thus be sufficiently independent to meet Delaware's requirements. But some bankers and insurance executives say it's all legal hogwash, since BankAmerica's assets will be behind the captive. BankAmerica's directors and officers no doubt devoutly hope that this exotic solution can survive challenge. Otherwise, they are going bare—a far chillier experience for a flesh-and-blood businessman than a corporation.

Focusing on more conventional alternatives than BankAmerica has available, many corporations are now intently studying the possibility of banding together to form captives. The scheme has worked in the past for certain industries denied coverage: Nuclear Electric Insurance Ltd. insures nuclear power plants against damage. Oil Insurance Ltd. (known as OIL, naturally) insures offshore drilling rigs. Today, the New York clearinghouse banks are considering the formation of a captive. Then there's ALAS and ALAC, midwifed by Marsh & McLennan, a whiz at acronyms. ALAS (Attorney's Liability Assurance Society) was incorporated some years ago by law firms based outside New York City. ALAC (Accountants' Liability Assurance Corp.), just being formed, will provide coverage for medium-size accounting firms.

Marsh & McLennan is now working to form ACE (American Casualty Excess Insurance Co.), by far its most ambitious undertaking. As visualized by Clements, the broker's president, ACE would be a $100-million or bigger stock corporation capitalized by insurers and their corporate customers. The company would specialize in excess insurance and would sell only to its owners (who might also cash in later through a public sale of the company). Clements thinks innovations such as ACE are essential if business is to get the coverage it needs: "The loss of high limits of coverage is not going to be acceptable to corporations."

The problem for any industry captive born out of dire need is that it is a refuge for parties that cannot get insurance elsewhere. That makes it a victim of "adverse selection," in which it attracts more than its share of inferior risks; this can drive away prospective members. If you are a New York clearinghouse bank, do you really want to insure other high-wire acts just like your own?

In a chaotic market like today's, all the questions are hard—but answers will develop. Prices will surely rise further. Supply will surely increase. Outsiders will come in to add their capital; the industry will expand its own, partly through profits to be made in this market, partly through securities offerings that insurers are already scurrying to make. The inbalances in this market may, nevertheless, take time to correct, if only because buyers may have to be hauled kicking and screaming toward the prices necessary to clear a market grown paranoid about risk.

A TRIBUTE TO THE UCLA BRUINS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. LEVINE of California. Mr. Speaker, as the UCLA Bruin football team continues its rise in the national rankings, it is appropriate to recognize the man most responsible for UCLA's success this year, and for the last 10 years, head coach Terry Donahue.

Coach Donahue's list of accomplishments at UCLA is impressive. He is the winningest coach in UCLA history with a combined record of 77–30–6. His team has won New Year's Day bowl games for 3 years in a row—something no other college coach has ever accomplished. And, he has beaten cross-town rival USC for 3 years in a row. It has been 20 years since UCLA can boast of such an accomplishment.

Perhaps more important than his accomplishments on the football field is his reputation as an outstanding member of the community. His reputation is perhaps best summarized by the experience of a local newspaper, which after trying in vain to find someone to say something negative about Donahue declared him "a saint in coach's clothing."

Last Sunday the Los Angeles Times ran a long article about Terry Donahue. I would like to include it in the RECORD. It is a fitting tribute to an outstanding football coach and a remarkable man.

[From The Los Angeles Times, Nov. 4, 1985]

A TRIBUTE TO THE U.C.L.A. BRUINS

(By Tracy Dodds)

Somewhere, J.D. Morgan was smiling the night that Terry Donahue became the winningest coach in the history of UCLA football. Somewhere, he puffed out his chest and gave a nod of approval, proud of his young protege and proud of himself. He had played a hunch and he was right, again.

J.D. didn't live long enough to see Donahue set the record, but he lived long enough to see that he had been right about Donahue.

He'd had confidence in the 31-year-old assistant coach whom he promoted to head coach in 1976.

Ten years later, Donahue has a record of 77-30-6 and has broken Bill Spaulding's record for most victories by a UCLA coach.

Donahue has nurtured a strong and reputable program at UCLA.

For three straight years, he has won a bowl game on New Year's Day. No one else in the country has done that.

He has also beaten the age-old stigma of being the little guy in town. He has beaten USC three years in a row. Until he came along, that hadn't happened since 1955.

Along the way, Donahue has become one of the premier college coaches in the country.

So when Donahue broke Spaulding's record of 72 victories with one over San Diego State at the Rose Bowl earlier this season and accepted, in commemoration, a little crystal Bruin, he had the late J.D. Morgan high on his list of people to thank.

He said that Morgan had given him an opportunity when, perhaps, he wasn't even ready for it.

"Oh, I never would have admitted it at the time, because at the time, I thought I was ready," Donahue said. "There was no question in my mind at the time that J.D. hired me, that I could do the job.

"What I am trying to say is that I certainly was not the most qualified for the job. When J.D. gave me the opportunity here, he could have selected umpteen-hundred coaches who were basically more qualified at that point in time than I was to be a head coach.

"The reason I got it was because, at that time, there was no search committee. I was 31, an assistant. A search committee would have gone out and found a big-name coach or someone with a lot of experience, an older assistant coach. J.D. didn't have to do that.

"I never felt I couldn't do the job, but as I reflect back on it 10 years later, I wasn't as far along as I thought I was—just as a lot of players aren't as good as they think they are.

"J.D. took an unbelievable gamble. He took a big chance hiring me with no proven credentials, no track record as a head coach."

Now that J.D. has been proven correct, it seems like an easy enough choice. But it wasn't always so.

A lot of things have happened in the 10 years that Donahue has been the coach at UCLA, most of them good. Some, of course, have not been so good, and some have been downright embarrassing. Donahue has handled than all, good and bad, one game at a time. And there is lots of game-playing in the coaching game.

Donahue has a way of chalking up victories. Any kind of a setback is, at least, a moral victory in some way. Or a steppingstone to a victory on another day. In every case, Donahue, himself, emerges with his impeccable image intact.

There were some who thought that Morgan had made a stop-gap decision or a too-quick decision when he promoted the young assistant coach three days after Dick Vermeil had quit in February of 1976 to take a job with the Philadephia Eagles.

It was the height of the recruiting season, a week before signing day. A quick decision was needed. But Morgan obviously had had his eye on Donahue for years.

Even at 31, Donahue had a strong reputation among coaches. And he had already proven his grit at UCLA.

Donahue grew up in Los Angeles, the son of a physician, one of five boys and always wanted to play football for UCLA. When he wasn't recruited at Notre Dame High School in Sherman Oaks, he started to work his way in. He walked on a San Jose State and then at Valley College and then, finally, at UCLA.

Bill Barnes was the Bruin coach who gave the 6-foot, 190 pound defensive tackle his

first chance, red-shirting Donahue in 1964, but Tommy Prothro was the coach when Donahue started in the Rose Bowl game on New Year's Day, 1966.

His start in coaching was much the same. Soon after Donahue had been promoted to head coach, Pepper Rodgers told this story:

"When Terry graduated from UCLA, he wrote me and said he wanted to come to Kansas as my graduate assistant. He said he'd work for nothing to prove his ability. It's hard to refuse a man who makes that kind of offer. Too many people in the coaching profession are too concerned about their position or how much money they're going to make before they prove themselves."

Donahue was an unpaid assistant for one season. Kansas went to the Orange Bowl after that 1967 season and Rodgers made him a full-time member of the staff the next season. He had responsibility for the defensive line and, at 23, he was one of the youngest college coaches ever.

Donahue returned to UCLA, as a member of Rodgers' staff when Rodgers was hired as head coach after the 1970 season.

Rodgers said: "When I left UCLA for Georgia Tech in 1974, I wanted to take Donahue along, but J.D. Morgan told me that was the one coach I couldn't take."

Donahue not only had strong recommendations from Prothro, Vermeil and Rodgers when he applied for the job, but other assistants told Morgan that Donahue was the best choice.

Bob Fischer, who was then Morgan's assistant athletic director, remembers that Dick Tomey, who also was considered for the job and who later became the head coach at the University of Hawaii, told Morgan that, "Terry was a great selection and that Terry would turn out to be the best coach UCLA ever had."

Fischer said: "I had a vote, and I voted for Terry. I don't know how much weight that carried with J.D., but when we looked over the various candidates, I definitely thought that Terry was on top—especially as far as promise was concerned."

Those who had worked with him had seen beneath Donahue's beguiling facade of charming, youthful innocence. They had known the hard-driving intensity, the ruthless singleness of purpose, the perfectionist's ego, the defensive attitude toward anything and anyone challenging him.

All are fine qualities for a football coach. They are the kinds of qualities Woody Hayes always admired in field generals.

But they are not necessarily the qualities that Donahue sets before the public.

Even at football practice, Donahue—although briskly businesslike—maintains a gentlemanly demeanor. He doesn't bark obscenities or rip off helmets. He gives nods of approval or icy stares.

The other day, without raising his voice, he stopped a player cold just by using a menacing tone.

Upperclassmen clue the freshmen early: Don't be misled. Donahue is no pushover, and you don't want to get on the wrong side of him. Period.

There is a relaxed and friendly camaraderie among his coaching staff but there is no question who is calling the shots.

Donahue is usually accessible to and cooperative with reporters. He can be very charming and personable. On his terms. But don't press your luck, and choose your adjectives carefully. He once threatened to boycott a whole group of visiting reporters because he had a year-old gripe against one of them. He got his apology before any other reporter saw him that day.

Donahue is sensitive about his image. He knows what he wants it to be. And, of course, he has been successful in making it just that.

Terry Donahue: A winner. A great guy. A gentleman. A family man. A religious man. A moral man.

The administration considers him one of the university's proudest assets. The alums love him. His players respect him. Mothers entrust their sons to him. Other teams would love to have him.

And he really seems to live that role. If he doesn't, he's done a very good job of keeping his slips private.

The Santa Monica Evening Outlook, after finding no one who had a bad word to say about him concluded that he must be "a saint in coach's clothing."

It's hard to say just exactly what Terry Donahue really is or really is not. But one thing is for sure—he's not stupid.

All things considered. Donahue has done a masterful job of putting all the pieces together. He has done what he has had to do to win in the cut-throat competitive world of college football, and he has come away with people thinking he's a saint.

Now, that is a masterful accomplishment.

Of the hundreds of young men who have played for him over the years, very few publicly criticize him.

Recently, Michael Young, now a receiver for the Rams, talked about some of the negative feelings that players have about him. Dokie Williams, a receiver with the Raiders, has said that he thought Donahue didn't use him much at UCLA just to make a point, to show that anyone who crossed him—in his case by skipping spring football to run track—would pay.

Others have complained, off the record, about Donahue's negative approach. They resent the way he never praises his own players, never promotes them for All-American honors or bowl games, and always seems to be afraid of losing instead of looking forward to winning. They say he manipulates and holds grudges.

But then there is Rick Neuheisel, the quarterback who walked on at UCLA and eventually led the team to a Rose Bowl victory. He butted egos with Donahue as often as anyone, saved a season for Donahue and never got much thanks or credit, but counters with the argument: "What good does it do for anyone to speak against him? You have to give him respect for what he accomplishes. We won. I won a Rose Bowl game."

Now, that's what Donahue would call a reasonable statement.

Presented with some of these ideas, Donahue said, "I'm not always nice. I can be hard to deal with at times. I've never tried to project myself as a saint.

"People who are reasonable—and I'm talking about the majority of people; most people are reasonable—realize that there are no perfect human beings. We all make mistakes. The last perfect guy was put on a cross and crucified.

"People who are reasonable realize that anyone who is in a responsible position of authority or decision-making is going to be faced with certain choices. The only thing that they can do is evaluate the information to the best they're capable of and then go with their honest-to-goodness feeling of what is in the best interest of the team or the program or the individual."

Donahue seemed troubled by the idea that he holds grudges. He thought about it for a minute before saying; "I'm not sure what that refers to. . . . I would think that my basis philosophy would not agree with that kind of approach. I would hope I don't do that. I don't think you can keep score. People make mistakes. You don't want a scorecard—don't judge lest ye be judged."

And yet, the coach of a major college football program will be judged constantly. It comes with the territory. That was one of the main things that Donahue had to get used to when he became head coach.

After years in the headlines, he now can say: "I hope I have more friends than enemies. But once you've been successful, you have critics. When you're down, people criticize. When you're up, people pick at you. It's mediocrity that just rolls along, unnoticed. I've been successful. I have my critics. That beats the alternative."

Donahue has had to develop lots of working philosophies. He used to listen to tapes of other coaches' ideas as he drove between UCLA and his home in Westlake Village. Now, he spouts some of his own. He likes to call it growing.

He *was* young when he became the coach, and he had to do a lot of learning on the job, thinking on his feet.

"No one is born a head coach," Donahue said. "You're an assistant coach, and then all of a sudden one afternoon, you're elevated to head coach. And when they elevate you they don't give you a manual that tells you how to become a head coach. There isn't one. Maybe there ought to be.

"So you're given what we used to call in the service, off-the-job training. You learn as you go along and if you're good enough and lucky enough, you survive.

"What happens is that you learn to grow with the job. When I first got the head coaching job here, I thought I got it because I was the best technical coach on the staff. I thought I got the head coaching job because I was a good coach—and it was (the reason), in a sense.

But the more you work as the head coach, the more your time is taken away from the pure technical aspects to other aspects. It took me a long time to learn to like those other aspects.

"I wanted to coach. That was what I was best at. That was what I liked. It took me a long time to learn to spread myself among three areas.

"One is the technical aspects—the X's and O's and the plays you run.

"The second is the administrative aspect, which involves everything from dealing with the school's administration to dealing with the media, speaking, dealing with the students, answering correspondence, whatever, A to Z.

"And then the third is personnel. There are two types of personnel, those currently on your team and those you need to go out and bring to your team.

"It took me a long time to formulate my philosophy and figure out when to have emphasis on one area, when the other area and how to disperse my time over the three fronts."

Of all the adjustments Donahue has made over the years to make himself a success as the football coach at UCLA, the most telling is the change that he made with his offense.

"We were 9-2-1 our first year and it would be very hard for anyone to convince me, from a technical standpoint, that the veer offense wasn't any good," Donahue said. "Lou Holtz was going to bowl games with it. All kinds of people were winning with it. It's

a good offense. Not only that, we had won the year before and gone to the Rose Bowl with it.

"Pepper had been a wishbone coach. Dick was left with wishbone personnel. He didn't want a wishbone team so he went to the veer. The veer took us to the Rose Bowl his second year. So when I got the job, my thought was, 'Gee, we just went to the Rose Bowl with it. Plus, all my background had been veer offense.' So we continued with it. But I got the lable of being a boring, conservative coach.

"I tried to take a good, hard look at the criticism that was leveled at me, and I finally came to the conclusion that it wasn't enough just to win here. I was winning, and I was on a pretty good pace in terms of past UCLA coaches, in terms of percentages. But it obviously wasn't enough. There was a great deal of unhappiness.

"Maybe in this town, it's different. Maybe in this town, you have to do it with some flair and entertainment.

"I've learned that you have to be flexible, adjustable."

And you have to learn how to handle adversity.

Take negatives and make them positives.

During Donahue's reign at UCLA, by far the most embarrassing episode has been the saga of Billy Don Jackson.

Billy Don was one of the best defensive tackles in the country when he was recruited from Sherman, Tex. He was a freshman All-American for UCLA in 1977, eventually transferred to San Jose State and finally, in 1982, was sentenced to a year in jail after pleading no contest to voluntary manslaughter in the fatal stabbing of a drug dealer. The judge called Jackson a functional illiterate and blasted the whole system of college athletics.

Actually, Jackson had a reading disability, similar to dyslexia. But he was a bright young man, and he was enrolled at UCLA in courses that stressed oral skills—speech, sportscasting, an African language that is spoken but not written. He also was supposed to be working with a reading therapist.

Donahue still shakes his head sadly when the subject comes up. "Billy Don Jackson—years later you can't escape it," he said. "Obviously, it was the darkest hour for our program. It was a dark hour for UCLA. I didn't let him in school, I don't let anyone in school . . .

"But I was the head coach, so I was involved. He had a reading deficiency, something we thought we could correct. For whatever reason, Billy Don didn't do his part of what was supposed to be done.

"Consequently, he left school and later became involved in this tragic drug deal. It was a terrible scenario of events. There's no question that to this day we look back on that situation and the only thing I can do is try to learn from it.

"The university learned from it. From that point in time, we shifted philosophies. The admission process was ahead of the support process, then. There were lots of special action admissions, high-risk students. . . . By support I mean tutorial, curriculum, adjustment of the athletic department to these problems. It was a whole new world, and we were just getting into it.

"Jackson, in a sense, brought everybody to look at that whole process more carefully. In the long run, the tragedy of Billy Don Jackson helped the university. Now the academic process and the support is stronger. It's so much different and so much better."

At the time of sentencing, Jackson's attorneys attempted to show what kind of a person he was by showing how many friends had come to the courtroom to support him. He asked everyone there in support of Jackson to stand. Among them was Donahue.

After Jackson was released from jail, Donahue helped him catch on with a USFL team.

The only other black mark on UCLA's record since Donahue became coach is a year's probation in 1980. UCLA was one of five Pacific 10 schools caught up in a scandal involving unearned school credits and falsified transcripts in 1977.

If the forfeits in 1977 are factored into Donahue's record he has not broken Spaulding's mark. The Bruin record was adjusted from 7-4 to 0-9 with 2 no contests. Donahue's record would then be 70-35-6. However, neither UCLA nor any of the other Pac-10 schools take this added factor into mind when reviewing Donahue's success ratio.

Nothing like that has come up lately. The program has been clean. Donahue credits the change of philosophy after Billy Don Jackson for that, too.

"Because of the shift in policy at UCLA in the last five years or so, the kinds of people that we're generally recruiting are easier types of people to recruit," Donahue said. "When you're dealing with intelligent people from stable families and backgrounds, the whole recruiting process is upgraded."

At this stage of the game, UCLA's program is so strong, and so successful, it sells itself. Donahue has always been known as a top recruiter, but he admits it's getting easier. Not easy. Easier.

"I think we're to that point," Donahue said. "I think the UCLA football program has been built to that degree. That doesn't mean I expect us to win the championship every year. I don't. But I expect us to be representative."

Donahue is careful about not being drawn into discussions speculating on whether he might take other jobs—especially when that speculation is based on the rumor that just won't die, that he's the obvious successor to Gerry Faust at Notre Dame.

Donahue considers it "absolutely inappropriate and totally unacceptable" to discuss a job that is not currently available.

"That happened to me after the 1979 season," he said. "People were speculating on who would be the next coach at UCLA. That bothered me. It bothered me a lot. It bothered my family. I'm not going to do that to another coach and his family."

But it's hard to resist the urge to speculate. With Faust in the last year of his contract at Notre Dame and with the Irish losing too many games, the job is likely to be available soon. Figure in a highly respected Irish Catholic coach named Terence Michael Donahue, who went to Notre Dame High School, no less, coming off a season in which he became the winningest coach in his school's history.

True, Donahue does have a contract with UCLA. Last March he signed a three-year extension that keeps him signed to a five-year deal. He does that every third spring. But that contract does not preclude him from moving on if he wants to.

Tommy Prothro had a contract with UCLA when he moved on. So did Pepper Rodgers. So did Dick Vermeil.

Athletic Director Pete Dalis has flatly stated: "Of course we don't want to lose Terry, but if he has an opportunity that he thinks is better for him, we won't stand in his way. That has always been the policy at UCLA."

In the past, Donahue has expressed more interest in pro jobs than in other college jobs. So it remains to be seen whether he would make the move to snowy South Bend, Ind., even if the job were offered. He's Southern California born and reared.

If the Notre Dame opportunity presented itself, Donahue would be in a no-lose situation. He could take what is considered the premier position in college football and start over, or stay in one of the very good positions in college football where he's already a winner.

He just might stay. He turned down Arizona State last season. And he's talked to lots of others without being swayed.

"I'm not saying that I would never consider another job," Donahue said. "You know that I have considered others. But I am saying that I like what I'm doing at UCLA. I'm proud of what we have accomplished here. I feel a sense of satisfaction. I also still feel a sense of challenge."

Donahue wasn't the only one who thought of J.D. Morgan when he set the record. Fischer was conjuring up the same images. Fischer said: "J.D. was very proud of Terry. He got to see Terry five years before he died. You can imagine how happy he was from the very beginning when they went down and played Arizona State in their very first game. (UCLA won Donahue's opener in a nationally televised game at Arizona State.)

"Terry has done just what J.D. knew he would do. He has really developed the program. Terry might not want to say it himself, but I think it's extremely important that he has beaten USC year after year. He has established great pride, and pride in the university covers a tremendous area.

"Not only has he been winning, but the program has been clean and the incoming student-athletes' academic standards, slowly but surely, have risen every year.

"You know, they say that in the service or in corporations, any organization like that, that after about three years any institution or program will reflect the personality of the guy in charge. I think that's true. I think that's why we have such a fine football program right now."

KING HASSAN'S U.N. SPEECH: NEW OPPORTUNITY FOR PEACE IN THE WESTERN SAHARA

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SOLOMON. Mr. Speaker, as one of the representatives to this year's session of the U.N. General Assembly, I have had the opportunity to hear the speeches and witness many of the events connected with the celebration of the 4th anniversary of that body. In that regard, I would like to commend to the attention of my colleagues the recent speech by the Prime Minister of Morocco, Mohamed Karim-Lamrani, given on behalf of His Majesty King Hassan II before the U.N. General Assembly on October 23, 1985.

King Hassan has made important new steps toward a resolution of the conflict in the Western Sahara, a subject of contention in Northwest Africa for several years. In his speech, King Hassan calls on the United Nations to hold a referendum of self-determination by January, 1986, for the people residing in the Western Sahara, a former colonial possession of Spain. King Hassan also committed Morocco to an immediate, unilateral cease-fire in order to encourage all sides toward a peaceful resolution of the conflict. With this initiative, Morocco hopes to bring an end to the tensions which exist in Northwest Africa and to the long conflict which has embittered relations between it and its traditional rival, Algeria.

Mr. Speaker, His Majesty's speech, which I am inserting in the RECORD, represents an admirable attempt to deal with a particularly contentious issue that has disrupted relations between the nations in that region for over 10 years. King Hassan's new political initiative, taken at a time when Morocco is winning the conflict militarily, represents a magnanimous and farsighted gesture toward all parties to the dispute. Hopefully, the United Nations will be able to act upon his Majesty's invitation without delay.

The United States, as a world power, often has too little time to devote to these regional sources of tension until they explode into a conflict of such international import that we are absolutely forced to address them. We in the Congress should applaud the efforts of one of our oldest and most valued allies in a region of vital strategic interest for its efforts to resolve this seemingly endless dispute in a just and peaceful manner.

MESSAGE OF HIS MAJESTY HASSAN II, KING OF MOROCCO

Praise be to Allah! May He grant his messenger, the messenger's people and companions his blessings and salvation!

Mr. Chairman, Mr. Secretary-General, Ladies and Gentlemen: A little over two years ago, I have had the honour of addressing you, on behalf of my country, the Kingdom of Morocco, in a message dealing with some problems which were preoccupying the international opinion.

Today, I am particularly happy to have, once more, the opportunity to address you on behalf of my country and my people. Hopefully, my message will bring some useful clarifications on an issue which is so vitally important for my country, so that you may be amply informed of the various phases of the issue and the way in which it has evolved with time.

It is also my hope that the proposition contained in my message will efficiently contribute to the settlement of this question, by bringing a just and final solution. This question which will be the central theme of my message is, as you would be able to tell, nothing but that which has become known as "the Western Sahara question".

For the sake of better clarification, I find it necessary to recall some undeniable truths about the problem per se.

The Kingdom of Morocco which, as recognized by international conventions and treaties, was an independent state with full sovereignty over its entire territory until, all of a sudden, it fell prey to the covetousness of colonialism and became the object of utter dismemberment. Divided up into several zones of influence—French, Spanish and International—, it had to suffer the ill-fate of tutelage, domination and occupation for a rather long period.

When, after the long and painful struggle of its Monarch and People, Morocco recovered its sovereignty, it eagerly hastened to achieve the reunification of all its parts by opening up negotiations with the occupying powers. Thus was it able, in the first stage, to recover the French and the Spanish Zones, along with the International Zone of Tangier. However, in the North as well as in the South, other parts continued to live under foreign domination. To recover them, negotiations have been carried out with our neighbour, Spain, leading to the return of Tarfaya in 1958.

As to Sidi Ifni, Saguiat El-Hamra and Wad-Eddahab which the Spanish Government refused obstinately to return, we were forced to resort to the United Nations, asking that the necessary measures be taken to put an end to colonial rule in those parts.

Even years after the recovery of the Tarfaya Province, Spain, by an act of goodwill and understanding, returned Sidi Ifni. However, she persisted in her occupation of Saguiat El-Hamra and Wad-Eddahab—the two provinces which make up what is known as "Western Sahara".

In reaction to the machinations which endangered our rights and interfered with the efforts we were making to safeguard them, we requested of the United Nations that the dispute be brought before the International Court of Justice. Recognizing the legitimacy of our request, the United Nations referred the case to the International Court of Justice, asking for a consultative opinion on clear and specific questions.

The International Court of Justice then disclosed its opinion, recognizing the existence of judicial links between Morocco and the Sahara, as well as ties of allegiance between the Saharan tribes and the King of Morocco.

Thus, after a long period of patience and perseverance, we have been able to recover parts of our territory through peaceful means, giving preference to negotiations and dialogue.

It should be pointed out here that, as Morocco was earnestly pursuing the means of negotiations with a view to liberating the parts usurped by colonialism, the opponents of our territorial integrity were out of the scene and had no say whatsoever at the international level.

After reaching our goal, we believed that a new era lay before us and that we could confidently take the road of reconstruction and development. Unfortunately, not pleased with the success of our efforts in recovering the parts of our territory usurped by colonialism, the opponents of our territorial integrity waged all sorts of hostilities against us, launching constant aggression in which they used heavy armament and sophisticated weapons and, at the same time, engaging in violent attacks within all the international spheres where they looked for supporters for their misleading and false theories. By so doing, they sought to divert the aim we had assigned ourselves, namely that of ensuring the enhancement and progress of the recovered Saharan Provinces.

In this state of constant and various aggressions, our neighbor, Algeria, played a major role, putting her land, along with financial and military facilities, at the disposal of our aggressors whom she had armed and trained to fight with her own weapons, ignoring thus the links of neighbourhood with Morocco and the obligations and norms such a relation ought to entail.

In the face of this outrageous aggression carried out on several fronts, Morocco limited its action, on one hand to the defense of its territory against attacks of which it was the target and, on the other hand, to warding off the efforts of misleading acts, untruths and false allegations. In spite of all the harm caused, Morocco chose to avoid all that could bring about an escalation or make the crisis still more serious. Instead, it gave proof upon of its sincere adherence to the principles of dialogue and peaceful means, and its dedication to the cause of Peace.

Because of Morocco's eagerness to preserve Africa's present and future, and in response to the wishes expressed to me by some African, Arab and European Heads of State—friends of Morocco—I have, on behalf of my country, taken a decisive step forward, with a view to putting an end to the tension in Northwest Africa, proving thus Morocco's willingness and firm determination to see peace and security reinstalled in the region. I am referring to the initiative I took at the 1981 African Summit held in Nairobi where, on behalf of Morocco and through its highest Office, I announced the acceptance of the organization of a self-determination referendum in the Western Sahara.

Receiving the proposition with unanimous approval, the Summit immediately appointed an Implementation Committee consisting of Heads of State and whose task was to define the necessary measures for the organization of the referendum which had just been decided upon.

Later, I went to Nairobi for a second time, in order to take part in the first meeting of the Implementation Committee. Fully empowered, the meeting defined the means and ways, as well as the conditions likely to help bring about a true consultation of the inhabitants of the Sahara. Without any reservation or hesitation, I gave my consent to such means and ways and conditions.

The opponents of our territorial integrity then expressed fears as to the new phase which the Sahara question had just entered, convinced—as they still are—that the outcome of the referendum would not correspond with their special conception, since their scheme would be totally defeated by the consultation of the inhabitants of the Sahara. Consequently, they stood in the way, creating all sorts of obstacles and believing they could reach their goal by having an artificial entity admitted into the Organization of African Unity. Similarly, they imagined that, by pushing their allies to call for negotiations between Morocco and a group of mercenaries, and imposing them on Morocco, they could achieve one of their principal goals.

Once such an artificial entity imposed on the OAU, Morocco, in reaction to the violation of its Charter and the disregard for legality, withdrew from the Organization, preferring the adherence to the principles of legality, ethics and moral values without which international relations would have no foundation.

Morocco has also systematically refused the direct negotiations its opponents have sought to impose, for it refuses, thereby, to help a handful of mercenaries without representativity to acquire the legitimacy and

the credibility which they cannot achieve through the referendum.

Mr. Chairman, Mr. Secretary General, Ladies and Gentlemen: The inhabitants of the Western Sahara live a quiet and peaceful life in all parts of the region. Day after day, they witness the phases of progress and development their provinces go through, whether economically, socially or culturally. They are so happy with the positive transformation their region has known, as they feel an immense joy to see how their provinces participate, fully and without any restriction, in the Moroccan national life.

Having visited these provinces a few months ago, I have been deeply moved by the exceptionally impressive enthusiasm with which the inhabitants—old, young, men and women—received me.

Foreign political observers following the phases of the event saw in this warm reception and enthusiasm a true referendum through which the inhabitants of the Sahara expressed their self-determination by confirming their allegiance to the King of Morocco and their belonging to the Land of Morocco.

Had it not been for the firm loyalty to the decision taken on the basis of a proposition I myself had made, and which I confirmed on a number of occasions—especially when I addressed this august Assembly—, the overwhelming manifestation of love, devotion and faithfulness which, through Me, is addressed to the symbol I represent, would have led Me to consider it as the most eloquent expression of a political will no other form could likely supersede.

Today once more, I confirm, before you, the commitment to accept, on one hand, the organization of a self-determination referendum in the western Sahara and, on the other hand, the result of such a referendum, whatever it may be.

I would further be happy to accept, before you, not one commitment, but two.

The first commitment relates to the cease-fire which Morocco has unilaterally decided to put into effect as of this very moment, and that it would call it off only in case of aggression against the territories under its responsibility, in which case Morocco would exercise the right of legitimate self-defense. Morocco is even prepared to receive neutral observers wishing to verify, on the premises, to respect of such a cease-fire.

The second commitment relates to Morocco's predisposition and acceptance to hold, under the auspices and control of the United Nations, a referendum in the Sahara, and that in the early part of January of next year. The United Nations is naturally free to request, at any time, the assistance of any regional Organization likely to help in the realization of the process.

What most matters in relation to this false problem of the Sahara is to find a solution by the only efficient means likely to settle the litigation, once and for all, and put an end to any dispute. Such a means is the consultation of the inhabitants of the Sahara through a referendum.

If the United Nations undertakes this referendum process at the proposed date, it would make a gigantic step towards a substantial contribution to the advent of a better world.

The United Nations is celebrating its 40th Anniversary today, its creation has brought big hopes, after the years of darkness the world had been going through. In it, people of all tendencies and continents have at last seen the most efficient and most appropriate instrument to serve Peace, Justice and stability.

Is there a better occasion than this 40th Anniversary for our Organization to prove to the world not only its unshakable dedication to those high ideals, but also, and more particularly, its firm determination to do all that is possible to bring about their realization through the most democratic and noblest way, namely that of the right of people to choose their own destiny freely?

Thank you very much for your kind attention.

TRIBUTE TO LEE EZELL BANKS

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SHELBY. Mr. Speaker, I would like to recognize an individual from my hometown of Tuscaloosa, AL, who was recently honored as Alabama's Minority Small Business Person of the Year by the Small Business Administration.

This person is Lee Ezell Banks, owner of Ezell Banks Realty. Following is an editorial that appeared in the Tuscaloosa News which I would like to share with my colleagues in the House.

HONOR WAS WELL EARNED

Lee Ezell Banks, owner of Ezell Banks Realty in Tuscaloosa, is a deserving recipient of the federal Small Business Administration's 1985 award to the Alabama's Minority Small Business Person of the Year.

Banks, who has been in the real estate business for 16 years in Tuscaloosa, was chosen for the award from a group of state peers for his contributions to the betterment of minority small business in Alabama, officials said.

He was honored by the SBA during the Chamber of Commerce's Coffee Club meeting Tuesday.

A Greensboro native, Banks is a leading local businessman. He is a member of the Chamber of Commerce and the State Housing Finance Authority and is an active figure in civic and social affairs.

His honor reflects the hard work he has put into making his business prosper and in improving the business climate in his city and his state through active community leadership.

Mr. Speaker, I feel that having a recipient such as Ezell Banks receive this award says a great deal about the Small Business Administration and its ability to recognize truly outstanding business individuals.

Ezell's accomplishments attest to his high degree of motivation and initiative. A person of Ezell's exemplary character and high personal and professional standards make him an excellent choice for this honor. He has established a reputation of integrity and leadership in his field. His past efforts on behalf of minorities are to be commended by those of us in the public sector.

I am proud of my friend Ezell Banks, and wish him much continued success in his future endeavors.

AFL-CIO: THIRTY YEARS OF COMMITMENT TO WORKING MEN AND WOMEN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. BIAGGI. Mr. Speaker, this year marks the 30th anniversary of the AFL-CIO. I believe that it is important to stop and note the contributions of the federation during this time and the important role that it has played in the lives of working men and women.

In its three decades of existence, the AFL-CIO has witnessed profound changes in the U.S. economy and its role in securing jobs for its members within our economy. For example, since 1955, the United Steelworkers, with 572,000 members, have lost half their membership in 30 years. The Ladies Garment Workers, in the same time period, have gone from 383,000 to 210,000.

Conversely, unions have made sharp gains in a number of industries and areas, most notably food service, business service, health and lodging. According to a report released at the the AFL-CIO's annual convention last week in Anaheim, CA, the Service Employees Union has grown from 505,000 members in 1977 to 688,000 members in this year. The report, entitled "The Changing Situation of Workers and Their Unions," goes on to note that 90 percent of the new work in services is nonunion, and much of it is at the minimum wage rate of $3.35 per hour—part-time work, primarily filled by women, who are willing to accept lower paying jobs. In sum, despite the gains in terms of numbers—those numbers do not necessarily reflect increased economic equity for the entire membership.

Unions today represent only 18.8 percent of the labor force—around the same level in effect during the Great Depression when the first organizing drives began. Yet, in spite of this, they continue to represent a tremendous force in today's society. Unions have led the fight for improved working conditions, improved wages and most recently on the international front, improved trade practices which will promote fair trade—along with free trade.

As the the AFL-CIO enters the second half of its century of achievement, it is important that it continue its efforts to aggressively recruit and retain minorities and women in leadership and membership positions. Of its 13 million members, 30 percent are women and 20 percent are minority. While both these segments of members are growing, their growth is not reflected in the the AFL-CIO's governing body which is 90 percent white male. Lane Kirkland, elected national president for another 4-year term, is to be commended for his effort to expand representation in this area and I would hope that this effort will aggressively continue into the next decade if unions are going to truly represent the American work force.

Unions have historically been in the forefront of efforts to protect and preserve the pensions of their retired members. This effort is particularly important in light of not only a wave of plant closings and rising number of dislocated workers, but is also important in light of efforts of companies to raid pension assets. Just last Thursday, the troubled Wheeling-Pittsburgh Steel Corp. unloaded its four pension funds, with $475 million in unfunded liabilities, on the Pension Benefit Guarantee Corporation.

As the largest pension dumping scheme in history, this act stands as a direct insult to the thousands of workers who contributed to this plan—as well as a threat to the pensions of the 38 million American workers that are covered by PBGC activities. Once again, we see another hostile attempt on the part of management to use the PBGC as a "subsidy program" without any direct intervention on the part of the administration.

The Reagan administration has made no effort to hide its antiunion bias. However, it is important to note that the new Secretary of Labor, Bill Brock, has made significant efforts to bridge the communication and information gap with Congress as well as national union leaders. Last week, Bill Brock became the first Secretary of Labor in the Reagan administration to address an AFL–CIO meeting.

I believe his comments, in full, deserve the review of my colleagues and therefore, am placing them in full in the RECORD.

On this, the 30th anniversary of the AFL–CIO, it is important that those of us who consider ourselves unqualified friends of organized labor, reaffirm our commitment to to the trade union movement and those working and retired men and women that it serves.

REMARKS BY THE HONORABLE WILLIAM E. BROCK, SECRETARY OF LABOR

I am grateful to President Kirkland for the invitation to address this convention. My mission is a very direct and simple one. I come to support free collective bargaining, to acknowledge and appreciate the contribution the AFL-CIO makes in our society and to discuss mutual concerns with you.

Putting first things first, there is, practically universal acceptance of the fact that collective bargaining is essential in a free society and is a fundamental right for working men and women in this country. America's prosperity and its place in the world economy ultimately depend on the value of the work Americans do. Of all the influences affecting American workers throughout our history, none has been more decisive than the growth of free trade unionism and the changes it has brought to labor-management relations. Trade unionism today derives much of its strength from principles like free and open collective bargaining which have matured and evolved over the years. I support those principles; I will work with you to strengthen and maintain them, and, I will join in your efforts to adapt them to the changing needs of working people and the changing realities of the world's economy.

There is dignity to work, and in the American context, work is opportunity. And that opportunity must be equal for all, black, white, brown, or yellow; young and old; male and female. Government policy rightly recognizes the rights of every individual to get and hold any job they are capable of doing and to be paid fully and equally for doing it. The struggle for equal rights and opportunities has been a long one. The American labor movement should be proud that it has always been in its forefront. As Secretary of Labor, I intend to make my department a trusted and valuable partner in your efforts to help all working people make a significant contribution to society, and, in turn, to reap their fair share of its rewards. That's a settled issue, though as yet, not fully realized.

Society has also agreed that since the workplace itself reflects the dignity of the worker, it should be free of avoidable health and safety risks. The building of America too often has been achieved at great human cost. Through the efforts of trade unions, the safety and health of working people has received increased attention since the first historic social surveys and reports at the turn of the twentieth century revealed the tragic extent of dangerous and unsanitary conditions pervading our factories and workshops. For too long, many hazards were considered part of the job and workers took their chances at being killed, maimed, or sickened. My goal as Secretary is to provide every worker with a safe and healthful workplace. That's a settled issue, let us work together to advance it.

Our capacity to respond to economic change in the coming years will depend on the vitality and adaptability of our economic, social, and political institutions. Only by acknowledging the powerful links between these dimensions of our national well-being can we forge a consensus for progress, a consensus arrived at in an atmosphere of free and open debate and discussion.

One need only look around the world to see that there are no free collective bargaining or free trade unions in authoritarian and totalitarian countries. Just as Nazism could not tolerate a free labor movement, so the state communism of Poland could not. These institutions are the first to go because they are the essence of freedom.

So I say to you that American needs free collective bargaining, and there can be, of course, no free collective bargaining without a free labor movement.

The AFL-CIO has every right to be proud of its one hundred year record.

You have been faithful to the principles of democracy and freedom for your entire existence.

You have done your share in every national emergency—in war and in peace.

You have advocated good citizenship and you have lived by that rule yourself.

You have improved the standard of living of your members and, through your example, you have improved the quality of life for all Americans.

You have provided the Nation with an invaluable skill bank.

You have always fought for the health and safety of all workers—whether they belonged to your federated unions or not.

You have stood up to be counted on the great issues to protect the right of all persons to be free from economic, social and political discrimination and persecution.

For all of that I salute you. Moreover, I appreciate your response to new challenges, to a more difficult climate and to new pressures.

Cynics and critics are willing to write unions off, about to fade into extinction. They are wrong.

It is true that recent years have not been years of growth and prosperity for much of the labor movement. But sometimes temporary setbacks lead to future successes.

The way the AFL-CIO is currently reacting to admittedly bad times, seems to me to portend good times.

First of all, your leaders, Lane Kirkland and Tom Donahue, are in the fray. They are traveling the length and breadth of the land to bring a message of hope and cheer and to search for answers to critical problems. They are on the road, seeking, and, most of all, leading their constituents.

Moreover, I know of no institution in our society that has engaged in more open, public and honest introspection than the AFL-CIO.

The remarkable report issued by the Committee on the Evolution of Work—The Changing Situation of Workers and Their Unions—is a clear sign that the Federation will confront the challenges of change in the same spirit of achievement and determination long the hallmarks of the union movement in this country. I can think of no organization, public or private, which has shown greater courage or honesty in carrying out a comprehensive program of self-analysis and doing it in the full glare of close public scrutiny.

The simple opening statement that "unions find themselves behind the pace of change" itself signals a willingness to admit that some unions may have in fact neglected to adapt themselves, structurally and strategically, to new conditions in a difficult economy and a changing society. Times have changed and conditions change, in many respects at a revolutionary pace. Unions, like other institutions, must find new ways to safeguard their very existence as institutions essential for the preservation of a free and democratic society. And I for one have no doubt that the labor movement will soon again be in an ascendant position in American life.

Your report is based on a proper and traditional concept: "unions are, first and foremost, organizations seeking to improve the lives of those they represent by improving their conditions of work and by insuring respect for their dignity as workers." At the same time the report holds out the possibility of a more cooperative and productive relationship with management. I am not exaggerating when I say that the principles on which this union-management relationship rests will dictate, to a large extent, the role America will play in the world economy for the rest of the century.

One of the principles I am most pleased to see in the report recognizes that "confrontation and conflict are wasteful and that a cooperative approach to solving shared present and future problems is desirable." There can be no healthy labor movement in an unhealthy economy; we must work together to solve the complex issues of productivity and international competitiveness and solve them in their broadest context. Union-management programs that give workers greater participation in the decision-making process can be crucial for humanizing and democratizing the workplace. I am glad to see that the report urges the acceleration of these types of cooperative programs.

In my professional and personal life, I have found that decisions made cooperatively and inclusively gain the widest support. Many companies with cooperative labor policies are showing improved competitive strength through increased productivity and better labor relations, and that leads to

a better product, a better price, and a sound future.

According to your report, unions developing such programs show a positive membership response. This convinces me that a solid atmosphere of cooperation, based on the concepts of worker dignity and equality and grounded in a mutual respect for collective bargaining, enables both unions and management to maintain individual integrity while working for the good of all.

I realize that differences between us—both theoretical and practical—will remain. Fortunately, the strength of our institutions does not depend on absolute agreement but on the ability of honorable men and women to disagree openly on critical issues of the day. But these disagreements must never fall to the level of personal animosity and petty name calling. Our mission is too important for that and our constituencies deserve the best that we can muster. There are far too many issues upon which we can, and must, work together to allow our differences to jeopardize a powerful and productive partnership.

The years I spent as U.S. Trade Representative and now as Secretary of Labor have convinced me that an untempered adversarial process just won't cut it in the international arena. We were once the undisputed leader of the world economy, but our competitive position has gradually eroded as other nations have come to excel in productive efficiency and product quality.

I'm not saying that the survival of our economic system is in doubt but it is an undeniable fact that we are not successfully meeting the challenge of international competition and we are paying a heavy human price for our failure. Part of our failure may lie in clinging to union-management relationships forged a half century ago and which may no longer be relevant to today's issues and problems. To do so is a prescription for mutual disaster, not mutual prosperity.

One thing should be clear. When I call on American unions and businesses to be competitive, I do so within the American value system. We will increase productivity by ingenuity, investment and technology. We will improve quality, value and morale. But none of this can or will be done at the expense of the American dream, or at the cost of sabotaging the American worker's standard of living. To do otherwise would betray the promise of America, and in terms of dollars and cents, would also destroy the greatest consumer market in the world.

As pin-pointed in your report, American workers demand more opportunity to develop and apply their skills; more flexibility in meshing their work and non-work lives; and, perhaps most important of all, more of a say regarding the organization of their work and conditions under which it is performed.

Workers at all levels are seeking to realize their full potential to increase the productivity of their organization, and, in the process, improve the quality of their lives at work and at home. Labor-management cooperation, I believe, has proven itself to be an appropriate vehicle for helping to bring about these organizational and personal improvements.

I believe that we have arrived at a critical juncture in our whole approach to "human resource management" and the industrial relations process that governs it. What makes it most critical is, of course, the awesome challenge of international competition, a competitive challenge that is likely to increase still further in intensity as more countries develop their industrial capability and vie for what they see as their fair share of the world market.

In confronting this competition, we have perhaps three main options open to us. One, and it is a self-defeating response, is to effect trade barriers to lessen the penetration of foreign competitors into our markets, particularly in sectors and industries where survival seem imperiled. But I have not come here today to preach the imperative of free trade among nations. Rather, I want to underscore two other alternatives, each representing a strategy for protecting and improving our competitive position but differing drastically in their consequences.

Some say we should adopt strategies of ruthlessly cutting labor costs. We can see this policy being followed in a number of subtle and not so subtle ways like outsourcing, relocating production facilities abroad, and an increase in union avoidance activities.

To me, it is unthinkable and unnecesary to try and improve our competitive position by reducing the standard of living now enjoyed by American workers and their families. It goes against everything this Federation has worked to achieve and I oppose this kind of thinking as strongly as anyone in this room.

This Nation has always competed on the basis of our creativity, our entrepreneurial instincts, and the productive abilities of our work force. When temporary sacrifices are called for as a matter of sheer survival, simple economic and social justice dictates that they should be shared equally by all the parties involved—owners and managers no less than rank-and-file workers.

But a third and far more attractive option can maintain and improve productivity and, at the same time, give working people the tools they need to do their job and the respect they need to be proud of it.

It is the strategy of participation and, you know, it is not some mysterious concept developed in Japan, Sweden, or in the classroom of some university business school. It is firmly grounded in two old-fashioned values which have been made in the USA for a long time—ingenuity and cooperation.

But, to chart a course in the direction of increased labor quality rather than reduced labor cost requires some bending on both sides. Management must reconsider the wisdom of clinging tenaciously to what it has long regarded as its inherent "rights". And labor must reconsider the wisdom of demanding the perpetuation of work rules and jurisdictional boundaries between jobs that no longer make the same sense that they once did—and abandoning in the last vestige of any belief that productivity, competitiveness and profitability are exclusively a management concern. To me this is the far more promising course of action to take in restoring this country's economic and social vitality.

Regrettably, however, the wisest course to chart is not always the easiest to follow. There often appears to be a near irresistible temptation on both sides of the table to hang tough and follow the familiar path of least resistance. For managers this means putting the axe to wages and benefits and realizing the short-term payoffs of reduced labor costs. Indeed, many managers have realized their own personal rewards by taking such action. And labor leaders too have advanced the immediate interests of their membership by demanding and obtaining wage improvements, sometimes with little or no account taken of the productivity experience and competitive standing of the firm. These are practices that may have worked until now. No more. Competition demands that we change—soon. The recently negotiated Saturn agreement, which in many ways stands the traditional practice of industrial relations on its head is one example of that change.

In its February report, the committee on the evolution of work stresses that "unions must continually seek out and address new issues of concern to workers" as part of their process of revitalization. There can be no question but that the labor movement must attune itself to changes in the makeup of the labor forces and the newer concerns that workers bring to and encounter in their employment experience. Let me mention one. Actually a complex set of interrelated issues, that only recently has become prominent in the industrial relations arena. And it is one that I regret to say has yet to receive the attention and prompt the actions that it requires, whether by unions, employers or agencies of government.

Over the past few decades we have witnessed a dramatic and historically unprecedented increase in the labor force participation of women. Underlying this development is not only women's quest for equality in all facets of our country's economic and social life, but a basic fact of life: That is the need for families to secure the income required to achieve the standard of living to which they are entitled. Two-earner families have become the rule rather than the exception and single parent families headed by women with dependent children now constitute a group of sizeable proportions. In making these observations it is not my intent to lament the demise of the once traditional family structure with the proverbial male breadwinner, homemaker wife and 2.3 children, let along argue that any single family structure is best for this country. There are other forums and institutions in which such matters can be more properly discussed and debated. What we have is what we must deal with.

And what we must deal with, in management and govenment as well as union circles, is the distressing fact that our employment system continues to operate largely as though workers have no families at all. The employment conditions that prevail today in most organizations take little account of the fact that the vast majority of employees are inevitably and inextricably bound to two worlds: The world of work and the world on home and family life. What transpires in one cannot help but determine what is experienced in the other. Entering the factory gate or the office door does not mean that one sheds the role of spouse and parent in assuming the role of worker.

That these roles are often in conflict is nowhere better revealed than in the contemporary dilemma regarding child care. I see no need for me to recite the now familiar statistics about the numbers of employed husbands and wives who have young children at home nor the numbers of infants and children whose parents spend their days at work. Suffice it to say that these are staggering numbers, not only in their magnitude but in their implications for families and society. The fact of the matter is that vast numbers of employed parents, and particularly mothers who are single heads of households, are struggling, often in vain, to somehow reconcile their simultaneous and often conflicting roles as workers and child tenders. Where these conflicts are not satisfactorily resolved, every-

one loses—employers in terms of workforce instability and lost productivity, workers as a consequence of the psychological and physical strains they experience, and above all, children who are deprived of the care and attention they require to develop as healthy, happy and productive members of their communities. To borrow from the title of a classic treatise on our society, this too is "An American Dilemma."

Flexitime and other forms of alternative work scheduling can help us resolve this dilemma. There are more than 480,000 government employees who currently enjoy the privilege of adjusting their working hours to accommodate personal and family needs—I would like to see Congress enact legislation making this privilege a right. What I will not support are any changes in the laws that could jeopardize the rights and protections working people now enjoy.

I have people on flexitime at the Labor Department and, as a manager, I know it works for me. One of my employees was recently quoted in a New York Times story about flexitime. He summed up its impact on his life and I know his story is repeated thousands of times. He said "Flexitime has changed the quality of my family life in ways that money can't. It allows me to attend my third-graders Halloween party, to lead a girl scout troop and still put in my fair share at work for the taxpayer."

It is to the credit of some unions in this country that the various conflicts between work and family life, especially those having to do with child care, have been introduced into their action agendas. And I will note also, not parenthetically, that the work-family perplexity, experienced as it is more by women than by men, is not only a new issue in industrial relations but also suggests an appeal to the unorganized labor force of potentially great consequence. To the extent the labor movement is prepared to grapple with this problem in a major way it stands both to further improve its success as a champion of worker interests and to enlarge its membership and, hence, its influence in accomplishing its laudable goals for society.

One last word on this subject. On April 14 and 15 of next year the Labor Department will be co-sponsoring with the Bureau of National Affairs a conference, in cooperation with the AFL-CIO, that will focus greater national attention on the work-family dilemma and examine what some exemplary unions and employers have done to resolve it. I look forward to joining Tom Donahue and, I hope, many of you at that time. Finally, I might also mention that the National Association of Manufacturers will also serve as a cooperating organization, welcome testimony to the preparedness of management and labor—and government, I might add—to come together in a cooperative effort to deal with a matter of national concern. I hope to see many of you in Washington on April 14.

The history of the American worker is the history of the American Nation. Since Colonial Times, people have worked and struggled to better their lives. The development of the American worker reflects this struggle. By seeking better wages and working conditions, more opportunity for individual advancement and personal fulfillment, and increased security in both employment and life itself, working people have participated in the American Dream; they have, in fact, defined it.

The history of the American worker is by no means completed. As long as this Nation exists, working people and their unions will be, as they have always been, a source of its strength and its pride. In the years to come, working people and their unions will continue to grow with the Nation. I am grateful for the opportunity to join you in this effort.

Thank you very much.

ENVIRONMENTAL PROTECTION IS A WORLDWIDE CHALLENGE

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SEIBERLING. Mr. Speaker, recently the Akron Beacon Journal contained an outstanding letter to the editor by one of my constituents, Maxwell Klayman, on the need to recognize that pollution of our environment is a global problem that surpasses even the ability of national governments to control. While national governments have an important, and, indeed, an essential role, international cooperation is also needed.

For example, Mr. Klayman pointed out that if the shallow waters of the ocean become so polluted that plankton cannot survive, the Earth's oxygen supply could become insufficient to support life. It is already well known that acid rain and pesticide pollution is carried across all national boundaries and requires some sort of international agreement, if it is to be brought under control.

To this end, the United Nation's Environmental Program [UNEP] is expected to develop guidelines to prevent ocean and atmospheric pollution. Unfortunately, funding is far too modest so far to perform this task. The Reagan administration earlier this year attempted to impose a 75-percent cut in the modest $10 million a year the United States contributes to UNEP. Fortunately, Congress insisted on continuing the funding at last year's level. However, the same problem may arise in next year's budget. It is essential that Congress realize that the continuation of a livable environment is not a luxury, which can safely be discarded.

The full text of Mr. Klayman's letter follows these remarks:

[From the Akron Beacon Journal, Oct. 2, 1985]

WORLDWIDE EFFORT NEEDED TO FIGHT POLLUTION EFFECTIVELY

"No country, not even a U.S.S.R. or U.S.A., can be an environmental fortress," says Mustafa K. Tolba, executive director of the United Nations Environmental Program.

The life-support systems of the Earth are under assault from pollution caused by industrialization, population pressures and new chemical and nuclear technologies. While the public has begun to recognize the need to stem this tide of pollution, many people still think a clean environment can be assured by their national government. They fail to understand that only an effective organization can adequately protect us.

The reason is simple: Pollutants cross oceans, travel great distances, cross national boundaries and severely impact on living conditions in other countries. Far worse, cumulatively such pollutants may bring about irreversible changes that could eventually rob us of life-sustaining oxygen or alter the Earth's climate, making our planet inhospitable to human survival.

Consider these facts:

Acid rain formed from nitrogen-oxide emissions spewing out of U.S. smokestacks falls on Canadian lakes, killing the fish and denuding surrounding forests.

Sweden documented acid rain's deadly effects in the 1970s and spent huge sums to clean up its own industrial sources, but Swedish lakes are still fouled by acid rain caused by emissions from the Ruhr Valley and Great Britain, where controls weren't enacted.

Scientists fear the ozone layer may be depleted by cumulative emissions from aerosol spray cans, refrigerants, nitrogen fertilizers and the jet burn from supersonic transports, but only Sweden and the United States have banned or controlled aerosol sprays.

The United States also aborted development of supersonic transports, in part because of the ozone controversy, but France and Britain launched their SST, the Concorde, anyway.

Carbon dioxide and ozone-depleting chemicals are increasing at rates that may alter the world's upper atmosphere and climate, causing partial melting of the polar ice caps and catastrophic flooding that could wipe out coastal cities.

Each year an area of crop and grassland as large as Maine becomes barren wasteland, while areas of forest equal to half the size of California disappear.

DDT sprayed in East Africa ends up in the Bay of Bengal, 4,000 miles away; 18 billion cubic meters of liquid pollution flow into the Atlantic yearly from French rivers alone; an oil spill off Mexico's coast fouls the coast of Texas, 500 miles distant; PCBs dumped in New York's Hudson River in the 1970s are still adversely affecting ocean organisms.

If the shallow waters of the continental shelves become so polluted that plankton cannot survive, Thor Heyerdal warns the Earth's oxygen supply would become insufficient to support life. He points out that half of the world's oxygen is produced by plankton. Many species of fish are also dependent on plankton for food.

The present United Nations Environmental Program was created to plan, coordinate and play a catalytic role in protecting the global environment.

While some progress has been made in monitoring ocean and atmosphere pollution, the United Nations itself concedes that not enough of UNEP's action plan has been implemented. The problem is lack of authority, as shown by this typical case:

UNEP got all the nations on the coast of the Mediterranean to jointly monitor pollution, and to restrict dumping of toxic pollutants from ships, but couldn't get them to set uniform standards for land-based pollution, the source of three-fourths of the problem. Since the bulk of this pollution comes from Italy, France and Spain, the southern countries balked at installing the same expensive pollution controls. Italy, France and Spain refused to act alone. Total cost was estimated at $10 billion, less than the world spends in one week on armaments.

Clearly, to adequately protect the Earth's life-support systems, UNEP should be given the authority to:

Develop appropriate guidelines to prevent ocean and atmospheric pollution.

Set up enforcement procedures, including fines, to stop violations.

Assess or be given other sources of autonomous funding to implement designated projects considered essential to world survival.

Mediate and/or arbitrate environmental disputes between nations.

Submit disputes between itself and nations to the World Court.

MAXWELL KLAYMAN.

WHAT HOOSIERS ARE THINKING

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, November 6, 1985, into the CONGRESSIONAL RECORD.

STATEMENT OF LEE HAMILTON

From time to time I try to assess the mood of Hoosiers, particularly the residents of the Ninth District, on the major issues of the day. To make the assessment, I consult the polls and review my mail and telephone calls. But principally I reflect on the scores of conversations I have had with Hoosiers in recent weeks, both in Indiana and in Washington. Some of my impressions follow.

Hoosiers are generally positive about the overall economy. In Washington we hear economists talk more frequently about a recession looming on the horizon, but I find no special concern among Hoosiers about a recession. Their concerns about inflation have lessened, but they still are quite uneasy about unemployment. No one talks to me about a rapid acceleration of the economy, as most seem to think the outlook is for modest, steady growth. The exception to this upbeat view is in agriculture. It is hard to find an optimist among farmers these days. Many Hoosiers believe that the economy is going through fundamental changes from employment in large manufacturing industries to employment in communications, high technology, and service industries.

What Hoosiers think about the role of government is always of special interest to me. Their attitudes about government are never easy to capture. Many believe that the economy would work better if the government stayed out of economic matters and left them to the market, and another large group believes that the government should mainly create incentives to support private initiatives. A smaller group of Hoosiers supports an interventionist role for government in the economy, favoring programs like public works and direct investment to create jobs. My feeling is that in periods of recession this latter group becomes much larger in number. Although generally skeptical about government's ability to solve social problems, they nontheless see areas where government should play a role, such as in social security, hazardous waste cleanup, and research in high technology areas.

Many Hoosiers think Government should concentrate on helping poor people and people in need. Support for defense remains high. While Hoosiers want to cap the President's military build-up, they strongly support military preparedness. They also want the government to help the struggling farmer, though they really do not have much confidence in the effectiveness of the federal farm programs. Arguing that there is now equal opportunity for everyone in America, many Hoosiers see a lesser role for government in civil rights. Other Hoosiers, fewer in number, still want to see government take steps to directly benefit minorities.

The thinking of Hoosiers on the federal deficit continues to crystallize. They almost all agree that the President and Congress should act to eliminate the deficits. When given the budget-balancing options of cutting defense spending, raising taxes, or cutting cost-of-living increases for social security, medicare, and other programs, most Hoosiers choose to cut defense. Recent upgrading of U.S. defenses plus the media coverage of defense contractor abuses have sharply reduced support for further boosts in defense spending. More and more of them now say to me that social spending has been cut enough, and a solid majority prefers no tax increase. More Hoosiers than one might think, but still a minority, think that the President and the Congress have no choice but to raise taxes. My hunch is that a bipartisan, compromise approach to deal aggressively with the deficit problem would garner strong support, even though there may be elements in the compromise that not everyone favored. I think Hoosiers would support a major across-the-board deficit reduction package, containing a curb on the growth of defense spending, a modest tax increase spread across a broad range of tax measures, and a cap on cost-of-living increases paid by the government.

Despite all the national attention, Hoosiers seem rather unmoved on the issue of tax reform and tax simplification. The President has failed to create a groundswell among Hoosiers for his tax proposals. At the same time, Hoosiers believe that the federal income tax is unfair, full of loopholes, and not understandable to the average person. They favor a simplified and easily understood income tax system. They are especially distressed that some people escape paying a fair share of taxes, and support a stronger minimum tax on higher-income individuals and corporations. Many Hoosiers speak to me against the President's tax proposal, and focus more on special provisions lost than on the overall rate reductions gained. A few speak to me in favor of it, and many urge Congress to prepare its own proposal. A solid majority of Hoosiers believes that it is more important for the President and the Congress to reduce the deficit than to reform the tax system.

The attitudes of Hoosiers on trade and U.S. competitiveness are still developing. The forces of protectionism are strong in Washington, but less so in Indiana. Hoosiers are becoming more concerned about trade issues, though instinctively they would prefer the expansion of exports to the limitation of imports. They understand that the American economy is tied to the world economy. They are concerned that our economic position in the world is declining and that the U.S. is becoming a debtor nation. They often blame our large trade deficit on unfair trade practices by countries that subsidize their exports to the U.S. and block American sales to their countries. Hoosiers are very much aware that many of their number have lost jobs because of foreign competition and imports, so they can see advantages to protecting manufacturing jobs and preventing further erosion of our industrial base. At the same time, I find they want an opportunity to compete, a reflection, I suppose, of the traditional competitive spirit of the United States. Overall, my sense is that Hoosiers' attitudes on trade, competitiveness, and protection are currently in a state of flux.

While hoosiers are optimistic about the future, they recognize that hard choices on spending, taxes, and trade lie ahead.

ASYLUM FOR SOUTH AFRICANS

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. OWENS. Mr. Speaker, I introduced House Concurrent Resolution 175 in July. It calls for the granting of asylum to South Africans who refuse to defend apartheid by force of arms. Asylum for these young men is necessary as refusal to enter the military is tried under a statute which presumes guilt and which invariably ends with the maximum 6-year sentence. That sentence is then served in a military disciplinary barracks where consciencious objectors are subjected to frequent and prolonged solitary confinement.

It is important for us to recognize that refusal to serve in the South African military had been occurring for some time. In the late 1970's our policy was to grant asylum to these young men. Now that the situation has grown worse and members of the military are called upon to fire into crowds with live bullets, gas, et cetera, asylum is not being granted. Our change in policy also coincided with a change in South African law which eliminated consciencious objector status for all except the very small minority who are members of the historic peace churches.

News of House Concurrent Resolution 175 apparently appeared in the South African press, as a result, I received the letter which follows from a young man there.

DEAR CONGRESSMAN OWENS: I read with avid interest an article in a South African newspaper last week concerning your intention to introduce a resolution in Congress that will grant white South Africans, who refuse to join the South African Defence Force, political asylum. It is generally assumed worldwide that if you are white and South African, you are racist. Evidence can be found to prove this when sportsmen from South Africa are barred from entering certain events overseas. No consideration is given to their personal views; the fact that they are South African means that they cannot participate.

I am a firm believer in the statement "you must fight for your country", but in the context of South Africa one must ascertain what this entails. You are most probably aware that a State of Emergency exists in certain areas of the country. It is the army that is going into those areas and acting against the population. How can an army act against its own population? I do not want to be a part of such an army. If I must join an army it must be an army that fights for peace and democracy for the whole population.

When you grow up under such a system (a system that bears a remarkable resemblance to Nazi Germany, I might add), you either grow up and support the system or you see the faults and you oppose it. I fall in the latter category. I am a white male, nineteen years of age and currently studying in second year for a Bachelor of Commerce degree at the local university. In short, I have derived all the benefits that such a system has to offer. A good education, voting rights and superior facilities to name just a few. But there are millions of other "South Africans" who have been denied the same opportunities and I refuse to join the army and fight these people—they also have a right to live.

I am an optimist, but I'm afraid that when it comes to South Africa I have my doubts. Only a few days ago the Leader of the Opposition, Dr. van Zyl Slabbert, stated that the country is slipping into civil war. I tend to agree with that opinion.

The South African Government has resorted to force to keep their beliefs alive. This force is fruitless as the battle for South Africa cannot be won with the gun; South Africa will only see peace when all parties have solved the problem diplomatically. In the meantime the escalation of violence continues.

In conclusion, I would like to offer my services to you in your attempt to get the resolution passed, or in any other attempts you may have to bring peace and justice to South Africa. Please do not hesitate to contact me at the above address.

Yours faithfully,

(Name withheld).

I urge my colleagues to join with me in this effort to see that asylum is granted to those South Africans who do not wish to be a part of the violence of apartheid.

THE BUDGETARY "GNP-GAP"

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. VANDER JAGT. Mr. Speaker, when the subject of taxes arises, when discussions revolve around fiscal responsibility and financial obligations and when decisions are being made as to how best to deal with those matters and questions, I have relied to a great extent on the wisdom, opinions, and on the judgment of Tom Martin, certainly one of the outstanding former minority staff directors of the House Committee on Ways and Means.

In recent days, Tom brought to my attention an excellent newspaper article by Vice President GEORGE BUSH, which appeared in the Washington Times on November 1, 1985. The Vice President is right on target. Through reading this article and discussing important points with Tom, I was reminded once more of the critical need for comprehensive action to address budget deficits. How much longer are we prepared to wait and more importantly, how much longer can our country and our citizens wait for us?

I fully share the concern of our Nation that watches as the Congress currently dabbles and doodles amid a budgetary deadlock that threatens the fiscal integrity and economic viability of America—the greatest nation on the face of the Earth—the nation that is the economic leader of the free world—the nation that safeguards humanity's freedom against the forces of Communist tyranny.

With economic opportunity and human freedom on the line, the continued operation of our country is jeopardized by the refusal of congressional big spenders to pursue a fiscally responsible course in the management of the public debt and in the conduct of our budgetary affairs. If the Congress does not act within the next few days to pass responsible and meaningful debt-ceiling legislation, the Federal Government's ability to function, to meet its obligations, to discharge its responsibilities will come to an abrupt end.

The problem arises because we have profligately spent the last penny in the Treasury till; we are out of money and we are out of credit. The statutory ceiling on the public debt has been reached. We cannot spend more until the Congress approves the pending Balanced Budget and Emergency Deficit Control Act of 1985 or some stopgap alternative response to the fiscal logjam.

This crisis that now so critically confronts the Congress is not an unforeseen or inadvertent development. Fiscally responsible Members of Congress have repeatedly forewarned that budgetary forbearance was an essential precondition of a solvent government and that dire consequences were certain to ensure in its absence. For 30 years, the congressional big spenders have expediently and prodigally ignored that warning and shunned the course of fiscal responsibility.

What might be labeled the GNP-GAP—the excess of the percent of gross national product that Congress votes to spend over the GNP percent it is willing to tax—has insidiously increased. Unrestrained Federal spending has widened the GNP-GAP over the decades and the consequent burgeoning Federal debt has brought us to the existing fiscal brink. In the past 30 years, Federal spending as a percent of gross national product has risen from 18 to 25 percent while taxes have risen from 18 percent of GNP to 20 percent. The escalating point spread in the GNP-GAP has been imprudently countered by the indulgent acceptance of an obscene explosion in the public indebtedness.

Charles Dickens' Mr. Micawber once opined in the pages of David Copperfield:

Annual income twenty pounds, annual expenditure nineteen nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery.

So as it was with Mr. Micawber, it is now also with the Congress—and misery is upon us.

A responsible course of action for the Nation to follow in dealing with this urgent fiscal/budgetary problem has been aptly outlined by the Nation's distinguished Vice President in a commentary which appeared in the November first edition of the Washington Times. Vice President BUSH states that the way out of our dilemma begins with the adoption of the Gramm-Rudman-Hollings amendment now pending in the Congress; and the remedy continues in the long run with improved fiscal discipline through legislative spending restraint, restoration of impoundment authority to the President, and the adoption of a balanced budget amendment to the Constitution. Under these procedures the GNP-GAP would no longer plague the Nation with Macawber-like fiscal misery, and the congressional spenders would have to choose between higher taxes to pay for their higher spending or lower spending so the Nation would live within its means.

Vice President BUSH's comment from the Washington Times is submitted for your consideration.

[From the Washington Times, Nov. 1, 1985]

TAMING THE DEFICIT MONSTER

(By George Bush)

It is time to bring the debate and discussion to a halt on the question of whether or not to surrender to huge federal budget deficits. The answer lies in immediately reforming and disciplining the process by which the federal government makes its spending decisions and puts its budget in place.

The budget deficit is a spending problem, not a tax problem. In the last 30 years, spending rose from 18 percent of the gross national product to 25 percent. During that same period, receipts rose from 18 percent of the GNP to 20 percent, even after the Reagan administration's tax cuts. If we don't control growth in spending, we can't cut the deficit, even with higher taxes.

Only the federal government has systematically and deliberately spent more than it takes in through revenues. The federal government rationale to run a deficit outside of wartime was developed a few decades ago. The idea at the time was that running a deficit would bring about economic growth, new employment, and stabilization of the business cycle. Additionally, deficit spending made it possible to satisfy the claims of every interest group that came looking to the federal government for money, a boon for politicians trying to please all constituents back home.

Everyone knew that increasing taxes would stifle the economy by diverting resources from the efficient private sector to the less efficient public sector, but deficits helped officials avoid confronting the problem.

As a result, deficits became addictive. For 24 of the last 25 years, the federal government's expenditures have exceeded its revenues. Nobody bothered with the old theoretical justifications about stimulating the economy through deficits or curing unemployment, because a deficit was routine in federal budgeting.

Deficits could have been avoided during this period as federal revenues grew by more than $600 billion, or nearly 700 percent. During those 25 years, annual spending grew almost 950 percent, or $800 billion. The federal government now spends $4,200 a year on every man, woman, and child, compared to $470 in 1960.

Unchecked federal spending resulted from two important factors. The first element was the strength of our economy and the sustained pace of real growth resulting from work-force increases, healthy productivity gains from new technologies, stable or de-

clining real energy prices, and the demand for exports fueled by the return to economic health of the devastated economies of Europe and Japan.

The second component in increased spending was inflation. The federal tax system grew bigger, feeding off inflation to push up tax rates automatically. What Congress would never vote to do—raise taxes by tens of billions of dollars each year—happened all by itself through "bracket creep" and the devaluation of business expense deductions and depreciation allowances.

In the 1970s, a third factor contributed to uncontrolled government spending, and that was the "peace dividend" that resulted from a significant decrease in defense spending. It went from $106 billion in 1968 to $67 billion in 1976.

In effect, the federal government put in place a massive structure of programs that required constant revenue feeding. Spending more and more of the taxpayers' money became a completely painless exercise for government officials.

The automatic tax increase resulting from the interaction between the federal tax system and inflation began to falter in the late 1970s under the Carter administration. Productivity faltered, inflation soared, and interest rates skyrocketed.

The Reagan administration in 1981 implemented an economic program which effectively stripped away the veil that covered the mechanisms behind federal spending increases. Tax brackets were indexed, and the inflation rate was lowered.

We've been contining to chip away at excess spending, but we barely have begun to roll back the excesses of the prior 20 years. But it's not because we haven't tried. The Reagan administration has proposed more than $600 billion in spending reductions during the past five years. The problem is that Congress has rejected about half of those spending reductions, preferring instead to finance excess spending on credit and to let government control more and more of the resources in our economy.

How can we get back on a path that leads up to a balanced budget that will keep government from growing faster than the private economy? The answer, of course, lies in disciplined federal spending.

In the executive branch, we are fairly well organized. The president sets spending targets in the fall, the various departments follow up with budget submissions, and then tough choices are made on what to fund and what to cut.

After the budget is ready, it is sent to Congress, where the budget is reshaped and reworked and redone through a lengthy, laborious process. We arrived at the start of this fiscal year without a single appropriations bill ready to be signed by the president. Also, only four bills have been passed by Congress out of 13 bills required to pass funding for the entire government. The budget-spending process has gone out of control.

What we need is discipline in developing a federal budget—discipline and reform.

I believe we can reach the ultimate goal of a balanced budget in two ways. One solution is to undo the erosion in the president's authority to control spending that happened when Congress stripped away his authority to withhold spending in the 1974 Budget and Impoundment Control Act. One route to giving the president this authorize a line-item veto.

Here is one example of why this authorization is critical. Under the Constitution, the Congress has to pass a law to authorize any part of the federal government to spend money. The yearly funding for the federal government is contained in a set of bills, each of which funds a different set of federal programs.

One of those 13 bills for 1985, the Energy and Water Development Appropriations Act, contains a provision to appropriate $1.3 million to pump sand onto a beach in New Jersey. In the same bill, a second provision calls for spending more than $7.3 billion for research, development, and construction of the U.S. nuclear arsenal. In order to veto one provision of the bill, the president must veto the entire bill. With a line-item veto, Congress wouldn't be able to piggyback pork-barrel spending on critical national security programs.

The second major step we can take to bring this spending juggernaut under control is to enact a balanced-budget amendment to our nation's Constitution. Forty-seven states have such an amendment for state budgets.

With the balanced-budget amendment, a line-item veto, and a strengthened budget process that would result from adoption of the Gramm-Rudman proposal by the Congress, the era of spending binges can be put behind us.

AMERICA'S SUCCESSFUL STEEL INDUSTRY

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. BARTON of Texas. Mr. Speaker, we are all familiar with the troubles that have plagued the U.S. steel industry over the past decade. Since 1977, 20 steel plants have been closed down or idled. Production has fallen by 10 million metric tons a year. Employment has plummetted by over 45 percent and 200,000 jobs have been lost. Years of inadequate capital investment in plant robbed the U.S. steel industry of its competitive edge and doomed American companies to a losing battle with foreign steel companies. We fell behind the competition and after years of trade restraints the United States is still struggling to catch up with our rivals.

However, it appears that the problems that we all associate with the U.S. steel industry may be particular to big steel. The unsung story of the steel industry over the past 10 years is the success of small steel companies, the "minimills," in meeting the challenge of foreign competition. Little steel now accounts for 20 percent of the domestic market and matches the share of foreign imports. In 1960, little steel accounted for only 2 percent of the domestic market. Some estimates indicate that their share could rise to 40 percent by the year 2000.

There are a number of elements in the success of little steel in meeting the challenge from foreign competition, including the fact that most of these minimills use nonunion labor. However, the most important element in the success of little steel is aggressive and far-sighted management. Instead of banking their earnings, the management of little steel plowed them back into the plant. It is important to note that the average age of plant machinery in a minimill is 9.4 years compared to 22 years in integrated steel plants.

The inspiring success of little steel is perhaps best exemplified by the Chaparral Steel Co. in Midlothian, TX. The average production for a steelworker in the United States is 350 tons per year while Japanese workers produce 850 tons. A steelworker at Chaparral produces 1,300 tons of steel per year. I am proud to say that the Chaparral plant is in my congressional district. Following is an article on the plant that appeared in the Washington Monthly in February 1985. I commend Mr. Kurt Eichenwald for his fine article.

[From the Washington Monthly, Feb. 1985]

AMERICA'S SUCCESSFUL STEEL INDUSTRY

(By Kurt Eichenwald)

Rather than complain about foreign competition, Big Steel should look at mini-mills like Chaparral here at home.

You don't have to be an economist to know that the big steel companies are in trouble. Since 1977 they have closed or idled some 20 plants or parts of plants. Production capacity has shrunk by about ten million metric tons per year—roughly 8 percent—and from 1979 to 1982, the number of steelworkers with jobs plummeted from 453,000 to 247,000—45 percent.

If you listen to the industry lobbyists who troop down to Washington each year to demand government relief, you probably think that foreign competitors are to blame for big steel's troubles. The Japanese and Koreans aren't fair traders, the lobbyists argue; they subsidize their steel industries and throw up tariffs to keep out Amercian products. To complete, this argument concludes, we need import quotas on foreign steel.

But there's a significant flaw in this argument—a lot of the competition is already inside the gate. While the heads of big steel have been in Washington seeking protection, a high-tech, non-union sector of the steel industry right here in the United States has been quietly snatching up their markets. These "mini-mills" now have 20 percent of the domestic steel market and match the share taken by foreign competitors.

How have the minis managed to succeed in an industry littered with failure and bankruptcy? To find out, I paid a visit to one—the Chaparral Steel Company in Midlothian, Texas. In 1982, the year U.S. Steel's losses totaled more than $2.5 billion, Chaparral turned a profit of $11 million. Granted, mini-mills like Chaparral owe much of their success to their ability to ride piggyback on their big, inflexible competitors by working from scrap steel (more on this later). But to a surprising extent the success of mini-mills in general, and Chaparral in particular, rests on elementary principles of management that are accessible to big steel—principles that American industry has neglected for too long.

GOBBLING REFRIGERATORS

Midlothian is not the first place you'd think to look for a successful steel mill. A ranch and farming community 25 miles outside of Dallas with a population of 3,000 before the mill was built, the town was best known for its rolling hills, similar to those of its Scottish namesake. But in 1973, when

Texas Industries (TXI), a cement company, and Co-Steel of Canada, were looking for a place to build a steel mill as a joint venture. Midlothian seemed perfect. For one thing, it was near large power supplies, highways, and railroads. The choice was sealed when Gerald Heffernan, Co-Steel chairman, saw the Chamber of Commerce bulletin board, which proclaimed, "Need money? Try working." Most people in the area had never worked at a steel mill, and that suited management just fine. "We didn't want people who had learned bad work habits," one executive told me.

TXI's move to start up its own steel company seemed like good business sense. After all, it was in the concrete business, and every concrete building needs steel reinforcement. So, thinking there was an impending reinforcing bar shortage, TXI decided to set up its own steel mill. Unfortunately the shortage never happened, so when Chaparral first began churning out steel, a glut of reinforcing bar put the company in the same boat as big steel—the supply exceeded the demand. "We had to diversify, and fast," Chaparral's vice president, Dennis Beach, told me.

Fortunately, Chaparral was a mini-mill. The term "mini-mill" is a bit of a misnomer; mini-mills are not just smaller versions of the bigger, "integrated" mills that covert pig iron into steel. Rather they are recycling plants. Instead of making steel from scratch, they gobble up scrap steel like junked cars and refrigerators and convert them into usable steel products. This allows the mini-mills to eliminate several steps in the steelmaking process. The result: enormous flexibility.

In an integrated plant, a combination of iron ore and scrap is mixed in a furnace. After six hours, you have molten steel. Once the brew is cooked, it's generally poured out in the form of ingots. Like all cast steel, ingots have to be rolled like dough into proper shape. Because ingots usually have defective surface that have to be ground down or burned off, they are reheated and rolled one more time into their final shape.

In a mini-mill, by contrast, there's no iron ore—just scrap—and the electric furnace in which it's cooked can produce molten steel in a little less than two hours. The molten steel is then pored immediately through casting molds, cooled and hardened by water, in a process known as "continuous casting." That skips the ingot phase and, consequently, the need for two rollings. After the steel is cast, it can be rolled immediately into the final product.

Since continuous casting does not preclude the use of iron ore, it is at least theortically as accessible to the integrated steel mills as it is to mini-mills. But the advantages of continuous casting did not become obvious until the last decade, with the result that the newer mini-mills were able to take advantage of the new technology, while big steel, which cut back on capital investment in the seventies, did not. (The average age of the machinery at an integrated mill is 22 years as compared to 9.4 years at a mini-mill.) The amount of steel produced through continuous casting in the United States since 1971 has increased less than 20 percent—and is disproportionately concentrated in the mini-mills—while the Japanese have increased the use of continuous casting by nearly 60 percent.0

FREE COFFEE

Superior technology is one reason the minimills maintain such an impressive level of productivity. The average production for a steelworker in the United States is 350 tons a year. In Japan, it's 850. At Chaparral, the average employee churns out 1,300 tons a year—and that is expected to increase. Chaparral produced nearly one million tons of steel this year.

But technology isn't the whole story. The "us" versus "them" mentality that drove big steel into a deadlock between management and labor is largely absent at Chaparral; instead there's a sense of shared commitment, sacrifice, and pride. "Don't call us steelworkers," one Chaparral veteran says, "we're Chaparral people"—a statement that would mark one as a hopeless patsy to management in many of the steel plants up north.

Every Chaparral person I talked with had that same sense of collective pride. "I want to be the best roller out there," Neil Parker told me. "And I'm sure every other roller feels the same way. I want this to be the top steel mill in the world." You see signs of this spirit as you walk through the plant. In the administrative offices hangs a picture of about 40 workers sitting on a new furnance, with the inscription, "Chaparral Steel Company, World Record, October, 1982—67,888 tons cast." A worker bragged to me about a letter that the company president wrote complimenting him for breaking a shipping record. Work crews compete to be the most productive. Michael Oliver, a pulpit operator, told me, "It's just like being on a football team. I love it."

How has Chaparral sparked that kind of competitive spirit in its people, to the point that the plant runs at 89.1 percent capacity, compared to 60 percent for much of the steel industry? The commitment certainly doesn't come from the pay scale. At about $15 an hour, workers make less than they might in union steel mills or other industries. Indeed, the fact that there hasn't been a pay raise at the plant for the past two years has led to some carping among workers at Chaparral. But the complaint doesn't have quite the hard edge you'd find elsewhere. One reason is the absence of the sort of stiffling seniority rules, common at other big steel mills, that guarantee a promotion to the person who's been around the longest, regardless of whether somebody else with less seniority can do the job better. At Chaparral, promotions are based on merit. The result: workers are motivated to make a better effort, rather than just put in their time.

Another reason is that everyone from the president on down has a share in 6 percent of the company's pre-tax profits. The profit-sharing is distributed on a sliding scale that comes out to between 9 and 20 percent of wages.

In addition to giving workers a share in the outcome, Chaparral gives them a major share in the decisions. Decision-making is pushed all the way down to the shop floor—and with only four layers of management, that's not all that far. (By comparison, U.S. Steel until recently had 11 such layers; now it has eight.) Workers aren't just encouraged to try out their ideas for improving productivity; it's considered part of their job. "We don't have a suggestion box around here," Beach said. "If somebody's got a suggestion, they either do it or tell us what they need to do it."

Executives may make the recommendations to foremen for potential employees, but it's the foremen who make the final hiring decisions. After all, it's the foremen who work with the crews. Similarly, when out-of-state customers have a complaint, production employees with hands-on familiarity with the product are flown out with the sales people to look into the problem and see what can be done to correct it. When they return, they use what they've learned to help make changes that will keep the problem from recurring.

The result is a working environment that is largely free of hierarchy. There is no executive parking. Training classes and foreman/worker meetings take place in the corporate boardroom. The chief of the janitorial crew dictates his letters to the president's secretary. The executive offices are located in the plant's locker room building. There are no time clocks. Everyone is on a first-name basis. Everybody gets free coffee in the morning. Gordon Forward, the company president and a refugee from big steel bureaucracy, had always found it "amazing" that at most companies "management could have free coffee and there was some second-class citizen who couldn't, or there was some second-class citizen who had to park outside the gate or punch a time clock because we didn't trust them." The trust pays off: absenteeism at Chaparral is about 2 percent compared to an industry average of roughly 6 percent.

Faith in the workers' competence is absolute. When Chaparral was designing the medium section mill that it built in 1982, it pulled mill managers off the floor and asked them what they thought they needed. Innovations for the mill came from the managers, who told the engineers the specifications they believed necessary for efficient production. The result was a mill made of German and Japanese technology, with a few parts that were pure Chaparral.

HOMEMADE CONSTRUCTION

Another key to Chaparral's high morale is that no employee has ever been laid off. In December 1981, thanks to soaring production, managers figured that there were about 40 more employees than they needed to fill the orders at hand. But instead of laying people off, Chaparral put them to work. The company was just completing construction of its medium section mill through a contractor. Chaparral polled its employees concerning their experience in construction. The outside contractor was sent home and Chaparral's own crew of steelworkers was put to work with hammers and saws to complete the new plant.

Small wonder efforts to unionize the mill failed. In 1977 the United Steelworkers led a union drive that was soundly rejected: with 98 percent of the workers voting, 73 percent cast their ballots against unionizing the plant. Among the workers I spoke with, there was unanimous agreement that keeping the union out was a key factor in the plant's productivity. Joe Barcevac, a former worker at U.S. Steel's South Works plant in Chicago, told me, "At the other mill I was stuck in a craft line. I couldn't help somebody in a different job, and he couldn't help me. That was because of the union. Here we do what we have to to get the job done."

In fact, it's hard to find anybody at Chaparral who has anything good to say about labor unions—that is, until you walk over to the management offices. Their main suspect for the steel industry killer? Management. "I think the attitude taken by other companies is unnecessarily adversarial," Beach told me. "If they treat their employees like units, then of course they'll band together in a union. But if they treat the union like an adversary, they're guaranteed a stalemate." Forward agrees. "If you treat your

employees like a number," he said, "then you deserve a union."

MOUNTAINS OF SCRAP

In 1960, the minis were to big steel what competitors were to Ma Bell—inconsequential and on the fringe. There were only 10 to 12 minis taking up about 2 percent of the steel market. But since then the mills have exploded onto the scene, with more than 50 producing approximately 14 million metric tons of steel per year. It is now estimated that the minis may capture as much as 40 percent of the American steel market by the year 2000.

It's ironic that this success story is attributable in no small part of the big steel's smug attitude during its heyday. Protected from the free market to which they professed their devotion, the big companies set their prices as though it were manifest destiny that American steel would always be number one. Steel was a classic oligopoly, with the United States Steel Corporation, the unchallenged industry leader, determining the price structure of the entire industry. But to avoid the searching eyes of the trust busters, U.S. Steel made certain that its prices wouldn't put other, less efficient companies out of the market. So the industry protected its noncompetitive members through a price structure that enabled these companies to stay in the black. In effect, this kept the entire steel industry only as competitive as its least efficient producer.

Throughout the 1950s, steel prices were grossly distorted. Despite slumping demand, they increased an average of 5.8 percent annually throughout the decade, compared to 2 percent for wholesale products, according to the Bureau of Labor Statistics. As any smart capitalist should have known, that price umbrella made the appearance of more efficient, more productive mills almost inevitable.

The minis' boom during the 1970s was fueled by two factors. One was the increasing demands of the United Steelworkers. From 1969 to 1981 labor costs rose an average of 11.6 percent a year, helping to price the big companies out of many of the markets that the minis were all too eager to snatch up. The second factor was the technological advances that were propelling foreign companies into a competitive position with big steel. By adopting these new technologies, mini-mills significantly lowered their capital costs in relation to big steel's. In 1980 the Office of Technology Assessment showed how big those differences in costs could be. In 1978 dollars, the estimates range from $154 to $320 per metric ton of annual capacity for a minimill as compared to the $956 to $1,500 for an integrated plant.

A further factor is the cooperative style of management so evident at Chaparral and other mini-mills. The profit-sharing plans, employee stock opportunities, scholarship programs for the workers' children, and the like are akin to the cooperative practices used so successfully in Japan. In fact, one of the most successful mini-mill companies, Nucor Corporation of North Carolina, embraces the principle of lifetime employment.

The particular niche that the mini-mills found—conversion of scrap steel into new steel products—brought scorn from big steel. "They're in what we call the junk end of the business," one executive told Fortune back in 1978, "and they can have it." But the same article noted that, thanks in large part to the efforts of big steel over the last couple of generations, there are 2.3 billion tons of steel sitting out there—more than ten tons for every man, woman, and child in America—and all of that is potential scrap for the mini-mills. It's especially delicious to consider that every foreign automobile that rolls off the docks is another potential morsel for the electric furnaces. For technical reasons, the minis at present are unable to make sheet steel, which keeps them out of a substantial portion of the market right now. But at least one mini-mill company—Nucor—has already begun to explore this area.

None of this is good news to the shell-shocked steel executives demanding government bailouts or to their counterparts at the Steelworkers union. The trim mini-mill bureaucracy, with its salary levels sharply below those of big steel, may not appeal to the execs—any more than the blue-collar wages and high productivity standards appeal to the Steelworkers. And the prospect of abandoning their adversarial positions for some form of cooperation seems equally distasteful to both. But with mini-mills like Chaparral popping up, it's clear that there is a healthy steel industry in this country.

IT'S TIME TO PUT HEAT ON MARCOS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SOLARZ. Mr. Speaker, a discredited leadership, a declining economy, and a growing Communist insurgency have placed the future of the Philippines, a nation with which the United States has had a long and historic relationship, in jeopardy.

As evidenced by Senator LAXALT's recent trip to Manila, the United States can no longer afford to operate on a "business as usual" basis with President Marcos. Instead, we must be prepared to use our influence to bring about urgently needed reforms.

Senator BILL BRADLEY, in a recent op-ed piece in the New York Times, accurately describes the challenges and options facing the United States in formulating a responsible policy toward the Philippines. It is my hope that all policymakers have the opportunity to read Senator BRADLEY's article. I have included his remarks in the RECORD for the benefit of my colleagues:

IT'S TIME TO PUT HEAT ON MARCOS

(By Bill Bradley)

WASHINGTON.—There is a consensus here about what is wrong in the Philippines. But there seems to be a kind of paralysis about what to do.

First, everyone agrees that Ferdinand E. Marcos has presided over the unchecked spread of a nationwide Communist insurgency. Second, no one disputes that Mr. Marcos has stubbornly rejected warnings that unless he undertakes major reforms soon, the opportunity to revive democracy, regain prosperity and restore security will be lost. Third, policy makers even agree on specific reforms he must make to insure fair elections, free the economy from the monopolistic grip of his cronies and revitalize the leadership of the armed forces.

As Senator Paul Laxalt told Mr. Marcos during a recent visit to the Philippines, important American interests are at stake. If the Communists take over, we are virtually certain to lose our military access to the bases at Clark Field and Subic Bay. The Filipino people would lose any chance for a democratic future. Worst of all, a ruthless Communist regime is likely to turn the Philippines into a brutalized, stagnant society, like Vietnam and Cambodia, and would allow the Soviet Union to replace America as its military partner.

What is so frustrating about this consensus is its failure to produce a solution. High-level warnings to Mr. Marcos have fallen on deaf ears. The reason is that the reforms he must make to turn the tide against the insurgency will also remove the political and economic foundation of his regime, perhaps putting his own life in jeopardy.

Indeed, Mr. Marcos may lack the capacity to carry out the necessary reforms. It's unlikely, for example, that he will confront the power and wealth of many of his corrupt cronies to restore genuine competition to the marketplace. At most, he might be able to deliver free and fair elections—if he devotes himself wholeheartedly to the task. So far, he has shown little inclination to do so.

In due course, America will probably have to choose between supporting Mr. Marcos or supporting the democratic process. Our future position in the Philippines rests not with a dictator but with democracy, which alone gives people hope of a better society without revolution.

Most Filipinos retain respect and affection for the United States. These feelings are a major source of strength we must now openly use or lose. We must sever the symbolic link the Communists are forging with their rallying cry of a "U.S.-Marcos dictatorship." We must put Mr. Marcos on notice that our interests in Filipino democracy will no longer be held hostage to a rigged election. We must let the Filipino people know we will no longer acquiesce in his continued abuses of power.

We may have to establish a timetable for electoral reform if Mr. Marcos lacks the will or capacity. To ease his resignation, we should offer him and his family safe passage and sanctuary for his retirement. We must also be prepared to provide a worthy successor to Mr. Marcos with the additional security assistance needed to restore democracy—not, as Mr. Marcos has used it, to prop up his cronies and loyalists.

President Reagan believes there is still time to persuade Mr. Marcos of the error of his ways and set his regime on a new course. But time is running out. The Administration temporizes, transfixed by the ghosts of old friends in Cuba, Vietnam and Iran. These are false, hence dangerous, parallels. Breaking with Mr. Marcos is not a signal that we are abandoning the Philippines to the Communists. On the contrary, it signals our commitment to seeing democracy restored. The sure way to betray that good will and bring about the Communist victory we are eager to thwart is to slight the democratic option. Then the tide of revolution will sweep away not only the dictator but also future American influence in the Philippines.

This grim reality requires us to act promptly. It is time to speak publicly to the Philippine people, pledging our support for the democratic process. Only by giving Mr. Marcos this kind of ultimatum can we open the way for the free and fair elections upon

which any successful counterinsurgency must be based and upon which the future of the Philippines depends.

CURRENT TRENDS IN U.S. COAL EXPORTS TO THE PACIFIC RIM

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. RAHALL. Mr. Speaker, Japan has traditionally been one of the largest importers of United States coal, especially coal of metallurgical grade for use in the steelmaking process.

In fact, in 1984 Japan accounted for 20 percent of total United States coal exports, purchasing 16.3 million short tons.

There is no doubt that Japan is a long-standing and important market for United States coal, and West Virginia coal in particular. But in recent years, the United States share of the Japanese coal market has begun to evaporate as that country increases its purchases of coal from other exporting nations.

In 1982, the United States had a 32-percent share of the Japanese coal market. Last year, the United States was barely hanging on to an 18-percent share and during the first 8 months of 1985, this figure plummeted to a mere 15.7-percent market share.

Meanwhile, Australia, Canada, South Africa, and the People's Republic of China all increased their share of the Japanese coal market. Last year, Australia held a 47-percent share of the Japanese coal market, Canada an 18-percent share, South Africa a 9-percent share, and the People's Republic of China a 5-percent share.

This decline in U.S. market share has hit West Virginia metallurgical coal producers especially hard. In 1980, for example, West Virginia shipped 9.5 million metric tons of coal to Japan. In 1984, this figure dropped to 5.3 million metric tons of coal.

One of the reasons given for this decline in the United States share of the Japanese coal market is the price of our coal, which is of a higher quality and more expensive than export coal from other nations.

However, the Japanese have been very artful in creating an excess capacity of coal from their suppliers. Through institutions such as the Japan Coal Development Corp., New Energy Development Organization, the Federation of Electric Power Co's., and the Electric Power Development Co., along with the Japanese Ministry of International Trade and Industry, new coal mines in Canada and Australia were constructed receiving huge loans from Japanese institutions. Japan is also involved in coal projects in the Soviet Union and the People's Republic of China.

As such, today, many United States coal producers are being forced to accept below or near-cost prices assuming the Japanese will take their production at all.

Since the United States-Japanese coal trade is about a $1.5-billion a year item, increased coal sales to Japan offers the United States the ability to reduce the skyrocketing trade imbalance between the two nations.

Certain diplomatic efforts toward this end have been initiated, such as the formation of the United States-Japan Energy Working Group in 1983 and the November 1983 Joint Policy Statement on Energy Cooperation. However, to date, these efforts have not been of great success. It should also be noted that even as late as last month, the President raised the coal trade issue with Prime Minister Nakasone during their meeting in New York.

I believe that given the current mood of the American people toward reducing the United States trade deficit, it is time to escalate efforts to increase the coal trade with Japan. In this regard, I will seek to meet with high-level Japanese coal buyers in the near future to impress upon them the importance this trade holds for West Virginia and other coal producing regions.

I also believe there are other Pacific Rim countries which hold great promise for West Virginia coal. Taiwan, for instance, increased its purchases of United States coal by almost 35 percent between 1983 and 1984. This trend has continued into 1985. During the first half of this year, United States coal exports to Taiwan have increased by 170 percent over the level established during the same period in 1984.

Clearly, this relationship should be nurtured and and continued.

DEBT LIMIT CRISIS

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SCHAEFER. Mr. Speaker, committed. It is a word I am finding increasingly difficult to use when describing some Members of this House of Representatives. We are not committed to reducing the deficit. We are not committed to balancing the Federal budget. Worst of all, we're not committed to the American people.

Last Friday evening, this body voted to adjourn without first resolving—even temporarily—the debt limit crisis. In so doing, we left a cloud of uncertainty over this country, while we enjoyed our weekend. Worse than that, some have led our Nation's Social Security recipients to believe that unless we passed last-minute legislation to extend the debt limit 5 days, their benefits would somehow be affected. As it turns out, this is only one of a series of deceptions by some of my colleagues.

The majority party also led us to believe that if the House failed to pass a 5-day extension of the debt limit, the Treasury Department would be forced to disinvest the trust fund. Heralded as the bill to save the fund, the temporary extension passed. Why then, was Treasury forced to disinvest $17 billion in Social Security Trust Funds, costing the fund millions of dollars in lost interest?

Simply because the majority party, knowing well the consequences, voted to adjourn and leave the Senate no course of action but to allow the trust fund to be disinvested. When the Senate acted on the measure well after midnight Friday, the halls of the House of Representatives were long since dark. For 8 hours earlier, the House had adjourned, knowing that no one would be present to receive and consider the Senate-modified bill. Without this House consideration, the 5-day extension bill designed to protect the trust fund died a speedy death at the hands of those voting to adjourn. Despite being the self-proclaimed saviors of Social Security, 205 of the 207 yea votes for adjournment were cast by members of the majority party.

In an attempt to cloud over this blatant display of irresponsibility, the majority has somehow associated a vote against the 5-day extension as a vote in favor of disinvestment. Mr. Speaker, I don't care if the vote is to extend the national debt for 5 days or 5 minutes, I will not support a bill which allows the Government to go deeper in debt unless we simultaneously adopt a binding resolution which will significantly reduce Federal spending and eventually lead to a balanced Federal budget. Passage of the 5-day extension would simply have added another $17 billion to our already enormous national debt, with no assurance that this fiscal irresponsibility would ever stop.

I can only wonder how long this charade will continue. Perhaps another member could inform me just how many 5-day debt limit extensions will be necessary before we resolve this issue. Whatever the number is, you can be assured that I will vote against each and every one. I plan on supporting only one debt limit extension, Mr. Speaker, one that results in a balanced Federal budget. And judging by the level of commitment in this body, that yea vote could be a long time coming.

Let me conclude by assuring my colleagues across the aisle, that I have not in the past, nor will I ever, support using Social Security Trust Funds for anything but their intended purpose. Let's stop playing political games and for once do something solely for the benefit of the American people. Let's balance the Federal budget—now.

THE MANUFACTURING CLAUSE OF THE COPYRIGHT ACT

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. RUSSO. Mr. Speaker, I am pleased to join with Mr. FRANK in introducing legislation to make the Manufacturing Clause of the Copyright Act a permanent part of the law. The Manufacturing Clause has helped our printing industry become one of our most vital and productive industries. This extension will prevent hundreds of thousands of American jobs from being shipped overseas. And with 31,000 of the 42,000 U.S. printing companies employing fewer than

20 workers, this legislation clearly enhances American small business.

For 94 years, the Manufacturing Clause of the Copyright Act has been the trade law of the American printing industry. The clause states that material which is preponderantly of a nondramatic literary nature and is written in English by an American author or by an author domiciled in the United States must be printed in the United States or Canada in order to be entitled to the full and unqualified protection of U.S. copyright laws. The clause is currently due to expire on July 1, 1986.

Although the U.S. printing industry is currently strong, eliminating the Manufacturing Clause would deal it a crippling blow. A 1981 Department of Labor study anticipated a loss of up to 172,000 job opportunities in the printing industry and a total loss of as many as 367,000 job opportunities throughout our economy as a result of foreign competition. In fact, U.S. printing companies would have to rely primarily upon time-sensitive printed material for most of their work. All other printed material, including books, catalogs, directories, commercial printing, business forms and periodicals, would be highly vulnerable to low-wage foreign competition. In addition, U.S. printing would not experience an offsetting increase in printing orders from foreign clients. The losses from foreign competition would fall especially hard on the small businesses comprising the backbone of U.S. printing.

Printing directly employs 1.2 million workers. Many of these workers are unskilled or semiskilled. In fact, a Book Manufacturers Institute study has found that 60 percent of printing industry workers fall into these two categories. In just the last few years, we have seen millions of unskilled and semiskilled job opportunities lost to unfair foreing competitors. Clearly, the economy cannot absorb additional hundreds of thousands of unemployed unskilled and semiskilled workers.

Mr. Speaker, the Manufacturing Clause has a long and successful history. It has been quite effective in its goal: building a strong industry and creating job opportunities for American workers in every region of our country.

At each critical point in the history of the Manufacturing Clause, proponents argued that specific economic conditions presented a serious danger to the U.S. printing industry. The initiation and two subsequent extensions of the clause relied upon extenuating economic circumstances affecting U.S. printing. In 1891, 1976, and 1982, Congress held that the printing industry needed relief from threatening economic conditions which would otherwise cause permanent damage to the industry.

In 1891, Congress added the Manufacturing Clause to the Copyright Act in order to protect an infant industry from foreign competition. The clause ensured that the United States developed its own healthy, modern printing industry.

From 1909 to 1952, Congress periodically modified the clause to reduce any international conflict resulting from the provision. Specifically, the modifications eliminated the manufacturing requirement for nonliterary works, for works of foreign authors in languages other than English, for test marketing of English language works first published in foreign countries, for works first published in a country adhering to the Universal Copyright Convention, and for works written by a national of a country adhering to the Universal Copyright Convention.

In 1976, Congress further modified the Manufacturing Clause and set a July 1, 1982, expiration date for the provision. The modifications eliminated the requirement for domestic typesetting, and removed the manufacturing requirement for non-English works by U.S. citizens or domiciliaries and for American authors or domiciliaries unable to locate an American publisher for their work.

In 1982, a severe recession compelled Congress to further extend the clause for 4 more years, until 1986. The Manufacturing Clause won overwhelming support in both the House, 339 yeas to 47 nays, and the Senate, 84 yeas to 9 nays. The 1981 Department of Labor study clearly suggested that an extension of the clause would help expedite recovery from the worst economic slump in the post-Depression period. For this reason, Congress provided an extension to avoid permanent damage to the U.S. printing industry from the severe recession conditions.

Now the need to continue the Manufacturing Clause is greater than ever. One after another, important U.S. industries are falling victim to unfair foreign trade barriers. Businesses are shutting their doors, workers are losing their jobs, and communities are suffering throughout the country. Just as Congress has declared for the past 94 years, we cannot allow this to happen to our printing industry. That is why the Manufacturing Clause of the Copyright Act must be extended before it expires next year.

Let us not forget, Mr. Speaker, that if Congress permits the Manufacturing Clause to expire, we will undermine efforts to develop an overall trade policy based upon fairness. The elimination of the clause would be a unilateral trade concession which would undermine U.S. efforts to obtain comprehensive, multilateral trade agreements. Even if every foreign nation fully opened its markets to U.S. printing products, American printing would still not penetrate foreign markets since the present high wage differential does not allow successful U.S. entry. For this reason, reciprocity in the trade of printed materials is not possible.

Even though all signatories to the Florence Agreement are forbidden from placing tariffs on books and other cultural or educational printed products, tariffs on catalogs and other printed material are commonplace. For example, the European Economic Community tariff on catalogs currently stands at 6.6 percent. In addition, many foreign nations have set up a labyrinth of nontariff barriers which further restrict imports. Nontariff barriers include: prepayment of imported goods in Indonesia; the requirement in Singapore that all publications be approved by the Ministry of Culture; extensive consular formalities in the Philippines; new French regulations which require French-language documentation of all imported goods; and inflation insurance schemes which allow domestic firms in the United Kingdom and Italy to underbid noninsured foreign competitors in world trade.

Canada, for example, applies a wide array of barriers to imports of United States printed products. In response to their inclusion in the United States Manfacturing Clause, Canada has zero-rated its tariff on books until July 1, 1986. However, the tariff on catalogs is currently over 31 percent of the transactional value, scheduled for reduction to 28.6 percent by 1987. The nontariff barriers against imported books and other printed material are just as significant. Canadian postage rates are higher for imported publications than for Canadian manufactured publications. Additionally, Canada severely restrains Canadian advertising in imported publications.

The United States cannot afford to grant unilateral trade concessions when its unfair foreign competitors continue to restrict the import of U.S. goods. The Manufacturing Clause of the Copyright Act is part of this country's existing law. It is not a new trade protection. Rather, it is a sound policy which has helped build a vibrant, productive printing industry, able to employ over a million men and women. And at a time when the overvalued dollar and unfair foreign trade practices threaten all American manufacturing industries and jobs, this legislation gives U.S. printing the ability to maintain its position in our economy.

TRANSFERRING FINE COLLECTION FROM U.S. MAGISTRATE TO THE CLERK OF COURTS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. GEKAS. Mr. Speaker, yesterday I introduced H.R. 3682, a measure to provide for the payment to the clerk of the court of fines or penalties imposed by a U.S. magistrate.

I would like to insert into the RECORD a letter to the Speaker of the House from Phillip D. Brady, Acting Assistant Attorney General for the Department of Justice, which thoroughly explains the need for this legislative change as well as the text of H.R. 3682.

I urge all members to cosponsor and support this uncontroversial and extremely necessary measure.

The letter and H.R. 3682 follows:

U.S. DEPARTMENT OF JUSTICE,
Washington, DC, July 18, 1985.

The SPEAKER,
House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Enclosed for your consideration and appropriate reference is a legislative proposal to amend section 3565 of title 18 of the United States Code to provide for the payment to the clerk of the courts of fines or penalties imposed by a United States magistrate. Because of the nature of cases tried by United States magistrates, this proposal would provide for more effective and efficient procedures to assure the payment of fines and penalties imposed by magistrates than currently provided for in the law.

Procedures for the payment of fines were significantly changed by passage of the Criminal Fine Enforcement Act of 1984, Pub. L. No. 98-596. Prior to passage of that statute, fines were paid to the clerk of the court, who forwarded the payment to the United States Treasury. The Act provided, in 18 U.S.C. §3565(d), for the payment of any amount due as a fine or penalty to the Attorney General, except to the extent that the Attorney General and the Director of the Administrative Office of the United States Courts jointly provided by regulation that fines and penalties for "specified categories of offenses" be paid to the clerk of the court. This provision applies with respect to offenses committed after December 31, 1984, according to section 10 of the Act. Offenses committed prior to that date are subject to the procedure that existed prior to the enactment of the Criminal Fine Enforcement Act.

The proposed legislation is needed because it is simply not cost-effective to the Government to have the United States Attorneys receive payment of fines and penalties imposed by magistrates. The key to successful collection in petty offense cases is immediate, in-court payment. However, the United States Attorneys' offices have no physical presence, at least on a regular basis, in most magistrates' courts, and directing a representative of the United States Attorney to the courts to receive payment would in most instances not be cost-effective, given the relatively small amounts of the fines or penalties involved. In fact, in a majority of cases the United States Attorney's office is not located in the same city or town as the magistrate's court. On the other hand, without legislation providing for receipt of payment of fines and penalties in magistrate cases by the clerk of the court, the only options remaining would be for the magistrate to direct convicted defendants to the nearest United States Attorney's office for payment of a fine or penalty or the use of a mail-in system of payment. Not only would these procedures create unnecessary inconvenience for the defendant, but it is highly likely that many fines would go unpaid. We firmly believe that without a mechanism for in-court payment of fines and penalties in petty offense cases, costly collection efforts for relatively small fines would too often become the only recourse.

The clerks of court are best suited to perform the ministerial function of receiving payment of fines and penalties due as a result of a sentence imposed by a United States magistrate. Regardless of whether the Department of Justice or the clerks of court receive payment of fines, the services of clerks of court are necessary in magistrate cases for the maintenance of case records and related functions. Conversely, the Department would have to hire new personnel and create records for anywhere from 100,000 to 200,000 new cases a year. The duplication of records alone would result in a serious waste of taxpayers' money at a time when Congress and the Administration are making an effort to reduce spending because of the budget deficit. Finally, the clerks of court can rely upon their existing procedures and expertise in carrying out a function they have carried out for years in the past to assure receipt of payment and the proper recording of transactions.

It should be pointed out that the transfer of responsibility to the Department for the receipt of fine payments occurred simultaneously with the creation of mandatory assessments in all cases to provide funds for the Crime Victims Fund.

There appears to be little reason for the Department to process fines for magistrate cases even if the additional staffing were to come from a transfer of positions from the courts. Unlike district court cases, magistrate cases are not evenly distributed among districts in a manner that is proportional to the population of the districts or to local United States Attorney staffing. Most districts have relatively low magistrate court caseloads; hence it would not be cost-effective to transfer court personnel, who must handle a variety of court functions anyway, to the United States Attorneys' offices in these districts solely for the purpose of processing fines imposed by magistrates. Nor would it be cost-effective to send United States Attorney personnel to the outlying courts in these districts on a case-by-case basis to receive payment of fines and penalties. On the other hand, some districts, most with small United States Attorneys' offices, have very large magistrate court caseloads due to the presence of a military base or federal park land. While it might be possible in those situations to transfer a fixed number of court personnel to the Department for this purpose, it would be disruptive to the courts and to the system of processing fines that has long been in place and would not result in increased overall efficiency in the processing of fine payments. Further, it makes sense to utilize the same fine payment system for all magistrate court cases. In short, the processing of fine payments by United States Attorney personnel is in neither instance more efficient than fine processing by court personnel. In most situations it is dramatically less efficient.

Assigning responsibility to the clerk of the court for the receipt of payment of fines and penalties imposed as a result of sentencing by the United States magistrates is not contrary to the concepts prompting the congressional amendment of 18 U.S.C. § 3565 in the Criminal Fine Enforcement Act of 1984. This section provides in subsection (d)(2) for payment to the clerk of the court of fines and penalties for "specified categories of offenses," as jointly provided by regulation by the Attorney General and the Director of the Administrative Office of the United States Courts. As noted in the House report which accompanied the bill enacted:

There may be circumstances in which it would be better for the fine to be paid to court clerks. For example, the fine may be imposed by a United States Magistrate for a traffic offense on a Federal reservation, and the only officials present are the court personnel and the ticketing officer, who is from an agency outside of the Justice Department. Payment of the fine on the spot is more convenient for the defendant, more efficient for the Government, and likely to result in a higher rate of collection. H.R. Rep. No. 906, 98th Cong., 2d Sess. 8 (1984), citing appendix to prepared statement of Judge Gerald Bard Tjoflat.

Nonetheless, the Department and the Administrative Office of the United States Courts have not been able to reach an agreement, pursuant to 18 U.S.C. § 3565(d)(2), to maintain responsibility for fine receipt in magistrates' courts. Under the present statute, the Department of Justice would be constrained to receive payment of fines and penalties in these cases despite the difficulties cited above and the potential crises that may arise. The enclosed legislative proposal would solve these problems without creating any new uncertainties.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this proposal from the standpoint of the Administration's program.

Sincerely,

PHILLIP D. BRADY,
Acting Assistant Attorney General.

Enclosure.

H.R. 3682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (d)(2) of section 3565 of title 18 of the United States Code is amended by—

(a) adding the following as the first sentence thereof: "The defendant shall pay to the clerk of the court any amount due as a fine or penalty as a result of a sentence imposed by a United States magistrate."; and

(b) inserting the word "other" before the word "specified".

A TRIBUTE TO MRS. POLLY VAUGHAN AND MRS. BEBE BURKE

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. THOMAS of California. Mr. Speaker, I would like to take a few moments of your time to bring to your attention the endeavors of two very special women from my district, Mrs. Polly Vaughan and Mrs. Bebe Burke.

Polly and Bebe have shown unselfish dedication to improving the community of which they are a most vital part. Through their personal devotion to teenagers of Bakersfield, Polly and Bebe are providing a long-term solution to a problem that is facing many of our young people throughout the country.

Seven years ago, Polly and Bebe began their campaign to help combat teenage drug abuse. Their program, teen involvement, now reaches hundreds of high school and junior high school students, educating them about the dangers of drug abuse. Their program is unique in that it trains high school students to be positive role models for younger students. Their efforts began at West High School in Bakersfield where they trained students to give a series of presentations to a nearby junior high

school They worked with teachers and students of West High School to get the program to the successful level it has now achieved.

Before Polly and Bebe began this training, many hours were spent talking with school officials from not only Kern High School District but also San Diego and Anaheim to find out what programs were available to their students. Due to the unavailability of school funds, fundraising was a big part of their job. Their efforts reached out to the State mental health program, the county superintendent of schools, and many friends in the private sector. Teen involvement is now in full swing at five different high schools. Many junior high students who were once on the receiving end of the drug-abuse presentations have enlisted in the program to serve as role models. The program has recently been institutionalized and for the first time will run without the direct hand of Polly and Bebe.

Polly and Bebe have proven that through hard work and dedication an individual can make a difference. If other schools throughout the country followed the examples set by their program, teen involvement, perhaps the problem of drug abuse among teenagers could be greatly reduced. I feel these women deserve the highest praise from this body.

TRIBUTE TO THE FALLEN FIREFIGHTERS OF 1984

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. GOODLING. Mr. Speaker, on October 4, 1981, the people of the United States dedicated a monument at the National Emergency Training Center in Emmitsburg, MD, known as the National Fallen Firefighters Memorial. This monument pays tribute to America's firefighters—patriotic Americans who have given their lives to defend their communities against fire and other disasters.

On Sunday, October 13, 1985, the fourth annual Fallen Firefighters Memorial service was held at the monument site, honoring those who gave their lives in an effort to save others during 1984.

As a final tribute to those firefighters who died last year, and to their families, I would like to list their names as follows: Thomas Baron, Mary R. Matthews, Leonard S. Guerrera, Thomas K. Hollingsworth, Robert G. Chilcote II, Calvin C. Garrett, Anthony L. Confonte, Willis D. Fry, Earl W. Walker, James J. Carbin, Jr., Edwin G. Murphy, Francis E. Burns, John W. Hofacker, Alexander K. Polakovich, Elwin I. King, Max L. Daniel, Frank J. Nerney, James B. Daniels, Jimmy R. Kennedy, Michael T. McCarthy, Edgar O. Hardin, Larry D. Stephens, Thomas C. Ross, James W. Pressnall, John W. Walsh, John C. Huss, Paul J. Dagenbach, Marvin B. Ridgway, Harry M. Korwatch, Gerard DeJohn, Jeffrey L. Haugen, Michael G. Sims, Harold L. Hansen, Thurman P. Keener, Jr., James H. Frizzell, David L. Anderson, Patrick J. deKramer, Matthew R. Baran, Hery Y. S. Sur, Max D. Nason, William A. Satterfield, John P. Brighenti, David E. Foecking, David C. Stephens, Julian R. Bley, Sr., David Gardella, Joseph L. Konrad, Jr., John L. Carlson, James E. Frazier, Jr., Milton A. Densford, Michael W. Thorne, Joseph Somma, Patricia Beran, David A. DeWire, Richard H. Bowers, Barbara A. Booth, Michael P. Mattioda, Kevin J. Cioffi, Jeffrey A. Hardin, Kenneth E. Armour, Lothar S. Cogar, and Katherine A. Hughes.

Also to be honored for sacrificing their lives in the line of duty are: Perry E. Parker, Robert F. Pleski, Barney O. Staggs, Charles R. Staggs, Belle C. Sullivan-Weiss, Christopher I. Watkins, Dale A. Whitmarsh, Melvin S. Rosewag, Jr., John E. Lindquist, Sr., Earl L. Hilliard, James E. Bennett, William R. Smart, Jr., Ronald G. Mullins, James Jimenez, Keith A. Norman, Raymond E. Eichert, Harold Watkins, James M. Murry, George Kuharsky, Dennis C. Martin, Robert C. Ayers, Percy R. Johnson, Ralph E. Hager, Jr., Colin P. Boast, Jose A. Silva, Robert B. Gamble, Elmer Homilius, Roger F. Sullivan, Anthony Shands, Walter J. Bawroski, Sr., Henry W. Rayner, Jr., James A. Kimbel, Michael E. Ard, William G. Countiss, Philip Kenneally, Mitchel E. Spoth, Ricky S. Pearce, David A. Ball, Russell C. Dellinger, Sr., James A. Flanagan, Epifanio J. Gonzalez, James C. Simpson, Phillip C. D'Adamo, Robert M. Reyes, Richard M. Barron, Benjamin Pinel, Russell H. Dixon, Jack L. Pratt, Sr., John D. Evans, Anthony J. Lundy, Sr., John T. Williams, Roger G. Tharp, David F. Murry, Charles J. Elder, and James J. Lausch.

It is proper and a privilege for me to bring the names of everyday patriots to your attention and the attention of the Nation as a permanent record of their honorable and selfless deeds.

Also, I think it appropriate here to remember the Fireman's Prayer, which is as follows:

When I am called to duty, God
Wherever flames may rage,
Give me strength to save some life
Whatever be its age.

Help me embrace a little child
Before it is too late
Or save an older person from
The horror of that fate.

Enable me to be alert to the weakest shout
And quickly and efficiently to put the fire out.

I want to fill my calling and
To give the best in me.
To guard my every neighbor and
Protect his property.

And if according to my fate
I am to lose my life
Please bless with your protecting hand
My family and my wife.

SOUTHWESTERN BELL'S OPERATION IDENT-A-KID

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. WHEAT. Mr. Speaker, one of the most disturbing trends in crime statistics in recent years is the increase in child abduction crimes. The rise in this hideous crime is terribly frightening to parents living in major urban areas, as well as smaller towns, across our Nation.

Our increased awareness of the problem spurred a group of Southwestern Bell Telephone employees to take action. The employees developed Operation Ident-A-Kid, a volunteer program started in 1984 to fingerprint and photograph children in western Missouri, particularly in Kansas City. The program has been a tremendous success, helping to make thousands of parents feel more secure about their children's safety.

Under the guidance of the company's community relations teams, Southwestern Bell Telephone employees volunteer their time on weekends to help fingerprint and photograph children at shopping centers and malls. Each parent that participates in the program receives an identification card that includes a child's age, weight, birthmarks, scars and fingerprints as well as a current photograph. In 1984, 2,700 children in the Kansas City metropolitan area and other towns in western Missouri were fingerprinted. The program is growing and more than 18,000 children have participated in the program so far this year.

The program does more than simply fingerprint and photograph children. At each location, Southwestern Bell Telephone employees distribute information on keeping children safe at home and outside the home. The parents also receive illustrated pamphlets that explain to children how to use emergency telephone numbers. Local law enforcement officials have augmented Southwestern Bell's efforts by going to the shopping malls with the company's employees and answering questions from parents and children on protective measures.

Mr. Speaker, Southwestern Bell Telephone traditionally has been, and remains, a company with a genuine concern for the communities it serves. With the growing number of crimes against children, Operation Ident-A-Kid is one way the company demonstrates its caring attitude. I want to join with the many parents who have participated in the program to express my gratitude to Southwestern Bell and its altruistic employees who participated in this program.

A UNIQUE NOBEL LAUREATE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. FUQUA. Mr. Speaker, I want to offer my congratulations to Dr. Jerome Karle of the Naval Research Laboratory [NRL] here in Washington, DC, on being one of the two recipients to share this year's Nobel Prize in Chemistry.

The Nobel award has not only bestowed honor on him, and on Dr. Herbert Hauptman with whom he shared the award, for pioneering research on molecular structure but has also brought acknowledgment and honor once again to American science.

I would like to point out that in Dr. Karle's case the circumstance is somewhat unique. Jerome Karle has spent almost his entire career in Government service and primarily in the Military Research Establishment. Close examination of the statistics tells us that this is a rather rare situation for Nobel recognition. In the period 1901–84, Nobel awards to Americans in the fields of physics, chemistry, and medicine numbered a total of 132. Of that total, 4½ percent or six awards, went to scientists from the Government sector. All six of those Government winners were in the field of biomedical research. Dr. Karle has become the first American scientist with a continuous career in the Military Research Establishment to become a Nobel laureate. I think it is important to note that it can be done.

I would hasten to add also that Dr. Hauptman spent 30 years in Government service, 23 of those at NRL where he and Dr. Karle collaborated. He is presently a professor at Buffalo University and vice president and director of research at the Medical Foundation of Buffalo Research Laboratory.

While we are elated for both of these distinguished scientists, we in the public policy arena should also be reflective of why this Government figure is so low, especially by comparison with the academic sector, and why the Government/military number has been essentially nonexistent until a few weeks ago.

Recent hearings that the Science and Technology Committee has held, as part of our 2-year science policy study, can perhaps shed some light on this. The current hearings have focused on science in the mission agencies and federal laboratories. Two witnesses in particular who testified at the 6 days of hearings offered thoughtful observations for this subject.

Dr. Rodney Nichols of the Rockefeller University pointed out that between 1901–82 in a toal of 126 American awards in physics, chemistry, and medicine:

A total of 14 Nobel Prizes, or about 11 percent, went to industrial and governmental scientists. That is roughly proportional to the total funding, over this history, for basic research in those sectors. This suggests that where serious basic research persists over long periods in industrial and governmental units, it can produce world-class science of the quality that the Nobel Prizes are designed to recognize.

Dr. Karle and Dr. Hauptman are fine examples of this.

What is particularly important for us to elicit from this is the understanding that we not only get what we pay for but that we have considerable influence over the quality and quantity in a long-term scenario for science within a given sector. Although we cannot necessarily target Nobel Prizes, we can safeguard continued good science with stable funding coupled with high quality review processes.

We must learn to be perceptive of how we make things happen in science instead of how they just happen to work out. This is particularly significant as it relates to the environment in which creativity and innovation tend to flurish.

Dr. Nichols pointed out that the Mansfield amendment to the Defense Department's funding in 1969 said, "* * * in effect, that DOD could not support research unless it related directly to its mission." This imposed a considerable change in the existing research environment. In discussing the effect of this change, David Packard, chairman of the board of Hewlett-Packard Co., described in our recent hearings that:

The idea of independent research and development [IRD] for defense programs was based on an understanding of the importance of giving scientists and engineers some time free from their assigned work to explore their own innovative ideas. This program was effectively destroyed by the Mansfield Amendment in 1970 when the Congress required IRD to be limited to ideas related to military work. This required that the justification for IRD be documented to demonstrate that the independent work had a military potential.

We have heard numerous indications throughout the gamut of our science policy hearings that the Mansfield requirement, although somewhat softened by subsequent wording giving the Secretary of Defense discretion over research decisions, still has an influence on the scope and direction of basic research in the military research environment.

The Science Committee has undertaken its science policy study with just such issues in mind. We hope to identify both the strengths and weaknesses in America's current science-producing network.

Forty years ago Vannevar Bush, Director of Franklin Roosevelt's war-time Office of Scientific Research and Development conducted a comprehensive examination of the role of science in America as highly industrial nation. Bush's report, entitled "Science: The Endless Frontier," was the basis for a redirection of America's thinking regarding the Government's role in relation to science. The Bush report has since that time served as the basic rational for the Government's funding of a diverse and evergrowing research effort.

We at the Science Committee are optimistic that our study will lead us to new insights and understandings about our science needs as a nation. In this process, we will be taking into account the changes over the last four decades in order to address the next four decades.

We know with certainty that science and technology play a central role in our national life. We also know that this role will continue to grow. In addition, with the huge Federal budget deficits, we must take a careful look at how all our budget categories are serving the Nation's needs, including the significant expenditures devoted to scientific and engineering research.

We must question whether or not the mechanisms and funding levels which have gradually evolved constitute the optimum approach to our Government investment in science and engineering.

Of our science policy study in general, I would say that in our search and scrutiny of America's science policy, the task force of science committee members conducting the study must be ever mindful of the impulse to recommend change just for the sake of change. Our Science Establishment is a national treasure and the envy of most of the world. Jerome Karle and Herbert Hauptman are evidence of that. Our intent is not to tamper with or change those things that work well. We do want to understand and improve what is not functioning to our optimum advantage.

Our task is both exciting and formidable. I know that my colleagues in the Congress share our concern about the continued health and growth of our Nation's science. I hope that the study's final report, which will be completed in October of 1986, will provide us with information and insights that will be useful for the Congress, the executive branch, and the entire scientific community as all of us work to maintain a sound science structure in the nation for the decades to come.

RETIREMENT INCOME SECURITY ACT OF 1985

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. McCANDLESS. Mr. Speaker, Members of Congress have become increasingly concerned about the lack of an articulated national retirement policy. This concern is growing as more emphasis is placed on deficit reduction. Good tax policy is not necessarily good retirement income policy. We must reevaluate where we are and where we are going in terms of our ultimate goal—a good retirement income for all Americans to live in dignity and economic security.

Because of my deep interest in this subject and my belief that this country must fashion a sound retirement policy, I am cosponsoring the Retirement Income Policy Act of 1985. We have a policy of sorts now, but its one that simply evolved over the years. This patchwork approach came about in recent years as a result of tax legislation with little coordinated attempt to

take into consideration the effects on retirement income.

New policy should be set, not by taking narrow, shortsighted approaches to retirement issues, but by fully recognizing the impact that retirement decisions have on the economy as a whole and the implications that today's retirement decisions will have for the decades ahead. Retirement policies should not create financial burdens which will become unacceptable and unsupportable by future workers, but instead should encourage savings, investment and productivity in a fiscally sound manner.

The Education and Labor Committee and its Subcommittee on Labor-Management, on which I serve, completed hearings earlier this year focusing on what business, organized labor and pension groups think should be included in a national retirement income policy. Meetings were held with similar groups in creating the Retirement Income Policy Act of 1985.

This legislation provides a framework to discuss future objectives. A sound retirement plan rests upon Social Security, an employer-sponsored plan and personal savings—the so-called three-legged stool. This bill recognizes the importance of such an approach and encourages the growth of the current voluntary system of employer-sponsored retirement plans. It increases the number of people covered under private pension plans and opens the door to address portability. When the baby-boom generation begins to retire shortly after the start of the next century, retirement income sources, especially Social Security, will be strained to the breaking point. We must take steps to provide incentives for increased retirement savings. This legislation further begins the discussion of ways for all businesses, including smaller companies, to have private pension plans.

Recently legislated changes in tax policy relating to pension plans have not only caused confusion, but have not increased tax revenue significantly; for example, reductions in dollar contributions and benefits in the Tax Equity and Fiscal Responsibility Act of 1982. On the other hand, expansion of IRA's in the Economic Recovery Act of 1981 have added to revenue losses. These examples indicate the need to step back and form a policy.

It is time for Congress to adopt a comprehensive and consistent national retirement income policy. There appears to be a national consensus for programs that provide economic security and protection against economic risks. There is also a national consensus for tax incentives to encourage employer provision of the programs and individual savings. The challenge is to clearly articulate how various programs fit into the economic security system. The challenge is ours. The Retirement Income Security Act of 1985 can provide the vital first step.

LABOR MAN OF THE YEAR

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. EDGAR. Mr. Speaker, I rise today to honor John J. Convery who on Friday night will be honored by the Delaware County AFL-CIO as Labor Man of the Year. John hails from Holmes, PA, in the heart of my congressional district and has lived in Delaware County for 56 years.

Both as a member of Plumber Local No. 690 and in the community at large, John's involvement is considerable and impressive. Among his many activities, he is the past chairman of the Delaware County Building Trades Council, past member of the Southeast Pennsylvania Plumbing Inspector's Association, and past plumbing inspector of the Township of Ridley where he lived for 31 years. His dedication of community service continues through his long-time involvement with the American Legion, the Our Lady of Fatima Catholic Church, and other civic activities.

Mr. Speaker, I think that it is clear both to you and my colleagues in the House of Representatives that John J. Convery stands out as a community leader and is truly deserving to be named the Delaware County AFL-CIO's Labor Man of the Year.

REGARDING THE UKRAINIAN SEAMAN MIROSLAV MEDBID

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. LIPINSKI. Mr. Speaker, the Statue of Liberty's head must be bowed and she must be crying today because of the situation involving the Ukrainian seaman, Miroslav Medbid, who twice swam to freedom in this land of liberty but unfortunately through our misunderstanding, ignorance, or stupidity still finds himself in the paws of the Russian bear. This seems to me to be a clear-cut case of us, that's the United States, not wanting to rock the boat with the Soviets so close to the summit. For a nation founded on the rights and the freedoms of the individual, and a nation that has served for over 200 years as a safe harbor for individuals fleeing all types of oppression, I find this appalling. We must stop this ship from leaving American waters until this situation is cleared up, so that the Statue of Liberty can once again hold her head high and stop crying. If this Nation ever loses sight of the rights and freedoms of an individual, and turns its back on a liberty seeking person because of political considerations, we lose the right to think of ourselves as the land of liberty and the fortress of freedom that we perceive ourselves to be. Stop the ship before our shame becomes indelible.

OPPOSED TO EXTENDING NATIONAL DEBT LIMIT

HON. MICHAEL L. (MIKE) STRANG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. STRANG. Mr. Speaker, on Friday November 1, 1985, I rose in opposition to H.R. 3669, the 5-day extension of our debt limit. My reasoning was simple. This bill increased our national debt by $17 billion—plain and simple—and nothing was offered with it that addressed the core issue: the Federal deficit.

By accepting this bill, we sang the same song we've been singing for years—the same old sad song: "Hey buddy, can you spare a dime?" But it's not a dime it's $17 billion—and who's paying? The American public, through debt service that takes 15 cents out of every revenue dollar, around $145 billion this year alone—the American taxpayer is forking over these hard-earned dollars at the behest of a panhandling Congress.

These are funds which could be used for many important programs, including those for the elderly. Essentially, this bill by increasing the national debt, without, at the same time, coming to grips with the deficit issue, robs the taxpayer—especially those who can least afford it—our seniors on fixed incomes.

There is no more pernicious threat to our elderly than the continuation of business as usual on the floor of this House. By dodging Gramm-Rudman-Hollings-Mack and its deficit-reduction opportunities, once again we sent this message to those whom we serve. The particular refrain to the sad song we persist in singing is like a background dirge: "Tax and spend, tax and spend." By passing this bill, we highlight another line: "Tax, spend and borrow: tax, spend and borrow."

I for one, chose not to join the chorus.

POSTHUMOUS CITIZENSHIP FOR RUDOLPH SALLI

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SHUMWAY. Mr. Speaker, today I am introducing a bill which would confer U.S. citizenship posthumously on Mr. Rudolph Salli, a native of Finland who served the United States courageously and selflessly during World War II. In the employ of the Office of Strategic Services [OSS], Mr. Salli worked in Scandanavia on behalf of the United States throughout the war and for a short time afterward. In 1946, however, Mr. Salli and several others were convicted in Finland for espionage service in behalf of a foreign power. During the Finnish court proceedings, that foreign power was identified as the United States of America.

Rudolph Salli served his term and, upon his release, began to seek to immigrate to the United States. In 1957, the Governor of California expunged Mr. Salli's criminal record in order to allow him to immigrate legally to America. Tragically, while awaiting his quota number for immigration to be called, Rudolph Salli died in Finland, never having obtain the American citizenship that he longed for and that he earned through devoted wartime service.

Therefore, I am offering legislation to bestow that citizenship posthumously, in recognition of the sacrifices that Rudolph Salli made on behalf of the United States, sacrifices that were not rewarded during his lifetime. I believe we owe him this debt and honor as an individual who did not live to become a citizen of the nation to which he contributed so much.

SECURITY FOR SOCIAL SECURITY

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. DAUB. Mr. Speaker, yesterday a Social Security recipient's daughter called my district office to inquire about the status of her father's current and future benefit payments. She said her father was far too nervous about the current Social Security situation to inquire for himself. It is a travesty that Members on the other side of the aisle overwhelmingly voted last Friday to go home and leave Social Security recipients wondering if they can buy their groceries.

Mr. Speaker, with the leadership of the gentleman from Texas [Mr. ARCHER], I am introducing legislation to ensure that Social Security cannot be used as a political football ever again. H.R. 3688 assures that the Social Security Trust Funds are reimbursed for any interest lost as a result of actions taken by the Treasury Department to pay monthly benefits in the face of the statutory debt ceiling crisis.

Additionally, H.R. 3688 prevents the managing trustee of the Social Security Trust Fund from disinvesting Social Security Trust Funds in the future. Thus, Congress will be forced to act on the debt limit in a timely fashion so that Social Security benefits will be paid as prescribed by law.

I urge support of this legislation to make sure that Social Security Trust Funds lose nothing, not 1 cent, because of actions taken by the Treasury over the last 2 months. It will also prevent gamesmanship at the expense of older Americans by Members who voted to go home last Friday.

TRUCK AND BUS SAFETY WEEK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. ANDERSON. Mr. Speaker, I am pleased to propose legislation today to designate January 26 through February 1 as "Truck and Bus Safety Week." I urge all my colleagues to join with me in sponsoring this legislation.

It is time for the House of Representatives to recognize the ongoing efforts by Federal, State and local officials, and by the industry itself, to improve the safety record of trucks and buses. Further, designation of "Truck and Bus Safety Week" will serve to focus the efforts of the private and public sectors on the issue of safety. I understand that a number of events have already been scheduled during the month of January, including: a symposium on increasing the effectiveness of State commercial motor vehicle driver licensing, jointly sponsored by the American Association of Motor Vehicle Administrators and the Highway Users Federation; selection of the Driver of the Year by the American Trucking Association; truck safety seminars and technical workshops on vehicle configuration and human factors sponsored by the Transportation Research Board; and the first working session of the Commercial Motor Vehicle Safety Regulatory Review Panel which was established by the House in the Motor Carrier Act of 1984.

January is a particularly good month to designate such a week because special care is necessary to operate safely on roads covered with snow and ice during fewer hours of daylight. Moreover, this special week in January will help establish an increased safety consciousness for the entire year.

Transportation systems bind our Nation together. Safe and efficient highway transportation systems are essential for interstate commerce. So many of the goods we depend on every day are delivered by highway transportation that it is difficult to conceive of life without safe highway transportation systems. Bus transportation serves some communities that are not served by any other form of public transportation. Moreover, the truck and bus industries are major employers of individuals in virtually every city across our Nation. The truck and bus industries are also notable because of the diversity of the entities that function together to provide these vital transportation services. Operating entities range from giant, diversified corporations to so-called mom and pop businesses where the operator is the financier, marketer, accountant, and vehicle operator and owner.

Truck and bus safety is important to everyone in the country. It is important to the smooth flow of interstate commerce. It is important to the safety of the motoring public who share the roads with trucks and buses. And, it is important to the operators and owners themselves because safety is good business. Safe operation improves the image of the industry and the industry's profitability.

As part of the Surface Transportation Assistance Act of 1982 Congress gave the Department of Transportation a new tool to increase compliance with Federal motor carriers laws—the Motor Carrier Safety Assistance Program. In addition, through the Motor Carrier Safety Act of 1984 we gave the Department new civil penalties to enable the Department to better enforce Federal commercial vehicle regulations. Through these programs the States and the Federal Government are making great strides to ensure vehicles and drivers operating on our Nation's highways are safe. But no one can take a rest from working to improve the safety of our Nation's trucks and buses. Ultimately the most important means of improving safety is action by the industry itself.

TRUCK AND BUS SAFETY

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SHUSTER. Mr. Speaker, I am pleased to join Mr. ANDERSON in sponsoring legislation to designate January 26 through February 1 as "Truck and Bus Safety Week." As cochairman of the truck caucus I urge all my colleagues in that caucus to join in cosponsoring this legislation.

Trucks transport almost everything we consume at some point in the link between manufacturing and consumption. Our Nation's truck fleet is composed of nearly 5 million trucks which travel over 138 billion miles each year, bringing raw materials, finished goods, food, and other products to market. Trucking employs more than 7.4 million Americans and accounts for revenue in excess of $200 billion each year.

The bus industry is similarly important to the economic and social fabric of America. Nearly 50,000 people are employed by the bus industry. Bus service is provided to over 10,000 cities and communities—many of which are served by no form of public transportation.

Truck and bus safety is important to everyone in our country. Consumers benefit because of the smooth and uninterrupted service possible only when safe vehicles and drivers are present on our highways. Business benefits because safe vehicles enhance the industry's image and industry profitability. And everyone benefits from the reduced number of accidents, injuries, and fatalities.

Mr. Speaker, because the safe maintenance and operation of vehicles is vital to the health and safety of motorists, pedestrains and other users of highways, roads, and streets and because great benefit will result from the focusing of public attention on the problems, I firmly support the designation of the final week in January as "Truck and Bus Safety Week."

H.R. 1616, THE LABOR-MANAGEMENT NOTIFICATION AND CONSULTATION ACT OF 1985

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. FORD of Michigan. Mr. Speaker, I feel compelled to correct some of the major misconceptions about H.R. 1616, the Labor-Management Notification and Consultation Act, which arose during a special order on Friday, November 1.

H.R. 1616 is designed to address specific, limited objectives. By requiring employers to provide, whenever possible, 90 days' advance notice of permanent mass layoffs and plant closings affecting 50 or more employees, H.R. 1616 would prevent sudden closures and cutbacks that take employees by surprise, handicap the State employment services and agencies created to assist dislocated workers, and frustrate attempts by local governments and employees to find alternatives that will save jobs.

After 11 years of House and Senate hearings which have established beyond any reasonable doubt the benefits of advance notice, the authors and cosponsors of H.R. 1616 reject the notion that this issue needs more study.

I refer my colleagues to the report on H.R. 1616 for a brief overview of the evidence supporting the notice requirement, but one study in particular deserves mention. A detailed review of 10 years of plant closings has shown that employer compliance with H.R. 1616's notice requirement will significantly reduce the unemployment that results from plant closures and mass layoffs and will save taxpayers hundreds of millions of dollars in unemployment compensation and other costs.

Yet the bill's flexible, relatively brief notice period will not burden any responsible business. Certainly, H.R. 1616 is not intended to, as was suggested last Friday, and will not, prohibit or eliminate plant closings.

Contrary to assertions made on Friday, H.R. 1616, as reported, does not give the Federal Mediation and Conciliation Service any enforcement role. Nothing in the bill would require an employer to seek permission from the FMCS, the Secretary of Labor, or any other Government agency before closing a plant or laying off workers, even if unavoidable business circumstances forced the employer to lay off employees without giving the otherwise required notice.

The consultation provisions of the bill are designed to assure an opportunity for the employer and the employees, through their union, to explore alternatives to a proposed closing or mass layoff. The sponsors of H.R. 1616 believe that American workers deserve the right to participate in and influence decisions that will have a tremendous impact on their lives. Given an opportunity, employees can sometimes find productivity improvements and cost savings that elude even the best-equipped managers. Unprofitable operations have been turned around and thousands of jobs have been saved when employees were given enough time and information to develop alternatives to management decisions that would have eliminated their jobs.

H.R. 1616 would not alter management's ultimate right to change its operations; the employer would have no duty to reach agreement or to meet with employees beyond the 90 day notice period. But the employees would be assured of a forum for bringing their ideas before the employer for its good faith consideration. Even in cases where no mutually acceptable alternative could be found, the employees would have the dignity of a detailed explanation for the elimination of their jobs and the knowledge that their proposals were taken seriously.

In his speech to the AFL-CIO on October 30, Secretary of Labor Brock praised "union-management programs that give workers greater participation in the decision-making process." Obviously, no workplace decision is more important for employees than whether or not their jobs will be eliminated. H.R. 1616 would make employee involvement in such decisions a normal part of union-management relations.

Statements made during Friday's special order on H.R. 1616 suggested that an employer who refused to comply with the bill's minimal requirements would be subject to criminal penalties. Nothing could be farther from the truth. Such penalties have never been part of the bill, and no amendment to create such penalties has been offered or proposed.

I urge Members to read the report of the Committee on Education and Labor on H.R. 1616, House Report 99-336, and the bill itself. Mr. Speaker, I am confident my colleagues will agree that H.R. 1616 is a reasonable, well-balanced bill that will help to mitigate some of the serious problems faced by dislocated workers and communities affected by mass layoffs and plant closings.

NURSING HOME ABUSES BROUGHT TO THE ATTENTION OF CONGRESS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. FLORIO. Mr. Speaker, I rise today to commend my colleague from New Jersey, Congressman BOB TORRICELLI for his vigorous efforts to protect the quality of life of our elderly citizens. The following article from the Record newspaper in New Jersey was prompted by Congressman TORRICELLI's concern about questions rising from the investigation of nursing home care in his Bergen County, NJ, area.

Without Congressman TORRICELLI's perseverence and concern it is unlikely that the issue would have received the wide attention which it did. I commend the article to all of my colleagues.

The article follows:

[From the Record (NJ), Oct. 14, 1985]

NURSING-HOME SLEUTHS—INVESTIGATORS ARE NEEDED TO WATCH OUT FOR BAD GUYS

(By Bruce Locklin and Gale Scott)

For two years the Institute of Medicine has been commissioning research papers for the federal government on how to improve the nation's nursing homes. In the piles of words and statistics, a conclusion jumps out: Bad nursing-home operators will continue to neglect patients until they become convinced that government has a system in place that will uncover neglect—and until punishments are stiff enough that no one wants to face them.

The bad guys have to know that they'll get caught and punished severely. But in New Jersey and most of the nation no one is actively chasing them.

The traditional approach to nursing-home enforcement relies on inspectors, people trained in measuring a home against established standards. There are several types of inspectors: nurses, nutritionists, sanitarians. They're visitors with checklists. They usually can determine if a home is complying with regulations, but they don't have any training in collecting evidence of wrongdoing. They've never been instructed on how to find or interview witnesses.

Inspectors simply don't have the tools to cope with a corrupt nuring-home operator who fakes records and intimidates staff and patients.

New Jersey's Health Commissioner, Jr. Richard Goldstein knows that his troops are not up to the task of building cases against bad homes.

"We are not in the testimony-taking business," Goldstein said in an inverview. "We are in the direct-inspecting business."

What New Jersey and most other states need is an effective investigating agency that will catch enough bad guys to scare the hell out of the rest.

Referring nursing-home cases to existing prosecuting agencies doesn't work. Jack Fay, New Jersey's former nursing-home ombudsman, tried unsuccessfully for years to get county prosecutors excited about neglect-and-abuse cases. The prosecutors were polite but not really interested, and Fay became convinced that they saw their duty as chasing "real criminals"—murderers, thieves, and the rest.

The enforcement vacuum in nursing homes across the country is astonishing, particularly because it's easy to prove that a bad nursing home is a bad nursing home.

The practical experience of investigating the two Bel Air Manor nursing homes in New Jersey for The Record has given us some insight into what it takes to expose nursing-home wrongdoing.

We're not nursing-home experts or policy planners. But as reporters who spent seven months building evidence of nursing-home neglect, we think we may have found a methodology that any state could use to clear up its nursing homes and make sure they stay cleaned up.

The approach we're suggesting is similar to what the Justice Department did several years ago, when it decided to pursue mob figures with the strike-force concept, setting up an agency designed to go out and find evidence.

Each state could create a nursing-home strike force, a small, mobile team that includes nurse-investigators.

This investigative unit could be part of any one of several existing agencies: the health department, Medicaid-fraud unit, attorney-general's staff, or ombudsman's office. It should be headed by a lawyer with prosecutorial experience. The staff size could be modest: A minimum would be two investigators and two nurses.

Here's an outline of how such an agency could operate, a three-step process for investigating nursing homes:

Trigger—There should be a low threshold for deciding to check out a nursing home to see if it merits investigation. An initial check could be triggered when a home if found to have significant deficiencies on annual inspection. An investigation also could be triggered by serious or repeat complaints to the health department or the investigating agency.

Decision—The first step should be to have a team member, a nurse, get a job at the home as an aide or orderly. That's usually easy, because nursing homes tend to have a rapid turnover in aides and orderlies—particularly bad nursing homes.

If the nurse finds no serious, systemic problems, the investigation ends there. If she does find problems, the investigation goes to the next stage.

The undercover nurse isn't gathering evidence. Three days' observation won't mean much in court. The nurse's assignment is simply to flash a green or red light.

It won't take more than a few days for the nurse to know what's up: Band nursing homes have bad policies and procedures that are easily detected from the inside. If one aide routinely has to feed 15 patients, management has built-in neglect.

Investigate—The next step, one not currently used by health departments, is to look for witnesses outside the nursing home. As we found at the Bel Air Manors, some of the best nurses and aides get fed up and move on to better nursing homes.

A pervasively bad nursing home spins off many potential witnesses. Investigators find them by tapping into the employee grapevine.

Medicaid field people can help, because they get into nursing homes more frequently than any other officials, often seeing old employees from one home show up at another. Good health-care workers quit bad homes and land at good ones nearby.

If the suspected nursing home is indeed pervasively bad, investigators should be able to find many witnesses with firsthand knowledge who can testify about seeing systemic neglect over an extended period of time. That's the type of solid evidence that can get licenses revoked or criminal indictments.

As elemental as this technique is, it's not used by state health departments. Their "investigations" are limited to recording what inspectors see on the days they visit.

This strike-force approach can be effective, because many potention witnesses are eager to cooperate. Good health-care professionals are well-motivated people. They want to see bad nursing homes cleaned up.

But government is so inept at dealing with bad nursing homes that good people don't talk. They've learned that it doesn't pay to make waves.

Shortly after The Record's series on the Bel Air Manors appeared, industry sources were saying that many nursing-home owners were concerned that their facilities might be the next target of investigators.

Said one North Jersey administrator:

"We were very worried after Bel Air. Everyone thought they would be next. Everyone was telling us, 'Watch out, we heard they are sending an undercover investigator to your place.' So what could we do? We just clean up and fix up and make sure we have enough people working and hope for the best."

Fear can be a healthy motivator.

James Cunningham, lobbyist for the state's private nursing homes, agrees that such a plan could work. He said the good nursing homes, which make up the vast majority in New Jersey, have nothing to fear. "We'd all like to get rid of the bad apples," said Cunningham.

A few successful prosecutions could bring significant change. Employees would soon learn that contacting the strike force would bring swift results.

Such an agressive enforcement system would create a new environment within a state's nursing-home industry, an environment where a bad operator would find it hard to survive.

One amateur nursing-home investigator named JoAnn Wells understands the value of deterence. She's had some experience as a leader in a housewives' crusade that got national TV exposure for a Pennsylvania nursing home on "60 Minutes."

Says Mrs. Wells:

"You wouldn't have to shut down to many, and absolutely drag these bastards, if you'll excuse my English, through the muck and the mire that they have dragged these old people, before the rest of them would get with the program."

THE CONGRESS, INTELLIGENCE AND NATIONAL SECURITY: TIME FOR REEXAMINATION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. MICHEL. Mr. Speaker, we are being bombarded these days with news about various aspects of intelligence, espionage, and national security. I was shocked last Sunday to discover that a supposedly covert operation of the Central Intelligence Agency was front page news in the Washington Post.

Without discussing the specific facts of this case, I believe the time has come for the Congress—here and in the other body—to address itself to certain important questions involving our own participation in intelligence operations. I have long supported the idea that the Congress has to be in on the takeoffs as well as the landings—and sometimes crashes—of various intelligence operations. We have a legitimate desire to see to it that our intelligence community acts with our interests and our values in mind. But this desire must be measured against the possibility that too many in Congress—including staff—are learning about covert operations beforehand and therefore making it easier for leaks of secret data to occur. I'm not saying that is always the case. But how many disastrous leaks can this Nation afford?

The Chicago Tribune, in an editorial, has asked that Congress reconsider the procedures for handling cover actions. I couldn't agree more. I believe the time has come for Congress, which has asked for and received close oversight on intelligence operations, should closely examine its own procedures in this area.

Congress owes it to its own sense of duty, to the intelligence community and to the American people to investigate its own handling of intelligence matters with the some zeal it used to investigate the intelligence community in the past.

At this point I wish to insert in the RECORD, "Covert Actions in Full View," an editorial in the Chicago Tribune, Tuesday, November 5, 1985.

[From the Chicago Tribune, November 5, 1985]

COVERT ACTIONS IN FULL VIEW

Apparently the United States has reached the point when it can't run a covert CIA operation against the likes of the Libyan leader Col. Moammar Khadafy without someone running to a reporter to blow the whistle.

Last weekend the Washington Post published a story about the operation, which had been disclosed to leaders of the Senate Intelligence Committee, who had some questions about the plan.

It might have been worse, of course. The news might have been that the CIA wasn't doing anything to make trouble for Col. Khadafy, who is one of the most dangerous pirates on the international scene. That would have been one heck of a secret.

As it is, the episode lights up a real problem with the way these matters are handled in Washington. The procedure for planning and authorizing CIA covert actions repeatedly has broken down. In the most absurd instance, there were open debates in Congress about whether to authorize covert aid to the anti-Sandinista guerrillas in Nicaragua. Pretty soon only nostalgia buffs will recall the days when covert still meant secret.

In this latest case, there cannot have been any fundamental controversy over whether it is appropriate for the United States to do what it can to help Col. Khadafy's opponents. If ever covert action were justified, it is justified against Col. Khadafy. But apparently the leaders of the Senate Intelligence Committee were unsure whether the plan entailed anything that could be thought to violate the law against U.S. participation in assassination plots. They wrote letters asking for clarification. Already the thing sounds less like a clandestine operation and more like a negotiation between lawyers over a land deed.

Finally, the information leaked. And the administration is vowing to take some kind of action.

It ought to. Along with Congress, it ought to reconsider the procedures for handling covert actions. It ought to ask whether the loop of people with access to the information is too large. It ought to consider whether legislators should be holding a lively correspondence with the White House over something that is supposed to be utterly secret. If it is important for the United States to be able to take secret steps to help friends and hobble foes—and this newspaper, along with the vast majority of Americans, thinks that it is—let's find a way to do it without making fools of ourselves.

REMARKS OF THE PRESIDENT TO THE GRACE COMMISSION

HON. BEAU BOULTER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. BOULTER. Mr. Speaker, on Monday, October 28, the President held a Rose Garden ceremony to commend the efforts of the Grace caucus, the Associations United to Cut Federal Spending, and Citizens Against Government Waste.

As the proud founder of the House Grace caucus, I took particular pride in this event, and in the words spoken to us by the President. His strong support of the caucus efforts to cut waste, fraud, and inefficiency from our Federal Government are evident. His commitment to this cause is real.

I would like to share the President's comments with my colleagues who were not at the White House, and have enclosed them for insertion in the RECORD:

REMARKS OF THE PRESIDENT TO THE GRACE COMMISSION

Please be seated. I'm delighted that all of you are here today. First, the distinguished leaders of the Grace Congressional Caucus—Chairman Beau Boulter and Co-chairman Buddy Roemer and Gordon Humphrey. Also, representatives from Associations United To Cut Federal Spending—38 trade organizations led by Wayne Smith, who advised the caucus. And lastly, former members of the Grace Commission, and of another of my favorite organizations, Citizens Against Government Waste, cochaired by Peter Grace and Jack Anderson. (Applause.)

You know, Peter, every time you're here I start thinking about how the Grace contingent keeps growing in numbers in power and in influence. Believe me, nothing delights me more because we need a people's lobby here in Washington.

All of you are here today because of your deep concern about a problem in government that's easy to talk about in terms of saving billions of dollars a year. The war against waste and efficiency is worth waging on just these grounds alone. But I know your involvement goes even beyond this. The people who came before us in this nation put a heavy emphasis on what is today almost a forgotten virtue.

I remember back in Dixon, Illinois when I was growing up, it was called thriftiness. Thriftiness was a quality appreciated as a kind of signal about the maturity and judgment of a person or institution, an indication that deeper values were there. Some of you in business have noticed that when a company gets in trouble, there are more serious problems than simple inefficiency: all sorts of projects and activities that are wasteful or marginal and a neglect of those products or services that made the firm successful in the first place.

Well, government is no different. And as the people here know better than most, the federal government was headed a few years ago in much the same direction. It was neglecting essential tasks like protecting our nation's security abroad and upholding the law at home while it built gigantic bureaucracies to handle all sorts of problems—problems it was neither competent nor intended to handle.

I used to use an example in some of my mashed potato circuit days about the town that decided that they would have better traffic safety if they raised the height of their traffic signs and various warning signs from five feet above the ground to seven feet above the ground. And then, the federal government stepped in and said they had a department to come in and help them, and their plan was to lower the streets two feet. (Laughter.)

Well, then these special interests became involved. Pretty soon the way to a prospering political career was to vote for higher appropriations and for grand new spending schemes that appeal to this or that voting bloc. And if this pattern of putting politics over country sounds familiar, that's because it is. Historians have frequently seen in this "bread and circuses" climate the signs of government in decline and a nation in decay.

Faith in our democratic system—and without that faith democracy simply can't work—was being undermined. As James Madison said, "It's the gradual and silent encroachments of governments, not sudden revolutions, that prove to the threat to freedom." So it was the average citizen who harbored enormous feelings of resentment toward goverment and an enormous sense of frustration. They believed the only voices that were heard in this city were those of the organized lobbies or special interests, not the taxpayers.

Those of you associated with the Grace Commission have forthrightly and without apologies helped change all of this. You have shown that citizens from every walk could come to the capitol and not only make their voices heard, but persuade and, yes, push and prod government to change its ways.

The Grace Commission stood back and took a look at government, concluded that the federal government had lost its moorings, came up with concrete proposals on how to recover those moorings. But, as I know Peter believes, the most important part of the job is upon us—making sure that the Grace Commission is not remembered as just another government commission, and that its recommendations don't become just another pile of reports gathering dust in the Library of Congress—in short, implementing as many recommendations as possible.

And on this point, I have just come from a meeting with the Domestic Policy Council. I have received a final report that shows we are going forward with over 80 percent—as a matter of fact, 83 percent of the commission's recommendations. Many have already been implemented, others included in the '86 budget, and a number will be proposed in the '87 budget. Even with the recommendations deferred at this time, we have every intention of trying to implement as many of them as possible in the future.

I've asked Jim Miller to have OMB continue to monitor our progress and report to me periodically through the Domestic Policy Council.

I also thanked Peter Grace at the close of the meeting, and let me do so now again publicly. Peter, I can think of few Americans who have done more to make the people's voice heard in Washington. You shook this city up. You put the issue of waste and inefficiency front and center on the public agenda. And I am grateful to you and so is America. (Applause.)

But now, we must work together to get your recommendations through the Congress, and that's what this People's Lobby of yours is all about. It's why the Congressional Caucus leaders who are here today are so important. Imagine the courage of these members of Congress who would dare to associate themselves with such a clearcut effort to thwart the special interests. And I want to thank each one of them who are here today.

In carrying on this battle, you're going to need the help of the largest pressure group of all, the taxpayers. And that's why the multimillion dollar, non-partisan campaign by the advertising council is so important in helping to inform and educate the taxpayers.

And, finally, that's why the work of the trade associations and Citizens Against Government Waste are also vital—vital in the battle against budget deficits and vital to the strength and resiliency of the democratic system and public confidence in our government.

So I want to congratulate you on all that you've done. You know, I've mentioned this to you before, but I can well remember a time when waste and inefficiency were thought of as issues without any political appeal—issues that stirred little interest in the media or among the seers and sayers of Washington. Well, all of that is changed.

Government management—mismanagement, I should say, is a hot story, and the Grace Commission has played a key role in bringing the change about. In fact, I want you to know the vigor with which you've pursued this fight has inspired me on other closely related matters, and once again, the issue is your issue—making government responsive to the people.

First, I must warn the Congress that their unwillingness to deal with the debt ceiling and to take responsible action on the deficit is creating a large and unnecessary problem. We're running up against the possibility that we may have to disinvest the Social Security Trust Fund, shortchanging that trust fund of accumulated interest, all because of the inexcusable dithering and delay in meeting the responsibilities about raising the debt ceiling.

So please help us convince them—present company excepted, they're convinced—that the time for political gamesmanship was over long ago.

All of us know the importance of an effective resolution this year to our deficit problem. And I happen to think the Gramm-Rudman-Hollings proposal is an excellent one. This proposal is linked closely to what you're doing, because if we can adopt the plan, we can maintain our commitment to a strong defense while providing a framework for the Grace reforms and a device for flushing out waste and inefficiency. Congress must not fail the people on this.

And, second, I think some of you know that we have a tax reform plan on the agenda this fall. It's a plan I'm certain has the support of the American people. Right now, Congress is in deliberation on this matter and that deliberative process is something I deeply respect. I will await its outcome attentively. But let it be said today, I believe that the essential items of tax reform as I've outlined them, have the support of the American people. And I want action on this plan; I want action this year, and so do the people.

Believe me, if necessary, I'm prepared to spend a lot more time with Congress at Christmas this year than either of us originally anticipated. (Laughter.) (Applause.)

Well, let me conclude by, again, thanking Peter Grace and all those thousands of pa-

triotic Americans who gave unstintingly of their time, their efforts and their talents to help the government. And let me assure you that we, for our part, will not rest in the fight to have their recommenations implemented.

So again, thank all of you and God bless you. (Applause.)

SUPPORT IN UNITED KINGDOM PARLIAMENT FOR UNESCO MEMBERSHIP

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. LEACH of Iowa. Mr. Speaker, acts and deliberations of like-minded governments are of an educative value to our own. In this context, I would like to bring to the attention of the House a recently published report of the Foreign Affairs Committee of the British House of Commons regarding UNESCO. The report concludes "that continued membership of UNESCO is an objective which should be pursued in the interests of British scientific, cultural and educational interests," and "that the withdrawal of UK membership of UNESCO is likely to advance Soviet-bloc interests in the Third World." The committee, chaired by Conservative party member Sir Anthony Kershaw, further recommends that the British Government "should not implement its present notice of withdrawal from the Organization unless the Twenty-Third General Conference in Sofia decides either to overturn the recommendations of the Executive Board or decides to adopt new policy directives which would seriously challenge the United Kingdom's interests and the new Concensus which appears to have been achieved in the Executive Board."

I believe the conclusions drawn by the Foreign Affairs Committee of the House of Commons are of direct relevance to the United States and that similar logic should apply to our deliberations on the subject. Excerpts from the House of Commons report are submitted below:

EXCERPTS FROM THE FIFTH REPORT OF THE FOREIGN AFFAIRS COMMITTEE OF THE HOUSE OF COMMONS ENTITLED, "UNITED KINGDOM MEMBERSHIP OF UNESCO"

THE IMPLICATIONS OF WITHDRAWAL

The Benefits of UK Membership of UNESCO

45. Not surprisingly, the organisations in the UK who have given evidence to us have for the most part emphasised the benefits of UK membership of UNESCO so far as their particular interests are concerned. Although there has been a general acceptance of the need for administrative reform and of the dangers of "politicisation", these concerns have in most cases been subordinated to the direct advantages of individual groups and organisations of continuing membership of UNESCO and concern about the likely implications for those individual groups of UK withdrawal.

46. Despite specific concerns, most UK groups have emphasised the direct advantages of remaining in UNESCO and, most important, the problems which would be created by withdrawal. Although the Royal Society, for instance, indicated concern (in their oral as well as their written evidence) about some aspects of UNESCO's programmes, they evidently regarded the prospect of "going it alone" as fraught with difficulty. While continued, separate, membership of some UNESCO-sponsored organisations (such as the IOC) and some UNESCO-supported organisations (such as the ICSU) appeared to be practicable, there were likely to be many problems encountered in continuing international co-operation in other spheres. Successful replacement of some UNESCO programmes would, in practice, depend on the withdrawal of other countries, and, as evidenced by all the UK organisations concerned, on substantial subventions by HM Government to facilitate alternative bilateral and multilateral co-operation.

47. The overwhelming impression of the evidence submitted by partial UK groups is therefore that despite some difficulties in co-operating with UNESCO, the cost and administrative complications of withdrawal from the Organisation would be considerable, and would need to be underwritten by substantial government funds. We were told by ODA officials that no decision had yet been taken by Ministers about the possibility of transferring the present subscription to UNESCO to the support of bilateral and multilateral activities required to replace those conducted through UNESCO.

The financial balance sheet

48. A number of UK organisations drew our attention to the financial benefits of UK membership of UNESCO, resulting in particular from the number of consultancies and contracts placed by the Organisation with UK individuals and companies. The Library Association told us that the US and the UK "have together provided the overwhelming majority of librarians, archivists and other information scientists sent by UNESCO as consultants and advisers." And the United Nations Association claimed that "leaving aside unquantified yields to eg the British publising industry . . . the UK reaps a measurable harvest from its membership".

49. The extent of this harvest is illustrated in Table II, which suggests UK and UK-related receipts from the UNESCO budget substantially in excess of the UK's direct budgetary contribution. Although UNESCO might continue to recruit some advisers and consultants following UK withdrawal, it is likely that most contracts would be brought to a halt or not renewed. Thus, although the Treasury might benefit temporarily from a withdrawal of UK membership, the balance of payments would probably suffer. In his evidence to us, the Director General of UNESCO also drew attention to the relatively high proportion of full-time UNESCO staff who are UK nationals (8.9 per cent of total UNESCO staff), and to British contributions in specific fields of activity, such as science and culture (where 400 of the 900 translations of world classics so far published under UNESCO auspices have been issued by British publishers).

TABLE II.—FINANCIAL COSTS AND BENEFITS TO UNITED KINGDOM OF MEMBERSHIP OF UNESCO

[In U.S. dollars]

	1984 (actual)	1985 (estimate)
Assessed contribution at 4.61 percent of total regular budget	7,945,335	7,945,335
Expenditure in UK from regular programme:		
Fellowships	45,900	35,900
Equipment	61,000	127,200
Fees for Auditors	201,400	201,400
Participation Programme	26,300	26,300
Insurance	240,000	270,000
Total	574,600	660,800
Balance	7,370,735	7,284,535
Expenditure in United Kingdom from extra budgetary funds, eg., other U.N. agencies, funds-in-trust and other voluntary contributions:		
Fellowships	1,239,300	970,300
Equipment	3,420,000	1,188,300
Total	4,659,300	2,158,300
Payments of salaries and fees to UK citizens employed by UNESCO in Paris or in the field:		
Regular budget	6,884,900	6,867,500
Extra budgetary	3,738,400	3,591,400
Grand total	15,857,200	13,278,000

Source: ODA

International consequences of withdrawal

50. Although UK withdrawal would have considerable, and to some extent quantifiable, consequences for the UK organisations involved in UNESCO and for the balance of payments, the wider diplomatic implications of a withdrawal from UNESCO are probably more serious, even if less quantifiable.

51. It was made clear to us during our visit to Paris that UK withdrawal from UNESCO at this stage would be regarded as a breach of faith on the part of HM Government, in particular by the Commonwealth countries who have consistently supported the programme of reforms initiated by Mr. Raison in April 1984. It was bluntly presented to us that, if Britain were to leave UNESCO after receiving so much support from Commonwealth (and other Third World) member states, the chances of further reform in the Organisation would be slim, and further moves towards reform would be viewed with considerable suspicion, particularly if initiated by Western governments who might thereafter leave the Organisation altogether.

52. In part, the Commonwealth reaction to HM Government's actions reflects the very high premium placed by Third World countries on the principle of universality in the membership of the United Nations and its agencies, every breach of which is regarded as devaluing the entire UN system. In part also it reflects the enormous importance attached to the UK presence in UNESCO by the member states of the Commonwealth (as well as other UNESCO members). If anything, the United Kingdom's contribution to UNESCO is more fully appreciated in UNESCO than it is in the United Kindgom, and the universally-expressed regret following a UK withdrawal would be, in our view, entirely genuine. Whereas the withdrawal of the United States was regarded largely as an inconvenience, the withdrawal of the United Kingdom would be genuinely regarded as a serious and substantive loss to the Organisation, particularly by the United Kingdom's Commonwealth allies.

53. Although the West European representatives whom we met were circumspect

about their governments' response to a UK withdrawal, we gained the impression that any hope of a general Western withdrawal from UNESCO was unlikely. Apart from the obvious French interest in continuing membership of the Organisation (since it is based in Paris), other Western countries appear to believe that, while reform is desirable, total Western withdrawal could be counter-productive.

54. Withdrawal would be likely to be counter-productive because, in particular, it would preclude continued Western influence in the development of the Organisation and would therefore be likely to encourage the transfer of effective leadership of UNESCO into the hands of the Soviet Union and its allies. The United Kingdom member of the Executive Board, Mr. W.A. Dodd, drew attention in his evidence to the "heavier" Soviet and Eastern Bloc presence already evident at recent Executive Board meetings, and stressed Third World fears about this development and their concern that, "if Britain left, this predominance or heaviness from the Eastern Bloc would become even more emphatic."

CONCLUSIONS AND RECOMMENDATIONS

55. We share the view of those who have given evidence to us that HM Government had good cause to raise the substantive issues—in relation to the content of UNESCO's programmes and their administration—to which Mr. Raison referred in his letter of 2 April 1984. It is quite clear that concern about the direction of UNESCO's development was widely shared amongst the member states, and that a coherent set of proposals to improve the efficiency of the Organisation, and to encourage a halt to the partisan tendencies within the Organization, was overdue.

56. UNESCO's reaction to the British reform programme was, we believe, as positive as could have been hoped. Mr. M'Bow suggested to us that about 70 per cent of the matters considered by the Executive Board last summer, and subsequently, had originated with the UK Government, and it seems inconceivable that a reform programme of the kind now underway within UNESCO would have been undertaken without the stimulus provided by the UK Government.

57. We have some doubts about whether the threat of withdrawal, issued in late November and early December 1984, contributed more or less to the prosecution of the United Kingdom's case. Drafted in very qualified terms, the notice of withdrawal could be regarded as constituting no more than a warning to UNESCO that a UK withdrawal could prove necessary if substantial improvements were not achieved by the end of the year. On the other hand, the notice of withdrawal was evidently regarded by some as a serious notice of intention to quit the Organisation, and could therefore have been regarded as undermining the UK's negotiating position at UNESCO.

58. The impact of the notice of withdrawal may well have proved more effective than envisaged. We took particular note in this context of the evidence given to us by Mr. W.A. Dodd, the UK member of the Executive Board. Although Mr. Dodd had initially argued strongly against a notice of withdrawal at this stage, he had evidently had second thoughts by the time he gave evidence to us, in view of the apparent beneficial effects of the notice of withdrawal.

59. HM Government's motives in issuing a notice of withdrawal in December 1984 have been questioned by a number of other sources, including Mr. Gough Whitlam (former Prime Minister of Australia and currently Australia's Permanent Delegate to UNESCO). In a recent speech, Mr. Whitlam made particular reference to the role of the US-based Heritage Foundation in the process of moulding British official and public opinion. We have subsequently received what appears to be firm evidence of the Heritage Foundation being involved in campaigns to attack the UN and its agencies, and have no reason to doubt Mr. Whitlam's allegations of attempt by the Heritage Foundation to influence the British press and British opinion-leaders.

60. Despite these allegations we do not doubt that the issuing of a notice of withdrawal was regarded as a legitmate tactic by HM Government's officials and Ministers, and we therefore have no reason to suppose that Ministers were improperly influenced by the Heritage Foundation, or others, in their decision last autumn.

61. We accept the assurance of the Foreign Secretary that the notice of withdrawal was issued in order to "safeguard our position", and we therefore assume that the further review of Government policy after the Sofia Conference will be based on an objective re-examination of the facts and of, in particular, the progress made by UNESCO's institutions in meeting UK demands since Mr. Raison's letter was issued in April 1984.

62. It is evident that substantial progress has been made by the Director General and the Executive Board towards meeting the United Kingdom's requirements for continued membership of the Organization. In particular, the Board has endorsed most of the proposals of the Temporary Committee concerning administrative reform; has endorsed most of the actions taken by the Director General on the advice of his working groups; has accepted most of the advice of the Panel of Counsellors in respect of Major Programme XIII; and has endorsed the United Kingdom's demands for nil growth in the Regular Budget and for no increase in the contributions of member states in consequence of the withdrawal of the United States' 25 per cent contribution. Of the most recent Executive Board meeting (in June and July 1985), the Overseas Development Administration commented that "The most clear cut progress is in a series of proposed amendments to the Secretariat priority grading which will, if endorsed by the General Conference, have the effect of maintaining to a greater extent than was originally proposed a number of high priority programmes, especially in the field of science, which are of direct benefit to member states, particularly the developing countries. A firm recommendation was also made in favour of a further reduction in UNESCO's activities on future orientated studies." Many of the decisions taken to date, however, will require endorsement by the Organisation's General Conference in Sofia.

63. We have concluded

(i) that continued membership of UNESCO is an objective which should be pursued in the interests of British scientific, cultural and educational interests;

(ii) that the withdrawal of UK membership of UNESCO is likely to have detrimental effects on the United Kingdom's relations with other friendly countries, particularly in the Commonwealth;

(iii) that the withdrawal of UK membership of UNESCO is likely to advance Soviet-bloc interests in the Third World; and

(iv) that a breach by the United Kingdom of the principle of universality in the United Nations and its Agencies could have long-term, and damaging, consequences for those organisations, and not merely for UNESCO alone.

64. On the basis of the most recent evidence submitted by the Overseas Development Administration, we believe that UNESCO is moving towards acceptance of the main themes of the UK Government's demands for institutional and programme reform. This must be regarded as a great success for HM Government, so long as the progress so far achieved is endorsed by the Organisation's General Conference. We therefore recommend that HM Government should not implement its present notice of withdrawal from the Organisation unless the Twenty-Third General Conference in Sofia decides either to overturn the recommendations of the Executive Board or decides to adopt new policy directives which would seriously challenge the United Kingdom's interests and the new Consensus which appears to have been achieved in the Executive Board.

65. In view of the importance of UK membership of UNESCO, and of the implications of a British breach of the principle of universality in the United Nations and its Agencies, we further recommend that no decision to alter our present relations with UNESCO should be taken by HM Government without prior consultation of the House.

66. Assuming that the United Kingdom remains a member of UNESCO, we recommend that HM Government should pursue its current programme of reform and should raise in future discussions of the reform of the Organisation the following proposals in particular:

(i) that the term of office of the Director General should be restricted in future to a single term of six years; and

(ii) that the organisational structure of UNESCO should be reformed in such a way as to provide an effective executive body of more manageable proportions than the present Executive Board, perhaps on the lines of the recently-established Temporary Committee.

SOVIET JEWRY

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. FOWLER. Mr. Speaker, with the Geneva summit drawing closer, I believe that we need to show our continued concern about the plight of Soviet Jews. Moreover, we must demonstrate our willingness to continue to press the Soviet Union to improve its treatment of Soviet Jews. Emigration levels for Soviet Jews have remained low so far this year. In addition, acts of harassment have occurred on an almost daily basis against Soviet Jews. I am submitting for your review a list of acts of harassment that were committed against Soviet Jews from September through November 1984.

NATIONAL CONFERENCE ON SOVIET JEWRY

SEARCHES, ARRESTS, HARASSMENT AND IMPRISONMENT OF HEBREW TEACHERS AND JEWISH ACTIVISTS IN THE SOVIET UNION

September 4: In Moscow—Yuly Edelshtein was arrested. He was charged with illegal possession of drugs, Article 224. The drugs were found during a search of his home. Since Edelshtein applied to emigrate in 1978 he has been harassed by the authorities, who wanted to expel him from Moscow. His home was searched periodically and he was warned to stop teaching Hebrew.

September 5: In Odessa—the homes of Aleksandr Kushnir, Valery Pevzner, and Yakov Mesh were searched. Tape recorders, cassettes, prayerbooks, Hebrew textbooks, postcards from Israel, prayer shawls, and tefillin were confiscated. At Kushnir's an invitation from his mother in Israel and a necklace with a Magen David he was wearing were confiscated.

September 8: In Moscow—unknown persons attacked Mikhail Kholmiansky (brother of Aleksandr) in the street and took his brief case.

September 8: In Leningrad—Gorodetsky was fired from his job for having refused to divulge details about his place of work.

September 8: In Moscow—Viktor Fulmakht was summoned to the KGB and interrogated.

September 8: Another search was made in Edelshtein's home and newspapers in various languages, requests for exit permits, and a copy of a complaint of Tania about previous searches were confiscated.

September 12: In Odessa—Yakov Mesh was summoned to the Department of Investigations of the Procurator's Office and amidst anti-Semitic insults demands were made upon him to give testimony in the case of Yakov Levin. He was threatened with having a file opened against him if he refused to testify.

September 13: In Moscow—Edelshtein's 16-17 year old pupils were interrogated. Materials in Hebrew, including books and cassettes, were taken from them. They were forced to sign a document stating that Edelshtein sold them books for 15 rubles each.

September 20: In Moscow—Searches were conducted in the homes of Inna Brukhina and Dan Shapiro. A tape recorder, cassettes, and books were confiscated. The searches were related to the case of Edelshtein. The search at Shapiro's lasted nine hours, and during it his mezuzot were broken. At Brukhina's a Tanach, Hebrew books, and a certificate of Israeli citizenship were taken.

September 20: Igor Kharakh was taken to Lubianka Prison for interrogation and warned to stop his relations with Brukhina and Shapiro.

September 20: In Odessa—Sofia Vitaver was summoned for interrogation in connection with an injury sustained by one of the official witnesses during a search in her home on 31 August. Sofia was sentenced to 15 days detention.

September 23: In Moscow—5 persons were interrogated in the case of Kholmiansky by an investigator who came to Moscow from Tallin.

September 23: In Leningrad—Mikhail Vinaver was summoned for interrogation.

September 24: In Moscow—a court of second instance approved Aleksandr Yakir's sentence of two years in a work camp.

September 26: In Irkutsk—Zakhar Zunshain was beaten in prison camp by other prisoners and his ribs and kidneys were injured. One of the guards stated: "Too bad Hitler didn't finish the job."

September 30: Prisoner of Zion—Simon Shnirman was punished by being put in an isolation cell. His wife was not allowed to visit him or to give him parcels. This was in Kishinev.

October 2: In Odessa—Yehudit Nepomniashchy was summoned for interrogation and refused to give in to the demand that she serve as a witness in the case of Levin.

October 4: In Odessa—the investigator refused to allow Yehudit Nepomniashchy to serve as defense attorney for Yakov Levin. This was after Yehudit had had no success in finding him a lawyer.

October 7: In Moscow—A search was conducted at the home of Natalia Rather, relating to the case of Kholmiansky.

October 7: In Kishinev—A search was conducted at the home of Aleksandr Kogan, relating to the case of Kholmiansky. Textbooks and religious books were confiscated. Kogan was warned that he might be arrested.

October 10: In Kishinev—V. Tsukerman and O. Lokshin, who were not able to find jobs, were threatened with being charged with "parasitism."

October 12: In Odessa—At the close of the Sukkot holiday a fourth search was made at the home of Mark Nepomniashchy.

October 12: In Moscow—while visiting here, Mark Nepomniashchy was arrested.

October 16: In Odessa—Yakov Mesh was arrested. When taken into custody he was beaten and dragged to the police station. About 10 policemen participated in his arrest.

October 17: In Bendery—A search was conducted in the home of Moshe Liberman in connection with the case of Yakov Levin.

October 17: In Tiraspol (Moldavia)—A search was conducted in the home of Polina Grin in connection with the case of Jakov Levin. Religious materials were confiscated, which, according to the investigator, would be placed in Levin's file, since the material allegedly contained intentional slander against the Soviet state and social system.

October 17: In Kishinev—A search was conducted in the home of Aaron Minblit in connection with the Levin case. A letter of Nepomniashchy was confiscated.

October 21: In Odessa—Rumors were spread that the authorities were seeking a Zionist group whose activities and ties with people abroad had caused damage to the USSR. At the end of the investigation, according to the rumors, the trial would be televised on Ukrainian or all-Soviet TV. Anti-Semitism in the local Odessa press intensified.

October 23: In Odessa—Marina Mesh was taken from an airplane she was boarding to go to Moscow. She was searched and a copy of a letter signed by nine witnesses, fellow-employees of Yakov Mesh who saw him beaten during his arrest, was confiscated from her.

October 25: In Moscow—The KGB summoned for "conversations" people from different places, in order to get prejudiced, even false, testimony in the cases of Kholmiansky and Edelshtein.

October 25: In Odessa—In connection with the cases of Levin and Nepomniashchy searches were conducted in the homes of several Jews (who are afraid to have their names made known outside the Soviet Union).

October 25: In Odessa—Yehudit Nepomniashchy was told by the authorities that she would not be permitted to marry Yakov Levin until the end of his trial and that she would not be permitted to see him either.

October 30: In Leningrad—Mikhail Vinaver was summoned to the KGB and told that his wife, Evgenia, belonged to a Leningrad group of the Jewish Defense League, which planned to carry out grandiose acts of sabatoge in Leningrad.

November 1: In Odessa—The Procurator's Office summoned 15 fellow-employees of Yakov Levin to testify against him at his trial.

November 1: In Leningrad—The authorities disconnected the telephone in the home of Yosif Radomyslsky.

November 1: In Kiev—The Official in charge of religious ceremonies warned Lev Elbert that the Kabbalat Shabbat service was a religious ceremony and needed an official permit.

November 1: In Leningrad—Mikhail Elman was taken into custody while on the street. At the police station he was beaten and forced to sign a document promising secrecy and cooperation with the authorities. On November 3 he was again summoned to the police station to fulfill the obligation to cooperate with the authorities. When he refused to cooperate he was again beaten. The officials threatened to put an end to Jewish religious life in Leningrad.

November 5: In Moscow—The scientist Mikhail Marinov was summoned to a police station and accused of "parasitism."

November 10: In Leningrad—Policemen tried to break into the apartment of Mikhail Elman during the circumcision ceremony of his son.

November 10: In Leningrad—The authorities threatened to open a criminal file against Nadezhda Fradkova.

November 10: In Leningrad—Three KGB men attacked Evgeny Lein on the stairs to his apartment, beat him severely, and continued hitting him while taking him to a waiting car, in front of passers-by. They twisted a finger on his right hand, injured his left ear, and threatened him with reimprisonment.

November 12: In Leningrad—A TV program was screened which was partly devoted to "international Zionism." The names of activists, and pictures of some, were given. They were described as engineers who refused to work and lived from gifts.

November 13: In Leningrad—Evgeny Lein was fired from his job.

November 13: In Leningrad—A file was open against Nadezhda Fradkova for "parasitism."

November 13: In Moscow—Mikhail Kholmiansky was detained for interrogation in connection with his activities, which, according to the KGB man, were endangering his freedom.

November 14: In Novograd-Volynsk—Refusenik Yosif Berenshtein of Kiev, father of Yana Berenshtein, was arrested.

November 15: In Leningrad—The KGB continued to put pressure on Mikhail Elman, who was summoned to give information about his friends.

November 15: In Odessa—The trial of Yakov Lenin opened. Of those close to him, only his parents were allowed to enter the courtroom. Mikhail Tsivin, who came from Leningrad to attend the trial, was taken into custody for 15 days.

November 16: In Leningrad—Extreme pressure was brought to bear on Yosif Radomyslsky—a KGB man came to his place of work and demanded that he be fired.

November 17: Inna Shlomova and Boris Begun were not permitted to see Yosif

Begun, who was being punished with 52 days in an isolation cell. The meeting with him was postponed until the end of 1985.

November 19: In Tallin—Jews connected with the Kholmiansky case were again interrogated.

November 20: Simon Shnirman's wife's planned visit with him was canceled.

PROHIBITING U.S. ASSISTANCE TO FORCES IN ANGOLA

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. WEISS. Mr. Speaker, there is strong pressure within the Reagan administration to reinvolve the United States in the war in Angola—on the side of the forces backed by South Africa. And we have even seen legislation introduced in this House which would have that effect.

What do we know about the group which calls itself UNITA, and which the administration wants to aid? We know that its leader Jonas Savimbi, was trained in China and has described himself as a "Maoist." We know that UNITA forces killed an American last year when they shot down the civilian aircraft in which he was traveling. We know that they have kidnaped other Americans. We know that they have inflicted terrible suffering on civilians living in the areas where they operate, including torture, mutilation, and murder.

We know that in April 1984, a few months after the truck-bombing of the Marine Barracks in Beirut, UNITA did the same thing—they drove a truck loaded with expolsives into a seven-story building in Huambo, Angola, and killed upward of 100 people. Nor did they deny that they had committed this cowardly and brutal act. According to the respected British weekly the Economist, UNITA claimed responsibility for the bombing and even bragged that the death toll had been 200.

Perhaps most critical of all the things we know about UNITA, we know that it is a surrogate force of the South African Government. It operates from Namibian bases with the collusion of South Africa, and South Africa provides it with material support as well.

In the context of what has happened in the last year in Southern Africa, it is astonishing that anyone in this country would suggest that we enter into a de facto military alliance with the enforcers of apartheid.

Such an alliance would further neither our national interests nor our national security.

As Secretary of State Shultz has argued, if we aid one of the forces fighting in Angola, we destroy our chances of acting as mediator in the conflict.

By helping South Africa to attack Angola, we would make Angola more dependent on Cuban troops, not less so.

We would be promoting South Africa's foreign policy agenda, not our own. By crushing any hopes of a negotiated settlement in Namibia, we would be winking at the illegal South African occupation of that country. We would be assisting in a South African policy of terrorizing its neighbors and keeping them in a state of desperation and dependency. Only last month, South Africa launched a large-scale invasion of Angola which was condemned even by officials of the Reagan administration.

Aid to the South African-backed forces would also demonstrate to the Pretoria government that we are not serious about imposing sanctions on the apartheid regime for its brutal policies. By taking over a share of Pretoria's military adventure against Angola, we would be directly freeing resources for use against the South Africa's own black majority.

The essential point is a simple one: The United States has no business entering into a military alliance with the apartheid Government of South Africa.

For these reasons, I am today introducing legislation which will prohibit U.S. aid, direct or indirect, to any of the forces fighting in Angola. I am pleased to announce that the original cosponsors include Africa Subcommittee Chairman Howard WOLPE and Representatives STEPHEN J. SOLARZ, GEORGE W. CROCKETT, Jr., ROBERT GARCIA, LOUIS STOKES, ROBERT W. KASTENMEIER, MICKEY LELAND, JULIAN C. DIXON, WALTER E. FAUNTROY, RONALD V. DELLUMS, PARREN J. MITCHELL, ALAN WHEAT, CHARLES B. RANGEL, MERVYN M. DYMALLY, EDOLPHUS TOWNS, and PATRICIA SCHROEDER. I invite all Members of this House who are concerned about our South Africa policy to join us as cosponsors.

The text of the bill follows:

H.R. 3690

A bill to prohibit assistance for military or paramilitary operations in Angola

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MILITARY AND PARAMILITARY OPERATIONS IN ANGOLA.

(a) PROHIBITION ON ASSISTANCE.—Notwithstanding any other provision of law, no assistance of any kind may be provided by any agency or instrumentality of the United States Government for the purpose, or which would have the effect, of promoting or augmenting, directly or indirectly, the capacity of any nation, group, organization, movement, or individual to conduct military or paramilitary operations in Angola.

(b) WAIVER PROHIBITED.—Subsection (a) may not be waived under any other provision of law.

TRIBUTE TO BISHOP JAMES W. MALONE: A MAN OF PEACE AND COURAGE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. TRAFICANT. Mr. Speaker, at this time I would like to pay a fitting tribute to Bishop James W. Malone, of Youngstown, OH. Bishop Malone is the president of the National Conference of Catholic Bishops and, I am proud to say, a constituent of mine. On October 29, 1985, Bishop Malone addressed a gathering at Youngstown State University to celebrate the 40th anniversary of the United Nations.

Bishop Malone made a moving speech, emphasizing the need to eliminate nuclear arms and the need for the United Nations [U.N.] to take a more active role in achieving worldwide peace. Bishop Malone has been a consistent voice for peace and justice throughout his distinguished career.

The bishop has been outspoken on the conflict in Northern Ireland, and he has consistently spoken out on behalf of peace and morality since the 1940's. Most importantly, Bishop Malone has never wavered in his lifelong commitment to spread the message of peace, and he has never hesitated to speak out in behalf of justice and morality.

Rightfully so, Bishop Malone is extremely concerned over the massive buildup of nuclear arms among the superpowers. He has provided a much needed rational voice for the cause of peace and sanity. While his views may not be popular among many—that has never prevented him from spreading his message. Bishop Malone is a man of vision and rare courage. At a time when it is easy to talk "tough" and, all too often, act "tough" when dealing in foreign affairs, Bishop Malone reminds us of the vital importance of morality and justice in dealing with both our friends and enemies. Bishop Malone has presented all of us with a challenge we cannot ignore: humanity must say "no" to the inevitable arms race, the inability to match moral values with technological capabilities, and to the web of terrorist fear in which the world is caught.

Bishop Malone has contributed so much to the greater Youngstown community and the Nation as a whole. He has been a powerful voice for peace and justice, and his noble message has gained worldwide attention. Mr. Speaker, at this time, I would like to insert into the RECORD an article that appeared in the Youngstown Vindicator on Bishop Malone's recent speech at Youngstown State University:

[From the Youngstown Vindicator, Oct. 30, 1985]

BISHOP SAYS U.N. FAILS ON NUKE CONTROL

(By Alyssa Lenhoff)

Bishop James W. Malone charged that the United Nations has done little to help end the nuclear arms buildup, which he called "one of the greatest curses of the human race."

The bishop, president of the National Conference of Catholic Bishops, was the featured speaker Tuesday night for a celebration of the United Nation's 40th anniversary held in Youngstown State University's Kilcawley Center by the local chapter of the United Nations Association.

Bishop Malone, who became a priest the same year the United Nations was formed, said the international body has been ineffective in controlling nuclear arms and the threat they pose to peace.

"Those living when the U.N. was formed in 1945 shared the hope of [then] Secretary of State John Foster Dulles, who said the

U.N. could become a Magna Carta for peace," the bishop said.

But even then, he recalled, "Few voices spoke about the morality of what our nation had done when it dropped the bomb."

Bishop Malone, whose speech topic was "Who's Speaking for Peace These Days?" said there were some who spoke for peace and morality in the 1940s.

But, like the situation today, he said those voices were and continue to be too weak to convince world leaders that they must take strong action for securing peace.

"Those who speak against stockpiling of atomic weapons are considered to be at best naive and at worst, un-American," Bishop Malone said.

He stated that the President and the leaders of most countries only give "lip service" to arms control.

"I look to the upcoming arms talks with only guarded hope," he said.

But there are people speaking for peace and their voices are beginning to be heard, the bishop said.

The United Nations is one of those voices, but Bishop Malone stated firmly that its actions toward achieving that goal with necessary nuclear arms control are unimpressive.

The United Nations established the Atomic Energy Commission to help rid the national arsenal of atomic, and all mass destruction, weapons.

"The United Nations has seen a lack of success in controlling these weapons," he said.

"Instead of eliminating nuclear weapons, we've made more," he said.

The bishop said nuclear nations have never destroyed one of their nuclear weapons and that 1,000 nuclear weapons have been exploded in atmospheric and ground tests since the United Nation's birth.

Bishop Malone also stated that the amount of money, $550 billion, which is spent worldwide on construction of nuclear weapons could go "a long way" to help conquer "real" world problems.

Quoting former President Dwight D. Eisenhower, the bishop said, "Every gun made signifies a theft from those who hunger and are not fed and from those who are cold and not clothed."

He also quoted civil rights activist Dr. Martin Luther King, saying, "We are traveling along a road of hate."

Bishop Malone is confident we can rechart that course if humanity will "stand up and speak for peace. . . ."

He said humanity must say "no" to the inevitable arms race, the inability to match moral values with technological capabilities, and to the web of terrorist fear in which the world is caught.

Conversely, the bishop said, mankind must agree to the power of each individual to make a difference, to the high priority on life and, most important, humanity must say, "Yes to peace."

"For all of its flaws and failures," Bishop Malone added, the U.N. is still the best vehicle to secure worldwide peace.

He commended the United Nations on its successes with helping to avert potential wars and control volatile situations.

The bishop also hailed the body for its help in controlling hunger and lowering infant mortality rates in many countries.

Bishop Malone joined other American Catholic bishops in 1983 and wrote the "Pastoral Letter on Peace."

The letter states that the United Nations must be examined carefully and that it must take a more "positive and creative" role in helping to achieve worldwide peace.

Bishop Malone was introduced by Dr. Kong T. Oh, an area eye surgeon, who chaired the association's anniversary dinner.

"The promise of world peace is possible and inevitable," Dr. Oh said.

Bishop Malone agreed with Dr. Oh. But he cautioned that before the "inevitable" is achieved, "We all must speak," and more important, "act for peace."

The Youngstown UNA chapter presented Bishop Malone with a certificate recognizing his efforts for world peace and unity.

Grace Luce, who has stepped down after 16 years as chairman of UNICEF cards and gifts for the Mahoning and Shenango Valleys, was awarded a certificate from the chapter in recognition of her service to UNICEF.

Ursuline High School and St. Joseph Newman Center received complimentary one-year organizational chapter memberships, while the Lake-to-River Girl Scout Council and Youngstown Area Camp Fire Council were awarded certificates of appreciation for outstanding support of UNICEF.

Chapter President Raymond Nakley, Jr. made the presentations on behalf of the organization.

In addition, the Camp Fire Council presented the Mahoning-Shenango Valley Area UNICEF committee with a certificate for efforts to help children through UNICEF.

The Girl Scouts presented the UNA chapter with a certificate outlining Girl Scout objectives and goals in supporting UNICEF.

LESSONS OF GRENADA WEEK

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. GINGRICH. Mr. Speaker, the House of Representatives has shown its support for last week's "Lessons of Grenada Week," by passing House Joint Resolution 313. Several of the States' Governors also supported this effort with proclamations. They should be of interest to those in this House who supported House Joint Resolution 313.

The proclamations follow:

COMMONWEALTH OF PENNSYLVANIA,
OFFICE OF THE GOVERNOR,
Harrisburg.

GREETINGS:

More than three hundred years ago, William Penn had a vision of a land of freedom, opportunity and tolerance for all men and women. Today, Pennsylvanians and, indeed, all Americans continue to uphold that dream.

Unfortunately, the government of the Soviet Union, its satellites and other intolerant regimes deny the most basic rights to their citizens. It is, therefore, appropriate that people of goodwill everywhere recognize the situation that exists in countries under totalitarian rule.

During the week of October 21-26, 1985, many people are observing "Lessons of Grenada Week" to recall the events that took place in the island of Grenada on October 25, 1983. As Governor of the Commonwealth of Pennsylvania, I urge all citizens to study the lessons to be learned from that experience.

DICK THORNBURGH,
Governor.

STATE OF MARYLAND—PROCLAMATION

Whereas Armed Forces of the United States, in order to protect the lives of United States citizens and to counter hostile influence threatening the Western Hemisphere, invaded the island of Grenada on October 25, 1983; and

Whereas In this military action 18 members of these United States forces lost their lives and 116 others were wounded; and

Whereas At least one of those killed and two of the wounded were sons of Maryland responding to their country's call; and

Whereas It is appropriate that our nation remember and express appreciation of the eternal sacrifice of those who gave their lives and suffered wounds in the performance of their duty to their country;

Now, Therefore, I Harry Hughes, Governor of the State of Maryland, do hereby proclaim October 25, 1985, as Battle of Grenada Memorial Day in Maryland, and commend this observance to all our citizens.

STATE OF NORTH CAROLINA—PROCLAMATION

On October 25, 1983, American Armed Forces landed on the Island of Grenada and rescued United States students and Grenada from a Communist dictatorship. It was during this rescue mission that troops discovered more than 35,000 pounds of documents which portrayed how the small nation was nearly transformed into a Communist client state. In addition to classified documents, American soldiers also found stores of weapons supplied by Soviet bloc countries.

In liberating the island of Grenada from a Communist dictatorship, the combined military forces brought to the attention of the American people the real threat of Communism to our nation. It is a threat which our citizens must remember vividly if we are to protect our freedom and independence.

During the week of October 20 through October 26, 1985, the second anniversary of the liberation of Grenada, groups and individuals will have an opportunity to sponsor events during the observance of "Lessons of Grenada Week" to foster greater understanding of the threat of Communism.

Now, therefore, I, James G. Martin, Governor of the State of North Carolina, do hereby proclaim the week of October 20 through October 26, 1985 as "Lessons of Grenada Week" in North Carolina, and I commend its observance to all North Carolinians.

In witness whereof, I have hereunto set my hand and affixed the Great Seal of the State of North Carolina at the Capitol in Raleigh this tenth day of October, in the year of our Lord nineteen hundred and eighty-five and of the Independence of the United States of America the two hundred and ninth.

HEALTH WARNING LABELS NEEDED FOR SMOKELESS TOBACCO

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SYNAR. Mr. Speaker, the dangers of using smokeless tobacco products become more apparent each day. Numerous studies

have documented the increased risks of oral cancer, gum disease, and tooth loss associated with using smokeless tobacco. Public health organizations are nearly unanimous in their support for legislation to warn users of these dangers.

I am submitting for the RECORD a recent article from the Daily Oklahoman which illustrates the ongoing State efforts to discourage smokeless tobacco use. Oklahoma has been a leader in bringing this issue to the public's attention.

The University of Oklahoma College of Dentistry has created a special clinic for children, adolescents, and young adults who are chronic users of smokeless tobacco. The director of the clinic says that he already has seen a 12-year-old patient with precancerous lesions from using smokeless tobacco.

I urge my colleagues to cosponsor legislation introduced by Representative WAXMAN and myself, H.R. 3510, which requires warning labels on smokeless tobacco packages and advertising, bans TV and radio advertising, and requires the disclosure of chemical ingredients such as nicotine. We should act now to avert an epidemic of oral cancer in the future.

The article follows:

[From the Daily Oklahoman, Nov. 4, 1985]

EFFORTS ACCELERATED AGAINST USE OF SMOKELESS TOBACCO

Oklahomans on several fronts are attempting to warn the public—particularly adolescents and young adults—about the dangers of snuff and chewing tobacco.

In Washington, a U.S. House subcommittee on health has approved a proposal calling for warning labels for smokeless tobacco products and printed advertisements. A cosponsor of the measure is Rep. Mike Synar, D-Muskogee.

In Oklahoma City, the University of Oklahoma College of Dentistry has started a special clinic for children, adolescents and young adults who have been chronic users of smokeless tobacco.

And dental educators with the Oklahoma Department of Health have launched a new campaign to combat the popularity of smokeless tobacco products among school-age children.

The snuff-related death a year ago of 19-year-old Sean Marsee of Ada has brought national attention to what physicians believe are growing health risks associated with the use of smokeless tobacco.

The teen-ager's death was attributed to a six-year habit of dipping snuff.

"Persons who use chewing tobacco or snuff are at an increased risk of developing cancer of the oral cavity, pharyax, larynx, throat and esophagus," said state health commissioner Joan K. Leavitt.

Other harmful effects of smokeless tobacco include increased blood pressure and heart rate, gum disease, greater wear on tooth enamel and discolored teeth, she said.

The House bill co-sponsored by Synar sets the minimum age for the purchase of smokeless tobacco at 21.

The bill also requires that snuff and chewing tobacco carry warnings that the product might cause mouth cancer, gum disease and tooth loss, that it contains nicotine, and that it is addictive.

Labels can be rotated, but they must be carried an equal number of times on each brand during a 12-month period.

The subcommittee's proposal, which next goes to a full House committee on health, also bans radio and television advertisement of smokeless tobacco products.

At the OU College of Dentistry, oral pathologists and pediatric dentists will evaluate the patient's oral cavity for any indication of detrimental changes in oral tissue as a result of the use of smokeless tobacco.

Dr. Richard J. Mathewson said "chronic" users are those who dip snuff or use chewing tobacco at least once a day for a six-month period.

Mathewson said he already has seen a 12-year-old patient who had pre-cancerous lesions from using smokeless tobacco.

The OU clinic will be held during the afternoon the last Friday of each month at the dental college building, 1001 Stanton L. Young Blvd.

Appointments are necessary, and a $5 fee covers the cost of a complete examination of the oral cavity, consultation with faculty members and, if necessary, oral photographs and X-rays.

Patient evaluations will be sent to the family's dentist for follow-up.

Leavitt said health department dental educators report that in every classroom they visit, some children say they use chewing tobacco or snuff.

Oklahoma law banning the sale of tobacco products to minors became effective Nov. 1, she said.

Several state school systems now have policies banning tobacco products from school property and at school events, Leavitt said.

Educational materials on the subject of smokeless tobacco, including a slide/tape presentation designed for elementary and junior high school students, are available through the health department.

A.R. TARANTO RETIRES AFTER 44 YEARS IN THE LINDEN SCHOOL SYSTEM

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. DWYER of New Jersey. Mr. Speaker, every one of us in our dealings in our districts has the opportunity to learn of some wonderful individuals—the unsung heroes of American society. These are the people who dedicate their lives to serving others and to making their communities and, therefore, their Nation a better place to live. I would like to share with my colleagues today the story of one such individual on the occasion of his retirement.

A.R. Taranto will retire in December as the superintendent of the Linden school system after a 44-year career which has seen him rise from a teacher in Linden High School to the head of the entire system. It is a record marked by dedication and achievement.

Although the beginning of his teaching career was interrupted by 3 years of military service during World War II, Mr. Taranto returned to teaching until 1949, when he became an assistant school psychologist. Eight years later, he became school psychologist and, shortly thereafter, was promoted to the department's assistant directorship. In 1963, he assumed the additional responsibility of becoming an elementary school principal, taking on a second school 3 years later.

Mr. Taranto then ascended to the position of administrative assistant to the superintendent, assistant superintendent, and, finally, in July 1972 to the position of superintendent, where he has served for more than 13 years.

But, the story of A.R. Taranto is more than just one of personal success and longevity. It is also a story of achievement.

Taking over the Linden schools in the early 1970's was a substantial challenge, one which he met head on. Long before anyone had heard of "back to basics," well before there was a report called "A Nation at Risk," A.R. Taranto was raising standards and striving for excellence. Setting a stringent, districtwide homework policy and developing rigorous attendance and graduation requirements, he was at least 10 years ahead of other educators. Reading and writing were given the highest priority and gifted and talented programs were developed.

A new alliance was formed between the schools and the parents and, under Taranto's leadership, a newsletter was begun to bring important school-related issues into the home. New programs were begun, including preschool education for the handicapped, remedial and vocational programs and special job placement for handicapped high school students.

More recently, Mr. Taranto has been directing the development of comprehensive computer literacy programs for students and others, as well as the computerization of the district's administrative functions.

Mr. Speaker, it is safe to say that in the last half century, no single individual has had a more dynamic effect on the development of the Linden school system than A.R. Taranto. His vision, his innovation, and his leadership have helped Linden to attain great heights in educational success. He will be sorely missed after his retirement, but it is a retirement well deserved after a lifetime of giving. For that, we all owe him a debt of thanks.

BILL OFFERS RELIEF FOR SMALL BUSINESSMEN

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mrs. JOHNSON. Mr. Speaker, I would like to take this opportunity to congratulate and extend my support to the gentleman from North Carolina [Mr. BROYHILL] for his intelligent response to a very real problem in my district and many others throughout the United States. As ranking Republican on the House Committee on Energy and Commerce, his attentiveness to this situation will, I trust, lead to a workable solution to this problem and I hope my colleagues will join us.

Pursuant to the amendments to the Solid Waste Disposal Act as amended by the Resource Conservation and Recovery Act and enacted into law on November 8, 1984, those hazardous waste generators who wish to store such wastes onsite must meet certain minimum technological and financial requirements. The requirements for such landfills and surface impoundments include sophisticated ground water monitoring, installation of liners, and evidence of financial responsibility. As one who supported the goals of H.R. 2867, the bill that eventually became Public Law 98-616, I had no quarrel with those requirements but recently have learned that the financial responsibility provision is causing considerable disruption among those generators who wish to abide by the law.

Mr. Speaker, the Environmental Protection Agency and various State offices of environmental protection and management have determined the financial responsibility requirement to be one of two things: insurance for millions of dollars' worth of coverage or self-insurance. For the smaller companies that make up the backbone of American business, self-insurance for $1 to $6 million is simply out of the question. Thus, many of these companies have spent the last year searching for outside insurance policies that would provide the coverage necessitated by the law.

The November 8, 1985, deadline for meeting these financial responsibility requirements is close at hand. Yet, several employers in my district alone have reported that, despite their best, good faith efforts, they have been unable to secure adequate insurance to meet the mandate of the law. They are in compliance with every other aspect of Public Law 98-616 but face closure of their onsite landfills on November 8 if they cannot find insurance.

Representative BROYHILL's bill offers relief to these small businessmen only insofar as the financial responsibility requirements are concerned. If they can show the EPA Administrator total compliance with all other legal requirements and a good faith effort to obtain insurance coverage, they will be given a 1-year extension on meeting the financial responsibility requirements.

I commend Mr. BROYHILL and strongly urge my colleagues to consider this important measure.

THE TRAGEDY OF ALZHEIMER'S

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. DENNY SMITH. Mr. Speaker, November has been designated as "National Alzheimer's Disease Awareness Month." It is only fitting that we focus our attention on this and the other forms of dimentia that currently afflict 2.5 million Americans. Alzheimer's is an especially tragic disease because, in the words of one prominent physician, "a person with a serious dimentia is no longer human. He is a vegetable. That's devastating. . . . The thought is that it could happen to you."

The societal costs of Alzheimer's disease are staggering. Those suffering from Alzheimer's face progressive cognitive deterioration, eventually resulting in a complete loss of intellectual abilities. Most victims must be institutionalized during the later stages. Alzheimer's disease accounts for an estimated 50 percent of those in nursing homes and long-term care mental hospitals.

The disease can also be devastating to the victim's families. They face increased demands on their time and financial resources. Victims require constant attention and supervision, and custodial services in later stages of the disease. While the Federal Government spending billions each year for Alzheimer's sufferers under the Medicaid Program, the brunt of these costs is still borne by families. In 1982, the Federal Government spent $6.5 billion, while families spent $24 billion for such care.

I am encouraged, however, by recent congressional actions in response to a growing awareness of the disease. The Health Research Extension Act of 1985, recently approved by the Congress, requires the Director of the National Institutes of Health to make grants to public and nonprofit private institutions to conduct research relating to Alzheimer's disease. While progress has been made in diagnosing the causes of Alzheimer's and in developing treatments much remains to be done.

We must also provide relief to the families who tirelessly care for the victims of this heart-wrenching disease. That's why I have cosponsored H.R. 468, a bill to provide a tax deduction for individual taxpayers for home care and adult day care expenses of a dependent who suffers from Alzheimer's or related organic brain disorders. The financial relief that this deduction would provide is certainly needed. Families also need to know that their patience and hard work do not go unnoticed.

Mr. Speaker, as our society ages and as life expectancies continue to increase, Alzheimer's disease will become a more serious problem. We must work together to find prevention and treatments for the disease, as well as provide care that upholds the dignity of the individual.

PUBLIC POWER PREFERENCE IN HYDRO RELICENSING: THE MERWIN CASE

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BONKER. Mr. Speaker, on October 22, 1985, the District of Columbia Circuit Court of Appeals issued a decision that should have a major bearing on the hydroelectric relicensing issue, which is now before Congress. The court ruled that in a tie between public and private applicants for relicensing of a Federal hydrosite, the public agency has preference. Congressman SHELBY's relicensing bill, H.R. 44, would eliminate the public preference in relicensing and would have the effect of granting perpetual ownership of the Nation's waterways to existing licensees. I support the public power preference reaffirmed by the court of appeals because it brings needed competition to the hydro relicensing process. I would encourage my colleagues to take note of this important case, which is explained below. I would also be happy to provide Members with the full text of the decision upon request.

In CCJOA versus FERC, referred to as the Merwin case, the court determined that public agencies have preference over all other applicants, including an incumbent licensee, upon the relicensing of hydroelectric projects. Thus, when a public agency demonstrates that its plans for operation of a federally licensed hydroelectric project are as good as or, to use the words of the statute, "equally well adapted" as a private entity's plans, then the public entity should receive the new license to the use of the water resource.

The court held that this is exactly what the Congress intended when it passed the Federal Power Act in 1920 following nearly 10 years of careful and spirited deliberation. As stated in the court's Merwin decision—

> At stake is the vitality of a Congressional decision favoring municipalities in the operation of hydroelectric power plants • • • Congress labored long and often to establish a public power policy for this country. The monumental political battles which took place over this issue reflected the willingness and determination of powerful adversaries with strongly held views. Every aspect of the statute that finally emerged was repeatedly and hotly contested.

Nevertheless and despite the unusual congressional effort which went into fashioning the provisions of the Federal Power Act and a public power policy, this Congress is rushing to reverse that longstanding policy.

I believe that we are being railroaded by pressure from private utilities which claim vested property rights, deny the existence of the municipal preference, and finally cloak all their arguments behind warnings of "devastating impacts to their consumers." These claims have not been carefully evaluated and the recent Merwin decision strongly indicates that they should be. Private utilities have been arguing for many years that there is no preference for municipalities upon relicensing and that we should "clarify" the law in their favor. They argued against the existence of a municipal preference before FERC in a proceeding, known as Bountiful, which had been brought by municipal utilities to settle the question of municipal preference on relicensing. FERC in 1980 held that, indeed, municipalities do have a preference upon relicensing and successfully defended this preference in the 11th Circuit Court of Appeals. The private utilities sought review of that decision by the U.S. Supreme Court, but certiorari was denied. Unfortunately, the Commission also sought certiorari at

that time in an effort to get its earlier opinion back in order to reverse it. Four of the five FERC Commissioners had changed since the Commission's earlier Bountiful ruling and the Commission decided at a secret meeting to adopt the arguments of the private utilities which FERC had previously rejected and argued against in the 11th circuit.

Following denial of certiorari in the Supreme Court, the municipalities thought that the issue of municipal preference was settled. However, to their surprise, the Commission reversed Bountiful in a site-specific relicensing hearing involving Merwin Dam. Merwin Dam is in my congressional district. It is located on the Lewis River which is the border between Clark and Cowlitz Counties. The Clark and Cowlitz County PUD's which serve electricity to the two counties joined together to seek the new license for Merwin Dam. The dam is currently licensed to the Pacific Power & Light Co. which serves no customers in Clark or Cowlitz Counties.

An evidentiary hearing on the competing applications was held before an FERC administrative law judge who found the Clark-Cowlitz application equally well adapted to PP&L's and awarded the license to Clark-Cowlitz on the basis of the municipal preference. Following that, FERC reversed itself and the 11th circuit's decision upholding municipal preference on relicensing. Clark-Cowlitz appealed the decision to the D.C. circuit which made absolutely clear the existence of the municipal preference and that there has never been a credible argument to the contrary. The Court stated:

In keeping with this [legislative] history, both the earliest Commission and the courts in the 1920's when first called upon to hear cases relating to the Act, interpreted the municipal preference as applicable across the board without reference to the identity of the incumbent licensee.

And that—

The legislative history removes any shadow of doubt as to what Congress wanted to happen when relicensing time arrived. The municipal preference applies to all relicensing including those involving an incumbent licensee.

The Court made clear that—

[t]he representatives of the private utilities also repeatedly indicated that they understood the bill to mandate municipal preference in all relicensing proceedings.

Nevertheless private utilities have been spending their rate-payers' money arguing the contrary for at least 7 years. In the meantime they continue to hold on to and benefit under their existing licenses. These private utilities have told Congress that municipalities were never intended to have a preference on relicensing and now we find out how very wrong and misleading they have been. We must therefore examine very critically their claims of adverse rate impacts on their customers which the municipalities deny. Municipalities have argued to deaf ears that rate impacts, if any; on private utility customers will be minimal. They argue further that all consumers, of public and private utilities alike, will benefit from competition for these projects. We cannot let ourselves be rushed into a hasty and premature judgment on the basis of the private utility claims.

Similarly we must keep in mind that what we are dealing with here is not a vested property right in existing licensees but rather a right to the use of the Nation's water resources. On this point the Court's opinion unequivocally—

That preventing private corporations from acquiring a permanent hold on water power resources was perhaps the single most important goal of statute's drafters. The desire to prevent private power from acquiring permanent rights over the nation's waterways was, for example, the reason why a system of definite term licenses was adopted.

The Federal Power Act said the Court represents a "compromise between the public interest in maintaining control of water power and the private interest in ensuring a reasonable return on investment." The chief draftsman of legislation which became the Federal Power Act, Mr. O.C. Merrill, who was also the Commission's first Executive Secretary, called "the chief purpose" of the Federal Power Act to "provide conditions under which capital can be secured [to develop hydropower] while at the same time fully to protect the paramount interest of the public in its last great national resource." The Court, citing legislative history, made clear that a bargain was struck between the investor-owned utilities and the Federal Government:

To reassure private investors, Congress authorized long-term licenses (up to 50 years) and provided that if the federal government or any other private entity took over after the expiration of a license, the original licensee would be compensated in an amount equal to its net investment plus severance damages. The evidence is clear that at that time both Congress and the private utility industry considered these two provisions adequate to safeguard the legitimate interests of private power

Yet now the private utilities seek to avoid the deal they struck. The same private utilities, like the Alabama Power Co. and the Pacific Gas & Electric Co., which sought to lock up the Nation's water resources in perpetuity in 1920 are at it again. The provisions of the Federal Power Act make sense today as they did in 1920. The economic strength of the private utilities has become increasingly concentrated—from approximately 4,000 private utilities in 1920 to around 200 today. The act is not an anachronism.

I suggest to you that we must view in a very circumspect manner their arguments and claims of entitlement. To that end, I believe that we can benefit from a careful reading of the Court's opinion in the Merwin case.

HYPOCRISY AND GRAMM-RUDMAN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. DORNAN of California. Mr. Speaker, despite their pronouncements to the contrary, the liberals in the House are not serious about getting spending under control. This should be obvious to anyone who has followed the debate of the Balanced Budget and Emergency Deficit Reduction Act, otherwise known as Gramm-Rudman.

Gramm-Rudman, in its original form, requires Congress to reduce the deficit by $36 billion in each of the next 6 years until the budget is balanced in 1991. If Congress fails to produce a budget that achieves the $36 billion in mandated budget cuts, Gramm-Rudman requires the President to begin sequestering, or canceling, funds for all Federal programs, equally, until the mandated savings are achieved. Social Security, interest on the debt, and long-term defense commitments would be exempt from the sequestering process.

This "sequestering" provision has been the target of most of the more acrimonious liberal rhetoric. Liberal editorialists and welfare-state enthusiasts have consistently attacked Gramm-Rudman as an underhanded attempt by conservatives to balance the budget on the backs of the elderly and poor. For instance, Gramm-Rudman has been called a tradegdy and a travesty, budgetary flimflam, irresponsible, and Congress at its worst.

On the contrary, Gramm-Rudman is simply a logical response to a Congress and a budget process that have gotten completely out of control. Consider the following:

The Congress did not pass a budget resolution this year until 2½ months after the statutory May 15 deadline and just minutes before the Congressmen were due to adjourn for a 1-month summer vacation.

The budget resolution purportedly achieves savings of some $55 billion for fiscal year 1986. But in reality, this figure is overstated by some $28 billion because of budgetary gimmickry.

The fiscal year—which began October 1—is now over a month old and, to date, only 1 of 13 appropriations bills has made it through House-Senate conference. When finally finished, 8 of these 13 bills will be over the President's original request.

The Congress has had to pass a continuing resolution this year to keep the Government operating because it could not get its work done on time. This is the 25th such resolution passed since 1977.

Now what could be more "irresponsible" than that?

The solons making the most noise about Gramm-Rudman are the ones most responsible for our deficit. Liberal big spenders, whose very existence in Congress is due to the special interests, are in an absolute pother over the prospect that some special interest programs will be slashed or possi-

bly terminated. It follows that these pols will be trying every trick in the book, including scare tactics, to kill Gramm-Rudman.

Bur scare tactics won't fool the American people who are tired of runaway government spending and want to put a stop to it.

The liberals keep insisting that under Gramm-Rudman social programs for the poor and elderly would be substantially cut because of the sequestering provision. This argument is not true and assumes that Congress will fail to do its job—which should be enough to get some constituents wondering about the competency of their representatives.

Gramm-Rudman would not become effective unless Congress failed to act in reducing the deficit to the mandated level or unless economic circumstances changed. Thus, the President and Congress are free to develop any program of spending cuts that they deem approprate. With Gramm-Rudman hanging over its head, Congress would have a powerful incentive to produce a reaonable budget to avoid the sequestering of funds. But even if Congress cannot do its job and a sequester becomes necessary, entitlement programs will not be reduced below existing payments.

Gramm-Rudman merely holds Congress' feet to the fire and forces it to make good on its countless promises to reduce Government spending.

Sensing that they are now on the losing end of the issue, the big spenders in the House, led by Speaker "TIP" O'NEILL, mounted a counteroffensive and just recently passed a budget balancing measure of their own. This is a little bit like W.C. Fields coming out in favor of prohibition.

The democractic alternative, unlike Gramm-Rudman, contains a long list of programs exempt from sequesters which reads like a who's who of social welfare programs. What the plan does, however, is target the defense budget for deeper cuts and paves the way for a new round of tax increases.

But despite their rhetoric, their motives are obvious. They want to stop the whole deficit reduction movement dead in its tracks.

Indeed, in a vote taken last Friday, November 1, over half of the Democrats voting in the House—131–116—voted not to consider either Gramm-Rudman or the Democratic alternative at all. They just wished the whole issue would go away.

If it were not so transparent, the liberal's new found fiscal restraint would be truly touching. But alas, their plan is merely the same old product, tax increases and a slashed defense budget, in a new package. It therefore does not deserve serious consideration and I was heartened to see the Senate refuse to even consider the measure.

By attaching Gramm-Rudman to an important piece of legislation—the debt ceiling—conservatives have forced the big spenders to deal with a problem they would otherwise have avoided. The American people are sick and tired of seeing their hard-earned tax dollars squandered on special interest and corporate welfare programs so that liberal fat cats can be reelected term after term by the appreciative recipients of the liberal's largesse.

One final note, it has certainly not been lost on myself or on my colleagues that since Gramm-Rudman was first proposed the bond market has staged an impressive rally, reaching a 6-year high. This has led to a surge in stock prices with the Dow Jones Industrial average breaking 1400. These markets are the best indicators of future economic activity and to see them do so well in the wake of Gramm-Rudman is convincing evidence that we are on the right track.

Passing Gramm-Rudman in its original form is the least we can do for the forgotten American—the taxpayer.

THE ADMINISTRATION'S POOR RECORD ON PROTECTING OUR MARITIME INDUSTRY

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. MANTON. Mr. Speaker, I rise to bring to the attention of the House a matter which clearly illustrates the failure of this administration to understand the importance of a strong American-flag merchant marine to the military and economic security of our Nation. I am referring to the plight of Rainbow Navigation, a small American-flag shipping company which is the ongoing victim of unfair and questionable action by this administration.

Since May, 1984 Rainbow has operated one U.S.-flag general cargo vessel between Norfolk, VA, and Keflavik, Iceland. It is the only American carrier transporting military cargo in this trade pursuant to the Cargo Preference Act of 1904. This act provides that all defense cargoes must be transported by privately owned American ships.

For some 20 years prior to the commencement of Rainbow's operation, this American trade was entirely controlled by the Icelandic shipping lines and their foreign vessels. There was no American-flag participation in this trade, and none of our defense cargoes were being transported on ships manned by U.S. citizen crews loyal to the principles and objective of the United States. It was for precisely this reason—to provide a much-needed measure of control over the transport of American defense cargoes—that Rainbow chartered a vessel from the Maritime Administration and commenced operations.

It is natural to expect the foreign shipping lines who lost their monoply and their advocates in Iceland to protest the entry of Rainbow into this trade. What was not expected by Rainbow, or anyone else concerned about the maritime capability of our country, is that our State Department and our Defense Department would become the most vocal supporters of the foreign shipping lines and the greatest threats to the continued operation of Rainbow's American-flag, American-crewed ship.

Mr. Speaker, it is inconceivable to me that our Government would so easily allow itself to be pressured and intimidated by the Icelandic shipping lines and the Icelandic Government. It is sheer folly to allow foreign interests to dictate to us how we must transport the supplies, equipment and property of our Defense Department.

This situation went so far as to result in an administration's determination that the rates charged by Rainbow Navigation were excessive, even though these rates were identical to those being charged by the foreign lines. The Department of Navy tried to use this unfounded determination as an excuse to avoid the requirements of the Cargo Preference Act and to allow the Icelandic carriers to regain their monoply.

Fortunately, last month, the U.S. District Court for the District of Columbia granted Rainbow Navigation a partial summary judgment against the U.S. Government. The court found that the Government's determination "is based in substantial part upon impermissible factors and is otherwise without factual support."

Mr. Speaker, the court in its opinion correctly stated that the Cargo Preference Act "is first and only a statute designed to protect and nurture the American maritime industry. It was enacted out of concern that the United States might be dependent upon foreign shippers to carry military supplies during wartime if the United States lacked a strong national merchant marine."

Although the law and its intent are clear, the administration persists in its efforts to drive Rainbow Navigation from this trade. Despite the clear statement from the court, the administration has filed notice of appeal and is attempting to overturn the court's decision, which upholds the Cargo Preference Act and preserves the right of this American-flag shipping company to participate in the carriage of American defense cargoes. At the same time, the administration is diverting more and more military moving between Iceland and the United States from water transportation to military aircraft. This, Mr. Speaker, is but another attempt on the part of our administration to make it economically impossible for Rainbow Navigation to continue to operate its ship.

I strongly urge the administration to end its efforts against Rainbow Navigation. Instead of trying to take cargo away from American ships, our Government should by its words and actions encourage the growth of this and other new maritime ventures which wish to ply the world's oceans with vessels flying our flag and crewed with our citizens.

INTELLIGENCE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, November 6, 1985, into the CONGRESSIONAL RECORD:

THE SUMMIT

Americans are alternately hopeful, fearful, confused, anxious or bored as the world and the media prepared for the Reagan-Gorbachev Summit in Geneva on November 19-20, 1985. Both the U.S. and the Soviet leadership are engaged in a sophisticated public relations battle as they prepare for the Geneva meeting. Mikhail Gorbachev's interview in *Time* magazine, the presentation of the Soviets' proposed 50 percent cut in strategic arms, his visit to Paris, and his separate proposals to the French and British on nuclear weapons in Europe are evidence of bold efforts to sway western public opinion. The U.S. similarly has tried to shape public opinion. It insists that the U.S. Strategic Defense Initiative (SDI) is a research program permitted by the Anti-Ballistic Missile (ABM) treaty, that the Soviets have their own SDI program, and that the Soviet proposal for a 50 percent cut in strategic weapons, while a beginning, heavily favors the Soviets when the fine print is examined.

Each side is seeking to use the summit for its own purposes. The Soviets want to undermine allied and public support for the SDI. The U.S. wants to portray its own proposals as reasonable and show that it is dedicated to improved relations. At the same time, to avoid public disappointment afterward it is playing down the prospects for results.

What can we expect from the summit? The U.S. has said its agenda for the summit is arms control, regional issues, bilateral issues and human rights. My impression is that major agreements are not likely.

On arms control, the most important result would be if the U.S. and the Soviet Union achieved some agreement in principle on a trade-off between deep cuts in strategic nuclear arms and limits on SDI. This outcome is unlikely. In the President's view, SDI is a research project vital to U.S. interests, and limits on research are unverifiable in any case. Unless and until the Soviet arms control proposal is clarified and made more attractive, those voices in the U.S. interested trading SDI for deep cuts will face an uphill struggle and will lack the support of public opinion to press their case successfully. An impasse on such an arms control trade-off is likely at the summit. Flexibility will probably have to await further probing in Geneva and tough decisions by both leaders. The Administration itself is deeply divided on the next step in these negotiations.

On regional issues, Reagan and Gorbachev will use the summit to air their differences on Afghanistan, Cambodia, southern Africa, the Middle East and Central America. This will be a continuation of low-level U.S.-Soviet discussions earlier this year. Such an exchange of views is important so that we understand each other's regional interests, policies and intentions, and thus reduce the risks of miscalculation. However, there is unlikely to be progress in narrowing the wide difference between the two in any major regional dispute. The U.S. and Soviet struggle for influence in the Third World will continue for the foreseeable future. No summit or agreements on a "code of conduct" can change this.

Bilateral relations are an area where some progress might occur. The two sides are close to agreement on the renewal of official cultural exchanges, which would include academic exchanges, travelling exhibitions, and theater and dance group tours. Under this agreement, the U.S. is seeking an exchange of television programming, including an annual exchange of addresses by the heads of government. To date, the Soviets have resisted this, and we have resisted Soviet efforts to extract a pledge to prevent defections. These differences can be resolved, according to U.S. negotiators. In addition, the recent conclusion of an agreement on aviation safety in the northern Pacific is an important step which can open the way to the resumption of negotiations on Aeroflot's U.S. landing rights, and progress in discussions on an exchange of consulates in New York and Kiev. Agreements on these issues by the time of the summit are possible, and would serve both Reagan's and Gorbackev's interest in having some tangible signs of the summit's success.

The U.S. will surely raise the subject of human rights, but if the past is any guide, Gorbachev will listen with a deaf ear or trump up charges of U.S. violations. The Soviet Union has some appreciation of the depth of feeling about human rights in U.S. public opinion, and a positive Soviet gesture on the emigration of Soviet Jewry or on some of the well-known human rights cases would make a large impact here. However, Gorbachev will not make any gesture that looks like a concession under U.S. pressure, particularly at a summit the whole world will be watching.

The summit will have been another missed opportunity if its only achievement is the signature of modest bilateral agreements. Reagan's real opportunity at the summit is not to reach an arms control agreement—positions are simply too far apart and the negotiations are not far enough along at this time—but to help create a political climate in which arms control can go forward. Energizing bureaucracies and giving momentum to the arms control process may be the best achievable results. At the summit itself, we should expect Reagan and Gorbachev to signal that arms control is at the top of their agendas. This signal should include a reaffirmation of SALT II and the ABM treaty, and a commitment to resolve difficult compliance questions, such as the Soviet construction of a large new radar site at Krasnoyarsk and the relationship of SDI to the ABM treaty.

Finally, an important outcome of this summit would be an agreement to regularize, and thereby demystify, summitry. It has been far too long between such meetings. Meetings between U.S. and Soviet high officials should be routine and frequent, thereby enabling our leaders to know each other better, tackle differences and avoid the tendency of such meetings to become media events.

NATIONAL LEAGUE OF CITIES ENDORSES H.R. 1616, THE LABOR-MANAGEMENT NOTIFICATION AND CONSULTATION ACT OF 1985

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. FORD of Michigan. Mr. Speaker, I would like to bring to my colleagues' attention a letter I received from the National League of Cities in support of H.R. 1616, the Labor-Management Notification and Consultation Act of 1985. The letter makes several points about H.R. 1616 that deserve special emphasis.

First, the problems of worker dislocation and plant closings are national problems of enormous proportions, which affect every region of the country.

Second, the measures proposed in H.R. 1616 are modest and reasonable, will not burden responsible employers, and have been examined in great detail for more than a decade. House consideration of H.R. 1616 should not be delayed.

Third, at a time when Congress and the President have slashed spending for the Job Training Partership Act Title III Dislocated Worker Program by more than one-half, H.R. 1616 is more necessary than ever. Without creating a new bureaucracy or any new spending, H.R. 1616's notice and consultation provisions will provide important benefits for workers and communities facing the threat of plant closures and mass layoffs. H.R. 1616 has the potential of saving hundreds of million of dollars each year in unemployment compensation and other government transfer payments.

Mr. Speaker, I greatly appreciate the strong support of the National League of Cities for H.R. 1616. I trust that the endorsement of the mayors and other elected municipal officials who make up the Nationial League of Cities, and who find themselves on the front line in fighting to protect the stability of our communities, will be highly influential.

The letter follows:

NATIONAL LEAGUE OF CITIES,
Washington, DC, November 4, 1985.

Representative WILLIAM D. FORD,
Chairman, House Committee on Post Office and Civil Service, Cannon House Office Building, Washington, DC.

DEAR CHAIRMAN FORD: This letter comes in strong support of H.R. 1616, the Labor-Management Notification and Consultation Act of 1985. We ask that this letter and the attached National League of Cities Human Development Steering Committee resolution in support of H.R. 1616 be included in the Congressional Record.

H.R. 1616 represents a critically important first-step necessary to assist cities in dealing with the problems of worker dislocation caused by plant closings. The enormity of the plant closing problem today and its effect upon both the workers involved and the cities in which these industries are based demands the very type of action which this legislation initiates.

As you are certainly aware, the number of workers impacted by plant closings over the past six years has taken on frighteningly dramatic proportions.

Between 1979 and 1984, nearly 11.5 million American workers were displaced or "dislocated" from jobs primarily in manufacturing industries. For each of these jobs, an additional 1.4 to 2.0 jobs are lost in related industries in the general economy.

Additional findings indicate that closings were not isolated to one region of the country, but occured everywhere, with the states in the East North Central, South Atlantic, and Pacific regions hit the hardest. Of displaced adults who had worked at least three years at their jobs, the Labor Department found that one-fourth were unable to find a new job. Older persons, women, and minorities had the greatest difficulty gaining new jobs. Of those dislocated workers who found work, 45 percent earned less than at their old jobs.

Figures which you yourself have cited compiled by the Brookings Institution show that the nation as a whole replaced only nine manufacturing jobs for each ten lost in plant closings at large manufacturing firms between 1976 and 1982. As you have stated, these are indeed "truly alarming statistics about the wave of plant closings that has smashed through our communities in recent years."

National League of Cities National Municipal Policy is explicit in its support for the passage of legislation based upon certain notions of basic corporate responsibility such as those premised within H.R. 1616. As our policy states, "federal policy should support those firms that plan to remain responsible members of their localities, yet should create disincentives for those footloose industries that would move without concern for their communities or their employees."

As noted, this bill is an important first-step in attempting to address a very serious municipal problem. We agree that action on this bill after your attempts to pass similar legislation over the past ten years scarcely constitutes a "rush to judgment." We would hope that once this vital bill is enacted into law, further Congressional consideration could be given to the question of limiting any tax benefits which might accrue to a firm in connection with the closing of a plant as well as possible adjustment insurance requirements.

Municipalities across the country continue to face severe fiscal difficulties as their tax base erodes and public spending rises to pay for the social costs of economic dislocation which includes rapid increases in juvenile delinquency, crime, divorce, mental illness, and despair.

Coupled with this, the need for the passage of legislation such as this is all the more necessary in light of recent action taken by both the House and Senate to reduce Job Training Partnership Act Title III Disclocated Worker Assistance fiscal year 1986 funding.

We continue to believe that the United States must adopt a comprehensive national policy to deal with the impact of economic dislocation on workers and their communities. We recognize that economic change is inevitable in our dynamic economy, but the burden of that change must be distributed as equitably as is possible.

H.R. 1616 represents a start in efforts to solve this problem. We commend and appreciate your efforts and those of the many co-sponsors of this legislation and heartily endorse its passage by the House.

Sincerely,

ALAN BEALS,
Executive Director.

RESOLUTION—PLANT CLOSING LEGISLATION
(Submitted by Human Development Steering Committee)

Whereas, the U.S. economy has lost 11.5 million jobs in the manufacturing sector between 1979 and 1984 alone; and

Whereas, many of these job losses have resulted from plant closings and large-scale layoffs of which little or no advance notice was provided to workers and local government officials; and

Whereas, the consequences of abrupt closings and layoffs are often catastrophic for workers and their communities; and

Whereas, the best prospects for preventing or ameliorating problems brought about by economic dislocation are afforded through advance notice of closings or layoffs to workers and local officials; Now, therefore, be it

Resolved that the National League or Cities go on record in support of H.R. 1616 (Notification and Consultation Act of 1985), a bill which would require businesses to provide 90-day advance notice of permanent layoffs to workers, labor organizations and the Federal Mediation and Conciliation Service. Be it further

Resolved that the National League of Cities supports the other provisions of H.R. 1616 which call for labor-management consultations during the 90-day notice period and for the establishment of a National Commission on Plant Closings and Worker Dislocation.

RESOLUTION TO ESTABLISH NATIONAL BACK AWARENESS WEEK

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. PEPPER. Mr. Speaker, I am pleased to introduce today a joint resolution of the Congress designating March 2 through March 8, 1986, as "National Back Awareness Week." Provided that this resolution meets with the approval of both bodies of the Congress and the President of the United States, it will call upon all Government agencies and the people of the Nation to observe this week with appropriate programs and activities.

At any given time, some 75 million Americans suffer with back pain. The elderly are particularly vulnerable to this incapacitating ailment.

According to the American Back Society, more than 400,000 people injure their backs on the job yearly, and the average back injury results in 97 lost work days; $14 billion is spent on the treatment and compensation of back injury each year, and 8 out of 10 Americans will experience back pain at some point in their lives.

Exercise, performed judiciously and as prescribed by a health professional, can have a beneficial effect. Proper posture can provide relief for back pain. Patients can be taught to avoid movements that can injure the back. Certain ways of managing stress can reduce strain on the back, and proper nutrition appears to bring relief in certain individuals.

I believe that National Back Awareness Week can be an important step toward bringing care of the back into the public consciousness. We need to mobilize those interested in back disorders, in order to educate the public and the health care community as to the seriousness of back problems. Orthopedic surgeons, neurosurgeons, physical therapists, radiologists, chiropractors, exercise physiologists, neurologists, nurses—these are but a few of the professions for whom care of the back is an important concern. By enacting National Back Awareness Week, we will be able to provide these persons and their patients—and all other interested persons—information relative to the treatment, prevention, and control of disorders associated with the back.

I would like to thank Dr. David Lehrman, a respected surgeon and constituent of mine from Miami Beach, FL, for bringing to my attention information on back problems. Dr. Lehrman has been especially active trying to educate Americans regarding back pain and how to relieve it.

Back pain has reached epidemic proportions and has become a major public health threat to the life and economy of our country. However, education and awareness can have a significant impact on the prevention and alleviation of back pain. I urge all of my colleagues to support this resolution to establish National Back Awareness Week.

The text of the resolution follows:

H.J. RES. 444

Joint Resolution to designate the week of Mach 3, 1986, to March 10, 1986, as National Back Awareness Week

Whereas 75,000,000 Americans are suffering with back pain;

Whereas more than 400,000 people injure their backs on the job yearly;

Whereas the average back injury results in 97 lost work days;

Whereas $14,000,000,000 is spent on the treatment and compensation of back injuries each year;

Whereas back pain has reached epidemic proportions, and has become a major public health threat to the quality of life and economy of our country; and

Whereas education and awareness make a significant impact on the prevention and alleviation of back pain; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of March 3, 1986, to March 10, 1986, is designated National Back Awareness Week. The President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe this week with appropriate programs and activities.

PEACE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. GINGRICH. Mr. Speaker, yesterday, I circulated Senator PETE WILSON's principles for the Reagan-Gorbachev summit meeting. If accepted by the administration, we can be sure the security of the United States will not be compromised at Geneva.

I think one implication of these principles is that we should develop a better understanding of the Soviet Union and communism. For example, what do the Soviets mean when they refer to "star wars?"

Below is an article by our esteemed colleague, Congressman DON RITTER, entitled "Peace, Yes, But by Whose Definition?" DON explores the concept of the word "peace" and I think this column should be kept in mind as the United States prepares for the summit meeting later this month.

PEACE, YES, BUT BY WHOSE DEFINITION?

The setting was a sumptuous state-sponsored dinner at a 400-year-old church in Havana, Cuba, which had been converted into a restaurant. A man who was part of a group of U.S. "peace activists" opposed to administration policy in Central America rose and proposed a toast. "To peace," he said. "To peace with liberty," I added. He and the other with him continued to toast "to peace."

The debate in America and Europe today is not over war vs. peace. Nobody wants war and everyone wants peace. The crucial, yet unformed, debate is over the meaning of the word "peace."

If peace is taken as the absence of any large-scale war, nuclear or otherwise, then there are entirely different policy options than if a definition of "peace" also embodies the twin concepts of human freedom and human rights.

If real peace is inseparable from freedom and human rights, then the American people must come to grips with the historical record and current activities of our chief rival in the definition of peace, the U.S.S.R.

Coming to grips doesn't eliminate creative diplomacy and dialogue. We can and should negotiate with adversaries to reduce the dangers of direct conflict, but we should do so without any illusions about achieving a peace that embodies freedom and human rights, since that kind of peace doesn't exist for Soveit people at home, nor for Soviet charges abroad.

Lately, Soviet leaders won't even talk about this. In a bizarre incident on French TV recently, Party General Secretary Mikhail Gorbachev berated a journalist for just asking about "100,000" Soviet political prisoners. . . . Period, no answer. That came shortly after Mr. Gorbachev blandly stated that Jews have it better in the U.S.S.R. than anywhere else. Several days later, when Dan Rather again asked about political prisoners, Mr. Gorbachev curtly stated that the subject had already been covered by his response on French TV.

Closer to home, the American people are genuinely confused by peace activists who oppose U.S. government policy in Central America but are silent on the institutionalized violations of human rights by Sandinistas or Salvadoran terrorists. the latter evidently do not qualify as death squads. My discussions with peace activists in Nicaragua indicate they supported the violent overthrow of the Somoza government. Is this an objective witness for peace?

Peace activists urged an end to the Vietnam War which resulted in a tragedy at least as great as the war itself. Yet most were silent on a postwar holocaust in Cambodia and the death, misery, and enslavement in South Vietnam. To this day, they have not owned up to the fact that the end of the war did not bring peace.

The attempt to bring human rights to South Africa is important for peace activists of all stripes, but so is resistance to organized Soviet genocide in Afghanistan. Why is there no outcry from peace activists against a Soviet policy that is far more responsible for events in Afghanistan than is a U.S. policy for those in South Africa? Where are the symbolic arrests at the Soviet Embassy? Where is the worldwide movement for trade sanctions against the Soviet Union?

If the West eventually weakens and accepts nuclear first-strike dominance by the Soviets, that won't be peace.

If the West accepts the use of Soviet proxy troops (Cubans) to guard the Marxist palaces of Ethiopia and Angola and allows freedom fighters to wither away, that isn't peace.

Is an occupied Cambodia without resistance and a conquered South Vietnam "at peace?" To be more blunt, is Poland at peace?

With the Helsinki process crushed inside the U.S.S.R., are the people of the Soviet Union at peace? Is a prisoner in a jail at peace?

While people active in the peace movement may be sincere in their quest, they simply ignore the reality of what they, themselves, would accept as living "in peace."

To have effective discussions about peace with the Soviets, Americans must decide for themselves what the word peace really means, and not just to our own leaders but to Soviet leaders, too. We all know the outcome of the last time the West rejoiced in having achieved "peace in our time."

If Americans want real peace for the world, which means peace with freedom and human rights, we need to ask Mr. Gorbachev in Geneva about the slaughter of innocent Afghans. We need to ask about the Helsinki monitors who, like Ukrainian poet Vasyl Stus, have died in labor camps. We need to ask why Anatoly Scharansky is imprisoned. And we need to ask why one Nobel Peace Prize winner, Andrei Sakharov, can't communicate with his own family while another, Bishop Desmond Tutu, can hold internationally televised press conferences.

Peace demands first a more agreed-upon definition of the word. For starters, how about our peace activists consulting with the unofficial peace movement in the U.S.S.R.?

Last time I heard, it was in exile, dead, or simply out of business.

HOSTAGE CRISIS ENTERS 610TH DAY

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. O'BRIEN. Mr. Speaker, today marks the 610th day Americans have been held hostage in Lebanon.

A U.S. foreign service officer, William Buckley, was kidnaped in Beirut on March 16, 1984, 610 days ago today.

Father Lawrence Jenco, the head of Catholic Relief Services in Beirut, has been held hostage for 303 days.

Terry Anderson, the Associated Press bureau chief in Beirut, was taken hostage 234 days ago.

The director of the American University Hospital in Beirut, David Jacobsen, was kidnaped 162 days ago.

Thomas Sutherland, the dean of the American University Agriculture School, was taken hostage 149 days ago.

Today also marks the 337th day since the disappearance of Peter Kilburn, the American University librarian.

Mr. Speaker, the American hostage crisis continues. It will not be over until all the American hostages in Lebanon are returned safe and sound.

IMPORTANCE OF LIFESAVING PROGRAMS EMPHASIZED

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. DIOGUARDI. Mr. Speaker, on March 29 of this year, Charlene Serra found her 6-year-old brother choking on a lollipop in the basement of their home.

Only 2 weeks prior to this near tragedy, Charlene had completed the American Red Cross basic aid training course. The course had been offered to the members of Charlene's fifth-grade class at Our Lady Fatima School in Scarsdale, NY.

When Charlene found her brother blue-faced and choking, she remembered what Sister Janet Hanley had taught her in class and proceeded to administer the maneuver that would dislodge the lollipop. Because of his sister's brave and adept actions, Michael is alive today. On April 23, Charlene received a well-deserved citation from the American Red Cross for her heroism. She was the youngest ever to receive an ARC citation.

Mr. Speaker, I would like to make a plea to my colleagues to encourage more people to become involved in such lifesaving programs. This young girl's efforts to save her brother were successful, because someone had recognized a need for children to know what to do in an emergency. I hope that more people will appreciate the importance of these lifesaving programs. Just ask Michael Serra.

BROOKLYN SCHOOL BOARD 15: A STAND FOR DECENCY AND DIGNITY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. SOLARZ. Mr. Speaker, I would like to pay tribute to the members of community school board 15 in Brooklyn for demonstrating their commitment and concern for human rights in South Africa by unanimously adopting a resolution opposing apartheid and urging the Board of Education of New York City to develop instruction on apartheid and to refrain from entering into contracts for goods or services with firms who trade or do business with South Africa.

Community school board 15 has, by this action, lent its voice to the growing chorus of citizenry throughout my district and around the Nation who are demanding more active efforts to end the oppression and injustice caused by the apartheid system in South Africa.

I am, therefore, pleased to share the text of their forthright resolution with my colleagues, many of whom have joined with me in outspoken opposition to the apartheid policies and practices of the Government of South Africa.

Resolution against the Apartheid Government in South Africa:

Whereas, the government of South Africa has systematically denied by force of law to a majority of its population the rights of citizenship and democracy, including the right to vote and the right to reside with their families, solely on the basis of their race, and has limited the freedom of other groups within its population solely on the basis of race, in a system known as apartheid; and

Whereas, many American corporations continue to do business in and with South Africa, thereby profiting from the restricted labor of victims of apartheid;

Be it resolved, That this Board will request the Board of Education of the City of New York that, as of November 1, 1985, they should sign contracts for goods and services only with firms which can affirmatively state that they do not trade with or do business in South Africa; and that copies of this resolution be sent to other Community School Boards of Education, the Chancellor, the Commissioner of Education of the State of New York, and local, state, and federal legislators, especially the President of the United States, so that they may be encouraged to consider taking similar action, and to his excellency, Bishop Desmond Tutu in South Africa, as a sign of solidarity, with the cause of obtaining full freedom and democracy for all South Africa.

Be it further resolved, That the policy of the Community School Board is for instruction on apartheid to be given in all schools of the District.

I would like to commend the members of community school board 15—Philip Scala, Beatrice A. DeSapio, Felix R. Vazquez, Norman Fruchter, P. Peggy Buffalano, Judy Hoffman, Philip Kaplan, and Christopher F. Sarlo—for the action they have taken to oppose the current practices and policies of the Government of South Africa.

JOHN DAVIS LODGE IN MEMORIAM

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. FASCELL. Mr. Speaker, a distinguished American, the Honorable John Davis Lodge, died last week while serving on the United States Delegation to the United Nations. He was 82 years old, and it is perhaps typical of his long, varied and eventful public career that he was still serving his country with great distinction when he was fatally stricken.

As Chairman of the Committee on Foreign Affairs, I would like the RECORD to show that Ambassador Lodge entered public life as a Member of this body and of our committee. During the 80th and 81st Congresses, he served on a total of five different subcommittees, and although that was before my time, I have always heard that his contribution to the committee's deliberations was one of inestimable value. This experience undoubtedly prepared him well for his subsequent career in Government and diplomacy.

Mr. Speaker, two of Ambassador Lodge's former colleagues on U.S. Delegation to the 40th anniversary U.N. General Assembly are the gentleman from Florida [Mr. MICA] and the gentleman from New York [Mr. SOLOMON]. They will provide more detailed statements for the RECORD in due course—summarizing the highlights of this remarkable American's remarkable career.

I will, therefore, merely conclude my remarks by extending my deepest sympathy, on behalf of the present and former membership of the Foreign Affairs committee, to his beloved wife, Francesca, and to all members of Ambassador Lodge's family.

CATHOLIC TEACHERS OF NEW YORK HONOR TWO AS EDUCATORS OF THE YEAR

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today on behalf of the Catholic Teachers Association of the New York City Board of Education, which is honoring Rev. Msgr. Vincent D. Breen, STL, and Mrs. Alice M. Riddell, director of Community School District 25's Drug Prevention Program, as its Educators of the Year for the school year 1985–86.

Mrs. Riddell and Monsignor Breen will be honored at an awards dinner on November 8, 1985, in Queens Village, NY by the Catholic Teachers Association, an organization for Catholic teachers in the New York City public school system.

Mr. Speaker, both Monsignor Breen and Mrs. Riddell are very deserving of this honor and of the attention of this House. Monsignor Breen, who was ordained in Rome in 1962, has been extraordinarily active on behalf of public and parochial education. He has been superintendent of education for the diocese of Brooklyn since 1978, and has been a leader in that diocese since 1966. Among the organizations to which he has contributed his energy are Borough President Golden's Advisory Council, the New York State Policy Committee, and the Conference of Public and Non-Public School Officials of the University of New York. He has served as chairman of the Committee of Non-Public School Officials, and as president of the chief administrators of Catholic Education.

Mrs. Alice Riddell organized Project 25, District 25's school-based alcohol and substance abuse prevention and intervention program, and has headed it since its inception in 1971. Project 25 uses individual counseling and group discussion to teach decisionmaking and coping skills and strong self-esteem to help our children say "no" to drugs and alcohol. The program has been tremendously successful; countless young people of Queens have been able to steer away from the pitfall of substance abuse because of Alice Riddell's vision of a drug-free society.

Mr. Speaker, education is not an easy task in our society. Our youngsters are constantly bombarded with conflicting messages, and teachers in our society must reach beyond these messages to provide an atmosphere of education in our classrooms. Alice Riddell and Vincent Breen are two people who have had the commitment to provide a strong moral ground for the youngsters of the diocese of Brooklyn and School District 25 in Queens.

Mr. Speaker, I call on all of my colleagues in the U.S. House of Representatives to join me now in congratulating Rev. Msgr. Vincent D. Breen and Mrs. Alice Riddell on being chosen Educators of the Year, and in congratulating the Catholic Teachers Association of New York City for supporting and encouraging this kind of dedication for students of all religions in New York.

KILDEE HONORS 1984–85 FLINT NORTHWESTERN HIGH SCHOOL WRESTLING TEAM

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. KILDEE. Mr. Speaker, I would like to bring to the attention of my colleagues and the Nation the tremendous accomplishments of the 1984–85 Flint Northwestern High School Wrestling Team. The squad ranked fifth in the class A Michigan State finals and was the first and only all-black

contingent ever to finish in the top 10 in the State's history.

As a result of their great efforts and unprecedented determination, many individual honors were bestowed upon the team. Coach Joseph H. Johnson was named Regional Coach of the Year by the Michigan Wrestling Association, and six of the team's seven seniors took advantage of opportunities to further their education through wrestling at major universities. Tremelle Richards is now attending Ferris State College in Michigan; Oscar Murdock and Vincent Lang are students at Coppin State College in Baltimore, MD; Fred Montgomery is at Howard University in Washington, DC, and Chauncy Wynn and Darry Greer are attending Morgan State University in Baltimore. The seventh senior, Dan Magby, is serving his country as a Marine and competes as a member of the All-Marine Corps Wrestling Team.

Mr. Speaker, this wrestling team has been a great inspiration to the youth of the Flint community. They have demonstrated with courage, drive, perseverance, and skill, even the loftiest of goals can be realized. I am pleased to honor this team for they have greatly distinguished themselves through athletic excellence.

A TRIBUTE TO MEL ROSE

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. KOLTER. Mr. Speaker, today I rise to pay tribute to an individual who has tirelessly served the community of New Brighton in Beaver County in Pennsylvania's Fourth District. Mr. Mel Rose was recently honored by the N.A.A.C.P. as the "Community Man of the Year."

Mr. Rose has been actively involved in community service and local government for the last 30 years. He began in the late 1950's by sponsoring and managing the New Brighton Braves Baseball Team and cofounding and instructing the Young Mens Social Athletic Club. Rose continued to be involved in founding and sponsoring athletic teams throughout the 1960's and 1970's. These contributions are greatly appreciated by the residents of Beaver County, where sports are so important.

Mr. Rose went on to become heavily involved in local politics and local union organizations. He has served as board member of the New Brighton Planning Commission from 1976–81. Rose also served as recording secretary for the local 2035 of the Railroad Workers.

Currently, Mr. Rose is still very active in a variety of activities. He is a brother in both the King Solomon Lodge No. 78 and the Brighton Pioneer Lodge No. 219. He has been a member of the New Brighton Boro Council for the past 6 years, serving as vice president for 2 of those years. Rose is also chairman of the New Brighton Democratic Party.

In addition to being involved in these and other political positions, Mel Rose still finds time to be board member for the New Brighton Boosters and the New Brighton Recreation Board, as well as a host of other organizations.

The long-time efforts and accomplishments of Mel Rose have benefited the community of New Brighton, and I am sure that the residents appreciate his contribution. I think it appropriate at this time, Mr. Speaker, that this body salute the achievements of such a fine and dedicated individual of the Fourth District of Pennsylvania.

CHRISTMAS CANTREE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. LAGOMARSINO. Mr. Speaker, "Christmas Cantree" is an annual communitywide program sponsored by the Santa Maria Board of Realtors. This program is designed to help less fortunate individuals in the Santa Maria community through the outreach services of the local Salvation Army.

Last year, thousands of Santa Marians contributed over 12,000 cans—more than 6 tons of emergency food—to feed the hungry. This year, in order to meet an even greater need, the Christmas Cantree Committee is aiming to collect 12 tons of food. Members of the Santa Maria Board of Realtors throughout the month of December will be going into the neighborhoods collecting canned food, which will be stacked on the Community Cantree.

I am pleased to note that the California Association of Realtors has adopted the Cantree idea. Through its communication committee, it will be recommending this project to all 180 real estate boards located throughout the State of California.

I would like to extend the congratulations of the House of Representatives to the distinguished members of the Christmas Cantree Committee on their successful effort to help the less fortunate members of their community.

SALUTE TO WEST LAFAYETTE, INDIANA

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. MYERS of Indiana. Mr. Speaker, today I am proud to announce to my colleagues that the city of West Lafayette, IN, has been honored nationally by the Department of Energy for the innovative conservation and renewable energy achievements of its Department of Parks and Recreation.

Just last year, West Lafayette's public swimming facility had a leaky bathhouse roof and a faulty heating system. This year, after creative planning and financing, it is now solar-powered with 44 copper solar collectors on the bathhouse roof. This keeps the pool water warm and the shower water hot during the pool's summer season and provides hot water to an adjacent school during the school year.

What is so commendable is that West Lafayette's actions solved its local pool problem by using a renewable energy source and without raising taxes or creating a complicated bond issue. West Lafayette financed the model and innovative project with third party investors and told them that if they built and ran the solar heating facility, the city would buy the energy. The investors under law are eligible now for specific tax credits and depreciation for building a solar facility so they are guaranteed a profit as well.

I am proud of the efforts of West Lafayette's Mayor Sonya Margerum and its Parks and Recreation Department Superintendent, Roger Beaver, for their foresight in not only utilizing a solar source of energy for their project but also by financing it privately and at no extra cost to the community. I, also, appreciate the Department of Energy's actions to recognize the city by honoring it with a National Award for Energy Innovation. Congratulations, West Lafayette!

PUBLIC SCHOOL 18 IN QUEENS VILLAGE, NY, CELEBRATES 30TH ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today on behalf of Public School 18 in Queens County, NY, which is celebrating its 30th anniversary of innovative, quality education on November 6, 1985.

Mr. Speaker, P.S. 18 has a wide variety of strong educational activities, including a particularly innovative choral group, an exciting young playwrights program, and an excellent computer program. But listing the strengths of the school's curriculum does not do P.S. 18 justice.

P.S. 18 first opened its doors in September 1955, in the heart of the baby boom. By the late 1970's, however, declining enrollment put the future of the school in serious jeopardy. Only the farsighted dedication of the local community, led by former principal Ernest Caponnetti, kept the school doors open. Now, P.S. 18 has increased its enrollment to 240 youngsters ranging from kindergarten to 6th grade—kids that would have had to be bused far from home if the school had closed.

Mr. Speaker, P.S. 18 is once again a leader in Queens education. I would like to publicly acknowledge the current principal, Dr. Eileen Kramer, for her commitment to the continued growth and excellence that she has worked for. I would also like to pay tribute to all of the administrators, teachers, and students of P.S. 18.

I call now on all of my colleagues in the U.S. House of Representatives to join me in congratulating P.S. 18 of Queens Village on the happy occasion of its 30th anniversary,

and in wishing all the men, women, and children of P.S. 18 good luck as they prepare for its next 30 years.

TRIBUTE TO TWO OUTSTANDING LOS ANGELES LEADERS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. WAXMAN. Mr. Speaker, I would like to ask you and our distinguished colleagues to join me in saluting two outstanding Los Angeles leaders, Rabbi Jacob and Marjorie Pressman.

On December 9, 1985, a gala banquet will be held to mark Rabbi Jacob Pressman's retirement as spiritual leader of Temple Beth Am. Rabbi Pressman has held the pulpit of this distinguished congregation for 35 years. During that period, Rabbi Pressman built Temple Beth Am into one of the largest and most dynamic conservative temples in the United States.

Rabbi Pressman has been a leader in numerous projects. Yet, his work has never lacked focus. His first concern has always been with our youth. He established and actively guided the Herzl schools and the Beth Am Academy. He served not only the Jewish community but the larger community as well by establishing the Beverly Hills Maple Center—a guidance center designed to help young people and their families.

Rabbi Pressman's influence has been felt far beyond the Los Angeles and Beverly Hills communities. In Israel, Rabbi Jacob Pressman is revered as one of Israel's staunchest, most articulate, and most effective friends in the entire American rabbinate. Under Rabbi Pressman's dynamic leadership, Temple Beth Am has risen to the No. 1 position nationally in support of State of Israel bonds.

Despite the enormous burdens of guiding a huge congregation, Rabbi Pressman has served in leadership positions in virtually every rabbinical organization—from the local Board of Rabbis of Southern California to the national rabbinical assembly.

Marjorie Pressman has amazingly carried the considerable burdens of "first lady" of Temple Beth Am and also virgorously and successfully pursued many interests of her own.

This remarkable woman used her talents as an administrator and an organizer to bring together a multifaceted event at Temple Beth Am called Israel Expo West. Attendance topped 50,000.

The same talents Mrs. Pressman brought to her temple and Jewish community activities, she has now brought to the world of commerce and enterprise. Mrs. Pressman may be the only rebbitzen (rabbi's wife) to serve as a vice president and director of a savings and loan. Mrs. Pressman holds those positions with Unity Savings and Loan Association which she helped found.

Such diverse organizations as the American Youth Symphony, the Women's League for Conservative Judiasm, Hadassah, and the Beverly Hills Theatre Guild have benefited from the energy and talent of this remarkable woman.

The Pressman's are the proud parents of two sons and a daughter, and three grandchildren.

Mr. Speaker, I ask that you and our colleagues join me in expressing praise and gratitude to Rabbi and Mrs. Pressman on the occassion of his retirement. I further ask that the leadership and Members of the House of Representatives join me in wishing these extraordinary Americans good health and many years of continued contributions to our community and our Nation.

CONGRESSIONAL RETIREMENT REFORM ACT OF 1985

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. COBLE. Mr. Speaker, today I am introducing legislation which will correct a longstanding affront to the taxpayers of this country: the congressional pension system. My bill, the "Congressional Retirement Reform Act of 1985," will not only save the taxpayers money, it will restore some credibility to this legislative body as we set about the urgent task of reducing the deficits by cutting Federal spending.

When congressional pensions started in 1946, the actuary who prepared the plan testified: "[We] went overboard in our recommendations here giving a preferential treatment to you folks relative to retirement, departing from all actuarial principles." The Grace Commission has revealed that the current system offers between two and four times the benefits afforded participants in private sector plans. Presently, some former Members earn more in retirement than they did as active Members. Moreover, the current pension formula is so much better than that of all other Federal employees that former Members draw about one-third larger annual pensions than civil servants with the same pay and time in service—even Cabinet Secretaries. These and other data revealed by leading pension expert and legal scholar Roy Schotland highlight the need to act and act now—before temporary regulations governing the system expire at the end of the year.

Mr. Speaker, my bill is simple: it will treat Members no differently than other civil servants for retirement purposes. More specifically, the law which governs contributions, periods of service, and methods of computing annuities for other participants in the Civil Service Retirement System will also apply to Members. However, anyone with 10 or more years of Member service will be grandfathered in under the old system. Additionally, those Members with at least 5 years of service will receive "credit" for those years (not to exceed 10), but thereafter will fall under the new system. Anyone with fewer than 5 years of Member service as of January 3, 1986 may be reimbursed for any contributions above the amount authorized by my bill, but would otherwise entirely be covered by the new system.

While Members and other Federal employees have had to pay Social Security tax since 1983, this revision and others due to occur at the end of 1985 (when the temporary legislation expires), do not adequately address the inequity of treating Members differently from other Federal employees. When Members may leave Congress after 6 or 8 years of service with years of money-earning capacity ahead of them, change is in order. Although I have pledged not to participate in any publicly funded pension plan as a legislator, I am not advocating that congressional pensions be eliminated altogether. Rather, I only ask that this legislative body be treated neither better nor worse than other Federal workers. This is the least that we can do to help reduce Federal spending, the true cause of our current economic woes.

HAPPY BIRTHDAY—JANE McKASKLE MURPHY

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mrs. BURTON of California. Mr. Speaker, I want to pay tribute today to a distinguished San Franciscan, Mrs. Jane McKaskle Murphy. Monday, November 11 will be her 75th birthday.

Jane McKaskle Murphy has been one of San Francisco's outstanding citizens for nearly four decades. For 21 years, she was area director of the California Department of Social Welfare, supervising the 16 northern California welfare departments. She served on San Francisco's Police Commission for two 4-year terms, including a term as vice-president of the commission.

Mrs. Murphy is a past president of the Democratic Women's Forum, currently serving on its executive board. She is a member of the League of Women Voters, the Pacific Heights Neighborhood Council, and the Union Square Business and Professional Women's Club. Her many awards include the Woman of Achievement Award for the Business and Professional Womens' Club, Certificate of Appreciation from Casa de los Madras, first recipient of the Dorothy Langston Human Rights Award and Lifetime Achievement Award from the Legal Assistance to the Elderly. Her achievements have been recognized in "Who's Who in American Women" and "Who's Who in the West."

She has been an active Democrat, including working with the Host Committee for the Democratic Convention last year. I have known Jane for many years and I am delighted, in this way, to wish her happy birthday!

EVELYN R. BURNS: A TRIBUTE

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Ms. MIKULSKI. Mr. Speaker, I would like to include for the RECORD the following statement by Wilber J. Cohen, former Secretary of Health, Education and Welfare, on Tuesday, October 29, 1985, at Columbia University in New York City:

There were giants on the Earth in those anxious and uncertain days 50 years ago. They stood tall and could see far in the distance, beyond the horizon. They saw far beyond 50 years, into another century.

They realized that they should not build merely for the present but that they must also build for the longer run future.

They were dreamers and visionaries but with a plan; they were social architects who could envision the idea in their mind's eye and transform it into an institutional creation. Some could defend the idea with simplicity; others saw it from a standpoint of complexity.

Some could spell out the specifications of a detailed plan. Another could draft them into the artistry of legislative language. Others could develop an ingenious line of reasoning which would sustain the constitutionality of the idea. Others could explain the idea and the plan to congressional committees.

They were innovative men and women: Labor economists, social reformers, representatives of labor, business, and the public. They were creative thinkers and writers, teachers and researchers.

But they were also giants.

Much had gone before which had come to be significant influences in the brains of men and women as widely separated as New York; California; Madison, WI; Chicago; and Princeton, NJ.

There was Bismark in the 1880's, and John Graham Brooks in 1893;

Prof. Henry Seager of Columbia University in 1907 and 1910.

There was John R. Commons in Madison in 1906, 1910, and in 1919 joined by Arthur J. Altmeyer:

I.M. Rubinow in 1913 and 1934.

Abraham Epstein in 1922, 1928, and 1933.

Prof. Barbara Nachtrieb Armstrong from Berkeley in 1932. And Murray Latimer and Prof. Paul Douglas from the University of Chicage the same year.

There were many others who pioneered in the intellectual development of the ideas, concepts and programs: John B. Andrews, Harold Groves, Elizabeth Brandeis, Paul Rauschenbush, Edwin E. Witte, Merrill G. Murray.

Eve Burns followed in this great tradition of pioneers, intellectuals, and giants who carried into effect the contribution of all intellectuals that—"Ideas are weapons."

Eveline Burns contributed her ideas to the Committee on Economic Security in 1934.

She prepared a special report on "The Integrated Treatment of Unemployment Insurance, Cash Relief, and Emergency Work" and another on "Significant Phases of Foreign Experience."

Then she entered into a period of writing and teaching on Social Security which had far-reaching influences.

Her major books and reports cover the entire formative period of Social Security: 1936, 1942, 1949, 1956, 1968, and 1973. Her students reached out along the length and breadth of the Nation.

Today we convene to celebrate the stimulating contributions of one of the great teachers of Social Security in academia who transformed the dull, dry, statutory verbiage into understandable concepts, who put meaning into the fragmentation, and synthesis into the compartmentalization of the categories. She wrote and talked with the enthusiasm of the social reformer; she could analyze and criticize but with the objectivity of a friend; she could welcome the student to the cathedral of learning and also stimulate the learner into a life of social activism or social research.

I had the good fortune to have known Eve Burns for 51 years under many different conditions. I grew up under her intellectual stimulation and needling. I admired her and enjoyed her as a colleague and friend.

She became a little band of brothers and sisters warding off the blindness of the econometricians, the simplistic advocates of the marketplace and the bottom line, and perfectionists who were never satisfied with incremental improvements.

We had studied the rigors of the dismal science. They could even add the trust funds to the Federal administrative budget to find the total without the necessity of creating the Federal unified budget. Yet, they never forgot that compassion could be included in the budget.

They never forgot the weak while others were exalting only the strong and the affluent.

But still they drew a wide circle in which to include others.

In this 50th anniversary year of Social Security, we celebrate those who have gone before us and those who are still here.

Eve Burns was one of the 50 or so staff persons who in the fall of 1934 participated in the 4 months of research and development which led to the far-reaching Social Security Act of 1935. Of course the role of Frances Perkins, Harry Hopkins, Henry Morgenthau, Arthur J. Altmeyer, Edwin E. Witte, Paul Rauschenbush, Murray Latimer, Tom Eliot, Katherine Lenroot, Grace Abbott, and many others, were preeminent. There were others whose words and voices had helped pave the way: Prof. Henry Seager of Columbia University, I.M. Ribinow, Abraham Epstein, Prof. John R. Commons and Prof. Barbara Nachtrieb Armstrong.

Until last year there were nine of us left from that 1934 group. Today there are only six left.

On behalf of us sturdy six can I ask someone here that on the passing of the last of us to convene a full-scale seminar on the future of Social Security so we may look down or up from wherever we are in recognition of what individuals like Eve Burns tried to build for social justice.

When we think of Eveline Burns, there is love in our hearts, affection on our lips, admiration in our mind, a tear in our eyes, a throb in our throats.

For those of you who are younger and active, not only should you remember Eve, but follow the path she showed us.

She would say:

Do not be of little faith.

Think big when big steps are possible.

Think small when small steps are feasible.

But like Eve, reach with one hand for the stars; keep the other to fend off those who do not treasure the great heritage and hard work of those who have gone before us.

The memory of Eveline Burns should carry us forward another 50 years.

THE CLINIC

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. FAZIO. Mr. Speaker, yesterday I had the special pleasure of meeting Ms. Tyne Daly, the gifted and articulate actress who plays Detective Mary Beth Lacey in the Emmy Award winning CBS television series "Cagney and Lacy." Ms. Daly was in Washington, DC, to attend a reception in her honor hosted by me, the National Abortion Rights Action League and Representatives LES AUCOIN, BARBARA BOXER, DON EDWARDS, BILL GREEN, NANCY JOHNSON, LYNN MARTIN, JAN MEYERS, CLAUDINE SCHNEIDER, PAT SCHROEDER, LOUIS STOKES, and HENRY WAXMAN.

During the reception we previewed scenes from an upcoming episode of the television series, airing on the evening of November 11, that will have particular significance for those of us who believe strongly in reproductive rights and freedom of choice.

The episode, entitled "The Clinic," deals with a fictional but unfortunately all-too-realistic bombing of a family planning clinic in New York City. As the plot progresses, Detective Lacy reveals her own very personal concern for a woman's right to choose by disclosing that she herself had an abortion when she was 19. Lacy's partner, Detective Christine Cagney (Sharon Gless), initially has mixed feelings about abortion but eventually decides that she too favors reproductive choice.

The violence being committee against family planning clinics in this country is deplorable and indefensible. "The Clinic" deals realistically with these apalling acts while providing a balanced presentation of the broader issue of reproductive rights by including both prochoice and antichoice characters. It clearly shows that this controversial and very misunderstood issue can be dealt with responsibly and sensitively by the popular media; but moreover, the episode underscores the importance of our

role in defending a woman's basic right to reproductive freedom.

I commend the show's production company, Orion Television as well as Executive Producer Barney Rosenzweig, Tyne Daly and Sharon Gless for their excellent work on behalf of every woman's right to choose.

WILLIAM JAMES TSAKANIKAS: UNSUNG AMERICAN HERO

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. DioGUARDI. Mr. Speaker, I rise today to honor an American hero. Not many people in our country have heard of William James Tsakanikas and his name is not recorded in many history books, but those who knew him and those who fought alongside of him in World War II know that this brave and courageous individual helped to prevent a potentially disastrous course of history.

The Battle of the Bulge is a famous and well-documented moment in World War II, but a far greater battle occurred before this one; a battle that made this victory possible. On the morning of December 16, 1944, Adolf Hitler's Nazi Army began its Ardennes offensive. The only thing that stood between the forces of the Third Reich and the unsuspecting 99th Division of Allied forces were 18 American soldiers of the intelligence and reconnaissance platoon entrenched in the Belgian village of Lanzerath. Had the German Army been able to proceed toward the Bulge uncontested, that battle would have been lost and Hitler's Germany would have gained new life in the war.

Miraculously, these 18 American soldiers were able to hold off the advancing German troops for 18 hours. During the course of fighting, only 2 Americans were killed; the Germans suffered 509 casualties. Finally, the German troops overran the badly wounded and bloodied Americans and captured them. However, the American stand bought the 99th Division enough time to prepare for the German offensive and led to ultimate victory.

The youngest member of that valiant group was 19-year-old William James Tsakanikas. Severely wounded, he was saved by a German doctor. In spite of intense pain due to 36 operations performed on his face, which was severely damaged in fighting, he lived a life dedicated to improving his community and the lives of others until his death in 1977.

In 1979, the President signed into law a bill that would posthumously award William the Congressional Medal of Honor, the highest military award that can be received. Unfortunately, this medal was never awarded by President Carter and I am now attempting to have President Reagan issue this long-overdue honor. At this time, Mr. Speaker, I would like to include in the RECORD an article written by columnist Jack Anderson, which appeared in the March 25, 1979, issue of Parade magazine and eloquently tells the story of William James Tsakanikas.

Finally, Mr. Speaker, this Sunday, the town of Port Chester, where William lived for several years, will have a dedication ceremony for the William James Tsakanikas Memorial Gateway Park. I am honored to be named as the main speaker at this event, but more importantly, this dedication will mean that the memory of a truly great American will live on.

WHY PRIVATE TSAKANIKAS SHOULD GET THE MEDAL OF HONOR

(By Jack Anderson)

The Lanzerath Incident should have gone down as one of the most valorous and pivotal actions of World War II. It was omitted from the histories because no one returned to tell the story until the war was over. Yet for an eternity of 18 hours, 18 stubborn Americans halted an entire column of German panzers, paratroopers and SS troops.

The GI's were ordered to hold a slope overlooking a strategic crossroads at a Belgian village called Lanzerath. Bullets whined around their heads, and artillery shells ravaged the landscape. Their hillside was a hell of gunfire and shrapnel. Yet they fought back, hugging the sides of their foxholes, until their guns burned up or ran out of ammunition.

When the Germans at last overrun the position, they pulled the grimy GI's bodily from their foxholes. Their lieutenant, Lyle J. Bouck Jr., described the end tersely. "We never surrendered," he said. "We were captured." On the American side, miraculously, only two died in the firefight, although many were shot up badly. The German toll: an incredible 509 casualties.

Those few forgotten heroes disrupted the timetable and blunted the surprise of a Nazi strike through the snow-sheeted Ardennes. Had they not held the crossroads for that long December day, the Germans would have caught the untested 99th Division off balance and might have won the Battle of the Bulge.

Writing from retirement, Maj. Gen. Walter Lauer, the division commander, has declared: "Had we failed, there would have been no Bastogne, and the entire complexion of the war could have changed most drastically." He gave all the credit to his men. "Their heroism has been unsurpassed in history. I know it. Many of our soldiers know it. The German soldiers who met them know it. God knows it."

This epic stand of 18 men against overwhelming German might has gone unrecognized by the Pentagon for 35 years. Not a medal has ever been awarded the enlisted men for their extraordinary bravery. Only the lieutenant received an unsought Silver Star that came to him without explanation through the mail in 1965—21 years late.

Every member of the forgotten platoon deserves a medal. But if one soldier symbolizes the heroism of that last-ditch stand, it would be PFC William James Tsakanikas, known to the others simply as "Sak." At 19, he was the youngest of them—an aggressive, gung-ho GI who volunteered for all the tough missions. It took a German burp gun, fired point-blank into his face, to put him out of action.

Somehow the young soldier was saved by a German military doctor. Sak recuperated in a German prison hospital, made a break for freedom but was recaptured. Near the war's end, he was liberated by advancing U.S. forces. He returned home to a life of pain, dropped his tongue-twisting last name and died as Will James on June 27, 1977. He now lies in Arlington National Cemetery, an unremembered hero—but not to the 17 men who fought by his side or to the wife who witnessed the agony of 36 operations to reconstruct his face.

"Whatever he did in the war," she told us, "I knew my husband as a hero all of his life. He didn't talk about what happened that day until a little while before he died. But for me and my sons, he showed his heroism to us every day that he lived."

Seeking to make belated amends, Rep. Richard Ottinger (D., N.Y.) will introduce a bill this week authorizing President Carter to award Will James a posthumous Medal of Honor "for valorous acts performed at the risk of his life above and beyond the call of duty." The proposal has already encountered resistance from the Army bureaucrats behind their red-tape entanglements. They have noted stiffly that "the public law covering retroactive awards prohibits us from considering a recommendation for an award unless there is conclusive evidence that a formal recommendation for the award was entered into official military channels within two years of the act or service. . . ."

It would have been a bit difficult to meet the two-year deadline. Regimental headquarters believed the platoon had been wiped out, and those who knew the story had been dispersed to German prison camps. When they last saw James, he seemed unlikely to recover.

We tracked down Lyle J. Bouck in St. Louis, where he is now a chiropractor. He helped us get the story from other members of his World War II unit. From their accounts, we have pulled together the details of that day of courage.

It began before dawn on the bitter-cold morning of Dec. 16, 1944. The platoon had been handpicked to serve as the eyes and ears of the regiment. Almost all of them had college and athletic backgrounds. But their role had never been combat; they were an intelligence and reconnaissance platoon.

But they had been ordered to fill a gap in the front line. They settled into foxholes overlooking Lanzerath's eight or nine frame houses and a stretch of road leading to the strategic fork. One prong led like an arrow to the Meuse and the rear of their division. Beyond was the vital supply port of Antwerp on which Gen. Dwight D. Eisenhower and his armies depended.

At precisely 4:40 on the fateful morning the men of the I&R platoon were jarred by the thunder and crash of a massive artillery barrage. The ground literally shook under their feet.

They had no way of knowing that they had ringside seats to the opening of Adolf Hitler's Ardennes offensive. He sought to encircle the American divisions in the Bulge and seize Antwerp. Nor did they know that they stood in the path of one of the spearheads of the Nazi assault.

During the next 18 hours, they would foul up the mission of a special panzer SS unit under Lt. Col. Joachim Peiper, who, furious over having his offensive stalled, later ordered the execution of 71 American prisoners at Malmedy.

The entrenched platoon survived the two-hour artillery baptism without casualties. It was followed by an ominous silence in the fields and woods around them. Minutes later, Bouck and James in the forward foxhole were appalled to see their closest sup-

port, a tank destroyer company about a mile away, beat a retreat toward the rear. Jeered James: "They might at least wave goodbye as they leave."

From the regiment came anxious instructions to scout out the situation east of Lanzerath. Four men—Bouck, James, Sgt. Bill Slape and Pvt. John Cregar—crept in a ditch toward the village and sprinted the last lap to the second floor of a house that had served as an observation post. They surprised a civilian talking German over a telephone; he had the look of a fifth columnist caught in the act.

James whipped out his bayonet and forced the stranger to drop the telephone. But Bouck had no stomach for a civilian execution. They let the suspected spy go, and he scurried down the stairs. From their vantage point, the four Americans saw rolling toward them a German column in full battle array. Leaving the other two to keep watch, Bouck and James raced back to their foxholes. The lieutenant radioed headquarters the news that a massive attack was on the way. His superiors were skeptical. "Damn it," exploded Bouck "don't tell me what I can see! We've got 20-20 vision here! There's a whole column of Krauts coming up that road!"

His demand for artillery fire on the road into Lazerath went unheeded. Meanwhile he received an urgent call from the two men in the observation post; they reported the Germans were already occupying the floor beneath them. Three men—Cpl. Aubrey McGehee, PFC Jordan "Pop" Robinson and Pvt. Jim Silvola—were sent to aid the trapped pair. But Slape and Cregar managed to sneak unnoticed through a rear, second story window. In racing to safety across the icy road, Slape became the first casualty of the battle. He slipped and broke two ribs.

All too soon, the Germans appeared below, marching steadily on each side of the road, their weapons slung over their shoulders. Bouck ordered his men to hold their fire until the first command vehicle appeared. But at the last minute, a small girl ran out of a house and pointed to their location.

The Nazi commander, reacting instantly to the alarm, shouted a command, and the advancing Germans dove for cover. The advantage of an ambush was lost, but the Americans were so well hidden on the snow covered slope that the Germans were unable to pinpoint their location.

From the forward position, James fired bursts from his grease gun. Slape manned the mounted machine gun on the jeep with deadly effect. From other foxholes, platoon members such as Risto Milosevich, Lou Kalil and Bill Dustman laid down lethal automatic rifle fire.

Separated from the outfit, Robinson, McGehee and Silvola took shelter behind a pile of cut timber and opened fire from another direction. The attacking Germans fell back, their ranks deciminated, leaving their dead and wounded on the battlefield.

After a second repulse, a team of Germans approched waving a white flag. They sought a cease-fire so their medics could attend the wounded. Someone on the American side let go a defiant round of rile fire at the feet of the Germans. This angered Bouck, who agreed to the cease-fire.

The third German attack began in the early afternoon. Heavy small-arms fire knocked out Slape's machine gun on the jeep and drove him to cover. He sprinted to the foxhole occupied by Milosevich. "Just as I reached his position and before I could get into the hole with him," Slape recounted, "two Germans opened up on me from about 50 yards. I got one of them and my carbine jammed—it was so hot I could barely hold it—so I threw it at the other German and dived into the bunker. I got him with a rifle."

The firefight was ferocious. The three behind the woodpile ran out of ammunition and were captured trying to make their way back to the platoon. Some Americans were wounded but continued to fight, in Slape's words, "like tigers." Two newcomers, Pvt. Cliff Fanscher and an unidentified GI from another unit, were killed in the action.

The Germans again were driven off, but ammunition was running low. Bouck turned to James in their bunker. "My orders are to hold the hill at all costs," said the lieutenant. "But you take off with as many of the men that want to go," James shook his head fiercely. "Lieutenant," he said, "you stay, we all stay." They turned to meet the fourth attack, which they met furiously, according to Slape, "even up to eyeball-to-eyeball contact."

The end came for Bouck and James in a horrific lightning flash. A German burp gun was poked into the rifle slit of their makeshift bunker and fired directly in James's face. The blast tore out his eyeball and most of his right jaw.

Bleeding from a bullet wound in his leg, Bouck helped a German medic carry James down the slope past the German dead toward Lanzerath.

About 10 p.m., an incensed officer wearing the death insignia of the SS, strode into the village cafe where Bouck and James had been deposited. The officer was in a rage. He demanded to know why a "battalion" of Americans had cost him a day. He shouted that his troops had spent the time milling uselessly around when they should have been driving toward their objective.

The enraged Nazi was Lt. Col. Peiper. He never noticed that only a few feet away lay the 20-year-old lieutenant and the savagely wounded James who, with 16 other GI's, had stopped Peiper's elite battalion. (Peiper was to serve a six-year war crimes sentence for the Malmedy massacre, then to be assassinated by a group calling themselves the Avengers at a French villa in July 1976.)

After Peiper stormed out, Bouck succeeded in getting medical attention for James from a German doctor who praised the American's bravery. Then Bouck was led off, leaving James apparently dying behind. The lieutenant heard a black wooden country clock in the tavern chiming midnight and realized that he had reached his 21st birthday with only one gift—the red badge of courage.

This same clock now hangs in the living room of the modest Port Chester, N.Y., home where James and his wife, Lucille, raised their four sons. Her husband went back to Lanzerath a few years before his death and returned triumphantly with the clock.

The widow, sitting proud and erect, took up the story after Bouck's departure. James was moved to a prisoner depot, she said where other German doctors did their best under rudimentary war conditions to repair his face. En route, a Nazi soldier stole his shoes, remarking, "Amerikanischer, you won't need these anymore."

She told about James's escape, recapture and liberation. He returned home to a life of painful surgery. After one operation, he met an Army nurse, Lucille Cassell, a slim, brown-haired West Virginia girl. They were married in 1948 after his graduation from the University of Pennsylvania. Characteristically, he was on the track and wrestling teams. Then he enrolled in Cornell Law School and eventually took his family to Port Chester.

Will James is remembered in Port Chester as a model citizen who was active in community affairs, youth work, church activities and politics. He served for 16 months as Rye Town Republican chairman. But only a few knew he was in constant pain from his war wounds. In June 1977 he returned home from his 36th operation, still in agony. A few days later, he was found dead in his bedroom.

In his St. Louis office, Bouck reflected on the furious battle that helped stop the 1944 Nazi offensive. He endorsed Representative Ottinger's effort to get a Medal of Honor for James: "I'd like to see Will James get every possible honor he has coming to him. He spent a lifetime of mental torture and physical agony."

He had one more thing to say about the unheralded Lanzerath Incident: "I think every man who was there is entitled to a medal, red tape or no red tape."

CONGRESSIONAL TRIBUTE TO TEMPLE BETH EL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to Temple Beth El of San Pedro, CA, on the occasion of its dedication on November 10, 1985, of a new school and administrative building and of the renovated sanctuary-social hall complex.

Temple Beth El has been an important and integral part of the San Pedro religious community for well over 60 years. The congregation was founded in the early 1920's by some 25 Jewish families. In 1938, the congregation officially formed Temple Beth El. That year, the congregation had 10 directors and the religious school had 20 students. The congregation later changed its name to San Pedro Jewish Community Center Association.

On March 18, 1956, the congregation moved its Torah, the scrolls of law, to its present location. At this time they also completed a social hall, which served as the sanctuary, classrooms, offices, and a kitchen. In 1959, the congregation became a Reform temple and changed its name to Temple Beth El and Center.

On September 10, 1966, Temple Beth El dedicated a new sanctuary. The congregation has continued with these facilities to this day. On November 10, 1985, however, their facilities will once again expand.

Temple Beth El has grown in its 63 years from a congregation of 25 families to a congregation of 380 families, and the school has grown from a student body of 20 to 200 students. In a short statement like this it is hard to summarize the contributions and accomplishments that Temple Beth El has made to the quality of life for all residents of the San Pedro area. I would

simply like to say that their contributions are greatly appreciated by all members of the San Pedro community.

My wife, Lee, joins me in congratulating Temple Beth El and all its members on the dedication of their new school and administrative facilities, and its renovated sanctuary-social hall complex, and in wishing the congregation and Temple Beth El "mazel tov" and all the best in the years ahead.

ST. VALENTINE'S DIAMOND JUBILEE

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. BORSKI. Mr. Speaker, I rise today to recognize the diamond jubilee of St. Valentine's Polish National Catholic Church in Philadelphia. On Sunday, November 10, the parish will celebrate its 75th anniversary.

On February 14, 1910, 400 Polish immigrants established St. Valentine's to meet both the spiritual and cultural needs of their community. At that time, the nearest Catholic Church was inaccessible, making the daily practice of their faith difficult. This small but determined group sought the satisfaction of their religious and cultural needs by organizing a community of believers that shared a similar Polish heritage.

Today, St. Valentine's continues to minister to the descendants of that Polish Catholic community. In its 75 years it has grown and flourished. The parish is now composed of more than 2,000 people from a variety of ethnic backgrounds. St. Valentine's stands as a monument to the cultural and religious freedoms upon which our Nation was built.

I ask my colleagues to join me as I recognize and salute St. Valentine's for preserving their cultural heritage while changing and growing with the needs of all their parishioners.

A RESOLUTION FOR NATIONAL WOMEN VETERANS WEEK

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Ms. OAKAR. Mr. Speaker, it is appropriate today that the House unanimously passed House Joint Resolution 36, a bill which will authorize the establishment of a memorial to honor the thousands of women who have served in the Armed Forces.

In addition, it is only fitting that the House will soon take up a resolution to honor "National Women Veterans Week." This resolution is of timely importance considering that American women have served in a variety of military occupations in the Armed Forces since the American Revolution. These women have performed a myriad of duties serving as soldiers, pilots, nurses, spys, and other important support services.

Mr. Speaker, today there are 1.2 million women veterans. In the United States alone, they account for more than 4 percent of all American veterans.

I compliment the sponsors and supporters of this legislation for finally recognizing that women are holding leadership positions and are becoming an integral part of the military decisionmaking process.

Mr. Speaker, I urge my colleagues to support this timely and important resolution in time for Veterans day, a day when all Americans thank our genuine heroes and heroines.

DIVESTMENT OF SOCIAL SECURITY TRUST FUNDS: ILLEGAL AND IMMORAL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1985

Mr. BIAGGI. Mr. Speaker, I want to be on record in this body as categorically and unequivocably opposed to any effort by the Treasury Department to divest the Social Security trust funds.

Last Friday, we learned that the Department—in order to finance the interest on the national debt—began to tap the Social Security trust funds. Not only was this act against the law—as outlined in the 1983 reform amendments to the act that Congress adopted—but it also flies directly in the face of the intent of that legislation.

That is why I support the so-called Democratic alterantive to the ill-begotten Gramm-Rudman-Hollings deficit reduction plan. This alternative, adopted by the House on Friday, would not only prevent this disvestment from continuing—but would also fully reimburse the trust fund for any and all dollars that have been removed from it by this—or any other act by the Treasury Department.

Two years ago—faced with the almost insurmountable problem of the Social Security trust fund going bankrupt—Congress asked seniors to sacrifice their benefits in order to secure the system for long-range fiscal solvency. Thanks to that bipartisan effort—the Social Security trust funds are now in the black. Surpluses in the fund, not including Medicare, are projected to reach $11.9 billion by the end of 1986 and are projected to jump to $55 billion by 1990.

It is also important to note that the Social Security trust funds are currently repaying the Medicare trust fund as a result of the interfund borrowing that was exercised in 1982 prior to the passage of the 1983 reform amendments. At best, this is the only authorized use of trust fund dollars, in addition to the interfund borrowing authority that is permitted when revenues fall below 20 percent.

The lame excuse that was given to Congress to justify this kamikaze raid was weak, at best. Even in the face of a suit filed in Federal district court last Friday, the Treasury Department defiantly forged ahead and began to siphon off assests—assests that belong in the pockets of the 25 million senior citizens now receiving retirement benefits.

This defiant and ill-conceived act was even more disturbing when one considers the architect of the plan—the Secretary of the Treasury—is also the chief actuarial trustee of the Social Security System. The same person who is responsible for the health and long-term fitness of the system—is the one who is authorizing the divestment of the fund.

At a minimum, the Secretary of the Treasury should be required to consult with Congress in the event that divestment of and of the trust funds are being considered. Congress, in appropriating money for the fund, also should have cofiduciary responsibility with Congress in the management of the trust funds. I plan to introduce legislation to address the common rights and responsibilities of Congress in this area in the very near future.

The 1983 reform amendments required improved investment of the Social Security trust fund dollars in order to secure its long-term security. However, with this act of divestment—we have once again tied Social Security benefits to the railroad track and used the excuse of the national debt—as the train coming down the track.

Mr. Speaker, as we honor 50 years of commitment to the Social Security Program—we cannot at this time—when we have preserved the program into the next decade and for the next generation of retirees—forget what Congress intended when it passed this historic act in 1935 in order to create a "partnership with tomorrow."

When we threaten the system today—we play havoc with those who will be depending on these benefits tomorrow.

Consider these facts:

By the year 2035, an estimated 80 million persons will be beneficiaries in any given month.

This is almost double the number of beneficiaries today.

Even more amazing—this is two-thirds as large as the entire U.S. population in 1935 when the program was first begun.

Again, by 2035, benefits are projected to be 25 times as large as they are today, or $5 trillion.

During the floor debate in the Senate on June 14, 1935 on the Social Security bill, the distinguished Senator from my own State of New York, Robert F. Wagner, characterized the bill as legislation that "embraces objectives that have driven their appeal to the conscience and intelligence of the entire Nation. We must take the old people who have been disinherited by our economic system and make them free men in fact as well as in name. We must not let misfortune twist the lives of our young. We must tear down the house of misery in which dwell the unemployed. We must remain aware that business stability and prosperity are the foundation of all our efforts. In all these things we are united, and

in this unity we shall move forward to an era of greater security and happiness."

Mr. Speaker, let us recall these themes today as we face a real and serious threat to the promise that we have made to present and future recipients of benefits. Our efforts today to halt this raid on the Social Security trust fund—must succeed—if we are to uphold the sacred pact between government and workers that was made by this body a half a century ago.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, November 7, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 8

9:15 a.m.
Finance
Health Subcommittee
To hold hearings on a Department of Health and Human Services report on proposed reform of the Federal hospital insurance program (Medicare Part A) method of paying for capital costs.
SD-215

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Robert L. Clarke, of Texas, to be Comptroller of the Currency, Department of the Treasury.
SD-538

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on S. 570, S. 372, S. 946, and S. 913, bills to improve the administration of the Federal coal leasing program, and other coal related issues.
SD-366

10:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Jennifer L. Dorn, of Maryland, to be Associate Deputy Secretary of Transportation.
SR-253

NOVEMBER 12

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To hold closed hearings on Soviet strategic defense programs.
S-407, Capitol

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on espionage activities in the United States.
SD-342

Labor and Human Resources
To hold hearings on Reyes' Syndrome, a neurological disorder in children.
SD-430

Rules and Administration
To hold hearings on Senate Resolution 204, to authorize supplemental expenditures by the Select Committee on Indian Affairs, Senate Joint Resolution 214, to provide for the reappointment of Carlisle H. Humelsine as a citizen regent of the Board of Regents of the Smithsonian Institution, and Senate Joint Resolution 215, to provide for the reappointment of William G. Bowen, as a citizen regent of the Board of Regents of the Smithsonian Institution; and to consider administrative business.
SR-301

Special on Aging
To resume hearings to review the impact of Medicare's prospective payment system on the quality of care received by Medicare beneficiaries.
SD-628

10:00 a.m.
Judiciary
*Administrative Practice and Procedure Subcommittee
Courts Subcommittee
To resume joint hearings on farm bankruptcy.
SD-226

Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on the impact of trade on employment and productivity.
SD-562

Select on Intelligence
Closed briefing on intelligence matters
SH-219

10:30 a.m.
Foreign Relations
To resume hearings on certain defense issues, focusing on nuclear strategy, ballistic missile defense, and arms control.
SD-419

1:30 p.m.
*Conferees
On H.R. 3424, appropriating funds for the Departments of Labor, Health and Human Services, and Education, and related agencies for fiscal year ending September 30, 1986.
H-140, Capitol

NOVEMBER 13

9:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Research, Conservation, Forestry, and General Legislation Subcommittee
To hold hearings on S. 703, to designate the Clifty Wilderness in the Daniel Boone National Forest, KY, as part of the National Wilderness Preservation System.
SR-328A

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on LANDSAT commercialization.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on nutrition and fitness in public health.
SD-430

Select on Intelligence
Closed briefing on intelligence matters
SH-219

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 725, to authorize funds for fiscal years 1986 through 1990 for programs of the Endangered Species Act, S. 893, to establish the Florida Panther National Wildlife Refuge in the State of Florida, S. 585, to establish the eastern shore of Virginia National Wildlife Refuge and National Fish and Wildlife Service Training Center at Cape Charles in Northampton County, VA, and to further consider provisions of S. 1354, to authorize funds for the Bon Secour National Wildlife Refuge, the Tensas River National Wildlife Refuge, the Bogue Chitto National Wildlife Refuge, and the Tinicum National Environmental Center (pending on Senate Calendar).
SD-406

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1667, Electronics Communications Privacy Act of 1985.
SD-226

Veterans' Affairs
To hold oversight hearings on activities of the Small Business Administration's Office of Veterans Affairs.
SR-428A

Select on Indian Affairs
To hold hearings on S. 1452, to settle certain Indian land claims in Gay Head, MA.
SD-628

NOVEMBER 14

9:00 a.m.
Armed Services
To hold hearings on the organization and decisionmaking procedures of the Department of Defense and the Congress.
SD-106

Foreign Relations
European Affairs Subcommittee
To hold hearings on religious persecution behind the iron curtain.
SD-419

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on espionage activities in the United States.
SD-342

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold oversight hearings on regulatory activities of the Office of Management and Budget.
SD-562

Veterans' Affairs
To hold hearings on the effects of radiation.
SR-418

10:00 a.m.
Energy and Natural Resources
To hold oversight hearings on the President's July 8, 1985, National Defense Stockpile "modernization" proposal and its potential impact on the domestic mining industry.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
Business meeting, to mark up proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

2:00 p.m.
Foreign Relations
To hold hearings on the nominations of Joseph Ghougassian, of California, to be Ambassador to the State of Qatar, and Donald J. Bouchard, of Maine, to be an Assistant Secretary of State.
SD-419

4:00 p.m.
Select on Intelligence
Closed briefing on the November 1985 United States-Soviet Summit in Geneva, Switzerland.
SH-219

NOVEMBER 15

10:00 a.m.
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To resume oversight hearings on ground-water level and use and on ground-water quality and flow in the United States.
SD-406

NOVEMBER 18

9:15 a.m.
Finance
Health Subcommittee
To hold hearings on the Federal supplementary medical insurance program (Medicare Part B) payments for physician services, focusing on efforts by the Department of Health and Human Services and others to assess the current payment mechanism and develop reform options.
SD-215

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 740, authorizing funds through fiscal year 1995 to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of wetlands and other essential habitat.
SD-406

NOVEMBER 19

10:00 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on the promotion of domestic tourism.
SR-253

Environment and Public Works
Transportation Subcommittee
To hold oversight hearings on the implementation of the disadvantaged business enterprise program (sec. 105(f)) of the Federal Aid Highway Program.
SD-406

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Office of Technology Assessment
The Board, to meet to discuss pending business.
EF-100, Capitol

NOVEMBER 20

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To resume hearings to examine certain barriers to health care.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on the 1985 Conferences on the Treaty on the Non-Proliferation of Nuclear Weapons and on the International Atomic Energy Agency.
SD-342

NOVEMBER 21

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on aviation labor issues.
SR-253

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings to review Federal Energy Regulatory Commission's Order 436, final rule and notice requesting supplemental comments on regulation of natural gas pipelines after partial wellhead decontrol (Docket No. RM85-1-000).
SD-366

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on technology transfer and Soviet research and development.
SH-219

NOVEMBER 27

9:30 a.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

DECEMBER 3

9:30 a.m.
*Banking, Housing, and Urban Affairs
To resume hearings on S. 812, to authorize the President to restrict the export or transfer of money or other financial assets to countries subject to national security export controls.
SD-538

*Energy and Natural Resources
To hold hearings on Senate Joint Resolution 192, to authorize financial assistance for the Northern Mariana Islands, and S. 1441, to provide for a plan to govern the use and/or disposal of Federal lands by Guam.
SD-366

10:00 a.m.
Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the issues of childcare, focusing on education, job training and the labor market.
SD-430

DECEMBER 6

9:15 a.m.
Finance
Health Subcommittee
To hold hearings to review possible reforms in the Federal supplementary medical insurance program (Medicare Part B) payments for physicians' services.
SD-215

DECEMBER 10

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1785, to amend the Garrison diversion project in North Dakota.
SD-366

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold oversight hearings on environmental effects of global atmospheric warmings.
SD-406

CANCELLATIONS

NOVEMBER 7

10:00 a.m.
Judiciary
Security and Terrorism Subcommittee
To hold hearings on S. 1654, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.
SD-226

HOUSE OF REPRESENTATIVES—*Thursday, November 7, 1985*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

The eyes of the Lord are toward the righteous, and His ears toward their cry.—Psalm 34:15.

Visit us, O God, with Your blessing, lead us in the way of truth, and hear our prayer for justice and mercy. May we be honest with our motives and earnest in our supplications that You will bless our land with righteousness and peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair had intended to announce that there would be no 1-minute speeches prior to legislative business, but in view of the fact there are only two Members here, the Chair will recognize the gentleman from Pennsylvania [Mr. CLINGER] and the gentleman from Missouri [Mr. YOUNG].

DO AS I SAY

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CLINGER. Mr. Speaker, I would like to bring to the attention of my colleagues an important article in the latest issue of the New Republic, written by Jacob Weisberg. It is entitled "Do As I Say."

Mr. Weisberg's article reminds us of how we in Congress have imposed a double standard: While the rest of the Nation must comply with employment discrimination laws, Congress has exempted itself.

I commend our colleagues LYNN MARTIN and PAT SCHROEDER for drafting legislation which would end this unfair practice. I also commend our colleague LEON PANETTA for holding hearings on this issue last summer which, I might add, were the first hearings we've ever held on this subject.

Mr. Speaker, the mere notion that we—the Nation's lawmakers—can justify an exemption from the civil rights laws is outrageous at best. The idea that a Member can rationalize discrimination for whatever reasons is to make a mockery of civil rights. The arguments regarding constitutional separation of powers or the speech and debate clause, are flimsy and merely act as a shield against the hypocrisy taking place in the House and the other body.

I urge my colleagues to not only read this article, but to join us in passing reasonable legislation to cure this problem. The country is waiting and watching. Will we be the ones to set an example? Or will we retreat into the sanctity and safety of an exemption which thwarts the very concept of civil rights in America?

[From the New Republic, Nov. 18, 1985]

Do As I Say

(By Jacob Weisberg)

An employee at the Senate Placement Office who helps match job applicants with positions says she often receives requests from Senate offices for "no minorities." What's more, she honors them. Why? "Maybe there are people in the office that don't take to minorities. Maybe they've had a bad experience with a minority in the past. They're being honest, so why send them someone they're not going to hire?" She adds that she often encourages staffers who make such requests to interview minority applicants anyway. "I tell them that it could cause an embarrassment at home," she says, noting that the office often gets requests for "only minorities," too.

This kind of discrimination on the Hill is nothing new. In 1974 the *Fort Worth Star-Telegram* created a minor furor when it reported that the House placement office regularly removed stipulations like "white only" and "attractive, smart, young, and no Catholics . . ." from hiring orders sent by congressional offices. The House Clerk's office now says that its new computer can't input discriminatory data. But the computer apparently is more enlightened than some members of Congress. Practitioner par excellence of the do-as-I-say-not-as-I-do philosophy, Congress has made itself exempt from Title VII of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, sex, creed, and national origin.

Just as members of Congress can legally exclude or fire whomever they want, they are free to ignore the Fair Labor Standards Act, the Equal Pay Act, the Occupational Safety and Health Act, the Freedom of Information Act, the Privacy Act, and a torrent of other laws. These immunities have disturbed a few outspoken legislators for years, and periodically bills are introduced to bring Congress into compliance with its own laws. Rarely are such proposals enthusiastically received. This summer the House Subcommittee on Police and Personnel, chaired by Representative Leon Panetta, did hold hearings on the most recent anti-hypocrisy measures, the best of which is a proposal sponsored by Representative Lynn Martin of Illinois to protect congressional employees from discrimination by creating a panel of retired judges to hear complaints. But Martin admits that progress is slow. The bill was also referred to the Judiciary and the Government Operations committees, and it is unlikely to reach the floor for a vote this term. Panetta has encouraged Martin and Democratic Representative Pat Schroeder, who has proposed a similar bill, to work on a bipartisan resolution that might make it out of committee.

There are a few flimsy measures already in effect. In 1976, after the furor over Congressman Wayne Hayes's using his position to solicit sexual favors from his secretary Elizabeth Ray, Schroeder helped create a voluntary antidiscrimination hearing board called the Fair Employment Practices Committee. About 130 members have signed a nonbinding agreement (which has never received any support from the House leadership) not to discriminate in hiring. Only staffers who work for signers of the agreement have the privilege of complaining to the FEPC if they feel unfairly treated. Former chairperson Sarah Orrick says that the board seldom convenes, and that she doesn't remember it ever hearing an actual grievance. The reasons are obvious: those who sign the voluntary pledge tend to be those who don't discriminate, and the board has no real power to punish perpetrators or compensate victims.

In 1978, at the urging of John Glenn and others, who pointed out that less than one-third of one percent of the Senate's highest staff positions were held by blacks, and that women did only slightly better, the Senate passed a simple rule forbidding employment discrimination. But Glenn points out that the rule is useless since the Senate neglected to pass any enforcement mechanism. "There was a lot of talk about doing better in the future, and then everybody forgot about it again," he says.

Members of Congress have found several ways to justify their exemptions. Many cite the established need to hire staff members according to regional and political affiliation. When you point out that the Civil Rights Act doesn't prohibit political patronage, they resort to constitutional arguments. Foremost among these is the concept of separation of powers, which some representatives contend prohibits the executive branch from enforcing laws like the Civil Rights Act against the legislative branch. But of course separation of powers works both ways, a fact they overlook when they want the president to open his files under the Freedom of Information Act.

The second argument relies on the "speech and debate clause" of Article One of the Constitution, which protects members from being questioned in court about their legislative activities. Representative Ed Jones of Tennessee recently invoked this notion when he was sued by Anne W. Walker, former manager of the House Restaurant. As chairman of the House Administration Subcommittee on Services, which oversees the restaurant, Jones fired Walker, who claims he told her that a $45,000 salary

was "ridiculous for a woman." A federal court of appeals recently held in favor of Walker's right to sue, saying that selecting restaurant staff is not a legislative procedure, and is thus not covered by the speech and debate clause.

Senator Ernest Hollings (who hired the first black Senate committee chief of staff) offers a distinctly nonconstitutional argument. Legislators, he says, are responsible to their constituents alone. If a racist congressional district wants its representative not to hire any blacks, the representative has that right. Justice Burger agrees. In his dissenting opinion in the highly publicized Hill discrimination suit *Passman* v. *Davis*, he wrote: "A member of Congress has a right to expect that every person on his or her staff will give total loyalty to the political positions of the member, total confidentiality and total support. This may, on occasion, lead a member to employ a particular person on a racial, ethnic, religious or gender basis thought to be acceptable to the constituency represented. . . ." Congressional offices run more efficiently than other government agencies, where firing a subordinate can entail several years of filling out forms and fighting lawsuits. But for the rest of the country Congress has decided to sacrifice some efficiency to protect individual rights.

Members who argue for consistency, like Representative Andrew Jacobs of Indiana, are indignant at these rationales. "What is this, Mount Olympus?" he asks. "Separation of powers doesn't mean you can't send a congressman to prison for embezzlement. And speech and debate is what members plead when they get caught taking bribes." Jacobs cites a favorite example of what he calls Congress's antinomian behavior: when Congress amended federal campaign laws to prohibit the practice of converting leftover campaign contributions to personal funds upon retirement, it left those elected before 1980 the right to collect and even continue adding to their "closeout" accounts. Jacobs, who continually proposes terminating this novel application of the grandfather clause, refers to it as "saying it's a sin for everybody except those who say it's a sin."

Jacobs is perhaps the only member who favors ending Congress' exemptions across-the-board. Many spout platitudes about "becoming better employers," and "not demanding of others more than we ask of ourselves" on civil rights legislation, but whistle a different tune when asked about an exemption that might make a difference in their own offices. Take OSHA standards, for example, which require minimum space per employee in offices, and which sweatshop offices on the Hill routinely violate. "My god, that would shut the whole place down," exclaims Schroeder. And Glenn concedes, "Before we built the new Senate office building, we violated their standards everywhere." This is not to say that Glenn and Schroeder oppose the idea of OSHA standards on Capitol Hill. But they aren't about to sponsor troublesome bills to bring their own offices into compliance.

There is a practical reason for requiring members of Congress to abide by the strictures they have established for every other American employer. OSHA has saved lives and improved working standards for millions of Americans, but also forbids safe but crowded offices like the ones on the Hill. Civil service rules and the Civil Rights Act have made it hard to fire government workers capriciously, but also make it nearly impossible to terminate incompetents if they happen to be among the three-quarters of the population that merits special protection because of race, religion, age, or sexual preference. Because Congress doesn't feel the effects of these measures, it isn't much inclined to improve them. If our legislators were subjected to their own laws, which James Madison called an essential condition for the survival of democracy, they would become better lawmakers. The rest of the country might even regain a measure of respect for the bills Congress passes.

NATIONAL JAYCEES WEEK

(Mr. YOUNG of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Missouri. Mr. Speaker, today I am introducing a joint resolution to designate the week of January 19–25 as "National Jaycees Week."

Founded in 1920 in St. Louis, MO, the United States Jaycees—or the Junior Chamber of Commerce, as it was known then—have a long history of community involvement. Currently there are more than 268,000 Jaycees in 6,500 chapters throughout all 50 States.

The Jaycees welcome young men and women between the ages of 18 and 36 as members. These young people are involved in education, assisting the elderly, fundraising for the handicapped and disease research in addition to other programs and projects that address community needs and problems. Many of the Jaycees programs provide help and assistance that might not otherwise be possible.

Due to the fact that this commemorative week would begin on January 19, 1986, the House is under pressure to approve this resolution by the end of the year. The Senate version of "National Jaycees Week" was passed on November 4, 1985. Therefore, I urge my colleagues to cosponsor this important measure.

AUTHORIZING FUNDS FOR INVESTIGATIONS AND STUDIES BY STANDING AND SELECT COMMITTEES OF THE HOUSE

Mr. GAYDOS. Mr. Speaker, by direction of the Committee on House Administration I call up H. Con. Res. 203, authorizing printing of the brochure entitled "How Our Laws Are Made," and ask unanimous consent for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. GINGRICH. Mr. Speaker, reserving the right to object, I reserve the right to object in order to ask the chairman of the Accounts Subcommittee to explain the nature of the resolution, and I yield to the gentleman from Pennsylvania for that purpose.

Mr. GAYDOS. Mr. Speaker, I thank my colleague for yielding.

Mr. Speaker, this resolution is the usual and customary resolution which is used to provide amounts from the contingent fund of the House for continuing expenses of investigations and studies by standing and select committees of the House during the period when the respective committees' primary expense resolutions are being considered by the Committee on House Administration and the House.

For the period beginning at noon on January 3, 1986 and ending at midnight on March 31, 1986, a committee will be entitled to spend 25 percent of the amount made available to it during the first session of the 99th Congress. This figure essentially freezes a committee's spending authorization at the 1985 level for the 3-month interim period.

The authority to incur expenses during this interim period under this resolution will expire as soon as the House agrees to the primary expense resolution covering the second session activities of the respective committees. Any expenses incurred under the authority of this resolution are deducted from the amounts made available to the committees under the primary expense resolution when adopted.

Mr. GINGRICH. Mr. Speaker, I withdraw my reservation of objection and urge adoption of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 307

Resolved, That for continuance of necessary investigations and studies by the standing and select committees of the House, there shall be paid out of the contingent fund of the House such sums as may be necessary for the period beginning at noon on January 3, 1986, and ending at midnight on March 31, 1986. For the period specified in the preceding sentence, each such committee shall be entitled to one-fourth of the amount made available under expense resolutions for that committee for the first session of the Ninety-ninth Congress.

SEC. 2. The authority of a committee to incur expenses under this resolution shall expire upon agreement by the House to the primary expense resolution for that committee.

SEC. 3. Payments under this resolution shall be made on vouchers authorized by the committee involved, signed by the chairman of that committee, and approved by the Committee on House Administration.

SEC. 4. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER (Mr. MURTHA). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AUTHORIZING PRINTING OF BROCHURE ENTITLED "HOW OUR LAWS ARE MADE"

Mr. FOLEY. Mr. Speaker, by direction of the Committee on House Administration I call up H. Con. Res. 203, authorizing printing of the brochure entitled "How Our Laws Are Made," and ask unanimous consent for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 203

Resolved by the House of Representatives (the Senate concurring), That the revised edition of the brochure entitled "How Our Laws Are Made" shall be printed as a House document, with a suitable paper cover in the style selected by the chairman of the Committee on the Judiciary of the House of Representatives and with a foreword by the Honorable Peter W. Rodino, Junior. In addition to the usual number, there shall be printed two hundred and forty-six thousand copies of the brochure for the use of the House of Representatives (of which twenty-five thousand shall be for the use of the Committee on the Judiciary) and there shall be printed fifty-two thousand copies of the brochure for the use of the Senate.

Mr. FOLEY. Mr. Speaker, this resolution authorizes the printing of the revised edition of the brochure entitled "How Our Laws Are Made," to be printed as a House document, with a suitable paper cover in the style selected by the chairman of the Committee on the Judiciary of the House of Representatives and with a foreword by the Honorable PETER W. RODINO, Jr.

The Government Printing Office estimates that the cost of this printing will be:

Usual number as a House document	$3,069.70
246,000 additional copies for the House	73,942.68
52,000 additional copies for the Senate	15,630.16
Total	92,642.54

This concurrent resolution represents a periodic and customary request that such a revised edition of the brochure be reprinted for the use of the House and the Senate.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF TRANSCRIPT OF PROCEEDINGS INCIDENT TO PRESENTATION OF A PORTRAIT OF THE HONORABLE JAMES J. HOWARD

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 228) authorizing printing of the transcript of proceedings of the Committee on Public Works and Transportation incident to presentation of a portrait of the Honorable JAMES J. HOWARD, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 228

Resolved, That the transcript of proceedings of the Committee on Public Works and Transportation on June 26, 1984, incident to presentation of a portrait of the Honorable James J. Howard to the Committee, shall be printed as a House document with illustrations and suitable binding.

SEC. 2. In addition to the usual number, there shall be printed, for the use of the Committee on Public Works and Transportation, five hundred copies of such document, of which two hundred and fifty copies shall be casebound.

Mr. FOLEY. Mr. Speaker, this resolution authorizes the printing, as a House document with illustrations and suitable binding, the transcript of the proceedings in the Committee on Public Works and Transportation of June 26, 1984, incident to the presentation of a portrait of the Honorable JAMES J. HOWARD to the Committee on Public Works and Transportation.

The Government Printing Office estimates that the cost of this printing will be:

Usual number as a House document (1,500)	$2,700.89
250 additional paperback copies	124.12
250 additional casebound copies	977.67
Total	3,901.68

This resolution is a usual and customary request that such proceedings be appropriately memorialized.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 3036, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1986

Mr. ROYBAL. Mr. Speaker, I call up the conference report on the bill (H.R. 3036) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of October 31, 1985.)

The SPEAKER pro tempore. The gentleman from California [Mr. ROYBAL] will be recognized for 30 minutes and the gentleman from New Mexico [Mr. SKEEN] will be recognized for 30 minutes.

The Chair now recognizes the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the conferees have reached agreement on the Treasury, Postal Service, and General Government appropriations bill for fiscal year 1986. This conference report provides $13.2 billion in recommended appropriations for fiscal year 1986. While this is an increase of $951 million over the President's budget, primarily due to the amount included for the Postal Service, it is $84 million under the House-passed bill. The amount recommended is also $323,625,000 below the allocation to this subcommittee under section 302 of the Congressional Budget Act.

Mr. Speaker, I want to point out that the amount recommended by the conferees for fiscal year 1986 is $215 million below the amount appropriated for discretionary items for fiscal year 1985. As Members all know, the committee has no control over mandatory items.

The conference report before you today is under the House-passed bill but I believe that funding for the various activities provided for in this bill are at levels that the House can fully support.

I am particularly pleased to inform the chairman of the Committee on Ways and Means and the chairman of the Committee on Government Operations that the House conferees were able to keep faith with those committees by deleting legislative provisions which were included in the Senate-passed bill. The chairman of the Ways and Means Committee opposed two amendments, one which would have prohibited the allowance of tax exemptions to any cult, organization, or

other group that has as a purpose the promoting of satanism or witchcraft with malicious intent. The other amendment had to do with the tariff treatment of mixtures containing ethyl alcohol.

The chairman of the Committee on Government Operations opposed an amendment on Federal employees relocation expenses. Even though these amendments had a great deal of popular support and even though many of the conferees favored these amendments I am pleased to tell you that none of them were agreed to by the conferees.

The conferees were of the opinion that these matters should be addressed by the appropriate legislative committees.

Now, let me highlight a few of the significant items in the conference report.

In the U.S. Customs Service, the conferees have recommended funds to retain 887 personnel recommended in the budget to be eliminated and added an additional 473 positions. The budget proposed a reduction in personnel of 887 below present onboard strength, including many Customs inspectors. The committee feels that in view of the severe drug problem in this country, it is not prudent to reduce the very agency that mans our borders and ports of entry. I might point out also that the Customs Service collects about $12.5 billion in revenue each year.

The committee believes that the high level of drug abuse and related crime in this country requires a strong law enforcement effort to stem the tide of illicit drugs coming into the United States. The proposed reduction would have also slowed down the processing of visitors to this country and of our own citizens returning from abroad. Further, this reduction would have also slowed down the processing of commercial goods being imported to the United States. More importantly, this reduction would have had a severe adverse impact on the Government's ability to interdict the flow of illegal drugs and other contraband into the country, as well as on its ability to prevent the illegal exportation of high-technology items to unfriendly countries. The conferees, therefore, recommend against the reduction in personnel and have added 473 more positions to strengthen the Customs Service.

The House Appropriations Committee has been very concerned for several years about the very low budget requests for the Internal Revenue Service. Year after year the Congress has restored funds to the IRS and provided additional funding in an attempt to strengthen the tax processing and tax collection activities of the Service. The committee believes that the current problems that the IRS is experiencing in processing tax returns throughout the country is related to a lack of funding. Therefore, the conferees recommend adding $76 million above the budget request for the Internal Revenue Service. The committee believes strongly that increased staffing levels for the Service are essential in order to achieve more responsive and effective administration of the tax system. As a result of this increase in resources, the Internal Revenue Service will be able to collect about $450 million in additional revenue by examining more tax returns and accelerate the collection of $250 million in revenue by closing 6,600 tax shelter cases.

In addition, we will be able to assure that the IRS has the necessary computer capacity for prompt and efficient tax processing in the upcoming filing season. It will also add over 600 positions in IRS service centers to help avoid any repetition of the refund delays and processing errors that plagued millions of taxpayers this past filing season.

In the Postal Service, the conferees have recommended $820 million for revenue forgone to support nonprofit mailers. The President's budget recommended no funding at all for this program, which has been supported by the Congress for a number of years. The effect of this appropriation will be to prevent exhorbitant increases in postal rates for nonprofit mailers. This appropriation would allow rates for nonprofit mailers to increase only to step 16 on the phasing schedule on January 1, 1986.

The conference report also requires that the Postal Service continue 6-day mail delivery including rural mail delivery and continue to provide free mail for the blind and for overseas voting.

After considerable debate, the conferees reached agreement to extend only to May 15, 1986 the prohibition contained in the continuing resolution for 1985 which delayed implementation of certain personnel reforms proposed by the Office of Personnel Management. It is hoped that this extra time can be used to reach an agreement between Congress and the administration on this controversial matter.

Mr. Speaker, I think this is a good conference report and truly represents a reasonable compromise with the Senate. I might point out that not one single conferee on the part of the House or Senate reserved on any item in the conference report.

I, therefore, urge your favorable consideration.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year—		House	Senate	Conference	Conference compared with			
	1985 enacted	1986 estimates				Enacted	Estimates	House	Senate
TITLE I—DEPARTMENT OF THE TREASURY									
Office of the Secretary	56,162,000	78,699,000	54,274,000	76,400,000	54,274,000	−1,888,000	−24,425,000		−22,126,000
International affairs	22,768,000		22,442,000		22,442,000	−326,000	+22,442,000		+22,442,000
Federal Law Enforcement Training Center	18,341,000	17,803,000	25,500,000	23,803,000	23,803,000	+5,462,000	+6,000,000	−1,697,000	
Financial Management Service:									
Salaries and expenses	246,251,000	246,902,000	244,621,000	244,621,000	244,621,000	−1,630,000	−2,281,000		
Bureau of Alcohol, Tobacco, and Firearms	172,113,000	173,725,000	174,212,000	178,825,000	174,212,000	+2,099,000	+487,000		−4,613,000
U.S. Customs Service:									
Salaries and expenses	669,734,000	656,702,000	725,000,000	709,000,000	717,000,000	+47,266,000	+60,298,000	−8,000,000	+8,000,000
Operations and maintenance, air interdiction program	55,425,000	60,425,000	60,425,000	75,000,000	75,000,000	+19,575,000	+14,575,000	+14,575,000	
Customs forfeiture fund (limitation on availability of deposits)	(6,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(+2,000,000)			
Customs services at small airports (to be derived from fees collected)	(42,000)	(75,000)	(75,000)	(75,000)	(75,000)	(+33,000)			
Total, U.S. Customs Service	725,159,000	717,127,000	785,425,000	784,000,000	792,000,000	+66,841,000	+74,873,000	+6,575,000	+8,000,000
U.S. Mint	47,671,000	47,942,000	46,954,000	46,500,000	46,500,000	−1,171,000	−1,442,000	−454,000	
Bureau of the Public Debt	198,752,000	199,215,000	197,225,000	195,225,000	195,225,000	−3,527,000	−3,990,000	−2,000,000	
Internal Revenue Service:									
Salaries and expenses	106,310,000	98,811,000	95,932,000	94,000,000	94,000,000	−12,310,000	−4,811,000	−1,932,000	
Processing tax returns	996,060,000	1,019,391,000	1,103,041,000	1,005,000,000	1,103,041,000	+106,981,000	+83,650,000		+98,041,000
Examinations and appeals	1,380,486,000	1,419,451,000	1,425,902,000	1,400,000,000	1,425,902,000	+45,416,000	+6,451,000		+25,902,000
Investigations, collections and taxpayer service	1,091,741,000	1,073,679,000	1,064,325,000	1,055,000,000	1,064,325,000	−27,416,000	−9,354,000		+9,325,000
Subtotal, IRS operating accounts	3,574,597,000	3,611,332,000	3,689,200,000	3,554,000,000	3,687,268,000	+112,671,000	+75,936,000	−1,932,000	+133,268,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year—		House	Senate	Conference	Conference compared with			
	1985 enacted	1986 estimates				Enacted	Estimates	House	Senate
Payment where energy credit exceeds liability for tax	100.00					−100.00			
Federal tax lien revolving fund	9,000,000					−9,000,000			
Total, Internal Revenue Service	3,583,697,000	3,611,332,000	3,689,200,000	3,554,000,000	3,687,268,000	+103,571,000	+75,936,000	−1,932,000	+133,268,000
U.S. Secret Service	292,649,000	290,340,000	283,805,000	298,805,000	294,000,000	+1,351,000	+3,660,000	+10,195,000	−4,805,000
Total, title I, new budget (obligational) authority Department of the Treasury	5,363,563,000	5,383,085,000	5,523,658,000	5,402,179,000	5,534,345,000	+170,782,000	+151,260,000	+10,687,000	+132,166,000
TITLE II—U.S. POSTAL SERVICE									
Payment to the Postal Service fund	1,209,129,000	39,128,000	961,121,000	801,000,000	820,000,000	−389,129,000	+780,872,000	−141,121,000	+19,000,000
TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT									
Compensation of the President	250,000	250,000	250,000	250,000	250,000				
Office of Administration	16,240,000	15,794,000	15,597,000	15,597,000	15,597,000	−643,000	−197,000		
The White House Office	25,189,000	25,499,000	24,906,000	24,906,000	24,906,000	−283,000	−593,000		
Executive residence at the White House	4,658,000	4,719,000	4,577,000	4,577,000	4,577,000	−81,000	−142,000		
Official residence of the Vice President	219,000	204,000	204,000	204,000	204,000	−15,000			
Special assistance to the President	1,676,000	1,694,000	1,659,000	1,794,000	1,794,000	+118,000	+100,000	+135,000	
Council of Economic Advisers	2,560,000	2,381,000	2,301,000	2,301,000	2,301,000	−259,000	−80,000		
Office of Policy Development	3,020,000	2,828,000	2,726,000	2,726,000	2,726,000	−294,000	−102,000		
National Security Council	4,605,000	4,748,000	4,627,000	4,627,000	4,627,000	+22,000	−121,000		
National Critical Materials Council	200,000		500,000	250,000	500,000	+300,000	+500,000		+250,000
Office of Management and Budget	38,852,000	39,420,000	37,689,000	36,909,000	37,299,000	−1,553,000	−2,121,000	−390,000	+390,000
Office of Federal Procurement Policy	1,630,000	1,656,000	1,611,000	1,611,000	1,611,000	−19,000	−45,000		
Unanticipated needs	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000				
Total, title III, new budget (obligational) authority, Executive Office of the President	100,099,000	100,193,000	97,647,000	96,752,000	97,392,000	−2,707,000	−2,801,000	−255,000	+640,000
TITLE IV—INDEPENDENT AGENCIES									
Administrative Conference of the United States	1,480,000	1,484,000	1,450,000	1,430,000	1,430,000	−50,000	−54,000	−20,000	
Advisory Commission on Intergovernmental Relations	2,148,000	2,110,000	2,058,000	2,041,000	2,041,000	−107,000	−69,000	−17,000	
Advisory Committee on Federal Pay	220,000	222,000	219,000	210,000	210,000	−10,000	−12,000	−9,000	
Commission on Executive, Legislative and Judicial salaries	160,000					−160,000			
Committee for Purchase from the Blind and Other Severely Handicapped	710,000	749,000	730,000	730,000	730,000	+20,000	−19,000		
Federal Election Commission	13,016,000	12,756,000	12,433,000	12,433,000	12,433,000	−583,000	−323,000		
General Services Administration:									
Federal buildings fund:									
Appropriation	348,000			7,000,000	7,000,000	+6,652,000	+7,000,000	+7,000,000	
Limitation on availability of revenue:									
1. Construction and acquisition of facilities	(150,141,000)	(243,419,000)	(198,444,000)	(243,419,000)	(243,419,000)	(+93,278,000)		(+44,975,000)	
2. Repairs and alterations	(221,809,000)	(264,096,000)	(269,096,000)	(269,096,000)	(269,096,000)	(+47,287,000)	(+5,000,000)		
3. Purchase contract payments	(178,911,000)	(135,100,000)	(135,100,000)	(135,100,000)	(135,100,000)	(−43,811,000)			
4. Rental of space	(865,000,000)	(866,000,000)	(866,000,000)	(866,000,000)	(866,000,000)	(+1,000,000)			
5. Real property operations	(689,899,000)	(710,557,000)	(709,678,000)	(709,678,000)	(709,678,000)	(+19,779,000)	(−879,000)		
6. Program direction	(118,509,000)	(55,689,000)	(55,481,000)	(55,481,000)	(55,481,000)	(−63,028,000)	(−208,000)		
7. Design and construction services	(59,596,000)	(123,094,000)	(123,094,000)	(133,227,000)	(133,227,000)	(+73,631,000)	(+10,133,000)	(+10,133,000)	
8. Unobligated balances	(348,000)					(−348,000)			
Total, Federal buildings fund (Limitations)	(2,284,213,000)	(2,397,955,000)	(2,356,893,000)	(2,412,001,000)	(2,412,001,000)	(+127,788,000)	(+14,046,000)	(+55,108,000)	
Operating expenses, personal property	160,700,000	164,610,000	164,257,000	163,257,000	163,257,000	+2,557,000	−1,353,000	−1,000,000	
(By transfer)	(2,200,000)					(−2,200,000)			
Federal property resources activities:									
Operating expenses	38,921,000	40,808,000	40,748,000	40,000,000	40,000,000	+1,079,000	−808,000	−748,000	
National defense stockpile transaction fund			10,000,000	15,000,000	20,000,000	+20,000,000	+20,000,000	+10,000,000	+5,000,000
(Limitation on availability of revenue)	(185,000,000)					(−185,000,000)			
Total, Federal property resources activities	38,921,000	40,808,000	50,748,000	55,000,000	60,000,000	+21,079,000	+19,192,000	+9,252,000	+5,000,000
General activities:									
General management and administration:									
Salaries and Expenses	136,597,000	123,598,000	124,310,000	124,310,000	124,310,000	−12,287,000	+712,000		
(By transfer)	(2,200,000)					(−2,200,000)			
Office of Information Resources Management:									
Operating expenses	33,348,000	30,723,000	30,630,000	30,000,000	30,000,000	−3,348,000	−723,000	−630,000	
Office of the Inspector General	21,438,000	19,369,000	19,305,000	19,305,000	19,305,000	−2,133,000	−64,000		
Allowances and office staff for former Presidents	1,151,000	1,208,000	931,600	1,151,000	1,100,000	−51,000	−108,000	+168,400	−51,000
Expenses, Presidential transition	3,000,000					−3,000,000			
Total, general activities	195,534,000	174,898,000	175,176,600	174,766,000	174,715,000	−20,819,000	−183,000	−461,600	−51,000
Total, General Services Administration	395,503,000	380,316,000	390,181,600	400,023,000	404,972,000	+9,469,000	+24,656,000	+14,790,400	+4,949,000
National Archives and Records Service:									
Operating expenses	98,759,000	99,549,000	103,513,000	101,363,000	101,363,000	+2,604,000	+1,814,000	−2,150,000	
Federal Personnel Activities									
Office of Personnel Management:									
Salaries and expenses:									
Appropriation	106,409,000	102,481,000	99,846,000	99,846,000	99,846,000	−6,563,000	−2,635,000		
Limitation	(51,135,000)	(54,202,000)	(52,844,000)	(54,202,000)	(54,202,000)	(+3,067,000)		(+1,358,000)	
Government payment for annuitants, employees health benefits	1,341,553,000	1,606,165,000	1,606,165,000	1,606,165,000	1,606,165,000	+264,612,000			
Payment to civil service retirement and disability fund	4,407,833,000	4,407,234,000	4,407,234,000	4,407,234,000	4,407,234,000	−599,000			
Total, Office of Personnel Management	5,855,795,000	6,115,880,000	6,113,245,000	6,113,245,000	6,113,245,000	+257,450,000	−2,635,000		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year—		House	Senate	Conference	Conference compared with			
	1985 enacted	1986 estimates				Enacted	Estimates	House	Senate
Merit Systems Protection Board:									
Salaries and expenses	20,671,000	20,907,000	20,349,000	20,000,000	20,000,000	−671,000	−907,000	−349,000	
Limitation	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)				
Office of special counsel	4,627,000	4,724,000	4,594,000	4,594,000	4,594,000	−33,000	−130,000		
Total, Merit Systems Protection Board	25,298,000	25,631,000	24,943,000	24,594,000	24,594,000	−704,000	−1,037,000	−349,000	
Federal Labor Relations Authority	17,364,000	17,613,000	17,364,000	17,064,000	17,064,000	−300,000	−549,000	−300,000	
Total, Federal personnel activities	5,898,457,000	6,159,124,000	6,155,552,000	6,154,903,000	6,154,903,000	+256,446,000	−4,221,000	−649,000	
U.S. Tax Court: Salaries and expenses	22,694,000	24,556,000	24,556,000	24,556,000	24,556,000	+1,862,000			
Total, title IV, new budget (obligational) authority, independent agencies	6,433,147,000	6,680,866,000	6,690,692,600	6,697,689,000	6,702,638,000	+269,491,000	+21,772,000	+11,945,400	+4,949,000
General Provisioin									
General reduction			−35,250,475	−138,960,920				+35,250,475	+138,960,920
Grant total:									
New budget (obligational) authority	13,105,938,000	12,203,272,000	13,237,868,125	12,858,659,080	13,154,375,000	+48,437,000	+951,103,000	−83,493,125	+295,715,920
(Limitations)	(2,527,590,000)	(2,461,432,000)	(2,419,012,000)	(2,475,478,000)	(2,475,478,000)	(−52,112,000)	(+14,046,000)	(+56,466,000)	
CONGRESSIONAL BUDGET RECAP									
Total	13,105,938,000	12,203,272,000	13,237,868,125	12,858,659,080	13,154,375,000	+48,437,000	+951,103,000	−83,493,125	+295,715,920
Amount in this bill	(13,105,938,000)	(12,203,272,000)	(13,237,868,125)	(12,858,659,080)	(13,154,375,000)	(+48,437,000)	(+951,103,000)	(−83,493,125)	(+295,715,920)
Prior year outlays associated with this bill									
Total Congressional mandatory and discretionary	13,105,938,000	12,203,272,000	13,237,868,125	12,858,659,080	13,154,375,000	+48,437,000	+951,103,000	−83,493,125	+295,715,920
Mandatory (total)	(5,749,736,000)	(6,013,649,000)	(6,013,649,000)	(6,013,649,000)	(6,013,649,000)	(+263,913,000)			
(Mandatory new)	(5,749,736,000)	(6,013,649,000)	(6,013,649,000)	(6,013,649,000)	(6,013,649,000)	(+263,913,000)			
(Prior year)									
Discretionary (new)	(7,356,202,000)	(6,189,623,000)	(7,224,219,125)	(6,845,010,080)	(7,140,726,000)	(−215,476,000)	(+951,103,000)	(−83,493,125)	(+295,715,920)

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Mr. SKEEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to begin by commending the chairman, the gentleman from California [Mr. ROYBAL] for his consideration and the very great kindnesses that he has shown all of us as Members, both the majority and the minority on that committee. I also want to commend him for the expeditious manner in which this conference was held. I think we worked it out in a manner that was workmanlike and we resolved our differences and did not take a couple of days to do this conference.

Mr. Speaker, this is a very responsible piece of spending legislation. I know we have a lot of doubts in this body about bills, particularly when it comes to spending the taxpayers' money, and a lot of concern, and I can give my assurance that every consideration was given to the taxpayer.

If Members liked this bill when it left the House and before it went to conference, they will love this conference report, because we did at least trim $83 million out, and I know that should cause palpitations in the hearts of tax savers, and I see one palpitating over here.

This has three important parts, Mr. Speaker, and I think the chairman outlined those very well so I am not going to reiterate these same points, but I would like to make the point that in three areas, spending was increased, the most notable being that of revenue forgone. This bill is less as a result of the conference work than it was when it left this House and the House recommendation. We left $820 million in revenue forgone. This is the subsidy to nonprofit publications on mailing. The OMB recommendation was absolutely zero. We did not concur with that rationale, and $820 million was the compromise between the Senate and the House version. We think that is responsible, we think it is necessary, and it was left in there.

We also increased the IRS and we also increased the expenditures for Customs, and we think that is responsible. For every dollar expended in IRS appropriations, we get a return of some $9 back. In the case of Customs, for every dollar expended we get some $14 back. We think that is responsible in light of the fact that we are leaving $80 billion on the table this year, Mr. Speaker, because of the inability of the IRS to fully audit or do field audits in collecting those taxes that are due the Federal Government. We think that is a tremendous amount of money in light of the fact that we are trying to save some $50 billion in spending cuts in the budget, when we are leaving $80 billion on the table that is due and owing to the Federal Government because of an inability to collect.

We want to increase that efficiency. We also know that it gives us a great revenue leverage, and we desperately need that.

In the case of Customs, we have the problem of drug interdiction, and we think it is extremely important that we tighten up the borders of the United States.

In these three cases, we did increase expenditures. This is a good bill, Mr. Speaker, and I recommend it to my colleagues, both the majority and the minority, because it is a responsible bill. It was a responsible effort, and once again, I commend the chairman and the other Members of the House who were on the conference committee for the fine work that they did. It was a good piece of work and it was enjoyable doing this kind of work because it made one feel that we had really accomplished something that I think the focus of this entire House reflects in responsible spending patterns. I think this is a responsible piece of work.

Mr. Speaker, I yield such time as he may consume to the great, newly 64-year-old ranking member of this committee who is a real pleasure to work with, the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Not yet. It will be Saturday.

Mr. Speaker, I rise in strong support of the conference report on H.R. 3036, the Treasury-Postal Service appropriations bill for fiscal year 1986.

I want to commend the chairman of the subcommittee, my good friend, ED ROYBAL, for bringing a well-balanced and fiscally responsible conference report to the floor. Every member of the subcommittee can attest that ED ROYBAL is a fair chairman who listens and acts on the concerns of the Members of this House. As a long-time member of this subcommittee, I've served with the best—Vaughn Gary of Virginia, Tom Steed of Oklahoma, and others—and it's a pleasure for me to work with Chairman ROYBAL, and also with his faithful partner and counsel, Tex Gunnels, who has also been my friend for 27 years, and a very, very able gentleman and counsel to that subcommittee.

I also want to take this opportunity to commend JOE SKEEN for his work on this bill as the ranking minority member of the Treasury Subcommittee. He's done a fine job his first year on the committee.

Mr. Speaker, 46 percent of the money appropriated in this bill is for mandatory items. The payments for retired Federal employee health benefits and to the Civil Service Retirement and Disability Fund, along with the President's salary, amount to $6 billion out of the $13.1 billion provided in this conference agreement. These payments are fixed costs mandated by law. The Appropriations Committee has no control over this mandatory spending, and the amount provided in this bill is the same as the administration requested.

Three agencies will spend 75 percent of the discretionary appropriations provided in this conference report.

The Customs Service was provided additional resources to continue the international war on drugs and to collect several billion dollars in duties and taxes.

The Internal Revenue Service funding was increased to correct the tax return processing problems of last year and to strengthen tax compliance. When the Government pays out almost $200 million in interest alone on tax refunds, it's time to provide the resources necessary to get the job done.

In fact, the administration now agrees with this assessment and urged the conferees to accept the funding level provided in the House bill.

That letter from the administration follows:

DEPARTMENT OF THE TREASURY,
Washington, October 29, 1985.

Hon. SILVIO O. CONTE,
Ranking Minority Member, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CONTE: As you consider final action on the FY 1986 budget for the Department of the Treasury, I strongly urge that funding levels requested in the President's budget be adopted in conference for all Treasury bureaus, except for the Internal Revenue Service. I am requesting that the $3.689 billion level approved by the House be adopted for the Internal Revenue Service. This level has the approval of the Administration.

For bureaus other than the Internal Revenue Service, the Department's FY 1986 budget submitted to the Congress earlier this year was, in our judgment, the amount necessary to carry out our diverse responsibilities. It included only those items that were fully justifiable and essential to the accomplishment of our missions, and reflected substantial savings in productivity and streamlined administrative operations. Accordingly, we continue to support the President's budget request for all these bureaus. In total, the President's budget for these bureaus is below both the House and Senate approved levels.

We believe the $3.689 billion level approved by the House for the Internal Revenue Service is vital to provide for adequate tax administration in FY 1986. These resources are needed to restore a high level of quality in the Service and to assure an effective tax filing season. The $206 million reduction from the House allowance proposed by the Senate would jeopardize on-going efforts to revitalize tax processing capabilities and would reduce revenues at a time when they are critically needed. We encourage the conferees to identify reductions elsewhere in the bill to offset this increase for the Internal Revenue Service.

I greatly appreciate the continuing support provided by you and your Committee for Treasury programs during these difficult fiscal times. I ask that you give careful consideration to these issues.

Sincerely,

JOHN F.W. ROGERS,
Assistant Secretary of the Treasury (Management).

Mr. John Rogers, Assistant Secretary of the Treasury, wrote to me requesting "the $3.689 billion level approved by the House" and reconfirming that "this level has the approval of the administration."

The third major discretionary item is the postal subsidy for nonprofit mailers. The payment provided in this conference agreement is $390 million less than the amount appropriated last year. Since the administration requested no Federal appropriation, the $820 million payment accounts for 86 percent of the increase over the President's budget.

Although this amount is scored against the bill, the President's budget did not actually call for the elimination of the reduced mail rate program, but instead proposed to use revenues from other classes of mail to finance the subsidy.

The budget claimed that "legislation will enable the Postal Service to continue the subsidy for most existing subsidized mailers." No legislation was sent to the Hill, so the committee was forced to appropriate the funds.

Even with funding increases for the Customs Service and the IRS and with $820 million for the postal subsidy, discretionary spending in this conference agreement is $215 million below the fiscal year 1985 enacted level. This conference report is better than a freeze. It provides a significant spending cut from last year.

The House and Senate bills also contained several language provisions, and the conferees generally defered to the concerns expressed by the authorizing committees and the administration. On amendment 83, however, the conferees took a "middle-of-the-road" position on the longstanding dispute involving OPM pay-for-performance and RIF regulations.

Based on a compromise that I offered last year, the ban on the implementation of the regulations was lifted on July 1, 1985. Contrary to administration objections, the conference agreement reimposes the ban until May 15, 1986, but allows OPM to revise the regulations in the interim. It is not a perfect solution, but I hope this is the last time this issue will be considered in the appropriations process.

Mr. Speaker, this is a good conference report. It balances fiscal restraint with the obligation we have to fund the programs in this bill. I urge my colleagues to support the conference report on H.R. 3036.

□ 1025

I might say in closing that I spoke with OMB last Friday, and at that time they were discussing the possible recommendations of a veto because they felt that we had appropriated too much money here, and also they were very, very disturbed about the language prohibiting the implementation of the OPM regulations.

I begged them to reconsider; I told them the work that we had done in the conference on the OPM language; I was opposed to it and I did everything I could to modify it. We did modify it; unfortunately they seemed to be very upset about this, and I learned this morning that they may be calling me shortly to inform me they are going to veto this bill.

I would like to inform them right now, if they are watching the boob tube down there in the White House that I think they are making a mistake, and I hope that thay will not veto this bill, and if they do veto it, I will have to stand on this floor to try to do everything I can to override that veto.

Mr. HOYER. Will the gentleman yield?

Mr. CONTE. I yield to my good friend from Maryland.

Mr. HOYER. I thank the gentleman from Massachusetts [Mr. CONTE]. I want to echo the sentiments of my good friend from New Mexico, the ranking minority member [Mr. SKEEN] and the sentiments from my chairman, the gentleman from California [Mr. ROYBAL] in saying that it is indeed a pleasure and an honor to be able to serve on this subcommittee with the gentleman from Massachusetts who not only serves his party, but his country so well, both in the appropriations process and in this House.

I would like to also thank the gentleman for what I know was his tenacious work in the subcommittee, working with the gentleman from Virginia and myself with reference to the OPM regulations.

I also want to reiterate to him my concern that this matter be resolved in a positive fashion from the administration's standpoint, and from the employees' standpoint.

I want to reiterate at this point in time, Mr. Speaker, that Constance Horner, the new Director of the Office of Personnel Management, in my opinion has been working very positively,

particularly and pointedly with Congressman WOLF from Virginia in attempting to resolve the differences that we have had between the administration and the Congress on this issue.

I am happy to say, and I see the gentleman from Virginia on his feet, that I believe that we have come very close to a resolution of the differences between the administration and the Congress, and as a result of that, I would very much hope that they would not use that as a reason for vetoing this bill, and would agree with the gentleman from Massachusetts [Mr. CONTE] that would be a mistake.

The gentleman from Virginia and the gentleman from Massachusetts have both been working very hard to bring this matter to resolution, and I am pleased to say that I think we are very close to putting this matter behind us for good.

I thank the gentleman for yielding, again congratulate him for his outstanding work on this subcommittee, in the Appropriations Committee as its ranking member, as one of the senior Members of this House he does an outstanding job on behalf of the entire country.

Mr. CONTE. I want to thank my good friends from Maryland for those remarks.

Mr. ROYBAL. Mr. Speaker, I yield such time as he may require to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank my chairman for yielding, and again want to congratulate the gentleman from California [Mr. ROYBAL], who is the chairman of the Treasury-Postal Subcommittee. As has been stated by the gentleman from New Mexico [Mr. SKEEN], Mr. ROYBAL does an excellent job at handling a very difficult and complicated task; and those of us who are younger members on the committee are proud to serve under his leadership and to benefit from his teachings.

At this time, I would ask the chairman to yield for a brief colloquy.

Mr. ROYBAL. I would be glad to yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman and rise to engage in a colloquy concerning amendment No. 83. I would ask the chairman if the Senate receding on amendment No. 83 with an amendment barring implementation, promulgation, administration, enforcement or reissuance of certain Office of Personnel Management regulations means that existing proposed regulations published on August 30, 1985, are also banned as falling within the ambit of previously banned proposed regulations?

Mr. ROYBAL. The gentleman is correct. The proposed regulations published on August 30, 1985, are a reissuance of previously banned proposed regulations. It is the intent of the conferees that those proposed regulations and the earlier proposed regulations shall have no effect of law until at least May 15, 1986.

Mr. HOYER. Is the gentleman saying that it is the intent of the conferees that no effect be given to any regulations of the type banned by amendment No. 83 until May 15, 1986?

Mr. ROYBAL. That is the intent and I think it is important to make that very clear. Two years ago the Office of Personnel Management decided to ignore the ban and the Court had to stop OPM from implementing the regulations. So, for the purpose of the record, I think it is very important to point out that it is congressional intent that these proposals not move forward at least until May 15, 1986.

Mr. HOYER. Am I also correct, Mr. Speaker, in saying that the intent of the conferees is that no agency may implement these regulations, including OPB?

Mr. ROYBAL. The gentleman is correct.

Mr. HOYER. I thank the gentleman for yielding for that colloquy, and I rise in strong support of the conference report. We have worked hard and long. The bill is substantially below that which it was when it went to the Senate. We nevertheless have provided, I think, funds appropriate to ensure proper staffing levels in IRS and in Customs, and I am in strong support of the conference committee report.

I again congratulate my chairman and the ranking member, the gentleman from New Mexico [Mr. SKEEN], who have both worked so hard to effect this end.

Mr. SKEEN. Will the gentleman yield?

Mr. HOYER. I yield to the gentleman.

Mr. SKEEN. I would like to ask this question of either the chairman or the gentleman from Maryland: The colloquy that you have just engaged in, does that appreciably change the terms of the ban, and so forth? Because this was not information that we have prior to this meeting, and we are a little concerned about whether there is any real change in the intent or not. We are not quibbling, but just want to get the record straight.

Mr. ROYBAL. There is no change in the intent. The intent has been right along that the date be May 15, 1986.

Mr. SKEEN. That is what we agree to in conference.

Mr. ROYBAL. That is what we agreed, and there is no change in the intent whatsoever.

Mr. SKEEN. Does OPM have the right to revise, in any way, there regulations in regard to this ban?

Mr. ROYBAL. Yes, the OPM does have that right.

□ 1035

Mr. HOYER. In further response, I would say, as the gentleman well knows because he was part of the effort to effect this, we agreed to revisions because clearly the intent is to try to reach an accommodation between OPM and the Congress, and therefore it is essential to reaching that accommodation that they have the ability to revise. As I said in my opening statement, the gentleman from Virginia [Mr. WOLF] I know has been working very closely with the Office of Personnel Management, with Miss Horner who, I would reiterate, is working, in my opinion, very forthrightly with the Congress to try to bring this matter to a successful conclusion.

I want to congratulate the gentleman from Virginia for all his work toward that end.

Mr. SKEEN. If the gentleman will yield further, I appreciate his statement. I was trying to establish whether or not there had been any movement since the conference. In view of the language that was put in, you folks worked very hard on it, to make sure that there had been no travel as far as intentions were concerned or a change in the intentions that we had agreed on in conference because I did not know whether you had had the opportunity to have any conversation with OPM or any connection with them insofar as this language.

Mr. HOYER. Briefly, in response, I would say the gentleman from Virginia [Mr. WOLF] really has been carrying the ball on this issue. I understand there has been movement and it is positive movement. That is to say, we are moving closer and not further away. This language simply clarifies the intent of the conferees so that the administration will know clearly where we are and we know clearly where they are, and I think we are going to meet in the middle.

Mr. SKEEN. If the gentleman will yield for one last question, is this the last time this ban will be offered?

Mr. HOYER. I do not want to comment to that until such time as the accommodation is a reality. I will leave that to Mr. WOLF's judgment, because he is the one who has been active.

Mr. SKEEN. I did not expect the gentleman to reply.

Mr. HOYER. I thank the gentleman for his question.

Mr. ROYBAL. Mr. Speaker, I yield myself such time as I may consume.

May I say to the gentleman from New Mexico it is the expectation of the chairman of the committee and every Member that an accommodation will be reached and that this subject matter will not again be a subject of debate the next time we bring a bill to the floor.

Mr. SKEEN. If the gentleman will yield, I thank the chairman once again.

Mr. Speaker, I thank also the gentleman from Maryland for his response.

Mr. ROYBAL. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. I thank the gentleman for yielding.

Mr. Speaker, I would like to enter into a colloquy with my chairman of the subcommittee, Mr. ROYBAL, with regards to the President's original budget submission which proposed a 5-percent pay cut for Federal employees.

Mr. Speaker, when our committee marked up this bill, the administration had not changed its position on the 5-percent pay cut for fiscal year 1986. Subsequent to the passage of H.R. 3036 by the House, the administration sensed that the Congress would not cut Federal pay and requested instead that Congress provide sufficient funds so as to cover Federal pay absent a 5-percent pay cut. Mr. Speaker, because the request from the administration came after the committee and House had passed this bill, adequate funding for the full Federal pay is not contained in this bill. It is my fear that the departments and agencies funded by this bill will be unable to fully fund the number of personnel requested by the committee. This is particularly troublesome to me when we consider the funding levels provided for the Customs Service and the IRS, both of which are increased and greatly needed. When the committee heard testimony from the Director of the Office of Management and Budget this spring, he testified that should the Congress and the administration choose not to cut Federal pay, a Governmentwide amendment or supplemental would be requested to make up the difference. Although the administration has since made such a request, as I have stated, it came after the committee and the House had passed this bill. Therefore, I would like to ask the chairman whether or not it would be appropriate for the committee and the agencies to assume, that when the committee considers a supplemental appropriations bill for fiscal year 1986, that one of the items considered would be the funding of the difference of pay levels contained in this bill and that approved by the Congress and the administration?

Mr. ROYBAL. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Texas. I yield to my chairman.

Mr. ROYBAL. I thank the gentleman for yielding.

Mr. Speaker, In answer to the question of the gentleman, I would say the answer to that question is a definite yes. The gentleman probably will remember this matter was discussed in subcommittee. We decided not to enter into a lengthy debate with regard to the increase in pay due to the fact that we had been assured that a supplemental would be sent to the House at the appropriate time. So it would be appropriate for the committee and the agencies to assume that when the committee considers supplemental appropriations for 1986 that one of the items would definitely be the matter of the difference in pay.

Mr. COLEMAN of Texas. I thank the chairman for his response.

Mr. Speaker, furthermore, would it be appropriate for the agencies to assume that the committee and Congress do not intend for the Department and agencies funded under this bill to use moneys appropriated for additional personnel for the cost of funding the difference between the pay levels set in this bill and that actually agreed upon between the Congress and the administration?

Mr. ROYBAL. I am very glad to answer that question for the very simple reason that in the past this committee, this House, and this Congress have appropriated funds for additional positions and those positions have not been filled. It is the intent of this legislation, or it would be when enacted, the intent of this House and the Congress as a whole to fill those positions, those additional positions, that this bill recommends and that additional funds be used only for that purpose and no other purpose.

Mr. COLEMAN. I thank the chairman very much for his answer. I think that is the intent of what we worked on, all of us in the subcommittee, through your leadership and that of the ranking member, the gentleman from New Mexico.

I thank the gentleman very much.

Mr. SKEEN. Mr. Speaker, I yield 5½ minutes to the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I want to begin by thanking the chairman, Mr. ROYBAL, and the ranking minority member, Mr. "JOE" SKEEN, for their cooperation and help and also Mr. CONTE who is no longer in the Chamber.

I also want to acknowledge the staff. Having been a staff person up here on Capitol Hill for a long time, myself, I think the help that I have gotten from the staff has been super.

I want to publicly thank them. I also want to recognize Congressman HOYER for his work on these OPM rates. Without his help, there is no way we could have made these changes.

Mr. Speaker, I rise in support of this conference report. I want to talk about one provision in the conference report.

Mr. Speaker, what I have in my hand is a babushka doll which says on the bottom, "Made in the U.S.S.R."

Mr. Speaker, this doll was made by slave labor in the Soviet Union. We have language in this report which requires the Secretary of the Treasury and Customs to bring a case to prohibit the importation of these wood products which are clearly made by slave labor in the Soviet Union. We have several indications that this is the fact.

There was an article in Reader's Digest which said:

In February of this year, the United States State Department exposed Russian labor camps in a detailed study concluding that, "Soviet authorities still exploit forced labor on a large scale for both domestic and Western export markets." There can be little doubt now that much of today's Soviet economy is built on the backs of the wretched men, women, and children who toil in nearly 2,000 Russian prisons and forced labor camps.

And I stress, and I have proof, that there are children in these camps.

Thousands more forced laborers died in the Kolyma goldfields of Siberia in the 1930's. Nobel Prize-winning Russian author Aleksandr Solzhenitsyn documented this nearly a decade ago in his monumental work "The Gulag Archipelago."

Mr. Speaker, I submit this article for the RECORD.

"MADE IN U.S.S.R."—BY FORCED LABOR

(By Joseph A. Harriss)

Western nations need to take a closer look at their Soviet imports. Many were manufactured at a terrible price in human suffering.

In Frankfurt, West Germany, I was interviewing some recent inmates of Soviet forced-labor camps. One woman pointed at the wooden folding chair that I was sitting on. "That's a souvenir from the Gulag," she said. On the bottom was marked "Made in U.S.S.R.," followed by the code 133340, indicating the camp where it was produced. The United States last year imported hundreds of such chairs, part of our multimillion dollar trade in which we buy the products of Soviet convict labor, in contravention of U.S. law.

In February of this year, the U.S. State Department exposed Russian labor camps in a detailed study concluding that "Soviet authorities still exploit forced labor on a large scale . . . for both domestic and Western export markets."

There can be little doubt now that much of today's Soviet economy is built on the backs of wretched men, women and children who toil in nearly 2000 Russian prisons and forced-labor camps. What is less well known is that importing the products of forced labor violates an explicit American law, the Smoot-Hawley Tariff Act of 1930. Section 307 states: "All goods, wares, articles and merchandise mined, produced or manufactured wholly or in part in any foreign country by convict labor or forced labor . . . shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited."

Until recently, few realized the extent to which the Soviet Union still depends on convict labor—the only major industrialized nation that makes it a mainstay of its economy. To be sure, many Americans remember that Stalin built spectacular projects like the Volga-Don canal, the second Trans-Siberian railway and entire new town at the cost of hundreds of thousands of lives. Thousands more forced laborers died in the

Kolyma gold fields of Siberia in 1930s. Nobel Prize-winning Russian author Aleksandr Solzhenitsyn documented this nearly a decade ago in his monumental work *The Gulag Archipelago.*

But it took the controversy between the United States and its NATO allies over the Siberian gas pipeline to Europe to focus attention on *continued* Soviet dependence on this practice. The State Department report drew on CIA intelligence, including satellite photos, and suggested that the Soviets had indeed used forced labor on the pipeline, especially for clearing forests and building roads. Commented Sen. William L. Armstrong (R., Colo.), who originally requested the study, "This is a shameful situation beyond the comprehension of most Americans."

The number of convict laborers in the U.S.S.R. is down from its peak of 15 million under Stalin, but they still number an estimated four million, and the conditions under which they work are hardly less nightmarish. Far from fulfilling Marx's promise to free workers from their chains, the Soviet system has systematically enslaved them.

"Graveyard Soup." Goading the West's conscience on the forced-labor issue are the International Society for Human Rights, based in Frankfurt, and the International Sakharov Committee in Copenhagen. Last fall in Bonn the two, groups sponsored an international tribunal of parliamentarians, labor leaders and academics that heard former prisoners graphically portray brutal working conditions in sub-zero temperatures, with inmates picking lichen off trees for nourishment. The tribunal concluded that "prisoners, among them women and children, are forced to work under conditions of extreme hardship." The tribunal chairman declared, "We have presented the truth to the world, and no one can say, 'I did not know.' "

Details of what the world must know are spelled out by such former camp inmates as Julia Voznesenskaya, 43, a frail dissident author from Leningrad. She was arrested by KGB security police after she boldly scrawled on a wall, "You strangle out freedom, but you can't chain people's souls." Charged with "anti-Soviet slander," she spent three years in prison and Siberian camps. One of her main task was making work clothes and uniforms for the Red Army. Shifts stretched to 12 hours to meet impossibly high production quotas. Those who failed to meet them had their meager food ration cut. With gallows homor, she and her fellow laborers called the thin, halfputrid fish broth served every day "graveyard soup"—it contained nothing but bones. Prisoners with tiny children often looked on helplessly as the toddlers sickened and died.

Yuri Belov, 42, spent 15 years in prisons, camps, and banishment and psychiatric hospitals. He was first arrested in 1963 for writing "subversive" poems and founding a community of Catholic believers. The charge: "anti-Soviet agitation and propaganda." He was sent to camp ZhKh 385/11 in Mordovia, 200 miles southeast of Moscow.

Here, 2000 convicts each assembled 140 wooden chairs per shift, which were sent to a "free" factory in Minsk. There, finishing touches were put on before the chairs were exported to the West. Thus the Kremlin could claim the goods were made by "free" workers.

Belov remembers with a sardonic smile the political commissar who told ZhKh 385/11 inmates to be proud because their work earned the motherland hard currency and cost almost nothing. Indeed! The motherland paid Belov and his fellow convicts 60 rubles a month—"free" workers got about 100 rubles—but withheld 75 percent to pay for the minimal camp food, clothing and maintenance.

Sematic Games. Frequently those in Soviet forced-labor camps are there on flimsy pretexts such as "hooliganism" or "parasitism" (being unemployed). Vladimir Bukovsky, a scientist who spent 11 years in the Gulag, writes, "Such a high percentage of criminality is artifically maintained by the state for economic motives."

One of the first signs of a big new Soviet construction project is an anti-crime campaign. Police round up men and women for the forced-labor pool, sometimes resorting to primitive entrapment. Vladimir Borisov, an exiled founder of the underground free labor union SMOT, who now lives in France, told me of a friend of his, Ivar Jukovski. As Jukovski was shopping in a Riga clothing store, an old lady asked him to try on a jacket to see if it would fit her son. Police promptly arrested him for shoplifting, and the "corrective labor colonies" had another worker.

The Ministry of Internal Affairs (MVD) runs the forced-labor system, supplying workers to other state agencies. Because workers under armed guard are not suitable for outdoor work, convicts are often put on parole or probation on condition that they perform compulsory labor. Much of the Soviet chemical industry was constructed this way in the 1960s—so today all such workers are known in camp slang as *khimiki,* or "chemists." In the big oil and gas fields, they can amount to some 20 percent of the adult population. This forced labor without confinement enables the Kremlin to play semantic games and deny that convicts are used, for instance, on the pipeline to Europe.

Political dissidents, however, are seldom released even conditionally. Their "crimes" often fall under the infamous Article 70 of the Soviet Criminal Code, which penalizes "anti-Soviet agitation and propaganda"—a catchall ban on saying, writing or disseminating anything critical of the government.

This was the technique the Kremlin used to crush the Helsinki monitoring group, founded in May 1976 in Moscow to foster compliance with the human-rights provisions of the Helsinki accord. Nine months later, two of its cofounders, Yuri Orlov, a physicist, and Alexander Ginzburg, a journalist, were arrested and charged with violating Article 70. By last year 34 group members had been arrested, and the group's remaining three members disbanded it.

Ginzburg was sent to ZhKh 385/1 in Mordovia. Released in April 1979, he now lives in Paris, where I interviewed him. "We cut and polished glass for chandeliers," he said. "The room was full of abrasive dust. Men spat blood and got silicosis." Their quota: 75 to 90 pieces a day each, far higher than the quota in a "free" factory. (The Department of Commerce says we import articles of glass from the Soviet Union, but is unable to confirm if this includes chandeliers.)

Orlov and other well-known members of the Helsinki monitoring group, such as Anatoly Shcharansky, are still at forced labor. Orlov works as a lathe operator in a camp set up in the Perm region, near the Ural Mountains. Shcharansky, despite failing eyesight, laboriously handweaves eight potato sacks a day in his dimly lit cell at Chistopol Prison 540 miles east of Moscow.

The tortures of hunger and cold drive many Gulag prisoners to desperation. Some chop off their own fingers to get hospitalized. Suicide is often a way out. One method is to race for the barbed wire in full view of a guard. MVD guards shoot to kill; they get an extra week of leave for bagging an escaping prisoner.

Bitter Fruits. Despite such blatant human-rights violations, we and other Western nations continue to buy the fruits of forced labor. Specifically, the United States in 1982 imported:

Chemicals, $118-million worth, particularly anhydrous ammonia for fertilizer. Several Russian chemical plants are integral parts of industrial prison compounds.

Uranium, $10-million worth. Uranium is mined by forced labor at Zheltyye Vody in the Ukraine. Exile sources add a Ukrainian camp at Novaya Borovaya, several Siberian camps at Krasnoyarsk, and another in Central Asia at Uchkuduk. Persistent rumors tell of uranium death camps where workers without protection from radiation last only a few months.

Gold, $4.2-million worth. The CIA notes that forced laborers mine gold at Zeravshan in Central Asia. Exiles say convicts also mine or refine it in nearby Muruntau, and in Siberia at Bodaibo, Artemovsk, Taishet and along the Yenisei River.

Wood and wood products, $3.5-million worth. Logging and wood processing is done in some 350 camps in the Urals, the Northwest, the Volga-Vyatka and Siberia. Women fell trees around Kirov and Lake Baikal. Children from 14 to 18 make shipping cases at Novaya Lyalya in the Sverdlovsk region.

Tractors, $500,000 worth. The main model imported by the United States is the Belarus, a light tractor. Parts are made at a Mordovian forced-labor camp.

"We'll Enforce It." Section 307 of the Tariff Act of 1930 is thus being largely ignored in Washington. Incredibly, I was unable to find a single offical there concerned with trade who showed awareness of its relevance to our Russian imports.

Yet the law is clear. It provides that any citizen who suspects a violation can contact the Customs Service, which is required to open an investigation. If available information "reasonably" indicates a violation, the goods must be impounded. To have them released, the importer must produce a certificate from the foreign seller attesting that no forced labor was employed in any stage of production or any component of the merchandise.

Why doesn't the United States uphold the law? "The question of Soviet goods has just never come up," says a high Customs official in Washington. "But if some one shows us that Russian goods entering this country are made with forced labor, we'll enforce it."

Our allies in Europe import far more Russian goods than we do. Last year West Germany alone bought $4.7-billion worth. French imports amounted to $3.1 billion. The Siberian gas pipeline will raise these figures.

Few other countries have a law prohibiting importation of convict-made goods, but most Western nations are parties to the Universal Declaration of Human Rights and other international treaties. They should join with the United States to raise this issue in the U.N.

The time has come to expose before the world Russia's economic exploitation of its citizens. But first we must ensure that our

own law, intended to prevent complicity in such barbarity, is enforced.

I have a report of a gentleman who served in a slave labor camp. I would like to submit this for the RECORD in complete detail, but let me state for the record: Let me read segments of this report. He said, "I, as a long-term prisoner of the Soviet gulag"—and let me say here one gentleman I met had been in the slave labor camp for 30 years, 30 years. He was an elderly man, and they allowed him to leave Russia because he would then be on their economy, he would require economic support from them. So they allowed him to come to our country because of pressure. But listen to this:

"I, as a long-term prisoner of the Soviet gulag, know that the labor of prisoners is used on a large scale in a whole series of concentration camps of the Soviet Government. These camps belong to the wood industry, extraction of useful industries, heavy chemical and wood pulp industries, light industry, the food industry." He goes on to say, "Research center for prisons, psycho-prisons, and concentration camps of the U.S.S.R. published in Abraham Shifrin's 'Guide to Camps And Prisons of the U.S.S.R.,' thus most of the wood-finishing industries uses raw materials used by slave labor." That is this babushka doll. "In the woodworking industry they also use slave labor. The Soviet economy uses prisoners in the mining/ore industry, in both pits and mines, and they extract coal, gold, uranium, copper, chromium, nickel, molybdenum, and diamonds. I personally worked in a gold mine." He says the extraction of diamonds also uses slave labor. He goes on to mention all the camps, and then he says something which I think is particularly moving: "Odessa Prison (290059, Odessa-59) Establishment YuG-311/76 where there are women's and children's camps. The women work in the textile mill, and the children make consumer metal products." I will submit this entire report for the RECORD.

UTILIZATION OF SLAVE LABOR—EYEWITNESS TESTIMONY

(By S. Karavans'kii)

INTRODUCTION

I as a long-term prisoner of the Soviet Gulag (concentration camp system), know that the labor of prisoners is used on a large scale in a whole series of concentration camps of the Soviet government. These camps belong to the: 1. Wood Industry; 2. Extraction of Useful Minerals; 3. Heavy, Chemical, and Wood Pulp Industries; 4. Light Industry; 5. Food Industry.

In addition to my own observations, this article employs the testimony of other former concentration-camp prisoners, as well as materials of the Research Center for Prisons, Psychoprisons, and Concentration Camps of the USSR, published in Abraham Shifrin's Guide to Camps and Prisons of the USSR. The source of information or the name of the witness is given for each specific piece of testimony. All addresses, whatever the source, have been verified and corrected on the basis of the publication, List of Political Prisoners of the USSR (No. 5, situation as of January 5, 1983).

I. The wood industry

The Soviet wood industry has used and still uses slave labor for felling timber. I, myself, felled timber in Irkutsk Province (Oblast') in the following camps of the Ozerlag: Camp 307, Irkutsk Province, Bratsk District (Rayon), Anzeba settlement, establishment UK-272/307; Camp 018, Irkutsk Province, Vikhorevka settlement, establishment UK-272/018; Camps 041 and 034. From the accounts of prisoners, I know that of the lumber camps in the USSR, the prisoners still work in the following camps: Kitoylag, Irkutsk Province; Ust'-Vymag, Komi Autonomous Republic; Dubrovlag, Mordvidian Autonomous Republic; Sevurallag,[1]) Ivdel'lag, Sverdlovsk Province; Viatlag, Kirov Province; Kraslag, Krasnoyarsk Territory (Kray); Oneglag; Kargopol'lag; Sol'lag, Arkhangelsk Province. A large quantity of lumber is exported from these regions of the USSR to the free world. There are scores of witnesses to the existence of these camps. Here is some of the testimony: N. Akhmetov's and V. Mikhalenko's list of prisoners, dated 1978, and the address of Camp No. 16 of Kraslag, which produces lumber for export were published on pp. 151-52 of the journal *Kontinent* (No. 24, 1980). The address of Camp No. 16 is Krasnoyarsk Territory, Uyar District, Gromadskaya Station, establishment UP-288/16.

Thus, most of the wood-finishing industry uses raw materials produced by slave labor. We must include here the furniture industry, the building materials industry, the paper industry, the wood-pulp (cellulose) industry, and a major part of the chemical industry, as well as the construction industry.

In the wood-working industry they also use slave labor. I personally worked in Camp 019 of the Ozerlag, which served the great wood-working combine in Irkutsk Province, Chuna District, Chuna Station, Establishment UK-272/019; then in Camp 025 of the Ozerlag camps, Irkutsk Province, Tayshet District, Tayshet city, Establishment UK-272/025., and in Camp No. 11 of the Dubrovlag (Mordvidian Autonomous Republic, Zubova Polyana District, Yavas Settlement, Establishment ZhKh-305/11, in the furniture factory.

From the evidence of long-term prisoners, taken down by the Prisons Research Center, we have the following examples: south of Sykyvkar in the Kobra Camp, with a population of 2,000, they made plywood for export. In Bekabad, Uzbek Republic, in Camp 64/21, 1,600 prisoners work in the wood-processing plant, which makes boards. Address: Uzbek Republic, Tashkent Province, city of Bekabad, Establishment UYa-64/21.

In Vologda, there are two camps with 2,500 prisoners each, which provide the work force for the plywood factory and the wood-processing plant.

Testimony of the Prisons Research Center: Abraham Shifrin (Israel).

[1] Translator's note. "lag" means "lager'" or "camp, concentration camp." The designations ending in "lag" (Dubrovlag) stand for a series of camps under that administration. The first part of the word stands for a town or region, e.g., Sevurallag—Northern Ural Camps; Dubrovlag—Dubrovki (town of) camps. For administrative units, I have translated Oblast' as Province, Rayon as District, Kray as Territory. I have guessed the abbreviation "uchr" to be "uchrezhdenie," i.e., establishment.

II. Extraction of useful minerals

The Soviet economy uses prisoners in the mining/ore industry, in both pits and mines, and they extract coal, gold, uranium, copper, chromium, nickel, molybdenum, and diamonds.

I personally worked at the Matrosov gold mine. Address: Magadan Province, Ten'gi District, Matrosov Settlement, Establishment 261/1. This campsite is part of the Berlag, which has about 50 camps. Besides Berlag, the Maglag, which also has 50 camps, extracts gold. At the Matrosov camp they extract gold ore, which then is enriched at the Matrosov Enrichment Plant. At present, the Matrosov mine is not using prison labor, but in Magadan Province and elsewhere prisoners work in the gold mines of Yagodnoye, Susman, Orotukan, Palattsy, Vetrennyi, Budennyy, Timoshenko, and other places. Besides mine, there is the testimony of Mys'o (USA).

Gold for the national treasury of the USSR is extracted at Bodaybo, Irkutsk Province, and the prisoners who work the gold mines are situated in three camps. Testimony of A. Shifrin (Israel).

The extraction of diamonds also uses slave labor. In the center of diamond mining, at the town of Mirnoye, Tyumen' Province, there are no camps, but the polishing of the diamonds is left to prisoners. In Solekhard, Tyumen' Province, there are two camps with 2,500 prisoners each, in which diamonds intended for export to "Russian Gems" stores are polished by prisoners. Testimony of A. Shifrin.

Prison labor is employed in molybdenum, manganese, chromium, nickel (Noril'sk, Krasnoyarsk Territory) and uranium mines in rich sites and even in the Ukraine at Rakhov.

In the southern part of the Komi Autonomous Republic, in the Vorkutlag and Rachlag (Inta) systems, prisoners extract coal. Individual mines where prisoners work are scattered over the whole of the U.S.S.R. For example, according to the Prisons Research Center data: Chernogorsk, Krasnoyarsk Territory. About 6,000 prisoners work in the coal mines; Temir-Tau, Kemerovo Province. 800 prisoners extract coal; Shakhty, Rostov Province, 1,500 prisoners work in coal mines. Address: Rostov Province, city of Novoshakhtinsk, Establishment UCh-398/11.

According to the data of the Prisons Research Center, prisoners work in the gas and petroleum extraction industry in the following places in the U.S.S.R. Apsheronsk Station, Khadyzhensk, Neftegorsk, Krasnoyarsk Territory. The villages of Negotka, Parabel', and Kolpashevo, Tyumen' Province, 4,000 prisoners. The towns of Serafimovich, Vologda Province; Krasnyy Khuduk, Seroglazovka, Dosang, Astrakhan Province; Krasnovodsk, Cheleken, Nebit-Dag, Turkmen Republic; Shchekino and Lipki, Tula Province, 3,000 prisoners work gas deposits at bore holes. In Kitsan, Moldavian Republic, 1,000 prisoners quarry marble. Testimony of the Prisons Research Center, A. Shifrin (Israel).

III. The heavy, chemical, and wood pulp industries

Slave labor is very suitable in the Soviet system of economic exploitation for conducting work-site operations in heavy industry. For example, prisoners assemble radiators for the "Moskvich" automobile factory in Moscow, according to inmates at the Tenth Dubrovlag camp, Mordvidian Autonomous Republic, Zubova Polyana District, Es-

tablishment ZhKh-385/10. Testimony of S. Karavans'kii (USA).

Besides, I know that in Lviv on Stryi Street, there is Camp No. 48 (Lviv, Establishment VL-315/48), where the prisoners make motorized agricultural machines. The Prisons Research Center also has data on the following camps: Camp 62/4, city of Gorky, Establishment UZ-62/4. Prisoners work in the unhealthy paint shop of the automobile plant. Camp 62/12 Gorky Province, city of Bor, Establishment UZ-62/12. Prisoners work in a plastics and glass factory; Camp 154/12, Vologda Province, city of Volzhskii, Establishment YaR-154/12. 1,200 prisoners work in the tractor plant; Camp 15/2, Byelorussian Republic, city of Bobruyski, Establishment 15/2. 1,000 prisoners work at the rubber-tire plant; Minsk, Mogilev Highway. Near the automobile plant "Severnyi Poselok" (North Settlement) there is a new prison for women, who work at the Minsk Automobile Factory; Camp 48/9, Chelyabinsk Province, city of Bakal, Establishment YaV-48/9. 1,300 prisoners work at the metal-working shop; Soroka, Moldavian Republic. 1,000 prisoners make superphosphates; Novaya Lyalya, Sverdlovsk Province. 1,000 prisoners from Camp UShch-349/41 work at the paper mill.
Evidence of the Prisons Research Center: A. Shifrin (Israel).

IV. Light industry

Prison labor is used readily in light industry, which makes consumer goods. I worked in Camp 385/1, Mordvidian Autonomous Republic, Zubova Polyana District, Sosnovka Station, Establishment MZh-385-1. There was a polishing shop, where they polished glass parts (hangers) for electric mirrors. Political prisoners worked here. This shop still exists. Live-in prisoners work here. I also worked at the furniture factory at Camp 385/11, Mordvidian Autonomous Republic, Zubova Polyana District, Yavas Station, Establishment ZhKh-385/11. The factory is still operational and prisoners work there. At Yavas Station, I also worked in a garment factory in Camp 385/4, Mordvidian Autonomous Republic, Yavas Station, Establishment ZhKh-385/4. Women prisoners also worked there, making uniforms for the militia, railroad workers, etc.

In Women's Camp 385/3, for women political prisoners, Mordvidian Autonomous Republic, Ten'gi District, Barashevo Station, Establishment ZhKh-385/3, the women made gloves, which were then sold as specialties in all of the USSR. Testimony of N. Strokata (USA). This witness testifies to the existence of a women's camp at Rostov, Rostov Province, Tunnel'skaya ulitsa (Tunnel Street), Establishment 398/19, where women work in a packing plant.

From the testimony of prisoners whom I met at a stopover, I know that in Camp 385/19, Mordvidian Autonomous Republic, Zubova Polyana District, settlement of Lesnoye, Establishment ZhKh-385/19, the prisoners make and polish watch casings ordered by the Sverdlovsk Clock Factory. The products of this factory are exported to England. The witnesses to this are the prisoner Yu. Vudka (Israel), K. Lyubars'kii (Munich), and M. Budulak-Sharygin (England).

In the city of Vladimir, Camp No. 2, city of Vladimir, Establishment Od-1/St-2) the prisoners worked and still work in the rooms where they sleep and eat, assembling triodes and resistors (radio parts) for the Second Moscow Radio Plant. Besides, in this prison, the prisoners make (Stamp out) zippers and electronic parts. Witness: S. Karavans'kii (USA). From the testimony of prisoners, I know of the following: *Chistopol' Prison* (422950, Tatar Autonomous Republic, city of Chistopol', Establishment UZ-148/4), where the prisoners make wrist watches and alarm clocks in the rooms in which they live.

Odessa Prison (290059, Odessa-59, Establishment YuG-311/76, where there are women's and children's camps. The women work in the textile mill and the children make consumer metal products.

Lviv, Shevchenko Street. There is Camp VL-315/30 in which 1,500 prisoners work at the furniture factory.

From the materials of the Prisons Research Center, we know of the following:

Leningrad. Inmates from the prison work at the cardboard factory that produces boxes for the shoe firm "Skorokhod" (Fast Walker) on the Arsenal Embankment (Arsenal'skaya Naberezhnaya). Address of the prison: Leningrad, IZ-45/1.

Leningrad Province. In the Metallostory (Metal Construction) Camp, prisoners make door locks and mattress springs; in the Ul'yanovka and Volkhov camps, 1,200 men and 1,500 women work in the garment factories.

Minsk. Near the bus stop "Proteznyi Zavod" (Prosthetics Factory), there is a camp of 3,000 persons who work in the furniture factories.

Bobruysk, Byelorussian Republic. On Bokhorevskaya Street there is a children's colony that makes furniture and cardboard packing cases.

Orsha, Byelorussian Republic. There are two camps: UZh-15/12 and UZh-15/6 where the prisoners make metal spoons, knives, and forks.

Irpen', near Kiev. The camp makes radio parts. 2,000 prisoners.

Korosten', Ukraine. 2,000 prisoners make furniture and electrical apparatus.

Nizhnil Tagil, Sverdlovsk Province. 300 prisoners in camp UZhch-349/13 make consumer goods: locks, mattresses.

Beyuk Shor, Azerbaidzan Republic. In Camp UA-38, 300 prisoners make inlaid products as well as miniature casings for jewelers' goods, and the parlor game "Shesh-besh," which is for export.

Achinsk, Krasnoyarsk Territory. 1,000 women prisoners work in the garment factory.

Ul'yanovsk, 600 women in Camp YuI-78/2 make ferrite cells for the computer factory.

Novyi Oskol, Belgorod Province. 1,000 women prisoners in Camp YuS-321/4 work in a textile mill.

Novokuznetsk, Kemerovo Province. 1,000 women work in a knit-goods factory.

Garku, near Tallin, Estonia. 300 women prisoners make buttons.

Rzhev, Kalinin Province. 500 inmates in a high-security (severe discipline) prison assemble electric switches in the rooms in which they live.

Evidence of the Prisons Research Center: A Shifrin.

V. Food industry

Shikotan Island, Kurile Islands. 6,000 women prisoners work in a cannery that makes preserves and packs red caviar.

Testimony: A. Shifrin (Israel).

Now, what does the law say? The law says, "All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited."

I tell the people in Treasury Department that it is prohibited. The regulations say clearly this, that if the Commissioner of Customs finds at any time that information available reasonably but not conclusively indicates it, they must prohibit. Reasonably, not conclusively.

We have talked to people, tractor generators, wood products, babushka dolls coming in from the Soviet Union made on the backs of slave labor, political dissidents, Christians, Jews, people who want freedom, and yet we are still allowing that into this country.

Mr. Speaker, the provision that we have in this law would require Customs people and the people at the Department of Treasury to prohibit these goods from coming in. Clearly, Mr. Speaker, this legislation will do it. It is a crime and a blot and a moral crime that we have not done it.

I am pleased with the support of the committee, Mr. HOYER and the others, and of course the chairman and so many others on the Senate side. This was unanimous in our conference that with this language we can do it.

The pertinent statute and regulations follow:

I. STATUTE

Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) provides as follows:

All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretay of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision. The provisions of this section relating to goods, wares, articles, and merchandise mined, produced, or manufactured by forced labor or/and indentured labor, shall take effect on January 1, 1931; but in no case shall such provisions be applicable to goods, wares, articles, or merchandise so mined, produced, or manufactured which are not mined, produced, or manufactured in such quantities in the United States as to meet the consumptive demands of the United States.

"Forced labor," as herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily.

II. REGULATIONS

19 CFR 12.42(e)

"If the Commissioner of Customs finds at any time that information available reasonably but not conclusively indicates that merchandise within the purview of 307 is being or is likely to be imported he will promptly advise all district directors accordingly and the district directors shall withhold release of any such merchandise pending further instructions."

Mr. ROYBAL. Mr. Speaker, I yield 3 minutes to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of H.R. 3036, the conference report on the Treasury, Postal Service, and General Government.

I first want to applaud my chairman, Mr. ROYBAL, for his able leadership and also the ranking member, Mr. SKEEN of New Mexico, for his help on the subcommittee, and every member of the subcommittee.

I look upon the committee as being a great help to the people of our country as they responsibly legislate, as we did on this bill.

Mr. Speaker, I rise in strong support because the committee has looked at the dire needs of our country in all the areas under its jurisdiction and has done a good job, a responsible job, in seeing that appropriations are proper.

Mr. Speaker, I rise in support of the conference report on H.R. 5798, the Treasury, Postal Service, and related agencies appropriations bill for fiscal year 1986.

First, let me commend the chairman of our subcommittee, Mr. ROYBAL, and our ranking member, Mr. SKEEN, for all their hard work on the bill we have before us today. Few Members are aware of the many hours of work and the countless hearings that have been devoted to preparing this bill. I am proud to be a member of this subcommittee, and I thank my fellow members of the subcommittee and our staff for all their hard work.

The bill we have before us today is a good bill that every Member of the House should support. It contains funding for many essential operations of Government, most notably, the Treasury Department and the Executive Office of the President. One item in the Treasury Department that I want to note is a staffing increase for the Customs Service. This staffing increase is long overdue. For years, the Customs Service has been functioning at pre-1980 staffing levels. We all know that the Customs Service is on the battle line when it comes to fighting drugs.

Mr. Speaker, funding for the Customs Service is just one of the thoughtful actions our subcommittee has taken while still presenting to you a bill that is fiscally responsible.

Once again, I want to thank Chairman ROYBAL for his leadership on this legislation and urge my colleagues to support the conference report.

□ 1050

Mr. SKEEN. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. FRENZEL], the watchdog of the budget.

Mr. FRENZEL. Mr. Speaker, I am responding to some comments made by the distinguished gentleman from Virginia, a member of the subcommittee, Congressman WOLF. I intend later in the proceedings to make a point of order against the amendment that the gentleman from Virginia was talking about and which he has had such a strong position in promoting. In my judgment, his work has been not only effective, but meritorious, because he makes a good point.

In making my point of order, I do so with some trepidation. I do it, however, at the request of the Department of the Treasury, which is charged with carrying out the intention of the basic law to which the gentleman from Virgina referred.

The Department and I are in a difficult position on this matter. We know that there is slave labor in the U.S.S.R. and we do not want to stand in the way of enforcing any of our laws or even other efforts to identify and to try to stop the use of slave labor. There is already in this bill, I might note, a provision directing enforcement of that law, and I think it is a good provision and I believe that the Treasury is going to do its dead-level best to carry it out.

The amendment, however, is a forcing amendment. It takes a list devised by the Commissioner of Customs in 1981—and I would stipulate the babushka dolls are not on it—and says we can accept no more of those after December 31 except in the case of conclusive showing that they are not produced by slave labor. That reverses the normal evidentiary test and it seems to me is too strong and too forcing a statement.

When the Commissioner of Customs wanted to enforce this list a couple of years ago, the Secretary of the Treasury consulted with the CIA, and CIA Director Casey subsequently directed two letters to then Secretary Regan, one on the 16th of May, 1984, and one on the 17th of January, 1985. I would like to insert them in the record, but before so doing, I would simply note that the CIA finds extensive use of slave labor, but Mr. Casey says in letter No. 1:

Accordingly, I have to advise you that the Agency's information, while convincing as to the policy and practices . . . with respect to forced labor, could not now be provided with sufficient precision to have probative value in a legal proceeding with respect to a particular product. You can be assured that we will continue our work * * *.

The 17th of January letter follows that up, following a report from the ITC, which supported the finding of the first letter, indicating that the CIA will continue to keep working on the matter.

The full text of the letters follows:

THE DIRECTOR OF CENTRAL INTELLIGENCE,
Washington, DC, May 16, 1984.

Hon. DONALD T. REGAN,
Secretary of the Treasury,
Washington, DC.

DEAR DON: This letter is written in connection with your statutory responsiblilities to prevent the entry into the United States of foreign goods which are produced by convict, forced or indentured labor. We have a good deal of information that the Soviet Union makes extensive use of such labor. We estimate that there are approximately 2 million forced laborers in camps. An additional 2 million or so forced laborers are not confined and are mostly involved in construction.

We have in the past at the request of the Commissioner of Customs furnished information concerning the production of goods with forced labor in the Soviet Union. Although there is convincing evidence that convict and forced labor is used extensively in the Soviet Union, it is fragmentary with respect to specific products. Our information does not enable us to estimate the proportion of total Soviet production of individual products which comes from forced labor. Nor is our information sufficiently precise to allow us to determine whether and to what extent the products of forced labor are exported to the Unitd States.

I am also concerned that the need to make such evidence as we have publicly available, as would almost certainly be necessary for you to carry out your responsibilities, would endanger intelligence sources and methods.

Accordingly, I have to advise you that the Agency's information, while convincing as to the policy and practices of the Soviet Union with respect to forced labor, could not now be provided with sufficient precision to have, probative value in a legal proceeding with respect to a particular product. You can be assured that we will continue our work in this area and will keep your Department currently advised if we are able to develop more satisfactory and precise evidence that might be helpful in preventing the entry into the United States of goods produced by convict, forced labor, or indentured labor.

Yours,

WILLIAM J. CASEY.

THE DIRECTOR OF CENTRAL INTELLIGENCE,
Washington, DC, January 17, 1985.

Hon. DONALD T. REGAN,
Secretary of the Treasury,
Washington, DC. 20220

DEAR DON: In the wake of the release of the ITC report on the use of forced labor in foreign countries to produce goods for export, I thought I should write you to update the status of our research on this issue. Despite continued monitoring, we are unable to obtain sufficient facts to make a solid case that any particular good we receive from the USSR is produced by convict, forced, or indentured labor.

You will recall that on 16 May I sent you a letter which stated that according to our most recent analysis 3 percent of total Soviet labor is forced. That analysis remains valid, but I can find nothing in the ITC report that indicates the availability of more specific data.

Yours,

WILLIAM J. CASEY.

The trouble, also, with the amendment is that if the Treasury were not to go forward as forced, the entire department or subdepartment on which we rely to do the work to carry out this section of the law would literally be repealed.

I have discussed this matter at length with the Treasury. Those who purport to speak for the Secretary tell

me that he expects to work harder on this program and hopes to have some action within the first half of the next year. I cannot guarantee that anymore than they can, but I believe it is their intention to try to act under section 307 and enforce the law, lay it on them. The word I get from them is that they have received the message that Congressman WOLF, Congressman HOYER and many others have effectively carried. Treasury knows it is on borrowed time and I think does fully intend to carry out the law.

In the meantime, however, the amendment, in my judgment, is too harsh. I understand and sympathize with the frustration of Congressman WOLF and his supporters. I do not blame them. I do, however, invite the House's attention to the timing of the situation which will soon occur, and it would seem that if we are going to take strong action against the U.S.S.R. in any area, we ought to be on most solid ground before we do so and have a strongly provable case.

If my point of order is sustained, I believe that Congressman WOLF, Congressman HOYER and others will still have done the job in demanding the Treasury begin to enforce this law, and I think they will be successful.

Mr. ROYBAL. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, I am grievously concerned about the appropriations in this measure as they affect the Internal Revenue Service. All of us know that we have faced a crisis in this country during the past year with respect to the Internal Revenue Service. In city after city we have been holding special hearings of the Oversight Subcommittee of the Committee on Ways and Means, trying to find out some way to shore up the weak spots in the performance of the Internal Revenue Service.

All through the year, we have kept in close touch with the Appropriations Committee in an effort to get added funds for the Internal Revenue Service. I pay my respects to Chairman ROYBAL and his committee because it kept us from making the cuts earlier called for by the administration. And on the surface of this bill, it looks like we are getting an additional $176 million for Internal Revenue Service. I am advised, though, that that is not so, and that actually we will only be getting about $76 million, because we are losing about $100 million, just to avoid a 5 percent pay cut for all Internal Revenue Service personnel. If that is so, I am informed that the Internal Revenue Service will be in a position where it will lose some 600 people. Now, if that is the case, we should be providing more funding for the IRS. We ought to be adding 600 or 1,200 people, or more, across this land instead of cutting 600.

Now, the Internal Revenue Service may have the choice of either hiring people or spending money on equipment. But it is a cruel choice if the Service is put in that position. If, in fact, this conference report does put the Internal Revenue Service in that position, it would seem to me that we ought to ask for some kind of supplemental report later. We simply cannot decimate the ranks of the Internal Revenue Service and hope to collect the revenue needed to maintain our Federal Government. The Internal Revenue Service is the only agency of Government other than the Customs Service that raises any money for us. And yet, if we turn around and cut its resources, then we have decimated the ability of the Internal Revenue Service to serve its purpose.

I am grieved that the Internal Revenue Service has not brought this to our attention. All through the year, we tried to ask them, "Do you need more help?" and they stonewalled it down there just because the OMB said, "Well, we have got to make this 5-percent ut." Then they send up their revised request after the House has already made its appropriation decision.

Mr. COLEMAN of Texas. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. I want to advise the gentleman that it is no different than what the administration has done with Customs every year since I have been in the Congress. They did exactly the same thing with IRS.

Let me read you some numbers real quick. The administration had originally proposed to cut 1,254 positions from the IRS, and the problem with any committee in the Congress that tries to turn that around is that you start not from zero in trying to help IRS or any other agency, you start, in this case, from a minus 1,254, not zero, because that was the administration's request.

Let me tell you, though, that the funding level in the conference agreement provides for 1,800 additional IRS staff positions. The administration has indicated it will accept now the increased IRS staffing level.

I just want to advise the gentleman of that fact. We are not happy with the overall allocation of dollars, but we had to compromise with the other body on that issue.

Mr. PICKLE. But the net of it is, although you may add some extra funds, about all you are doing is you are just treading water, you are hoping to keep even from last year.

Now, I am just saying if the net effect of it is that we are going to end up cutting the Internal Revenue Service by over 600 people, then that cannot be accepted; and some way or another, we have got to ask for supplemental funds later or else everybody in Government will have to recognize that the Internal Revenue Service does not have the personnel to do the job, and we will not have the money to run the Government.

Mr. COLEMAN of Texas. I want to try to assure the gentleman we added 600, we did not cut 600.

Mr. SKEEN. Mr. Speaker, I yield myself such time as I may consume, and I would like to ask the chairman a question.

In regard to this same discussion that we have been having that the gentleman from Texas alluded to, Mr. Chairman, I know that we added some $76 million to the IRS budget, and it was our understanding, I think, on the committee, that that was for personnel. Is that not correct?

Mr. ROYBAL. The gentleman is correct.

Mr. SKEEN. I have some quarrel with the administration, too, or with the Department. And we come back to now, the IRS is telling us there is some $42 million they have discovered. They are a big agency. They have discovered that out of that $76 million increase, some $42 million could necessarily have to go to mandatory add-on costs, such as cost increases, postage, rent, and so on. That was not our intent. If they wanted that, they should have come to us with a budget requesting that. I appreciate the chairman's response, because we were trying to strengthen IRS. It is ridiculous leaving $80 billion on the table now because we do not have enough people to do the audits and enough equipment.

Mr. PICKLE. If the gentleman will yield, I respect the Appropriations Committee for your efforts, because you have tried to get funds, but because of the action of OMB, we are ending up now with almost a minus-personnel Internal Revenue Service. When you have these big snafus over the country, the Congress ought to remember that we just do not have the trained personnel to carry out our functions, and that ought to be embarrassing for all of us.

Mr. SKEEN. I thank the gentleman for his comments.

Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, it is my understanding that this particular bill is $951 million over the President's budget request, it is $48 million over last year, it is $289 million over the congressional budget conference report. It is my understanding, having just spoken to a representative of the administration, that they are threatening to veto this bill.

I think that Members ought to be advised that this is a bill that probably will be vetoed and, at least in the opinion of this Member, it should be vetoed in large part because the spending is far too high.

I think that at a time when we are out here posturing on questions of spending that it is high time that we begin to rein ourselves in. Here is a good place to start.

Mr. SKEEN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New Mexico.

Mr. SKEEN. I appreciate the gentleman finding all of this information out, and I also appreciate him bringing it down here to us, and so forth. But we have been threatened with a veto every day we have been in here. I would like to ask the gentleman, how much is the discretionary spending in this bill now under what it was last year?

Mr. WALKER. My understanding is that this is $48 million over last year's expenditures.

Mr. SKEEN. On the discretionary. These are mandatory. What is the discretionary?

Mr. WALKER. I would say to the gentleman that I, for one, am concerned about the broad base of the spending.

Mr. SKEEN. We are all concerned. Will the gentleman answer the question?

Mr. WALKER. Well, I am concerned about the fact that we have $48 million more than last year.

Mr. SKEEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROYBAL. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Speaker, I rise in strong support of the conference report on H.R. 3036 and I want to congratulate the chairman of our subcommittee, Mr. ROYBAL, and our ranking minority member, Mr. SKEEN, for the fine work and leadership they have contributed in drafting this report.

Mr. Speaker, the subcommittee went to conference with the realities of the massive budget deficits of the last 5 years. We also kept in mind the continued influx of illegal narcotics, contraband, and unreported imports which costs the Nation both lives and revenue. In this vein, the conference committee reported a bill which provides for 623 new Customs personel to protect our borders from the illegal flow of drugs and imports. These increases will also provide increased revenue for the Nation's Treasury through better enforcement of our trade laws. For every dollar we spend on Customs, we receive $20 in return through increased enforcement of our trade laws, and this bill will help achieve this goal.

This bill turns the tide of the last 4 years in which this Nation has let its defenses down along our borders. Every year I have served in this Congress, the administration, as usual, has proposed gutting the Customs Service out some false sense of economy and efficiency. And every year, the Congress has fought to maintain the current years' level. This year, the administration proposed cutting the Customs Service by an additional 887 positions. But this year the Congress not only said no, the Congress said what the Customs Service needed was not less but more to do its job. I realize we are in a time when we must try and do more with less, but in the case of controlling imports and stopping drugs, this is just false economics. Therefore, the committee and the Congress not only restored the 887 positions Reagan cut, but we added an additional 623. This amount is below the House passed level of 800, which I would have preferred, but it represents the middle ground the between the House and Senate, and clearly it is a reversal of the previous policy of defeat along our borders.

The bill also contains a provision which places a floor on the amount of Customs personnel which must be hired in fiscal year 1986. In the past, the Congress has approved funding for a specific number of personnel and yet the Customs Service has hired less than that number. In most cases, the Customs Services has been from 300 to 500 positions below the amount mandated by Congress. The Office of Management and Budget often instructs Customs and other agencies to ignore Congress' intentions. To do so again will be a violation of the law.

The bill also includes a provision which prohibits the use of any funds to close or consolidate any region, district, or port, or any duty assessment or appraisment center of the Customs Service. The Customs Service has continued its efforts to reduce and consolidate the number of districts and ports in every part of the Nation, but has never adequately informed Congress what its long range plans are and specifically which areas will be affected in these reductions. In lieu of such a plan therefore, the committee saw no other alternative but to prohibit any such activity until the Customs Service properly comes before the Congress with its proposals.

The conference also addressed the hard choice of revenue forgone for the Postal Service. Many worthwhile groups and organizations such as the blind, the American Cancer Society, and veterans organizations receive a subsidized mail rate through the revenue forgone appropriation. The administration sought no funding for the program in fiscal year 1986. The House approved full funding at $960 million. The House conferees, although strong supporters of the program, realized the need for deficit reduction in every account, and therefore agreed to compromise with the Senate, providing $820.1 million.

The committee also sought to provide the necessary funds for the Internal Revenue Service, which as we all know has been plagued this year will lack of adequate resources to process tax returns causing unprecedented backlogs and delays. The conference agreed to a figure of $3.7 billion for the IRS, $1.9 million less than the House figure, and $75.9 million more than the Senate. This amount was supported by the IRS and the administration.

Mr. Speaker, throughout the bill the conference committee sought to stay as close to the House-passed figures as possible while providing for economy and efficiency, as well as giving the agencies under our jurisdiction the tools to do the jobs entrusted to them. We are under the House-passed bill by $83.5 million our 302(b) budget allocation by $324 million. This is a good bill and should be adopted by the House.

Mr. ROYBAL. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, I wish to thank the gentleman from New Mexico [Mr. SKEEN] for the excellent work that he does on the committee. He is a new member of the committee but is definitely doing a most excellent job.

I would also like to thank all of the members of the committee. They are most dedicated. They are always present. They always participate. Without them, of course, we would not be bringing to this House a conference report that I believe is a very excellent one and one that has not had anyone asking to dissent in any way, that is, members of the committee.

But I would like to thank still another gentleman of that committee, and that is the gentleman from Massachusetts [Mr. CONTE], who is probably the most knowledgeable member of the Committee on Appropriations, for his advice and the excellent work that he does and the help that he has given me and the members of the committee.

Mr. RUDD. Mr. Speaker, I rise in support of the Treasury Department appropriations conference agreement, and specifically the provisions which call upon the Office of the Assistant Secretary of the Treasury for Enforcement and Operations to bar the importation of goods produced in the Soviet Union by convict, indentured, or forced labor.

While the Trade Act of 1930 makes it clear that the United States should have no part whatsoever in encouraging or subsidizing forced labor, a 1983 Central Intelligence study compiled a list of over three

dozen products made by forced labor for export.

Based on the evidence available, the Customs Service recommended to the Secretary of the Treasury in late 1983 that a ban on Soviet slave labor products be enforced. Yet, despite the Tariff Act, and the evidence of the use of forced labor in the Soviet Union, the Treasury Department has continued to allow slave labor products to enter this country.

In the past, this body has let it be known that is desires compliance with previously enacted slave labor policies. I am therefore encouraged that this legislation includes strong provisions which will direct the Department of Treasury to enforce this ban.

Mrs. LLOYD. Mr. Speaker, I intend to vote for this conference report. Though the funding is above the President's request, the difference lies mainly in three important areas that I believe need the level set by the conferees.

While the Congress is debating trade and tax reform, the administration is requesting inadequate funding for both the IRS and the Customs Service. A report just this week indicated that voluntary tax compliance is down. While this is surely due in part to frustration with the current code, it occurs to me that it just might also be because enforcement is being neglected. In fact, the administration had proposed to cut over 1,000 positions from the IRS. This report provides for 1,800 additional IRS staff positions. The first step toward a fair tax is one that is equally enforced and that can only be accomplished with adequate staff.

The same can be said for the Customs Service. The adminstration has repeatedly told us existing trade laws can address the threat of imports. Americans, particularly in the textile industry in my district, are losing jobs because imports are pouring in. The House has passed legislation to protect these jobs, but the administration opposes that effort saying agreements are already in place. Those agreements are meaningless if they are not enforced and they cannot be enforced without Customs Service personnel. This administration had proposed a cut of 887 positions. That prospect is staggering. The Government Operations Committee has reviewed the enforcement of textile and apparel import quotas and has found that, despite an elaborate system of international agreements, the U.S. has failed to prevent import disruption of its domestic markets. Further, we have failed to stop the evasion of those agreements. Because of increasing workloads and staff shortages, the Service is unable to prevent violations of the restraint system causing serious injury to the domestic textile industry. We need to increase, not decrease, our Customs Service staff. They produce revenue, $21.06 for every appropriated dollar in 1984. I'm extremely pleased that this report provides 473 positions, bringing the total to over 14,000.

I urge the adoption of the report and would call on the President to see the consistency of his policies in it.

Mr. STARK. Mr. Speaker, I would like to thank the conferees of the Appropriations Committees of the House and the Senate for including language in their report on Treasury, Postal Service and general Government appropriations indicating to the Customs Service that additional customs positions should be assigned to the San Francisco district. Under the leadership of Representative ROYBAL and Senator ABDNOR, the conference committee took an important step in helping the bay area customs office obtain some of the additional staff positions which they so desperately need to keep up with the ever-increasing amounts of customs work in the area. I appreciate my colleagues' help.

I would like to urge the Customs Service to follow the suggestion of the appropriations conferees and assign sufficient additional staffers to satisfy the needs of the bay area customs office.

Mr. FRENZEL. Mr. Speaker, I rise in opposition to the conference report.

When an appropriations bill goes to conference, it is understood that some compromise must be made. This conference, however, appears to have caved in completely. The House bill was at $13.2 billion. The Senate bill was at $12.9 billion. Conferees bravely agreed to hold the line at a full $13.2 billion.

Even the House's one money-saving provision, a modest reduction of 2.65 percent from a few programs aimed at coming close to the House budget target, fell by the wayside in conference. The only savings contained in this report is a 14-percent cut in the Postal Service's Federal funding.

Mr. Speaker, our budget crisis is real. We can no longer accept loose controls on spending such as those contained in this report. I urge my colleagues to join me in voting against the conference report on H.R. 3036.

Mr. DORGAN of North Dakota. Mr. Speaker, one of the best ways to reduce the Federal deficit is to collect taxes owed. Yet, the administration's current policy of cutting funds for Internal Revenue Service and Customs Service enforcement and collection would stand this truism on its head.

The IRS recently reported $8.5 billion in active delinquent accounts, with accounts receivable totaling $30 billion. Altogether we face a tax gap of some $90 billion this year, an amount representing the total of uncollected revenues from only legitimate businesses.

When the IRS spends a buck on tax enforcement, it gets 5 in return. Nonetheless, in a time of $200 billion deficits and nearly half that in uncollected revenues, the White House proposed to cut the IRS work force by 1,254 positions. Fortunately, the conferees on the Treasury appropriations bill have rejected this upside-down logic and increased IRS and Customs staff by about 1,800 and 600 workers, respectively.

A recent Government Operations Subcommittee investigation by our colleague, Representative DOUG BARNARD, showed why weaker IRS enforcement is not only bad tax policy but an invitation for more "dirty money" laundering and drug dealing, too. I include an article on this study and urge my colleagues to support fair and effective enforcement by the IRS. Our law-abiding taxpayers deserve no less. (Article follows from the November 5, 1985 Washington Post.)

[From the Washington Post, Nov. 5, 1985]

IRS SEEN AS LAX ON CASH TRANSFERS

(By Kathy Sawyer)

In the world of "dirty money, "public attention has focused on the need for better policing of big banks. Now congressional investigators are looking at another villain—The Internal Revenue Service.

The Treasury Department has fined six banks this year for failure to fulfill reporting requirements that could tip authorities to large-scale money laundering linked to drug trafficking and other crimes.

But House investigators now say one of Treasury's own—the IRS—has left open a convenient secondary money-laundering route and has failed to use its legal authority to develop criminal investigations in the area.

Under the Bank Secrecy Act, the IRS is responsible for assuring that thousands of "secondary financial institutions"—such as check-cashing facilities, finance companies and precious metal or coin dealers—report all transactions of more than $10,000.

But the agency "continues to devote grossly insufficient resources" to the task "and its efforts lack coordination and consistency," Rep. Doug Barnard, Jr. (D-GA.), a Government Operations subcommittee chairman, wrote to IRS Commissioner Roscoe L. Egger, Jr.

"At the current level of resources and commitment, the currency transactions reporting program cannot succeed in meeting its intended purposes of detecting criminal activity and unreported income in the underground economy," Barnard said in an Oct. 25 letter.

Subcommittee investigators found that by December 1984, the IRS had identified only 3.014 of an estimated 15,000 businesses involve in such transactions.

They also found that the agency conducted only 644 compliance checks at such businesses in 1984, less than one-third the number made in 1981.

Accurate reports on large cash transactions can be useful in criminal investigations—as demonstrated by a 1982 internal IRS audit obtained by the subcommittee, an investigator said.

In samplings of two IRS districts—Cincinnati and Louisville—where about 5,000 currency transaction reports were filed from 1976 to 1980, the report found 42 persons involved in three or more transactions. Of these, 10 individuals involved in 57 transactions totaling $1.3 million had no record of ever filing tax returns.

One individual who had filed a tax return in 1980 had 27 currency transactions in 1980 totaling $1.2 million, yet had reported an adjusted gross income of only $2,295. This person also had a number of large transactions in 1978 and reported a small income then. For others with large transactions reported income of less than $10,000 on their 1980 tax returns.

Five in the group had criminal records and two were under investigation for narcotics violations. But officials had made no use or minimal use of the transaction reports to develop criminal investigations, auditors found.

The IRS declined immediate comment but said Egger will reply directly to Barnard.

Mr. ROYBAL. Mr. Speaker I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MURTHA). All time has expired.

The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 237, nays 171, not voting 26, as follows:

[Roll No. 398]

YEAS—237

Ackerman	Dyson	Lowery (CA)
Akaka	Early	Lowry (WA)
Alexander	Edgar	Lundine
Anderson	Edwards (CA)	Manton
Andrews	English	Markey
Annunzio	Evans (IL)	Martinez
Aspin	Fascell	Matsui
Atkins	Fazio	Mavroules
Barnes	Flippo	Mazzoli
Bateman	Florio	McCloskey
Bates	Foglietta	McCurdy
Bedell	Foley	McDade
Beilenson	Ford (MI)	McGrath
Berman	Ford (TN)	McHugh
Bevill	Frank	Mica
Biaggi	Frost	Mikulski
Boehlert	Gaydos	Miller (CA)
Boggs	Gejdenson	Miller (WA)
Boland	Gephardt	Mineta
Boner (TN)	Gilman	Mitchell
Bonior (MI)	Gonzalez	Moakley
Bonker	Gordon	Molinari
Borski	Gray (IL)	Mollohan
Bosco	Gray (PA)	Morrison (CT)
Boucher	Green	Morrison (WA)
Boxer	Guarini	Mrazek
Breaux	Hall (OH)	Murtha
Brooks	Hamilton	Myers
Brown (CA)	Hatcher	Natcher
Bruce	Hawkins	Nowak
Bryant	Hayes	Oakar
Burton (CA)	Hefner	Oberstar
Bustamante	Heftel	Obey
Carney	Horton	Olin
Carr	Howard	Owens
Chandler	Hoyer	Panetta
Clinger	Jeffords	Parris
Coelho	Jenkins	Pease
Coleman (TX)	Johnson	Pepper
Collins	Jones (NC)	Perkins
Conte	Jones (TN)	Petri
Conyers	Kanjorski	Pickle
Cooper	Kaptur	Price
Coyne	Kastenmeier	Rahall
Crockett	Kennelly	Rangel
Daschle	Kildee	Ray
Davis	Kleczka	Regula
de la Garza	Kolter	Reid
Dellums	Kostmayer	Richardson
Derrick	LaFalce	Ridge
Dicks	Lantos	Rinaldo
Dingell	Lehman (CA)	Rodino
DioGuardi	Lehman (FL)	Roe
Dixon	Leland	Rogers
Donnelly	Lent	Rose
Dorgan (ND)	Levin (MI)	Rostenkowski
Dowdy	Levine (CA)	Rowland (CT)
Downey	Lewis (FL)	Rowland (GA)
Durbin	Lipinski	Roybal
Dwyer	Lloyd	Russo
Dymally	Long	Sabo
Savage	Stark	Walgren
Scheuer	Stokes	Watkins
Schneider	Stratton	Waxman
Schumer	Studds	Weiss
Seiberling	Swift	Wheat
Shelby	Synar	Whitley
Sikorski	Tallon	Whitten
Skeen	Tauzin	Williams
Skelton	Thomas (GA)	Wilson
Slattery	Torres	Wirth
Smith (FL)	Torricelli	Wolf
Smith (IA)	Towns	Wolpe
Smith (NE)	Traficant	Wright
Smith (NJ)	Traxler	Wyden
Solarz	Udall	Yates
Spratt	Vento	Yatron
St Germain	Visclosky	Young (AK)
Stallings	Volkmer	Young (MO)

NAYS—171

Archer	Gradison	Neal
Armey	Gregg	Nichols
AuCoin	Grotberg	Nielson
Badham	Gunderson	Oxley
Bartlett	Hall, Ralph	Packard
Barton	Hammerschmidt	Pashayan
Bennett	Hansen	Penny
Bentley	Hartnett	Porter
Bereuter	Hendon	Pursell
Bilirakis	Henry	Quillen
Bliley	Hertel	Ritter
Boulter	Hiler	Roberts
Broomfield	Hillis	Robinson
Brown (CO)	Holt	Roemer
Broyhill	Hopkins	Roth
Burton (IN)	Hubbard	Roukema
Callahan	Huckaby	Saxton
Campbell	Hughes	Schaefer
Carper	Hutto	Schroeder
Chapman	Hyde	Schuette
Chappell	Ireland	Schulze
Chappie	Jacobs	Sensenbrenner
Cheney	Jones (OK)	Sharp
Coats	Kasich	Shaw
Cobey	Kemp	Shumway
Coble	Kindness	Shuster
Coleman (MO)	Kolbe	Sisisky
Combest	Kramer	Slaughter
Coughlin	Lagomarsino	Smith, Denny (OR)
Courter	Latta	Smith, Robert (NH)
Craig	Leach (IA)	Smith, Robert (OR)
Crane	Leath (TX)	Snowe
Daniel	Lewis (CA)	Snyder
Dannemeyer	Lightfoot	Solomon
Darden	Livingston	Spence
Daub	Lott	Stangeland
DeLay	Luken	Stenholm
DeWine	Lungren	Strang
Dreier	Mack	Stump
Duncan	MacKay	Sundquist
Eckart (OH)	Madigan	Sweeney
Eckert (NY)	Marlenee	Swindall
Emerson	Martin (IL)	Tauke
Erdreich	Martin (NY)	Taylor
Evans (IA)	McCain	Thomas (CA)
Fawell	McCandless	Valentine
Feighan	McCollum	Vander Jagt
Fiedler	McEwen	Vucanovich
Fields	McKernan	Walker
Fish	McMillan	Weaver
Franklin	Meyers	Whitehurst
Frenzel	Michel	Whittaker
Gallo	Miller (OH)	Wortley
Gekas	Monson	Wylie
Gibbons	Montgomery	Zschau
Gingrich	Moore	
Glickman	Moorhead	
Goodling	Murphy	

NOT VOTING—26

Addabbo	Fowler	O'Brien
Anthony	Fuqua	Ortiz
Applegate	Garcia	Rudd
Barnard	Hunter	Siljander
Byron	Loeffler	Staggers
Clay	Lujan	Weber
Dickinson	McKinney	Wise
Dornan (CA)	Moody	Young (FL)
Edwards (OK)	Nelson	

The Clerk announced the following pair:

On this vote:

Mr. MCKINNEY for, with Mr. SILJANDER against.

Ms. KAPTUR and Messrs. SKELTON, LOWERY of California, and BEDELL changed their votes from "nay" to "yea."

□ 1140

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MOODY. Mr. Speaker, on rollcall No. 398, on the conference report on Treasury, Postal Service and General Government Appropriations for 1986, I was unavoidably detained. Had I been present, I would have voted "aye."

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 3: Page 2, line 14, after "Annex" insert ": *Provided further*, That none of the funds contained in this or any other Act shall be available for the salaries and expenses for the Office of the Assistant Secretary of the Treasury for Enforcement and Operations, after March 1, 1986, unless United States Customs Service authorizing legislation is passed by the Congress."

MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROYBAL moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the follow: "*Provided*, That none of the funds appropriated by this Act shall be available for the salaries and expenses of the Office of the Assistant Secretary of the Treasury for Enforcement and Operations if any of the following products of the Union of Soviet Socialist Republics are entered, or withdrawn from warehouse, for consumption in the customs territory of the United States after December 31, 1985, unless the Commissioner of Customs is provided with sufficient information pursuant to 19 CFR 12.43 attesting to the fact that the products have not been produced, manufactured, or mined (in whole or in part) by forced labor, convict labor, or indentured labor under penal sanctions:

"(1) gold ore,

"(2) agricultural machinery,

"(3) tractor generators,

"(4) tea,

"(5) crude petroleum,

"(6) motor fuel,

"(7) kerosene, and

"(8) any other product that the Commissioner of Customs determines to have been produced, manufactured, or mined (in whole or in part) by forced labor, convict labor, or indentured labor under penal sanctions: *Provided further*, That none of the funds appropriated by this Act shall be available to hinder or impede the Commissioner of Customs in making determinations under subsection (8) of the preceding proviso".

Mr. ROYBAL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

POINT OF ORDER

Mr. FRENZEL. Mr. Speaker, I make a point of order against the amendment.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I make a point of order that the amendment is not germane to the Senate amendment numbered 3 under clause 7 of rule XVI of the rules of the House.

Senate amendment numbered 3 provides that no funds shall be available for salaries and expenses for the Office of the Assistant Secretary of the Treasury for Enforcement and Operations after March 1, 1986, unless Congress passes authorizing legislation for the U.S. Customs Service.

The proposed substitute amendment, on the other hand, prohibits funding of that office unless seven specific categories of products and other categories determined by the Commissioner of Customs to be produced by slave or convict labor in the Soviet Union are barred entry into the United States after December 31.

The amendment clearly raises new issues and involves subject matter quite different from the Senate amendment. It also constitutes legislation specifically to prohibit certain imports within the jurisdiction of another committee.

For these reasons, the point of order should be sustained that the proposed amendment is not germane.

□ 1150

The SPEAKER pro tempore. Does any other Member wish to be heard on the point of order?

Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Speaker, I rise in opposition to the point of order at this particular point, and I just would like to state that the original Senate amendment provided that none of the funds contained in this or any other act shall be available unless the U.S. Customs Service authorizing legislation is passed by the Congress.

I am not going to ask the Chair to rule on this, but I would like to make a few remarks with regard to the committee's position.

This provision is more restrictive than the amendment in the Senate bill in that, No. 1, it limits the prohibition of funds to those made available by this act only and it does not apply to any other act.

No. 2, the language included in the amendment could appropiately be included in the authorizing legislation designated in the Senate amendment. It, therefore, does not address any additional topic, question, issue, or proposition not committed to committee or conference because the Customs authorizing legislation could contain all of the provisions included in the amendement.

It is the committee's position that the primary purpose of this provision is not to change the scope of existing law. The purpose of this amendment is to compel the U.S. Customs Service to enforce existing laws.

I would like to put the administration on notice that we expect them to start enforcing the law.

Having said that, Mr. Speaker, I concede the point of order.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman concedes the point of order, and the point of order of the gentleman from Minnesota [Mr. FRENZEL] is sustained.

MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROYBAL moves that the House insist on its disagreement to the amendment of the Senate numbered 3.

The SPEAKER pro tempore. The gentleman from California [Mr. ROYBAL] is recognized.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I just want to compliment the committee for the cooperation that it has shown to other Members of Congress who have been concerned about the personnel levels in the Customs Service. I happen to believe that it is one of those situations where the action of the committee and the conference committee will, in fact, improve the operation of the Customs Service, and will certainly help those of us in the Pacific Northwest who have brought this issue to the attention of the chairman. He has really been a champion on this issue, and I just want to compliment him for the work.

The additional personnel, I think, will produce revenues for the Treasury and the Customs Service, and they will certainly help us deal with the serious problems that we have had in the Service.

I just want to compliment the gentleman from California [Mr. ROYBAL] for his leadership.

Also, I want to compliment our good friend, the ranking minority member, the gentleman from New Mexico [Mr. SKEEN], who has also cooperated in this important endeavor.

Mr. SKEEN. I thank the gentleman from Washington.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I thank the gentleman for yielding, and I would associate with an echo the words of my colleague from Washington in behalf of those of us on the southern border, and we thank the chairman for this leadership in this effort.

Mr. ROYBAL. I thank the gentleman.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 19: Page 6, line 11, after "1986" insert "and shall assign no fewer than forty additional permanent, full time personnel to the Seattle, Washington, Customs District Office, including at least thirty inspectors and ten import specialists".

MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROYBAL moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided further*, That none of the funds made available by this Act shall be available for administrative expenses to reduce the personnel level of the Customs Service during fiscal year 1986 below an average of 14,041 full time equivalent positions".

Mr. ROYBAL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that Senate amendments numbered 20, 42, 47, 51, 52, 55, 61, 64, and 76 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk designated Senate amendments numbered 20, 42, 47, 51, 52, 55, 61, 64, and 76, as follows:

Senate amendment number 20: Page 6, after line 11, insert:

None of the funds made available in this or any other Act may be used to fund more than nine hundred and fifty positions in the headquarters staff of the United States Customs Service in the fiscal year ending September 30, 1986 and the Customs Service shall begin planning to reduce headquarters staff to no more than nine hundred positions by September 30, 1987.

Senate amendment number 42: Page 14, line 2, after "1986" insert ": *Provided further,* That none of the funds made available to the Postal Service by this Act may be used to support in-county second-class rates of postage for any issue of a publication unless more than 50 per centum plus one copy of the total paid circulation is distributed within the county of publication, or the total paid circulation of the publication is under 10,000: *Provided further,* That none of the funds made available to the Postal Service by this Act shall be used to support the mailing of nonsubscriber copies of such publications at the in-county second-class rates of postage at any time during the calendar year in excess of 10 per centum of the total weight of copies mailed to subscribers at the in-county rate during the calendar year".

Senate amendment number 47: Page 18, line 4, after "Affairs" insert ": *Provided further,* That none of the funds made available by this Act or any other Act shall be used to reduce the scope or publication frequency of statistical data relative to the operations and production of the alcoholic beverage and tobacco industries below fiscal year 1985 levels".

Senate amendment number 51: Page 20, strike out line 4 and insert "For additional expenses necessary to carry out the purposes of the fund established".

Senate amendment number 52: Page 20, line 9, after "for," insert "$7,000,000 to be deposited into said fund. The revenues and collections deposited into said fund".

Senate amendment number 55: Page 21, after line 14, insert:

New Jersey:

Newark, Federal Building, Courthouse, $44,975,000

Senate amendment number 61: Page 26, line 23, after "collections:" insert "*Provided further,* That $2,000,000 available herein for design and construction shall be available for transfer to the city of Mesa, Arizona for expenses in connection with the design and construction of a Federal building in Mesa, Arizona:

Senate amendment number 64: Page 28, line 7, strike out "costs associated with" and insert "and associated costs in".

Senate amendment number 76: Page 34, line 2, after "purpose" insert ": *Provided further,* That none of the funds appropriated by this or any other Act shall be used for preparing, promulgating, or implementing new regulations for the 1985 Combined Federal Campaign other than repromulgating and implementing the 1984 regulations for the 1985 campaign. Nothing in this provision shall be construed to apply to the regulations for the 1986 Combined Federal Campaign".

MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROYBAL moves that the House recede from its disagreement to the amendments of the Senate numbered 20, 42, 47, 51, 52, 55, 61, 64, and 76, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 68: Page 29, after line 18, insert:

NATIONAL DEFENSE STOCKPILE TRANSPORTATION FUND

For the year ending September 30, 1986, in addition to the funds previously appropriated for the National Defense Stockpile Transaction Fund, pursuant to 50 U.S.C. 98a and g(a)(2)(c) and 50 U.S.C. 100(a), notwithstanding the provisions of 50 U.S.C. 98h, an additional $15,000,000 is appropriated, to remain available until expended, for a grant to construct Phase II of the Mines Building at the Mackay School of Mines, University of Nevada Reno, relocate the Generic Center on the Recycling of Strategic Metals and establish the Policy Center on Strategic Materials, including such equipment as the school deems necessary to the conduct of its activities.

MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROYBAL moves that the House recede from its disagreement to the amendment of the Senate numbered 68 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

For the year ending September 30, 1986, in addition to the funds previously appropriated for the National Defense Stockpile Transaction Fund, pursuant to 50 U.S.C. 98 a and g(a)(2)(c) and 50 U.S.C. 100(a), notwithstanding the provisions of 50 U.S.C. 98h, an additional $10,000,000 is appropriated, to remain available until expended, for a grant to construct Phase II of the Mines Building at the Mackay School of Mines, University of Nevada, Reno, relocate the Generic Center on the Recycling of Strategic Metals and establish the Policy Center on Strategic Materials, including such equipment as the school deems necessary to the conduct of its activities.

Mr. ROYBAL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 71: Page 32, strike out lines 8 to 11, inclusive.

MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROYBAL moves that the House recede from its disagreement to the amendment of the Senate numbered 71 and concur therein with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert the following:

SEC. 6. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing, for periods not to exceed thirty years, space in buildings erected on land owned by the United States.

Mr. ROYBAL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 97: Page 54, after line 16, insert:

SEC. 615. The increase in postage rates for nonprofit and certain other mailers announced by the Governors of the Postal Service in Resolution No. 85-7 shall not take effect until January 1, 1986.

SEC. 616. (a) Section 3626(a) of title 39, United States Code, is amended to read as follows:

"(a) In the administration of Subchapters II and III of his chapter, each time rates of postage are established for mail under former sections 4358, 4452 (b) and (c), and 4554 (b) and (c) of this title, the estimated revenues to be received for each class or kind of such mail shall be equal to the direct and indirect postal costs attributable to mail of such class or kind excluding all other costs of the Postal Service.".

(b) This section is effective January 1, 1986.

SEC. 617. If the postage rate delay required by section 615 of this Act causes a shortfall in postal revenues from the amounts which would have been provided by the adjustment contemplated by section 3627 of title 39, United States Code, the Postal Service shall request a supplemental appropriation to avoid placing the burden of that shortfall on unsubsidized mailers.

MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROYBAL moves that the House recede from its disagreement to the amendment of the Senate numbered 97 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 616. The increase in postage rates for nonprofit and certain other mailers announced by the Governors of the Postal

Service in Resolution No. 85-7 shall not take effect until January 1, 1986.

SEC. 617. (a) Section 3626(a) of title 39, United States Code, is amended to read as follows:

"(a) In the administration of Subchapters II and III of this chapter, each time rates of postage are established for mail under former sections 4358, 4452 (b) and (c), and 4554 (b) and (c) of this title, the estimated revenues to be received for each class or kind of such mail shall be equal to the direct and indirect postal costs attributable to mail of such class of kind excluding all other costs of the Postal Service."

(b) This section is effective January 1, 1986.

SEC. 618. If the postage rate delay required by section 616 of this Act causes a shortfall in postal revenues from the amounts which would have been provided by the adjustment contemplated by section 3627 of title 39, United States Code, the Postal Service shall request a supplemental appropriation to avoid placing the burden of that shortfall on unsubsidized mailers.

Mr. ROYBAL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The Speaker pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 98: Page 54, after line 16, insert:

SEC. 618 (a) If any individual or entity which provides or proposes to provide child care services for Federal employees applies to the officer or agency of the United States charged with the allotment of space in the Federal buildings in the community or district in which such individual or entity provides or proposes to provide such services, such officer or agency may allot space in such a building to such individual or entity if—

(1) such space is available; and

(2) such officer or agency determines that such space will be used to provide child care services to a group of individuals of whom at least 95 percent are Federal employees.

(b)(1) If an officer or agency allots space to an individual or entity under subsection (a), such space may be provided to such individual or entity without charge for rent or services.

(2) If there is an agreement for the payment of costs associated with the provision of space allotted under subsection (a) or services provided in connection with such space, nothing in title 31, United States Code, or any other provision of law, shall be construed to prohibit or restrict payment by reimbursement to the miscellaneous receipts or other appropriate account of the Treasury.

(3) For the purpose of this section, the term "services" includes the providing of lighting, heating, cooling, electricity, office furniture, office machines and equipment, telephone service (including installation of lines and equipment and other expenses associated with telephone service), and security systems (including installation and other expenses associated with security systems).

MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROYBAL moves that the House recede from its disagreement to the amendment of the Senate numbered and concur therein with an amendment, as follows:

In lieu of the section number proposed by said amendment, insert the following: "619".

Mr. ROYBAL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON S. 1570, FAIR LABOR STANDARDS AMENDMENTS OF 1985

Mr. HAWKINS. Mr. Speaker, I call up the conference report on the Senate bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that act to volunteers, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of November 1, 1985.)

The SPEAKER pro tempore. The gentleman from California [Mr. HAWKINS] will be recognized for 30 minutes and the gentleman from Vermont [Mr. JEFFORDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. HAWKINS. Mr. Speaker, I want to briefly restate my appreciation for the bipartisan efforts which produced the amendments to the Fair Labor Standards Act which we enact today. I hope that all Members fully appreciate the hard work, the sincere debate, and the compromise which has produced this important legislation.

During the conference, there were three issues which surfaced which generated substantial debate, and I would like to take just a few moments to offer very brief clarification of those issues.

First, the conferees debated at length whether or not to impose an intent standard in conjunction with section 8, the provision providing for protection against discrimination. A series of words were offered and rejected, including "motivated," and the word, "intended" itself. Each of these words was rejected for the specific purpose of ensuring that section 8 would not be construed to require a showing of intent in conjunction with an employee's discrimination charge.

We also stated that victims of discrimination must show "that coverage was asserted." In offering those clarifying words, we intended only to ensure that some act constituting notification to an employer of the Department of Labor occurred in a timely fashion. Thus, so long as there is an assertion of coverage by an employee or an employee representative, or by an employee on behalf of another employee or employees, this assertion of coverage requirement is fully satisfied.

Finally, Mr. Speaker, although section 8 of the bill does not prohibit States and municipalities from adjusting wage rates out of fiscal necessity, the section would prohibit such wage rate adjustments if the action was in response to extending coverage of the Fair Labor Standards Act coverage.

The statement of managers makes it clear that such wage adjustments made after the enactment of this legislation cannot be directly attributable to the requirements of the Fair Labor Standards Act.

Mr. Speaker, at this time, I reserve the balance of my time.

Mr. JEFFORDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I certainly am in agreement with the words of the chairman of the committee and would like to say that we all worked hard in conference to bring about a reconciliation of the issues in disagreement.

The only areas that really required any kind of compromise had to do with the caps on hours; where we left the cap for public safety and similar employees the same, but raised the cap

for other employees to 240 from 180 hours.

We also gave the employee full protection on retirement.

Mr. Speaker, at this time, I yield to the gentleman from Texas [Mr. BARTLETT] in order to engage in a colloquy with the chairman of the committee.

Mr. BARTLETT. Mr. Speaker, I thank the gentleman for yielding me this time and would like the attention of the chairman of the committee, the gentleman from California, Mr. HAWKINS, for the purpose of engaging in a colloquy.

Mr. Speaker, it is my understanding that this legislation is intended to be neutral with respect to both employee and employer rights in any action by employees challenging the lawfulness of an employer's unilateral reduction of regular pay or fringe benefits instituted prior to enactment of these amendments. I would ask if this is the chairman's understanding as well.

Mr. HAWKINS. If the gentleman will yield. The gentleman's understanding is correct, and I thank the gentleman for his clarification.

Mr. BARTLETT. I thank the chairman for yielding and for his response.

Mr. Speaker, I want to express my gratitude, and what I think is the gratitude of all State and local and municipal employees throughout the country, for the leadership and the patience and the diligence that the chairman of the committee, the gentleman from California [Mr. HAWKINS] has displayed in bringing this issue to the floor, and in fact, in passing this legislation into law. This legislation is the result of bipartisan negotiation in which the chairman of the committee, the gentleman from California [Mr. HAWKINS] has displayed a great deal of leadership.

We have also had a great deal of leadership and insight displayed by the ranking member, the gentleman from Vermont [Mr. JEFFORDS] the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. MURPHY], and the ranking member of the subcommittee, the gentleman from Wisconsin [Mr. PETRI].

I would also comment as a fellow Texan that we received a great deal of assistance from my colleague from Texas, Mr. BOULTER of Amarillo, because the gentleman from Texas added a great deal to the substance of the debate to ensure that this bill was brought to the floor today in a form that was acceptable to all. I thank the gentleman from yielding and for his leadership.

□ 1205

Mr. JEFFORDS. I thank the gentleman from Texas for his tremendous efforts on this bill, and would join in the words of commendation for the members of the committee as well as the other gentleman from Texas [Mr. BOULTER] to whom I will now yield.

Mr. BOULTER. I thank the gentleman for yielding.

Mr. Speaker, I would also like to engage in a brief colloquy with the chairman.

Mr. BOULTER. I would like to reiterate my colleague from Texas' query. As you know, the city of Amarillo, which I represent, undertook to comply with the Garcia decision in June of this year. The city's actions have been challenged in court. After attending the recent conference committee meeting on this legislation and after studying both the conference agreement and the joint explanatory statement of the committee of conference, it is my understanding that this legislation is expressly neutral with respect to that litigation. I would ask if that is the distinguished chairman's understanding as well.

Mr. JEFFORDS. I yield to the gentleman from California.

Mr. HAWKINS. While I am not familiar with the facts of that case, I believe the gentleman to be correct. Of course, my response is not intended to be inconsistent with the statutory language and the statement of managers which must govern.

Mr. BOULTER. Will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman.

Mr. BOULTER. Mr. Speaker, I wish to express gratitude to the ranking minority member, the gentleman from Vermont [Mr. JEFFORDS], and to the distinguished chairman, to the gentleman from Pennsylvania [Mr. MURPHY], and to the gentleman from Wisconsin [Mr. PETRI] for the many courtesies shown to me as a nonmember of that conference.

Mr. JEFFORDS. Mr. Speaker, I wish to again commend the gentlemen from Texas for their efforts in this legislation, and also the gentleman from Wisconsin [Mr. PETRI] on our side, and again thank the chairman of the committee and the chairman of the subcommittee for their tremendous assistance and nonpartisan attitude toward this very important legislation.

Mr. PETRI. Will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman.

Mr. PETRI. I thank the gentleman for yielding.

Mr. Speaker, I would like to join in this round of appreciation. This was a difficult and sensitive area, and I think the committee and the House acted responsibly in addressing it and meeting a need that was going to disrupt the lives of a lot of State and local employees around the country, and also the budgets of many of our local governments across the country. I know that the subcommittee will be keeping an eye on this area and if there are other problems that develop, we will try to be attentive to those problems too.

I want to particularly thank the staff on the subcommittee for all the work that they did on both the majority and minority sides in bringing this legislation to successful fruition.

Mr. JEFFORDS. Finally, Mr. Speaker, I would just say that I am pleased that the administration supports the language in this conference report, and that the Secretary of Labor, Secretary Brock, has been of great assistance and help to us. I know all of us want to extend our appreciation for all of his efforts and those of his staff.

Mr. Speaker, I yield back the balance of my time.

Mr. HAWKINS. Mr. Speaker, I, too, wish to join in the appreciation extended to the ranking minority member, the gentleman from Vermont [Mr. JEFFORDS]; the ranking minority member of the Labor Standards Subcommittee, the gentleman from Wisconsin [Mr. PETRI]; and to the very active efforts of the gentleman from Texas [Mr. BARTLETT].

I think that these gentlemen have expressed the highest dedication to the handling of this subject and in a bipartisan and very constructive manner.

At this time, I yield to the chairman of the Subcommittee on Labor Standards, the gentleman from Pennsylvania [Mr. MURPHY], whose patience and whose diligent efforts to effect a compromise are, I think, largely responsible for the legislation which is before us.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Speaker, I rise in support of the conference report on the Fair Labor Standards Act Amendments of 1985. After many weeks of work by our subcommittee staff, representing both sides of the House, on behalf of all of the members on the Committee on Education and Labor, and many, many individual Members of the House and the other body, and certainly I cannot go without recognizing the efforts put in by the representatives of the various governmental organizations representing the municipalities and States of our country, and then that of the public employees and their representatives who worked so diligently to craft what I think is a very fair and balanced approach to the coverage of municipal employees under the Fair Labor Standards Act.

I thank my chairman, the gentleman from California [Mr. HAWKINS], for his full support and guidance in this very important measure.

The gentleman from Vermont [Mr. JEFFORDS] was correct in his summary of the act; what we are permitting now in municipal governments to do, is to

handle their own personnel matters, handling the schedule of their employees as they deem fit, but with the fairness that we attempt to employ in the Fair Labor Standards Act for all employees in our country.

We have allowed comp time, or compensatory time up to 480 hours to be accumulated by public safety employees. That means that they may take 8 full weeks of employment and bank that time as their employer and the employees deem necessary, and claim it at any later time at 1½ times the rate during the course of their employment.

For nonpublic service and nonseasonal employees, we allow the banking of 240 hours, or 4 full weeks of employment, that they may delay the time taken off and save the municipalities that cost of cash payment of that overtime.

We have fully clarified that volunteers are permitted in municipal employment; that even those engaged in the same occupation may freely trade with their coworkers and volunteer their time in place of their coworker without jeopardizing the necessity of cash payments for the overtime.

We have figured the final comp time upon the employee severance as the best or the highest of the average of his last 3 years of work, or his last year of work, whichever is at the higher level.

We have taken care of a particular situation for Puerto Rico and other territories so that they may have a little more time to come in compliance with the Fair Labor Standards Act.

In effect, Mr. Speaker, we have brought about a compromise between all of the interested parties involved. I urge all of the Members of the House to support this measure unanimously, and again thank the members of my subcommittee for their diligent and patient work.

Mr. MCEWEN. Mr. Speaker, I am pleased to see that this Congress has today adopted legislation seeking to reverse the unsound position reached by the U.S. Supreme Court in its Garcia versus San Antonio Metropolitan Transit Authority ruling.

Under this decision, it appeared that State and local governments would have been required to restrict the use of compensatory time. This decision would have most certainly proven extremely expensive to units of local governments that are already experiencing very serious financial hardships.

As Mr. Michael Morton, the Washington Township administrator for Montgomery County, OH, expressed to me:

I have never experienced a year where so many Federal decisions have had such a negative impact on local government employers and employees. First it was the IRS ruling re: Taxation of employee benefits * * *. Then came the Supreme Court's decision in the Garcia case. The impact of this case will be immense, especially to small and medium-sized fire departments like our own. The new guidelines will cost the township around $75,000 annually to implement or about 7 percent of the department's total budget. * * * I hope you can feel our total frustration with this barrage of Federal "expertise." I hope that you will move quickly to make appropriate changes.

It is a pleasure to finally be able to tell Mr. Morton, and all other local officials like him that the Congress has heard his plea. Legislation approved by both the House and the Senate, and resolved in conference, will seek to continue the system of local government flexibility that has existed over time. Indeed, this legislation will restore to the State and local governments the flexibility needed to schedule their employees to best serve the needs of their own areas. I commend my colleagues for this necessary resolution to a very unnecessary Court decision.

Mr. FORD of Tennessee. Mr. Speaker, I am extremely pleased that a resolution has been achieved on this highly controversial and complex issue and that the basic components of my bill, H.R. 2866, are reflected in this legislation. As a result of the February 19, 1985, Supreme Court decision, State and local governments would be forced to pay their employees overtime compensation instead of compensatory time off. If allowed to stand, the Garcia decision would have abruptly altered the employment and budgetary operations of State and local governments. To taxpayers across the country, this would have meant substantial increases in moneys spent for training and for overtime pay.

On June 25, 1985, when I introduced H.R. 2866, I was a lone spokesman advocating the rights of employees affected by the Supreme Court's Garcia decision. When I introduced my bill, most of my colleagues were somewhat disturbed that I had introduced legislation of this nature. Their concern was that my bill would only open the floodgates, allowing amendment after amendment to the Fair Labor Standards Act, specifically the subminimum wage issue.

My concern went much further. I wanted to protect the rights of employees and grant some relief to already strained city budgets. H.R. 2866 would have amended the Fair Labor Standards Act, to permit employees engaged in law enforcement and fire protection activities to take compensatory time off in lieu receiving overtime pay.

The conference report on H.R. 3530 will solve many of the problems associated with the Supreme Court's decision. The bill will continue to allow compensatory time off in lieu of overtime pay. However, now, as was in my bill, comp time must be computed at the rate of 1½ hours for each hour of overtime worked. The conference language allows a maximum of 480 hours of comp time per year to be banked for employees engaged in public safety and 240 hours of comp time for all other employees. But most importantly, the new legislation will protect employees who have been discriminated against by asserting overtime coverage since the Garcia decision.

It gives me a great deal of satisfaction to know that my bill served as a catalyst to bring about a compromise on an issue that could have caused severe hardships to many State and local governments and their employees.

This legislation is not everything I or anybody else wanted, but it will grant governments and employees some relief from the problems associated with the Supreme Court decision.

This legislation has the support of Ray Maples, president of the Memphis Police Association and hundreds of other labor leaders and I think it is a fair compromise and will benefit thousands of municipal employees nationwide.

Mr. RUDD. Mr. Speaker, this year's Supreme Court ruling in the case of Garcia versus San Antonio Metropolitan Transit Authority is already posing serious budgetary and administrative problems for State and local governments.

Since the Supreme Court decision, many flexible employment practices have been suspended. Volunteers have to be compensated at least at the minimum wage. Accruing compensatory time off in lieu of overtime pay—a practice used extensively by police and firefighters—is prohibited.

In light of these budgetary hardships, I rise in support of the conference agreement for H.R. 3530, the Fair Labor Standards Amendments of 1985. This legislation overturns the rigid interpretations of the Supreme Court decision, and returns greater flexibility to State and local government employment practices. I urge my colleagues to join me in support of this agreement.

Mr. JONES of Oklahoma. Mr. Speaker, I rise in very strong support of this conference report on S. 1570, the Fair Labor Standards Amendments. As my colleagues know, this bill reflects the tireless work of so many of our colleagues, representatives of State and local governments, the employee associations, and the Department of Labor.

It will deflect the blow from State and local governments of the Garcia decision, saving taxpayers millions of dollars while protecting the rights of State and local employees.

Unfortunately, we were unable to consider this legislation last Friday. While there were several hours during the afternoon for thorough review of the conference report, I understand that the required papers were temporarily mislaid in the other body. By the time they were available, the House, unfortunately, had adjourned, even though I voted against adjournment.

I urge my colleagues to support this critical legislation in order to put to rest the persistent questions raised by the Garcia decision.

Mr. FRENZEL. Mr. Speaker, I rise in support of H.R. 3530, which would alleviate some of the damage caused by the Supreme Court decision in the Garcia versus San Antonio case.

This court decision has wreaked havoc upon our State and local municipalities, especially in the scheduling, budget, and volunteer departments. It is ironic that a

measure which was originally designed to ensure employee rights, and create additional jobs, has instead had the impact of reducing services, creating layoffs, and raising taxes.

The cost of this action is monumental. Without any reversal or revision of Garcia, the cost to my home State of Minnesota alone is estimated at $22 million a year and nationwide cost estimates loom at $2 to $4 billion yearly. We need to pass H.R. 3530 with great urgency in order to eliminate some of the problems created by reinstating the 1974 Amendments to the Fair Labor Standards Act for our State and local governments. What we need even more is a total repeal of the Garcia decision. However, since that much-needed action was not given to us as an option, the bill before us will at least lessen the severity of the impact of Garcia upon our cities and States.

I urge my colleagues to join me in support of H.R. 3530.

Mr. JEFFORDS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HAWKINS. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on S. 1570, the Fair Labor Standards Amendments of 1985.

The SPEAKER pro tempore (Mr. KANJORSKI). Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. I yield to the distinguished majority whip for the purpose of inquiring about the program for next week.

Mr. FOLEY. I thank the distinguished Republican leader for yielding to me.

Mr. Speaker, this concludes the legislative business for today. Tomorrow, the House will be in pro forma session, and it would be my intention in a moment to offer a unanimous-consent request that when the House adjourns tomorrow, it adjourn to meet on Tuesday next.

The House will not meet on Monday, it being Veterans Day.

On Tuesday, the House will meet at noon and consider three suspensions under the suspension rule; H.R. 2722, to require the decennial census to eliminate the drainage census; an unnumbered H.R. relating to the proposed sales of arms to Jordan; and H.R. 1523, the Handicapped Children's Protection Act.

It would be our intention to postpone recorded votes on suspensions until after the debate on those suspensions, but I emphasize that any votes ordered on Tuesday will be taken on Tuesday, and will not be postponed to another day.

In addition, the House will consider an unnumbered H.R. relating to the continuing appropriations—I think that is House Joint Resolution 441; and, subject to a rule being granted, H.R. 1616, the Labor-Management Notification and Consultation Act of 1985, sometimes known as the plant closing bill. An open rule with 2 hours of debate, to consider the rule and general debate only.

So there will be suspensions, to be voted on after debate; there will be the consideration of the continuing resolution extension, and there will be the rule and general debate only on H.R. 1616.

□ 1215

On Wednesday and Thursday, the House will meet at 10 a.m. and return to H.R. 6, the Water Resources Act of 1985, to complete consideration; and H.R. 1616, Labor-Management Notification and Consultation Act of 1985, to complete consideration.

Members, of course, should expect possible further action on the debt limit bill whenever such action is available for consideration of the House. But the likelihood of some action is very high likelihood for next week. The House is not scheduled to meet on Friday, November 15.

Mr. MICHEL. Mr. Speaker, may I also inquire of the distinguished majority whip: I am not sure my memory serves me correctly whether on the milk bill and the Superfund legislation that we extended to November 14, in which case I think the farm provisions would expire. Is there anything in the works on a temporary extension on either of those items?

Mr. FOLEY. We may have to request some Rules Committee action for temporary extension next week. The gentleman is correct with respect to the expiration.

Mr. MICHEL. I did dispatch a letter yesterday to the Speaker with respect to the Superfund suggesting some way by which we may hopefully bring about——

Mr. FOLEY. We do not anticipate a more permanent action on the Superfund bill next week. So it may be necessary to consider some temporary legislation.

Mr. MICHEL. I thank the gentleman.

Mr. Speaker, I yield back the balance of my time.

ADJOURNMENT OF THE HOUSE FROM FRIDAY, NOVEMBER 8, 1985, TO TUESDAY, NOVEMBER 12, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, it adjourn to meet at noon on Tuesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

CELEBRATING VETERANS DAY

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, Monday, November 11, marks the Nation's annual observance of Veterans Day across the country. Appropriate events have been scheduled to pay tribute to the 28 million living veterans and to the more than 1 million who have died in military service.

Mr. Speaker, ceremonies, speeches, parades, visits to a veteran's gravesite, and displaying the flag are all excellent ways to honor our veterans. But we must also show our appreciation daily by exercising our most precious rights—voting, worshiping, traveling, and speaking freely.

Without our veterans, these rights would not be possible.

So, Mr. Speaker, when your sons march off to war, they left their families, friends, homes, and jobs. They were heroes then and should be treated as heroes now.

So let us say "thanks" to a veteran on Monday.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 441, FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 1986

Mrs. BURTON of California, from the Committee on Rules, submitted a privileged report (Rept. No. 99-361) on the resolution (H. Res. 312) providing for the consideration of the joint reso-

lution (H.J. Res. 441) making further continuing appropriations for the fiscal year 1986, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1616, LABOR-MANAGEMENT NOTIFICATION AND CONSULTATION ACT OF 1985

Mrs. BURTON of California, from the Committee on Rules, submitted a privileged report (Rept. No. 99-362) on the resolution (H. Res. 313) providing for the consideration of the bill (H.R. 1616) to require employers to notify and consult with employees before ordering a plant closing or permanent layoff, which was referred to the House Calendar and ordered to be printed.

SEPARATING AMERICAN CITIZENS FROM ILLEGAL ALIENS FOR THE PURPOSE OF CONGRESSIONAL REAPPORTIONMENT

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, every 10 years the Census Bureau determines population shifts in the United States. As a result of the census report, high growth areas gain additional congressional seats, and slow growth areas lose seats. This seems sensible and fair. Most Americans agree that the right policy for democracies to follow in elections is "one citizen, one vote."

But the Midwest could lose seats in Congress during the 1990's because the Census Bureau counts illegal aliens when determining how many representatives each State should have.

By counting illegal aliens as if they were citizens, the Census Bureau is threatening to move congressional seats from the Midwest to the South and Southwest. The essential injustice of this situation should be obvious.

Accordingly, today I am introducing legislation directing the Census Bureau to separate American citizens from illegal aliens for the purpose of congressional reapportionment.

It is a fundamental principle that each American citizen should have an equal voice in our Government. Let's make our law consistent with that principle.

COOPER LAKE PROJECT

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPMAN. Mr. Speaker, I was 8 years old when the U.S. Congress authorized the Cooper Lake project. H.R. 6, now under consideration by this body, contains an authorization of $14.7 million for the mitigation of fish and wildlife resources for Cooper Lake. This authorization will kick down the final barrier that has existed for over 30 years to the completion of this needed resource in northeast Texas.

Mr. Speaker, two great Americans, Sam Rayburn and Wright Patman, recognized the need for this project over 30 years ago, and gained the initial approval needed for it.

Mr. Speaker, I am pleased that this institution is now prepared to go forward with this needed project in my district, and I am pleased that it is included in the provisions of H.R. 6.

I look forward to the passage of H.R. 6 and the early development and completion of this valued resource in northeast Texas.

OUR VETERANS GAVE THEIR ALL THAT WE MIGHT LIVE

(Mr. DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL. Mr. Speaker, on Monday next we observe Veterans' Day. More than 40 million Americans have fought in the wars in which this country has been engaged. Over a million did not return to enjoy the fruits of that sacrifice:

They did give, that you might live, our country; their lives and the air when the need was there; their bodies to the sea when that had to be; their sweat and toil, their blood to the soil; before they would yield a rock, a pebble, or a field of this, our country.

Blood, sinew, and bone, all they had, all they did own they did give; that you might live, our country.

THE HUMAN TOLL OF THE FARM CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, the farm crisis is bad and is getting worse. The American farmer is the backbone of our Nation and the foundation of our economy. Yet today, he is suffering as he has not suffered since the depths of the Great Depression.

The black clouds on the farm horizon are a stern warning to every citizen of tough times ahead. The following is an article in the Wall Street Journal of November 7, 1985, which I urge my colleagues to read:

[From the Wall Street Journal, Nov. 7, 1985]

FARM CRISIS IS TAKING SUBTLE TOLL ON CHILDREN IN DISTRESSED FAMILIES

(By Wendy L. Wall)

SPIRIT LAKE, IOWA.—Aleta Kuhlman's childhood memories are like a series of Norman Rockwell paintings.

On brisk spring mornings, her family took turns stumbling to the barn in the pre-dawn dark to help struggling ewes give birth. When cows got loose in the cornfield, the whole family would saddle up and ride roundup. On frigid winter nights, they sometimes gathered in the basement to feed wobbly calves and lambs out of baby bottles.

But last fall, the idyll shattered. Threatening to foreclose, the family's bank phoned repeatedly with orders to sell more sheep. Aleta's parents quarreled bitterly. The strong, energetic father whom she idolized sat listlessly, refusing to eat or go outside.

One bright morning a year ago, the 17-year-old took her father's shotgun to the grove behind the house and put it to her head. After a long period of hesitation, she finally broke down and returned, distraught, to the house.

CLIMATE OF HOPELESSNESS

The high-school senior survived her brush with suicide. But her dreams of a life on the farm are gone, a casualty of the most prolonged and severe farm recession in recent memory. The farm economy's sudden plunge from the giddy heights of the 1970s to its current crushing low has brought with it emotional stresses in some ways more brutal even than those of the Depression.

The upheaval is taking a mounting toll on a generation of rural youth. The tranquility of rural life is vanishing, and countless farm children now are growing up in the atmosphere of constant worry, hopelessness, alienation or outright fear.

As century-old farms are threatened, marriages often crack and generations divide. Family abuse rates are rising as some farmers vent their frustrations in alcoholism or violence. Farm suicides are increasing. "It's scary to see your folks scared," says Kristy Miller, a spirited 15-year-old from Ogden, Iowa.

Ironically, the very factors that have long made farm childhood special—the tight bonds of farm families tied to the land—exacerbate the current troubles. "Farm families are a unique population. There are no clear boundaries between job and family," says Frances Joslin, a psychologist at the Southwest Iowa Mental Health Clinic.

LINGERING EFFECTS

Joan Blundall, a counselor at the Northwest Iowa Mental Health Center, worked in Rhode Island eight years ago when the Electric Boat division of General Dynamics Corp. laid off 3,000 employees in the region. That was a financial catastrophe, too, she says, yet it didn't have the lingering emotional effects she sees in the Midwest. Farm kids, who often are deeply involved in the family business, "really grieve about not doing chores with Dad. It's a whole lot different from cleaning out the garage."

Until last December, Matt and Josh Tangeman rose daily at 5 a.m. to help their father feed the hogs and clean their pens. Each boy had his own gilt, or young female, and Josh expected a litter of piglets soon. Then, one bitterly cold day, men sent by the bank loaded the hogs and hauled them off to slaughter.

For weeks, Matt, a burly 10-year-old with a sad smile, lay awake at night, sobbing. Nine-year-old Josh, previously a good student, had so much trouble concentrating he nearly failed third grade.

"I miss having the hogs," Matt tells a visitor, biting his lip. And Josh, fighting back tears, admits he feared losing his house and parents, too. "In these kids' minds, they were violated because someone came on the property and took their pigs away," says Mrs. Blundall, who counseled the family.

SCHOOL FIGHTS

Increasingly, the troubles of farm parents add tension to their children's lives. Jared Taylor, a precocious sixth grader from Dickens, Iowa, used his savings and the bonds his grandparents gave him when he was born to help pay his family's electricity, water and telephone bills last winter.

Jared, an only child, still shoots barn spiders with his BB gun and scales rafters in the family's 80-year-old barn. But the carefree days of youth are gone. His parents both have severe health problems—aggravated by the recent stress—and Jared worries that one day they will have an accident or leave. He refused to go to a youth camp for a week last summer. And when his father was late returning home one evening, the boy sat in the car and honked until his mother agreed to go in search of her husband. "I was scared," he recalls. "I thought something might have happened."

In Sibley, Iowa, school nurse Julie Helmers says more fights break out now in junior high because edgy students are quick to take offense. The number of children coming to her with minor complaints—often a sign of depression—has doubled in the last two years.

Others across the Farm Belt tell similar stories. The Rev. Delano Cunningham, a Methodist minister in Palmer, Neb., counseled one 16-year-old girl who accidentally learned of her family's voluntary bankruptcy filing while sitting in the local cafe. Five days later, she developed a problem of bedwetting. And a boy aged 2½ suddenly started stuttering when the family farm began to founder. "All this little one could hear was his parents' voices being raised at the other end of the house," the minister says.

Arlene and Norman Kunkle were forced off their rolling Missouri farm around Thanksgiving 1983. In the dead of winter, Mrs. Kunkle sold some scrap iron, firewood and a 1938 Chevy to make a down payment on a tiny trailer, the size of two rooms in her former farmhouse. Her husband spent months in and out of hospitals, being treated for severe depression.

Shunned in church, taunted in school and often subsisting on skimpy meals, the Kunkles' four youngest children reflected the stress. Christopher, formerly an A and B student, started bring home Ds. KiKi, then 11, cried with little provocation. Carol, then a high-school junior, had such severe headaches and stomachaches that her mother suspected an ulcer.

Fifteen-year-old Kerri, his dreams of joining his father on the farm dashed, turned violent. The former altar boy threatened his brother with a switchblade and stabbed his father in the arm with a paring knife. "Kerri blamed Dad. He blamed him for losing the farm," Mrs. Kunkle says simply.

The family has recovered better than many. Mrs. Kunkle, who is a registered nurse, got a night job in a nursing home, and her husband's condition has improved. Christopher's grades are edging up, KiKi smiles more, and Carol won a scholarship and is studying nursing. Kerri has finally calmed down. "A lot of Kerri might have been that he was hungry," his mother says.

Even so, scars remain, Kerri, staring straight ahead and shielding his eyes, speaks of the lost farm: "I always thought even after I left home, it'd always be there, I'd always have something to come home to," he says. "You've got to watch how you make your money or you'll lose it all. It'd make me think twice before I'd borrow a large amount."

"We talk about the Depression mentality," says William Heffernan, a rural sociologist at the University of Missouri. "It will probably have a similar impact here."

MORE RUNAWAYS

As pressures mount, problems long common to urban areas are taking root in the country. In the rural communities around Mitchell, S.D., where there have been 14 farm suicides in the past 20 months, teen-age alcoholism is on the rise. Mr. Cunningham in Nebraska says calls to him concerning suicidal teens have tripled in the last year. An Iowa group called Youth and Shelter Services has seen a sharp jump in rural teen-age runaways.

Jeanet Mosher, a bubbly red-haired teenager, recalls the rising panic she felt one night last winter as she sat alone in her darkened bedroom watching the flashing lights of a squad car in the driveway. When her parents returned home, the sheriff delivered foreclosure papers.

The Moshers are still on their Milo, Iowa, farm, but Jeanet isn't. Last spring she ran away, and now she lives with a married sister in nearby Indianola. "You're wondering if the farm is going to be there tomorrow and if you're going to be there tomorrow," she says. "It's nerve racking. I just couldn't handle the stress."

Jeanet says she misses Sunday dinners at home, but she vows not to return until her parents' troubles have ended: "I didn't want them or their problems to mess up my life. I don't think I should be punished for decisions they made."

The stress affects even some youngsters who weren't reared on the farm. Kim Smith, the associate director of the Menninger Clinic of Albuquerque, N.M., a new branch of the Topeka, Kan., Psychiatric hospital and research institute, has been called into six or seven rural towns with teen suicide problems since 1982. He believes the farm crisis indirectly spurred the outbreaks. "When a county begins to see foreclosures at such a rate, it sets up a pessimistic sense of life in general—that life is a hard struggle," he says.

COUNSELING EFFORTS

Other mental-health workers say couples under the stress of losing a farm sometimes suffer such a setback in their self-confidence that they become ineffective parents. Some specialists think factors like this and a general sense of hopelessness may be related to a rise in rates of teen-age pregnancy in some rural counties, at a time when such rates nationwide are declining slightly.

Youth agencies, schools and others generally have been slow to wake up to the problems, but some are beginning to take action. In Iowa, Youth and Shelter Services is doing more suicide prevention work in schools and setting up outreach programs in rural areas. The Iowa 4H is training its staff to spot stress in youngsters and deal with it. And Iowa teachers are being shown a videotape entitled "The Rural Crisis Comes to School."

All this may help, but it isn't likely to halt farm children's flight away from agriculture. Participation in vocational agriculture classes, 4H programs and Future Farmers of America has declined sharply in recent years. Enrollments at agricultural colleges are dropping too. Many kids "don't want to have anything to do with farming. They just want to get away," says Rex Campbell, a rural sociologist at the University of Missouri.

That worries Paul Lassley, a rural sociologist at Iowa State. "Just as we overreacted in the 1970s to continued agricultural expansion, we could overreact (to the recession) in the 1980s," he warns. "We could well wake up in 20 years and find out that we have a human capital shortage in agriculture."

Aleta Kuhlman will probably be one of those casualties. Despite her deep ties to the land, "I just kind of want to move away and start over," she says.

TRIBUTE TO INTERNATIONALLY KNOWN RESTAURANTEURS TED BALESTRERI AND BERT CUTINO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I am pleased to inform my colleagues that the people of Monterey will gather on November 10 to honor two of our most successful and well-known businessmen—Ted Balestreri and Bert Cutino, the owners of the renowned Sardine Factory in Monterey's Cannery Row.

Ted and Bert, who I am proud to say have been good friends of mine for many years, are being honored for the contribution they have made to the tourism and hospitality industry along the California coastline, which is one of the mainstays of the economy not only of coastal communities but of the entire State.

The Sardine Factory is well known as one of the finest restaurants in the Nation. It has received a number of prestigious awards, including the Ivy Award, the Travel/Holiday Magazine Award, the Nation's Restaurant News Hall of Fame Award, the Mobil Travel Guide Award, the Signature Award of the Diners Club, the Business Executives Dining Award, Wine Spectator's Grand Award, and the Knights of the Vine Gold Vine Award. In addition, it has been named by the Armstrong Gourmet Guide as one of California's top 10 restaurants and was one of 50 restaurants selected to serve at the last two Presidential inaugurations.

Ted and Bert also operate the Carmel Butcher Shop in Carmel, the Rogue Restaurant on Fisherman's Wharf in Monterey, and the San Simeon Restaurant near the Hearst Castle in San Simeon. In addition, they own a number of real estate ventures together.

Ted was born in Brooklyn, NY, and moved to the Monterey Peninsula in 1957. He graduated from Carmel High School in 1958 and attended Monterey Peninsula College as well as Lewis Management School

in Washington, DC. He has worked in the hospitality industry as everything from busboy to owner.

Ted has been very active in the hospitality industry both locally and nationally. He currently serves as president of the National Restaurant Association. He is a past president of the California Restaurant Association and is also past chairman of the executive and finance committee of the CRA. He is a member of the board of trustees for the National Institute for the Food Service Industry and is a member of the Corporation of the Culinary Institute of America. Ted serves on the State of California's Tourism Corporation as well as on the California Tourism Commission.

Locally, Ted is a past president and one of the founders of the Monterey Peninsula Hotel and Restaurant Association. He is also a founder and past president of the Northern California Restaurant Association, which he helped move into a merger with the Southern California Restaurant Association to from the California Restaurant Association.

Ted has also served as regional director of the Monterey Peninsula chapter of the Wine Investigation for Novices and Oenophiles and is currently a master knight in the Monterey Chapter of the Brotherhood of the Knights of the Vine. He served as bailli of the Monterey chapter of the Confrerie de la Chaine des Rotisseurs.

In the community, Ted has been appointed to serve on the Monterey County Sheriff's Advisory Council and is chairman of the membership committee of the Monterey Chamber of Commerce.

In 1981, Ted received the Restaurant Hospitality Magazine's Hall of Fame Award, and in 1982, he received the Gold Plate Award from the American Academy of Achievement. He has also received the Outstanding Hospitality Professional Award from the Monterey Peninsula Hotel and Restaurant Association and the Silver Plate Award and the prestigious Gold Plate Award from the International Foodservice Manufacturers Association.

Ted and his wife, Velma, have two sons and live in Pebble Beach.

Bert Cutino was born in Monterey and graduated from Monterey High School in 1957. He received an A.A. degree from Monterey Peninsula College in 1964 after attending at night while working full time in restaurants.

Bert started his restaurant career at the age of 13, and has worked as everything from dishwasher and chef to manager and owner.

Bert's specialty has always been the culinary arts. He is a certified executive chef and a member of the American Culinary Federation and the American Academy of Chefs, which is the honor society of the American Culinary Federation. He is also a member of the American Institute for Food and Wine, founded by Julia Chila, and is a member of the Confrerie de la Chaine des Rotisseurs, in which he holds the office of vice chancelier-argentier. He is also a member of the Wine Investigation for Novices and Oenophiles and a master knight of the Monterey chapter of Knights of the Vine. He is a member of the Guild of Sommeliers from England and the Toques Blanches International Society.

Locally, Bert has served as president, vice president, and secretary of the Monterey Peninsula Chefs Association. He is currently its chairman of the board. In 1982, he founded the Culinary Arts Salon held at the California Wine Festival in Monterey.

Bert helped institute the culinary program at Monterey Peninsula College and has also been active with the college as a guest lecturer and a strong supporter of education in the culinary arts. Bert is a vice president of the Monterey Peninsula Chamber of Commerce and is a member of the chamber's visitor education committee.

In 1982, Bert received both the Distinguished Alumni Award from the California Association of Colleges and the Monterey Peninsula Chefs Association President's Award for outstanding service. In 1983, the Chefs Association named him Chef of the Year, and he was chosen as the California Restaurant Association Chef of the Year in 1984.

Bert, his wife, Velma, and their daughter and two sons live in Monterey.

Mr. Speaker, Ted Balestreri and Bert Cutino have made tremendous contributions to the Monterey Peninsula, and the community is going to give them a well-deserved tribute. I know my colleagues join me in congratulating them and their families and in wishing them the best of luck in the future.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. Speaker, due to official business, I was unable to be present and voting on November 6, 1985, for rollcall vote Nos. 391 through 395. Had I been present I would have voted "aye" on roll No. 391, final passage of House Joint Resolution 36, Women in Armed Forces Memorial; "aye" on roll No. 392, final passage of H.R. 2205, Korean Conflict Memorial; "aye" on roll No. 393, final passage of House Joint Resolution 142, Black Revolutionary War Patriots Memorial; "nay" on roll No. 394, the Edgar amendment regarding the Mississippi River and tributaries flood control project, to H.R. 6, water resources development; and, "aye" on roll No. 395, the Weaver amendment to deauthorize the Elk Creek Dam project, to H.R. 6, water resources development.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCKINNEY (at the request of Mr. MICHEL), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SABO) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mr. NELSON of Florida, for 5 minutes, today.
Mr. GONZALEZ, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BOULTER) and to include extraneous matter:)

Mr. CLINGER in two instances.
Mr. SCHUETTE.
Mr. MICHEL in two instances.
Mr. DUNCAN.
Mr. CHAPPIE.
Mr. HILLIS.

(The following Members (at the request of Mr. SABO) and to include extraneous matter:)

Mr. WHEAT.
Mr. LIPINSKI.
Mr. SMITH of Florida.
Mr. GARCIA in three instances.
Mr. BOUCHER.
Mr. FUQUA.
Mr. STARK in three instances.
Mr. LAFALCE in two instances.
Mr. TALLON.
Mr. DONNELLY.
Mr. MCCLOSKEY.
Mr. SOLARZ.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, joint resolutions of the House of the following titles:

H.J. Res. 126. Joint resolution to designate the week of November 3, 1985, through November 9, 1985, as "National Drug Abuse Education Week"; and

H.J. Res. 282. Joint resolution designating the week beginning October 27, 1985, as "National Alopecia Areate Awareness Week."

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 25 minutes p.m.) the House adjourned until tomorrow, Friday, November 8, 1985, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Report of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the second and third quarters of calendar year 1985 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Brooks, Sharon	5/30	6/3	Panama		356.00		([3])				356.00
Corn, Lynne	5/30	6/3	Panama		356.00		([3])				356.00
Dentler, John	6/1	6/9	Scotland	617.38	774.00		1,443.60				2,217.60
Franklin, Webb, M.C	5/30	6/3	Panama		356.00		([3])				356.00
Lowry, Mike, M.C	5/30	6/3	Panama		356.00		([3])		[4] 271.72		627.72
Marquette, Linda	5/30	6/3	Panama		356.00		([3])				356.00
Marshall, Curt	5/30	6/3	Panama		356.00		([3])				356.00
Puah, Shelia	5/30	6/3	Panama		356.00		([3])				356.00
Tallon, Robin, M.C	5/23	5/31	Germany		525.00		1,666.00				2,191.00
Tauzin, Billy, M.C	5/30	6/2	Panama		267.00		[5] 297.00				564.00
Studds, Gerry E., M.C	5/3	5/5	Canada	333.77	246.00		514.33				
							[6] 40.00				800.33
Westcott, Jacquelyn	4/20	5/5	Argentina	589,680	1,092.00		2,063.19				
							[6] 134.81				3,290.00
Committee total					5,396.00		6,158.93		271.72		11,826.65

[1] Per diem constitudes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military transportation.
[4] Overtime.
[5] Returned to congressional district, Louisiana, military transportation to Panama.
[6] Ground transportation.

WALTER B. JONES, Chairman, Oct. 23, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Webb Franklin	6/30	7/4	People's Republic of China	1478.4	528.00					1478.4	528.00
	7/4	7/7	Thailand	11,790	432.00					11,790	432.00
	7/7	7/9	Hong Kong	2,354.50	304.00					2,354.50	304.00
Military transportation							10,903.40				10,903.40
Codel											
Hon. E de la Garza	6/28	7/3	Mexico	135,450	450.00					135,450	450.00
Military transportation							2,163.00				2,163.00
Commercial transportation							462.00				462.00
Hon. Charles Whitley	6/29	7/3	Mexico	112,875	375.00					112,875	375.00
Military transportation							2,163.00				2,163.00
Hon. Robin Tallon	6/29	7/3	Mexico	112,875	375.00					112,875	375.00
Military transportation							2,163.00				2,163.00
Hon. Sid Morrison	6/29	7/3	Mexico	112,875	375.00					112,875	375.00
Military transportation							2,163.00				2,163.00
Hon. Arlan Stangeland	6/29	7/3	Mexico	112,875	375.00					112,875	375.00
Military transportation							2,163.00				2,163.00
Hon. Lindsay Thomas	6/29	7/3	Mexico	112,875	375.00					112,875	375.00
Military transportation							2,163.00				2,163.00
Commercial transportation							370.39				370.39
A. Mario Castillo	6/27	7/3	Mexico	158,025	525.00					158,025	525.00
Military transportation							2,163.00				2,163.00
Commercial transportation							378.00				378.00
Charles Rawls	6/29	7/3	Mexico	112,875	375.00					112,875	375.00
Military transportation							2,163.00				2,163.00
Other expenditures	6/27	7/3	Mexico City, Mexico								
Local transportation								400,250	1,191.22	400,250	1,191.22
FSN Embassy support personnel								222,767	608.74	222,767	607.74
Codel											
Hon. E de la Garza	8/4	8/6	Finland	1,554.95	260.00					1,554.95	260.00
	8/6	8/13	Soviet Union		400.00						400.00
	8/13	8/16	Germany	903.96	324.00					903.096	324.00
	8/16	8/18	Portugal	35,856	216.00					35,856	216.00
Military transportation							5,045.39				5,045.39
Hon. Harold L. Volkmer	8/4	8/6	Finland	1,554.95	260.00					1,554.95	260.00
	8/6	8/13	Soviet Union		400.00						400.00
	8/13	8/16	Germany	903.96	324.00					903.96	324.00
	8/16	8/18	Portugal	35,856	216.00					35,856	216.00
Military transportation							5,045.39				5,045.39
Hon. Robert M. Tallon	8/4	8/6	Finland	1,554.95	260.00					1,554.95	260.00
	8/6	8/13	Soviet Union		400.00						400.00
	8/3	8/16	Germany	903.96	324.00					903.96	324.00
	8/7	8/18	Portugal	35,856	216.00					35,856	216.00
Military transportation							5,045.39				5,045.39
Hon. Arlan I. Stangeland	8/4	8/6	Finland	1,554.95	260.00					1,554.95	260.00
	8/6	8/13	Soviet Union		400.00						400.00
	8/13	8/16	Germany	903.96	324.00					903.96	324.00
	8/16	8/18	Portugal	35,856	216.00					35,856	216.00
Military transportation							5,045.39				5,045.39
Hon. Charles O. Whitley	8/4	8/6	Finland	1,554.95	260.00					1,554.95	260.00
	8/6	8/13	Soviet Union		400.00						400.00
	8/13	8/16	Germany	903.96	324.00					903.96	324.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/16	8/18	Portugal	35,856	216.00					35,856	216.00
Military transportation							5,045.39				5,045.39
Hon. Charles F. Hatcher	8/4	8/6	Finland	1,554.95	260.00					1,554.95	260.00
	8/6	8/13	Soviet Union		400.00						400.00
	8/13	8/16	Germany	903.96	324.00					903.96	324.00
	8/16	8/18	Portugal	35,856	216.00					35,856	216.00
Military transportation							5,045.39				5,045.39
A.M. Castillo	8/4	8/6	Finland	1,554.95	260.00					1,554.95	260.00
	8/6	8/13	Soviet Union		400.00						400.00
	8/13	8/16	Germany	903.96	324.00					903.96	324.00
	8/16	8/18	Portugal	35,856	216.00					35,856	216.00
Military transportation							5,045.39				5,045.39
Charles R. Rawls	8/4	8/6	Finland	1,554.95	260.00					1,554.95	260.00
	8/16	8/13	Soviet Union		400.00						400.00
	8/13	8/16	Germany	903.96	324.00					903.96	324.00
	8/16	8/18	Portugal	35,856	216.00					35,856	216.00
Military transportation							5,045.39				5,045.39
Other expenditures	8/6	8/13	Moscow, Leningrad, Kiev and Uzbekistan, Soviet Union.								
Local transportation									316.05		316.05
Representation function									350.00		350.00
Miscellaneous									79.50		79.50
Other expenditures	8/16	8/18	Lisbon, Portugal						3,477.83		3,477.83
FSN Embassy support personnel									1,045.47		1,045.47
Local transportation									957.10		957.10
Control rooms									715.15		715.15
Telephone									181.46		181.46
Miscellaneous											
Committee total					14,089.00		69,780.91		8,922.52		92,792.43

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la GARZA, Chairman, Oct. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation to West Germany, Italy, France, June 30 to July 7, 1985:											
Gray, Hon. William H., III	6/30	7/2	West Germany		224.00						224.00
	7/2	7/4	Italy		256.00						256.00
	7/4	7/5	West Germany		37.50						37.50
	7/5	7/7	France		262.00						262.00
Transportation, Department of the Air Force.							3,974.10				3,974.10
Latta, Hon. Delbert L	6/30	7/2	West Germany		224.00						224.00
	7/2	7/4	Italy		256.00						256.00
	7/4	7/5	West Germany		37.50						37.50
	7/5	7/7	France		262.00						262.00
Transportation, Department of the Air Force.							3,974.10				3,974.10
Lowry, Hon. Mike	6/30	7/2	West Germany		224.00						224.00
	7/2	7/3	Italy		[3] 128.00						128.00
Transportation, Department of the Air Force.							1,448.87				1,448.87
Commercial air transportation							748.54				748.54
Williams, Hon. Pat	6/30	7/2	West Germany		224.00						224.00
	7/2	7/4	Italy		256.00						256.00
	7/4	7/5	West Germany		37.50						37.50
	7/5	7/7	France		262.00				5.44		267.44
Transportation, Department of the Air Force.							3,974.10				3,974.10
Martin, Hon. Lynn	6/30	7/2	West Germany		224.00						224.00
	7/2	7/4	Italy		256.00						256.00
	7/4	7/5	West Germany		37.50						37.50
	7/5	7/7	France		262.00						262.00
Transportation, Department of the Air Force.							3,974.10				3,974.10
Atkins, Hon. Chester G	6/30	7/2	West Germany		224.00						224.00
	7/2	7/4	Italy		256.00						256.00
	7/4	7/5	West Germany		37.50						37.50
	7/5	7/7	France		262.00						262.00
Transportation, Department of the Air Force.							3,974.10				3,974.10
Pruitt, Mr. Steven	6/30	7/2	West Germany		224.00						224.00
	7/2	7/4	Italy		256.00						256.00
	7/4	7/5	West Germany		37.50						37.50
	7/5	7/7	France		262.00						262.00
Transportation, Department of the Air Force.							3,974.10				3,974.10
Walters, Mr. Robert	6/30	7/2	West Germany		224.00						224.00
	7/2	7/4	Italy		256.00						256.00
	7/4	7/5	West Germany		37.50						37.50
	7/5	7/7	France		262.00						262.00
Transportation, Department of the Air Force.							3,974.10				3,974.10
Bogenberger, Mr. Patrick	6/30	7/2	West Germany		224.00						224.00
	7/2	7/4	Italy		256.00						256.00
	7/4	7/5	West Germany		37.50						37.50
	7/5	7/7	France		262.00						262.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Transportation, Department of the Air Force.							3,974.10				3,974.10
Delegation expenses	7/2	7/4	Italy						1,550.81		1,550.81
	7/5	7/7	France						1,451.69		1,451.69
Commimttee total					6,588.00		33,990.21		3,007.94		43,586.15

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Per diem overpayment in the amount of $128 returned to U.S. Treasury on Oct. 24,1985.

WILLIAM H. GRAY III, Chairman, Oct. 24, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Representative William Clay	8/23	8/25	England		314.00		3,562.00				4,460.00
	8/26	8/30	Ireland		584.00						
Representative Charles A. Hayes	8/23	8/25	England		314.00		3,188.00				4,086.00
	8/26	8/30	Ireland		584.00						
Fred Feinstein	8/23	8/25	England		314.00		3,865.00				4,763.00
	8/26	8/30	Ireland		584.00						
Phyllis Borzi	8/23	8/25	England		314.00		3,865.00				4,763.00
	8/26	8/30	Ireland		584.00						
Russel J. Mueller	8/23	8/25	England		314.00		2,136.00				3,034.00
	8/26	8/30	Ireland		584.00						
Daniel V. Yager	8/23	8/25	England		314.00		1,273.00				2,171.00
	8/26	8/30	Ireland		584.00						
Local transportation/Ireland							1,448.66				1,448.66
Richard Fiesta	7/12	7/21	England		1,208.00		1,857.90		[3] 210.00		3,275.90
Bruce Wood	7/12	7/21	England		1,208.00		1,857.90		[3] 210.00		3,275.90
Committee total					7,804.00		23,053.46		420.00		31,277.46

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Conference registration fee.

AUGUSTUS F. HAWKINS, Chairman, Oct. 28, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Bereuter, D	8/16	8/18	Denmark		222.00		89.00		162.81		473.81
	8/18	8/23	Norway		810.00						810.00
Commercial transporation							312.00				310.00
Bolognese, K	8/26	8/28	United Kingdom		314.00						314.00
	8/28	9/5	France		1,128.00						1,128.00
Commercial transportation							3,769.00				3,769.00
Bonker, D	8/1	8/2	Canada		79.00						79.00
Military transportation one way							812.43				812.43
Commercial transportation one way							98.99				98.99
Booker, S	8/11	8/11	United Kingdom		31.40						31.40
	8/12	8/14	Sudan		504.00						504.00
	8/14	8/17	Ethiopia		394.00						394.00
	8/17	8/18	Kenya		113.00						113.00
	8/18	8/20	Somalia		216.00						216.00
Total					3,811.40		5,081.42		162.81		9,055.63
	8/20	8/22	Italy		256.00						256.00
Commercial transportation							4,675.00				4,675.00
Bruce, T	8/11	8/13	United Kingdom		314.00						314.00
	8/13	8/19	Italy		768.00						768.00
	8/19	8/22	France		423.00						423.00
Commercial transportation							4,289.00				4,289.00
	9/9	8/10	Germany		108.00						108.00
	9/10	9/14	Switzerland		[3]483.80						483.80
Commercial transportation							3,472.00				3,472.00
Burton, D	8/11	8/15	South Korea		532.00						532.00
Commercial transportation											
Bush, R	6/29	7/1	Soviet Union		350.00						350.00
	7/6	7/7	Germany		61.94						61.94
Commercial transportation							2,379.02				2,379.02
Total					3,296.74		14,815.02				18,111.76
Calabia, D.T	8/3	8/11	South Africa		864.00		114.00				978.00
	8/11	8/13	Zimbabwe		216.00						216.00
	8/13	8/15	Zambia		[3]111.00						111.00
	8/15	8/16	Kenya		60.55						60.55
	8/17	8/20	Sudan		603.00						603.00
Commercial transportation							4,738.00				4,738.00
Curran, T	8/18	8/21	Kenya		339.00						339.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/17	8/18	United Kingdom		157.00						157.00
	8/25	8/27	France		282.00						282.00
Commercial transportation							1,850.00				1,850.00
Dymally, M.M	9/1	9/5	Canada		148.00						148.00
Commercial transportation							485.42				485.42
	9/9	9/11	India		264.00						264.00
Commercial transportation							6,253.00				6,253.00
Total					3,044.55		13,440.42				16,484.97
Finley, R.M	9/9	9/10	Germany		[3] 70.60						70.60
	9/10	9/14	Switzerland		[3] 316.30						316.30
Commercial transportation							3,472.00				3,472.00
Galey, M.E	7/12	7/27	Kenya		1,695.00						1,695.00
	7/27	7/28	Zimbabwe		108.00						108.00
	7/28	8/3	South Africa		81.00						81.00
Commercial transportation one way							1,974.00				1,974.00
Military transportation one way							3,519.35				3,519.35
Holloway, A	8/7	8/10	Egypt		440.00						440.00
	8/10	8/14	Sudan		672.00						672.00
	8/14	8/17	Ethiopia		394.00						394.00
	8/17	8/18	Kenya		113.00						113.00
	8/18	8/20	Somalia		216.00						216.00
	8/20	8/21	Italy		128.00						128.00
Commercial transportation							4,722.00				4,722.00
Total					4,233.90		13,687.35				17,921.25
Ingram, G	8/7	8/12	Canada		342.00						342.00
Commercial transportation							285.44				285.44
Johnson, V.C	8/5	8/8	Guatemala		[3] 137.00						137.00
	8/8	8/13	Costa Rica		540.00						540.00
	8/13	8/16	El Salvador		[3] 302.00						302.00
Commercial transportation							1,164.00				1,164.00
Kurz, R	8/6	8/9	Panama		366.00						366.00
	8/9	8/12	Honduras		387.00						387.00
	8/12	8/16	El Salvador		540.00						540.00
Commercial transportation							1,333.00				1,333.00
Levin, H	9/19	9/23	United Kingdom		492.00						492.00
Commercial transportation							2,795.38				2,795.38
Total					3,106.00		5,577.82				8,683.82
MacKay, B	8/16	8/17	Mexico		75.00						75.00
	8/17	8/20	Nicaragua		225.00						225.00
	8/20	8/23	El Salvador		225.00						225.00
Commercial transportation							733.50				733.50
McBride, R.W	9/9	9/10	Germany		108.00						108.00
	9/10	9/14	Switzerland		492.00						492.00
Commercial transportation							3,472.00				3,472.00
Nolan, L.P	8/5	8/8	Guatemala		[3] 188.00						188.00
	8/8	8/13	Costa Rica		540.00						540.00
	8/13	8/16	El Salvador		[3] 298.00						298.00
Commercial transportation							1,164.00				1,164.00
Paolo, B	7/12	7/29	Kenya		1,921.00						1,921.00
	7/29	7/31	United Kingdom		151.00						151.00
Commercial transportation							3,564.00				3,564.00
Total					4,223.00		8,933.50				13,156.50
Peckham, G.G	8/11	8/16	Ecuador		540.00						540.00
	8/16	8/17	Argentina		108.00						108.00
	8/17	8/20	Uruguay		324.00						324.00
	8/20	8/23	Chile		366.00				70.49		436.49
Commercial transportation							3,611.00				3,611.00
Pena, R.M	8/11	8/16	Ecuador		540.00						540.00
	8/16	8/17	Argentina		108.00						108.00
	8/17	8/20	Uruguay		324.00						324.00
	8/20	8/23	Chile		366.00				70.49		436.49
Commercial transportation							3,611.00				3,611.00
Reid, H	8/8	8/11	Ireland		569.00						569.00
	8/11	8/13	Switzerland		224.00						224.00
	8/13	8/16	Italy		417.00						417.00
	8/16	8/18	Yugoslavia		216.00						216.00
Total					4,102.00		7,222.00		140.98		11,464.98
	8/18	8/22	Italy		476.00						476.00
Military transportation							4,876.42				4,876.42
Smith, L.J	8/10	8/13	United Kingdom		471.00		1,051.77				1,552.77
	8/13	8/19	Italy		768.00						768.00
	8/19	8/22	France		423.00						423.00
Commercial transportation							4,515.00				4,515.00
Solarz, S.J	8/3	8/10	South Africa		864.00		114.00				978.00
	8/9	8/9	Mozambique								
	8/11	8/13	Zimbabwe		[3] 106.00						106.00
	8/13	8/15	Zambia		[3] 111.00						111.00
	8/15	8/21	Kenya								
	8/21	8/23	Nigeria								
	8/23	8/24	Zaire								
	8/24	8/24	Angola								
	8/25	9/4	Turkey		354.00						354.00
Total					3,219.00		10,557.19				13,776.19
Commercial transportation							6,441.00				6,441.00
Torricelli, R.G	9/8	9/10	Cyprus		108.00				51.63		159.63
Commercial transportation							3,614.00				3,614.00
Weingberg, H	8/21	8/23	Jordan		240.00						240.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
No transportation cost											
Weissman, S	8/3	8/8	Israel		665.00						665.00
	8/8	8/10	Egypt		330.00						330.00
	8/10	8/14	Sudan		672.00						672.00
	8/14	8/17	Ethiopia		394.00						394.00
	8/17	8/18	Kenya		113.00						113.00
	8/18	8/20	Somalia		216.00						216.00
	8/20	8/22	Italy		256.00						256.00
Commercial transportation							4,675.00				4,675.00
Total					3,348.00		14,730.00		51.63		18,129.63
Wolpe, H	8/3	8/8	Israel		665.00						665.00
	8/8	8/10	Egypt		330.00						330.00
	8/10	8/14	Sudan		672.00						672.00
	8/14	8/17	Ethiopia		394.00						394.00
	8/17	8/18	Kenya		113.00						113.00
	8/18	8/20	Somalia		216.00						216.00
	8/20	8/21	Italy		128.00						128.00
Commercial transportation							4,675.00				4,675.00
Total					2,518.00		4,675.00				7,193.00
Grand total, 3d quarter											133,977.73

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refund of unused per diem.

DANTE B. FASCELL, Chairman, Oct. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Rinehart, Caryll	6/29	7/5	England		826.00		932.02		26.25		1,784.27
Fish, Jamie M	7/1	7/5	England		590.00		722.00		26.25		1,338.25
Savage, Congressman Gus	8/9	8/22	U.S.S.R		1,372.30		4,789.00		781.74		6,943.04
Hammerschmidt, Congressman John Paul	9/1	9/1	Canada				152.28				152.28
Fabrizio, Vincent F	9/20	9/22	Japan		37.50						37.50
	9/22	9/29	U.S.S.R		600.00						600.00
	9/29	9/30	Ireland		98.00						98.00
Military air transportation							5,269.34				5,269.34
Committee total					3,523.80		11,864.64		834.24		16,222.68

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMES J. HOWARD, Chairman, Oct. 28, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Kopp		9/19	United States				1,179.00				1,179.00
	9/20	9/28	England	895.05	1,126.88					895.05	1,126.88
	9/28	10/3	France	4,703.50	575.00					4,703.50	575.00
	10/3		United States						34.00		34.00
Palmer		9/22	United States				1,204.00				1,204.00
	9/23	9/28	England	539.90	692.40					539.90	692.40
	9/28	10/6	France	4,703.50	575.00					4,703.50	575.00
	10/6		United States						25.00		25.00
Committee total					2,969.28		2,383.00		59.00		5,411.28

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DON FUQUA, Chairman, Oct. 21, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SMALL BUSINESS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
George M. Grant	8/14	8/18	Canada	507.30	375.00	216.04	159.70			723.34	534.70
Major L. Clark III [3]	9/6	9/12	Taiwan						375.00		375.00
Thomas G. Powers [3]	9/6	9/12	Taiwan						375.00		375.00
Committee total					375.00		159.70		75.00		1,284.70

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Registration fee was paid in advance, before trip was cancelled. Refund of registration fee has not been received as of October 30, 1985

PARREN J. MITCHELL, Chairman, Oct. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON VETERANS' AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Guy Molinair	8/13	8/14	Bahamas				498.26				
Commercial air											498.26
Limousine							225.00				225.00
Hotel									125.01		125.01
Committee total							725.26		125.01		848.27

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

G.V. MONTGOMERY, Chairman, Oct. 31, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Sam Gibbons	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
Hon. J.J. Pickle	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
Hon. James R. Jones	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	113,280	480.00		128.86		67.18		676.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/21	Hong Kong	1,181.05	152.00		92.06		60.75		304.81
Transportation by Department of Defense							6,164.13				6,164.13
Hon. Donald J. Pease	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
Hon. Beryl Anthony	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9.464.19				9,464.19
Hon. Bill Frenzel	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.17		586.03
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
Hon. Richard T. Schulze	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
Hon. Carroll A. Campbell, Jr	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,000	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/15	India	2,079	172.00				27.34		199.34
Transportation by Department of Defense							4,335.94				4,335.94
Commercial transportation							1,027.00				1,027.00
Hon. William M. Thomas	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	857.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							8,094.19				8,094.19
Thelma Askey	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
John Hardt	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
Janet Nuzum	8/3	8/8	Japan	120,480	510.00		128.86		67.18		706.04
	8/8	8/15	China	1,319.23	456.00						456.00
	8/12	8/23	Hong Kong	11,779.70	1,518.00		93.06		128.13		1,739.19
Transportation by Department of Defense							3,933.01				3,933.01
Commercial transportation							1,683.41				1,683.41
Franklin Phifer, Jr.	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
Joanna Shelton	7/28	8/7	Japan	280,845	1,185.00		128.86		67.18		1,381.04
	8/8	8/11	China	1,145.83	396.00						396.00
	8/12	8/21	Thailand	28,872	1,080.00						1,080.00
Transportation by Department of Defense							560.15				560.15
Commercial transportation							2,662.00				2,662.00
Graciela P. Sullivan	8/1	8/2	Canada	213.74	158.00				4.77		162.77
	8/4	8/8	Japan	92,040	390.00		128.86		67.18		586.04
	8/8	8/11	China	859.37	297.00						297.00
	8/11	8/13	Nepal	2,610	150.00						150.00
	8/13	8/17	India	4,788	396.00				27.34		423.34
	8/17	8/20	Thailand	8,635	324.00						324.00
	8/20	8/24	Hong Kong	2,362.10	304.00		93.06		60.75		457.81
	8/21	8/22	China	433.50	150.00						150.00
Transportation by Department of Defense							9,464.19				9,464.19
George J. Weise	7/30	8/2	Canada	427.48	316.00				4.77		320.77
	8/3	8/6	Japan	92,040	390.00		128.86		67.18		586.04
	8/7	8/16	India	10,949.40	904.00						904.00
	8/17	8/18	Thailand	2,878	108.00						108.00
Transportation by Department of Defense							2,749.87				2,749.87
Commercial transportation							2,680.00				2,680.00
Refus Yerxa	8/1	8/2	Canada	213.74	158.00				4.77		162.77
Transportation by Department of Defense							812.43				812.43
Committee total					34,004.00		132,614.57		2,358.97		168,977.54

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, Oct. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. George E. Brown, Jr.	6/28	6/30	North America		223.89						223.89
	6/30	7/8	Central America		782.00						782.00
	7/8	7/9	West Indies		172.00						172.00
Military aircraft							12,685.00				12,685.00
Delegation expenses									59.31		59.31
Michael J. O'Neil, staff	6/28	6/30	North America		223.89						223.89
	6/30	7/8	Central America		782.00						782.00
	7/8	7/9	West Indies		172.00						172.00
Military aircraft							12,685.00				12,685.00
Hon. Andy Ireland	8/3	8/19	South America		1,910.00		573.82		89.48		2,573.30
Military aircraft							7,536.10				7,536.10
Robert J. Surrette, staff	8/5	8/16	Asia		875.00						875.00
Commercial air							2,142.00				2,142.00
Robert J. Fitch, staff	8/13	8/20	Europe						105.77		105.77
Richard H. Giza, staff	8/11	8/21	Europe		795.00						795.00
Commercial air							2,486.00				2,486.00
Bernard Raimo, Jr., staff	8/11	8/21	Europe		795.00						795.00
Commercial air							2,486.00				2,486.00
David S. Addington, Staff	8/22	8/29	Africa		629.00						629.00
	8/29	9/2	Europe		124.00						124.00
Commercial air							3,581.00				3,581.00
Duane P. Andrews, staff	9/22	9/24	Europe		262.00						262.00
Commercial air							1,879.47				1,879.47
Committee total					7,745.78		46,054.39		254.56		54,054.73

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LEE H. HAMILTON, Chairman, Oct. 30, 1985.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2228. A letter from the Deputy Assistant Secretary of Defense, transmitting notice of a new and an altered Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2229. A letter from the Deputy Assistant Secretary of Defense, transmitting notice of a new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2230. A letter from the National Adjutant, Disabled American Veterans, transmitting the report of the proceedings of the national convention held in New Orleans, LA, July 21-25, 1985, Including an independent audit of receipts and expenditures as of December 31, 1984, pursuant to 44 U.S.C. 1332 and Public Law 88-504, section 3. (H. Doc. No. 99-123); to the Committee on Veterans' Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 312. A resolution providing for the consideration of House Joint Resolution 441, joint resolution making further continuing appropriations for the fiscal year 1986 (Rep. 99-361). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 313. A resolution providing for the consideration of H.R. 1616, a bill to require employers to notify and consult with employees before ordering a plant closing or permanent layoff (Rep. 99-362). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HAYES (for himself and Mrs. BURTON of California):

H.R. 3706. A bill to amend chapter 44 (relating to firearms) of title 18, United States Code, to prohibit the sale of handguns commonly called Saturday night specials; to the Committee on Judiciary.

By Mr. JACOBS:

H.R. 3707. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firemen not employed by the United States who are killed or totally disabled in the line of duty; to the Committee on Judiciary.

By Mr. JENKINS:

H.R. 3708. A bill to amend title 5, United States Code, to provide that entitlement to a survivor annuity under the Civil Service Retirement System in the case of certain individuals who are mentally or physically disabled shall not be affected by marriage if the spouse is incapable of self-support due to a disability; to the Committee on Post Office and Civil Service.

By Mr. LEWIS of Florida (for himself and Mr. MACK):

H.R. 3709. a bill to provide that court for the southern district of Florida shall be held in Naples, FL; to the Committee on the Judiciary.

By Mr. PETRI (for himself and Mr. GOODLING):

H.R. 3710. A bill to prevent distortions in the reapportionment of the House of Representatives caused by the use of census population figures which include illegal aliens; jointly, to the Committees on Post Office and Civil Service and the Judiciary.

By Mr. ROSE:

H.R. 3711. A bill to modify the deadlines applicable to hazardous waste disposal facilities required to certify compliance with certain financial responsibility requirements under the Solid Waste Disposal Act; to the Committee on Energy and Commerce.

By Mr. SMITH of Florida:

H.R. 3712. A bill to provide for grants under the Bureau of Justice Assistance to local governments for innovative antiterrorism plans for deep draft ports and international airports; to the Committee on the Judiciary.

By Mr. ROBERT F. SMITH (for himself and Mr. DAUB):

H.R. 3713. A bill to restore to the Social Security Trust Funds and other Federal retirement funds losses resulting from noninvestments, redemptions, and disinvestments in connection with efforts to meet the public debt limit; to the Committee on Ways and Means.

By Mr. UDALL:

H.R. 3714. A bill to revitalize the U.S. copper industry; to the Committee on Ways and Means.

By Mr. GREGG (for himself, Mr. SMITH of New Hampshire, Mr. FUQUA, Mr. LUJAN, Mr. NELSON of Florida, and Mr. WALKER):

H. Con. Res. 231. Concurrent resolution congratulating Sharon Christa McAuliffe on her selection as the first teacher in space, and for other purposes; to the Committee on Science and Technology.

By Mr. RITTER (for himself, Mr. HOYER, Mr. LANTOS, Mr. GILMAN, Mr. KEMP, Mr. FEIGHAN, and Mr. PEASE):

H. Res. 314. Resolution expressing the sense of the U.S. House of Representatives that Miroslav Medvid should not be allowed to be removed from the United States until a complete investigation can determine whether he has been accorded all rights due him as a possible defector, and until he is accorded those rights; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 64: Mr. WEISS.

H.R. 66: Mr. SUNIA.

H.R. 67: Mr. GONZALEZ and Mr. SUNIA.

H.R. 1457: Mr. GINGRICH, Mr. BARNARD, Mrs. VUCANOVICH, and Mr. SUNIA.

H.R. 1769: Mr. ROEMER, Mr. MOLLOHAN, and Mr. TAYLOR.

H.R. 1918: Mr. PARRIS.

H.R. 2349: Mr. FAWELL.

H.R. 2814: Mr. HANSEN, Mr. PORTER, and Mr. DAUB.

H.R. 3109: Mr. TRAFICANT.

H.R. 3469 Mr. DE LUGO, Mr. DARDEN, Mr. WEAVER, Ms. KAPTUR, Mr. CONYERS, Mrs. BOXER, Mr. FAZIO, Mr. TRAFICANT, Mr. RANGEL, Mr. WEISS, Mr. TOWNS, Mr. MITCHELL, Mr. LOWRY of Washington, and Ms. MIKULSKI.

H.R. 3507: Mr. GRAY of Illinois.

H.R. 3557: Mr. MORRISON of Washington, Mr. WEBER, and Mr. SCHUETTE.

H.J. Res. 400: Mr. SOLOMON, Mr. YOUNG of Alaska, Mr. COATS, Mr. BARTON of Texas, and Mr. BADHAM.

H.J Res. 421: Mr. MCHUGH, Mr. VALENTINE, Mr. CAMPBELL, and Mr. ACKERMAN.

H. Con. Res. 15: Mr. BURTON of Indiana.

SENATE—*Thursday, November 7, 1985*

(Legislative day of Monday, November 4, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

They that wait upon the Lord shall renew their strength * * *.—Isaiah 40:31.

Father in Heaven, the prayer this morning is for those I love, whose willing servant I am privileged to be—the men and women who labor with such incredible endurance in the Senate. They work hard for long hours, often feeling little is accomplished. They expend enormous effort on an issue, only to see it go down. Almost anything they try to do meets with stubborn resistance. Physical stress is aggravated as emotions are stretched and strained in this pressure cooker where strong wills clash and demands are relentless and unceasing.

Gracious God of love, protect them from going beyond the limit where burnout brings discouragement, disillusionment, depression, and cynicism. Make them wise in their responsibility to themselves that they may take time, make time for rest, relaxation, and renewal. Teach them how to wait upon Thee for strength. In His name Who was never in a hurry, yet finished the work He came to do. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

SCHEDULE

Mr. BOSCHWITZ. Mr. President, the business for the day will be that after the two leaders are recognized for 10 minutes each, there are special orders for Senators PROXMIRE, BRADLEY, and BAUCUS.

Routine morning business will not extend beyond 10 a.m.

Following routine morning business, it will be the intention of the majority leader to proceed to the consideration of Calendar No. 380, H.R. 3327, the military construction appropriations bill. Votes can be expected in relation to that measure, and votes may take place before noon.

At 2 p.m., by unanimous consent, a rollcall vote will occur on the nomination of Alex Kozinski, to be U.S. circuit court judge for the ninth circuit.

Also, the Senate can be expected to proceed to the consideration of S. 1527, the civil service retirement bill, under a time agreement.

Votes are expected to occur all day long, and the session could well go into the evening.

I reserve the remainder of my time.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The distinguished acting Democratic leader is recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the minority leader be reserved for his use later in the day.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

Mr. PROXMIRE. Mr. President, I understand that I have a 15-minute order. Is that correct?

The PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

WHY THE ABM TREATY IS CRUCIAL IN PREVENTING NUCLEAR WAR

Mr. PROXMIRE. Mr. President, the Secretary of Defense and others in the administration and in the Senate have vigorously criticized the Soviet Union for persistent and widespread violations of the arms control treaties the Soviets have signed with the United States. These criticisms have raised serious question as to whether or not we should renounce the antiballistic missile—ABM—Treaty and refuse to enter into future arms control treaties with the Soviet Union.

Arms control is extraordinarily popular in this country. No administration and no political party can become identified with hostility to arms control without risking a very substantial loss of public support. On the other hand, Americans love this country. Americans are patriotic. Americans want to believe our country is right. Americans give the benefit of the doubt to whomever is President of the United States in his differences with foreign countries. A popular President knows this. He also knows that our fellow countrymen deeply yearn for peace. He knows Americans recognize that in this terribly dangerous nuclear age, a superpower war would be the supreme catastrophe. Most Americans understand that neither superpower could survive such a war. And certainly, on the basis of the most reliable professional polls, the vast majority of Americans recognize that arms control treaties with the Soviet Union advance the prospect of peace, and therefore the prospects of the survival of our Nation.

So what does an administration that is reluctant to enter into an arms control agreement with the Soviet Union do? It cannot discredit the arms control process itself. It can, however, easily discredit the Soviet Union's compliance with arms control. It can then charge that arms control with the Soviet Union will do little to advance the cause of peace, and might actually set it back. It can argue, as the Secretary of Defense Caspar Weinberger has argued, that while the United States abides by arms control treaties, the Soviet Union does not. What does this mean? It means that an arms control agreement that limits nuclear weapons or reduces weapons on both sides constitutes unilateral disarmament for the United States. Why? Because this country will honor the agreement. The Soviets will not.

So the critical issue is this: Have the Soviets complied with arms control agreements? Or have they engaged in wholesale violations? Well, have they? Certainly, the most widely discussed alleged violation by the Soviet Union has been with respect to the Anti-Ballistic Missile Treaty.

Recently, this Senator discussed at length on this floor the allegation that the Soviets had violated the ABM Treaty by building a radar system that could be a prime focus for a comprehensive ABM network at Krasnoyarsk, far inside the perimeter of the Soviet Union. That seems to constitute one very likely and important violation of the ABM Treaty. The treaty requires that such a radar installation must be constructed on or near the perimeter of the country. That seems to be a clear ABM violation. But how about the Soviet Union's general compliance with the ABM Treaty?

Mr. President, one of the best informed and most competent arms control organizations in the country is the Arms Control Association. In the asso-

ciation's July/August 1984 publication, Arms Control Today, in an article by John Pike, the following assessment appears:

The Soviets have generally maintained a good record of compliance with the ABM treaty, indicative of a strong degree of commitment to this regime. Since the early 1970's occasional Soviet activities have raised questions regarding their strict compliance with the terms of the ABM treaty. All of these issues were discussed in the Standing Consultative Commission, a joint U.S. Soviet forum for discussion and implementation of SALT I and resolved to the satisfaction of both parties.

As I pointed out recently on the floor, the Soviets have recently offered to suspend their construction of their radar at Krasnoyarsk, if we suspend our upgrading of radar sites in Greenland and England. That seems to be a conclusion by the Soviets that their Siberian installation does, indeed, violate the ABM Treaty—though they deny this. At any rate, we could propose to stop our radar modernization in Greenland and England, if they in turn dismantle—not cease construction, but actually dismantle—their Krasnoyarsk facility. Certainly, if the Soviets do acquiesce in such a counterproposal by the United States, their acquiescence would constitute the strongest kind of concrete affirmation of their support of the ABM Treaty. As Mr. Pike points out in his article, the Soviets do not have strong incentives to terminate the treaty.

The treaty is in their interest as well as in ours. In any antiballistic race with the United States, Pike contends that the Soviets are at least 10 years behind technologically. An ABM system would not, in Pike's view, constitute a cost effective investment for the protection of Soviet missile sites and would be just about useless to protect population centers. U.S. offensive missiles now in being could penetrate whatever the Soviets constructed in the next 10 years or more. On the other hand, in Pike's view, if the Soviets believe the United States is rushing ahead with its advanced ABM system, the Soviets could deploy a less effective defense that could be operational years before the more advanced American system could be in place.

Just think, Mr. President, of the danger under those circumstances. The Soviet Union would have a rudimentary but partially successful ABM system able to knock out many of our incoming missiles; but for a limited time they would have that advantage because the United States would have a super-ABM system on the way. What a scenario for a Soviet Union dictator to feel the time to strike is now or never.

This is why the ABM Treaty can be so critical in preventing a nuclear war by preventing their going ahead and our going ahead at all.

MYTH OF THE DAY—THE AMERICAN LABOR MOVEMENT IS DEAD

Mr. PROXMIRE. Mr. President, I want to make a statement this morning about an issue that I think has, just by neglect by many people, been assumed is the case.

The myth of the day is that the American labor movement is dead. In the next 2 days I intend to debunk the idea the American labor movement has succumbed to mortal blows dealt by both a changed economic and social environment and fossilized internal leadership and programs.

As demonstrated by innovative and ambitious strategies presented and approved at the recent biennial meeting of the AFL-CIO in Anaheim, CA, the AFL-CIO continues to serve as the people's lobby for not only higher wages and benefits but also better working conditions, the dignity of working people everywhere, civil rights, and education.

Today, there are some 40,000 local unions negotiating and administering more than 145,000 labor contracts.

Mr. President, we should keep in mind that this does not happen in the Soviet Union, it does not happen effectively in Poland. The labor movement is struggling there, but it is suppressed by the Government. The great glory of this country is our pluralism, our independence, our freedom, the fact that we can have labor unions that are strong and can stand up to big business and big government.

The local unions in this country are doing the solid, nuts and bolts work of the labor movement in trying to improve the conditions of American workers and their families.

The rise of the middle class out of the depths of the depression parallels the rise of organized labor especially after the passage of the Wagner Act in 1935. In many ways, unionism helped create America's large middle class and our Nation's great economic growth over the 40 years since the end of World War II.

The fringe benefits which are so much a part of the economic security of the American family is to a large part the result of initial victories won by unions in the post-World War II period.

Because of organized labor's initiation and sustaining of these programs, today 140 million Americans receive health care through their place of employment.

Most workers are entitled to holiday and paid vacations and sick pay and pensions. Millions have life insurance through their jobs and workman's compensation is a law of the land.

Incidentally, unions have played a very big part in making that the law of the land, persuading Members of Congress to vote for it.

It should be quickly pointed out that winning in the workplace for organized labor now often means protecting these already hard-won rights and benefits. To say that organized labor is no longer winning the huge pay and benefits' increases that were its hallmark decades ago is similar to saying that an Olympic champion is not improving his performance now as much as he did between his high school and college competitions.

Today, the AFL-CIO continues its efforts to protect the health and safety of American workers. For example, organized labor has set a high priority on insuring that people know what hazards they may be facing when they enter a particular workplace. Since the Occupational Safety and Health Administration has the major responsibility of seeing that employers provide healthy environments for their workers, the AFL-CIO has been a constant watchdog of that critically important Federal agency.

The strength and vitality of organized labor at the local level has resulted in developing literally thousands of individuals who are today exercising leadership roles far beyond their local union.

That is something neglected, the fact that this gives many, many Americans the opportunity to develop leadership qualities. Every small union local has a president, a vice president, and other officials who can exert leadership in a way that they could not possibly exert it absent that kind of a free labor union movement.

From scouting to blood drives, from drug abuse programs to local crime resistance projects, from foster parent programs to community activities for the elderly—in every one of these pursuits you will find the active involvement and leadership of organized labor.

Clearly, the AFL-CIO with its over 13 million members is still a vigorous and potent force in American life, in spite of the fact that usually in political campaigns they take a pasting—certainly in the last campaign they did. And people have too often associated labor unions with fat, lazy, incompetent, and crooked bosses, whereas the great majority of union leaders are conscientious, hardworking people who get very little for their work and give a great deal.

TERROR ON TRIAL

Mr. PROXMIRE. Mr. President, on September 18 the Argentine Government rested its case in its trial of nine former Argentine Government leaders accused of murder, torture, and unlawful detention.

Last October an Argentine Government commission blamed these men for the deaths of 8,960 men, women,

and children. Unfortunately, many more were tortured.

Mr. Julio Strassero, the Argentine state prosecutor in the case stated:

> This trial has meant for those of us who had the painful privilege of following it closely, a descent into the terrible depths of the human soul, where misery, degradation, and horror have been registered with such intensity that it could scarcely have been imagined or understood.

Friends of the nine defendants call this a show trial, and in one sense it is. Three of the defendants are former presidents, Generals Videla, Viola, and Galtieri. The other six are brigadier generals or admirals who served on their juntas.

Mr. President, such proceedings are unprecedented in Latin America. Dictators have been toppled and exiled, even assassinated, but never before have they been put on trial by a democratically elected civilian government.

It is a welcome sign that the voice of reason is being heard in Argentina where it had been suppressed for such a long time. For the first time, the Argentine public is learning the truth about what some of its leaders have done.

The development of human rights protection is a slow and tedious process. Sadly, savage and serious violations occur throughout the world. Nevertheless, the trial in Argentina represents an important step in guaranteeing human rights. Other steps must follow.

Mr. President, the U.S. Senate must ratify the Genocide Treaty making clear to the world our support for human rights. Our ratification can have a profound impact on people all over the world by demonstrating that the United States is unalterably opposed to the heinous crime of genocide.

Mr. President, by ratifying the Genocide Treaty we can serve notice to the world's leaders, including the nine former Argentine Government officials, that we shall hold them accountable for their actions.

RECOGNITION OF SENATOR BRADLEY

The PRESIDING OFFICER (Mr. MCCONNELL). Under the previous order, the Senator from New Jersey [Mr. BRADLEY] is recognized for not to exceed 15 minutes.

ECONOMIC SECURITY IN RETIREMENT: WHOSE RESPONSIBILITY?

Mr. BRADLEY. Mr. President, in this country, the whole notion of planning for retirement is a relatively recent phenomenon. A century ago, when life expectancy was 46 years, most men worked until they died, and most men and women who could not work were supported by their families.

But times have changed. Life expectancy has increased dramatically. People aged 65 can now expect to live an additional 10 to 20 years. And since people are living longer, they are spending a smaller portion of their lifespan in the labor force. A man born in 1900 spent about 70 percent of his life in the labor force; a man born today will only spend a little more than half of his life in the labor force.

That adds up to fewer years of income production and more years of nonproduction. Hence, the need for more retirement planning.

Since the 1930's, experts have come to view retirement income as a three-legged stool, made up of Social Security, private pensions and savings. This system has served us fairly well. In 1950, when only one out of four elderly persons received Social Security and very few people received pensions, over 35 percent of the elderly were living in poverty. Currently, with 9 out of 10 elderly persons receiving Social Security and one quarter of retirees receiving pensions, only 14 percent of older Americans fall below the poverty line. It is fair to conclude that our three-legged stool has generally succeeded in providing adequate economic security for the elderly.

But the changing nature and needs of our elderly require that we broaden our definition of "adequate economic security." What was considered adequate 30 years ago is certainly not adequate today. And what is adequate today will not be adequate in 30 years.

Today's retirees and those who approach retirement are not just concerned about how to pay the rent and buy food. Another economic need overwhelms those relatively small monetary requirements. The need for long-term health care is apparent and its astronomical cost frightens them.

The greatest economic risk that the elderly currently face is the risk of incurring massive health care costs. And this risk will grow over time. To the extent that our current three-legged stool fails to take into account these increased costs, our system will fail to meet the economic security needs of retirees.

Given this expanded view of economic security in retirement, how will our three legged-stool hold up as our Nation ages? Which legs will need to be strengthened to ensure economic security? And who will have to take more responsibility for ensuring economic security in retirement—we, as individuals; we, as employers, or we, as a Nation?

These are not simple questions. Our European friends are currently grappling with the issue of how to provide adequate economic security to their rapidly growing aging population. And one thing is certain: We will not be far behind them, especially when the baby boom of 1950 becomes the senior boom in the early part of the next century.

So, what does the future hold for our three-legged stool?

SOCIAL SECURITY

It is impossible to discuss U.S. retirement policy without starting with the Social Security Act, one of this Nation's most significant achievements. It would not be an exaggeration to say that Social Security wrought major changes in the fabric of American life. Passage of this legislation in 1935 represented the expression of a new, emerging, and growing consensus—a consensus that we, as individuals, are not islands—that we have responsibilities for the well-being of our neighbors as well as ourselves. As this consensus developed, the first tentative safety net in America took shape.

Fifty years ago, when the question was asked, "Who is responsible for retirement security?", the answer was clear: Individuals and their families. When the question is asked today, most Americans answer that we, as a Nation, are also partly responsible. Social Security is how this responsibility is discharged: Those who are able to be productive—the young and employed—provide to those who are not—the elderly and disabled.

A recent public opinion poll concluded that extremely strong support exists among all age groups for the continuation of the Social Security Program. Roughly 9 out of 10 Americans oppose the phasing out of Social Security and replacing it with reliance on private pension plans. Three-quarters of all Americans consider the Social Security tax to be fair—compare that to the income tax—and only one-quarter of Americans think that the Social Security tax is too high.

This sense of community and commitment was readily apparent in 1982, when it was becoming increasingly clear that the Social Security Trust Fund was in imminent danger of insolvency; corrective measures had to be adopted or the July 1, 1983, Social Security check would not be in the mail. The legislation that was adopted asked everyone to pitch in to save the system. And everyone did, because everyone saw the need to pitch in to keep this important life support system going. The legislative changes adopted in 1983 put the Social Security Retirement Program on sound footing for several decades. And the progressive benefit structure, coupled with taxation of benefits, will insure that an increasing share of benefits will go to lower income elderly.

Over the next 25 years, I do not anticipate major changes in the retirement component of Social Security; I foresee a mature retirement system, with a stable benefit structure that continues to replace the current levels of preretirement income as well as a

stable tax system to finance this level of benefits.

But when we look at the Medicare Trust Fund—another essential component of our retirement security policy—we see a very different situation. Under most economic forecasts, Medicare Trust Fund reserves will be depleted well before the first baby boomer nears retirement. Strong cost containment measures will have to be instituted if we are to live up to our current commitments to provide adequate acute care coverage. And this does not take into account the growing costs associated with the long-term care needs of the elderly.

Somewhere in our three-legged stool, we will have to find the means to finance these rapidly increasing costs. Where is the money going to come from? Will the retirement and health care components of Social Security be able to pick up all or part of these costs?

Short of increasing Social Security revenues, there is one pot of money that could be available over the next couple of decades for expanded benefits. According to the Social Security actuaries, the Retirement Trust Fund is scheduled to build up massive surpluses—$7 trillion over the next 30 years. There will be suggestions that we use those funds to expand Medicare benefits or expand cash benefits to help the elderly pay for increased health care costs. But if we do that, we will not have the funds needed in the period 2015 to 2040 to pay basic Social Security retirement benefits to the baby boom generation. If the Congress spends the surplus on expanded benefits, rather than saving it for the senior boom generation, the Social Security System will be in a very, very precarious condition in 30 years: Tax rates will have to skyrocket to pay retirement benefits. Clearly then, we would pay a big price for failing to find a way in the near future to finance these health care costs.

In sum, in the years ahead, the Social Security retirement benefit will continue to be the largest single source of income for most elderly Americans, with an increasing share of benefits targeted to lower income elderly. The program should be able to replace roughly the same proportion of preretirement income as it currently does. But the economic needs of the elderly—as individuals and as a group—will increase in future years. Will we be able to significantly expand benefits beyond their current levels to cover these additional costs? Will Social Security be able to become a considerably larger leg of our stool? I think not. Therefore, most of the increases in retirement income will have to come from the private legs of the stool—savings and pensions. Let us look at each of those.

THE OTHER LEGS OF THE STOOL

The elderly's asset and pension income has been growing in recent years. Savings amounted to 23 percent of the elderly's total income in 1981, up from 15 percent in 1967. And about 14 percent of the elderly's income comes from pensions, up from 9 percent in 1962.

As of 1983, about 50 percent of all private industry employees 18 years old and older were covered by pensions in their current jobs. Although some growth will occur, that percentage is expected to be relatively stable for the foreseeable future. If past behavior continues, about half of the covered workers—one-fourth of all workers—can expect to receive pensions when they reach retirement age.

Pensions will continue to be an important retirement security component. But unless we can increase the number of employees getting pensions—remember, only a fourth of the workers get them—this component will not provide extra security for a considerable share of the population.

What is the outlook for savings? The baby boomers have not been in a position up until now to save much or to vest in pensions. But the next 20 to 30 years may be different. Right now, the baby boomers are settling down—buying houses and consumer goods and settling into careers. We may see a real increase in the savings rate for this age group as they start to prepare for retirement. If this happens, it will be a very favorable outcome. We need to do whatever we can to encourage savings.

THE ROLE OF TAX POLICY

Under the Federal income tax system, people are generally taxed on income as it is earned. Historically, exceptions to this rule have been made to encourage certain retirement savings. Present tax law provides incentives by permitting taxpayers to postpone income tax on current compensation set aside for retirement and on the investment earnings of those savings, under special pension and deferred compensation plans.

There have been two reasons for granting favorable treatment to these retirement plans: To encourage individuals to save for their own retirement, and, second, to create additional savings that contribute to the formulation of investment capital needed for economic growth.

While many people criticize tax policy for not doing enough to encourage people to save more, others identify serious shortcomings in the current approach. For example, there is concern that tax preferred retirement savings provide disproportionately generous benefits to the relatively well off while neglecting the neediest Americans. We can gauge whether this concern is justified by looking at the primary sources of income among persons of retirement age. These include wages and salaries, pensions, Social Security benefits, interest and dividends, and capital gains. According to a recent study by the Congress' Committee on Taxation, Social Security benefits plus distributions from pension plans comprise less than half of all income going to taxpayers over 65. Social Security benefits represent the largest single source of income to these taxpayers. But while over 90 percent of the elderly received at least some Social Security benefits, those benefits represented less than 30 percent of total income from all sources ($113 billion of $387 billion in 1983). An amount almost as large, $103 billion, came from interest and dividends.

Of the total $387 billion in total income received by those over 65, only about 18 percent—$70 billion—came from public and private pensions.

These statistics raise important equity issues. Relatively few taxpayers aged 65 and over benefit from tax preferred pension and other retirement plans. Yet everyone—including the elderly—subsidize these plans by paying higher tax rates on income that does not enjoy special treatment, like interest and dividends. For the period fiscal year 1986-90, the revenue loss attributable to the various tax-favored income security provisions is projected to reach almost $450 billion. We make up for this loss by higher tax rates on income that does not get favored treatment and on which most retired people depend.

While I am not advocating repeal of all the tax preferences currently available to retirement income, I do believe we need to examine the existing system with a view to ensuring that retirement income security is available to everyone who has worked and earned and that our tax policy in this area is truly fair.

We also need to take a hard look at whether the present tax law achieves the second rationale for tax-preferred retirement vehicles; namely, encouraging more savings. Here, the record is clouded at best. Let us take a look at IRA's as a case in point. Available data show, not surprisingly, that the greatest participation is among middle- and upper-income taxpayers. In 1983, over 66 percent of total IRA contributions were made by taxpayers with AGI over $30,000. In addition, this group was responsible for over 75 percent of total spousal IRA contributions.

These data have led many to argue that such tax-preferred savings vehicles result in greater retirement income only for taxpayers whose savings are more than likely to be adequate during retirement even without a tax break. Thus, the incentives merely shift part of the cost of this group's retirement savings to the Federal Government which in turns shifts

that cost to taxpayers as a whole in the form of higher tax rates.

In addition, studies show that IRA contributions have not come from new savings—notwithstanding Congress' expectation when it adopted the IRA provisions that this would happen. Most experts agree that there is no evidence of any change in the U.S. savings rate looked at from an historical perspective, and, if anything, the most recent data suggest saving is on the decline. And there is a growing consensus, reflected in all the pending tax reform proposals, that the existing incentives simply have not worked. Not only have they not increased savings, they have also reduced the progressivity of the tax laws and introduced serious distortions into the allocation of capital.

It may be that savings simply is not very responsive to tax changes that increase after tax rewards. But even if it is, the existing incentives are, for the most part, not well designed to achieve their stated goals. For one thing, most of the savings tax benefits go to taxpayers who merely switch assets from one form of saving or one kind of account to another. Taking money out of one's savings account to put into an IRA will reduce your taxes but it does nothing to increase savings.

Another shortcoming is that the Tax Code still rewards borrowing. Thus, a taxpayer can borrow and deduct the interest to purchase an asset whose income is fully or partially tax exempt. This gives him a tax reduction even though his net saving has not increased. This problem, I should add, is exacerbated by inflation because the deduction for nominal interest payments may result in a negative real after tax borrowing rate.

So if we are serious about legislating tax incentives that will really encourage saving, as opposed to tax arbitrage, we need to pay much greater attention to designing incentives that work. And we need to get rid of the tax provisions that encourage borrowing.

And if we are serious about promoting pension savings as a way of enhancing both capital formation and retirement security, we might want to take a hard look at what all those funds are being used for. I am especially troubled, as I know many others are, by recent corporate attempts to divert billions in surplus pension money to other uses such as takeover financing. Indeed, the mergers and acquisitions craze of the last 2 years appears to owe much of its vitality to pension fund redemptions. For example, the Occidental Petroleum Corp. financed part of its Cities Service purchase with $400 million from Cities' pension plans; Mobil captured $29 million in excess pension funds after it took over Superior Oil; and the St. Regis Corp. collected $88 million after the postacquisition of Champion International's assets. Even the administration has recognized there is a problem here. To deal with it, they have proposed 10 percent excise taxes on all profits from pension fund redemptions. With pension assets of well over a trillion dollars, it is appropriate for Government to worry about just how those assets are deployed and for whose benefit.

In my judgment, the single most effective tax policy for achieving these goals is to lower tax rates and broaden the tax base. Few would question that there is a public purpose in giving an incentive for a pension to provide an adequate, indeed a comfortable, retirement. But beyond a certain level, individuals should save themselves out of after tax dollars. This is particularly true under a tax reform measure like the Bradley-Gephardt Fair Tax, where 80 percent of taxpayers pay no more than 14 percent in tax and the highest rate on any income is 30 percent. That is a powerful incentive for saving for retirement, or indeed for any other purpose.

Moreover, lowering the tax rates and broadening the base would ensure that income is taxed more uniformly, thereby improving resource allocation and directing capital toward the most efficient—not merely the most tax preferred—uses. Lower rates would reinforce this positive effect. It would also promote savings by reducing the tax subsidy for borrowing. Finally, because tax preferences really redistribute a greater share of the total tax burden to those who are not rich enough or sophisticated enough to take advantage of complex tax rules, a low-rate broad-based tax would significantly enhance tax fairness.

U.S. RETIREMENT POLICY AND THE INTERNATIONAL ECONOMY

A recent development is the contribution of all Federal expenditures and transfers to a Federal budget deficit that is sending shock waves through the international economy. In order to finance this budget deficit, U.S. interest rates have risen and attracted a massive inflow of capital from abroad. This capital inflow, on the order of $100 billion per year, helps to raise the value of the dollar on international currency markets and thus perpetuates the trade deficit that is eroding U.S. manufacturing competitiveness.

If Americans were saving at a considerably higher rate, these international problems would be minimized, because we wouldn't need major inflows of foreign capital to finance our deficit.

Social Security plays a special role among the categories of Government expenditure contributing indirectly to the U.S. trade deficit. This is because Social Security—as important and beneficial as it is—also tends to discourage U.S. savings. It is not necessary to save as much for retirement to the extent that Social Security provides retirement income that is protected against inflation. Between 1965 and 1983 Social Security and SSI coverage increased from 82 to 96 percent of the over-65 population; while personal savings dropped from 7.1 to 5.0 percent of disposable income.

Decreased U.S. savings forces the Government to borrow from abroad. Borrowing from Japanese savers has been particularly large, amounting to an estimated $35 to $40 billion in 1984. Government borrowing from abroad is an immediate cause of the U.S. trade deficit, since it drains the dollars that foreigners would otherwise spend on U.S. exports.

In sum, we are faced with the possibility that the Government's leg of the retirement stool is inadvertently contributing to some extent to the erosion of U.S. industrial competitiveness. Social Security discourages U.S. savings, and maybe that's the price of humane Government, but it forces the Government to borrow from abroad. This borrowing cuts into our export markets. In a very real sense, because of our large deficits, U.S. industry and Social Security beneficiaries are competing for foreign resources, and until we can revitalize U.S. savings rates, or cut the budget deficit, U.S. industry will continue to lose ground.

That does not mean that we end or even reduce our support for Social Security, what it does mean is that until we get our deficits down to manageable size, there will be a tension between meeting the needs of the elderly and economic growth.

SUMMARY

In summary, as we age as a nation, our definition of retirement security will have to expand. The elderly—as individuals and as a group—are going to need more than our current commitments will provide. Their expanded needs will have to be met. You will, tomorrow, be examining how we do that.

Failure to satisfactorily meet the challenge may well create a tension between meeting the needs of the elderly and other responsibilities of families and of Government. That is a tension that need not be significant if we take effective action to plan for the long-term health needs of the elderly, if we reform our income tax system to encourage private savings through overall reduction of rates and if we move more effectively than we have to get our budget deficits under control.

How well we accomplish those tasks will determine not only the welfare of our elderly but the economic welfare of our country.

The PRESIDING OFFICER. The Senator's time has expired.

RECOGNITION OF SENATOR BAUCUS

The PRESIDING OFFICER. The Senator from Montana is recognized.

THE JAPANESE TECHNICAL LITERATURE ACT OF 1985

Mr. BAUCUS. Mr. President, on May 6, I introduced S. 1073, the "Japanese Technical Literature Act, for myself and Senator ROCKEFELLER. The Commerce Committee has reported this bill favorably and placed it on the calendar.

I would like to explain why this bill is important.

THE TRADE CRISIS

America faces a trade crisis.

We all know the statistics.

Our international competitors are beating the daylights out of us. As a result, our trade deficit is getting larger each month.

Two important causes of our declining competitiveness are the high value of the dollar and unfair foreign trade practices.

Both of these causes have received a lot of attention in this Chamber, as they should.

COMPETITIVENESS

But there's a third cause, which has not received enough attention: declining American productivity growth.

Let's face facts. In the end, we have to produce our way out of the trade deficit.

Unfortunately, our competitors are increasing their productivity faster than we are:

Germany twice as fast; France five times as fast; and Japan six times as fast.

Why has this happened? Why have we lost our edge in the productivity growth rate?

One reason is our low savings rate, which sank to 1.9 percent last September.

Another reason is failings in our education performance, compared with some of our competitors.

And a third reason is that we haven't adapted well to the new, hypercompetitive global economy.

JAPANESE TECHNICAL LANGUAGE POLICY

Let me give one small example of our failure to adapt.

A commonly accepted reason for Japan's postwar economic miracle is Japan's ability to incorporate American technology.

This has not happened by accident.

Japan sends 13,000 undergraduates to American universities each year.

Japanese companies use university affiliate programs, endowed chairs, and university-based research to get early access to U.S. technology.

And, since 1957, the Japanese Prime Minister's office has operated the "Japanese Information Center for Science and Technology," which gathers information from around the world, in all languages, translates it, and makes it available to Japanese companies.

What do we do in America? Americans, in contrast, have not paid much attention to Japanese technical literature.

At one time, this may have been justified by the belief that the Japanese are imitators, not innovators.

But even if that belief was justified once, it isn't now. Japan ranks third in scientific research, just behind the United States and the Soviet Union. Japanese semiconductors, telecommunications equipment, fiberoptics, biotechnology, and robotics technology compete directly with ours.

There is plenty of published material describing Japanese technical developments. As anyone who has visited Japan knows, the Japanese people are prolific writers and voracious readers. In fact, the Japanese publish about 10,000 technical journals, from "Advances in Biophysics" to "World of Steel."

Unfortunately, we do not monitor Japanese technical literature closely.

Japanese is a difficult language.

And acquiring and translating Japanese technical documents is very expensive, especially for small companies.

The result is that we know very little about Japanese inventions. As an Assistant Commerce Secretary recently said, "We are not doing an adequate job of translating, much less monitoring."

THE JAPANESE TECHNICAL LITERATURE ACT

To address the problem, I introduced S. 1073. I am proud to have the Senator from West Virginia [Mr. ROCKEFELLER] as a chief cosponsor.

As the Commerce Committee report says, "The objective of the bill is to create a program within the Federal Government to increase the availability of Japanese technical literature within the United States." To accomplish this, we build upon several nascent private sector and Government programs.

Specifically, the bill directs the Commerce Department to take four specific actions.

First, it directs the Commerce Department to monitor Japanese technical information and translate selected Japanese technical documents.

Second, it directs the Commerce Department to prepare an annual report describing important Japanese technical developments.

Third, it directs the Department to make existing Government translations more widely available to U.S. businesses, primarily by publishing an annual index of Government translations.

Finally, it directs the Department to encourage more United States companies and trade associations to review Japanese literature.

Mr. President, Senator ROCKEFELLER and I have worked hard, with the help of the Commerce Committee and its staff, to design a program that helps U.S. businesses at the lowest possible cost.

I think we have succeeded.

And I am delighted that our bill has been endorsed by the National Association of Manufacturers, the Semiconductor Industry Association, and the American Institute of Aeronautics and Astronautics.

CONCLUSION

Overall, our Japanese Technical Literature Act will encourage American Government and business to work together to identify Japanese technical breakthroughs and respond to them quickly.

This will be only one small step toward restoring American trade leadership.

For, as the Japanese say, a journey of a thousand miles begins with a single step.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10 a.m., with statements therein limited to 5 minutes each.

IN PRAISE OF CHAIRMAN DICK LUGAR

● Mr. DOLE. Mr. President, in the last week, two major newspapers, the Wall Street Journal and the Washington Post, have paid homage to the skills and achievements of one of our own—DICK LUGAR.

The Wall Street Journal featured Senator LUGAR on its front page last Friday under the heading "Strong Helmsman." The Post article is entitled "Virtuoso Performance Surprises Hill" and appears on page A-12 of Sunday's edition. While the Post article may be accurate, the title is misleading. It comes as no surprise to anyone who knows DICK LUGAR that his intelligence and rare gifts of conciliation and judgment would once again prove him to be the one to tackle an enormous task in a masterful way.

The upshot of these articles is that as chairman of the Senate Foreign Relations Committee, one of the most prestigious posts in American politics, Senator LUGAR has quickly injected the committee with an espirit de corps that has resulted in respect and acclaim for the chairman of the committee and its members.

Hard work made DICK LUGAR a Rhodes Scholar just as it made him one of the most respected mayors Indianapolis has claimed. He has had a dominant impact on domestic policy

and has already made an indelible imprint on the foreign policy of this country. As a colleague and a friend I congratulate DICK LUGAR on his good work.

I commend these articles to my colleagues and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 1, 1985]

STRONG HELMSMAN; SENATOR LUGAR IS GAINING NEW PRESTIGE FOR PANEL ON FOREIGN RELATIONS

(By Robert S. Greenberger)

WASHINGTON—During a recent roast of Sen. Richard Lugar, who is known as a competent but colorless legislator, an old friend served up a one-liner that brought down the house.

"Dick has maintained that childhood capacity of walking into an empty room and blending right in," joked William Ruckelshaus, former administrator of the Environmental Protection Agency. Mr. Ruckelshaus, who has known the Indiana Republican since kindergarten, says, "I used to go over to his house and push him off his swings."

But since becoming the chairman of the Senate Foreign Relations Committee last January, Dick Lugar has been doing the pushing. By finding consensus positions on foreign-policy issues and selling them to the White House, he has restored some of the credibility and clout that the once influential panel lost in recent years.

SOUTH AFRICA AND JORDAN

Some examples of his pushing:

As racial violence grew in South Africa, Mr. Lugar saw the political and diplomatic risks in the Reagan administration's policies toward that country and pressed a reluctant White House to impose economic sanctions.

He saved the White House from an embarrassing defeat by forging a compromise to delay a showdown on a controversial arms sale to Jordan.

He crafted a bipartisan consensus on a $12.8 billion foreign-aid authorization bill, the first such bill that the committee had been able to clear since 1981.

"Everyone knows he has made the committee more effective," says Sen. Joseph Biden, a liberal Delaware Democrat who is a member of the panel, "He can make judgments and take the committee with him."

As a result, Mr. Lugar and his committee have an unusual opportunity to fill any gaps in the administration's foreign policy. The White House hasn't achieved significant successes in the Middle East following its involvement in Lebancn. It is struggling to find ways to promote orderly change in the Philippines. And its policy in the arms-limitation talks with the Soviet Union has been marked by internal disarray; if an agreement is reached, the committee is expected to play a decisive role in the drive for Senate ratification.

Mr. Lugar is well positioned to strengthen the role of the committee, which has been more liberal than the rest of the Senate for much of the past two decades. A man of the middle and a man of the Senate, he reflects the nation's conservative mood and enjoys the trust of colleagues on the left and the right.

He also has the confidence of the administration. He breakfasts every other week with Secretary of State George Shultz, when their schedules permit, and has long telephone conversations with him nearly every weekend. When the White House decided to impose economic sanctions on South Africa, Mr. Shultz, nattily attired in yellow pants and green golf shirt, sought out Sen. Lugar in his Capitol hideaway office late on a Saturday afternoon to deliver the news.

Mr. Lugar notes that the committee has the respect, too, of the Senate membership. "There is a sense of confidence on the part of members on both sides of the aisle that the committee is thoughtful in what it does," he says. This trust is important because senators often rely on the panel for guidance on many issues they don't have time to master.

"Senators don't want to be mousetrapped into votes that can be used destructively against them by somebody back home in a campaign," Mr. Lugar explains.

SCOUT AND SCHOLAR

Dick Lugar, a 53-year-old one-time Eagle Scout and Rhodes Scholar, brings considerable energy to his post. After becoming chairman, he set out to meet as many foreign ambassadors to Washington as possible and on some days had "three or four of them stacked up in his office" waiting to see him, an aide says. Last summer he spent the five-week congressional recess pounding out a still-untitled book on foreign policy.

Mr. Lugar contends that most Senate members are ready to follow the panel's lead and that even on minor issues his influence is growing. A few months ago, he recalls, a conservative senator complained at the Republicans' weekly Tuesday luncheon about rumors that a Soviet ship with nuclear weapons was heading toward a Mexican port. The irate senator vowed to introduce a resolution cutting off aid to Mexico if the ship was permitted to dock. Sen. Lugar, understanding that such a resolution would needlessly strain U.S.-Mexican relations, convinced the senator that he would quietly pass the word to the State Department to look into the matter.

"I don't know whether the story was true or not, but I do know that you can't conduct foreign policy on the lam, no matter how strongly you feel," he says.

Sen. Biden says that his Indiana colleague is "a masterful chairman. He's a good strategist for this administration because he's able to keep the committee out of issues the administration doesn't want it involved in." At times, though, Sen. Lugar seems too deferential to the administration and too eager to do its bidding.

For instance, in a bizarre incident on the Senate floor in September, Mr. Lugar tarnished the bipartisan image he had built during his successful effort to persuade the White House to impose economic sanctions on South Africa. To prevent a procedural vote on tougher, congressional sanctions after the White House had imposed its own penalties, Mr. Lugar, at the behest of Sen. Robert Dole, the majority leader, put the official copy of the tough bill in his jacket pocket and left the Senate floor to place it in his safe.

Mr. Lugar says the parliamentary maneuver was borrowed from the Democrats, but his opponents were enraged. "It was an arbitrary act by one senator—a one-person veto," grouses Sen. Alan Cranston, a liberal California Democrat.

LOW EXPECTATIONS

When Mr. Lugar became chairman—after an unsuccessful bid to become Senate majority leader—many panel members had low expectations. Although he had been on the Foreign Relations Committee since 1979, he hadn't played a particularly active role on the panel. Staff aides considered him a rubber stamp for the administration and said he usually was active only on those issues on which the White House asked for his help. When the panel under Sen. Charles Percy, the previous chairman, pushed to attach conditions to aid Turkey, for example, it was Mr. Lugar who was the administration's point man in opposing the plan.

But he soon surprised colleagues with his skill and evenhandedness in balancing the divergent views on the committee. When Sen. Jesse Helms, the ultraconservative North Carolina Republican, objected to language in a genocide treaty that has languished in the Senate for 37 years, Mr. Lugar worked patiently with him and met some of his concerns in a package that passed the panel. The two senators work closely together often; Mr. Lugar is the second-ranking GOP member on the Agriculture Committee, which Mr. Helms heads.

At the same time, Mr. Lugar works well with the Foreign Relations Committee's liberal Democrats. When Sen. John Kerry of Massachusetts, the panel's junior member, pushed an amendment limiting military aid to the Philippines and linking it to that nation's human-rights record, Mr. Lugar listened patiently. The amendment was defeated in committee, but Mr. Lugar honored a pledge to support a Kerry resolution designed to pressure the Philippines into improving its human-rights record and moving toward democracy. The Senate passed the resolution.

BEATING LINDSAY

Throughout his political career the soft-spoken Mr. Lugar has turned to his advantage a general inclination to underestimate him. In 1969, when he was the mayor of Indianapolis, he successfully mounted a surprise challenge to New York's Mayor John Lindsay, the prototype of 1960s charisma, to become the vice president of the National League of Cities. He became its president a year later. In 1982, he edged out the highly respected Sen. Bob Packwood of Oregon to head the National Republican Senatorial Committee, which raises and spends money for GOP senators.

Now he is devoting his energy to reestablishing the Foreign Relations Committee's leadership in shaping a bipartisan foreign policy. The panel's role has diminished since the heady days when Sen. J. William Fulbright, the Arkansas Democrat who ruled it for 15 years, helped turn the nation against the Vietnam War with televised hearings.

After Vietnam—and Mr. Fulbright's defeat in a 1974 primary—other committees nibbled away at the panel's foreign-policy turf. In 1979, when the Senate debated the Salt II treaty (which Mr. Lugar opposed), the Armed Services Committee aggressively moved in to hold hearings, even though the Foreign Relations panel had clear jurisdiction.

The decline in power was accelerated by a succession of Foreign Relations Committee chairmen who lacked Mr. Fulbright's stature. First came two Democrats, John Sparkman of Alabama, a caretaker chairman in the twilight of his career, and Frank Church of Idaho, a liberal whose personality was too abrasive for some colleagues. Then, when Republicans won control of the Senate in 1980, Sen. Percy of Illinois

became the panel's chairman. He was perceived as ineffective and weak and was badly distracted by a growing electoral challenge in his home state that eventually led to his defeat.

In the committee's good old days, Mr. Fullbright used to complain that members frequently missed hearings because they were running for the presidency. John F. Kennedy was the last committee member to win the White House; Eugene McCarthy, Hubert Humphrey, George McGovern and Mr. Percy were panel members who didn't make it. In the last decade, however, the committee lost some of its appeal and some potential new members worried that service on the panel could be a liability because "foreign policy was becoming less of an asset back home and membership on the committee could end up being an electoral albatross," observes Norman Ornstein, an expert on Congress at the American Enterprise Institute.

Last January, in his first major action as chairman, Mr. Lugar convened a set of hearings on American foreign policy. An aide says Mr. Lugar wanted to get the attention of panel members, whose attentance at hearings had been slipping, and also to raise the committee's visibility by signaling that the panel, once again, would become the forum for comprehensive foreign-policy debates. The hearings also reflected Mr. Lugar's view that it was necessary to redefine an American consensus in foreign policy after the turmoil of the Vietnam era.

Although generally serious, Mr. Lugar occasionally shows a glimmer of humor. On the morning that President Reagan changed course because of Senate pressure and announced sanctions against South Africa, Mr. Lugar held a news conference. When asked if the administration had buckled to congressional pressure, he looked at his watch and replied: "No, I think this was an independent action. The Senate isn't due to convene for another hour and a half."

[From the Washington Post, Nov. 3, 1985]

VIRTUOSO PERFORMANCE SURPRISES HILL

(By John M. Goshko)

On the afternoon of Saturday, Sept. 7, Senate Foreign Relations Committee Chairman Richard G. Lugar (R-Ind.) was in his Capitol hideaway office catching up on paperwork when Secretary of State George P. Shultz unexpectedly called to say, "Dick, I'd like to come over and talk with you about South Africa."

An hour later, Shultz arrived, still wearing the green polo shirt and canary yellow trousers of a golf outing. With Shultz was Chester A. Crocker, his assistant secretary for African affairs and the author of President Reagan's controversial "constructive engagement" policy of friendship for South Africa's white minority government.

In a gesture symbolic of Lugar's increasing influence in U.S. foreign policy, Shultz handed him a draft copy of a White House order imposing economic sanctions against South Africa. After months of resistance, the president finally had been persuaded—in large measure by the persistant senator from Indiana—that such action was the best way to avoid an embarrassing defeat by a combative Congress determined to impose even tougher sanctions on Pretoria's apartheid regime.

It wasn't the first time in the 10 months since Lugar became committee chairman that the administration, having boxed itself into a corner, relied on him to find an escape route. The deceptively soft-spoken senator also has hammered out compromises on such sensitive issues as an arms sales to Jordan and aid to Nicaragua's counterrevolutionaries.

In the process, he is leading the Foreign Relations Committee out of the drift and malaise that hobbled it for more than a decade and is restoring much of its luster as a force in foreign policy.

Not much was expected from Lugar last January when he became chairman following the 1984 election defeat of Sen. Charles H. Percy (R-Ill.). Lugar's record on the committee, where he had served since 1979, had been unspectacular; he generally was regarded in the Senate as a pragmatic, slightly right-of-center Republican with respected opinions but a penchant for hugging the background.

"When a leadership spot was up for grabs, everyone tended to think of Dick as a good second or third choice," one Senate colleague said.

Other senators praised his intellect—Lugar was a Rhodes Scholar—but they also spoke of his "Boy Scout image." In general, the former Eagle Scout seemed cut from the same gray cloth as his two predecessors in the chairmanship, Percy and the late Sen. Frank Church (D-Idaho).

Lugar has confounded those lowered expectations by displaying a virtuoso ability to stride into confrontations between the administration and Congress and produce an 11th-hour formula for compromise.

Less dazzling, but ultimately more important, has been Lugar's ability to distract Democrats from his staunchly conservative record and inject a bipartisanship into committee deliberations through a capacity to listen to other sides of an argument.

In dealing with a potentially fractious committee membership that ranges from Sen. Jesse Helms (R-N.C.) on the far right to liberals such as Sens. Alan Cranston (D-Calif.) and Christopher J. Dodd (D-Conn.), Lugar wins high marks for fairness.

"He's very charming and very accommodating," Sen. Nancy Landon Kassebaum (R-Kan.) said. "But that doesn't mean that it's a committee of coequals. It goes almost unnoticed, but his way of accommodating differing views always seems to end up with them being wrapped around a position that reflects Dick Lugar's interpretation of the way things should be. It's the mark of a strong chairman that he can do that while maintaining a sense of consensus."

In June, when the administration was about to propose a major arms sale to Jordan despite heavy congressional opposition, Lugar was instrumental in convincing the White House to defer the move and settle for $250 million in economic aid.

Two weeks ago, the administration sought anew to push through the $1.9 billion Jordan arms sale. At the last minute, as opponents were preparing for a showdown in which at least 74 senators were expected to vote against the sale, Lugar suddenly came up with an agreement—reluctantly accepted by the administration—to delay the sale until March 1. The compromise passed the Senate 97 to 1.

It was Lugar, working with Sen. Sam Nunn (D-Ga.), who rescued Reagan's aid program for the rebels fighting Nicaragua's leftist government by producing the formula that allowed funding to continue, in the form of "humanitarian assistance."

And it was Lugar, collaborating with Rep. Dante B. Fascell (D-Fla.), chairman of the House Foreign Affairs Committee, who shepherded the first foreign-aid authorization bill through Congress since 1981.

Dodd, who calls that action Lugar's biggest achievement as chairman, said much of the committee's diminished influence on foreign policy in recent years was the result of its failure to agree on legislation spelling out the ways aid funds can be used. When employed skillfully, amendments tacked onto a foreign-aid authorization enable the committee to impose its views across the range of policy decision-making.

The committee's inability to use that weapon gave the executive branch a freer hand. It turned to the Budget and Appropriations committees, which provide aid funding through continuing resolutions that are much less restrictive.

"By frittering away its authorizing function, the Foreign Relations Committee became a largely irrelevant debating society," Dodd said. "In getting a foreign-aid bill through the Senate, Lugar restored some small measure of the committee's prestige and relevance."

In Dodd's gloomy assessment, the committee has a long way to go if it is to recapture the glory days after World War II when it was virtually an equal partner of the White House in defining the bipartisan policy that guided the United States to super-power status. In the mid-1960s, the committee shifted direction. Under J. William Fulbright (D-Ark.), its chairman for 15 years, it became the stronghold of congressional opposition to the Vietnam war. But, after Fulbright's departure in 1974, the committee, hobbled by the lingering divisions of Vietnam and led ineffectively by a succession of weak chairman, was unable to carve out a new purpose and role.

Defeat at the polls ended Church's tenure after two years. And Percy, who came in when the Republicans took control of the Senate in 1980, was disliked by the inner circle of Reaganites, who undermined his authority by treating him with open condescension and working instead through then-Majority Leader Howard H. Baker Jr. (R-Tenn.).

It was against that background that Lugar took over, determined, as he says, "to get the committee used to working and reasoning together again. My aim was to convince the members, both Republican and Democrat, that if they wanted the committee to be effective, if they wanted to make a record that they could take back to their constitutents, then they would have to replace the pervasive sense of partisanship with a new esprit and willingness to find common ground."

He has some important help. Shultz, eschewing the animosity some Reaganites had shown Percy, established a close and cordial working relationship with Lugar that includes regular breakfast meetings and frequent telephone calls. Sen. Robert J. Dole (R-Kan.), who became majority leader in January, has followed an informal arrangement of trusting Lugar to control most of the Senate's day-to-day foreign policy business and to keep him informed.

But the biggest factor has been Lugar's undeviating emphasis on what he calls "consensus and common ground." In search of that, he began by scheduling a series of hearings that ranged across the entire foreign policy spectrum. They were long, frequently dull and attracted little outside notice.

But in Lugar's view "they were an excellent forum for finding out what the members of the committee and, by extension, the other members of the Senate have on their minds. I could see who had a special

interest in Greece and Turkey, who in Israel, who in human rights. And that gave us a better gauge of how to assure that these interests somehow get addressed in the committee's work.

"In each of the issues that come before the committee, there's no manual that tells you how to do it," he said. "Each is a situation where you have to play it as it lies. If there's a single rule that I try to follow, it is that we've had a time of confrontation in this country and that we now should look for compromise and accommodation.

"I try to keep that in mind if I'm dealing with my Democratic counterparts or with Secretary Shultz and President Reagan. I support the main outlines of President Reagan's policy, but I've made clear to them that I can't be a rubber stamp. When I tell them I think they're going the wrong way on an issue, it's coming from someone who isn't looking for a confrontation but who wants them to be seen and heard at their very best."

RONALD D. CASTILLE, ELECTED DISTRICT ATTORNEY OF PHILADELPHIA

Mr. SPECTER. Mr. President, Tuesday's election in the city of Philadelphia is worthy of note by the U.S. Senate because it signaled the strengthening of the two-party system in a major American city and it marked the election of a fine young attorney, Ronald D. Castille, esq., as district attorney of Philadelphia.

It is of special significance to this Senator because it was precisely 20 years when I was elected district attorney of Philadelphia under similar circumstances.

The strength of the American political structure resides in the two-party system. We observe that daily in the Congress of the United States, as the Republican Party or the Democratic Party take policy positions which lead to a quality of competition to produce the best of the governmental process for the American people.

Unfortunately, the two-party system has not flourished in most major American cities and Republican victories in any major city have been a relative rarity, so that yesterday's election in Philadelphia is worthy of special attention. As a matter of fact, Philadelphia is one of the few cities in the United States which can boast an active Republican Party. On the other hand, the Democratic City Committee of Philadelphia has long been a national powerhouse rivaled perhaps only by the Democratic organization of Chicago for national preeminence among city political organizations. For example, in 1960 when President Kennedy carried the Nation by about 100,000 votes, he carried Philadelphia by approximately 330,000 votes. President Lyndon Johnson carried Philadelphia in 1964 by about 440,000 votes. Even President Eisenhower lost decisively in Philadelphia in both 1952 and 1956.

In this context and in view of the importance of the two-party system in our Nation and in our great cities, Tuesday's victory for the Republican Party of Philadelphia and for Ronald D. Castille has national importance.

Mr. Castille is an attorney of outstanding qualification whom I appointed assistant district attorney in 1971. For 14 years, until he announced his candidacy for the Republican nomination for district attorney of Philadelphia, Mr. Castille served with distinction in the district attorney's office, holding important administrative positions and compiling an outstanding conviction rate as a prosecuting attorney.

The fight against violent crime, organized crime, white collar crime, and official corruption requires innovation, integrity and industry. I am confident that Ron Castille can fill the bill and will be an outstanding district attorney.

Yesterday's election should give encouragement to minority parties, whether Republican or Democratic, in cities, counties, towns, or hamlets across the United States. The maintenance of a Republican organization in the face of infrequent victories is a great credit to the leader of the Philadelphia organization, William Austin Meehan, Esquire; the city chairman, the Honorable D. Donald Jamieson; and the executive director, Mr. Joseph J. Duda. They and the 66 ward leaders and the approximately 3,500 committeemen and committeewomen and the thousands of Philadelphians, including independents and Democrats as well as Republicans, merit congratulations on the choice of Ronald D. Castille for district attorney and for vigorous law enforcement in Philadelphia, PA.

VETERANS DAY

Mr. GLENN. Mr. President, all too often America's riches are described in economic terms—factories, raw materials, farm production, GNP. But these descriptions overlook our greatest national resource, the spirit of our people. On November 11, we commemorate a special manifestation of that spirit—the dedication and courage of those who served their Nation in the Armed Forces. In conflicts from the very beginning of our Republic to the rubble of Beirut, Americans have served and sacrificed for this Nation, and this day has been set aside to pay particular tribute to them. It is appropriate that we designate this day in their honor, but making flowery speeches 1 day a year cannot in any way suffice to meet our obligation to our veterans.

We owe our freedom and our independent way of life to the sacrifices of America's veterans—men and women who answered the call to duty and served with honor. In recognition of that debt we have an obligation to protect and maintain the benefits they earned. As a veteran of 23 years in the Marine Corps I know that the costs of war can never be accurately measured and that they do not end with the cessation of hostilities. These costs should not be discounted by budget cutting bureaucrats and must not be written off during time of peace.

This means that we must commit adequate resources and sufficient personnel to meet the health care needs of our veterans. It means that we reject any attempts to reduce programs whose primary beneficiaries are veterans disabled in military service. That is why I have consistently and forcefully supported congressional efforts to insure adequate funding for the VA medical care system and opposed efforts to tax the compensation paid to veterans for service-connected disabilities. The Director of OMB and the Administrator must respect the sacred trust our citizenry shares with our veterans. The VA must be a strong and effective advocate of veterans benefits and services within the administration. That is why I have joined the congressional effort to elevate the VA to full Cabinet rank, a position which will enable its Director to most effectively represent veterans needs and concerns to the President.

In the 20th century we have had all too many occasions to create new generations of veterans. During World War I my father served in the Argonne, but the peace our country won 67 years ago proved neither total nor permanent. A quarter of a century later, I served my country as a marine pilot in the Pacific; a very few years later I saw combat again in Korea. The next decade sent another generation of young Americans to fight in Vietnam. Most recently in Beirut and Grenada still more Americans showed they were willing to give their last full measure of devotion.

In addition to renewing our commitment to our veterans, Veterans Day should also be a time for celebrating and honoring peace. My own experience suggests that if there is one thing a combat veteran takes home, it is a deep and abiding devotion to peace. But maybe that's really not too surprising, since the most peace-loving people in the world are those who have lived through the horrors of war. Perhaps President Eisenhower put it best when he said "I love peace as only a soldier can." In that vein, unless we are vigilant in the pursuit and maintenance of peace we will not be keeping faith with those we honor today.

CALL TO CONSCIENCE

Mr. EAGLETON. Mr. President, last month Amnesty International released

51-059 O-87-29 (Pt. 22)

its 1985 report providing detailed information on violations of human rights commitments governments have pledged to uphold.

Today, I wish to call to the attention of my colleagues Amnesty International's recitation of the Soviet Union's imprisonment of prisoners of conscience—those held only for their beliefs or origins. I ask unanimous consent that the section of Amnesty International's report relating to human rights abuses in the U.S.S.R. be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNION OF SOVIET SOCIALIST REPUBLICS

Amnesty International was concerned that many Soviet citizens were imprisoned or confined in mental hospitals solely for the non-violent exercise of their human rights. It received reports of ill-treatment from prisons, corrective labour colonies and psychiatric institutions. During 1984 it learned of 53 death sentences and 16 executions. Amnesty International had adopted as prisoners of conscience or was investigating the cases of more than 560 individuals, but believed the total number of prisoners of conscience to be much higher. Official sources rarely reported on cases of concern to Amnesty International, while individuals who tried to gather such information independently themselves risked imprisonment.

In April Konstantin Chenenko was elected Chairman of the Presidium of the USSR Supreme Soviet in place of Yury Andropov, who died in February. Amnesty International wrote to the new President asking to meet representatives of his government to discuss its concerns in the USSR, but received no reply. In October the USSR presented its second periodic report to the Human Rights Committee set up to monitor compliance with the International Covenant on Civil and Political Rights, in which it said that the USSR Constitution and Soviet legislation guaranteed the rights enshrined in the Covenant.

Throughout the year Amnesty International received evidence to the contrary. At least 132 Soviet citizens were imprisoned under laws specifically restricting freedom of religion and expression. Some individuals, previously persecuted for their exercise of human rights, were imprisoned on criminal charges which Amnesty International believed to be false.

Soviet law required religious believers to register their congregations with the authorities and to give up their right to evangelize, do charitable work and teach religion to children. Around 70 religious believers who rejected these restrictions on their religious freedom were sentenced to imprisonment and internal exile of up to 10 years for "violating the laws separating church from state" and "engaging in anti-social religious activity." They were mostly unregistered Seventh Day Adventists, Pentecostalists and Baptists. Five Hare Krishna devotes in Moscow who had been denied permission to register as a group were also imprisoned for "engaging in anti-social religious activity." Amnesty International adopted as prisoners of conscience five young men arrested for refusing to do military service on religious grounds. All were ruled unfit to stand trial and confined in psychiatric hospitals.

In a paper issued in September Amnesty International described the imprisonment in 1983 of two Lithuanian Roman Catholic priests, and drew attention to the persecution of active Ukrainian Greek Catholics (or Uniates) whose church had been banned in 1946. In 1984 it learned of the arrest of another Uniate and four officials of the Roman Catholic Church whom it believed to be imprisoned for their religious activities.

Some of those imprisoned for exercising their freedom of expression were convicted—often in closed trials—of "anti-Soviet agitation and propaganda" and given sentences of up to 15 years' imprisonment and internal exile. However, imprisonment of up to three years for "circulating anti-Soviet slander" was more common. Amnesty International learned of no instances in which a prisoner tried on these charges was acquitted. People were imprisoned for: remarks allegedly made to other prisoners (Nikolai Baturin, Mykola Horbal); private letters to the authorities or personal friends (Mustafa Dzhemilev, Adam Zarivny, Zakhar Zunshain); taping foreign broadcasts of religious music (Gennady Bedarev, Aleksandr Semchenko): photocopying foreign literature (Vitaly Cheverev and five library employees); researching controversial literary or historical themes (Aleksandr Bogoslovsky, Liudas Dambrauskas); and associating in unofficial groups to preserve Jewish culture (Yakov Levin, Mark Nyepomnyashchy, Leonid Shrayer, Yakov Rosenberg and Iosif Zisels).

Most of those imprisoned under these laws, however, were convicted of systematically preparing *samizdat*, that is literature which bypassed official censors. They included two advocates of independent trade unions as well as Roman Catholics, Pentecostalists, Seventh Day Adventists and Baptists.

Individuals suspected of documenting official abuses of human rights were also targets for prosecution. In January Yelena Sannikova, a kindergarten teacher, was arrested for a *samizdat* bulletin called *The Chronicle of the Human Rights Movement* had been confiscated from her home. She was sentenced to one year's imprisonment and four years' internal exile for "anti-Soviet agitation and propaganda". In September a Moscow mathematician, Yury Shikhanovich, was sentenced to 10 years' imprisonment and internal exile on the same charge for editing 30 issues of the *samizdat* human rights journal *A Chronicle of Current Events.*

In February an amendment came into force which increased the penalties for first-time offenders convicted of "anti-Soviet agitation and propaganda" using money or other material aid from foreign organizations. The penalty rose from 12 to 15 years' imprisonment and internal exile. To Amnesty International's knowledge no one was sentenced under this section of the law in 1984.

In May the prisoner of conscience Academician Andrei Sakharov went on hunger-strike to demand that his wife, Yelena Bonner, be allowed abroad for surgery. Amid international protest, permission was refused and Yelena Bonner was sentenced in August to five years' internal exile for "circulating anti-Soviet slander". Dr. Sakharov was reportedly hospitalized and forcibly fed, and returned to his place of exile in September. Amnesty International learned of other individuals and an entire Pentecostal community on hunger-strike because they were refused permission to leave the country. At least four people were imprisoned for up to eight years for allegedly trying to emigrate without permission. They were convicted of "illegal exit abroad" or "treason—in the form of flight abroad". Amnesty International also adopted as prisoners of conscience numerous individuals imprisoned on charges not directly related to their attempts to leave the country. For example, Aleksandr Yakir, a Jewish would-be emigrant of long standing, was imprisoned for refusing military call-up. Twenty-three would-be emigrants were imprisoned for "violating the passport regulations", since they had returned their identity papers to speed their visa applications. They were mostly Pentecostalists and citizens of German origin. In May Amnesty International issued a paper analyzing the use of the law against "parasitism" to imprison would-be emigrants and other prisoners of conscience for the exercise of human rights. In 1984 at least four people who had lost their jobs after applying to emigrate were imprisoned as "parasites". Amnesty International also investigated the cases of 11 Jews imprisoned on criminal charges, all of whom had a history of harassment for their attempts to leave the USSR.

The Soviet authorities continued to use forcible psychiatric confinement as a means of punishing known dissenters. In 20 reported cases individuals were said to have been put in mental hospitals against their will for indefinite periods following conflict with officials that centered on their exercise of human rights. Amnesty International believed they were confined for political, rather than medical, reasons, and that they had neither used nor advocated violence. Most of the cases involved religious believers and would-be emigrants, committed without criminal charges to ordinary psychiatric hospitals and released after a few months. Some reported that they had been forcibly treated with drugs which caused them intense physical discomfort. Amnesty International also learned of one Roman Catholic confined to a special psychiatric hospital under the criminal procedure: Sandr Riga was arrested in February and charged with "circulating anti-Soviet slander" and "engaging in anti-social religious activity". He was accused of printing an unofficial ecumenical journal called *Prizyv* (Summons) and of holding prayer meetings in Moscow without permission. Ruled unaccountable for his actions, he was tried in his absence and confined to a maximum-security psychiatric hospital in Blagoveshchensk, 9,000 kilometers from his only relative. In January it was reported that Aleksei Nikitin, a miner, had died only weeks after he had been released from three years' psychiatric confinement as a prisoner of conscience. Valentin Sokolov, a poet, also died, in Chernyakhovsk special psychiatric hospital in September, after more than 24 years as a prisoner of conscience.

Most prisoners of conscience served sentences in corrective labour colonies. According to reports reaching Amnesty International they suffered from persistent hunger and medical neglect and were forced to do taxing compulsory labour. Officials often punished prisoners arbitrarily, cutting their already limited food rations and concealing their rights to letters and visits. Although entitled to complain to the procuracy, prisoners were commonly powerless to obtain redress when their rights were violated: often their letters were censored, or their complaints were sent for investigation by the very officials complained of. As a pro-

test many prisoners went on hunger-strike, itself a punishable offence.

Amnesty International was concerned by the deaths of three prisoners of conscience imprisoned in special regime institution Perm 36-1. All were serving 15-year terms of imprisonment and internal exile for "anti-Soviet agitation and propaganda". It is not known what medical treatment they had received before their deaths. Oleksa Tykhy, a member of the unofficial Ukrainian Helsinki monitoring group set up in 1977 to document human rights violations, died of stomach cancer in May, at the age of 57. In 1979 doctors had redcommended his release on grounds of ill-health, but their recommendation was rejected. In August the death was reported of another Ukrainian Helsinki monitor, Yury Lytvyn. Aged 50, he had previously spent 18 years as a prisoner of conscience. The cause of his death was not known. Amnesty International appealed to the Soviet authorities to release a third inmate of Perm 36-1 on grounds of ill-health. At his trial in March Valery Marchenko, a Ukrainian journalist, was reported to be suffering from chronic nephritis and acute hypertension. Six months into his sentence, he died of kidney failure, aged 37.

Amnesty International received disturbing allegations that some prisoner of conscience had been systematically beaten, either by officials or with official consent. In 1984 eight cases of systematic official brutality were alleged. Although Amnesty International was unable to verify all these allegations, it was concerned that not one had apparently been thoroughly investigated by the competent authorities. In August it appealed for an urgent inquiry into the case of Anatoly Marchenko, who was reported to have been handcuffed and beaten unconscious by officials at his corrective labour colony in the Perm region after submitting a formal complaint about conditions in the colony to the procuracy.

One prisoner of conscience had his term extended under Article 188-3 of the Russian Criminal Code which forbids "willful disobedience" in a corrective labour institution. Vladimir Poresh, a young Russian Orthodox believer from Leningrad, had been sentenced in 1980 to eight years' imprisonment and internal exile for "anti-Soviet agitation and propaganda" in connection with his religious activities. In October he was retired in Chistopol prison and sentenced to a further three years' imprisonment for sending a complaint to the procuracy alleging that prisoners had been beaten and that officials had broken the arm of another prisoner of conscience, Sergei Grigoryants. To Amnesty International's knowledge this was the first time Article 188-3 had been applied to a prisoner of conscience since it was introduced in 1983.

Amnesty International learned of 53 death sentences and 16 executions during the year, but believed the total number of death sentences passed to be much higher. It appealed for the commutation of every death sentence of which it learned. Yermak Lukyanov, a 70-year-old Belgian citizen of Kalmyk origin, against whose death sentence Amnesty International had protested in 1983 (see *Amnesty International Report 1984*), was reportedly executed on 14 May. In December Amnesty International publicized information about an unofficial petition in the Georgian republic, protesting against death sentences passed on four convicted hijackers. Three thousand Georgians were said to have signed the petition, among them two deputies of the republic's Supreme Soviet. It was not known if the hijackers had been executed.

Mr. EAGLETON. Mr. President, the Soviet Union has recently issued an exit visa to Yelena Bonner, wife of Andrei Sakharov, to allow her to seek long-needed medical care. Obviously, I, and I am sure all of my colleagues, welcome that action. In so doing, we should not lose sight of the tens of thousands of other prisoners of conscience who continue to be denied freedom of expression, freedom of movement, freedom of religion.

President Reagan and Secretary Gorbachev will meet later this month in Geneva. President Reagan has made clear his intention to raise the issue of human rights with Secretary Gorbachev during that meeting. I applaud the President's commitment and I urge him to hold firm to that intention. The Soviet argument that human rights issues are strictly internal matters belies the commitment made by the Soviet signature on the Final Act of the Conference on Security and Cooperation in Europe [CSCE] in Helsinki in 1975, in which the U.S.S.R., and 34 other nations, including the United States, pledged to respect human rights and to allow a freer movement of people across international borders. President, Reagan must pursue every opportunity to continue to pressure the Soviet Union to live up to the Helsinki Final Act.

VETERANS DAY 1985

Mr. CRANSTON. Mr. President, Veterans Day provides us with an important opportunity to pause in the rush of our day-to-day business to reflect on those who, often at great personal sacrifice, have stood in defense of our Nation. Whether they faced combat or stood ready to do so if called, the men and women who have served in our Armed Forces deserve our heartfelt thanks and appreciation.

Too often, as we debate expenditures of billions for this program or that, we lose sight of the individuals these programs are designed to serve. A special day, such as Veterans Day, helps refocus our thoughts. It helps us to rediscover important elements in our national make-up and gives us the opportunity to rededicate ourselves to important causes.

America has a tradition of honoring its veterans, but too often the initial fervor and support for those who served in our defense fades as we move further away from a period of war. Perhaps no one has captured that tendency better than Kipling in his famous poem "Tommy" where he wrote:

For it's Tommy this, an' Tommy that an' "Chuck him out, the brute!"
But it's "Savior of 'is Country", when the guns begin to shoot.

This Veterans Day, let us pledge ourselves to keeping strong America's support for our veterans, both through expressions of support and through tangible programs of benefits and services.

I recognize that a current overriding concern of this body and the American people involves—very properly—ongoing efforts to reduce Federal expenditures so as to curb the enormous Federal deficits that are choking our economy. Thus, in urging rededication to the support of programs of benefits and services for veterans, I want to be clear that I am not suggesting that those programs must not be considered as we seek ways to reduce Federal spending. Indeed, veterans programs have borne their share of cuts in this effort in recent years and continue to do so.

What I am urging is that, as we make the many hard choices that lie ahead, veterans not be dismissed as just one more special interest group pleading its case. In a very real sense, our Nation's veterans have made it possible for the future of all other programs and concerns to be debated. Without the dedication and commitment of our veterans—their very real sacrifices, including the ultimate sacrifice for many—over the years in our Nation's hours of need, we Americans would not enjoy the great freedoms that we so often take for granted.

The vast majority of our veterans returned from their service unmarked by long-term injury or illness. For them, assistance in readjusting to civilian life and a sincere act of recognition and thanks is generally all that is needed to let them know in appropriate ways that their sacrifices are appreciated.

For those who returned from their service with disabilities and for the survivors of those who gave their lives, much more is needed. For them, we must revivify and reaffirm the historic commitment, expressed so eloquently by President Lincoln in his second inaugural address, "to care for him who shall have borne the battle, and for his widow and his orphan."

This commitment—which is the motto of the Veterans' Administration—is a moral commitment of the highest order. It must be maintained.

I believe it is fair to say that there is general agreement in the Congress that national defense is a legitimate, high priority of the Federal Government—indeed, our collective defense can only be met on a national level.

What is not understood by some, however, is that the great costs of providing for our defense do not end when the guns cease firing.

Providing benefits and services to meet the needs of veterans and their survivors is a continuing cost of war—a continuing obligation of waging war—and must be recognized as such.

Health care must be provided to heal the wounds of war.

Adequate compensation must be provided for those with disabilities incurred during their service.

Programs of education support, counseling, and employment assistance are needed to help veterans readjust to civilian life.

Programs to assist the survivors of those who gave their lives are vital to help replace their great loss in the limited ways we can.

A weapons system that is no longer needed can be discarded. Those who stood guard must not be treated in the same way.

This Veterans Day, as we pause to remember the sacrifices of those valiant men and women who have served our Nation so well, let us renew our commitment to repaying the debts we owe them.

CARRYING FRIENDSHIP TOO FAR

Mr. GLENN. Mr. President, the November 25 issue of the New Republic includes an article titled "Carrying Friendship Too Far," which comments on the administration's proposed nuclear sale to the Peoples' Republic of China. Comments made in the article are right on target and well worth consideration by my colleagues in the Senate, as well as others in our society interested in nuclear nonproliferation.

Mr. President, I ask unanimous consent that the article be published in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CARRYING FRIENDSHIP TOO FAR

The Ayatollah Khomeini and Muammar al-Qaddafi are probably the heads of state whom the world would least like to see with their fingers poised at the nuclear button. Neither man has the bomb but both are scheming to get their hands on the technology. If they succeed, it may well be thanks to the reckless nuclear export policy of the People's Republic of China—and perhaps even to the reckless export policy of the Reagan administration. In the name of Sino-American rapprochement, we are about to embark on a 30-year Agreement for Nuclear Cooperation with the most egregious proliferator in the history of the atomic age.

The most likely setting for nuclear war is not the Black Hills of Dakota or Siberia or even Europe, but the Third World. Clearly, then, our best means of averting nuclear holocaust lies in preventing the spread of atomic weapons to smaller, less responsible countries. Yet the Reagan administration's proposed agreement with China is not the first time an American president transcended our outspoken verbal commitment to nonproliferation for financial and geopolitical gains. In 1980 President Carter waived the Nuclear Nonproliferation Act in order to provide India with nuclear fuel deliveries, and three years later Reagan circumvented the same statute by designating France as a surrogate supplier. Now we seem on the verge of an even greater folly.

A number of considerations have converged to produce the China agreement. One prime impetus has been the woes of the American nuclear power industry, which hasn't sold a single reactor in the United States since 1975. China's budding energy program, with its call for six foreign-supplied reactors by the year 2000, offers Westinghouse and its cohorts a potential seven-billion-dollar market. Also working in favor of the agreement is the current frustration over the trade deficit. Few in Congress can resist the lure of a possible ten-figure sale. Perhaps most important, the administration sees the agreements as a way to secure further strategic ties to China.

No one doubts that selling nuclear power reactors to China would serve all of these valid goals. But almost everybody who has carefully examined the text of this agreement recognizes that it is poorly worded and courts catastrophe. At the moment five countries—the U.S. USSR, Britain, France, and China—admit to possessing nuclear weapons. Two others, India and Israel, are widely suspected of having joined the club. Three of the five weapons states and 125 non-weapons states have signed the Nuclear Nonproliferation Treaty, which includes a list of procedures for verifying the strictly peaceful use of any nuclear export to a non-weapons state.

China has persistently refused to ratify the Nonproliferation Treaty or to follow its recommended safeguards. Until just last year, China's official pronouncements actually declared that nuclear proliferation was a worthwhile enterprise serving to erode U.S.-Soviet nuclear hegemony. "So long as the imperialists refuse to ban nuclear weapons," the Chinese government once declared, "the greater the number of socialist countries possessing them, the better the guarantee of world peace." With this policy China established itself as the National Rifle Association of nuclear matters. Since 1980 U.S. intelligence sources have reported several Chinese shipments of nuclear materials to Argentina, India, and South Africa, whose nuclear ambitions are well established.

China's most egregious breach of the nonproliferation ethic is its collaboration with the nuclear program of neighboring Pakistan. In exchange for permission to study Pakistan's enrichment techniques, the Chinese reportedly have provided design information on a bomb already successfully tested in China. Intelligence documents indicate that Chinese technological assistance since at least 1980 has brought Pakistan within two years of possessing its own small nuclear arsenal. And since Libya's oil revenues have helped support the Pakistani program, the CIA fears that Pakistan may be obliged to share its technology with Qaddafi.

Supporters of the agreement acknowledge China's poor nuclear record. But they insist that Beijing's behavior has changed. In 1983 China signed on as a member of the International Atomic Energy Agency, ending a 30-year boycott. In January 1984 Premier Zhao Ziyang declared before a White House audience, "We do not engage in nuclear proliferation ourselves, nor do we help other countries develop nuclear weapons."

America's 1978 Nonproliferation Act sensibly requires more than just amiable after-dinner words. The law demands a "guaranty" of safeguards on U.S. nuclear shipments to any country as well as American consent to any retransfer of technology or enrichment or reprocessing of fuel supplied by us. The guarantee is essential because any of these procedures can lead to the distillation of nuclear explosive materials.

The agreement with China, however, provides no safeguarding mechanism other than "mutually acceptable arrangements for exchanges of information and visits" to be clarified at some point in the future through "diplomatic channels." If China decides to enrich or reprocess U.S.-supplied nuclear fuel, we are required "to consider such activities favorably" while holding "consultations to agree on mutually acceptable arrangements."

Despite these glaring loopholes, Kenneth Adelman, the director of the Arms Control and Disarmament Agency, has asserted that the nebulous "exchanges on information and visits" clause is "adequate to provide confidence against the misuse of any items subject to the proposed agreement." Similarly, in lieu of formal consent rights over retransfer, enrichment, or reprocessing, Adelman accepted China's private pledge that it has "no plan to undertake reprocessing of spent fuel from power reactors for at least 15 years." Adelman also claims that "the prospect of the proposed agreement played an important role in bringing about this evolving attitude [toward nonproliferation] on the part of China." The logic seems to be: what we can't get the Chinese to concede publicly, we can expect them to concede privately on the basis of their newfound commitment to nonproliferation. Contrary to the available evidence, Reagan officials insist that an admittedly tainted trading partner is inching toward reform and that our surest means of encouraging this process is through further commercial involvement. This sounds like "constructive engagement" with South Africa.

As with the putative reforms of the Botha regime, China's purported spiritual rebirth is at best a tenuous, begrudging concession, at worst a calculated charade. For starters, despite Zhao's White House dinner toast, there's good reason to believe that China's fundamental attitude toward the merits of proliferation hasn't changed. In July 1985, long after Chinese envoys had begun to project a more conciliatory tone to their American audiences, Vice Chairman Zhou Peiyuan of the Chinese People's Political Consultative Conference told the Brazilian press that Third World nations should develop nuclear energy technology "if they feel the need to have it for peaceful purposes" as a means of "breaking the monopoly of the two superpowers: the Soviet Union and the United States." According to a CIA translation of the Brazilian report, Zhou defended China's initial atomic explosion "as a way of breaking the nuclear monopoly." This sort of talk purposely muddles the vital distinction between nuclear power and nuclear destructive power in the hope of breaking a U.S.-Soviet "monopoly."

Nor are current Chinese nuclear export practices much different from those of the past. After the initialing of the agreement in April 1984, the State Department was forced to reopen negotiations with the Chinese to clarify their commitment to nonproliferation. It seems that after Chinese negotiators had renounced assistance to "outlaw" states—those with secret, weapons-oriented nuclear development programs—Chinese technicians were discovered at Pakistan's top secret nuclear facility. By July of this year, U.S. intelligence had satisfied itself that the Chinese were gone from Pakistan, and Reagan signed the agreement. But since then reports have surfaced in the

intelligence community that China has continued its nuclear exports to South Africa and Argentina and, even more disturbing, that it has engaged an Iranian envoy in serious discussions over the export of sensitive nuclear technology once the U.S. cooperation pact is secured. China has held meetings with Iranian representatives in both Beijing and Tehran to discuss terms for the sale of nuclear-capable surface-to-surface missiles. Agence France-Presse reported on October 23 that the talks were "progressing rapidly."

Since the inauguration of the International Atomic Energy Agency two decades ago, every nuclear power agreement signed by the U.S. has contained a safeguards requirement. Yet in his official assessment of the China deal, ACDA director Adelman pleaded that "the United States did seek Chinese acceptance of IAEA safeguards on U.S. supply under the agreement, but the Chinese adamantly refused." Why cave in to China's refusal? The argument is that since China is a nuclear weapons state, IAEA safeguards aren't strictly required by law. This is true. It's also true that the "exchange of information and visits" provision isn't much of a safeguard in any sense of the word. Obviously the U.S. negotiators were willing to sacrifice the spirit of American nonproliferation law as long as the appearance of legality was maintained. They made such concessions because, as the language of the final document illustrates, proliferation was the least of their concerns.

The State Department and its allies insist that the negotiators made no such concessions. They argue that despite the text of the agreement, they have obtained private assurances from the Chinese that Beijing will cooperate with unwritten American expectations. In particular the chief American negotiator, Special Ambassador Richard T. Kennedy, has prepared a classified "Summary of Discussions," in which he asserts that the Chinese have provided further pledges to reform their nuclear export policies. Touting these unwritten, unofficial assurances, he claims that the China pact would not compromise our vigilance against the spread of nuclear weapons. A number of representatives believe he is bluffing.

Fortunately there is a way to call the bluff. Senators John Glenn and Bill Roth, along with their colleagues in the House, have introduced meaures to clarify the ambiguous passages of the agreement. The Glenn-Roth bill simply articulates the State Department's professed interpretations of these passages as offical U.S. policy and requires the president to certify that the Chinese accept these interpretations before the licensing of any nuclear exports. It mandates specific safeguards and frees us from any obligation to yield to China's discretion. It requires China to issue a "written, detailed statement of its nonproliferation policies," and reaffirms our understanding that the agreement is subject to U.S. export laws. Since the bill does not more than bind both countries publicly to the commitments purportedly secured in private by the State Department, there is no apparent reason to oppose it.

The real threat of the Glenn-Roth proposal is not, as the State Department claims, that it will "gut the agreement" but that, quite the contrary, it will put guts into it. It may, as some officials protest, demand a degree of strictness to which the Chinese will never submit. These officials may be right. If so, the world is better off without this deal.

AFL-CIO CONRAIL RESOLUTION

Mr. SPECTER. Mr. President, I am truly pleased today to report that the AFL-CIO has joined many companies and individuals from business in endorsing a public sale of Conrail, and has opposed the proposed merger of the Conrail and Norfolk Southern rail freight systems. This position was unanimously adopted in a resolution by the AFL-CIO at its 16th Annual Constitutional Convention in Anaheim, CA, from October 28-31, 1985.

The public stock offering proposal, which I have long supported, provides the most effective assurance of a long-term, viable and competitive rail system in the East and Midwest. S. 1361, the legislation I introduced last summer, will best ensure this outcome by implementing the plan of the distinguished investment banking firm, Morgan Stanley, to purchase the Federal Government's 85 percent share of Conrail, and return the railroad to the private sector through a public sale.

The support of labor for this proposal is invaluable. Mr. President, I ask unanimous consent that the AFL-CIO resolution be printed in the CONGRESSIONAL RECORD as though it were read in full here today.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SALE OF CONRAIL

Whereas, Conrail, which serves shippers, industries and communities in 15 States in the East and Midwest, is one of the largest railroad systems in the United States; and

Whereas, almost 40 percent of all rail freight handled in this country originates or terminates on Conrail lines and the system provides dependable rail shipping to the public employing more than 35,000 employees; and

Whereas, originally created by Congress from several bankrupt and ailing railroads to maintain vital railroad service to the Northeast, Midwest and middle Atlantic regions, Conrail is today an efficient, well-run, profitmaking railroad; and

Whereas, the Federal law that created the system also provided that Conrail should be sold to divest the Government of permanent ownership; and

Whereas, the proposal by the Reagan administration to sell the system to Norfolk Southern would not produce a fair return to the Treasury because of tax loopholes available to the purchaser and such sale would create a rail monopoly that would have an adverse effect on the public, shippers, industries, communities and other railroads, including massive layoffs for Conrail employees and for many employees of other railroads; therefore be it

Resolved, that the AFL-CIO joins the Railway Labor Executives Association in favoring a public sale of Conrail and opposing the Reagan administration's plan to sell the system to the Norfolk Southern Corp., and be it

Resolved, that the AFL-CIO fully supports rail labor in calling for the public sale of Conrail that would ensure the viability of Conrail as an efficient railroad system, assure the public of dependable railroad service at reasonable rates, and protect the jobs and livelihoods of thousands of Conrail and other railroad workers.

VIEWS OF SOUTH DAKOTANS ON THE FARM BILL

Mr. ABDNOR. Mr. President, my colleagues are well aware I was incensed when we recessed for the month of August without passing a farm bill so that winter wheat farmers in my State would be paid the common courtesy of knowing what the program would be as they were planting their crop for harvest next summer.

It is ridiculous and inexcusable, Mr. President, that time and time again we leave farmers hanging, that we can't pass a bill to give farmers a reasonable planning timeframe, and that we continue to tinker with and change the program up till and past the last moment farmers have a chance to make production and marketing decisions. Our actions are tantamount to forcing farmers to try to hit a target which not only is moving, but also is hidden from view.

Surely, we can do better than that. I implore my colleagues to join in passing a bill which provides not only the very best possible program to address the immediate, severe problems in rural America but, just as importantly, gives farmers assurance of stability and the opportunity to plan their operations without fear of sudden changes which could render their best laid plans obsolete without warning.

Despite the fact this bill should have been passed months ago and it is high time Congress gets its act together on the best possible program for America's farm families, I have taken advantage of the delay to continue my discussions with South Dakotans in an effort to keep completely up to date on their latest and best thinking on the problem and potential solutions.

In that regard, Owen Ambur and Bruce Knight of my staff joined me over the Columbus Day recess in traveling to 17 communities to hold listening sessions with farmers in their own communities, and I'd like to take a few moments to convey to my colleagues some of the comments we heard at each meeting.

At the first session in Dell Rapids, the discussion focused particularly on complaints about the quality of our grain exports. Support was voiced for strengthening our standards to protect our ability to compete for and win sales abroad. At the same time, it was argued that we are allowing too many imports of farm products into the United States and that imports are responsible for a large part of the depression in the agricultural economy. Finally, a strong case was made for requiring cross compliance so that one individual cannot put one field or one crop under the farm program in order

to get the benefits while holding other crops or fields out, producing as much as possible on the one hand and gaining price support benefits on the other.

At Brookings several of the suggestions centered on the development of ethanol as a new use of farm commodities, the use of natural fertilizers and crop rotation as means of lowering input costs, and the thought of exporting livestock products instead of crops. At least one participant strongly supported more restrictive payment limitations for individual producers. It was argued on the one hand that a price structure is needed for all of agriculture, instead of just for certain commodities, but, on the other hand, that as few strings should be attached to the program as possible. The conflict of purposes was not lost on the participants, and one individual highlighted the paradox: Rural America is looking to Washington for solutions when in fact Washington is largely responsible for the problem in the first place.

One participant in Brookings and the suggestions he made deserve special mention. Former Congressman Frank Denholm, who served with me in the House of Representatives, expressed some very strong views that make a great deal of sense. First, he argued the budget for agriculture was actually greater in 1971 when he was here than it is now. Second, he decried the policies of the current program which in effect pay farmers not to produce. He suggested instead of placing the emphasis on bushels, as current policies do, the emphasis should be placed upon people. He argued that can be done through a graduated scale of payments to farm families, based upon their farm sales level. For example, he suggested guaranteeing a farm family 100 percent of parity on the first $50,000 in sales, 90 percent on sales of $60,000, 80 percent on $70,000, 70 percent on $80,000, and no support on sales in excess of $100,000. He left room for debate on the exact sales/payment levels, but he insists that the payments should be made directly to each farm family—a husband, wife, and minor children—and not to corporations or large operators who circumvent payment limitations by breaking up their operations into small units. Finally, the former Congressman stated emphatically that government should not be in the business of storing grain and that the last thing farmers need is more loans.

In Watertown concern was voiced over the implications for farm borrowers if ag lending is exempted from the provisions of the Uniform Commercial Code. Another individual, a farmer with two sons involved in his operation, decried the high price of land, argued that farmers do not need Government telling them what to do and that commodity support prices should be reduced, detested the acreage allotment system, and supported tax changes to do away with investment tax credits and fast write-offs and preferential treatment of capital gains. Support was voiced for maintaining the payment limitation at no more than $50,000, and it was argued that FmHA and Farm Credit have actually created the problem farmers are now facing, rather than helping to solve it.

Attendance at the Webster meeting was hampered by competition from the Ducks Unlimited banquet occurring in the same building, but one of the farmers who dropped by has had a long and active concern for preserving and enhancing the ability of the Rural Electrification Administration to continue to assist in delivering reasonably priced power to farms and rural communities.

One of the highlights of the Aberdeen session was the suggestion that acreage setaside or diversion programs should require a multiyear commitment. Three years was suggested, during which time the same acres would lie idle for conservation and wildlife purposes, instead of the current annual program which does not lend itself to the benefits which could be achieved through a multiyear approach.

In Pierre the issue of grain standards again was raised, but it was argued the impetus for needed changes should come from the grassroots up, instead of from Washington down. Otherwise, the fear is the result will be still lower prices to farmers. No doubt was expressed that grain standards should be upgraded and simplified, but caution was urged. It was pointed out, for example, that the Taiwanese say United States wheat is still the best quality in the world and that, in the current buyers market, foreign customers will use every means possible to try to bargain the price down still further. Support was voiced for compromise on the issue of cargo preference.

A specific problem raised with respect to the Federal Crop Insurance Program is that winter kill is not covered for winter wheat. Farmers must sign up for the program in the fall and if their wheat crop does not survive the winter, they are required to replant another crop in the spring, with no indemnification for the risk of winter kill. In other words, the all-risk crop insurance program is not all-risk at all for winter wheat farmers.

Finally, in Pierre it was stated emphatically that farmers do not need more loans, nor do they need Government telling them how to farm.

In Mitchell a commodity-by-commodity check-off was suggested to support the costs of referendums on production cutbacks. It was argued a 5- to 10-year rolling average should be used to determine program bases, instead of the current 3-year average, and that bushels rather than acres should be used to establish a farmer's program base. One individual who will remain nameless but is particularly well qualified to speak on the subject argued very strongly that cross compliance and offsetting compliance should be required of any farm program participant. In other words, a producer either should be all in or all out of the program. He should not be permitted to have it both ways. The same individual indicated a variable target price program based upon optional setaside levels would make sense, and that the use of proven yield would facilitate the use of a bushel base in place of the current acreage allotment system. On that score, it was argued a producer's proven yield should be established by one agency and the same yield should be used by all agencies.

It was also suggested that a more proper role for Government is to help market agricultural products in lieu of paying farmers not to produce. Some in attendance suggested Government programs have put a premium on and acutally rewarded incompetence, and those were opposed to any action to bail out the Farm Credit System. Finally, an improved dairy inspection and testing program was suggested, as a means of cutting production, along with an assessment to be levied upon imports for promotional purposes.

In Scotland it was pointed out that farm programs have not worked and, obviously, something different must be done. Some felt that ag imports should be cut off, and all insisted on fairer trade policies. It was suggested farm program benefits should be limited strictly to those actually living on the farm and denied to anyone else, particularly those who are not really farmers and have large non-farm incomes. It was argued strongly that price is the key and not more loans, that farmers need to price their products, and that the farm program should be flexible to enable each producer to deal with his own needs.

A bone of contention at Yankton was the higher storage payment rate for commercial elevators than for farmer storage. There was unanimity that farm program payments should be denied to those farming fragile lands, and it was suggested lands placed under the plow in recent years should be excluded too. Support was voiced for allowing the Farm Credit System to fail and for directing credit relief to farmers themselves instead of to the lending bureaucracy. A related comment expressed a strong opposition to helping those who bid up the price of land with Federal Land Bank and FmHA loans, and the thought was voiced that banks pushed out ag loans

with little thought to the longer term consequences for farmers. It was argued FmHA should focus its lending activities on young farmers instead of established operators. Participants in Yankton were bewildered over the amount of money we pour out to other countries, why we can't use our grain for alcohol, and why we are importing so much oats.

In Vermillion an early remark centered on our efforts to promote agricultural development in other countries. We are now paying a price in lost sales. Concern was voiced over cargo preference, grain standards, and overvaluation of the dollar, grain company profits, and the high percentage of USDA's budget which goes to nonfarm program.

On credit, the question was asked why borrowers are being penalized for the new buildings and mismanagement of the Farm Credit System. It was suggested FmHA, FLB, and PCA have accelerated inflation in competition with private lenders. Yet, it was argued Uncle Sam bailed out Chrysler and got its money back, so why should something similar not be done for farmers. It was rumored that FLB and FmHA are offering farms received through foreclosure for sale at more favorable terms than were allowed for those who were foreclosed upon. It was said FmHA has in some cases induced borrowers to build new homes and should accept a share of the responsibility. One individual indicated FmHA shows favoritism and helps very few, and that farmers would have been better off without FmHA. Finally, with respect to an interest rate buy-down it was argued the State does not have the money, that the only tax base in the State is agriculture, and that's where the money would have to come from.

The investment tax credit was said to have hurt farmers badly, and limitation if not elimination of ITC was supported. Opposition was expressed by one participant to a mandatory checkoff to fund beef and pork promotional activities, due the administrative costs. That individual thought the idea of promotion is fine, but he chastised the organizations pushing the checkoff for not pushing harder for labeling of imported meat. Another person chimed in, "How can we compete with subsidized foreign production?"

Finally, in Vermillion one farmer spoke in favor of mandatory production controls, and target price protection generally seemed to be favored over more loans. One participant summed it up, "If farmers get a better price, credit will take care of itself."

In Alcester another pitch was made in support of cross compliance, and the use of total normal cropland acres, rather than individual crop acreage allotments, as the basis for setasides. There were calls for reductions in meat imports and for elimination of tax-loss farming, at least with respect to products for human consumption, if that caveat would remove the opposition of horse breeders. One of the more innovative suggestions made was to apply cargo preference requirements to ag imports if maritime interests continue to insist upon applying them to our grain exports.

It was pointed out the United States is the biggest meat importer in the world, and it was argued red meat consumption is not down if imports are included and that, contrary to popular belief, we do not produce enough meat for our own consumption. Policy differences pitting cattle and hog associations against other commodity groups and general farm organizations were decried, and it was agreed livestock feeders never make money feeding cheap grain. Opposition was expressed to a mandatory meat promotion check-off, and Southern feedlots were said to have the power on Capitol Hill. It was argued the biggest problem facing U.S. farmers is subsidies paid by foreign governments and that others will always undercut our price, but that we still sell grain overseas.

The storage payment differential was raised again in Alcester with the question,"Why does USDA favor elevators over farmers?" It was felt that grain standards should be raised because farmers are already paying the cost through discounts at local elevators. It was suggested Federal crop inspectors should be rotated regularly to guard against corruption. Money was advocated for research on alternate uses of crops, especially for export. One person argued profitable prices for cotton would in turn aid soybean and corn producers, and that use of synthetic fabrics has induced cotton farmers to switch to soybeans.

On conservation one farmer suggested requiring a grove of trees on every quarter of land would help cut production and, at the same time, protect the soil. Another argued local control must be exercised over any conservation reserve to preclude wealthy outsiders from coming in and buying up land and paying for it with Government payments.

The large fluctuations in cattle markets were questioned, and labeling of beef by point of origin was advocated again in Alcester. High interest rates were cited as the biggest problem for young farmers. One participant suggested, contrary to views heard at other meetings, that higher commodity loan levels are preferable to higher deficiency payments, particularly since the loans come in the fall. There was a strong sentiment that too much money is being spent on defense. One participant concluded the farm program should be allowed to revert to permanent law, based upon parity, and another argued that those making more than 50 percent of their income off the farm should be excluded from any referendum on farm policy.

In Lennox a member of a family farm corporation argued farm program payment limitations should be based upon the number of families involved, rather than simply treating the family corporation as one entity. Agreement was voiced for views expressed previously that the Farm Credit System has been spendthrifty and that farmers are paying for the excesses through higher interest rates. Continuing changes in the crop insurance program were said to be a problem, and it was argued the risk of being prevented from planting should be covered as well. Unions were said to have gotten too strong, contributing to increased input costs. It was suggested cutbacks in grain inspection may have contributed to complaints from foreign customers concerning the quality of our exports. It was said farmers don't pay any attention to Government crop reports, that there would be no objection to limiting such reports to once a year, and that carryover stocks should be considered inventory and not surplus.

The last meeting was held in Hartford, and most of the views expressed had been covered at previous meetings. Specific comments focused upon excessive spending overseas and needed improvements in our grain standards, although it was suggested our foreign customers may just be having a little fun with us over the issue, since it is a buyers' market. Finally, at this session, as in several of the others, strong opposition was expressed to forgiveness of interest on loans.

Mr. President, that concludes my report on the views of South Dakota farmers solicited by me and my staff over the recent Columbus Day recess. Obviously, a broad range of views were expressed and most farmers recognize the most difficult part of agreeing upon farm policy in Washington is that there is so little consensus among farmers themselves. At the risk of excluding the views of some, however, let me comment very briefly on several broad themes on which there seems to be significant consensus:

First, very few farmers believe more Government is the solution. In fact, they see Government as a large part of the problem. Most want Uncle Sam to stay out of their personal business, and they abhor the thought of bureaucrats in Washington mandating what they must do in their own fields and on their own farms.

Second, farmers believe they are not being given a fair deal. They believe they are being asked to compete unfairly against foreign producers, sodbusters and tax-loss farmers, and they

believe very strongly that our Government should take a much more active role in insisting upon fairness for American farmers, both at home and abroad.

Third, farmers are conservation minded and support strong provisions to protect our natural resources.

Fourth, farmers believe Government has always pursued a cheap food policy and that Congress will never act to force prices to rise enough to provide decent prices to farmers, even though the cost to consumers would be small.

Fifth, farmers recognize more loans at any rate of interest are not the answer. Loans must be paid, and there is no substitute for profitable commodity prices.

Sixth, farmers want to farm for the market, not for the Government, and to have the opportunity to make a decent living through their own efforts.

Seventh, farmers are tired of being powerless price-takers in the marketplace and pawns in their own Government's foreign policy objectives. They want to make their own production and marketing decisions. They want to have a voice in the prices they receive, to have something to say about their own fate.

Mr. President, farmers know Uncle Sam cannot wave a wand and solve all their problems. They know not all farmers can be saved and, indeed, that some deserve to fail. They do ask for fairness and for responsible policies which will give them a chance.

As far as I am concerned, that's not too much to ask.

THE PASSING OF SPENCER W. KIMBALL

Mr. McCLURE. Mr. President, today I join with many of my colleagues in mourning the passing of Spencer W. Kimball, who served with great distinction as president of the Church of Jesus Christ of Latter-day Saints.

We in Idaho have a special bond with the LDS Church. As neighbors of the church's home State of Utah, many Idahoans are members of the church. President Kimball was not only a spiritual leader of many of our people; he was truly a good friend of the State.

He made several visits to Idaho during his 12 years as leader of the church, and each visit strengthened the resolve of members to redouble their efforts on behalf of the church. Many Idahoans remember when he came to the scene of the Teton Dam collapse in 1976, offering assistance and encouragement at a time of great personal distress.

During Mr. Kimball's tenure as president, 47 new temples were built in this country and around the world, and each is a symbol of Mr. Kimball's tireless efforts to further spread the word of his faith. One of these stands today in Idaho's State capital of Boise, where a magnificent temple was opened in 1983.

History will show that under Mr. Kimball's leadership, the LDS Church prospered and grew dramatically. When he became president in 1973, there were 3.8 million members of the church. Today there are close to 6 million members, an accomplishment that reflects proudly on his personal commitment to expand the church's membership both here and abroad.

No matter what our personal faiths may be, we can all look to Spencer Kimball as an outstanding citizen and leader. His dedication to traditional family values, and his battle to overcome physical adversity, have been inspirational to millions, and not only to those who are members of the church. He was truly a man of great vision, and he will be missed and remembered by all Idahoans and people of faith around the world.

INVESTMENT OF SOCIAL SECURITY FUNDS

Mr. DOLE. Mr. President, today the Social Security Subcommittee of the Committee on Finance held a hearing on Social Security investment policy. I am glad that the subcommittee chairman, my good friend BILL ARMSTRONG, and the ranking member, Senator MOYNIHAN, convened this hearing because I believe it has cleared away many of the misunderstandings and unfair allegations that have clouded the public's understanding of what happened last Friday, when the Treasury redeemed certain securities held by the Social Security trust funds in order to pay benefits without breaching the debt ceiling.

The witness at the Social Security hearing was John Niehenke, Deputy Assistant Secretary of Treasury for Domestic Finance.

TREASURY PROCEDURE

Mr. President, the allegation has been made by some that the Social Security trust funds were raided by Treasury to keep the Government operating within the debt ceiling, and that the general fund borrowed from the trust funds.

In fact, the Treasury redeems securities held by the Social Security trust fund when necessary in order to pay Social Security benefits. The trust fund moneys are by law invested in specially-issued Government securities at prevailing rates of interest, but only to the extent income to the trust funds [OASDI] exceeds the amount necessary to pay current benefits. Some of those securities are redeemed whenever monthly tax receipts to the trust funds do not equal or exceed benefit payments for the month. This has occurred a number of times in recent years, and the Treasury has established a standard procedure for redemptions. In this case, Treasury redeemed lowest interest rate securities first in order to maximize return to the trust funds, which is a slight deviation from routine practice.

Normally, on the first of the month Treasury will transfer to the Social Security trust funds an amount equal to the anticipated payroll tax receipts for that month. That amount is then invested in short-term securities, which securities are redeemed as necessary to cover payment of benefit checks.

Because we have been bumping up against the debt ceiling, that procedure was changed in October: The credit for anticipated payroll taxes was given to the trust funds, but the amount of that credit was not invested in securities. That is because investing that amount in Government securities would have put us over the debt limit. To pay October Social Security benefits, Treasury redeemed some of the securities in which trust fund surpluses are invested, rather than draw down the—already low—general fund cash balance.

THE SITUATION LAST WEEK

By the beginning of November, general fund cash balances were too low to cover benefit payments even had Treasury wanted to follow that course. Faced with the prospect of default on November 1, Treasury accelerated its normal redemption process and cashed in securities held by the trust funds in the full amount of benefit payments due on the first of the month. Redeeming these securities freed up cash io make benefit payments without breaching the debt ceiling.

The one clear loss to the trust funds from this procedure is a one-time interest loss of $10 million, due to the timing of the redemption, that is, the accelerated process. Senator HAWKINS and others have made proposals to make the trust funds whole for any interest deemed to have been foregone as a result of early redemptions, and Chairman PACKWOOD has pledged to make sure that is done.

WHY IT HAPPENED

The November 1 redemption of securities was only a speed-up of a process that has been used before when necessary to pay Social Security benefits on time. The redemptions were done to ensure that benefit payments were done on time without causing a default, and default would make it impossible for benefit checks to be honored, in any event. The action was taken for the protection of Social Security beneficiaries.

Social Security is principally a pay-as-you-go program, with the trust fund reserves serving as a contingency against an economic downturn or other emergency situation. The trust fund reserves are essentially an ac-

counting device, although the interest earned on the securities does help support the program.

In my view, the House precipitated this problem by taking a walk on Friday night, by refusing to bargain seriously on deficit reduction legislation, and by sending the Senate a short-term debt limit bill that was sloppily drafted and wouldn't have done the job. The best way to avoid this situation in the future is to act responsibly to the debt limit and on the deficit—now, and in the future.

A PERSONAL TRIBUTE TO SPENCER W. KIMBALL

Mr. GARN. Mr. President, 2 years after he assumed the leadership reins of the Church of Jesus Christ of Latter-day Saints (Mormons), Spencer Woolley Kimball allegedly was overheard in conversation with another 80-year-old Mormon Church leader. Apparently one of their younger brethren was in the midst of a very effective speech. The older leader said to President Kimball, "Isn't it wonderful that we have such fine young leaders to take over after we are gone."

To which the 80-year-old Kimball responded, "Who's going anywhere?"

He courageously lived 10 more years and died November 5, 1985.

He suffered chronic heart disease resulting in open heart surgery. Later cancer was discovered in his throat. The resulting surgery left him nearly speechless, but through perseverance he was able to develop a raspy, gravely voice, laced with kindness that became a trademark among his 5.8 million followers. Interestingly, all of these calamities occurred prior to his calling as president of the Mormon Church some 12 years ago.

My personal friendship with President Kimball dates back to my youth. I grew up in a family home, which I still own, only a few blocks from the Kimball home. At the untimely death of my wife Hazel, President Kimball offered wise counsel to me, a young, freshman Senator, to be strong, shoulder my difficult load and do what was right by my family. His confidence and advice was of great help to me through those difficult days when I seriously considered resigning from the Senate.

Later, he honored Kathleen and me by marrying us in the Salt Lake Temple, and our first son was named Matthew Spencer in honor of this great, kindly leader.

Of course, we always remember our personal experiences, no matter how they are paled by the grander achievements of those we respect.

Spencer Wolley Kimball will most likely be remembered for his extension of the priesthood to all worthy male members of the Mormon Church ending a 148-year practice of barring blacks from the priesthood. The short announcement on June 9, 1978, in six paragraphs said simply "the long-promised day has come when * * * all worthy male members of the church may be ordained to the priesthood without regard to race or color." The message was hand carried to the floor of this Senate and read. Senators, though few in number, rose to their feet with the gallery in sustained applause.

Spencer Kimball's love for life and his relentless battle for more time to complete a myriad of unfinished tasks was summed up in his admonition to all members of the LDS Church and good people everywhere to lengthen your stride in doing good in the world. He said, "I see the quality of readiness and devotion in our people today. There is so much yet to be done. Let us move forward. Let us continue the journey (of life) with a lengthened stride. If we will," he said, "the Lord of all will be in our midst and not forsake us."

With all his own great physical adversity his willingness and challenge to everyone to add a little more effort had powerful consequences. During his stewardship in office the number of full-time, self-supported representatives of the church on missions reached its all time high of over 30,000. Membership during his time as president and prophet of the Mormon Church nearly doubled from 2.9 million members in 1973 to an estimated 5.8 million today world wide.

Edward L. Kimball, son of Spencer and biographer of his father's life said, "Since he has been President of the Church there has been a tremendous burst of missionary work. He's had a perception of missionary work in worldwide terms that was really new to the Church. Somehow there was an extra dimension to taking the message of the Savior to everyone." During his tenure he encouraged all young men to plan on full time service to the church, and much encouragement has been given to retired couples and young women who wish to give of their time.

Working and striving his way through typhoid fever, boils, heart attacks, open heart surgery, cancer surgery, brain surgery, and a pacemaker, this slightly built, but giant of a man, left a pattern of patience and tough dedication that men of good will everywhere can learn from. His steadfast devotion to the important things in life, his family and his faith should be an inspiration to all people, regardless of their particular religious faith. They certainly have been to me.

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous-consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NICKLES). Without objection, it is so ordered.

FEDERAL RETIREMENT REFORM ACT

MODIFICATION OF UNANIMOUS CONSENT AGREEMENT

Mr. DOLE. Mr. President, last evening we entered into an agreement with reference to the civil service retirement program and we made a reservation for the distinguished minority leader. He now indicates he is ready to approve the agreement with one modification. I am prepared to accept that modification as stated by the minority leader.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

I suggest that the agreement be modified only as follows: namely, that there be 10 minutes equally divided on any debatable motion, appeal or point of order if submitted to the Senate for its decision.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, in conformity with the provision of the agreement, I hereby give my approval to the time agreement.

Mr. DOLE. Mr. President, I thank the distinguished minority leader.

Mr. BYRD. I thank the distinguished majority leader.

Mr. DOLE. I think that will expedite things this afternoon.

SCHEDULE

Mr. DOLE. Mr. President, I shall indicate to Members by noon today if possible whether or not there will be a session tomorrow. I will again state, as I did last evening, it depends on a number of areas in which we are looking for progress.

The Mil Con appropriations bill is, as I understand, to be taken up very quickly. Then we have 10 minutes of debate starting at 1:50 p.m. and a vote at 2 p.m. on the Kozinski nomination.

If Mil Con is disposed of, then we will proceed to consideration of the civil service retirement legislation under a 3-hour time agreement, which has been entered into. There will probably be two or three votes on amendments to that bill.

It is also my hope that Senators DOMENICI and CHILES will be able to propound a unanimous-consent agreement on the budget reconciliation measure today.

It is also our hope that the D.C. appropriations bill could be taken up. We believe the bill should take very little time. There probably will be one vote.

Then there is the Cooper nomination to be Assistant Attorney General.

If we can make progress in those areas today, then I would be prepared to indicate we will not have a session tomorrow. Of course, we are not in session on Monday.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL RETIREMENT REFORM ACT

Mr. DOLE. Mr. President, I ask unanimous consent that I may call up the Federal Retirement Reform Act of 1985 at any time today after consultation with and concurrence of the distinguished minority leader.

Mr. BYRD. Mr. President, there is no objection on this side to moving to that legislation and I hereby give my consent to the order which the distinguished majority leader has just requested.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

MILITARY CONSTRUCTION APPROPRIATIONS, 1986

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 380, H.R. 3327, the military construction appropriations bill.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3327), making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. BYRD. Mr. President, the request has been cleared on this side. There is no objection.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 3327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1986, for military construction functions administered by the Department of Defense, and for other purposes, namely:

MILITARY CONSTRUCTION, ARMY

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army as currently authorized by law, and for construction and operation of facilities in support of the functions of the Commander-in-Chief, [$1,646,152,000] *$1,541,190,000,* to remain available until September 30, 1990: *Provided,* That of this amount, not to exceed [$129,000,000] *$136,100,000* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, NAVY

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, facilities, and real property for the Navy as currently authorized by law, including personnel in the Naval Facilities Engineering Command and other personal services necessary for the purposes of this appropriation, [$1,703,705,000] *$1,632,620,000,* to remain available until September 30, 1990: *Provided,* That of this amount, not to exceed [$129,000,000] *$139,260,000* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further,* That of this amount, $8,250,000 shall be available for land acquisition at China Lake, California.

MILITARY CONSTRUCTION, AIR FORCE

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force as currently authorized by law, [$1,585,140,000] *$1,718,863,000,* to remain available until September 30, 1990: *Provided,* That of this amount, not to exceed [$130,000,000] *$144,096,000* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, DEFENSE AGENCIES

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law, [$124,955,000] *$208,350,000,* to remain available until September 30, 1990: *Provided,* That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided further,* That of the amount appropriated, not to exceed [$25,000,000] *$30,000,000,* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations (including international military headquarters) for the collective defense of the North Atlantic Treaty Area as authorized in military construction Acts and section 2806 of title 10, United States Code, $38,000,000, to remain available until expended.

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$100,362,000] *$86,657,000,* to remain available until September 30, 1990.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$116,350,000] *$112,205,000,* to remain available until September 30, 1990.

MILITARY CONSTRUCTION, ARMY RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$61,746,000] *$59,900,000,* to remain available until September 30, 1990.

MILITARY CONSTRUCTION, NAVAL RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$41,800,000] *$39,660,000,* to remain available until September 30, 1990.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$63,073,000] *$60,100,000,* to remain available until September 30, 1990.

FAMILY HOUSING, ARMY

For expenses of family housing for the Army for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, [$252,506,000] *$319,496,000*; for Operation and maintenance, [$1,167,069,000] *$1,224,717,000*; for debt payment, $16,077,000; in all [$1,435,652,000] *$1,560,290,000*: *Provided*, That the amount provided for construction shall remain available until September 30, 1990.

FAMILY HOUSING, NAVY AND MARINE CORPS

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, [$131,708,000] *$146,800,000*; for Operation and maintenance, [$524,270,000] *$541,099,000*; for debt payment, $17,302,000; in all [$673,280,000] *$705,201,000*: *Provided*, That the amount provided for construction shall remain available until September 30, 1990.

FAMILY HOUSING, AIR FORCE

For expenses of family housing for the Air Force for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, [$186,350,000] *$199,400,000*; for Operation and maintenance, [$650,161,000] *$693,993,000*; for debt payment, $15,305,000; in all [$851,816,000] *$908,698,000*: *Provided*, That the amount provided for construction shall remain available until September 30, 1990.

FAMILY HOUSING, DEFENSE AGENCIES

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, leasing, and minor construction, as authorized by law, as follows: for Construction, [$1,410,000] *$1,910,000*; for Operation and maintenance, [$12,890,000] *$17,090,000*; in all [$14,300,000] *$19,000,000*: *Provided*, That the amount provided for construction shall remain available until September 30, 1990.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this Act shall be expended for payments under a cost-plus-a-fixed-fee contract for work, where cost estimates exceed $25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

SEC. 102. Funds herein appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.

SEC. 103. Funds appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

SEC. 104. None of the funds appropriated in this Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.

SEC. 105. No part of the funds provided in this Act shall be used for purchase of land or land easements in excess of 100 per centum of the value as determined by the Corps of Engineers or the Naval Facilities Engineering Command, except; (a) where there is a determination of value by a Federal court, or (b) purchases negotiated by the Attorney General or his designee, or (c) where the estimated value is less than $25,000, or (d) as otherwise determined by the Secretary of Defense to be in the public interest.

SEC. 106. None of the funds appropriated in this Act shall be used to (1) acquire land, (2) provide for site preparation, or (3) install utilities for any family housing, except housing for which funds have been made available in annual military construction appropriation Acts.

SEC. 107. None of the funds appropriated in this Act for minor construction may be used to transfer or relocate any activity from one base or installation to another, without prior notification to the Committees on Appropriations.

SEC. 108. No part of the funds appropriated in this Act may be used for the procurement of steel for any construction project or activity for which American steel producers, fabricators, and manufacturers have been denied the opportunity to compete for such steel procurement.

SEC. 109. No part of the funds appropriated in this Act for dredging in the Indian Ocean may be used for the performance of the work by foreign contractors: *Provided*, That the low responsive and responsible bid of a United States contractor does not exceed the lowest responsive and responsible bid of a foreign contractor by greater than 20 per centum.

SEC. 110. None of the funds available to the Department of Defense for military construction or family housing during the current fiscal year may be used to pay real property taxes in any foreign nation.

SEC. 111. No part of the funds appropriated in this Act may be used to pay the compensation of an officer of the Government of the United States or to reimburse a contractor for the employment of a person for work in the continental United States by any such person if such person is an alien who has not been lawfully admitted to the United States.

SEC. 112. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

[SEC. 113. None of the funds appropriated in this Act may be obligated or expended in any way for the express purpose of the sale, lease, or rental of any portion of land currently identified as Fort DeRussy, Honolulu, Hawaii.]

SEC. 113. (a) Notwithstanding any other provision of law, including but not limited to section 809 of the Military Construction Act, 1968, section 807(d) of the Military Construction Act, 1984, or any provision of an annual appropriation Act restricting the use of funds for the sale, lease, rental, or excessing of any portion of land currently identified as Fort DeRussy, Honolulu, Hawaii, the Secretary of the Army (hereinafter referred to as the "Secretary") is authorized to sell or convey, at the appraised fair market value as determined by the Secretary, all right, title, and interest of the United States in up to 45 acres of land and improvements northeast of Kalia Road comprising a portion of Fort DeRussy, Hawaii, to the City and County of Honolulu or the State of Hawaii or their designated agencies, upon such terms and conditions as are acceptable to the Secretary. The exact acreages and legal descriptions of the property to be sold under this section shall be determined by surveys which are satisfactory to the Secretary. The cost of any such surveys shall be borne by the buyer.

(b) The Secretary is authorized to acquire land and design and construct such facilities as are necessary to replace those on the land to be sold pursuant to subsection (a). The Secretary is also authorized to relocate activities currently located at Fort DeRussy to such replacement facilities.

(c) The proceeds of the sale authorized to be conducted pursuant to subsection (a) shall be available without fiscal year limitation to acquire land and replace facilities authorized to be acquired or constructed pursuant to subsection (b) and to pay associated relocation costs. The remainder of the proceeds shall be converted into the Treasury as miscellaneous receipts.

(d) Any action under this section shall insure adequate parking for the Hale Koa Hotel—Armed Forces Recreational Area. Authority provided by subsections (b) and (c) shall extend to replacement and relocation of facilities at Fort Shafter to another site to accommodate relocation of Reserve facilities from Fort DeRussy.

SEC. 114. None of the funds in this Act may be used to initiate a new installation overseas without prior notification to the Committees on Appropriations.

SEC. 115. None of the funds appropriated in this Act for F-16 beddown projects at Misawa, Japan, may be obligated or expended unless there has been notification to the Committees on Appropriations that the approved Government of Japan budget for fiscal year 1986 includes projects associated with the F-16 beddown as an additive over the level of funding provided in Japanese fiscal year 1985 for the facilities improvement program.

SEC. 116. None of the funds appropriated in this Act may be obligated for architect and engineer contracts estimated by the Government to exceed $1,000,000 for projects to be accomplished in Japan or in any NATO member country, unless such contracts are awarded to United States firms or United States firms in joint venture with host nation firms.

SEC. 117. None of the funds appropriated in this Act for military construction in the United States territories and possessions in the Pacific and on Kwajalein Island may be used to award any contract estimated by the Government to exceed $1,000,000 to a foreign contractor: *Provided*, That this section shall not be applicable to contract awards for which the lowest responsive and responsible bid of a United States contractor exceeds the lowest responsive and responsible

bid of a foreign contractor by greater than 20 per centum.

SEC. 118. The Secretary of Defense is to inform the Committees on Appropriations and Committees on Armed Services of the plans and scope of any proposed military exercise involving United States personnel 30 days prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed $100,000.

(TRANSFER OF FUNDS)

SEC. 119. Unexpended balances in the Military Family Housing Management Account established pursuant to section 2831 of title 10, United States Code, as well as any additional amounts which would otherwise be transferred to the Military Family Housing Management Account during fiscal year 1986, shall be transferred to the appropriations for Family Housing provided in this Act, as determined by the Secretary of Defense, based on the sources from which the funds were derived, and shall be available for the same purposes, and for the same time period, as the appropriation to which they have been transferred.

SEC. 120. Not more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year.

(TRANSFER OF FUNDS)

[SEC. 121. (a) Funds appropriated to the Department of Defense for construction in prior years are hereby made available for construction authorized for each such department by the authorizations enacted into law during the first session of the Ninety-ninth Congress.

[(b) IN GENERAL.—10 U.S.C. 2860 is amended to read as follows:

["§ 2860. Availability of appropriations

["Funds appropriated to a military department or defense agency for a fiscal year for military construction or military family housing purposes may remain available beyond such fiscal year to the extent provided in the appropriation Acts.".

[(c) EFFECTIVE DATE.—The amendment made by subsection (b) shall apply to funds appropriated after the date of the enactment of Public Law 99-103.

[SEC. 122. The Secretary of the Army acting through the Chief of Engineers of the United States Army Corps of Engineers is hereby directed to assign a military design, construction and support mission of said Corps of Engineers to the Little Rock district of the Corps of Engineers, to enlarge the civil works boundaries of said district to include all of the State of Arkansas exclusive of the lands and waters within the St. Francis River basin and east of said basin which shall remain in the Memphis district, to designate the Little Rock district as a full service district which includes responsibilities for finance and accounting, planning, design, construction, operation and maintenance and appropriate support services, and to reassign said district to the Lower Mississippi Valley Division. The provisions of this paragraph shall not in any way affect or change the boundaries or responsibilities of the Vicksburg district.

[SEC. 123. Notwithstanding any other provision of law, the Secretary of the Army shall convey, without reimbursement, to the United States Modern Pentathalon Association, a nonprofit association organized under the laws of the State of Texas, all equipment owned by the United States and currently used by the United States Modern Pentathalon Team for training and competition.]

SEC. 121. Upon determination by the Secretary concerned that such action is necessary in the national interest, he may transfer funds available for military construction and military family housing between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: Provided, That such authority to transfer may be used only for military construction functions authorized by law, but in no case where the item for which funds are requested has been denied appropriations by Congress: Provided further, That the Secretary concerned shall notify the appropriate committees of Congress semiannually of all transfers made pursuant to this authority.

SEC. 122. (a) None of the funds appropriated in this Act may be available for any country if the President determines that the government of such country is failing to take adequate measures to prevent narcotic drugs or other controlled substances cultivated or produced or processed illicitly, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to United States personnel or their dependents, or from being smuggled into the United States. Such prohibition shall continue in force until the President determines and reports to the Congress in writing that—

(1) the government of such country has prepared and committed itself to a plan presented to the Secretary of State that would eliminate the cause or basis for the application to such country of the prohibition contained in the first sentence; and

(2) the government of such country has taken appropriate law enforcement measures to implement the plan presented to the Secretary of State.

(b) The provisions of subsection (a) shall not apply in the case of any country with respect to which the President determines that the application of the provisions of such subsection would be inconsistent with the national security interests of the United States.

SEC. 123. Of the total amount of budget authority provided for fiscal year 1986 by this Act that would otherwise be available for consulting services, management and professional services, and special studies and analyses, 10 per centum of the amount intended for such purposes in the President's budget for 1986, as amended, for any agency, department or entity subject to apportionment by the Executive shall be placed in reserve and not made available for obligation or expenditure: Provided, That this section shall not apply to any agency, department or entity whose budget request for 1986 for the purposes stated above did not amount to $5,000,000.

SEC. 124. It is the sense of the Congress that the administration should call on the pertinent member nations of the North Atlantic Treaty Organization and on Japan to meet or exceed their pledges for at least a 3 per centum real increase in defense spending and furtherance of increased unit, equitable sharing of our common defense burden, and international stability.

SEC. 125. (a) Notwithstanding section 13(g) of the Surplus Property Act of 1944 (50 App. U.S.C. 1622(g) and section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622(c)), the Secretary of Transportation, if requested, shall, as to the property described in subsection (c), in order to facilitate an exchange of land negotiated between the State of Georgia and the County of Glynn, Georgia, grant a release to the County of Glynn, Georgia, from all of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated July 1, 1975, under which the United States conveyed certain property to the County of Glynn, Georgia, for airport purposes. This provision does not apply to the portion of the property, conveyed by that deed, that is not specified in subsection (c). This provision is subject to the conditions in subsection (b).

(b)(1) The County of Glynn finds that the property obtained in exchange for the property described in subsection (c) is equivalent in value to the property described in subsection (c).

(2) Revenue derived from the land obtained by the County of Glynn in exchange for the property described in subsection (c) must be used for the development, improvement, operation, or maintenance of a public airport.

(3) The property described in subsection (c) shall be used by the State of Georgia in a manner compatible with airport purposes.

(4) Approval of the Secretary of Transportation must be obtained prior to any subsequent transfer by the State of Georgia of the property described in subsection (c). Such approval shall be given only if the Secretary finds that the property will continue to be used in a manner compatible with airport purposes.

(c) Subsection (a) applies to the following described area known as the "Glynco Jetport Tract":

GLYNCO JETPORT TRACT

"To locate the Point of Beginning, proceed from the intersection of the eastern right-of-way of Canal Road with the northern right-of-way of the Glynco Parkway, north 16 degrees 31 minutes 05 seconds east along the eastern right-of-way of Canal Road for a distance of 342.33 feet to a concrete monument which is the Point of Beginning; thence, continue north 16 degrees 31 minutes 05 seconds east along the eastern right-of-way of Canal Road for a distance of 1160.25 feet to a concrete monument; thence, proceed south 73 degrees 28 minutes 55 seconds east for a distance of 514.8 feet to a concrete monument located on the western right-of-way of the Brunswick-Altamaha Canal; thence, proceed south 12 degrees 31 minutes 00 seconds west along the western right-of-way of the said canal for a distance of 910.66 feet to a concrete monument located on the northern right-of-way of the Glynco Parkway; thence, proceed south 65 degrees 01 minutes 04 seconds west along the northern right-of-way of the Glynco Parkway for a distance of 219.54 feet to a concrete monument which a point of curvature; thence continue along the said right-of-way for a distance of 31.0 minutes along the arc of a curve having a delta angle of 13 degrees 00 minutes, a Tangent of 334.95 feet, and a radius of 2939.79 feet to a concrete monument; thence, proceed north 85 degrees 53 minutes 24 seconds west for a distance of 398.00 feet to a concrete monument located on the eastern right-of-way of Canal Road and is the Point of Beginning.".

SEC. 126. None of the funds appropriated to the Department of Defense in this or any other Act may be obligated or expended to construct, operate, or maintain any facility that—

(1) is located on a military installation in the United States;

(2) is to be used for the operation of a commercial franchise business; and

(3) is not identified in a contract, supplemental agreement to a contract, a contract solicitation, or a letter of intent agreed to on or before May 23, 1985.

SEC. 127. Notwithstanding any other provision of law, funds appropriated by this Act for the United States contribution to the North Atlantic Treaty Organization Infrastructure program may not be obligated or expended at a rate exceeding the rate of recoupment during fiscal year 1986 of $30,000,000 of prefinanced United States contributions to this account.

SEC. 128. (a) Subsection (a) of the first section of the Act entitled "An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes" approved March 3, 1931 (40 U.S.C. 276a(a)), commonly known as the Davis-Bacon Act is amended—

(1) by inserting "(1)" after "(a)";

(2) by inserting "or, in the case of contracts awarded by the Department of Defense, every contract in excess of $1,000,000" after "$2,000" in the first sentence; and

(3) by adding at the end thereof the following new paragraph:

"(2)(A) The minimum wages provided for in paragraph (1) in the case of a construction, alteration, or repair contract awarded by the Department of Defense shall be the prevailing wages determined by the Secretary of Labor under subparagraph (B).

"(B) For purposes of subparagraph (A), the Secretary of Labor shall base his determination of the wages prevailing for the corresponding classes of laborers, mechanics, and helpers on—

"(i) the wage paid to 50 per centum or more of the corresponding classes of laborers, mechanics, and helpers employed on private industry projects of a character similar to the contract work in the urban or rural civil subdivision of the State in which the work is to be performed, or in the District of Columbia if the work is to be performed there; or

"(ii) if the same wage is not paid to 50 per centum or more of the laborer, mechanics, and helpers in the corresponding classes, the weighted average of the wages paid to the corresponding classes of laborers, mechanics, and helpers employed on private industry projects of a character similar to the contract work in the urban or rural civil subdivision of the State in which the work is to be performed, or in the District of Columbia if the work is to be performed there.".

(b)(1) The first section of such Act is further amended—

(A) by striking out "mechanics and/or laborers" in subsection (a)(1) and inserting in lieu thereof "laborers, mechanics, helpers, or any combination thereof";

(B) by striking out "laborers and mechanics" wherever it appears and inserting in lieu thereof "laborers, mechanics, and helpers";

(C) by striking out "mechanics and laborers" in subsection (a)(1) and inserting in lieu thereof "laborers, mechanics, and helpers"; and

(D) by striking out "laborers and mechanics" in subsection (b) and inserting in lieu thereof "laborers, mechanics, and helpers".

(2) Section 2 of such Act (40 U.S.C. 276a-1) is amended by striking out "laborer or mechanic" and inserting in lieu thereof "laborer, mechanic, or helper".

(3) Section 3 of such Act (40 U.S.C. 276a-2) is amended by striking out "laborers and mechanics" wherever it appears and inserting in lieu thereof "laborers, mechanics, and helpers".

Mr. MATTINGLY. Mr. President, I am pleased to recommend to the Senate, H.R. 3327, as amended, which provides appropriations for military construction for fiscal year 1986.

I believe that the recommendations before the Senate reflect a balanced program, and I am pleased that the distinguished ranking member of the subcommittee, Mr. SASSER, and I are in general agreement on the bill as it was reported from the full Appropriations Committee.

The budget request for military construction for fiscal year 1986 was $10,340,200,000. The committee is recommending $8,645,133,000 in new budget authority for this fiscal year. That amount is comprised of two large accounts: $5,497,545,000 for military construction projects; and $3,147,588,000 for the military family housing account which includes construction as well as operation and maintenance of the existing units.

The amounts I have mentioned reflect an increase to the House recommendation of $272.4 million; a decrease from the budget request of $1.7 billion; and an increase over last year's appropriation of $239.9 million.

In terms of percentages, the budget request was 23 percent above last year's appropriation including 5 percent inflation. The committee recommendation is 2.8 percent above last year's appropriation. So in terms of inflation and real dollars, the bill before the Senate today reflects no real growth—actually less than zero when the 5 percent inflation factor is taken into consideration.

Obviously, the bill before us does not provide the full amount requested. However, it does reflect the Senate position based on the authorization for military construction and it is within the subcommittee allocations for new budget authority and outlays.

Let me say now, since we have all been especially aware of outlay problems—that this recommendation provides new outlays of $2.236 billion. Prior year outlays total $5.388 billion for a total of $7.623 billion. The subcommittee allocation for outlays is $7.6 billion, so you can see that we have met the outlay target without much room to spare. It is my understanding that the Budget Committee does not have any objection to the bill as reported to the Senate. However, I must say that if we have a large number of amendments today which add to the total that each add-on amendment will have to be reviewed in terms of its impact on first year outlays as well as its increase to budget authority.

In order to stay within the subcommittee allocations, it was necessary to make reductions in the bill. The committee has attempted to make the cuts as painless as possible. We have also attempted to insure that those projects which are most vitally important to operational and readiness missions have been included.

The House bill included many cuts to projects which the subcommittee did not believe to be in the best interests of our national defense. Many of the reductions have been restored in the bill before you. However, in order to restore the House reductions, it was necessary to look for projects to defer. As you are all aware, since we are the last committee to act on this bill, it is difficult to come up with many new cuts. Based on that situation, the committee is recommending substantial reductions in a couple of broad categories.

The major category reduction is that of administrative facilities. While administrative facilities are necessary, I, personally, cannot consider them in the same category as tactical equipment shops, hangars or maintenance facilities.

The recommendation before you also reflects a change from previous years in that several projects are funded contingent upon authorization. These projects have been included because the authorization conference has not completed its action, and there are a number of projects which could not be considered in the appropriations conference if they are not included in this bill. I understand that the projections included have a good chance of being approved during the authorization conference.

Another area of concern to me is the minor construction accounts which are provided to each of the services and defense agencies. Minor construction is, as I understand it, to be used for unforeseen projects of less than $1 million which were not anticipated in advance and which should not wait for the next regular budget cycle. I believe, however, that in many instances projects that can and should be placed in the normal budget process are being accomplished.

Based on my concern over this account, the committee has reduced the minor construction accounts throughout the bill by about 50 percent. The House had made a reduction of about 33 percent to these accounts. But, I believe in many cases that we do not get the attention of the Department unless we "hit their wallet"—so to speak. I hope this action will make the Department more aware of the concerns over this account.

Mr. President, I do not believe it is necessary to go into great detail on the line items—particularly since there are many of them. Let me say, that within the confines of the authorization, the

committee has attempted to meet the requests it has received.

With regard to issues or problem areas, quite frankly military construction did not have any issues this year which I would consider controversial. There are, however, a couple of items I would like to bring to the Senate's attention.

The committee at my request has again included a general provision which would place a trigger on the amount of funds which can be obligated from the NATO Infrastructure account to insure that the recoupment process for prefinanced projects—over $210 million—continues in a positive direction. Progress has been made, but I believe that we must keep the pressure on.

There is report language included on the Philippine bases which are so very strategically important to the United States defense posture in the Pacific and Indian Ocean area. As you know, Senator LAXALT, a member and former chairman of the subcommittee, has just returned from a visit to the Philippines at the request of President Reagan. I have discussed this issue with the Senator from Nevada and had briefings from the administration. Based on that, the recommendation is to include the majority of the projects for the Philippines, although some were deferred in the administrative category. The report language stresses the concerns over security at our bases. I believe that it would not be in the best interests of this country to give any indication of backing away from these important bases at this time, especially since we have now seen that the Philippines are going to hold a general election sometime after the first of the year.

I know that Senator SASSER will address this issue as he has in his minority views in the report. I believe, however, that we both basically want the same thing—that is, continued access to these bases and improved security for U.S. personnel and property.

Also included in the recommendation is a Davis-Bacon provision. The provision is identical to an amendment which was approved by the Senate as part of the Defense Authorization Act. I truly believe that this amendment will not cause any problem with the so-called "prevailing wage" system. The major change for this provision is that it lifts the ceiling from $2,000 to $1 million on those military construction projects exempted from Davis-Bacon. In doing this, savings are estimated at $51 million this year alone and have been reflected in the bill as general reductions to the Army, Navy, and Air Force accounts.

Mr. President, I believe that covers the major points which I wanted to bring to the attention of the Senate. I understand that there will be a couple of amendments offered once the bill is opened for amendment.

At this time, I thank the distinguished Senator from Tennessee [Mr. SASSER], who is the ranking member, for his cooperation and assistance in the preparation of the bill.

Mr. President, I believe that the committee recommendation now before the Senate continues the Senate's strong support for military construction. I do not believe that any reduction recommended will cause problems in meeting the missions of our units worldwide. And in most cases, the Department of Defense has been given the benefit of the doubt on a project if there was a question to insure that it will be considered in the conference committee.

The recommendation before us today is the product of many hours of review from hearings, briefings, point papers and justification books. I believe that it is a fair and balanced program which meets the highest priority construction needs for the Department of Defense.

I urge my colleagues to support this bill as reported. Also, I urge Senators to come to the floor with their amendments.

Mr. President, at this point, I yield to the distinguished ranking minority member of the subcommittee [Mr. SASSER] for any comments he may have on the bill.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I thank the distinguished chairman of the subcommittee for his efforts and for his remarks here today. I might say, Mr. President, that the distinguished chairman and I have worked well together on the Military Construction Subcommittee over the past few years. I think we have made some real progress toward keeping a closer rein on spending in the military construction area.

However, the bill before us today funds over 1,300 military construction projects throughout the world. We are providing more than $8.6 billion to fund these projects at almost 700 bases in literally every corner of this globe. I think, Mr. President, that the Senate should take a moment to reflect on the recent trends in military construction funding.

In fiscal year 1980, only 600 military construction projects were funded by Congress. That was just 5 years ago. The bill before us today is for more than twice that number.

In fact, military construction has been one of the fastest growing components of the Defense budget. In fiscal year 1980, the Milcon budget was only $3.8 billion. This fiscal year, the administration had originally requested $10.3 billion—a 171-percent increase in just 6 years.

The Congress has joined the administration in providing the necessary funds to improve our military facilities at home and abroad. Many of our facilities are deteriorating—there is no doubt about that—and are in bad need of replacement. New missions are requiring vast new structures to house new weapons systems. And we have embarked on a large program of facility improvements to support military families, a program that is badly needed if we are to maintain our reliance on an All-Volunteer Force.

I bring these facts before the Senate to illustrate the support the Congress has given to the military construction program in the past few years.

I must say, however, that, in my view, those large budget increases we have been approving will soon be a thing of the past.

In the bill before us, the committee has cut the administration's request by $1.7 billion. As we debate the need for further deficit reduction on this floor, it is clear that the growth of military construction accounts must be moderated in future years.

So, Mr. President, both the administration and the Congress will be faced with some hard decisions in coming years. We will not be able to fund everything base commanders would like to have. We are going to have to prioritize future military construction projects to assure that the greatest needs for our forces and their families are being met.

Mr. President, because of the fiscal realities of the United States, it is imperative that our allies begin to bear a larger share of the defense burden for what we have come to call the free world.

Included in this bill is language I first drafted 4 years ago urging the administration to call upon our NATO allies to increase their share of the common defense.

Any way you slice it, Mr. President, they are not doing their share, in the judgment of this Senator, whether it is on the basis of per capita expenditures or on the basis of percentage of gross national product, or whether it is on the basis of total spending.

In the past few years, I am happy to report some progress has been made. Last December, NATO approved a significant increase in NATO infrastructure funding—a step in the right direction.

However, as the U.S. Defense budget increases begin to shrink from the size of recent years, our allies must recognize that they must provide a more equitable share of defending Western interests.

Mr. President, there are many important provisions in this bill. Mr. MATTINGLY has dicussed many of them in his opening remarks, so I will not reiterate them to save the time of the

Senate this morning. But, as I said at the committee markup, the chairman and I agree on the vast majority of issues that come before our subcommittee.

However, there are those items where we must disagree.

One such item is the general provision regarding Davis-Bacon.

Mr. President, the bill before us includes a legislative provision which would exempt minor military construction projects from the requirements of the Davis-Bacon statutes.

Mr. President, the language in the bill is clearly legislation on an appropriations bill.

Furthermore, this issue has already been decided by the Congress. Last June, the junior Senator from Texas succeeded in passing these exact provisions on the Defense authorization bill. The conferees on the authorization deleted Senator GRAMM's amendment.

So, I would say to my colleagues "let us not beat this old dog around the bush any longer." Davis-Bacon has already been decided by the Congress. There is no reason to believe that our colleagues in the House will agree to these provisions they have so vigorously opposed on the authorization legislation.

Mr. President, before concluding my remarks, I would like to take a moment of the Senator's time and discuss military construction activities in the Philippines.

The bill before us provides $104 million to enhance our facilities at Clark Air Base and Subic Navy Base. These are the largest military installations—at least the largest Air Force base and the largest naval base—outside the continental limits of the United States.

During the subcommittee and full committee markups, I questioned the advisability of providing these funds for those bases at the present time, in view of the deteriorating security situation being faced in the Philippines.

All of us in this body are aware that the political, economic, and military crises which confront the Philippines could threaten our continued access to the military bases there.

A recent staff report advised the subcommittee that security must be beefed up at Clark and Subic to provide for the safety of military personnel and equipment. I am pleased that the committee is urging the Department of Defense to undertake an immediate review of the necessary security enhancements to protect our military interests in the Philippines.

However, Mr. President, as I pointed out in minority views which accompany the committee report, physical security enhancements, alone, will not ensure continued U.S. access to these vital facilities.

The government of President Marcos must institute prompt reforms, if stability is to be restored before the Communist insurgency spirals out of control and threatens the U.S. presence at Clark and Subic.

The committee has received reports that the Department of Defense is planning to spend as much as $1.3 billion in military construction at our Philippine bases over the next 7 years.

I submit that such an investment is unwise, until the United States can be reasonably assured that the Marcos government is moving toward meaningful reforms that will put an end to the corruption, inefficiency, and incompetence which are fueling the fires of the insurgency.

To be fair, Mr. President, I want to commend the Reagan administration for the recent attention it has been giving the Philippine crisis.

The recent visit by the President's personal emissary, our colleague, Senator LAXALT, is serving to make it clear in Manila that the United States will not sit idly by while the Government of the Philippines allows the country to fall to the Communist insurgency.

The United States has a vital interest to protect in the Philippines. To attempt to rebuild our military facilities there at some other Pacific location would be a significant setback and a costly one.

More important, it is vital that these facilities do not fall into Communist possession as did United States facilities at Cam Ranh bay in Vietnam.

United States taxpayers' dollars were used there to construct one of the most elaborate and productive naval bases in that region of the world. And who utilizes these resources today? This is the Southeast Asia port of the fleet of the Soviet Union.

Yet, Mr. President, we may be heading in that direction in the Philippines.

I believe we must be preparing contingency plans for the design and location of alternate facilities should we be denied future use of Philippine bases.

In addition, I believe we should be using every appropriate source of leverage to demonstrate to the Marcos regime that we are serious about the need to reform.

One source of leverage, I believe, is to place a moratorium on further military construction at our bases, except for security upgrade projects.

I have long felt that between governments actions speak much louder than words. And our words would be greatly strengthened if they were backed by a clear example that the United States of America is not going to continue to invest in the Philippine Islands until the regime governing those islands reforms itself and responds to the legitimate aspirations of its people.

I submit that such a moratorium should last until the President can certify to the Congress that the Government of the Philippines is heading in the direction of meaningful reforms which will halt the insurgency and restore democratic life and economic viability to the country.

Mr. President, I believe that we are facing a serious crisis in the Philippines today. It is the most serious security issue to confront the American people since the trauma of Vietnam.

For that reason, I believe it absolutely imperative that the Congress and the administration approach Philippine policy in a bipartisan manner.

As I previously stated, I have been pleased that the administration is beginning to pressure the Marcos government to initiate reforms before it is too late.

Events of the past few days indicate that, perhaps, that pressure is beginning to have some effect. President Marcos has called elections for mid-January. And the political opposition in that country has indicated it will vigorously contest the reelection of the Marcos government.

Only time will tell if those elections will be fair and honest and if they will be a legitimate expression of the will and opinion of the majority of the people of the Philippines. We will have to wait and see if the elections will bring about change or if they will result in a manipulated mandate of a corrupt regime.

Mr. President, I had planned to offer an amendment to this bill today which would place a moratorium on military construction at our Philippine bases.

However, the recent announcements in the Philippines give us some cause for encouragement. Perhaps our message, perhaps our pressure, is beginning to get through to the right people.

So, I will not offer that amendment. The administration desires that these military construction projects be funded this year as a signal of our determination to maintain our military bases in the Philippines.

I am willing to give administration policy a chance to work, since we are seeing some movement in the right direction.

But, if the elections in the Philippines result in a mandate for more corruption, more military incompetence, more terror, and further denial of legitimate human rights, then the administration and the Congress will have to come to grips with the realities which will have to be faced again in Southeast Asia.

It is my sincere hope that President Marcos is willing to consider the global consequences of the problems his country faces. The administration believes that, since President Marcos has been part of the problem, he must be

part of the solution. Perhaps that is correct. I have my own doubts. But there can be no doubt that the rest of the nations and the peoples of Asia are watching carefully what happens in the Philippine islands.

This a country that was given its independence by the Government of the United States. We are its chief patron. We have initially instituted a democratic form of government in that country, and the other peoples and nations of the region will be watching to see if democracy American style can endure and can flourish in Asia. Let us hope that President Marcos is willing to give it a chance.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall be considered to have been waived by agreeing to this request.

Mr. SASSER. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, except section 128, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall be considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MATTINGLY. Mr. President, I understand that a few amendments will be offered. I am ready to begin consideration of the amendments. I think the Senator from Tennessee and I can go through some amendments right now.

Mr. BENTSEN. Mr. President, last July, the Secretary of the Navy announced plans for the strategic homeporting of several ships along the gulf coast, including major buildups in Corpus Christi and Galveston/Houston, TX, as well as in other States. This was a wise and welcome decision which should increase our Navy's capabilities in a strategically important area.

One reason for the selection of the two Texas cities was the strong community support for the homeports, backed up by a special appropriation by the Texas Legislature. The people of Texas wanted the increased Navy presence, and they were willing to pay their fair share of the startup costs.

It is a complex task, however, to plan for an influx of over 5,000 additional military personnel and their dependents, such as will occur in Texas. Roads, housing, schools, water and sewer lines must all be planned for and coordinated with the military construction and deployment schedules. The necessary analysis and planning can overwhelm all but the largest cities, so special help is needed.

The Defense Department has a special Office of Economic Adjustment to assist local communities in planning for the growth which strategic homeporting brings. That office has a fine record of smoothing the transition with advice, coordination, and planning funds. One of its major efforts in recent years, for example, was to help in the planning for the new Trident base at Kings Bay, GA.

Now the planning is beginning for the gulf coast homeporting. For those local efforts to be efficient and effective, the Office of Economic Adjustment must again play an important role. I have considered offering an amendment to provide $1 million in military construction funds to help gulf coast communities develop the necessary plans to cope with the expanded homeporting.

Mr. President, I wonder what the chairman of the Military Appropriations Subcommittee, the distinguished Senator from Georgia [Mr. MATTINGLY], would think about such an amendment.

Mr. MATTINGLY. Mr. President, I agree with the distinguished Senator from Texas [Mr. BENTSEN] on the value of community impact planning assistance and on the need for it in the gulf coast homeport sites. I do not believe an amendment is needed to accomplish that purpose, however, since the House-passed bill has earmarked such funds and the matter will be in conference.

On principle, our subcommittee was reluctant to approve funds for matters that were not authorized. And pending conclusion of the conference on the authorization bill, we decided not to fund projects which the Senate had not yet approved.

Let me advise the Senator from Texas, however, that I will support community impact planning funds for gulf coast homeports in the conference with the House on this measure if he will desist in offering an amendment at this time.

Mr. BENTSEN. Mr. President, with that clear assurance from the distinguished Senator from Georgia, I shall not offer my amendment. And I thank the Senator.

AMENDMENT NO. 969

(Purpose: To provide funds for construction in connection with the National Defense University at Fort McNair, Washington, DC.)

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. ANDREWS). The pending amendment is the excepted committee amendment.

Mr. MATTINGLY. I ask unanimous consent to set aside the committee amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY], for himself, Mr. THURMOND, and Mr. HATFIELD, proposes an amendment numbered 969.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, line 1, strike out "$208,350,000" and insert in lieu thereof "$233,290,000".

Mr. MATTINGLY. Mr. President, I have no objection to the amendment.

Mr. SASSER. Mr. President, the amendment of the distinguished Senator from South Carolina seeks to fund a project which I think probably is meritorious, if this were not such an austere budget year. Our committee has had to make some serious cuts in the budget request, and we reduced this budget by $1.7 billion. So if there were no necessity to exercise budget restraint, I would be an enthusiastic supporter of the amendment offered by the Senator from South Carolina.

However, I will not offer an objection at this time, because I understand the desire of the Senator from South Carolina to get this project to conference, since the House did not provide funding for it. Therefore, I will offer no objection to the amendment.

Mr. MATTINGLY. I thank the distinguished ranking minority member of the committee.

Mr. THURMOND. Mr. President, this amendment would restore $25 million for the National Defense University. These funds are for critical academic space for the university, the Nation's top military school.

This program has been placed in both the House and Senate authorization bills. I strongly believe that this facility, long in the development process, is essential for the effective mission accomplishment and enhancement of our national security.

I urge my colleagues' support.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 969) was agreed to.

Mr. MATTINGLY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 970

(Purpose: To appropriate funds for the construction of a medical supply warehouse at Camp Carroll, Korea, and for a medical contingency complex in Torrejon, Spain)

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the committee amendment will be set aside.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY], for Mr. BINGAMAN and Mr. GLENN, proposes an amendment numbered 970.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 7, strike out "$1,541,190,000" and insert in lieu thereof "$1,545,690,000".

On page 3, line 13, strike out "$1,718,863,000" and insert in lieu thereof "$1,721,763,000".

Mr. MATTINGLY. Mr. President, the amendment provides funding for two overseas medical contingency facilities and this side has no objection to the amendment.

Mr. BINGAMAN. Mr. President, this amendment would restore funding for two overseas medical contingency facilities, one in Korea and one in Spain. We had testimony in the Manpower Subcommittee of the Senate Armed Services Committee earlier this fall on our military medical readiness. Dr. William Mayer, Assistant Secretary of Defense for Health Affairs, and the Services Surgeons General appeared at that hearing. That hearing highlighted just how far we had to go in order to have some semblance of medical readiness within our Armed Forces.

Dr. Mayer, at that hearing, specifically criticized the action by the House Appropriations Committee in deleting all of the funding for construction of medical contingency facilities overseas in this bill. So I want to commend the junior Senator from Georgia, Senator MATTINGLY, and the senior Senator from Tennessee, Senator SASSER, for restoring funding for many of these facilities in this bill. They have provided $6.85 million for the fleet hospital support facility near London. They have provided $1.15 million for the medical contingency complex at Incirlik Air Base in Turkey. They have provided $10.4 million for the medical contingency complex at Kimhai Air Base in Korea and they have provided $10.2 million for the fleet hospital support facility in Guam. I commend the Senators for their action in this case. I particularly appreciate the willingness to fund the Kimhi facility despite some misgivings presented in the minority staff's report on Asian military construction concerning the adequacy of Air Force and Army collaboration on that project and some concern about its siting.

The committee has recognized, and I commend them for it, the importance of these facilities to the caring for our soldiers should hostilities ever break out in Europe, the Mediterranean, or Northeast Asia. My amendment would restore funding for two other military contingency facilities. One is $4.5 million for a medical supply warehouse at Camp Carroll, Korea. The other is a $2.9 million medical contingency complex at Torrejon Air Base in Spain. Both are needed projects.

I realize that the Appropriations Committees of both Houses have chosen not to fund most other projects in Spain with the exception of a pier extension in Rota because of concern about whether the Spanish Government will continue our base rights in Spain. But I think that this facility is of such importance that we should go ahead with it. It would permit the immediate operability of a 500-bed contingency hospital at Torrejon. Without it there would continue to be insufficient medical capability to treat casualties under contingency operations in Europe and especially in the Mediterranean. There are currently no other available facilities in this area to support this critical requirement. And the result would be an unnecessarily high mortality rate and greater airlift demand in the terrible event that there were a contingency in NATO's southern flank or elsewhere in the Mediterranean. So I hope that this amendment will be acceptable to the committee. I appreciate the committee's support for the Medical Contingency Program. I appreciate the committee's concern with regard to the need for an overall plan on these overseas medical contingency facilities. Our hearing earlier this year in the Manpower Subcommittee adequately, in fact more than adequately, demonstrated the need for the services to work together better than they have in the past on this issue and I commend the committee's efforts to push them in that direction.

Mr. GLENN. Mr. President, I am pleased to cosponsor Senator BINGAMAN's amendment to add $7.4 million to the fiscal year 1986 military construction appropriations bill. These funds will permit construction of two very important wartime military medical contingency facilities overseas—one in Spain and one in Korea.

The sum of $2.9 million of this amendment will be used to construct a medical contingency facility adjacent to the existing Air Force military hospital at Torrejon Air Force Base in Spain.

During peacetime, this contingency facility will provide storage for a 500-bed hospital, a blood transshipment center, and other critical wartime medical supplies and equipment. In wartime, this facility will operate 204 hospital beds, triage, patient holding, and radiology augmentation. It will also allow the existing hospital at Torrejon to expand from 45 to 296 beds and to include surgery, sterile supply, and intensive care functions.

The remaining $4.5 million in this amendment will provide funds for construction of a medical warehouse at Camp Carroll, Korea. This medical warehouse project is a critical part of the active medical supply, optical and maintenance unit in the Far East. Coupled with others which are already funded in this bill, this project will allow this Army medical unit to relocate from its current antiquated, inadequate facilities in Seoul to new facilities at Camp Carroll.

This warehouse will provide medical supplies to all active medical facilities in Korea. It will also provide storage facilities for vitally needed medical war reserve supplies, and therefore is an essential step in improving our wartime medical readiness in Korea.

Mr. President, this fall, the Manpower and Personnel Subcommittee of the Armed Services Committee has held a series of oversight hearings on the military health care delivery system. Our hearing on wartime medical readiness focused on two recent Defense Department studies of our wartime medical capability in the NATO and Pacific theaters, both done by senior military medical officers. These reports revealed very serious and very disturbing gaps in the military services' current capability to provide medical care in the event of war.

My conclusion from these oversight hearings is that our current capability to deliver wartime medical care in a conventional war in both the NATO and Pacific theaters is totally inadequate. There is no excuse for this situation.

Part of the blame for this situation lies in the existing command structure of the military services, and the apparent inability of the military services to cooperate in planning for wartime medical care. This problem is systematic of the much larger problem of the inability of the military services to work together which the Armed Services Committee is addressing as part of our ongoing effort to reorganize the Department of Defense.

But the other part of the problem has been a simple lack of resources, including wartime contingency medical facilities. With the tremendous investment we have made in Defense spending in the last 5 years it is inconceivable to me how we can still be in the position of being able to treat only 3 out of 10 expected casualties in a NATO war. But that is where we are today.

Under the energetic leadership of Dr. William Mayer, the Assistant Secretary of Defense for Health Affairs, the Defense Department is beginning to recognize the serious nature of these shortcomings in our wartime medical care capability. We have made progress in the last year or so, but we still have a long way to go.

During our hearings this fall. Secretary Mayer pleaded with the Manpower and Personnel Subcommittee for assistance in securing funding for the overseas wartime contingency medical facilities requested in fiscal year 1986 budget. These projects are absolutely essential to improving our wartime medical readiness posture, which in turn, in my opinion, is absolutely essential to our Nation's ability to prosecute a conventional war.

For this reason, I urge my colleagues to support this amendment.

Mr. SASSER. Mr. President, I support the amendment by the Senator from New Mexico.

Medical readiness should be afforded a high priority by our military services.

The Appropriations Committee has added back a number of medical contingency projects which were deleted by the House.

I would urge the adoption of this amendment which restores two medical readiness projects—one in Spain and one in Korea.

I commend the Senator from New Mexico for bringing this amendment before the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 970) was agreed to.

Mr. MATTINGLY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATTINGLY. Mr. President, I move to set aside the excepted committee amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 971

(Purpose: To appropriate funds for the replacement of the electrical distribution system at Fairchild Air Force Base, Washington)

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY], for Mr. GORTON, proposes an amendment numbered 971.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 13, add $12,500,000 to the number shown.

Mr. GORTON. Mr. President, my amendment would appropriate $12.5 million for the replacement of the antiquated electrical distribution system at Fairchild Air Force Base in Spokane, WA. This project is vitally important to Fairchild's primary air defense mission. It has the unequivocal support of the Strategic Air Command and Air Force and is 90 percent design complete. Indeed, this was the No. 2 priority in the entire Strategic Air Command military construction request for fiscal year 1986. The Office of the Secretary of Defense, however, inexplicably deleted the project from the proposed military construction budget. No other military construction projects for Fairchild AFB were included in the Department of Defense's budget request. The House military construction authorization and appropriation bills include the funds necessary for the project and yesterday the Senate conferees receded to the House position in the authorization conference.

Fairchild's current electrical distribution system dates to the base's construction in 1942. Although commercial power companies currently provide electricity to customers at a 13,200 voltage level, the base's system is designed to accommodate only 4,160 volts. Replacement transformers and other parts for systems using voltage rates lower than 13,200 volts no longer exist. As a result, replacement parts for the Fairchild's system are one-of-a-kind and must be custom made. Procurement of such parts is extremely expensive and increases the system's downtime. When the system is upgraded to 13,200 volts, powerline loss will decrease by 70 percent, saving the base an estimated $48,000 per year.

In addition, the system's age makes power failure a common occurrence. Since 1980, Fairchild reported 34 critical power outages directly affecting the base's weapons storage area, bomber alert area, air field lighting, or command post. The base averages 62 noncritical outages per year, for a total or 301 hours of downtime. Exterior electrical equipment failure accounts for 50 percent of these outages. A new distribution system would reduce equipment-related downtime by an estimated 100 hours, saving approximately $34,500 per year in manpower service costs. The base would also save approximately $5,600 per year in generator fuel costs. Thus, total savings as a result of increased efficiency would at a minimum amount to over $88,000 per year.

Most importantly, the base's electrical transmission lines, poles, and transformers are very vulnerable because of the system's age and above ground configuration. For example, a serious winter storm with high winds and sleet, not at all uncommon in the Spokane area, could have serious effects on the electrical system. It is estimated that 60 percent of the system's aged poles and lines would be lost in a very bad storm. Replacement of only the damaged poles and wires would cost approximately $1.7 million.

Fairchild conservatively estimates that repairing the system and restoring power would take 2 to 3 weeks. About 75 percent of the civilian work force would be idle—with pay—during the repairs, resulting in $480,000 salary loss. And this assumes none of the 95 pole-mounted transformers is damaged. Polychlorinated biphenol [PCB] is present in each of these old transformers. If storm damage caused just a few of the transformers to leak PCB, the base estimates cleanup costs of $1 million. The total cost of such a foreseeable system failure because of inclement weather could exceed $3.2 million. A catastrophic storm could have far worse consequences.

Mr. President, given the tremendous mission-related importance of the proposed electrical distribution system to Fairchild AFB and in turn to the security of the country, I urge my colleagues to support this amendment.

Mr. MATTINGLY. Mr. President, we have no objection to the amendment.

The PRESIDING OFFICER. The Chair points out that unanimous consent is required to consider the amendment.

Mr. MATTINGLY. I ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I have no objection to the amendment of the distinguished Senator from Washington. I understand that it is in the House bill. We have examined it. It appears to be meritorious. It concerns the replacement of an antiquated electrical distribution system at the Fairchild Air Force Base in Spokane, WA. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 971) was agreed to.

Mr. MATTINGLY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 972

(Purpose: To add $2.2m for an Army Aviation Museum at Fort Rucker, Alabama)

Mr. MATTINGLY. Mr. President, I ask unanimous consent to set aside the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATTINGLY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY for himself and Mr. HEFLIN] proposes an amendment numbered 972.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 7, add $2,200,000 to the Senate number.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the amendment be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATTINGLY. Mr. President, this is an amendment to add $2.2 million for a project which was authorized yesterday during the Armed Services Committee conference on military construction.

I am adding this only to ensure that the project can be considered during the appropriations conference on this bill.

The $2.2 million of Federal funds will be matched by private contributions to establish this museum at Fort Rucker, AL, the home of Army aviation.

This side has no objection to the amendment.

Mr. SASSER. We have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 972) was agreed to.

Mr. MATTINGLY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATTINGLY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. MATTINGLY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, as a parliamentary inquiry: What is the immediate business before the Senate?

The PRESIDING OFFICER. The pending question is accepting the committee amendment, section 128 at the end of the bill.

Mr. KENNEDY. I thank the Chair.

DAVIS-BACON

Mr. KENNEDY. Mr. President, it is my intention to raise a point of order under rule XVI against section 128 of the military construction appropriations. This provision amends the Davis-Bacon Act and limits its application on military construction projects.

I would point out to my colleagues that this is the same provision that the Senator from Texas and I debated last June when we considered the Defense Department authorization. My amendment to strike that provision failed on the closest of votes.

I do not believe there is any need for lengthy debate. I have no wish to delay the Senates business. The arguments have not changed. The facts remain the same.

But today's debate differs in one very important respect. In June we were considering legislation reported by the Armed Services Committee. Today, we are voting on an appropriations bill.

I believe the rules of the Senate are clear. The job of the subcommittee chaired by my good friend from Georgia is to appropriate, not to legislate. Now we can follow the rules the Senate has adopted or we can change them. But until such time as a majority of this body votes to change the rules and allow the Appropriations Committee to also write the laws, this is one Senator who will insist that the rules be enforced.

Let me also remind my colleagues that we took this same measure to conference on the DOD authorization and it was flatly rejected by our colleagues from the House. We were able to make some reforms in the Walsh-Healey Act, and as a result, achieve some significant budgetary savings. In return for those changes, we agreed not to amend Davis-Bacon. This was a long and tough negotiation that produced a compromise. I believe this amendment is a retreat from that agreement and will be just as forcefully resisted by the House.

Let me also state for the record my substantive as well as procedural objections. The Mattingly amendment would exempt 95 percent of all defense construction contracts from the Davis-Bacon Act. It goes beyond anything this administration has sought in the way of reform and includes provisions that the courts have struck down. The savings to the Government are negligible. And the result will be to lower wages, greatly expand the use of unskilled labor and jeopardize the quality of military construction projects.

The sole purpose of the Davis-Bacon Act is to insure that wages paid in Federal contracts do not undercut the prevailing wage rates in a given area. If this amendment is adopted we will have created a double standard for Federal contracts. Those bidding on military construction projects will be put at a tremendous disadvantage in recruiting the best workers. The most talented craftsmen will look for work on Federal projects that pay the highest wages. Federal contractors will find that they are pitted against each other in recuiting a skilled work force.

There is no need for this legislation. The administration has not asked for it and the Senate should not adopt it.

I believe the Senate should be entitled to hear from both managers of the bill. So I will make a point of order after they speak, after other Members address this issue, and when I am able to regain the floor.

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, the distinguished Senator from Massachusetts is quite right on this matter. This clearly is legislation on an appropriations bill. This is a matter I think that addresses itself to the authorizing committee, addresses itself to the Armed Services Committee, and not to a military construction appropriation subcommittee.

I quite understand that my distinguished chairman and colleague from Georgia feels very strongly about this matter and of course, he is entitled to his view. He has proven himself in times past to be able to capably argue those views and support them at the appropriate time. But I submit today, Mr. President, that it is not appropriate to have this legislation on an appropriations bill.

We have labored long and hard in my view in this body over the past few years to try to move away from this business of attaching special interest matters or items onto the appropriations bills, which amounts to legislation on an appropriations bill. We have spend untold hours, days, nights debating these extraneous matters that somehow are attached to the appropriations bills as they move through this body.

I hope that those of us who serve on the Appropriations Committee would seek to uphold the rules of this body and seek to discourage legislating on an improper vehicles. That in this case, is legislating on an appropriations bill.

I sought to make this case, and did make it in the Appropriations Committee. But quite frankly, Mr. President, on those occasions it was obvious that my distinguished chairman would prevail.

I am hoping today perhaps he will reconsider, realize that this is legislation on an appropriations bill, and acquiesce in the amendment offered by the distinguished Senator from Massachusetts. Let us argue this issue on an-

other day on the appropriate legislation when it comes before this body at the appropriate time.

As I said earlier, I do think that we are simply beating a dead horse. We have been through this whole matter just a few months ago. The distinguished Senator from Texas at the appropriate time on the armed services authorization bill attached this very same language. It was accepted in this body by a very narrow margin, then vigorously resisted, and defeated in the conference.

There is no indication that the House has changed their minds or their feelings on this matter. I fear, Mr. President, even though my chairman has the best of motives, that we are simply attaching extraneous matters to this appropriations bill which will delay the Senate and bog us down.

I might say this. The chairman of the subcommittee supports this amendment on the assumption that reducing or eliminating the Davis-Bacon requirements would reduce the cost of military construction projects. That is not necessarily correct. I would like to point out to the chairman that the Department of Defense produced a study in March of this year which concluded that in every facility category except child care centers—quoting from the study—"Department of Defense military construction costs are generally equivalent to those in the private sector and less than those in other Government agencies."

So we have already directed the Pentagon, as the chairman knows, to begin looking at third party financing for child care centers to reduce those costs.

I would point out to my colleagues here today that I do not believe we are actually going to see any benefit from this measure.

Mr. NICKLES. Will the Senator yield for a question?

Mr. SASSER. I will yield the floor in a moment when I complete my remarks.

Mr. President, I am hopeful that the chairman will reconsider and accept the amendment of the distinguished Senator from Massachusetts. I yield the floor.

Mr. MATTINGLY. Mr. President, I will yield to my colleague from Oklahoma as soon as I finish my statement.

Mr. President, I feel strongly about this provision of the bill. The Davis-Bacon Act is out of touch with the economic realities of the 1980's. It is time we get rid of this costly regulation.

The most direct cost impact of the Davis-Bacon Act results from the tendency of prevailing wage determinations to raise wages on covered projects above levels that would prevail if competitive forces were allowed to operate. The tremendous administrative burden that existing law places on both the Government and contractors on small contracts almost defies description. This provision will save the taxpayers an estimated $51 million in fiscal year 1986.

This exemption from the Davis-Bacon Act represents a compromise. This legislation would codify current Labor Department regulations pertaining to the Davis-Bacon Act. It also increases the threshold from $2,000 to $1 million. It therefore does not exempt all defense construction contracts. By increasing the threshold, thousands of small contracts will be freed of Government-mandated wage determinations.

If we implement the reform in this bill, we will allow small business better opportunities to enter into defense construction. We will create competition. We will create more jobs because we can get more military construction for the same amount of money and therefore, we can increase the efforts being made to improve readiness and the quality of life for our troops.

Mr. President, there really is not a double standard. This is not special interest legislation. What it is is legislation in the interest of the personnel that serve on military installations. What it does is change the expensive way we are currently doing business and face the realities of the eighties. Laws that were passed decades ago are no longer applicable or necessary to meet current realities. There have been comments about legislation on appropriations measures. Well, all my colleagues know that every appropriation bill that we pass is loaded with legislative provisions.

I know there are very firm feelings, needless to say, on both sides of this issue. And those opposed to the provision will say, "Why not wait and hold a hearing on this?" Well, there have been enough hearings and debates on Davis-Bacon. I think the issue is very clear. I think there has been enough talk and the time has come to have some action.

Remember, if Gramm-Rudman becomes the law of the land or the line-item veto becomes the law of the land, we will need to find reductions where we can save money and not hurt people. Davis-Bacon is a provision that has outlived its usefulness and is a burden that the taxpayer shouldn't have to bear.

I urge my colleagues to support this committee provision.

I yield to my colleague from Oklahoma.

Mr. NICKLES. Mr. President, I rise in support of the distinguished chairman from Georgia in retention of the committee language. We have heard legislation on appropriations. I want to make sure that everyone is aware the appropriations language is not repealing the Davis-Bacon statute. Basically it says that for Department of Defense contracts we will use an increased threshold before applying Davis-Bacon. We increase that from $2,000 to $1 million.

The present threshold is $2,000. That means the Department of Labor will be coming in and mandating what the labor rates will be for any project above $2,000. That is absurd and it costs a lot of money.

For very small projects you can easily spend a lot more money than the project may be worth. Maybe you are doing a minor modification of changing the windows or fixing the roof. Even if you are doing that, this contractor does 90 percent of his work in the private sector but he wants to go to Fort Sill, OK, and repair a roof and the job will be $3,000. Then he has to have the Department of Labor come in and tell him what those labor rates should be for the project.

When he goes back and goes to work on a project downtown, then his people are paid at a different rate. Then they are paid what they have agreed to mutually between the employee and the employer. So it is not artificial. It is not something that is manipulated or dreamed up by the Department of Labor.

I hope my colleagues are aware that we are not repealing the Davis-Bacon statute. We are just saying for the Department of Defense military construction projects we will increase the threshold from $2,000 to $1 million.

We also say that in determining the prevailing wage we actually use 50 percent of the wage rates in an area instead of 30 percent. Really, if people are interested in finding out what is prevailing, I think it makes sense to use more than 30 percent. It makes sense to use 50 percent to find out really what is prevailing. I think that is a much more realistic figure.

Also, my colleagues need to know another part of this amendment is that it would allow the use of helpers. A lot of times, by Department of Labor regulations, in the past they have not even allowed the use of helpers, the classification for helpers.

You might have the lowest wage rate category on any function. In building a block building, the lowest wage rate classification may be $14 an hour, even though the rate for skilled laborers for that category of work would be $4, $5, or $6 or $7 an hour in that area.

You should not be talking about wage rates two or three times what is really prevailing.

The net essense is we can save a lot of money. These projects do not have to cost as much as they are scheduled to cost if we allow the committee language to remain.

We are making some difficult decisions on how we can make these tax

dollars go further so we can reduce the deficits. This is one excellent example of where we can save some taxpayer dollars and not reduce the military projects, not reduce the jobs. Actually, you can have more jobs because you can build more projects with the same amount of dollars. I hope that we will follow the lead of the Senator from Georgia and keep this committee language in the bill.

Mr. KENNEDY. Mr. President, if I may respond very briefly to the points that have been made by the Senator from Georgia and the Senator from Oklahoma.

What is intended and what is reality with Davis-Bacon is to insure that on work that is done in the areas of, in this case, military construction, workers are not going to be paid excessively nor are they going to be paid substandard wages. I do not think it is a good idea for us to accept the concept that the Federal Government should be an employer that pays substandard wages. Nor should the Federal Government be an employer that pays excessive wages.

The Federal Government, if it is going to support military construction projects, ought to pay the prevailing wage and let competition take place in the private sector on other factors. Mr. President, once we move into permitting substandard wages in the area of military construction, I think we do an enormous disservice to the men and women who serve in the Armed Forces.

How many parents will want their sons, who are perhaps jet fighter pilots, taking off on runways that may very well be built with substandard wages? How many parents want their sons and daughters to live in barracks that are poorly made or poorly constructed because of an inferior work product?

It seems to me that we ought to insure and insist, in the area of national security particularly, that those people who are going to serve in the Armed Forces, those people who are going to be living in these facilities, are going to have the best and that the competition that is going to take place in building the best will be based upon which contractor is the most efficient and productive, but will not be based upon who can pay the lowest wages. That is what we are talking about.

Mr. President, I have been around here long enough to know what has happened in instance after instance in terms of Federal contracting. We have seen instance after instance, even in the defense area, where contractors will come in and bid low, get the contract, and then go out and get bailed out at the Federal taxpayers' expense. That has been done routinely, Mr. President, and is being done even today. I daresay if we open up this opportunity, it will be done in excess in the future.

So, Mr. President, there may be those who differ with me on this particular interpretation, but we ought to have had the opportunity to examine these issues in the committees that have principle jurisdiction. That has not been done, Mr. President, and for the reasons I have indicated earlier and as I stated last spring, I shall make a point of order.

Mr. MATTINGLY. I just want to respond to the argument that Davis-Bacon leads to a higher quality of work.

But the truth of the matter is—"that just ain't so." I submit that that argument is fundamentally flawed, and instead the opposite is true.

Forcing a contractor to purchase more expensive labor may result in fewer units of labor being used, or possibly in the substitution of materials of lesser quality. Thus, output quality would probably decline, not rise.

I find it interesting that those who argue the point that Davis-Bacon leads to quality work somehow believe quality work is a result of paying artifically high wages, whereas the payment of market wages in the private sector produces worthless junk.

No, Mr. President, I argue that wasting the taxpayers' money never has been a guide to quality, and it never will.

Mr. KENNEDY. Mr. President, unless there are others who wish to speak on this, I shall ask the ruling of the Chair on the point of order under rule XVI against section 128 of the bill.

Mr. MATTINGLY. Mr. President, I raise the defense of germaneness.

The PRESIDING OFFICER. Under the precedents of the Senate, the question of germaneness having been raised, the Chair must submit that question to the Senate for a vote without debate.

Mr. KENNEDY. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. KENNEDY. Will the Chair state what the question is before the Senate?

The PRESIDING OFFICER. The question before the Senate is, Is the excepted committee amendment germane?

A yea vote indicates the committee amendment is germane; a nay vote indicates it is not.

Mr. KENNEDY. I thank the Chair.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. EXON. Mr. President, on this vote I have a pair with the distinguished Senator from West Virginia [Mr. ROCKEFELLER]. If he were present and voting he would vote "nay." If I were at liberty to vote, I would vote "aye." Therefore, I withhold my vote.

Mr. SIMPSON. I announce that Senator from Washington [Mr. EVANS] and the Senator from Pennsylvania [Mr. HEINZ] are necessarily absent.

I further announce that, if present and voting the Senator from Pennsylvania [Mr. HEINZ] would vote nay.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] and the Senator from West Virginia [Mr. ROCKEFELLER] are necessarily absent.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER (Mr. WARNER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 45, nays 49, as follows:

[Rollcall Vote No. 286 Leg.]

YEAS—45

Abdnor	Gorton	McClure
Armstrong	Gramm	McConnell
Bentsen	Grassley	Nickles
Boren	Hatch	Pressler
Boschwitz	Hatfield	Pryor
Bumpers	Hawkins	Quayle
Chafee	Hecht	Roth
Cochran	Helms	Rudman
Cohen	Hollings	Simpson
Denton	Humphrey	Symms
Dole	Kassebaum	Thurmond
Domenici	Kasten	Trible
East	Laxalt	Wallop
Garn	Lugar	Warner
Goldwater	Mattingly	Wilson

NAYS—49

Andrews	Glenn	Moynihan
Baucus	Gore	Murkowski
Biden	Harkin	Nunn
Bingaman	Hart	Packwood
Bradley	Heflin	Pell
Burdick	Inouye	Proxmire
Byrd	Johnston	Riegle
Chiles	Kennedy	Sarbanes
Cranston	Kerry	Sasser
D'Amato	Lautenberg	Simon
Danforth	Leahy	Specter
DeConcini	Levin	Stafford
Dixon	Long	Stennis
Dodd	Mathias	Stevens
Durenberger	Melcher	Weicker
Eagleton	Metzenbaum	
Ford	Mitchell	

PRESENT, AND GIVING A LIVE PAIR AS PREVIOUSLY RECORDED—1

Exon, for

NOT VOTING—5

Evans	Matsunaga	Zorinsky
Heinz	Rockefeller	

The PRESIDING OFFICER. The amendment is not germane.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was declared to be not germane.

Mr. MATTINGLY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. MATTINGLY. Mr. President, what is the pending business?

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 973

(Purpose: To provide additional funding for military child care centers)

Mr. DECONCINI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 973.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 7, add $10,820,000
On page 3, line 13, add $2,100,000

Mr. DECONCINI. Mr. President, the Senate Appropriations Committee, in its fiscal year 1986 military construction bill, has not appropriated any new money for child care centers for the families of our military personnel. I raised this issue with the chairman of the Military Construction Subcommittee during the full committee markup on October 31, 1985. The chairman explained that none of the 30 day care projects covering three branches of our Armed Services were authorized by the Senate Armed Services Committee.

Mr. MATTINGLY. Mr. President, could we please stop for a moment so that we can hear what is being said?

The PRESIDING OFFICER. The Chair respectfully requests that Senators who desire to converse retire to the cloakrooms.

The Chair further wishes to advise the Senator from Arizona that the amendment amends part of the bill already amended and therefore would require unanimous consent.

Mr. DECONCINI. Mr. President, I thank the Chair for that advice.

Let me first thank the chairman and ranking minority member for bringing order to the Senate.

With the Chair's indulgence, I ask unanimous consent that the existing amendment be amended in accordance with my amendment which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. I thank the Chair.

Mr. President, so no moneys were included in the appropriations bill. Additionally, he indicated that the funds were not included in order to keep the bill within its budget ceiling.

Since the markup I have worked closely with the distinguished chairman of the Subcommittee on Military Construction, Senator MATTINGLY, who assisted me in acquiring and compiling information on these child care centers. Senator MATTINGLY and his staff have been most cooperative and I thank them for their assistance.

Part of the problem we faced during markup has been corrected. During conference on the military construction authorization bill, the conferees approved an authorization level of $45.7 million for day care construction projects for the military.

The President's fiscal year 1986 budget request for military child care facility construction represents the highest funding request since fiscal year 1980.

Mr. MATTINGLY. Mr. President, will the Senator yield for a question?

Mr. DECONCINI. I am glad to yield to the Senator from Georgia.

Mr. MATTINGLY. Mr. President, is it not true that the amendment we had reaches the amendment that is proposed?

The PRESIDING OFFICER. The Senator is correct.

Mr. DECONCINI. That is correct.

If the Senator will just indulge me a few minutes here, The President's budget request for fiscal year 1986 for military child care centers is $53,740,000—more than $13 million higher than the House-passed military construction appropriations bill for fiscal year 1986. I share the President's apparent concern on the importance of these services.

Mr. President, this leads me to my amendment. I had originally intended to offer an amendment to provide funding for these military day care centers at the $45,675,000 level approved by the authorization conference. However, recognizing the chairman's desire to keep this bill under its allocation ceiling, I am instead offering an amendment to add $12,920,000 to the bill for child care projects on military bases located both within the United States and abroad.

What I have done in this amendment is to provide funding for any projects that were authorized by the conference but for which no moneys were provided in the House in its appropriation bill. Additionally, where the House appropriated level was lower than the level approved by the conferees in the military construction authorization conference, I have provided the full funding level approved by the conferees. It is my hope that the conferees on the bill before us today will ultimately fully fund all military day care centers at the authorized level.

I feel this funding is warranted for our military readiness and urgently required for supporting family stability in the military. The availability of child care services for military families affects military morale and our ability to attract and retain top-quality personnel. And the quality of our armed services personnel, Mr. President, impacts directly upon our national security. Would we consider sending our children to day care facilities off base with strangers or where the language barrier could hinder child development? For most of us, the answer to that question would be a resounding no.

This amendment addresses the military's concern about its ability to retain competent personnel. A Rand study graphically illustrates the importance of the quality of life for our servicemen. It concluded that 53 percent of military children later decided to join one of the armed services. If the quality of life on our military bases deteriorates, it will certainly impact on dependents' current attraction to military life as a career. So this amendment is a direct and prudent investment in our country's future.

If this amendment fails, it will only exacerbate the already intolerable situation our service members are experiencing in obtaining dependable and qualified child care services. To illustrate the problem, I would point out that the Army currently "allots" 23,000 child care spaces for a population of 300,000 children under the age of 6; waiting lists can reach as high as the 551 hopeful families at Fort Lewis, WA.

The bottom line, Mr. President, is cost: How much does it cost when service members miss work, worry about their children, and sometimes quit their jobs? A May 1984 Army survey listed 70,000 soldiers losing duty time or missing official functions because child care was unavailable. In a letter to Senator GOLDWATER, chairman of the Committee on Armed Services, Gen. John Wickam, Jr., U.S. Army Chief of Staff and John O. Marsh, Jr., Secretary of the Army, enumerated six initiatives most vital to the Army. Boldly standing out between "Pershing II security improvements" and an "intelligence command and control facility" were "child care centers."

It is worth repeating that the quality of life we offer our servicemen and women is central to successfully attracting and retaining qualified military personnel who operate increasingly complex and expensive technology. To keep personnel who have developed expertise in complex military systems, we need to recognize the vital role the family unit contributes to the stability and welfare of the military community. As both committed volunteers and defenders of democracy, these families deserve quality day care and education for their children.

Mr. President, my amendment is 32 percent of the House appropriations level and $32.8 million less than the one I originally intended to offer. In

order to comply with the distinguished chairman's wishes to keep this measure within its allocation ceiling, I have opted for the lower funding level. I urge all of my colleagues to support this amendment. Its adoption will help to ensure a strong, stable, and effective defense effort, and provide our military personnel with the necessary child care services they so richly deserve.

Mr. President, I ask unanimous consent that a table reflecting the funding allocations among military child care projects contained in my amendment be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FUNDING LEVELS FOR MILITARY CHILD CARE CENTERS: MILITARY CONSTRUCTION APPROPRIATION BILL, 1986

[In thousands of dollars]

Locations	President's budget request	Military construction authorization [1]	House passed bill	Senate Appropriation Committee	DeConcini amendments
ARMY					
Fort Bliss, TX	2,350	2,350	$2,350	0	.....
Fort Carson, CO	2,600	2,600	2,600	0	.....
Fort Drum, NY	2,000	2,000	2,000	0	.....
Fort Greely, AK	2,500	2,500	2,200	0	2,500
Fort Irwin, CA	1,450	1,450	1,450	0	.....
Fort Knox, KY	4,500	4,500	4,300	0	4,500
Fort Lewis, WA	7,800	6,700	7,000	0	.....
Redstone Arsenal, AL	1,500	1,500	1,500	0	.....
Germany, various locations:					
Baumholder	900	900	0	0	900
Bad Kreuznach	1,100	1,100	0	0	1,100
	3,550	3,550	3,550	0	.....
	1,000	1,000	1,000	0	.....
	2,350	2,350	2,350	0	.....
	780	780	780	0	.....
	2,050	2,050	2,050	0	.....
	1,100	1,100	1,100	0	.....
Karlsrueh	470	470	0	0	470
	1,850	1,850	1,850	0	.....
Italy, Camp Darby	1,350	1,350	0	0	1,350
Subtotal, Army	41,200	40,100	36,080	0	10,820
NAVY					
MCB Twenty-nine Palms, CA	1,490	0	0	0	.....
NS San Diego, CA	845	0	0	0	.....
NS Mayport, FL	2,240	0	0	0	.....
MCAS Cherry Point, NC	1,490	0	0	0	.....
MCAS Beaufort, SC	900	0	0	0	.....
Guam	615	615	615	0	.....
Subtotal, Navy	7,580	615	615	0	0
AIR FORCE					
Lajes, Portugal	1,100	1,100	800	0	1,100
Chicksands, United Kingdom	800	800	800	0	.....
Torrejon, Spain	1,000	1,000	0	0	1,000
Vogelweh, Germany	1,250	1,250	1,250	0	.....
Florennes, Belgium	810	810	810	0	.....
Subtotal, Air Force	4,960	4,960	3,660	0	2,100
Grand total	53,740	45,675	40,355	0	12,920

[1] Anticipated military construction authorization bill conference agreement. At the time of the amendment, the conference committee had not met.

Mr. DECONCINI. Mr. President, I thank Senator MATTINGLY and Senator SASSER, the chairman and ranking minority member, also Rick Pierce, Mike Walker, and Bobby Mills of my staff for helping to put this amendment and compromise together.

I hope the committee can accept the amendment.

Mr. MATTINGLY. Mr. President, we have no objection to the amendment.

I ask the ranking minority member if he has any objection to the amendment.

Mr. SASSER. Mr. President, I have no objection, I say to the distinguished Senator from Georgia. As a matter of fact, I commend the Senator from Arizona for his amendment, and I think that his amendment and the cooperation of the distinguished chairman here will assure that the requested child care centers will become a reality. If we are going to maintain an All-Volunteer Force, that carries with it certain obligations and certain expenses, and I think one of them happens to be child care centers.

So I agree with the amendment.

Mr. MATTINGLY. Mr. President, I also agree.

I wish to say that I am glad that the authorizing committee met yesterday and completed action on the military construction authorization bill.

There is no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona.

The amendment (No. 973) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MATTINGLY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the committee amendment be set aside so we may consider another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 974

(Purpose: To appropriate funds for a maintenance shop and petroleum handling facility for Blytheville AFB, Blytheville, Arkansas)

Mr. MATTINGLY. Mr. President, I have an amendment, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY] for Mr. BUMPERS and Mr. PRYOR proposes an amendment No. 974.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 13, add $4,260,000.

Mr. PRYOR. Mr. President, I am happy to join with Senator BUMPERS to offer this amendment to fund $4.2 million for Blytheville Air Force Base. The money in question has been fully endorsed by the Air Force, and it has already been approved in the House version of this bill. In fact, the committee report to this military construction bill also states the Appropriations Committee's support for this money.

The Senate was forced to delay its approval for this money because of a difference between the House and Senate military construction authorization bills. I understand that that difference has now been cleared up and that it is now proper for us to proceed with an appropriation for these items.

The approval of funding for these projects will be most important to the continued successful operation of the B-52 and KC-135 squadrons at Blytheville. This funding is for militarily significant items: an aircraft repair shop which is essential for the maintenance of these Strategic Air Command aircraft, and a fuel storage facility that is essential for safety and aircraft operations. I ask that a letter from the Department of the Air Force be printed in the RECORD. This letter points out the importance of these projects.

Finally, Mr. President, let me point out the importance of the action we are taking today to Blytheville, AR, itself. Since last spring, when Blytheville showed up on a list from the Secretary of Defense of facilities that might be studied in the future for closure, the entire community has been under a cloud. This action today will allow a little sunlight to shine through. It is an indication that there are those in the Air Force and here in Congress who believe that Blytheville is, indeed, an important asset to the defense of the United States, a Strategic Air Command base could hardly be otherwise, and that truly strange things would have to happen for Blytheville to show up on any further lists of bases that might in the future be studied for closure.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, DC, October 28, 1985.

Hon. DAVID PRYOR,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRYOR: This is in response to your verbal inquiry of October 23, 1985, concerning information about two projects for Blytheville Air Force Base, Arkansas in the FY 1986 Military Construction Program (MCP). They are the Aircraft General Purpose Maintenance Shop and the Petroleum Operations Facility.

The General Purpose Shop was included in the Air Force's regular FY 1986 MCP submittal. The House Armed Services Committee (HASC) has approved the project for $3.75M but the Senate Armed Services Committee (SASC) denied it based on budgetary constraints. This project provides space for various support shops essential to the proper maintenance and repair of aircraft, aircraft components and associated equipment. These shops include battery, fiberglass, electric, hydraulic and welding functions vital to the support of the flying mission at Blytheville. The project is required to improve the base's ability to maintain aircraft, perform its missions and consolidate

these activities into a single facility for more effective and efficient aircraft support. It will permit these activities to vacate four existing substandard, widely scattered facilities which are too small, not properly configured or located, and have outdated mechanical, electrical and ventilation systems which subjects personnel to a hazardous work environment and degrades the aircraft maintenance support provided by these shops. One building is a WW II wood frame building and will be disposed of upon completion of this project. Space occupied in the other three buildings will be used for other functions for which they are considered adequate.

The Petroleum Operations Facility was added to the FY 1986 MCP by the HASC. This project provides a new environmentally controlled laboratory to permit effective and efficient control of aircraft fuels. It is needed for testing of petroleum products to insure uncontaminated fuels and lubricants, which meet the required specifications, are available for aircraft and support equipment use. A consolidated facility is required for centralization of aircraft fuel servicing activities to insure safe and effective operations and testing. Petroleum operations functions are currently occupying three separate facilities. These buildings are widely scattered and located in areas that are not conducive to laboratory activities. One building was once a residential farm house which is now unsound due to age, deterioration, and termite damage. It houses the fuels laboratory, accounting and administrative, training and supervisory support areas. The fuels control center and drivers lounge are located one and one-half miles away on the second floor of a flightline hangar which is one-half mile from the refueling vehicles parking area. Tool storage is in a third building also located one and one-half miles from the fuels lab. This arrangement prevents proper monitoring of equipment which subjects it to pilferage, sabotage, leakage and ineffective control and coordination of fuels activities. Two facilities will be disposed of and the third is a multiple use building in which vacated space will revert to use for which it is considered adequate.

The Air Force supports both projects and urges your support to retain them in the FY 1986 MCP.

Sincerely,

LARRY G. SHOCKLEY,
Deputy Chief, Legislation Division,
Office of Legislative Liaison.

Mr. BUMPERS. Mr. President, I am pleased to offer, with Senator MATTINGLY and Senator PRYOR, this amendment to provide $4.26 million in desperately needed military construction funds for Blytheville Air Force Base. These fund will be used to build an aircraft maintenance shop and a petroleum handling facility at this important SAC base.

Blytheville has been suffering in the last few years from insufficient military construction activity. Too many of the buildings there are of World War II vintage and badly need replacing. The aircraft maintenance shop is required to improve the base's ability to maintain aircraft, perform its missions, and consolidate these activities into a single facility for more effective and efficient aircraft support. The petroleum facility is needed for testing of petroleum products.

Blytheville is home to a squadron of B-52G bombers and KC-135 tankers. As such, it is one of the most important SAC bases. Its B-52's are armed with new air-launched cruise missiles, as well as short-range attack missiles and gravity bombs. It thus plays a very important role in our strategic retaliatory capability and thus in supporting our policy of preserving the peace through maintenance of a strong deterrent force.

At a time of growing Soviet strategic force capabilities, Blytheville has an especially important role to play. One key feature that makes Blytheville so important is its location. By being inland, Blytheville is safer from Soviet attack than are other bases located closer to the coast. This means that any Soviet cruise or ballistic missile attack would take longer to reach Blytheville, giving its bombers and tankers crucial extra minutes to fly away from the base, assuring their survival. Coastal bases are more vulnerable to attack.

Clearly the Air Force recognizes this vulnerability problem for coastal bases. This is why they support the inclusion of funding for the maintenance and fuel facilities, and is why they support Blytheville AFB. Just look at where they are basing the new B-1 bombers: Dyess AFB, TX, McConnell AFB, KS, Ellsworth AFB, SD, and Grand Forks AFB, ND. It's no coincidence that these bases are located well inland.

The vulnerability of coastal bases, and the better survivability of inland bases, suggest to me that when the advanced technology bomber, or Stealth, is ready for deployment, Blytheville and other inland bases would be logical places for them. I strongly support the Stealth program and believe that the greater survivability it offers in penetrating Soviet airspace should be matched by making sure that it has better survivability on this end, too. I urge the Air Force to look closely at Blytheville as a site for the Stealth bomber.

But to play an effective role, Blytheville must have modern facilities. The acceptance of this amendment by the Senate is a solid vote of confidence for a survivable SAC base structure, and Blytheville's important contribution to it.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the amendment be in order.

The PRESIDING OFFICER. Without objection , it is so ordered.

Mr. MATTINGLY. Mr. President, we have no objection on this side to the amendment.

Mr. SASSER. Mr. President, I have no objection. I think this goes a long way toward meeting the rquirements of the Air Force for a maintenance hangar and storage facility which is needed.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Georgia.

The amendment (No. 974) was agreed to.

Mr. MATTINGLY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 975

(Purpose: To restore $11 million in funding for a Systems Management Engineering Facility at L.G. Hanscom Air Force Base)

Mr. KENNEDY. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The assistant legislative clerk read as follows:

The Senator form Massachusetts [Mr. KENNEDY] proposes an amendment numbered 975.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At page 3 line 13: add $11,000,000 to the figure appearing at the above-cited location in the bill.

Mr. KENNEDY. Mr. President, I have had the opportunity to talk to the floor manager and the managers of the bill on this particular proposal.

It deals with the command and control facility and to ensure that it is going to have the kind of support that the Senate Armed Services Committee believed it should have, and which the House committee as well believed it should have.

I believe there is a solid case that can be made—and has been made in the RECORD previously. I hope the managers will be able to accept this particular amendment.

Mr. MATTINGLY. Mr. President, we have no objection to the amendment on this side, and we recommend approval of it.

Mr. SASSER. Mr. President, this is a worthy amendment. I certainly support the Senator from Massachusetts, and his amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (No. 975) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MATTINGLY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NICKLES. Would the chairman of the subcommittee clarify his position on three Oklahoma projects which were added in the House? I know that the Senate did not include any add-ons in their authorization bill, but I believe that the projects may be authorized. I hope that the chairman can assure me that these projects will be supported in the conference on his bill.

The projects are as follows:

First, production facility at McAlester Army Depot, $2.3 million.

Second, mission support facility, Vance Air Force Base, $3.5 million.

Third, Lexington, OK, Army National Board storage facility, $7.2 million.

Mr. MATTINGLY. I can assure the Senator from Oklahoma that I am aware of these projects, and I will do every thing I can to project his projects, if authorized, during the appropriation conference.

Mr. BOREN. Mr. President, I want to thank my good friends from Georgia and Tennessee for their tremendous effort on this year's military construction appropriations bill. I am aware of the difficulties to obtain the necessary cuts to meet the 1986 budget resolution.

I have just received word that the military construction authorization conference, finished yesterday, includes three projects in Oklahoma which are not in this bill because of the lack of authorization at the time of markup.

The projects for Vance Air Force Base, where one-fifth of all USAF pilots are trained, is the mission support complex, long needed, which would consolidate functions now located all over the base including six 40-year-old wooden buildings. The cost of this construction is $3.550 million.

Another project is the base supply administration facility, at a cost of $1.9 million, to provide work space for the administrative, clerical, inventory management, and many other functions now located in warehouse space. This warehouse space is badly needed for adequate protection and proper storage of aircraft spares.

The third project, now authorized in this year's conference, is $2.3 million for a new building with special safety features necessary for the renovation to the PBX bomb loading production line at the Army ammunition plant located in McAlester, OK.

I would appreciate serious consideration by my colleagues that the Senate recede to the House on these projects during the conference on the fiscal year 1986 military construction appropriations.

AMENDMENT NO. 976

Mr. MATTINGLY. Mr. President, I send an amendment to the desk on behalf of myself and Senator SASSER, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The Parliamentarian advises the Chair that the amendment is drawn in such a way as to contain "whereases" and the resolve clause as not to be in order.

Mr. MATTINGLY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATTINGLY. Mr. President, there is no resolution at the desk at this time. Is that correct? Or amendments?

The PRESIDING OFFICER. The Senator is correct. There are no amendments pending at this time.

Mr. MATTINGLY. Mr. President, I send an amendment to the desk on behalf of myself and Senator SASSER, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY], for himself and Mr. SASSER, proposes an amendment numbered 976.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

The Senate find that the U.S. has historically been a haven for those seeking refuge from repression; and

recent events have focused on the procedures used in handling cases involving foreign merchant seamen who might seek political asylum; and

serious questions have arisen about the application of those procedures by the INS in the case of Miroslav Medvid.

Therefore, It is the sense of the Senate that all legal and legitimate means should be taken by the U.S. government in arriving at a just resolution of this incident.

Mr. MATTINGLY. Mr. President, the amendment that I send to the desk on behalf of myself and the distinguished ranking member of the subcommittee, Senator SASSER, expresses the sense of the Senate that the U.S. Government should take all legal and legitimate means necessary to insure that a just resolution is reached in the matter involving the Soviet seaman who has apparently attempted to leave his ship now docked near New Orleans and who has been returned to the vessel by U.S. authorities.

I have serious questions about the procedures followed by the in this case. My hope is that with passage of this amendment, the administration will take every possible action to get to the bottom of this case. In fact, I understand that President Reagan has called upon Attorney General Meese to see if further action by U.S. officials is warranted. My amendment notes that the United States has historically been a place of refuge for those seeking escape from repression and I believe that we must not turn from that continuing responsibility.

I hope my colleagues will join me in supporting the amendment and I urge its adoption.

Mr. SASSER. Mr. President, I also urge adoption of this amendment offered by the distinguished Senator from Georgia and myself.

Mr. President, this amendment deals with the unfortunate incident that occurred not too many days ago regarding Mr. Medvid, the Russian seaman who attempted to defect, or find asylum, in the United States.

There is some concern about the way in which this case was handled by the Immigration Service. Frankly, as one Senator, I have no doubt as to what a young man is doing who jumps into the Mississippi River twice and swims to shore.

Clearly, he is in fear and, clearly, he is trying to seek some secure resting place.

That is the thrust of this amendment. I support it.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that Senators may insert statements into the RECORD concerning this amendment at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, like many of my colleagues I have many concerns and questions about the handling of the Medvid incident by U.S. officials. I have reviewed the affidavit of the INS interpreter who interviewed the Soviet seaman on October 24, 1985. That affidavit makes clear that Mr. Medvid did express his desire for political asylum in the U.S. during that interview. Why then did the INS return Mr. Medvid to the Marshal Konev? Why did they not immediately notify the State Department?

Subsequently, the State Department maintains, they had the opportunity to interview Mr. Medvid in a setting which would allow him to freely express his wishes and he repeatedly stated his desire to return to the U.S.S.R. One must wonder if during the period of time between the two interviews Mr. Medvid was so threatened and intimidated that he could

not restate his true desires, especially in the presence of Soviet officials.

The State Department has said that they consider the matter closed. I believe that conclusion is premature and that the affair has been grossly mishandled to the detriment not only of Mr. Medvid but also to the cause of human rights. I have joined several others in the Senate in urging the President to provide one last opportunity for Mr. Medvid to freely express his wishes. I sincerely hope that he will act expeditiously on the request by the members of the Senate.

I feel confident that the Senate and the American people would rest easier if we could be sure that Mr. Medvid is not being returned to the Soviet Union against his will and that all legal and legitimate means have been taken to accurately determine his wishes. The amendment before us very accurately states that the U.S. has historically been a haven for those seeking refuge from repression. We must see that this historical commitment to the oppressed is maintained in the case of Mr. Medvid.

Mr. MATTINGLY. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 976) was agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MATTINGLY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I rise in support of the military construction appropriation bill as reported by the Appropriations Committee.

I commend the distinguished chairman, Senator MATTINGLY, and the members of the subcommittee for reporting a bill that is consistent with the subcommittee's section 302(b) allocation.

Mr. President, H.R. 3327 as reported provides $8.6 billion in budget authority and $2.2 billion in outlays for fiscal year 1986 for important military construction activities.

Taking into account outlays from prior-year budget authority and other actions completed, the bill is $0.4 billion in budget authority under and less than $50 million in outlays over the subcommittee's section 302(b) allocation under the fiscal year 1986 budget resolution.

Mr. President, I urge my colleagues to support the bill as reported and to oppose amendments that would result in significant additional outlays.

Mr. President, I ask unanimous consent that two tables showing the relationship of the reported bill to the congressional budget, the House-passed bill, and the President's budget request, and a summary of total appropriations action to date, be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

MILITARY CONSTRUCTION SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[In billions of dollars]

	Fiscal year 1986	
	Budget authority	Outlays
Outlays from prior-year budget authority and other actions completed		5.4
H.R. 3327, as reported in the Senate	8.6	2.2
Subcommittee total	8.6	7.6
Subcommittee 302(b) allocation	9.0	7.6
House-passed level	8.4	7.5
President's request	10.3	7.9
Subcommittee total compared to:		
Subcommittee 302(b) allocation	−.4	+(1)
House-passed level	+.3	+.1
President's request	−1.7	−.3

[1] Less than $50 billion.

Note.—Details may not add to total due to rounding.

STATUS OF APPROPRIATION BILLS IN THE SENATE

[In billions of dollars]

Subcommittee	Appropriations Committee's 302(b) allocation		Adjusted bill totals[1]		Bill compared to allocation		Bill status
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	
Agriculture	28.2	25.2	28.2	25.2	−(2)	−(2)	Senate passed.
Commerce-Justice	12.0	11.9	11.9	12.0	−.1	+.1	Senate reported.
Defense	285.5	252.2					
District of Columbia	.5	.5	.5	.5	+(2)	+(2)	Senate reported.
Energy-Water	15.3	15.6	15.3	15.6	−(2)	−(2)	Conference.
Foreign Operations	15.2	14.7	16.1	15.2	+.9	+.5	Senate reported.
HUD-Independent	58.7	61.2	58.2	61.2	−.5	+(2)	Senate passed.
Interior	8.2	8.9	8.2	9.3	+(2)	−.4	Senate reported.
Labor-HHS	108.0	115.3	108.0	115.3	+(2)	−(2)	Senate passed.
Legislative Branch	1.7	1.7	1.7	1.7	−(2)	+(2)	Conference.
Military Construction	9.0	7.6	8.6	7.6	−.4	+(2)	Senate reported.
Transportation	10.5	26.6	9.9	26.6	−.6		Senate passed.
Treasury-Postal	13.1	13.1	13.4	13.3	+.3	+.2	Conference.
Unassigned	1.2	−.4			−1.2	+.4	
Total, Appropriations Committee	567.1	554.1	280.1	303.6	−1.6	+1.6	

[1] In addition to the bill, includes outlays from budget authority enacted in prior years, possible later requirements, adjustments to conform mandatory items to the budget resolution level, and other adjustments.
[2] Less than $50,000,000.

Note.—Details may not add to totals due to rounding.

Source: Senate Budget Committee staff.

Mr. LEVIN. Mr. President, I wish to engage in a brief colloquy with the distinguished chairman of the Appropriations Subcommittee for Military Construction regarding two modest construction projects for the Michigan National Guard.

These two projects: One for the winterization of dormitory facilities at Phelps Collins Air National Guard Base, Alpena, MI, the other for the construction of a fuel cell maintenance facility at the Battle Creek Air National Guard Base at Battle Creek, MI.

The House of Representatives in both its authorizing and Appropriations Subcommittees on Military Construction provided funds for these two projects. I am also pleased that the Senate authorizing Subcommittee on Military Construction receded to the House on these projects during conference deliberation. I ask that my colleague who will represent the Senate at the appropriations conference to note this fact.

There are excellent reasons for appropriating funds for these modest projects.

Winterizing the dormitories at Phelps Collins will nearly double the utilization of this important facility. The one-time cost for this dramatic increase in capability is only $1.8 million.

The fuel cell maintenance facility for the Battle Creek base increases the maintenance capability, modernizes the base and increase its utility for the future.

I urge you to give favorable consideration to these two projects and that you sustain the House position during conference deliberations.

Mr. MATTINGLY. I thank my distinguished colleague from Michigan for his update on these two worthy projects for the Michigan Air Guard. As you understand, these projects could not have been considered by my subcommittee before conference since they were not in the military construction authorization bill. I assure you that they will be carefully considered during our deliberations with the House.

Mr. President, that concludes the amendments that were to be offered. I ask for third reading.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed for a third reading and the bill to be read the third time.

The bill was read the third time.

Mr. MATTINGLY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MATTINGLY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATTINGLY. Mr. President, we are ready for passage.

The PRESIDING OFFICER. The bill having been read the third time, the question is: Shall it pass? The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Michigan [Mr. LEVIN] and the Senator from West Virginia [Mr. ROCKEFELLER] are necessarily absent.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 94, nays 1, as follows:

[Rollcall Vote No. 287 Leg.]

YEAS—94

Abdnor	Armstrong	Bentsen
Andrews	Baucus	Biden
Bingaman	Gorton	Mitchell
Boren	Gramm	Moynihan
Boschwitz	Grassley	Murkowski
Bradley	Harkin	Nickles
Bumpers	Hart	Nunn
Burdick	Hatch	Packwood
Byrd	Hawkins	Pell
Chafee	Hecht	Pressler
Chiles	Heflin	Proxmire
Cochran	Helms	Pryor
Cohen	Hollings	Quayle
Cranston	Humphrey	Riegle
D'Amato	Inouye	Roth
Danforth	Johnston	Rudman
DeConcini	Kassebaum	Sarbanes
Denton	Kasten	Sasser
Dixon	Kennedy	Simon
Dodd	Kerry	Simpson
Dole	Lautenberg	Specter
Domenici	Laxalt	Stafford
Durenberger	Leahy	Stennis
Eagleton	Long	Stevens
East	Lugar	Symms
Evans	Mathias	Thurmond
Exon	Matsunaga	Trible
Ford	Mattingly	Warner
Garn	McClure	Weicker
Glenn	McConnell	Wilson
Goldwater	Melcher	
Gore	Metzenbaum	

NAYS—1

Hatfield

NOT VOTING—5

Heinz	Rockefeller	Zorinsky
Levin	Wallop	

So the bill (H.R. 3327), as amended, was passed.

Mr. MATTINGLY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATTINGLY. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Chair [Mr. WARNER] appointed Mr. MATTINGLY, Mr. LAXALT, Mr. GARN, Mr. HATFIELD, Mr. SASSER, Mr. INOUYE, and Mr. STENNIS conferees on the part of the Senate.

Mr. DOLE. Mr. President, I thank the manager of the bill. This may not be record time, but it was a very good effort—2½ hours on a very important, major piece of legislation with rollcall votes. I thank both Senators SASSER and MATTINGLY for their outstanding work. It makes our job easier.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. President, I wish to associate myself with the remarks of the distinguished majority leader. I am proud to join with him in the commendations, the compliments, and felicitations. All are very well deserved on both sides.

ORDER OF PROCEDURE

Mr. DOLE. Mr President, we would not like to move to the Federal Retirement Reform Act of 1985.

Under a previous unanimous-consent agreement, at 1:50, we were to turn to the nomination of Alex Kozinski to be a circuit judge and then have a vote at 2 o'clock.

I ask unanimous consent that that be postponed until final disposition of the Federal Retirement Reform Act of 1985, and then at that time there be 10 minutes of debate on the nomination and then the yeas and nays occur on the nomination itself.

Mr. BYRD. Mr. President, reserving the right to object, I do not intend to object.

Mr. DOLE. Mr. President, I withhold the request.

Mr. BYRD. Mr. President, I have reserved an objection. I had earlier told the distinguished majority leader that it would be all right, that the request would be OK. But I am told by staff on our side that we should first check with Mr. LEVIN. So the distinguished majority leader will withhold the request momentarily. I remove my reservation.

The PRESIDING OFFICER. The Chair understands that the request of the majority leader has been withdrawn.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET ACT WAIVER

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 247, a budget waiver to accompany S. 1527.

The PRESIDING OFFICER (Mr. SYMMS). The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 247) waiving section 303(a) of the Congressional Budget Act of 1974 with respect to S. 1527 as reported by the Committee on Governmental Affairs.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

S. RES. 247

Resolved, That, pursuant to section 303(c) of the Congressional Budget Act of 1974, section 303(a) of that Act be waived with respect to the consideration of S. 1527, the Federal Retirement Reform Act of 1985, a bill to provide supplemental retirement benefits for employees of the federal civilian service who are covered by Social Security as mandated by the Social Security Amendments of 1983.

S. 1527 would violate section 303(a) of the Congressional Budget Act of 1974 because

the bill provides new spending authority as described in 401(c)(2)(C) of that Act to become effective during fiscal year 1987, before the first concurrent resolution on the budget for fiscal year 1987 has been agreed to.

The budget authority provided in S. 1527 authorizes contributions from the employee and the employing agency to the pension system to fund future retirement benefits and authorizes the payment of entitlement benefits to individuals qualifying for such benefits under the provisions of S. 1527.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BUDGET ACT WAIVER

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 248, a Budget Act waiver to accompany S. 1527.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 248) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1527.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

S. RES. 248

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1527, the Federal Retirement Reform Act of 1985, a bill to provide supplemental retirement benefits for employees of the federal civilian service who are covered by Social Security as mandated by the Social Security Amendments of 1983.

S. 1527 would violate section 402(a) of the Congressional Budget Act of 1974 because it authorizes the enactment of new budget authority for fiscal year 1986 and was reported after the July 8, 1985 deadline. The delay in reporting S. 1527 was occasioned by the complexities of developing legislation that meets the retirement needs of civilian employees while restraining the growth in pension expenditures.

The waiver of section 402(a) is necessary to permit timely consideration of the legislation prior to the expiration of the interim retirement plan on December 31, 1985.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL RETIREMENT REFORM ACT

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 1527.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1527) to amend title 5, United States Code, to establish a new retirement and disability plan for Federal employees, postal employees, and Members of Congress, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Federal Retirement Reform Act of 1985".

PURPOSES

SEC. 2. The purposes of this Act are—

(1) to provide Federal employees with a retirement benefits plan which is comparable to good private sector retirement benefits plans;

(2) to assist in building a quality career work force in the Federal Government;

(3) to promote financial stability and flexibility for the future of each Federal employee;

(4) to ensure a fully funded and financially sound Federal Government retirement benefits plan;

(5) to enhance portability of retirement assets between Federal jobs and jobs outside the Federal Government;

(6) to increase the options of each Federal employee with respect to retirement benefits plans;

(7) to encourage Federal employees to increase personal savings for retirement;

(8) to include Federal employees in the investment decisionmaking process with respect to the assets of the retirement system; and

(9) to extend financial protection from disability to additional Federal employees and to increase such protection for eligible Federal employees.

TITLE I—FEDERAL RETIREMENT SYSTEM

ESTABLISHMENT

SEC. 101. (a) Title 5, United States Code, is amended by inserting after chapter 83 the following new chapter:

"CHAPTER 84—FEDERAL RETIREMENT SYSTEM

"SUBCHAPTER I—DEFINITIONS; FEDERAL RETIREMENT SYSTEM

"Sec.
"8401. Definitions.
"8402. Federal Retirement System; participation.
"8403. Relationship to the Social Security Act.

"SUBCHAPTER II—BASIC PLAN

"8411. Entitlement to immediate retirement.
"8412. Entitlement to deferred retirement.
"8413. Computation of annuity.
"8414. Reduction for early retirement.
"8415. Reduction for survivor annuities.
"8416. Methods of payments.
"8417. Level benefits option.
"8418. Contributions.
"8419. Funding of annuity attributable to military service.
"8420. Lump-sum benefits; designation of beneficiaries; order of precedence.

"SUBCHAPTER III—THRIFT SAVINGS PLAN

"8421. Contributions.
"8422. Vesting.
"8423. Entitlement and elections relating to entitlement.
"8424. Annuities: methods of payment; election; and computation.
"8425. Administrative provisions relating to payments and elections.
"8426. Thrift Savings Fund.
"8427. Investment of Thrift Savings Fund.
"8428. Accounting.

"SUBCHAPTER IV—SURVIVOR BENEFITS

"8431. Basic plan spousal benefits relating to the death of a participant or former participant other than an annuitant.
"8432. Basic plan spousal and insurable interest benefits relating to the death of an annuitant.
"8433. Survivor benefits under the thrift savings plan.
"8434. Basic and thrift savings plan survivor benefits relating to marriage after commencement of an annuity.
"8435. Survivor benefits for former spouses: entitlements; amount.
"8436. Survivor benefits for former spouses: elections, deposits and collections, and administrative provisions.
"8437. Termination of entitlement.
"8438. Deposits to the Fund.

"SUBCHAPTER V—DISABILITY BENEFITS

"8441. Definitions.
"8442. Entitlement.
"8443. Computation of benefits.
"8444. Application.
"8445. Medical examinations.
"8446. Offers of alternative employment.
"8447. Recovery or restoration of earning capacity.
"8448. Relationship to workers' compensation.
"8449. Military reserve technicians.
"8450. Administrative provisions.
"8451. Annual accounting; special contingency reserve.
"8452. Federal Employees' Disability Insurance Fund.

"SUBCHAPTER VI—GENERAL AND ADMINISTRATIVE PROVISIONS

"8461. Authority of the Office of Personnel Management.
"8462. Cost-of-living adjustment in basic plan annuities, survivor annuities, and disability benefits.
"8463. Rate of benefits.
"8464. Commencement and termination of annuities.
"8465. Waiver, allotment, and assignment of benefits.
"8466. Application for benefits.
"8467. Court orders.
"8468. Annuities and pay on reemployment.
"8469. Information.

"SUBCHAPTER VII—TRANSITION PROVISIONS

"8471. Treatment of certain individuals subject to the Civil Service Retirement and Disability System.
"8472. Special rules for participants retaining entitlement in the Civil Service Retirement and Disability System.
"8473. Participants subject to the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983.
"8474. Reemployed annuitants under a Government retirement system.

"8475. Exemption from certain offset provisions of the Social Security Act.
"8476. Regulations.
"SUBCHAPTER VIII—FEDERAL RETIREMENT THRIFT INVESTMENT MANAGEMENT SYSTEM
"8491. Federal Retirement Thrift Investment Board.
"8492. Federal Retirement Thrift Advisory Committee.
"8493. Employee Advisory Committee.
"8494. Executive Director.
"8495. Investment policy.
"8496. Administrative provisions.
"8497. Fiduciary responsibilities; liability and penalty.
"8498. Bonding.
"8499. Exculpatory provisions; insurance.
"SUBCHAPTER I—DEFINITIONS; FEDERAL RETIREMENT SYSTEM
"§ 8401. Definitions

"Except as otherwise provided in this chapter, for the purposes of this chapter—

"(1) the term 'account', when used with respect to a participant or annuitant, means an account established and maintained under section 8428(a) of this title;

"(2) the term 'annuitant' means a former participant who is entitled to an annuity under this chapter and who has applied under this chapter for the payment of the annuity to commence;

"(3) the term 'average pay', when used with respect to a participant, means the largest annual rate resulting from averaging the participant's rates of basic pay in effect over any 5 consecutive years of creditable service or, in the case of an annuity under this chapter based on service of less than 5 years, over the total service, with each rate weighted by the period it was in effect;

"(4) the term 'basic pay', when used with respect to a participant—

"(A) means the lesser of—

"(i) the basic pay of the participant established pursuant to law, without regard to any provision of law (except sections 5308 and 5382(b) of this title) limiting the rate of pay actually payable in any pay period (including any provision of law restricting the use of appropriated funds); or

"(ii) the rate of basic pay payable for level I of the Executive Schedule; and

"(B) includes the items described in subparagraphs (A) through (D) of paragraph (3) of section 8331 of this title and does not include the items excluded by such paragraph;

"(5) the term 'Board' means the Federal Retirement Thrift Investment Board established by section 8491(a) of this title;

"(6) the term 'Civil Service Retirement and Disability Fund' means the Civil Service Retirement and Disability Fund referred to in section 8348 of this title;

"(7) the term 'court', when used with respect to a judgment, decree, order, or other judicial action, means any court of the United States, a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States, or any Indian court, having jurisdiction to issue such judgment, decree, or order or to take such other judicial action;

"(8) the term 'Director' means the Director of the Office of Personnel Management;

"(9) the term 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields,

"(B) increases in rates of basic pay, and

"(C) rates of price inflation;

"(10) the term 'earnings', when used with respect to the Thrift Savings Fund, means the amount of the gain experienced or yield received from the investment of sums in such fund;

"(11) the term 'eligible former spouse', when used with respect to a participant or former participant, means a former spouse of the participant or former participant who was married to the participant or former participant for at least 9 months;

"(12) the term 'employee' means—

"(A) each individual referred to in subparagraphs (A), (E), (F), (H), (I), and (J) of section 8331(1) of this title, including an employee of the United States Park Police and an employee of the United States Secret Service; and

"(B) a Congressional employee as defined in section 2107 of this title, including a temporary Congressional employee;

any of whose employment by the Government after December 31, 1983, is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, except that such term does not include any individual referred to in clause (i), (ii), (v), (vi), or (ix) of paragraph (1) of section 8331 of this title or in the undesignated material after clause (ix) of such paragraph, any individual excluded under section 8402(b)(2) of this title, or any individual who was subject to subchapter III of chapter 83 of this title on December 31, 1983, has not had a break in employment by the Government for a period of more than 1 year beginning after such date, and has not commenced participation in the System pursuant to section 8471 of this title;

"(13) the term 'Employee Advisory Committee' means the Employee Advisory Committee established in accordance with section 8493 of this title;

"(14) the term 'Executive Director' means the Executive Director appointed under section 8494(a)(1) of this title;

"(15) the term 'firefighter' means—

"(A) an employee the duties of whose position—

"(i) are primarily to perform work directly connected with the control and extinguishment of fires; and

"(ii) are sufficiently rigorous that employment opportunities are required to be limited to young and physically vigorous individuals, as determined by the Director considering the recommendation of the employing agency; and

"(B) an employee who is transferred directly to a supervisory or administrative position after performing duties described in subparagraph (A) of this paragraph for at least 10 years;

"(16) the term 'Fund' means the Civil Service Retirement and Disability Fund;

"(17) the term 'Government' means the Federal Government and Gallaudet College;

"(18) the term 'law enforcement officer' means—

"(A) an employee, the duties of whose position—

"(i) are primarily (I) the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, or (II) the protection of officials of the United States against threats to personal safety; and

"(ii) are sufficiently rigorous that employment opportunities are required to be limited to young and physically vigorous individuals, as determined by the Director considering the recommendation of the employing agency; and

"(B) an employee who is transferred directly to a supervisory or administrative position after performing duties described in subparagraph (A) of this paragraph for at least 10 years;

"(19) the term 'loss', when used with respect to the Thrift Savings Fund, means the amount of the loss experienced from the investment of sums in such fund;

"(20) the term 'lump-sum credit' has the same meaning as provided by section 8331(8) of this title;

"(21) the term 'Member' has the same meaning as provided in section 2106 of this title, except that such term does not include a person who (A) was a Member of Congress on December 31, 1983, and (B) has not commenced participation in the System pursuant to section 8471 of this title;

"(22) the term 'military reserve technician' means a member of one of the reserve components of the Armed Forces specified in section 261(a) of title 10 who—

"(A) is assigned to a civilian position as a technician in the administration and training of such reserve components or in the maintenance and repair of supplies issued to such reserve components; and

"(B) as a condition of employment in such position, is required to be a member of one of such reserve components serving in a specified military grade;

"(23) the term 'net earnings' means the excess of earnings over losses;

"(24) the term 'net losses' means the excess of losses over earnings;

"(25) the term 'normal cost' means the entry-age normal cost of the provisions of the System which relate to the Fund, computed by the Office in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay, and shall be used to value the cost of the System for all purposes in which the cost of the System is required to be determined;

"(26) the term 'Office' means the Office of Personnel Management;

"(27) the term 'participant' means an employee or Member or a person who is receiving disability benefits under subchapter V of this chapter;

"(28) the term 'price index' has the same meaning as provided in section 8331(15) of this title;

"(29) the term 'service', when used with respect to a participant or former participant, means—

"(A) employment as a participant after December 31, 1986;

"(B) service which is creditable under section 8473 of this title;

"(C) subject to section 8419(a) of this title, military service as provided in section 8332(c) of this title;

"(D) service that is creditable under subchapter III of chapter 83 of this title, but only for the purposes provided in section 8472(a) of this title; and

"(E) leaves of absence commencing after December 31, 1986, under the same conditions and subject to the same limitations as are prescribed in section 8332(f) of this title; and

is computed as the full years and twelfth parts thereof, excluding from the aggregate the fractional part of a month, if any;

"(30) the term 'supplemental liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this chapter, over

"(B) the sum of—

"(i) the actuarial present value of the future contributions to be made on behalf of participants pursuant to section 8418(a) of this title; and

"(ii) the balance which is in the Fund on the date the supplemental liability is determined and is attributable to the System or to contributions made under section 204(b) or 205 of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1106; 5 U.S.C. 8331 note); and

"(31) the term 'System' means the Federal Retirement System described in section 8402(a) of this title.

"§ 8402. Federal Retirement System; participation

"(a) The provisions of this chapter comprise the Federal Retirement System.

"(b)(1) Except as provided in paragraph (2) of this subsection, each employee and Member shall be a participant in the System.

"(2)(A) The Office may exclude from the operation of this chapter an employee or group of employees in or under an Executive agency whose employment is temporary or intermittent, except an employee whose employment is part-time career employment (as defined in section 3401(2) of this title).

"(B) The Architect of the Capitol may exclude from the operation of this chapter an employee under the Office of the Architect of the Capitol whose employment is temporary or of uncertain duration.

"(C) The Librarian of Congress may exclude from the operation of this chapter an employee under the Library of Congress whose employment is temporary or of uncertain duration.

"§ 8403. Relationship to the Social Security Act

"Except as otherwise provided in this chapter, the benefits payable under the System are in addition to the benefits payable under the Social Security Act.

"SUBCHAPTER II—BASIC PLAN

"§ 8411. Entitlement to immediate retirement

"(a) An employee or a Member who is separated from Government employment after becoming 55 years of age and completing 10 years of service is entitled to an immediate annuity.

"(b) An employee or a Member who is separated from Government employment after becoming 62 years of age and completing 5 years of service is entitled to an immediate annuity.

"(c) An employee who is separated from Government employment—

"(1) after becoming 50 years of age and completing 20 years of service as a law enforcement officer or firefighter, or any combination of such service totaling at least 20 years, or

"(2) after completing 25 years of service as a law enforcement officer or firefighter, or any combination of such service totaling at least 25 years,

is entitled to an immediate annuity. The provisions of section 8335(b) of this title, relating to mandatory separation, shall apply to a participant who is a law enforcement officer or a firefighter.

"(d) An employee who is separated from Government employment—

"(1) after becoming 50 years of age and completing 20 years of service as an air traffic controller, or

"(2) after completing 25 years as an air traffic controller,

is entitled to an immediate annuity. The provisions of section 8335(a) of this title, relating to mandatory separation, shall apply to a participant who is an air traffic controller.

"(e)(1) Except as provided in paragraphs (2) and (3) of this subsection, any employee who has completed 25 years of service, or is not less than 50 years of age and has completed 20 years of service, and who—

"(A) is separated from Government employment involuntarily, except by removal for cause on charges of misconduct or delinquency, or

"(B) while serving in a geographic area designated by the Director, is voluntarily separated from Government employment during a period that (as determined by the Director)—

"(i) the agency in which the employee is serving is undergoing a major reorganization, a major reduction in force, or a major transfer of function, and

"(ii) a significant percentage of the total number of employees serving in such agency will be separated or subject to an immediate reduction in the rate of basic pay (without regard to subchapter VI of chapter 53 of this title or comparable provisions),

is entitled to an immediate annuity.

"(2) An employee described in paragraph (1)(A) of this subsection is not entitled to an annuity under this subsection if the employee has declined a reasonable offer of another position in the employee's agency for which the employee is qualified and the offered position is not lower than 2 grades or pay levels below the employee's grade or pay level and is within the employee's commuting area.

"(3) Paragraph (2) of this subsection shall not apply to a firefighter, law enforcement officer, or air traffic controller.

"(f) An annuity authorized by this section is computed under sections 8413 through 8415 of this title.

"(g) A former employee or Member who is entitled to benefits under subchapter I of chapter 81 of this title is not entitled to an annuity under this section while receiving such benefits.

"§ 8412. Entitlement to deferred retirement

"(a) A participant who is under 55 years of age and separates from Government employment after completing 10 years of service is entitled to an annuity to commence on or after the date the participant becomes 55 years of age but not later than the date the participant becomes 62 years of age, as elected by the participant under rules prescribed by the Office.

"(b) A participant who is under 62 years of age and separates from Government employment after completing 5 years of service and before completing 10 years of service is entitled to an annuity to commence on the date the participant becomes 62 years of age.

"(c) An annuity authorized by this section is computed under sections 8413 through 8415 of this title.

"(d) A former employee or Member who is entitled to benefits under subchapter I of chapter 81 of this title is not entitled to an annuity under this section while receiving such benefits.

"§ 8413. Computation of annuity

"(a)(1) Except as provided in paragraph (2) of this subsection and section 8414 or 8415 of this title, the amount of the annuity an annuitant is entitled to receive under this subchapter shall be equal to—

"(A) 0.9 percent of the annuitant's average pay multiplied by so much of an annuitant's total service as does not exceed 15 years; and

"(B) 1.1 percent of the annuitant's average pay multiplied by so much of the annuitant's total service as exceeds 15 years.

"(2) In the case of a participant whose service includes service in the position of a law enforcement officer, firefighter, air traffic controller, or military reserve technician, the percent applicable to the service in such position for the purposes of paragraph (1) of this subsection is 1 percent.

"(3) For the purposes of computing the amount of an annuity under paragraphs (1) and (2) of this subsection, the total service of a participant who separates from Government employment entitled to an immediate annuity or who dies leaving a survivor or survivors entitled to a survivor annuity under this chapter includes days of unused sick leave credited to the participant under a formal leave system to the same extent that unused sick leave is credited in computing an annuity of a person who is subject to subchapter III of chapter 83 of this title, as provided in section 8339(m) of this title.

"(b)(1) A former participant who is entitled to receive an annuity under subsection (c) or (d) of section 8411 of this title shall also be entitled to receive an annuity supplement, in addition to the amount of the annuity computed under subsection (a) of this section, while the former participant is under 62 years of age.

"(2) The amount of the annuity supplement payable to a former participant under paragraph (1) of this subsection shall be equal to the estimated amount of the benefits that—

"(A) the former participant would be entitled to receive under title II of the Social Security Act if the participant were 62 years of age on the date the annuity referred to in such paragraph commences; and

"(B) is attributable to service referred to in section 8411(c) or 8411(d) of this title, as the case may be,

computed on the date such annuity commences and increased as provided in paragraph (3) of this subsection.

"(3) Effective on January 1 of each year, the amount of the annuity supplement payable to a former participant under this subsection shall be increased by the percentage increase, if any, in the SSA average wage index (as defined in section 215(i)(1)(G) of the Social Security Act) published for November of the immediately preceding year over such index published for November of the year ending immediately before such preceding year.

"(c) In computing under this section the annuity of an individual who has performed service on less than a full-time basis, such service shall be credited on a proportional basis equal to the fraction that such service is of full-time service, and the annual rate of basic pay that would be payable for full-time service in the position shall be deemed to be the rate of basic pay.

"§ 8414. Reduction for early retirement

"(a) Except as provided in subsection (b) and (c) of this section, the annuity computed under section 8413(a) of this title (without regard to this section or section 8415 of this title)—

"(1) for an annuitant, other than an annuitant referred to in paragraph (2) or (3)(A) of this subsection, who is under 62 years of age on the date on which the annuitant's annuity commences shall be reduced by one-sixth of 1 percent for each full month that the annuitant is under such age on such date;

"(2) for an annuitant, other than an annuitant entitled to an immediate annuity under section 8411(e) of this title, who is at least 55 years of age and is under 62 years of age on the date on which the annuitant's

annuity commences and has not completed 30 years of service shall be reduced by five-twelfths of 1 percent for each full month that the annuitant is under 62 years of age on such date; and

"(3) for an annuitant who—

"(A) separated from Government employment as a military reserve technician entitled to an immediate annuity under section 8411(e) of this title, and

"(B) is under 55 years of age on the date on which the annuitant's annuity commences,

shall be reduced by one-sixth of 1 percent for each full month that the annuitant is under such age on such date.

"(b) Subsection (a) of this section shall not apply in the case of—

"(1) a participant who separates from Government employment entitled to an immediate annuity under section 8411(c) or 8411(d) of this title; or

"(2) an annuitant who has elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title, is at least 55 years of age on the date on which the annuitant's annuity commences, and has completed 30 years of service.

"(c) Subsection (a)(1) of this section shall not apply to a participant who separates from Government employment as a military reserve technician after becoming 55 years of age and completing 30 years of service.

"§ 8415. Reduction for survivor annuities

"(a) The annuity of an annuitant computed under section 8413 of this title and, if appropriate, under section 8414 of this title shall be reduced by 10 percent for each survivor annuity which is expected to be payable out of the Fund with respect to the annuitant under this chapter.

"(b)(1) A reduction of an annuity pursuant to subsection (a) of this section in the case of an annuitant who has elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title shall be adjusted, as appropriate to carry out such subsection, to reflect any change in circumstances relating to entitlement to a survivor annuity, including any election made pursuant to section 8434(a), 8436(b), or 8436(c) of this title and any termination of an entitlement to a survivor annuity.

"(2) An adjustment may not be made under paragraph (1) of this subsection in the case of an annuitant not described in such paragraph.

"§ 8416. Methods of Payment

"(a)(1) The Office shall prescribe methods of payment of annuities under this subchapter.

"(2) The methods of payment prescribed under paragraph (1) of this subsection shall include, but not be limited to—

"(A) a method which provides for the payment of a monthly annuity only to an annuitant during the life of the annuitant;

"(B) a method which provides for the payment of a monthly annuity to an annuitant and a monthly survivor annuity equal to 50 percent of the annuitant's annuity on the date of the annuitant's death (computed without regard to section 8415 of this title and any election under section 8417(a) of this title) to the annuitant's surviving spouse, if any; and

"(C) a method which provides for the payment of a monthly annuity to an annuitant and a monthly survivor annuity equal to 50 percent of the annuitant's annuity on the date of the annuitant's death (computed without regard to an election under section 8417(a) of this title) to an individual who is designated by the annuitant and who has an insurable interest in the annuitant.

"(b)(1) Subject to paragraphs (2) and (3) of this subsection—

"(A) under such regulations as the Office shall prescribe, a participant or former participant who is applying for an annuity under this subchapter to commence shall elect one of the methods of payment prescribed by the Office under subsection (a) of this section; and

"(B) the annuity of an annuitant under this subchapter shall be paid in accordance with the method of payment elected by the annuitant pursuant to subparagraph (A) of this paragraph.

"(2)(A) A participant or former participant who is married on the date on which the participant or former participant applies for an annuity under this subchapter to commence may elect a method of payment other than the method described in subsection (a)(2)(B) of this section only if the participant or former participant and the spouse of the participant or former participant jointly waive a survivor annuity under the method described in such subsection (a)(2)(B).

"(B) A waiver shall not be effective for the purpose of subparagraph (A) of this paragraph unless the waiver is made in writing, is notarized, and is filed with the Office on or before the date the annuity to which the waiver relates commences.

"(C) A waiver made in accordance with this paragraph shall be irrevocable.

"(3) In the case of an annuitant who is subject to paragraph (2)(A) of this subsection and fails to make an election under paragraph (1) of this subsection, an annuity and survivor annuity shall be paid under the method of payment described in subsection (a)(2)(B) of this section.

"(4) A participant or former participant may elect the method prescribed under subsection (a)(2)(C) of this section only if the participant or former participant is in good health on the date the election is made, as determined by the Office.

"§ 8417. Level benefits option

"(a) Under regulations prescribed by the Office, an annuity payable under this subchapter to a participant who is separating from Government employment entitled to an immediate annuity under subsection (a) of section 8411 of this title and is less than 62 years of age may be adjusted as provided in subsection (b) of this section, if elected by the participant on or before the date of separation.

"(b)(1) Subject to paragraph (2) of this subsection, an annuity payable under this subchapter to an annuitant who has made an election authorized by subsection (a) of this section may be increased during the period the annuitant is not less than 55 years of age and is less than 62 years of age and may be reduced on and after the date the annuitant is not less than 62 years of age as appropriate to provide the annuitant an annuity under this subchapter, during each month of such period, in an amount which (as nearly as is practicable to determine) equals the total amount of the monthly benefits payable to the annuitant under this subchapter and section 202(a) of the Social Security Act after such date.

"(2) The actuarial present value of the benefits expected to be paid under this subchapter to the annuitant as provided in paragraph (1) of this subsection may not exceed the actuarial present value of the benefits that would be expected to be paid under this subchapter to such participant if the adjustments authorized by such paragraph were not made, as determined under regulations prescribed by the Office.

"§ 8418. Contributions

"(a)(1) Each agency of the Government employing a participant shall contribute to the Fund an amount equal to the sum of—

"(A) the normal cost, as determined by the Office, of (i) each participant who is employed by the agency, and (ii) each disabled participant who is entitled to benefits under section 8442(a) of this title and was employed by the agency on the date the participant became disabled (computed using average pay as increased in accordance with section 8441(6) of this title); and

"(B) the normal cost, as determined by the Office, of the annuity supplement under section 8413(b) of this title for each law enforcement officer, firefighter, and air traffic controller who is employed by the agency.

In computing normal cost, the Office shall not take into account normal cost attributable to credit for military service provided in section 8419 of this title.

"(2) The contribution required by paragraph (1) of this subsection to be made by an agency shall be made from the appropriation or fund used to pay the agency's participants, or, in the case of an elected participant, from an appropriation or fund available for payment of other salaries of the office or establishment of the participant. In the case of a participant in the legislative branch who is paid by the Clerk of the House of Representatives, contributions for the benefit of such participant shall be paid from the contingent fund of the House of Representatives.

"(b)(1) As of the close of each fiscal year beginning after September 30, 1987, the Office shall compute for such fiscal year—

"(A) the amount of the supplemental liability of the Fund relating to participants and annuitants other than participants and annuitants referred to in subparagraph (B) of this paragraph, and

"(B) the amount of the supplemental liability of the Fund relating to participants and annuitants who are active or retired officers or employees of the United States Postal Service.

"(2) The amounts of any supplemental liability—

"(A) computed for any fiscal year pursuant to paragraph (1)(A) of this subsection with respect to participants and annuitants referred to in such paragraph (1)(A) of this subsection, and

"(B) computed for any fiscal year pursuant to paragraph (1)(B) of this subsection with respect to participants and annuitants referred to in such paragraph (1)(B),

shall each be amortized in thirty annual installments.

"(3) At the end of each fiscal year, the Office shall notify—

"(A) the Secretary of the Treasury of the amount of the annual installment computed under paragraph (2)(A) of this subsection for such fiscal year, and

"(B) the Postmaster General of the United States of the amount of the annual installment computed pursuant to paragraph (2)(B) of this subsection for such fiscal year.

"(4)(A) Before closing the accounts for a fiscal year, the Secretary of the Treasury shall credit the amount of the annual installment computed for such fiscal year pursuant to paragraph (2)(A) to the Fund, as a

Government contribution, out of any money in the Treasury of the United States not otherwise appropriated.

"(B) Upon receiving a notice required by paragraph (3)(B) of this subsection, the United States Postal Service shall pay to the Fund the amount of the annual installment specified in the notice.

"(5) For the purpose of carrying out paragraph (1) of this subsection with respect to any fiscal year, the Office may—

"(A) require the Board of Actuaries of the Civil Service Retirement System to make actuarial determinations and valuations, make recommendations, and maintain records in the same manner as provided in section 8347(f) of this title; and

"(B) may use the latest actuarial determinations and valuations made by such Board of Actuaries.

"(c)(1) Except as provided in paragraph (6) of this subsection, under regulations prescribed by the Office, a participant may elect to contribute to the Fund under this subsection. An election under this paragraph may be made only within 60 days after the date the participant first becomes a participant and shall be irrevocable.

"(2) Each agency of the Government employing a participant who elects under paragraph (1) of this subsection to contribute to the Fund shall deduct and withhold from the basic pay payable to the participant for any pay period the amount equal to the excess of—

"(A) the amount equal to 7 percent of such basic pay, over

"(B) the amount of the tax deducted and withheld from such pay for such period for the purposes of section 3101(a) of the Internal Revenue Code of 1954 (relating to old-age, survivor, and disability insurance under the Social Security Act).

"(3) Amounts deducted and withheld under paragraph (2) of this subsection shall be deposited in the Treasury of the United States to the credit of the Fund under such procedures as the Comptroller General of the United States may prescribe.

"(4) Each participant who elects to contribute to the Fund under this subsection shall consent and agree to the deductions required by paragraph (2) of this subsection. Notwithstanding any other provision of law, payment less such deductions is a full and complete discharge and acquittance of all claims and demands for regular services performed during the period covered by the payment.

"(5) Section 8334(d) of this title shall apply to refunds of amounts deducted as required by paragraph (2) of this subsection.

"(6) A law enforcement officer, firefighter, air traffic controller, and military reserve technician may not make an election under paragraph (1) of this subsection.

"(d) Under regulations prescribed by the Office, the head of an agency may request reconsideration of the amount of the normal cost or the supplemental liability computed by the Office for such agency under subsection (a) or (b) of this section. Any such request shall be referred to the Board of Actuaries of the Civil Service Retirement System. The Board of Actuaries shall review the computations of the Office and, if considered appropriate by the Board of Actuaries, recompute such normal cost or such supplemental liability of such agency under this subsection. The determination of the Board of Actuaries shall be final.

"§ 8419. Funding of annuity attributable to military service

"(a) Except in the case of an individual making an election under section 8471(a)(1)(A) of this title, a participant's or former participant's service shall include credit for military service as provided in section 8332(c) of this title without regard to whether the participant or former participant has made a deposit covering such military service as provided in section 8334(j) of this title.

"(b) Before closing the accounts for a fiscal year, the Secretary of the Treasury shall reimburse the Fund for the normal cost relating to the creditable military service of employees and Members who became participants during such fiscal year, actuarially adjusted to the date of payment, as determined by the Office. Reimbursements shall be made under this subsection out of sums appropriated to the Department of Defense for the purpose of making such reimbursements.

"(c) At the end of each fiscal year the Office shall compute the amount of the reimbursement required by subsection (b) of this section for the fiscal year and shall notify the Secretary of the Treasury of that amount.

"§ 8420. Lump-sum benefits; designation of beneficiary; order of precedence

"(a) Subject to subsection (h) of this section, a participant who—

"(1) has elected to make contributions to the Fund under section 8418(c) of this title;

"(2)(A) is separated from Government employment for at least 31 consecutive days; or

"(B) is transferred to a position in which he is not subject to this subchapter and remains in such a position for at least 31 consecutive days;

"(3) files an application with the Office for payment of the lump-sum credit;

"(4) is not reemployed in a position which he is subject to this subchapter at the time he files the application; and

"(5) will not become eligible to receive an annuity within 31 days after filing the application,

is entitled to be paid the portion of the lump-sum credit attributable to the contributions referred to in paragraph (1) of this subsection and interest on such portion, computed as provided in subsection (i) of this section.

"(b) Under regulations prescribed by the Office, a present or former participant may designate a beneficiary or beneficiaries for the purpose of this subchapter.

"(c) Lump-sum benefits authorized by subsections (d) through (f) of this section shall be paid to the person or persons who survive the participant to whom such subsections apply and are alive at the date title to the payment arises. Entitlement to such payment shall be in the same order of precedence as is provided in section 8342(c) of this title. Payment under this subsection bars recovery by any other person.

"(d) If a participant or a former participant not retired dies—

"(1) without a survivor, or

"(2) with a survivor or survivors and the right of all survivors terminates before a claim for survivor annuity is filed,

the portion of the lump-sum credit referred to in subsection (a) of this section and interest on such portion, computed as provided in subsection (i) of this section, shall be paid as provided in subsection (c) of this section.

"(e) If all annuity rights under this chapter based on the service of a deceased participant terminate before the total annuity paid equals the portion of the lump-sum credit referred to in subsection (a) of this section, the difference and interest on such difference, computed as provided in subsection (i) of this section, shall be paid as provided in subsection (c) of this section.

"(f) If an annuitant dies, annuity accrued and unpaid shall be paid as provided in subsection (c) of this section.

"(g) Annuity accrued and unpaid on the termination, except by death, of the annuity of an annuitant or survivor annuitant shall be paid to that individual. Annuity accrued and unpaid on the death of a survivor annuitant shall be paid in the same order of precedence as is provided in section 8342(g) of this title, and the payment bars recovery by any other person.

"(h)(1) Payment of a portion of the lump-sum credit under subsection (a) of this section—

"(A) may be made only if any current spouse and any former spouse of the participant are notified of the participant's application; and

"(B) in any case in which there is a former spouse, shall be subject to the terms of a court order or decree issued with respect to such former spouse if—

"(i) the order or decree expressly relates to the portion of the lump-sum credit involved, and

"(ii) payment of such portion of the lump-sum credit would extinguish entitlement of the former spouse to a survivor annuity under section 8435 of this title or to any portion of an annuity under section 8467 of this title.

"(2)(A) Notification of a spouse or former spouse under this subsection shall be made in accordance with such requirements as the Office shall by regulation prescribe.

"(B) Under the regulations, the Office may provide that paragraph (1)(A) of this subsection may be waived with respect to a spouse or former spouse of a participant if the participant establishes to the satisfaction of the Office that the whereabouts of such spouse or former spouse cannot be determined.

"(3) The Office shall prescribe regulations under which this subsection shall be applied in any case in which the Office receives two or more orders or decrees referred to in paragraph (1)(B) of this subsection.

"(i) Interest on a portion of the lump-sum credit shall be computed as if the interest had accrued at the end of each year on the portion of the lump-sum credit in the Fund during such year and shall be compounded annually. The rate of interest for any year shall be the rate of interest computed for such year under section 8334(e)(3) of this title.

"(j) Payment of the portion of the lump-sum credit referred to in subsection (a) of this section in the case of a participant or former participant voids all rights under this chapter which result from an election to make contributions to the Fund under section 8418(c) of this title.

"SUBCHAPTER III—THRIFT SAVINGS PLAN

"§ 8421. Contributions

"(a)(1) On and after the date a participant makes an election to make contributions to the Fund under section 8418(c) of this title or after the last date such an election may be made under such section in the case of a participant who does not make such election, the participant may contribute to the Thrift Savings Fund in any year an amount not exceeding 10 percent of the participant's annual rate of basic pay.

"(2) Each participant receiving disability benefits under subchapter V of this chapter may, until becoming 62 years of age (in the

case of a person who is disabled within the meaning of section 8441(4)(A) of this title) or until becoming 55 years of age (in the case of a person who is disabled within the meaning of section 8441(4)(B) of this title), contribute to the Thrift Savings Fund in any year an amount not exceeding 10 percent of the amount of the former participant's disability benefits payable under such subchapter during such year.

"(3)(A) Except as provided in subparagraph (B) of this paragraph, notwithstanding the limitations specified in paragraphs (1) and (2) of this subsection, if, in any period for which a participant is entitled to contribute to the Thrift Savings Fund, the participant contributes less than the maximum amount authorized by paragraph (1) or (2) of this subsection (as applicable), the participant may contribute in a later period for which the participant is entitled to contribute to such fund the amount equal to the excess of such maximum amount authorized for the earlier period over the amount contributed during the earlier period.

"(B) The total amount contributed under subparagraph (A) of this paragraph and paragraph (1) or (2) of this subsection in any period may not exceed the amount equal to 15 percent of the periodic equivalent of the participant's annual rate of basic pay for such period.

"(4) Any contribution under this subsection shall be made only pursuant to a program of regular contributions under regulations prescribed by the Executive Director.

"(5) At least once each year, a participant may modify the amount contributed pursuant to paragraph (1) or (2) of this subsection, as the case may be, under regulations prescribed by the Executive Director.

"(b)(1) The employing agency of a participant who contributes to the Thrift Savings Fund under subsection (a) of this section for any pay period, or, in the case of a disabled participant who contributes to such fund under such subsection for any disability benefits payment period, the employing agency of the participant on the date the participant became disabled (as defined in section 8441(4) of this title), shall make a contribution to the Thrift Savings Fund for the benefit of such participant or disabled participant. The employing agency's contribution shall be made at the end of such period.

"(2)(A) Except as provided in subparagraph (B) of this paragraph, the amount contributed under paragraph (1) of this subsection by an employing agency with respect to a contribution of a participant during any period shall be the amount equal to such portion of the amount of the participant's contribution as (i) does not exceed 5 percent of the amount of the gross pay or gross disability benefits, as the case may be, which is payable for such period, and (ii) is not contributed under subsection (a)(3) of this section.

"(B) In the case of a participant who has made an election to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title, the amount contributed under paragraph (1) of this subsection by an employing agency with respect to a contribution of a participant under subsection (a) of this section during any period shall be the amount equal to the sum of—

"(1) such portion of the total amount of the participant's contribution as does not exceed 1 percent of the amount of the gross pay or gross disability benefits, as the case may be, payable for such period,

"(2) one-half of such portion of the amount of the participant's contribution as exceeds 1 percent but does not exceed 3 percent of the gross pay or gross disability benefits, as the case may be, payable for such period, and

"(3) one-fourth of such portion of the amount of the participant's contribution as exceeds 3 percent but does not exceed 6 percent of the gross pay or gross disability benefits, as the case may be, payable for such period,

without regard to any amount contributed by the participant under subsection (a)(3) of this section.

"(c) The sums required to be contributed to the Thrift Savings Fund by an employing agency under subsection (b) of this section for the benefit of a participant shall be paid from the appropriations or funds available to such agency to pay the basic pay of participants or, in the case of an elected participant, from an appropriation or fund available for payment of other salaries of the participant's office or establishment. In the case of a participant in the legislative branch who is paid by the Clerk of the House of Representatives, contributions for the benefit of such participant shall be paid from the contingent fund of the House of Representatives.

"(d)(1) For purposes of the Internal Revenue Code of 1954—

"(A) the amount of any—

"(i) participant contribution, or

"(ii) employing agency's matching contribution,

to the Thrift Savings Fund shall not be included in the gross income of the participant in the taxable year in which such contributions are made, and

"(B) the determination of when, and in what manner, such contributions and any income allocable to such contributions are included in the gross income of such participant shall be made in the same manner as if the Thrift Savings Fund were a trust which met the requirements of section 401(a) of such Code.

"(2) Paragraph (1) shall not apply to any participant contribution described in paragraph (1)(A)(i) in any taxable year with respect to which section 402(a)(8) of such Code does not apply to contributions made to any qualified cash or deferred arrangement (within the meaning of section 401(k) of such Code).

"(e) Subsection (d)(1) of this section shall not be construed to provide that any amount of the participant's pay which is contributed to the Thrift Savings Fund shall not be included in the term 'wages' for purposes of section 209 of the Social Security Act or section 3121(a) of the Internal Revenue Code of 1954.

"§ 8422. Vesting

"(a)(1) A participant who separates from Government employment shall be entitled to an amount equal to—

"(A) the total amount of the contributions made under section 8421(a) of this title plus the total amount of the net earnings in the Thrift Savings Fund, or minus the total amount of the net losses, attributable to such contributions; and

"(B) the applicable percentage of the amount equal to the total amount contributed to the Thrift Savings Fund for the benefit of the participant under section 8421(b) of this title plus the total amount of the net earnings in the Thrift Savings Fund, or minus the total amount of the net losses, attributable to such contributions, as provided in subsection (b) of this section.

"(2) The amount to which a participant is entitled under paragraph (1) of this subsection shall be payable in accordance with the election made by the participant pursuant to section 8423 of this title.

"(b)(1) For the purpose of subsection (a)(1)(B) of this section, except as provided in paragraph (2) of this subsection, the applicable percentage for a participant separating from Government employment after having been a participant in the System for a period set forth under column I of the table below is the percentage set forth under column II of the table below opposite the description of such period:

"Column I Period for which the participant has been a participant in the System:	Column II Applicable percentage:
Less than 1 year	0
Not less than 1 year, but less than 2 years	20
Not less than 2 years, but less than 3 years	40
Not less than 3 years, but less than 4 years	60
Not less than 4 years, but less than 5 years	80
Not less than 5 years	100.

"(2) For the purposes of subsection (a)(1)(B) of this section—

"(A) the percentage applicable in the case of any participant who dies while employed by the Government shall be 100 percent; and

"(B) in the case of a participant making contributions under section 8421(a)(2) of this title, the period for which the person has been a participant in the System shall include periods for which such contributions were made.

"(c) When an election is made by a participant under section 8423(c) of this title, the amount equal to the excess of—

"(1) the sum of—

"(A) the amounts contributed to the Thrift Savings Fund with respect to the participant under section 8421 of this title; and

"(B) the net earnings in the Thrift Savings Fund attributable to such contributions, over

"(2) the amount in the Thrift Savings Fund paid or reserved for payment to or with respect to the participant pursuant to section 8423(c) of this title, . .

shall be available for the year in which the election is made to pay the administrative expenses incurred during such year under the Federal Retirement Thrift Investment Management System prescribed in subchapter VIII of this chapter. Any portion of the amount which is available for such purpose under this subsection in any year and is not obligated or expended before the end of such year shall be transferred to the Treasury of the United States for credit to Miscellaneous Receipts.

"§ 8423. Entitlement and elections relating to entitlement

"(a)(1) Any participant who separates from Government employment entitled to an immediate annuity under section 8411 of this title, any participant who separates from Government employment entitled to benefits under subchapter I of chapter 81 of this title, and, subject to paragraph (2) of this subsection, any participant who is entitled to receive disability benefits under subchapter V of this chapter is entitled and may elect—

"(A) to receive an immediate annuity from the Thrift Savings Fund;

"(B) to defer the commencement of the payment of an annuity from the Thrift Sav-

ings Fund until such date as the participant specifies;

"(C) to withdraw, in one or more payments, the amount of the balance credited to the participant's account in the Thrift Savings Fund; or

"(D) to transfer the amount of the balance in the account to an individual retirement account or other qualified plan (within the meaning of the Internal Revenue Code of 1954) of the participant.

"(2) An election may be made by a disabled participant under paragraph (1) of this subsection only within one year after the date the participant is determined to be disabled for the purposes of subchapter V of this chapter. The election is irrevocable.

"(b) Any participant who separates from Government employment entitled to a deferred annuity under section 8412 of this title is entitled and may elect—

"(1) to receive an annuity from the Thrift Savings Fund to commence on the first date the participant is entitled to receive the deferred annuity;

"(2) to defer the commencement of the payment of an annuity from the Thrift Savings Fund until a date after the first date the participant is entitled to receive the deferred annuity, as specified by the participant;

"(3) to withdraw in one or more payments, on or after the first date the participant is entitled to receive the deferred annuity, the amount of the balance credited to the participant's account in the Thrift Savings Fund; or

"(4) to transfer the amount of the balance in the account to an individual retirement account or other qualified plan (within the meaning of the Internal Revenue Code of 1954) of the participant.

"(c) Any participant who separates from Government employment before becoming entitled to an annuity under section 8411 or 8412 of this title is entitled and may elect—

"(1) to withdraw, in one or more payments, the amount computed under section 8422(a)(1) of this title, payable when the participant becomes 62 years of age; or

"(2) to transfer such amount to an individual retirement account or other qualified plan (within the meaning of the Internal Revenue Code of 1954) of the participant.

"(d)(1) Subject to paragraph (2) of this subsection, any participant making an election pursuant to subsection (a)(1)(B) or (b)(2) of this section may modify the date specified in the election or in a previous modification under this subsection.

"(2) Any modification of an election under paragraph (1) of this subsection may not be made on or after the date specified in the election or the latest modification made under such paragraph and may not specify a date for the commencement of annuity payments earlier than 1 month after the date the modification is filed with the Executive Director.

"§ 8424. Annuities: methods of payment; election; and computation

"(a)(1) The Board shall prescribe methods of payment of annuities under this subchapter.

"(2) The methods of payment prescribed under paragraph (1) of this subsection shall include, but not be limited to—

"(A) a method which provides for the payment of a monthly annuity only to an annuitant during the life of the annuitant;

"(B) a method which provides for the payment of a monthly annuity to an annuitant for the joint lives of the annuitant and the spouse of the annuitant and an appropriate monthly annuity to the one of them who survives the other of them for the life of the survivor;

"(C) a method described in subparagraph (A) of this paragraph which provides annual increases in the amount of the annuity payable;

"(D) a method described in subparagraph (B) of this paragraph which provides annual increases in the amount of the annuity payable; and

"(E) a method providing for the payment of a monthly annuity—

"(i) to the annuitant for the joint lives of the annuitant and an individual, designated by the annuitant under regulations prescribed by the Executive Director, who has an insurable interest in the annuitant; and

"(ii) to the one of them who survives the other of them for the life of the survivor.

"(b) Subject to subsection (c) of this section, under such regulations as the Executive Director shall prescribe, an annuitant electing under section 8423 of this title to receive an annuity from the Thrift Savings Fund shall elect, on or before the date on which the annuitant's annuity under this subchapter commences, one of the methods of payment prescribed by the Board under subsection (a) of this section.

"(c) The amount of an annuity payable under this subchapter pursuant to the method elected under subsection (b) of this section shall be determined on an actuarial basis under regulations prescribed by the Executive Director.

"§ 8425. Administrative provisions relating to payments and elections

"(a) The Executive Director shall make or provide for payments and transfers in accordance with an election of a participant under section 8423 or 8424(b) of this title.

"(b) Any election under section 8423 or 8424(b) of this title shall be in writing and shall be filed with the Executive Director in accordance with regulations prescribed by the Executive Director.

"(c) Notwithstanding any other provision of this section, an election or modification of an election under any provision of this subchapter shall not be effective if the election or modification would result in a violation of the terms of an applicable court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to a court decree of divorce, annulment, or legal separation, as determined by the Executive Director.

"§ 8426. Thrift Savings Fund

"(a) There is established in the Treasury of the United States a Thrift Savings Fund.

"(b) The Thrift Savings Fund consists of the sum of all amounts contributed under section 8421 of this title and all amounts deposited under section 8499(b) of this title, increased by the total net earnings from investments of sums in the Thrift Savings Fund or reduced by the total net losses from investments of the Thrift Savings Fund, and reduced by the total amount of payments made from the Thrift Savings Fund.

"(c) The sums in the Thrift Savings Fund are appropriated and shall remain available without fiscal year limitation—

"(1) to invest under section 8427 of this title;

"(2) to pay benefits under this subchapter;

"(3) to pay the administrative expenses of the Federal Retirement Thrift Investment Management System prescribed in subchapter VIII of this chapter;

"(4) to make loans to participants as authorized under subsection (e) of this section; and

"(5) to purchase insurance as provided in section 8499(b)(2) of this title.

"(d)(1) Except as provided in paragraph (2) of this subsection or section 8465(b) or 8467 of this title, and except as otherwise provided in a Federal law, sums in the Thrift Savings Fund may not be assigned or alienated and are not subject to execution, levy, attachment, garnishment, or other legal process. For purposes of this paragraph, a loan made from such fund to a participant shall not be considered to be an assignment or alienation.

"(2) Moneys due or payable from the Thrift Savings Fund to any individual and, in the case of an individual who is a participant, moneys which the individual would be entitled to receive under section 8422 of this title upon separation from Government employment shall be subject to legal process for the enforcement of the individual's legal obligations to provide child support or make alimony payments as provided in section 459 of the Social Security Act (42 U.S.C. 659) or to pay any indebtedness of the individual to the United States.

"(e)(1) The Board shall establish a program to make loans from the Thrift Savings Fund to a participant in case of financial hardship. The program shall be subject to the same conditions as are prescribed in section 408(b)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(b)(1)).

"(2) The Executive Director shall prescribe regulations to carry out such program.

"(3) Any loan made to a participant under such program shall be made only out of sums contributed to the Thrift Savings Fund by the participant and net earnings attributable to such sums.

"(f) The sums in the Thrift Savings Fund shall not be appropriated and may not be used for any purpose other than the purposes specified in this section.

"§ 8427. Investment of Thrift Savings Fund

"(a) For the purposes of this section—

"(1) the term 'Common Stock Index Investment Fund' means the Common Stock Investment Fund established under subsection (b)(1)(C) of this section;

"(2) the term 'equity capital' means common and preferred stock, surplus, undivided profits, contingency reserves, and other capital reserves;

"(3) the term 'Fixed Income Investment Fund' means the Fixed Income Investment Fund established under subsection (b)(1)(B) of this section;

"(4) the term 'Government Securities Investment Fund' means the Government Securities Investment Fund established under subsection (b)(1)(A) of this section;

"(5) the term 'net worth' means capital, paid-in and contributed surplus, unassigned surplus, contingency reserves, group contingency reserves, and special reserves;

"(6) the term 'plan' means an employee benefit plan, as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3));

"(7) the term 'qualified professional asset manager' means—

"(A) a bank, as defined in section 202(a)(2) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(2)) which—

"(i) has the power to manage, acquire, or dispose of assets of a plan; and

"(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, equity capital in excess of $1,000,000;

"(B) a savings and loan association, the accounts of which are insured by the Federal Savings and Loan Insurance Corporation, which—

"(i) has applied for and been granted trust powers to manage, acquire, or dispose of assets of a plan by a State or Government authority having supervision over savings and loan associations; and

"(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, equity capital or net worth in excess of $1,000,000;

"(C) an insurance company which—

"(i) is qualified under the laws of more than one State to manage, acquire, or dispose of any assets of a plan;

"(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, net worth in excess of $1,000,000; and

"(iii) is subject to supervision and examination by a State authority having supervision over insurance companies; or

"(D) an investment adviser registered under section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) if the investment adviser has, on the the last day of its latest fiscal year ending before the date of a determination for the purpose of this subparagraph, total client assets under its management and control in excess of $50,000,000, and—

"(i) the investment adviser has, on such day, shareholder's or partner's equity in excess of $750,000; or

"(ii) payment of all of the investment adviser's liabilities, including any liabilities which may arise by reason of a breach or violation of a duty described in section 8497 of this title, is unconditionally guaranteed by—

"(I) a person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the investment adviser and who has, on the last day of the person's latest fiscal year ending before the date of a determination for the purpose of this clause, shareholder's or partner's equity in an amount which, when added to the amount of the shareholder's or partner's equity of the investment adviser on such day, exceeds $750,000;

"(II) a qualified professional asset manager described in subparagraph (A), (B), or (C) of this paragraph; or

"(III) a broker or dealer registered under section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) that has, on the last day of the broker's or dealer's latest fiscal year ending before the date of a determination for the purpose of this clause, net worth in excess of $750,000; and

"(8) the term 'shareholder's or partner's equity', when used in paragraph (7)(D) of this subsection with respect to an investment adviser or a person who is affiliated with the investment adviser in a manner described in clause (ii)(I) of such paragraph (7)(D), means the equity shown in the most recent balance sheet prepared for such investment adviser or affiliated person, in accordance with generally accepted accounting principles, within 2 years before the date on which the investment adviser's status as a qualified professional asset manager is determined for the purposes of this section.

"(b)(1) The Board shall establish—

"(A) a Government Securities Investment Fund under which sums in the Thrift Savings Fund are invested in securities of the United States Government issued as provided in subsection (f) of this section;

"(B) a Fixed Income Investment Fund under which sums in the Thrift Savings Fund are invested in insurance contracts, certificates of deposits, or other instruments or obligations which (i) are selected by qualified professional asset managers, and (ii) return the amount invested and pay interest, at a specified rate or rates, on that amount during a specified period of time;

"(C) a Common Stock Index Investment Fund as provided in paragraph (2) of this subsection; and

"(D) such other investment funds as the Board determines to be appropriate for the purposes of this subchapter.

"(2)(A) The Board shall define an index which—

"(i) consists of (I) all of the common stocks that are publicly listed and traded on one or more national securities exchanges, and (II) over-the-counter securities quoted publicly on the National Association of Securities Dealers Automated Quotations system or on another automated basis, or

"(ii) is a commonly recognized index comprised of common stock the aggregate market value of which is as complete a representation of the United States equity markets as is reasonably practicable.

"(B) Except as provided in subparagraph (C) of this paragraph, the Common Stock Index Investment Fund shall be invested in a portfolio designed to replicate the performance of the index defined under subparagraph (A) of this paragraph. The portfolio shall be designed such that—

"(i) to the extent practicable, the percentage of the Common Stock Index Investment Fund that is invested in each stock is the same as the percentage determined by dividing the aggregate market value of all shares of that stock by the aggregate market value of all shares of all stock included in such index, or

"(ii) a sampling of stocks included in the index is used in the construction of an index fund that minimizes differences between the net portfolio return and the total index return.

"(C) The Executive Director may exclude certain stocks from the Common Stock Index Investment Fund and from the index defined in accordance with subparagraph (A) of this paragraph upon the recommendation of the Employee Advisory Committee, notwithstanding the standards for investment decisionmaking set out in section 8495 of this title.

"(c)(1) The Executive Director shall invest in the Government Securities Investment Fund the sums which are in the Thrift Savings Fund, are available for investment, and are not to be invested in an investment fund referred to in subsection (b)(1)(B), (b)(1)(C), or (b)(1)(D) of this section pursuant to an election made under subsection (d) of this section.

"(2) Except as provided in subsection (e) of this section, the Executive Director shall invest sums available in the Thrift Savings Fund for investment as provided in elections made under subsection (d) of this section.

"(d)(1) Except as provided in subsection (e) of this section, at least once each year, a participant or former participant may elect the investment funds referred to in subsection (b) of this section into which the sums in the Thrift Savings Fund credited to the account of such participant or former participant are to be invested or reinvested.

"(2) The election may be made by a participant or former participant under paragraph (1) of this subsection only in accordance with regulations prescribed by the Executive Director and within such period after the date the participant's or former participant's annual statement is transmitted to the participant or former participant pursuant to section 8428(b) of this title as the Executive Director shall prescribe in such regulations.

"(3) Each participant who elects to invest in the Common Stock Index Investment Fund or the Fixed Income Investment Fund shall sign an acknowledgement prescribed by the Executive Director which states that the participant understands that an investment in such fund is made at the participant's risk, that the participant is not protected by the Federal Government against loss on such investment, and that a return on such investment is not guaranteed by the Federal Government.

"(e)(1)(A) The Executive Director shall invest a percentage of the total amount that—

"(i) is contributed to the Thrift Savings Fund by a participant under section 8421(a) of this title during a year described under column I of the first table of minimum Government securities investments set out in subparagraph (B) of this paragraph, and

"(ii) is available for investment,

in the Government Securities Investment Fund as provided under column II of the table opposite the description of such year.

"(B) For the purposes of subparagraph (A) of this paragraph, the first table of minimum Government securities investments is as follows:

"Column I Year:	Column II Minimum percentage of the amounts contributed by a participant for each month of such year to be invested in the Government Securities Investment Fund:
1987	100
1988	80
1989	60
1990	40
1991	20.

"(2)(A) The Executive Director shall invest a percentage of the total amount that—

"(i) is contributed to the Thrift Savings Fund by the Government for the benefit of a participant pursuant to section 8421(b) of this title during a year described under column I of the second table of minimum Government securities investments set out in subparagraph (B) of this paragraph, and

"(ii) is available for investment,

in the Government Securities Investment Fund as provided under column II of the table opposite the description of such year.

"(B) For the purposes of subparagraph (A) of this paragraph, the second table of minimum Government securities investments is as follows:

"Column I Year:	Column II Minimum percentage of the amounts contributed for the benefit of a participant for each month of such year to be invested in the Government Securities Investment Fund:
1987-1992	100
1993	80
1994	60
1995	40
1996	20.

"(3) All sums credited to the Thrift Savings Fund pursuant to section 8473(b) of this title shall be invested in the Government Securities Investment Fund.

"(4) The sums which are invested in the Government Securities Investment Fund as required by this subsection and are returned to the Thrift Savings Fund after maturity of the securities purchased with such sums, and the amounts earned on the investment of such sums, shall be reinvested in the Government Securities Investment Fund.

"(f) The Secretary of the Treasury is authorized to issue special interest-bearing obligations of the United States for purchase by the Thrift Savings Fund. Obligations issued for the purpose of this subsection shall have maturities fixed with due regard to the needs of such fund as determined by the Executive Director, and shall bear interest at a rate equal to the average market yield (computed by the Secretary of the Treasury on the basis of market quotations as of the end of the calendar month next preceding the date of issue of such obligations) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of 4 years from the end of such calendar month. Any such average market yield which is not a multiple of one-eighth of 1 percent, shall be rounded to the nearest multiple of one-eighth of 1 percent.

"§ 8428. Accounting

"(a)(1) The Executive Director shall establish and maintain an account for each participant making contributions under section 8421(a) of this title.

"(2) The balance in the account of a participant or former participant at any time is the excess of—

"(A) the sum of—

"(i) all contributions made to the Thrift Savings Fund by the participant or former participant under section 8421(a) of this title;

"(ii) all contributions made to such fund for the benefit of the participant or former participant under section 8421(b) of this title;

"(iii) the amounts transferred to such fund with respect to the participant or former participant under section 8473(b) of this title; and

"(iv) the total amount of the allocations made to and reductions made in the account pursuant to paragraph (3) of this section, over

"(B) the amounts paid out of the Thrift Savings Fund with respect to such participant or former participant under this subchapter and subchapter IV of this title.

"(3) Pursuant to regulations prescribed by the Executive Director, the Executive Director shall allocate to the account of each participant or former participant an amount equal to a pro rata share of the net earnings and net losses from each investment of sums in the Thrift Savings Fund attributable to sums credited to the account of such participant, reduced by an appropriate share of the administrative expenses of the Federal Retirement Thrift Investment Management System prescribed in subchapter VIII of this chapter, as determined by the Executive Director.

"(b) The Executive Director shall provide each participant and former participant an annual statement of the balance in the participant's or former participant's account.

"(c)(1) For the purposes of this subsection, the term 'qualified public accountant' shall have the same meaning as provided in section 103(a)(3)(D) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024(a)(3)(D)).

"(2) The Executive Director shall annually engage, on behalf of all participants, an independent qualified public accountant, who shall conduct an examination of any accounts established under subsection (a) of this section and of other books and records maintained in the administration of this subchapter as the accountant considers necessary to enable the accountant to make the determination required by paragraph (3) of this subsection. The examination shall be conducted in accordance with generally accepted auditing standards and shall involve such tests of the accounts, books, and records as the independent qualified public accountant considers necessary.

"(3) The independent qualified public accountant conducting an examination under paragraph (2) of this subsection shall determine whether the accounts, books, and records referred to in such paragraph have been maintained in conformity with generally accepted accounting principles applied on a basis consistent with the application of such principles during the examination conducted under such paragraph during the preceding year. The accountant shall transmit to the Board and the Comptroller General of the United States a report on his examination, including his determination under this paragraph.

"(4) In making a determination under paragraph (3) of this subsection, the accountant may rely on the correctness of any actuarial matter certified by an enrolled actuary, if the accountant states his reliance in the report transmitted to the Board under such paragraph.

"SUBCHAPTER IV—SURVIVOR BENEFITS

"§ 8431. Basic plan spousal benefits relating to the death of a participant or former participant other than an annuitant

"(a)(1) If a participant dies after performing 18 or more months of service and before separating from Government employment, the surviving spouse of a deceased participant shall be entitled to a survivor annuity payable out of the Fund.

"(2)(A) The amount of the survivor annuity which is payable under paragraph (1) of this subsection to the surviving spouse of a deceased participant other than a participant referred to in paragraph (3) of this subsection shall be equal to 50 percent of the reduced annuity which the participant would have been entitled to receive if the participant had retired from Government employment on the day before the date of death, computed as provided in subparagraph (B) of this paragraph.

"(B) For the purposes of subparagraph (A) of this paragraph, the reduced annuity of a deceased participant shall be the greater of—

"(i) the annuity computed with respect to the deceased participant under sections 8413 and 8414 (without regard to section 8415) of this title, or

"(ii) 65 percent of the annuity computed with respect to the deceased participant under section 8413 (without regard to sections 8414 and 8415) of this title.

"(3) The amount of the survivor annuity which is payable under paragraph (1) of this subsection to the surviving spouse of a deceased participant who elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title shall be equal to 50 percent of the annuity which the participant would have been entitled to receive if the participant had retired from Government employment on the day before the date of death, computed as provided in section 8413 of this title without regard to sections 8414 and 8415 of this title and any election under section 8417(a) of this title.

"(b)(1) If a former participant dies entitled to a deferred annuity under section 8412 of this title before payment of an annuity under subchapter II of this chapter to the former participant commences, the surviving spouse of the deceased former participant is entitled to a survivor annuity payable out of the Fund.

"(2)(A) The amount of the survivor annuity payable under paragraph (1) of this subsection to the surviving spouse of a deceased former participant shall be equal to 50 percent of the annuity which the deceased former participant would have been entitled to receive under such section if the deceased former participant—

"(i) had been 55 years of age on the day before the date of death, or

"(ii) in the case of a former participant who was 55 years of age or older on such day and was not receiving such annuity, had commenced to receive such deferred annuity on such day,

computed as provided in subparagraph (B) or (C) of this paragraph, as applicable.

"(B) For the purposes of subparagraph (A) of this paragraph, the annuity which a deceased former participant other than a participant described in subparagraph (C) of this paragraph would have been entitled to receive shall be equal the greater of—

"(i) the annuity computed with respect to the deceased former participant under sections 8413 and 8414 (without regard to section 8415) of this title, or

"(ii) 65 percent of the annuity computed with respect to the deceased former participant under section 8413 (without regard to sections 8414 and 8415) of this title.

"(C) For the purposes of subparagraph (A) of this paragraph, the annuity which a deceased former participant would have been entitled to receive in the case of a deceased former participant who elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title shall be computed under section 8413 of this title without regard to sections 8414 and 8415 of this title and any election under section 8417(a) of this title.

"(c) For the purpose of computing a survivor annuity under subsection (a) or (b) of this section, a deceased participant or former participant who died before completing 10 years of service shall be deemed to have completed 10 years of service.

"§ 8432. Basic plan spousal and insurable interest benefits relating to the death of an annuitant

"A survivor annuity shall be paid out of the Fund with respect to a deceased annuitant—

"(1) in accordance with the method of payment elected by the annuitant under section 8416 of this title;

"(2) as provided in subsection (b)(3) of such section; or

"(3) in accordance with an election made by the annuitant under section 8434(a) or 8436(c) of this title.

"§ 8433. Survivor benefits under the thrift savings plan

"(a) A survivor annuity shall be paid out of the Thrift Savings Fund with respect to a deceased annuitant as provided under a method of payment of annuities elected by the annuitant under section 8424(b) of this

title or in accordance with an election made by the annuitant under section 8434(a) or 8436(c) of this title. The amount of the survivor annuity shall be determined on an actuarial basis under regulations prescribed by the Executive Director.

"(b)(1) Except as provided in subsection (d) of this section, the amount in the account established and maintained for a deceased participant or deceased former participant (other than a deceased annuitant) pursuant to section 8428(a) of this title, determined on the date of an election under subsection (c) of this section, shall, subject to the limits of the entitlement set out in section 8422(a)(1) of this title (without regard to section 8422(a)(2) of this title), be paid as provided in paragraph (2) of this subsection.

"(2)(A) Except as provided in subparagraph (B) of this paragraph, payment under paragraph (1) of this subsection shall be made to the surviving spouse of the deceased participant or former participant pursuant to the method elected under subsection (c) of this section.

"(B) If a deceased participant or former participant referred to in paragraph (1) of this subsection is not survived by a spouse, payment under such paragraph shall be made to—

"(i) any individual who has an insurable interest in the participant or former participant and has been designated by the participant for the purpose of such paragraph under regulations prescribed by the Executive Director; or

"(ii) if the deceased participant or former participant did not make a designation as provided in clause (i) of this subparagraph, to the estate of the deceased participant or former participant.

"(c) A surviving spouse or another individual who is entitled to payment of benefits under subsection (b) of this section may elect—

"(1) to receive an annuity from the Fund payable monthly for life;

"(2) to transfer the amount referred to in such subsection to an individual retirement account (within the meaning of the Internal Revenue Code of 1954) of the surviving spouse; or

"(3) to withdraw such amount in one or more payments.

"(d) Any amount required for the payment of a survivor annuity with respect to a deceased participant or deceased former participant out of the Thrift Savings Fund pursuant to section 8435 of this title shall be deducted and withheld from a distribution made with respect to the deceased participant or deceased former participant pursuant to subsection (b) of this section. The amount deducted and withheld shall be maintained in the Thrift Savings Fund until expended in payment of the survivor annuity or until the survivor annuity terminates. Any sums remaining from the amount deducted and withheld after the termination of the survivor annuity, plus net earnings realized from investment of such amount, shall be distributed as provided in subsection (b) of this section, as the case may be.

"§ 8434. Basic and thrift savings plan survivor benefits relating to marriage after commencement of an annuity

"(a) If an annuitant—

"(1) is married on the date that the annuitant applies for payment of an annuity under subchapter II of this chapter to commence, the marriage terminates, and the annuitant remarries, or

"(2) is not married on such date and marries after such date,

the annuitant may irrevocably elect during the later marriage to provide an annuity for such annuitant's spouse under the method of payment described in section 8416(a)(2)(B) or subparagraph (B) or (D) of section 8424(a)(2) of this title. An election under this subparagraph shall be made in a signed writing received by the Office within 2 years after the date of the remarriage or marriage, as the case may be.

"(b) An election under subsection (a) of this section shall be effective the first day of the second month beginning after the election is received by the Office (in the case of a survivor annuity payable out of the Fund) or the Executive Director (in the case of a survivor annuity payable out of the Thrift Savings Fund), but not earlier than 9 months after the date of the remarriage referred to in paragraph (1) of such subsection or the date of the marriage referred to in paragraph (2) of such subsection, as the case may be.

"(c) An annuitant making an election under subsection (a) of this section to provide a survivor annuity payable out of the Fund shall, within 2 years after the date of the remarriage referred to in paragraph (1) of such subsection or the date of the marriage referred to in paragraph (2) of such subsection, as the case may be, deposit in the Fund an amount determined by the Office, as nearly as may be administratively feasible, to reflect the amount by which the annuity of such annuitant would have been reduced if the election had been in effect since—

"(1) the date that payment of an annuity to the annuitant under subchapter II of this chapter commenced, or

"(2) if the annuity had previously been reduced to provide for a survivor annuity under section 8432 of this title, the date the previous reduction in such annuitant's annuity was terminated under section 8415(b) of this title,

plus interest computed as provided in section 8438(a) of this title.

"(d) Notwithstanding any other provision of this section, an election under this section may not be made for the purpose of providing a survivor annuity payable from the Fund to a spouse of an annuitant by remarriage if—

"(A) such spouse was married to the annuitant on the date that payment of an annuity to the annuitant under subchapter II of this chapter commenced; and

"(B) rights to survivor benefits for such spouse based on marriage to such annuitant were then waived under section 8416(b)(2) of this title.

"§ 8435. Survivor benefits for eligible former spouses: entitlement; amount

"(a) Subject to subsections (b) through (g) of this section, an eligible former spouse of a deceased participant who died after performing 18 or more months of service and an eligible former spouse of a deceased former participant who died entitled to an immediate or deferred annuity under section 8411 or 8412 of this title is entitled to a survivor annuity under this section if and to the extent that—

"(1) an election under section 8436 of this title,

"(2) any court decree dissolving or annulling the marriage of the participant or former participant and the eligible former spouse, or

"(3) any court order or court-approved property settlement agreement incident to such decree,

expressly provides for such survivor annuity.

"(b)(1) The amount of the survivor annuity payable from the Fund to an eligible former spouse of a deceased participant or deceased former participant under this section may not exceed the excess, if any, of—

"(A) the amount applicable in the case of such eligible former spouse, as determined under paragraph (2) of this subsection, over

"(B) the total amount of all other survivor annuities payable from the Fund under this section to other eligible former spouses of the participant or former participant based on the order of precedence provided in subsection (d) of this section.

"(2) For the purposes of paragraph (1)(A) of this subsection, the amount applicable in the case of an eligible former spouse of a deceased participant or deceased former participant is the amount which would be computed for a surviving spouse of the deceased—

"(A) as provided in section 8416(a)(2)(B) of this title, if the deceased was an annuitant on such day;

"(B) as provided in section 8431(a) of this title, if the deceased was a participant described in paragraph (1) of such section 8431(a); or

"(C) as provided in section 8431(b) of this title, if the deceased was a former participant described in paragraph (1) of such section 8431(b).

"(c) The total amount of all survivor annuities payable from the Thrift Savings Fund to eligible former spouses of a deceased participant or deceased former participant pursuant to this section may not exceed the amount of the survivor annuities that would be payable to the former spouses out of 100 percent of the balance in the account of the deceased participant or deceased former participant, plus anticipated net earnings from investments allocable to such account, determined on an actuarial basis in accordance with regulations prescribed by the Executive Director.

"(d) If more than one eligible former spouse is entitled to a survivor annuity pursuant to this section, the amount of each such survivor annuity shall be limited appropriately to carry out subsection (b) or (c) of this section on a first-come, first-served basis determined by reference to the date an election is properly made pursuant to section 8436 of this title or the date on which the court decree, order, or court-approved agreement applicable to the entitlement was issued, as the case may be.

"(e) The commencement and termination dates of a survivor annuity payable under this section to an eligible former spouse of a deceased participant or deceased former participant shall be the commencement and termination dates determined under the provisions of the applicable court order, decree, or agreement or an election, as the case may be (if provided in such order, decree, agreement, or election), except that any such survivor annuity—

"(1) shall not commence before—

"(A) the day after the participant or former participant dies, or

"(B) the first day of the second month beginning after the date on which the Office receives written notice of the court order, decree, or agreement or the election, as the case may be, together with such additional information or documentation as the Office requires,

whichever is later, and

"(2) shall terminate not later than the date provided in section 8464(b)(2) of this title.

"(f) For the purposes of this section, a court decree, order, or agreement or an elec-

tion referred to in subsection (a) of this section shall not be effective, in the case of a survivor annuity payable out of the Fund to a former spouse, to the extent that the election is inconsistent with any joint waiver previously executed with respect to such former spouse under section 8416(b)(2) of this title.

"(g) Any payment under this section to a person bars recovery by any other person.

"§ 8436. Survivor benefits for former spouses: elections, deposits and collections, and administrative provisions

"(a)(1) If an annuitant has an eligible former spouse on the date that the annuitant applies for payment of an annuity to the annuitant under subchapter II of this chapter to commence, the annuitant may elect, under procedures prescribed by the Office, to provide a survivor annuity for such former spouse under section 8435 of this title. An election under this paragraph shall be made on such date or not later than the date which is 2 years after the date on which the marriage of the former spouse to the annuitant was dissolved or annulled, whichever is later. The election shall specify the amount of the survivor annuity to be provided under this paragraph.

"(2) If an annuitant makes an election under paragraph (1) of this subsection to provide a survivor annuity payable out of the Fund and the annuitant makes the election during the 2-year period referred to in such paragraph, the annuitant shall deposit in the Fund, within such period, an amount determined by the Office, as nearly as may be administratively feasible, to reflect the amount by which the annuity of such an annuitant would have been reduced if the election had been continuously in effect since the date the annuity commenced, plus interest computed as provided in section 8438(a) of this title.

"(3) An election under paragraph (1) of this subsection—

"(A) shall not be effective to the extent that it conflicts with—

"(i) any court decree or order referred to in subsection (a) of section 8435 of this title, or

"(ii) any agreement referred to in such subsection,

which is received by the Office before the date on which such election is made;

"(B) shall not be effective to the extent that the amount of the annuity specified in the election exceeds—

"(i) in the case of a survivor annuity payable from the Fund, the amount determined pursuant to subsections (b)(2) and (d) of section 8435 of this title; or

"(ii) in the case of a survivor annuity payable from the Thrift Savings Fund, the amount determined pursuant to subsections (c) and (d) of section 8435 of this title; and

"(C) shall not be effective, in the case of an annuitant who is married on the date of the election, unless the election is made with the written consent of the annuitant's spouse.

"(b) An annuitant who has elected to provide a survivor annuity for an eligible former spouse pursuant to subsection (a) of this section or who has an eligible former spouse entitled to receive a survivor annuity with respect to the annuitant under paragraph (2) or (3) of section 8435(a) of this title may make an election to provide or increase a survivor annuity for any other eligible former spouse of the annuitant within the same period that, and subject to the same conditions under which, an election could be made under subsection (c) of this section for a spouse of the annuitant (subject to the provisions of subsection (a)(3)(C) of this section relating to the consent of a spouse, if the annuitant is then married). The opportunity to make an election under the preceding sentence is in addition to any opportunity otherwise provided under this section.

"(c)(1) If the entitlement of an eligible former spouse of an annuitant to a survivor annuity under this subchapter is terminated or reduced by reason of the remarriage or death of the former spouse, the annuitant may elect, in a signed writing received by the Office (in the case of a survivor annuity to be paid out of the Fund) or the Executive Director (in the case of a survivor annuity to be paid out of the Thrift Savings Fund) within 2 years after the former spouse's date of death or remarriage, as the case may be, to provide a survivor annuity to the annuitant's spouse.

"(2) A survivor annuity elected under paragraph (1) of this subsection shall be paid under the method described in section 8416(a)(2)(B) of this title (in the case of a terminated or reduced entitlement payable out of the Fund) or in subparagraph (B) or (D) of section 8424(a)(2) of this title (in the case of a terminated or reduced entitlement payable from the Thrift Savings Fund).

"(d) If the entitlement of an annuitant's spouse to a survivor annuity under this subchapter is terminated by reason of the death of the spouse, the annuitant may elect, in a signed writing received by the Office (in the case of a survivor annuity to be paid out of the Fund) or the Executive Director (in the case of a survivor annuity to be paid out of the Thrift Savings Fund) within 2 years after the spouse's date of death to provide or increase a survivor annuity for a former spouse of the annuitant.

"(e) The requirement that the spouse of an annuitant waive a right to a survivor annuity under this subchapter as a condition for an election authorized by subsection (a)(3)(C) of this section shall not apply if the participant or annuitant establishes to the satisfaction of the Office that—

"(1) the spouse's whereabouts cannot reasonably be determined; or

"(2) due to exceptional circumstances, it would be inappropriate to require the participant or annuitant to obtain the spouse's consent.

"§ 8437. Termination of entitlement

"An election of an annuitant to provide a survivor annuity to the annuitant's spouse under this subchapter terminates on the first day of the first month beginning after—

"(1) the date of the death of the spouse; or

"(2) the date of the dissolution of the spouse's marriage to the annuitant.

"§ 8438. Deposits to the Fund

"(a) For the purposes of section 8434(c) or 8436(a)(2) of this title, the annual rate of interest for each year during which an annuity would have been reduced if the election referred to in such section had been in effect on and after the applicable date referred to in such section shall be the percent determined for such year under section 8334(e) of this title.

"(b) If an annuitant does not make a deposit required by section 8434(c) or 8436(a)(2) of this title, the Office shall collect such amount by offset against the annuitant's annuity payable from the Fund, up to a maximum of 25 percent of the net annuity otherwise payable to the annuitant. The annuitant is deemed to consent to such offset.

"(c) The Office may extend the time limit for making a deposit required by section 8434(c) or 8436(a)(2) of this title in any case for good cause shown.

"SUBCHAPTER V—DISABILITY BENEFITS

"§ 8441. Definitions

"For the purposes of this subchapter—

"(1) the term 'administrator of benefits' means—

"(A) the Office; or

"(B) an insurance company or other entity which—

"(i) offers claims payment services and related administrative services under benefit plans provided by employers in the private sector; and

"(ii) has entered into a contract with the Office pursuant to section 8450 of this title;

"(2) the term 'disability benefits under the Social Security Act' means disability insurance benefits payable under section 223 of the Social Security Act or benefits payable under section 202 of such Act by reason of being under a disability;

"(3) the term 'disability date', when used with respect to an eligible participant, means the date the eligible participant became disabled;

"(4) the term 'disabled', when used with respect to an eligible participant, means that the eligible participant—

"(A) is under a disability within the meaning of section 223 of the Social Security Act; or

"(B) is unable, because of disease or injury, to render useful and efficient service in the participant's position and is not qualified for reassignment, under procedures prescribed by the Office, to a vacant position—

"(i) which is in the participant's employing agency and is in the participant's commuting area;

"(ii) which is at the same grade or pay level as the participant's position; and

"(iii) in which the participant would be able to render useful and efficient service;

"(5) the term 'eligible participant' means an employee or Member whose service exceeds 18 months and—

"(A) who—

"(i) has applied for disability benefits under the Social Security Act and has been determined to be under a disability for the purposes of title II of the Social Security Act; or

"(ii) in the case of an employee or Member who is not entitled to disability benefits under the Social Security Act by reason of insufficient quarters of coverage, has been determined by an administrator of benefits to be disabled within the meaning of paragraph (4)(A) of this section on the basis of a report of examination required by section 8445 of this title; or

"(B) who has been determined by an administrator of benefits to be disabled within the meaning of paragraph (4)(B) of this section on the basis of a report of examination required by section 8445 of this title and the findings of the Office with respect to the reassignment of the employee;

"(6) the term 'final average pay', when used with respect to a disabled eligible participant, means the participant's average pay on the participant's disability date increased, each time after such date that the rates of pay under the General Schedule are increased pursuant to section 5305 of this title, by the same overall average percent of the increase in such rates, and compounded;

"(7) the term 'onset average pay', when used with respect to a disabled eligible participant, means the participant's average

pay on the participant's disability date increased on January 1 of each year after such date by the same percent by which annuities referred to in paragraph (1) of section 8462(b) of this title are increased under such section 8462(b)(2)(C) in December of the preceding year, and compounded; and

"(8) the term 'projected service', when used with respect to a disabled eligible participant, means the sum of the number of years of service performed by the participant before the participant's disability date and the number of years, if any, after such date and before the date the participant becomes—

"(A) in the case of an eligible participant referred to in subparagraph (5)(A) of this section, 62 years of age; or

"(B) in the case of an eligible participant referred to in subparagraph (5)(B) of this section, 55 years of age.

"§ 8442. Entitlement

"(a)(1) A person who is an eligible participant, is disabled, and has used all sick leave accrued and accumulated under subchapter I of chapter 63 of this title or any other similar applicable provision of law relating to Government employment is entitled to receive disability benefits under this subchapter while—

"(A) in the case of a person who is disabled within the meaning of section 8441(4)(A) of this title, such person is under 62 years of age and during the month in which such person becomes such age; and

"(B) in the case of a person who is disabled within the meaning of section 8441(4)(B) of this title, such person is under 55 years of age and during the month in which such person becomes such age.

"(2) On and after the first day of the first month beginning after the month in which a person referred to in paragraph (1) of this subsection becomes the maximum age prescribed for such person in subparagraph (A) or (B) of such paragraph, the person shall be treated as an eligible participant for the purposes of entitlement to benefits under subsection (b) of this section.

"(b)(1) Subject to paragraph (3) of this subsection, an eligible participant who—

"(A) is disabled within the meaning of section 8441(4)(A) of this title and is not less than 62 years of age, or

"(B) is disabled within the meaning of section 8441(4)(B) of this title and is not less than 55 years of age,

and who has 5 or more years of service and projected service shall be entitled to an annuity as provided in subchapter II of this title.

"(2) For the purposes of applying the provisions of subchapter II of this title in the case of an eligible participant pursuant to paragraph (1) of this subsection—

"(A) the eligible participant shall be deemed to have separated from Government employment on the day before the date the participant becomes entitled to an annuity pursuant to paragraph (1) of this subsection;

"(B) the service of the participant shall include the participant's projected service; and

"(C) the participant's average pay shall be equal to—

"(i) in the case of a participant not described in clause (ii) of this subparagraph, the participant's onset average pay; and

"(ii) in the case of a participant who has elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title, the participant's final average pay.

"(3)(A) If an eligible participant has not elected to make contributions under section 8418(c) of this title or has received, under section 8420 of this title, a refund of the contributions made by the participant pursuant to an election made under such section 8418(c), the amount of the annuity which the participant is entitled to receive under subchapter II of this chapter by reason of the application of paragraph (1) of this subsection shall be the amount determined under subparagraph (B) of this paragraph.

"(B) The amount of the annuity which an eligible participant referred to in subparagraph (A) of this paragraph is entitled to receive under subchapter II of this chapter by reason of the application of paragraph (1) of this subsection shall be equal to the lesser of—

"(i) the amount of the disability benefits which such eligible participant was receiving under this subchapter on the day before the date the participant becomes entitled to receive such annuity; or

"(ii) the amount of the annuity computed in the case of such participant under the provisions of such subchapter.

"(c) If the condition of an eligible participant who is disabled within the meaning of subparagraph (A) or (B) of section 8441(4) of this title changes such that the participant is disabled within the meaning of the other such subparagraph, the entitlement of such participant to receive disability benefits under this subchapter shall be adjusted as appropriate to reflect the changed condition.

"§ 8443. Computation of benefits

"(a) The annual rate of the disability benefits payable under section 8442(a) of this title to an eligible participant referred to in section 8441(5)(A) of this title shall be equal to the excess of 60 percent of the participant's average pay on the participant's disability date over the amount, if any, which is payable or, on proper application would be payable to the participant as disability benefits under the Social Security Act on such date.

"(b) The annual rate of the disability benefits payable under section 8442(a) of this title to an eligible participant referred to in section 8441(5)(B) of this title—

"(1) during the period ending 1 year after the eligible participant's disability date, shall be equal to the excess of 60 percent of the participant's average pay on the participant's disability date over the amount, if any, which is payable or, on proper application would be payable to the participant as disability benefits under the Social Security Act on such date; and

"(2) after such period, while the participant is under 55 years of age, shall be equal to the excess of—

"(A) 40 percent of the participant's average pay on the participant's disability date as such average pay is increased by the same percent by which the amount of the participant's disability benefits computed under paragraph (1) of this subsection was increased on the first January 1 after such date, under section 8462 of this title, over

"(B) the amount of the disability benefits under the Social Security Act computed for the purpose of paragraph (1).

"§ 8444. Application

"(a) Except as provided in subsection (b) of this section, a claim of a participant for disability benefits under this subchapter may be allowed only if the participant files with the appropriate administrator of benefits an application for the disability benefits before the date the participant separates from Government employment or within 1 year after such date.

"(b) An appropriate administrator of benefits may waive the time limitation set out in subsection (a) of this section in the case of a participant if—

"(1) the administrator of benefits determines that the participant was mentally incompetent on the date the participant separated from Government employment or within 1 year after such date; and

"(2) the application for disability benefits is filed within 1 year after the date the participant is restored to mental competency or the date a fiduciary is appointed to manage the financial affairs of the participant, whichever date is earlier.

"§ 8445. Medical examinations

"(a) A participant applying for or receiving disability benefits under section 8442(a) of this title shall be examined by a physician under the direction of the appropriate administrator of benefits at such times as such administrator may require.

"(b) A physician examining a participant under subsection (a) of this section shall report to the appropriate administrator of benefits the diagnosis and prognosis with respect to such participant.

"(c) Notwithstanding any other provision of this subchapter, any participant who fails to submit to the examination required under subsection (a) of this section shall not be entitled to disability benefits.

"§ 8446. Offers of alternative employment

"(a)(1) Any participant who is applying for disability benefits under this subchapter, is examined pursuant to section 8445 of this title, and is determined on the basis of the examination to be able to perform the work required in any position described in paragraph (2) of this subsection shall be considered for appointment to such position.

"(2) A position referred to in paragraph (1) of this subsection is a position which is in the agency of the Government employing the participant referred to in such paragraph, is a position for which the participant is qualified, is not lower than the grade or pay level of the participant's position, and is within the participant's commuting area.

"(b) Any participant who is appointed to or offered a position under subsection (a) of this section is entitled to appeal to the Merit Systems Protection Board under section 7701 of this title any determination that the participant is able to perform the work required of such position.

"§ 8447. Recovery or restoration of earning capacity

"(a)(1) If an administrator of benefits determines that an individual who is receiving disability benefits under this subchapter has recovered from the disability before becoming 62 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(A) of this title) or 55 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(B) of this title), payment of the benefits shall terminate on the date the individual is reemployed by the Government or 1 year after the date of the medical examination on which such administrator's determination is based, whichever date is earlier.

"(2)(A) Payment of disability benefits to any individual under this chapter that has been terminated pursuant to paragraph (1) of this subsection shall be resumed if there is a recurrence of the individual's disability, as determined by an administrator of benefits after a medical examination of the individual, and the individual is under 62 years

of age (in the case of an individual who is disabled within the meaning of section 8441(4)(A) of this title) or under 55 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(B) of this title).

"(B) A resumption of payment of disability benefits under subparagraph (A) of this paragraph shall be effective on the date the medical examination referred to in such paragraph was completed.

"(C) The annual rate of the disability benefits payable to an individual upon resumption of payment under subparagraph (A) of this paragraph shall be the annual rate that would have been payable to the individual if payment of disability benefits had not been terminated pursuant to paragraph (1) of this subsection.

"(b)(1) If the administrator of benefits determines that an individual who is receiving disability benefits under this subchapter has received, during the latest calendar year, income from wages or self-employment or both totalling the amount equal to 60 percent of the rate of pay payable for the individual's position of Government employment on the individual's disability date determined for the purposes of this subchapter (increased as if such rate of pay had been increased, by the same percent as the overall percent increase in the rates of pay under the General Schedule, each time such rates had been increased pursuant to section 5305 of this title since such date), payment of the benefits shall terminate on the date 60 days after the end of such calendar year.

"(2)(A) If payment of disability benefits under this subchapter has been terminated pursuant to paragraph (1) of this subsection in the case of an individual who is not reemployed in a position subject to this chapter, who continues to be disabled, who is under 62 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(A) of this title) or under 55 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(B) of this title), and who receives in the calendar year in which the disability benefits were terminated, or any calendar year after such year, income from wages or self-employment or both totalling less than the amount computed in such case as provided in such paragraph, payment of disability benefits to the individual under this subchapter shall be resumed.

"(B) A resumption of payment of disability benefits to an individual under subparagraph (A) of this paragraph shall be effective the first day of the first year beginning after the year in which the individual received the income referred to in such subparagraph.

"(C) The annual rate of the disability benefits payable to an individual upon resumption of payment of disability benefits under subparagraph (A) of this paragraph shall be the annual rate that would have been payable to the individual if payment had not been terminated pursuant to paragraph (1) of this subsection.

"(c) Any determination under this section may be appealed to the Office. A determination of the Office in such an appeal may be appealed to the Merit Systems Protection Board under section 7701 of this title. The Merit Systems Protection Board may hear and adjudicate any such appeal.

"§ 8448. Relationship to workers' compensation

"(a)(1) An individual is not entitled to receive disability benefits under this subchapter and compensation for injury to or disability of the individual under subchapter I of chapter 81 of this title covering the same period of time.

"(2) Paragraph (1) of this subsection does not bar the right of a claimant to the greater benefit conferred by either subchapter referred to in such paragraph for any part of the period referred to in such paragraph.

"(3) Paragraph (1) of this subsection and the provisions of subchapter I of chapter 81 of this title do not deny any concurrent benefit to an individual under this subchapter and under subchapter I of chapter 81 of this title if the benefit under subchapter I of chapter 81 of this title is based on the death of another individual.

"(b)(1) Subject to paragraph (2) of this subsection, an individual's receipt of a lump-sum payment for compensation under section 8135 of this title shall not affect the individual's entitlement to disability benefits under this subchapter.

"(2) If disability benefits are payable under this subchapter by reason of the same disability for which a lump-sum payment of compensation referred to in paragraph (1) of this subsection has been made, so much of the compensation as has been paid for a period extended beyond the date payment of the disability benefits commences, as determined by the Department of Labor, shall be refunded to that Department for credit to the Employees' Compensation Fund. Before the individual may receive the disability benefits, the individual shall—

"(A) refund to the Department of Labor the amount representing the commuted compensation payments for the extended period; or

"(B) authorize the deduction of the amount from the disability benefits.

Deductions from the disability benefits may be made from accrued or accruing payments. The amounts deducted and withheld from disability benefits shall be transmitted to the Department of Labor for reimbursement to the Employees' Compensation Fund. When the Department of Labor finds that the financial circumstances of an individual entitled to disability benefits under this subchapter warrant deferred refunding under this paragraph, deductions from the disability benefits may be prorated against and paid from accruing payments in such manner as the Department determines appropriate.

"§ 8449. Military reserve technicians

"(a)(1) Except as provided in paragraph (2) of this subsection, a participant shall be entitled to disability benefits under this subchapter in the same manner as an eligible participant described in section 8441(5)(B) of this title if the participant—

"(A) is separated from employment as a military reserve technician by reason of a disability that disqualifies the individual from membership in a reserve component of the Armed Forces specified in section 261(a) of title 10 or from holding the military grade required for such employment;

"(B) is not considered disabled;

"(C) is not appointed to another position in the Government (under subsection (b) of this section or otherwise); and

"(D) has not declined an offer of appointment to a position in the Government under subsection (b) of this section.

"(2) Payment of disability benefits to an individual under this section terminates—

"(A) on the date the individual is appointed to a position in the Government (under subsection (b) of this section or otherwise);

"(B) on the date the individual declines an offer of appointment to a position in the Government pursuant to subsection (b) of this section; or

"(C) as provided in section 8447(a) or 8447(b) of this title.

"(b) Any individual applying for or receiving disability benefits pursuant to this section shall, in accordance with regulations prescribed by the Office, be considered by any agency of the Government before any vacant position in the agency is filled if—

"(1) the position is located within the commuting area of the individual's former position;

"(2) the individual is qualified to serve in the vacant position; and

"(3) the position is at the same grade or equivalent level as the position from which the individual was separated.

"§ 8450. Administrative provisions

"(a) For the purpose of this section, the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States.

"(b)(1) In order to provide for the administration of benefits under this subchapter with maximum efficiency and convenience for individuals entitled to such benefits, the Office is authorized to contract with one or more insurance companies or other entities described in section 8441(1)(A) of this title which the Office determines is appropriately qualified to perform some or all of the functions described in paragraph (2) of this subsection (to the extent that the Office is not expressly required by this subchapter to perform any function). The authority under this paragraph shall be exercised in accordance with provisions of this subchapter and applicable regulations issued pursuant to section 8461(c) of this title.

"(2) The functions referred to in paragraph (1) of this subsection are as follows:

"(A) Receive disability applications and determine benefits entitlements based upon medical evidence and availability of alternative employment.

"(B) Compute the amount of a benefits entitlement.

"(C) Receive, disburse, and account for monies from the Federal Employees' Disability Insurance Fund.

"(D) Monitor individual cases for rehabilitation opportunities and determine recovery from disability or restoration to earning capacity.

"(E) Serve as a channel of communication of information relating to administration of this subchapter.

"(F) Otherwise assist, in such manner as a contract entered into under paragraph (1) of this subsection may provide, in discharging administrative duties necessary to carry out the provisions of this subchapter.

"(c) A contractor under a contract awarded under subsection (b) of this section shall establish an administrative office under a name approved by the Office.

"(d) Subject to subsection (e) of this section, each contract under this section shall be for a term not to exceed 5 years and may be automatically renewable, in the absence of notice by either party of intention to terminate at the end of the then current term, for successive terms of 1 year each.

"(e) The Office may terminate any such contract under this section at any time (after such reasonable notice and opportunity for hearing as the Office may prescribe in regulations) if the Office finds that the contractor has failed substantially to carry out the contract or is carrying out the contract

in a manner which is inconsistent with the efficient administration of this subchapter.

"(f) Each contract entered into under this section shall provide for advances of monies from the Federal Employees' Disability Insurance Fund to the contractor for purposes of paying disability benefits under this subchapter and the costs of administration, as determined by the Office to be necessary and proper for carrying out the functions covered by the contract.

"(g) The Director may include in contracts awarded under subsection (b) of this section such terms and conditions as he considers appropriate to protect the interests of participants and the United States.

"(h) All records established or maintained by an administrator of benefits in the administration of this subchapter shall be the property of the United States. The administrator of benefits shall deliver such records to the Office whenever requested by the Office.

"(i) The provisions of any contract under this subchapter which relate to the nature or extent of coverage or benefits (including payments with respect to benefits) shall supersede and preempt any law of any State or political subdivision thereof, or any regulation issued thereunder, which relates to group disability insurance to the extent that the law or regulation is inconsistent with the contractual provisions.

"(j) The Secretary of Health and Human Services shall furnish to the Office and an administrator of benefits such information relating to the administration of the Social Security Act, including information on individuals claiming entitlement to benefits under this subchapter, as the Office determines to be necessary to carry out this subchapter.

"§ 8451. Annual accounting; special contingency reserve

"(a) A contract awarded under section 8450 of this title shall include a provision requiring the administrator of benefits under the contract to transmit an accounting to the Office not later than 90 days after the end of each contract year. The accounting shall set forth, in a form approved by the Office—

"(1) the total amount of all monies advanced to the contracting entity from the Federal Employees' Disability Insurance Fund during the contract year;

"(2) the total of all benefit payments made during the contract year; and

"(3) the amounts of the authorized administrative expenses charged for the contract year.

"(b) Any excess of the amount described in subsection (a)(1) of this section over the sum of the amounts described in subsections (a)(2) and (a)(3) of this section for a contract year shall be credited to contract charges in the succeeding contract year or returned to the Federal Employees' Disability Insurance Fund upon termination of the contract, as the Office directs.

"§ 8452. Federal Employees' Disability Insurance Fund

"(a) There is established in the Treasury of the United States a fund to be known as the 'Federal Employees' Disability Insurance Fund'.

"(b)(1) In order to fund benefits and administrative expenses under this subchapter, each agency of the Government employing participants shall make periodic payments to the Federal Employees' Disability Insurance Fund equal to a percentage of the basic pay of such participants which the Office determines is appropriate. The Office shall base its determination of an appropriate percentage on the disability experience of participants employed by such agency.

"(2) An employing agency shall pay the amounts required by paragraph (1) of this subsection from the appropriation or fund available for payment of the basic pay or salaries of employees of the agency. In the case of a participant in the legislative branch who is paid by the Clerk of the House of Representatives, the amount shall be paid from the contingent fund of the House of Representatives.

"(c) Sums in the Federal Employees' Disability Insurance Fund shall be available without fiscal year limitation as the Office determines necessary to pay disability benefits and administrative expenses authorized by this subchapter.

"(d) The Secretary of the Treasury may invest and reinvest any of the money in the Federal Employees' Disability Insurance Fund in interest-bearing obligations of the United States and may sell such obligations for the purposes of such fund. The interest on and the proceeds from the sale of these obligations become a part of such fund.

"(e)(1) No tax, fee, or other monetary payment may be imposed or collected by any State or by any political subdivision or other governmental authority thereof on, or with respect to, any funds transferred to contractors under this subchapter for payment and administration of disability benefits under this subchapter.

"(2) Paragraph (1) of this subsection shall not be construed to exempt any administrator of benefits from the imposition, payment, or collection of a tax, fee, or other monetary payment on the net income or profit accruing to or realized by the administrator from business conducted under this subchapter, if that tax, fee, or payment is applicable to a broad range of business activity.

"SUBCHAPTER VI—GENERAL AND ADMINISTRATIVE PROVISIONS

"§ 8461. Authority of the Office of Personnel Management

"(a) The Office shall pay all benefits that are payable under this chapter from the Fund.

"(b) The Office shall administer all provisions of this chapter not specifically required to be administered by the Board, the Executive Director, or any other entity.

"(c) The Office may make regulations to carry out the provisions of this chapter administered by the Office.

"§ 8462. Cost-of-living adjustment in basic plan annuities, survivor annuities, and disability benefits

"(a) For the purpose of this section—

"(1) the term 'base quarter', when used with respect to a year, means the calendar quarter ending on September 30 of such year; and

"(2) the price index for a base quarter is the arithmetic mean of such index for the 3 months comprising such quarter.

"(b)(1) Except as provided in paragraph (2)(B) of this subsection and subsection (c) of this section, effective December 1 of each year in which the price index for the base quarter of such year exceeds the price index for the base quarter of the preceding year, each annuity which is payable from the Fund under subchapter II or IV of this chapter and commences not later than such December 1 shall be increased by the percentage computed under paragraph (2), (3), (4), (5), (6), or (7) of this subsection, as applicable. This subsection does not apply to an annuity or survivor annuity payable from the Thrift Savings Fund.

"(2)(A) Except in the case of an annuitant to whom paragraph (5) of this subsection applies, the annuity of an annuitant who is authorized to elect to make contributions under section 8418(c) of this title and (i) has not made such an election, or (ii) has received, pursuant to section 8420 of this title, a refund of contributions made under such section 8418(c) shall be increased as provided in this paragraph.

"(B) An annuity of an annuitant who is under 62 years of age on the effective date of an increase in annuities under paragraph (1) of this subsection shall not be increased under such paragraph.

"(C) The percentage by which an annuity is increased under paragraph (1) of this subsection in any year in the case of an annuitant who is at least 62 years of age and is under 67 years of age on the date referred to in subparagraph (B) of this paragraph shall be the excess, if any, of—

"(i) the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year, over

"(ii) 2 percent.

"(D) The percentage by which an annuity is increased under paragraph (1) of this subsection in any year in the case of an annuitant who is at least 67 years of age on the date referred to in subparagraph (B) of this paragraph shall be the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year.

"(3)(A) Except in the case of an annuitant to whom paragraph (5) of this subsection applies, the annuity of an annuitant who has elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title shall be increased as provided in this paragraph.

"(B) The percentage by which an annuity is increased under paragraph (1) of this subsection in any year in the case of an annuitant who is under 62 years of age on the effective date of an increase in annuities under such paragraph shall be the excess, if any, of—

"(i) the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year, over

"(ii) 2 percent.

"(C) The percentage by which an annuity is increased under paragraph (1) of this subsection in any year in the case of an annuitant who is at least 62 years of age on the date referred to in subparagraph (B) of this paragraph shall be the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year.

"(4)(A) Except in the case of an annuitant to whom paragraph (5) of this subsection applies, the annuity which an annuitant is entitled to receive under section 8411(c) or 8411(d) of this title shall be increased as provided in this paragraph.

"(B) The percentage by which an annuity is increased under paragraph (1) of this subsection in any year in the case of an annuitant who is at least 55 years of age and is under 67 years of age on the effective date of an increase in annuities under paragraph (1) of this subsection shall be the excess, if any, of—

"(i) the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year, over

"(ii) 2 percent.

"(C) The percentage by which an annuity is increased under paragraph (1) of this subsection in any year in the case of an annuitant who is at least 67 years of age on the

date referred to in subparagraph (B) of this paragraph shall be the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year.

"(5)(A) The annuity of an annuitant who is entitled to an annuity under subchapter II of this chapter by reason of section 8442(b) of this title, was authorized to elect to make contributions under section 8418(c) of this title, did not make such an election, and is under 67 years of age on the effective date of an increase in annuities under paragraph (1) of this subsection shall be increased under such paragraph in any year by the percentage equal to the excess, if any, of—

"(i) the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year, over

"(ii) 2 percent.

"(B) The annuity of an annuitant who is entitled to an annuity under subchapter II of this chapter by reason of section 8442(b) of this title, has elected to make contributions under section 8418(c) of this title, and has not received a refund of such contributions under section 8420 of this title shall be increased under paragraph (1) of this subsection in any year by the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year.

"(6)(A) The survivor annuity of a survivor who is entitled to the survivor annuity under subchapter IV of this chapter based on the service of a deceased participant, former participant, or annuitant other than a deceased participant, former participant, or annuitant referred to in paragraph (7)(A) of this subsection shall be increased under paragraph (1) of this subsection as provided in this paragraph.

"(B) The percentage by which a survivor annuity is increased under paragraph (1) of this subsection in any year in the case of a survivor annuitant who is described in subparagraph (A) of this paragraph and is under 67 years of age on the effective date of the increase in annuities under such paragraph (1) in such year shall be the percentage equal to the excess, if any, of—

"(i) the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year, over

"(ii) 2 percent.

"(C) The percentage by which a survivor annuity is increased under paragraph (1) of this subsection in any year in the case of a survivor annuitant who is described in subparagraph (A) of this paragraph and is at least 67 years of age on the effective date of the increase in annuities under such paragraph (1) in such year shall be the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year.

"(7)(A) The survivor annuity of a survivor who is entitled to the survivor annuity under subchapter IV of this chapter based on the service of a deceased participant, former participant, or annuitant who has elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title shall be increased under paragraph (1) of this subsection in any year by the percentage computed under subparagraph (B) of this paragraph.

"(B) The percentage by which a survivor annuity is increased under paragraph (1) of this subsection in any year in the case of a survivor annuitant described in subparagraph (A) of this paragraph shall be the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year.

"(c)(1) The first increase (if any) made under subsection (b) of this section to an annuity payable to a participant who retires, to the surviving spouse or surviving former spouse of a deceased participant, or to the surviving spouse or surviving former spouse of a deceased annuitant whose annuity has never been increased under this subsection or subsection (b) of this section shall be equal to the product (adjusted to the nearest one-tenth of 1 percent) of—

"(A) one-twelfth of the applicable percentage of the adjustment computed under subsection (b) of this section, multiplied by

"(B)(i) the number of months (counting any portion of a month as a month) for which the annuity was payable before the effective date of the increase, or

"(ii) in the case of a survivor annuity payable to a surviving spouse or surviving former spouse of a deceased annuitant whose annuity has never been so increased, the number of months (counting any portion of a month as a month) since the annuity was first payable to the deceased annuitant.

"(2) Effective on its commencing date, an annuity referred to in subsection (b) of this section and payable to an annuitant's surviving spouse or surviving former spouse shall be increased by the total percentage by which the deceased annuitant's annuity had been increased under such subsection during the period beginning on the date the deceased annuitant's annuity commenced and ending on the date of the deceased annuitant's death.

"(d)(1) Except as provided in paragraph (3) of this subsection and subsection (e) of this section, effective December 1 of each year in which the price index for the base quarter of such year exceeds the price index for the base quarter of the preceding year, the amount of each disability benefit which is payable under subchapter V of this chapter and commences not later than such December 1 shall be increased by the percentage computed under paragraph (2) or (3) of this subsection, as applicable.

"(2) The amount of the disability benefit of a participant who was authorized to elect to make contributions under section 8418(c) of this title and did not make such an election shall be increased under paragraph (1) of this subsection in any year by the percentage equal to the excess, if any, of—

"(A) the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year, over

"(B) 2 percent.

"(3) The amount of the disability benefit of a participant who has elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title shall be increased under paragraph (1) of this subsection in any year by the percentage of the increase in the price index for the base quarter of such year over the price index for the base quarter of the preceding year.

"(e) The first increase (if any) made under subsection (d) of this section in a disability benefit which is payable to a participant and has never been increased under this subsection or subsection (d) of this section shall be equal to the product (adjusted to the nearest one-tenth of 1 percent) of—

"(1) one-twelfth of the applicable percentage of the adjustment computed under subsection (d) of this section, multiplied by

"(2) the number of months (counting any portion of a month as a month) for which the disability benefit was payable before the effective date of the increase.

"(f) The monthly installment of an annuity or disability benefit payable after adjustment under this section shall be rounded to the next lowest dollar, but the increase in the monthly installment under this section shall be at least $1.

"§ 8463. Rate of benefits

"Each annuity and disability benefit is stated as an annual amount, one-twelfth of which, fixed at the next lowest dollar, constitutes the monthly rate payable on the first business day of the first month beginning after the last day of the month for which the annuity or disability benefit has accrued.

"§ 8464. Commencement and termination of annuities

"(a)(1) Except as otherwise provided in this chapter, the annuity of a participant under subchapter II of this chapter shall commence on the first day of the first month beginning after—

"(A) the date the participant separates from Government employment entitled to an immediate annuity under section 8411 of this title, or

"(B) in the case of a participant who is entitled to a deferred annuity under section 8412 of this title and is not entitled to an immediate annuity under section 8411 of this title, the date elected by the participant under section 8412(a) of this title or the date the participant becomes 62 years of age, whichever is earlier,

as the case may be.

"(2) The annuity of an annuitant under this chapter terminates on the date of death or other terminating event provided by law.

"(b)(1) Except as otherwise provided in this chapter, a survivor annuity payable to an individual under this chapter shall commence on the first day of the first month beginning after the date of the death of the deceased participant or former participant on whose death such annuity is based.

"(2) A survivor annuity payable to a surviving spouse or an eligible former spouse of a deceased participant or deceased former participant under this chapter terminates on the last day of the last month ending before the surviving spouse or former spouse dies or, if the surviving spouse or former spouse is less than 55 years of age, remarries.

"§ 8465. Waiver, allotment, and assignment of benefits

"(a) An individual entitled to receive payment of benefits under subchapter II of this chapter may decline to accept all or any part of the amount of the benefits by a waiver signed and filed with the Office. The waiver may be revoked in writing at any time. Payment of the benefits waived may not be made for the period during which the waiver is in effect.

"(b) An individual entitled to receive payment of benefits under subchapter II of this chapter may make allotments or assignments of amounts from the benefits for such purposes as the Office considers appropriate.

"§ 8466. Application for benefits

"(a) No payment of benefits based on the service of a former participant shall be made under this chapter unless an application for payment of the benefits is received

by the Office before the one hundred and fifteenth anniversary of the former participant's birth.

"(b) Notwithstanding subsection (a) of this section, after the death of a participant or former participant, a benefit based on the participant's or former participant's service shall not be paid under subchapter IV of this chapter unless an application therefor is received by the Office within 30 years after the death or other event which establishes the entitlement to the benefit.

"§ 8467. Court orders

"(a) Payments under this chapter which would otherwise be made to a participant or former participant based upon the service of the participant or former participant shall be paid (in whole or in part) by the Office or the Executive Director, as the case may be, to another person if and to the extent that the terms of any court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation expressly provide. Any payment under this paragraph to a person bars recovery by any other person.

"(b) Subsection (a) of this section shall apply only to payments made by the Office or the Executive Director under this chapter after the date on which the Office or the Executive Director, as the case may be, receives written notice of such decree, order, or agreement, and such additional information and documentation as the Office or the Executive Director may require.

"§ 8468. Annuities and pay on reemployment

"(a)(1) Except in the case of an annuitant who has made an election under subsection (b) of this section, if an annuitant becomes employed in an appointive or elective position in the Government, payment of any annuity under subchapter II of this chapter to the annuitant terminates effective on the date of the employment, and the annuitant's service on and after the date the annuitant becomes so employed is covered by this chapter. Upon termination of the employment, the rights of the annuitant under subchapter II of this chapter shall be redetermined. If the annuitant dies while still so employed, a survivor annuity payable with respect to the deceased annuitant shall be redetermined as if the employment had otherwise terminated on the date of death.

"(2) The amount of an annuity resulting from a redetermination of rights under this chapter pursuant to paragraph (1) of this subsection shall not be less than the amount of the terminated annuity plus any increases under section 8462 of this title occurring after the termination of the annuity and before the commencement of the redetermined annuity.

"(b)(1) Under regulations prescribed by the Office, subject to paragraph (2) of this subsection, an annuitant who becomes employed in an appointive or elective position in the Government on a part-time basis may elect to continue to receive an annuity under subchapter II of this chapter.

"(2) The sum of—

"(A) the amount of an annuity payable under subchapter II of this chapter to an annuitant making an election under paragraph (1) of this subsection, and

"(B) the annual rate of pay payable to the annuitant,

during the part-time employment referred to in such paragraph may not exceed the annual rate of pay which is payable for full-time employment in the position in which the annuitant is employed.

"§ 8469. Information

"(a) The Office shall make available to each individual who is required or eligible to be a participant such information as may be necessary to enable the individual to understand the rights and benefits, including options, which the individual has under the provisions of this chapter.

"(b) The Office shall include in the information made available under subsection (a) of this section a summary description of the Thrift Savings Plan including—

"(1) information similar to the information required to be included in a summary description plan for the purpose of the Employee Retirement Income Security Act of 1974, as provided in section 102 of such Act (29 U.S.C. 1022); and

"(2) a statement that an investment of a participant's funds in the Common Stock Index Investment Fund (as defined in section 8427(a)(1) of this title) is made at the risk of the participant, that the participant is not protected by the Federal Government against loss on such investment, and that a return on such investment is not guaranteed by the Federal Government.

"SUBCHAPTER VII—TRANSITION PROVISIONS

"§ 8471. Treatment of certain individuals subject to the Civil Service Retirement and Disability System

"(a)(1)(A) Any individual—

"(i) who is subject to subchapter III of chapter 83 of this title as an employee (as defined in section 8331(1) of this title, other than an individual employed by the government of the District of Columbia), whose employment by the Federal Government is not employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, and who is not required by section 8402 of this title to be a participant,

"(ii) who is subject to subchapter III of chapter 83 of this title as an employee (as defined in section 8331(1) of this title, other than an individual employed by the government of the District of Columbia), whose employment by the Federal Government before January 1, 1984, is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, and who is not required by section 8402 of this title to be a participant, or

"(iii) who is a Member of Congress (as defined in section 2106 of this title) and who is not required by section 8402 of this title to be a participant,

may elect to commence participation in the System.

"(B) An election made under subparagraph (A) of this paragraph shall be made in writing, in accordance with such regulations as the Office may prescribe, and not later than December 31, 1987, or, in the case of an individual who becomes an employee or Member after a break in service for a period that includes January 1, 1987, not later than 1 year after the date on which the individual resumes service.

"(2) Except as provided in section 8472(d) of this title, any individual who makes the election authorized by paragraph (1) of this subsection shall retain accrued credit for entitlement to benefits under subchapter III of chapter 83 of title 5, United States Code, for service performed while subject to such subchapter.

"(3) An individual referred to in paragraph (1) of this subsection who becomes an employee or Member after a break in service for a period that includes January 1, 1987, may make deposits under section 8334 of this title for service performed before such date while subject to subchapter III of chapter 83 of this title.

"(b) Except as provided in section 8472(d) of this title, any individual who—

"(1) has an unrefunded lump-sum credit in the Fund under subchapter III of chapter 83 of this title,

"(2) is required by section 8402 of this title to be a participant, and

"(3) is not a participant referred to in section 8473(a) of this title,

shall retain accrued credit for entitlement to benefits under such subchapter for service performed while subject to such subchapter.

"(c) Except as provided in section 8472(d) of this title, any individual who—

"(1) has received a refund of a lump-sum credit in the Fund under subchapter III of chapter 83 of this title,

"(2) is required by section 8402 of this title to be a participant, and

"(3) is not a participant referred to in section 8473(a) of this title,

may make deposits under section 8334 of this title for service performed before January 1, 1987, while subject to subchapter III of chapter 83 of this title and shall, upon making such deposits, be entitled to credit under such subchapter for service covered by the deposits.

"(d) Survivor benefits shall be payable as provided in subchapter III of chapter 83 of this title and this chapter to the extent of the service creditable under such subchapter (pursuant to this section) and this chapter in the case of a participant referred to in subsection (a), (b), or (c) of this section.

"§ 8472. Special rules for participants retaining entitlement in the Civil Service Retirement and Disability System

"(a) Service that is creditable under subchapter III of chapter 83 of this title in the case of an individual who elects to be a participant or who retains entitlement in the Civil Service Retirement and Disability System under section 8471 of this title shall be credited as service under this chapter only—

"(1) for the purposes of determining eligibility to retire entitled to an annuity under section 8411 or 8412 of this title and entitlement for disability benefits under subchapter V of this chapter;

"(2) for the purpose of considering such service as years of participation in the System for the purposes of section 8422 of this title (relating to vesting under the thrift savings plan); and

"(3) for the purpose of determining the percent to apply under the applicable formula prescribed in section 8413(a)(1) of this title with respect to service which is creditable for all purposes under this chapter.

"(b) Service performed as a participant in the System by an individual referred to in subsection (a) of this section shall be credited under subchapter III of chapter 83 of this title only for the purpose of determining eligibility to retire entitled to an annuity under section 8335, 8336, or 8338 of this title.

"(c)(1) The rates of basic pay in effect for an individual referred to in subsection (a) of this section on and after the date the individual begins to participate in the System shall be taken into account in computing the individual's average pay (as defined in section 8331(4) of this title) for the purposes of subchapter III of chapter 83 of this title.

"(2) The rates of basic pay in effect for an individual referred to in subsection (a) of this section before the date the individual begins to participate in the System shall be

taken into account in computing the individual's average pay for the purposes of this chapter.

"(d) Section 8337 of this title (relating to disability retirement) shall not apply in the case of a participant referred to in subsection (a).

"§ 8473. Participants subject to the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983

"(a)(1) The service of a participant with respect to which a reduced contribution is made under section 204(a) of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1107; 5 U.S.C. 8331 note) shall be credited as service for the purposes of this chapter and shall be considered years of participation in the System for the purposes of section 8422(b)(1) of this title.

"(2) Paragraph (1) of this subsection shall not apply to a Member of Congress (as defined in section 2106 of this title) or to an individual described in section 8471(a)(1)(A)(ii) of this title.

"(b)(1) On January 1, 1987, the amount computed under paragraph (2) of this subsection shall be transferred from the Fund to the Thrift Savings Fund in the case of a participant to whom subsection (a)(1) of this section applies. The amount transferred shall be credited to an account established for the individual pursuant to section 8428(a) of this title.

"(2)(A) The amount transferred from the Fund in the case of a participant pursuant to paragraph (1) of this subsection shall be equal to the sum of—

"(i) two times the total amount deducted and withheld from the basic pay of the participant pursuant to section 204(a) of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1107; 5 U.S.C. 8331 note); and

"(ii) interest on the amount referred to in clause (i) of this subparagraph computed at the annual rate determined under the second sentence of this subparagraph and compounded annually, as if a fraction of such amount (determined as provided in subparagraph (B) of this paragraph) had been deposited to the credit of the Fund at the end of each month for which amounts were deducted and withheld from the basic pay of the participant as described in clause (i) of this subparagraph.

The annual rate referred to in clause (ii) for an amount transferred from the Fund in any calendar year shall be equal to the interest rate determined for such calendar year under section 8334(e) of this title.

"(B) In the case of any participant to whom paragraph (1) of this subsection applies—

"(i) the numerator of the fraction referred to in subparagraph (A)(ii) of this paragraph is one; and

"(ii) the denominator of the fraction is the number of months for which amounts were deducted and withheld from the basic pay of the participant as described in subparagraph (A)(i) of this paragraph.

"(3) For the purposes of section 8422 of this title—

"(A) one-half of the amount computed in the case of a participant referred to in subsection (a) of this section pursuant to paragraph (2) of this subsection shall be treated as a contribution made under section 8421(a) of this title; and

"(B) one-half of such amount shall be treated as a contribution made by the employing agency of the participant pursuant to section 8421(b) of this title.

"(4) All amounts transferred from the Fund pursuant to paragraph (1) of this subsection shall be invested in the Government Securities Investment Fund established under section 8427(b)(1)(A) of this title.

"(c) The total amount of any deposit made to the Fund under section 8334(j) of this title (relating to deposits covering periods of military service) in the case of a participant referred to in subsection (a)(1) of this section shall be refunded to the participant. The refund shall be paid out of sums in the Fund.

"§ 8474. Reemployed annuitants under a Government retirement system.

"(a) For the purposes of this section—

"(1) the term 'annuitant'—

"(A) in the case of the Civil Service Retirement and Disability System, shall have the same meaning provided in section 8331(9) of this title;

"(B) in the case of the Foreign Service Retirement and Disability System, shall have the same meaning provided in section 804(1) of the Foreign Service Act of 1980 (22 U.S.C. 4044(1)), except that such term does not include a survivor; and

"(C) in the case of the Central Intelligence Agency Retirement and Disability System, means—

"(i) any participant who is referred to in section 203 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, and

"(ii) any individual who formerly was such a participant,

entitled to an annuity from the Central Intelligence Agency Retirement and Disability Fund;

"(2) the term 'Government retirement system' means—

"(A) the Civil Service Retirement and Disability System under subchapter III of chapter 83 of this title;

"(B) the Foreign Service Retirement and Disability System under chapter 8 of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); and

"(C) the Central Intelligence Agency Retirement and Disability System under the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note); and

"(3) the term 'reemployed annuitant' means an annuitant who becomes employed by the Government after the effective date of the Federal Retirement Reform Act of 1985 and is required by section 8402 of this title to be a participant.

"(b) A reemployed annuitant shall retain entitlement in the Government retirement system under which the annuitant was receiving an annuity.

"(c)(1) Service that is creditable under the Government retirement system of a reemployed annuitant shall be credited under this chapter only for the purpose of determining eligibility to retire entitled to an annuity under section 8411 of this title.

"(2) Service performed as a reemployed annuitant shall not be creditable service for the purposes of the Government retirement system of the reemployed annuitant.

"(d)(1) The rates of basic pay in effect for a reemployed annuitant on and after the date the annuitant begins to participate in the System shall be taken into account in computing the annuitant's average pay for the purposes of the Government retirement system under which the annuitant was receiving an annuity when the reemployment commenced.

"(2) The rates of basic pay in effect for a reemployed annuitant before the date the annuitant begins to participate in the System shall be taken into account in computing the annuitant's average pay for the purposes of this chapter.

"§ 8475. Exemption from certain offset provisions of the Social Security Act

"Sections 202(b)(4), 202(c)(2), 202(e)(7), 202(f)(2), 202(g)(4), and 215(a)(7) of the Social Security Act shall not apply in the case of a person who is a participant referred to in section 8471 of this title and who has completed 5 years of service.

"§ 8476. Regulations

"The Office may prescribe regulations to carry out this subchapter.

"SUBCHAPTER VIII—FEDERAL RETIREMENT THRIFT INVESTMENT MANAGEMENT SYSTEM

"§ 8491. Federal Retirement Thrift Investment Board

"(a) There is established in the executive branch of the Government a Federal Retirement Thrift Investment Board.

"(b)(1) The Board shall be composed of—

"(A) the Chairman of the Federal Reserve Board;

"(B) the Secretary of the Treasury;

"(C) the Director; and

"(D) two representatives of Federal employee organizations appointed by the President, one of whom shall be a representative from a labor organization (as defined in section 7103(a)(4) of this title) and one of whom shall be a representative from an organization for employees who are managers.

"(2) If an office referred to in paragraph (1)(A), (1)(B), or (1)(C) of this subsection is vacant, the person acting as the officer in such office shall be a member of the Board while acting as such officer.

"(3) The Chairman of the Federal Reserve Board shall be the Chairman of the Board.

"(4) The members of the Board appointed under paragraph (1)(D) of this subsection shall serve until replaced by the President.

"(c) The Board shall—

"(1) establish policies for—

"(A) the investment and management of the Thrift Savings Fund; and

"(B) the administration of subchapter III of this chapter and the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund;

"(2) review the performance of investments made for the Thrift Savings Fund;

"(3) without regard to civil service and classification laws, fix the rate of pay of the Executive Director;

"(4) supervise the Executive Director; and

"(5) review and approve the budget of the Board.

"(d)(1) The Board may—

"(A) adopt, alter, and use a seal;

"(B) except as provided in paragraph (2) of this subsection, direct the Executive Director to take such action as the Board considers appropriate to carry out the provisions of this subchapter and subchapter III of this chapter, the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund, and the policies of the Board;

"(C) upon the concurring votes of four members, remove the Executive Director from office for good cause shown after investigation by the Comptroller General of the United States and after considering any recommendations made by the Comptroller General with respect to the removal; and

"(D) take such other action as may be necessary to carry out the functions of the Board.

"(2) Except in the case of investments required by section 8427 of this title to be invested in securities of the Government, the Board may not direct the Executive Director or any contractor under a contract awarded under section 8494(c)(3) this title to invest or to cause to be invested any sums in the Thrift Savings Fund in a specific asset or to dispose of or cause to be disposed any specific asset of such Fund.

"(e) The members of the Board shall discharge their responsibilities solely in the interest of participants and beneficiaries under this chapter.

"§ 8492. Federal Retirement Thrift Advisory Committee

"(a)(1) The Board shall establish a Federal Retirement Thrift Advisory Committee (hereafter in this section referred to as the 'Advisory Committee').

"(2)(A) The Advisory Committee shall be composed of 6 members appointed as provided in subparagraph (B) of this paragraph.

"(B) The members of the Advisory Committee shall be appointed by action agreed to by a majority of the members the Board. Three of the members of the Advisory Committee shall be appointed from among investment asset managers not employed by the Government and three of the members of the Advisory Committee shall be appointed from among administrators of thrift savings plans established for employees of private sector enterprises.

"(3) The Board shall prescribe the terms and conditions of service of the members of the Advisory Committee.

"(b) The Advisory Committee shall—

"(1) advise the Board and the Executive Director on matters relating to—

"(A)(i) investment policy for the Thrift Savings Fund;

"(ii) selection of the types of investment funds which are appropriate for investment of sums in the Thrift Savings Fund; and

"(iii) selection of investment managers for the purpose of contracting for the administration of investment funds under section 8494(c)(2) of this title; and

"(B)(i) the performance of the duties of the Board and the Executive Director under the provisions of this subchapter and subchapter III of this chapter and the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund; and

"(ii) the administration of such provisions; and

"(2) review the performance of investments made for the Thrift Savings Fund.

"§ 8493. Employee Advisory Committee

"(a) The Board shall establish an Employee Advisory Committee. The Employee Advisory Committee shall be composed of 5 members, elected in accordance with subsection (b) of this section, each of whom is a participant and has an account balance in the Thrift Savings Fund.

"(b)(1) For the purposes of this subsection, the term 'voting participant' means a participant who has an account balance in the Thrift Savings Fund.

"(2) The members of the Employee Advisory Committee shall be elected by majority vote of the voting participants that vote in accordance with this subsection and the regulations prescribed by the Executive Director.

"(3) Each voting participant shall have one vote for each vacancy on the Employee Advisory Committee. For each election, a voting participant shall be entitled to cast only one vote for an individual nominee.

"(4) Nominations for the election of members to the Employee Advisory Committee shall be solicited from voting participants. Each nominee shall have the opportunity, in accordance with the regulations prescribed by the Executive Director, to submit a brief statement to voting participants in connection with the election.

"(5) Run-off elections shall be held in accordance with the regulations prescribed by the Executive Director.

"(6) Each member of the Employee Advisory Committee shall serve for a term of 2 years, except that, in accordance with regulations prescribed by the Executive Director, 3 of the first 5 members shall serve for a term of 3 years. In the event that a member, for any reason, fails to complete his or her term, an election will be held, in accordance with regulations prescribed by the Executive Director, to fill that vacancy for the remainder of the member's term.

"(c) The Employee Advisory Committee shall act by resolution of a majority of the members.

"(d) The Employee Advisory Committee shall—

"(1) advise the Board and the Executive Director on matters relating to—

"(A) investment policies for the Thrift Savings Fund, and

"(B) selection of the types of investment funds that are appropriate for investment of sums in the Thrift Savings Fund;

"(2) advise the Executive Director regarding exclusion of stocks from the Common Stock Index Investment Fund for the purposes of section 8427(b)(2)(C) of this title;

"(3) exercise all rights as shareholders with respect to stocks purchased for investments of the Common Stock Index Investment Fund; and

"(4) perform such other duties, as the Board may direct, with respect to investment funds established in accordance with section 8427(b)(1)(D) of this title.

"§ 8494. Executive Director

"(a)(1) The Board shall appoint an Executive Director by action agreed to by a majority of the members of the Board. The Executive Director shall have substantial experience, training, or expertise in the management of financial investments.

"(2) The Board shall prescribe the terms and conditions of service of the Executive Director.

"(b) The Executive Director shall—

"(1) carry out the policies established by the Board;

"(2) invest and manage the Thrift Savings Fund in accordance with the investment and other policies established by the Board;

"(3) provide for payment of annuities and other authorized distributions from the Thrift Savings Fund under this chapter, by the Office or otherwise; and

"(4) administer the provisions of this subchapter and subchapter III of this chapter and the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund.

"(c) The Executive Director, may—

"(1) prescribe regulations to carry out the responsibilities of the Executive Director under this section, other than regulations relating to fiduciary responsibilities;

"(2) without regard to civil service and classification laws, appoint, employ, and fix the compensation of such personnel as may be necessary to carry out the provisions of this subchapter and subchapter III of this chapter and the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund;

"(3) enter into such contracts or other arrangements (including contracts for the performance of administrative services), and make such modifications thereof, as may be appropriate to carry out the provisions of this subchapter and section 8427 of this title and the policies of the Board;

"(4) except as provided in section 552a of this title, obtain from any Federal agency, including any independent establishment or instrumentality of the United States, advice, information, estimates, statistics, and such other assistance as the Executive Director considers necessary to carry out the provisions of this subchapter and subchapter III of this chapter, the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund, and the policies of the Board;

"(5) make such payments out of sums in the Thrift Savings Fund as the Executive Director determines are necessary to carry out the provisions of this subchapter, subchapter III of this chapter, the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund, and the policies of the Board;

"(6) pay the compensation, per diem, and travel expenses of personnel from the Thrift Savings Fund;

"(7) accept and utilize the services of individuals employed intermittently in the Government service and reimburse such individuals for travel expenses, as authorized by section 5703 of this title, including per diem as authorized by section 5702 of this title;

"(8) except as otherwise expressly prohibited by law or the policies of the Board, delegate any of the Executive Director's functions to such officers and employees under the Board as the Executive Director may designate and authorize such successive redelegations of such functions to such officers and employees under the Board as the Executive Director may consider to be necessary or appropriate; and

"(9) take such other actions as are appropriate to carry out the functions of the Executive Director.

"§ 8495. Investment policy

"The Board shall develop investment policies under section 8491(c)(1) of this title which provide for—

"(1) prudent investments suitable for accumulating funds for payment of retirement income;

"(2) low administrative costs; and

"(3) investments likely to receive broad acceptance by participants and the public, taking into consideration the views of the Employee Advisory Committee.

"§ 8496. Administrative provisions

"(a) The Board shall meet—

"(1) not less than once during each fiscal year; and

"(2) at additional times at the call of the Chairman.

"(b)(1) Except as provided in section 8491(d)(1)(C) of this title, the Board shall perform the functions and exercise the powers of the Board on a majority vote of a quorum of the Board.

"(2) A vacancy on the Board shall not impair the authority of a quorum of the Board to perform the functions and exercise the powers of the Board.

"(c) Three members of the Board shall constitute a quorum for the transaction of business.

"(d)(1) Each member of the Board who is not an officer or employee of the Federal Government, each member of the Employee Advisory Committee who is not an employee or Member, and each member of the Federal Retirement Thrift Advisory Committee shall

be compensated at the daily rate of basic pay payable for grade GS-18 under the General Schedule for each day or part thereof during which such member is engaged in performing a function of the Board or the Federal Retirement Thrift Advisory Committee, as the case may be.

"(2) A member of the Board, the Federal Retirement Thrift Advisory Committee, or the Employee Advisory Committee shall be paid travel, per diem, and other necessary expenses under subchapter I of chapter 57 of this title while traveling away from his home or regular place of business in the performance of the duties of the Board, the Federal Retirement Thrift Advisory Committee, or the Employee Advisory Committee, as the case may be.

"(e) The accrued annual leave of any employee who is a member of the Board or the Employee Advisory Committee shall not be charged for any time used in performing service for the Board or such committee during any work period.

"(f) Section 14(a)(2) of the Federal Advisory Committee Act (86 Stat. 776; 5 U.S.C. App.) shall not apply to the Federal Retirement Thrift Advisory Committee or the Employee Advisory Committee.

"§ 8497. Fiduciary responsibilities; liability and penalty

"(a) For the purposes of this section—

"(1) the term 'fiduciary' means—

"(A) each member of the Federal Retirement Thrift Advisory Committee and the Executive Director;

"(B) any person who has or exercises discretionary authority or discretionary control over the management or disposition of the assets of the Thrift Savings Fund;

"(C) each member of the Employee Advisory Committee with respect to the member's duties in connection with the Common Stock Index Investment Fund, except with respect to the performance of the function referred to in section 8427(b)(2)(C) of this title; and

"(D) any person who, with respect to the Thrift Savings Fund, is described in section 3(21)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(21)(A)); except that, such term does not include the members of the Board;

"(2) the term 'party in interest' includes—

"(A) any fiduciary;

"(B) any counsel to a person who is a fiduciary, with respect to the actions of such person as a fiduciary;

"(C) any participant;

"(D) any person providing services to the Board and any person providing services to the Executive Director, with respect to the actions of the Executive Director as a fiduciary;

"(E) a labor organization the members of which are participants;

"(F) a spouse, sibling, ancestor, lineal descendant, or spouse of a lineal descendant of a person described in subclause (A), (B), or (D) of this clause;

"(G) a corporation, partnership, or trust or estate of which, or in which, 50 percent or more of—

"(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation;

"(ii) the capital interest or profits interest of such partnership; or

"(iii) the beneficial interest of such trust or estate,

is owned directly or indirectly, or held by a person described in subclause (A), (B), (D), or (E) of this clause;

"(H) an employee, officer, director, or an individual having powers or responsibilities similar to those of an officer and director, or a holder (directly or indirectly) of 10 percent or more of the shares of a corporation referred to in subclause (G) of this clause; and

"(I) an employee, officer, director, or an individual having powers or responsibilities similar to those of an officer and director, or a person who, directly or indirectly, is at least a 10 percent partner or joint venturer (measured in capital or profits) in a person described in subclause (A), (B), (D), (E), or (G) of this clause;

"(3) the term 'person' means an individual, partnership, joint venture, corporation, mutual company, joint-stock company, trust, estate, unincorporated organization, association, or labor organization; and

"(4) the term 'adequate consideration' means—

"(A) in the case of a security for which there is a generally recognized market—

"(i) the price of the security prevailing on a national securities exchange which is registered under section 6 of the Securities Exchange Act of 1934; or

"(ii) if the security is not traded on such a national securities exchange, a price not less favorable to the Thrift Savings Fund than the offering price for the security as established by the current bid and asked prices quoted by persons independent of the issuer and of any party in interest; and

"(B) in the case of an asset other than a security for which there is a generally recognized market, the fair market value of the asset as determined in good faith by the fiduciary or fiduciaries in accordance with regulations prescribed by the Secretary of Labor.

"(b)(1) To the extent not inconsistent with the provisions of this chapter and the policies prescribed by the Board, a fiduciary shall discharge his responsibilities with respect to the Thrift Savings Fund or applicable portion thereof solely in the interest of the participants and beneficiaries and—

"(A) for the exclusive purpose of—

"(i) providing benefits to participants and their beneficiaries; and

"(ii) defraying reasonable expenses of administering the Thrift Savings Fund or applicable portions thereof;

"(B) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent individual acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like objectives; and

"(C) to the extent permitted by section 8427 of this title, by diversifying the investments of the Thrift Savings Fund or applicable portions thereof so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

"(2) No fiduciary may maintain the indicia of ownership of any assets of the Thrift Savings Fund outside the jurisdiction of the district courts of the United States.

"(c)(1) A fiduciary shall not permit the Thrift Savings Fund to engage in any of the following transactions, except in exchange for adequate consideration:

"(A) A transfer of any assets of the Thrift Savings Fund to any person the fiduciary knows or should know to be a party in interest or the use of such assets by any such person.

"(B) An acquisition of any property from or sale of any property to the Thrift Savings Fund by any person the fiduciary knows or should know to be a party in interest.

"(C) A transfer or exchange of services between the Thrift Savings Fund and any person the fiduciary knows or should know to be a party in interest.

"(2) Notwithstanding paragraph (1) of this subsection, a fiduciary with respect to the Thrift Savings Fund shall not—

"(A) deal with any assets of the Thrift Savings Fund in his own interest or for his own account;

"(B) act, in an individual capacity or any other capacity, in any transaction involving the Thrift Savings Fund on behalf of a party, or representing a party, whose interests are adverse to the interests of the Thrift Savings Fund or the interests of its participants or beneficiaries;

"(C) receive any consideration for his own personal account from any party dealing with sums credited to the Thrift Savings Fund in connection with a transaction involving assets of the Thrift Savings Fund.

"(d) This section does not prohibit any fiduciary from—

"(1) receiving any benefit which the fiduciary is entitled to receive under this chapter as a participant, a former participant, or a beneficiary of a participant or former participant;

"(2) receiving any reasonable compensation authorized by this title for services rendered, or for reimbursement of expenses properly and actually incurred, in the performance of the fiduciary's duties under this chapter; or

"(3) serving as a fiduciary in addition to being an officer, employee, agent, or other representative of a party in interest.

"(e)(1)(A) Any fiduciary that breaches the responsibilities, duties, and obligations set out in subsection (b) of this section or violates subsection (c) of this section shall be liable to the Thrift Savings Fund for any losses to such fund resulting from each such breach or violation and to restore to such fund any profits made by the fiduciary through use of assets of such fund by the fiduciary, and shall be subject to such other equitable or remedial relief as a court considers appropriate. A fiduciary may be removed for a breach referred to in the preceding sentence.

"(B) The Secretary of Labor may assess a civil penalty against a party in interest with respect to each transaction which is engaged in by the party in interest and is prohibited by subsection (c) of this section. The amount of such penalty shall be equal to 5 percent of the amount involved in each such transaction (as defined in section 4975(f)(4) of the Internal Revenue Code of 1954) for each year or part thereof during which the prohibited transaction continues; except that, if the transaction is not corrected (in such manner as the Secretary of Labor shall prescribe by regulation consistent with section 4975(f)(5) of the Internal Revenue Code of 1954) within 90 days after the date the Secretary of Labor transmits notice to the party in interest (or such longer period as the Secretary of Labor may permit), such penalty may be in an amount not more than 100 percent of the amount involved.

"(C) A fiduciary shall not be liable under subparagraph (A) of this paragraph with respect to a breach of fiduciary duty under subsection (b) of this section committed before becoming a fiduciary or after ceasing to be a fiduciary.

"(D) A fiduciary shall be jointly and severally liable under subparagraph (A) of this paragraph for a breach of fiduciary duty under subsection (b) of this section by another fiduciary if—

"(i) the fiduciary participates knowingly in, or knowingly undertakes to conceal, an act or omission of such other fiduciary, knowing such act or omission is such a breach;

"(ii) by the fiduciary's failure to comply with subsection (b) of this section in the administration of the fiduciary's specific responsibilities which give rise to the fiduciary status, the fiduciary has enabled such other fiduciary to commit such a breach; or

"(iii) the fiduciary has knowledge of a breach by such other fiduciary, unless the fiduciary makes reasonable efforts under the circumstances to remedy the breach.

"(E) The Secretary of Labor shall prescribe, in regulations, procedures for allocating fiduciary responsibilities among fiduciaries, including investment managers. Any fiduciary who, pursuant to such procedures, allocates to a person or persons any fiduciary responsibility shall not be liable for an act or omission of such person or persons unless—

"(i) such fiduciary violated subsection (b) of this section with respect to the allocation, with respect to the implementation of the procedures prescribed by the Board, or in continuing such allocation; or

"(ii) such fiduciary would otherwise be liable in accordance with subparagraph (D) of this paragraph.

"(2) A civil action may be brought in the district courts of the United States—

"(A) by the Secretary of Labor—

"(i) to determine and enforce a liability under paragraph (1)(A) of this subsection;

"(ii) to collect any civil penalty under paragraph (1)(B) of this subsection; or

"(iii) to enjoin any act or practice which violates subsection (d)(2) or (e) of section 8491 of this title;

"(B) by the Secretary of Labor, any participant, annuitant, former participant who is entitled to a deferred annuity under section 8412 of this title, other beneficiary, or fiduciary—

"(i) to enjoin any act or practice which violates any provision of subsection (b) or (c) of this section; or

"(ii) to obtain any other appropriate equitable relief to redress a violation of any such provision; or

"(C) by any participant, annuitant, former participant entitled to a deferred annuity under section 8412 of this title, or other beneficiary to recover benefits due to him or her under the provisions of this chapter, to enforce his or her rights under such provisions, or to clarify his or her rights to future benefits under such provisions.

"(3) An action may not be commenced under paragraph (2) of this subsection with respect to a fiduciary's breach of any responsibility, duty, or obligation under subsection (b) of this section or a violation of subsection (c) of this section after the earlier of—

"(A) 6 years after (i) the date of the last action which constituted a part of the breach or violation, or (ii) in the case of an omission, the latest date on which the fiduciary could have cured the breach or violation; or

"(B) 3 years after the earliest date on which the plaintiff had actual knowledge of the breach or violation; except that, in the case of fraud or concealment, such action may be commenced not later than 6 years after the date of discovery of such breach or violation.

"(4)(A) Except for actions under paragraph (2)(C) of this subsection, the district courts of the United States shall have exclusive jurisdiction of civil actions under this subsection. State courts of competent jurisdiction and district courts of the United States shall have concurrent jurisdiction of actions under paragraph (2)(C) of this subsection.

"(B) An action under this subsection may be brought in the District Court of the United States for the District of Columbia or a district court of the United States in the district where the breach alleged in the complaint or petition filed in the action took place or in the district where a defendant resides or may be found. Process may be served in any other district where a defendant resides or may be found.

"(5)(A) A copy of the complaint or petition filed in any action brought under this subsection (other than by the Secretary of Labor) shall be served on the Director, the Executive Director, the Secretary of Labor, and the Secretary of the Treasury by certified mail.

"(B) Any officer referred to in subparagraph (A) of this paragraph shall have the right in his discretion to intervene in any action. If the Secretary of Labor brings an action under paragraph (2) of this subsection on behalf of a participant or beneficiary, he shall notify the Director, the Executive Director, and the Secretary of the Treasury.

"(f) The Secretary of Labor may prescribe regulations to carry out this section, and may prescribe regulations exempting a person or class of persons from the requirements of this section.

"(g) The Secretary of Labor, in consultation with the Comptroller General of the United States, shall establish a program to carry out regular audits to determine the level of compliance with the requirements of this section relating to fiduciary responsibilities and prohibited activities of fiduciaries.

"§ 8498. Bonding

"(a)(1) Except as provided in paragraph (2) of this subsection, each fiduciary and each person who handles funds or property of the Thrift Savings Fund shall be bonded as provided in this section.

"(2)(A) Bond shall not be required of a fiduciary (or of any director, officer, or employee of such fiduciary) if such fiduciary—

"(i) is a corporation organized and doing business under the laws of the United States or of any State;

"(ii) is authorized under such laws to exercise trust powers or to conduct an insurance business;

"(iii) is subject to supervision or examination by Federal or State authority; and

"(iv) has at all times a combined capital and surplus in excess of such minimum amount (not less than $1,000,000) as the Secretary of Labor prescribes in regulations.

"(B) If—

"(i) a bank or other financial institution would, but for this subparagraph, not be required to be bonded under this section by reason of the application of the exception provided in subparagraph (A) of this paragraph,

"(ii) the bank or financial institution is authorized to exercise trust powers, and

"(iii) the deposits of the bank or financial institution are not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation,

such exception shall apply to such bank or financial institution only if the bank or institution meets bonding requirements under State law which the Secretary of Labor determines are at least equivalent to those imposed on banks by Federal law.

"(b)(1) The Secretary of Labor shall prescribe the amount of a bond under this section at the beginning of each fiscal year. Except as otherwise provided in this paragraph, such amount shall not be less than 10 per centum of the amount of funds handled. In no case shall such bond be less than $1,000 nor more than $500,000, except that the Secretary of Labor, after due notice and opportunity for hearing to all interested parties, and other consideration of the record, may prescribe an amount in excess of $500,000.

"(2) For the purpose of prescribing the amount of a bond under paragraph (1) of this subsection, the amount of funds handled shall be determined by reference to the amount of the funds handled by the person, group, or class to be covered by such bond or by their predecessor or predecessors, if any, during the preceding fiscal year, or to the amount of funds to be handled during the current fiscal year by such person, group, or class, estimated as provided in regulations prescribed by the Secretary of Labor.

"(c) A bond required by subsection (a) of this section—

"(1) shall include such terms and conditions as the Secretary of Labor considers necessary to protect the Thrift Savings Fund against loss by reason of acts of fraud or dishonesty on the part of the bonded person directly or through connivance with others;

"(2) shall have as surety thereon a corporate surety company which is an acceptable surety on Federal bonds under authority granted by the Secretary of the Treasury pursuant to sections 6 through 13 of title 6, United States Code; and

"(3) shall be in a form or of a type approved by the Secretary of Labor, including individual bonds or schedule or blanket forms of bonds which cover a group or class.

"(d)(1) It shall be unlawful for any person to whom subsection (a) of this section applies, to receive, handle, disburse, or otherwise exercise custody or control of any of the funds or other property of the Thrift Savings Fund without being bonded as required by this section.

"(2) It shall be unlawful for any fiduciary, or any other person having authority to direct the performance of functions described in paragraph (1) of this subsection, to permit any such function to be performed by any person to whom subsection (a) of this section applies unless such person has met the requirements of such subsection.

"(e) Notwithstanding any other provision of law, any person who is required to be bonded as provided in subsection (a) of this section shall be exempt from any other provision of law which would, but for this subsection, require such person to be bonded for the handling of the funds or other property of the Thrift Savings Fund.

"(f) The Secretary of Labor shall prescribe regulations to carry out the provisions of this section and may prescribe regulations exempting a person or class of persons from the requirements of this section.

"§ 8499. Exculpatory provisions; insurance

"(a) Any provision in an agreement or instrument which purports to relieve a fiduciary from responsibility or liability for any responsibility, obligation, or duty under this subchapter shall be void.

"(b)(1) The Executive Director may require employing agencies to contribute an amount not to exceed 1 percent of the

amount such agencies are required to contribute in accordance with section 8421(b) of this title to the Thrift Savings Fund.

"(2) The sums credited to the Thrift Savings Fund under paragraph (1) of this subsection shall be available and may be used at the discretion of the Executive Director to purchase insurance to cover potential liability of persons who serve in a fiduciary capacity with respect to the Thrift Savings Fund, without regard to whether a policy of insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation.".

(b) The table of chapters at the beginning of part III of such title is amended by inserting after the item relating to chapter 83 the following new item:

"84. Federal Retirement System ..... 8401.".

TITLE II—AMENDMENTS RELATING TO SOCIAL SECURITY

AMENDMENTS TO THE SOCIAL SECURITY ACT

SEC. 201. Section 210(a)(5) of the Social Security Act is amended—

(1) by striking out "or" at the end of subparagraph (F);

(2) by striking out the semicolon at the end of subparagraph (G) and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following new subparagraph:

"(H) service performed by an individual after such individual has commenced participation in the Federal Retirement System pursuant to section 8471 of title 5, United States Code;".

AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

SEC. 202. Section 3121(b)(5) of the Internal Revenue Code of 1954 is amended—

(1) by striking out "or" at the end of subparagraph (F);

(2) by striking out the semicolon at the end of subparagraph (G) and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following new subparagraph:

"(H) service performed by an individual after such individual has commenced participation in the Federal Retirement System pursuant to section 8471 of title 5, United States Code;".

TITLE III—MISCELLANEOUS AND CONFORMING AMENDMENTS

EXTENSION OF FEDERAL EMPLOYEES' RETIREMENT CONTRIBUTION TEMPORARY ADJUSTMENT ACT OF 1983

SEC. 301. (a) Sections 202(1), 202(6), 203(a)(4)(A), 203(a)(4)(B), 204(a), 206(b)(2)(A)(i), and 206(c)(3) of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1106; 5 U.S.C. 8331 note) are amended by striking out "January 1, 1986" each place it appears and inserting in lieu thereof "January 1, 1987".

(b) Section 205 of such Act is amended by striking out "and 1986" in subsections (b) and (c) and inserting in lieu thereof "1986, and 1987".

MISCELLANEOUS AMENDMENTS TO CHAPTER 83 OF TITLE 5, UNITED STATES CODE

SEC. 302. (a) Section 8331(1)(G) of title 5, United States Code, is amended to read as follows:

"(G) an individual first employed by the government of the District of Columbia before January 1, 1987;".

(b) Section 8332 of such title is amended by adding at the end thereof the following new subsection:

"(n) Except as provided in section 8472(b) of this title, service performed while a participant in the Federal Retirement System under chapter 84 of this title is not creditable under this section.".

(c)(1) The first sentence of section 8333(b) of such title is amended by inserting "or chapter 84 of this title" after "subject to this subchapter".

(2) Section 8333(c) of such title is amended by adding at the end thereof the following new sentence: "The requirements of the first sentence shall apply only with respect to the civilian service performed by a Member while not a participant in the Federal Retirement System under chapter 84 of this title.".

(d) Subsection (a) of section 8334 of such title is amended—

(1) in the first sentence of paragraph (1), by striking out "The employing" and inserting in lieu thereof "Except as provided in paragraph (3) of this subsection, the employing"; and

(2) by adding at the end thereof the following new paragraph:

"(3)(A) In the case of an employee or Member who was subject to this subchapter before January 1, 1984, and whose service—

"(i) is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954; and

"(ii) is not creditable service for any purpose under chapter 84 of this title,

an employing agency shall deduct and withhold from the basic pay of the employee or Member under paragraph (1) of this subsection during any pay period only the amount computed pursuant to subparagraph (B) of this paragraph.

"(B) The amount deducted and withheld from basic pay during any pay period pursuant to subparagraph (A) of this paragraph in the case of an employee or Member referred to in such subparagraph shall be the excess of—

"(i) the amount determined by multiplying the percent applicable to the employee or Member under paragraph (1) of this subsection by the basic pay payable for such pay period, over

"(ii) the amount of the taxes deducted and withheld from such basic pay under section 3101(a) of the Internal Revenue Code of 1954 for such pay period.".

(e) Section 8339 of such title is amended by adding at the end thereof the following new subsection:

"(o)(1) Effective on the first day of the month in which an annuitant or a survivor annuitant becomes 62 years of age, the annuity or survivor annuity computed under the other subsections of this section and payable to the annuitant or a survivor annuitant shall be reduced (but not below zero) by the amount determined by multiplying the amount of the old-age and survivors insurance benefits which the annuitant or survivor annuitant is entitled to receive under section 202 of the Social Security Act for the such month, if any, by a fraction—

"(A) the numerator of which is the total of the wages (within the meaning of section 209 of the Social Security Act) for service which is referred to in paragraph (2) of this subsection for years before the calendar year in which such month occurs, and

"(B) the denominator of which is the total of all wages (within the meaning of section 209 of the Social Security Act) and all self-employment income (within the meaning of section 211(b) of the Social Security Act)—

"(i) of such annuitant, or

"(ii) in the case of a survivor annuitant, of the employee or Member on whose service the survivor annuity is based,

credited for years after 1936 and before the calendar year in which such month occurs.

"(2) The service referred to in paragraph (1)(A) of this subsection is service which is covered by amounts deducted and withheld as provided in section 8334(a)(3) of this title, is service described in subparagraphs (C) through (G) of section 210(a)(5) of the Social Security Act, and is taken into account for the purpose of computing the annuity or survivor annuity to which paragraph (1) of this subsection applies.".

(f) Section 8348(a) of such title is amended—

(1) in paragraph (1)(A), by inserting "or the provisions of chapter 84 of this title which relate to benefits payable out of the Fund" after "subchapter"; and

(2) in paragraph (2), by inserting ", chapter 84 of this title," after "chapter".

CONFORMING PROVISIONS FOR THE POSTAL SERVICE RETIREMENT SYSTEM

SEC. 303. Section 1005(d) of title 39, United States Code, is amended to read as follows:

"(d) Officers and employees of the Postal Service (other than the Governors) shall be covered by chapters 83 and 84 of title 5 according to the provisions of such chapters. The Postal Service shall withhold from pay and shall pay into the Civil Service Retirement and Disability Fund the amounts specified in or determined under such chapter 83. The Postal Service shall pay into the Civil Service Retirement and Disability Fund the amounts specified or determined under subchapters II and V of such chapter 84. The Postal Service shall pay into the Federal Retirement Thrift Savings Fund the amounts specified in or determined under subchapter III of such chapter 84.".

HEALTH BENEFIT PLAN AMENDMENTS

SEC. 304. (a) Section 8901(1)(E) of title 5, United States Code, is amended to read as follows:

"(E) an individual first employed by the government of the District of Columbia before January 1, 1987;".

(b) Section 8901(10) of such title is amended—

(1) in subparagraph (C)(i)—

(A) by inserting "or 8467" after "8345(j)"; and

(B) by inserting "or 8434" after "8341(h)"; and

(2) in subparagraph (C)(ii)—

(A) by inserting "or 8434" after "8341(h)"; and

(B) by inserting "or 8467" after "8345(j)".

(c)(1) Subsection (b) of section 8905 of such title is amended—

(A) by redesignating subparagraphs (A), (B), and (C) of paragraph (1) as clauses (i), (ii), and (iii), respectively;

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(C) by inserting "(1)" after "(b)"; and

(D) by adding at the end thereof the following new paragraph (2):

"(2) A member of family of a deceased employee or annuitant who was enrolled in a health benefit plan under this chapter on the date of death of the employee or annuitant may continue the enrollment under the conditions of eligibility prescribed in regulations issued by the Office.".

(2) Subsection (c)(1) of such section is amended—

(A) in subparagraph (B), by inserting "or 8436(a)(1)" after "8339(j)(3)"; and

(B) in the second sentence—

(i) by inserting "or 8434" after "8341(h)"; and

(ii) by inserting "or 8467" after "8345(j)".

EMPLOYEES OF CERTAIN NONAPPROPRIATED FUND INSTRUMENTALITIES

SEC. 305. Section 2105(c) of title 5, United States Code, is amended by inserting ", chapter 84," after "chapter 81" in clause (2) of the first sentence.

DISCLOSURE OF EARNINGS INFORMATION OF DISABLED FEDERAL EMPLOYEES

SEC. 306. (a) Paragraph (7)(D) of section 6103(l) of the Internal Revenue Code of 1954 (relating to disclosure of returns and return information for purposes other than tax administration) is amended—

(1) by striking out "and" at the end of clause (vi);

(2) by striking out the period at the end of clause (vii) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new clause:

"(viii) disability benefits provided under subchapter III of chapter 83 of title 5, United States Code, or subchapter V of chapter 84 of such title.".

(b) The heading of paragraph (7) of section 6103(l) of such Code is amended to read as follows:

"(7) DISCLOSURE OF RETURN INFORMATION TO FEDERAL, STATE, AND LOCAL AGENCIES ADMINISTERING CERTAIN PROGRAMS UNDER THE SOCIAL SECURITY ACT OR THE FOOD STAMP ACT OF 1977 OR CERTAIN CIVIL SERVICE DISABILITY BENEFITS PROGRAMS.—".

COMPENSATION FOR WORK INJURIES

SEC. 307. Section 8113 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) The monthly basic compensation payable under this subchapter to an employee or former employee who is a participant or former participant in the Federal Retirement System under chapter 84 of this title shall be reduced by the amount of the benefits which are payable or, upon proper application, would be payable for the month to such employee or former employee under title II of the Social Security Act based on the service of such employee or former employee.".

GROUP LIFE INSURANCE FOR CERTAIN PARTICIPANTS IN THE FEDERAL RETIREMENT SYSTEM

SEC. 308. (a) Section 8701(a)(6) of title 5, United States Code, is amended to read as follows:

"(6) an individual first employed by the government of the District of Columbia before January 1, 1987;".

(b) Section 8704(a)(2) of such title is amended by striking out "(2) the" and inserting in lieu thereof the following:

"(2)(A) two, in the case of a participant in the Federal Retirement System under chapter 84 of this title who has elected to make contributions under section 8418(c) of this title, has not received a refund of such contributions under section 8420 of this title, and dies before retiring under such system; or

"(B) in the case of an employee other than a participant to which subparagraph (A) of this paragraph applies, the".

(c) Section 8705 of such title is amended by adding at the end thereof the following new subsection (e):

"(e)(1) Under regulations prescribed by the Office of Personnel Management, any person entitled to receive payment of insurance under this section by reason of the death of a person referred to in section 8704(a)(2)(A) of this title may elect to receive such payment in monthly payments payable for a period of 2 years.

"(2) Insurance shall be paid in accordance with an election made under paragraph (1) of this subsection.".

(d) Subsection (a) of section 8708 of such title is amended—

(1) by striking out "(a) For" and inserting in lieu thereof "(a)(1) Except as provided in paragraph (2) of this subsection, for"; and

(2) by adding at the end thereof the following:

"(2) In the case of each employee who after December 31, 1989, elects to continue insurance as provided in subsection 8706(b)(3)(A) of this title while receiving annuity or workers' compensation, the Office shall contribute a sum equal to one-half the amount which is withheld from the employee's annuity or compensation pursuant to subsection 8707(b) of this title. The contribution shall be made out of annual appropriations which are made for the purposes of this paragraph. Sums appropriated pursuant to this authorization shall remain available until expended.".

(e) Chapter 87 of such title is further amended—

(1) in section 8706 by striking out subsection (c) and redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively;

(2) by striking out subsection (c)(1) of section 8714a and inserting in lieu thereof the following:

"(c)(1) Except as otherwise provided in this subsection, the optional insurance on an employee stops on his separation from service or 12 months after discontinuance of his pay, whichever is earlier, subject to a provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Office.";

(3) by striking out the first sentence of section 8714b(c)(1) and inserting in lieu thereof the following: "Except as otherwise provided in this subsection, the additional optional insurance elected by an employee pursuant to this section shall stop on separation from service or 12 months after discontinuance of his pay, whichever is earlier, subject to a provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Office."; and

(4) by striking out subsection (c)(1) of section 8714c and inserting in lieu thereof the following:

"(c)(1) Except as otherwise provided in this subsection, the optional life insurance on family members shall stop at the earlier of the employee's separation from the service or 12 months after discontinuance of pay, subject to a provision for temporary extension of life insurance coverage and for conversion to individual policies of life insurance under conditions approved by the Office.".

JUDICIAL SURVIVORS' ANNUITIES

SEC. 309. (a) Section 376 of title 28, United States Code, is amended—

(1) in subsections (b) and (d) by striking out "4.5 percent" each place it appears and inserting in lieu thereof "5 percent";

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c)(1) There shall also be deposited to the credit of the Judicial Survivors' Annuities Fund, in accordance with such procedures as the Comptroller General of the United States may prescribe, amounts required to reduce to zero the unfunded liability of the Judicial Survivors' Annuities Fund. Such deposits shall be taken from the fund used to pay the compensation of the judicial official, and shall immediately become an integrated part of the Judicial Survivors' Annuities Fund for any use required under this section.

"(2) For purposes of paragraph (1), the term 'unfunded liability' means the estimated excess, determined by the Comptroller General on an annual basis, of the present value of all benefits payable from the Judicial Survivors' Annuities Fund, over the sum of—

"(A) the present value of deductions to be withheld from the future basic pay of judicial officials; plus

"(B) the balance in such fund as of the date the unfunded liability is determined.

In making any determination under this paragraph, the Comptroller General shall use the applicable information contained in the reports filed pursuant to section 9503 of title 31 with respect to the judicial survivors' annuities plan established by this section.";

(3) in subsection (h)—

(A) by striking out clauses (i) and (ii) in paragraph (1)(B) and inserting in lieu thereof the following:

"(i) 10 percent of the average annual salary determined under subsection (l)(1) of this section; or

"(ii) 20 percent of such average annual salary, divided by the number of children;";

(B) by striking out clauses (ii) and (iii) in paragraph (1)(C) and inserting in lieu thereof the following:

"(ii) 20 percent of the average annual salary determined under subsection (l)(1) of this section; or

"(iii) 40 percent of such average annual salary amount, divided by the number of children;"; and

(C) by inserting immediately after "remarriage" in paragraph (2) the following: "before attaining 55 years of age";

(4) in subsection (l)—

(A) by striking out "1¼ percent" and inserting in lieu thereof "1.5 percent";

(B) by striking out the colon after "subsection" in paragraph (2) and inserting in lieu thereof a semicolon; and

(C) by striking out the proviso and inserting in lieu thereof the following: "except that such annuity shall not exceed an amount equal to 50 percent of such average annual salary, nor be less than an amount equal to 30 percent of such average annual salary. Any annuity determined in accordance with the provisions of this subsection shall be reduced to the extent required by subsection (d) of this section, if applicable.".

(b) Section 7448 of the Internal Revenue Code of 1954 is amended—

(1) in subsection (c)—

(A) by striking out "(c) SALARY DEDUCTIONS.—There" and inserting in lieu thereof:

"(c) SURVIVORS ANNUITY FUND.—

"(1) SALARY DEDUCTIONS.—There",

(B) by striking out "3 percent" and inserting in lieu thereof "3.5 percent"; and

(C) by inserting at the end thereof the following new paragraph (2):

"(2) UNFUNDED LIABILITY DEPOSITS.—

"(A) IN GENERAL.—There shall also be deposited to the credit of the survivors annuity fund, in accordance with such procedures as the Comptroller General of the United States may prescribe, amounts required to reduce to zero the unfunded liability of the survivors annuity fund. Such deposits shall be taken from the fund used to pay the compensation of the judge, and shall immediately become an integrated part of

the survivors annuity fund for any use required under this section.

"(B) UNFUNDED LIABILITY DEFINED.—For purposes of subparagraph (A), the term 'unfunded liability' means the estimated excess, determined by the Comptroller General on an annual basis, of the present value of all benefits payable from the survivors annuity fund, over the sum of—

"(i) the present value of deductions to be withheld from the future basic pay of judges; plus

"(ii) the balance in such fund as of the date the unfunded liability is determined.

In making any determination under this subparagraph, the Comptroller General shall use the applicable information contained in the reports filed pursuant to section 9503 of title 31, United States Code, with respect to the Tax Court judges survivors annuity plan established by this section.";

(2) in subsection (d) by striking out "3 percent" the second place it appears and inserting in lieu thereof "3.5 percent";

(3) in subsection (h)—

(A) by striking out "subsection (c)" and inserting in lieu thereof "subsection (c)(1)";

(B) by striking out all after the words "equal to" in paragraph (2) and inserting in lieu thereof "the lesser of:

"(A) 10 percent of the average annual salary amount determined in accordance with the provisions of subsection (m); or

"(B) 20 percent of such average annual salary amount, divided by the number of children; or";

(C) by striking out all after the words "equal to" in paragraph (3) and inserting in lieu thereof "the lesser of:

"(A) 20 percent of the average annual salary amount determined in accordance with the provisions of subsection (m); or

"(B) 40 percent of such average annual salary amount, divided by the number of children."; and

(D) by inserting "before attaining fifty-five years of age" immediately after "remarriage" in the first sentence in the matter after paragraph (3); and

(4) in subsection (m)—

(A) by striking out "1¼ percent" and inserting in lieu thereof "1.5 percent"; and

(B) by striking out the comma and all other matter after "other prior allowable service" where it last appears and inserting in lieu thereof ", except that such annuity shall not exceed an amount equal to 50 percent of such average annual salary, nor be less than an amount equal to 30 percent of such average annual salary, and that any amount determined in accordance with the provisions of this subsection shall be reduced to the extent required by subsection (d), if applicable.".

(c)(1) Subsections (a) and (b) of section 1567 of title 11 of the District of Columbia Code are amended by striking out "3 per centum" each place it appears and inserting in lieu thereof "3.5 percent".

(2)(A) Subsection (a) of section 1568 of title 11 of the District of Columbia Code is amended by striking out "computing a survivor annuity" and inserting in lieu thereof "any provision of this subchapter which refers to this subsection".

(B) Subsection (c) of section 1568 of title 11 of the District of Columbia Code is amended—

(i) in paragraph (2)(B), by striking out "the lesser of (i) $2,700 per year divided by the number of such children or (ii) $900" and inserting in lieu thereof "the lesser of (i) $8,424 per year divided by the number of such children or (ii) $2,808";

(ii) in paragraph (3), by striking out "the lesser of (A) $3,240 per year divided by the number of such children or (B) $1,080" and inserting in lieu thereof "the lesser of (A) $10,110 per year divided by the number of such children or (B) $3,370";

(iii) by inserting before the first sentence of the matter following paragraph (3) the following:

"For the purpose of computing, under this paragraph, the annuity of a child that commences on or after January 1, 1987, the figures $8,424, $2,808, $10,110, and $3,370 shall be increased by the total percent increases allowed and in force with respect to retirement salaries of judges under section 11-1571(a) of this title on or after such date."; and

(iv) in the first sentence of the matter following paragraph (3) by inserting before the period the following: "prior to the attainment of fifty-five years of age".

(C) Subsection (e) of section 1568 of title 11 of the District of Columbia Code is amended to read as follows:

"(e) The annuity of a widow or widower of a judge electing survivor annuity shall be equal to—

"(1) in the case of a judge who dies while in active regular service as a judge, the greater of—

"(A) 60 percent of the retirement salary the judge would have been entitled to receive if the judge had retired on the day before the date of death (without regard to the age requirements prescribed in section 11-1562(b)), or

"(B) 60 percent of the retirement salary the judge would have been entitled to receive if the judge had retired on the day before the date of death with 15 years of service for the purposes of this subchapter (without regard to the age requirements prescribed in section 11-1562(b)),

computed under section 11-1564; and

"(2) in the case of a retired judge, 60 percent of the retirement salary payable to such judge on the day before the date of the judge's death.".

(d) The benefits conferred by section 376 of title 28, United States Code, section 7448 of the Internal Revenue Code of 1954, and section 1568 of title 11 of the District of Columbia Code by reason of the amendments made by this section shall apply only to individuals who first become eligible for annuities under such sections on or after the effective date of this Act, except that—

(1) such annuities shall be computed in accordance with the provisions of such sections, as amended by this section, notwithstanding contributions or deposits made in accordance with applicable law at lower rates; and

(2) no additional liability shall be created with respect to deposits made in accordance with applicable law before the effective date of this Act, or after such effective date pursuant to an installment payment election made under section 376(d) of title 28, United States Code, section 7448(d) of the Internal Revenue Code of 1954, or section 1567(b) of title 11 of the District of Columbia Code before such effective date.

TITLE IV—AUTHORIZATIONS, APPLICATION, AND EFFECTIVE DATES

FIRST YEAR EXPENSES OF THE FEDERAL RETIREMENT THRIFT INVESTMENT MANAGEMENT SYSTEM

SEC. 401. (a) Notwithstanding section 8426(c)(3) of title 5, United States Code, as added by section 101 of this Act, the expenses incurred in the administration of the Federal Retirement Thrift Investment Management System prescribed in subchapter VIII of chapter 84 of such title, as added by section 101 of this Act, during fiscal years 1986 and 1987 shall be paid from sums appropriated pursuant to subsection (b).

(b) There are authorized to be appropriated to the Federal Retirement Thrift Investment Board, for fiscal years 1986 and 1987, such sums as may be necessary to pay the expenses incurred in the administration of the Federal Retirement Thrift Investment Management System prescribed in subchapter VIII of chapter 84 of title 5, United States Code, as added by section 101 of this Act, during such fiscal years.

AUTHORIZATION TO CARRY OUT INFORMATION PROGRAM

SEC. 402. (a) The Office of Personnel Management shall take appropriate action during fiscal years 1986 and 1987, to make available on or before January 1, 1987, the information described in section 8469 of title 5, United States Code, as added by section 101(a) of this Act.

(b) There are authorized to be appropriated $1,000,000 to the Office of Personnel Management for fiscal year 1986 to carry out subsection (a). Sums appropriated pursuant to this authorization shall remain available until expended or until October 1, 1987, whichever is earlier.

APPLICATION

SEC. 403. Except for the provisions of subchapter VII of chapter 84 of title 5, United States Code (as added by section 101(a) of this Act), and the amendments made by title III of this Act, nothing in this Act shall reduce the accrued entitlements of current and retired Federal employees and their families to future benefits under the Civil Service Retirement and Disability System or any other Federal Government retirement and disability system. The full faith and credit of the United States Government is hereby pledged in support of the payment of such accrued entitlements.

EFFECTIVE DATES

SEC. 404. (a) Except as provided in subsections (b) and (c), this Act and the amendments made by this Act shall take effect January 1, 1987.

(b) Subchapter VIII of chapter 84 of title 5, United States Code (relating to the Federal Retirement Thrift Investment Management System), as added by section 101, shall take effect on the date of enactment of this Act.

(c) The amendments made by section 301 shall take effect on the date of enactment of this Act.

(d) The program required by section 8426(e) of title 5, United States Code, as added by section 101(a) of this Act, shall be established not later than January 1, 1988.

Mr. ROTH. Mr. President, the matter that the Governmental Affairs Committee brings before the Senate today is retirement legislation for Federal employees covered by Social Security.

As I think everyone here knows, the Social Security amendments of 1983 provided for Social Security coverage of Federal civilian employees who were hired January 1, 1984, and after.

Congress has the responsibility to write a retirement plan to cover these employees. This is an important point to remember. The plan before us today covers only new employees and

does not mandate any changes in the retirement plan applicable to employees on the payroll prior to January 1, 1984. It should be pointed out, however, that employees hired before January 1, 1984, are provided the option to join the new program if it is their wish.

On July 30 of this year, Senator TED STEVENS and I introduced a bill, S. 1527, to establish a new retirement program for Federal workers that supplements Social Security. That bill was the subject of 3 days of public hearings, on September 9, 10, and 11.

I am pleased to say that since these hearings, the leadership on the Republican side of the committee has been working with the leadership on the Democratic side to work out a mutually satisfactory bipartisan retirement bill. To put it mildly, that process has not been easy. In fact, there have been times when it has been extremely difficult. However, because of the leadership and the willingness to work together, we were able to put forward a bipartisan approach.

I should like to express my deep thanks and appreciation to the many people who helped to bring this about, but especially the chairman of the Civil Service Subcommittee, Senator STEVENS; my good friend and colleague the ranking minority member of the full committee, Senator TOM EAGLETON; and the ranking minority member of the subcommittee, my good friend Senator GORE.

We have an obligation to provide a responsible retirement plan to employees entering the Federal work force. Time to fulfill that obligation is running out. At the end of this year the interim plan for workers hired since January 1984 will expire. If Congress fails to act these people and the Government will be required to pay for both Social Security and the costs of the current retirement system. Costs to the employee would be staggering. Excessive costs—some 14 percent of a paycheck would go to retirement—resulting in overlapping and duplicative coverage.

To reach agreement on such a new plan, it was necessary that there be some compromising by all parties. Such a bipartisan compromise has been achieved. The compromise sets a cost limit at 21.9 percent of payroll, substantially below the 25-percent cost of the current system. This is indeed good news for the taxpayer.

It is important to note that the plan is also good for the employee. It breaks new ground by providing employees with an option to make a choice about the kind of retirement plan they want. Employees can choose a plan similar to the one TED STEVENS and I introduced on July 30 with full COLA protection over age 67. That plan's main feature is a significant thrift provision giving employees, through investment options, the opportunity to benefit directly is the economic growth of the country. Or if an employee is willing to contribute more of his own money and take a reduced thrift benefit, he or she can elect to receive benefits more similar to the current retirement system. Both options contain enhanced, comparable survivor and disability benefits.

I think this is the step into the future civil service employees have been waiting for and want to take, discrediting the notion that everything surrounding the civil service is outdated, bureaucratic and unimaginative.

Mr. President, even if the Social Security Amendments of 1983 had not mandated a new retirement system for workers hired after December 1983, I believe it would be time for Congress to design a modern pension system for Federal employees. Why should the civil servant be locked into an archaic retirement plan while his counterpart in the private sector or State government participates in plans that provide both retirement security and career flexibility? The Federal worker competes in the job market with the rest of the labor force. It is unfair to have his or her career opportunities limited by the conditions of the current pension system.

We are all aware of the shortcomings of the present retirement system. It favors the older career employee over the younger one, it makes mobility between the public and private sector difficult, it is poorly financed and it is too expensive. Our legislation eliminates the shortcomings of the current system, provides a sound basic benefit package similar to the private sector and allows employees to direct their income where it best suits their needs.

Let me say that, like any piece of compromise legislation over truly complicated, difficult issues, this compromise contains items that many people and various interest groups will not want. Yet, there are features in this compromise that I believe are very innovative and highly desirable. We must act; and I believe that the legislation before us represents the very best that can be achieved at this stage of the process. I should point out that it was unanimously reported out of the Committee on Governmental Affairs.

Before I proceed further, I say that we wish to complete this matter today. After we have made our decisions, a substantial amount of negotiating must be done with the House of Representatives in order to enact legislation before year-end, as mandated by existing law. The House and Senate, on both sides of the aisle, have indicated their desire to bring this matter to a conclusion promptly. By acting favorably on this proposal, difficult and complex though it may be, we will be demonstrating that our legislative process is still working well and can solve problems in a timely manner when it must.

Before I yield management of the bill to Senator STEVENS, I acknowledge the efforts to the Governmental Affairs Committee staff, the Senate Legislative Counsel's Office, the Congressional Research Service, the General Accounting Office, and the Congressional Budget Office in developing this very important and complex bill.

With any project of this size and scope, the realization of the final product is the result of the contributions made by numerous individuals. The committee staff who provided assistance on this document include John Duncan, Debbie Bisceglia, Denise Boerum, Eileen Bradner, Winthrop Cashdollar, Alan Cohen, James Cowen, Jane DePriest, Linda Gustitus, Sara Hamer, Margaret Hostetler, Peter Lynn, Thurgood Marshall Jr., Eileen Mayer, Richard Schreitmueller, Sally Smith, Melissa Solomon, and David Williams.

In drafting the actual legislation, the committee was aided by staff of the Office of the Senate Legislative Counsel including James Fransen, Bruce Kelly, Mark Mathiesen, and Gregory Scott.

Extensive research assistance was provided to the committee by the staff of the Congressional Research Service including Mary Anderson, Michael Burke, Thomas Gabe, Richard Hobbie, Geoffrey Kollmann, Carolyn Merck, Michael O'Grady, Mary Pilote, Raymond Schmitt, and Dennis Snook. Additional assistance was provided by Edwin Hustead and Michael Sullivan of Hay Huggins, Inc., and Robert Shelton and Thomas Eickmeyer of the U.S. General Accounting Office.

The committee also relied on numerous resources made available from the Congressional Budget Office by Earl Armbrust, David DelQuadro, Sherri Kaplan, and Larry Ozanne.

Mr. President, I hope the Senators of this body will support our efforts. This plan is fair. It does not discriminate between mobile workers and those who stay in Government, nor the young and old. In fact, except for some very few technical occupations, this plan covers everyone the same including Congress and its employees.

Furthermore, this plan is solidly financed. The money needed for benefits is paid up front, on an actuarial basis, not an arbitrary number.

This is a plan that allows the Government worker the same opportunities as the private sector and gives each employee control of his or her future retirement.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial contained in the Washington Post on Saturday, October 5, 1985, in which it says that the committee plan

is an excellent start in the direction that is needed to attract and hold quality workers.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEDERAL PENSIONS: PROGRESS

The touchy issue of constructing a new pension system for federal workers took a big step toward resolution this week when the Senate Governmental Affairs Committee unanimously approved a compromise measure. Neither the administration nor the House has supplied useful leadership on this issue, so strong bipartisan Senate support behind a sensible plan is especially important to get Congress moving.

The basic design of the proposal, developed by Sens. Ted Stevens, William Roth, Thomas Eagleton and Albert Gore, follows the three-tiered pattern now popular in the private sector. Social Security, with its full-inflation protection, provides the base. The next layer gives workers an assured pension supplement determined by years of service, salary before retirement and age at retirement. No contribution from the worker would be required for this benefit. Finally, an optional "thrift plan" tier would allow workers to make employer-matched contributions to a tax-deferred savings plan.

Compared with the retirement system that previous federal workers have enjoyed, the proposed system would provide less generous early retirement features and less complete inflation protection. On the other hand, it would provide superior disability and survivors' benefits, and much better benefit "portability" for the many workers who now sacrifice all benefits when they leave federal service for the private sector. And for the taxpayer the plan would offer substantial future savings.

A final deft addition to the plan, which alleviated union concerns and secured solid bipartisan support in the committee, would give workers an additional option. By agreeing to pay a small extra contribution, and by sacrificing some employer matching of thrift-plan savings, workers could choose to have more complete inflation protection at earlier reitrement ages. The total cost of the plan would be unaffected.

The administration has remained officially opposed to any plan that does not seriously undermine pension protection for federal workers. That's not a useful position. Federal pensions have been over generous and poorly designed. Congress was right to cover new federal workers under Social Security and require that a new, coordinated pension system be developed for them. But federal workers, as able Cabinet members and lesser officials will confirm, do much important work for this country from policing air traffic safety and environmental hazards to processing tax returns and Social Security benefits. A decent though responsible pension system is needed to attract and hold quality workers. The committee's plan is an excellent start in that direction.

Mr. ROTH. Mr. President, it is normally the policy for the chairman of the committee to manage the bill, but I have asked my good friend and colleague, the distinguished Senator from Alaska, to undertake that responsibility. I do so because I think we are all deeply indebted to his leadership, to his imaginative approach and his persistence in working for an excellent pension plan for the Government employees.

Again, in closing, I want to again pay my special thanks and appreciation not only to Senator STEVENS, but to Senator EAGLETON and Senator GORE as well as all members of the Governmental Affairs Committee for their willingness to work together in a bipartisan way to hammer out a new pension program that I personally believe will help ensure that we attract the kind of excellent employees we want to be part of the public sector.

Mr. EAGLETON addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. EAGLETON. Mr. President, I, too, wish to thank some people that have been very, very active participants in this bill. Before he leaves the floor I especially want to thank the chairman of the full committee, Senator ROTH of Delaware.

This bill has not been an easy one to craft but with his leadership as the chairman of that committee we were able to do a job in which all 13 members of the committee could agree. That is most unusual around here, especially on a subject that can be classified as controversial. But for his patient guidance of this measure, we would not be in this unanimous posture today. I thank him most kindly.

Mr. ROTH. I thank the Senator.

Mr. EAGLETON. Of course, I thank Senator STEVENS, who has labored for years in this vineyard. Senator STEVENS was the first Member of the Senate a long, long time ago to face up to the reality that there was going to be, like it or not, a new civil service retirement system, and that like it or not, not everybody would agree with it. And it would not be identical to the system that was then on the books.

During this period of time he was pretty much alone in terms of trying to craft and formulate a new bill, because, I repeat, it was controversial. But he persevered and he persevered. And thus we are where we are today through his efforts.

On my left is one of the new Members of the Senate, Senator GORE of Tennessee. When he came on the Governmental Affairs Committee, the one subcommittee assignment that no one wanted was the Civil Service Committee. Why did no one want it? Because that subcommittee would have within its jurisdiction the duty of formulating this new plan—a hot potato.

Yet, without griping or grousing he took that assignment, and threw himself into the substance of this effort, and a large portion of this bill before us today is the handiwork—the substantive, prudent handiwork—of Senator GORE.

Those are some of the lead players. There are some other players that do not get much credit because they do not have a title like Senator or chairman or ranking something or other. They do most of the work. They are the ones that work weekends and nights while the Senators make some basic fundamental decisions. But they have to work it out in real statutory ways.

There are five in particular that I want to mention that have devoted, I think in the aggregate, thousands of hours to this endeavor. They are all here on the floor. I think they all need to be recognized. Jamie Cowen of Senator STEVENS' staff; John Duncan, Senator ROTH's staff; Margaret Cranshaw of my staff; Peter Lynn, on loan to us from the General Accounting Office; and I thank Mr. Bowsher for that because I do not think we would have a bill today but for his excellent work; and last but by no means least, Thurgood Marshall, Jr., of Senator GORE's staff.

All of these individuals, as I say, devoted thousands of hours to putting this bill in the fine shape that it is in today. Let me now proceed to my prepared remarks.

Mr. President, the bill before us today, the Federal Retirement Reform Act of 1985, S. 1527, represents the culmination of nearly 3 years of work by the Governmental Affairs Committee and the individuals heretofore mentioned. The task of structuring a totally new retirement system for Federal employees hired after January 1, 1984, has been formidable. Indeed, never in my 17 years in the Senate have I seen an issue as complicated.

Our committee was directed by the Social Security Amendments Act of 1983, Public Law 98-21, to establish a new Federal retirement system for civil service employees—the first since the original system was founded in 1920. Prior to 1984 civil servants had never been in Social Security. Now every Federal employee hired after January 1, 1984, is subject to the 7-percent Social Security withholding.

They are also temporarily covered by the current civil service retirement system—a system designed for employees not covered by Social Security. The Congress was given until December 31, 1985, to formulate a new plan which would provide retirement income for Federal employees with Social Security as the basic benefit.

Mr. President, I believe that we will make the deadline—a deadline which often seemed impossible and one which most betting men would have given, at best, a 50-50 chance in 1983. I take a great deal of pride in the fact that this bill has actually reached the floor today and seems assured of passage.

I want to emphasize that while this matter has been guided by the Republican leadership, it has never been a partisan issue. Throughout those

nearly 3 years the committee has worked as a bipartisan and cooperative unit. The committee's unanimous vote at its October 2, 1985, markup reflects the success of our bipartisan approach to what is essentially a good government issue—a fair, equitable, and well-designed retirement plan for all Federal employees—Members of Congress, doctors, astronauts, secretaries, firemen, policemen, file clerks, custodians, and all of the myriad of Federal personnel. Obviously there were political differences on some of the key issues, but in the interest of the whole, and based on the crucial need for the Federal Government—the largest employer in the world—to have a working retirement system, both sides gave a little here and a little there. Mr. President, this compromise process worked.

What we have before us today is a bill sponsored not only by Senators ROTH and STEVENS, but a bill sponsored by Senators ROTH, STEVENS, EAGLETON, GORE, CHILES, NUNN, GLENN, LEVIN, DURENBERGER, MATHIAS, COHEN, and COCHRAN. An unfortunate mistake left most of our names off the printed document.

I emphasize this strong bipartisan sponsorship, Mr. President, because on a major issue such as this, such bipartisan support is unique in this Congress—a Congress that when facing major issues agrees on nothing and agrees to nothing. Therefore, as ranking minority member on the Governmental Affairs Committee, I am intensely proud of the committee's work on this measure. We were given a problem to solve, we solved it, and we met our deadline.

Now, let me turn a bit to what that has entailed. The committee effort spanned research covering subjects as diverse as macroeconomics, surveys of pension practices in the private, nonprofit, and State and local government sectors, the philosophy behind what a pension plan should be—both for an employer's cost and management concerns, as well as the employee's benefit package—and the statistical and actuarial bases which ultimately govern all assumptions or goals upon which a pension plan is designed.

Mr. President, I know that when I leave the Senate, my memory of this particular legislation will be one of numbers and charts, more numbers and more charts, and still more numbers and still more charts. Frustratingly, it is almost impossible to understand this legislation unless you get into the numbers and charts, so I have concluded, as I believe have Senators STEVENS, ROTH, and GORE that in fairness to our colleagues, we will not subject the Senate to lengthy explanations of what lies behind much of the bill.

The basic provisions of the bill have been thoroughly detailed in the statement of my esteemed colleague from Alaska, and pages 126 to 127 of the committee report provide a clear summary of the bill in chart form. Also of interest to my colleagues will be pages 118 to 125 of the committee report, which again in chart form, provide a comparison of the present Civil Service Retirement System and the new plan. It is the committee's expectation that many Federal employees, including Members of Congress, will find the new plan so attractive that they will want to transfer in. While this legislation changes nothing in the current plan, and I emphasize the word nothing, it does allow that transfer option.

It may surprise many of my colleagues that the committee finds the new plan so appealing that it expects numerous employees to transfer. This is particularly surprising since the cost of the new system is 21.9 percent of payroll, while current civil service retirement costs about 25 percent of payroll. If the plan will cost the Government less, how could individuals find the plan more attractive?

The answer, Mr. President, lies in how the money is distributed. The Federal Government now spends $16.5 billion a year on civil service retirement costs. The new system will cost about $14 billion a year, a substantial savings, and in long-run budgetary terms, a massive savings.

Under the current plan the bulk of the money is going to long career, high-income wage earners. The current defined benefit plan, which is based on a formula of years of service, times high 3 years of salary, times 2 percent, guarantees generous annuities to those who work a substantial portion of their careers in Government and earn at the top of the Federal pay scale. Senators and House Members are treated with great favoritism under the current system. This favoritism for Members of Congress, Mr. President, has been eliminated in the new plan. That saves the Government money, and the system is more equitable for everyone.

But eliminating favoritism for Members of Congress is only one place the new plan saves money. The far more important savings come from the new plan's basic structure—a structure known as a three-tiered plan.

With Social Security as the base tier, the new plan provides as a second tier a defined pension benefit, which is much like the current system's only less generous, and a third tier, which is known as a capital accumulation, thrift, or defined contribution provision. In essence, this "capital accumulation plan or, "CAP" as we've come to call it, allows each individual employee the option of saving a portion of his or her salary, with the Government matching that savings up to a certain level. Basically the "CAP" is similar to an Individual Retirement Account [IRA], Keogh, or 401(k) plan in the private sector.

If the employee leaves Government, he takes his savings, plus his Government match, with him. The money must be rolled-over into a qualified retirement plan, a retirement annuity or an IRA, but the money is the employee's. Under the current civil service retirement system only about 25 percent of those ever covered by the plan receive any annuity. The other 75 percent leave Government, take out the cash they have contributed, but receive nothing else from their years of Federal service.

The buzz word for the advantage the "CAP" plan gives employees is "portability." Today's workforce is increasingly mobile, it contains thousands of working women, many of whom move in and out of jobs as they take time out for family responsibilities, and it is highly competitive in the managerial, technical, and professional areas. "Portability" is attractive to all these groups. The private sector has long had portability features in its best retirement plans; this feature will help the Government compete for the people we need and want to attract.

I must emphasize, however, that the "CAP" portion of the bill actually represents only 3 percent of the total cost. The remaining 18.9 percent is divided between Social Security (5.9 percent) and the defined benefit (12.9 percent). This is extremely important to the Democratic side of the aisle. While the Democrats on the committee agreed with the "portability" feature and felt strongly that it will be attractive to today's worker, we felt equally strongly that the Federal Government must, like any responsible employer, guarantee all its employees a retirement annuity that is substantially above Social Security's basic benefits.

There are retirement plans that depend totally on capital accumulation provisions, and in those instances where the employee cannot or does not contribute, the retirement income is only Social Security. That should never happen to a Federal worker who has worked enough years with the Government to be eligible to retire. As a nation we must protect those at the lower end of the income ladder, those who simply cannot afford to contribute to a "CAP" plan, and we must also provide some guaranteed economic incentive (deferred salary if you will) to our best, most loyal, and longest-term employees.

It is along these lines that the committee compromised. Democrats pushed for a larger defined benefit provision; Republicans sought a larger capital accumulation provision. As Senator STEVENS will point out, our final compromise was a two-option plan. Those who want a system

weighted for a "CAP" plan can choose option A; those who want more from their defined benefit can choose option B. There are some problems with the option approach: Should an employee be forced to make such an important decision when he or she is young and just entering government? Will so many choices prove an administrative nightmare? Will it be clear to employees that either option offers a fair retirement plan, but that one may be more suitable to their own individual needs? If they understand that, will they make the right choice?

Personally, Mr. President, I do not have the answer to those obvious problems, but I am convinced that either option A or B will provide a solid, fair, and generous retirement plan. Also, it is very important to note that both option A and option B cost the same to the Federal Government, 21.9 percent of payroll.

Like health plans, pension plans today come in so many varieties, shapes and sizes that it proved impossible for the committee to agree to one single plan that was right for all Federal workers. The multitude of health plans work; I expect the two-option pension plan will work also. I do know that the two options represent the ultimate in fairness.

Finally, Mr. President, I wish to make some comments about pensions and pension planning in general.

When the Governmental Affairs Committee first commenced work on this legislation, I had three goals: (1) meet the December 31, 1985 deadline; (2) provide equitable benefits across the work force, and (3) cover military personnel. Unfortunately we failed on goal number 3. The Governmental Affairs Committee does not have jurisdiction over the military, and early on it was crystal clear that if Governmental Affairs attempted to convince the military that it should become part of the Federal Government's retirement system, the bill would be dead before we started. Interestingly, the Governmental Affairs Committee does not have jurisdiction over the Foreign Service or the Central Intelligence Agency, either, but as the amendments to S. 1527 show, those groups are going to cover their employees' with the new plan. The two groups will be granted the same special benefits S. 1527 provides for such groups as law enforcement officers and firefighters.

It is my hope that the military will ultimately be covered by the new plan. There is simply no justification for the special pension treatment that this Nation accords the Department of Defense.

You remember, Mr. President, I noted earlier that the cost of the current civil service retirement system—that is the one that is on the books now—is about 25 percent of payroll. The cost of the current military system—listen to this, Mr. President—is 52 percent of payroll. It is incredible. It is so huge, it is hard to imagine.

I repeat: the civil service retirement system costs 25 percent of the payroll; the military retirement system: 52 percent of payroll. I predict, Mr. President, that some day—it may not happen in this century, but maybe toward the end of this century, the Department of Defense is going to have to make a hard decision between guns and pensions. I predict that the pension system of the military will so overwhelm the budget of the Department of Defense, that it is going to have to make some very difficult decisions. Quite frankly, those difficult decisions should have been made right now, and the military should have been in this bill, which is 21.9 percent of payroll. But as I said, Governmental Affairs does not have jurisdiction over that subject matter, and had we attempted to capture it by some clever ploy or other, the whole bill would have gone down the tube.

But we're willing to help on the military problem. Our committee has computer programs, cost analyses, data comparisons, and any other imaginable kind of pension information, which we would gladly loan to our armed services colleagues so they can focus on this crucial issue.

Since our committee has spent nearly 3 years studying every aspect of pensions, there is no need for armed services to re-invent the wheel.

In fact, Mr. President, I would be personally happy to consult with them. Either fortunately or unfortunately, I have, through my original committee assignment 18 years ago to the Committee on the District of Columbia, and now as ranking on Governmental Affairs, learned more than I ever wanted to know about pensions. In 1979 our committee handled the DC Retirement Reform Act, which I remember as numbers and charts and more numbers and charts. All those numbers and charts established a mental basis for all the numbers and charts behind today's legislation. I think they'll be with me for life.

In light of that background, I can authoritatively say that the Federal Retirement Reform Act of 1985 establishes a system, which in combination with Social Security, is rationale, equitable, and affordable, and a system which will very likely be a model for retirement plans far into the future.

Mr. President, once again, I thank my colleagues, Senator ROTH, Senator STEVENS, and Senator GORE, for their exemplary work on this very difficult and complex bill.

Mr. STEVENS adressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I am pleased that my good friend, the Senator from Missouri [Mr. EAGLETON] has spoken on the bill, because, in truth, despite the things that have been said today so far, we would not have this bill before us today had it not been for the attitude that Senator EAGLETON has demonstrated, an attitude of dedication to good government. I am one who hopes that Professor EAGLETON will use this whole bill as a study for his students as he goes to a new career.

This bill establishes a supplemental retirement plan for Federal workers hired beginning January 1, 1984, who are covered under Social Security. The need for this bill, of course, came about as a result of the 1983 Social Security Amendments which first brought Federal employees into Social Security. However, the development of the retirement plan actually began long before 1983. In fact, it was the early part of this decade when we began to see the need for alternative Federal retirement plans because of spiraling costs and also began to anticipate the inevitable inclusion of Federal employees under Social Security. Today I feel that we have reached an important milestone in a very long journey.

During my years of service in Government, I have witnessed few, if any, issues which have commanded the degree of analysis, level of study and amount of time of this piece of legislation. It's practically unprecedented in my experience here in the Congress.

In the late 1970's and early 1980's I began studying the changing demographics of our society, in particular the proportion of workers versus retirees into the next century. I became troubled about the tremendous financial burden this could impose upon the Government and future generations. I was equally concerned about the need to provide adequate retirement income and financial security for retirees.

Then there was ths issue of covering Federal workers under Social Security. Since Social Security began in 1935, the issue of covering Federal employees had come up from time to time. In 1980, the Universal Coverage Study recommended inclusion of Federal employees under Social Security. Then in 1981, the President established the National Commission on Social Security Reform to study the problems of Social Security financing. One alternative was to cover Federal workers. By 1981, I knew it was only a matter of time before we needed a new Federal retirement system.

In 1981, we requested the Congressional Research Service [CRS] to do a study of alternative designs for Federal retirement programs. In December of that year, CRS issued a report, outlining four options to coordinate a new Federal retirement plan with Social Security. Based on that report, in the

fall of 1982, I introduced S. 2905, a three-tiered Federal retirement plan based upon Social Security. Although the bill was not acted upon, 6 months later new Federal employees were covered by Social Security. This forced us to tackle the problem of establishing a new Federal plan.

We have commissioned study upon study about Federal retirement issues, including those by the Congressional Research Service and the General Accounting Office.

Mr. President, I want to thank both of those agencies for the great cooperation they have given to us throughout this whole continuum. We have consulted extensively on retirement plan design issues with experts from the private sector. This was highlighted by the series of five Federal pension forums held in 1984 to discuss the types of retirement plans successfully used in private industry and State and local governments.

We had several objectives in mind in designing this system. First of all, we needed a plan which would supplement and be compatible with Social Security—the cornerstone of the retirement plan. We wanted a plan which would provide a package of retirement benefits for our Federal work force comparable to their private sector counterparts. This includes the employee's financial security during retirement, survivor benefits, and protection from disability.

It was important that Federal retirement benefits be attractive enough to enhance recruitment of top notch candidates for Federal jobs, including key managerial positions. We sought a plan which would allow for greater movement in and out of the Federal work force at all levels and during all career phases through portable benefits. Providing various options for our Federal employees in retirement planning was also a key design consideration. Finally, we desired a retirement plan that could do all of this but be financially stable and fully funded at a reasonable cost to the Government.

With S. 1527, I honestly believe we have achieved all of that. We have borrowed from the best of private industry, adopted features of very successful systems, and created some parts on our own to come up with what I believe is a "state-of-the-art" retirement plan which will most certainly serve as a mode for others.

The plan is three-tiered, a very common and successful design used in private industry. The first tier is Social Security, which provides the basis of retirement income, disability protection, and survivor benefits. The second tier is the basic annuity plan, which is noncontributory on the part of the employee. The final tier is the thrift savings plan, which provides for tax deferred investments through voluntary employee contributions matched in part by the Government.

The basic annuity plan, or the second tier, is added on rather than integrated with Social Security. This is a departure from usual private industry practice, which is to integrate pension plans to counterbalance the necessary Social Security tilt toward lower income workers. We selected this approach for a couple of reasons. Because of the complexity of integrated plans, they are sometimes difficult to explain to employees. With a retirement plan as large as this one, and given the size of the Federal work force, the simplicity of an add-on plan was appealing. Another important consideration was that we expect higher income employees to participate to a greater degree in the thrift plan than the lower income group, which serves to flatten the tilt. Although we believe lower income employees will contribute to the thrift plan, this add-on approach lessens the need of these employees having to participate to achieve adequate retirement benefits.

The annuity computation formula under the basic plan is backloaded as in the current retirement system. This gives greater weight to later years of employment, thereby encouraging career service. The annuity formula is less generous than the current system. However, this annuity is meant to supplement Social Security.

The provisions of the basic annuity plan were designed to parallel Social Security where possible. For example, the age for full retirement under S. 1527 is 62, which is the age at which Social Security is first payable. This is also the most common age for full retirement in private industry. However, in keeping with our goal of providing greater career flexibility and employee choice in retirement planning, S. 1527 allows employees to retire at age 55 with 10 years service on a reduced annuity. Under another option in the bill, which I will discuss later on, employees may make an additional contribution to enable them to purchase the right to retire at 55 with 30 years service with no reduction.

Cost-of-living adjustments [COLA's] under the basic annuity plan are also keyed to Social Security. Under the basic provisions of S. 1527, cost-of-living adjustments to annuities would begin at age 62, when Social Security is payable, and would be equal to the Consumer Price Index minus 2 percentage points. At 67, the eventual age for full Social Security retirement, the COLA would equal the CPI. Again, under the second option of the plan to be discussed later, employees could choose earlier and more extensive protection against inflation through making an additional contribution. In the private sector, COLA's are typically made on an ad hoc rather than regular basis and generally amount to something less than the full CPI.

Under the basic annuity plan, we have made special provisions, as under the current system, for law enforcement officers, firefighters and air traffic controllers to enable them to retire at age 50 with 20 years service or with 25 years at any age. We provide for an annuity supplement, approximately equal to the Social Security benefits, from retirement to age 62, when the Social Security benefit begins.

The third tier of the retirement system, the thrift savings plan, is one of the most innovative portions of the bill. This offers to the general Federal work force, for the first time, an attractive option available to many private sector employees. Until now only a few Federal organizations, such as the Tennessee Valley Authority, the Federal Deposit Insurance Corporation, the Federal Reserve Board, and the Comptroller of the Currency, included thrift savings plans in their retirement systems. These plans are very popular among employees at all income levels because of the matching employer contribution and the tax deferral on contributions and earnings. Thrift plans are likewise popular with employers because the costs are known from year to year and they do not add to some future compounded liability for pension costs. I believe it is imperative that we offer the privileges of thrift savings plans accorded to private sector employees to our Federal work force and that the Government as an employer benefit from the tremendous long-run savings of thrift plans.

The thrift savings plan will be managed by the Thrift Investment Board, which consists of Government officials and two employee representatives appointed by the President. This Board will have broad oversight and policy making responsibility with the more direct day-by-day management being handled by the Executive Director, who is appointed by the Board. Employee input and representation would come through the Employee Advisory Committee, with members elected by participants in the thrift plan.

Employees can contribute up to 10 percent of their pay with the Government matching the first 5 percent dollar-for-dollar. They can choose from among three investment funds—Government securities, fixed income, and common stock index fund. Having a limited number of funds in the thrift plan has been a successful practice in private industry and popular among employees. Employees would have the option of changing funds and contribution amounts yearly.

With a thrift fund of this size and scope for the Federal work force, concern about the role of the Federal Government in operating this fund

and its effect on the market is understandable. We have designed funds which are essentially self-managed and do not require extensive day-to-day investment decisions. Board members are prohibited by law from making specific investment decisions and from directing the Executive Director to make specific investment decisions. In addition, S. 1527 includes fiduciary obligations, enforcement provisions, and penalties which apply to private plans under the provisions of the Employee Retirement Income Security Act.

As mentioned earlier, S. 1527 offers two major retirement plan options to employees. Because of the diverse, large Federal work force, we thought it was important to provide alternatives to meet the needs of a wider range of employees. The basic plan provisions as described above apply to option A. Under option B, employees can elect to make a higher contribution of 7 percent, which would go to the old age, survivor, and disability portion of the Social Security tax up to the taxable wage base and the remainder to the retirement fund. Under option B, the employee match for the thrift plan would be different. Employees could contribute up to 10 percent of pay with the Government matching up to 6 percent as follows: for the first 1 percent, the match would be dollar-for-dollar; for the second and third percentage points, the match would be $0.50 per dollar; and for the fourth to sixth percentage points, the match would be $0.25 per dollar. In other words, the match would be 2.75 percent for the Government per 6 percent for the employee.

Under option B, the additional employee contribution, combined with employer savings from the reduced match in the thrift plan, enables the employee to purchase retirement at 55 and 20 with unreduced benefits. It also provides the employee with enhanced COLA's. Under option B, retirees at age 55 would have their annuities adjusted by the CPI minus 2 percentage points. At age 62, the COLA would equal the full CPI.

This plan provides disability benefits which are better than those under the current system. The bill establishes a separate long term disability [LTD] insurance plan self insured by the Federal Government but with benefits and services provided by a third-party administration. The plan will use two categories of disability—the Social Security definition and the civil service definition of occupational disability. For employees who become disabled, payment during disability is equal to 60 percent of his or her average salary offset by 100 percent of any Social Security benefit. After 1 year, if the employee does not meet the Social Security definition, but is considered occupationally disabled, the benefits are reduced from 60 percent to 40 percent of average pay. For Social Security disabled employees, the 60 percent benefit continues. When disabled employees reach retirement age, they roll over to the regular retirement rolls—for occupationally disabled, at 55 and for Social Security disabled at 62.

The survivor benefits under this plan nicely supplement those offered under Social Security. Benefits for surviving children up to age 18 are paid by Social Security, not under this bill. The bill offers supplemental death benefits—both for preretirement death and post-retirement death. In the case of the death of a worker, the survivor annuity would be payable upon death.

The benefits of S. 1527, when combined with Social Security, offer comprehensive retirement, survivor and disability coverage comparable and, in many cases, superior to the current retirement system. Yet, the cost of S. 1527 is 21.9 percent of payroll compared to the 25.2-percent cost of the current system. I believe package in this bill is a very good deal for both employees and the Government.

During the past 4 or 5 years in working on this bill, we spent a tremendous amount of time. We've talked a lot, listened a lot, drafted a lot, and redrafted even more. However, I have not been alone in this undertaking. In fact, I could not have done it alone. I would like to thank my colleagues, Senators ROTH, EAGLETON, and GORE, for their tireless efforts, invaluable assistance, and deep commitment to getting this retirement bill to where we are today. I would also like to express my appreciation to the other members of the Committee on Governmental Affairs for their cooperation, interest, and help on this retirement plan. This bill is the result of a truly cooperative and bipartisan effort.

Mr. President, I would say that it is unquestionably a monument to one person on the floor today, and that is my assistant, Jamie Cowen, who has worked with me through this whole period and is probably now the greatest expert we have in the field of governmental pensions and retirement systems. He has agreed to stay on the staff, as a matter of fact, until the bill is completed. He actually retired from our staff 2 years ago, but he decided that he would stay and work with us until the bill was finished.

I think it is an amazing thing that we are here on the floor of the Senate today with a bill as monumental as this one is, with this tremendous bipartisan support and with no controversial amendments. It is a tribute to the staffs on both sides and to those who have worked with us in a tireless manner that we have no controversy to present to the Senate in the area of this new retirement system for Federal employees.

Mr. President, I think the Senate as a whole can take great pride in the fact that we can still work on a matter in the public interest in a nonpartisan manner and for the best interests of all concerned.

EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the hour of 1:50 p.m. having arrived, the Senate will now go into executive session to consider the nomination of Alex Kozinski to be U.S. circuit judge for the ninth circuit, on which there shall be 10 minutes of debate to be equally divided and controlled, with the vote on the nomination to occur at 2 p.m.

THE JUDICIARY

NOMINATION OF ALEX KOZINSKI, OF CALIFORNIA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise in favor of the nomination of Judge Alex Kozinski for the Ninth Circuit Court of Appeals. Judge Kozinski graduated cum laude from UCLA in 1972. He graduated first in his class in law in 1975 at UCLA. He was law clerk to Judge Anthony M. Kennedy of the Ninth Circuit Court of Appeals in 1976. He was law clerk of Chief Justice Warren Burger in 1977. He served as assistant counsel in the Office of the Counsel to the President in 1981. He served as special counsel to the Merit Systems Protection Board from 1981 to 1982. He served as chief judge of the U.S. Claims Court from 1982 to the present. He is the chief judge now on the Claims Court.

Mr. President, there has been some charge here that he was overbearing with his employees. Three former employees of Alex Kozinski, the former attorney in charge of the Office of Special Counsel, the former attorney in charge of Hatch Act enforcement, and the Deputy Special Counsel, Merit Systems Protection Board, were unanimously of the opinion that while Judge Kozinski was special counsel they enjoyed an excellent working relationship with him. He was a man of good judgment, they said, a man of integrity and decisiveness. Judge Kozinski was demanding and set high standards for his staff but he was a very caring man for individuals.

Mr. President, I wish we had more Judge Kozinskis in this Government.

He set high standards. Some of the employees maybe did not like that and they are the ones who are complaining. The people who admired him the most were those who were faithful employees and did a good job. We are proud of the service he rendered.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, the Constitution tells us to advise and consent the President on his nominations to the Federal court. It tells us to be active in that process, not to go along with the nominee but to give our best judgment, our best advice, and then decide whether or not to consent. This appointee has been nominated to the second highest court in the country. Not one person on the ABA board said that he was extremely well qualified or even well qualified, a majority said he was qualified, and a minority said he was unqualified, and that occurred prior to the hearings in this matter and the correspondence which has been exchanged between Judge Kozinski and Senators THURMOND, BIDEN, and myself.

We have a man here who is obviously academically qualified, who is hard working, smart, and so forth, but who woefully lacks, on a consistent basis, the judicial temperament, the fairness, the sensitivity and the compassion which we should all insist of our Federal judges.

Former employees describe him as cruel and harsh and sadistic. One of those employees say, "After 20 years of Federal personnel management experience I cannot recall a more callous disregard for people than Mr. Kozinski exhibited."

What did a Federal judge say in hearing a case following Judge Kozinski's termination of a 25-year veteran of Federal service who developed life-threatening heart disease? What did that Federal judge say about that action of Judge Kozinski? There is, "No discernible valid, legitimate, acceptable governmental interest in doing anybody this way."

Judge Kozinski circulated an editorial in an effort to gain support for this confirmation which unfairly smeared a group which opposed his nomination.

It is clearly a smear and it is clearly unfair, connecting them with an organization with which they are not connected, and have not been for 1½ years. Judge Kozinski said of Mary Eastwood, when she refused to accept an appointment to San Francisco to take over that office—this is a former Acting Special Counsel—he said that she had abandoned her responsibilities and he did not know why it was that she refused to go to San Francisco. That is what he represented to this Senate in a letter. As a matter of fact, she had in a memo to Judge Kozinski explained that for 20 years she had lived here, her friends were here, her family was here, and that was the reason why she did not want to go. So he has not been fair to people, he has not been fair to people who appear in front of him, and he has not been straight with the U.S. Senate.

If I have any time remaining, I reserve the remainder of it.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield 2 minutes to the distinguished Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Thank you, Mr. President.

Mr. President, we are about to engage in a vote, and I hope that we will cast that vote wisely with a view toward the kind of precedent we are setting for the consideration of judicial nominees. It is a serious business, and the discretion of the President, although subject to the advice and consent of the Senate, it seems to me is due the kind of consideration, regardless of party, regardless of the President, that we would expect if each of us were an appointing authority. Indeed, when we made recommendations to the President with respect to district court judges, we take great offense if those recommendations are not given due weight.

Well, here we have someone who is acknowledged to be a brilliant student of the law, someone who is acknowledged to be a tough manager, and apparently that has been his problem with some of his employees. If there is a Senator on this floor who has never been unkind, short of patience, overly painstaking with an employee, let him hold up his hand. If there are any in that category, and we are to limit the vote on those, then we will not have a vote today.

Mr. President, we are going to set a very dangerous precedent if we begin to view judicial candidates in strict partisan terms, and I think we need to be very careful that we do not give that impression.

The PRESIDING OFFICER. All the time in the control of the Senator from South Carolina has expired. The Senator from Michigan has 1 minute.

Mr. WILSON. I thank the Chair.

Mr. SYMMS. Mr. President, I support the nomination of Alex Kozinski to the U.S. Court of Appeals for the Ninth Circuit. The ninth circuit has jurisdiction over my State of Idaho and other Western States, and I am pleased that the President has chosen a person of Judge Kozinski's intellect and legal qualifications to fill this important position on the Federal bench.

Judge Kozinski currently serves as chief judge of the U.S. Claims Court which was created by the Federal Courts Improvement Act of 1982. In this position, he has earned the respect of colleagues for his diligent efforts to establish that court's reputation as a first-class judicial institution.

One of those colleagues; Judge John Weise, made the following remarks in a letter to the distinguished chairman of the Judiciary Committee, Senator THURMOND:

> Confronting the new court were many problems: an inherited backlog of over 1,700 cases; the uncertain burden of coping with an expanded Tucker Act jurisdiction; a significant reduction in overall staffing; and, indeed, even the inefficiencies of a physical plant in drastic need of improvement.
>
> By personal example Chief Judge Kozinski showed that the court could manage its docket with efficiency and fairness: he performed the administrative duties of his office while concurrently maintaining a full trial docket and achieving one of the highest case disposition rates. More could indeed be done with less!

This is the kind of public service we always seek but rarely find, and I believe Judge Kozinski should be commended for his efforts.

Mr. President, I have had the pleasure of meeting Judge Kozinski and reviewing his academic and professional achievements. It is a remarkable record of success, including his graduation at the top of his UCLA law school class, his work as a private attorney and as assistant counsel to the President, and his dedicated service as special counsel to the Merit Systems Protection Board and most recently as chief judge of the U.S. Claims Court.

His is an American success story which began with his family's emigration from Romania to the United States in the early sixties. His personal experience with communism has convinced him that it is "an evil, imperialist system." And as a result of that experience, Judge Kozinski retains what he calls "a deep, deep suspicion of what government can do if unrestrained." I believe it is this personal experience and conviction which afford Judge Kozinski the prudence and judicious temperament necessary to make him an outstanding member of the Federal appellate bench.

Without reservation or qualification, I recommend Judge Kozinski to my colleagues and urge them to approve his nomination to the Ninth Circuit Court of Appeals.

Mr. KENNEDY. Mr. President, I join my colleague from Michigan and others in opposing the confirmation of Alex Kozinski to be a judge on the Ninth Circuit Court of Appeals.

Judge Kozinski, in his conduct as head of the Office of Special Counsel in the Merit Systems Protection Board and in his conduct and testimony during the confirmation process, has

demonstrated that he lacks the qualifications necessary to be a Federal appellate judge.

The most troubling aspect of the Kozinski nomination is his misleading and evasive testimony before the Senate Judiciary Committee on controversial matters related to his nomination. Judge Kozinski has suggested that, in dealing with the Senate Judiciary Committee, he did not have an obligation to fully disclose the evidence on both sides of an issue. Following that approach, he gave less than complete and accurate accounts of the following matters:

MARY EASTWOOD CASE

Mary Eastwood challenged her employment termination by Judge Kozinski when he was the head of the Office of Special Counsel at the Merit Systems Protection Board. Judge Kozinski, in a letter to Senators THURMOND and BIDEN, implied that she lost her case. He neglected to mention that she received $22,000 in back pay and $10,000 in attorneys' fees and he sent the committee only half of the settlement agreement, the half that did not contain the attorneys' fees award.

WORKING RELATIONSHIP WITH HIS STAFF AT THE OFFICE OF SPECIAL COUNSEL

At his confirmation hearing, Judge Kozinski said that his working relationship with his staff was excellent. Numerous affidavits submitted to the Judiciary Committee by employees who worked for Judge Kozinski flatly contradicted his representation, and provided numerous, appalling incidents of the nature of the relationships.

DISTRIBUTING AN INACCURATE EDITORIAL LINKING THE GOVERNMENT ACCOUNTABILITY PROJECT AND TERRORIST GROUPS

In two letters to supporters asking them to lobby for him, Judge Kozinski enclosed an inflammatory radio editorial linking a group opposing him, the Government Accountability Project [GAP], to the Institute for Policy Studies [IPS], which the editorial characterized as a "revolutionary group hostile to the United States with ties to terrorist groups." In fact, GAP disassociated itself from IPS 1½ years ago.

In his letter to Senators THURMOND and BIDEN, Judge Kozinski stated that he had not sent any letters "impugning persons questioning my qualifications and urging recipients to lobby on my behalf."

FINED TWO ATTORNEYS WITHOUT NOTICE OR OPPORTUNITY TO BE HEARD

While serving on the U.S. Claims Court, Judge Kozinski summarily fined two attorneys for filing a nonmeritorious complaint of judicial misconduct. In a letter to Senators THURMOND and BIDEN, he cited 25 cases as precedent for his action. In his second confirmation hearing, Judge Kozinski conceded that the cases he cited were not judicial misconduct cases and required notice prior to the imposition of sanctions. When pressed, he acknowledged that, contrary to his representation in his letter, his action was unprecedented.

In addition to his lack of candor with the Judiciary Committee, Judge Kozinski has demonstrated that he lacks compassion and basic decency in his dealings with his subordinates. His tenure at the Office of Special Counsel was marked by harsh and inappropriate conduct towards his staff. He edited staff work in "technicolor," using several different colors of ink and making demeaning personal remarks. He virtually threatened to fire an aide over the rescheduling of a picnic, and even sought to fire a messenger because a piece of mail was lost.

Judge Kozinski is a bright young Court of Claims judge who has been named to an extremely important position. In all but a tiny percentage of cases, the court of appeals is the court of last resort in our judicial system. We have a solemn responsibility to assure that the judges we confirm to the federal appellate bench possess high integrity, good judgment, and reasonable compassion. Judge Kozinski fails to meet these essential standards and he should not be confirmed.

Finally, Mr. President, I also want to commend Senator CARL LEVIN for his unusual diligence in developing the facts on Judge Kozinski. Senator LEVIN is not a member of the Senate Judiciary Committee—but he should be. For in my opinion, he has done one of the best—if not the best—jobs, from a standing start, that I have seen on a nomination to a lower Federal court in my 23 years on the committee. I congratulate Senator LEVIN on his brilliant work on this nomination, and I urge the Senate to heed the overwhelming case our colleague has presented against the fitness of this nominee to be a Federal judge.

Mr. BIDEN. Mr. President, I am of the opinion that the nominee before us today is exceedingly intelligent and competent. However, since the committee reported, without objection, Mr. Kozinski's nomination to the full Senate, Senator LEVIN, on the basis of new information, raised disturbing issues concerning Mr. Kozinski's candor during his initial confirmation hearing, including his responses to Senator SIMON's written interrogatories and to Senator LEVIN's October 8 letter to Chairman THURMOND and me. Candor and forthrightness are measures of a nominee's temperament which is an important prerequisite for a judge.

Those issues primarily involve Mr. Kozinski's representations concerning his record as Special Counsel to the Merit Systems Protection Board, an office created by Congress to protect whistleblowers from reprisals by Government agencies. Numerous former employees submitted detailed affidavits to support allegations that Mr. Kozinski failed to adequately investigate and protect whistleblowers in specific cases.

In addition, Senator LEVIN questioned Mr. Kozinski's candor in defending his circulation of a copy of a radio editorial implying that certain of his opponents were somehow supportive of terrorist groups with interests hostile to the United States.

Finally, Senator LEVIN questioned Mr. Kozinski's candor in explaining precedents supporting his judicial decision summarily reprimanding and fining attorneys without notice and an opportunity to be heard.

The essence of Senator LEVIN's concern is whether Mr. Kozinski lacks the requisite temperament for appointment to the important, life-tenured position of the appeals court. Although I was concerned about many of these same issues when the Judiciary Committee first considered Mr. Kozinski's nomination I gave him the benefit of my doubts.

As a result of Senator LEVIN's concerns, the Judiciary Committee held a second hearing on Mr. Kozinski's confirmation. It was my hope and expectation that Mr. Kozinski had been completely candid with the Judiciary Committee and as a consequence had the temperament which we ought to expect of a judge. For a nominee, testifying under oath, before a Senate committee has an obligation, not unlike the obligation of a judge writing a judicial opinion, to present fully all the facts regardless of whether they are perceived to be favorable.

I have concluded that Mr. Kozinski does not, and I shall vote against his confirmation.

Mr. HATCH. Mr. President, as we prepare to vote, I would like to make just a few brief comments. First, with respect to the allegations made against Judge Kozinski, I can say—after sitting through all the hearings and reviewing every detail of every criticism—that there is not a single allegation supported by evidence of substance. To the contrary, every allegation has an explanation which further establishes the judge's character and judicial temperament. Frankly, I think the Senate should be somewhat embarrassed that it has lodged such groundless criticisms against this outstanding jurist.

In the closing moments of this debate, however, I would like to focus the Senate on the evidence of most relevance to the Senate's decision—Judge Kozinski's performance at the head of the U.S. Court of Claims. Judge Kozinski took over a new court with new jurisdiction, few resources, and myriad unanticipated problems that accompany the inauguration of a

new Federal court. He has earned the respect and loyalty of all the judges and staff of his court. In only 3 years, he has established that court as one with a fine reputation. He has reduced the backlog it was born with, despite being short one judge for more than a year. He has carried a full caseload in addition to his administrative duties as chief judge. In 3 years, he has published 56 opinions, disposed of over 170 cases, and handled countless motions and hearings. He has already logged 110 days of trial on the bench. This is a record that has won him the respect of the President that nominated him for the ninth circuit as well as the esteem of his fellow judges and legal colleagues. The Senate should be honored to approve an individual of this caliber for the Federal bench.

Mr. LEVIN. Mr. President, the issue here is obviously not whether Judge Kozinski is academically qualified. The question is his temperament, how fair he is to people, how straight he is with the Senate of the United States.

One last example that I want to share is when he told the Judiciary Committee about his decision to summarily impose sanctions, without notice and without a hearing, on attorneys before him was well precedented. In fact, he cited about 25 cases supporting that extraordinary action. As a matter of fact, when pressed at his hearing last Friday, he admitted that his action was totally unprecedented, unlike what he represented to the Senate.

Mr. President, Judge Kozinski lacks the compassion, the sensitivity, the commitment to fairness and forthrightness to be a Federal appellate judge.

The PRESIDING OFFICER. All time having expired, the question is, Will the Senate advise and consent to the nomination of Alex Kozinski, of California, to be U.S. circuit judge for the ninth circuit? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. HEINZ] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from West Virginia [Mr. ROCKEFELLER] is necessarily absent.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia [Mr. ROCKEFELLER] would vote "nay."

The PRESIDING OFFICER (Mr. WALLOP). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 288 Ex.]

YEAS—54

Abdnor	Gramm	Murkowski
Andrews	Grassley	Nickles
Armstrong	Hatch	Packwood
Boschwitz	Hatfield	Pressler
Chafee	Hawkins	Quayle
Cochran	Hecht	Roth
D'Amato	Heflin	Rudman
Danforth	Helms	Simpson
DeConcini	Humphrey	Specter
Denton	Kassebaum	Stafford
Dixon	Kasten	Stennis
Dole	Laxalt	Stevens
Domenici	Long	Symms
Durenberger	Lugar	Thurmond
East	Mathias	Trible
Evans	Mattingly	Wallop
Garn	McClure	Warner
Gorton	McConnell	Wilson

NAYS—43

Baucus	Ford	Melcher
Bentsen	Glenn	Metzenbaum
Biden	Goldwater	Mitchell
Bingaman	Gore	Moynihan
Boren	Harkin	Nunn
Bradley	Hart	Pell
Bumpers	Hollings	Proxmire
Burdick	Inouye	Pryor
Byrd	Johnston	Riegle
Chiles	Kennedy	Sarbanes
Cohen	Kerry	Sasser
Cranston	Lautenberg	Simon
Dodd	Leahy	Weicker
Eagleton	Levin	
Exon	Matsunaga	

NOT VOTING—3

Heinz	Rockefeller	Zorinsky

So the nomination was confirmed.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. HEFLIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go back into legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, the distinguished leader has asked for a comment on the pending legislation. For the information of the Senate, we have worked out the disagreements on all of the amendments that are covered by the time agreement.

We will be in the process of accepting them all shortly. We expect one rollcall vote on this on final passage, and that will be the only final passage. That should take place in roughly an hour.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, will the Senator yield?

Mr. STEVENS. I am happy to yield to the leader.

Mr. DOLE. Mr. President, as I indicated to the distinguished minority leader, if we can put some of these things together, there will be a likelihood of no session tomorrow.

I think I am about to be safe in indicating that we will not be in session tomorrow. After we finish this, we will take up the D.C. appropriation bill. That will be a very short debate.

There will be one vote. Depending on what happens to the vote, that will determine the future of the bill.

Then we will try to reach some unanimous-consent agreement on reconciliation. Senator CHILES, Senator DOMENICI, and others are working on that this afternoon.

So I am prepared to indicate at this time that we will not be in session tomorrow.

FEDERAL RETIREMENT REFORM ACT

The Senate continued with the consideration of the bill (S. 1527).

Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. I yield such time as the Senator may require.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. Mr. President, I am pleased to be a cosponsor of S. 1527, the Federal Retirement Reform Act of 1985. As a cosponsor of this bill, I find myself in good company because by now most of my colleagues on the Senate Governmental Affairs Committee are also cosponsors.

To varying degrees, each of my colleagues on the committee has devoted considerable time and thought to this legislation. Virtually all of our potential differences have been aired without the rancor that often characterizes issues in which the stakes are so high. None of the cosponsors has achieved everything he has sought, yet we have all made signficant contributions.

I wish to add my voice to those that have already been raised in praise of the chairman of the subcommittee, Senator STEVENS; the chairman of the full committee, Senator ROTH, and the ranking minority member of the full committee, Senator EAGLETON.

As a freshman member of the Governmental Affairs Committee, I wondered what the experience of this legislation would be like, but I must say that I have found it enjoyable and educational, and I have learned a great deal in particular from the three senior Senators whom I just mentioned. I thank them for allowing me to be a part of such an enjoyable, deliberative process.

Mr. President, the 1983 decision to extend Social Security coverage to Federal employees left Congress with

the difficult task of redesigning the Civil Service Retirement System. That responsibility must be discharged by the end of this year, according to the 2-year period we allotted ourselves. Our failure to do so will require Federal workers who have started work since January 1984, or who will be coming to the Federal Government in the future, to contribute up to 14 percent of their hard-earned pay, for pension benefits which will be uncertain at best. It is obvious, therefore, that we have to act.

Throughout our deliberations, our focus has been to ensure that Federal employees, at work and upon retirement, receive fair and reasonable compensation for their service. That compensation should be fair and reasonable in the eyes of the workers themselves, whose efforts are vital to the varied functions of our Federal Government. It should be fair and reasonable, as well, in the eyes of the taxpayers, who correctly insist that their tax dollars be spent sensibly and to good result.

As is often the case, we have been obligated to examine a terrain cluttered with a number of highly technical issues. From that clutter of issues, we have sought to extract a sensible retirement policy—a policy that must be clear enough for those who will depend upon it for their economic security, and flexible enough to address the various situations and needs that Federal workers may face during their careers.

The manner is which we ultimately address these concerns will recast the basic Federal retirement structure and its pattern of payments for decades. We are, therefore, in a unique position to influence the kind of Federal work force this country should have.

Mr. President, as the ranking minority member of the subcommittee of which Senator STEVENS is the chairman, I have been in a position to see and benefit from the depth of his extensive knowledge in the pension field. That resource, together with the leadership and cooperation of both Chairman ROTH and the senior Senator from Missouri, Senator EAGLETON, has forged a good bill which I commend to every member of this body. The careful attention to details of substance and leadership which these Senators have devoted to this challenge over the past several years has been evident in every aspect of the process. I am a newcomer to this process and I am proud to have been able to play a part in it. We also owe a debt of thanks to the tireless efforts of the committee staff and the team of congressional research service analysts who assisted the committee, and to the witnesses who testified during lengthy hearings on this issue.

The bill's three-tier design combines Social Security with a defined benefit tier that focuses on providing a sure and certain retirement benefit, and a defined contribution tier that provides for portability and flexibility. The bill goes a step further by providing Federal workers with an option of choosing between two alternative mixes of retirement plans, according to their needs. Both alternatives offer significant advantages to the Federal worker.

Mr. President, I am cosponsoring this bipartisan substitute, because I believe it addresses all the concerns I targeted in my floor statement at the time Senators ROTH and STEVENS introduced S. 1527 in its original form. Those issues—the COLA, early retirement, the mix between defined benefit and defined contribution, and the benefits for survivors and disabled workers—all require important choices. The resolution of those choices lies at the heart of a sound pension system.

Chief among those issues is the degree to which we should protect future pension benefits from dwindling in the face of rising prices. To be sure, this is a familiar and difficult issue for all of us. The fixed incomes of retirees must be accorded a measure of economic security.

Because Social Security continues to be fully and automatically adjusted for changes in the cost of living, it serves as the basic component of income protection for all workers. But a pension must also serve as a dependable source of retirement income. That objective is only possible if its value is maintained. While the expense of COLA's in benefit programs is of concern to all of us, we must be careful not to schedule an erosion in benefit value that grows worse with each passing year.

With those concerns in mind, S. 1527 reflects an understanding that an adequate retirement benefit should not rely solely upon the inflation protection granted by the Social Security cost-of-living adjustment. That is particularly true for option B which provides generous inflation protection to early retirees and full COLA's to all retirees at age 62 and above.

As they plan for their retirement years, Federal employees deserve to know with certainty at what age benefits begin. The current Civil Service Retirement System has been criticized for permitting employees to retire as early as age 55. This costly feature of the system has been a major focus of our deliberations.

It is important to note that many private-sector employers, particularly those with a heavy concentration of physical labor, permit unreduced retirement at age 55 to workers with careers spanning 30 or more years. Virtually all private-sector pensions make some provision for retirement at that age. Furthermore, despite the range of jobs in the Federal Government and the private sector, the average retirement age is around 61—for workers inside or outside the Government. That comes as a surprise to some casual observers of the pension issues.

With 62 as its earliest age of eligibility, Social Security reduces the benefits Federal employees will receive at earlier ages. Although option A of this bill would go further, by reducing the Federal pension benefit drawn before age 62, option B would permit Federal workers who have devoted a lifetime to Government service to receive an unreduced pension benefit prior to age 62.

We cannot guarantee every worker in every circumstance the same total benefits he or she would now receive. The issue thus becomes one of determining the appropriate mix of benefits to achieve the goal of fairly distributing those benefits among employees at every salary level. S. 1527 would establish a contributory, employee-savings plan with significant tax benefits accruing to those who elect to participate. The savings plan also provides participants under both options with generous Government matching funds.

The thrift plan component will give every worker the opportunity to supplement a defined benefit and predictable pension amount. The bill recognizes that some workers will not be in a financial position to participate in the savings plan fully and consistently throughout their careers. For workers falling into that category, this bill provides a basic defined pension which, along with Social Security, is intended to produce adequate retirement income on its own.

Before I move on, I would like to raise two related issues. First, this bill and several of the pending amendments provide special benefits for employees whose job requirements are unusually demanding. The retirement legislation before the House committee currently provides more generous benefits for some of these groups—including the U.S. Park Police and National Guard technicians. I hope that in resolving the differences between this legislation and that in the other body, the conferees will be able to fashion a standard to measure the needs of each of these groups fairly and consistently.

Second, I feel it bears noting when considering the thrift plan provisions of this bill, that the investment of those funds in common stocks may not always yield a greater return than investment in Government securities. I have requested an analysis of this issue from the Congressional Research Service, and I ask unanimous consent that a copy of the analysis be printed in the record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. GORE. I believe that it is important to require, as S. 1527 does, that each thrift plan participant be fully apprised for the higher risks associated with investment of thrift plan money in common stocks as opposed to Government securities.

Finally, a pension plan must not only meet the obvious and expected needs of its retirees, but must assure its participants and their families adequate income protection in the event of death or disability. We can do no less than provide our employees a package of specific family protections should such family disasters strike.

I have taken particular interest in the design of the survivors benefits package. Chief among our concerns in protecting survivors have been the needs of displaced homemakers. To that end, this legislation provides an immediate and unreduced annuity for survivors of Federal workers who die prior to retirement. The legislation also establishes a basic group life insurance benefit which amounts to a 2-year salary continuation.

In conclusion, Mr. President, this bill combines compassion with confidence and good fiscal sense. I urge its passage.

Again, Mr. President, I commend my senior colleagues on the committee who have done so much to craft this legislation.

EXHIBIT 1

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, November 7, 1985.

To: Hon. Albert Gore, Jr.
Attention: Thurgood Marshall, Jr.
From: Dennis Snook, Civil Service Retirement Team, Education and Public Welfare Division.
Subject: Question on Risks Associated With Investing Capital Accumulation Savings in the Private Sector as opposed to Federal Securities.

You have asked us if we could provide information relating to the claim that if a capital accumulation plan (CAP) were adopted as part of a new Civil Service Retirement System (CSRS), Federal employees could achieve greater returns on CAP asssets if they invested in private investment opportunities rather than in Federal securities. While a definitive answer to this question is not possible, we are providing you with the results of study done by Richard A. Hobbie of the Civil Service Retirement Team.

Dr. Hobbie finds that while it is clear that individuals have opportunities for higher returns if money is invested in private sector market instruments, that high return is necessarily associated with greater risk. Certainly some individuals would do better by taking such risks, but a portion of the population practicing private sector investment would do less well than if they had invested the same amount of money in risk-free federal securities. Relatively recent developments in financial management could have the potential for lowering the risks to individuals by pooling the assets in a fund so that they could be invested in a broad spectrum of stocks, but the value of any participant's share of the assets would still depend on the health of the fund in the year in which the individual retired. The data in the attached report suggest that a chance of lower value in private investment always exists, no matter how diversified, and that historical experience indicates years of lowered value occasionally occur. Given that retirement funds in individual CAPs are accumulated over the years of employee service, and are thus influenced by fluctuation in common stock values, a significant risk of lower investment return from private sector investment cannot be denied.

WOULD FEDERAL WORKERS EARN A HIGHER RATE OF RETURN ON THEIR INDIVIDUAL CAPITAL ACCUMULATION PLAN ACCOUNTS IF THEY INVESTED IN COMMON STOCKS INSTEAD OF U.S. TREASURY SECURITIES?

A BRIEF ASSESSMENT

During the recent debate on civil service retirement reform, some have advocated a type of suplemental pension plan often called a "capital accumulation plan" (CAP). A CAP is a deferred compensation arrangement in which an employee can contribute before-tax or after-tax compensation to an individual account maintained in his behalf that might also receive matching employer contributions at some specified rate up to a maximum. This type of plan would allow employees hired after 1983 to contribute additional amounts voluntarily toward their retirement to supplement benefits available to them under social security and a scaled-down mandatory civil service pension plan.

If the future resembles the past, Federal workers could ear on average a higher rate of return on their individual capital accumulation accounts in common stocks instead of Treasury securities. However, because common stocks are riskier than default-free U.S. Treasury securities, some workers would earn less, some workers would earn about the same, and some workers would earn more in common stocks than they would in U.S. Treasury securities. Therefore, if Congress wants to offer Federal worker the opportunity to invest their individual CAP funds in private securities, it should do so with the recognition that some workers would earn less than they would if they invested in U.S. Treasury securities.

In the debate on how to invest individual CAP funds, the following argument has been made in support of investing in a diversified portfolio of common stocks: [1]

(1) Retirement plans have long-term investment perspectives.

(2) Contributions are made to a CAP account over many years and employees receive benefits over many years.

(3) Despite short-term volatility, the *Standard and Poor's Index* of 500 common stocks still has outperformed less risky securities, such as long-term corporate or government bonds.

(4) Moreover, even when one selects the best and worst 20 years for each type of investment, common stocks still have out performed other securities.

(5) Therefore, despite the short-term volatility of common stocks, all employees can realize a higher yield from a diversified portfolio of common stocks than from less risky investments.

The data presented to support this argument initially appear overwhelming. For example, the value of a dollar invested in common stocks at the end of 1925 would have grown in nominal terms to $248.25 by June 30, 1985 compared to only $14.51 for long-term corporate bonds, $9.68 for long-term government bonds, and $7.20 for Treasury bills.[2] Granted, annual returns to common stocks fluctuated widely from −43 percent to +54 percent, but over the long-term they grew phenomenally (see table 1). Moreover, even in the worst 20 years for common stocks (1929–1948), the real rate of return was 0.8 percent, which was not as bad as the worst 20 years for long-term government bonds at −3.1 percent (1962–1981).[3]

The main problem with this argument is that the data do not reflect a realistic pattern of individual contributions to a CAP. Assuming that the growth of one dollar contributed at the beginning of a long holding period reflects what would happen to the growth of an individual CAP fund is tantamount to assuming that all contributions for the worker's career are made in the first year. This is unrealistic, and it leads to an erroneous conclusion that short-term market fluctuations in the value of common stocks do not matter.

Short-term fluctuations are much more important than portrayed in this argument because they can dramatically affect the value of a fund in the last few years before retirement. This would occur because not only do workers tend to contribute more in later years, but even for a constant dollar contribution the annual returns in the last few years are critical. Consider a simple example in which a worker contributes a dollar per year for 20 years and earns 6.1 percent per year. At the end of 20 years he would have accumulated $20 in contributions and $17.18 in earnings for a total future value of $37.18. Half of the interest would have been earned, however, in the last five years. Therefore, the annual returns in the last few years are critical to the final value of an individual CAP.

Recognizing that short-term market fluctuations make a significant difference in the final value of the account allows one to see why some workers might be worse off if they invested in common stocks. Suppose a dollar is invested at the beginning of 1971 in a portfolio of common stocks reflecting the returns to the *Standard and Poor's Index* of 500 stocks, long-term government bonds, or a fund that would have replicated the interest earned in the Civil Service Retirement System (CSRS) trust fund.[4] At the end of 1980, common stocks would have yielded $2.25 (see table 2). This compares to only $1.47 for long-term government bonds and $1.90 for the CSRS-type fund. Thus, after 10 years it would appear that the common stocks would outperform long-term government bonds and the CSRS trust fund.

A different picture emerges when one examines shorter time periods. Granted, the funds would not have the same value in 1971 if they had been invested differently in earlier years, but it is the last few years that make the big differences. Therefore, assume for illustration that the three funds start at

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[1] Fossel, Jon S. Investment Implications of S. 1527 Thrift Savings Plan. Alliance Capital Management Corporation, Sept. 9, 1985. 16 p.

[2] Ibid., p. 7.

[3] Ibid, slide IV.

[4] The data for the Standard and Poor's Index and long-term government bonds were for calendar years. The data for the CSRS trust fund were for fiscal years, excluding the transition quarter of 1976.

$1.00 in 1971 and the worker has, say, four years left until retirement. Also, assume that he makes no more contributions. This is as unrealistic as the data used in the argument for investment in common stocks, but including additional contributions would only exaggerate fluctuations in these data. It would not alter the conclusion.

If a worker had invested in the CSRS-type fund, his account would have grown to $1.25 at the end of 1974. The comparable figure in long-term government bonds would have been $1.23, but for common stocks it would have been only $0.85. In other words, his investment in common stocks would have depreciated by 15 percent from its initial value and by 32 percent from what it could have earned in the CSRS-type fund. Moreover, it would have taken the common stocks two years to recover to the same value as an investment in the CSRS-type fund and a total of six years to exceed it substantially. Therefore, if the worker could have afforded to wait to withdraw his funds six years after retirement, he would have been better off investing in common stocks.

This demonstrates how critical a drop in the stock market could be if it happens in the year of retirement. If the worker needs the annuity that he thought he could buy with the value of his fund before the stock market decline, then he faces three choices. First, he could delay retirement. Second, he could temporarily live at a lower level of comsumption during retirement until the stock market recovers. Then, he could buy an annuity when his funds have earned an amount at least equal to riskless investments. Third, he could accept a permanently lowered standard-of-living during retirement by buying an annuity with the depressed value of his fund.

TABLE 1.—TOTAL ANNUAL RETURNS IN PERCENTS FOR SELECTED INVESTMENTS, 1926–81 [1]

[In percents]

Year [2]	Common stocks	Long-term corporate bonds	Long-term Government bonds	U.S. Treasury bills	CSRS trust fund
1925					
1926	11.62	7.37	7.77	3.27	4.56
1927	37.49	7.44	8.93	3.12	4.69
1928	43.61	2.84	0.10	3.24	4.11
1929	−8.42	3.27	3.42	4.75	4.08
1930	−24.90	7.98	4.66	2.41	4.05
1931	−43.34	−1.85	−5.31	1.07	4.06
1932	−8.19	10.82	16.84	.96	4.01
1933	53.39	10.38	−.08	.30	4.02
1934	−1.44	13.84	10.02	.16	4.00
1935	47.67	9.61	4.98	.17	3.98
1936	33.92	6.74	7.51	.18	3.91
1937	−35.03	2.75	.23	.31	3.90
1938	31.12	6.13	5.53	−.02	4.21
1939	−.41	3.97	5.94	.02	4.11
1940	−9.78	3.39	6.09	.00	3.97
1941	−11.59	2.73	.93	.06	3.96
1942	20.34	2.60	3.22	.27	3.91
1943	25.90	2.83	2.08	.35	3.89
1944	19.75	4.73	2.81	.33	3.94
1945	36.44	4.08	10.73	.33	3.94
1946	−8.07	1.72	.10	.35	3.98
1947	5.71	−2.34	−2.63	.50	3.93
1948	5.50	4.14	3.40	.81	3.94
1949	18.79	3.31	6.45	1.10	3.95
1950	31.71	2.21	.06	1.20	3.94
1951	24.02	−2.69	−3.94	1.49	3.92
1952	18.37	3.52	1.16	1.66	3.93
1953	−.99	3.41	3.63	1.82	3.98
1954	52.62	5.39	7.19	.86	3.97
1955	31.56	.48	−1.30	1.57	3.94
1956	6.56	−6.81	−5.59	2.46	3.28
1957	−10.78	8.71	7.45	3.14	3.04
1958	43.36	−2.22	−6.10	1.54	2.48
1959	11.95	−.97	−2.26	2.95	2.54
1960	.47	9.07	13.78	2.66	2.64
1961	26.89	4.82	.97	2.13	2.69
1962	−8.73	7.95	6.89	2.73	2.81
1963	22.80	2.19	1.21	3.12	2.90
1964	16.48	4.77	3.51	3.54	3.09
1965	12.45	−.46	.71	3.93	3.28
1966	−10.06	.20	3.65	4.76	3.44
1967	23.98	−4.95	−9.19	4.21	3.69
1968	11.06	2.57	−.26	5.21	3.91
1969	−8.50	−8.09	−5.08	6.58	4.32
1970	4.01	18.37	12.10	6.53	4.75
1971	14.31	11.01	13.23	4.39	5.42
1972	18.98	7.26	5.68	3.84	5.81
1973	−14.66	1.14	−1.11	6.93	5.64
1974	−26.47	−3.06	4.35	8.00	6.07
1975	37.20	14.64	9.19	5.80	6.45
1976	23.84	18.65	16.75	5.08	6.67
1977	−7.18	1.71	−.67	5.12	6.67
1978	6.56	−.07	−1.16	7.18	7.22
1979	18.44	−4.18	−1.22	10.38	7.92
1980	32.42	−2.62	−3.95	11.24	8.50
1981	−4.91	−.96	1.85	14.71	9.20

[1] Total annual returns reflect the change in prices of the assets and estimated dividends or interest.

[2] All data are for calendar years except for the CSRS fund. The CSRS data are for fiscal years. The transition quarter between 1976 and 1977 was excluded.

Source: "Stocks, Bonds, Bills, and Inflation: 1984 Yearbook." Chicago, R.G. Ibbotsen Associates, Inc., 1984. 105 p. Also, U.S. Office of Personnel Management. The Investment Record of the Civil Service Retirement System. Washington, 1983. 25 p.

TABLE 2.—VALUE OF $1 INVESTED AT THE BEGINNING OF 1971 AFTER 10 YEARS

End of year [1]	S&P 500	Long-term corporate bonds	Long-term Government bonds	U.S. Treasury bills	CSRS trust fund
1971	1.14	1.11	1.13	1.04	1.05
1972	1.36	1.19	1.20	1.08	1.12
1973	1.16	1.20	1.18	1.16	1.18
1974	0.85	1.17	1.23	1.25	1.25
1975	1.17	1.34	1.35	1.32	1.33
1976	1.45	1.59	1.57	1.39	1.42
1977	1.35	1.62	1.56	1.46	1.51
1978	1.43	1.61	1.55	1.57	1.62
1979	1.70	1.55	1.53	1.73	1.75
1980	2.25	1.51	1.47	1.93	1.90

[1] All data are for calendar years except for the CSRS fund. The CSRS data are for fiscal years. The transition quarter between 1976 and 1977 was excluded.

Source: "Stocks, Bonds, Bills, and Inflation: 1984 Yearbook." Chicago, R.G. Ibbotsen Associates, Inc., 1984. 105 p. Also, U.S. Office of Personnel Management. The Investment Record of the Civil Service Retirement System. Washington, 1983. 25 p.

TABLE 3.—MEAN AND STANDARD DEVIATIONS OF TOTAL ANNUAL RETURNS OF SELECTED SECURITIES

Securities	In percents— Mean	Standard deviation	Minimum value	Maximum value	Number of years
1926–81 [1]					
S&P 500 index	11.4	21.8	−43.3	53.4	56
Long-term corporate bonds	3.7	5.6	−8.1	18.7	56
Long-term government bonds	3.1	5.7	−9.2	16.8	56
U.S. Treasury bills	3.0	3.1	0.0	14.7	56
CSRS trust fund	4.4	1.4	2.5	9.2	56
1971–80 [1]					
S&P 500 index	10.3	20.7	−26.5	37.2	10
Long-term corporate bonds	4.5	8.0	−4.2	18.7	10
Long-term government bonds	4.1	7.0	−4.0	16.8	10
U.S. Treasury bills	6.8	2.5	3.8	11.2	10
CSRS trust fund	6.6	1.0	5.4	8.5	10
1961–80 [1]					
S&P 500 index	9.7	17.3	−26.5	37.2	20
Long-term corporate bonds	3.6	7.5	−8.1	18.7	20
Long-term government bonds	2.8	6.4	−9.2	16.8	20
U.S. Treasury bills	5.5	2.4	2.1	11.2	20
CSRS trust fund	5.1	1.8	2.7	8.5	20
1951–80 [1]					
S&P 500 index	12.4	18.4	−26.5	52.6	30
Long-term corporate bonds	3.0	6.8	−8.1	18.7	30
Long-term government bonds	2.3	6.4	−9.2	16.8	30
U.S. Treasury bills	4.4	2.6	0.9	11.2	30
CSRS trust fund	5.0	1.7	2.5	8.5	30

[1] All data are for calendar years except for the CSRS fund. The CSRS data are for fiscal years. The transition quarter between 1976 and 1977 was excluded.

Source: "Stocks, Bonds, Bills, and Inflation: 1984 Yearbook." Chicago, R. G. Ibbotsen Associates, Inc., 1984. 105 p. Also, U.S. Office of Personnel Management. The Investment Record of the Civil Service Retirement System. Washington, 1983. 25 p.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. EAGLETON. I yield such time as the Senator from Tennessee may consume.

AMENDMENT NO. 977

(Purpose: To eliminate the requirement of financial hardship as a condition for obtaining a loan from the Thrift Savings Fund)

Mr. GORE. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. GORE] proposes an amendment numbered 977.

On page 176, line 24, beginning with "in", strike out all through "hardship" on line 25.

Mr. GORE. Mr. President, this amendment has been discussed on both sides of the aisle.

Section 8426(e) of this legislation directs the Thrift Investment Board to establish a program to make loans available from sums that an employee has contribued to the Thrift Savings Fund. Section 8426 specifies that any such loan be made only in case of financial hardship.

Because the imposition of a financial hardship requirement does not comport with the vast majority of such plan provisions in private industry, my amendment would strike the hardship requirement from the bill. The effect of the amendment would be to broaden the Board's discretion to establish a loan program under section 8426.

This amendment is prompted by my review of recent studies conducted by Hewitt Associates and the Permanent Commission on Public Employee Pension and Retirement Systems. Those studies indicate that over 80 percent of the thrift-type plans in the private sector which include loan provisions do not include a financial hardship requirement. The applicable statutory requirements direct employers who choose to make loans available to do the following: Make loans available to all participants on a nondiscriminatory basis; make sure that the loans

are adequately secured; and require that they bear a reasonable rate of interest. Although an employer may choose to impose a hardship requirement, it is not required by law.

We should leave that decision to the Board. The establishment of a hardship requirement would create a significant and costly administrative problem for the Board or whatever entity is responsible for assessing employee claims of hardship.

More importantly, I think that Federal workers under this legislation should stand on the same footing as the majority of those in private industry who participate in similar capital accumulation. I emphasize that my amendment would not alter the bill's requirement that loans be made only from amounts contribued by the employee and not from the Government matching contribution.

I have always felt that one of the attractive aspects of the thrift plan concept is the fact that it is a retirement vehicle that provides, in effect, an increase in salary through the employer matching provision. But that matching benefit only accrues to those who are able to and choose to participate. Elimination of the financial hardship requirement, in my opinion, would increase the ability and the willingness of Federal workers to participate in the thrift plan. It is a worthwhile amendment and I urge its adoption.

Mr. STEVENS. Mr. President, I have some concerns with this amendment. The bill currently permits loans in hardship cases. This amendment loosens the hardship restrictions on loans. The primary purpose of the thrift plan is to augment retirement income, not establish a new lending institution. I am particularly concerned that employees will borrow their contributions, not repay them and simply take advantage of the Government contributions at retirement.

My understanding is that the executive director of the board will continue to regulate loan arrangements from the fund. I would be interested to know from the distinguished manager of the bill from the Democratic side what his views are on loan restrictions.

Mr. EAGLETON. As the distinguished Republican manager of the bill knows, the loan arrangements are still subject to ERISA restrictions which include a requirement to repay the loan at the market rate of interest, plus the loan must be secured. But I would agree with my colleague that the policy for loans, while not based on financial hardship, still be limited to those situations in which a verifiable need for the loan exists, such as education or medical expenses.

Mr. STEVENS. I would hope that the executive director has the requisite authority to assure the loans be repaid.

Mr. EAGLETON. I agree. It is clearly our intention that the executive director have the authority to enforce the requirement to repay the loans.

Mr. STEVENS. Mr. President, this comports with the private sector practice. This amendment of Senator GORE's eliminates that hardship restriction.

Mr. President, we are prepared to accept the amendment.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. STEVENS. Mr. President, there is no specific time on any amendment, is there?

The PRESIDING OFFICER. There are 10 minutes on each side.

Mr. STEVENS. I yield back our time.

Mr. GORE. We yield back our time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment.

The amendment (No. 977) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. GORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INCREASE IN PUBLIC DEBT LIMIT

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 372.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendments of the Senate to the amendments of the House to the amendments of the Senate to the resolution (H.J. Res. 372) entitled "Joint resolution increasing the statutory limit on the public debt", and ask a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That the following are appointed as conferees:

From the Committee on Ways and Means: Mr. Rostenkowski, Mr. Gibbons, Mr. Pickle, Mr. Rangel, Mr. Stark, Mr. Jones of Oklahoma, Mr. Jenkins, Mr. Gephardt, Mr. Russo, Mr. Duncan, Mr. Archer, Mr. Vander Jagt, Mr. Crane, and Mr. Frenzel.

From the Committee on Appropriations: Mr. Whitten, Mr. Boland, Mr. Natcher, Mr. Smith of Iowa, Mr. Pursell, and Mr. Loeffler.

From the Committee on Rules: Mr. Pepper, Mr. Moakley, Mr. Derrick, Mr. Beilenson, Mr. Frost, Mr. Latta, and Mr. Lott.

From the Committee on Government Operations: Mr. Brooks, Mr. Fuqua, Mr. Waxman, Mr. Synar, Mr. Horton, and Mr. Kindness.

From the Committee on the Budget: Mr. Gray of Pennsylvania, Mr. Downey of New York, Mr. Miller of California, Mr. Leath of Texas, Mr. Kemp, and Mr. Gradison.

Appointed as additional conferees: Mr. Foley, Mr. Ford of Michigan, Mr. Obey, Mr. Aspin, Mr. Mineta, Ms. Oakar, Mr. Panetta, Mr. Fazio, Mr. Michel, Mr. Dickinson, Mr. Cheney, Mr. Lewis of California, Mrs. Martin of Illinois, and Mr. Mack.

Mr. STEVENS. Mr. President, this has been cleared with the distinguished leader on the Democratic side of the aisle. I move that the Senate insist on its amendments and agree to the conference requested by the House and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer [Mr. WALLOP] appointed Mr. PACKWOOD, Mr. DOMENICI, Mr. ROTH, Mr. DANFORTH, Mr. ARMSTRONG, Mr. GRAMM, Mr. RUDMAN, Mr. LONG, Mr. BENTSEN, Mr. CHILES, Mr. LEVIN, Mr. BOREN, and Mr. HOLLINGS conferees on the part of the Senate.

FEDERAL RETIREMENT REFORM ACT

AMENDMENT NO. 978

(Purpose: To amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees to establish a new retirement and disability plan for certain employees of the Central Intelligence Agency)

Mr. EAGLETON. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. EAGLETON], for himself and Mr. STEVENS, proposes an amendment numbered 978.

Immediately following title III, insert the following:

TITLE IV—CENTRAL INTELLIGENCE AGENCY RETIREMENT

REFERENCES

SEC. 401. The Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1043; 50 U.S.C. 403 note) is amended—

(1) in section 111, by striking out "When" and inserting in lieu thereof "Except as otherwise provided in section 302 of this Act, when";

(2) by striking out "this Act" each place it appears in title II except in sections 201 and 264, and inserting in lieu thereof "this title"; and

(3) by inserting "under this title" after "payable from the Fund" each place it appears in title II.

CONTRIBUTIONS TO THE CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 402. Section 211 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1045; 50 U.S.C. 403 note) is amended—

(1) by inserting "Except as provided in subsection (d)," before "7 percent" in the first sentence of subsection (a); and

(2) by adding at the end thereof the following new subsection (d):

"(d)(1) In the case of a participant who was a participant subject to this Act before January 1, 1984, and whose service—

"(A) is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, and

"(B) is not creditable service for any purpose under title III of this Act or chapter 84 of title 5, United States Code,

there shall be deducted and withheld from the basic pay of the participant under this subsection during any pay period only the amount computed pursuant to paragraph (2).

"(2) The amount deducted and withheld from the basic pay of a participant during any pay period pursuant to paragraph (1) shall be the excess of—

"(A) the amount determined by multiplying the percent applicable to the participant under subsection (a) by the basic pay payable to the participant for such pay period, over

"(B) the amount of the taxes deducted and withheld from such basic pay under section 3101(a) of the Internal Revenue Code of 1954 for such pay period.".

OFFSET OF ANNUITY BY THE AMOUNT OF SOCIAL SECURITY BENEFITS

SEC. 403. Section 221 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1045; 50 U.S.C. 403 note) is amended by adding at the end thereof the following new subsection:

"(p)(1) Effective on the first day of the month in which an annuitant, including a survivor, becomes 62 years of age, the annuity computed under the other subsections of this section and payable to the annuitant shall be reduced (but not below zero) by the amount determined by multiplying the amount of the old-age and survivors insurance benefits which the annuitant is entitled to receive under section 202 of the Social Security Act for the such month, if any, by a fraction—

"(A) the numerator of which is the total of the wages (within the meaning of section 209 of the Social Security Act) for service which is referred to in paragraph (2) of this subsection for years before the calendar year in which such month occurs, and

"(B) the denominator of which is the total of all wages (within the meaning of section 209 of the Social Security Act) and all self-employment income (within the meaning of section 211(b) of the Social Security Act)—

"(i) of such annuitant, or

"(ii) in the case of a survivor, of the participant on whose service the annuity is based,

credited for years after 1936 and before the calendar year in which such month occurs.

"(2) The service referred to in paragraph (1)(A) of this subsection is service which is covered by amounts deducted and withheld as provided in section 211(d), is service described in subparagraphs (C) through (G) of section 210(a)(5) of the Social Security Act, and is taken into account for the purpose of computing the annuity to which paragraph (1) of this subsection applies.".

TREATMENT OF CERTAIN RECALL SERVICE

SEC. 404. Section 271 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1052; 50 U.S.C. 403 note) is amended by adding at the end thereof the following new subsection:

"(c) Subsection (b) shall not apply to an annuitant who becomes subject to title III of this Act by reason of recall service.".

CONFORMITY BETWEEN THE FEDERAL RETIREMENT SYSTEM AND THE CENTRAL INTELLIGENCE AGENCY PENSION SYSTEM

SEC. 405. Section 292 of the Central Intelligency Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended by adding at the end thereof the following new subsection:

"(c) The President shall maintain, under the same conditions and in the same manner as provided in subsections (a) and (b), existing conformity between the Federal Retirement System provided in chapter 84 of title 5, United States Code, and the Central Intelligence Agency Pension System provided in title III of this Act.".

CENTRAL INTELLIGENCE AGENCY PENSION SYSTEM

SEC. 406. The Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1043; 50 U.S.C. 403 note) is amended by adding at the end thereof the following:

"TITLE III—CENTRAL INTELLIGENCE AGENCY PENSION SYSTEM

"ESTABLISHMENT

SEC. 301. (a) There is hereby established a Central Intelligence Agency Pension System.

"(b)(1) Except as otherwise specifically provided in this title or any other provision of law, all participants in the Central Intelligence Agency Pension System shall be subject to the provisions of chapter 84 of title 5, United States Code, and shall be treated in all respects as persons whose participation in the Federal Retirement System provided in that chapter is required by section 8402 of such title.

"(2) Participants in the Central Intelligence Agency Pension System may not make an election authorized by section 8418(c) of title 5, United States Code, and shall not be entitled to any benefits under chapter 84 of such title which result from such an election.

"DEFINITIONS

"SEC. 302. As used in this title, unless otherwise specified—

"(1) the term 'annuity' means the annuity which is described in subchapter II of chapter 84 of title 5, United States Code, and is payable to a Pension System participant;

"(2) the term 'dynamic assumptions' has the same meaning as provided in section 8401(9) of title 5, United States Code;

"(3) the term 'Fund' means the Central Intelligence Agency Retirement and Disability Fund maintained by the Director pursuant to section 202;

"(4) the term 'normal cost' means the entry-age normal cost of the provisions of the System which relate to the Fund, computed by the Director in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay, and shall be used to value the cost of the System for all purposes for which the cost of the System is required to be determined;

"(5) the term 'Pension System participant' means a person who participates in the Central Intelligence Agency Pension System;

"(6) the term 'supplemental liability" means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this title, over

"(B) the sum of—

"(i) the actuarial present value of the future contributions to be made on behalf of participants pursuant to section 305(b)(2)(A) of this Act; and

"(ii) the balance in the Fund attributable to the System on the date the supplemental liability is determined or to contributions made under section 204(b) or 205 of the Federal Employees' Retirement Contribution Temporary Adjustor Act of 1983 (97 Stat. 1106; 5 U.S.C. 8331 note); and

"(7) the term 'System' means the Central Intelligence Agency Pension System.

"PENSION SYSTEM PARTICIPANTS

"SEC. 303. (a) Except for persons excluded by subsection (b), all officers and employees of the Agency, any of whose service after December 31, 1983, is employment for the purpose of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954 shall be Pension System participants.

"(b) Participants in the Central Intelligence Agency Retirement and Disability System who were participants in such system on or before December 31, 1983, and who have not had a break in service in excess of 1 year since that date, are not made Pension System participants by this section, without regard to whether they are subject to title II of the Social Security Act.

"SPECIAL RULES RELATING TO THE ENTITLEMENT OF SECTION 203 EMPLOYEES TO ANNUITY

"SEC. 304. (a) Any Pension System participant who is described in section 203 and retires voluntarily or mandatorily under section 102(c) of the National Security Act of 1947 (61 Stat. 498; 50 U.S.C. 403(c)) or section 233 or 235 of this Act under conditions authorizing an immediate annuity for participants in the Central Intelligence Agency Retirement and Disability System shall be entitled to an immediate annuity computed under subsections (a)(2), (a)(3), and (c) of section 8413 of title 5, United States Code. The annuity shall not be subject to reduction under section 8414 of such title.

"(b) A Pension System participant who is entitled to an immediate annuity under subsection (a) shall be entitled to receive an annuity supplement while under 62 years of age. The annuity supplement shall be based on the total creditable service of the participant and shall be computed and increased in accordance with section 8413(b) of title 5, United States Code.

"(c)(1) Any Pension System participant described in section 203 may be retired under the conditions specified in sections 233 and 235(a) and shall be retired under the conditions specified in section 235(b). Each Pension System participant so retired shall receive benefits under this title.

"(2) For the purpose of this subsection—

"(A) the term 'participant', as used in the sections referred to in paragraph (1), means a Pension System participant described in section 203; and

"(B) the term 'system', as used in section 233, means the Central Intelligence Agency Pension System.

"(d) Any Pension System participant described in section 203 who is separated under the conditions specified in section 234(a) shall be entitled to a deferred annuity under section 8412 of title 5, United States Code, unless the Director determines that the separation was based in whole or in part on disloyalty to the United States.

"FUNDING

"SEC. 305. (a) All payments under subchapters II, IV, and VII of chapter 84 of title 5, United States Code, based on the

service shall be paid by the Director from the Fund.

"(b)(1) All sums required to finance the payments referred to in subsection (a) shall be credited to the Fund.

"(2) The sums referred to in paragraph (1) are—

"(A) amounts which are determined by the Director to be necessary to defray the normal cost of the benefits, other than disability benefits, payable under this title to Pension System participants;

"(B) the sums which are transferred to the Fund by the Secretary of the Treasury to amortize over 30 years the supplemental liability of the System which is attributable to Pension System participants, as computed at the end of each fiscal year beginning after September 30, 1987; and

"(C) the sums which are transferred by the Secretary of the Treasury to the Fund out of funds appropriated to the Department of Defense for the purpose of paying the costs incurred during any year which relate to the creditable military service of Pension System participants.

"(c) At least every 5 years, the Secretary of the Treasury shall prepare periodic valuations of the Central Intelligence Agency Pension System and shall advise the Director of (1) the normal cost of the System, without regard to the cost of disability payments, (2) the supplemental liability of the System, and (3) the amounts necessary to finance the costs of the System.

"THRIFT SAVINGS PLAN

"SEC. 306. (a) The Director, in consultation with the Executive Director of the Federal Retirement Thrift Investment Board, may—

"(1) maintain exclusive records relating to Pension System participants' elections, contributions, and accounts under the Thrift Savings Plan provided in subchapter III of chapter 84 of title 5, United States Code; and

"(2) provide for investments under the Thrift Savings Plan to be made and accounted for by such Executive Director in aggregate amounts for the Central Intelligence Agency Pension System.

"(b) The Director may make the necessary allocations of earnings, losses, and charges to individual accounts of Pension System participants under the Thrift Savings Plan.

"(c) The Executive Director of the Federal Retirement Thrift Investment Board may not exercise authority under subchapter III or VIII of chapter 84 of title 5, United States Code, in the case of the Central Intelligence Agency Pension System to the extent that the Director exercises authority provided in subsections (a) and (b).

"DISABILITY

"SEC. 307. The Director, instead of the Office of Personnel Management, may contract with an administrator of benefits (as defined in section 8441(1) of title 5, United States Code), for the purpose of administration of benefits under subchapter V of chapter 84 of such title with respect to Pension System participants.

"GENERAL AND ADMINISTRATIVE PROVISIONS

"SEC. 308. (a) The Director shall administer the Central Intelligence Agency Pension System except for matters (other than matters to which section 306 of this Act applies) relating to the Thrift Savings Plan provided in subchapters III and VIII of chapter 84 title 5, United States Code, and matters (other than matters to which section 307 of this Act applies) relating to disability benefits under subchapter V of such chapter. The Director shall, with respect to the Central Intelligence Agency Pension System, perform the functions and exercise the authority vested in the Office of Personnel Management or the Director of such Office by such chapter 84, and may issue regulations for such purposes.

"(b) Section 201(c) shall apply to determinations of the Director under the Central Intelligence Agency Pension System which, if made by the Office of Personnel Managment under chapter 84 of title 5, United States Code, the Director of such Office, or an administrator of benefits (as defined in section 8441(1) of such title), would be appealable to the Merit Systems Protection Board, to such Office, or to the Director of such Office.

"TRANSITION PROVISIONS

"SEC. 309. The Director shall issue regulations providing for the transition from the Central Intelligence Agency Retirement and Disability System to the Central Intelligence Agency Pension System. For this purpose, the provisions of sections 8471, 8472, and 8473 of title 5, United States Code, relating to the Civil Service Retirement and Disability System and contributions, deposits, pay computations, service credit, and disability retirement under such system shall be deemed to refer in like manner to the Central Intelligence Agency Retirement and Disability System and contributions, deposits, pay computations, service credit, and disability retirement thereunder.

"REFERENCES IN OTHER LAWS

"SEC. 310. References made to participation in the Federal Retirement System in sections 8113(c), 8475, 8704(a)(2), and 8705(e) of title 5, United States Code, section 210(a)(5)(H) of the Social Security Act, and section 3121(b)(5)(H) of the Internal Revenue Code of 1954 shall be deemed to refer to participation in the Central Intelligence Agency Pension System.".

Redesignate the succeeding title and sections accordingly.

Mr. EAGLETON. Mr. President, the purpose of this amendment is to revise the current CIA Retirement and Disability System to provide retirement provisions to personnel covered by that system in the future, who were first hired after December 31, 1983, benefits comparable to the provisions Senator LUGAR's amendment provides to new Foreign Service personnel hired after that same date.

I point out that when it was established in 1964, the CIA system was patterned after the Foreign Service System. Furthermore, the proposed benefit provisions are the same as we are providing for Federal law enforcement officers.

AMENDMENT NO. 979

(Purpose: To improve the administration of retirement benefits for officers and employees of the Central Intelligence Agency)

Mr. DURENBERGER. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. Is this an amendment to the amendment?

Mr. DURENBERGER. This is an amendment to the amendment by the Senator from Missouri.

The PRESIDING OFFICER. Is all time yielded back on the first amendment?

Mr. STEVENS. All time is yielded back.

Mr. EAGLETON. We yield back our time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER] (for himself and Mr. HOLLINGS) proposes an amendment numbered 979 to amendment No. 978.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, immediately following line 1, insert the following:

ADMINISTRATION OF THE CIVIL SERVICE RETIREMENT AND DISABILITY SYSTEM FOR EMPLOYEES OF THE CENTRAL INTELLIGENCE AGENCY

SEC. 407. Section 8347 of title 5, United States Code, is amended by adding at the end thereof the following new subsection (n):

"(n)(1) Notwithstanding any other provision of this subchapter, the Director of Central Intelligence shall—

"(A) administer the provisions of this subchapter with respect to officers and employees of the Central Intelligence Agency; and

"(B) perform the functions and duties which would otherwise be performed with respect to such officers and employees by the Office of Personnel Management or the Director of such Office under this subchapter.

"(2) The Director of the Office of Personnel Management shall furnish such information and services to the Director of Central Intelligence as the Director of Central Intelligence determines necessary to carry out paragraph (1) of this subsection.".

REPORT ON EXPANSION OF COVERAGE OF THE CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 408. (a) The Director of Central Intelligence shall determine whether it would be appropriate to expand the coverage of the Central Intelligence Agency Retirement and Disability System to include any officers and employees of the Central Intelligence Agency who are subject to the Civil Service Retirement and Disability System under subchapter III of chapter 83 of title 5, United States Code.

(b) Not later than 1 year after the date of the enactment of this Act, the Director of Central Intelligence shall transmit to the Congress the Director's determinations under subsection (a) and any recommendations for legislation which the Director considers appropriate and relate to such determinations.

Mr. DURENBERGER. Mr. President, I rise on behalf of myself and my colleague, Senator HOLLINGS, to amend the amendment of the Senator from Missouri.

Let me say first that I do this in a spirit of improving an already excellent amendment. I do it also with a

great deal of admiration and respect for anyone who has to occupy the position of chairing the Subcommittee on Civil Service, Post Office, and General Services. It is a subcommittee that handles isues that only a few people care about and that nobody ever sends thank-you notes about.

So on behalf of those of us who are on their subcommittee, I publicly compliment the Senator from Alaska and the Senator from Missouri for taking on a series of headaches that nobody else would ever want to take on and for producing in the underlying bill here, today an incredible piece of legislation. It may end up pleasing no one but it will be a testimonial, by that very fact, to their skill as legislators in this very difficult area.

Senator EAGLETON's amendment is important and must be passed. It covers two areas not included in the pending legislation—coverage of Central Intelligence Agency personnel under the new Civil Service Retirement System and inclusion of overseas agency personnel under the so-called special early retirement provisions for high risk occupations. But, unfortunately, the amendment does not go quite far enough to cover the unusual circumstances affecting CIA personnel.

As you are aware, the CIA has come under a great deal of public and congressional scrutiny in the past decade and certainly in the past week. Unfortunately, what you are not seeing or hearing are the thousands of actions they are doing right on a daily basis. In particular, we are consistently demanding that our intelligence officers abroad provide more and more information on hostile intentions, especially those of terrorists.

This involves risk. More and more of our CIA field personnel are being subjected to threats and abuse. Two years ago we witnessed an example of this when a number of them were killed by a terrorist bombing of the U.S. Embassy in Beirut. And as their assignment become more hazardous and demanding, the special mental and physical requirements necessary of the intelligence officer increase dramatically.

To meet this standard the CIA must continually replace its officers overseas with younger personnel whose identities are not known and who can stand up to the stresses of their environment. To do this the CIA currently allows these officers to retire at age 50. The Director of Central Intelligence can demand that they retire at age 55.

Yet making these demands on our CIA personnel forces them out at an age where job opportunities are limited. In addition, their skills are unique and we vigorously discourage them from revealing or marketing their expertise in new careers. That is why we must be careful not to send a false message—that their Government demands the risk, but is unwilling to pay the price. If we are not going to pay these people what they deserve up front, then we must provide for them at the end.

I am pleased to say, Mr. President, that there is nearly unanimous agreement on this point and that the pending amendment will continue the early retirement program for our overseas intelligence officers. But there are two modifications necessary if we are to truly insure the security, integrity, and effectiveness of the Central Intelligence Agency's retirement system.

First, this amendment provides for full self administration by the CIA of its retirement and disability programs. This is critical if the Agency is to maintain confidentiality for its employees who are serving or will serve—literally a life and death need in this time of international terrorism. Under current law, only overseas personnel records are strictly maintained inhouse by the Agency. In the Eagleton amendment, this is expanded to cover future nonoverseas employees. But a critical gap continues for the thousands of current nonoverseas personnel whose records are maintained by OPM and other nonsecure agencies around Washington.

Second, the amendment requires the Director of Central Intelligence to study the current CIA Retirement Program and determine what changes and expansions are appropriate. It has been 20 years since such a major review has been done and it is clear to this Senator that modifications are necessary.

In our discussions with the Government Affairs Committee and the CIA, we have concluded that it may be necessary to expand the current CIA Retirement and Disability Program to meet special needs. Is this also the understanding of the Senator from Missouri?

Mr. EAGLETON. Yes, it is.

Mr. DURENBERGER. We also believe that it is important that we conduct such a review of the CIA Retirement and Disability System and make appropriate changes within the next year. Does the Senator also believe this is correct?

Mr. EAGLETON. Yes, I do.

Mr. DURENBERGER. I thank the Senator.

Mr. President, I had also intended to propose that we prevent the deterioration of pension benefits for future overseas and cover personnel. Currently, the average CIA officer will retire with a pension that will replace 47 percent of this preretirement salary.

Under the pending legislation, this same employee will retire with only a 41-percent-replacement rate. But by slightly adjusting the pension accrual rate from 1 percent to 1.3 percent, this slip in benefits could be avoided. That is what I think should be done but in the interest of seeing this legislation enacted quickly, I will not make that proposal today. But I do expect the DCI to review this in the context of his study.

Our intelligence officers face hazards unknown to other overseas or law enforcement personnel. They and their families must lead their lives undercover, never telling friends and acquaintances of their true mission and responsibilities. In a world filled with terrorism, their very safety and lives are at stake if their cover is revealed. Most of these officers also work two jobs—their cover employment and their agency duties. And, finally, the nature of this work is very exacting, dangerous, and difficult. In short, it is unlike any other work in government.

Mr. President, there is a great need for a strong and effective human intelligence service in today's international environment. My service on the Select Committee on Intelligence has made me well aware of how much we depend on the fine men and women of our intelligence community. Their responsibilities are unique and their contribution is unparalleled. It is my determination that they, in turn, will be able to depend on us. I urge that the Senate support me in this effort and adopt this amendment.

Mr. HOLLINGS. Mr. President, I rise in support of the amendment of the chairman of the Intelligence Committee.

The men and women who serve in the Central Intelligence Agency are some of the finest we have in public service. They are first class in terms of experience, expertise, and special skills. Their responsibilities are difficult, unique, and often life-threatening. And, their successes are never publicly acknowledged. They are truly the front line of a "silent war" against terrorism, subversion, and attacks upon the United States and its allies.

The amendment before the Senate does two important things: it allows the CIA to administer its retirement system in order to provide adequate security of the names, addresses, and occupations of its employees; and it instructs the Director of Central Intelligence to review the existing CIA Retirement and Disability System and recommend any necessary expansions and modifications.

Mr. President, our overseas intelligence officers face hazards unknown to the Foreign Service or law enforcement personnel. They and their families must lead their lives undercover, never revealing their true mission to friends or acquaintances. If their cover is ever revealed their very safety and lives are at risk. At this moment there is a memorial at Langley for over 70 intelligence officers who have given their lives in service to this country.

More names will be added as a result of the Embassy bombing in Beirut and other recent acts of terrorism. And, finally, most of these officers work two jobs—their cover employment and their agency duties.

In short, the work of an intelligence officer is very exacting, difficult, and dangerous. It is unlike any other work in government. Yet the Government cannot offer top salaries to this talented and highly skilled group of professionals. Instead, we have to largely rely on their sense of duty, loyalty, and idealism.

But we can do one think—we can prevent their pension from deteriorating in the future, as the pending legislation allows. That is what Senator DURENBERGER and I intended to do today. But we see which way the current is running here and in the interest of comity will revisit that issue in the future. But our message is clear—we intend to work on this issue next year. We intend to do our best to assure this cadre of professionals that we understand and appreciate their contribution.

Mr. President, this amendment rests on the merits and should be passed. It does not violate the spirit of this legislation and it does not violate the spirit of reform. I have been involved in civil service pension reform for years and will match my record against any in this Chamber. I led the fight to eliminate the "1 percent kicker" in 1976. I led the fight to end the "look back" provision in 1980. I led the fight to end the "dual COLA's" in 1981. I know what good reform is and I also know the political price we often have to pay back home to get it enacted.

But let me tell you that the bandwagon for reform in this legislation should not run over good solid public policy. Our intelligence officers deserve support now and in the future. I urge my colleagues to enact this amendment.

Mr. DURENBERGER. I believe that this amendment has been cleared with both the Senator from Missouri, the proponent of the amendment it seeks to amend, and our leader from Alaska.

The PRESIDING OFFICER. Do the Senators yield back their time,

Mr. STEVENS. Mr. President, I have no objection to the amendment to the amendment or to the basic amendment and urge their adoption. I yield back the remainder of our time.

The PRESIDING OFFICER. All time being yielded back, the question is on the amendment of the Senator from Minnesota.

The amendment (No. 979) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri, as amended.

The amendment (No. 978) was agreed to.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 980

(Purpose: To amend the Foreign Service Act of 1980 to reform the Foreign Service Retirement and Disability System)

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of the distinguished Senator from Indiana [Mr. LUGAR] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. LUGAR, proposes an amendment numbered 980.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Immediately following title III, insert the following:

TITLE IV—FOREIGN SERVICE RETIREMENT

REDESIGNATION OF CERTAIN PROVISIONS OF THE FOREIGN SERVICE ACT OF 1980

SEC. 401. (a) Chapter 8 of title I of the Foreign Service Act of 1980 (94 Stat. 2102; 22 U.S.C. 4041 et seq.) is amended—

(1) by striking out the caption of such chapter and inserting in lieu thereof the following:

"CHAPTER 8—FOREIGN SERVICE RETIREMENT AND DISABILITY

"SUBCHAPTER I—FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM"

(2) by striking out "this chapter" each place it appears and inserting in lieu thereof "this subchapter"; and

(3) by inserting "under this subchapter" after "payable from the Fund" each place it appears.

(b)(1) Section 808(d) of such Act (94 Stat. 2110; 22 U.S.C. 4048(d)) is amended—

(A) by striking out "such subchapter" each place it appears in the second and third sentences and inserting in lieu thereof "subchapter I of such chapter 81"; and

(B) by striking out "Act" each place it appears and inserting in lieu thereof "subchapter".

(2) Section 808(e) of such Act (94 Stat. 2111; 22 U.S.C. 4048(e)) is amended by striking out "Act' each place it appears and inserting in lieu thereof "subchapter".

(c) Section 809(a) (94 Stat. 2111; 22 U.S.C. 4049(a)) is amended by striking out "Act" and inserting in lieu thereof "subchapter".

CONTRIBUTIONS TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

SEC. 402. Section 805 of the Foreign Service Act of 1980 (94 Stat. 2104; 22 U.S.C. 4045) is amended—

(1) by inserting "Except as provided in subsection (g)," before "7 percent" in the first sentence of subsection (a); and

(2) by adding at the end thereof the following new subsection (g):

"(g)(1) In the case of an employee or member of the Service who was a participant subject to this subchapter before January 1, 1984, and whose service—

"(A) is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, and

"(B) is not creditable service for any purpose under subchapter II of this chapter or chapter 84 of title 5, United States Code,

there shall be deducted and withheld from the basic pay of the employee or member of the Service under this subsection during any pay period only the amount computed pursuant to paragraph (2).

"(2) The amount deducted and withheld from the basic pay of an employee or member of the Service during any pay period pursuant to paragraph (1) shall be the excess of—

"(A) the amount determined by multiplying the percent applicable to the employee or member of the Service under subsection (a) by the basic pay payable to the employee or member of the Service for such pay period, over

"(B) the amount of the taxes deducted and withheld from such basic pay under section 3101(a) of the Internal Revenue Code of 1954 for such pay period.".

OFFSET OF ANNUITY BY THE AMOUNT OF SOCIAL SECURITY BENEFITS

SEC. 403. Section 806 of the Foreign Service Act of 1980 (94 Stat. 2106; 22 U.S.C. 4046) is amended by adding at the end thereof the following new subsection:

"(m)(1) Effective on the first day of the month in which an annuitant, including a survivor, becomes 62 years of age, the annuity computed under the other subsections of this section and payable to the annuitant shall be reduced (but not below zero) by the amount determined by multiplying the amount of the old-age and survivors insurance benefits which the annuitant is entitled to receive under section 202 of the Social Security Act for such month, if any, by a fraction—

"(A) the numerator of which is the total of the wages (within the meaning of section 209 of the Social Security Act) for service which is referred to in paragraph (2) of this subsection for years before the calendar year in which such month occurs, and

"(B) the denominator of which is the total of all wages (within the meaning of section 209 of the Social Security Act) and all self-employment income (within the meaning of section 211(b) of the Social Security Act)—

"(i) of such annuitant, or

"(ii) in the case of a survivor, of the participant on whose service the annuity is based, credited for years after 1936 and before the calendar year in which such month occurs.

"(2) The service referred to in paragraph (1)(A) of this subsection is service which is covered by amounts deducted and withheld as provided in section 805(g), is service described in subparagraphs (C) through (G) of section 210(a)(5) of the Social Security Act, and is taken into account for the purpose of computing the annuity to which paragraph (1) of this subsection applies.".

TREATMENT OF CERTAIN RECALL SERVICE

SEC. 404. Section 823 of the Foreign Service Act of 1980 (94 Stat. 2122; 22 U.S.C. 4063) is amended by adding at the end thereof the following new subsection:

"(c) If an annuitant becomes subject to subchapter II of this chapter by reason of recall service—

"(1) subsections (a) and (b) shall not apply to such annuitant; and

"(2) section 824 shall apply to the recall service as if such service were reemployment.".

REEMPLOYMENT

SEC. 405. Section 824 of the Foreign Service Act of 1980 (94 Stat. 2122; 22 U.S.C. 4064) is amended to read as follows:

"SEC. 824. REEMPLOYMENT.—(a)(1)(A) Except in the case of an annuitant who makes an election under subsection (b), if any member of the Service who has retired and is receiving an annuity under this subchapter or subchapter II of this chapter becomes employed in an appointive or elective position in the Government, payment of any annuity under either subchapter to the annuitant terminates effective on the date of the employment.

"(B) If an annuity of an annuitant is terminated under subparagraph (A) by reason of reemployment and—

"(i) the annuitant was not entitled to an annuity under subchapter II of this chapter before the reemployment began, or

"(ii) the reemployment service is subject to the Federal Retirement System under chapter 84 of title 5, United States Code.

the terminated annuity shall resume and the annuitant shall be entitled to an additional annuity under subchapter II of this chapter effective on the date of termination of the reemployment. The additional annuity shall be computed under sections 8413, 8414, and 8415 of title 5, United States Code (as made applicable by subchapter II of this chapter), based on the service during the period of reemployment and the basic salary paid the annuitant for such service.

"(2) A reemployed annuitant who, before reemployment, was entitled to an annuity under subchapter II of this chapter and has been reappointed in a status covered by the System under such subchapter shall be entitled to a redetermination of rights under such subchapter upon termination of the employment. If such annuitant, before reemployment, was also entitled to an annuity under subchapter I of this chapter, that annuity shall be resumed upon termination of the employment.

"(b)(1) A member of the Service who is entitled to an annuity under this subchapter or subchapter II of this chapter and becomes employed in an appointive or elective position in the Government on a part-time or temporary basis may elect to continue to receive either or both annuities as provided in this subsection.

"(2) The total annuity payable under this chapter to an annuitant making an election under paragraph (1) shall be reduced during the part-time or temporary employment referred to in such paragraph as necessary to meet the requirements of paragraph (3).

"(3) The sum of—

"(A) the total annuity payable under this chapter to an annuitant making an election under paragraph (1), and

"(B) the annual rate of pay payable to the annuitant during the part-time or temporary employment referred to in such paragraph,

may not exceed, in any year, the highest annual rate of pay which is payable during such year for full-time employment in the position in which the annuitant is employed.

"(4) Upon termination of the part-time of temporary employment referred to in paragraph (1), payment of the full annuity of an annuitant who has made an election under paragraph (1) of this subsection shall resume.

"(c) The amount of an annuity which has been terminated or reduced under this section by reason of the reemployment of the annuitant and is resumed under this section shall be the amount of the annuity which would have been payable if the annuitant had not accepted the reemployment. The amount of an annuity resulting from a redetermination of rights pursuant to subsection (a) shall not be less than the amount of the terminated annuity plus any increases under section 826 or section 8462 of title 5, United States Code, as appropriate, occurring after the termination of the annuity and before the commencement of the redetermined annuity.

"(d) If an annuitant to whom this section applies dies while reemployed, a survivor annuity payable with respect to the deceased annuitant shall be redetermined as if the employment had terminated on the date of death.

"(e) The annuity rights of any member of the Service who is reemployed in the Federal Government shall be determined under this section instead of section 8468 or 8474 of title 5, United States Code.

"(f) When any such retired member of the Service is reemployed, the employer shall send a notice of such reemployment to the Secretary of State, together with all pertinent information relating to such employment, and shall pay directly to such member the salary of the position in which he or she is serving.

"(g) In the event of any overpayment under this section, such overpayment shall be recovered by withholding the amount involved from the salary payable to such reemployed member of the Service or from any other moneys, including annuity payments, payable under this chapter.".

COMPATIBILITY BETWEEN THE FEDERAL RETIREMENT SYSTEM AND THE FOREIGN SERVICE PENSION SYSTEM

SEC. 406. Section 827 of the Foreign Service Act of 1980 (94 Stat. 2124; 22 U.S.C. 4067) is amended by adding at the end thereof the following new subsection:

"(c) The President shall maintain, under the same conditions and in the same manner as provided in subsections (a) and (b), existing conformity between the Federal Retirement System provided in chapter 84 of title 5, United States Code, and the Foreign Service Pension System provided in subchapter II of this chapter.".

FOREIGN SERVICE PENSION SYSTEM

SEC. 407. (a) Chapter 8 of title I of the Foreign Service Act of 1980 (94 Stat. 2102; 22 U.S.C. 4041 et seq.) is amended by adding at the end thereof the following:

"SUBCHAPTER II—FOREIGN SERVICE PENSION SYSTEM

"SEC. 851. ESTABLISHMENT.—(a) There is hereby established a Foreign Service Pension System.

"(b)(1) Except as otherwise specifically provided in this subchapter or any other provision of law, all participants in the Foreign Service Pension System shall be subject to the provisions of chapter 84 of title 5, United States Code, and shall be treated in all respects as persons whose participation in the Federal Retirement System provided in that chapter is required by section 8402 of such title.

"(2) Participants in the Foreign Service Pension System may not make an election authorized by section 8418(c) of title 5, United States Code, and shall not be entitled to any benefits under chapter 84 of such title which result from such an election.

"SEC. 852. DEFINITIONS.—As used in this subchapter, unless otherwise specified—

"(1) the term 'annuity' means the annuity which is described in subchapter II of chapter 84 of title 5, United States Code, and is payable to a participant;

"(2) the term 'dynamic assumptions' has the same meaning as provided in section 8401(9) of title 5, United States Code;

"(3) the term 'Fund' means the Retirement and Disability Fund maintained by the Secretary of the Treasury pursuant to section 802;

"(4) the term 'normal cost' means the entry-age normal cost of the provisions of the System which relate to the Fund, computed by the Secretary of State in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay, and shall be used to value the cost of the System for all purposes for which the cost of the System is required to be determined;

"(5) the term 'participant' means a person who participates in the Foreign Service Pension System;

"(6) the term 'supplemental liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this subchapter, over

"(B) the sum of—

"(i) the actuarial present value of the future contributions to be made on behalf of participants pursuant to section 855(b)(2)(A) of this Act; and

"(ii) the balance in the Fund attributable to the System on the date the supplemental liability is determined or to the contributions made under Section 204(b) or 205 of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1106; § U.S.C. 8331 note); and

"(7) the term 'System' means the Foreign Service Pension System.

"SEC. 853. PARTICIPANTS.—(a) Except for persons excluded by subsection (b), all members of the Foreign Service, any of whose service after December 31, 1983, is employment for the purpose of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, who would, but for this section, be participants in the Foreign Service Retirement and Disability System pursuant to section 803 shall be participants in the Foreign Service Pension System.

"(b) Members of the Service who were participants in the Foreign Service Retirement and Disability System on or before December 31, 1983, and who have not had a break in service in excess of 1 year since that date, are not made participants in the System by this section, without regard to whether they are subject to title II of the Social Security Act.

"SEC. 854. ENTITLEMENT TO ANNUITY.—(a) Any participant who retires voluntarily or mandatorily under section 607, 608, 811, or 813 under conditions authorizing an immediate annuity for participants in the Foreign Service Retirement and Disability System shall be entitled to an immediate annuity computed under subsections (a)(2), (a)(3), and (c) of section 8413 of title 5, United States Code. The annuity shall not be subject to reduction under section 8414 of such title.

"(b) A participant who is entitled to an immediate annuity under subsection (a) shall be entitled to receive an annuity supplement while the annuitant is under 62 years of age. The annuity supplement shall be based on the total creditable service of the annuitant and shall be computed and increased in accordance with section 8413(b) of title 5, United States Code.

"(c)(1) Any participant may be retired under the conditions specified in section 811 and shall be retired under the conditions specified in sections 812 and 813 and receive benefits under this subchapter.

"(2) For the purposes of this subsection—

"(A) the term 'participant', as used in the sections referred to in paragraph (1), means a participant in the Foreign Service Pension System; and

"(B) the term 'System', as used in those sections, means the Foreign Service Pension System.

"(d) Any participant who is separated for cause under section 610 shall be entitled to a deferred annuity under section 8412 of title 5, United States Code, under the conditions specified in such section unless the Secretary determines that the separation was based in whole or in part on disloyalty to the United States.

"SEC. 855. FUNDING.—(a) All payments under this subchapter which are comparable to payments under subchapters II, IV, and VII of chapter 84 of title 5, United States Code, based on the service of participants or former participants shall be paid by the Secretary of State from the Fund.

"(b)(1) All sums required to finance the payments referred to in subsection (a) shall be credited to the Fund.

"(2) The sums referred to in paragraph (1) are—

"(A) amounts which (i) are determined by the Secretary of State to be necessary to defray the normal cost of the benefits, other than disability benefits, payable under this subchapter to participants who are members of the Foreign Service, and (ii) are paid by each agency which employs any such participants;

"(B) the sums which are transferred to the Fund by the Secretary of the Treasury to amortize over 30 years the supplement liability of the System which is attributable to such participants, as computed at the end of each fiscal year beginning after September 30, 1987; and

"(C) the sums which are transferred by the Secretary of the Treasury to the Fund out of funds appropriated to the Department of Defense for the purpose of paying the costs relating to the creditable military service of Foreign Service members who become participants during any year.

"(c) At least every 5 years, the Secretary of the Treasury shall prepare periodic valuations of the Foreign Service Pension System and shall advise the Secretary of State of (1) the normal cost of the System, without regard to the cost of disability payments, (2) the supplemental liability of the System, and (3) the amounts necessary to finance the costs of the System.

"SEC. 856. DISABILITY.—The Secretary of State (in consultation with the Medical Director of the Department of State and the Foreign Service), instead of an administrator of benefits (as defined in section 8441(1) of title 5, United States Code), shall determine whether a participant or former participant is unfit for overseas duty (within the meaning of section 808 of this Act) for the purposes of subchapter V of chapter 84 of such title.

"SEC. 857. GENERAL AND ADMINISTRATIVE PROVISIONS.—(a) The Secretary of State shall administer the Foreign Service Pension System except for matters relating to the Thrift Savings Plan provided in subchapters III and VIII of chapter 84 of title 5, United States Code, and disability benefits under subchapter V of such chapter (other than matters to which section 856 applies). The Secretary of State shall, with respect to the Foreign Service Pension System, perform the functions and exercise the authority vested in the Office of Personnel Management or the Director of such Office by such chapter 84, and may issue regulations for such purposes.

"(b) Determinations of the Secretary of State under the Foreign Service Pension System which, if made by the Office of Personnel Management under chapter 84 of title 5, United States Code, the Director of such Office, or an administrator of benefits (as defined in section 8441(1) of such title), would be appealable to the Merit Systems Protection Board, to such Office, or to the Director of such Office shall, instead, be appealable to the Foreign Service Grievance Board.

"SEC. 858. TRANSITION PROVISIONS.—The Secretary of State shall issue regulations providing for the transition from the Foreign Service Retirement and Disability System to the Foreign Service Pension System. For this purpose, the provisions of sections 8471, 8472, and 8473 of title 5, United States Code, relating to the Civil Service Retirement and Disability System and contributions, deposits, pay computations, service credit, and disability retirement under such system shall be deemed to refer in like manner to the Foreign Service Retirement and Disability System and contributions, deposits, pay computations, service credit, and disability retirement thereunder.

"SEC. 859. REFERENCES IN OTHER LAWS.—References made to participants in the Federal Retirement System in sections 8113(c), 8475, 8704(a)(2), and 8705(e) of title 5, United States Code, section 210(a)(5)(H) of the Social Security Act, and section 3121(b)(5)(H) of the Internal Revenue Code of 1954 shall be deemed to refer to participation in the Foreign Service Pension System.".

(b) The table of contents in section 2 of such Act is amended—

(1) by striking out the item relating to chapter 8 and inserting in lieu thereof the following:

"CHAPTER 8—FOREIGN SERVICE RETIREMENT AND DISABILITY

"SUBCHAPTER I—FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM"

(2) by inserting after the item relating to section 827 the following:

"SUBCHAPTER II—FOREIGN SERVICE PENSION SYSTEM

"Sec. 851. Establishment.
"Sec. 852. Definitions.
"Sec. 853. Participants.
"Sec. 854. Entitlement to annuity.
"Sec. 855. Funding.
"Sec. 856. Disability.
"Sec. 857. General and administrative provisions.
"Sec. 858. Transition provisions.
"Sec. 859. References in other laws.".

Redesignate the succeeding title and sections accordingly.

Mr. LUGAR. Mr. President, this amendment adds a new title IV to S. 1527 to establish a FS pension system [FSPS]. The new system would provide retirement benefits for members appointed after 1983, and is very similar to the Federal retirement system [FRS] established by the bill for new appointees in the civil service after 1983. All FS members who become participants in the FSPS would be subject to all provisions of the comparable FRS unless specifically provided otherwise by law. All the exceptions are stated in this proposed amendment to S. 1527. Essentially, this amendment will bring new foreign service employees into conformity with the new Stevens-Roth structure.

The FS has always had its own retirement system separate from the CS retirement system. The basic reason for this is that the FS needs special provisions for early retirement to permit operation of its up-or-out personnel system. A number of FS members are mandatorily retired every year to permit advancement of the more competitive personnel. This system was endorsed and expanded by the FS Act Amendments of 1980. The special provisions are also necessary to permit the early retirement of members who, for various reasons, are no longer able to serve abroad.

The FSPS proposed in this amendment would preserve the early retirement and other special features needed by the FS. It would permit members to retire voluntarily at age 50 with 20 or more years of service with the same benefit as provided by the bill, as eventually enacted, for special category personnel such as law enforcement, firefighter, and air traffic controller personnel. Like the bill, the system would permit FS members who are retired mandatorily at an early age to receive the midtier benefit based on high-five salary without penalty for early retirement. Again, like the bill, the third basic special provision would provide an annuity supplement equivalent to a Social Security benefit from the date of retirement to age 62 when the annuitant would be eligible for the actual Social Security benefit. This annuity supplement would be based on all creditable service.

Mr. President, this amendment is acceptable to the managers of the bill, the administration, the foreign service employees, and the ranking members of the Foreign Relations Committee. I recommend its adoption.

Mr. STEVENS. Mr. President, this amendment has been cosponsored by my good friend from Missouri and myself.

Mr. EAGLETON. No objection, Mr. President.

Mr. STEVENS. I yield back the remainder of my time.

Mr. EAGLETON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time being yielding back, the question is on agreeing to the amendment of the Senator from Indiana.

The amendment (No. 980) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 981

(Purpose: To require certain employees of nonappropriated funds instrumentalities of the Federal Government to be participants in the Federal Retirement System)

Mr. EAGLETON. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. EAGLETON] proposes an amendment numbered 981.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 133, line 11, after "Service", insert ", and including an employee referred to in section 2105(c) of this title who was first employed by the Government after December 31, 1983".

On page 292, strike out lines 7 through 11.

On page 292, line 14, strike out "Sec. 306." and insert in lieu thereof "Sec. 305.".

On page 293, line 12, strike out "Sec. 307." and insert in lieu thereof "Sec. 306.".

On page 293, line 25, strike out "Sec. 308." and insert in lieu thereof "Sec. 307.".

On page 296, line 25, strike out "Sec. 309." and insert in lieu thereof "Sec. 308.".

Mr. EAGLETON. Mr. President, the purpose of this amendment is to include in the new retirement plan employees of nonappropriated fund instrumentalities of the Departments of Defense and Transportation who were first hired after December 31, 1983. These Federal instrumentalities operate morale, recreation, and welfare activities for the benefit of military and Coast Guard personnel. This includes activities such as PX's, bowling centers, and gas stations. Depending upon the availability of the appropriated funds, in some years the NAF employees are placed in civil service positions, where they are covered under the civil service retirement system. However, in other years, when no appropriated funds are available for such activities, the very same employees are placed in a NAF personnel system under a NAF retirement plan. The problem is that service in one position is not creditable as service in the other position for retirement purposes. My amendment would rectify this problem.

Mr. STEVENS. Mr. President, it is my understanding from the amendment of the distinguished Senator from Missouri that nonappropriated funds will pay the total cost for this amendment, that it is not an increased burden on the taxpayers, rather it is a recognition of the mobility and portability of the fund which is essential to the basic bill, and therefore I support the Senator's amendment.

Mr. EAGLETON. The Senator is correct in his assumption. I yield back the remainder of my time.

Mr. STEVENS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Missouri.

The amendment (No. 981) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 982

(Purpose: To improve the disability benefits plan under the Federal Retirement System)

Mr. EAGLETON. Mr. President, I have an amendment I send to the desk on behalf of Senator Chiles.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. EAGLETON], for Mr. CHILES, proposes an amendment numbered 982.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 210, line 22, strike out "increased," and all that follows through page 211, line 1, and insert in lieu thereof the following: "increased on January 1 of each year after such date by the same percent by which annuities referred to in section 8462(b)(1) of this title are increased under section 8462(b)(2)(D) of this title in December of the preceding year, and".

On page 212, line 20, strike out "paragraph (3)" and insert in lieu thereof "paragraphs (3) and (4)".

On page 214, between lines 23 and 24, insert the following:

"(4) If an eligible participant has elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title, the amount of the annuity which the participant is entitled to receive under subchapter II of this chapter by reason of the application of paragraph (1) of this subsection—

"(A) while the participant is at least 55 years of age and under 62 years of age may not be less than the amount equal to 30 percent of the participant's final average pay computed on the date the participant becomes 55 years of age; and

"(B) on and after the date the participant becomes 62 years of age may not be less than the amount equal to 10 percent of the participants final average pay computed on the date the participant becomes 55 years of age.".

On page 216, between lines 13 and 14, insert the following:

"(c)(1) Under regulations prescribed by the Office, the level benefits option provided under regulations prescribed pursuant to section 8417 of this title may be extended to cover the disability benefits payable to a participant under this subchapter.

"(2) The actuarial present value of the benefits expected to be paid to a participant under this subchapter and subchapter II of this chapter as provided under paragraph (1) of this subsection may not exceed the actuarial present value of the benefits that would be expected to be paid to such participant under this subchapter and such subchapter II if the adjustments authorized by such paragraph were not made, as determined under regulations prescribed by the Office.

On page 220, line 5, strike out "60" and insert in lieu thereof "50".

Mr. CHILES. Mr. President, I rise today to offer an amendment which would improve disability protection for many Federal workers who are covered under the new retirement system. My amendment would not raise the cost of the bill.

My amendment affects those individuals who elect option B under this retirement program. This option provides full cost-of-living increases for all retirees over the age of 62 and generally provides for more generous survivor and disability benefits than option A.

As currently constituted, a worker who had elected option B, and whose disability prevents him from doing any job at his grade level, might receive no disability benefits at all between the ages of 55 and 62. Other disabled workers might receive less than 10 percent of their previous salary between the ages of 55 and 62. At age 62, all those workers would be eligible to receive Social Security retirement benefits. But even this addition could still leave many of these individuals with low benefits for the rest of their lives. My amendment would increase disability benefits for individuals in these situations.

More specifically the bill now provides that a disabled worker who had elected option B, but who is not sufficiently disabled to meet the strict Social Security definition of being permanently and totally disabled, would receive 60 percent of the average of his highest 5 years of salary, during the first year of his disability. Thereafter, he would receive 40 percent of this average salary until he reached age 55 and his benefit amount would be indexed to the CPI during this period.

After age 55, his situation changes, however. The individual would no longer receive 40 percent of his "high-5" salary but would instead receive a benefit generally based upon what he would have been eligible for if he had retired at age 55. Of course, many of these workers would have worked past age 55, thereby enhancing their retirement benefits if they had not become disabled. In particular, individuals who joined the Government late in their careers would have accrued only relatively small retirement benefits by age 55 and therefore would have a strong incentive to work past that age.

As a result of all of these provisions now in the bill, the disabled worker can experience a dramatic drop in his benefit at age 55. His benefit could decline from 40 percent of his previous salary to less than 10 percent or even zero. At age 62, the combination of his benefit plus Social Security could still easily be well below 40 percent of his salary.

My amendment would improve the disability benefits for individuals in these situations. The disabled worker, who does not meet the Social Security disability definition would receive a minimum of 30 percent of his "high 5" salary between the ages of 55 and 62, rather than as little as zero percent under the bill as it has been reported. The worker would receive a minimum of 10 percent after age 62 plus the Social Security retirement benefit for which he is eligible at that age. The individual receiving this minimum would then be better off than he would be under the bill as now reported.

I might add that option A provides even less generous disability benefits than option B, but my amendment addresses only option B. Option A was designed for individuals who consciously elect to have a pension program that contains more generous thrift plan opportunities in exchange for less generous retirement, disability, and survivors benefits.

In order to make my amendment cost-neutral and keep the total cost of each option at 21.9 percent of payroll, I have made one change to benefits for disabled workers under option B. under the bill as now reported, the "high-5" salary is indexed to the growth in federal wages for purposes of determining the retirement benefit which the individual receives at age 55 or 62. My amendment would change this index to be equal to the growth in the CPI rather than the growth in Federal wages. Nonetheless, option B will provide more generous indexing than option A, even after option B has been altered by my amendment. Option A would index the high-5 to only the "CPI-minus-2," rather than the full CPI. I might have preferred not to make any change in the indexing in option B, but it was necessary to do so in order to keep the cost of option B at 21.9 percent of payroll.

My amendment also makes two other changes. Under both options A and B, a disabled worker may receive different benefit amounts at different ages. The bill presents the distinct possibility that decreases in benefits will occur at various ages. My amendment would provide an opportunity for the recipient to elect a leveling of his benefits throughout the remaining years of his life. The new benefits would of course, have the same actuarial value as the benefits he would otherwise be entitled to. Through this mechanism, the recipient's benefits would not rise or fall over time. A similar leveling mechanism is available for nondisabled retirees under the provisions of the bill. I think that providing opportunities for a stable income for the recipient could be very helpful.

Finally, my bill changes the limitation on the amount of income which a disability annuitant may earn while still retaining his benefits. Under the bill as now reported, the annuitant cannot earn more than 60 percent of the income earned at his previous job. My amendment would change this figure to 50 percent. I do not think that we should be providing disability benefits to individuals who are working and who are able to earn money at or near their previous potentials. My amendment would tighten the restriction which limits such possibilities.

Mr. EAGLETON. Mr. President, let me briefly explain the Chiles amendment. This amendment would increase disability protection for employees under option B at the point they convert from disability rolls to the retirement rolls. Currently, the occupationally disabled—that is not Social Security disabled—face a significant reduction of benefits at age 55, only to increase at age 62. This amendment will ease the transition at no cost.

Mr. STEVENS. Mr. President, emphasizing the last statement of the Senator from Missouri, that it is a transition at no additional cost, I am prepared to accept the amendment.

Mr. EAGLETON. I yield back the remainder of my time.

Mr. STEVENS. I yield back the remainder of our time.

The PRESIDING OFFICER. All time having been yielded back. the question is on agreeing to the amendment of the Senator from Florida.

The amendment (No. 982) was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 983

(Purpose: To facilitate transfers among certain Government retirement systems)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 983.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the chapter analysis of chapter 84 of title 5, United States Code, as set out in section 101(a), insert after the item relating to section 8476 the following:

"8477. Treatment of individuals transferring among certain Government retirement systems.".

On page 256, between lines 14 and 15, insert the following:

"§ 8477. Treatment of individuals transferring among certain Government retirement systems

"(a)(1) The President shall prescribe regulations to assure that individuals who commence participation in the Federal Retirement System, the Foreign Service Pension System, or the Central Intelligence Agency Pension System after participating in any other such retirement system is given credit for (A) all service performed while participating in any such retirement system for the purposes described in paragraph (2) of this subsection, and (B) rates of pay paid to such individual for any such service in computing an annuity under any such retirement system.

"(2) Service credit shall be given as provided in paragraph (1) of this subsection for—

"(A) the purpose of determining eligibility to retire entitled to an annuity under any retirement system referred to in such paragraph;

"(B) the purpose of satisfying vesting requirements under any such retirement system; and

"(C) the purpose of applying any applicable formula with respect to such service in computing an annuity under any such retirement system.

"(b) Under regulations prescribed by the President, any individual who commences participation in the Federal Retirement System, the Foreign Service Pension System, or the Central Intelligence Agency Pension System under circumstances similar to the circumstances described in subsection (b) or (c) of section 8471 of this title after having participated in another Federal Government retirement system established before January 1, 1984, shall be treated in the same manner as is provided in such subsection and section 8472 of this title.".

Mr. STEVENS. Mr. President, the purpose of this amendment is to facilitate transfers among Government retirement systems. I call attention to the Senate that now we have had the interplay of the Foreign Relations Committee, the Intelligence Committee and other committees in terms of

bringing before us now a total retirement package for all Government employees other than military. This would provide a consistency in the transfer provisions for all of these retirement systems covered under this bill. The amendment would enable an employee who becomes a participant in the Federal retirement system to be given credit for prior service under another Government retirement system. The service credit would continue toward retirement eligibility vesting requirements and applying the applicable formula in computing an annuity.

Mr. President, I hope that this is just the forerunner of future work to provide the kind of portability and transferability between Government systems and private systems which we will tackle at a later date.

Mr. EAGLETON. Mr. President, I believe this to be an excellent amendment. I yield back the remainder of my time.

Mr. STEVENS. I yield back the remainder of our time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 983) was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 984

(Purpose: To make technical and clarifying amendments)

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 984.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. STAFFORD). Without objection, it is so ordered.

The amendment is as follows:

On page 133, strike out line 6 and all that follows through page 134, line 4, and insert in lieu thereof the following:

"(12) the term 'employee'—

"(A) except as provided in subparagraph (B) of this paragraph, means—

"(i) each individual referred to in subparagraphs (A), (E), (F), (H), (I), and (J) of section 8331(1) of this title, including an employee of the United States Park Police and an employee of the United States Secret Service, and including an employee referred to in section 2105(c) of this title who was first employed by the Government after December 31, 1983, and

"(ii) a Congressional employee as defined in section 2107 of this title, including a temporary Congressional employee,

any of whose employment by the Government after December 31, 1983, is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954; and

"(B) does not include any individual who—

"(i) is referred to in clause (i), (v), (vi), or (ix) of paragraph (1) of section 8331 of this title or in the undesignated material after clause (ix) or such paragraph;

"(ii) is subject to another retirement system for Government employees, except in the case of an individual—

"(I) who is an employee of the United States Park Police or the United States Secret Service, or is an employee referred to in section 2105(c) of this title who was first employed by the Government after December 31, 1983; or

"(II) who, without regard to this chapter, would be subject to subchapter III of chapter 83 of this title or would be eligible to be subject to such subchapter;

"(iii) is excluded under section 8402(b)(2) of this title; or

"(iv) was subject to subchapter III of chapter 83 of this title on December 31, 1983, has not had a break in service with the Government described in section 210(a)(5)(A) of the Social Security Act for a period of more than 1 year beginning after such date, and has not commenced participation in the System pursuant to section 8471 of this title;".

On page 150, line 24, strike out "A" and insert in lieu thereof "Except as provided in section 8436(c)(1) of this title, a".

On page 164, strike out lines 4 through 7 and insert in lieu thereof the following:

"(5) Under regulations prescribed by the Executive Director, at least once each year a participant may modify the amount contributed pursuant to paragraph (1) or (2) of this subsection, as the case may be, or may terminate an election to make contributions under such paragraph.".

On page 183, line 24, strike out "notwithstanding" and insert in lieu thereof "subject to".

On page 191, line 13, strike out "the reduced" and all that follows through "computed," on page 191, line 16, and insert in lieu thereof the following: "an annuity computed with respect to such participant as of the day before the date of death".

On page 191, line 19, strike out "reduced".

On page 192, line 8, strike out "the annuity" and all that follows through "computed" on line 11, and insert in lieu therof "an annuity computed with respect to the participant as of the day before the date of death".

On page 236, line 6, insert a comma after "annuitant".

On page 236, line 8, insert a comma after "subsection".

On page 238, strike out lines 7 through 15, and insert in lieu thereof the following:

"(B)(i) the number of months, not to exceed 12 months, for which the annuity was payable before the effective date of the increase, counting any portion of a month as a month, or

"(ii) in the case of a survivor annuity payable to a surviving spouse or surviving former spouse of a deceased annuitant whose annuity has never been so increased, the number of months, not to exceed 12 months, since the annuity was first payable to the deceased annuitant, counting any portion of a month as a month.

On page 246, line 21, strike out "before" and all that follows through "1984," on line 22.

On page 248, line 2, insert "and" after "title,".

On page 248, line 4, strike out "and" and all that follows through line 6.

On page 248, line 8, insert "before January 1, 1984," after "performed".

On page 248, line 14, insert "and" after "title,".

On page 248, line 16, strike out "and" and all that follows through line 18.

On page 248, line 20, strike out "1987," and insert in lieu thereof "1984,".

On page 262, line 9, insert "subject to section 8495 of this title," after "(1)".

On page 262, line 16, insert "subject to section 8495 of this title," after "(2)".

On page 266, line 2, insert "and" after the semicolon.

On page 266, line 3, strike out "; and" and all that follows through line 6, and insert in lieu thereof a period.

Mr. STEVENS. Mr. President, these are technical amendments that are required, as I will explain. As can be expected in a bill as complex as this one, there are a number of technical amendments.

First. The definition of an "employee" is reworded to make clear that the new plan covers employees hired during 1984–85, and to accommodate the amendment just approved regarding coverage of employees of nonappropriated fund instrumentalities.

Second. The wording regarding election of an option at retirement is amended to make clear that a new option can be elected by a married annuitant upon the termination of entitlement of a former spouse.

Third. The thrift plan contribution language is amended to make clear that an employee's right to change the amount contributed at least once a year includes the right to stop contributing. I think that must be emphasized—that the right to change includes the right to stop contribution to a thrift plan.

Fourth. The wording regarding possible employee input into the definition of the stock index fund is amended to assure that this will not conflict with the fiduciary standards and investment policies which apply.

Fifth. The wording regarding surviving spouse benefits payable at death of an employee before retirement is amended to clarify that benefits are payable in cases where the employee was not yet eligible to retire.

Sixth. The wording regarding cost-of-living adjustments is amended to make clear that all classes of survivor annuitants are eligible for COLA's, and to correct the formula for prorating the initial COLA payable.

Seventh. The wording regarding transition from the existing program is clarified regarding its application to employees hired both before and after 1984, including participants in the interim plan that became effective January 1984.

Eighth. The wording regarding investment policies is amended to eliminate the reference to criteria other than prodent investments and low administrative costs.

Mr. EAGLETON. Mr. President, I support the amendments as submitted by Senator STEVENS, and I yield back the remainder of my time.

Mr. STEVENS. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 984) was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, we are awaiting the arrival of the Senator from Virginia. I suggest the absence of a quorum until his arrival.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I yield to the Senator from Virginia such time as he and his colleague may need.

Mr. TRIBLE. I thank my distinguished friend from Alaska.

AMENDMENT NO. 985

(Purpose: To amend title 5, United States Code, to increase the opportunity to provide a survivor annuity under subchapter III of chapter 83 of such title, and to improve retirement counseling for Federal Government employees)

Mr. TRIBLE. Mr. President, at this time I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Virginia [Mr. TRIBLE] for himself and Mr. WARNER purposes an amendment numbered 985.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 151, between lines 9 and 10, insert the following:

"(c)(1) A participant or former participant—

"(A) who, at the time of retirement, is married, and

"(B) who elects at such time (in accordance with subsection (b) of this section) a method of payment other than the method described in subsection (a)(2)(B) of this section,

may, during the 18-month period beginning on the date or which the participant or former participant may first make an election under subsection (b) of this section, elect the method of payment described in subsection (b)(2) of this section.

"(2)(A) An election under paragraph (1) of this subsection shall not be considered effective unless—

"(i) the spouse of the participant or former participant is provided advance notice of the election in accordance with such regulations as the Office shall prescribe; and

"(ii) the amount specified in subparagraph (B) of this paragraph is deposited into the Fund before the expiration of the applicable 18-month period under such paragraph (1).

"(B) The amount to be deposited with respect to an election under this subsection is an amount equal to the sum of—

"(i) the additional cost to the System which is associated with providing a survivor annuity under subsection (b)(2) of this section and results from such election taking into account (I) the difference (for the period between the date on which the annuity of the participant or former participant commences and the date of the election) between the amount paid to such participant or former participant under this subchapter and the amount which would have been paid if such election had been made at the time the participant or former participant applied for the annuity, and (II) the costs associated with providing for the later election; and

"(ii) interest on the additional cost determined under clause (i) of this subparagraph computed using the average annual interest rate earned during such period by securities held by the Fund.

"(3) An election by a participant or former participant under this subsection voids prospectively any election previously made in the case of such employee or Member under subsection (b) of this section.

"(4) The annuity of a participant or former participant which is reduced in connection with an election under this subsection shall be reduced by the same percentage reductions as were in effect on the date on which the annuity of the participant or former participant commenced.

"(5) Rights and obligations resulting from the election under this subsection shall be the same as the rights and obligations which would have resulted had the participant or former participant made such election at the time of applying for an annuity.

"(6) The Office shall, on an annual basis, inform each participant and each former participant who has accrued entitlement under this subchapter of the right of election under this subsection, including the procedures and deadlines applicable in making any such election.".

At the end of title III, insert the following:

18-MONTH PERIOD TO ELECT A SURVIVOR ANNUITY

SEC. 310. (a) Section 8339 of title 5, United States Code, is amended by adding at the end thereof the following:

"(o)(1)(A) An employee or Member—

"(i) who, at the time of retirement, is married, and

"(ii) who notifies the Office at such time (in accordance with subsection (j)) that a survivor annuity under section 8341(b) of this title is not desired,

may, during the 18-month period beginning on the date of the retirement of such employee or Member, elect to have a reduction under subsection (j) made in the annuity of the employee or Member (or in such portion thereof as the employee or Member may designate) in order to provide a survivor annuity for the spouse of such employee or Member.

"(B) An employee or Member—

"(i) who, at the time of retirement, is married, and

"(ii) who at such time designates (in accordance with subsection (j)) that a limited portion of the annuity of such employee or Member is to be used as the base for a survivor annuity under section 8341(b) of this title,

may, during the 18-month period beginning on the date of the retirement of such employee or Member, elect to have a greater portion of the annuity of such employee or Member so used.

"(2)(A) An election under subparagraph (A) or (B) of paragraph (1) shall not be considered effective unless—

"(i) the spouse of the employee or Member is provided advance notice of the election in accordance with such regulations as the Office shall prescribe; and

"(ii) the amount specified in subparagraph (B) of this paragraph is deposited into the Fund before the expiration of the applicable 18-month period under paragraph (1).

"(B) The amount to be deposited with respect to an election under this subsection is an amount equal to the sum of—

"(i) the additional cost to the System which is associated with providing a survivor annuity under subsection (b)(2) of this section and results from such election taking into account (I) the difference (for the period between the date on which the annuity of the participant or former participant commences and the date of the election) between the amount paid to such participant or former participant under this subchapter and the amount which would have been paid if such election had been made at the time the participant or former participant applied for the annuity, and (II) the costs associated with providing for the later election; and

"(ii) interest on the additional cost determined under clause (i) of this subparagraph computed using the average annual interest rate earned during such period by securities held by the Fund.

"(3) An election by an employee or Member under this subsection voids prospectively any election previously made in the case of such employee or Member under subsection (j).

"(4) An annuity which is reduced in connection with an election under this subsection shall be reduced by the same percentage reductions as were in effect at the time of the retirement of the employee or Member whose annuity is so reduced.

"(5) Rights and obligations resulting from the election of a reduced annuity under this subsection shall be the same as the rights and obligations which would have resulted had the employee or Member involved elected such annuity at the time of retiring.

"(6) The Office shall, on an annual basis, inform each employee and Member of the right of election under this subsection, including the procedure and deadlines applicable in making any such election.".

(b)(1) Notwithstanding section 404 of this Act, the amendment made by subsection (a) shall take effect 3 months after the date of the enactment of this Act.

(2)(A) Subject to subparagraph (B), the amendment made by subsection (a) shall apply with respect to employees and Members retiring before, on, or after such amendment first takes effect.

(B) For purposes of applying the provisions of paragraph (1) of section 8339(c) of title 5, United States Code (as added by this Act) to employees and Members retiring before the date on which the amendment made by subsection (a) first takes effect—

(i) the period referred to in subparagraph (A) or (B) of such paragraph (as the case may be) shall be considered to being on the date as of which such amendment first becomes effective; and

(ii) the amount referred to in paragraph (2) of such section 8339(o) shall be computed without regard to the provisions of subparagraph (B)(ii) of such paragraph, relating to interest.

(3) For purposes of this subsection, the terms "employee" and "Member" each has the meaning given that term in sections 8331(1) and 8331(2) of title 5, United States Code, respectively.

RETIREMENT COUNSELING

SEC. 311. (a)(1) Subchapter III of chapter 83 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 8349. Retirement counseling

"(a) For the purposes of this section, the term 'retirement counselor', when used with respect to an agency, means an employee of the agency who is designated by the head of the agency to furnish information on benefits under this subchapter and chapter 84 of this title and counseling services relating to such benefits to other employees of the agency.

"(b) The Director of the Office of Personnel Management shall—

"(1) establish a training program for all retirement counselors of agencies of the Federal Government; and

"(2) designate and publicize a telephone number at the Office which annuitants under this subchapter or chapter 84 of this title may call to obtain answers to questions relating to retirement benefits under this subchapter or such chapter and which is to be used exclusively for such purpose.

"(c)(1) The training program established under subsection (b)(1) of this section shall provide for comprehensive training in the provisions and administration of this subchapter and chapter 84 of this title, shall be designed to promote fully informed retirement decisions by employees and Members under this subchapter and participants under chapter 84 of this title, and shall be revised as necessary to assure that the information furnished to retirement counselors of agencies under the program is current.

"(2) The Director shall conduct a training session under the training program once each quarter-year.

"(3) Once each year, each retirement counselor of an agency shall successfully complete a training session conducted under the training program.

"(c) The Director shall assign the responsibility of receiving and responding to calls made to the telephone number designated under subsection (b)(2) of this section to a sufficient number of employees who are knowledgeable about the provisions and administration of this subchapter and chapter 84 of this title to assure that prompt and effective assistance is furnished to annuitants.".

(2) The chapter analysis at the beginning of such chapter is amended by inserting after the item relating to section 8348 the following new item: "8349. Retirement counseling.".

(b) Notwithstanding section 404 of this Act, the amendments made by subsection (a) shall take effect on the date of enactment of this Act.

Mr. TRIBLE. Mr. President, the amendment that I am offering today along with my colleague from Virginia, Senator WARNER, ensures that Federal retirees are provided with an adequate opportunity to elect a survivor annuity under this new civil service retirement plan.

As many of my colleagues know, under the existing civil service retirement law, Federal employees must make a decision regarding survivor benefits prior to retirement. If a retiree does not elect survivor benefits for his or her spouse at that time, that decision is irrevocable.

Unfortunately, far too many Federal employees make a decision regarding survivor benefits based upon incorrect or incomplete information and advice provided by the employee's personnel retirement counselor. The result is that, despite the retiree's wishes, some survivors are left unprotected and without any source of income upon the death of their spouse.

My amendment will ensure that this unfortunate situation does not arise under the new retirement program. The amendment would provide Federal retirees who have not already elected survivor benefits, with a second chance.

Federal retirees who have not chosen a survivor annuity will be given 18 months after retirement to change their decision. If a Federal retiree opts for survivor benefits during this time, he or she will be required to make all necessary deposits to the retirement fund in order to cover this selection.

In addition, this amendment will ensure that agency retirement counselors provide Federal employees with accurate information and advice regarding survivor benefit decisions. Counselors will be required to complete a training program on the changes in civil service retirement law. This training program will be annual and will enable retirement counselors to gain the understanding of retirement law essential to counsel future retirees.

Mr. President, the legislation now before us creates a new retirement and disability plan for Federal employees. Federal employees covered by this new system must have accurate information in order to make critical decisions affecting the financial security of their spouses. And, I believe that retirees under this new system should have a second opportunity after retirement to elect survivor benefits if they did not make this designation prior to retirement.

I commend my colleagues, Senator ROTH and Senator STEVENS, for their leadership on this important retirement legislation. And, I also want to acknowledge the contributions made by Senators EAGLETON and GORE in developing legislation which has broad bipartisan support.

Mr. President, I believe that my amendment adds an important element to the legislation developed by these distinguished colleagues and I urge all of my colleagues to support this amendment.

Mr. WARNER. Mr. President, I commend my distinguished Virginia colleague, Mr. TRIBLE, for having initiated this important amendment.

Civil service survivor benefits are an essential means of support for thousands of surviving spouses, and an 18-month period for determining the provision of the benefit is certainly justifiable.

I believe in many cases, Federal employees upon reaching retirement would greatly appreciate an extended timeframe for making the survivor benefit designation.

With the greatly reduced level of compensation available through a retirement annuity, it is already difficult for Federal retirees to revise their lifestyles and household budgets.

You might say that this is a "good housekeeping" amendment, giving new Federal retirees an appropriate period of time in which to examine retirement and long-term spousal income needs and to reach what would hopefully be a joint decision, fully understood and thought out by the retiree and his or her spouse.

The preretirement counseling services provided in the bill would further enhance current services and assist in the overall survivor benefit designation.

I express my strong appreciation to Senators STEVENS and ROTH for their support of the amendment.

I am hopeful that all of our colleagues will give us their unanimous consent.

Mr. TRIBLE. Mr. President, I simply add that this amendment has been drafted with the help of the majority and minority leaders of this legislation and their staffs, and I appreciate their help.

It is my understanding that it will be agreed upon by both sides.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. Mr. President, I think the Trible amendment is an excellent amendment.

Mr. STEVENS. Mr. President, the Trible amendment, giving a second election to choose survivor benefits within 18 months after retirement, is a good idea. The retiree must redeposit funds to pay for the benefit.

We are prepared to accept that amendment.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

Mr. STEVENS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. STEVENS. All time is yielded back.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Virginia.

The amendment (No. 985) was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I rise to indicate my support for this bill which creates a new supplemental pension plan for those Federal workers covered under Social Security. This plan was promised to new Federal workers at the time we brought such employees under the Social Security system and I am glad that we are finally on the road toward delivering on that commitment.

I want to congratulate Senators STEVENS, EAGLETON, ROTH, and GORE and all the other Senators on the Governmental Affairs Committee on the successful completion of this very complicated bill. The amount of work that went into its creation was monumental and they deserve an enormous amount of credit for their efforts.

I think that this plan accomplishes the objective of providing adequate and fair retirement, disability, and survivors benefits for Federal workers. Such benefits should be helpful in attracting and maintaining workers in the Federal work force. At the same time, the bill keeps the cost of this new system within reasonable bounds.

The bill provides for the worker to choose between two options for his retirement, survivor, and disability benefits. I am very pleased that one of these options provides for full cost-of-living increases for all retirement benefits after the age of 62 and for all disability and survivor benefits at any age. Once a worker has reached a normal age for retirement, it makes little sense to provide for a benefit which will erode over time as a result of inflation. There is little justification for providing that a person has a lower standard of living at age 80 than at an earlier age. Similarly, the benefits received by disabled workers or by survivors of workers should not be allowed to erode over time either.

Under the reported bill, the worker must choose the plan he wants within a short period of time after he begins employment; this choice is then irrevocable. There are compromises which will be made in conference with the House. I hope that the conference will consider the possibility of having one option in the final plan which includes the full cost-of-living protection described above.

Both options in the new plan contain three tiers: Social Security, a "defined-benefit" pension plan, and a thrift plan to which employees can make voluntary contributions. I think this three-tiered approach is a solid one and provides an appropriate degree of balance. I look forward to the successful completion of the entire supplemental pension plan this year.

Mr. MATHIAS. Mr. President, I support S. 1527, legislation to establish a retirement system for postal and Federal employees hired beginning January 1, 1984. This bill represents the best efforts of the Governmental Affairs Committee and I am proud to be a cosponsor. I would also like to extend special recognition to my distinguished colleagues—Senators ROTH, EAGLETON, and STEVENS—for their leadership in this endeavor. Their perseverence and dedication are the reason we can stand here today to discuss S. 1527.

As my colleagues are already well aware, the committee opted for a three-tier approach to the new retirement system. Social Security provides the basic benefit, which will be supplemented by a defined benefit portion—paid for by the Government—and a thrift plan which is a combination of employee and employer contributions. Under this three-tier scheme, employees will be able to choose between two options. One option A is geared to employees who want to take advantage of the flexible, more portable thrift plan. The other option B is weighted more toward the defined benefit plan, which will be attractive to employees seeking security and stronger inflation protection with respect to cost-of-living adjustments [COLA's]. In addition, the disability, survivor and life insurance benefits offered under S. 1527 are more generous than those provided in the present retirement system.

As the committee worked on developing the new retirement system, it had to keep several competing goals in mind. One of the most important considerations was to make sure that retirees under the present system and future retirees under the proposed system receive comparable retirement benefits. Indeed, it would be difficult to justify disparate treatment in this area when one considers the value of retirement in recruiting and retaining qualified employees in Government service. The present retirement system is a generous one and it serves as an enticement to prospective employees who recognize the limitations of Federal pay. It keeps the Federal Government in the running when it competes with the private sector for the talented and experienced people our Government needs to properly serve the American people. It is important, then, that the new retirement system retain this same quality.

Another very important consideration in creating a new system was ensuring that we keep our promise to current employees and retirees that there will be no tampering with their retirement benefits. It is my intent that present benefits not be affected by S. 1527, and I am certain that this is the intent of the entire Governmental Affairs Committee.

Naturally, in any undertaking of this magnitude, cost is a significant factor. With budget deficits and taxpayer burdens much in everyone's mind, there was great pressure on the committee to devise a system that will be less costly to the Government than the existing system. Thus, arguments to have Federal pensions achieve greater parity with less costly private sector pensions gathered more credence; and we spent a great deal of time applying private pension ideas to the new pension system for Federal employees. Our work was done in the hope of creating a viable, cost-effective pension system for the future. And it was a further hope that the yearly attacks on the present civil service retirement system—attacks made in the name of erasing benefit differences between Federal and private pensions and saving the taxpayers' money—would abate if the new pension plan moved closer to private sector practice.

S. 1527 does a good job balancing the rival objectives of cost containment and providing a workable pension plan. The new plan offers employees more choices, greater flexibility and, in some cases, better benefits. At the same time it saves the Government money, which will help reduce the deficit. Clearly, the legislation is not perfect. I would be the first to offer that there is room for improvement. But I am confident that a conference with the House will iron out the kinks and resolve areas of disagreement.

Mr. President, the basic tenets underlying the Senate's work on S. 1527 are sound, and as long as they continue to guide our deliberations on this matter, there is every reason to believe that we will create a retirement system that is good, viable, and less costly than the present one. I urge the Senate to join the Governmental Affairs Committee in giving this bill its resounding approval and in moving the Federal pension system into the future.

Mr. GLENN. Mr. President, I am pleased to be a cosponsor of S. 1527, the Federal Retirement Reform Act of 1985, and to urge its adoption by the Senate.

This legislation establishes a civil service pension program for new Federal employees hired after December 31, 1983, who were brought under Social Security as part of the Social Security Amendments of 1983. The pension legislation designed by the Governmental Affairs Committee supplements this Social Security coverage and provides Federal retirees with a retirement plan which is comparable to good private sector retirement plans.

I have always been supportive of legislation to strengthen the retirement system of civil service employees. I believe the Federal Government has a responsibility to provide an adequate and fair pension program for its employees, and one that helps recruit and maintain an excellent and skilled work force. The plan proposed today provides retirement benefit protection that meets the needs of both long-term career service employees and short-term Government employees. For some workers, including women and short-term employees, this plan offers more comprehensive protection than the current civil service retirement system.

This legislation is necessary because new Federal employees do not know what retirement protection they will receive when they are hired by the Government. During debate on the Social Security Amendments in 1983, I cosponsored an amendment by Senator LONG to delay Social Security coverage of new Federal employees until a supplemental pension plan was enacted. I felt it was unfair to include new Federal employees under Social Security without spelling out in advance how their pension benefits would be provided. Unfortunately, that amendment was defeated, and Social Security coverage took effect on January 1, 1984. Interim legislation was enacted to provide some disability and survivor coverage for new Federal employees until a supplemental pension program was enacted. This interim legislation expires December 31 of this year, and I am pleased that we will meet that deadline.

The retirement program proposed today includes three tiers. The first tier is Social Security coverage. Advantages of Social Security include full indexing of benefits to inflation and portability of coverage from job to job. The second tier is a Government-paid defined benefit pension plan designed as an "add-on" to Social Security. The third tier is a thrift plan that provides employees with a tax-deferred savings plan similar to that provided by section 401(k) of the Tax Code. As part of a compromise necessary in order to reach agreement on this legislation, new employees will have the choice between two options that provide different features for the defined benefit and thrift savings plan. Under option B, the employee may choose to supplement the Government contribution to the defined benefit portion in order to be eligible for early retirement, and improved inflation protection. Under the thrift savings plan, employees under option A could contribute up to 10 percent of their pay, and the Government would match this contribution dollar for dollar up to 5 percent. Employees under option B could also contribute up to 10 percent of pay, but the Government match would be lower in order to pay for the bigger defined benefit.

Mr. President, this is not a perfect bill, and I will work for improvements in it before final passage. I am concerned about the level of inflation protection provided to retirees under this legislation. We should ensure that retirees are able to maintain their standard of living through their retirement years, especially as they get older and may have greater medical and other living expenses. I also have serious reservations about the "option" provision, and consider it unworkable administratively. The option plan would force new employees to make a one-time irrevocable choice on their retirement plan. It would be difficult if not impossible for employees to make an informed decision on such a complicated matter. However, I understand that this option proposal was necessary in order to reach agreement on the bill, and I look forward to improving the option plan and other provisions during the conference committee with the House.

I would like to emphasize that this legislation in no way affects the benefits for employees under the old civil service retirement system. The good faith and credit of the U.S. Government stands behind the civil service retirement program. We must continue to protect the earned retirement benefits for those who have in good faith placed their trust in the Federal Government.

The legislation we consider today will provide new Federal employees with a fair and adequate retirement benefits plan. It will assist in building and keeping a quality career work force in the Federal Government. It will enhance portability of retirement credits for employees moving between Government service and private sector employment. The legislation will also encourage Federal employees to increase their personal savings for retirement. I am pleased to be a cosponsor of S. 1527, and I urge its passage by the Senate.

Mr. CRANSTON. Mr. President, I wish to speak in support of the bill, S. 1527, the Federal Retirement Reform Act of 1985, which establishes a supplemental retirement plan for Federal and postal new hires.

I first want to commend my colleagues on the Governmental Affairs Committee for doing an outstanding job with an extremely complex and sensitive issue. Theirs has not been an easy task. Many competing interests are involved. And it is to the committee's credit that the job has been accomplished as well as it has been.

In particular, we owe a special debt of recognition to our colleague from Alaska, TED STEVENS. He has been at work on this matter since 1981 and during the years has had to accommodate a range of concerns of groups representing employees, retirees, and others. Also, during those years, the 28 member organizations of the fund for assuring an independent retirement have been actively involved in the development of a supplemental retirement program, including active consultation of legislative details and full participation in all discussion, forums, and public hearings.

The final product approved by the committee does not meet the test of perfect comparability with the present civil service system. But given the constraints, few expected the committee's work to attain that goal. It does, however, represent a sincerely sought after compromise on very difficult issues that was achieved through the hard work and tireless commitment of Senators STEVENS, ROTH, EAGLETON, and GORE.

That this bill is on the floor of the Senate moving without controversy toward enactment is, indeed, itself the best tribute to the fine work of the Committee on Governmental Affairs.

I would like to detail my caveats, however.

We cannot compromise on fairness and equity between employees hired before 1984 and those after.

We cannot compromise on the promise of equal inflation protection for all of our Nation's elderly.

We cannot compromise on a dignified and liveable retirement income for career employees who perform the Nation's services.

We cannot compromise the security of those currently or soon to be retired.

The bill before us does not completely meet those criteria.

It fails to provide full inflation protection for the defined benefit supplement that is equal to that given to Social Security recipients. By not requiring a mandatory employee contribution to the defined benefit supplement, the bill breaks the traditional bond between workers who have a financial stake in their retirement and retirees who rely on the system for their financial security. It does not recognize career progression through an accrual formula based on the highest level of achievement.

However, Mr. President, it does represent genuine progress. I urge all my colleagues, especially those who will

serve as conferees, to keep the above principles in mind to seek to correct the shortcomings in the legislation before us.

RECOGNITION OF MICHAEL MC DERMOTT PLACE

Mr. BRADLEY. Mr. President, I am pleased today to note that with the passage of H.R. 2672, a portion of the road leading to the redesignated New Jersey International and Bulk Mail Center will be dedicated as "Michael McDermott Place," In 1981, I introduced legislation to commemorate this young postal worker who died in a conveyor belt accident at the postal center during the 1979 holiday season. Safety devices that should have averted this tragedy were not in place due to the rush of holiday mail. The dedication of Michael McDermott Place will serve a dual purpose: It will remind us of the public service and sacrifice of this one individual. It will also remind us of the need to constantly monitor workplace safety. Naming this street in honor of Michael McDermott cannot erase the tragedy of several years ago. It may help to increase our vigilance so that other postal employees are spared such accidents as they strive to serve the public.

Mr. STEVENS. Mr. President, it is my understanding we have now completed the list of amendments that were in order under the time agreement.

Pursuant to that agreement I ask for a third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Do Senators managing the bill yield back their time?

Mr. STEVENS. Mr. President, I yield back my time.

Mr. EAGLETON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate turn to the consideration of House bill 2672 to redesignate the New Jersey International and Bulk Mail Center.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2672) to redesignate the New York International and Bulk Mail Center in Jersey City, New Jersey, as the "New Jersey International and Bulk Mail Center", and to honor the memory of a former postal employee by dedicating a portion of a street at the New York International and Bulk Mail Center in Jersey City, New Jersey, as "Michael McDermott Place".

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION OF BUILDING.

(a) REDESIGNATION.—The New York [International and Bulk] *Bulk and Foreign* Mail Center in Jersey City, New Jersey, shall hereafter be known and designated as the "New Jersey International and Bulk Mail Center". Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be considered to be a reference to the New Jersey International and Bulk Mail Center.

(b) EFFECTIVE DATE.—This section shall take effect 6 months after the date of the enactment of this Act.

SEC. 2. DEDICATION OF MICHAEL McDERMOTT PLACE.

(a) ERECTION OF SIGN.—The United States Postal Service shall erect a suitable sign bearing the inscription "Michael McDermott Place", anywhere on its property adjacent to the street and parking area located immediately to the east of the New York [International and Bulk] *Bulk and Foreign* Mail Center building in Jersey City, New Jersey, so as to dedicate such portion of such street in memory of former postal employee Michael McDermott.

(b) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments en bloc.

The committee amendments were agreed to en bloc.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the committee amendments were agreed to.

Mr. EAGLETON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that this bill now be amended to insert the complete text of S. 1527, as amended, and that it be advanced to third reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, pursuant to the unanimous-consent agreement following adoption of those two amendments, the Senate should now proceed to third reading and final passage of H.R. 2672 without any intervening action.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. STEVENS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Pennsylvania. [Mr. HEINZ] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from West Virginia [Mr. ROCKEFELLER] is necessarily absent. I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia [Mr. ROCKEFELLER] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

So the result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 289 Leg.]

YEAS—96

Abdnor	Garn	McConnell
Andrews	Glenn	Melcher
Armstrong	Goldwater	Metzenbaum
Baucus	Gore	Mitchell
Bentsen	Gorton	Moynihan
Biden	Gramm	Murkowski
Bingaman	Grassley	Nickles
Boren	Harkin	Nunn
Boschwitz	Hart	Packwood
Bradley	Hatch	Pell
Bumpers	Hatfield	Pressler
Burdick	Hawkins	Proxmire
Byrd	Hecht	Pryor
Chafee	Heflin	Quayle
Chiles	Helms	Riegle
Cochran	Hollings	Roth
Cohen	Inouye	Rudman
Cranston	Johnston	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
DeConcini	Kennedy	Simpson
Denton	Kerry	Specter
Dixon	Lautenberg	Stafford
Dodd	Laxalt	Stennis
Dole	Leahy	Stevens
Domenici	Levin	Symms
Durenberger	Long	Thurmond
Eagleton	Lugar	Trible
East	Mathias	Wallop
Evans	Matsunaga	Warner
Exon	Mattingly	Weicker
Ford	McClure	Wilson

NAYS—1

Humphrey

NOT VOTING—3

Heinz	Rockefeller	Zorinsky

So the bill (H.R. 2672), as amended, was passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask for immediate consideration of the

amendment to the title which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amend the title so as to read: "An Act to redesignate the New York Bulk and Foreign Mail Center in Jersey City, New Jersey, as the 'New Jersey International and Bulk Mail Center', and to honor the memory of a former postal employee by dedicating a portion of a street at the New York Bulk and Foreign Mail Center in Jersey City, New Jersey, as 'Michael McDermott Place'.".

The amendment was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. GORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that S. 1527 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I thank the distinguished managers of the bill, Senator STEVENS and Senator GORE, for their expeditious handling of this matter. We are grateful to them and to all Senators who agreed to the overall time agreement on bills and on specific amendments. It has made it possible to dispose of two major pieces of legislation so far today, the military construction bill and the Federal Retirement Act of 1985.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we are now hoping we can move to Calendar No. 284, H.R. 2867, the D.C. appropriations bill. I shall make that request in just a moment.

There is some discussion about certain amendments that may be offered. I am advised by the chairman of that subcommittee that this bill would not consume a lot of time. There will be one or maybe two amendments that could take maybe a total of an hour.

If we could conclude action on this bill, the only remaining item—I think there are a couple of conference reports and then, hopefully, some agreement on reconciliation, the textile bill, which we have been discussing with a number of Senators, particularly Senators DOMENICI and CHILES, HOLLINGS, EVANS, THURMOND, and HELMS on the textile question.

Mr. METZENBAUM. Mr. President, would the majority leader yield for a question?

Mr. DOLE. Yes; I yield.

Mr. METZENBAUM. The majority leader understands what are the facts concerning the D.C. bill. There is no objection to the D.C. bill as it comes to the floor. It contains some antiabortion language as provided in the present law. There are indications that certain Members of this body, acting within their rights, intend to offer certain amendments having to do with the subject of abortion. The majority leader knows that I stood on this floor just a week or two ago and indicated that I thought this body had dealt with that subject long enough and often enough and that there is no need to go farther than the present law on the subject.

As I understand the majority leader and the contemplated scenario, there would be a motion to table the abortion amendments if offered and if those tabling motions do not succeed, we would then not be faced with the prospect of a long, drawn-out debate in connection with the D.C. appropriations bill.

Is the Senator from Ohio correct?

Mr. DOLE. Mr. President, the Senator from Ohio is correct. I have made it clear to the distinguished chairman of the Appropriations Committee, Mr. HATFIELD, and also the chairman of the D.C. Appropriations Subcommittee, Mr. SPECTER, that I know the issue and I know it is a very controversial, very sensitive issue. I did indicate to the chairman of the Appropriations Committee that we would bring up the bill. Depending on the outcome of the abortion language, if I am confronted or we are confronted with extensive debate, the bill comes down.

Mr. METZENBAUM. I thank the majority leader. I shall have no objection to the motion to proceed.

Mr. WEICKER. Mr. President, I have no problems with the motion to proceed. I think that I would also like an assurance that immediately upon the conclusion of the Helms amendment, if indeed there is to be a Helms amendment or a Helms motion to table, the leader would immediately put in a quorum call.

Mr. DOLE. I believe we would do that. I understand there may be an additional amendment depending on the outcome of the Helms amendment. At that point, I would be on the floor and would suggest the absence of a quorum at that time.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1986

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 204, H.R. 3067, the D.C. appropriations bill.

The PRESIDING OFFICER. The bill will be stated by title.

The bill clerk read as follows:

A bill (H.R. 3067) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1986, and for other purposes.

Without objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 3067

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1986, and for other purposes, namely:

TITLE I

FISCAL YEAR 1986 APPROPRIATIONS

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1986, $425,000,000, as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-3406): *Provided,* That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 3,880, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date.

For payment to the District of Columbia for the fiscal year ending September 30, 1986, in lieu of reimbursement for charges for water and water services and sanitary sewer services furnished to facilities of the United States Government, $30,100,000, as authorized by the Act of May 18, 1954, as amended (D.C. Code, secs. 43-1552 and 43-1612).

For the Federal contribution to the Police Officers and Fire Fighters', Teachers' and Judges' Retirement Funds as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), $52,070,000.

TRANSITIONAL PAYMENT FOR SAINT ELIZABETHS HOSPITAL

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), $25,000,000.

CRIMINAL JUSTICE INITIATIVE

For a Federal contribution to the District of Columbia, $17,200,000, of which $10,000,000 shall be for the design and construction of a prison facility within the District of Columbia and shall remain available until expended, together with $20,000,000 which shall become available on October 1, 1986, and shall remain available until expended.

JOB TRAINING INITIATIVE

For a Federal contribution to the District of Columbia, $500,000.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $99,342,000: *Provided,* That not to exceed $2,500 for the Mayor, $2,500 for the Chair-

man of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further,* That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further,* That not less than $320,000 shall be used by the Office of Personnel exclusively for the administration of programs for the training of District of Columbia government employees: *Provided further,* That notwithstanding any other provision of law, there is hereby appropriated $3,480,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $700,000 shall be derived from the general fund and not to exceed $2,780,000 shall be derived from the earnings of the applicable retirement funds: *Provided further,* That the District of Columbia Retirement Board shall provide to the Congress and the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further,* That the District of Columbia Retirement Board shall provide the Mayor for transmittal to the Council of the District of Columbia an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: *Provided further,* That of the $100,000 appropriated for fiscal year 1986 for Admission to Statehood, $50,000 shall be for the Statehood Commission and $50,000 shall be for the Statehood Compact Commission.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, [$99,525,000] *$100,035,000*: *Provided,* That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further,* That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the holders of any bonds or notes issued by the Agency and shall be repaid to the District of Columbia only from available operating revenues of the Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further,* That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia: *Provided further,* That the Director of the Department of Housing and Community Development shall report every six months to the Council of the District of Columbia on collections of rent from public housing stock.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of not to exceed 135 passenger-carrying vehicles for replacement only (including 130 for police-type use and five for fire-type use) and four additional passenger-carrying vehicles for fire-type use without regard to the general purchase price limitation for the current fiscal year, [$535,416,000] *$552,106,000*, of which $3,339,000 shall be payable from the revenue sharing trust fund: *Provided,* That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles, and the Fire Department is authorized to replace not to exceed five passenger-carrying vehicles, annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further,* That not to exceed [$320,000] *$500,000* shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further,* That notwithstanding any other provisions of law, in the case of each employee who retired from the Fire Department of the District of Columbia before February 15, 1980, and who is receiving on the date of the enactment of this Act an annuity based on service in the Fire Department, the District of Columbia Retirement Board shall cause to be paid not later than September 30, 1985, to each such employee a lump-sum payment equal to three percent of his or her annuity: *Provided further,* That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1986, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1975: *Provided further,* That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1986, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1985: *Provided further,* That $50,000 of any appropriation available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Emergency Preparedness for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Mayor: *Provided further,* That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further,* That D.C. Code, sec. 11-1732(d), is amended by striking out "1985" and inserting in lieu thereof ["1986"] *"1987"*.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, [$515,005,000] *$515,505,000*, of which $6,000,000 shall be payable from the revenue sharing trust fund, to be allocated as follows: [$359,500,000] *$360,000,000* for the public schools of the District of Columbia; $70,905,000 for the District of Columbia Teachers' Retirement Fund; $67,715,000 for the University of the District of Columbia; $15,002,000 for the Public Library; $1,673,000 for the Commission on the Arts and Humanities; and $210,000 for the Educational Institution Licensure Commission: *Provided,* That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further,* That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further,* That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1986, a tuition rate schedule which will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

HUMAN SUPPORT SERVICES

Human support services, $614,347,000, of which $5,857,000 shall be payable from the revenue sharing trust fund: *Provided,* That the inpatient rate (excluding the proportionate share for repairs and construction) for services rendered by Saint Elizabeths Hospital for patient care shall be at the per diem rate established pursuant to section 2 of an Act to authorize certain expenditures from the appropriation of Saint Elizabeths Hospital, and for other purposes, approved August 4, 1947 (61 Stat. 751; Public Law 80-353; 24 U.S.C. 168(a)): *Provided further,* That total funds paid by the District of Columbia as reimbursements for operating costs of Saint Elizabeths Hospital, including any District of Columbia payments (but excluding the Federal matching share of payments) associated with title XIX of the Social Security Act, approved July 30, 1965 (79 Stat. 343; Public Law 89-97; 42 U.S.C. 1396 et seq.), shall not exceed $62,970,000: *Provided further,* That $11,000,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation.

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $193,741,000, of which $2,500,000 shall be payable from the revenue sharing trust fund and not to exceed $4,000,000 shall be available for the School Transit Subsidy: *Provided,* That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business or from apartment houses with four or more apartments, or from any building or connected group of buildings operating as a rooming or boarding house as defined in the housing regulations of the District of Columbia.

WASHINGTON CONVENTION CENTER FUND

For the Washington Convention Center Fund, $8,371,000: *Provided,* That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual convention center audit.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with an Act

to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); the Departments of Labor, and Health, Education and Welfare Appropriation Act of 1955, approved July 2, 1954 (68 Stat. 443; Public Law 83-472); section 1 of an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of an Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); and section 723 of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, note); and section 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act, approved October 13, 1977 (91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, $198,409,000.

REPAYMENT OF GENERAL FUND DEFICIT

For the purpose of eliminating the cash portion of the $269,860,000 general fund accumulated deficit as of September 30, 1984, [$20,000,000, of which not less than $15,000,000 shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both] *$5,000,000.*)

SHORT-TERM BORROWINGS

For the purpose of funding interest related to borrowing funds for short-term cash needs, $3,750,000.

CAPITAL OUTLAY

For construction projects, $229,148,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 to 43-1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83-364); an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, secs. 9-219 and 47-3402); section 3(g) of the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved August 20, 1958 (72 Stat. 686; Public Law 85-692; D.C. Code, sec. 40-805(7)); and the National Capital Transportation Act of 1969, approved December 9, 1969 (83 Stat. 320; Public Law 91-143; D.C. Code, secs. 1-2451, 1-2452, 1-2454, 1-2456, and 1-2457); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided,* That $14,591,000 shall be available for project management and $11,239,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor, and that the funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further,* That all such funds shall be available only for the specific projects and purposes intended: *Provided further,* That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90-495; D.C. Code, sec. 7-134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1987, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1987: *Provided further,* That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

WATER AND SEWER ENTERPRISE FUND

For the Water and Sewer Enterprise Fund, $162,987,000, of which $31,065,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $19,635,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; D.C. Code, sec. 43-1512 et seq.): *Provided,* That the requirements and restrictions which are applicable to general fund capital improvement projects and which are set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund established by the District of Columbia Appropriation Act for fiscal year 1982, approved December 4, 1981 (95 Stat. 1174, 1175, Public Law 97-91, as amended), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), $4,151,000, to be derived from non-Federal District of Columbia revenues: *Provided,* That the District of Columbia shall identify the sources of funding for this appropriation title from its own locally-generated revenues: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), $250,000.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount which may be expended for said purpose or object rather than an amount set apart exclusively therefor, except for those funds and programs for the Metropolitan Police Department under the heading "Public Safety and Justice" which shall be considered as the amounts set apart exclusively for and shall be expended solely by that Department; and the appropriation under the heading "Repayment of General Fund Deficit" which shall be considered as the amount set apart exclusively for and shall be expended solely for that purpose.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided,* That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided,* That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. Appropriations in this Act shall not be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Service Commission requiring the installation of meters in taxicabs, or for or in connection with the licensing of any vehicle to be operated as a taxicab except for operation in accordance with such system of uniform zones and rates and regulations applicable thereto as shall have been prescribed by the Public Service Commission.

SEC. 107. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided,* That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 108. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C Code, sec. 3-205(b)), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, ap-

proved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

SEC. 109. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 110. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personal compensation may be used to pay the cost of overtime or temporary positions.

SEC. 111. Appropriations in this Act shall not be available, during the fiscal year ending September 30, 1986, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds [32,082] *32,511*, the number of positions authorized by this Act.

SEC. 112. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 113. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1987, shall be transmitted to the Congress by no later than April 15, 1986.

SEC. 114. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on the District of Columbia, the Subcommittee on Governmental Efficiency and the District of Columbia of the Senate Committee on Governmental Affairs and the Council of the District of Columbia or their duly authorized representative.

SEC.115. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 116. None of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 117. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

[SEC. 118. None of the funds provided in this Act shall be used to perform abortions.]

SEC. 118. None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

SEC. 119. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

SEC. 120. The Mayor shall not borrow any funds for capital projects unless he has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 121. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 122. None of the funds appropriated in this Act may be used for the implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

SEC. 123. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443) which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

SEC. 124. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 125. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 126. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) for any position for any period during the last quarter of calendar year 1985 shall be deemed to be the rate of pay payable for that position for September 30, 1985.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.

SEC. 127. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

SEC. 128. None of the funds appropriated by this Act may be used to transport any output of the municipal waste system of the District of Columbia for disposal at any public or private landfill located in any State, excepting currently utilized landfills in Maryland and Virginia, until the appropriate State agency has issued the required permits.

SEC. 129. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency and the District's best interest.

SEC. 130. The Public Service Commission is hereby authorized to order and to approve the deregulation of streetlighting service to the District of Columbia as provided in its opinion and order in Formal Case No. 813, dated July 12, 1984 (Order No. 8056), notwithstanding the provisions of section 493(a) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 811; Public Law 93-198; D.C. Code, sec. 43-402), section 8, paragraph 2 of an Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes, approved March 4, 1913 (37 Stat. 977; Public Law 67-435; D.C. Code, sec. 43-501), and section 1 of an Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred, and for other purposes, approved March 3, 1899 (30 Stat. 1053; D.C. Code, sec. 43-1207): *Provided*, That the provisions of this opinion and order regarding deregulation of streetlighting service are hereby ratified and declared to be in effect as of July 12, 1984, and shall continue to be in effect until revoked or rescinded.

[SEC. 131. (a) No State, or political subdivision thereof, in which a Member of Congress maintains a place of abode for purposes of attending sessions of Congress may impose a personal property tax with respect to the motor vehicle owned by such Member (or by the spouse of such Member) that is used for purposes of attending sessions of Congress unless such Member represents such State or a district in such State.

[(b) For purposes of this section—

[(1) the term "Member of Congress" includes the delegates from the District of Columbia, Guam, and the Virgin Islands, and the Resident Commissioner from Puerto Rico;

[(2) the term "State" includes the District of Columbia; and

[(3) the term "personal property tax" means any tax imposed on an annual basis and levied on, with respect to, or measured by, the market value or assessed value of an item of personal property.

[(c) This section shall apply to all taxable periods beginning on or after January 1, 1985.]

SEC. [132] *131.* The portion of 15th Street, Southwest, Washington, District of Columbia, located between Maine and Independence Avenues shall hereafter be known and designated as "Raoul Wallenberg Place". Any law, regulation, map, document, or other record of the United States and the District of Columbia which refers to that portion of such street shall be deemed to refer to "Raoul Wallenberg Place".

[SEC. 133. The expenditure of any appropriation under this Act for any contract shall be limited to those contracts awarded on a competitive basis.]

SEC. 132. None of the funds appropriated under this Act may be used to award any contract that is not in compliance with District of Columbia laws and regulations governing the awarding of such contracts on competitive basis.

SEC. 133. No later than 60 days after the beginning of Fiscal Year 1986, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia an official revised revenue estimate and shall use this estimate or a more recent revised revenue estimate in the fiscal year 1987 annual budget request.

TITLE II

FISCAL YEAR 1985 SUPPLEMENTAL

FEDERAL FUNDS

For a Federal contribution to the District of Columbia $14,180,000: Provided, That $8,777,000 shall be made available for capital projects and shall remain available until expended: Provided further, That funds for capital projects may be drawn only to the extent that outstanding obligations become due and payable.

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

For an additional amount for "Governmental direction and support", $4,553,000: Provided, That $170,000 of this additional amount shall be allocated exclusively to the Commercial Assessment Division of the Department of Finance and Revenue to fund six new commercial assessor positions: Provided further, That of the $100,000 appropriated for fiscal year 1985 for the Statehood Constitutional Convention, $50,000 shall be for the Statehood Commission and $50,000 shall be for the Statehood Compact Commission: Provided further, That the cash and/or budget authority balance available to the Statehood Constitutional Convention on the date of expiration of the terms of its members, as distinguished from that allocated for the Statehood Commission and the Statehood Compact Commission, shall revert to the general fund of the District of Columbia.

ECONOMIC DEVELOPMENT AND REGULATION

For an additional amount for "Economic development and regulation", $9,873,000.

PUBLIC SAFETY AND JUSTICE

(INCLUDING RESCISSION)

For an additional amount for "Public safety and justice", $26,680,000: Provided, That $2,300,000 of this amount shall be allocated to the Metropolitan Police Department for the sole purpose of paying additional wages and fringe benefits of the Fraternal Order of Police arbitration award should that award not be disapproved according to law: Provided further, That if the arbitration award is disapproved, the $2,300,000 shall be used solely for repayment of the general fund deficit: Provided further, That notwithstanding any other provision of law, in the case of each employee who retired from the Fire Department of the District of Columbia before February 15, 1980, and who is receiving on the date of the enactment of this Act an annuity based on service in the Fire Department, the District of Columbia Retirement Board shall cause to be paid not later than September 30, 1985, to each such employee a lump-sum payment equal to three percent of his or her annuity: Provided further, That of available funds under this head for fiscal year 1985, $300,000 are rescinded.

PUBLIC EDUCATION SYSTEM

(INCLUDING RESCISSION)

For an additional amount for "Public education system", $6,835,000, to be allocated as follows: $5,000,000 additional for the public schools of the District of Columbia; $1,324,000 additional for the University of the District of Columbia; $4,000 additional for the Educational Institution Licensure Commission; $356,000 additional for the Public Library; and $151,000 additional for the Commission on the Arts and Humanities; Provided, That of the funds available under this head for fiscal year 1985, $11,794,000 of the amount allocated to the District of Columbia Teachers' Retirement Fund are rescinded.

HUMAN SUPPORT SERVICES

(INCLUDING RECISSION)

For an additional amount for "Human support services", $9,598,000: Provided, That of the amount available from the revenue sharing trust fund for fiscal year 1985, $698,000 are rescinded.

PUBLIC WORKS

(RESCISSION)

Of available funds under this head for fiscal year 1985, $875,000 are rescinded.

WASHINGTON CONVENTION CENTER FUND

For an additional amount for "Washington Convention Center Fund", $324,000.

REPAYMENT OF LOANS AND INTEREST

(RESCISSION)

Of the available funds under this head for fiscal year 1985, $1,473,000 as rescinded.

REPAYMENT OF GENERAL FUND DEFICIT

For an additional amount for "Repayment of general fund deficit", $3,500,000.

SHORT-TERM BORROWINGS

(RESCISSION)

Of available funds under this head for fiscal year 1985, $1,250,000 are rescinded.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $23,400,000.

WATER AND SEWER ENTERPRISE FUND

For an additional amount for "Water and sewer enterprise fund", $10,801,000.

GENERAL PROVISION

The Public Service Commission is hereby authorized to order and to approve the deregulation of streetlighting service to the District of Columbia as provided in its opinion and order in Formal Case No. 813, dated July 12, 1984 (Order No. 8056), notwithstanding the provisions of section 493(a) of the District of Columbia Self-Government and Governmental Reorganizational Act, approved December 24, 1973 (87 Stat. 811; Public Law 93-198; D.C. Code, sec. 43-402), section 8, paragraph 2 of An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes, approved March 4, 1913 (37 Stat. 977; Public Law 67-435; D.C. Code, sec. 43-501), and section 1 of An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred, and for other purposes, approved March 3, 1899 (30 Stat. 1053; D.C. Code, sec. 43-1207): Provided, That the provisions of this opinion and order regarding deregulation of streetlighting service are hereby ratified and declared to be in effect as of July 12, 1984, and shall continue to be in effect until revoked or rescinded.

This Act may be cited as the "District of Columbia Appropriation Act, 1986".

Mr. SPECTER. Mr. President, the District of Columbia appropriations bill for fiscal year 1986, presented here today, is a balanced budget. The bill includes $549 million in Federal funds, which is within the assumptions made in the Senate budget resolution and the conference report.

This amount includes: $425 million for the Federal payment to the District; $82 million for reimbursements to the city for services provided to the Federal Government; $25 million for a transitional payment for St. Elizabeths Hospital, which will come under city control on October 1, 1987; $17.2 million for the criminal justice initiative; and $500,000 for a job training initiative.

This last item, the job training initiative, will provide for the startup year of an innovative job training program to reach those who are currently slipping through the cracks of Federal and local programs nationwide.

The board of trade reported in June 1985, that job training programs in the local area were not operating in areas of high unemployment nor serving job seekers with limited education and job skills who are trying to enter the job market.

A national study of the State and local response to Federal job training programs concluded that the private sector is becoming more involved in training programs and that the number of those being served that have educational deficiencies is decreasing.

This appropriation will establish a model local program that will use the resources of the public and private sectors as well as community groups to train those disadvantaged job seekers that are now underserved.

The criminal justice initiative includes $17.2 million in Federal funds for several important programs.

The bill includes a total of $30 million for the design and construction of a new prison facility within the District of Columbia. $10 million will be available in fiscal year 1986 and $20

million will become available, hopefully, in fiscal year 1987. The D.C. Subcommittee has held several hearings on the prison overcrowding problem in the District. On January 2, 1985, the U.S. attorney testified that felony indictments have continued to rise steadily over the past 4 years, increasing by 26 percent in 1984 alone, and according to information available through August of this year, indictments in 1985 are 5 percent ahead of last year's record pace.

History has also taught us that the prison population will continue to grow. The District's incarcerated population has increased by more than 100 percent in the past decade and 13 percent since January 1, of this year. On September 15, 1985, the Bureau of Justice Statistics released information showing the growth in prison populations nationwide. The increase in the first half of 1985 was almost equal the total increase for all of last year. This report also shows that from June 1984 to June 1985, the District had the greatest percentage increase in prison population in the Nation, up 25 percent.

The need for prison capacity in the District is acute. It is under court order to reduce overcrowding at the downtown jail. Mayor Marion Barry stated at our January 2, hearing that he supported the construction of a prison in the District on Federal property. The mayor and his staff are currently reviewing voluminous material and analyzing data and will soon make decisions concerning the size, security level, and location of this new facility. We are assured by the Mayor that that will be done relatively soon. It is critically important to public safety that this project move ahead without delay. I am convinced that judges may not be sentencing dangerous criminals due to a lack of adequate jail space.

Also, included in the initiative is $6.7 million to continue the vocational and basic education programs begun in 1984 in the District's prison facilities. These programs use innovative training techniques such as computer assisted instruction for basic education and are training inmates for jobs in the rapidly expanding field of computer repair. The most striking success in the job training program has been the culinary arts program where 60 inmates have been trained and placed in jobs upon release over the past 2 years. To date, not a single graduate has returned to jail.

These programs offer the prospect to reduce recidivism by ensuring that those released have a marketable trade or skill and will not return to a life of crime.

Included is $500,000 to expand the truancy prevention programs in the D.C. public schools. In the 1985 bill, we included funds to purchase calling machines, expand staff, and establish a truancy center. Such a center was in operation during the second semester of the 1984-85 school year, along with a pilot truant pickup program in the first police district.

Yesterday I had occasion to visit the truancy center with Mayor Barry and it is proceeding along at a good rate, although the final results are yet to be demonstrated.

Through June 10, 1985, 357 students had been referred to the center. This group included 59 elementary students, 251 junior high students, and 47 senior high students.

In addition to encouraging students to stay in school, this program has also had an impact on daytime crime in the first police district. Data concerning burglaries and larcenies, offenses most often associated with youth, during the hours of 8:30 a.m. to 4:30 p.m. for the month of March and April 1985, show that reductions in these reported crimes are down in the first district and in citywide figures, by similar percentages. However, in May 1985, citywide crime reports were down 9 percent and in the first district they dropped 22 percent. This experience is similar to other cities that have tried this approach and demonstrates that truancy programs have an impact on crime.

In addition to the Federal funds just mentioned, the District of Columbia raises $1.9 billion in local revenues for a total operating budget of $2.4 billion in fiscal year 1986. Also, the District will issue $249 million in municipal bonds to finance capital projects.

GOVERNMENT DIRECTION AND SUPPORT

For the departments and agencies under this appropriations account the committee recommends $99,342,000, the same as the budget request and House allowance.

Included in this amount is an increase of $109,000 and three positions for the D.C. Auditor's office. This will permit the office to expand his audit capacity. An increase of $143,000 for the Department of Finance and Revenue will permit them to begin new revenue-generating enforcement initiatives.

ECONOMIC DEVELOPMENT AND REGULATION

The committee recommends $100,035,000 for the activities under this appropriation account, this is $500,000 above the budget request and $510,000 above the House allowance.

These increases represent $500,000 for the job training initiative described earlier and the restoration of a $10,000 reduction by the House within the Office of Business and Economic Development.

Also, included is an increase of $7.9 million in the Department of Housing and Community Development. This increase will fund expansions of rent supplement programs, Home Purchase Assistance Program, and low-rent housing support services.

PUBLIC SAFETY AND JUSTICE

For the public safety and justice appropriations account the committee is recommending $542,106,000. This is an increase of $16,690,000 above the House and $16,700,000 above the budget estimate.

These increases are made up of $10 million for the construction of a new prison in the District of Columbia, $6.7 million to continue the vocational and educational program in District correctional facilities, and the reduction of the $10,000 added by the House for the National Guard.

A total of $148.1 million is included for the Metropolitan Police Department. For the Fire Department, the committee is recommending an increase of $4.2 to $59.9 million for the coming fiscal year. The committee is informed that the 1-hour breathing masks are ordered and will soon be in operation. The committee report also includes language directing that Engine Company 3, located at 439 New Jersey Avenue, N.W. remain open at that location during fiscal year 1986. The engine company is the first call to the U.S. Capitol and was on the scene moments after the recent bomb blast just outside this Chamber.

PUBLIC EDUCATION SYSTEM

For the public education system the committee recomendation is $515,505,000, this is $500,000 more than budget request and the House allowance.

This increase is due to the expanded truancy programs of the D.C. Public Schools as discussed earlier in my statement. The committee shares the sentiments expressed by the House over the District's dropout rate. These same concerns led me to recommend and the Senate adopted an innovative truancy program in last years' bill and to recommend its expansion citywide based on its successes previously noted.

Also, included is a $1 million increase for the Public Library and a $500,000 increase for the Commission on Arts and Humanities.

HUMAN SUPPORT SERVICES

The committee recommends $614,347,000 for the activities under this account in fiscal year 1986. Included in this amount is $511.6 million for the Department of Human Services, including an increase of $2.2 million in city aid to the homeless. This will provide for additional shelter beds through contracts with private providers.

PUBLIC WORKS

For the public works appropriations account the committee recommends $193,741,000 for the activities relating to maintaining the infrastructure of the Nation's Capital.

WASHINGTON CONVENTION CENTER FUND

a total of $8,371,000 is recommended including $2.1 million to purchase the food service equipment from the contractor. This will increase concession revenue to the center by 100 percent.

REPAYMENT OF LOANS AND INTEREST

The committee recommends $198.4 million as the 1986 payment on $2 billion in outstanding loans from U.S. Treasury.

REPAYMENT OF THE GENERAL FUND DEFICIT

The committee recommends $5 million for repayment of the general fund deficit in fiscal year 1986. This amount is the same as the budget request and the House allowance. The committee has stricken language included by the House which would require the Mayor to identify $15 million in additional funds to further reduce this deficit. The committee notes that the District government has reduced this deficit, which stood at $269,860,000 at the end of fiscal year 1984, by nearly $40 million over the last 4 years and expects that as additional revenues or savings are realized that some portion of this will be applied to deficit reduction.

SHORT-TERM BORROWINGS

For net interest on short-term borrowings the committee recommends $3,750,000. These are funds borrowed to meet the seasonal cash-flow financing needs of the District.

PAY-AS-YOU-GO CAPITAL PROJECTS

The committee concurs with the House recommendation of $3.5 million in small capital projects; those less than $1 million be paid from operating funds. This is consistent with last year's bill.

ENTERPRISE FUNDS

The bill includes $167,388,000 for the four activities funded with enterprise funds. A total of $148,083,000 is included for the Utility Administration of the Department of Public Works. This allowance is $23,973,000 above last year's appropriation and includes increases of $3,373,000 for debt-service costs, $5,034,000 for sludge disposal, and $3,793,000 to hire additional personnel and purchase spare parts in order to comply with a consent decree entered into with the Environmental Protection Agency on the operation of the Blue Plains Wastewater Treatment plant.

The bill includes the budget request of $14,904,000 for the Washington Aqueduct which collects, purifies, and pumps potable water. This allowance is $904,000 above the fiscal year 1985 appropriation and includes an increase of $587,000 to cover two rate increases for energy costs.

The committee recommends $4,151,000 in District funds for the Lottery and Charitable Games Control Board which is responsible for regulating charitable games and conducting legalized lotteries in the District. The board testified that the increase of $620,000 and 15 positions above the fiscal year 1985 allowance will be used to increase sales which will ultimately result in additional operating revenues for the District. The board expects to transfer $34.8 million to the District's general fund during fiscal year 1986.

For the Office of Cable Television $250,000 is recommended for fiscal year 1986. This office will oversee the day-to-day construction and operations of the District's cable television system. Construction is anticipated to start some time in early 1986 with cable service expected in late 1986.

GENERAL PROVISIONS

Mr. President, the bill carries a number of general provisions on pages 15 through 26. I will cover them briefly.

Language under section 130 authorizes and ratifies action taken by the Public Service Commission in July 1984 to deregulate streetlighting. Funds in the amounts of $14,850,000 are included in the Supplemental Appropriations Act of 1985 (H.R. 2577) to purchase the streetlight plant from manhole to light from the Potomac Electric Power Co. The price was determined in the course of a depreciation study conducted by a national accounting firm.

The bill also contains a provision, section 131, which designates that portion of 15th Street SW between Maine and Independence Avenues as Raoul Wallenberg Place. I want to note the work of the Senator from Michigan [Mr. Levin] has done on this matter.

Senator LEVIN has taken the lead on this issue in the Senate. Earlier this year he introduced legislation to rename this area in honor of Wallenberg (S. 1371). That bill currently has 23 cosponsors.

The area of 15th street to be designated as "Raoul Wallenberg Place" runs in front of the future U.S. Holocaust Museum. This is a fitting tribute to a man responsible for saving the lives of tens of thousands of Hungarian Jews during War II.

Before closing, Mr. President, I thank the members of the subcommittee and particularly our ranking minority member, the Senator from New Jersey [Mr. LAUTENBERG], for his time, interest and knowledge in developing this bill. I also express my appreciation to the chairman of the Appropriations Committee, the Senator from Oregon [Mr. HATFIELD], for his support in bringing this bill to the floor.

I also thank the distinguished majority leader, the Senator from Kansas [Mr. DOLE], for bringing this bill to the floor. I yield now to Senator LAUTENBERG.

The PRESIDING OFFICER (Mr. MATHIAS). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I am pleased to join my friend from Pennsylvania, Senator SPECTER, in recommending the District of Columbia Appropriation bill for fiscal year 1986 (H.R. 3067) to the Senate. This bill establishes a sound, fiscally responsible framework for the operation of the District government for the next fiscal year. It provides for a balanced budget for the District, as is required under the Self Government Act. It is also within the assumptions of the first budget resolution for fiscal year 1986.

The bill contains a total of $549,870,000 in Federal funds. This is an increase of $16,527,000 over the fiscal 1985 appropriation and is $17,700,000 more than the budget estimate and the House allowance.

The bill also appropriates a total of $2,706,777,000 in District funds. This is $343,649,000 more than last year and reflects the additional $17,700,000 in Federal funds approved by the committee for special initiatives in criminal justice, school truancy, and employment training programs. With these exceptions, the bill provides funding for the budget requested by the District. In this respect, it is consistent with the spirit of home rule, which most of us agree should govern relations between the District and the Federal Government.

The chairman has already described in considerable detail the substance of these appropriations. I will not go over that same ground again. I do, however, call attention to a matter which I regard as especially important—the drinking age issue.

The District has yet to raise the drinking age for wine and beer to 21. Both Virginia and Maryland have adopted a uniform drinking age of 21 for all types of alcoholic beverages. As a result, the District, and especially Georgetown, has become a mecca for underage drinkers from surrounding jurisdictions. Teenagers by the hundreds drive from suburban Maryland and Virginia to bars and cabarets in the District. After a few hours and several beers or glasses of wine with their friends, they try to drive home—often with tragic consequences.

Both the House and Senate Appropriations Committees in their respective reports, urge the District to adopt a uniform drinking age of 21. That is why it was so disturbing to me to learn that a committee of the District City Council last September voted against raising the minimum drinking age. The vote was bad enough, but the attitude expressed toward the Uniform Minimum Drinking Age law, which was adopted on the floor of the Senate by a vote of 82 to 16, was especially objectionable. Responsible people may disagree on this issue but there is no justification for impugning the motives of those who take a contrary position.

I am entirely familiar with all the arguments against 21 as a minimum

drinking age. But when all is said and done, the question comes down to a single hard fact: Raising the drinking age saves lives. So the real issue is whether or not we have the courage to stand up to the political power of those with an economic interest in teenage drinking.

I might also note that under the Uniform Minimum Drinking Age Act of 1984—legislation I was proud to sponsor—the District stands to lose $2.5 million in Federal highway funds in fiscal 1986 and another $5 million the next year. So, Mr. President, I believe the District would be well advised to move as promptly as possible to enact the needed changes in its drinking laws.

Now, Mr. President, this year the World Series was marked by a surprising, unprecedented come back by the Kansas City Royals. Never before has a team that lost the first two home games of the series been able to overcome the odds and win the series. Before the memory of this historic series and the season it capped off fades, I think a baseball amendment is in order. Senator HART and I just happen to have one which we have been working on. He will offer it a little later.

The amendment is designed to assure the impartiality of the Federal Government in the competition for baseball franchises. This, after all, is a much bigger baseball contest than the World Series. Besides, Senator HART and I both have home teams in the competition for franchises. His is Denver. Mine is the whole State of New Jersey with a population of 7½ million people barren of its own baseball team.

The amendment is necessary, Mr. President, because both the Senate and the House reports contain some language which could be misinterpreted as a congressional endorsement of the District's particular bid for a baseball franchise. The amendment simply states that Congress is neutral in this regard and forbids the use of Federal funds for the District's baseball commission. Now while most of us in Congress wish the District well and have no objections to its efforts to get a major league baseball franchise, we do not believe it is appropriate or fair for Congress to show any favoritism toward the District—or any other city or State, for that matter.

Before concluding, Mr. President, I want to say what a pleasure it has been for me to work with the distinguished junior Senator from Pennsylvania on this bill. Coming from neighboring States, we share a concern with the challenges facing our region and, indeed, all of urban America. The District, of course, mirrors many of these challenges. So I think Senator SPECTER and I have a common appreciation for the problems facing the District as a metropolitan community and in many cases it is a microcosm of the problems we face daily in our States. I also commend the Senator from Pennsylvania for his hard work in developing this bill and guiding it through the committee. He has done an excellent job, and he deserves the Senate's gratitude.

Finally, Mr. President, I wish to express my appreciation to the committee staff for their help in putting this bill together. The unsung hero in the process is B. Timothy Leeth, the majority clerk. Tim's experience and knowledge for the District's budget are invaluable. I would commend our minority clerk, Jerry Bonham, as well as Dorothy Douglas and Lula Joyce for their capable assistance.

I know of no further opening statements on this side, Mr. President, and I yield the floor.

Mr. SPECTER. Mr. President, if the distinguished Senator from North Carolina [Mr. HELMS] has arrived on the floor, and I think all parties are now present so that we can move to the consideration of H.R. 3067.

Mr. President, at this time I send an amendment to the desk on behalf of Senator TRIBLE and ask for its immediate consideration.

The PRESIDING OFFICER. Are there committee amendments?

Mr. SPECTER. There are committee amendments, but we are deferring those.

The PRESIDING OFFICER. The Chair advises the Senator we should dispose of the committee amendments prior to calling up a floor amendment.

Mr. SPECTER. Mr. President, I ask unanimous consent that we lay aside the committee amendments for consideration of this amendment which I have sent to the desk.

Mr. WEICKER. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will state the first committee amendment.

The assistant legislative clerk read as follows:

Page 2, line 1, insert "title I, fiscal year 1986 appropriations."

Mr. SPECTER. Mr. President, I ask unanimous consent that further reading on this amendment by the clerk be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I will now propound a unanimous-consent request which will eliminate from consideration that committee amendment on the issue of abortion which will be raised, as I understand it, by a motion to table. I ask unanimous consent that the committee amendments be agreed to en bloc with the exception of the amendment at page 20, beginning on line 14 down through line 25, and that the bill as thus amended be regarded for purposes of amendment as original text, providing further that no point of order shall have been considered to have been waived if the request is agreed to.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. HUMPHREY. Mr. President, reserving the right to object, I wish to square with the floor manager his intention in the context of treating the committee amendments as original text, if he means explicitly to exclude section 118, that is, the proposed committee amendment dealing with abortion.

Mr. SPECTER. I do intend to omit section 118, that beginning on page 20, line 14 through line 25 and as the specific provision excluding——

Mr. HUMPHREY. Excluded, including the excluded in the context of treating it as original text.

Mr. SPECTER. Excluded, including the context of being included as original text.

Mr. HUMPHREY. So when we get to section 118 the Senator is not proposing to consider the committee amendment as original text.

Mr. SPECTER. The Senator is correct.

Mr. HUMPHREY. I thank the manager.

Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, the issue which is to be placed before this body relates to a committee amendment which can be most succinctly put forth by reading it.

It is section 118, which reads as follows:

None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

Mr. President, that is the committee amendment to insert that language in section 118 in place of the language of the other body:

None of the funds provided in this act shall be used to perform abortions.

Mr. President, the reason for this substitution is to structure a provision which while, not acceptable to all parties, is deemed to be a provision which may be acceptable to a majority of the Members of this body and would be passed on this highly controversial subject. It seeks to eliminate the provision that the District of Columbia would be precluded from using its own funds, which it gathers from taxation,

for whatever purposes it sees fit, subject to the language of section 118.

The subject of abortion is, obviously, a highly controversial subject and has been subject to debate on this floor on many occasions and subject to debate in this country in many fora on many, many occasions.

One important consideration behind this provision is that the District of Columbia ought to have latitude to use its funds in a certain matter as it deems appropriate. To that extent, the District of Columbia would be treated as if it were a State for that purpose. There has never been any effort by the Congress, to my knowledge, to prohibit any State in the United States from using its own funds which it raises subject to the dictate of the Congress on the abortion issue. And, as a matter of local home rule and as a matter of fundamental separation of powers under our Federal system, it seems to this Senator that the District of Columbia ought not to be treated differently.

Even where there have been proposed constitutional amendments on Wade against Roe, some of those amendments have sought to leave to the States to decide, on an individual State-by-State basis, its own provisions with respect to the abortion issue. And that logic would suggest that the States ought to have discretion to use their own funds as they choose and, analogously, the District of Columbia ought to have leeway to use the funds which it raises itself, even though those funds are technically subject to the appropriation of the Congress of the United States.

While the Federal Government no longer pays for abortions for indigent women in most cases, I am advised that some 15 States and the District of Columbia choose to do differently, according to information which is set forth in the Congressional Quarterly on November 17, 1984 at page 2954; identifying those States as Alaska, California, Colorado, Connecticut, Hawaii, Maryland, Massachusetts, Michigan, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Washington, and West Virginia.

I yield the floor, Mr. President.

Mr. HELMS. Mr. President, I am going to address myself to the committee amendment beginning on line 14 on page 20 and concluding with line 25.

Mr. President, since 1979, Congress has been playing a smoke-and-mirrors game with the abortion restrictions on funds appropriated by Congress for the District of Columbia.

Now here is the way the game goes: Congress puts abortion restrictions on so-called Federal funds in the D.C. Appropriations Act but leaves the so-called District funds totally unencumbered. So, what happens? The District of Columbia then funds abortions on demand out of the so-called District moneys. The restrictions on the Federal funds thus become nothing more than a figleaf to cover wide-open funding of abortion on demand.

Now, the trouble with this little scheme is it does not comply with the law. All moneys, Mr. President, all moneys available to the District of Columbia are in fact and in law appropriated by Congress. Of course, the smoke-and-mirrors game denominates Federal funds and District funds. And, while there may be some advantages, from a bookkeeping standpoint, in this distinction, it is Congress that appropriates all moneys for the District of Columbia.

Now, what result has the current scheme produced, Mr. President? In short, it has helped make the District of Columbia the abortion capital of the United States.

Listen to these figures: According to the most recent Census Bureau report, the District of Columbia has the highest abortion rate in the country—1,517 abortions for every 1,000 live births. In other words, 1½ to 1.

In addition, according to the National Right to Life Committee, the District has the most permissive policy on tax funding of abortion in the entire country, not merely paying for abortion on demand for Medicaid-eligible women, but also paying for abortion for women who do not qualify for Medicaid but have no private health insurance. Thus, the District has achieved for itself the grisly distinction of leading this Nation in the deliberate termination of innocent human life. It is time for us in Congress to eliminate this blight on the reputation of the Capital of the United States of America.

Mr. President, as much as many in Congress would prefer to ignore, or minimize, or cover up the abortion issue, the fact is that it will not go away. Those innocent babies being destroyed here in the District of Columbia, and throughout the country, keep making a silent but unmistakable claim on our conscience. They deserve the right to survive their mothers' womb and to live the life that God Himself has given them.

Thomas Jefferson in the Declaration of Independence said:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness.

Mr. President, the abortion issue presents squarely the question of whether we will secure the right to life for all human beings in this country, including those in the womb. Will we give these small but precious creatures their due, will we secure them justice, will we protect them through law from the mortal violence of abortion?

Mr. President, I wish we were today voting directly on this question. I wish we were voting on whether Roe versus Wade will stand, or whether, on the other hand, the right to life for unborn human beings will once again be recognized in our law. The reason I wish we were voting on this issue, Mr. President, is because some 30,000 innocent unborn babies are being killed every week in the United States by surgical abortion.

Mr. President, fortunately, the House of Representatives took the just and forthright approach in this matter. The House put an end to the charade—and that is what it is—the charade of congressional abortion restrictions only on so-called Federal moneys but not on so-called District moneys. The House simply put a flat-out ban on any abortion funding with moneys appropriated by Congress, Federal or District, for the District of Columbia.

Mr. President, that is the straightforward way. That is honest. It recognizes the humanity of the unborn and that, I believe, is an approach worthy of the Congress of the United States.

Now, what did the Senate Appropriations Committee do? It decided otherwise. It went in the direction of that fig leaf, the dual standard, the charade. It put back in place the familiar language restricting funding of abortions in the District with Federal moneys, but leaving wide open the funding of abortion with District moneys.

Thus, the Senate Appropriations Committee, once you get through all of the technicalities and the doubletalk, opted in favor of funding abortion on demand in the District of Columbia using the money of the taxpayers.

Mr. President, I shortly will move to table the committee amendment. The vote on this motion to table will put squarely before the Senate the question of whether we support taxpayer funding of abortion on demand or whether we do not.

Some have argued that the issue there is a matter of home rule for the local government of the District of Columbia. They say that Congress does not dictate to the States about local funding of abortion and, therefore, it should not dictate to the District of Columbia.

Very well, Mr. President; there are at least two answers to that point. First of all, of course, the District of Columbia is not a State, and the constitutional amendment necessary to make it a State was recently rejected by the States of this country.

The fact is that while Congress has permitted a degree of home rule, the District of Columbia ultimately remains under the control of Congress by virtue of article I, section 8, clause

17, of the U.S. Constitution. And unless and until this provision is changed, complete home rule will be no more than wishful thinking on the part of some who advocate it.

Second—and I think more important—D.C. home rule, such as it is, cannot properly be used to cover what I consider to be the crime of abortion. Given a choice between saving the lives of the unborn babies or acquiescing in extravagant claims of home rule, this Senator will choose saving the babies every time, and I have the hope that my colleagues will take the same position.

Mr. President, unless there are other Senators who wish to speak——

Mr. METZENBAUM. Mr. President, before the Senator makes his motion to table, would he be good enough to give us a chance to be heard?

Mr. HELMS. Mr. President, I suppose I will yield the floor. When all Senators have spoken, I will move to table.

Mr. METZENBAUM. I appreciate the courtesy of the Senator from North Carolina.

Mr. President, would the manager of the bill be good enough to yield for a question?

Mr. SPECTER. I do.

Mr. METZENBAUM. As I understand the effect of the motion of the Senator from North Carolina, which would be to table the committee amendment, and thereby reassert or make operative the House amendment, is it not the fact that if that were to be the case, we would not alone be prohibiting expenditure of Federal funds for abortions, but in effect we would be prohibiting the use of the city's own funds—that is, those that they have raised by their own taxes—for such actions as they may deem advisable in connection with abortions?

Mr. SPECTER. Yes.

Mr. METZENBAUM. I thank the Senator from Pennsylvania.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I want my colleagues to understand the significance of the response of the manager of the bill. What this amendment does is it says to the city of Washington you may have raised $10, $50, $200 million by taxes which you have levied, sales taxes, whatever kind of taxes you may have. But by reason of the provisions of the law, which give us in the Congress authority in connection with their expenditures—that authority can be found under Public Law 93-198, dated December 24, 1973, section 446.

Because of that, no matter how much they raised, how many millions they may raise by taxing their own constituents or those who use city facilities, we would be saying if we were to adopt the Helms motion to table—which in effect would reinstate the House amendment—the impact of that is that the District of Columbia would receive no Federal funds if the District of Columbia were to see fit to use its own funds in connection with this issue of abortion.

How far can we carry this issue? It is not alone enough to say that we will not expend Federal funds to pay the cost of abortions, but this amendment would go beyond that by far. It would not alone limit the expenditure of Federal funds. It would limit the expenditure of funds of the District of Columbia itself.

That carries it to an extreme that hardly anyone, no matter how strongly they felt about the issue, could consider to be reasonable.

I stood on the floor a week or two ago and indicated that this Senator felt we had had enough abortion amendments—431 over a period of 9 years, an average of 1 a week—and that we need not go any further than the present law. I want to point out the present amendment that is in the bill does deal with this subject, but it deals with it within the context of the presently existing law.

I am not standing on the floor indicating that I am opposing to change that. But I think that the committee's action indicated what is a reasonable approach to this very sensitive issue. But for us to go beyond that and to adopt the Helms motion to table, thereby reinstating the effectiveness of the House amendment, in my opinion is a point to which we should not go.

I have no reservations in saying that if the Helms motion to table is adopted, I hope to educate my colleagues at some length on the matters concerning abortion that have come up during the past 9 years.

I see my colleague from Connecticut on the floor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I will be very brief with my remarks. We have plowed this ground many times.

There are some very brief points that I care to make. Then I hope the Senator from North Carolina will pursue his tabling motion.

No. 1, as has been pointed out, if you leave the House language in, then indeed you have a total prohibition insofar as abortion is concerned even including those that would take place in an effort to save the life of the mother. We do not have any such restrictive language in any Federal legislation.

That really is the most important part. There is no point in getting into debate again about the District of Columbia, its rights, privileges, and all the rest of it. They ought to stand on their own. But that is another argument for another day.

The fact is the language that would come into play if indeed the tabling motion of the Senator from North Carolina is agreed to, would be the most restrictive abortion language that we have on any legislation either proposed or enacted into law.

Point No. 2, the distinguished Senator from North Carolina made the statement as to what he considers a crime. Fortunately, for the Nation, what he considers to be a crime is no more relevant than what the Senator from Connecticut deems to be a crime. What is or what is not a crime in the United States is a matter of law and is determined in the ultimate by the Supreme Court of the United States. The Supreme Court of the United States is very clear on the matter of abortion in the case of Roe versus Wade. That is the law of the land.

Abortions that take place within the structures set forth by Roe versus Wade are legal. That is the law of the land. They are not crimes.

So I hope in both those regards we would go ahead and reject the tabling motion of the distinguished Senator from North Carolina. It is my understanding that the Senator from New Hampshire will be taking up the baton at that stage of the game with his own version of what should be done.

I can only say this: The time that has been expended on this matter on abortion, as pointed out by the distinguished Senator from Ohio, is keeping us from those duties which are far more pressing. It is not a matter—again I might add—of what the morality is or the thoughts are of those in this body. Everybody is entitled to give them full expression in whatever way they deem fit. There comes a point where the line has to be drawn.

Indeed, I might point out parenthetically that this being Thursday, 2 days past election day, the issue in the State of Connecticut was clearly put on the ballot: Should Roe versus Wade be overturned?

The issue was presented to a group of voters, who I would say as a matter of demographics probably would clearly lean toward the positions advocated by the distinguished Senators from North Carolina, New Hampshire, and others.

It was rejected. The voters said no. Roe versus Wade should not be overturned.

I am not here to go ahead and represent any sort of popularity contest on any issue. I think my colleagues know that well. I think enough time has been afforded the issue. Everybody has had a fair cut at the ball.

Now the time has come to not only dispose of this, but get on to those

issues that are the real issues of concern to the people of this Nation.

Again, I repeat, I respect the articles of faith and the morality of any one of my colleagues, my own included.

However, that is not sufficient to be the law of the land. That is determined in a very precise constitutional process. The law of the land says that abortion is legal, legal, as I say, within the parameters set forth in Roe versus Wade. I would hope that the amendment of the Senator from North Carolina, when it comes, is defeated.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, it should be clearly understood that the House language, which would be reinstated if the committee amendment is tabled, would impose a categorical prohibition on the use of any funds, including funds the District raises on its own.

Frankly, I cannot understand the logic that says we should impose an even more stringent restriction than exists in Federal law on the District with respect to the use of its own revenues. This community raises over 80 percent of its funding, roughly $2 billion, from local sources. The taxes and fees that provide its revenues are levied by its taxing bodies, where its citizens have the right to decide what laws they apply under the umbrella of the Constitution to single out the District in this way is patently unfair, and abusive. I think it raises a serious question regarding relationships in our federal system. Suppose it was Charlotte, NC, and we disagreed with a law that was on their books. Should we because Charlotte receives revenue sharing, demand that they change their law to conform to what we here who authorize and appropriate revenue sharing funds might think is right for the community.

I see the same thing here. Without discussing abortion, per se, this is a community like any other. Its structure is different because it has not yet achieved its rightful place as the 51st State. But the money appropriated by the Federal Government is money that is given in lieu of taxes. We occupy a great deal of the ratable portions of this city and we are, therefore, obligated to fund some of their city operations. But the House language, to reiterate, goes far beyond the Federal funds we provide. It would tell the city what it can and cannot do with the money provided by its taxpayers. In my view, these are decisions better left to the local taxpayers and their elected representatives.

Mr. President, I would urge that my colleagues vote against tabling this amendment consistent with the principle of home rule and the right of communities all across this country to make their own laws, and to enforce their own laws, under the rights given them by the Constitution.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, the Senator from New Jersey raises concern about the interference by the Congress in the affairs of the District, if I correctly understand him.

The point is, as the Senator acknowledges, that the District of Columbia is not a State. It is, instead, a Federal enclave, a Federal entity, over which the Federal Government still retains not only authority but responsibility. The responsibility, of course, was originally ordained by the Constitution, article I, section 8, which empowers the Congress to exercise exclusive jurisdiction in all cases whatsoever over such District.

Senators may then say, "Well, what about home rule? Did not Congress, by statute, give limited home rule to the District some years back?"

Yes, the Congress did. But, in capital letters, the Congress in extending limited home rule by statute explicitly reserved powers of appropriation to the Congress. That reservation was stated in Public Law 93-198, the pertinent part of which reads, with respect to the Mayor and the city council, that:

No amount may be obligated or expended by any officer or employee of the District of Columbia government unless such amount has been approved by an act of Congress, and then only according to such act.

So clearly, under the Constitution and the statute, Congress has not only the authority but the responsibility, and with that responsibility comes the parallel responsibility of exercising judgment about proposed appropriations for the District, irrespective of how the funds to be appropriated are raised.

Every penny, I remind my colleagues, spent by the District of Columbia, irrespective of whether raised by the IRS or by local taxing authorities, must first be appropriated by Congress. We appropriate every penny that is spent by the District of Columbia.

Are we to appropriate without passing judgment about the purposes for which that money is to be appropriated? Of course not. That would be silly, not only silly but a violation of our responsibility of appropriating for the District.

Mr. President, some might argue the District ought to be a State, but that is an argument for another day with respect to the pending business. But nobody can argue that Congress lacks the constitutional and statutory authority to appropriate as it sees fit all funds expended by the District of Columbia. It is inarguable.

What about the advisability of doing so? That is a somewhat different question. Let me point out to my colleagues that the Appropriations Committee had no compunctions in this very bill, not to mention appropriations bills for the District in past years, about inserting many restrictions on spending not only of Federal funds but of locally generated funds as well.

When we get to the point where the Senator from New Hampshire might offer his amendment, I intend to enumerate those in detail.

Let me cite one because of its absurdity.

I refer to section 106 of the bill now before us, on page 17. It reads as follows:

Appropriations by this act—

It does not say Federal or local funds but appropriations, which means all of them—

shall not be used for or in connection with the preparation, issuance, publication or enforcement of any regulation or order of the Public Service Commission requiring the installation of meters in taxicabs.

Mr. President, the Appropriations Committee has no compunctions about limiting the expenditure of public funds whether locally raised or federally raised, even in the matter of installing meters in taxicabs.

So, clearly, by Constitution, by precedent, by law, by examples in this very bill, they do preclude the expenditure of Federal or local funds, and the law is well within its authority to prohibit the expenditure of any public funds for purposes of abortion.

Mr. President, the matter before us is this, very simply, and I know we are anxious to move on: The committee amendment is now before the Senate. It proposes to strike House language in the bill. The House language in the bill prohibits the expenditure of all public funds to perform abortions. If the anticipated tabling motion is agreed to, then the House language stands and both Houses of Congress are on record as legislating a prohibition on the expenditure of public funds for abortion.

If the tabling motion fails, then the committee amendment is still the pending business and Senators will have opportunities to offer amendments to it. I intend to offer an amendment to it myself, an amendment to accomplish the same purpose by amending instead of by a tabling motion.

I hope Senators, irrespective of their feeling about the fundamental issue of abortion, will recall that by a majority vote many times in recent years, since 1976, the Senate has gone on record as making a distinction between the issue of abortion itself and the issue of obligating the taxpayers to pay for these

operations which take the life of prenatal children.

Mr. SYMMS. Mr. President, I rise in support of Senator HELMS' motion to table the committee amendment on abortion. The effect of the amendment is to prohibit the use of tax dollars for abortions in the District of Columbia.

Mr. President, I would call my colleagues' attention to the following fact: There are more abortions per live birth in the District of Columbia than in any other city in the country; 1,517 abortions are performed for every 1,000 live births in this city. I repeat, 1,517 abortions for every 1,000 live births. Those statistics are staggering.

As passed by the House of Representatives, this appropriations bill was amended to prohibit the D.C. government from funding abortions. The House-passed bill, however, was amended by the Senate Appropriations Committee to merely forbid the District of Columbia from using Federal funds for abortions except to save the mother's life; or in cases of rape or incest.

This Senate amendment is defective and inadequate. Language such as that placed in H.R. 3067 by the Senate Appropriations Committee has been in effect for 5 years and has failed to stop a single tax-funded abortion in the District of Columbia.

We are not talking about a "mere" few hundred publicly funded abortions in our Nation's Capital. In 1983, according to D.C. government statistical note 67—July 1984—taxpayers funded 4,393 abortions in the District of Columbia.

The central issue in the abortion debate is whether abortion should be sanctioned as a legal and accepted practice. This issue is complicated by the fact that some who seek abortions demand and expect that their abortions be paid for with public funds. I do not believe the widespread use of tax dollars to pay for abortions can be justified on moral or constitutional grounds.

The controversy over when the fetus becomes a human being continues to rage. Even now the Supreme Court is preparing to review two cases on this question during the upcoming fall session. In the meantime, elected officials cannot properly require that taxpayers continue to fund these operations. As President Reagan says, "until we know for sure, we should err in favor of life."

As the Nation's Capital, Washington, DC, represents the Federal Government in the minds of many Americans. Over the years, the city has become associated with the waste, fraud, and abuse which sometimes seem to be inherent in the operations of Government. Now, statistics indicate, there is a new and equally serious problem in Washington, DC—our National Capital has become the Nation's abortion capital, as well.

The House of Representatives has acted to correct this deplorable situation by adopting the language which was included in this bill when it reached the Senate. The Senate should reaffirm the House action by adopting this motion to table. Anything less would be a disservice to the American people and the many innocent lives at stake in the District of Columbia.

I urge my colleagues to support Senator HELM's motion and restore this bill to the form in which it passed the House of Representatives.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I move to table the committee amendment which appears on page 20 of the bill, line 14-25, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. EAGLETON (when his name was called). Mr. President, on this vote I have a live pair with the distinguished junior Senator from Massachusetts [Mr. KERRY]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. HEINZ], is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts [Mr. KERRY], and the Senator from West Virginia [Mr. ROCKEFELLER], are necessarily absent.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER (Mr. ABDNOR). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 35, nays 60, as follows:

[Rollcall Vote No. 290 Leg.]

YEAS—35

Abdnor	Grassley	McClure
Armstrong	Hatch	McConnell
Boschwitz	Hatfield	Nickles
D'Amato	Hawkins	Pressler
Danforth	Hecht	Proxmire
Denton	Helms	Quayle
Domenici	Humphrey	Stennis
Durenberger	Johnston	Symms
East	Kasten	Thurmond
Ford	Laxalt	Trible
Garn	Lugar	Wallop
Gramm	Mattingly	

NAYS—60

Andrews	Exon	Mitchell
Baucus	Glenn	Moynihan
Bentsen	Goldwater	Murkowski
Biden	Gore	Nunn
Bingaman	Gorton	Packwood
Boren	Harkin	Pell
Bradley	Hart	Pryor
Bumpers	Heflin	Riegle
Burdick	Hollings	Roth
Byrd	Inouye	Rudman
Chafee	Kassebaum	Sarbanes
Chiles	Kennedy	Sasser
Cochran	Lautenberg	Simon
Cohen	Leahy	Simpson
Cranston	Levin	Specter
DeConcini	Long	Stafford
Dixon	Mathias	Stevens
Dodd	Matsunaga	Warner
Dole	Melcher	Weicker
Evans	Metzenbaum	Wilson

PRESENT AND GIVING A LIVE PAIR AS PREVIOUSLY RECORDED—1

Eagleton, for.

NOT VOTING—4

Heinz	Rockefeller
Kerry	Zorinsky

So the motion to lay on the table was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SCHEDULE

Mr. DOLE. Mr. President, the distinguished minority leader asked me earlier if I could give him some indication of the program for the remainder of the evening. It is my understanding that, at most, there might be one additional vote.

I also indicated earlier today that we will not be in session tomorrow. We have made a lot of progress today. We believe than the last thing we will do today, which will not require the attendance of all Senators, will be to get a unanimous-consent agreement on reconciliation and the textile bill and start that moving early next week, on Tuesday.

I think it is fair to say that if reconciliation is before the Senate on Tuesday, there could be votes as early as 10 o'clock Tuesday morning, if I correctly understand Senator CHILES and Senator DOMENICI.

That is where we are. When we will leave here tonight depends on what happens to the amendment to be offered by Senator HUMPHREY.

Mr. BYRD. I thank the distinguished majority leader.

I am getting calls from Senators, and I am sure the majority leader is, who have airplanes to catch, and so on, and the waters are getting muddy.

Mr. DOLE. I have been advised that it takes 2 hours to get to National Airport.

Mr. BYRD. I appreciate the majority leader considering the situation, in

order to help Senators get home or get to the airport.

Mr. BUMPERS. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BUMPERS. Mr. President, I want to make this point: We have known for a long time that we were not going to be in session on Monday, and most of us have engagements for Monday afternoon or Monday evening. I do not mind catching a 7 o'clock flight back on Tuesday morning. That would not get me here—and I suspect that I speak for others—for a 10 o'clock vote. I hope that the votes could be held a little later than 10 o'clock on Tuesday morning.

I do not want to impede the progress of the Senate, but I say that anybody who has a Monday engagement and who is at least a thousand miles from here would find it impossible to get back that early.

Mr. DECONCINI. Mr. President, does the majority leader contemplate taking up the Treasury-Post Office conference report tonight?

Mr. DOLE. We hope to do that without a rollcall vote. Does the Senator want a rollcall vote?

Mr. DECONCINI. No.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1986

The Senate continued with the consideration of H.R. 3067.

AMENDMENT NO. 988

(Purpose: To modify the provision relating to the use of funds to pay for abortions)

Mr. HUMPHREY. Mr. President, on behalf of myself and Mr. ARMSTRONG, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY], for himself and Mr. ARMSTRONG, proposes an amendment numbered 988:

On page 20, strike out lines 16 through 25 and insert in lieu thereof the following:

SEC. 118. None of the funds appropriated under this Act shall be used to pay for abortions for which Federal funds are not available under the Medicaid program (title XIX of the Social Security Act).

Mr. HUMPHREY. Mr. President, this is a followup effort to the effort which just preceded it relative to abortion.

Many Senators voting expressed concern that the language excepting the life of the mother was not in the measure before us just a moment ago.

So I propose and have offered this amendment that would exempt in the usual way that we have in Medicaid and many other programs the life of the mother in the matter of abortion.

That is by now a well-accepted approach by the Senate, indeed by both Houses of Congress.

Apparently many Senators and Congressmen make a distinction between the fundamental issue of abortion, on the one hand, and, on the other, the matter of forcing taxpayers to pay for abortion.

On another point that seems to be a matter of concern to Senators, I will confess it is not addressed in this amendment. Some Senators feel that it is an unwarranted interference with the business of the District of Columbia for the Senate to apply restrictions to the District in the manner and in the ways in which it can spend its own money.

I suggest with all sincerity, and I invite anyone to refute my argument on this, that Congress has not only the authority but the responsibility to pass judgment on expenditures by the District.

In my earlier debate remarks, I cited the provisions of the Constitution that reserved unto Congress legislative powers over the District and likewise read into the RECORD the relevant portion of Public Law 93-198 by which the District was granted limited home rule. I reiterate, relative to the Mayor and city council, no amount may be obligated or expended by any officer or employee of the District unless such amount has been approved by an act of Congress.

In other words, the statute granting the District limited home rule explicitly restricted and reserved to Congress all powers of appropriation.

So we have that power and with it goes the responsibility to review the purposes to which these appropriated funds are put.

Senators might not like that, but that is our responsibility.

So I confess and acknowledge that my amendment does not address that point because in the view of this Senator that point does not need to be addressed, but it does address the point relative to excepting the life of the mother.

Mr. President, also I think Senators are well aware with all of the arguments in this matter.

Mr. President, I especially want to solicit the attention of Senators who are opposed to abortion, and I especially want to solicit the attention of Senators who are opposed to taxpayer funding of abortion.

The purpose of the amendment I have offered is to ensure that funds appropriated by Congress will not be used by the government of the District of Columbia to pay for abortions, except when the life of the mother is threatened. If that language sounds familiar to Senators and staff, it refers to the perennial Hyde amendment to Medicaid, which the Senate has voted to attach to various bills since 1976.

Mr. President, I would point out that the fiscal year 1986 District of Columbia appropriations bill already passed by the House contains such a provision. The House of Representatives by vote of 221 to 199, attached to its version of the fiscal year 1986 District of Columbia appropriations bill language which forbids the District of Columbia to pay for abortions with funds appropriated by Congress. In other words, the House included in its bill language similar to the amendment which I have offered. It's important to note the language the House included is not exactly the same as the amendment now before the Senate. The difference is, where the amendment now before the Senate would permit the funding of abortion where the life of the mother is threatened, the House bill does not permit that exception. The point is, the language in the House bill is stricter than the language which I have offered. As a matter of fact, there was an effort in the House to include language making an exception in the case of a threat to the mother's life, but that effort was blocked by parliamentary maneuver.

Some who are listening to my remarks may be confused at this point. They may be saying, "But I thought we have always included language forbidding the District of Columbia to use Federal funds to pay for abortions." So we have. The problem is, the District has found another avenue to fund abortion using money appropriated by Congress. The purpose of my amendment is to block that avenue as well, so that the taxpayers are not forced to pay for abortion, a procedure which many find highly repugnant, to say the least.

Mr. President, the District of Columbia has a shameful, shocking record in the matter of abortion. For every 10 babies who are born alive in the Nation's capital, 15 were killed by abortion. No city in the country has such an awful ratio of abortion to childbirth.

In 1983, 4,393 unborn babies were killed by abortions paid for by the taxpayers. Within a few miles of where the Senate of the United States sits, 4,393 unborn babies were killed by abortions paid for with funds appropriated by the Congress.

To make matters worse, Mr. President, officials of the District of Columbia government have recently admitted their procedures in the area of abortion are lax. The District govern-

ment admits that it will pay for all abortions regardless of the circumstances or trivial nature of the pregnancy. A Philiadelphia Inquirer article—August 1, 1985—quotes Elizabeth Reveal, the District's budget director, as stating "We don't make the distinction" with respect to which abortions the District will fund. The article goes on to say, "Reveal * * * confirmed that the District's government has a policy of funding abortion on demand, and does not attempt to determine the circumstances of the pregnancy." This same government official also stated in the article that the District government pays for abortions for women who don't qualify for Medicaid funds. In addition, the District has no reporting requirements of abortion funding recipients. Also, the District, as stated in a letter to my office, notes "the District of Columbia Medicaid Program does not restrict abortion services furnished by providers." That means no restriction on gestational period of the pregnancy, the method used, et cetera. And, incredibly, the District screens recipient doctors only perfunctorily, if at all. One doctor, for example, in 1983, received $30,000, and in fiscal year 1984, $42,000, in taxpayer funds—money appropriated by this Congress—for performing abortions in the District. This year, that very doctor's license was surrendered to the District of Columbia government for various health violations after a woman died as a result of an abortion he performed on her.

Mr. President, I have noted several times already in my remarks that the District of Columbia has been using funds appropriated by Congress to pay for abortion. It's important for Senators to recall that the Congress has full powers of appropriation for the District of Columbia. Every penny the District government spends, irrespective of whether the funds come from the Federal Treasury or from the general fund of the District, must first be appropriated by the Congress. Federal authority over the District derives from the fact that the District is not a State, it is a Federal enclave. Article I, section 8 of the Constitution empowers the Congress to "exercise exclusive legislation in all cases whatsoever, over such District."

To be sure, Mr. President, the Congress granted the District of Columbia limited home rule in 1973. But, it is important to note that the powers of appropriation were reserved exclusively to the Congress. Public Law 93-198 states the following:

No amount may be obligated or expended by any officer or employee of the District of Columbia government unless such amount has been approved by act of Congress, and then only according to such act.

Therefore, the Congress in matters of appropriation is in effect and in reality the legislature for the District. There is no question of where the powers of appropriation lie with respect to the District. And there can be no question the Congress has a responsibility to discharge that power diligently.

I know the argument that will be raised against the amendment now pending. Opponents will say it interferes in home rule. That argument is a red herring, because as I have just outlined, the Federal Congress retained the responsibility to appropriate for the Federal city, the Federal enclave, the District of Columbia. Congress has never relinquished that responsibility. To suggest we are interfering in home rule by exercising the appropriations power which is our responsibility under the Constitution to exercise, is to make a hollow argument.

Or, perhaps, the argument will be made that somehow placing a restriction on the District in the expenditure of funds appropriated by Congress is something new. It isn't at all. We have been doing it for years. In fact, if Senators will take another look at the fiscal year 1986 District of Columbia appropriations bill now before the Senate they will see a number of instances where the Senate places restrictions on the District in the expenditure of funds appropriated under this bill.

Mr. President, I will list several examples of restrictions in this bill placed on the expenditure of funds under this bill. Section 109 states:

No part of any appropriation contained in this act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein. In section 109, the Congress restricts the District to spending the funds only in fiscal year 1986.

Section 110 reads:

Not to exceed 4½ per centum of the total of all funds appropriated by this act for personal compensation may be used to pay the cost of overtime or temporary positions.

Here the Senate places restrictions on the use of funds in this act to pay overtime or to pay for temporary help. Again, Mr. President, a clear-cut case of restrictions imposed by the Senate on the District of Columbia in the expenditure of funds appropriated by this act.

Section 111 reads:

Appropriations in this act shall not be available * * * for the compensation of any person appointed to a permanent position in the District of Columbia Government during any month in which the number of employees exceeds 32,511 * * *.

Here the Senate limits the total number of permanent employment positions in the District government by restricting the expenditure of funds for the hiring of persons beyond a monthly cap.

Section 112 reads:

No funds appropriated in this act for the District of Columbia Government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities.

Again, Mr. President, a clear example of the legitimate exercise by the Congress of its appropriations responsibility regarding the Federal city.

Section 114 reads:

None of the funds appropriated in this act shall be made available to pay the salary of any employee of the District of Columbia Government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate committees on appropriations * * * the Senate Committee on Governmental Affairs * * *.

Another example of a congressional restriction on spending funds appropriated by the Congress.

Section 116:

None of the funds contained in this act shall be made available to pay the salary of any employee of the District of Columbia Government whose name and salary are not available for public inspection.

Section 117:

No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

Section 122:

None of the funds appropriated in this act may be used for implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

Section 123:

None of the funds appropriated by this act may be obligated or expended by reprogramming except pursuant to advance approval * * *.

Section 128:

None of the funds appropriated by this act may be used to transport any output of the municipal waste system of the District of Columbia for disposal at any public or private landfill * * * until the appropriate State agency has issued the required permits.

Section 132:

None of the funds appropriated under this act may be used to award any contract that is not in compliance with the District of Columbia laws and regulations * * *.

Those are 10 examples, Mr. President, of the use by Congress of restrictions on the expenditure of funds appropriated by this act, restrictions placed on expenditure of funds irrespective of whether those funds come from the Treasury or from the general fund of the District of Columbia.

I have one more, Mr. President. I have saved the best for the last. If Senators will refer back to section 106 on page 17, here is what it says:

Appropriations in this act shall not be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Service Commission requiring the installation of meters in taxicabs * * *.

That means, Mr. President, that the District of Columbia may not use any

of the funds appropriated in this act to bring about the installation of meters in taxicabs. Meters in taxicabs, Mr. President!

My colleagues, to return to my amendment, the Senator from New Hampshire seeks to block the expenditure of public funds appropriated by this act to pay for abortions in the District of Columbia. there is an exception, in cases where the life of the mother is threatened by continuing the pregnancy to term.

I hope Senators will not argue that somehow the effort of the Senator from New Hampshire to restrict the way the District spends funds appropriated by this act represents something new. I hope Senators will not argue that in seeking to restrict the District of Columbia from using funds in this bill to pay for abortions, that the Senator from New Hampshire is seeking to establish a new precedent, that we are breaking new ground by interfering in the affairs of the District. It just is not so. And I hope Senators will not argue that blocking the installation of meters in taxicabs, or blocking the transport of municipal wastes outside the District until the receiving State has authorized it, are matters more important than abortion. Surely, Senators will not argue that point.

Mr. President, to sum up, the Senator from New Hampshire has offered an amendment which prohibits the District of Columbia Government from paying for abortions with funds appropriated by this Act. Restrictions on the manner in which the District may spend money are nothing new. This bill is replete with them.

The Congress has a clear responsibility under article I, section 8 to legislate for the Federal district known as the District of Columbia. Even in granting limited home rule to the District in 1973, the Congress explicitly retained complete powers of appropriation for the District, and the Congress has continually exercised those powers.

So, Mr. President, Congress clearly has a responsibility under the Constitution, under statute and under precedent to appropriate every penny spent by the District of Columbia.

The question now is, does the Senate want to permit the District of Columbia to pay for abortions with funds appropriated by this act, or does the Senate want to prohibit such expenditures?

Mr. President, Senators are split on the fundamental matter of abortion. But, inasmuch as the Senate has repeatedly refused to permit the Medicaid Program to pay for abortions and the Senate has refused to permit Federal employees health insurance to pay for abortions, one would assume that a majority of Senators are opposed to taxpayer funding of abortions. In other words, some Senators have drawn a distinction between their position on abortion itself and their position on funding of abortion.

I assume, Mr. President, based on the action of this body in the past, that a majority of Senators do not wish to force the taxpayers to pay for abortions. That very issue is before us now, and I urge the Senate to support the pending amendment. I urge the Senate to prohibit the expenditure for abortion of funds appropriated by the Congress for the District of Columbia.

Finally, Mr. President, I point out again that the House by a recorded vote attached similar language to its bill. The language which the Senator from New Hampshire has laid before the Senate is less strict than the House language, inasmuch as my amendment would permit the funding of abortion where the life of the mother were threatened by carrying the pregnancy to term.

I know the other side has a few remarks to make and then we anticipate a tabling motion.

I hope that if the Senator from New Hampshire prevails we will not have a filibuster. I hope that if we win that does not mean we lose because certain Senators propose to restrict our rights in this body.

I myself have used the filibuster for selective purposes. But may I say that not since the great civil rights debates of the 1960's, I guess it was, has the filibuster as a tactic been so broadly applied as the Senator from Ohio proposes to apply it and the manner in which he proposes to apply it constitutes a gag rule. I think if the Senator reflects upon that he will not want to be associated with such a tactic.

Mr. President, I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I have not seen the right of debate abused by any Senator on this floor, the Senator from Ohio included. From time to time we have all used extended debate in getting our point across.

I wish to make clear that since I have stood shoulder to shoulder with him usually on many of the same issues, he has been a voice of great conscience, and I wish the record to show that.

I do not think in any way that he has exercised his rights so as to apply a gag on anyone.

It could be argued, I suppose, that the whole issue of abortion has been a gag on any sort of legislative progress in any other area at all around here. We seem to be voting and talking about abortion all day long, and believe me it is not the Senator from Ohio or the Senator from Connecticut who raises the issue.

I am not going to go ahead and imply that to anyone else. Everyone has the right to go ahead and raise anything he deems to be important.

So I wish to make clear in light of the comments that were made relative to the Senator from Ohio. Let me tell the Senate that he is considered a gadfly around this body just as I am considered that also when it comes to many issues. But sometimes it makes us all stop and think, and there have been some pretty odorous items of legislation he prevented from going through in the dead of night in the last minute.

I think the record should state that as far as the Senator from Ohio is concerned.

Let us get on with the vote on this. I hope the amendment of the Senator from New Hampshire will be defeated, defeated in the sense that it again raises this issue vis-a-vis the residents of the District of Columbia.

Does the Senate know what is going to happen next year? We are going to have an amendment on the Interior appropriations bill trying to go ahead and put abortion language vis-a-vis the territories. Is that going to be the next one?

We have had the prisons and we now have in the District. Now we are going to have the territories.

I always thought, at least it was one of the reasons I considered at one time when I supported our friend, the Senator from Arizona when he ran for President, that conservative Republicans believed in local autonomy and let people make their own decisions right down to an individual being able to make his own decision or a city being able to make its decision or a State. I am a States' righter in that sense.

But all of a sudden we have a Federal Government that as far as everyone, from the individual to the city, now to the territories, to States, we are going to tell them what to do insofar as their morality is concerned.

I do not worry about the morality of this Nation. It usually shakes out pretty darn well. It is only when someone tries to impose on everyone else that we end up with a consensus morality which is usually the worst type of morality in this country.

I hope the amendment will be defeated in the sense, first, of being a trespass on local autonomy of the District of Columbia. The language in the bill as it is now written is perfectly adequate insofar as abortions are concerned.

I do not feel that an amendment in any way is necessary to accomplish again the ends cited by my distinguished colleague from New Hampshire.

Mr. METZENBAUM and Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. METZENBAUM. Mr. President, let me say that this makes 436 opportunities. I said before in the debate 411. I was wrong. It was 431. This makes 436 times that this body or the other body has been called upon to act in connection with this issue. We get a little bit more off base each time we do.

What the Senator from New Hampshire is proposing is in my opinion hard to comprehend.

How can you possibly be saying to the people of the District of Columbia that, "You raise 80 percent of all the money that you spend, and we are going to deny you any Federal funds, if you spend any of your own money for a purpose with which we do not agree"?

The Senator from Connecticut says it so well. What kind of concept of home rule is that?

I believe that if we are going to do that the day is not far distant, as some previous speaker has indicated, and I think it was the distinguished Senator from New Jersey, when we will be denying revenue sharing funds, or there will be those proposing it, if any State has any laws on its books having anything to do with the right to have an abortion which, as we all know, has already been determined by the Supreme Court of the United States as a legal and lawful one.

The Senator from Ohio just thinks that there are times when you should call a halt in the legislative Halls. But some people around here do not seem to get any fun out of participating in the legislative process unless they get an opportunity to call up another antiabortion amendment.

Enough is enough.

I have said previously I am not going to try to change the present law. The present law is that which it is and I do not believe there is a sentiment in Congress to change it, although I believe it should be changed. I believe it is too restrictive at the moment.

But I am not prepared to try to make that effort, but I believe that we should have an opportunity. The other day we got into the State, Commerce, and Justice Department bill. We had to have an amendment on that.

Now we have the District of Columbia bill, and I am sure when we get foreign aid or when we get the Department of Defense legislation or we get any other kind of legislation, we always have to have an amendment on abortion.

There are people out there in the countryside who are concerned about this issue on both sides of it.

But if they do not know where we in the Senate now stand, it is because they have not had any interest in looking at the record. Each of us has made his or her record over a number of times. I believe that this amendment, which would deny the District of Columbia the right to expend its own funds, just goes too far. It is my understanding some Member of this body is at some point going to offer a motion to table. I would hope that that would be the case.

So I just hope that when the issue is brought before this body, if there is a motion to table made, that the body will see fit to do just that and then we might go on about the business of enacting the legislation.

Mr. ARMSTRONG. Mr. President, I rise to congratulate my colleague from New Hampshire for drawing attention to the Senate on this matter and to ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ARMSTRONG. Mr. President, if I could have the attention of the Senator from New Hampshire, I wish to be absolutely clear that we have a clear understanding of the amendment, which I am proud to sponsor with him. It is my understanding, I say to the Senator, that this is simply the Hyde language. It is the usual formulation. It is the exact same concept and approach which appears in other appropriations and other authorizing statutes. Could the Senator inform me if I am correct about that?

Mr. HUMPHREY. The Senator is correct. The amendment reads:

> None of the funds appropriated under this Act shall be used to pay for abortions for which Federal funds are not available under the Medicaid Program.

That is the standard, boilerplate language used over and over again, which has been accepted many times by the Senate. It means, in plain English, that if the life of the mother is threatened by the carriage of the fetus to term, then the abortion prohibition is lifted in that case.

Mr. ARMSTRONG. Am I correct in recalling—and I do so for the record only and for Senators who may be listening, or others who may study the record of these proceedings—that that language, so-called usual formulation, as I believe the Senator has described it properly, is, in fact, language which was hammered out over the course of many, many debates, after the consideration of many different versions of the amendment in amendments which were debated and voted on in this Chamber and in the other body, that went through conference, and that has been, in fact, the subject of a great national debate stretching over a number of years? In other words, this is not just something somebody thought up but, in fact, is the evolving policy of the U.S. Government, and these words have become the expression of the present state of the will of the Congress as it has been applied over and over again in other pieces of legislation.

Mr. HUMPHREY. The Senator is correct. And that has been so since 1976.

Mr. ARMSTRONG. Am I correct, also, that this is, in effect, the same formulation which has not only been agreed to on previous occasions, but which was quite recently agreed to by unanimous consent on the Labor-HHS bill as it went through this Chamber?

Mr. HUMPHREY. The Senator is correct, although there might have been some other considerations involved in that particular arrangement.

Mr. ARMSTRONG. The reason I want to raise that is twofold: First, we have just had a vote on a novel form of an antiabortion amendment. I voted for that. I thought the Senator from North Carolina was correct, but I can well understand why other Senators would not be disposed to plow new ground. I hope, in due course, that others will feel, as I do, that the Senator from North Carolina was on the right track.

But that is not what we are voting on now. What we are voting on now is to apply a well-established principle of law, a principle which has been worked out and hammered out over a number of years through many debates, as the Senator from Ohio has pointed out, and which has come to represent the consensus opinion in this evolving area of the law. All we are doing is saying that what applies elsewhere ought to apply also in the District of Columbia.

Now, the Senator from Ohio has made the point—and perhaps others feel deep down inside the same sense of exasperation which he expresses—that we have debated this before, that this has been raised by prolife members of this body and by prolife organizations throughout the country over and over and over again. And, in some sense, the Senator is correct. And I do not want to treat lightly his exasperation.

But I do want to keep the record straight. It was not the Senator from North Carolina, the Senator from New Hampshire, or the Senator from Colorado that raised this issue and made it a national issue and that caused this issue to be debated and voted on in the U.S. Senate. It was the Supreme Court. In the decision of Roe versus Wade, the Supreme Court unexpectedly and, in the opinion of many legal scholars, improvidently overturned the legal status which had prevailed in this country for a couple hundred years.

Abortion policy had never previously been thought to be a national issue. Indeed, the state of the law on abortion was quite different in Colorado than it was in Mississippi or New

Hampshire or other places. We are a nation of different cultural and ethical values. There are different distinctions for many statutes, many day-to-day aspects which regulate our lives. And one of these which was always a State issue, not a national issue, was abortion, until the fateful decision of Roe versus Wade. And it is that case and the implications of it which suddenly nationalized this matter and brought it into the national legislative body.

No one regrets that more, I judge, than the Senator from Colorado, and maybe others. It certainly is not a matter that I seek to raise. I want to dispose of it. I would dispose of it by a single vote here tonight so that we never had to come back to it again.

But what has happened is this: When Roe versus Wade became the law of the land, then those of us who think it is important to protect the lives of unborn children had to begin to look around and scramble around and find a legal theory which would stand the constitutional test by which we could, to the extent permitted by the court, defend the lives of these unborn children. That is why this has taken years to evolve and that is why it has taken lots of amendments.

Let me say to my friend from Ohio, for whom I have the greatest respect, particularly because he is a Senator who stands up and fights for what he believes in, I am confident if the Senator from Ohio believed as I do and, as I am convinced, a majority of the Members of this body believe, that what we are dealing with is an innocent human life, that he would be on our side. I think that is where the dividing line is.

Some people have thoughtfully considered this matter and have come to the conclusion that the unborn fetus is not a human life; that it is not a little baby. I do not know of even one person—there may be such an individual—who thinks that that is a real person, a real little baby, and yet who, nonetheless, takes a permissive attitude on abortion.

By and large—now, there might be an exception to this, but, if so, I would judge it to be a very rare exception—if you think that is a human baby, then you are prepared to vote for perhaps almost any reasonable measure to discourage or restrict or confine or prohibit resorting to abortion. Maybe not absolutely everybody, but most of us who have that feeling are prepared to go a long ways, and yet we recognize that it does involve a serious invasion of the rights and privacy of the mother and the father and others who may be involved, and we could not justify such an invasion did we not think that that was an innocent human life, an innocent baby for whom we feel a need of protection.

Mr. METZENBAUM. Will the Senator from Colorado yield for a question?

Mr. ARMSTRONG. Mr. President, I am very reluctant to be discourteous to my friend from Ohio, but I am about to conclude my statment. If I could finish my thought, I will yield the floor.

Mr. METZENBAUM. I would like to ask a question when the Senator concludes.

Mr. ARMSTRONG. That will be in just a moment, and at that time I will be happy to yield.

So, the issue, in the opinion of those of us who will vote for the Humphrey amendment, is life. The issue is not appropriations policy. The issue is not how many times it is brought up. It is not how many times we have had to think about this issue and vote on it; although it is not surprising, let me say to Senators, that it takes a lot of votes to get this issue across. I say that as one who came to this city to be a Member of the Congress with a very different attitude toward abortion than the one I now hold. When I was a member of the State legislature, I was one of those who voted for what was then regarded as a very liberal abortion policy. Honestly, I just did not know what the issue was and, as a consequence, like many, perhaps many in this Chamber, I was persuaded that the overriding issue was the privacy and the rights of the mother.

What caused me to change, and what I judge is causing many Senators to change, and an enormous change in sentiment throughout this country in the last decade, is the growing body of medical evidence, of scientific evidence, and the testimony in the lives of people who are most directly affected who have spoken up over and over again that that is not a blob within the pregnant mother, that it is not an "it" or a something, that it is a little baby, a little baby who deserves our compassion and our care and concern. That is what is at stake.

Should we have to vote on this 400 times? I hope we do not have to vote on it again. But I will just say to the Senator from Ohio and others that this is the slavery issue of the 20th century. This is the preeminent civil rights of issue of the 1980's. This is, in my opinion, the human rights issue of our time. And if we turn our backs on it because we want to go home when it is 5:30 or 6 o'clock in the afternoon, or because we voted on it a lot of times, then we are doing an injustice, I believe, to our laws and our beliefs.

I believe this amendment is going to carry today because it is similar to amendments that have previously been adopted on other bills.

But if it does not, it still is performing an educational function.

My final point is this: The Senator from Connecticut makes the point that this could be perceived as a States' right issue. I want to associate myself with him not only in support of the Senator from Arizona in his Presidential bid, but also in support of States' rights. By God, I am a States' righter. I am a guy who thinks this issue, and a lot of others that we handle around here, ought to be settled in the State legislatures, and not in the U.S. Senate.

That is exactly where this issue is lodged prior to Roe versus Wade. It was Roe versus Wade which improvidently federalized this issue. If I could figure out how to defederalize it I would be glad to do that, and leave to the conscience of State legislatures to wrestle with it. But we cannot do that. The Court has put this in our lap.

Even if, however, we were in a States' rights mood the amendment of the Senator from New Hampshire would be proper, and in order because with respect to the District of Columbia, the Congress unavoidably exercises many of the same functions with respect to the District of Columbia that the State legislature would exercise within the territory or jurisdiction of a State.

We in effect have that kind of responsibility for the District of Columbia.

So my friend, I want to sum it up this way. The issue here tonight is simple. It is the same issue we voted on on many occasions in the past. It is life. It is whether or not Government money ought to be used to finance abortion. If you think Government money should not be so used in the District of Columbia, if you think we should apply in effect the Hyde amendment to the District of Columbia as we have in so many other areas of the law, then I urge you to vote yes on the Humphrey amendment.

Mr. WEICKER. Mr. President, I ask a simple question to put it in the context to be responded to by the Senators from Colorado and New Hampshire.

If indeed the issue is solely life on the amendment by the Senator from New Hampshire, then would the Senator from New Hampshire be willing to take out of his amendment those moneys that are raised by the District of Columbia?

In other words, there is more than just life is what I am trying to point out to my colleagues. There is the issue of life fairly stated by the Senator from Colorado. There is also the issue here that this amendment applies to 80 percent of the revenues of the District of Columbia which are raised by the District of Columbia.

So there is brandnew ground being plowed here in the sense of the second part of this amendment. If you want to leave it just as a vote up and down on the Hyde amendment, then I would

suggest a modification of the amendment to exclude revenues raised by the District of Columbia.

Mr. ARMSTRONG. Mr. President, if the Senator will yield, I will defer, of course, to the principal sponsor of the amendment.

If I may, my answer is very simple. It seems to me that with respect to Government money—that is, money raised through the D.C. government, through the revenue process of the District—that we cannot escape our responsibility. It is not similar to the State Legislatures of Colorado, Connecticut, or Virginia. The D.C. government is our creature. We have a responsibility to make a policy decision.

I want to stress, however, that this amendment does not take the next step and say that abortions are per se illegal within the District of Columbia. It does not outlaw them. It simply says Government money may not be used for this purpose.

Mr. DENTON. Mr. President, I rise in strong support of the amendment offered by the distinguished Senator from New Hamspshire. For nearly a decade, the Congress has adhered to a policy that prohibits the use of taxpayer funds to pay for human abortions, except when the life of the mother is threatened. The policy has the support of the great majority of Americans because it recognizes the inherent wisdom in not forcing taxpayers to support a procedure that leads to the destruction of innocent human life.

In recent years, the Congress has extended the policy to prohibit the use of taxpayer funds to provide nontherapeutic abortions through Federal employee benefit plans. In other words, Congress has refused to pay for abortions obtained by those dependent upon Medicaid or by those on the Federal payroll. One glaring inconsistency remains, however.

The District of Columbia continues to use so-called local funds appropriated by the Congress to provide taxpayer-funded abortions on demand. According to the Alan Guttmacher Institute, there were some 4,393 tax-funded abortions in the District of Columbia in fiscal year 1983. The high rate of taxpayer-funded abortions no doubt helped the District achieve the terrible distinction of having the highest abortion rate in the country. In the District, the number of abortions now regularly exceed the number of live births. Some people might say that the decision by the District to pay for abortions is simply a byproduct of the autonomy given the District under "home rule." The argument is that the Congress has no right to prohibit the District from using "local funds," generated by various taxes and fees levied by the District and appropriated by the Congress to be used by the District.

In remedying the injustice created by the use of public funds to destroy innocent human life, Congress cannot hide behind "home rule." As the national Right to Life Committee has pointed out, the appropriations bill contains restrictions on matters far less important than protecting innocent human life. If Congress can, in this bill, change the name of a District street, regulate the use of taxi meters, and set policy for overtime compensation and hiring lotteries, then we can stop funding the destruction of innocent lives.

Under section 601 of the District of Columbia Self-Government and Self-Government Reorganization Act, Congress specifically reserved the right to exercise its constitutional authority as the Legislature for the District of Columbia. I can think of no more pressing circumstances demanding the use of that congressional authority than the need to address the use of public funds for nontherapeutic abortions.

I strongly urge all of my colleagues to support Senator HUMPHREY'S amendment.

Thank you, Mr. President.

Mrs. KASSEBAUM. Mr. President, I want to explain briefly my reasons for opposing the amendment offered by the Senator from New Hampshire, as I do not as a general rule support Federal funding of abortion. I do believe there are some instances, such as cases of rape or incest, where assistance is appropriate. The failure of the Humphrey amendment to include these exceptions weighs heavily in my decision to oppose it.

What troubles me more about the amendment, however, is its attempt to extend the prohibition against abortion funding beyond Federal dollars. One reason that I do not generally support Federal funding of abortion is that I sympathize with the concerns of taxpayers who do not want their income taxes spent for this purpose. But, this amendment is not limited to Federal funds; it extends as well to the use of tax dollars raised by the District of Columbia from D.C. residents. The District raises local revenues just as our various State governments raise funds through State income and property taxes. It is true that the District has a unique relationship with the Federal Government, such that all of its funds must be appropriated by Congress. This does not, however, change the fact that we are talking about local—not Federal—tax dollars. Because we can dictate the use of local D.C. moneys does not mean that we should.

More and more, we are being presented with proposals which are described as Federal abortion funding limitations, but which in fact have quite different effects. Earlier this year, the Senate debated international family planning policy. Although we heard a great deal about Federal funding of abortion abroad, that never was the issue. The use of U.S. funds for abortion in international family planning programs has been flatly prohibited for over a decade. The real issue in that debate was the viability of our international family planning programs and the extent to which we should dictate to private organizations how they spend private, non-U.S. funds.

By the same token, the debate over this amendment is not about Federal funding of abortion. The bill reported by the Appropriations Committee prohibits the use of Federal funds for abortion in the District of Columbia except in cases of rape or incest or where the life of the mother would be endangered. Rather, this debate is about the extent to which Congress should dictate how the District of Columbia spends its own money.

Our tendency to move further and further afield from the real issues at stake results in bad public policy and a deterioration of public debate. I hope that my colleagues will join me in opposing this amendment.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I move to table—excuse me.

Mr. SPECTER. Mr. President, will the Senator withhold the motion for just a moment?

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Very briefly, I think it important to note that the District of Columbia raises some $2 billion a year in taxes from District residents, and this factor is very significant in terms of what ought to be the District's right to make a determination of its own as to how it uses its funds.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming to lay on the table the amendment of the Senator from New Hampshire. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. EAGLETON. Mr. President, on this vote, I have a live pair with the junior Senator from Massachusetts [Mr. KERRY]. If he were present and voting, he would vote "aye." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. HEINZ] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts [Mr. KERRY] and the Senator from West Virginia [Mr. ROCKEFELLER] are necessarily absent.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

The PRESIDING OFFICER (Mr. GOLDWATER). Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 54, nays 41, as follows:

[Rollcall Vote No. 291 Leg.]

YEAS—54

Baucus	Glenn	Moynihan
Bentsen	Goldwater	Nunn
Biden	Gore	Packwood
Bingaman	Gorton	Pell
Boren	Harkin	Pryor
Bradley	Hart	Riegle
Bumpers	Heflin	Roth
Burdick	Hollings	Rudman
Byrd	Inouye	Sarbanes
Chafee	Kassebaum	Sasser
Chiles	Kennedy	Simon
Cochran	Lautenberg	Simpson
Cohen	Leahy	Specter
Cranston	Levin	Stafford
DeConcini	Mathias	Stevens
Dixon	Matsunaga	Warner
Dodd	Metzenbaum	Weicker
Evans	Mitchell	Wilson

NAYS—41

Abdnor	Gramm	McClure
Andrews	Grassley	McConnell
Armstrong	Hatch	Melcher
Boschwitz	Hatfield	Murkowski
D'Amato	Hawkins	Nickles
Danforth	Hecht	Pressler
Denton	Helms	Proxmire
Dole	Humphrey	Quayle
Domenici	Johnston	Stennis
Durenberger	Kasten	Symms
East	Laxalt	Thurmond
Exon	Long	Trible
Ford	Lugar	Wallop
Garn	Mattingly	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Eagleton, against.

NOT VOTING—4

Heinz	Rockefeller
Kerry	Zorinsky

So the motion to table was agreed to.

Mr. METZENBAUM. I move to reconsider the vote by which the motion was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I understand there are a couple of amendments that can be accepted. I am wondering if anybody is going to insist on a rollcall vote on passage? I have just been advised that there has been a request for the yeas and nays.

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. President, I ask unanimous consent that the committee amendment be laid aside.

Mr. METZENBAUM. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MATTINGLY. Mr. President, I suggest the absence of a quorum.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia has called for a quorum.

Mr. MATTINGLY. Mr. President, I do not suggest the absence of a quorum.

EXCEPTED COMMITTEE AMENDMENT

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment on page 20, lines 14 to 25 was agreed to.

Mr. SPECTER. I move to reconsider the vote.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 989

(Purpose: To freeze sums available to the District of Columbia Government for fiscal year 1986 contractual and related professional services at the 1985 level for such services)

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask of its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY] proposes an amendment numbered 989.

At the proper place in the bill, add the following new section as follows:

"SEC. ——. Notwithstanding any other provision contained herein, none of the funds appropriated under this Act may be used to advertise for or award, retain, or otherwise obligate payment for contractual and related professional services for District agencies at any level which would directly or indirectly exceed the level of expenditure or obligation for such services for fiscal year 1985, or the sum of twenty-one million, seven hundred eighty thousand dollars ($21,780,000), whichever is the lesser.".

Mr. MATTINGLY. Mr. President, the amendment that I am offering would freeze the funds available in the bill for consultant services at fiscal year 1985 levels, or $21.78 million. A savings of $5.2 million.

It is my understanding that the District had requested about $27 million in fiscal year 1986 for these so-called consultant services but the exact figure is apparently unknown, because repeated requests to D.C. officials for the information have not produced the requested data. As many of my colleagues are aware, I have for some years been studying the area of consultants and studies. It is nothing new to me to find bureaucrats either unwilling or unable to tell me how much money they are spending on studies and consultants. These contracts are subject to a multitude of abuses because of a general lack of controls. But the bureaucrats love them for that very reason. They have so much discretion in spending this money. Usually, there is no competitive bidding to worry about. The result is that too often the taxpayers' money goes to somebody's friend or political supporter.

Recent news stories illustrate some of the problems in this area. I ask unanimous consent that at the appropriate place in the RECORD, the article "D.C. Official Hired Friend in Minnesota as Consultant" from the Washington Post September 10, 1985 be printed.

The PRESIDING OFFICER. Without objection, it is so ordered. [See exhibit 1.]

Mr. MATTINGLY. This article concerns a consulting contract given by the District's Public Health Commissioner to an old college friend. The friend was paid $245 a day as a full-time consultant despite the fact that he continued in his full-time job in Minnesota. Under this contract awarded on a noncompetitive basis, over $38,788 was paid to the consultant over 7 months. The result was a four-page report that recommended that the Commissioner not work so hard. This ludicrous contract may not be completely representative of the way the District Government spends the money we give it for consulting services. But the fact that it was awarded, and the money paid out, no questions asked, is a clear sign that proper controls are not there.

I am not singling out the District Government. The problem with identifying and controlling these types of expenditures is not limited to the budget of the District. The same problems exist in every area of the Federal Government. The only difference is in scale. The Defense Department wastes hundreds of millions of dollars on useless consultants and outside studies. I have spent many hours trying to unravel that maze in the Pentagon. As my colleagues might recall, last year an amendment of mine similar to the one I am offering today cut $1 billion from the Defense Appropriations bill.

The distinguished chairman of the subcommittee has recommended that certain efforts be undertaken to obtain more information on exactly how the D.C. government awards such contracts. Pending that full review, I believe that it is prudent and justified to freeze the money available for such services.

I urge the adoption of the amendment.

EXHIBIT 1

[From the Washington Post, Sept. 10, 1985]

D.C. OFFICIAL HIRED FRIEND IN MINNESOTA AS CONSULTANT

(By Sandra Evans)

Soon after becoming the District's public health commissioner last year, Dr. Andrew D. McBride hired an old college friend as a $245-a-day, full-time consultant—even though the man lives in Minnesota and maintained his full-time job there at Carleton College.

Charles E. Dickerson was awarded a consultant's contract on a noncompetitive basis

and was paid a total of $38,788 for seven months of work from last September to early April, according to city records and officials. During most of that period, records show, Dickerson billed the District for 40-hour work weeks.

In addition, according to a Department of Human Services audit, McBride ran up $4,800 in bills on his government car phone in the first six months of this year, mainly because of 202 calls made to Dickerson's Minnesota home and office. McBride sometimes called Dickerson on the car phone two or three times a day, records show.

Dickerson, who has a PhD in history, submitted a four-page "final consultative report" that tells McBride not to work so hard and gives 21 general recommendations, including "the possible phasing out of selected programs" without stating which ones.

The contract and documents submitted under it were obtained by the Washington Post through the Freedom of Information Act.

The report, sprinkled with sayings and mottoes such as "Physician heal thyself," warns at one point that bureaucracies are "doubled-edged swords."

"Therefore, consider adopting a patient but tenacious, a tolerant but determined, a sympathetic but not empathetic posture toward the CPH [Commission of Public Health] bureaucracy," Dickerson advised. "Realize that while the structure may sap your energy in order to do, it is conversely very likely to consume the energy of another in order to undo."

In a later report summarizing his consulting work, prepared in response to inquiries from The Post, Dickerson said that in advising McBride on bureaucratic reform "there was major consideration of the tenets of Confucianism."

He also quotes a number of other philosophers—as well as former baseball player Yogi Berra—in the highly theoretical 35-page supplemental report he has entitled "A Tiger by the Tail or a Ship by the Helm."

Dickerson also developed a proposal for the Kuwaiti government to invest in economic development in the District. The plan was submitted unofficially to the Kuwait Embassy here.

An embassy spokeswoman said it was not seriously considered and city officials say it is not being pursued.

McBride said in a recent interview that he relied on Dickerson for "an outside perspective" and as a "sounding board" in the early days of his administration. "He has a proclivity for getting into a topic from all angles," McBride said, adding that Dickerson is "familiar with issues of minorities."

McBride and Dickerson knew each other at Lincoln University in Pennsylvania, where they were both members of the class of 1965. Dickerson said that the commissioner chose him for the job because McBride knew him and his work.

"It's part of a network. Some of the guys who went to school with us went into public management," he said. McBride "asked if I'd help him get started," saying he wanted a fresh view, Dickerson said.

"I consider him a colleague. I can't deny he is a friend as well," McBride said. "We got out money's worth from Charles Dickerson."

However, David Rivers, director of the D.C. Department of Human Services and McBride's boss, said he was concerned to learn that Dickerson was still working at Carleton while he was submitting bills to the District for 40-hour work weeks.

"I could not say the city got $38,000 worth of work" from Dickerson, Rivers said, based on his review of what was submitted under the contract before The Post's inquiries. Rivers added, however, that he had not yet reviewed the summation Dickerson wrote subsequently and so had not made a final judgment.

Rivers also said he was "alarmed" at the calls to Minnesota on McBride's car phone and that he has ordered McBride to stop making long distance calls from his car. Rivers ordered an audit of the car phone records and said he would "take additional action" once it is completed.

City Council member Polly Shackleton (D-Ward 3), chair of the council's Human Services Committee, said after being shown the Dickerson contract file that she has "great concerns" about it and intends to pursue it further.

The Dickerson contract is just one of $1.06 million in personal services service contracts let by the public health commission in the first 10½ months of this fiscal year, according to a list compiled by DHS. Most are for specialized medical services, but some are for consulting work.

A "Determination and Findings" document required to justify the Dickerson contract was signed by Vallie D. Byrdsong, DHS contracting offcer, last Nov. 1—nearly two months after the start of the contract period. Byrdsong said that the city had signed a "letter contract" with Dickerson earlier stating its intention to contract with him.

"We do that on an ongoing basis," Byrdsong said. "We just have a paper mill going over here and the contract has to go through a number of processes." The document states that advertising the contract for bids would be "impracticable" and that the services could not be performed by the D.C. government.

The contract was for $24,000, but Dickerson eventually was paid $38,788 without the contract being modified, said Byron Marshall, DHS deputy controller. McBride felt that "he received more services than he negotiated for," Marshall said.

Dickerson billed the District for a final payment of $16,000 for the last two months of consultant work. The bill stated the payment was for planning and evaluating a health commission summer education program and a citywide youth health institute. Under this part of the contract, Dickerson produced a five-page report outlining how participants in the youth program could be divided up, listing general areas of activity and stating 10 purposes of the program.

He also submitted a five-page evaluation and elaboration of a proposal McBride had made to the Board of Education to establish a youth drug abuse institute. This included a cover sheet, a one-page introduction, a page of definitions and a two-page outline and summary of the idea.

Dickerson is Carleton College's director of Third World Affairs and an assistant professor of history, and is involved with minority student recruitment and retention. James Shoop, Carleton director of college relations, said Dickerson goes to Washington for Carleton frequently to deal with college business but that he generally is on campus. "He's putting in his full time here," Shoop said.

Asked if he had worked a full work week for the District of Columbia, Dickerson said in an interview, "I wouldn't say it that way," but added that he had spent about 50 percent of his time in the District and 50 percent at Carleton. He put in invoices for 40-hour work weeks because "that was the way I was instructed to make out the invoices to . . . take care of expenses and travel," he said.

The contract specifies that the billing is supposed to be on a "when actually employed" basis. McBride, who as the contract administrator signed off on the contract vouchers, said he did not know about the specific billing procedures but that "I knew we were getting our money's worth."

About the frequent car phone calls, McBride said this reflected his management style because he was often in the field and would consult with Dickerson when crises arose. McBride called Dickerson's summary report "brilliant."

"Washington D.C. is not a quiet lake nor an easy flowing river; instead it is the high seas—an ocean," Dickerson wrote in the summary report. "The man at the helm of an administrative flotilla must be a skilled, trained and experienced navigator. He must not only know the compass, the sextant and the astrolabe, he must also know the currents, the winds and the stars. He must know the sailors, know his ship and know his cargo."

While Dickerson no longer is under contract directly with the District government, he works indirectly for the city. Another city contractor, Decision Information Systems Corp. (DISC), previously Granville Corp., has hired him to work on another management study for the public health commission, Dickerson said.

McBride said he had introduced Dickerson to the Granville group but did not think Dickerson was hired on as a favor to him.

Mr. MATTINGLY. Mr. President, I believe this amendment has been cleared by both the chairman and the ranking member. I ask for its favorable consideration.

Mr. SPECTER. Mr. President, the proposed amendment establishing a freeze on consultants' fees has been taken up with the managers of the bill and it is agreeable.

Mr. LAUTENBERG. Mr. President, the amendment is agreeable on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 989) was agreed to.

Mr. MATTINGLY. I move to reconsider the vote.

Mr. SPECTER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 990

(Purpose: To provide that no Federal funds be used to obtain a major league baseball franchise for the District of Columbia and to express the neutrality of the Congress with respect to awarding of any such franchise)

Mr. HART. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

51-059 O-87-32 (Pt. 22)

The Senator from Colorado [Mr. HART] for himself, Mr. LAUTENBERG, and Mr. LUGAR, proposes an amendment numbered 990:

On page 27, between lines 8 and 9, insert the following:

SEC. 134. (a) None of the Federal funds provided in this Act shall be used by the District of Columbia to obtain a major league baseball franchise to be located in the District of Columbia.

(b) The Congress expresses no preference with respect to the activities of any municipality to obtain a major league baseball franchise.

Mr. HART. Mr. President, I offer this amendment on behalf of myself, the Senator from New Jersey, [Mr. LAUTENBERG] and the Senator from Indiana, [Mr. LUGAR], whose cooperation I appreciate.

The Senior Senator from Colorado, during his tenure in this body, has always tried to demonstrate sensitivity to the unique situation which confronts this Nation's seat of government. Obviously, there is no municipality in this country other than the District which must submit its budget for ratification by the Congress. The outcry in Denver, or in Philadelphia, or in South Orange, would be deafening if local governments in those communities had to suffer this particular indignity.

This Senator has tried to respond on issues involving home rule, voting rights and the like. In essence, each of us in this Chamber have representational duties not only for our home constituencies but for D.C. residents as well. It is often difficult for us to find an effective balance between the interests of our own constituencies and those of the people of Washington, DC.

That said, Mr. President, I was very concerned in July when the report of the House Appropriation Committee on the D.C. funding measure was published. It contained language which, in the judgment of this Senator, disturbed the balance I spoke of a moment ago.

The issue involves efforts on the part of a great number of communities across the country to bring home a baseball franchise when the league announces its expansion decisions at the end of this year. Cities such as Buffalo, Denver, Indianapolis, New Orleans, Phoenix, Tampa-St. Petersburg, Vancouver, and Washington are working toward this end.

In this instance, the District government was able to convert the disadvantage of congressional approval of its budget into a competitive edge. In a "General Statement" contained in the Appropriations Committee report, the following passage appears:

The committee congratulates the District government for the aggressive manner in which it is pursuing the acquisition of a major league baseball team for the nation's Capital * * *. The Mayor and Council are to be commended for their leadership and foresight in creating the DC Baseball Commission to market the Washington area as the ideal location for the next expansion major league baseball team.

Were we to do nothing, this language in the House report would stand as a congressional endorsement of one city's campaign to win a baseball franchise. I think that would be unfair to the other communities interested in baseball. They are not in a position to use the resources of the House and Senate to assist their own efforts to secure a team.

There is also the collateral issue of funding. The bill contains $55,000 in locally generated revenues to fund the DC Baseball Commission. If this was Federal money—and I am satisfied at this point it is not—I would be offering an amendment to delete these funds. As inappropriate as the endorsement language is, it would be doubly wrong for taxpayers in Denver, Buffalo, Tampa, Phoenix, and elsewhere, to be funding one city's efforts to get a team.

On this issue, Mr. President, I confess to being a partisan. The people of Denver would be delighted to have a major league team in our community. We estimate that a franchise would bring $75 million in direct and indirect economic benefits. In Denver alone, tax receipts would rise $3.3 million. An additional 1,200 jobs would be created. The economic advantage would, I am sure, be equally welcome in the other cities which are competing for the two expansion franchises.

But this is a decision which must be left to the cities, to major league baseball, and to the market.

My amendment contains two basic statements: First, it establishes the requirement that only local funds contained in the appropriation be used by the District government to fund the baseball commission. This should provoke no controversy; the DC government intends to use local funds for this purpose. Second, it contains a policy statement intended to supersede the House committee report language. It states that:

The Congress expresses no preference with respect to the activities of any municipality to obtain a major league baseball franchise.

Essentially, I am asking for a "level playing field." Any community which wants a team should try for one. Having a baseball team is a matter of civic pride and economic development. As baseball moves toward expansion, it should proceed without unnecessary or inappropriate congressional endorsements, but on the basis of the kind of friendly competition which naturally ensues between cities which love the national pasttime.

Mr. President, I urge adoption of the amendment.

Mr. LAUTENBERG. Mr. President, I rise in support of the amendment of the Senator from Colorado. We have been working on this since the bill was reported out of committee.

I can understand the strong desire on the part of Washingtonians to bring baseball back to DC. I understand the feelings of Washington baseball fans, because feelings run just as strong in New Jersey, which is also seeking a baseball franchise.

In fact, delegations from a number of cities are making their pitch—so to speak—for expansion franchises in meetings with major league baseball in New York today and tomorrow. I understand that the Washington delegation is in New York today. The New Jersey delegation will make its presentation tomorrow.

From this Senator's point of view, New Jersey's case is a strong one. New Jersey's northern counties comprise a market bigger than any other area that now seeks a team. In fact, there are roughly 5 million New Jerseyans in the greater New York, New Jersey, and Connecticut metropolitan area. That is 5 million people, plus the rest of the State's residents, who do not have a baseball team to call their own. With its Meadowlands complex, New Jersey has proved that it's a big league State, and it ought to be in the big leagues in baseball.

On the other hand, Mr. President, I would suspect that the Senator from Colorado would argue that Denver has a strong claim, too.

The point is, we are not about to resolve the issue fairly in the context of this bill, nor should Federal funds be used to favor the District over other areas. The District should compete with New Jersey and other places on a level playing field—so to speak.

The amendment is acceptable on our side, and I understand is acceptable to the manager for the majority [Mr. SPECTER]. I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment (No. 990) was agreed to.

Mr. HART. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SPECTER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 991

Mr. SPECTER. Mr. President, I send two amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 991.

Mr. SPECTER. Mr. President, I ask unanimous consent that further read-

ing of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

STUDENT LOANS

At page 32, after line 4, insert:

SEC. . There are authorized to be expended from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both) such sums as may be necessary to finance the District's participation in a student loan revenue bond program. Sums authorized to be expended by this section shall remain available without limitation as to fiscal year until such student loan revenue bonds have been paid or payment has been provided for.

At page 3, after line 16, insert:

COURT STUDY

For a Federal contribution to the District of Columbia $100,000.

Mr. SPECTER. Mr. President, I ask favorable consideration of the technical amendments. In certain student loans, the District, in cooperation with the consortium of universities in the Washington area, will soon issue $50 million in revenue bonds. I am told that the District's maximum exposure and the worst case assumption is to be $1.5 million.

Mr. President, the second amendment will add $100,000 in Federal funds to the District court system to move ahead with a study of ways to expedite court dispositions.

I ask unanimous consent that these two amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment (No. 991) was agreed to.

Mr. SPECTER. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 992

Mr. SPECTER. Mr. President, I now send an amendment to the desk on behalf of Senator TRIBLE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for Mr. TRIBLE, proposes an amendment numbered 992.

Mr. SPECTER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

H.R. 3067 is amended by adding at page 8 after line 5:

Provided further, That not to exceed $50,000 of this appropriation shall be used to reimburse Fairfax County, Virginia, for expenses incurred by the County during fiscal year 1986 in relation to the Lorton prison complex. Such reimbursement shall be paid in all instances in which the District requests that the County provide police, fire, rescue, and related services to help deal with escapes, riots, and similar disturbances involving the prison.

The District shall make a quarterly report to the Chairman of the Senate Appropriations Subcommittee on the District of Columbia regarding the amount and purpose of reimbursements made to the County, and the amount of the authorization remaining for such reimbursements.

Mr. TRIBLE. Mr. President, this amendment will help to offset the cost to Fairfax County citizens of providing police, fire, and other emergency services at the District's Lorton prison complex.

For many years, the county has served as a reluctant host to the Lorton prison. Its presence has been a source of concern to the residents of the county, who are quite naturally troubled over escapes, riots, and similar occurrences.

Lorton prison has also imposed a financial burden on the county, which is often called upon to provide emergency services at the prison. Last year, the county spent approximately $50,000 to provide police and fire assistance for events related to the Lorton facility.

My amendment will bring a measure of fairness to this situation by earmarking up to $50,000 in the D.C. appropriations bill to reimburse the county for costs incurred as a result of the Lorton prison.

Mr. President, this amendment is acceptable to the distinguished chairman of the D.C. Appropriations Subcommittee, Senator SPECTER. I want to thank the Senator for his guidance and cooperation in this matter.

Mr. SPECTER. Mr. President, I do intend to accept the amendment offered by my colleague from Virginia. I would like to take a moment and ask Senator TRIBLE to clarify exactly the situations which will be eligible for reimbursement.

Mr. TRIBLE. I will be happy to. As I have mentioned, I believe the county ought to be reimbursed for the cost of providing police, fire, rescue, and similar services to the Lorton prison in the event of escapes, riots, fires, and similar disturbances. It is my intent that the county be promptly reimbursed in all instances in which the District requests the county's assistance. Furthermore, I believe that, in cases in which the District notifies the county of an emergency and the county then provides such services of its own volition, reimbursement should be provided as mutually agreed between the county and the District.

Mr. SPECTER. Those guidelines are agreeable to the committee. I would also ask my distinguished colleague from Virginia what effect his amendment might have on the existing police mutual aid agreement between the District and several of the surrounding jurisdictions.

Mr. TRIBLE. It is not my intent to conflict with the police mutual aid compact in any way. This amendment is necessary because of the peculiar nature of the relationship between Fairfax County and the Lorton prison, which differs significantly from the other scenarios which might fall under the mutual aid compact. For example, it involves far more than occasional ventures into a neighboring jurisdiction. Rather, it involves a long-term, fixed presence in one jurisdiction of a facility belonging to another. My proposal for reimbursement arises out of this extraordinary relationship.

Mr. SPECTER. I also note that the amendment requires periodic reports to the D.C. Appropriations Subcommittee about the manner in which the funds authorized for reimbursement are spent.

Mr. TRIBLE. That is correct. The amendment requires that the District of Columbia report quarterly on the amount and purpose of reimbursements made to Fairfax County during that quarter, as well as on the amount of earmarked funds remaining for reimbursement. It is my hope that this reporting requirement will provide the Congress with sufficient time to replenish the earmark should $50,000 prove inadequate during the coming fiscal year.

I want to again express my appreciation to my distinguished colleague from Pennsylvania. He has been most helpful in addressing my concerns about the Lorton facility, and I thank him for his cooperation. At this time, I ask unanimous consent that a copy of a letter I recently received from the chairman of the Fairfax County Board of Supervisors in support of this amendment be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COUNTY OF FAIRFAX,
BOARD OF SUPERVISORS,
Fairfax, VA, August 8, 1985.

Senator PAUL TRIBLE,
Hart Senate Office Building,
Washington, DC.

DEAR PAUL: At its meeting on August 5, the Fairfax County Board of Supervisors unanimously expressed its support for your efforts on behalf of the County to recoup expenditures related to the Lorton Correctional Facility.

As you are fully aware, the County has expended considerable financial resources to ensure the safety of its citizens on various occasions when incidents at Lorton have posed a threat. These resources amounted to approximately $50,000 last year for services by County police and fire units. In addition to this financial drain, attention to Lorton problems requires considerable staff effort.

It remains the County's goal to have the Lorton facility eventually closed, but you are familiar with the obstacles to accomplishing that goal. In the meantime, Fairfax County is committed to continuing to work with the District of Columbia and the Lorton staff to protect our citizens. Your efforts to earmark funds in the District's budget for future reimbursement to the county when police or fire units are required at Lorton are heartily appreciated and supported. I join the Board members in the hope that your move to provide such reimbursement will be successful.

Fairfax County stands ready to support you. Please feel free to call upon us.

Sincerely,

JOHN F. HERRITY,
Chairman, Board of Supervisors.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 992) was agreed to.

AMENDMENT NO. 993

Mr. SPECTER. Mr. President, I send an amendment to the desk of behalf of Senator GRASSLEY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], on behalf of Mr. GRASSLEY, proposes an amendment numbered 993.

Mr. SPECTER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. HART. Mr. President, reserving the right to object, I think the manager ought to at least tell us what the amendment is.

Mr. SPECTER. I have and I shall.

Mr. HART. No. We passed about two there and there was no description of whatever.

Mr. SPECTER. I announced, as the RECORD will show, what each amendment was. I will be glad to go back over it, if the Senator wishes.

The PRESIDING OFFICER. Is there objection to dispensing with the reading of the amendment?

The Chair hears none, and it is so ordered.

The amendment is as follows:

On page 32, line 5, add the following new section:

SEC. 134. The District of Columbia shall construct three signs which contain the words, "Sakharov Plaza." These signs shall be placed immediately above existing signs on the corners of 16th and L and 16th and M Streets, Northwest. These should be similar to signs used by the city to designate the location of METRO stations. In addition, a sign shall be placed on city property directly adjacent to, or directly in front of, 1125 16th Street designating the actual location of Sakharov Plaza.

Mr. SPECTER. Mr. President, the amendment submitted on behalf of Senator GRASSLEY relates to the placement of signs surrounding the Soviet Embassy at Andrei Sakharov Plaza.

Mr. MATHIAS. Will the clerk state the amendment?

The PRESIDING OFFICER. May we have order, please. The Chair cannot hear the Senator.

Will the Senator from Pennsylvania send the amendment to the desk?

The clerk will report.

The assistant legislative clerk read as follows:

The District of Columbia shall construct three signs which contain the words, "Sakharov Plaza." These signs shall be placed immediately above existing signs on the corners of 16th and L and 16th and M Streets, Northwest. These should be similar to signs used by the city to designate the location of METRO stations. In addition, a sign shall be placed on city property directly adjacent to, or directly in front of, 1125 16th Street designating the actual location of Sakharov Plaza.

Mr. SPECTER. Mr. President, there has been enacted into law section 133 of Public Law 98-455, a provision that the property located on square numbered 197, lot numbered 841 at 1125 16th Street, NW., Washington, DC, shall be designated as "Andrei Sakharov Plaza." Senator GRASSLEY has asked for this amendment in order that the designation be clear, with the requirement that these signs be placed there. The matter has been considered before and enacted into law.

Mr. MATHIAS. Mr. President, will the manager of the bill yield for a question?

Mr. SPECTER. I do.

Mr. MATHIAS. Has the municipal government of the city of Washington been consulted with respect to this amendment?

Mr. SPECTER. The city government of the District of Columbia has been consulted.

Mr. MATHIAS. Can the manager of the bill advise the Senate as to what the reaction of the city government was?

Mr. SPECTER. Yes, I can advise the Senator as to what the reaction was.

Mr. MATHIAS. Will the manager of the bill please advise the Senator what that reaction was?

[Laughter.]

Mr. SPECTER. They are willing to do it if they are directed to do so. They do not have any great concern about this. They are not the moving party, however, but they are not disagreeing.

Mr. MATHIAS. Mr. President, I have some concern about this amendment. It seems to me that we are acting not like the Senate of the United States of America but like some small town debate group trying to make points. Is this a serious body? Are we serious about our relationships with the great powers of the world? Do we think that it is going to be of any real significance in the history of the relationship of the United States and the Soviet Union if we try this kind of petty pin prick? Why not raise our sights and talk about the things that are significant in the relationship between the United States and the Soviet Union. There is plenty to talk about. The President of the United States is on his way to Geneva to talk about it. But these little petty pin pricks are evidence of the lack of civility in our relationship, and it will show lack of civility on our part if we allow this amendment to pass. I do not want to cut off debate on the subject, but at the appropriate moment, Mr. President, I will offer a motion to table.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I do not see the Senator from Iowa on the floor, and I hope someone will summon him since it is his amendment. Like most Senators, I never heard of it until this moment.

With great respect, let me say, for my colleague from Maryland, while this is not the most important or the largest amendment we will consider this month, neither is it by any means a pin prick.

By this action we say that the name of Andrei Sakharov is remembered in this country; that his fight is not forgotten; that we regard him as a symbol of human rights violations in the Soviet Union; that by remembering him we express our eternal kinship with the hundreds of thousands, indeed with the millions, who are suffering political and religious repression within that country.

Does it add something to the civility of our relationship with the Soviet Union? No, of course not, but it adds something much more substantial and serious. I do not want to make more of the amendment than it is. It is the intention of the Senator from Iowa to just go ahead and put up the signs and not have a debate on it. In due course, we will have amendments on whether we will send aid to the rebels in Angola. That is a big and serious issue. We will have amendments on defense. They are big and serious issues. This is a serious issue as well, let me say to the Senator from Maryland, and I urge him to withhold his motion. It is an issue of symbolism, not for the three signs but what they represent in terms of our commitment, our recognition that this man who as a symbol has not been forgotten. So I hope the Senator will not move to table.

Mr. MATHIAS. Mr. President, I say to the Senator from Colorado that I yield to no Member of the Senate in my recognition of the rights of Andrei Sakharov and the injustice that has been done to him, but I think that there are other ways to honor him. Let us take a different street corner. I am happy to go along with that. But this particular location at this particu-

lar moment, as the President of the United States is literally packing his bags to go to Geneva, is not worthy of the United States Senate.

Mr. LUGAR. Mr. President, the issue has come before the Senate once before, as has been noted by the distinguished manager of the bill. My understanding is that last year the issue was resolved in favor of the Senator from Iowa and the signs were in fact erected in the general area of the Soviet Embassy to witness our belief in the desirability of freedom for Andrei Sakharov. As I understand the current situation, the Senator from Iowa went to the embassy area, examined the signs and their location and was distressed that he felt they were not sufficiently prominent.

Apparently, the desire tonight is to remedy that by putting additional signs which would be more prominent.

I share the feelings of both distinguished Senators who have spoken—first of all, as to Senator ARMSTONG's thought that this is a serious issue. As the Senator knows, it has been met by the Senate before.

However, I also concur with the thoughts of the Senator from Maryland, that to attempt to do something which I fear is trivial in this case, tacking additional signs on top of signs, demeans the original action.

I hope the Senator from Iowa will be willing to withdraw this amendment and allow the action of the Senate to stand as it is. We have expressed ourselves. The additional situation, I think, would be redundant.

Mr. SPECTER. Mr. President, the Senator from Iowa is out of the Chamber now, and he should be heard on this subject.

Mr. CHAFEE. Mr. President, I find it kind of embarrassing that at 6:20 in the evening, in the U.S. Senate, in the so-called greatest deliberative in the world, we are deciding where the city of Washington should place its street signs. I think we can devote ourselves to something greater than that.

I share the views expressed by the Senator from Maryland that this is not the kind of dignified action we should take, particularly at this time, as the President is going to Geneva. I hope we will restrain oursevles.

Yes, we get a sense of vengeance, if you will, or triumph, but I do not think that is the way we want to act in this body.

I hope the amendment will be withdrawn, or, if it is pressed, that the amendment will be tabled.

Mr. MATHIAS. Mr. President, will the Senator from Pennsylvania yield for a further question?

Mr. SPECTER. I yield.

Mr. MATHIAS. As we all know, the Embassy of the Soviet Union is about to move from the location which has been designated "Andrei Sakharov Plaza." Would it be the intention of the Senator from Pennsylvania to entertain a further amendment that we move Andrei Sakharov Plaza when the Soviet Embassy moves?

Mr. SPECTER. In response, having gotten into this difficulty by offering the amendment on behalf of Senator GRASSLEY, I would not express any further intention at all.

[Laughter.]

Mr. MATHIAS. It seems to me that the fact they are about to move might be a further reason that we could defer action on this matter and deliberate on it at greater length.

Mr. ARMSTRONG. Mr. President, while we are awaiting the arrival of the Senator from Iowa, are there other amendents that could be taken up?

Mr. SPECTER. Mr. President, I ask unanimous consent that the Grassley amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, there will be a rollcall vote on final passage of this measure. We hope to be able to resolve this critical issue and avoid a vote on this one. Somebody has asked if there will be a rollcall vote on final passage and the answer is yes.

The only other business to follow that will be a couple of conference reports, and we hope to have an agreement which will help us break the logjam on textiles, reconciliation, and the farm bill.

It does not involve the farm bill but it will give us time to take up the farm bill. We are checking with the distinguished Senator from Iowa to see what his disposition is.

Mr. SYMMS. Mr. President, while we are waiting for the Senator from Iowa, I should like to make some comments with respect to what has been said thus far.

I do not think we should make light of the fact that Andrei Sakharov has been incarcerated by the Soviet Union. All we are asking for is an accountability of where Andrei Sakharov is.

Somehow, the United States thinks we have to do everything not to make the Russians mad. They shot down KAL-7 in the last 2 years, murdered 269 people. They have murdered Major Nicholson in the last couple of years. I believe I read in a column by George Will that they have averaged murdering 500 people a day, so the day they shot down KAL-7, they actually were below their average.

They are in Afghanistan, exploiting the civilian population there.

Somehow, we in the U.S. Senate think it is trivia to speak up for the human rights and freedom of a very distinguished citizen of this world, Andrei Sakharov.

I think the Senate should accept the amendment. We do not want to tie up the Senate and have a vote on it. I, for one, would not vote to table this amendment. It is the amendment of the Senator from Iowa, and he can do with it what he chooses. I would vote for this amendment and be proud to do so, in the name of human rights and the spirit in which the President should be going to the summit. The President has the responsibility to do it. But the record of the Soviets is replete with lying, with breaking the contracts they have signed with other nations, with using force and tyranny to get their way, bully their way. Yet we say, "Don't bother the guards. It makes them mad as they are marching us off into the chambers."

This is not necessarily trivia, for us to make some kind of statement that the United States citizens and the United States Senate care about the human rights of people being incarcerated in that slave camp, the Soviet Union.

The PRESIDING OFFICER. The amendment has been temporarily withdrawn.

Mr. WILSON. Mr. President, while we are waiting for the distinguished Senator from Iowa, I say, with the greatest respect, that I do not think the focus of this should be whether or not we are sitting as a city council, directing the city of Washington where to place street signs. I think that what the Senator from Iowa has sought to do here is to find an appropriate vehicle to say something to the Soviet Union that needs to be said. We are dealing in symbolic gestures. I think the Senator is to be commended.

I assume that we would all agree that the violation of human rights which the plight of Andrei Sakharov has made so poignant to all the world is a good deal more than a matter of civility or the lack of civility.

So it is my intention to offer next week a resolution addressing this subject I think in a responsible way, and I will look forward for cosponsors from those who think the subject of Soviet repression of rights is a serious matter and one that needs to be addressed by a serious body, the U.S. Senate.

I thank the Chair.

Mr. MATHIAS. Mr. President, I am very reluctant to take any action on this matter in the absence of the Senator from Iowa. But I think the Senate has to move forward.

I will withhold my motion to table.

Mr. SYMMS. Mr. President, if it will help the Chamber, and I do not want to impose on the rights of my dear colleague from Iowa either, and I have great respect for the Senator from Maryland, I ask a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SYMMS. What is the regular order? And I call for the regular order.

The PRESIDING OFFICER. The Senator asked the question. The regu-

lar order is the amendment offered by the Senator from Pennsylvania for the Senator from Iowa.

Mr. MATHIAS. Mr. President, if the Senator from Idaho is asking for the regular order, then I have no further option but to make a point of order that this is legislation on an appropriations bill and it is not in order.

The PRESIDING OFFICER. The Parliamentarian informs me that the Senator from Maryland is correct. The point of order is well taken.

Mr. DOMENICI. Mr. President, the Senate now has before it the fiscal year 1986 District of Columbia appropriation bill as reported by the Senate Appropriations Committee.

I would like to commend my distinguished colleague, Senator SPECTER, for all of his hard work on this bill.

H.R. 3067 provides one-half billion dollars in both budget authority and outlays for fiscal year 1986 for programs and services in the District of Columbia.

The bill is consistent with the subcommittee's 302(b) allocation under the fiscal year 1986 budget resolution.

Mr. President, I ask unanimous consent that two tables showing the relationship of the reported bill to the congressional budget, the House-passed bill, and the President's budget request, and a summary of total appropriations action to date, be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

DISTRICT OF COLUMBIA SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[In billions of dollars]

	Fiscal year 1986—	
	Budget authority	Outlay
Outlays from prior year budget authority and other actions completed		
H.R. 3067, as reported in the Senate	0.5	0.5
Subcommittee total	.5	.5
Subcommittee 302(b) allocation	.5	.5
House-passed level	.5	.5
President's request	.5	.5
Subcommittee total compared to:		
Subcommittee 302(b) allocation	+(1)	+(1)
House-passed level	+(1)	+(1)
President's request	+(1)	+(1)

[1] Less than $50 million.

STATUS OF APPROPRIATION BILLS IN THE SENATE

[In billions of dollars]

Subcommittee	Appropriations Committee's 302(b) allocation		Adjusted bill totals[1]		Bill compared to allocation		Bill status
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	
Agriculture	28.2	25.2	28.2	25.2	−(2)	−(2)	Senate passed.
Commerce-Justice	12.0	11.9	11.9	12.0	−.1	+.1	Senate reported.
Defense	285.5	252.2					
District of Columbia	.5	.5	.5	.5	+(2)	+(2)	Senate reported.
Energy-Water	15.3	15.6	15.3	15.6	−(2)	−(2)	Conference.
Foreign Operations	15.2	14.7	16.1	15.2	+.9	+.5	Senate reported.
HUD-Independent	58.7	61.2	58.2	61.2	−.5	+(2)	Senate passed.
Interior	8.2	8.9	8.2	9.3	+(2)	+.4	Senate reported.
Labor-HHS	108.0	115.3	108.0	115.3	+(2)	−(2)	Senate passed.
Legislative Branch	1.7	1.7	1.7	1.7	−(2)	+(2)	Conference.
Military Construction	9.0	7.6	8.6	7.6	−.4	+(2)	Senate reported.
Transportation	10.5	26.6	9.9	26.6	−.6		Senate passed.
Treasury-Postal	13.1	13.1	13.4	13.3	+.3	+.2	Conference.
Unassigned	1.2	−.4			−1.2	+.4	
Total, Appropriations Committee	567.1	554.1	280.1	303.6	−1.6	+1.6	

[1] In addition to the bill, includes outlays from budget authority enacted in prior years, possible later requirements, adjustments to conform mandatory items to the budget resolution level, and other adjustments.
[2] Less than $50,000,000.

Note.—Details may not add to totals due to rounding.

Source: Senate Budget Committee staff.

RAOUL WALLENBERG PLACE

Mr. LEVIN. Mr. President, I am pleased that the D.C. appropriations bill under consideration by the Senate includes a provision which will designate part of 15th Street in Washington, DC, as "Raoul Wallenberg Place." The language is virtually identical to my bill, S. 1371, which has 23 cosponsors. The same language is in the House D.C. appropriations bill.

I am grateful for the assistance of Senator SPECTER, chairman of the Appropriations Subcommittee for the District of Columbia, who agreed to include this language in the bill. I also appreciate the leading role played by the original sponsors of this proposal, Representatives BILL LOWERY and TOM LANTOS.

The area that this proposal will designate is the block of 15th Street, SW., which runs in front of the future U.S. Holocaust Memorial Museum. It is worth reiterating that no address other than the museum's will be affected, and that no residences or businesses will be inconvenienced.

Raoul Wallenberg is one of this century's greatest and most courageous humanitarians. He risked his life to set up an organization in Nazi Budapest which saved the lives of tens of thousands of Jews from the Holocaust. This is an achievement almost beyond our comprehension.

Today, we do not even know where this heroic man is. Arrested by the Soviets at the end of the war, we have heard reports of Wallenberg which contradict the claim of the Soviet Government that he died in prison many years ago.

The Holocaust Museum will help to ensure that those who perished in the Holocaust are not forgotten. It is appropriate that the street in front of this museum will be named in honor of a man who saved so many from the horror of the Holocaust, a man who is a symbol of commitment, passion, and bravery. This commemoration will also serve as a reminder that the United States will not cease our efforts to seek definitive information on Raoul Wallenberg's current whereabouts.

Mr. LAUTENBERG. Mr. President, in July 1984, the Senate adopted legislation withholding Federal highway assistance to States with minimum drinking ages below 21. Eighty-one Senators supported this initiative to reduce the loss of young lives on our Nation's highways. The President signed the bill into law shortly thereafter.

Since the passage of the Uniform Minimum Drinking Age Act, 14 States have raised their minimum drinking ages, joining the 23 States which had 21 as their minimum drinking age prior to July 1984. Indeed, the legislation, for the most part, has worked in exactly the way Congress envisioned.

Among the jurisdictions which stand to have Federal highway funds withheld under this measure is the District of Columbia. If the District fails to raise its drinking age to 21 by October 1, 1986, $2.5 million in Federal highway assistance will be withheld. If, by October 1, 1987, it has not acted, another $5 million will be withheld.

Supporters of the 21-year-old drinking age have long questioned whether the provisions of the Uniform Minimum Drinking Age Act would be adequate to cause the District to move on this issue. This concern is shared by

both the House and Senate Appropriations Committees, which have included language in their reports on this year's D.C. appropriations bill, urging the District to act positively and soon.

In the face of the pleas of the Congress, particularly those Members from nearby Virginia and Maryland, to raise its drinking age to 21, in late September, a D.C. City Council Committee voted 4 to 1 against raising the District's drinking age.

The District of Columbia is fast becoming an island amidst a sea of heartfelt concern over the death and injury of young people involved in drunk driving accidents. The District is attracting underage drinkers from surrounded communities like a magnet.

The Metropolitan Washington Council of Governments, on two occasions, has urged the District to raise its minimum drinking age. The result: nothing. The Washington Regional Alcohol Program has urged the District to act, citing an 18-percent increase in alcohol-related accidents involving young drivers on regional highways. The result: nothing.

Mr. President, I considered offering an amendment to this bill to further encourage the District to act. However, I would propose instead that the District of Columbia Appropriations Subcommittee examine this issue first through hearings on the Minimum Drinking Age Act and its efficacy in the District. The lower drinking age in the District has implications for District residents, Maryland and Virginia, and military installations located in the Washington, DC, area. The subcommittee needs to examine if the existing law serves its intended purpose in the District of Columbia, given the District's limited stake in the Federal Highway Program.

Therefore, Mr. President, I inquire of my chairman, the Senator from Pennsylvania, if he would be amenable to the subcommittee holding hearings as soon as possible to examine this important issue?

Mr. SPECTER. Mr. President, I share the Senator's support for a uniform minimum drinking age of 21 nationwide. Our States share a border with New York State, where the drinking age has been lower than 21. We've seen firsthand how differing minimum drinking ages in the two States provide incentives for young people to drive across the border to drink. Fortunately, New York has voted to raise its minimum drinking age. Maryland and Virginia, however, continue to face a border problem with the District.

The Senator's suggestion of a hearing on this matter is a good one. The District has until October 1, 1986, to decide what to do about its minimum drinking age, before facing the withholding of highway funds. The subcommittee should monitor the District's progress over the next year and see if the District's small size and limited stake in the highway program represents a unique situation, requiring a different approach.

Mr. LAUTENBERG. Mr. President, I thank the Senator and look forward to working with him to plan these hearings. Should the provisions of the Uniform Minimum Drinking Age Act prove ineffective in the District, we may be advised to take further action to address the blood borders in the Washington metropolitan area.

Mr. MATHIAS. Third reading.

Mr. SPECTER. Mr. President, I ask for third reading.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

Mr. SPECTER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Delaware [Mr. ROTH], and the Senator from Pennsylvania [Mr. HEINZ] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts [Mr. KERRY], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I also announce that the Senator from Nebraska [Mr. ZORINSKY] is absent because of illness.

I further announce that, if present and voting, the Senator from Massachusetts [Mr. KERRY], and the Senator from West Virginia [Mr. ROCKEFELLER] would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 80, nays 14, as follows:

[Rollcall Vote No. 292 Leg.]

YEAS—80

Abdnor	Byrd	Dodd
Andrews	Chafee	Dole
Bentsen	Chiles	Domenici
Biden	Cochran	Durenberger
Bingaman	Cohen	Eagleton
Boren	Cranston	Evans
Boschwitz	D'Amato	Ford
Bradley	Danforth	Garn
Bumpers	DeConcini	Glenn
Burdick	Dixon	Goldwater
Gore	Levin	Pryor
Gorton	Long	Quayle
Grassley	Lugar	Riegle
Harkin	Mathias	Rudman
Hart	Matsunaga	Sarbanes
Hatfield	Mattingly	Sasser
Hawkins	McClure	Simon
Hecht	McConnell	Simpson
Hollings	Melcher	Specter
Inouye	Metzenbaum	Stafford
Johnston	Mitchell	Stevens
Kassebaum	Moynihan	Thurmond
Kasten	Murkowski	Trible
Kennedy	Nunn	Warner
Lautenberg	Packwood	Weicker
Laxalt	Pell	Wilson
Leahy	Pressler	

NAYS—14

Armstrong	Gramm	Nickles
Baucus	Hatch	Proxmire
Denton	Heflin	Symms
East	Helms	Wallop
Exon	Humphrey	

NOT VOTING—6

Heinz	Rockefeller	Stennis
Kerry	Roth	Zorinsky

So the bill (H.R. 3067), as amended, was passed.

Mr. SPECTER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPECTER. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer [Mr. GOLDWATER] appointed Mr. SPECTER, Mr. HATFIELD, Mr. MATTINGLY, Mr. DOMENICI, Mr. LAUTENBERG, Mr. STENNIS, and Mr. HARKIN conferees on the part of the Senate.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader is recognized.

Mr. DOLE. Mr. President, I want to thank the distinguished managers of the bill, Senator SPECTER and Senator LAUTENBERG.

Again, we have had I think a fairly good day with two major appropriation bills, the civil service retirement bill, and a nominee. We still hope to get a unanimous consent request on reconciliation, and the textile bill. I have grave doubts that will happen.

TREASURY, POST OFFICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND CERTAIN INDEPENDENT AGENCIES APPROPRIATION—CONFERENCE REPORT

Mr. DOLE. Mr. President, I submit a report of the committee of conference on H.R. 3036 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3036) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, certain Independent agencies, for the fiscal year ending September 30, 1986, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of October 31, 1985.)

Mr. ABDNOR. Mr. President, I want to say that this conference report provides funding for the Department of Treasury, the Executive Office of the President, several Government agencies, and the revenue foregone postal subsidy.

The conference report totaled $13,154,375,000.

I remind one and all that for the most part this funding will provide for continued collection of revenues for this Nation, and operate many crucial Government functions. We have been able to work this agreement out. We think it is a good one.

Let me briefly outline the highlights. The conferees have approved restoration of the 887 positions the administration proposed to cut from the Customs Service. Because of the recurring drug problems and the problems facing delays in processing cargo and passengers, the conferees agreed to add 473 positions to Customs. The conferees have also provided funding for the revenue forgone subsidy for recipients of reduced rate mail and taken steps to insure rates remain constant until January 1, 1986. Provisions have also been maintained which continue 6-day and rural delivery, as well as prohibiting wholesale closure of small post offices.

The conferees also agreed to a funding level for the Internal Revenue Service which exceeds the Senate level by nearly $200 million. Now I must say that I have always tried to hold down spending and no one can call my record liberal when it comes to spending. However, if we are to face up to the growing tax gap problem and continue to strengthen our resolve to reduce the deficit, this bill is certainly not the one to cut. It makes no sense to reduce revenue collection agencies like the IRS, Customs and the Bureau of Alcohol, Firearms and Tobacco.

Mr. President, much has been said about how this bill exceeds the budget allocation. It does. However, I must note that it does for the reasons I have previously stated. I should note for the record that this bill is a virtual freeze when compared to fiscal year 1985. It exceeds the fiscal year 1985 spending level by $48 million, and is actually below the fiscal year 1985 budget in discretionary spending.

Mr. President, I ask unanimous consent that the conference table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year—		House	Senate	Conference	Conference compared with			
	1985 enacted	1986 estimates				Enacted	Estimates	House	Senate
TITLE I—DEPARTMENT OF THE TREASURY									
Office of the Secretary	56,162,000	78,699,000	54,274,000	76,400,000	54,274,000	−1,888,000	−24,425,000		−22,126,000
International affairs	22,768,000		22,442,000		22,442,000	−326,000	+22,442,000		+22,442,000
Federal Law Enforcement Training Center	18,341,000	17,803,000	25,500,000	23,803,000	23,803,000	+5,462,000	+6,000,000	−1,697,000	
Financial Management Service:									
Salaries and expenses	246,251,000	246,902,000	244,621,000	244,621,000	244,621,000	−1,630,000	−2,281,000		
Bureau of Alcohol, Tobacco and Firearms	172,113,000	173,725,000	174,212,000	178,825,000	174,212,000	+2,099,000	+487,000		−4,613,000
U.S. Customs Service:									
Salaries and expenses	669,734,000	656,702,000	725,000,000	709,000,000	717,000,000	+47,266,000	+60,298,000	−8,000,000	+8,000,000
Operations and maintenance, air interdiction program	55,425,000	60,425,000	60,425,000	75,000,000	75,000,000	+19,575,000	+14,575,000	+14,575,000	
Customs forfeiture fund (limitation on availability of deposits)	(6,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(+2,000,000)			
Customs services at small airports (to be derived from fees collected)	(42,000)	(75,000)	(75,000)	(75,000)	(75,000)	(+33,000)			
Total, U.S. Customs Service	725,159,000	717,127,000	785,425,000	784,000,000	792,000,000	+66,841,000	+74,873,000	+6,575,000	+8,000,000
U.S. Mint	47,671,000	47,942,000	46,954,000	46,500,000	46,500,000	−1,171,000	−1,442,000	−454,000	
Bureau of the Public Debt	198,752,000	199,215,000	197,225,000	195,225,000	195,225,000	−3,527,000	−3,990,000	−2,000,000	
Internal Revenue Service:									
Salaries and expenses	106,310,000	98,811,000	95,932,000	94,000,000	94,000,000	−12,310,000	−4,811,000	−1,932,000	
Processing tax returns	996,060,000	1,019,391,000	1,103,041,000	1,005,000,000	1,103,041,000	+106,981,000	+83,650,000		+98,041,000
Examinations and appeals	1,380,486,000	1,419,451,000	1,425,902,000	1,400,000,000	1,425,902,000	+45,416,000	+6,451,000		+25,902,000
Investigations, collections and taxpayer service	1,091,741,000	1,073,679,000	1,064,325,000	1,055,000,000	1,064,325,000	−27,416,000	−9,354,000		+9,325,000
Subtotal, IRS operating accounts	3,574,597,000	3,611,332,000	3,689,200,000	3,554,000,000	3,687,268,000	+112,671,000	+75,936,000	−1,932,000	+133,268,000
Payment where energy credit exceeds liability for tax	100.00				−100.00				
Federal tax lien revolving fund	9,000,000				−9,000,000				
Total, Internal Revenue Service	3,583,697,000	3,611,332,000	3,689,200,000	3,554,000,000	3,687,268,000	+103,571,000	+75,936,000	−1,932,000	+133,268,000
U.S. Secret Service	292,649,000	290,340,000	283,805,000	298,805,000	294,000,000	+1,351,000	+3,660,000	+10,195,000	−4,805,000
Total, title I, new budget (obligational) authority Department of the Treasury	5,363,563,000	5,383,085,000	5,523,658,000	5,402,179,000	5,534,345,000	+170,782,000	+151,260,000	+10,687,000	+132,166,000
TITLE II—U.S. POSTAL SERVICE									
Payment to the Postal Service fund	1,209,129,000	39,128,000	961,121,000	801,000,000	820,000,000	−389,129,000	+780,872,000	−141,121,000	+19,000,000
TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT									
Compensation of the President	250,000	250,000	250,000	250,000	250,000				
Office of Administration	16,240,000	15,794,000	15,597,000	15,597,000	15,597,000	−643,000	−197,000		
The White House Office	25,189,000	25,499,000	24,906,000	24,906,000	24,906,000	−283,000	−593,000		
Executive residence at the White House	4,658,000	4,719,000	4,577,000	4,577,000	4,577,000	−81,000	−142,000		
Official residence of the Vice President	219,000	204,000	204,000	204,000	204,000	−15,000			
Special assistance to the President	1,676,000	1,694,000	1,659,000	1,794,000	1,794,000	+118,000	+100,000	+135,000	
Council of Economic Advisers	2,560,000	2,381,000	2,301,000	2,301,000	2,301,000	−259,000	−80,000		
Office of Policy Development	3,020,000	2,828,000	2,726,000	2,726,000	2,726,000	−294,000	−102,000		
National Security Council	4,605,000	4,748,000	4,627,000	4,627,000	4,627,000	+22,000	−121,000		
National Critical Materials Council	200,000		500,000	250,000	500,000	+300,000	+500,000		+250,000
Office of Management and Budget	38,852,000	39,420,000	37,689,000	36,909,000	37,299,000	−1,553,000	−2,121,000	−390,000	+390,000
Office of Federal Procurement Policy	1,630,000	1,656,000	1,611,000	1,611,000	1,611,000	−19,000	−45,000		
Unanticipated needs	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000				
Total, title III, new budget (obligational) authority, Executive Office of the President	100,099,000	100,193,000	97,647,000	96,752,000	97,392,000	−2,707,000	−2,801,000	−255,000	+640,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year—		House	Senate	Conference	Conference compared with			
	1985 enacted	1986 estimates				Enacted	Estimates	House	Senate
TITLE IV—INDEPENDENT AGENCIES									
Administrative Conference of the United States	1,480,000	1,484,000	1,450,000	1,430,000	1,430,000	−50,000	−54,000	−20,000	
Advisory Commission on Intergovernmental Relations	2,148,000	2,110,000	2,058,000	2,041,000	2,041,000	−107,000	−69,000	−17,000	
Advisory Committee on Federal Pay	220,000	222,000	219,000	210,000	210,000	−10,000	−12,000	−9,000	
Commission on Executive, Legislative and Judicial salaries	160,000					−160,000			
Committee for Purchase from the Blind and Other Severely Handicapped	710,000	749,000	730,000	730,000	730,000	+20,000	−19,000		
Federal Election Commission	13,016,000	12,756,000	12,433,000	12,433,000	12,433,000	−583,000	−323,000		
General Services Administration:									
Federal buildings fund:									
Appropriation	348,000			7,000,000	7,000,000	+6,652,000	+7,000,000	+7,000,000	
Limitation on availability of revenue:									
1. Construction and acquisition of facilities	(150,141,000)	(243,419,000)	(198,444,000)	(243,419,000)	(243,419,000)	(+93,278,000)		(+44,975,000)	
2. Repairs and alterations	(221,809,000)	(264,096,000)	(269,096,000)	(269,096,000)	(269,096,000)	(+47,287,000)	(+5,000,000)		
3. Purchase contract payments	(178,911,000)	(135,100,000)	(135,100,000)	(135,100,000)	(135,100,000)	(−43,811,000)			
4. Rental of space	(865,000,000)	(866,000,000)	(866,000,000)	(866,000,000)	(866,000,000)	(+1,000,000)			
5. Real property operations	(689,899,000)	(710,557,000)	(709,678,000)	(709,678,000)	(709,678,000)	(+19,779,000)	(−879,000)		
6. Program direction	(118,509,000)	(55,689,000)	(55,481,000)	(55,481,000)	(55,481,000)	(−63,028,000)	(−208,000)		
7. Design and construction services	(59,596,000)	(123,094,000)	(123,094,000)	(133,227,000)	(133,227,000)	(+73,631,000)	(+10,133,000)	(+10,133,000)	
8. Unobligated balances	(348,000)					(−348,000)			
Total, Federal buildings fund (Limitations)	(2,284,213,000)	(2,397,955,000)	(2,356,893,000)	(2,412,001,000)	(2,412,001,000)	(+127,788,000)	(+14,046,000)	(+55,108,000)	
Operating expenses, personal property	160,700,000	164,610,000	164,257,000	163,257,000	163,257,000	+2,557,000	−1,353,000	−1,000,000	
(By transfer)	(2,200,000)					(−2,200,000)			
Federal property resources activities:									
Operating expenses	38,921,000	40,808,000	40,748,000	40,000,000	40,000,000	+1,079,000	−808,000	−748,000	
National defense stockpile transaction fund			10,000,000	15,000,000	20,000,000	+20,000,000	+20,000,000	+10,000,000	+5,000,000
(Limitation on availability of revenue)	(185,000,000)					(−185,000,000)			
Total, Federal property resources activities	38,921,000	40,808,000	50,748,000	55,000,000	60,000,000	+21,079,000	+19,192,000	+9,252,000	+5,000,000
General activities:									
General management and administration:									
Salaries and Expenses	136,597,000	123,598,000	124,310,000	124,310,000	124,310,000	−12,287,000	+712,000		
(By transfer)	(2,200,000)					(−2,200,000)			
Office of Information Resources Management:									
Operating expenses	33,348,000	30,723,000	30,630,000	30,000,000	30,000,000	−3,348,000	−723,000	−630,000	
Office of the Inspector General	21,438,000	19,369,000	19,305,000	19,305,000	19,305,000	−2,133,000	−64,000		
Allowances and office staff for former Presidents	1,151,000	1,208,000	931,600	1,151,000	1,100,000	−51,000	−108,000	+168,400	−51,000
Expenses, Presidential transition	3,000,000					−3,000,000			
Total, general activities	195,534,000	174,898,000	175,176,600	174,766,000	174,715,000	−20,819,000	−183,000	−461,600	−51,000
Total, General Services Administration	395,503,000	380,316,000	390,181,600	400,023,000	404,972,000	+9,469,000	+24,656,000	+14,790,400	+4,949,000
National Archives and Records Service:									
Operating expenses	98,759,000	99,549,000	103,513,000	101,363,000	101,363,000	+2,604,000	+1,814,000	−2,150,000	
Federal Personnel Activities									
Office of Personnel Management:									
Salaries and expenses:									
Appropriation	106,409,000	102,481,000	99,846,000	99,846,000	99,846,000	−6,563,000	−2,635,000		
Limitation	(51,135,000)	(54,202,000)	(52,844,000)	(54,202,000)	(54,202,000)	(+3,067,000)		(+1,358,000)	
Government payment for annuitants, employees health benefits	1,341,553,000	1,606,165,000	1,606,165,000	1,606,165,000	1,606,165,000	+264,612,000			
Payment to civil service retirement and disability fund	4,407,833,000	4,407,234,000	4,407,234,000	4,407,234,000	4,407,234,000	−599,000			
Total, Office of Personnel Management	5,855,795,000	6,115,880,000	6,113,245,000	6,113,245,000	6,113,245,000	+257,450,000	−2,635,000		
Merit Systems Protection Board:									
Salaries and expenses	20,671,000	20,907,000	20,349,000	20,000,000	20,000,000	−671,000	−907,000	−349,000	
Limitation	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)				
Office of special counsel	4,627,000	4,724,000	4,594,000	4,594,000	4,594,000	−33,000	−130,000		
Total, Merit Systems Protection Board	25,298,000	25,631,000	24,943,000	24,594,000	24,594,000	−704,000	−1,037,000	−349,000	
Federal Labor Relations Authority	17,364,000	17,613,000	17,364,000	17,064,000	17,064,000	−300,000	−549,000	−300,000	
Total, Federal personnel activities	5,898,457,000	6,159,124,000	6,155,552,000	6,154,903,000	6,154,903,000	+256,446,000	−4,221,000	−649,000	
U.S. Tax Court: Salaries and expenses	22,694,000	24,556,000	24,556,000	24,556,000	24,556,000	+1,862,000			
Total, title IV, new budget (obligational) authority, independent agencies	6,433,147,000	6,680,866,000	6,690,692,600	6,697,689,000	6,702,638,000	+269,491,000	+21,772,000	+11,945,400	+4,949,000
General Provisoin									
General reduction			−35,250,475	−138,960,920				+35,250,475	+138,960,920
Grant total:									
New budget (obligational) authority	13,105,938,000	12,203,272,000	13,237,868,125	12,858,659,080	13,154,375,000	+48,437,000	+951,103,000	−83,493,125	+295,715,920
(Limitations)	(2,527,590,000)	(2,461,432,000)	(2,419,012,000)	(2,475,478,000)	(2,475,478,000)	(−52,112,000)	(+14,046,000)	(+56,466,000)	
CONGRESSIONAL BUDGET RECAP									
Total	13,105,938,000	12,203,272,000	13,237,868,125	12,858,659,080	13,154,375,000	+48,437,000	+951,103,000	−83,493,125	+295,715,920
Amount in this bill	(13,105,938,000)	(12,203,272,000)	(13,237,868,125)	(12,858,659,080)	(13,154,375,000)	(+48,437,000)	(+951,103,000)	(−83,493,125)	(+295,715,920)
Prior year outlays associated with this bill									

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year—		House	Senate	Conference	Conference compared with			
	1985 enacted	1986 estimates				Enacted	Estimates	House	Senate
Total Congressional mandatory and discretionary	13,105,938,000	12,203,272,000	13,237,868,125	12,858,659,080	13,154,375,000	+48,437,000	+951,103,000	−83,493,125	+295,715,920
Mandatory (total)	(5,749,736,000)	(6,013,649,000)	(6,013,649,000)	(6,013,649,000)	(6,013,649,000)	(+263,913,000)			
(Mandatory new)	(5,749,736,000)	(6,013,649,000)	(6,013,649,000)	(6,013,649,000)	(6,013,649,000)	(+263,913,000)			
(Prior year)									
Discretionary (new)	(7,356,202,000)	(6,189,623,000)	(7,224,219,125)	(6,845,010,080)	(7,140,726,000)	(−215,476,000)	(+951,103,000)	(−83,493,125)	(+295,715,920)

Mr. ABDNOR. Mr. President, this table gives the complete results of the conference in tabular form, and shows a comparison of the conference action with new budget authority made available in fiscal year 1986. The budget estimates for fiscal year 1986, the House bill and the Senate bill.

Mr. President, amendment No. 36 provided funding totaling $294,000,000 for the U.S. Secret Service in fiscal year 1986. This includes $283,805,000 as approved by the House, a full restoration of $6,535,000 for the 5-percent pay reduction, and an additional $3,660,000 to be used for new positions and equipment.

In fiscal year 1986, the Service is presently authorized 4,325 permanent positions. This total consists of 1,965 special agents, 1,008 uniformed division officers, and 1,352 in all other support categories.

Of the additional amount appropriated, the Service would not increase its special agent or uniformed division ranks. However, the Secret Service is in need of approximately 45 new support positions which can be acquired with $1,830,000. The Service is especially in need of technicians in the ADP and communications areas. Some of these positions include communications specialists, telecommunications operators, intelligence research specialists, computer equipment analysts, and cryptographic equipment support technicians, as well as professional and clerical personnel to offset the relative shortage of administrative positions.

In addition, the remaining $1,830,000 will enhance the Service's Protective Program as mounting terrorist activity in recent years poses additional threats to their protectees. These funds will enable the Service to purchase new equipment/services for endeavors in counterterrorism.

Mr. President, I would also like to correct the record with regard to a printing error which occurs in amendment No. 79. The statement of the managers states that of the total number of personnel in the Federal labor relations authority that 191 positions should be assigned to the Office of General Counsel. That figure is in error and should read 152. I wanted to take this time to set the record clear.

Mr. President, I wish to thank everyone on the subcommittee for their help, especially the Senator from Arizona, my good friend Senator DECONCINI. He is an invaluable member and without a doubt as knowledgeable about this bill as anyone.

Mr. President, a special thanks should also go to the staff of the committee for their work in seeing this conference report to its conclusion. Of course that is Bobby Mills and Marilyn Washington of the minority staff and Chuck Parkinson and Dorothy Pastis of the majority staff. I truly want to thank them for the professional manner in which they assisted us in the completion of the legislative process.

I yield to the ranking Democratic member, a member of this committee, the Senator from Arizona.

Mr. DECONCINI. Mr. President, it is with mixed emotions that I rise in support of the conference report on the Treasury, Postal Service, and general Government appropriation bill for fiscal year 1986. Let me try to explain.

First, Mr. President, it is with great pride that I rise to support the conference agreement that the House and Senate have worked out on the Treasury appropriation bill for fiscal year 1986. By any yardstick, this conference report is good for the country and fiscally restrained. It contains funding for some of the most important agencies and programs in the Government, including the Internal Revenue Service; the U.S. Customs Service; the Federal Law Enforcement Training Center; the General Services Administration; and most of the offices within the Executive Office of the President. It provides the backbone funding for our national drug interdiction effort to combat drug trafficking. It contains Secret Service protection for our President and Vice President. It contains funding to begin counterterrorist training among all Treasury and other law enforcement agencies. And it includes some of the Government's most important housekeeping functions at GSA.

Mr. President, at the same time, this bill is a responsible answer to our growing national concern over the deficit. The conference report funding level is within the Senate Appropriations Committee's section 302(b) allocation for outlays and is only $4.4 million over in budget authority, according to the latest computer run by the committee and the Congressional Budget Office. Of the approximately 60 accounts in the bill, 31 are funded at or below fiscal year 1985 levels. This conference report brings a House-passed bill that was $379 million more than the Senate-passed bill, into virtual compliance with the Senate committee's more rigid 302(b) budget allocation ceiling. That is a major accomplishment for which my distinguished subcommittee chairman deserves tremendous credit. This conference report has responded to the specific requests of the administration and the majority leader of the Senate to restore funding for IRS to essentially the higher House level—frankly, over my strong objections. We have responded in part to a specific request by the Office of Management and Budget to restore funding to that beleaguered budget shop. And we have made a valiant effort to salvage the Postal Service subsidy for charities, veterans groups, churches, and other nonprofit groups in the face of administration efforts to eliminate the Postal subsidy entirely in fiscal year 1986.

So, Mr. President, this is a good bill and it deserves the support of this body, including its most ardent defenders of the Treasury. Before closing, I want to take one more shot at what I believe is one of the saddest periods in the history of the budget process. For the past 3 months this body has been reporting out and passing appropriation bills in order to keep the Government's important activities going. During this period, the Appropriations Committee and other members of the Senate have been subjected to a continuously shifting budget target ceiling, compliments of the Senate Budget Committee. When we brought this appropriation bill to the floor back in September, we were subjected to an across-the-board cut to bring the bill totals into the Budget Committee's latest scorekeeping ceiling. Subsequent deliberations with CBO and other staff indicated clearly that the Treasury bill did not receive appropriate credit for a number of actions it had taken in the bill. Then, we went to conference with the House with the understanding that if we brought the conference back to the House and Senate within the Senate Appropriations Committee section 302(b) allocation of $13.1 billion in both budget authority and outlays, we stood a good chance of having an acceptable bill. We did that. This conference report hits our section 302(b) allocation ceiling right on the head. Yet, in keeping with the Budget Commit-

tee's shifting game of "here-today-gone-tomorrow" budget scoring, the chairman and ranking member of the Budget Committee have now sent the majority leader a letter, indicating that "today's tally" shows the Treasury bill as being $300 million over in budget authority and $200 million over in outlays.

Mr. President, I admit that I gave up in trying to keep up with the Budget Committee's floating targets and scorekeeping. Being from a Western State with a proud tradition of pioneers and cowboys, I pride myself on being able to hit a moving target from 40 yards most of the time. But this is one moving target that I cannot keep up with.

Mr. President, this bill will probably be vetoed if it is sent to the White House. In fact, the conference report might not pass this body intact. But before we dispose of the conference report, I want to put three letters into the RECORD that are indicative of the inconsistencies that are swirling around this bill with regard to the funding levels. The first is a letter from the head of congressional affairs for OMB outlining why OMB should get special treatment with its budget when other agencies are taking it on the chin. Another is a letter from Assistant Secretary of the Treasury, John Rogers, urging me to restore all of the funding cut by the Senate for IRS. And, finally, a letter from the majority leader outlining the draconian things that would happen to revenues if we did not restore the $135 million to the IRS budget.

I ask unanimous consent that the letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, October 11, 1985.

Hon. DENNIS DECONCINI,
U.S. Senate, Hart Office Building, Washington, DC.

DEAR SENATOR DECONCINI: When I spoke to you on the phone about FY 1986 funding for the Office of Management and Budget, I promised that I would write to describe the impact of reducing OMB's funding to $36.9 million (the Senate Committee level). At the time you indicated that we did not need to worry about your requesting a roll call vote on the Abdnor amendment because you had not worked the vote. Under that scenario, it was reassuring to receive only twenty-four votes.

With adoption of the two percent across-the-board cut, OMB funding in the Senate bill is $36,171,000, eight percent below our request of $39,420,000 and seven percent below the FY 1985 enacted level. Last May, during the Treasury/Postal Subcommittee hearing on the OMB budget request, you asked David Stockman what the impact would be of a ten percent cut in OMB funding. I have attached a copy of his response.

I want to underscore that such a reduction would significantly reduce the ability of the agency to serve the President. Similarly, I would imagine that if such a reduction were imposed on CBO, it would reduce the ability of that Office to serve the Congress. I note with interest that the Senate-passed Legislative Branch Appropriations bill freezes, but does not reduce, funding for the CBO.

Funding of $36,171,000 will require a freeze on OMB hiring resulting in a reduction of approximately 53 positions or nine percent of current staffing. This reduction comes on top of a reduction of 88 positions or thirteen percent since the late 1970's.

The reason that significant funding reductions are difficult to absorb is that 88 percent of our budget is for personnel and associated costs. 79 percent of funding is for employee pay, benefits and space costs and 9 percent covers the cost of printing the budget and related documents. We simply do not have the overhead costs that many agencies have that allow them to absorb large reductions. I believe that the attached hearing statement provides ample evidence of our commitment to reducing costs wherever possible.

The House-passed Treasury/postal bill, which also included an across-the-board reduction (2.65%), provides $36,690,000 for OMB. At the upcoming conference we would appreciate your support to keep OMB's funding at an 1985 enacted rate of $38,852,000.

If you have any further questions, let me know.

Sincerely,

FRED UPTON,
Assistant Director for Legislative Affairs.

DEPARTMENT OF THE TREASURY,
Washington, DC.

Hon. JAMES ABDNOR,
Chairman, Subcommittee on Treasury, Postal Service and General Government, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you consider final action on the FY 1986 budget for the Department of the Treasury, I strongly urge that funding levels requested in the President's budget be adopted in conference for all Treasury bureaus, except for the Internal Revenue Service. I am requesting that the $3.689 billion level approved by the House be adopted for the Internal Revenue Service. This level has the approval of the Administration.

For bureaus other than the Internal Revenue Service, the Department's FY 1986 budget submitted to the Congress earlier this year was, in our judgment, the amount necessary to carry out our diverse responsibilities. It included only those items that were fully justifiable and essential to the accomplishment of our missions, and reflected substantial savings in productivity and streamlined administrative operations. Accordingly, we continue to support the President's budget request for all these bureaus. In total, the President's budget for these bureaus is below both the House and Senate approved levels.

We believe the $3.689 billion level approved by the House for the Internal Revenue Service is vital to provide for adequate tax administration in FY 1986. These resources are needed to restore a high level of quality in the Service and to assure an effective tax filing season. The $206 million reduction from the House allowance proposed by the Senate would jeopardize on-going efforts to revitalize tax processing capabilities and would reduce revenues at a time when they are critically needed. We encourage the conferees to identify reductions elsewhere in the bill to offset this increase for the Internal Revenue Service.

I greatly appreciate the continuing support provided by you and your Committee for Treasury programs during these difficult fiscal times. I ask that you give careful consideration to these issues.

Sincerely,

JOHN F.W. ROGERS,
Assistant Secretary of the Treasury (Management).

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, October 28, 1985.

Hon. JAMES ABDNOR,
U.S. Senate,
Washington, DC.

DEAR JIM: I am writing to urge you to adopt the funding level for the Internal Revenue Service provided for in the House-passed version of the Treasury Department, Postal Service, and General Government Appropriation Bill. As Chairman of the Finance Subcommittee on Oversight of the Internal Revenue Service, I am very concerned that, if the funding level provided for in the Senate bill is adopted, taxpayers may again suffer from a breakdown in the processing of tax returns similar to the one that occurred this year. I am unsure whether our tax system can withstand another year in which the taxpayers' faith in the system is severely challenged.

Perhaps even more important is that the Senate funding level would make impossible the $2 billion increase in revenues from enhanced tax compliance assumed by the budget resolution. Instead, the funding level provided for in the Senate would result in a revenue loss of more than $750 million in fiscal year 1986 and $3 billion over four years.

We have enacted reforms in the compliance provisions of the Internal Revenue Code designed to make the cost of noncompliance higher and to make the possibility that the IRS will discover noncompliance more likely. But, in my judgment, we are reaching the point of significantly diminished returns from further substantive law changes in this area.

If we are going to reduce noncompliance, which costs the Government more than $90 billion per year in lost revenues, the most cost-efficient way to go about it is to provide the IRS with sufficient funds to administer the laws we have enacted. I might add that we have appropriated only about one-third of the funds necessary to cover the fixed costs of implementing the tax bills enacted in 1981, 1982, and 1984. These costs, such as revised and additional forms, new manuals, and new computer programs cannot be avoided. All that happens is that the IRS must reallocate available resources and can provide assistance to fewer taxpayers and examine fewer returns for accuracy. This, of course, allows compliance to deteriorate further.

The Administration's proposed budget for the IRS would have required a decrease of 4,800 positions according to the IRS. The Senate bill would require 4,000 additional positions to be cut. On the other hand, the House bill would require a decrease of 4,200 positions, compared with 1985 staffing levels. We should expect some gains in the efficiency of IRS computer systems, but we should be careful not to cut personnel more quickly than mechanical processing can be

substituted. The processing disaster of 1985 should make this very clear.

I know that we all have heard the refrain that additional spending in one program or another will save many times the amount expended. I have been as cynical about this type of claim as anyone. However, I believe that if this argument has any validity anywhere, it certainly applies to the increased tax revenues derived from providing the IRS sufficient funds to administer the laws that we have enacted in an efficient and effective manner.

Sincerely yours,

BOB DOLE,
Majority Leader.

Mr. DECONCINI. Mr. President, my colleagues and the administration cannot have it both ways. Either OMB and the administration and the majority in the Senate want to save money or they do not. I am prepared to vote this conference report up or down and send it to the President. I am also prepared to offer a package of cuts to several accounts in the bill, totaling $213.8 million as a substitute to any across-the-board reduction that may be proposed by the chairman and ranking member of the Budget Committee. I also want to say that I intend to vote against my own amendment, because I do not believe it is necessary in order to send a good bill to the White House. But I want all of my colleagues to have the opportunity to escape the easy vote of an across-the-board cut and really take a bite out of IRS, the Postal subsidy, and the Executive Office of the President accounts. We will soon know which way my colleagues want to go on these hard choices.

Mr. President, I urge the adoption of the conference report as reported.

Mr. President, I want to take a moment to pay tribute to the chairman of the subcommittee, Mr. ABDNOR, for outstanding leadership which he has put forward in getting this bill on to the floor and passed.

I believe it is the first time in recent years that we sent a bill to the White House. I truly hope the President will sign it.

Mr. President, I also want to thank the chairman, Chairman HATFIELD, and Senator STENNIS for their outstanding support of this bill.

Mr. President, I want to thank the Senator from Arizona and his staff, and also my staff for a fine job.

Mr. DOMENICI. Mr. President, I rise in opposition to the bill. While I commend those who worked diligently, it is still over $300 million in budget authority and $200 million in outlays.

Mr. President, I am compelled to rise in opposition to the Treasury, Postal Service, and general Government appropriation conference agreement as reported by the conference committee.

Mr. President, the conference agreement on H.R. 3036 provides $13.2 billion in budget authority and $12.2 billion in outlays for fiscal year 1986 for the Department of Treasury, including the Customs Service and Internal Revenue Service, as well as for the Postal Service, the Executive Office of the President, and several independent agencies.

With outlays from prior-year budget authority and other adjustments taken into account, the conference agreement is over the Senate subcommittee's 302(b) allocation by $0.3 billion in budget authority and $0.2 billion in outlays.

Mr. President, it is because this conference agreement exceeds the subcommittee's 302(b) allocations for both budget authority and outlays by such a great margin that I must oppose the conference report.

Only a few short weeks ago, this body swallowed hard and adopted a 2 percent across-the-board reduction to the Treasury, Postal Service, and general Government appropriation bill to bring the bill into compliance with the Senate Appropriations Committee's section 302(b) allocation.

The Senate made its intention clear. It is no longer business as usual. Appropriation bills must meet the budget authority and outlay levels provided by the Senate Appropriation Committee's own section 302(b) allocations. This commitment was reaffirmed with similar across-the-board reductions on the HUD-independent agencies and Transportation appropriation bills.

Yet, Mr. President, we are being asked, with this conference report, not only to ignore the 302(b) allocations and the courageous votes taken by the Senate, but to add even more to the deficit, to the tune of over $200 million in outlays above the 302(b) allocation.

Mr. President, I fail to see how this conference report can be acceptable to the Senate while Congress is pressing for significant deficit reduction under the Gramm-Rudman process. I also believe this conference report when presented to the President will be unacceptable.

Therefore, I oppose this conference report, and I urge my colleagues to do the same.

Mr. President, I ask unanimous consent that tables showing the relationship of the reported bill to the subcommittee's section 302(b) allocation, the President's request, the House-passed level, and the Senate-passed level, and a summary of total appropriations action to date, be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT SUBCOMMITTEE SPENDING TOTALS—CONFERENCE AGREEMENT

[In billions of dollars]

	Fiscal year 1986—	
	Budget authority	Outlays
Outlays from prior year budget authority and other action completed		0.9
H.R. 3036, conference agreement	13.2	12.2
Adjustment to conform mandatory programs to budget resolution assumptions	+.2	+.2
Subcommittee total	13.4	13.3
Subcommittee 302(b) allocation	13.1	13.1
Senate-passed level	13.1	13.1
House-passed level	13.6	13.6
President's request	12.2	12.2
Subcommittee total compared to:		
Subcommittee 302(b) allocation	+.3	+.2
Senate-passed level	+.3	+.2
House-passed level	−.2	−.2
President's request	+1.2	+1.1

Note: Details may not add to totals due to rounding.

STATUS OF APPROPRIATION BILLS IN THE SENATE

[In billions of dollars]

Subcommittee	Appropriations Committee's 302(b) allocation		Adjusted bill totals[1]		Bill compared to allocation		Bill status
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	
Agriculture	28.2	25.2	28.2	25.2	−([2])	−([2])	Senate passed.
Commerce-Justice	12.0	11.9	11.9	12.0	−.1	+.1	Senate reported.
Defense	285.5	252.2					
District of Columbia	.5	.5	.5	.5	+([2])	+([2])	Senate reported.
Energy-Water	15.3	15.6	15.3	15.6	−([2])	−([2])	Conference.
Foreign Operations	15.2	14.7	16.1	15.2	+.9	+.5	Senate reported.
HUD-Independent	58.7	61.2	58.2	61.2	−.5	+([2])	Senate passed.
Interior	8.2	8.9	8.2	9.3	+([2])	−.4	Senate reported.
Labor-HHS	108.0	115.3	108.0	115.3	+([2])	−([2])	Senate passed.
Legislative Branch	1.7	1.7	1.7	1.7	−([2])	+([2])	Conference.
Military Construction	9.0	7.6	8.6	7.6	−.4	+([2])	Senate reported.
Transportation	10.5	26.6	9.9	26.6	−.6		Senate passed.
Treasury-Postal	13.1	13.1	13.4	13.3	+.3	+.2	Conference.
Unassigned	1.2	−.4			−1.2	+.4	

STATUS OF APPROPRIATION BILLS IN THE SENATE—Continued

[In billions of dollars]

Subcommittee	Appropriations Committee's 302(b) allocation		Adjusted bill totals[1]		Bill compared to allocation		Bill status
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	
Total, Appropriations Committee	567.1	554.1	280.1	303.6	−1.6	+1.6	

[1] In addition to the bill, includes outlays from budget authority enacted in prior years, possible later requirements, adjustments to conform mandatory items to the budget resolution level, and other adjustments.
[2] Less than $50,000,000.

Note.—Details may not add to totals due to rounding.

Source: Senate Budget Committee staff.

Mr. DOMENICI. Mr. President, I do not object to this being taken up, nor do I insist on a rollcall vote. I just oppose it.

Mr. CHILES. Mr. President, we have put a considerable amount of effort into seeing that this year's appropriations bills were within the limits of the budget resolution we passed here in the Senate earlier this year.

When the Treasury-Postal appropriations bill came to the Senate floor, it exceeded its own 302(b) allocation and it exceeded the budget limit.

Senator DOMENICI and I were forced to take floor action to bring the bill within the budget limits. We offered an amendment to reduce all items in the bill by 2 percent, and the Senate responded. The bill passed by the Senate was within the budget limits approved by the Senate earlier.

Mr. President, now we have the conference report—and the Treasury-Postal appropriations bill exceeds its budget allocation by $238 million in outlays, and by $300 million in budget authority. The conferees did not include the effect of our amendment here in the Senate—nor did they find more appropriate ways to keep the bill within budget targets.

It was not pleasant, or easy, for anyone here in the Senate to do what we did before and vote to cut every item in the bill to keep it within our budget targets. But we did, and we therefore said we believed it was important that we enforce our budget resolution limits.

Mr. President, I have to oppose this conference report. To support it would be to ignore our earlier action and to ignore the 302(b) allocation for the bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Senate recede on amendment No. 3, and that the amendments of the House to the amendments of the Senate in disagreement be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I thank Senators ABDNOR and DECONCINI. From what I can find out, I think that there is probably a disposition at the White House to veto this matter.

I would like to make the same observation as Senators DOMENICI AND CHILES. They indicated that this bill is over the budget. I hope there will be a veto.

Mr. ABDNOR. Mr. President, I would like to make this comment. This is a great day. This is the first time in 6 years that we have passed this bill through the Congress.

Thank you.

Mr. DOLE. I thank the distinguished manager of the bill. I think that is a tribute to his leadership, and to the leadership of the distinguished Senator from Arizona, Senator DECONCINI.

FAIR LABOR STANDARDS AMENDMENTS—CONFERENCE REPORT

Mr. DOLE. Mr. President, I submit a report of the committee of conference on S. 1570 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that Act to volunteers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 1, 1985.)

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE 20TH ANNIVERSARY OF THE HIGHER EDUCATION ACT OF 1965

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of House Concurrent Resolution 207, a concurrent resolution to recognize the 20th anniversary of the Higher Education Act of 1965.

The PRESIDING OFFICER. The Clerk will report.

The legislative clerk read as follows:

A bill (H. Con. Res. 207) to recognize the 20th anniversary of the Higher Education Act of 1965, and to reaffirm its purpose.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 207) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to table was agreed to.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I understand we can now take up matters on the Executive Calendar.

I ask unanimous consent that the Senate go into executive session to consider the following nominations: Calendar No. 506, Richard N. Holwill, of the District of Columbia, to be a

Member of the Board of the Panama Canal Commission; Calendar No. 507, M. Alan Woods, of the District of Columbia, to be a Deputy U.S. Trade Representative; and Calendar No. 508, Ronald E. Robertson, of Virginia, to be General Counsel of the Department of Health and Human Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, all of these items have been cleared on this side.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations just identified be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

The nominations confirmed en bloc are as follows:

PANAMA CANAL COMMISSION

Richard N. Holwill, of the District of Columbia, to be a member of the board of the Panama Canal Commission.

EXECUTIVE OFFICE OF THE PRESIDENT

M. Alan Woods, of the District of Columbia, to be a Deputy U.S. Trade Representative, with the rank of Ambassador.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Ronald E. Robertson, of Virginia, to be General Counsel of the Department of Health and Human Services.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I further ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I understand there is still some discussion on the unanimous-consent request to be considered in the wrap-up. I know the distinguished Senator from Tennessee would like to speak for 10 minutes. Perhaps the Chair could recognize the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. I thank the majority leader.

THE CONCEPT OF PRICE TO ATTACK

Mr. GORE. Mr. President, earlier this year, on June 27, I placed in the RECORD with some introductory comments, the text of a two-part study by the Congressional Research Service on the concept of "price to attack" in strategic nuclear planning and arms control.

With approval, I shall ask for my earlier statement and the text of the two CRS papers to be reproduced in the RECORD once again at the conclusion of these remarks. I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GORE. Mr. President, this concept of "price to attack" is so central to what I have been attempting to convey in this series of speeches, and to the points I have in mind to make in the future, that I feel it is necessary to present the concept and its ramifications as clearly as possible. On the next day we are in session, Tuesday, I will apply this methodology to variants of the pending Soviet arms control proposals to show the possibilities for achieving stability.

As a necessary prelude, however, I want to describe the methodology.

Simply put, price to attack is a way to measure the size of an attack the Soviet Union must expect to mount, if it wishes to produce a certain level of destruction amid U.S. nuclear delivery systems.

In principle, one can do a kind of budget-for-nuclear-war calculation, parsed out either in warheads or throw-weight. So many warheads to deal with silos, so many to go for bomber bases, so many for submarine bases, and so on.

That is the basic idea. Now let me shift for a moment to the history of our troubled national policy in nuclear affairs in order to demonstrate the relevance of this methodology to our problems in nuclear strategy.

As we all know, the focus of the strategic debate in our country for almost 20 years has been the vulnerability of our ICBM force.

I am referring to the so-called "first-strike scenario" which has obsessed many strategic thinkers with the possibility that the Soviets might destroy all our land-based missiles in one swoop, while holding in reserve a large force of unexpended weapons. The President of the United States would have the means to strike back, but essentially just at Soviet cities—our most accurate weapons having been decimated in the Soviet first strike. But he would know that if he does this, then Soviet retaliation against our own thus far spared cities would be certain. Therefore, he would be under great pressure to sue for peace.

Mr. President, this scenario is irrational, but it has persisted for three important reasons:

First of all, nuclear weapons have always been political instruments as well as military instruments, and the possession of even theoretical advantages produce certain geopolitical implications that are important to both countries.

Second, there was a philosophical shift in the doctrine of the United States when we began to question the credibility of a deterrent which was targeted on civilian targets.

And third, the nature of fear itself is that it is often made up of two elements: Real fear and illusory fear. And by its nature, a small kernel of real fear can produce a large cloud of illusory fear—much as youthful jealousy sometimes consists of a single bare fact which generates wild imaginings that are virtually impossible to dispel until the single bare fact is explained satisfactorily.

In this case, the kernel of real fear is that the Soviet Union has acquired at great expense and effort the means to carry out a theoretical first strike against U.S. land-based missiles. The cloud of illusion is that they really intend to do so. But the illusion is difficult to dispel so long as they can theoretically gain an advantage from such an attack. And, as already mentioned, the geopolitical implications of such an advantage are feared by both sides.

In any event, for these three reasons, this nightmare scenario penetrated deep into our national dialog about nuclear weapons. It became the task of weapons designers to find a way to rebase ballistic missiles in a way that could make them survivable once again. And it became the task of arms controllers to somehow secure an agreement with the Soviets that would, in and of itself, eliminate their ability to conduct such a strike.

Neither task proved doable in any way that the Nation would support. The closest we came was SALT II. In that treaty, we confined Soviet warhead totals to certain limits. Outside the treaty, but consistent with it, our plan was to deploy MX in multiple protective shelters—an enormous and costly task. The number of shelters would have been in balance with the number of Soviet warheads. Which meant that the Soviets could not have designed a first strike they could carry off with advantage to themselves, at least in theory.

In effect, and this brings me back to my main theme, SALT II was an effort to raise the price to attack our missiles, while simultaneously constraining—through arms control—the Soviet Union's ability to pay that price. It was an effort to integrate arms control and force posture decisions in a way

that would improve nuclear stability by destroying the theoretical basis of the first strike scenario.

One might justly say that the first issue of the Reagan campaign was SALT II, and the form this issue took was to try to convince the country that this particular solution was fatally flawed. Upon taking office, the President spent the next 3 years in a fruitless effort to solve this same problem—running through more than 30 basing modes for the MX on the one hand, while making extraordinary demands of the Soviets in arms control, on the other.

The continued failure of both efforts during this period led to a virtual crisis of confidence in the President's leadership, in the midst of which he turned to the Scowcroft Commission for advice. The Commission's findings, which the President embraced wholeheartedly, helped prevent what might have been a truly damaging blow to the Reagan administration's credibility in dealing with the Soviet Union. At the core of those findings, as my colleagues know, was the recommendation for the development of a single warhead ICBM, most likely to be mobile.

The introduction of a mobile missile required a new look at the question of how to think about strategic stability with some precision. Price-to-attack analysis fits this need beautifully.

Using standard weapons effects equations, one may determine how much overpressure a nuclear weapon can create, if detonated for maximum coverage over ground. By using estimates of Soviet weapons loadings one can then determine how much of an area they can barrage at any given pressure, if they are determined to destroy a mobile missile located somewhere within. If desired, it is possible to make this calculation in terms of throw-weight, using the concept of a standard SS-18, as a unit, and thereafter describe the Soviet missile force in terms of so many real SS-18's or SS-18 equivalents.

What enters next into the calculation is the ability of our mobile launcher to withstand overpressure. The design of the Midgetman calls for a launcher able to absorb 30-pounds-per square-inch—vastly more than any vehicle ever built before. There is nothing magic in that number it was selected in order to make possible the deployment of Midgetman in a relatively constrained area, preferably on land owned by the Department of Defense.

If you can build such a vehicle, and make it sufficiently mobile, it can force the Soviet planner to allocate enough weapons to barrage the entire area in which it is based. What finally comes into balance, at 30-pounds-per-square-inch is this: We can easily deploy such a system on enough DOD land, to force the Soviet Union to recognize the need for immense numbers of warheads—or, if you will, a huge amount of throw-weight, to do the job. At some point, this price-to-attack becomes patently absurd to pay, because it would leave the attacker worse off in theory than the attacked. He would have to expend much more of his missile force than he would be able to destroy of ours. The first-strike scenario would be resolved.

The CRS studies I referred to at the beginning of this speech demonstrated that the price to attack Midgetman thus deployed would be on the order of 10 Soviet warheads for each Midgetman: 10 to 1. Arguably, the figures may be even higher than that, because CRS was working with assumptions about the area that Midgetman could generate which are on the conservative side. But even this conservative calculation was enough to abundantly illustrate something even I found surprising. Midgetman could do quite well with existing Soviet forces as limited by SALT II. If arms control could bring about smaller Soviet ICBM forces, so much the better—since at some point they would absolutely lack the means even to attack Midgetman alone, not to speak of other parts of the U.S. nuclear deterrent.

Those who have been following this series of speeches will recall that I have mentioned with great frustration, the Department of Defense's unconscionable delay in answering Congress' requirement for a detailed report on the status of the Midgetman Program. In particular, I have drawn attention to a report submitted to the Air Force by the Ballistic Missile Office, as a major input to the study mandated by the Congress.

The reason for this impatience is simple. The Department of Defense—for whatever reason—has failed to tell us the vital facts. And those facts are, without violating security, as follows: First, it is indeed possible to build a small missile at 30,000 pounds; second, it is indeed possible to build a highly mobile launcher for that missile that can absorb at least 30-pounds-per square-inch in overpressure from a nuclear blast; third, and it is indeed possible to deploy such launchers on enough land, owned by the Government, to raise the price-to-attack for the Soviet Union to levels that are very high even under conditions of total surprise, or within minutes to levels that would be madness for the Soviets even to consider expending.

This characteristic vastly aids crisis stability, since it means that in a dire circumstance, the President can order the fullest dispersal of a portion of our ICBM force, rather than order the force to be launched. It also enormously aids the problem of negotiating a workable arms control agreement with the Soviet Union, by neutralizing the value of such residual advantages in ICBM's as the Soviets are likely to retain.

Moreover, the ability of this system to raise high the threshold for a successful Soviet first-strike could eliminate any need to deploy limited defenses for ICBM's—defenses, which, as the President recently told the Soviet public, are destabilizing. As for the question of a perfected defensive system for every hamlet in the Nation, such as the little girl on TV has in mind, Midgetman could theoretically, make possible an agreement with the Soviets on reductions deep enough to make such a development a little less fanciful than those crayon drawings of hers.

Mr. President, mobile missiles raise the price to attack and thereby sharply diminish the credibility of a nuclear first-strike against the ICBM forces of either side. They are capable of resolving the two issues which have torn us apart for so long: the problem of designing a first strike resistant ICBM force, and the problem of achieving a reductions agreement with the Soviets that is also stablizing.

There is not much more that one can ask of an idea, other than that it have a solid base of political support as well. Midgetman has that, too. So it is indeed a shame that this concept is apparently so poorly understood by the very administration that called it into existence.

EXHIBIT 1

COST TO ATTACK

Mr. GORE. Mr. President, the sheer complexity of decisions we must make in funding strategic nuclear weapons contributes to the political devisiveness of this subject. As it now stands, we debate strategic issues in isolation from each other, even though we know that legislative choices affecting any one element of the nuclear capabilities of the United States inevitably have consequences for the system as a whole. What we need is a way to understand and evaluate these interactions.

Last fall, I asked the Congressional Research Service to engage this problem by focusing on the concept of "cost to attack:" That is, the cost to the Soviet Union, measured in nuclear warheads expended, to destroy a given number of U.S. nuclear warheads, under conditions that could be varied at will in order to permit study and comparative analysis.

It was my hope that the cost-to-attack approach would lead to insights concerning a whole series of questions. For example, we could look at the effect of varying the number of MX missiles in silos; at the implications of deploying Midgetman missiles; at the consequences of increased Soviet ICBM accuracy for superhardened silos; at the impact of strategic defenses on ICBM vulnerability—all on a common scale of measurement.

If such things could be done, we could go beyond merely talking about strategic stability to defining it in precise terms, so that it could be studied under changing assumptions about forces on both sides, including not only their number, but their perform-

ance characteristics. We could also ask questions and get answers about the impact of arms control agreements of any kind we might like to examine.

As this work proceeded, even partial products greatly aided my own efforts to come to terms with strategic issues. Now, however, the project has been concluded—in my opinion with great success and promise—and I would like to share it with my colleagues and the concerned public. Therefore, I take this occasion to draw your attention to two companion-piece CRS studies: "Cost To Attack: Measuring How Strategic Forces Affect U.S. Security, A Methodology for Assessing Crisis Stability" and "Cost To Attack U.S. and Soviet Strategic Forces Under Three Alternative Arms Control Approaches."

I also wish, Mr. President, to briefly summarize the first-order conclusions and implications of these papers.

What they tell us is that the strategic development or event which promises to have the most profound implications for strategic stability is the small ICBM. The cost to attack Midgetman as presently conceived is on the order of 10 Soviet warheads to destroy one of ours: A vast improvement over silo-based missiles, which are lucrative targets.

A force of 500 Midgetman missiles—on mobile-hardened launchers, able to withstand on the order of 35 psi overpressure, located on 10,000 square miles of existing U.S. military property—could indeed be destroyed by the Soviet Union—but the price would be a very large portion of their ICBM force. The total cost to attack our silo based weapons and Midgetman would approximate the entire inventory of Soviet counterforce weapons. In the aftermath of such an attack, the United States would not only be left with a massive bomber force, but—once the Trident D-5 force is deployed at sea—a very large and invulnerable second strike force with counterforce capabilities of its own.

With respect to arms control, the implications of the Midgetman are similarly far reaching. If current numerical subceilings and MIRV limits are carried over from SALT, and combined with the Midgetman's ability to charge the Soviet Union an exorbitant cost-to-attack, the resulting combination is arguably resistant to a first strike, and therefore crisis-stable.

CRS's computations do show that the Soviet advantage in throw-weight is potentially meaningful, if the Soviets were to break out of existing agreements and convert that throw-weight into additional warheads. But the same computations also suggest how arms control should be employed to bound this possibility, and also how various U.S. countermeasures could offset it.

Mr. President, I highly commend the CRS and its analysts for their creativity and diligence. My comments today do only partial justice to the value of their work. For that reason, I urge those of my colleagues whose interest in strategic matters runs deep to make themselves familiar with the cost-to-attack methodology, and its potential as a means for leading us towards a more systematic, insightful and productive debate over strategic weapons and policy.

The CRS studies follow, except for the charts contained therein, which are not reproducible in the RECORD:

[Report No. 85-64F]

COST TO ATTACK: MEASURING HOW STRATEGIC FORCES AFFECT U.S. SECURITY, A METHODOLOGY FOR ASSESSING CRISIS STABILITY

(By Lou Finch, Specialist in International Affairs and Al Tinajero, Specialist in National Defense, Foreign Affairs and National Defense Division)

ABSTRACT

This report illustrates a technique to measure how changes in nuclear forces effect crisis stability (a condition where neither we nor a potential enemy has strong reason to expect to gain a decisive military advantage through a nuclear attack). It lays out a method to quantify some aspects of crisis stability and, through a series of examples and charts, it gives the reader a basic understanding of how the method works, what some of its uses and shortcomings are, and what types of issues on the congressional agenda it can address. This report, however, does not provide results related to actual current force issues and options. Rather, it gives background so that the reader can understand the method and interpret any future reports using this method.

NOTE

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PURPOSE

This report presents a method to help Congress understand how changes in U.S. strategic nuclear forces and arms control policies could effect a basic goal of our security—crisis stability (a condition where neither we nor our enemies have a strong incentive to gain a decisive military advantage through a nuclear attack). Through a series of examples and charts, it gives the reader a basic understanding of how the method works, what some of its uses and shortcomings are, and what type of issues on the congressional agenda it can address. This report, however, does not provide results related to these issues. Rather, it gives background so that the reader can correctly understand and interpret future reports using this method.

ANALYTICAL STRATEGY

The method discussed in this report look directly at the question of crisis ability. It does so by simulating nuclear attacks by the strategic nuclear forces of the United States and Soviet Union against each other. By analyzing the results of these simulated first strikes, it may be possible to see whether the leadership of one side would have confidence that they could gain a decisive military advantage from a preemptive nuclear attack. If leaders think they can get a decisive military advantage in these simulated attacks, one might conclude that the situation would be unstable. Alternatively if leaders of both sides see no clear advantage, one might conclude that the forces on both sides would produce a stable situation.

This report first describes how these attacks might be simulated. Given the results of these simulations, the report also suggests how the results might be interpreted—whether the outcome is stable or unstable—from two perspectives. First, it looks at the cost-to-attack for an aggressor in terms of the forces it might use in executing an attack, and compares these with the forces that it would destroy on the other side. The idea is to compare the costs of an attack (measured in forces used) with the gains from an attack (measured in forces destroyed) to see if the attacker would realize a net benefit. Second, the report considers the level of forces surviving an attack to evaluate their potential for retaliation—the potential for counter attacks that would deter an aggressor from launching strikes in the first place.

If, for a particular set of U.S. and Soviet forces, the results of this analysis seem unstable, the method described here can then be useful in two ways. First, it can help uncover the sources of instability. Second, it can analyze ways that the forces might be changed in order to produce a more stable outcome. Thus this approach could provide guidelines to shape policies for the United States for future force modernization and arms control negotiations in order to push toward improved crisis stability, and thus improved deterrence and security.

SIMULATING A NUCLEAR ATTACK

The discussion which follows goes through an example to show what is involved in simulating a nuclear attack. It provides a simple overview of how the methodology works. More elaborate details of this methodology are described in appendix A. In addition, CRS has developed a software package to apply this methodology on its microcomputers. This features the ability to see promptly the graphic results of simulated nuclear attacks for differing assumptions on force composition and effectiveness.

To simulate a nuclear attack, we first need to postulate composition and characteristics of forces for both the side doing the attacking and the side being attacked. To simplify things, let us suppose that the Soviets are considering launching an attack against U.S. intercontinental ballistic missile forces. (Later on, we will consider U.S. attacks on Soviet ICBMs and attacks on other strategic forces.) Table 1 describes a U.S. ICBM force that might be typical some time in the future.

TABLE 1.—ILLUSTRATIVE U.S. ICBM FORCE [1]

ICBM type	Basing posture	Number of missiles	Warheads per missile
Minuteman III	Silo	450	3
MX	Silo	100	10
Midgetman	Mobile	450	1

[1] The basis for these forces is as follows. Once the current program to retire Titan II missiles is complete, the U.S. will have 1000 ICBMs all based in silos. If the U.S. modernized its ICBM force, but maintained the level of 1000 ICBMs, it plausibly would deploy 100 MX (in accordance with current Administration plans) in 100 of the 550 existing Minuteman III silos, replace the existing 450 Minuteman II single warhead ICBMs with Midgetman ICBMs, and retain the remaining 450 Minuteman IIIs in silos.

The ICBMs described in table 1 are postured in basically two ways. Some of them (Minuteman III, and MX) are based in silos. Other ICBMs (Midgetman) are based in a mobile mode. (Mobile basing basically involves mounting ICBMs on trucks that are designed to resist to some extent the effects of nuclear explosions. These trucks are deployed throughout a wide area, presumably making their location unknown to the enemy, and thus requiring the enemy to saturate the whole area with nuclear explosions in order to assure that the missiles deployed in that area are destroyed.)

In order to compute how many U.S. ICBMs are destroyed for a Soviet attack, we first need some data that define the vulnerability of these forces. For ICBMs in silos, the commonly used measure of vulnerability is the "hardness" of the silos. (This is a measure of how resistant silos are to the ef-

fects of nuclear explosions. It is measured in units of pounds per square inch of overpressure, PSI, that a silo can take before the missile inside it is destroyed.) For the purposes of this example, let us assume that the hardness of U.S. ICBM silos is 2,000 PSI. This is typical of that for current U.S. forces.[1]

For mobile ICBMs their vulnerability is a function of two factors:

1. Hardness of the mobile launcher. An estimate for Midgetman hardness is 45 PSI.[2]

2. Area in which the mobile ICBMs are deployed. One estimate is 10,000 square miles for Midgetman.[3]

To compute results of an attack, we also need data on the effectiveness of the attacker's warheads. This effectiveness is measured in terms of a combination of the explosive power of these warheads (the "yield," measured in kiloton equivalents of ordinary, chemically based explosives) and accuracy (measured in circular error probable, CEP, which is the distance from the target within which a warhead directed at that target would have a 50% chance of falling). To make some illustrative calculations, let us suppose that Soviet warhead yield is 550 kilotons and an accuracy of .14[4] nautical miles CEP. (These values are commonly associated with the Soviet SS-18 ICBM.)

Another factor needed to determine the effectiveness of Soviet attacks is the reliability of their ICBMs. (Reliability is the probability, given a decision to launch, that an ICBM will indeed be launched successfully and follow a normal course, carry its warheads to the vicinity of the target.) An arbitrary value for Soviet ICBM reliability chosen for purposes of this illustration is .90.

Finally, we need to know how many Soviet warheads are available to attack U.S. ICBMs. In launching an attack, the Soviets may choose to use some number less than all they have available. (For example, they may cut short their attack because they can destroy most U.S. ICBMs with a number less than their total inventory, and/or they may want to hold some warheads in reserve for future strikes.) Nevertheless, the total Soviet warheads available form a bound on the biggest attack the Soviets could launch. For the purpose of illustration, we have assumed the Soviets will have about 9,000 warheads available.

Given the data just described (and a number of assumptions described in appendix A), one can compute then the ability of one Soviet warhead to destroy U.S. ICBMs. There is, however, one additional factor to consider. Since the Soviets have 9,000 warheads in our example, if they were to attack the ICBM force described in table 1, they would need to decide how best to allocate their warheads against targets in this force. They need to decide what emphasis they should place on attacking Minutemen versus MXs versus Midgetmen in order to destroy as many U.S. warheads as possible.

To determine how they might reach this allocation decision, the discussion below considers allocating warheads to targets for a whole range of Soviet attacks. It begins with very small ones and works up to very large scale strikes using the whole inventory of warheads. While the allocation process is built up by assigning a sequence of groups of warheads to targets, in an attack, all groups of warheads would be launched toward their targets simultaneously.

ALLOCATION OF WARHEADS TO TARGETS

To understand how the Soviets might allocate their forces, suppose we begin by considering what the Soviets would do if they only had one warhead to attack our ICBMs. (Of course the Soviets, in reality, would never attack us with only one warhead. This is just a starting point to describe how the Soviets might do planning for large scale attacks.) If they only had one warhead, presumably they would attack that target which gave them the biggest return in terms of forces destroyed.

Let us assume for the moment that this return is measured in terms of number of U.S. warheads destroyed. In the example in table 1, the Soviets could use this one warhead to attack either a Minuteman III silo, an MX silo, or Midgetmen dispersed in their deployment area. It turns out that the Soviets can do the best (destroy the most U.S. warheads) with one warhead by directing it against one MX silo. This is because, for each MX that they destroy, they are able to destroy ten warheads. If they attacked a Minuteman III silo, however, they would destroy only 3 warheads for every Minuteman III destroyed. Compared with attacking an MX silo, attacking a Midgetman dispersal area gives relatively low returns. This is first because Midgetmen, being widely dispersed, are a lot more difficult to destroy than an MX silo. Also, if the Soviets were indeed able to destroy a Midgetman, they would only kill one warhead as opposed to ten warheads for each MX destroyed.

If the Soviets expanded their attack to two warheads, the best thing that they could do is to allocate the second warhead against a second MX silo based on the same reasoning described above. If the size of their attack continues to grow, they could continue to get the best return for their attack by allocating one warhead for each MX silo up to the point where they have one warhead targeted against each of the 100 MX silos.

Calculations based on assumed CEP, yield, reliability, and silo hardness suggest that each Soviet warhead aimed at an MX in a silo would have .544 probability of destroying it. Thus, a Soviet warhead aimed at an MX silo would destroy an average 5.44 warheads. (i.e. Probability of destruction of an MX of .544 times 10 warheads on an MX equals 5.44 warheads destroyed.) Figure 1 shows the returns the Soviets would get (measured in U.S. warheads destroyed) as a function of the warheads they might use for attacks up to a level of 100 Soviet warheads. For this example, the Soviets use 100 warheads to destroy 544 U.S. warheads.

If the Soviets considered an attack larger than one using 100 warheads against 100 MX silos, they would still plan to use 100 warheads against 100 MX silos. For warheads in excess of 100, however, they would look for the next best target to attack, in order to give them the greatest return for the warheads that they were using. Their choices are to start allocating warheads against Minutemen III silos, the Midgetmen dispersal area, or directing a second warhead against each of the MX silos. It turns out that the best thing that they can do to maximize the return from their investment is to put a second warhead on each of the MX silos. Even though the second warhead would provide less additional gain than the first, because MX has so many warheads on each missile in each silo, the Soviets are better off accepting diminished returns from the second warhead against MX than placing the first warhead on other targets.

Figure 2 shows the results in terms of U.S. warheads destroyed as a function of Soviet warheads used if the Soviets were to allocate two warheads each against 100 MX silos.

It shows that the Soviets might expect on the average to destroy 544 MX warheads (54.5 MX) for the first 100 warheads in the attack, and pick up an additional 248 MX warheads (24.8 MX) destroyed for the second 100 warheads used.

At this stage the Soviets have used 200 warheads to kill 792 U.S. warheads. Thus their average return is 3.96 warheads destroyed for each warhead used.

If the Soviets thought about an attack using more than 200 warheads, they would continue to allocate 200 warheads against MX silos, but look for the next best target to attack for warheads over 200. For these added warheads, it now turns out that they would be better off allocating one warhead against each of the 450 Minuteman III silos in the U.S. ICBM force. Figure 3 illustrates what would happen if, in addition to allocating two warheads against each MX silo, the Soviets with a larger scale attack covered each Minuteman III silo with one warhead.

As the size of the Soviet attack grows up to a level of about 2,400 warheads, in order for them to maximize the effects of their attack, they should keep allocating against targets that give the best return. This turns out to be successive allocations against MX and Minuteman III. Figure 4 shows the results of this allocation scheme.

For Soviet attacks above 2,400 warheads, an interesting shift occurs in their best allocation scheme. The next best thing for the Soviets to do is to barrage the area in which the mobile Midgetmen are located. They would continue allocating more and more warheads to attack this area until they had totally saturated the it, and consequently killed off all of the Midgetmen.[5] In the example we are using, this would take, 4,830, Soviet warheads to destroy 450 Midgetmen warheads. Figure 5 shows the results of this allocation.

After attacking and destroying all of the Midgetmen, if the Soviets contemplated even larger attacks, they would do best of go back to attacking silo-based ICBMs, directing large number of warheads against each of the U.S. ICBM silos. The Soviets could continue to do this until they used up all of the warheads in their inventory. If the Soviets had an inventory of 9,000 warheads, Figure 6 shows the range of possible outcomes if the Soviets attacked up to that level.

In summary, figure 6, shows the Soviets cost-to-attack (measured in Soviet warheads used) for any level of attack up to 9000 warheads, and the corresponding returns for

[1] Ulsamer, Edgar. The Prospect for Superhardened Silos. Air Force Magazine, January 1984, p. 74.

[2] Estimate based on information provided CRS by the Boeing Company.

[3] Estimate provided in briefing by Glen Kent of the Rand Corporation.

[4] U.S. Library of Congress, Congressional Research Service, U.S./Soviet Military Balance, Statistical Trends, 1970-1983, Report No. 84-163S by John M. Collins and Patrick M. Cronin, Washington, 1984, p. 16.

[5] The methodology presented here assumes a "perfect" barrage of the Midgetman deployment area (i.e. there is no overlap of the destructive effects of nuclear weapons). Under this assumption, it is possible to destroy all Midgetmen in a deployment area. Under an actual attack, some Midgetmen might survive since they might fall between the cracks of multiple nuclear explosions. The assumption of "perfect" barrage, however, does give a conservative estimate of Midgetman survivability.

such and attack (measured in U.S. warheads destroyed). (Of course the Soviets may not have 9000 warheads available for an attack. For Soviet warhead inventory levels less than 9000, the curve would be cut off at that level.)

INTERPRETATION OF RESULTS

Given the results show in figure 6, there is next the question of what the implications are for stability and U.S. security. Specifically, is there some level of attack that the Soviets would find particularly attractive, at least in terms of a military outcome, and perhaps so attractive that in a crisis they would be tempted to launch a first-strike nuclear attack?

To answer this question, it is useful to develop some notions of stability that can be represented graphically on the results of figure 6. One possible notion is as follows: The Soviets might view potential nuclear attack as a classic problem in economics. If they got greater returns for an attack (U.S. warheads killed) than they invested in an attack (Soviet warheads used), they might view an attack as being worthwhile. Conversely, if they got fewer returns than they invested for an attack, they might find such an attack unattractive.

A way to portray this returns versus investment notion on figure 6 is to plot a line that shows where a Soviet attack would exactly break even in terms of warheads used versus warheads destroyed. Figure 7 has such a break even line.

For any attack whose result lies along this line, the Soviets would destroy exactly the same number of warheads as they used in their attack. For any attack whose result lies above this line, the Soviets would kill more warheads than they would use. Below the line, Soviets kill fewer warheads than they would use. Thus, comparing the results of nuclear attacks in figure 7 with a break-even line shows that the Soviets would gain more than they lose from an attack up to a level of about 2,300 warheads. Above this level of attack, the Soviets use up more warheads in an attack than they can destroy on the U.S. side.

If one used this break-even notion alone, lower levels of attacks (i.e. below 2,300 warheads) would seem desirable. If the Soviets viewed nuclear attacks simply as returns on investment, they would choose lower level attacks to maximize their "profits." But it is at these lower level attacks where, for stability and deterrence, the return on investment analogy breaks down.

In figure 7, while Soviet gains exceed Soviet losses, attacks at these levels destroy only part of the U.S. force and leave large number of U.S. weapons surviving. The Soviets may well find the threat of retaliation from these weapons (and thus these lower level attacks) as undesirable. Thus, attacks in this region may be deterred and stability preserved because of the threat to the Soviets of large-scale retaliation from U.S. surviving ICBMs.

This concern over forces available for retaliation leads to another measure of stability—the level of forces surviving an attack. To portray this notion graphically, we can superimpose on figure 7 a line that shows the starting U.S. inventory—the total number of warheads in the U.S. ICBM force before a Soviet attack occurred. Figure 8 shows this line.

U.S. surviving ICBM warheads are simply the number of warheads before the attack minus those that are destroyed. To visualize this in figure 8, one should look at the distance between the U.S. warheads destroyed curve (the "cost-to-attack" curve) and the upper horizontal line which describes how many warheads the U.S. had before an attack. If there is a great distance between these two lines (e.g. at the left portion of the graph), then a large number of U.S. ICBM warheads survive. As these lines merge together (e.g. at the right portion of the graph), U.S. surviving ICBM warheads become small (but at great expense in Soviet assets).

COST-TO-ATTACK RESULTS AND STABILITY

The discussion above and the results in figure 8 suggest that there are at least two measures from this cost-to-attack analysis that are relevant for stability—relevant in considering whether an attacker would find nuclear strikes desirable. These are:

1. Does an attack provide greater returns (forces killed) than forces invested (forces used in the attack). Graphically, attack returns are greater than the investments when the cost-to-attack curve lies above the 45 degree break-even line. If the cost-to-attack curve lies above the break-even line (i.e. the curve has a big hump above this line), then more warheads are destroyed than are used up. This might imply instability. If the cost-to-attack curve lies close to, or below the break-even line, then fewer warheads are destroyed per warhead used in an attack, indicating that the attack was not very efficient (an attack where the results might leave the enemy worse off than where he started). This may imply a stable situation.

2. Do enough forces survive so that the damage from a possible retaliation would be so great as to discourage an attack in the first place? Addressing this question graphically in figure 8, if the cost-to-attack curve rises close to the total prewar inventory of U.S. ICBM warheads, then few U.S. warheads survive. This suggests that a massive attack might be desirable in the minds of the Soviets since it would reduce the amount of military force available for U.S. retaliation, and thus potential damage to the Soviet Union. This in turn would seem bad for stability. Alternatively, if the cost-to-attack curve lies well below the initial U.S. warhead inventory line, then a large number of U.S. forces survive Soviet attacks and would be available for retaliation. Presumably the greater the size of the U.S. surviving force, the greater the threat of retaliation, and thus the better for stability.

EXAMPLE APPLICATION

To see how these measures of stability can be used for insights into how changes and forces might affect our security, consider the following examples. First suppose we altered the forces used to generate the results in figure 8 in two ways. Assume that the Soviets improve the accuracy of their ICBMs from the current level of .14 nautical miles CEP to .05 nautical miles CEP. (The .05 figure is that often attributed to the accuracy of our MX.)[6] Also suppose that the U.S. does not deploy mobile Midgetmen, but keeps older Minuteman II ICBMs. Figure 9 shows how the results might change in our stability analysis as a consequence of these force changes.

Looking over figure 9 and comparing it with figure 8, one sees that the Soviets get a great improvement in U.S. weapons destroyed for a given number of Soviet weapons used in an attack. (This can be seen by the rather large hump in the cost-to-attack curve that rises above the 45 degree break-even line.) Furthermore, the cost-to-attack curve rises sharply and approaches close to the line that depicts the initial inventory of U.S. ICBM warheads. This means that the U.S. would have few surviving ICBM warheads for relatively low level Soviet attacks. These results suggest that, at least in military terms, the Soviets could see an attack as leaving them with a considerable advantage, at least with respect to ICBM forces. This perception implies that an unstable situation might arise in a crisis, where the Soviets would have strong incentives to launch an attack against our ICBMs.

As an alternative example which shows quite another effect, suppose we take the basic forces used to generate results in figure 8 but alter them somewhat. In particular, suppose that the U.S. beefs up the hardness of its ICBM silos (a process often called "superhardening") to 50,000 PSI, which is a figure cited as technically feasible for silo hardness improvement.[7] Also, let us assume that the Soviets do not improve their accuracy above the current .14 nautical miles CEP level. Figure 10 shows the cost-to-attack results for this possible situation.

For the results shown in figure 10, the Soviets use more warheads in their attacks than they can destroy on the U.S. side. This is indicated by the absence of a hump between the cost-to-attack curve and the 45 degree break-even line. In addition, the results show that the United States has generally large numbers of surviving warheads throughout the range of possible Soviet attacks. This particular case suggests that the Soviets might find much less advantage from an attack than under our initial conditions. From their perspective, the attacks would be inefficient and also leave substantially more U.S. force available for retaliation. Thus one might conclude from these results that stability had been improved, at least in comparison with the results shown in figure 8.

While the results in figure 10 suggest improvements in silo hardening will improve stability, they assume that the Soviets do not improve the accuracy of their ballistic missiles. Suppose we take the same case in figure 10 (U.S. silos superhardened) but assume that the Soviets improve their ballistic missile accuracy to that of MX. Figure 11 shows what might happen. The shape of the cost-to-attack curve returns to one quite similar to that for our initial conditions shown in figure 8. This suggests that, in terms of stability, improvements from U.S. silo superhardening could be offset by Soviet accuracy improvements.

ATTACKER INVENTORY

A final factor to consider in stability analysis is size of the forces available for the attacker to use in the nuclear strike. This is important because if one side has an overwhelmingly large force, it may not be all that concerned about the efficiency of an attack. If one side can destroy a high percentage of its opponent's force and still have a large residual force left over for other purposes (e.g. coercion of an enemy in order to achieve concessions in a peace settlement), then that side may still find an attack worthwhile, even though it might be terribly inefficient.

To illustrate the effects of the size of an attacking force, figure 12 repeats the results illustrated earlier in figure 8, but superimposes on its various levels of Soviet forces

[6] Robinson, Clarence A., Jr. Parallel Programs Advance Small ICBM. Aviation Week and Space Technology, Mar. 4, 1984, p. 17.

that might be available to conduct an attack.

If the Soviets have very high levels of forces available to attack U.S. ICBMs (e.g. level 3 in figure 12), the Soviets could destroy most of the U.S. ICBM force, even though these attacks, especially those to take out the last few U.S. surviving warheads, would be highly inefficient. The Soviets, however, with very large numbers of warheads available, might be tempted to launch a very inefficient attack in order to wipe out U.S. capability, knowing that they would escape retaliation from U.S. ICBMs and that they would still have additional forces left over to further threaten the United States. Thus, under these circumstances, conditions of instability might still exist.

Alternatively, if the Soviets only had lower levels of forces available for attack, (perhaps as a result of arms control restraints), this might guarantee that the U.S. would have some number of forces that would survive a Soviet attack. This then would seem to create a condition of improved stability.

USING RESULTS TO ADDRESS ISSUES

Results produced by the methodology described above are sensitive to a number of factors related to future U.S. and Soviet forces. These include the size of the forces, the mix of various types of weapon systems, force vulnerability characteristics, and the effectiveness of attacking forces in destroying targets. Thus the method described here can be used to address how stability might be affected by: Size and composition of current U.S. and Soviet strategic forces; Proposals to modernize U.S. and Soviet forces that would change the size and mix of these forces; use of new technology to improve in ICBM survivability (e.g. silo hardness, dispersal of mobile ICBMs); improvements in the effectiveness of attacking forces (e.g. warhead yield and accuracy).

EXTENSION OF THE METHODOLOGY

To this point, the examples shown involve only Soviet attack of U.S. ICBMs. The methods described, however, can be easily extended to consider a number of other situations of interest in analyzing the effects of U.S. and Soviet force changes on stability. Some are listed below.

U.S. attacks on Soviet ICBMs

In the methodology described, the roles of the U.S. as the defender and the Soviet as the attacker can be reversed. Analysis of the U.S. attacking Soviet forces is important for stability in the following respect. If the U.S. can attack and destroy a substantial portion of the Soviet forces (a situation that this methodology might uncover), then the Soviets may be tempted to launch a preemptive attack, knowing that a U.S. first strike would leave them at a considerable military disadvantage. Thus a U.S. capability that threatens large-scale destruction of Soviet forces is a potential source of instability.

Attacks on nuclear triads

The results above consider only attacks on ICBMs. Since, even if most ICBMs are destroyed, other forces may survive. It is a matter of debate as to whether looking at ICBM attacks alone is an adequate basis for analyzing stability. In any event, this methodology can easily be extended to consider situations where the full triad of forces on either side (ICBMs, SLBMs, and bombers) are subject to attack. This extension of the methodology would allow one to look at cases where, while ICBMs may have problems for survivability and thus stability, the remaining parts of the strategic forces may not be so vulnerable and thus be sufficient to deter an attack and preserve stability.

Ballistic missile defense

The results shown earlier assume that, after ICBM reliability is accounted for, all warheads launched at a target would get through to their targets without interference. The number of warheads that get through to targets, however, can be degraded to account for possible defenses against ballistic missiles. One could do this first by specifying a probability that an incoming warhead would be intercepted by these defenses, and second to specify capacity for defenses such that attacks above this capacity would saturate defenses and allow additional warheads to get through unscathed.

Nuclear winter

For simulated attacks considered earlier, a very large number of warheads might be used. Recent analysis, however, suggests that an attacker might want to be cautious about the overall level of destructiveness unleashed on an opponent. Very high level attacks might result in fundamental changes to the environment (e.g. the Nuclear Winter phenomenon). This might form a practical constraint on the size of an attack that an aggressor might contemplate. If one knew the threshold at which decisionmakers on both sides thought the environment would be endangered from attacks, one could easily reflect that in this methodology by specifying that attacks should not occur above this threshold level.

Alternative measures of costs and benefits

The examples described earlier depict costs to the attacker in terms of numbers of warheads used and benefits to the attacker in terms of enemy warheads destroyed. The methodology can easily be changed to consider other measures. For example, throw weight (payload capacity of missiles) used versus throw weight destroyed could be used for assessing stability.

Limiting multiple attacks on a target

An important assumption used in the illustrative example is that it is feasible to attack one ICBM silo with a number of warheads. In practice, such attacks may be difficult to execute. Specifically, the timing of when each of these warheads would reach their target has to be carefully worked out so that the explosion of one warhead does not render other warheads ineffective. (i.e., What is known as fratricide effects needs to be avoided.) If one believes that multiple attacks on a target above a certain level are impractical, the methodology can easily handle this by simply not allowing allocation of warheads against a target above a certain level.

Attacks by different types of weapons

The example given earlier assumed that the attacking force had only one type of weapon. (The example postulated attacks using warheads with characteristics of the Soviet SS-18 ICBM.) In cases where the lethality characteristics of attacking warheads are similar (e.g. warheads from SS-18s and SS-19s are quite close in effectiveness), then using one estimate of lethality to represent different types of weapons does not affect results very much. When the attacking force consists of weapons of diverse characteristics, attack effectiveness can be approximated by computing a warhead lethality that is the average of the attacking force. Alternatively, the scheme in appendix A that allocates warheads to targets can be modified so that different types of attacking warheads are allocated optimally against different types of targets.

LIMITATIONS

As in inevitably the situation, the methods described above provide only a simple model of reality. As a result they have several shortcomings including the following:

1. *Measuring Deterrence.*—What constitutes necessary conditions for deterrence is not easily amenable to the type of calculations presented here. Even when a high degree of crisis stability exists, other factors may dominate decision-making. Such things as the overall state of political relationships between countries, the ability of the leadership on both sides to make rational decisions and avoid miscalculations, and other intangible factors may have a dominant influence on the decision of whether to launch a nuclear strike.

2. *Simple Modeling Versus Operational Planning.*—The methodology in this report makes a number of simplifying assumptions that may or may not be an accurate reflection of reality. For example it makes an assumption that multiple attacks on a number of diverse targets is something that is possible to execute in practice. In fact, it may be that the complexities of working out the timing and execution of such attacks would be extremely complicated, perhaps to the point of being infeasible.

3. *Technical Uncertainties.*—The data and equations used to represent the interaction of forces in a nuclear attack are subject to high levels of uncertainty. In all cases, the data and equations used in our initial calculations are those made available from unclassified sources. As such, they generally do not provide rigorous backup that describes what information and sources they are based on. In many cases, this information provides only rough estimates that can never be validated without extensive nuclear testing in the atmosphere (a practice currently prohibited by treaty) or perhaps even experience gain from an actual nuclear conflict. The model does allow for an assumption to be varied in order to determine how results might change. It cannot, however, compensate for the significant uncertainty that pervades such calculations.

4. *Other Nuclear Forces.*—The methodology considers only intercontinental nuclear forces possessed by the United States and the Soviet Union. Left out are so-called theater nuclear forces (e.g. ground launched cruise missiles and Pershing missiles stationed in Western Europe, and SS-20 missiles stationed in the Soviet Union) which could be used for attacks on the two superpowers or their allies. These forces would have profound effects on each other's security. Also not included are British, French, and Chinese nuclear forces which are also designed to strike targets in the Soviet Union.

APPENDIX A

INTRODUCTION

This appendix shows the details of how cost-to-attack curves are produced. It lays out what characteristics are needed to describe forces, how destruction of forces attacked is computed and how attacking forces are allocated to targets. The methodology describes attacks on ICBMs. The basic approach can be extended to cover the full strategic triad of ICBMs, SLBMs, and bombers.

FORCE CHARACTERISTICS

Following force characteristics need to be specified before computations begin:

Forces Being Attacked

Si = number of silo-based ICBMs of type i.

M = number of mobile ICBMs (this assumes there is only one type of mobile ICBM).

Wi = number of warheads per missile for silo-based ICBM of type i.

V = number of warheads per mobile ICBM.

Hi = hardness of ICBM silo of type i (in PSI).

G = hardness of a mobile ICBM launcher (in PSI).

D = area in which mobile ICBMs are deployed (in square statute miles).

N = total number of warheads available for an attack.

Y = yield of attacking warhead (in magatons).

C=accuracy of attacking warheads measured in CEP (in nautical miles)

R=the reliability of an attacking warhead (probability, given a command to launch a missile, that it is successfully launched and warheads from the missile arrive in the vicinity of the target)

FORCE DESTRUCTION CALCULATIONS

For silo-based ICBMs, the probability that a single warhead destroys a silo is estimated to be:

$pi = R(1-2^{-(F/C)^2})$

Where $F = Y^{2/3} 6.08 ((Hi/3152)^{12} - .038)^{-2/3}$

pi=probability of an ICBM silo of type i is destroyed by a single attacking warhead

Source: Equation provided to CRS by U.S. Air Force

If several warheads are used to attack a silo, and the effects of each warhead are independent of all other warheads, then:

$Pi,n = 1-(1-pi)^n$

When Pi,n=probability that an ICBM silo of type i is destroyed by n warheads

For computing mobile ICBMs destroyed, one first needs to determine the lethal area of an attacker's warhead directed against a mobile ICBM launcher. (Lethal area is the area around the point where an attacking nuclear warhead detonates such that, if a mobile launcher is located in that area, it will be destroyed.) A formula for lethal area estimates (which assumes optimal height of burst) is:

$A = (((3.04903 \times 10^7/G)^{1/2} - 300)Y^{1/3}/528)^2$

Where A=lethal area

Note: equation valid only for $10 < G < 50$

Source: Based on data from Department of Defense and Department of Energy, The Effects of Nuclear Weapons, Third Edition, 1977. pp. 112-113.

If one assumes that mobile launchers are randomly distributed thoughout their deployment area and that the attacker executes a "perfect" barrage of the dispersal area (i.e. the lethal area of no two attacking warheads overlap), then:

$Q = mA/D$ for $mA < D$

$= 1.0$ for $mA > D$

Where: Q=probability that mobile ICBM launcher is destroyed by an attacking warhead

ALLOCATION OF ATTACKING WARHEADS

Given the force characteristics and force destruction relationships above, there remains the problem of allocating attacking warheads against a variety of ICBM targets. Assume that the attacker wanted to maximize the number of opposing ICBM warheads destroyed. Then the following strategy can be used to produce such an optimal allocation.

Suppose the attacker had only one warhead to allocate against a set of targets. To maximize the number of opposing warheads destroyed, he would allocate it against the target that produces the greatest marginal increase in warheads destroyed per attacker warhead used. If the attacker had a second warhead, he would then allocate it against the target that had the second best marginal increase in warheads destroyed per attacker warhead used in order to maximize his gains.

More generally, if the attacker has already allocated N-1 warheads optimally, then allocating the Nth warhead against the target that will produce the best marginal warhead destroyed per warhead used will give an optimal allocation for N warheads. By induction, this strategy of building up one-by-one attacker warhead allocations will produce allocations of warheads at any level of attack that is optimal.

In order to put this strategy into practice, one first needs to compute the marginal number of warheads killed per attacker warhead used. For silo-based ICBMs, this can be computed as follows:

Suppose $n-1$ attacking warheads are already allocated against a silo of type i. Then from an equation discussed earlier:

$Pi,n-1 = 1-pi)^{n-1}$

and $Ki,n-1 = WiPi,N-1$

Where Ki, n−1=number of warheads killed from n−1 warheads used to attack a particular silo.

Suppose that one additional warhead were allocated against a silo of type i, giving a total of n warhead attacking that silo. Then the marginal increase in warheads of type i killed for the addition of one more attacking warhead:

$\Delta Ki,n/\Delta n = Ki,n - Ki,n-1$

$= Wi(1-(1-pi)^n) - Wi(1-(1-pi)^{N-1})$

$= Wipi(1-pi)^{n-1}$

When $\Delta Ki/\Delta n$=marginal increase in number of ICBM warheads of type i destroyed for the nth warhead allocated against a silo of type i.

For mobile ICBMs, suppose $m-1$ warheads are already allocated to attack the mobile ICBM dispersal area. Then from an earlier equation:

$Q = (m-1)\,A/D$ for $m-1 < A/D$

$= 1.0$ for $m-1 > A/D$

Suppose one additional warhead were allocated to attack while ICBMs of type i area in their deployment area, giving a total of m warheads allocated. Then the marginal increase in mobile ICBM warheads of type I destroyed per additional warhead used in an attack is:

$\Delta L/\Delta m = A/D$ for $m < A/D$

$\Delta L/\Delta m = O$ for $m > A/D$

Where

$\Delta L/\Delta m$=marginal increase in number of ICBM warheads for the mth warhead allocated against mobile ICBMs.

Given the formulae for the marginal increase in warheads destroyed for attacking a silo, $\Delta Ki,n/\Delta n$, and for attacking mobile ICBM, $\Delta L/\Delta m$, there is next the problem of using these to optimally allocate attacking warheads against targets. The following steps are used to do this:

1. Calculate values for $\Delta Ki,n/\Delta n$ and $\Delta L/\Delta m$.

In the case of $\Delta Ki,n/\Delta n$, attacking a silo with too many warheads becomes impractical past a certain point and also gives generally very small returns. Therefore limiting n to a maximum of 6 puts a practical bound on the number of calculations needed.

2. Order the set of marginal warheads killed per warhead used, ($\Delta Ki,n/\Delta n$, $\Delta L/\Delta m$) from greatest to least.

3. Go through the ordered set of marginal warheads killed per warhead used from step 2 (i.e. consider the largest value first, the next largest second, etc.). For each of these:

a. If the marginal warheads destroyed per warhead used is that for an ICBM silo, assign one additional attacking warhead to each of the Si silos of type i. If the attacker warhead inventory is exhausted at this stage in the allocation, assign only those warheads available to a portion of the Si targets and stop the allocation process. If not, return to step 3 to consider the next greatest marginal warhead destroyed per warhead used.

b. If the marginal warhead killed per warhead used is that for a mobile ICBM, assign enough warheads to totally cover the dispersal area for these ICBMs. This is D/A warheads. If the attacker warhead inventory is exhausted, assign only those warheads available to attack a portion of mobile ICBMs deployment area and stop the allocation process. Otherwise, return to Step 3 to consider the next greatest marginal warhead destroyed per warhead used.

As the assignments of warheads of targets in step 3 takes place, it is easy to calculate the incremental number of ICBM warheads destroyed for each group of attacker warheads assigned. Cumulative number of warheads used and cumulative warheads destroyed can also be easily computed at each stage in the iterative allocation process in step 3. This data (cumulative warheads used versus warheads destroyed) then defines the cost-to-attack curve for the forces being considered and can be used for crisis stability analysis.

EXTENSION TO ATTACK OTHER STRATEGIC FORCES

The method just described considers attacks on ICBMs only. A simple assumption to compute results of attacks for bombers and ballistic missile launching submarines is as follows. A certain percentage of the bomber force is postured on alert so that it will be able to take off before attacking warheads can explode. Thus this portion of the bomber force can survive, but those nonalert bombers that remain on the ground would be quite vulnerable to attack and easy to destroy. In the case of SSBNs, a certain percentage of them are at sea at a given time, and again might be reasonably presumed to survive an enemy attack. However, those SSBNs not at sea would be quite vulnerable and easily subject to destruction from an attack. Thus, the way this method estimates the effects of attack on these forces is to assume that all bombers on alert and submarines at sea escape attack, and that these forces not in those postures could easily be destroyed with a few warheads allocated against each bomber base and submarine port. (In applications, two warheads are assumed sufficient to destroy one of these facilities.)

Given this means of computing forces destroyed, allocation of attacking warheads to bomber bases and SSBN ports is integrated into the ICBM attack allocation scheme above by considering the marginal bomber weapons and SLBM warheads destroyed for attacking warheads used.

[Report No. 85-117 F]

COST TO ATTACK U.S. AND SOVIET STRATEGIC FORCES UNDER THREE ALTERNATIVE ARMS CONTROL APPROACHES

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ABSTRACT

This report analyzes three arms control approaches—the U.S. build-down proposal, the July 1983 Soviet negotiating position, and a modified version of SALT II—with respect to their effect on stability. As used in this study, "stability" is defined as a condition where neither the United States or the Soviet Union has a strong incentive—securing a decisive military advantage—to launch a strategic nuclear attack. The analysis first projects the strategic nuclear forces that each side might deploy through the year 2000 under each of the three arms control approaches. Based on the alternative forces deployed, simulated attack scenarios are used to analyze the implications of each arms control approach on crisis stability, but it is expressed in terms of overall reductions of and limitations on somehthing called "destructive potential" (presumably involving the throw-weight or carrying capacity of ballistic missiles, combined with an analogous measure for bombers). In the absence of a more specific formulation, this analysis assumes that bomber limitations would be that of an earlier and separate U.S. negotiating position, namely limiting bombers to a level of 400, with a maximum of 20 air launched cruise missiles (ALCMs) for each bomber.

Soviet Proposal

This analysis uses the last publicly known proposal offered by the Soviets during the START negotiations. (As of this writing, it is understood that in the current Geneva talks the Soviets have not offered a proposal for reducing strategic nuclear arms.) The July 1983 proposal would have brought each side into full compliance with SALT II by the end of 1985, and by 1990 would have required each side to be at the following limits: 1,800 Strategic Nuclear Delivery Vehicles (SNDVs); 1,200 MIRVed ballistic missiles plus ALCM-carrying bombers; 1,080 MIRVed ballistic missiles; 680 MIRVed ICBMs.

They have also expressed a willingness to accept equal limits on "nuclear charges" (i.e., nuclear warheads).

SALT II

Both the United States and the Soviet Union are currently following a policy of "not undercutting" the provisions of SALT II. In practice, this has come to mean something other than complete adherence to the SALT II agreement. In particular, the Soviets are already in excess of the 2,250 SNDVs allowed under SALT II. In addition, the United States plans to deploy two new types of ICBMs, MX, and the Midgetman mobile ICBM. The Soviets may also be planning to deploy two new types of ICBMs, the SS-24 MIRVed ICBM, and the SS-25 small mobile ICBM. These potential U.S. and Soviet deployments would not be consistent with the SALT II provision limiting each side to one new ICBM.

ANALYTICAL APPROACH

To analyze selected arms control approaches, this report:

1. Projects strategic nuclear forces under the various approaches that might be typical of those deployed by the United States and the Soviet Union through the year 2000.

2. Assesses changes in U.S. and Soviet strategic nuclear forces over time in order to gain some insights as to how easy or difficult it might be to accept each approach from the prospective of a force planner.

3. Uses simulated attack scenarios to analyze the implications of each arms control approach on crisis stability. This analysis is based on the kinds of strategic nuclear forces that might evolve on both sides under each approach.

4. Varies certain key assumptions made in the analysis of steps 1-3 in order to determine whether changes in these assumptions might affect the basic conclusions drawn.

The data and calculations made in this report are drawn entirely from unclassified sources. These are identified at appendix A. Readers are also encouraged to see CRS report 85-64F, Cost-to-Attack: Measuring How Strategic Forces Affect U.S. Security, which presents the methodology used to assess the crisis stability of various alternative arms control approaches.

Two further explanatory notes: First, the results of the various attack scenarios used in this analysis are expressed in terms of warheads surviving or destroyed. For convenience, "warheads" includes not only those on ICBMs, SLBMs, and air-launched cruise missiles (ALCMs) but gravity bombs as well. Second, the various attack scenarios assume that neither side's strategic nuclear forces are on "generated alert" that might be caused by increased tension between the two sides. In other words, each side's strategic nuclear forces are in their normal peacetime alert status. In this sense the analysis assumes worst case attack scenarios.

FINDINGS

Current Forces

For current forces, Soviet ICBMs can, with great inefficiency, destroy about 97 percent of U.S. ICBM warheads but their ICBMs and SLBMs together can destroy only about 40% of all U.S. strategic warheads, (ICBMs, submarines carrying SLBMs, and strategic bombers).

In comparison, U.S. ICBMs can destroy only about half (52%) of the Soviet's ICBM warheads, and U.S. ICBM and SLBM attacks on the Soviet triad (ICBMs, SLBMs, and bombers) could destroy about 52% of all Soviet strategic warheads.

Forces in the Year 2000 Under Alternative Arms Control Approaches

The U.S. build-down proposal forces much greater shifts in the size and composition of strategic forces than do the other two approaches. If one believes that the greater the shift in the basic composition of forces the greater will be the resistance to these shifts by force planners, then build-down would appear to be more difficult to accept by both sides than the other two approaches.

The Soviet proposal would require a substantial (about 28%) reduction in Soviet SNDVs while having virtually no effect on the number of U.S. SNDVs. It caps warheads at a very high level, allowing the Soviets to retain their large number of ICBM warheads. The SALT II approach would be the most generous of the three approaches both for SNDVs and warheads.

None of the three approaches significantly constrains modernization plans of the United States. The extent of Soviet modernization plans is unknown, but even build-down, the most restrictive approach, allows the Soviets substantial opportunities to modernize. The build-down proposal as described in this report encourages growth in the bomber forces of both sides. (Limits on destructive potential which encompass both bomber and ballistic missile forces might change this outcome had such limits been included in the report's formulation of the build-down proposal.)

None of the approaches forces "deep cuts" in overall strategic weapons. The build-down proposal forces substantial reduction in ballistic missile warheads (about 35% for the U.S., about 45% for the Soviets), but these reductions could be compensated for by increases in bomber weapons (again assuming that limits on destructive potential were not in effect). Although the Soviet proposal requires large cuts in delivery vehicles on the part of the Soviet Union (about 29%), it does not force reductions in overall numbers of warheads.

None of the approaches would produce big reductions in procurement costs because each one permits substantial modernization. The build-down proposal might possibly reduce operating costs of the ballistic missile forces of both the United States and the Soviet Union, but the larger bomber forces allowed under the formulation of build-down as used in this report could offset those savings. The Soviet proposal suggests that operating costs for the Soviet Union would be reduced more than they would for the United States because the proposal substantially cuts the number of Soviet delivery vehicles without requiring similar reductions in U.S. delivery vehicles.

Stability analysis

All three approaches share some common characteristics for crisis stability associated with forces estimated to be in place in the year 2000. In all proposals, ICBMs in silos are quite vulnerable.

All three approaches assume that the United States and the Soviet Union deploy small single-warhead mobile ICBMs in substantial numbers (about 500). In all cases, mobile ICBMs seem to make a substantial contribution to crisis stability. Under all three approaches mobile ICBMs are subject to attack, but they can be destroyed only at great expense to the attacking side. (The results of the cost-to-attack analyses indicate that it requires about ten attacking warheads to destroy one mobile ICBM.)

Of the three approaches, the build-down proposal places the lowest limits on numbers of ICBM warheads. This would tend to improve stability since each side would have fewer ICBM warheads available to attack ICBMs, in particular, to barrage the dispersal areas of mobile ICBMs. Although some portion of the mobile ICBM dispersal areas could be barraged, a significant portion of mobile ICBMs would survive (about 63 percent for the United States, about 83 percent for the Soviet Union). The Soviet proposal and SALT II allow sufficient numbers of warheads so that the total mobile ICBM dispersal area might be barraged. Such attacks, however, would be highly inefficient, requiring about ten warheads for each mobile ICBM warhead destroyed. This inefficiency may be sufficient to discourage such attacks and thus bolster crisis stability.

For ballistic missile (ICBMs and SLBMs) attacks on strategic triads (ICBMs, SLBMs, bombers), substantial numbers of warheads on each side survive under each approach. A lesser proportion of the Soviet Union's warheads survive because of its greater emphasis on silo-based ICBMs, which are more vulnerable to attack than mobile ICBMs, sub-

marines, or bombers. At the same time, U.S. advantages in surviving bomber forces may be offset by the prolific Soviet air defenses.

Sensitivity Analysis

A concern often raised about Soviet ICBMs is their large throw-weight (payload capacity) relative to U.S. ICBMs. The worry is that the Soviets could exploit this throw-weight advantage by rapidly increasing the number of their ICBM warheads. Assuming that the Soviets had the technology to exploit the throw-weight of the ICBMs (SS-17, SS-18, SS-19, SS-24, SS-25) at the same level of efficiency as that reported for MX, it could have a much larger number of warheads available for attack (an increase from 6,420 to about 14,000 under the launcher constraints of the SALT II proposal, for example). Though this larger number of warheads would violate the terms of all three approaches, it is important to consider because the Soviets might be able to realize this boost in numbers of warheads in approximately five to ten years if they chose to break out of the provisions of any of the approaches.

In terms of crisis stability, more Soviet ICBM warheads would not increase the vulnerability of U.S. silo-based ICBMs. The Soviets need only a relatively small number of ICBM warheads to destroy MX and Minuteman silos and that number is well within the warhead limits of each arms control approach. The advantage of more warheads is that it would allow the Soviets to saturate Midgetman deployment areas, and under the Soviet proposal and the SALT II approach they would have many thousands of warheads. Although such a capability may worsen stability, large scale attacks of the magnitude needed to destroy Midgetman missiles may not be practical or desirable (e.g., they might trigger major changes in the world environment). It is not clear however, how much attention the Soviets might pay to such concerns.

In other areas considered, the findings in the stability analysis above do not change significantly under the following assumptions:

Lowering the alert rates of Soviet bombers and ballistic missiles and submarines (SSBNs) from the higher equivalent U.S. rates used in most of the analyses to those given in unclassified estimates. This is because the Soviets have a relatively small capability in their bomber force (thus, changes in its vulnerability do not affect overall results very much) and because in actual practice a significant portion (about 50%) of their SSBNs are at ready alert in port or deployed at sea.

Limiting attacks on ICBM silos to no more than two warheads per silo to reduce the possibility of fratricide and to alleviate difficulties in planning and conducting larger scale attacks. This is because under the assumed high accuracies used in the analysis, two warheads have a very high probability of destroying a target. Thus, adding more warheads per target does not affect the outcome very much.

Giving the Soviets their currently estimated ICBM accuracy, which is lower than that used in the section on stability analysis for strategic forces in the year 2000. (This analysis used accuracies equivalent to the MX.) This is because Soviet accuracies are sufficient to give them substantial capability to destroy U.S. ICBMs. They can therefore compensate for lower accuracy by allocating more warheads to ICBM targets, these additional warheads being generally available under all three approaches considered.

FORCES UNDER ALTERNATIVE ARMS CONTROL APPROACHES

As a point of departure, Table 1 shows estimates of the strategic nuclear forces currently deployed by the United States and the Soviet Union. Over time, of course, the size and mix of these forces will change, depending in part on the plans each side has for retiring, and modernizing particular elements in the forces. One influence on these plans would be possible constraints from arms control agreements. Table 2 lays out the general constraints that would affect the structures of both sides' strategic forces under the three arms control approaches. Some key assumptions that this analysis uses to interpret the provisions of these proposals are as follows:

Build-down

The formulation used in this analysis considers only limits on ballistic missile warheads, numbers of bombers, and bomber weapons. The United States also has publicly stated its intention to propose additional limits on something called "destructive potential." Although destructive potential probably entails some quantitative measue of throw-weight for ballistic missiles and payload capacity for bombers, the term has not been clearly defined publicly. For this reason, this analysis does not consider limits on destructive potential. As an alternative means of dealing with limitations on bomber armaments that are inherent in the destructive potential formulation, this report assumes on overall limit of 400 bombers on both sides with a maximum of 20 air launched cruise missiles for each bomber. (The projection of Soviet and U.S. forces in the year 2000 credits each side with 400 bombers: of the Soviet total, 60% carry ALCMs; of the U.S. total, 50% are equipped with ALCMs.)

TABLE 1.—SALT-ACCOUNTABLE STRATEGIC FORCES—JANUARY 1985

Type	Number	MIRVed	RVs/Missile	Total RVs
SOVIET				
ICBMs:				
SS-18	308	308	10	3,080
SS-19	360	360	6	2,160
SS-17	150	150	4	600
SS-13	60	0	1	60
SS-11	520	0	1	520
SS-24	0	0	10	0
SS-25	0	0	1	0
Subtotals	1,398	818		6,420
SLBMs:				
SS-N-20 (Typhoon)	40	40	9	360
SS-N-18 (Delta III)	240	240	7	1,680
SS-N-8 (Delta II)	64	0	1	64
SS-N-8 (Delta I)	216	0	1	216
SS-N-8 (Golf III)	6	0	1	6
SS-N-8 (Hotel III)	6	0	1	6
SS-N-17 (Yankee II)	12	0	1	12
SS-N-6 (Yankee I)	352	0	1	352
SS-N-5 (Hotel II)	6	0	1	6
Subtotals	942	280		2,702
Total ICBMs/SLBMs	2,340			
Total MIRVed Missiles/RVs		1,098		8,542
Total ICBM/SLBM RVs				9,122
Heavy bombers:				
Bear C (Penetrate)	100	0	4	400
Bison	45	0	4	180
Bear H (ALCMs)	19	19	8	152
Blackjack (Penetrate)	0	0	12	0
Blackjack (ALCMs)	0	0	12	0
Subtotals	164	19		732
Totals	2m594	1,117		9,854
Strategic submarines (class):				
Typhoons (SS-N-20)	2	[1] 20		

TABLE 1.—SALT-ACCOUNTABLE STRATEGIC FORCES—JANUARY 1985—Continued

Type	Number	MIRVed	RVs/Missile	Total RVs
Delta IIIs (SS-N-18)	15	[1] 16		
Delta IIs (SS-N-8)	4	[1] 16		
Delta Is (SS-N-8)	18	[1] 12		
Golf III (SS-N-8)	1	[1] 6		
Hotel III (SS-N-8)	1	[1] 6		
Yankee II (SS-N-17)	1	[1] 12		
Yankee I (SS-N-6)	22	[1] 16		
Hotel II (SS-N-5)	2	[1] 3		
Total SSBNs	66			
UNITED STATES				
ICBMs:				
M-X	0	0	10	0
Minuteman III	550	550	3	1,650
Minuteman II	450	0	1	450
Titan II	29	0	1	29
Midgetman (Mobile)	0	0	1	0
Subtotals	1,029	550		2,129
SLBMs:				
Trident II (Ohio)	0	0	8	0
Trident I (Ohio)	120	120	8	960
Trident I (Lafayette)	192	192	8	1,536
Poseidon (Lafayette)	304	304	14	4,256
Subtotals	616	616		6,752
Total ICBMs/SLBMs	1,645			
Total MIRVed Missiles/RVs		1,166		8,402
Total ICBM/SLBM RVs				8,881
Heavy bombers:				
B-52G (Penetrate)	80	0	8	640
B-52G (ALCMs + Penetrate)	88	88	12	1,056
B-52G (ALCMs)	0	0	12	0
B-52H (Penetrate)	96	0	8	768
B-52H (ALCMs + Penetrate)	0	0	20	0
B-52H (ALCMs)	0	0	20	0
B-1B (Penetrate)	0	0	8	0
B-1B (ALCMs + Penetrate)	0	0	20	0
ATB	0	0	4	0
Subtotals	264	88		2,464
Totals	1,909	1,254		11,345
Strategic submarines (class)				
Ohio (Trident II)	0	[1] 24		
Ohio (Trident I)	5	[1] 24		
Lafayette (Trident I)	12	[1] 16		
Lafayette (Poseidon)	19	[1] 16		
Total SSBNs	36			

[1] SLBM's/SSBN.

Note.—Under SALT each Poseidon SLBM is counted as carrying 14 warheads rather than the deployed number of 10.

TABLE 2.—SNDV'S AND WARHEAD CEILINGS UNDER THE ARMS CONTROL APPROACHES ANALYZED

Ceilings	Build down	Soviet proposal	SALT II mod
MIRV'd ICBM's	Not stated	680	820.
Heavy ICBM's	do	Not stated	308.
MIRV'd ICBM's/SLBM's	do	1,080	1,200.
Total ICBM's/SLBM's	Approximately 1,250	Not stated	Not stated.
MIRV'd ICBM's/SLBM's plus CMC bombers.	Not stated	1,200	1,320.
Delivery vehicles	do	1,800	Not applied.
Modern SSBN's	do	Not stated	62.
SLBM RV's plus ICBM RV's	5,000	do	Not stated.
Total warheads	Not stated	Approximately 10,000	Do.
Reduction schedule used in projections.	[1]	[2]	[3].

[1] Projected that the reductions would begin in 1986. 2 older ballistic missile warheads are retired for every warhead introduced with a new MIRV'd ICBM. 3 older SLBM/ICBM warheads are retired for every 2 warheads introduced with a new MIRV'd SLBM. the total inventory of ICBM/SLBM warheads is reduced by no less than about 5 percent per annum.

[2] Projected that the reductions would begin in 1986 and be completed by the end of 1990. The annual reductions in delivery vehicles to be no less than 20 percent of the difference between the 1985 inventory and the ceiling. The warhead ceiling would enter into effect starting in 1986.

[3] Projected that the United States and U.S.S.R. would continue to adhere to all SALT II ceilings except for the ceiling on total delivery vehicles.

Soviet Proposal

As reported in the press, the Soviet proposal involves limits on strategic nuclear delivery vehicles. It also includes broad limits on warheads. For this study, the limit was set at 10,000 warheads based on public statements by the Soviet Union that it would be willing to accept "limits on nuclear charges at levels equal to or below those of the current U.S. forces."

SALT II

The SALT II proposal used in this analysis accepts the provisions of the SALT II treaty with two exceptions. First, the overall limit of 2,250 delivery vehicles is not enforced. (The Soviets now have about 2,500 delivery vehicles and probably would not take reductions unless the treaty were in force.) Second, both sides are allowed to deploy two new ICBM types—one MIRVED and one single-warhead mobile. This is at variance with the SALT II proposal limiting each side to one new type of ICBM.

Figures 1, 2, and 3 show estimates of U.S. and Soviet forces projected through the year 2000 under each proposal. The results are displayed both in terms of deployed strategic nuclear delivery vehicles (i.e., ICBMs in silos or on mobile launchers, SLBMs in tubes on submarines, and bombers) and strategic warheads on ICBMs and SLBMs, and gravity bombs and ALCMs on bombers).

Observations

The build-down proposal shows a modest decline in U.S. strategic delivery vehicles (about 19%) compared with a larger decline in Soviet delivery vehicles (about 39%). Soviet warheads also decline more than U.S. warheads (about 24% versus about 10%). The number of U.S. and Soviet bomber warheads could grow under this proposal; the projection used in this report reflects about a 70% increase for the United States and about a 138% increase for the Soviet Union. U.S. and Soviet ballistic missile warheads decline to a level of 5,000 a piece (a decline of about 38% for the United States and about 44% for the Soviet Union). The projection suggests a major decrease in Soviet ICBM warheads (from 6,012 to 2,600, or about 57%). On the U.S. side, the projections indicate a major decrease in SLBM warheads (from to 6,112 to 3,072, or about 50%).

Under the Soviet proposal, the number of U.S. delivery vehicles declines only about 7%; Soviet SNDVs decrease about 29% (from 2,523 to 1,800). Projected U.S. warheads under the Soviet proposal show an initial drop from 11,505 to 9,914 due primarily to SLBM retirements. Soviet warhead inventories remain almost constant throughout the period of the projections.

Under SALT II, numbers of delivery vehicles remain almost constant over the period of the projections. The projection of U.S. warheads show some small shifts, including more bomber weapons (2,472 to 3,816) and ICBM warheads (2,121 to 2,800) and fewer SLBM warheads (6,912 to 5,120). On the Soviet side, warheads increase some 22% (10,228 to 12,487). Most of this growth is in ICBM warheads and bomber weapons.

STABILITY ANALYSIS

An important question is how forces projected under each arms control agreement would affect crisis stability. In other words, would these forces increase or decrease incentives to one or both sides to gain a decisive military advantage through a preemptive nuclear attack? To help address these questions, the following analysis presents the results of simulated attacks by the strategic nuclear forces of one side against the forces of the other. These results are potentially useful in analyzing crisis stability from two perspectives:

They provide a measure of the cost-to-attack for the aggressor—that is, the military force used in an attack relative to the size of opposing forces destroyed. By comparing forces used versus forces destroyed one can derive a measure of the extent to which an attack by an aggressor would be "profitable."

They show the forces surviving a particular level of an aggressor's attack. Presumably, if the size of the surviving force is increased by an option, the threat of retaliation by those forces would increase, thereby strengthening deterrence and enhancing crisis stability. Conversely, if the number of survivors declines as a result of selection of an option, the incentives for the opposing side to attack increase, and crisis stability is degraded.

The results of simulated attacks are shown in a series of graphs. They present numbers of one side's warheads destroyed as a function of the other side's warheads used in an attack. Attacks are simulated on each side's ICBM forces alone as well as on each side's strategic triads (ICBMs, SLBMs, and bombers). These attack scenarios are constructed so that ICBMs attack ICBMs, and ICBMs plus SLBMs attack triads.

Each graph has a diagonal line that cuts through it middle. This is a "break-even" line. For any result that lies on it, the number of warheads used by the attacker are exactly equal to the number destroyed of the side attacked. Results above the break-even line indicate situations where the number of warheads destroyed is greater than the number of warheads used, indicating that the aggressor might find such attacks "profitable." Results below the break-even line suggest situations where the number of warheads destroyed is less than the number of warheads used, indicating that the attacker might find such attacks inefficient or "unprofitable."

Also shown on each graph is a horizontal line indicating the starting inventory of warheads for the side attacked. The number of surviving warheads is the vertical distance (gap) between the starting inventory line and the curve that shows the number of warheads destroyed for the side attacked. Presumably, the larger the level of survivors at a given level of attack, the more unprofitable for an aggressor to attack because of the increased potential for retaliation.

Finally, the curve that shows the number of warheads required for an attack versus warheads killed stops at a point where either there are no more warheads available for the attack or there are no more targets left to attack.

Current forces

Figures 4a, b, c, and d show results of simulated nuclear attacks using current U.S. and Soviet strategic forces. From these results the following observations can be made:

The Soviets, with an ICBM attack, can destroy almost all U.S. ICBMs. These attacks, however, are very inefficient, because many more Soviet warheads are used than are destroyed on the U.S. side. This inefficiency is due in large measure to the relatively low accuracy of Soviet ICBMs.

U.S. ICBM attacks are able to destroy a significant number of Soviet ICBMs, and do so more efficiently than Soviet ICBM attacks on U.S. ICBMs. Nonetheless, if the objective is to destroy a high percentage of Soviet ICBMs, the United States would need more ICBM warheads that it has deployed.

A major portion of the U.S. triad would survive Soviet ballistic missile (ICBM and SLBM) attacks. The numbers of U.S. bombers on alert and SSBNs at sea provides much of this margin of security.

U.S. ballistic missile attacks on the Soviet triad could destroy about half of the Soviet strategic capability. This is because the majority of Soviet warheads are mounted on ICBMs in silos, which are relatively vulnerable to U.S. attacks.

Forces in the year 2000

Figures 5 a, b, and c show results for Soviet ICBMs attacking U.S. ICBMs under the three approaches. U.S. silo-based ICBMs are quite vulnerable under all approaches. Most of them are destroyed with no more than 500 Soviet ICBM warheads (or about four U.S. warheads killed for each Soviet warhead used). From this perspective each approach has about the same result with respect to crisis stability.

Midgetman ICBMs can also be destroyed, but at high cost. To destroy one Midgetman takes about ten Soviet warheads if the disperal area is 20 square miles per missile as assumed in this analysis. Under the Soviet proposal and SALT II, the Soviets have enough warheads to attack silo-based ICBMs and to barrage the total Midgetman deployment area (10,000 square miles) but this would require their entire ICBM force. Furthermore, Midgetman survivability could be improved by expanding the dispersal area.

Under all approaches when only attacks on ICBMs are considered, Midgetman is the principal hope for stability. That hope rests, however, on the possibility that the Soviets would be dissuaded from barraging Midgetman deployment areas because of the great inefficiency of such attacks. Where they dissuaded from doing so, Midgetman would provide from 450 to 500 surviving warheads, depending on the arms control approach.

Figures 6a, b, and c results under all three approaches for the case of U.S. ICBMs attack on Soviet ICBMs. The results are similar to those in Figure 5a, b, and c with respect to very high returns for the attacker (5–6 warheads destroyed for each warhead used) for attacks on ICBM silos. In these cases, however, the United States does not have enough ICBM warheads under any of the approaches to successfully attack both silo-based and mobile ICBMs. Thus, under all approaches, the Soviets would have approximately 500 surviving warheads on mobile systems. The stability attributes of all approaches thus seems to be about the same for the results shown in Figure 6, though the measure of stability provided by Soviet mobile ICBMs is greater since the U.S. lacks the ICBM force necessary to barrage them.

Figures 7a, b, and c show the results of a Soviet ballistic missile attack on the U.S. triad. It suggests that relatively small attacks destroy all U.S. bombers not on alert, SLBM launching submarines that are in port, and ICBMs in silos. This situation applies for each approach. Under each approach, the United States still has 4,000–5,000 warheads (principally Midgetman, bombers on alert, and SLBMs on submarines at sea) available for retaliation. This would seem to provide a substantial retaliatory capability, and a strong deterrent of Soviet attacks, and thus a positive attribute for stability. Again, the results in terms of

crisis stability do not appear to vary significantly among the approaches considered.

Figures 8a, b, and c show the results of U.S. attacks on the Soviet triad. In each case, about 2,000-3,000 warheads would survive, suggesting that each arms control approach has roughly the same characteristics with respect to crisis stability.

SENSITIVITY ANALYSIS

The results above are dependent on a number of assumptions. Some of the critical ones are investigated below. The procedure followed is to modify the assumption to see if the modification changes the basic conclusions concerning the effects the alternative arms control approaches have on crisis stability.

Effects of Throw-weight

None of the approaches as described limit throw-weight (the payload carrying capacity of ballistic missiles), although, as mentioned before, the most recent U.S. negotiating position includes a limitation on "destructive potential," which could include throw-weight. An important question is how throw-weight would affect crisis stability under each approach?

The basic concern is that the Soviets could use the rather large throw-weight of their ICBMs to deploy substantially more warheads for attacking U.S. forces. They could do this by more efficiently packaging their ballistic missile warheads. Adding more warheads would, of course, violate the warhead limits imposed by each of the three arms control approaches.

To see to what extent the Soviets could proliferate warheads through the more efficient use of throw-weight, consider the following: One benchmark for packaging efficiency might be the MX ICBM. The throw-weight for the MX is estimated to be approximately 7,000 pounds. With this throw-weight, the MX is able to deliver ten warheads, or 700 pounds of throw-weight per warhead. If the Soviets were able to utilize their ICBM throw-weight as efficiently, the SS-17 would be able to carry 9 warheads, (versus 4 now), the SS-18, 24 warheads (versus 10), the SS-19, 11 warheads (versus 6), the SS-24, 11 warheads (versus 10), and the SS-25, 2 warheads (versus 1).

Figures 9a, b, and c show the results of Soviet ICBM attacks on U.S. ICBMs assuming that the Soviet Union would be able to (and chose to) equip its ICBMs with more warheads. In this case, the numbers of Soviet ICBMs are the same as those shown in Figures 4a, b, and c for the year 2000. Each type of ICBM is armed with the number of warheads indicated in the preceding paragraph. It appears as though proliferation of warheads has little effect on U.S. ICBM silo survivability. This is because U.S. silos are quite vulnerable to attack from relatively small numbers of Soviet warheads as shown in earlier results. Assuming that the Soviet Union had the number of ICBMs projected under the build-down proposal, it appears that there would be only marginal gain in capability to destroy Midgetman ICBMs. But if the Soviet Union had the number of ICBMs permitted under the Soviet proposal or the SALT II approach, it could destroy the Midgetman force and have 1,000-4,000 ICBM warheads left, again assuming that the U.S. would not increase Midgetman's dispersal area. Results of Soviet attacks on the U.S. triad differ somewhat from those analyzed earlier, in that the Midgetman force becomes vulnerable to a massive barrage on the part of the Soviets; bombers that are on alert and SLBM-launching submarines at sea are assumed to continue to survive.

Despite the possibility that the Soviets could effectively destroy all U.S. mobile and silo-based ICBMs, they still might be deterred from an attack because, under the assumptions made, large numbers of SLBMs and bomber weapons would survive and be available for retaliation. Also, the Soviets might be inhibited from launching such large-scale attacks because these attacks might trigger fundamental changes in the world's environment (the so-called "nuclear winter" effect). Nevertheless, the Soviet ability to destroy virtually all of the U.S. ICBM force and still have substantial ICBM capability remaining will be viewed with concern by some observers, especially those who argue that the Soviets would not view the remaining U.S. forces (SLBMs and bombers) as an effective retaliatory force.

Soviet Ballistic Missile Accuracy

All the results shown this far assume that by the year 2000 the accuracy of Soviet ballistic missiles will equal that of the MX (attributed by public sources to be .05 nautical mile CEP). There is no assurance, however, that they can achieve this degree of accuracy. Currently, Soviet modern ICBMs are estimated to have a CEP of about .14 nautical mile. An interesting excursion in analysis is to see what happens if the Soviets do not improve accuracy. Comparing the results of this excursion (Figures 10a, b, and c) to the results shown in Figures 5a, b, and c, which assumed Soviet ICBM accuracies of .05 nautical mile CEP, it can be seen that the attacks would be somewhat less efficient. This seems, however, to have little or no effect on stability. The reason is that even with lower accuracy a Soviet ICBM has a substantial probability (i.e., 54% of destroying a U.S. ICBM silo). By using a few more warheads the results are not markedly different from those shown in Figure 5.

Assumptions Regarding Fratricide

To this point, all the results are based on the assumptions that targeting decisions derive from a calculus in which targets for every additional warhead are chosen to maximize the probability of disabling remaining enemy warheads. This has produced attacks in which several warheads would be targeted against high value (i.e. multiple warhead) missiles in silos. In practice, however, attacks by more than two warheads are widely believed to be impracticable because of fratricide effects (when the explosions of nuclear warheads render ineffective other warheads directed at the same target). Attacks by more than two warheads on the same target are theoretically feasible, but would require feats of such extraordinary accuracy in the timing of thousands of warhead explosions that few believe them to be sensible bases for targeting strategies.

Two analyses were conducted to take fratricide constraints into account. Both analyses permit no more than two warheads to be targeted on a single silo. In the first analysis (Figures 11a, b and c), the assumption that Soviet ICBM accuracy is equal to that of the MX (.05 nautical mile CEP) is retained. In the second analysis, that assumption is relaxed and it is assumed that the Soviets do not improve their ICBM accuracy beyond our estimates of the capabilities of their modern systems (.14 nautical mile CEP).

The first analysis yields results that are almost indistinguishable from those of analyses in which there is no limit to the number of warheads that can be targeted on a single silo. In this case, the advantages—ignoring any fratricide considerations—of targeting a third or fourth warhead on a silo rather than some other target, are so small as to appear inconsequential in our analysis.

The second analysis (Figures 12a, b and c)—incorporating targeting restraints to account for fratricide in which it is assumed that the accuracy of Soviet ICBMs is .14 nautical mile CEP—in contrast, does show a significant less effective attack than the analysis in which there is no limit on the number of warheads that can be targeted on a single silo. In this analysis, however, the effects of the three different arms control proposals are, indistinguishable.

Readiness of Soviet Strategic Forces

The analysis presented above assumes that the alert rate of Soviet bombers is equal to that for U.S. bombers. It also assumes that the alert rate for their SSBNs is somewhat lower than for U.S. SSBNs. Publicly available estimates of readiness rates for Soviet bombers and submarines, however, are well below U.S. rates. (Normally Soviet bombers are not on alert while 30% of U.S. bombers are on alert continually. Soviet SSBN alert rates are about 50% versus 55% and 67% for U.S. Lafayette and Ohio class-SSBNs respectively.)

Figures 13a, b, and c show results of U.S. attacks on Soviet strategic triad forces using the publicly available estimates of current Soviet readiness rates. These lower readiness rates for bombers show some decrease in the overall Soviet warheads surviving the U.S. attack. The results are not remarkably different than the results shown in Figure 8 for bomber readiness rates of 30%. The reason is that bombers constitute a relatively small portion of the overall Soviet force capability.

APPENDIX A

ASSUMPTIONS AND REFERENCES

The following assumptions and references were used to project the inventories of strategic offensive weapons for the United States and the Soviet Union under three arm control approaches: (1) SALT II Mod Case; (2) Build Down Proposal; and (3) Soviet START Proposal. References are cited as follows: (12:31). The first number refers to the reference in the list of references printed at the end of this appendix. The second number is the specific page number of the cited reference.

Projections for the United States

SALT II Mod Case

ICBMs.—CRS projects the United States would have 100 M-X (each equipped with 10 warheads), 450 Minuteman IIIs (each with 3 warheads), and 450 mobile Midgetman ICBMs (each equipped with one warhead) by the end of calendar year 2000.

Titan II: By mid-1984, the United States will have 33 Titans (12:31), all of which will be retired by the end of 1987 (10:187).

Minuteman II: The United States has 450 of these single-warhead missiles (12:23).

Minuteman III: The United States has 550 Minuteman IIIs, 300 of which were converted to carry the MK 12A reentry vehicle by the end of FY83 (5:74). Because the MK 12A has about twice the yield of the MK 12 (15:17), CRS assumes that the U.S. would deploy MX in Minuteman III (MK 12) silos rather than Minuteman III (MK 12A) silos.

M-X/Peacekeeper: DOD announced that the first M-Xs will be deployed in late 1986 (10:186). The Air Force originally planned to deploy 10 M-X by the end of 1986, 40 by the end of 1987, 70 by the end of 1988, and 100 by the end of 1989 (verbal communication in with U.S. Air Force representatives, July 1983). CRS has followed this schedule although congressional cuts in M-X procurement may change it.

Midgetman: DOD indicates that this missile will be first deployed in 1992 (8: 25). Because deployment rates typically start low and increase over time, CRS assumes that 20 would be deployed in 1992, 50 more in 1993, and 60 thereafter until 450 are deployed in the year 2000. CRS also assumes that this missile would be mobile and that for each one deployed a Minuteman II would be retired.

SSBNs/SLBMs.—CRS projects the United States would have 24 Ohio-class SSBNs (each carrying 24 Trident II SLBMs equipped with 8 warheads apiece) and four Lafayette-class SSBNs (each carrying 16 Trident I SLBMs equipped with 8 warheads) by the end of calendar year 2000.

Lafayette-class: The United States has deployed 31 Lafayette-class SSBNs, 12 with Trident I SLBMs and 19 with Poseidon SLBMs (5: 7). To comply with SALT limits on MIRVed systems, CRS assumes that as the eighth Ohio-class SSBN begins sea trials, Poseidon-equipped SSBNs rather than Minuteman IIIs would be retired. Nonetheless, even if some Minuteman III silos were dismantled, some of the older SLBM launchers would have to be scrapped (in order to remain within the SALT I limit of 710 SLBM launchers) when the ninth and following Ohio-class SSBNs begin sea trials.

Ohio-class SSBNs: Ohio-class SSBNs will be deployed at the rate of about one a year. These boats become SALT-accountable when they start sea trials even though they do not begin operational missions until about 12 months later. Sea trials begin about four months before the boat is delivered to the Navy. The sea trial date for each Ohio-class boat was furnished by the Navy. As of the end of 1985, seven Ohio-class boats will have completed sea trials (14). CRS assumes that 24-25 of these boats could be acquired under SALT II.

The first eight Ohio-class SSBNs are to be equipped initially with Trident I SLBMs. Each boat will be subsequently converted to carry Trident II SLBMs when it undergoes major overhaul, which occurs about ten years after delivery (verbal communication with U.S. Navy representative, June 1984).

The ninth and subsequent Ohio-class SSBNs will be deployed with Trident II SLBMs (10: 188).

The number of warheads each Trident II SLBM will carry is classified, but most unclassified sources estimate eight warheads (7: 63). The missile's initial deployment is scheduled for 1989 (14: 17).

Bombers.—CRS projects the United States would have 96 B-52Hs and 34 B-1Bs (each equipped with 20 ALCMs), 86 additional B-1Bs (each equipped with eight bombs/SRAMs), and 132 "Stealth" bombers (each equipped with four bombs/SRAMs) by the end of calendar year 2000.

The current operational inventory of heavy bombers is 168 B-52Gs and 96 B-52Hs (9: 21). According to Air Force plans, B-52s will have three strategic missions: (1) penetrate, in which they would attack targets inside Soviet borders with bombs and short-range missiles; (2) standoff/penetrate, in which they would launch ALCMs from beyond the range of Soviet air defenses, then penetrate; and (3) standoff, in which they would only launch ALCMs.

In projecting the U.S. bomber force under SALT II, CRS assumes that: (1) The United States will maintain 550 MIRVed ICBMs and just under 650 MIRVed SLBMs, leaving room for 120 ALCM-equipped bombers under the SALT II limit of 1,320 "MIRVed" delivery vehicles; (2) the Air Force tries to minimize fluctuations in the bomber inventory; (3) the Air Force would try to maintain a balance between standoff and penetration capability in its bomber force; and, (4) all the B-52G bombers would be retired by the end of 1996.

B-1B: "The B-1B initial operational capability is projected for September 1986 when 15 B-1Bs are to have been delivered to the Strategic Air Command. Full operational capability is scheduled for June 1988, when the 100th aircraft is delivered" (5: 46). CRS projects that 20 additional B-1Bs (for a total of 120) would be acquired by 1989 to replace retiring B-52Gs in the standoff role.

ATB: While details of the ATB ("Stealth") program are classified, published reports indicate a possible buy of 132 aircraft and initial availability in 1991 or 1992 (3; 4: 16).

BUILD DOWN CASE

ICBMs.—CRS projects the United States would have 100 M-X (each equipped with 10 warheads), 159 Minuteman IIIs (each equipped with 3 warheads), and 451 Midgetman mobile ICBMs (each equipped with one warhead) by the end of calendar year 2000. The total number of ICBMs and their types to provide about two fifths of the 5,000 ballistic missile warheads allowed in the Build Down Proposal.

SSBNs/SLBMs.—CRS projects the United States would have 16 Ohio-class SSNBs (each carrying 24 Trident II SLBMs equipped with 8 warheads) by the end of calendar year 2000.

Lafayette-class SSBNs would be retired as M-X ICBMs and/or new Ohio-class submarines are introduced. The number of submarines required is estimated to provide about three fifths of the 5,000 ballistic missile warheads allowed in the Build Down Proposal.

Bombers.—CRS projects the United States would have 200 B-1Bs (each equipped with 20 ALCMs) and 200 "Stealth" bombers (each equipped with four bombs/SRAMs) by the end of calendar year 2000.

It is assumed that the number of ALCM-carrying bombers would rise above 120 projected in the SALT II Case. CRS assumes that all FB-111 bombers would be counted under Build Down, and that all B-52 bombers would be retired by the end of 1998, after 200 B-1Bs and 200 "Stealth" bombers would be operational.

SOVIET PROPOSAL CASE

ICBMs.—CRS projects the United States would have 100 M-Xs (each equipped with 10 warheads), 450 Minuteman IIIs (each equipped with 3 warheads), and 500 Midgetman mobile ICBMs (each equipped with one warhead) by the end of calendar year 2000.

CRS assumes that 500 Midgetman, rather than 450 under the SALT II Case, would be deployed to attain the proposed ceilings on delivery vehicles, MIRVed ballistic missiles, and warheads.

SSBNs/SLBMs.—CRS projects the United States would have 22 Ohio-class SSBNs (each carrying 24 Trident II SLBMs equipped with 8 warheads) by the end of calendar year 2000.

Lafayette-class SSBNs: CRS assumes that Lafayette-class boats would be retired as new Ohio-class SSBNs are delivered.

Ohio-class SSBNs: A total of 22 Ohio-class boats would be required to attain the proposed ceilings. Conversion of eight Ohio-class boats from Trident I carriers to Trident II carriers would proceed as in the SALT II Case.

Bombers.—CRS projects the United States would have 122 B-1Bs (each equipped with 20 ALCMs) and 100 "Stealth" bombers (each equipped with four bombs/SRAMs) by the end of calendar year 2000.

B-52s: CRS assumes that all the B-52s would be retired by the end of 1995.

B-1B and ATB: Given the ceilings of the Soviet Proposal, CRS projects that 122 B-1B and 100 "Stealth" bombers would be acquired, versus 120 B-1Bs and 132 ATBs projected for the SALT II Case.

Projections for the Soviet Union

SALT II Mod Case

ICBMs.—CRS projects the Soviet Union would have 308 SS-18s (each equipped with 10 warheads), 360 SS-19s (each equipped with 6 warheads), 150 SS-24s (each equipped with 10 warheads), and 580 SS-25 mobile ICBMs (each equipped with one warhead) by the end of calendar year 2000.

The number of ICBMs deployed and number of warheads per missile are from 12: 21-23. (The SS-11 mod 3 carries 3 warheads, but since each missile can attack only one target CRS counts one warhead per missile.)

DOD estimates initial deployment of the SS-24 will be in 1985 (12: 24). CRS assumes deployment after 1985 at the same rate as the Reagan Administration plans for M-X, 30 a year.

CRS assumes initial deployment of the SS-25 as 1985 for two reasons: (1) The Soviet Union conducted the first flight tests of the SS-24 and SS-25 at about the same time—October 1982 for the SS-24 and February 1983 for the SS-25 (2: 1; and 1: 20). (2) The SS-25 is smaller than the SS-24 (12: 23) and should be easier to develop.

CRS assumes a deployment rate of 60 a year for the SS-25. The rate should be higher than for the SS-24 because the SS-25 is smaller than the SS-24 and carries one warhead (12: 24) versus 10 for the SS-24 (7: 64).

CRS assumes that: (1) MIRVed SS-24s will be deployed in silos now occupied by SS-17s, the least capable Soviet MIRVed ICBM; and (2) SS-25s, although mobile ICBMs, replace SS-11s and SS-13s, single-warhead silo-based ICBMs, on a one-for-one basis.

Ballistic Missile Submarines/SLBMs

CRS projects the Soviet Union would have six TYPHOONs (each carrying 20 new SLBMs equipped with 9 warheads), 13 units of a new SSBN (each carrying 16 single-warhead SLBMs of a new type), 16 DELTA IIIs (each carrying 16 SS-N-23 SLBMs equipped with 7 warheads), four DELTA IIs (each carrying 16 SS-N-8 single-warhead SLBMs), 18 DELTA Is (each carrying 12 SS-N-8 SLBMs, one HOTEL III (carrying six SS-N-8 SLBMs), one YANKEE II (carrying 12 single-warhead SS-N-17 SLBMs), and four YANKEE Is (carrying 16 single-warhead SS-N-6 SLBMs) by the end of calendar year 2000.

SALT I limits the Soviet Union to 62 modern ballistic missile submarines, i.e., YANKEE class or newer (6: 8). It also limits the Soviet Union to 950 SLBM launchers, counting all launchers on SSBNs and

"modern launchers on older submarines (G[OLF]-class diesel-powered submarines)" (ibid.). SALT II also counts SLBM launchers on SSBNs and launchers of modern SLBMs on any submarine (13: 11). Modern SLBMs are those operational or flight tested after 1965, i.e., SS-N-6 or newer (ibid.). The SS-N-4 and SS-N-5 were flight tested before 1965. As of 1979, all SS-N-4s and some SS-N-5s were deployed on existing diesel-powered submarines (GOLF I and GOLF II class), so do not count (ibid.).

Basis of Submarine/SLBM Projections: In 1983, DOD said that the "Delta-III program is nearing completion. Thus far, 14 of these SSBNs have been launched; a few more will probably be built" (11: 22). CRS assumes 16 boats will be operational in 1986.

According to DOD, "by the early 1990s, the Soviets could have as many as eight [TYPHOONs] in their operational force" (12: 25). However, if the Soviets are not to violate the SALT II ceiling on MIRVed ballistic missiles (1,200), retain 818 MIRVed ICBMs, and have 16 DELTA IIIs, as CRS assumes, then they could have only six TYPHOONs. A delivery rate of one TYPHOON every two years is assumed.

CRS counts SS-N-18s (carried by DELTA IIIs) and SS-N-20s (carried by TYPHOONS) at the highest level of "MIRVing" indicated for each, 7 and 9 warheads, respectively (12: 26).

Projected future SSBN and SLBMs: Flight testing of the SS-N-23 started in 1983. (11: 23 and 12: 25). The SS-N-23 will probably replace the SS-N-18. (Ibid.) The maximum number of warheads on the SS-N-18 is 7 (12: 26); CRS assumes the SS-N-23 will have 7 warheads, the same number carried by the SS-N-18.

CRS projects the Soviets would introduce a new SSBN with a new SLBM in 1988 to replace retiring YANKEE-class SSBNs. This new SLBM would have to be equipped with only a single warhead, not to exceed the SALT II ceiling of 1,200 MIRVed ballistic missiles.

CRS also projects that in 1988 the Soviets would begin to replace SS-N-20 SLBMs on TYPHOONs with a missile equivalent to the U.S. Trident II. This new SLBM is projected to carry the same number of warheads currently carried by the SS-N-20.

Bombers.—CRS projects the Soviet Union would have 60 BEAR Hs (each equipped with 8 ALCMs), 60 BLACKJACKs (each equipped with 12 ALCMs), and also 105 BLACKJACKs (each equipped with four bombs and one SRAM) by the end of calendar year 2000.

Current inventory: The Joint Chiefs of Staff credit the Soviet Union with 100 BEAR and 45 BISON as of January 1, 1984 (9: 21). DOD notes that the Soviets "Strategic aviation assets include some 170 BEAR and BISON bombers . . ." (12: 27). DOD does not indicate, however, if all these are strike forces or if some are for other purposes (tankers, antisubmarine warfare). It notes that "An entirely new variant of the BEAR bomber (BEAR H), probably designed to carry long-range cruise missiles, is now in production . . . With the new BEAR H in series production, the decline in the inventory of BEAR and BISON aircraft characteristic of recent years has been reversed. The Soviets today have more bombers operational than just a few years ago" (12: 28). Collins lists 100 BEAR and 45 BISON as of the end of 1983, but notes that the BEAR H "is now in production but is not counted in 1983 totals. As of January 1, 1984, 10 BEAR H bombers had been built; four were at operational installations for flight training and 6 were being used for research and development." (16: 23-24). CRS counts the 100 BEAR and 45 BISON listed by Collins and estimates a total of 34 BEAR Hs by the end of 1985.

Bomber weapon load: CRS counts BEARs and BISONs as carrying four bombs, BEAR H (standoff) with 8 ALCMs, BLACKJACK (penetrator) with 5 bombs, and BLACKJACK (standoff with 12 ALCMs. DOD notes that BEAR H is "probably designed to carry long-range cruise missiles" (12: 28). Collins notes, "Soviet figures for 1983 reflect average loadings of 2 bombs plus 2 ASMs [air-to-surface missiles] per BEAR and BISON." And, "BEAR H reportedly will carry an average of 8 long-range cruise missiles" (16: 24). CBO counts BEAR and BISON as carrying 4 weapons, the BEAR H cruise missile carrier with 20 weapons, and BLACKJACK with 12-20 weapons (7: 64).

Future force levels and rates of change: CRS assumes the BEAR A/G and BISON will be retired. They were first deployed in 1955 and 1956, respectively (15: 25) and they are assigned a modest role (11: 23-24).

DOD notes that BLACKJACK "could reach operational status in 1987" (12: 28). CRS estimates that 15 BLACKJACKs will be deployed in 1987 and 30 BLACKJACKs deployed per year thereafter. The 30 units per year is the rate that BACKFIREs are being deployed (12: 28). Also, CRS projects that by the end of 1993 60 BEAR Hs and 60 BLACKJACKs will provide the Soviet bomber force with a standoff capability and 105 additional BLACKJACKs a penetration capability.

Build Down Case

ICMBs.—CRS projects the Soviets Union would have 50 SS-18s (each with 10 warheads), 100 SS-19s (each with 6 warheads), 100 SS-24s (each with 10 warheads) and 500 SS-25s (each with one warhead by the end of calendar year 2000.

SSBNs/SLBMs.—CRS projects the Soviet Union would have 4 TYPHOON SSBNs (each equipped with 20 new advanced SLBMs equivalent to the U.S. Trident II SLBM and armed with 9 warheads), and 15 DELTA III SSBNs (each equipped with 16 SS-N-23 SLBMs armed with 7 warheads) by the end of calendar year 2000.

Bombers.—CRS projects the Soviet Union would have 120 BEAR Hs (each carrying 8 ALCMs), 160 BACKFIREs (each carrying 2 bombs), and 120 BLACKJACKs (each carrying 12 ALCMs) by the end of calendar year 2000.

Soviet Proposal Case

ICBMs.—CRS projects the Soviet Union would have 250 SS-18s (each equipped with 10 warheads), 230 SS-19s (each equipped with 6 warheads), 150 SS-17s (each equipped with 4 warheads), 50 SS-24s (each equipped with 10 warheads), and 520 mobile SS-25s (each equipped with one warhead) by the end of calendar year 2000.

SSBNs/SLBMs.—CRS projects the Soviet Union would have 8 TYPHOON SSBNs (each carrying 20 advanced SLBMs equivalent to the U.S. Trident II and equipped with 9 RVs), and 15 DELTA III SSBNs (each carrying 16 SS-N-23 SLBMs equipped with 7 RVs) by the end of calendar year 2000.

Bombers.—CRS projects the Soviet Union would have 120 BEAR Hs (each carrying 8 ALCMs) and 80 BLACKJACKs (each carrying four bombs and one short range attack missile).

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(5) U.S. Congress. Senate. Committee on Foreign Relations. [and] House. Committee on Foreign Affairs. Fiscal year 1985 arms control impact statements. Joint committee print. S. Prt. 98-149. 98th Congress, 2nd session. Washington, DC, U.S. Govt. Print. Off., 1984. 383 p.

(6) U.S. Congress. Senate. Committee on Foreign Relations. The SALT II treaty, part 1. 96th Congress, 1st session. Washington, DC, U.S. Govt. Print. Off., 1979. 615 p.

(7) U.S. Congressional Budget Office. An analysis of administration strategic arms reduction and modernization proposals. Washington, DC, U.S. Govt. Print. Off., 1984. xx + 75 p.

(8) U.S. Department of Defense. ICBM modernization program: Annual progress report to the Committees on Armed Services of the Senate and House of Representatives. January 13, 1984. 39 p.

(9) U.S. Department of Defense. Organization of the Joint Chiefs of Staff. United States military posture for FY 1985. 1984. 98 p.

(10) U.S. Department of Defense. Report of the Secretary of Defense Casper W. Weinberger to the Congress on the FY 1985 budget, FY 1986 authorization request and FY 1985-89 defense programs. Washington, U.S. Govt. Print. Off. Feb. 1, 1984. 297 p.

(11) U.S. Department of Defense. Soviet military power. Second edition. Washington, D.C., U.S. Government Print. Off. [1983] 107 p.

(12) U.S. Department of Defense. Soviet military power. Third edition. Washington, D.C., U.S. Government Print. Off. [1984] 136 p.

(13) U.S. Department of State, Bureau of Public Affairs. SALT II Agreement. Publication 8986. General Foreign Policy Series 318. Washington, D.C., U.S. Government Print. Off., July 1979. 69 p.

(14) U.S. Library of Congress. Congressional Research Service. Trident program [by] Jonathan E. Medalia. [Washington, D.C.] Updated periodically. (Issue Brief 73001)

(15) U.S. Library of Congress. Congressional Research Service. U.S./Soviet military balance: statistical trends, 1970-1981 (As of January 1, 1983). [by] John M. Collins and Thomas Peter Glakas. [Washington, D.C.] 1983. 160 p. Report no. 83-153S.

(16) U.S. Library of Congress. Congressional Research Service. U.S./Soviet military balance: statistical trends, 1970-1983 (As of January 1, 1984). [by] John M. Collins and Patrick Cronin. [Washington, D.C.] 1984. 177 p. Report no. 84-163S.

Mr. President, I shall continue my analysis of this subject of strategic stability when the Senate next meets on Tuesday.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:18 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3038) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. BOLAND, Mr. TRAXLER, Mr. STOKES, Mrs. BOGGS, Mr. SABO, Mr. BONER of Tennessee, Mr. WHITTEN, Mr. GREEN, Mr. COUGHLIN, Mr. LEWIS of California, and Mr. CONTE as managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3424) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1986, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. NATCHER, Mr. SMITH of Iowa, Mr. OBEY, Mr. ROYBAL, Mr. STOKES, Mr. EARLY, Mr. DWYER of New Jersey, Mr. HOYER, Mr. WHITTEN, Mr. CONTE, Mr. O'BRIEN, Mr. PURSELL, Mr. PORTER, and Mr. YOUNG of Florida as managers of the conference on the part of the House.

At 12:45 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 47. Joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week";

S.J. Res. 51. Joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week"; and

S.J. Res. 130. Joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week."

The message also announced that the House agrees to the amendment of the Senate to the amendments of the House to the Joint resolution (S.J. Res. 29) to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week."

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that act to volunteers, and for other purposes.

The message also announced that the House has passed the following joint resolution, with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 195. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "National Temporary Services Week."

The message further announced that the House disagrees to the amendments of the Senate to the amendments of the House to the amendments of the Senate to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt; it asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Ways and Means: Mr. ROSTENKOWSKI, Mr. GIBBONS, Mr. PICKLE, Mr. RANGEL, Mr. STARK, Mr. JONES of Oklahoma, Mr. JENKINS, Mr. GEPHARDT, Mr. RUSSO, Mr. DUNCAN, Mr. ARCHER, Mr. VANDER JAGT, Mr. CRANE, and Mr. FRENZEL.

From the Committee on Appropriations: Mr. WHITTEN, Mr. BOLAND, Mr. NATCHER, Mr. SMITH of Iowa, Mr. PURSELL, and Mr. LOEFFLER.

From the Committee on Rules: Mr. PEPPER, Mr. MOAKLEY, Mr. DERRICK, Mr. BEILENSON, Mr. FROST, Mr. LATTA, and Mr. LOTT.

From the Committee on Government Operations: Mr. BROOKS, Mr. FUQUA, Mr. WAXMAN, Mr. SYNAR, Mr. HORTON, and Mr. KINDNESS.

From the Committee on the Budget: Mr. GRAY of Pennsylvania, Mr. DOWNEY of New York, Mr. MILLER of California, Mr. LEATH of Texas, Mr. KEMP, and Mr. GRADISON.

Appointed as additional conferees: Mr. FOLEY, Mr. FORD of Michigan, Mr. OBEY, Mr. ASPIN, Mr. MINETA, Ms. OAKAR, Mr. PANETTA, Mr. FAZIO, Mr. MICHEL, Mr. DICKINSON, Mr. CHENEY, Mr. LEWIS of California, Mrs. MARTIN of Illinois, and Mr. MACK.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3036) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 20, 42, 47, 51, 52, 55, 61, 64, and 76 to the bill, and agrees thereto; it recedes from its disagreement to the amendments of the Senate numbered 19, 68, 71, 97, and 98 to the bill, and agrees thereto, each with an amendment in which it requests the concurrence of the Senate; and that it insists upon its disagreement to the amendment of the Senate numbered 3 to the bill.

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 2205. An act to authorize the American Battle Monuments Commission to establish a memorial to honor members of the Armed Forces of the United States who served in the Korean conflict;

H.R. 3128. An act to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process;

H.J. Res. 36. Joint resolution authorizing establishment of a memorial to honor women who have served in or with the Armed Forces of the United States; and

H.J. Res. 142. Joint resolution authorizing establishment of a memorial to honor the estimated 5,000 courageous slaves and free black persons who served as soldiers and sailors or provided civilian assistance during the American Revolution and to honor the countless black men, women, and children who ran away from slavery or filed petitions with courts and legislatures seeking their freedom.

ENROLLED JOINT RESOLUTIONS SIGNED

At 1:35 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res 29. Joint resolution designating the week of November 11 through November 17, 1985, as "National Reye's Syndrome Week";

S.J. Res. 51. Joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week"; and

S.J. Res. 130. Joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week."

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2205. An act to authorize the American Battle Monuments Commission to establish a memorial to honor members of the Armed Forces of the United States who served in the Korean conflict; to the Committee on Energy and Natural Resources.

H.R. 3128. An act to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process; to the Committee on Finance.

H.J. Res. 36. Joint resolution authorizing establishment of a memorial to honor women who have served in or with the Armed Forces of the United States; to the Committee on Energy and Natural Resources.

H.J. Res. 142. Joint resolution authorizing establishment of a memorial to honor the estimated 5,000 courageous slaves and free black persons who served as soldiers and sailors or provided civilian assistance during the American Revolution and to honor the countless black men, women, and children who ran away from slavery or filed petitions with courts and legislatures seeking their freedom; to the Committee on Energy and Natural Resources.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, November 7, 1985, she had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 29. Joint resolution designating the week of November 11 through November 17, 1985, as "National Reye's Syndrome Week";

S.J. Res. 51. Joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week"; and

S.J. Res. 130. Joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1974. A communication from the Secretary of Energy transmitting, pursuant to law, the 1984 annual report on Federal Government energy management; to the Committee on Energy and Natural Resources.

EC-1975. A communication from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to authorize modification of certain reclamation project contracts; to the Committee on Energy and Natural Resources.

EC-1976. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, the audit report of the American Red Cross for 1985; to the Committee on Labor and Human Resources.

EC-1977. A communication from the Executive Secretary of Defense transmitting, pursuant to law, a report on DOD procurement from small and other business firms for October 1984 through July 1985; to the Committee on Small Business.

EC-1978. A communication from the Administrator of the Federal Aviation Administration transmitting, pursuant to law, a report on the effectiveness of the civil aviation security program; to the Committee on Commerce, Science, and Transportation.

EC-1979. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on a new and an altered system of Privacy Act records; to the Committee on Governmental Affairs.

EC-1980. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-518. A resolution adopted by the City Council of Newman, CA, favoring the retention of the deductibility of State and local income taxes in any revision of Federal income tax law that is enacted; to the Committee on Finance.

POM-519. A resolution adopted by the Hawaii State Association of Counties opposing the aerial spraying of toxic herbicides in the Federal Drug Enforcement Administration's efforts to eradicate marijuana cultivation in the State of Hawaii; to the Committee on the Judiciary.

POM-520. Resolutions adopted by AMVETS at their 41st National Convention on subjects of interest to the members; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 173: A bill to settle and adjust the claim of the Tehran American School for $13,333.94 (Rept. No. 99-177).

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 247: A resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to S. 1527 as reported by the Committee on Governmental Affairs.

S. Res. 248: A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1527.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. ANDREWS, from the Select Committee on Indian Affairs:

Ross O. Swimmer, of Oklahoma, to be an Assistant Secretary of the Interior.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MITCHELL (for himself, Mr. BAUCUS, Mr. BENTSEN, Mr. BURDICK, Mr. MOYNIHAN, Mr. LAUTENBERG, and Mr. HART):

S. 1836. A bill to provide the protection of ground water through State standards, planning, and protection programs; to the Committee on Environment and Public Works.

By Mr. BENTSEN (for himself, Mr. BYRD, Mr. LONG, Mr. BAUCUS, Mr. BINGAMAN, Mr. BURDICK, Mr. DIXON, Mr. EAGLETON, Mr. HARKIN, Mr. HOLLINGS, Mr. LAUTENBERG, Mr. MATSUNAGA, Mr. RIEGLE, Mr. MITCHELL, Mr. FORD, Mr. HART, Mr. DODD, Mr. EXON, Mr. HEFLIN, Mr. INOUYE, Mr. KERRY, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. MELCHER, Mr. JOHNSTON, Mr. GORE, Mr. GLENN, Mr. PRYOR, Mr. BUMPERS, Mr. PELL, Mr. STENNIS, Mr. DECONCINI, Mr. CHILES, Mr. SIMON, Mr. LEVIN, Mr. SARBANES, Mr. KENNEDY, Mr. NUNN, Mr. BOREN, Mr. LEAHY, Mr. ZORINSKY, Mr. BIDEN, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. SASSER, Mr. CRANSTON, and Mr. PROXMIRE):

S. 1837. A bill to establish a National Trade Data Bank, to provide authority to revise certain trade and financial agreements, and for other purposes; to the Committee on Finance.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 1838. A bill to restrict the dumping of sewage sludge in the ocean site off the coast of New York and New Jersey known as the "106-Mile Ocean Waste Dump Site" to certain authorities currently authorized to dump sewage sludge in the New York Bight Apex; to the Committee on Environment and Public Works.

By Mr. CHAFEE:

S. 1839. A bill to amend the Internal Revenue Code of 1954 to provide that certain deductions and credits not be allowed for expenditures within an environmental zone, and for other purposes; to the Committee on Finance.

By Mr. STEVENS:

S. 1840. A bill to amend titles 5 and 39, United States Code, to revise the authority relating to the payment of subsistence allowances to Government employees for periods of official travel, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DODD (for himself, Mr. D'AMATO, Mr. PROXMIRE, Mr. CRANSTON, and Mr. GORTON):

S. 1841. A bill to require depository institutions to disclose to their customers their practices relating to the availability of funds in connection with check deposits, to

require the timely payment of interest on deposits to interest bearing accounts, to improve the check clearing system, and for other puposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PROXMIRE:

S. 1842. A bill to reduce the use of limousines by Government officials; to the Committee on Governmental Affairs.

By Mr. KENNEDY:

S. 1843. A bill to establish a commission to monitor and evaluate elections in the Philippines; to the Committee on Foreign Relations.

By Mr. CHAFEE:

S. 1844. A bill to amend the Consolidated Farm and Rural Development Act to improve the disposition of real property acquired under such Act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated.

By Mr. NICKLES (for himself, Mr. DOMENICI, Mr. DOLE, Mr. BOREN, and Mr. GRAMM):

S. Res. 255. A resolution to call upon the Federal Energy Regulatory Commission to make needed changes to the voluntary natural gas transportation program established by order No. 436, and to urge natural gas pipelines to participate in voluntary transportation of natural gas; to the Committee on Energy and Natural Resources.

By Mr. DOLE:

S. Res. 256. A resolution to establish an Ad Hoc Committee of the Senate; to the Committee on Rules and Administration.

By Mr. HUMPHREY (for himself and Mr. RUDMAN):

S. Con. Res. 86. A concurrent resolution congratulating Sharon Christa McAuliffe on her selection as the first teacher in space, and for other purposes; to the Committee on Commerce, Science, and Transportation.

STATEMENT ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MITCHELL (for himself, Mr. BAUCUS, Mr. BENTSEN, Mr. BURDICK, Mr. MOYNIHAN, Mr. LAUTENBERG, and Mr. HART):

S. 1836. A bill to provide for the protection of ground water through State standards, planning, and protection programs; to the Committee on Environment and Public Works.

GROUND WATER PROTECTION ACT

Mr. MITCHELL. Mr. President, I am introducing today a bill to provide for the protection of our ground water resources.

Senator BAUCUS, the ranking minority member of the Subcommittee on Toxic Substances and Environmental Oversight, worked closely with me in drafting this legislation and is an original cosponsor of this bill. I am also pleased to have Senators BENTSON, BURDICK, MOYNIHAN, LAUTENBERG, and HART as original cosponsors of this legislation.

Ground water is a natural resource of tremendous value. More than half of all Americans rely on it for drinking water. Three-quarters of our cities get their water supplies, totally or in part, from ground water.

Ninety percent of rural households have no source other than ground water for drinking water. In my home State of Maine, fully one-third of the entire population is served by private wells drawing on ground water.

Nationally, the demand for ground water is growing. Between 1950 and 1980, Americans increased their use of ground water from 34 to 89 billion gallons a day. In 1980, that amounted to a quarter of our Nation's total water use. And the trend continues. Ground water use is expected to reach 100 billion gallons a day this year.

This crucial resource is threatened with contamination on a wide scale. Ground water pollution problems have been documented by a number of recent, major studies from both public and private sources.

One study, conducted by the nonpartisan Congressional Office of Technology Assessment, found that ground water contamination "has occurred in every State and is being detected with increasing frequency." It concluded that, "the potential effects of contamination are significant and warrant national attention."

The Academy of Natural Sciences, in a report called "Ground Water Contamination in the United States," cited a wide range of contamination sources. It warned of threats to public health from both microbial and chemical contamination.

The Environmental Protection Agency's recent major review of ground water pollution concluded that "sufficient information is available to raise concerns that a widespread problem may exist."

The State of Maine has not escaped ground water pollution. Throughout the State, there are an increasing number of reports of ground water pollution problems associated with leaking underground storage tanks, waste disposal sites, and subsurface sewage disposal.

These are serious warnings. They ought not to be disregarded. Given the enormous importance of the resource, we have a duty to act before the problem is out of control.

Despite the importance of ground water, despite the clear and growing evidence of serious problems, no single, comprehensive Federal statute protects this resource.

The bill we are introducing is intended to foster debate. It does not answer all the questions that can be raised; nor does it seek to preempt alternative approaches.

Our bill would establish a comprehensive framework within which ground water could be protected from pollution. While existing Federal and State programs provide needed protection of ground water from specific sources of pollution, they offer only limited and uncoordindated protection of the overall resource.

The bill gives State governments the primary responsibility for ground water protection. They would define the ground water resources of their State. They would adopt standards for contaminants found in ground water. They would identify sources of contamination and monitor ground water quality. And, they would develop the various pollution control programs needed to assure that standards are met.

The Federal Government would conduct research, oversee State programs, and provide grant assistance to States.

The bill does not attempt to install the Federal Government as the central factor in a new pollution control program. It does seek to coordinate and focus the existing efforts of the Federal Government and the States.

Whether or not this partnership of Federal and State agencies is the best way to proceed is part of the debate I hope this legislation will encourage.

While part of the debate will focus on who should protect ground water, we will also need to consider how to protect it.

One suggested approach is to establish national or State programs containing performance standards for a series of specific pollution sources. Another approach is to establish ground water quality standards at the national or State level, much as we have done under the Clean Water Act.

Our legislation includes elements of both these approaches. The bill would provide for expansion of exisiting pollution source specific controls where needed, while setting out a procedure for development and adoption of scientifically sound standards for ground water contaminants.

A major issue associated with the concept of ground water quality standards is whether such standards should be established at the national or State level. The bill provides that States make the final decisions about the level of protection offered by ground water standards.

In addition, the bill provides that standards adopted by States would establish the level of cleanup or control under Federal programs relating to protection of ground water quality. My colleagues and others may have varying perspectives on this issue. I look forward to discussion and development of this aspect of the bill.

Will States set standards which are sufficiently protective of ground water quality? I believe they will. The bill provides that EPA will assist States in setting standards.

Under the structure of this legislation, State decisions on standards would be based on a common set of Federal information documents for each ground water contaminant.

The bill would also require that most State standards be at least as stringent as Federal standards for public water systems. States would revise and upgrade standards periodically.

And the bill provides that the Environmental Protection Agency review, but not be required to approve, State standards, and provides for public participation in the process.

Once States establish ground water standards, they would develop an overall ground water program designed to assure that those standards are met.

The existing ground water programs, addressing several specific sources of contamination, would form the core of the overall State program. States would develop additional programs addressing other pollution sources as necessary to achieve ground water standards.

In addition, our bill recognizes that some sources of ground water pollution are of national concern. These sources include hazardous waste sites, underground injection, solid waste disposal, subsurface sewage disposal, and pesticide use. Some of these sources, such as hazardous waste sites and underground injection, are already regulated under Federal statutes.

Most of the others are not. Our bill would require each State to establish programs addressing these sources within 4 years, unless it can demonstrate that ground-water quality standards can be reached without a program for that specific source.

In developing an overall control program, a State would have the flexibility to tailor its program to the most serious pollution sources in that State. And States would have the flexibility to balance the level of protection provided by standards, the effectiveness of programs, and the cost of programs. This provision for State flexibility is an essential element of our approach to protection of ground water.

Flexibility is especially important for States which have already taken some steps to assure the high quality of ground water. The State of Maine, for example, recently established a State ground-water policy and has adopted innovative programs addressing ground water pollution from leaking underground storage tanks and disposal of pesticide containers.

Nothing in the legislation I am proposing would override such State initiatives. Indeed, this legislation is intended to foster and support individual State responses to ground-water pollution.

Finally, States can not take on major new responsibilities for groundwater protection without assistance from the Federal Government. My bill includes a basic grant to provide States with $50 million a year to carry out ground-water programs. This is about the level of assistance we provide to States under clean air and clean water programs.

Also, States would get short-term assistance to help support ground-water mapping and related work.

Mr. President, I believe this bill includes all the necessary building blocks of a comprehensive approach to protecting ground water. It sets up a workable partnership of Federal and State Governments. And it offers a balance between the flexibility States need to tailor programs to their needs and the minimum standards and programs necessary to adequate protection of ground water throughout the country.

This bill is a beginning and the time to begin is now. The outlines of a serious problem are already darkly seen. Ground-water pollution is an emerging problem on which we can not turn our backs.

I look forward to working with my colleagues in the development of this legislation.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Ground Water Protection Act of 1985".

DECLARATION OF POLICY

SEC. 2. It is the policy of the United States to protect the quality of ground water resources for drinking and other uses.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "Administrator" means the Administrator of the Environmental Protection Agency;

(2) the term "contaminant" means any manmade or natural physical, chemical, biological, or radiological substance or matter in ground water; and

(3) the term "State" means the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, American Samoa, and the Trust Territory of the Pacific Islands.

GROUND WATER QUALITY CRITERIA

SEC. 4. (a) ESTABLISHMENT OF CRITERIA.—(1) The Administrator shall establish criteria for ground water quality with respect to those contaminants found in ground water. Such criteria shall reflect the latest scientific knowledge on—

(A) the physical, chemical, biological, and radiological properties of the contaminant;

(B) the association of the contaminant with various sources of ground water contamination; and

(C) existing and needed research relating to the contaminant.

(2) The criteria established under this subsection shall include an analysis of the risk posed by the contaminant to human health and the environment at various concentrations in ground water and with respect to various uses of the water. Such analysis for each contaminant shall include a comparison of the risks posed by such contaminant to risks posed by other ground water contaminants.

(b) FORMAT.—The Administrator shall establish and utilize a standard format for presentation of ground water criteria. The format shall be designed to facilitate State development of ground water quality standards under section 5. The format shall include a summary of the research and analysis of the contaminant which shall be understandable to public health professionals who lack training in toxicology.

(c) USE OF AVAILABLE DATA AND ADDITIONAL STUDIES.—(1) In establishing criteria under this section, the Administrator shall use, to the fullest extent practicable, any data or analysis developed, or planned to be developed, by the Agency for Toxic Substances and Disease Registry.

(2) In establishing the criteria under this section the Administrator shall consider criteria, data, and analyses developed pursuant to the Federal Water Pollution Control Act, title XIV of the Public Health Service Act (commonly referred to as the Safe Drinking Water Act), and the Toxic Substances Control Act.

(3) The Administrator shall conduct studies to the extent necessary to establish criteria under this section. Such studies may be conducted in conjunction with the Agency for Toxic Substances and Disease Registry. The Administrator may use the authorities of sections 4 and 8 of the Toxic Substances Control Act to gather data necessary to establish criteria under this section.

(d) TIMETABLE FOR ESTABLISHING CRITERIA.—(1) The Administrator shall establish criteria under this section for not less than 50 high priority contaminants within 18 months after the date of the enactment of this Act.

(2) The Administrator shall establish criteria under this section for not less than 50 additional high priority contaminants within 30 months after the date of the enactment of this Act.

(3) The Administrator shall establish criteria under this section for additional contaminants on an ongoing basis and at a rate which is consistent with the needs of the States in developing ground water quality standards under section 5.

(e) ADVISORY PANEL.—(1) The Administrator shall, within 6 months after the date of the enactment of this Act, appoint a panel to advise him with respect to the implementation of this section, including (but not limited to) the contaminants for which criteria should be established, the rate at which the criteria should be established, and the quality and format of the criteria documents.

(2) The panel shall be chaired jointly by a senior official of the Environmental Protection Agency, to be selected by the Administrator, and a senior official of the Agency for Toxic Substances and Disease Registry, to be selected by the Secretary of Health and Human Services.

(3) The panel shall include not less than 5 representatives of State agencies involved with ground water protection, and representatives of other Federal agencies involved with ground water protection, as selected by the Administrator, with the con-

currence of the Secretary of Health and Human Services.

(f) RESEARCH ACTIVITIES.—The Administrator shall provide for such additional research activities as he deems necessary to support the effective development and implementation of ground water standards and protection programs. The Administrator shall provide for effective coordination of ground water-related research within the Environmental Protection Agency and among other Federal agencies.

STATE GROUND WATER PROTECTION STANDARDS

SEC. 5. (a) AMBIENT GROUND WATER STANDARDS.—(1) Each State shall establish numerical standards for contaminants found in the ambient ground water. States may establish nondegradation standards for any contaminant or contaminants in the ambient ground water.

(2) Ambient ground water quality standards shall apply uniformly to all geographic areas in the State and all geological structures, unless the area or structure is designated by the State as a special ground water system under subsection (b).

(3) Ambient ground water quality standards shall, except as otherwise provided in subsection (b) for special ground water systems, be at least as stringent as the primary drinking water standards established under title XIV of the Public Health Service Act (commonly preferred to as the Safe Drinking Water Act) for the particular contaminant (if such a standard has been established under such Act).

(b) STANDARDS FOR SPECIAL GROUND WATER SYSTEMS.—(1) The State may identify discrete and defined ground water systems within the State and establish special ground water quality standards for such systems.

(2) Special ground water systems may be defined, to the extent possible, by a specific geographic area or geologic structure. The definition of such system shall be a part of the standard.

(3) Standards for special ground water systems may vary according to the specific use of the special ground water system. Such standards shall be numerical and shall be based on an assessment of the risks to human health and the environment inherent in such uses.

(4) Special ground water systems may include geographic areas or geologic structures associated with uses which may require more stringent standards than those established under subsection (a) (such as recharge of a valuable ecosystem) and uses which may require less stringent standards than those established under subsection (a) (such as agriculture, waste disposal, industrial processes, and mining).

(c) ESTABLISHMENT OF STANDARDS.—(1) In establishing standards under subsections (a) and (b), the State shall utilize the criteria established by the Administrator under section 4, and any other data which the State determines to be appropriate.

(2) The State shall establish standards under subsections (a) and (b) for the high priority contaminants for which the Administrator has established criteria under paragraphs (1) and (2) of section 4(d), unless the State determines that such contaminant is not found in such State, and may establish standards for any other contaminants found in the State.

(d) COMPLIANCE.—(1) In establishing standards under subsections (a) and (b), the State shall establish specific procedures and methods for determining compliance with such standards.

(2) The Administrator shall publish guidance and information describing procedures and methods for determining compliance with such standards within 12 months after the date of the enactment of this Act.

(e) TIMETABLE FOR ESTABLISHING STANDARDS.—(1) The State shall propose standards for ambient ground water and for any special systems for those contaminants for which criteria have been established under section 4(d)(1) within 30 months after the date of the enactment of this Act.

(2) The State shall propose standards for ambient ground water and for any special systems for those contaminants for which criteria have been established under section 4(d)(2) within 42 months after the date of the enactment of this Act.

(3) Any ground water standards proposed by the State shall be made available for comment to the Administrator and the public for a period of 6 months. The State shall establish final standards within 12 months after the close of such 6-month comment period.

(4) The State shall review, revise, if necessary, and expand, if appropriate, the standards established under this section not less often than every 3 years. Any proposed revisions or additions to State standards shall be made available for comment to the Administrator and the public for a period of 6 months.

(f) STATE STANDARDS TO APPLY UNDER FEDERAL PROGRAMS.—Any standard established by the State under this section shall apply as the standard of cleanup or control under any Federal program relating to protection of ground water, including (but not limited to) the Solid Waste Disposal Act and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

GROUND WATER RESOURCE ASSESSMENT

SEC. 6. (a) REQUIREMENTS.—The State shall develop an assessment of ground water resources within such State. Such assessment shall—

(1) be sufficient to characterize ground water resources for management and protection purposes;

(2) provide a baseline for future monitoring of ground water;

(3) provide a basis for identification of special use ground water systems for purposes of section 5(b), and determination of contaminants present in such systems;

(4) focus on ground water quality, but may address ground water quantity if quantity will have a substantial impact on the design of programs to protect ground water quality; and

(5) be developed in consultation with the United States Geological Survey.

(b) TIMETABLE FOR ASSESSMENT.—(1) The Administrator and the Director of the United States Geological Survey shall, after consultation with the States, jointly issue guidance to the States describing the appropriate content and format for assessments under subsection (a) within 12 months after the date of the enactment of this Act.

(2) The State shall complete the assessment under subsection (a) within 30 months after the date of the enactment of this Act.

(3) Upon completion of the assessment under subsection (a), the State shall certify to the Administrator that such assessment meets the requirements of this section, and shall provide copies of the assessment to the Administrator and the Director of the United States Geological Survey.

GROUND WATER MANAGEMENT STRATEGY

SEC. 7. (a) REQUIREMENTS.—The State shall develop a management strategy with respect to ground water resources within such State. Such management strategy shall—

(1) identify a lead agency and provide an institutional framework for protection of ground water quality;

(2) identify major sources of ground water contamination and the contaminants associated with each such source;

(3) assure coordination among Federal, State, and local agencies involved in ground water protection; and

(4) assure coordination of ground water protection programs with surface water protection programs and with the activities of public water supply systems.

(b) TIMETABLE FOR MANAGEMENT STRATEGY.—(1) The State shall complete the development of an initial ground water management strategy under subsection (a) within 24 months after the date of the enactment of this Act.

(2) Upon completion of such strategy development, the State shall certify to the Administrator that such strategy meets the requirements of this section, and shall provide a description of the strategy to the Administrator.

(3) The State shall annually review and, if necessary, revise the management strategy to reflect any relevant change in conditions, and shall provide a description of any revised strategy to the Administrator.

GROUND WATER MONITORING

SEC. 8. (a) REQUIREMENTS.—The State shall establish a program of monitoring with respect to ground water resources within such State, such monitoring program shall—

(1) be capable of assessing compliance with the standards established by the State under section 5, including standards for special systems established under section 5(b);

(2) be designed to provide periodic assessments of ground water quality trends and to identify emerging or future ground water contaminants and contamination sources;

(3) establish the institutional and agency responsibilities for monitoring; and

(4) establish the methods and procedures for monitoring.

(b) TIMETABLE FOR MONITORING PROGRAM.—(1) The Administrator and the Director of the United States Geological Survey shall jointly prepare a report to Congress evaluating alternative designs for a national ground water quality data management system within 18 months after the date of the enactment of this Act.

(2) The Administrator and the Director of the United States Geological Survey shall jointly, and in consultation with the States, prepare a guidance document for use by States in developing ground water monitoring programs under subsection (a) within 24 months after the date of the enactment of this Act.

(3) The State shall establish a ground water monitoring program under subsection (a) within 36 months after the date of the enactment of this Act.

(4) Upon the establishment of such program, the State shall certify to the Administrator that such program meets the requirements of this section, and shall provide a description of such program to the Administrator and to the Director of the United States Geological Survey.

(c) REPORTS ON GROUND WATER QUALITY.—(1) The State shall submit to the Administrator a report which provides a summary of ground water quality and trends in the State, and which describes the status of

compliance with the standards established under section 5, including the standards for special systems established under section 5(b), within 30 months after the date of the enactment of this Act, and biennially thereafter. The State may use the ground water resource assessment submitted under section 6 in lieu of the first report otherwise required under this subsection.

(2) The Administrator may establish reasonable requirements regarding the content and format of reports required under paragraph (1) in order to assure compatability of data at the national level.

GROUND WATER PROTECTION PROGRAM

SEC. 9. (a) REQUIREMENTS.—(1) The State shall establish a ground water protection program which is capable of assuring compliance with the State ground water standards established under section 5.

(2) The State ground water protection program shall include individual elements addressing each source of ground water contamination identified in the management strategy pursuant to section 7(a)(2).

(3) The State ground water protection program shall include program elements addressing the following sources of ground water contamination that are of national concern:

(A) solid waste disposal;
(B) hazardous waste disposal;
(C) underground storage tanks and pipes;
(D) subsurface sewage disposal;
(E) pesticide use; and
(F) underground injection.

States shall, to the extent practicable, review and assess the interactive effects of such source.

(4) The State may waive the requirement to develop ground water protection program elements identified in paragraph (3) by an affirmative demonstration to the Administrator that the source of contamination is not significant in that State and that ground water quality standards may be attained without establishment of a program for the identified source of contamination.

(5) The State ground water protection program may include programs established under other Federal laws, including the Solid Waste Disposal Act, title XIV of the Public Health Service Act (commonly referred to as the Safe Drinking Water Act), the Federal Insecticide, Fungicide, and Rodenticide Act, and the Federal Water Pollution Control Act.

(6) The ground water protection program elements may utilize regulations, voluntary controls, education, and any other measures which the State deems necessary and appropriate to assure compliance with ground water standards pursuant to section 5.

(7) The Administrator shall, after consultation with the States, provide States with guidance concerning the design, structure, and format of State ground water protection programs within 12 months after the date of the enactment of this Act.

(b) TIMETABLE FOR ESTABLISHING PROTECTION PROGRAM.—(1) The State shall propose a ground water protection program addressing sources of contamination identified in section 7(a)(2) within 36 months after the date of enactment of this Act.

(2) The State shall propose a ground water protection program addressing sources of contamination identified in section 9(a)(3) within 48 months after the date of the enactment of this Act.

(3) Proposed ground water protection plans shall be made available for comment to the Administrator and the public for a period of 6 months. The State shall establish a final ground water protection program within 6 months after the close of the 6-month comment period.

(4) The State shall annually review and, if necessary, revise the final ground water program to reflect any relevant change in conditions, and shall provide a description of any such revision to the Administrator.

(c) EPA ASSESSMENT OF STATE PROGRAM.—The Administrator may conduct an assessment of a State program (or any program element thereof) developed under this section if the Administrator has reason to believe that the State program (or element) does not comply with the requirements of this section. Such assessment may include public hearings. The Administrator shall report the results of any such assessment, together with recommendations for needed actions, to the State within 6 months after initiation such assessment.

GRANTS TO STATES

SEC. 10. (a) GRANTS FOR GROUND WATER RESOURCE ASSESSMENTS.—(1) The Director of the United States Geological Survey shall make grants to States for the purpose of assisting the States in carrying out ground water resource assessments under section 6.

(2) There are authorized to be appropriated for grants under this subsection $25,000,000 for each of the first 3 fiscal years beginning after the date of enactment of this Act.

(3) The amount appropriated for each such fiscal year for grants under this subsection shall be apportioned among the States by the Director on the basis of the geographic area of the State, the percentage of the population of the State relying on ground water for drinking water, and the need for development of ground water resource data in the State.

(4) Grants made under this subsection shall not exceed 75 percent of the costs of implementing the assessment in any fiscal year, and shall be made on the condition that non-Federal sources provide at least 25 percent of the costs of the activities receiving funding under this section.

(b) GRANTS FOR PLANNING AND PROGRAM MANAGEMENT.—(1) The Administrator shall make grants to States for the purpose of assisting the States in the implementation of sections 5, 7, 8, and 9 of this Act.

(2) There are authorized to be appropriated for grants under this subsection $50,000,000 for each of the first 5 fiscal years beginning after the date of the enactment of this Act.

(3) The amount appropriated for each such fiscal year for grants under this subsection shall be apportioned among the States by the Administrator on the basis of the geographic area of the State, the percentage of the population relying on ground water for drinking water, and the extent and seriousness of ground water contamination in such State. The Administrator shall establish a minimum grant amount in order to assure that each State has sufficient grant assistance to develop an adequate ground water program.

(4) Grants made under this subsection must be matched by the State on a dollar-for-dollar basis with State funds to be used in carrying out sections 5, 7, 8, and 9.

(c) LIMITATIONS ON GRANTS.—(1) States may use funds from grants made pursuant to this section for financial assistance to persons only to the extent that such assistance is related to the costs of demonstration projects.

(2) No grant shall be made to a State under this section unless the Administrator determines, on the basis of information provided by the State and from other relevant sources, that the State is implementing the provisions of this Act satisfactorily.

(3) The Administrator may request such information, data, and reports as he may deem necessary to make the determination of continuing eligibility for grants under this section.

GENERAL AUTHORIZATION

SEC. 11. (a) GRANTS.—There are authorized to be appropriated for grants under section 10—

(1) $75,000,000 for each of the first 3 fiscal years beginning after the date of the enactment of this Act; and

(2) $50,000,000 for each of the following 2 fiscal years.

(b) ADMINISTRATIVE COSTS.—There are authorized to be appropriated for administrative costs of implementing this Act $25,000,000 for each of the first 5 fiscal years beginning after the date of the enactment of this Act.

SECTION-BY-SECTION ANALYSIS—GROUND WATER PROTECTION ACT OF 1985

SECTION 1—SHORT TITLE

This Act may be cited as the "Ground Water Protection Act of 1985".

SECTION 2—DECLARATION OF POLICY

It is the policy of the United States to protect the quality of ground water resources for drinking and other uses.

SECTION 3—DEFINITIONS

Definitions of the terms "Administrator", "contaminant", and "state".

SECTION 4—GROUND WATER QUALITY CRITERIA

The federal government is to conduct research on ground water contaminants and publish information concerning these contaminants which will assist States in development of ground water standards.

Ground water contaminant criteria documents are to describe the properties of the contaminant, the association of the contaminant with pollution sources, needed research, and the risk posed by the contaminant to human health and the environment.

EPA is to establish criteria for 50 high priority contaminants within 18 months after the date of this Act, establish criteria for an additional 50 contaminants within 30 months, and establish additional criteria on an ongoing basis. An advisory panel will oversee the development of contaminant criteria.

SECTION 5—STATE GROUND WATER PROTECTION STANDARD

States are to use criteria documents and other data to develop and adopt standards for contaminants in ground water. Standards would apply generally to all ambient ground water, except in special cases defined by the State as part of the standard setting process.

Ambient ground water standards are to be at least as stringent as the primary drinking water standards established under the Safe Drinking Water Act.

States may identify special ground water systems and establish standards for such systems. Standards for special ground water systems may be more stringent or less stringent than ambient standards.

States shall establish standards for the 100 contaminants for which the Administrator establishes criteria under section 4 of this Act and may establish standards for additional contaminants. States need not es-

tablish standards for contaminants not found in that State.

States shall propose standards for the first group of 50 contaminants within 30 months after the date of this Act and propose standards for the additional 50 contaminants within 42 months. The public and EPA are to review proposed standards within 6 months after proposal and final standards are to be established within an additional 12 months. States are to review and revise standards as needed every three years.

States are to establish procedures for determining compliance with standards. EPA will publish guidance describing procedures and methods for assessing compliance with standards within 12 months after the date of this Act.

Final State standards are to apply as the standard of clean-up or control under Federal progams relating to the protection of ground water.

SECTION 6—GROUND WATER RESOURCE ASSESSMENT

States are to develop basic data about the ground water resource, in conjunction with the U.S. Geological Survey.

Within 30 months after the date of this Act, States are to prepare a resource assessment which characterizes the ground water resource, establishes a baseline for future monitoring, and provides a basis for identification of special ground water systems.

The USGS and the EPA are to issue guidance to States describing the appropriate format and content of assessments within 12 months after the date of this Act.

SECTION 7—GROUND WATER MANAGEMENT STRATEGY

States are to develop a management strategy which establishes an institutional framework for ground water protection programs, identifies major sources of contamination, assures coordination of Federal, State and local agencies, and assures coordination of ground water and surface water programs.

The State shall develop an initial management strategy within 24 months after the date of this Act and shall review and revise the strategy annually.

SECTION 8—GROUND WATER MONITORING

States are to establish monitoring programs to assure that protection programs result in the attainment of standards and to identify trends in water quality. States are to establish monitoring programs within 36 months after the date of this Act. EPA and USGS are to provide guidance to States within 24 months.

States are to submit to the EPA Administrator a report which describes ground water quality trends and the status of compliance with standards within 30 months after the date of this Act and biennially thereafter. The resource assessment provided for in section 6 of this Act may be used in lieu of the first report.

Within 18 months after the date of this Act, the EPA and the USGS are to prepare a report to Congress evaluating alternative designs for a national ground water data management system.

SECTION 9—GROUND WATER PROTECTION PROGRAM

States are to develop programs to control specific sources of contamination as needed to assure that ground water standards are met. State control programs are to address the sources of contamination identified in the management strategy and may utilize regulations, voluntary controls, education, and other measures which the State deems appropriate.

EPA is to provide guidance to States concerning the design and structure of ground water programs within 12 months after the date of this Act. States are to propose ground water protection programs within 36 months, provide 6 months for public review, and establish final programs within an additional 6 months.

Within 48 months after the date of enactment of this Act, each State shall propose for inclusion in its ground water program specific program elements addressing selected ground water pollution sources of national concern. These sources include solid waste disposal, hazardous waste disposal, underground storage tanks and pipes, subsurface sewage disposal, pesticide use, and underground injection.

States may waive the requirement to develop programs addressing these sources by demonstrating to the EPA Administrator that the source is not significant in that State. States are to review and revise ground water protection programs annually.

The EPA Administrator may conduct an assessment of any element of a State ground water program, may hold a public hearing as part of the assessment, and shall report the results of the assessment, along with recommendations for needed actions, to the State within 6 months.

SECTION 10—GRANTS TO STATES

The USGS is authorized to make grants to States to assist in the development of ground water resource assessments. $25 million is authorized for each of the first three fiscal years after the date of this Act. Funds are to be allocated to States on the basis of geographic area, percent of State population relying on ground water for drinking water, and the need for ground water resource data. Grants require a 25% match.

The EPA is authorized to make grants to States to support the development and implementation of State ground water protection programs. $50 million is authorized for each of the first 5 years after the date of enactment of this Act. Funds are to be allocataed on the basis of geographic area, the percent of the State population relying on ground water for drinking water, and the extent and seriousness of ground water contamination in the State. Funds are to be matched on a dollar for dollar basis.

SECTION 11—GENERAL AUTHORIZATION

$25 million is authorized for the administrative costs of implementing this Act for the next five fiscal years.

Mr. BAUCUS. Mr. President, today I join my colleagues, Senators MITCHELL, BENTSEN, BURDICK, HART, LAUTENBERG, and MOYNIHAN in introducing the Gound Water Protection Act of 1985.

Ground water is water located underground that is tapped for use by wells. Ground water is simply water that has percolated down through the soil from rain and melting snow.

There is 50 times more ground water than surface water in the United States. Over half the population of the United States relies upon ground water as their primary source of drinking water.

For many rural Montanans, ground water is the only source of water for household use.

Yet, despite its importance, there is no overall national policy that prevents contamination of ground water resources.

EXTENT OF GROUND WATER POLLUTION PROBLEM

Ground water contamination has been detected in every State in the United States, and contamination is becoming more and more frequent.

A recent nationwide survey identified over 200 natural and synthetic substances in ground water.

The Congressional Office of Technology Assessment reports that:

Contaminants found in ground water—particularly organic chemicals—are associated with adverse health, social, environmental, and economic impacts. Although only a small portion of the Nation's total ground water resource is thought to be contaminated, the potential effects of this contamination are significant and warrant national attention.

Montana does not face the extreme health hazards posed by the exotic chemicals found in heavily industrialized States, but ground water pollution still poses a serious health hazard.

Rural communities use fuel oil, pesticides, cleaning solvents, chemical preservatives, and numerous other toxic substances. Many of these organic contaminations are not cleansed as they percolate through the soil.

Thus they remain toxic for long periods of time and contaminate acquifers.

These contaminated water reservoirs are monuments to our failure to learn that the cost of clean up can be enormously greater than the cost of preventing contamination.

FEDERAL GROUND WATER STRATEGY

Up to now, the Federal Government's response to this threat has been confusing. At least 16 statutes authorize programs relevant to ground water protection.

The Environmental Protection Agency attempted to lay the groundwork for centralized control over ground water protection in a strategy it adopted August 30, 1984.

The EPA established criteria for determining the seriousness of a ground water pollution threat. They also set forth protection levels for three classes of ground water, based on their respective value and vulnerability to contamination.

The problem with EPA's strategy is that these special ground waters are primarily located near urban areas.

Rural areas—where hazardous pollutants are just as serious a concern—are given less importance. Thus degradation of water quality in these areas could be a result of the EPA classification system.

A second problem with the EPA strategy is that EPA is using its three classifications as standards. Granted, we need standards. But EPA's classifications should not be standards.

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I am concerned that EPA is going to supplant the role of States, who have traditionally had the primary responsibility for protecting ground water.

STATE GROUND WATER PROGRAMS

I commend EPA for attempting to come to grips with the threat of ground water contamination.

Clearly, a Federal/State partnership is needed.

But instead of a program like the EPA strategy that stymies State efforts, we need a national ground water protection policy that enhances State programs.

States must play a major role in detecting, correcting and preventing ground water contamination.

All 50 States have expressed concern about ground water contamination. Each has a program at some stage of development to protect ground water. Twenty-two States have adopted programs that could be considered comprehensive.

Each of these programs addresses site specific problems. Each is designed to respond to local circumstances.

The proper role of the Federal Government is to sustain these State efforts by providing a concerted research and development program, increased technical assistance and adequate funding for protection efforts.

The intent of EPA's ground water protection strategy was to integrate the State ground water protection programs with existing Federal programs.

But the way EPA structured its program, it is more likely to lead to renewed tensions between two levels of government.

This would come at a time when EPA and State officials should be moving forward in tandem to ensure protection of ground water.

My own State of Montana is a good example of potential conflicts between the State and Federal governments.

Montana has adopted a comprehensive ground water protection program that, through statutory directive, established a nondegradation policy for any ground water where existing quality is higher than the established water quality standards.

Under EPA's strategy, our water quality will not have to meet such stringent standards.

The situation in Montana, plus the wide variety of ground water problems we face in the United States, underscore the need for flexibility.

PROVISIONS OF THE BILL

The Ground Water Protection Act of 1985 is designed to provide a national ground-water protection program.

The act is based upon four key components:

The Environmental Protection Agency is to establish criteria for 50 high priority contaminants within 18 months and 50 additional contaminants within 30 months.

These criteria would describe the properties of the contaminants, the association of the contaminant with pollution sources, needed research, and the risk posed by the contaminant to human health and the environment.

States will then use these criteria and other data to develop and adopt standards for ground water contaminants within each State.

Standards would apply generally to all ambient ground water, except in special cases defined by the State as part of the standard setting process.

State standards, once adopted, would then become the standard of clean up or control under any Federal program relating to the protection of ground water.

As part of the development of an overall ground water protection strategy, the States, relying upon guidance from the U.S. Geological Survey and the Environmental Protection Agency, are to prepare a resource assessment.

This assessment will characterize the ground water resource, establish a baseline for future monitoring, and provide a basis for identification of special ground water systems.

Based upon this assessment, States are to develop a management strategy which establishes an institutional framework for ground water protection programs, identifies major sources of contaminations; and assures coordination of Federal, State, and local levels of government including coordination of ground and surface water programs.

Ground water protection programs will address controls needed to address contamination identified in the management strategy and may utilize regulations, voluntary controls, education, and other measures which the State deems appropriate.

Mr. HART. Mr. President, I am pleased to join the other Democratic Members of the Senate Environment and Public Works Committee today in offering legislation to protect the Nation's ground water resources.

In Colorado, as elsewhere in the Nation, contamination of our underground sources of drinking water has emerged as a particularly insidious and frightening form of pollution. Any threat to the water we drink sounds an alarm we cannot ignore.

Mr. President, such alarms have begun to be heard in Colorado, where four out of five water systems rely at least partially on ground supplies.

To some degree, recent increases in awareness are attributable to scientific advances. We now can detect and analyze contaminants in amounts as minute as four or five parts per billion. But some of the contamination recently brought to light has been detectable for decades.

It was recently reported that water experts found traces of metals in a Denver water department well in southern Jefferson County 20 years ago. Yet health officials apparently did not conduct a study of the well until last year. The well in question, downhill from a major industrial complex, was subsequently closed.

The recent study of this well found traces of the compound trichloroethylene [T-C-E], a strong industrial solvent used to remove grease from metal and in manufacturing a variety of products from paints to pesticides. T-C-E is believed to damage the human nervous system, liver, and kidneys. It may also cause cancer.

Yet even in 1966, a study of the same well had found traces of the metal chromium, which in high dosages has induced tumors in laboratory animals. But in 1966, the Federal Government had set no limits on chromium, so the matter ended there.

Today, we have limits for chromium—but not for scores of other elements and compounds that may be leaking from storage tanks, landfills, and waste disposal systems.

We have no standard, for example, for T-C-E, which was also one of the nine known or suspected carcinogens found recently in the drinking water of Commerce City, CO.

Commerce City relies on the South Adams water district, which borders on the Army's Rocky Mountain Arsenal. The arsenal grounds include some of the worst examples of toxic waste disposal in the country. South Adams district officials say potentially deadly chemicals may have been entering their water supply for two or three decades.

Two South Adams wells have been closed at the suggestion of the State Health Department. You will note I said "suggestion"—the department lacks authority to shut a well or to set limits for a contaminant.

The State even lacks sufficient authority and resources to assess the ground water pollution problem and determine what degree of protection Coloradans need. That's why we need this legislation, Mr. President.

This bill assigns proper roles to Federal and State officials. Federal resources would enable States to set enforceable standards. States would be responsible for their own assessment and cleanup programs. Federal agencies would assist, coordinate, and help finance those programs.

In my State, the health department and the water quality control commission have shown they want to do the job. They have not been deterred by those who would wish the problem away—or by those who want Government to look the other way rather than look too closely at their activities.

Our job here, Mr. President, is to give such State officials, in Colorado and in every State, the tools to do

their job and protect their own residents.

Mr. LAUTENBERG. Mr. President, I am pleased to join as an original cosponsor of the Groundwater Protection Act of 1985. This bill would establish a comprehensive program to protect the quality of the Nation's ground water resources.

Ground water pollution is a significant national problem. Toxic contamination of ground water has occurred in every State in the Nation and increasingly is being detected. Yet there is a paucity of information on ground water pollution. This contamination has adverse health, social, environmental, and economic impacts, and these impacts are likely to increase. Ground water pollution is often found near heavily populated industrial areas, which are increasingly dependent on ground water for their water supplies. Withdrawals of ground water increased from 35 to 90 billions of gallons per day between 1950 and 1980. Ground water now serves as a source of drinking water for about half of the Nation's residents. Ground water also is used for irrigation, livestock, and industrial purposes.

Ground water contamination is a problem of growing dimensions in New Jersey. Over 60 percent of the drinking water in the State scomes from ground water supplies. In southern New Jersey, that rises to 90 percent. And these reserves become even more important during droughts. The spreading contamination of this resource is sobering. Organic compounds, pesticides, and heavy metals are found in virtually all areas of the State. Hundreds of wells in New Jersey have been restricted or closed because of chemical contamination. New Jersey's efforts to respond to this contamination have been hampered partially by the lack of Federal standards for toxic contaminants.

Mr. President, there are numerous Federal and State programs for detecting, correcting, and preventing ground water contamination, but these efforts are limited in their ability to protect against contamination. They typically have a narrow focus, concentrating on sources of pollution, contaminants, or users. What is needed is a national mandate for comprehensive approach to coordinate and protect the quality of our ground water resources. The Office of Technology Assessment recently recommended that the Federal Government provide sustained financial and technical assistance to the States for detecting, correcting, and preventing ground water contamination.

The Ground Water Protection Act of 1985 would establish such a comprehensive program to address pollution of our water resources and it is consistent with OTA's recommendations. Under this bill, EPA would be required to establish ground water quality criteria for ground water contaminant. States would then use their criteria to establish ground water contaminant standards. States also would develop ground water resource assessments, monitoring programs, and protection strategies, and programs. EPA and the U.S.A. Geological Survey would be required to provide guidance to the States for these activities. EPA is directed to assess State programs to assure they are consistent with the act, and to issue grants to States to carry out the purposes of the act.

Mr. President, the Ground Water Protection Act is the first in a series of bills that are likely to be introduced in the Senate and considered by the Environment and Public Works Committee. Senator DURENBERGER, chairman of the Toxic Substance and Environmental Oversight Subcommittee, has provided leadership on the committee in scheduling hearings on this issue. Our bill is meant to contribute to this process. As the committee reviews it, it will undoubtedly be refined and strengthened. Areas that need attention include the allocation formula for grants, the criteria to be used in setting water quality contaminant standards, and the extent to which the ground water-program should be enforceable. However, Mr. President, the general thrust of the bill is sound. I look forward to working with Senators DURENBERGER, STAFFORD, BAUCUS, BENTSEN, MITCHELL, and others in the Environment and Public Works Committee to enact comprehensive legislation in the 99th Congress to address the problem of ground-water pollution.

Mr. BURDICK. Mr. President, nearly 100 quadrillion gallons of water are located underground throughout the United States, 50 percent of which has the potential to be used for drinking water. Every day, 89 billion gallons of water is pumped out of underground aquifers for a variety of potable, agricultural, and industrial purposes. Of that amount, nearly 116 million people use 15 billion gallons per day for drinking water.

On a national scale, few data on ground-water contamination exist. Some experts estimate that less than 1 percent of the Nation's ground water is currently contaminated. Although such a low value seems encouraging, it still is only an educated guess and must be balanced against estimates that certain areas of the country—specifically New York, New Jersey, and New England—probably have groundwater contamination greater than 1 percent.

Currently, the Federal ground-water protection policy is dispersed among six programs administered by the Environmental Protection Agency (EPA). Only 12 States have enacted specific ground-water protection statutes which serve various purposes including the prevention of further groundwater degradation, the establishment of pollutant discharge permits, designation of specific protection areas, and the establishment of land controls. Most of the remaining States have developed ground-water protection policies and rely on existing administrative authorities for implementation.

States lack comprehensive programs because more technical expertise and stable funding is required before they would feel comfortable in establishing detailed policy. Information is lacking on standard-setting for drinking water, methodologies for ground-water monitoring and sampling, and collecting and disseminating information on new technology on remedial cleanup. This proposal would require EPA and the U.S. Geological Survey (USGS) to develop such information and provide guidance.

The proposal allows State and local authorities necessary flexibility to manage ground water. Aquifer characteristics and adverse impact of contamination depend in part on geologic and hydrologic factors which vary from State to State and from aquifer to aquifer. As a result, the Federal Government cannot devise a uniform classification or regulatory scheme to cover each unique circumstance. Effective management requires recognition of these various factors such as geologic, climatic, and biotic conditions which impact both ground water quality and required ground water use.

Once more information is available on ground water, States and local authorities will be able to make more informed decisions on land-based activities. According to EPA, most contamination is occurring as the result of activities on the land surface rather than from the actual use of the aquifer. The State management strategy required by this bill would establish an institutional framework for groundwater protection plans. The strategy would include the identification of major sources of contamination, coordination of Federal, State, and local agencies, and coordination of groundwater and surface-water programs.

In addition to technical aspects of ground water protection, the Federal Government needs to be aware of the fact that State laws and regulations govern both the allocation of surface- and ground-water supplies. Western States have generally adopted the prior appropriation system. This system allows the first in time user or the first to apply for the water the first in right to use it.

Under this western water doctrine, ground-water quantity and quality cannot be separated because ground water related management decisions necessarily affect the quantity of water that is available for specific use.

In the West, much of the population relies on ground water for drinking water purposes, yet the majority of ground water is used for agricultural purposes with an increasing amount being used by industry. North Dakota, as an example, relies on ground water for 62 percent of the population's drinking water supply. Irrigation of crops with ground water has increased steadily since about 1960 when probably fewer than six irrigation wells existed in the State. During 1982, nearly 1,500 wells pumped a total of 50 million gallons per day during the irrigation season covering 100,000 acres.

Often uses of large aquifers are multipurpose. Western States, in particular, would be required to balance appropriated water uses against the need to establish any uniform or minimum drinking water standard to assure its potential use as a drinking water source. The balancing act between competing or conflicting use is delicate and complex. States are best suited to resolving any differences in ground water quantity versus quality.

States are best able to plan for future uses and to manage each aquifer based on their water rights process. Local knowledge on resource variability can be incorporated in their plans. This is important because many aquifers exist which could fall into a variety of categories and classes depending on the water quality at a particular location.

I would urge my colleagues to review this bill and share it with their State officials. This bill offers the best of both worlds. It maintains the Federal interest in protecting ground-water supplies from contamination while at the same time expands information and funding to States to continue their primary role in protecting this Nation's ground water.

Mr. MOYNIHAN. Mr. President, I rise today to join my distinguished colleagues from the Environment and Public Works Committee, sponsoring the "Groundwater Protection Act of 1985." This legislation represents a responsible approach to coordinating State and Federal programs in groundwater management. I share my colleagues' hope that this bill will focus greater attention on ground-water resources, a subject which I have been interested in for many years.

May I note, the sponsors of this bill represent the East, Midwest, and West. I trust that this broad support portends a national consensus on the need to address ground-water problems. I first introduced the Sole Source Aquifer Protection Act, designed to protect underground sources for drinking water, in 1982. Many provisions of that aquifer protection bill are now incorporated in the Safe Drinking Water Act Amendments, which, I am happy to report, are about to be considered in conference.

In addition to the Safe Drinking Water Act, a number of Federal laws affect ground-water management, including the Clean Water Act, Superfund, and the Resource Conservation and Recovery Act (RCRA). These laws overlay a complex of State statutes, which differ markedly in their treatments of ground-water resources. The Groundwater Protection Act would define the role of Federal Government, in terms that will most help the States develop ground-water strategies tailored to their individual needs. For example, many Eastern States have shallow aquifers with indistinct boundaries, while in the West, many States have deep and distinct aquifers. Some States rely heavily on ground water for drinking supplies, others less so.

On Long Island, 3 million New Yorkers rely on one aquifer for their drinking water, and this aquifer is now threatened by toxic chemicals. In Nassau County alone, 119 of 389 public wells have detectable levels of synthetic organic chemicals. These chemicals come from diverse sources—solvents from industries and residents' homes, pesticides from farms, nitrates from lawn fertilizers, and numerous chemicals which have leached from landfills. Officials of the State of New York and of Long Island have made significant progress in protecting this ground water resource. In 1978, the New York State Legislature stated that preventing the pollution of ground waters and protecting ground waters for use as potable water, would be the State's ground-water quality goals, to guide the department of environmental conservation in establishing and updating water quality standards and classifications. Long Island has since been designated a sole source aquifer by the U.S. Environmental Protection Agency, and is developing a groundwater management plan.

This bill would recognize that different States have different needs and find themselves at different stages in ground-water planning and management. We have heard repeatedly from State officials, asking that EPA provide basic research into ground-water contaminants, so States can determine how to classify their waters. Our bill would direct EPA to establish criteria for 100 contaminants and provide States with documents specifying the physical, chemical, biological and radiological properties of contaminants, as well as analyses of the contaminants risk to human health at various concentrations in ground water. Our bill directs the EPA Administrator, whenever possible, to make use of research developed under other environmental statutes and cooperate with other agencies that hold toxicological data.

Armed with a common set of federally developed data, the States will set their own ambient ground-water standards. In general, ambient groundwater standards must be at least as stringent as those for drinking water in the Safe Drinking Water Act. But the States are free to designate "special ground-water systems" with standards more or less stringent, depending on the use of the water and the threat to human health and the environment.

The bill also would require that States develop an assessment or inventory of ground-water resources, in consultation with the U.S. Geological Survey. And finally, the Groundwater Protection Act would mandate that States develop management strategies to ensure Federal, State, and local coordination to protect ground-water resources and guarantee compliance with State regulations.

This legislation would authorize $25 million a year for 3 fiscal years, on a 75-percent Federal, 25-percent State cost-sharing basis, for States to undertake ground-water assessment. In addition, the bill would provide $50 million over 5 fiscal years, on a 50-percent matching basis, to assist States in setting States standards, developing State management strategies, and operating protection and monitoring programs.

I enthusiastically support this legislation, as a reasoned balance of Federal and State roles in ground-water management. I urge my colleagues to support this bill.

By Mr. BENTSEN (for himself, Mr. BYRD, Mr. LONG, Mr. BAUCUS, Mr. BINGAMAN, Mr. BURDICK, Mr. DIXON, Mr. EAGLETON, Mr. HARKIN, Mr. HOLLINGS, Mr. LAUTENBERG, Mr. MATSUNAGA, Mr. RIEGLE, Mr. MITCHELL, Mr. FORD, Mr. HART, Mr. DODD, Mr. EXON, Mr. HEFLIN, Mr. INOUYE, Mr. KERRY, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. MELCHER, Mr. JOHNSTON, Mr. GORE, Mr. GLENN, Mr. PRYOR, Mr. BUMPERS, Mr. PELL, Mr. STENNIS, Mr. DECONCINI, Mr. CHILES, Mr. SIMON, Mr. LEVIN, Mr. SARBANES, Mr. KENNEDY, Mr. NUNN, Mr. BOREN, Mr. LEAHY, Mr. ZORINSKY, Mr. BIDEN, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. SASSER, Mr. CRANSTON, and Mr. PROXMIRE):

S. 1837. A bill to establish a national trade data bank, to provide authority to revise certain trade and financial agreements, and for other purposes; to the Committee on Finance.

TRADE POLICY ACT

Mr. BENTSEN. Mr. President, today I am pleased to introduce the Trade Policy Act of 1985, cosponsored by Senators BYRD, LONG, BAUCUS, BINGAMAN, BURDICK, DIXON, EAGLETON, HARKIN, HOLLINGS, LAUTENBERG, MATSUNAGA, RIEGLE, MITCHELL, FORD, HART,

DODD, EXON, HEFLIN, INOUYE, KERRY, BRADLEY, ROCKEFELLER, MELCHER, JOHNSTON, GORE, GLENN, PRYOR, BUMPERS, PELL, STENNIS, DECONCINI, CHILES, SIMON, LEVIN, SARBANES, KENNEDY, NUNN, BOREN, LEAHY, ZORINSKY, BIDEN, METZENBAUM, MOYNIHAN, SASSER, CRANSTON, and PROXMIRE.

Mr. President, this legislation is based upon the preliminary report of the Senate Democratic Working Group on Trade Policy issued last April, and it is the first piece of trade legislation approved by the entire Democratic caucus.

It also represents what I believe will become a broad consensus among both Republicans and Democrats on the American trade policymaking process.

The working group, of which I am chairman, met throughout the summer and fall in response to the national and worldwide trade emergency, and in particular to frame legislation to confront two fundamental problems we now face in U.S. trade policy.

I refer to an almost total lack of coordination and preparation for trade negotiation, and the formulation of a U.S. policy for the new round of multilateral trade negotiations proposed by the President.

The legislation does not purport to be comprehensive. It is aimed at reforming the international trade and financial rules to make them effective, and it requires important preparation by the administration in advance of trade negotiations. Much work remains to be done, and the working group has already begun efforts on such problems as improving U.S. exports, correcting unfair foreign trade practices, and controlling large trade deficits.

The Trade Policy Act of 1985 represents the firm foundation of efforts to build a strong and healthy system, and I thank my colleagues on the working group for their diligent efforts in framing this bill: Senators BYRD, LONG, BURDICK, HOLLINGS, EAGLETON, RIEGLE, MATSUNAGA, BAUCUS, DIXON, LAUTENBERG, BINGAMAN, and HARKIN.

THE NEW ROUND

A major part of this bill provides authority for the President to undertake a new round of trade negotiations.

The President cannot succeed in new international trade and finance negotiations without this authority. Without a legislative mandate, other countries will question whether the United States will implement trade agreements the President enters into. Trade agreements are executive agreements, which under our Constitution can only be implemented through a separate law enacted by Congress or under an authority delegated by Congress. Foreign governments well remember that in 1968 Congress refused to implement an international trade agreement entered into by President Johnson, and those governments are unlikely to take the new round seriously if the President acts without the cooperation of Congress.

Since the President has not asked for trade and finance negotiating authority, we might have taken the approach that we would simply wait for him to ask. However, we have concluded that limited authority for a new round is absolutely necessary to build a new and effective international trade and financial system.

The current system, the General Agreement on Tariffs and Trade [GATT] and our system of various financial arrangements is in serious disrepair. GATT rules do not effectively apply to, or cannot effectively be enforced in, the areas of agricultural trade, petroleum trade, or trade with developing countries, even though those matters are subject to the letter of the GATT.

Therefore, we found consensus within the Democratic Caucus that reform of the GATT and of existing international financial arrangements is a primary national objective.

Mr. President, there has been much discussion of expanding the GATT to cover new areas, such as trade in services and trade-related investment. As a major exporter of services, it is clearly in the interest of the United States to expand the coverage if possible. But we must not disregard the fact that we are also the world's largest exporter of goods, so our primary interest is to make the existing rules—rules which are supposed to apply to goods—work and work effectively. If GATT does not work, it makes little difference what it covers. In 1974, when Congress gave its mandate for the Tokyo round in the Trade Act of 1974, it specifically enacted section 121, and entitled it "Steps to be Taken Toward GATT Revision." Yet here we are, 11 years later, with no action taken on many of the subjects listed. It is not surprising that there is consensus for GATT reform today.

In this bill, we have proposed a revision of section 121, outlining a few basic principles for any agreements proposed to replace or improve existing rules of trade and finance. As an example, this bill requires that such agreements be reciprocal and that they be enforceable. That would constitute a needed and welcome change from our current state of affairs.

SPECIAL PROCEDURES ON TRADE AGREEMENTS

This legislation is not specific on negotiation objectives. Instead, we provided a special role in which Congress will consult with the President on his plans for a new round before it begins.

At least 60 days before serious negotiations begin, the President will tell Congress just exactly what agreements he wants, what he expects to have to give up for those agreements, what the American private sector thinks about his proposals, and how other countries view them.

If his proposed notification is disapproved as to any particular agreement, the fast track of legislative trade procedures would not be available to the President when he returned later asking Congress to implement that agreement.

Fast track procedures were used successfully to implement the agreements negotiated in the Tokyo round, and they were used last year to implement the free trade area agreement with Israel. Access to these procedures is important, and will play an effective role in assuring proper consultation between the executive branch and Congress.

Preclearance of trade negotiating objectives is not new. A 60-day disapproval provision was added to U.S. trade law last year. But under that law, the procedure applies only to bilateral trade agreements. Moreover, current law does not require the President to set out his plans or his efforts to consult with concerned citizen groups. This bill applies the 60-day preclearance procedure to all trade and finance agreements.

Nothing in his procedure will delay the new round. In fact, it will surely speed up the process. To this point, the administration has kept its plans to itself, neither proposing new round legislation to Congress nor opening itself to comments of American business, labor, and agriculture.

The procedures outlined in this bill will ultimately produce a united American position on trade negotiations.

It is important to note that the bill also provides that if the President is unable to accomplish a trade reform agreement with all countries, he is authorized to work bilaterally, regionally, or with any like-minded group of countries to achieve responsible reform. We would rather have tough, effective rules with a few countries than the weak rules we now have with all countries.

NATIONAL HOMEWORK ON TRADE

A second concern addressed by this bill is the lack of preparation within the administration. Last May, the working group pleaded with the President not to begin the new round until he had done his homework. This has not been done.

In this bill, we call for creation of a National Trade Data Bank to draw together the information needed to make informed decisions. Today, one of the most useful computer programs available compares U.S. trade data and exports country-by-country. It was written by a Government analyst working in his spare time. This bill makes organization of U.S. trade data a full-time activity, and assigns an interagency committee to make recommendations to improve the system.

For example, we expect this committee to tell us how we got 6 years behind the Government of Japan in updating critical trade data.

The security of business confidential information and information derived in investigations is strictly protected.

Next, we call for a clean sweep of White House committees on trade. This bill replaces all of them with a National Trade Council—at the same level as the National Security Council. The National Trade Council will be chaired by the President or, in his absence, the U.S. Trade Representative, and it would be the central coordinating body of U.S. trade policy.

We would also create a Commission on Trade in the 1990's to provide advice and counsel on how our trade policies should be changed to reflect the problems we will face in the near future.

If the new round follows the form of previous rounds, it will consume more time than the preceding round—perhaps 10 years—and by then we will surely face many different and difficult trade problems. This bipartisan Commission, with strong representation from Congress, as well as business, labor, and agriculture, will report not later than July 1985—and earlier if necessary—on how to prepare for the coming changes.

Mr. President, the purpose of the international economic and financial system is to cause world trade to expand effectively and beneficially. For the past 5 years, the system has not accomplished that job.

From 1980 to 1984, world trade did not grow. In fact, it declined badly in 1982 and has only just recovered. According to the Economic Report of the President released last February, world trade in 1980 was slightly over $2 trillion. By 1984 it had climbed back up to $1.9 trillion. It will probably reach $2 trillion in 1985, in large part due to the huge increases in imports in the United States.

We have in a new round what we must regard as an opportunity, and we must seize it to build a new international trade and financial system that will cause total world trade to grow. This effort should be a national priority of the highest order.

We will fail if we do not give this authority to the President and do everything in our power to make sure it is used effectively. Even then, if other nations refuse to submit to rules requiring market-oriented policies that will increase total trade, we must be prepared to assure that we are not victims of continued mercantilist, beggar-thy-neighbor economic policies. Preventing that outcome must be the subject of other legislation.

I ask my colleagues to study this bill carefully and to support it. It is a consensus bill on a matter of the utmost national importance.

Mr. President, I ask that the text of the bill and a section-by-section description be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1837

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trade Policy Act of 1985".

SEC. 2. PURPOSE.

The purpose of this Act is to—

(1) provide authority and standards for the President to negotiate a new international system of agreements on tariffs, trade, and finance, and

(2) require thorough preparations for such negotiations.

SEC. 3. FINDINGS.

The Congress finds that—

(1) the existing system of international trade, tariff and finance agreements does not apply, or does not apply with full force, to most of the world trade, to most of United States export trade, or even to substantial segments of United States import trade, which effectively denies the benefits of such agreements to the people of the United States and has, in particular, nullified the benefits the people of the United States anticipated from the most recent round of multilateral trade negotiations, the Tokyo Round, which the Congress of the United States overwhelmingly approved and implemented in domestic law;

(2) under the existing system of international trade, tariff and finance agreements, international trade and financial policies are poorly coordinated, major industrialized countries do not share the burdens and benefits of the world trading system equally with the United States, and central principles of these agreements are not enforced, such as the principles of most-favored-nation treatment and national treatment;

(3) current United States plans for a new round of trade negotiations are vague, have not been based upon the detailed and comprehensive consultation with the private sector contemplated by the Trade Act of 1974 or upon any detailed knowledge or study of the United States potential to compete in the existing or future global economy, and do not purport to remedy most of the problems of the current international system or to recognize the realities of the existing global economy; and

(4) therefore, the United States should undertake to—

(A) coordinate activities of the Federal Government in order to formulate a systematic trade policy upon which consensus can build,

(B) provide for the collection, analysis, and distribution of data and advice necessary to formulating such a policy, and

(C) build a new system of international trade and financial agreements, reflecting the current and anticipated realities of the world economy.

SEC. 4. NATIONAL TRADE DATA BANK.

(a) NATIONAL TRADE DATA COMMITTEE.—

(1) There is hereby established the "National Trade Data Committee" (hereafter in this section referred to as the "Committee").

(2) The Committee shall consist of—

(A) the United States Trade Representative,

(B) the Commissioners of the United States International Trade Commission,

(C) the Secretary of Commerce,

(D) the Secretary of Agriculture,

(E) the Secretary of State, and

(F) the Director of Central Intelligence.

(3) The United States Trade Representative shall be Chairman of the Committee.

(b) FUNCTIONS.—

(1) The Committee shall, through coordination of the actions of the agencies of the Federal Government—

(A) establish and maintain a National Trade Data Bank, and

(B) provide for the analysis and effective dissemination of information in the National Trade Data Bank.

(2) The National Trade Data Bank which is required to be established under paragraph (1) shall consist of economic and trade data collected by the Federal Government, including (but not limited to)—

(A) general import and export data;

(B) industry specific import and export data for each foreign nation;

(C) product and service specific import and export data for the United States;

(D) market penetration ratios and country of origin for imports;

(E) rank ordered national destinations for exports;

(F) exchange rates of all foreign currencies;

(G) market research, including industry and demographic trends for each nation with lists of marketing contacts and lists of foreign firms;

(H) product and process patent, copyright, trademark, and mask work (within the meaning of section 901 of title 17, United States Code) information for each nation for at least the 2 most recent years;

(I) general labor market information;

(J) internationally comparable wage rates;

(K) foreign and domestic—

(i) unemployment rates;

(ii) availability of skilled and professional workers;

(iii) hiring and firing restrictions; and

(iv) labor productivity trends;

(L) comparative international tax rate information;

(M) export financing information, including the availability of funds for United States exporters and foreign competitors;

(N) information regarding the trade actions of foreign governments;

(O) information concerning capital markets, interest rates, and the cost and availability of capital;

(P) National Input and Output Tables compiled by the Department of Commerce for the United States and other nations; and

(Q) any other information that the Committee determines to be useful in carrying out the purposes of this section.

(3) The National Trade Data Bank which is required to be established under paragraph (1) shall—

(A) use the most effective and meaningful means of making such information available to United States—

(i) business concerns,

(ii) workers,

(iii) industry associations,

(iv) agricultural interests,

(v) State and local economic development agencies, and

(vi) other interested persons who could benefit from such information, and

(B) be of such quality and in such form as to form the basis of coordinated trade strategies for the United States.

(4) The National Trade Data Bank established pursuant to paragraph (1) shall not include any information—

(A) which is collected by the Federal Government in connection with any investigation, and

(B) the disclosure of which to the public is prohibited under any other provision of law.

(5) In carrying out the provisions of this section, the Committee shall consult with—

(A) advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155), and

(B) other representatives of the private sector.

(c) COOPERATION.—Each Federal department and agency shall cooperate with the Committee by making information available for assimilation into the National Trade Data Bank.

(d) REPORTS.—By no later than December 31 of each calendar year, the Committee shall submit a report to Congress—

(A) assessing the current quality, comprehensiveness, and public and private accessibility of trade data;

(B) describing actions taken pursuant to this section;

(C) describing actions planned to be taken pursuant to this section;

(D) recommending executive and legislative actions which would ensure that United States citizens and firms obtain access to the data banks of foreign countries that is similar to the access provided foreign citizens and firms to the National Trade Data Bank established pursuant to subsection (b)(1); and

(E) recommending other legislative actions which further the purposes of this section.

(e) COORDINATION WITH OFFICE OF INFORMATION.—Section 3518 of title 44, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) The provisions of this chapter shall not apply with respect to—

"(1) economic and trade data described in section 4(b)(2) of the Trade Policy Act of 1985 and any other economic or trade data which the National Trade Data Committee determines to include in the National Trade Data Bank established under section 4(b)(1) of such Act,

"(2) any actions taken by the National Trade Data Committee under the authority of section 4 of such Act, and

"(3) any actions taken by any officers or employees of the Federal Government in cooperating with requests made by the National Trade Data Committee for the purposes of carrying out the provisions of section 4 of such Act.".

SEC. 5. NATIONAL TRADE COUNCIL.

(a) IN GENERAL.—Section 242 of the Trade Expansion Act of 1962 (19 U.S.C. 1872) is amended to read as follows:

"SEC. 242. NATIONAL TRADE COUNCIL.

"(a) ESTABLISHMENT.—There is hereby established in the Executive Office of the President a council to be known as the National Trade Council (hereafter referred to in this section as the 'Council').

"(b) MEMBERSHIP.—The Council shall be composed of—

"(1) the President;

"(2) the Vice President;

"(3) the Secretary of State;

"(4) the Secretary of the Treasury;

"(5) the Secretary of Defense;

"(6) the Secretary of Agriculture;

"(7) the Secretary of Commerce;

"(8) the Secretary of Labor; and

"(9) the United States Trade Representative.

"(c) PRESIDING OFFICER.—The President shall preside over meetings of the Council. In the President's absence, the United States Trade Representative shall preside over meetings of the Council.

"(d) FUNCTIONS.—

"(1) The Council shall advise the President with respect to the integration of national and international policies relating to trade so as to enable the President and the departments and agencies of the Federal Government to cooperate more effectively in matters involving international trade.

"(2) In addition to performing such other functions as the President may direct, for the purposes of more effectively coordinating the policies and functions of the departments and agencies of the Federal Government relating to international trade and making recommendations to the President, the Council shall, subject to the direction of the President—

"(A) assess and appraise the international trade policies (including commodity and direct investment matters) and international trade objectives of the United States,

"(B) consider policies on matters of common interest to the departments and agencies of the Federal Government concerned with international trade,

"(C) consider the relationship between the standard of living in the United States and the international trade policies of the United States, and

"(D) evaluate the effects of the international trade policies and objectives of the United States on the national security.

"(e) STAFF.—The Council shall maintain a staff which shall be headed by an Executive Secretary appointed by the President. The Executive Secretary, subject to the direction of the Council and in accordance with the provisions of title 5, United States Code, may appoint and fix the compensation of such personnel as may be necessary to perform such coordination duties as may be prescribed by the Council in connection with the performance of the duties of the Council.

"(f) CONSULTATION.—In carrying out the duties of the Council, each member of the Council shall consult with—

"(1) committees established to advise the department, agency, or office of which such member is the head,

"(2) advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155), and

"(3) other representatives of the private sector.

"(g) RECOMMENDATIONS AND REPORTS.—The Council shall, from time to time, make such recommendations and such reports to the President as the Council considers to be appropriate or as the President may request.".

(b) TRADE POLICY COMMITTEE.—The Trade Policy Committee shall terminate on the date of enactment of this Act.

SEC. 6. COMMISSION ON UNITED STATES TRADE IN THE 1990's.

(a) ESTABLISHMENT.—There is hereby established the Commission on United States Trade in the 1990's (hereafter in this section referred to as the "Commission").

(b) MEMBERSHIP.—

(1) The Commission shall be composed of 18 members as follows:

(A) 6 members appointed by the President in accordance with paragraph (2)(A),

(B) 6 members appointed by the President pro tempore of the Senate from Members of the Senate in accordance with paragraph (2)(B), upon the recommendation of the majority leader or the minority leader of the Senate with respect to members appointed from the political party of that leader, and

(C) 6 Members of the House of Representatives appointed by the Speaker of the House of Representatives in accordance with paragraph (2)(B).

(2)(A) The President shall appoint as members of the Commission under paragraph (1)(A) individuals who are especially qualified to serve on the Commission due to the education, training, or experience of such individuals. Of the members appointed by the President under such paragraph—

(i) at least 5 members shall be individuals who are not officers or employees of the United States,

(ii) at least 1 member shall be a representative of business,

(iii) at least 1 member shall be a representative of a labor organization,

(iv) at least 1 member shall be a representative of agricultural interests, and

(v) not more than 3 members shall be members of the same political party.

(B)(i) In appointing members to the Commission, the President pro tempore of the Senate and the Speaker of the House of Representatives shall give special consideration to the appointment of Members of the Senate or the House of Representatives, as the case may be, who are members of the committees of their respective Houses which have legislative jurisdiction over, or special concerns with respect to, matters relating to international trade.

(ii) Not more than 3 members of the Commission appointed under paragraph (1)(B) shall be members of the same political party, and not more than 3 members of the Commission appointed under paragraph (1)(C) shall be members of the same political party.

(3) The first 18 appointments to the Commission shall be made before the later of—

(A) the date which is 30 days after the date of enactment of this Act, or

(B) January 1, 1986.

(4) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(5) Members of the Commission shall be appointed to serve for the life of the Commission.

(6)(A) Each member of the Commission appointed under paragraph (1)(A) who is not an officer or employee of the United States shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which such member is engaged in the actual performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without additional compensation.

(B) While away from their homes or regular places of business in the performance of services for the Commission, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under section 5702 of title 5, United States Code.

(c) MEETINGS; CHAIRMAN.—

(1) Nine members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(2) The Chairman and Vice Chairman of the Commission shall be elected by and

from the members of the Commission for the life of the Commission.

(3) The Commission shall meet at the call of the Chairman or a majority of its members.

(d) STAFF.—

(1) The Chairman of the Commission, in consultation with the Vice Chairman, and without regard to the civil service laws, rules, and regulations, is authorized to appoint and fix the compensation of a staff director and such other additional personnel as may be necessary to enable the Commission to carry out its functions.

(2) Any Federal employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(3) The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at daily rates of compensation for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for GS-18 of the General Schedule under section 5332 of such title.

(e) GENERAL POWERS.—

(1) The Commission may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) The Commission may secure directly from any department or agency of the United States information necessary to enable the Commission to carry out the provisions of this section. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) The Commission may accept, use, and dispose of gifts or donations of services or property.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative and support services as the Commission may request.

(f) DUTIES.—The Commission shall study and make recommendations concerning international trade and export policies and practices of the United States, including recommendations for such changes in laws and regulations as may be required in order to—

(1) facilitate the administration of the trade and export functions of the Federal Government;

(2) enhance export growth;

(3) provide for removal of trade barriers;

(4) provide for common understanding of international trade by businesses;

(5) develop expertise on foreign business practices and trade issues; and

(6) accomplish such other purposes as the Commission considers appropriate.

(g) REVIEW AND RECOMMENDATIONS.—In conducting the study required under subsection (f), the Commission shall review and make recommendations concerning—

(1) likely impediments to exporting by United States industries in the 1990's, including—

(A) regulations, paperwork requirements, and procedures imposed by the United States Government, especially export controls,

(B) the impact of the antitrust laws on exports,

(C) insufficient financing, Government credits, and incentives for export expansion, and the lack of Export-Import Bank and the Foreign Credit Insurance Association support and responsiveness,

(D) the lack of a unified, coherent, and clearly enunciated United States Government policy which supports the export community and which is carried out by all Federal agencies, and

(E) the lack of research and development capabilities to help improve the ability of American industries to compete with foreign industries;

(2) the likely propensity of the United States to import goods and services in the 1990's, and the impact of those importations upon American economic life and economic security;

(3) the competitiveness of firms manufacturing products in the United States in the 1990's, and ways and means of enhancing that competitiveness;

(4) the likely relationships between trade and international monetary policy in the 1990's, including the need to relieve trade policy of major burdens created by the recurrence of currency exchange rate misalignments;

(5) the likely state of vitality in the United States economy during the 1990's;

(6) the role for international trade activities by State and local governments in the 1990's; and

(7) the organizational structures under which other industrial nations, such as Japan, Great Britain, Canada, and West Germany, carry out the international trade activities of those nations.

(h) REPORT.—By no later than July 1, 1987, the Commission shall transmit to the President and to the Congress a report containing a detailed statement of the study conducted by the Commission under this section and the recommendations of the Commission with respect to the matters specified in subsections (f) and (g), including any other recommendations for legislation the Commission considers appropriate. The Commission may issue such interim reports as the Commission considers appropriate.

(i) TERMINATION.—The Commission shall terminate on July 1, 1987.

(j) AUTHORIZATION.—For fiscal years 1986 and 1987, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 7. AUTHORITY FOR A NEW SYSTEM FOR INTERNATIONAL TRADE AND FINANCIAL AGREEMENTS.

(a) IN GENERAL.—Section 121 of the Trade Act of 1974 (19 U.S.C. 2131) is amended to read as follows:

"SEC. 121. REVISION OR REPLACEMENT OF EXISTING TRADE AND FINANCIAL AGREEMENTS.

"(a)(1) As soon as practicable, but by no later than December 31, 1995, the President shall take such action as may be necessary—

"(A) to revise all trade and financial agreements to which the United States is a party in order to meet the objectives described in subsection (b), or

"(B) to replace such agreements with new agreements that meet such objectives.

"(2) Subject to the requirements of this section, the President is authorized to enter into such agreements as may be necessary to meet the requirements of paragraph (1).

"(b) Any international trade or financial agreements to which the United States is a party shall—

"(1) provide for the reciprocal exchange of obligations that are likely to be mutually economically advantageous to the United States and the other signatories to such agreement;

"(2) provide a reasonable likelihood that the United States can enforce the obligations of such agreements notwithstanding differences between the culture, legal system, and commercial practices of the United States and the culture, legal system, and commercial practices of any other country or instrumentality that is, or may become, a signatory to such agreement;

"(3) complement and reinforce, insofar as practicable—

"(A) existing agreements with countries or instrumentalities that are not signatories to such agreement, and

"(B) existing United States agreements on related economic subjects; and

"(4) be subject to the withdrawal provisions of section 125 and fulfill the objectives set forth in sections 103, 104, 106, and 108.

"(c)(1) An agreement may be entered into under subsection (a)(2) only if the President, prior to commencement of formal negotiation of such agreement—

"(A) provided written notice of such formal negotiations to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, and

"(B) consulted with each of such Committees regarding such formal negotiations.

"(2)(A) The notice required under paragraph (1)(A) with respect to formal negotiation of any agreement shall include—

"(i) the subject of such negotiations,

"(ii) a detailed description of—

"(I) the preparations (including consultations with advisory committees established under section 135 and other representatives of the private sector) for such negotiations that have been made by the President, and

"(II) the preparations the President plans to make for such negotiations,

"(iii) the advantages and disadvantages that the President anticipates from any agreement that may arise from such negotiations, including (but not limited to) the advantages and disadvantages to United States—

"(I) employment,

"(II) consumers,

"(III) manufacturing,

"(IV) agriculture,

"(V) service industries,

"(VI) current account balance, and

"(VII) general economic growth, and

"(iv) the positions that the President knows, or anticipates, will be taken by foreign countries and instrumentalities with regard to such negotiations.

"(B) If the notice provided under paragraph (1)(A) is classified, or contains information which is classified, the President shall, at the same time such notice is provided, submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a copy of such notice which is not classified and does not contain any classified information.

"(3)(A) As an exercise of the rulemaking power of the House of Representatives and the Senate, the provisions of section 151 shall not apply to any implementing bill (within the meaning of section 151(b)) that approves an agreement entered into under subsection (a)(2) if—

"(i) the requirements of this subsection have not been met with respect to the formal negotiation of such agreement, or

"(ii) the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives disapproved of the formal negotiation of such agreement before the close of the 60-day

period which began on the date notice was provided under paragraph (1)(A) with respect to the formal negotiation of such agreement.

"(B) The 60-day period described in subparagraph (A)(ii) shall be computed in accordance with the provisions of section 102(b)(4)(C).

"(4) For purposes of this subsection, the term 'formal negotiation' means exchanges of offers on matters of substance. Such term does not include international discussions in preparation for negotiations of trade agreements, discussions of subjects to be negotiated, times and places for negotiations, or other formal matters preceding negotiations.

"(d)(1) For purposes of section 151 and subsections (c), (d), (e), and (f) of section 102, any agreement entered into under subsection (a)(2) shall be treated as an agreement entered into under section 102(b).

"(2) Any implementing bill (within the meaning of section 151) that is submitted under section 102(e)(2)(A) with respect to any agreement entered into under subsection (a)(2)—

"(A) shall contain—

"(i) provisions withdrawing approval of the agreement that is being replaced by such agreement entered into under subsection (a)(2), or

"(ii) if no approval was given to the agreement that is being replaced, provisions disapproving such agreement being replaced, and

"(B) may contain—

"(i) provisions withdrawing approval of any portion of an agreement that is being revised by such agreement entered into under subsection (a)(2), or

"(ii) provisions disapproving, or conditioning the continued approval, of any portion of such agreement being revised.

"(e) Nothing in this section shall be construed—

"(1) to require that all signatories to any agreement that is revised or replaced by any agreement entered into under subsection (a)(2) be signatories to such agreement entered into under subsection (a)(2),

"(2) to prevent or require the addition of any country or instrumentality to any agreement entered into under subsection (a)(2), or

"(3) to preclude the President from entering into bilateral agreements under subsection (a)(2).".

(b) NOTICE OF NEGOTIATIONS UNDER SECTION 102.—

(1) Paragraph (4) of section 102(b) of the Trade Act of 1974 (19 U.S.C. 2112(b)(4)) is amended—

(A) by redesignating subparagraph (C) as subparagraph (D),

(B) by striking out "at least 60 days prior to the date notice is provided under subsection (e)(1)" in subparagraph (A)(ii) and inserting in lieu thereof "prior to the commencement of formal negotiation of such agreement",

(C) by striking out "the negotiation of such agreement" in subparagraph (A)(ii)(II) and inserting in lieu thereof "such negotiations",

(D) by striking out "the negotiation" each place it appears in subparagraph (B)(ii) and inserting in lieu thereof "the formal negotiation",

(E) by striking out "subsection (A)(ii)(I)" in subparagraph (B)(ii)(II) and inserting in lieu thereof "subparagraph (A)(ii)(I)", and

(F) by inserting after subparagraph (B) the following new subparagraph:

"(C) The notice required under subparagraph (A)(ii)(I) with respect to formal negotiation of any agreement shall include—

"(i) the subject of such negotiations,

"(ii) a summary of—

"(I) the preparations that have been made by the President for such negotiations, and

"(II) the preparations the President plans to make for such negotiations,

"(iii) the advantages and disadvantages that the President anticipates from any agreement that may arise from such negotiations, including (but not limited to) the advantages and disadvantages to United States—

"(I) employment,

"(II) consumers,

"(III) manufacturing,

"(IV) agriculture,

"(V) service industries,

"(VI) current account balance, and

"(VII) general economic growth, and

"(iv) the positions that the President knows, or anticipates, will be taken by foreign countries and instrumentalities with regard to such negotiations.".

(2) Subsection (g) of section 102 of the Trade Act of 1974 (19 U.S.C. 2111(g)) is amended—

(A) by striking out "and" at the end of paragraph (2),

(B) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and", and

(C) by adding at the end thereof the following new paragraph:

"(4) The term 'formal negotiation' means exchanges of offers on matters of substance. Such term does not include international discussions in preparation for negotiations of trade agreements, discussions of subjects to be negotiated, times and places for negotiations, or other formal matters preceding negotiations.".

(c) CONFORMING AMENDMENTS.—

(1) The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 121 and inserting in lieu thereof the following:

"Sec. 121. Revision or replacement of trade and financial agreements.".

(2) Section 131 of the Trade Act of 1974 (19 U.S.C. 2151) is amended by adding at the end thereof the following new subsection:

"(e) In preparing the notice required under sections 102(b)(4)(A)(ii)(I) and 121(c)(1)(A), the President shall request, and the Commission shall conduct, such investigations as are necessary to make a full and complete notification to the Congress.".

(3) Subsection (a) of section 135 of the Trade Act of 1975 (19 U.S.C. 2155(a)) is amended by striking out "section 101 or 102" and inserting in lieu thereof "section 101, 102, or 121".

SECTION-BY-SECTION DESCRIPTION OF THE TRADE POLICY ACT OF 1985

The Trade Policy Act of 1985 is intended to establish two basic ground rules for American trade policy: Reform the international trade and financial rules to make them effective, and requrie that the Administration do its homework before entering into trade negotiations. Without these two changes, American international economic policy will not be effective.

Section 1—Short Title.—The Act would be cited as the Trade Policy Act of 1985.

Section 2—Purposes.—The purposes of the Act include authority to reform international agreements on tariffs, trade, and finance and to require thorough preparation for international trade and finance negotiations.

Section 3—Findings.—There are four major findings concerning American trade policy, including the findings that the existing system of international trade, tariff, and finance agreements is not working properly; that current U.S. planning for the new round is inadequate; and that, therefore, the United States should undertake various efforts to prepare for the new round with the principal purpose of fixing the problems with the current international system.

Section 4—National Trade Data Bank.—Current U.S. trade policy proceeds for the most part by anecdote. Companies that have trade problems bring those problems to the attention of the Government, and the Government decides whether to aid the companies in resolving the problems. The problems may relate to the struggle to compete with imports or the effort to penetrate foreign barriers to U.S. exports. While American trade policy has always been directed toward answering these complaints, it is now necessary to go beyond isolated anecdotal evidence of trade problems because trade has become a national emergency.

Yet in 1983, the General Accounting Office reported that the Office of Management and Budget had reduced staff devoted to coordinating and overseeing the Federal Government's decentralized statistical system to the point that statistical policy coordination was put on the back burner. Many monthly statistical reports, such as the valuable "International Economic Indicators," have been discontinued, and in July 1985, Secretary of Commerce Baldrige reported to the Chairman of the Senate Democratic Working Group on Trade Policy, Senator Lloyd M. Bentsen, that U.S. input-output tables are six years behind the Japanese input-output tables.

This section creates a National Trade Data Committee built on an existing interagency statistical review Committee. The U.S. Trade Representative would be chairman of the Committee, and the Committee would consist of heads of agencies that collect and use data relevant to trade. Its duties would include surveying and recommending changes in the current system of collecting, analyzing, and distributing data on international trade. For example, where data are not maintained on a timely basis for lack of staff and funding, as in the case of U.S. input-output tables, the Committee could and should recommend appropriate changes in law and practice. The Committee, in making its studies and recommendations, would be required to consult with the concerned private sector advisory committees.

Moreover, the Committee would be required to create and supervise a National Trade Data Bank using existing data. No data collected for special purposes, such as investigations, would be included in the National Trade Data Bank. Protection from disclosure of business confidential information would follow all data into the National Trade Data Bank. The Committee would be required to recommend actions to achieve reciprocity of access to similar data from foreign governments. Certain provisions of the Paperwork Reduction Act (Public Law 96-511) that are not being carried out are repealed insofar as they relate to data in the National Trade Data Bank.

Section 5—National Trade Council.—This section creates a National Trade Council in the Executive Office of the President at the same level as the National Security Council, consisting of Members of the Cabinet and chaired by the President, or in his absence,

the U.S. Trade Representative. The Council would have a small staff engaged exclusively in coordination of U.S. trade policy. Its purpose would be to take over the existing functions of the Trade Policy Committee, the Economic Policy Committee, and any ad hoc committees set up by the Administration with a role in international trade policymaking.

All existing agency functions would continue to exist, but greater coordination would be achieved by creating this focal point within the Administration. The U.S. Trade Representative would continue to be the President's principal adviser on trade, the chief negotiator on trade matters and would preside over meetings of the National Trade Council in the President's absence.

The section requires consultations with the appropriate advisory committees by the Council on all major trade policy decisions. The bill also requires consultations with these committees in formulating U.S. policy in trade negotiations under section 7. These are some eight policy advisory committees and 41 technical advisory committees covering all sectors of U.S. business, labor, agriculture and State concerns, as well as the Advisory Committee on Trade Negotiations with representation of all business sectors. These committees have not been used fully or effectively since 1979.

Section 6—Commission on United States Trade in the 1990's.—This section creates a Commission on United States Trade policy in the 1990's consisting of 18 members, including six appointed from private industry; six appointed from the Senate; and six appointed from the House of Representatives, the latter two divided evenly between the two political parties. The private individuals appointed to the Commission would be qualified by reason of education training, and experience to serve, and at least three of them must represent respectively, business, labor, and agricultural interests.

The Commission would be expected to study medium-range trade policy for the 1990's and report on July 1, 1987 (earlier preliminary reports could be made as necessary and appropriate). Short-range studies are already carried out by the statutory Advisory Committee on Trade Negtotiations and the Policy and Technical Advisory Committees created under the Trade Act of 1974. The requirement for annual National Trade Estimates, included in the Omnibus Trade and Tariff Act of 1984, also enhances short-range trade policy decisionmaking. The first National Trade Estimate was submitted by the Administration at the end of October 1985.

The section sets forth in some detail various matters to be studied, including the impact of regulation, antitrust laws, financing mechanisms, coordination of policy, research and development capabilities, propensities to import, and many other subjects. It is intended the Commission Report will serve as a basis for U.S. trade policy positions in trade negotiations by focusing on the strengths and weaknesses the economy is likely to have in the next decade.

Section 7—Authority for a New System for International Trade and Financial Agreements.—This section provides authority for reforming the international trading system. It neither extends nor repeals current trade negotiating authorities on either tariff or nontariff barriers (sections 101 and 102 of the Trade Act of 1974). If extension of such authority is needed, the President can always ask for it. Rather, this section amends section 121 of the Trade Act of 1974, which required the Administration to negotiate various reforms of the General Agreement on Tariffs and Trade (GATT). As the last six years show, the 1979 Round was not successful in fixing what was, and still is, wrong with the GATT.

This provision would authorize the President to undertake negotiations as soon as practicable but not later than 10 years following enactment of this Act to replace or improve upon existing agreements on tariffs, trade, and financial matters. The new agreements must meet certain standards set forth in the bill. These standards include a requirement that all U.S. trade agreements and international financial agreements provide for reciprocal exchanges of obligations reasonably likely to be to the mutual economic advantage of the United States and other signatories; that they provide a reasonable likelihood that the United States can enforce the obligations of the agreements notwithstanding differences in the culture, legal system, and commercial practices of the signatories; that they complement and reinforce existing agreements to the extent they remain in force; and that it be possible for the United States to withdraw from such agreements at regular intervals. The section explicitly provides that if it will help to reform the international trading system, the United States should proceed with bilateral or regional arrangements or arrangements between countries that are willing to accept higher levels of international obligation.

GATT reform means fundamental reform, as the standards for agreements suggest. Adding subjects to the GATT, such as trade in services, will not improve U.S. export opportunities or the U.S. trade deficit unless the GATT itself works, which it does not now do.

The bill would also authorize negotiations to reform the international financial system, in disrepair since the advent of floating exchange rates in 1971. It is intended the talks to reform the trading system and the financial system proceed in concert, and preferably, simultaneously.

Finally, the section provides a procedure for assuring adequate study of any such negotiation before it begins. The bill defines a stage of negotiations known as formal negotiations, which consists of the formal exchange of offers between two countries. Before this point occurs—but presumably after the United States and other countries have agreed on the subjects and timing of such negotiations, the President is required to submit a notice to Congress describing in detail his preparation for the negotiations, including a digest of all the preparations (especially his consultations with the private sector) that have occurred or are planned; the anticipated advantages arising out of such a negotiation and the disadvantages, including but not limited to the advantages and disadvantages in terms of U.S. employment, consumers, manufacturing, agricultural businesses and industries, service businesses and industries, and overall macroeconomic economic measures of the United States; and anticipated or known positions of other governments with regard to such negotiations.

Consistent with provisions added to the law in the Omnibus Trade and Tariff Act of 1984, this notice would be submitted to the House Committee on Ways and Means and the Senate Committee on Finance, which could within 60 working days after the notice was submitted disapprove the negotiation, in which case (as a matter of each House of Congress administering its own rules), the so-called trade fast-track would not be available for agreements arising out of such negotiations. The "trade fast-track" currently provides and would continue under this legislation to provide that legislation to approve and implement international trade agreements is not subject to delay or amendment.

Mr. BYRD. Mr. President, the September trade data, released last week, show the largest trade shortfall in any one month in our history. In fact, the $15.5 billion trade deficit in the month of September is greater than the entire trade deficit for 1976. The September shortfall brings the year-to-date total to more than $106 billion—$11 billion more than the deficit at this time last year.

These statistics are alarming, but the data for some individual country and product deficits are even more disturbing. After some half dozen market opening packages and a highly publicized drive to increase imports, Japan's year-to-date trade deficit with the United States as of September of this year was at the same level as at the end of last year—a $37 billion deficit. When the date for the last quarter of this year are in, the United States/Japan deficit could exceed $50 billion. In fact, for all the administration's talk about opening the Japanese markets for American goods, our exports to Japan are actually declining this year, as against 1984.

Significantly, manufactured goods imports are running 9 percent ahead of 1984, more than twice the 4-percent level of increase for all imports. This particular impact on manufacturing means that America's traditional leadership in manufacturing industries is threatened—even in our own market. In September, steel imports accounted for almost one-third of the American market. The Commerce Department describes substantial increases in September imports on autos, clothing, telecommunications equipment, and other manufactured goods. At the same time, another traditional strength—agriculture—showed a decline as agricultural exports dropped 23 percent against last year.

On September 23, 1985, I was invited by the President to attend his first speech on trade policy. I went to the White House to hear what he had to say. There had been a clear change of direction in administration thinking, and it was reflected in the President's statement. As I told my colleagues, most of the President's statement amounted to an endorsement of Democratic initiatives previously rejected by the administration. The administration had discovered the political potency of the trade issue, and had come to realize that it could not be ignored.

But the President's speech did nothing more than pick a few trade initia-

tives previously offered by Democrats without accepting the fundamental premise on which those ideas were based. In its preliminary report this past April, the Senate Democratic trade policy working group, which I appointed, identified the challenges of a changing global market. Senator BENTSEN, who chairs that group, and his colleagues stressed the need for a comprehensive trade strategy that accepted and responded to the new realities of international trade. The working group pointed out the role of the dollar and the importance of currency fluctuation in the world trade. Its report called for increased world trade, a fresh look at the rules of trade, and committed leadership to assure that America has a world-class economy.

The President's program did not acknowledge this need for a tough, realistic trade strategy. Each of our trading partners evaluates its trade trade strategy on the basis of how it contributes to the competitiveness and economic security of that particular nation. But this administration is still weighing trade policy on a scale that measures free trade versus protectionism. Those terms have little meaning in a world dominated by huge currency flows, Government subsidies, and hidden trade barriers, as the preliminary report of the working group explains.

Building on the recommendations of the April report, Senator BENTSEN and his colleagues brought a series of principles to the Senate Democratic conference for approval. Those principles—adopted by the conference—became the basis for the Trade Policy Act of 1985, which I am pleased to join in introducing today. Senator BENTSEN has described the basic elements of this impotant legislation. It is not, by itself, intended to be a comprehensive trade law reform bill. Senate Democrats have offered a broad range of ideas that address the need for improvement in trade law. I have offered the National Security Trade Act to maintain our defense production base, the Fair Trade Act to assure reciprocity in trade, and other measures to address specific shortcomings in our trade law. Many of my colleagues have addressed trade law shortcomings in legislative proposals of their own.

This legislation takes a more fundamental approach. It points out the need for a strategic approach to trade, and provides a context for trade law reforms. In creating a national trade council, it addresses the problem of lack of coordination among the more than 25 Government agencies responsible for trade policy. The dangers of the uncoordinated trade policy of this administration have been seen time and again. The Departments of Defense and Commerce bicker over export control responsibility while—by those agencies' own estimates—the Soviet military saves more than $10 billion over the next dozen years as the result of technologies stolen from the West. During Senate action on the Export Administration Act, I introduced a successful amendment to promote greater cooperation on export controls. But this cannot be accomplished when interagency rivalries result in duplication of activity or wasteful bureaucratic redtape. We need to give trade policy a higher priority, and a national trade council is an important step in that direction.

The bill also helps to shape trade policy by getting our house in order through creation of a National Trade Data Bank to provide us with current information on our economy, and a commission—similar to the so-called Young Commission, which was officially called the President's Commission on Industrial Competitiveness—that will look at trade problems and opportunities in the 1990's. We need to have the facts if we are to be able to plot our course for the future with any precision and thereby survive and prosper as a great trading nation.

I commend Senator BENTSEN and the members of the working group for their creative and far-reaching proposal, and I encourage our colleagues on both sides of the aisle to give this bill serious consideration. The lesson of 5 years of administration indifference on trade is that no changes in trade law can substitute for a realistic, aggressive trade strategy. This legislation, I believe, will make it more difficult for the administration to continue to avoid devising such a strategy.

Despite the current crisis in trade, the United States remains the greatest exporting Nation in the world. We must not allow this distinction to be lost through Government indifference. This legislation is an important step in the right direction; I am pleased to cosponsor it, and I urge all Senators to support it.

Mr. BINGAMAN. Mr. President, I am pleased to join my colleagues in the introduction of the Trade Policy Act of 1985. This legislation realistically deals with our serious trade problems, and in the result of over 10 months of effort by the Democratic Trade Working Group, of which I am a member.

BACKGROUND

The Trade Working Group was appointed by the distinguished minority leader and is chaired by my distinguish colleague from Texas, Senator BENTSEN. We have worked closely as a group to develop this bill, which not only represents our thinking, but also has the endorsement of the Democratic caucus.

Mr. President, the essence of this bill is that it treats our trade difficulties as serious economic problems, not as a temporary political embarrassment that can be dealt with by short-term stopgap measures. Although I am pleased to see the administration finally giving some attention to our trade situation, I believe the steps recently announced are too little and too late to realistically deal with the deep problems of the weakening position of the American economy in the world marketplace. Furthermore, the President's response frankly reflects an attempt to treat our trade problem as a political problem rather than the fundamental international economic problem that it is.

The Trade Policy Act, on the other hand, addresses some of the basic issues dealing with our trade policy and our international economic relations with other countries. Its two main purposes are to reform the international trade and financial rules to make them more effective, and to require the administration to adequately prepare before entering into trade negotiations.

One of the major impediments to free and fair trade is that the present system of international trade and finance is antiquated and functions very poorly. Most of the rules were laid down at a time when trade consisted mainly of goods and the developing nations were content to sell their raw materials to the industrialized world at relatively low prices.

Today, however, we are competing in a world economy characterized by enormous trade in services, agriculture, and currency itself. On a typical day, the trade in currency may be 10 times more than the trade in goods. In addition, the last 20 years have brought new, aggressive players to the world economic stage—the so-called newly industrialized countries [NIC's], who are becoming major competitors of the traditional industrialized countries of North America and Western Europe.

DESCRIPTION OF LEGISLATION

Mr. President, the legislation we are introducing today recognizes this changed world trading system and provides the means for reforming the international "rules of the road" and making American participation in the formulation of those rules more effective.

Specifically, the legislation would:

Create a national trade date system to expand and coordinate the information-collecting functions of the U.S. Government, placing more emphasis on data relating to the competitiveness of American industry. The data would also be used to enhance the export capability of U.S. businesses;

Create the National Trade Council in the Executive Office of the President at the same level as the National Security Council. The Trade Council would be chaired by the President, or in his absence, by the U.S. Trade Representative. The purpose of the Coun-

cil would be to coordinate trade policymaking within the administration;

Create a Commission on U.S. Trade Policy in the 1990's. The Commission would consist of 18 members, including 6 from private industry, 6 from the Senate, and 6 from the House, the latter two divided evenly between the two political parties;

Provide authority for reforming the international trading system, by authorizing the President to undertake negotiations directed toward modernizing the GATT [General Agreements on Tariffs and Trade]. It would require that all trade agreements provide for reciprocal exchanges of obligations. The United States would proceed with bilateral or regional agreements between countries that are willing to accept higher levels of international obligation; and

Provide a procedure for assuring adequate study of any trade negotiation before it begins, and require the President to submit to Congress a detailed description of his preparations.

CAUSES AND EFFECT OF OUR DECLINING POSITION

Mr. President, our trade difficulties are a symptom of our declining competitiveness in the global economy. The reasons for this decline are not hard to find. They are the result of an overvalued dollar, propped up by large and continuing budget deficits; a decline in productivity over a 20-year period, relative to our major trading partners; the lowest savings rate in the industrialized world resulting in a shortage of investment capital; and a tax system that rewards consumption and, unproductive uses of capital and discourages savings.

The results of our lack of competitiveness are tragically apparent: 3 million jobs lost in the last 5 years to foreign competition; the near collapse of whole industries, such as the mining industry in my home State of New Mexico, and the recent layoffs in our once proud semiconductor and computer industries; and more.

MINING

The trade deficit hasn't spared New Mexico. Three of the State's key mining industries—copper, potash, and uranium—have been devastated by unfair and subsidized foreign competition.

At its peak in 1979 the uranium industry in the State employed 7,750; today it employs 150. The copper industry, at its peak in 1981-82, employed 3,185; today it employs 2,200. Potash industry employment is down from 3,000 at its peak in 1980 to fewer than 1,800 today.

These three extractive industries, historically so important to the New Mexico economy, are stark examples of industries threatened with extinction by unfair, subsidized foreign competition and targeted dumping practices. The uranium industry is on the edge of extinction. The potash industry continues to be hurt by potash flowing into the American market from many countries including East Germany and the Soviet Union. Our copper industry nationally, despite rising demand worldwide, has watched its production fall to 59 percent of capacity while other producers, notably Chile, Canada, Zambia, and Zaire, continue to operate at 100 percent.

SEMICONDUCTORS

In New Mexico and throughout the entire Nation our budding, new semiconductor industry is threatened. The industry has been plagued by the same maladies of our other industries that face unfair foreign competition—unemployment, slowdowns, plant closings, and the economic disruption that results. Lay offs have occurred at all of our major companies, including Intel, Signetics, National Semiconductor and others that have plants in New Mexico, and elsewhere.

These layoffs are a direct result of foreign competition, particularly from Japan, which has "targeted" our market and hopes to put our companies out of business. Seven of ten high-tech industries have lost world market shares since 1965. In 1984, our bilateral trade deficit with Japan in electronics was greater than in automobiles.

Recently an unfair trade case, under section 301 of the Trade Act, was filed by the Semiconductor Industry Association and several unfair dumping cases have been filed by individual companies. I personally encourage the President, if he is serious about improving our trade policies, to aggressively eliminate unfair trade by acting quickly on these cases. If we don't act we may not have a semiconductor industry.

OTHER INDUSTRIES

None of our industries have been spared from trade setbacks, not steel, automobiles, electronics, or others. Fully 70 percent of all products in our domestic market now face stiff foreign competition. In addition, our passage from international creditor to debtor status has serious consequences for our long-term economic independence.

I am not suggesting that all our economic ills are caused by foreign competition. What I am saying is that we must recognize the true nature of the global economy and prepare ourselves to compete in that economy.

STRATEGY TO COMPETE

I believe that any successful competitive strategy must revolve around developing a broad consensus that we have a serious problem; that our domestic deficit is at the root of many of our trade problems; that we must find ways to increase productivity of our industries; that our tax laws need to be restructured to encourage productive investment; and that our trade laws need to be vigorously enforced.

Since the beginning of the year, I have introduced or cosponsored legislation to deal with these problems. My bill S. 450, would create an International Trade and Export Policy Commission to develop the consensus needed to effectively develop trade policy. S. 1476, introduced with my distinguished colleague from Maine, Senator MITCHELL, would strengthen the mechanisms to combat unfair trade practices that have so dramatically hurt the U.S. copper, potash, and uranium industries and now threaten the semiconductors industry. S. 1672 would create an Export Promotion and Information Center to assist more American businesses to enter the export market and supply needed services to companies in the export business.

I am pleased, Mr. President, that some of these ideas have been incorporated into the legislation we are introducing today.

TRADE DATA

We need a trade data system in the Federal Government and the Trade Policy Act of 1985 recognizes this need. The Young Commission on Industrial Competitiveness, created by the President, stated that there is a need "to improve the capacity of the Federal Government to collect and distribute relevant market information."

There are now at least 15 agencies that collect trade information. Yet this information is not now collected or disseminated in an organized, helpful way. An effort to collect, organize, and disseminate useful trade information would do much to enhance exporting, among other things.

There are more than 11,000 small U.S. firms that are capable of exporting if given the proper help. These companies could be exporting more than $4 billion a year. A major road block is simply the lack of information about export markets or the export process. My bill and the provisions of my bill included in the Trade Policy Act of 1985, would help to meet this need.

The bill calls for surveying and recommending changes in the current system of collecting, analyzing, and distributing data on international trade. It calls for a coordinated effort by all agencies of the Federal Government. Information collected would include general import and export data, industry-specific data for each foreign nation, product and service specific information, market penetration information, and much more. The bill also calls for coordination with the private sector, for distribution to business concerns and workers, including State and local development agencies, small businesses, and others.

STUDY COMMISSION

The Trade Policy Act of 1985, also includes a modified form of my legisla-

tion to create a temporary bipartisan, National Study Commission on Trade. The Commission on Trade in the 1990's recognizes that we are in a changing global economy. It recognizes that we do not now have a coordinated, cohesive trade policy in this country. And, it provides a framework for creating a trade policy and preparing us for the changing world trade situation. It provides for necessary coordination with the private sector. And it calls for recommended changes in laws and regulations intended to facilitate the administration of the trade and export functions of the Federal Government, enhance export growth, remove trade barriers, enhance common understanding of international trade by businesses, develop expertise on foreign business practices and trade issues, and other purposes.

CONCLUSION

Our competitive position in the world economy will not improve until we take a comprehensive and long-term approach to address its underlying causes. The Trade Policy Act of 1985 is a big step in that direction. I strongly urge my colleagues to support the bill.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 1838. A bill to restrict the dumping of sewage sludge in the ocean site off the coast of New York and New Jersey known as the "106-Mile Ocean Waste Dump Site" to certain authorities currently authorized to dump sewage sludge in the New York Bight Apex; to the Committee on Environment and Public Works.

RESTRICTING OCEAN DUMPING OF SEWAGE SLUDGE

● Mr. LAUTENBERG. Mr. President, I am introducing legislation today to prohibit the Environmental Protection Agency from authorizing sewage sludge dumping by new entrants at the so-called 106-mile sewage sludge dumpsite. This bill is a companion measure to H.R. 3569, legislation introduced in the House of Representatives by Congressmen HOWARD, HUGHES, SAXTON, ATKINS, ROE, GALLO, and FLORIO.

Mr. President, earlier this year, EPA announced its final decision to close the site 12 miles off New Jersey's shores, which is currently used as a dumpsite for sewage sludge, and to move dumping further out to sea, at the 106-mile site until current dumpers develop permanent, land-based alternatives. This action was taken only after years of regulatory delay and litigation. The Ocean Dumping Act was enacted over a decade ago. It was intended by Congress to put an end, once and for all, to continued degradation of our oceans. This intent was reaffirmed in 1977 when the Congress adopted an amendment to the act to halt harmful dumping of sewage sludge. EPA's action in closing the 12-mile site was an indication that it finally intended to take seriously its goal of ending the ocean dumping of sewage sludge.

Fortunately, Mr. President, EPA's decision was not challenged. EPA and the existing ocean dumpers have negotiated schedules which project an end to dumping at the 12-mile site by the end of 1987. And EPA designated the 106-mile site for use for only 5 years. At that time, EPA would evaluate whether ocean dumping of sewage sludge could end.

I was shocked, then, to learn that Boston will soon submit an application to EPA to dump its sewage sludge at the 106-mile dumpsite off New Jersey. The draft application Boston has submitted to EPA indicates that the city plans to dump at the 106-mile site from 1988-96, when a composting plant is supposed to be brought on line. So Boston is planning to ocean dump its sewage sludge in the waters off New Jersey's coast for at least 8 years, well into the 1990's.

Mr. President, Boston's proposed action is not acceptable. Additional sewage authorities should not be permitted to begin to use the ocean to dispose of sewage sludge. Boston's action is a step backward from achieving the goal of ending ocean dumping of sewage sludge.

The New Jersey coastline is the only place on the east coast where it is permissible to dump sewage sludge. If EPA grants Boston a permit to dump sewage sludge off New Jersey, other cities may attempt to dump their sludge at the 106-mile site. New Jersey's coast should not be the dumping ground for sludge generated on the east coast.

Boston's proposed dumping could pose an obstacle to closure of the 12-mile site as scheduled. The existing dumpers at the 12-mile site are supposed to end dumping at that site by the end of 1987. The dumpers convinced EPA that they need this time to build additional barges because the existing barge fleet is inadequate to make the transition to the 106-mile site. If Boston were allowed to dump at the 106-mile site, it might use barges the existing dumpers are planning to use to move the dumping to the 106-mile site. EPA is concerned that this could prevent the closure of the 12-mile site by the end of 1987.

Mr. President, any additional delay in closing the 12-mile site is simply intolerable.

Mr. President, Boston's action is symbolic of the inadequate effort of the Environmental Protection Agency to develop safe, cost-effective, land-based alternatives for disposing of sewage sludge. Unless EPA expands its efforts to develop such alternatives, I fear that more cities will begin to view the ocean as a viable means of disposing of sewage sludge.

Mr. President, Boston should not be allowed to dump its sewage sludge in New Jersey's offshore waters. My bill will prevent Boston or any other city not now dumping sewage sludge in the ocean, from dumping at the 106-mile dumpsite.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1838

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Administrator of the Environmental Protection Agency may not issue or renew any permit under title I of the Marine Protection, Research, and Sanctuaries Act of 1972 which authorizes any person, other than an eligible authority, to dump, or to transport for the purpose of dumping, municipal sludge within the site designated by the Administrator and known as the "106-Mile Ocean Waste Dump Site" (as described in 49 Federal Register 19005).

(b) For the purposes of this section—

(1) The term "eligible authority" means any sewage authority or other unit of State or local government that on November 2, 1983, was authorized under court order to dump municipal sludge at the Apex site.

(2) The term "Apex site" means the site within the Apex at which the dumping of municipal sludge occurred before October 1, 1983.

(3) The term "Apex" means the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.●

● Mr. BRADLEY. Mr. President, it is with great pleasure that I join my colleague from New Jersey in introducing this legislation.

Mr. President, as a coastal State, our 160-plus miles of shoreline are extremely precious to the people of New Jersey. The Jersey shore sustains a vigorous tourist industry, providing millions of visitors with recreation and relaxation. Our coastal waters also support one of the Nation's most vigorous commercial and recreational fishing industries. Moreover, Mr. President, these same waters and ocean currents are, in fact, an important resource for many States in the region.

For these and other reasons, we in New Jersey have fought long and hard to protect our ocean environment. My distinguished colleague from New Jersey and I have worked side-by-side on many occasions to ensure the integrity of our shorelines.

The spirit of compromise was well exhibited during debate on the Clean Water Act. At that time the New York and New Jersey delegations agreed to establish a schedule for New York City to comply with the standards of

the Clean Water Act, as it pertains to the dumping of raw sewage in the Hudson River.

We have also prevailed upon EPA to close a sewage sludge site 12 miles off the New Jersey coast. The nine New York and New Jersey municipalities and sewage districts presently dumping there have been placed on a strict time schedule by EPA to phaseout operations and switch to a site 106 miles off the coast. While the 12-mile site occupied an area of 6.6 square nautical miles with a water depth of 27 meters, the 106-mile site occupies an area of 100 square nautical miles with a water depth of 2,750 meters.

So, we operated for many years on the assumption that if we dump the same amount of sludge into a greater volume of water we risk less environmental damage. While this seems logical, it has not been demonstrated to be true! In fact, we know very little about the transportation of contaminants in the ocean. Where does sludge dumped at one place in the ocean end up? Despite these and other uncertainties we are resigned to the continued dumping by these 9 municipalities and sewage districts at the 106-mile site. However, we will not stand by idly and watch as others seek to join in and add additional sludge—that is, environmental insult—to our oceans. This would undermine the entire purpose of moving from 12 to 106 miles. Yes, we will have gained additional water volume to dilute the sludge but then we would add substantially greater sludge and undo the benefits we attempt to gain.

Mr. President, that is why I am joining my distinguished colleague from New Jersey in introducing this legislation to prohibit any additional municipalities from dumping sewage sludge at the 106-mile site other than those which have already been designated to use it.

Mr. President, perhaps the most illogical aspect about dumping sewage sludge in the oceans is that we are risking potential environmental harm when there are, in most cases alternative, safe methods of disposal. If we expand the use of ocean dumping to permit new sources of sludge, we effectively remove all incentives for municipalities to use composting or incineration.

Mr. President, this legislation sends a clear signal to would-be-dumpers; New Jersey has always been and will continue to be adamant in preserving the beauty of its shoreline.●

By Mr. CHAFEE:

S. 1839. A bill to amend the Internal Revenue Code of 1954 to provide that certain deductions and credits not be allowed for expenditures within an environmental zone, and for other purposes; to the Committee on Finance.

ENVIRONMENTAL ZONE DEDUCTIONS

Mr. CHAFEE. Mr. President, I am today introducing a bill which will make our tax policies and a number of the tax incentives that we have enacted in our Tax Code, consistent with some of our environmental policies.

Since I sit on both the Finance Committee and the Environment and Public Works Committee, I am involved in debate on both of these issues, and I fear that sometimes the right hand does not know what the left hand is doing in these matters. The legislation I am introducing today is designed to make our policies more consistent in these two areas.

It seems only logical that we should not allow tax incentives which encourage unwanted development in areas we are seeking to protect through other nontax related legislation. The bill I am introducing today would therefore eliminate various tax incentives that subsidize activities which harm certain designated natural areas of ecological significance. I have called these areas "Environmental Zones."

Important natural ecosystems are being degraded by development in many areas of the United States. For example, several hundred thousand acres of wetlands are lost each year. Approximately 80 percent of this loss is attributable to agriculture, often in the form of cattle raising or forestry, and much of the remainder is linked to urban development.

Some of the activities which are posing a threat to these ecosystems are encouraged and/or underwritten by tax credits and deductions. With regard to wetlands, for example, the Office of Technology Assessment has concluded that:

> Tax deductions and credits for all types of general development activities provide the most significant Federal incentive for farmers to clear and drain wetlands.

The bill I am introducing today would selectively deny special tax deductions and credits for activities in the designated "Environmental Zones." The bill would not eliminate deductions for ordinary and necessary business expenses that are incurred in connection with activities carried on within these zones, nor would it eliminate the ability of businesses to recover their capital expenditures in an unaccelerated manner for projects within these zones. Further, it would not limit deductions for interest or State and local taxes for businesses in the zones.

The bill is targeted to eliminate only the accelerated methods of cost recovery and the other special tax incentives, such as tax credits, for activities within the zones. You could say that I am proposing the purest form of tax reform for these zones. Many of the deductions and credits I am proposing to eliminate in the zones may be cutback or eliminated as part of tax reform. If that happens, portions of this legislation may become unnecessary. However, I suspect that any major tax reform bill will be unable to accomplish the pure reform which I am suggesting for these zones, so the basic plan proposed by this legislation will be necessary even if we pass a major tax reform plan.

In this bill, I am saying to would-be developers, "Proceed if you wish, but you will get no encouragement from the Federal Government in the way of tax breaks." There will be no tax incentives for development in these zones because such incentives run directly counter to our efforts to preserve these natural areas.

The areas covered by this bill are those that have already been clearly identified as important natural areas either by Congress or, pursuant to other laws, by the Secretaries of the Interior or Agriculture. Another criteria that was used to define "environmental zones" is the lack of existing authorities to manage a particular area in such a way as to assure that incompatible private activities are precluded. For example, areas designated for addition to the National Wildlife Refuge System are included as "environmental zones" unless such areas have been added to the system and are subject to the National Wildlife Refuge Administration Act. Once such areas are subject to the laws governing management of the system, we have solved the problem of incompatible private activity being unknowingly encouraged and allowed to go forward. In that instance, the special treatment provided by the bill would not be necessary.

Other areas that are included under similar conditions and for similar reasons are lands designated for addition to the National Park, Forest, or Wild and Scenic River Systems. The rationale for special treatment and the definition of "environmental zones" includes units of the Coastal Barrier Resources Act, critical habitat designated under the Endangered Species Act, and national natural landmarks under the Historic Sites, Building, and Antiquities Act.

There will be no investment tax credit, no accelerated depreciation, no percentage depletion, no immediate expensing of intangible drilling costs, no special treatment for land clearing expenditures or soil and water conservation expenditures, no capital gains treatment for timber, coal or iron ore, and no exceptions to the at risk rule for activities in the zones. All these special tax benefits will simply be unavailable to those seeking to develop these protected areas.

I look forward to holding a hearing on the bill and receiving comments from all interested parties. For example, is the definition of "environmen-

tal zone" clear enough? Is it broad enough or too broad? It is time we looked at our environmental policies and tax policies together and tried to more carefully reconcile and coordinate the goals of each. I welcome the support and participation of my colleagues in this effort.

I ask that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1839

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. REDUCTION OR DENIAL OF CERTAIN DEDUCTIONS FOR PROPERTY AND ACTIVITIES WITHIN ENVIRONMENTAL ZONES.

(a) IN GENERAL.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding at the end thereof the following new section:

"SEC. 280H. EXPENDITURES WITHIN ENVIRONMENTAL ZONES.

(a) GENERAL RULE.—If a designation as an environmental zone is in effect under subsection (d) for any period, the provisions of subsections (b) and (c) shall apply to amounts paid or incurred in connection with such zone during such period.

"(b) COMPUTATION OF DEPRECIATION, AMORTIZATION, AND DEPLETION DEDUCTIONS.—

"(1) DEPRECIATION AND AMORTIZATION.—Any deduction allowable under this chapter for depreciation or amortization for amounts paid or incurred for property used predominantly within the environmental zone shall be computed in the same manner as the deduction for depreciation under section 168(f)(2) for property used predominantly outside the United States.

"(2) DEPLETION.—The deduction for depletion with respect to any mining activity (within the meaning of section 613(c)(2)) within, or oil or gas well, mine, or geothermal or other deposit located in, the environmental zone shall be computed—

"(A) under section 611, and

"(B) without regard to sections 613, 613A, 616, and 617.

"(c) CERTAIN DEDUCTIONS DISALLOWED.—None of the following deductions shall be allowed:

"(1) EXPENSING OF DEPRECIABLE ASSETS.—Any deduction allowable under section 179 for property used predominantly within the environmental zone.

"(2) SOIL AND WATER CONSERVATION AND LAND CLEARING.—Any deduction allowable under section 175 or 182 with respect to land located in the environmental zone.

"(3) PROVISIONS RELATING TO NATURAL RESOURCES.—ANY DEDUCTION ALLOWABLE UNDER—

"(A) INTANGIBLE DRILLING AND DEVELOPMENT COSTS.—Section 263(c) with respect to any oil and gas well located within the environmental zone.

"(B) TERTIARY INJECTANTS.—Section 193 with respect to any oil or gas well located within the environmental zone.

"(d) ENVIRONMENTAL ZONE DEFINED.—For purposes of this section, the term 'environmental zone' means any area or portion thereof which is located within the boundaries of an area—

"(1) which is designated by the Secretary of the Interior as critical habitat under the Endangered Species Act;

"(2) which—

"(A) is authorized by an Act of Congress to be included, or designated by the Secretary of the Interior or the Secretary of Agriculture for inclusion, within the National Wildlife Refuge System, the National Park System, or the National Forest System; and

"(B) has not yet been included within and become subject to the laws governing management of such systems;

"(3) which is a unit of the Coastal Barrier Resources System;

"(4) which has been designated by the Secretary of the Interior as a national natural landmark under the Historic Sites, Buildings, and Antiquities Act; or

"(5) which has been authorized by an Act of Congress for study as a potential unit of the Wild and Scenic Rivers System, unless such area has been found by the Secretary of the Interior, after completion of such study, to not qualify for designation under the Wild and Scenic Rivers Act.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section, including regulations for the application of this section in any case in which the period for computation of any deduction includes a period during which an area is designated as an environmental zone and a period during which it is not.".

(b) CONFORMING AMENDMENT.—The table of sections for part IX of subchapter B of chapter 1 is amended by adding after the item relating to section 280G the following new item:

"Sec. 280H. Expenditures within environmental zones.".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to amounts paid or incurred after June 30, 1986, in taxable years ending after such date.

(2) DEPRECIABLE PROPERTY.—Subsections (b)(1) and (c)(1) of section 280H of the Internal Revenue Code of 1954 (as added by this section) shall not apply to property—

(A) the construction or reconstruction of which began before November 7, 1985, or

(B) which was acquired pursuant to a binding contract between the taxpayer and an unrelated person which was in effect on November 7, 1985, and at all times thereafter.

(3) CERTAIN ACTIVITIES EXEMPT.—Paragraphs (2) and (3) of section 280H(b) of such Code (as so added) shall not apply to amounts paid or incurred before July 1, 1987, pursuant to a binding contract with an unrelated person which was in effect on November 7, 1985, and at all times thereafter.

SEC. 3. DISALLOWANCE OF CREDITS FOR EXPENDITURES WITHIN AN ENVIRONMENTAL ZONE.

(a) INVESTMENT TAX CREDIT.—Section 48(a) (defining section 38 property) is amended by adding at the end thereof the following new paragraph:

"(11) ENVIRONMENTAL ZONE PROPERTY.—The term 'section 38 property' does not include any property which is used predominantly within an environmental zone (within the meaning of section 280H(d)).".

(b) CREDIT FOR PRODUCTION OF NONCONVENTIONAL FUELS.—Section 29(d) (relating to definitions and special rules) is amended by adding at the end thereof the following new paragraph:

"(10) SALES FROM FUELS PRODUCED IN ENVIRONMENTAL ZONE.—Sales shall not be taken into account under this section with respect to qualified fuels the production of which is within, or which are produced from any property extracted or removed from, an environmental zone (within the meaning of section 280H(d)).".

(c) EFFECTIVE DATES.—

(1) INVESTMENT TAX CREDIT.—The amendment made by subsection (a) shall apply to periods after June 30, 1986, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1954, except that such amendment shall not apply to property to which paragraph (2) of section 2(c) applies.

(2) NONCONVENTIONAL FUELS CREDIT.—The amendment made by subsection (b) shall apply to sales after June 30, 1986, other than sales pursuant to a binding contract in effect between the taxpayer and an unrelated person on November 7, 1985, and at all times thereafter.

SEC. 4. APPLICATION OF AT-RISK RULES.

(a) IN GENERAL.—Section 465(c) (relating to activities to which at-risk limitations apply) is amended by adding at the end thereof the following new paragraph:

"(8) SPECIAL RULES FOR PROPERTY LOCATED, OR USED, IN AN ENVIRONMENTAL ZONE.—In the case of an area designated as an environmental zone under section 280H(d)—

"(A) paragraph (3)(D) shall not apply to real property located within such zone,

"(B) for purposes of paragraphs (4) and (5), the term 'equipment leasing' shall not include the leasing of property to be predominantly used within such zone, and

"(C) for purposes of paragraph (7), the term 'excluded business' shall not include any activity which is conducted within such zone.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to losses occurring after June 30, 1986.

SEC. 5. DENIAL OF TAX-EXEMPT STATUS FOR CERTAIN GOVERNMENTAL OBLIGATIONS.

(a) IN GENERAL.—Section 103(b) (relating to industrial development bonds) is amended by adding at the end thereof the following new paragraph:

"(19) BONDS USED TO FINANCE FACILITIES IN AN ENVIRONMENTAL ZONE.—Paragraphs (4), (5), and (6) shall not apply to any obligation issued as part of an issue any portion of which is to be used for any facility within an environmental zone (within the meaning of section 280H(d)).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to obligations issued after June 30, 1986, unless issued pursuant to an inducement resolution adopted on or before November 7, 1985.

SEC. 6. TREATMENT FROM GAIN OR LOSS FROM SALE OR EXCHANGE OF TIMBER, COAL, OR IRON ORE.

(a) IN GENERAL.—Section 631 (relating to gain or loss in the case of timber, coal, or domestic iron ore) is amended by adding at the end thereof the following new subsection:

"(d) SECTION NOT TO APPLY TO PROPERTY WITHIN ENVIRONMENTAL ZONE.—This section shall not apply to any timber located within, or coal or iron ore extracted from, an environmental zone (within the meaning of section 280H(d)).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or exchanges after June 30, 1986, unless pursuant to a binding contract in effect between the taxpayer and an unrelated person on November 7, 1985, and at all times thereafter.

By Mr. STEVENS:

S. 1840. A bill to amend titles 5 and 39, United States Code, to revise the authority relating to the payment of subsistence allowances to Government employees for periods of official travel, and for other purposes; to the Committee on Governmental Affairs.

CIVILIAN TRAVEL EXPENSES ACT

● Mr. STEVENS. Mr. President, today I am introducing the Civilian Travel Expense Amendments Act of 1985. This bill revises certain provisions of title 5 relating to subsistence allowances by removing the statutory ceilings and changing reimbursement methods for official travel. It reduces administrative costs and provides more equitable reimbursement to the Federal traveler. I believe the changes provide needed improvements in the travel area.

Under our current system, per diem rates for Federal travelers are set by the Congress. At the present time, the maximum rate for high-cost areas is $75 per day and the maximum rate for other areas is $50 per day. These rates have not changed since 1980. The present per diem rates are woefully inadequate. In a September 24, 1985 periodic report to the Congress, the GSA Administrator indicated that the number of high-cost localities increased from 197 to 405 based on a November 1984 survey of 470 localities. Most of official travel now is what are considered high cost areas. The term has lost its meaning and the $75 its value.

Because of the inadequate reimbursement rates, many Federal employees who travel are required to pay for some official travel expenses out of their own pockets. It is simply unfair to expect Federal workers to continually absorb these costs for official travel. This is especially so in light of the fact that we have asked Federal employees to help us fight the budget deficit by maintaining their current pay.

Another problem with the current system is the actual expense method of reimbursement to high cost areas which, as stated before, accounts for much of official travel. Under this system, employees must submit a detailed account, item by item, of each day's expenses along with receipts. This is a time consuming process for employees to prepare these vouchers. Reviewing and auditing the travel vouchers is likewise time consuming and costly to administer.

This bill would address these problems. It would remove the $50 and $75 statutory per diem ceilings and allow the Administrator of GSA to set reimbursement rates administratively. These rates would be based on periodic surveys of travel costs conducted by and data collected by GSA. Because the travel costs vary considerably from city to city, the per diem rates would be locally based.

This legislation would also eliminate the required actual expense reimbursement method for travel to high cost areas. It would enable the GSA Administrator to prescribe reimbursement methods. This change could produce substantial savings. The General Accounting Office in a 1981 report stated that processing costs for the actual expense travel vouchers were 76 percent higher than for the per diem method. GSA has estimated a $54 million annual reduction in administrative costs by moving from an actual expense reimbursement method to the lodgings plus per diem method favored by GSA. This method would require only a lodgings receipt.

GSA estimates that the additional cost for increasing the reimbursement rates will be around $150 million in additional travel costs or about a 5-percent increase in total travel costs assuming existing levels of travel. Agencies could control their costs by improvements in travel management.

Under this bill, the Administrator of GSA may prescribe conditions under which a special per diem allowance may be paid under certain circumstances. Travel expense reimbursement could be authorized from an employee's temporary duty station to his/her home or official work station under certain emergency conditions such as illness of the employee or his/her family or a crisis involving home or property. Currently Federal employees must assume the cost of such emergency travel.

The bill would also authorize payment of travel and subsistence expenses for certain law enforcement employees and their families who have to be evacuated from their homes because of threat to life or property related to the employee's work assignment.

In addition, under this bill the Administrator of GSA would be authorized to set a special per diem allowance for travel outside the continental United States when the regular per diem allowance is inadequate. This would provide consistency between civilian employee and uniformed service personnel.

This bill also includes a provision which affects U.S. Postal Service employees traveling outside of the continental United States. It would allow payment of a locality-based flat rate per diem for these employees. This provision would be particularly important for employees who must travel to remote areas under rather undesirable and sometimes dangerous conditions. For example, Postal Service employees are required to travel to areas in Alaska where there are no appropriate dining or lodging facilities. In such situations, the postal employees often have no choice but to sleep on the floors of post offices and carry their own food with them. With no facilities, these employees cannot provide receipts and, therefore, cannot receive any reimbursement. I believe it is unfair not to provide any compensation to these employees in view of the significant inconvenienced and hardship they experience while on official travel. This bill would address that problem.

The GSA Administrator would be required to review at least every 2 years agency travel and transportation expenses, on a sample basis when possible. The intent is to collect needed data but not impose routine, burdensome reporting requirements on the agencies.

The bill also makes a change in the payment of relocation expenses for employees who transfer from the Postal Service to other Federal agencies which is not permitted under current law. The prohibition is somewhat misunderstood by Federal agencies who tell transferring Postal Service employees they are entitled to reimbursement only to have the claim disallowed. This change is both desirable and necessary.

In summary, I believe the changes proposed in this bill are long overdue. They are much fairer to the Federal work force, greatly simplify administrative processes, and provide a much more flexible travel reimbursement program.

I ask for unanimous consent that the bill and sectional analysis be inserted into the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civilian Travel Expenses Act of 1985".

SEC. 2. Section 5702 of title 5, United States Code, is amended—

(1) by striking out subsections (a), (b), (c), and (d);

(2) by redesignating subsection (e) as subsection (f); and

(3) by inserting before subsection (f), as redesignated by clause (2), the following:

"(a) Under regulations prescribed under section 5707 of this title, the Administrator of General Services, or his designee, shall prescribe conditions under which an employee while traveling on official business away from his designated post of duty or, in the case of an individual described under section 5703 of this title, his home or regular place of business, is entitled to receive—

"(1) a per diem allowance for travel inside the continental United States at a rate not in excess of the rate established by the Ad-

ministrator or his designee (which may be established by locality), and

"(2) a per diem allowance for travel outside the continental United States at a rate not in excess of the rate established by the President, or his designee, for each locality where the travel is performed.

For travel consuming less than a full day, such rate may be allocated in a manner prescribed by the Administrator.

"(b) Under regulations prescribed under section 5707 of this title, the Administrator of General Services, or his designee, shall prescribe conditions under which an employee who, while traveling on official business away from his designated post of duty or, in the case of an individual described under section 5703 of this title, his home or regular place of business—

"(1) becomes incapacitated by illness or injury not due to his own misconduct, or

"(2) returns, before completing his assignment and with the approval of the agency concerned, to his designated post of duty, home, or regular place of business because of a serious illness, injury, death of a member of his family, or other personal emergency, or because of a fire, flood, act of God, or other similar emergency,

is entitled to receive the per diem allowance and appropriate transportation expenses to his designated post of duty, home, or regular place of business, as the case may be. The per diem and appropriate transportation expenses allowable under this subsection may also be authorized for an alternate destination in an amount not to exceed the cost of return travel and transportation to the designated post of duty, home, or regular place of business, as the case may be.

"(c) Under regulations prescribed under section 5707 of this title, the Administrator of General Services, or his designee, may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of official travel inside the United States when—

"(1) the per diem allowance otherwise allowable for such travel under subsection (a)(1) of this section is determined to be inadequate to cover such expenses, or

"(2) payment of a per diem allowance is determined to be otherwise inappropriate.

The amount of any reimbursement under this subsection may not exceed the maximum rate prescribed by the Administrator, or his designee.

"(d) Under regulations prescribed under section 5707 of this title, the Administrator of General Services, or his designee, may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of official travel outside the continental United States when—

"(1) the per diem allowance otherwise allowable for such travel under subsection (a)(2) of this section is determined to be inadequate to cover these expenses, or

"(2) payment of a per diem allowance is determined to be otherwise inappropriate.

The amount of any reimbursement under this subsection may not exceed the amount equal to one and one-half times the maximum per diem rate presecibed for the locality in which the travel is performed.

"(e) Under regulations prescribed under section 5707 of this title, the Administrator of General Services, or his designee, may prescribe conditions under which an employee who serves in a law enforcement, investigative, or other similar capacity, and members of his immediate family, may be paid (1) a per diem allowance by the head of the agency concerned (under the provisions of subsection (a) of this section) when necessarily occupying temporary living accommodations at or away from the employee's designated post of duty because of threat to life or property resulting from the employee's assigned duties, and (2) transportation expenses to and from the location of such accommodations.".

SEC. 3. Section 5707 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(c)(1) The Administrator of General Services (A) shall periodically estimate the total amount paid annually under this subchapter by all agencies for such items as travel and transportation of people, compute the average costs of trips, and determine the duration of trips and the purposes of official travel, and (B) shall analyze the experience determined for such items.

"(2) In order to make the estimates, computations, determinations, and analysis required by paragraph (1) of this subsection, the Administrator of General Services, at least every 2 years, shall collect information on travel and transportation payments made by each agency which spends more than $5,000,000 annually on such payments. The Administrator may also collect information on employee relocation expense payments for the purpose of this subsection. The Administrator may collect information for the purpose of this subsection by a sampling survey, if feasible.".

SEC. 4. (a) Subchapter II of chapter 57 of title 5, United States Code is amended by adding at the end thereof the following new section:

"§ 5734. Travel, transportation, and relocation expenses of employees transferred from the Postal Service

"Notwithstanding any other provision of law, officers and employees of the United States Postal Service who, under section 1006 of title 39, are promoted or transferred from the Postal Service to an agency for permanent duty may be paid travel, transportation, and relocation expenses and allowances under the same conditions and to the same extent as is authorized by the provisions of this subchapter for other employees (as defined in section 5721(2) of this title).".

(b) The analysis at the beginning of chapter 57 of title 5, United States Code, is amended by inserting after the item relating to section 5733 the following new item:

"5734. Travel, transportation, and relocation expenses of employees transferred from the Postal Service.".

SEC. 5. (a) Except as provided in subsection (b), the amendments made by this Act shall take effect 180 days after the date of the enactment of this Act.

(b) Notwithstanding subsection (a), if regulations to implement the amendments made by this Act are prescribed to take effect before the effective date provided in subsection (a), such amendments shall take effect on the effective date of such regulations.

SEC. 6. Section 1003 of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Under appropriate conditions determined by the Board, the Postal Service shall pay an employee a special per diem allowance for official travel in a locality outside the continental United States (as defined in section 5701(6) of title 5) when a per diem allowance equal to the amount prescribed under section 5702(a)(1)(B) of such title for travel in the same locality is inadequate to cover the actual and necessary expenses incurred by the employee for such travel. The rate of special per diem allowance payable under the first sentence may not exceed the sum of $33 and the amount of the locality per diem rate prescribed under such section 5702(a)(1)(B).".

SECTION-BY-SECTION ANALYSIS

SECTION 1

This section provides the short title of the bill. It may be cited as the "Civilian Travel Expenses Act of 1985."

SECTION 2

Subsection 2(a) of the draft bill proposes to revise 5 U.S.C. 5702(a), (b), (c) and (d) as follows:

a. The proposed revision to subsection 5702(a) would provide the authority to establish a per diem allowance payment system for all official travel within the continental United States (domestic travel). The current $50 and $75 statutory maximum rates would be eliminated and the Administrator of General Services (Administrator) would be authorized to establish maximum rates administratively for the domestic travel of civilian employees. As currently provided by executive order, the Secretary of Defense will prescribe maximum locality per diem rates for civilian employee travel in nonforeign areas (outside the continental United States) and the Secretary of State will prescribe maximum locality per diem rates for civilian employee travel in foreign areas. As currently authorized, the Administrator would retain full flexibility to prescribe the methodology for computing and applying per diem rates for civilian travel domestically as well as to, from, between and within overseas localities.

The new proposed per diem authority would replace the actual expense authority for travel in high rate geographical areas currently provided in 5 U.S.C. 5702(c)(2). Although the provisions of proposed subsection 5702(a) would accommodate a variety of computation methods, (i.e., lodgings-plus, flat-rate, etc.), GSA intends, at least initially, to implement a lodgings-plus per diem system whereby the actual per diem rate payable to the traveler would be based on the cost of lodging actually incurred by the traveler plus an appropriate flat-rate prescribed for meals and miscellaneous expenses. The total of these amounts would be limited to an administratively set locality ceiling preestablished by the Administrator.

b. The proposed revision to subsection 5702(b) would authorize the Administrator to provide by regulation for payment of travel and transportation expenses under certain emergency situations. The law, 5 U.S.C. 5702(b), currently authorizes payment of travel and transportation expenses from a temporary duty (TDY) point to the employee's home or official station when the employee becomes incapacitated by illness or injury not due to his own misconduct.

Proposed subsection 5702(b) would also authorize payment of an employee's travel and transportation expenses from a TDY point to his/her home or official station when, prior to completion of the employee's TDY assignment, a personal emergency situation occurs, such as serious illness, injury, or death of a member of the employee's family or a crisis involving home or proper-

ty such as fire (regardless of origin), flood, or act of God.

If after returning an individual to his/her official duty station because of an emergency situation described, the agency determines it is in the best interest of the Government to send the employee back to TDY station, such travel would be considered a new travel assignment at Government expense. The bill further provides that the travel and transportation expenses authorized under this subsection may also be authorized to an alternate location in an amount not to exceed the cost of return travel and transportation to the designated post of duty, or home or regular place of business, as the case may be.

The term "family" as used in the draft bill is intended to be a generic term which would be further defined by regulation and could include family members outside the immediate household such as parents and brothers and sisters of either the employee or spouse, depending on circumstances. The regulations also would define the terms "personal emergency" and "act of God" for purposes of this section.

c. The proposed revision to subsection 5702(c) would authorize the Administrator to prescribe conditions under which an employee may be reimbursed for the actual and necessary subsistence expenses of official travel in instances when the administratively established per diem rate is inadequate or payment of a per diem allowance is inappropriate. It also would eliminate the current statutory limitations on subsistence reimbursements and authorize the Administrator to set maximum daily rates. It is intended that this authority would be similar to the current authority for reimbursement of actual and necessary expenses of travel due to the unusual circumstances of the travel assignment and used only on an exception basis.

The concept of actual expense reimbursement for travel to high rate geographical areas would be eliminated since subsistence expense reimbursement for such travel would be included under the proposed per diem allowance system. The term "unusual circumstances of the travel assignment" has been eliminated as unnecessary under the provisions of the draft bill.

d. The proposed revision to subsection 5702(d) would authorize the Administrator to prescribe conditions under which an employee may be reimbursed for actual and necessary subsistence expenses for overseas travel (outside the continental United States) when the regular per diem allowance established under 5 U.S.C. 5702(a)(2) is inadequate to cover these expenses or when a per diem allowance would otherwise be inappropriate. This proposed authority would parallel the authority in proposed section 5702(c) for domestic travel. The current statutory maximum which is based on the appropriate locality per diem rate plus $33 would be removed and replaced with a similar but more flexible ceiling. Reimbursement under the proposed authority would be limited to the sum of the appropriate overseas locality per diem rate where the travel is performed plus 50 percent of that rate.

Subsection 2(b) of the draft bill proposed to redesignate the current 5 U.S.C. 5702(e) as subsection 5702(f) and to add a new subsection 5702(e) to permit the Administrator to authorize payment of transportation and subsistence expenses for an employee and/or immediate family under certain crisis conditions. This proposed authority would authorize the payment of subsistence expenses for the employee and/or immediate family when they must be evacuated from their home to another location usually within the official station vicinity, because of threat to life or property resulting from the employee's assigned duties. This would be a special provision applying only to employees serving in a law enforcement, investigative, or other capacity involving organized crime or other criminal activity. It has been requested by the Department of Justice. However, this authority would be applicable to employees of any agency in similar situations. It is expected that regulations implementing this new authority would require the agency head to review the circumstances surrounding the need to temporarily move an employee and/or family from their home and to authorize or approve payment of these subsistence and transportation expenses on an individual case basis.

SECTION 3

This section provides for a new subsection 5707(c) which will provide authority for the Administrator to collect transportation and travel payments data on a continuing but not regular basis. The requirements of the new subsection are a modification of the now expired congressional reporting requirement imposed on the Administrator by Public Law 96-346 but less detailed and restrictive so as not to impose an undue burden on GSA or the reporting agencies. The information would be collected at least every 2 years, on a sampling basis to the extent feasible, from those agencies spending $5,000,000 or more annually on travel. This would give GSA the flexibility to collect mileage data one time, and per diem data 2 years later, without burdening its staff and the staffs of the reporting agencies with the necessity to amass all categories of spending data every time.

GSA does not contemplate seeking information more often than every 2 years, but an annual collection for special purposes would not be precluded. Information on the use of discount fares probably would not be collected from the agencies, inasmuch as that information can be provided at least partially through other sources such as the travel management centers. Information on the use of first-class air accommodations will not be collected on a regular basis, because GSA found in past reports that such usage is not a significant problem. However, information on that practice could be developed as needed from time to time. The proposed reporting requirement would also include collection of data on employee relocation payments but only on an as needed basis.

SECTION 4

This section of the bill corrects on oversight in existing law by adding a proposed new section 5734 to subchapter II of chapter 57, title 5, United States Code. The new section provides authority for agencies to reimburse employees transferring from the Postal Service for their travel, transportation and relocation expenses under the same conditions and to the same extent as any other employee covered by title 5 when transferring in the interest of the Government. Section 5734 would restore the entitlement that Postal Service employees held prior to 1970. This entitlement was lost through an apparent oversight when the Postal Reorganization Act of 1970 was enacted specifically excluding Postal Service from coverage under title 5. In connection with this exclusion section 1006 of title 39, United States Code, provides that Postal Service employees shall be eligible for promotion or transfer to any other position in the Postal Service or executive branch of the Government for which they are qualified. However, section 1006 makes no reference to eligibility for relocation allowances in connection with transfers.

The Comptroller General of the United States, General Accounting Office (GAO), has ruled that both the losing and gaining agency must be included as an agency under title 5 for the transferred employee to be eligible for the travel, transportation and relocation entitlements. Many agencies unaware of the change in status of the Postal Service have erroneously authorized these entitlements. Several employees acting in good faith have accepted transfers and incurred relocation expenses, later to be denied reimbursement. The only remedy for this situation has been private relief measures. Section 5734 would correct the oversight and allow employees being transferred from the Postal Service to be treated the same as other transferred employees. It would also eliminate the need for private relief measures.

SECTION 5

This section provides for a delayed effective date to allow time for regulatory implementation.

SECTION 6

This section proposed to amend section 1003 of title 39 of the United States Code to allow for payment of a special per diem allowance to Postal Service employees for official travel in a locality outside the continental United States when the per diem allowance prescribed under section 5702(a)(B) for travel to the same locality is inadequate to cover the actual and necessary expenses incurred.●

By Mr. DODD:

S. 1841. A bill to require depository institutions to disclose to their customers their practices relating to the availability of funds in connection with check deposits, to require the timely payment of interest on deposits to interest bearing accounts, to improve the check clearing system, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

FAIR DEPOSIT AVAILABILITY ACT

● Mr. DODD. Mr. President, today I am reintroducing the Fair Deposit Availability Act, a bill that would reduce the long hold times bank customers must endure when they wish to withdraw funds based on check deposits.

This legislation is the product of 3 years of consideration by the Banking Committee. At the first hearing on the subject, which was conducted by the Consumer Affairs Subcommittee on March 10, 1982, evidence was presented that confirmed the fact that a large number of depository institutions were imposing long hold periods on their customers' checks—averaging about 5 business days on checks drawn on institutions in the same State and 12 business days on checks drawn on out-of-state institutions. In addition, the

hearings revealed that a significant number of bank customers experienced problems with check holds—ranging from annoyance to store and bank charges for bounced checks because the banks had yet to make available funds based on completely legitimate deposited checks.

The hearing also focused on a 1979 study of the problem conducted by a joint task force of the American Bankers Association and the Federal Reserve Board which, after outlining the kinds of problems described above, concluded that banks should differentiate between established customers and new ones and "retain the flexibility to provide established, financially responsible customers with funds availability on a schedule at least equal to the receipt of 'provisional credit' (usually 1 or 2 days after a check is deposited) by the bank without extending similar funds availability in situations that involve crime or financially irresponsible individuals." Despite this study, both the ABA and the Fed felt that there was no need for legislation and the Fed asked for a short time to do another study. While I was skeptical of the need for another study, I was willing to give them the time and I expressed my hope that the industry would solve the problem on its own.

Eleven months later, when the Fed had not done another study, partly because they were not able to arrange meetings with the ABA, and the industry had taken no action to resolve the problems, I introduced S. 573, the Fair Deposit Availability Act of 1983.

Even then, we were not able to get the industry's attention until hearings were scheduled on my bill for September 1983. One month before those hearings, the ABA sent out a letter to all its members urging them to adopt general hold practice policies and disclose them to their customers in order to head off any congressional action.

Since that time, the banking industry has been making a good faith effort to inform their customers of banks' hold policies. However, disclosure is only half the solution. The other half is an actual reduction in the number of days people have to wait to get their money. The best way to achieve that end has been widely debated within and without the banking industry. My original bill addressed the problem by mandating an expedited system for returning bad checks. The banks were split on the best way to solve the problem. Some argued that the return system had to be automated but were fearful of the costs involved in the approach I suggested. Others felt that most of the problem could be cured simply by having banks evaluate the dangers involved with particular customers and particular types of checks. In fact, the Bank of America testified that it places holds on less than 1 percent of all its checks. Those holds are placed only on the checks that cause the greatest problems—those in new accounts, of high dollar amounts, and those drawn on accounts with historical difficulties.

These different views convinced me and other members of the Banking Committee to amend S. 573 to give the Fed time to decide which approach was better. Thus, the amendment bill—which was incorporated into the Financial Services Competitive Equity Act—gave the Fed 3 years to promulgate a final regulation to reach a goal of reducing hold times to no more than 2 or 3 days for all checks that do not represent a "serious risk of loss" to depository institutions. In addition, the bill requires all depository institution to disclose their hold periods to their customers. Unfortunately, although the Financial Services Competitive Equity Act passed the Senate in September 1984, it and the delayed funds title died when the House of Representatives did not pass any banking legislation.

In this Congress, House Banking Committee Chairman FERNAND ST GERMAIN has introduced similar legislation with 145 co-sponsors and recently held hearings on the bill. I anticipate speedy House action and so I decided to reintroduce basically the same bill that our Banking Committee reported last year so that we can act expeditiously as soon as the House has completed action. I am delighted that Senators D'AMATO, PROXMIRE, CRANSTON, and GORTON have joined me as original cosponsors.

While I am optimistic that we will be able to relieve the American consumer of this unfair burden shortly, I recognize that the Congress has been known to act as slowly in passing banking legislation as banks have been in giving customers access to their funds. Therefore, I have pragmatically titled the new bill the Delayed Funds Availability Act of 1986!●

By Mr. PROXMIRE:

S. 1842. A bill to reduce the use of limousines by Government officials; to the Committee on Governmental Affairs.

REDUCING THE USE OF LIMOUSINES BY GOVERNMENTAL OFFICIALS

Mr. PROXMIRE. Mr. President, it is time to put the breaks on chauffeur service for Federal employees and that is why I am introducing the Chauffeur Limitation Act of 1985.

My bill strengthens current law in three ways. First, it limits the number of Federal officials eligible for home-to-work transportation by establishing a "cap" on each branch of Government—a reduction of one-third from current practice. Second, my bill requires full disclosure of all individuals eligible for home-to-work transportation and annual reporting of all violations. Third, it establishes mandatory penalties and vests enforcement authority with the inspector general of each agency.

EXISTING LAW

Since 1946, Federal law has prohibited the use of Federal vehicles for home-to-work transportation for all Government employees. Exemptions were established in the statute for the President, the Cabinet, and principal diplomatic and consular officials.

In other legislation, the Congress also exempted the Vice President, the Chief Justice, and the elected leadership of the House and Senate. If the basic law and these few exemptions had been strictly observed, there would be no need for my bill.

But over the last 40 years, there has been a virtual caravan of Federal officials seeking chauffeur service.

After all, there is nothing—but nothing—a bureaucrat treasures like having his own limousine and chauffeur. Why? Because the limousine is the ultimate ego trip. The supreme sign of success.

For those less fortunate, the right to summon a car and driver from the motor pool was highly treasured. And, if all else failed, a Federal employee could try to get a car assigned for his or her exclusive use, even though it came without a driver.

No wonder that my 1982 survey found at least 190 Federal officials could summon a car and driver to take them home.

THE COMPTROLLER GENERAL'S 1983 RULING

The practice became so blatant that the Comptroller General issued a warning in 1983 that Federal officials could no longer cavalierly ignore the law. He put Federal officials on notice that they would be held liable for any violations beginning this year.

But even the Comptroller General's ruling has not deterred Federal bureaucrats. They either sought additional legislative exemptions, such as the Defense Department which secured 10 exemptions, or they simply ignored the law.

A study released by the General Accounting Office just 2 months ago found 128 Federal officials receiving home-to-work transportation—79 of whom were not authorized.

And now we find the Reagan administration's fiscal watchdog, the Office of Management and Budget, proposing legislation that could increase the number of eligible officials still further under the guise of "clarifying" the law.

THE REFORM BILL

Mr. President, it is time to strengthen the law, not weaken it, and that is just what my bill would do.

First, the bill establishes a firm cap on each branch of Government and cuts the executive and the legislative branch each by one-third.

The executive branch would be cut from approximately 40 individuals to 28 officials: the President, Vice President, 13 Cabinet officers and provides the President with the flexibility to designate another 13 executive branch officials.

The Congress and its staffs would also be cut by one-third from the current level of 21 to 14: limiting each Chamber to no more than seven vehicles for this purpose.

And the eligibility of the Chief Justice is retained.

Second, the bill requires the inspector general of each agency to report yearly on the compliance of their agency with the provisions of this law as well as report on the remedial actions taken. In addition, each agency's budget would be required to disclose the names of individuals designated to receive home-to-work transportation.

And, finally, the penalties would be strengthened. Full repayment to the Federal Government of all expenses involved, and a minimum 3-day suspension without pay, would be mandatory—not optional—for all individuals in violation of the law as well as the supervisor who authorized it. In addition, the bill retains the provision in current law that for egregious cases an individual can be dismissed from Federal service completely.

By establishing a firm "cap" on each branch of Government, requiring full public disclosure and mandatory financial penalties, my bill will finally give the law the teeth it needs.

I am delighted that Congressman LEE HAMILTON (D-Ind.), is introducing a similar measure in the House of Representatives and I hope that our colleagues in both Houses will join us in seeking enactment of this long-needed legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1842

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1344 of title 31 is amended to read as follows:

"§ 1344. Passenger motor vehicle and aircraft use

"(a) Notwithstanding any other provision of law unless enacted in specific contravention of this section, an appropriation may be expended to maintain, operate, and repair passenger motor vehicles or aircraft of the United States Government only to the extent that such vehicle or aircraft is used to provide transportation for official purposes. An official purpose does not include transporting officers and employees of the Government between their residences and places of employment except—

"(1) medical officers on out-patient medical service; and

"(2) officers and employees performing field work requiring transportation between their residences and places of employment when the transportation is approved by the head of the agency.

"(b) A motor vehicle or aircraft may be used to transport between residence and place of employment the following officers and employees of the Government:

"(1) the President or the Vice President;

"(2) the heads of executive departments listed in section 101 of title 5;

"(3) principal diplomatic and consular officials;

"(4) as many as 13 employees of the executive branch, not otherwise exempted under this subsection, to be designated by the President;

"(5) members or employees of Congress, provided that each house may not employ more than 7 vehicles to provide transportation under this paragraph; and

"(6) the Chief Justice of the United States.

"(c)(1) The President shall include in the budget justification for each agency submitted each year to both Houses of Congress a complete listing of employees of such agency who receive transportation between their residence and place of employment under this section.

"(2) The Inspector General or comparable official of each agency shall submit to the Committees on Appropriations of both Houses of Congress each year, an evaluation of the agency's compliance with this section, including a complete listing of all known violations for this section and remedial action taken.

"(d) An officer or employee who uses or authorizes the use of a motor vehicle or aircraft in violation of this section shall be suspended without pay by the head of the agency and shall be required to reimburse the Government for all expenses improperly incurred. Such suspension and reimbursement shall be effected by the agency Inspector General or comparable official of the agency. The officer or employee shall be suspended for not fewer than three days, and when circumstances warrant, for a longer period or summarily removed from office.".

By Mr. KENNEDY:

S. 1843. A bill to establish a commission to monitor and evaluate elections in the Philippines; to the Committee on Foreign Relations.

COMMISSION TO MONITOR AND EVALUATE ELECTIONS IN THE PHILIPPINES

Mr. KENNEDY. Mr. President, over the weekend, President Ferdinand Marcos announced his intention to hold Presidential elections in the Philippines some time in early 1986. President Marcos' decision to move the Presidential election date up 2 years—from the originally scheduled time in 1987—comes as a welcome surprise to all who care about the future of democracy in the Philippines. The Filipinos clearly want and should have the opportunity to decide for themselves who should lead them through what may be some of the most critical years in Philippine history.

In the course of making his announcement, President Marcos also extended an invitation to the Congress to monitor these elections for the purpose of guaranteeing that they are free, fair, and honest. This too was a welcome announcement, for at this turning point in Philippine history, it is absolutely imperative that the democratic processes and democratic institutions inside the Philippines be strengthened and protected, and that these elections, whatever their result, not be rendered meaningless by widespread allegations of fraud or intimidation. The future of democracy in the Philippines rests in the balance.

As Americans, we have at least three special reasons for the United States to monitor these upcoming elections.

First, the American people and the Filipinos have a special relationship and share a special history. We fought together—and many Americans and Filipinos died together—during the Second World War in the cause of freedom and democracy. The Filipinos have proven their commitment to democratic values and principles over and over again. The American people share that commitment. But we also have a very special obligation—not only to defend those same values and principles but also to stand with and support those individuals inside the Philippine nation who are working to translate those values and principles into reality.

Second, the nation of the Philippines is at a moment of real crisis in its history. It is in need of strong, confident, legitimate leadership. The economy is in a shambles, and a guerrilla insurgency seems to be gaining strength with every passing day. The faith of the Filipinos in their Government appears to be an all-time low. There is little reason to wonder at that: The Philippine military's complicity in the murder of Benigno Aquino gives the appearance that that bloody crime was ordered or at least sanctioned at the very highest levels of Government; President Marcos continues to highest levels of Government; President Marcos continues to exercise absolute power, ruling by decree when necessary and suppressing internal dissent when needed; the activities of the Philippine military continue to give rise to reports of gross abuse of human rights as the Armed Forces combat the insurgents with excessive and indiscriminate violence that leaves hundreds of embittered and innocent victims in its wake; and continuing and increasingly well documented reports of corruption and self-dealing at the very highest levels of the Philippine Government give good cause to wonder whether Philippine public servants are really serving the people or are, in fact, serving themselves first, last, and always.

So the time is right to test President Marcos' mandate to govern.

Finally, the United States has its own special concerns about the future of the Philippines. We provide hundreds of millions of dollars in economic and military assistance to the Phil-

ippines each year, and we rely upon Clark Air Field and Subic Bay Naval Station as integral parts of our national defense. It is critical for us to know—as we determine future levels of United States aid to the Philippines and as we evaluate the prospects of our military bases there—whether the 1986 elections for President will provide the people of the Philippines the opportunity to campaign and vote in legitimate free and fair Presidential elections.

I am therefore introducing legislation today to establish a Commission to monitor and report back to the Congress on the 1986 elections in the Philippines. I propose that we accept President Marcos' invitation and make a serious, concerted effort to observe these upcoming elections.

The concept is simple. In this legislation, I propose that a six-member Commission be appointed by Congress and the administration. The members of the Commission will be expected to travel to the Philippines and—on a full-time basis—to establish a visible and active presence and investigation and reporting back to Congress on the electoral process underway in that country. This Commission would assess the process on the basis of internationally recognized guidelines and would submit an interim report to Congress—before the election itself is held—evaluating the openness and fairness of the election process.

It may come to pass that the legitimacy and credibility of this historic election will depend on the legitimacy and credibility of this Commission. For that reason, I believe that the members of the Commission should be composed of distinguished, experienced, and prominent American citizens, well-known and well-respected for their fair-mindedness and proven impartiality. And I also believe that the members of this Commission should spend full time—between now and election day in the Philippines—on the task of monitoring the electoral process inside that country. For that reason, this legislation includes a prohibition that forbids any Member of Congress or any official in the executive branch from serving on this Commission.

No additional authorization is needed to fund this Commission. The financing for this Commission will come from the $3 million that has already been appropriated and made available in the Foreign Assistance Act of 1961 to promote increased adherence to civil and political rights in countries currently eligible for U.S. assistance.

There are numerous precedents for observer delegations to observe the elections in foreign countries. Two of the most well known are the cases of the 1980 Zimbabwe elections and the recent elections in El Salvador.

In the case of the Zimbabwe election, the British Commonwealth full-time observers, each with 2 staff members to monitor the elections for a total of 6 weeks; 33 more observers were flown in to observe the election day proceedings. That historic election brought an end to a bitter civil war and by all accounts was both free and fair.

In many instances, where less extensive monitoring delegations were sent to observe elections, the results of the elections are more controversial. In the recent elections in El Salvador, the United States Congress has sent delegations to observe those elections, yet they arrived just a few days before and left shortly after those elections. Because of their limited visits, such missions are often only capable of producing a description and brief analysis of the technical aspects of the voting process. As a report recently produced by the International Human Rights Law Group, funded in part by the administration, has observed, while the presence of short-term observers in the country on election day deters manipulation and fraud by the electoral authorities, their primary purpose often is to signify support for the electoral process.

I have attempted to fashion this Commission in a manner which will avoid any advance endorsement of the Philippine elections. Rather, it is structured to provide a method for the fullest and most objective way for Congress to determine if the Philippine Presidential elections are indeed free, fair, and honest.

By arriving in the Philippines sufficiently prior to the election, the Commission's members will be able to establish a presence and to meet with a wide cross-section of the population. They will be in position to judge the conditions for free participation by all citizens in the election, free access to the media by all citizens in the election, free access to the media by all parties, the existence of an objective and honest official election committee to oversee and direct the elections as well as the capacity and willingness of the Armed Forces to enforce the election process in an honest, objective, and fair manner.

There are many obstacles that exist to a free and fair election in the Philippines. In past elections, there have been numerous reports of election fraud, including denial of access to the press, illegal ballot counting, and intimidation of opposition parties and candidates.

The role of NAMFREL, the National Organization of Poll Watchers, in the 1984 Philippine elections has been highly praised for its role in ensuring a surprisingly honest election. Yet Marcos has since revoked NAMFREL's accreditation despite U.S. pressure against such a move. It is my hope that recent reports that Marcos may reaccredit this important organization are true and that Marcos will allow the Philippine citizens a role in monitoring their own election.

The Commission I am proposing will provide a much needed incentive to the Marcos regime to hold as free and as fair elections as possible. And this Commission's findings will provide the United States Congress with a sound basis on which to determine the future of the United States Government to the Government of the Philippines.

I urge the Senate to act favorably and promptly on this important piece of legislation.

In addition, I am also writing today to the Comptroller General in connection with the increasing number of disturbing reports of corruption at the highest levels of the Philippine Government. Many of these reports suggest that United States' aid to the Philippines has been diverted by individuals at the highest level of the Philippine Government, including President and Mrs. Marcos or others acting in the behalf.

I believe it is of the utmost importance to the American people to determine whether such allegations are true. I am therefore requesting the General Accounting Office to conduct an independent study of United States and multilateral assistance to the Philippines to determine whether there has been any diversion of United States funds to purposes other than those intended.

I have asked the study to investigate United States economic and security assistance since 1978 as well as multilateral assistance to the Philippines to which the United States has been a contributor. In instances where diversion of United States funds has occurred, I have asked for the fullest possible accounting of who is responsible and for what purpose the funds were actually used.

In addition to exploring the possibility of corruption in the Philippines, this report will be a test of our Government's ability to monitor how United States tax dollars are spent. I believe the U.S. Government should be able to account fully for the millions of dollars we invest in foreign assistance, either through our bilateral aid programs or through multilateral institutions.

At a time when the economy of the Philippines is in serious trouble with severe shortages of foreign exchange and high unemployment, for prominent Philippine citizens to be exporting hundreds of millions of dollars outside of their country for investment abroad, raises the most serious questions about that Government's commitment to the welfare of its citizens.

It is my hope that this investigation will provide valuable and timely information for the current debate of United States foreign policy toward the Philippines and especially with respect to the appropriate levels of United States economic and military aid to the Philippines for the future.

Mr. President, I ask unanimous consent that the full text of the bill may be printed in the RECORD, as well as the text of my letter to GAO and related articles.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SEC. 1. (a) The Congress finds that:

(1) The Government of the Republic of the Philippines has announced its intention to hold elections in early 1986.

(2) It is in the security interests of the United States as well as in the interests of the people of the Philippines to encourage free and fair elections and a return to democracy in that country;

(3) It is essential for the Congress, determining future aid levels to the Philippines, to know whether these elections are free, fair, open, and honest;

(4) Section 116(e) of the Foreign Assistance Act of 1961 authorizes and encourages the President to use not less than $3,000,000 for openly carrying out programs and activities to encourage or promote increased adherence to civil and political rights, as set forth in the Universal Declaration of Human rights, in countries currently eligible for assistance.

ESTABLISHMENT OF ELECTION COMMISSION

SEC. 2. (a) There is established a United States Commission on Elections in the Philippines (hereafter in this bill referred to as the "commission") to observe and monitor elections in the Philippines. The commission shall be composed of members having experience in the monitoring of elections, knowledge and understanding of international human rights, and knowledge of the Philippines;

(b) No member of the Commission shall be a member of the Congress or the Executive Branch of the Federal Government.

(c) The commission shall consist of six members appointed as follows:

(1) 2 individuals appointed by the Senate in consultation with the Majority and Minority Leaders of the Senate;

(2) 2 individuals appointed by the House of Representatives in consultation with the Speaker and Minority Leader of the House of Representatives;

(3) 2 individuals appointed by the President, one of whom shall be designated by the President as chairperson of the Commission;

(d) The members of the Commission are encouraged to monitor as many polling places as feasible on the day of any election.

(e) The Commission may employ and fix the compensation of such staff as it may require. Funds authorized to be available under section 116(e)(1) of the Foreign Assistance Act of 1961 may be available for the necessary expenses of the commission.

REPORTS OF THE COMMISSION

SEC. 3. (a) Not later than 30 days after the appointment of its members, the commission shall submit to the Congress a report setting forth its preliminary findings regarding the electoral process in the Philippines and assessing:

(1) the existence of an objective election committee accredited by the Government of the Philippines to oversee and direct the elections;

(2) the capacity and willingness of the Philippine armed forces to enforce the election process in a fair and objective manner;

(3) the access of all political parties and candidates to the media, including print, radio, and television; and

(4) an assessment of the ability of parties and nonpartisan groups to monitor the balloting in all regions of the country.

(b) Not later than 30 days after the date of any election in the Philippines, the commission shall submit to the Congress a report evaluating, with respect to such election—

(1) the integrity of the ballot process, including whether the candidate or party that received the proportion of the vote prescribed by law was permitted to assume office and power;

(2) the ability of all the citizens of the Philippines to participate in the political process, including their right to a secret vote and their right to be elected to office;

(3) the respect for the rights of freedom of expression, freedom of association, and freedom of assembly during the campaign, including—

(A) whether the campaign period was adequate to permit political organizing and campaigning and to inform citizens about the candidates and issues; and

(B) the access of all parties to the media, including print, radio, and television, and citizens' ability to receive such information from the media;

(4) the role of the accredited election committee and its performance in overseeing and directing the elections; and

(5) the effectiveness and fairness of the role of the armed forces in the electoral process.

U.S. SENATE,
Washington, DC, November 7, 1985.

CHARLES A. BOWSHER,
Comptroller General U.S. General Accounting Office, Washington, DC.

DEAR SIR: I am deeply concerned about the deteriorating political and economic situation in the Philippines and particularly whether United States military and economic assistance is being used for its intended purpose.

There have been an increasing number of reports of corruption at the highest levels of the Filipino government leading to my concern that United States aid to the Philippines has been diverted by President and Mrs. Marcos or by individuals acting on their behalf.

I am, therefore, requesting the General Accounting Office to conduct an independent study of the total assistance program to the Philippines, including: a) U.S. Economic Support Funds; b) U.S. security assistance programs; and c) to the fullest extent possible, multilateral assistance to the Philippines.

I would like the study to identify and evaluate for each of these areas the total amount and purpose of assistance authorized and appropriated since 1978 and the amount and recipient of final expenditures for each program.

In instances where diversion of funds for purposes other than those originally intended by the U.S. government has occurred, I request the fullest possible accounting of who is responsible for the diversion and for what purposes the funds were actually used.

I believe it is important to establish to what extent the United States is able to monitor its expenditure of U.S. tax dollars. I would therefore also request an investigation of existing controls and monitoring mechanisms with respect to U.S. assistance to the Philippines, and your recommendations of ways in which those controls and mechanisms should be improved.

I am aware of the difficulties your office may face in investigating the U.S. supported multilateral assistance provided to the Philippines through institutions such as the World Bank, the International Monetary Fund and others. However, as the United States is a major contributor to these institutions, it is important for the Congress to be able to monitor the use of these funds.

I hope that you will expedite this investigation. Your findings will play an important role in the current debate about U.S. policy toward the Philippines—e.g., how much military and economic assistance should the United States be providing to the Marcos government. I request that the report be unclassified to the fullest extent possible. If portions of the findings are classified, I would request a classified and unclassified version of the report.

It is my hope that the report will be available for use in next Spring's budget debate. If the full report is not completed by the end of February, 1986, I would appreciate an interim report of your findings at that time.

Your assistance in this matter is greatly appreciated, and I will be glad to cooperate with your office in further defining the scope of this study. Thank you for your assistance and I look forward to the results of your investigations.

Sincerely,

EDWARD M. KENNEDY.

[From the Village Voice, Oct. 15, 1985]

MARCOS TAKES MANHATTAN—HOW THE FIRST FAMILY OF THE PHILIPPINES AND THEIR FRIENDS ARE BUYING UP NEW YORK

(By William Bastone and Joe Conason)

As the tide of revolt rises in the Philippines, U.S. policymakers are increasingly worried about the stability of Ferdinand Marcos' dictatorial regime and the security of American military bases there. But Marcos and those close to him have other concerns as well. Like his late friend the Shah of Iran, the master of Malacanang Palace seems to be preparing for the end. According to some economists, as much as $10 billion has been secretly invested abroad by Marcos and other prominent Filipinos seeking safe havens for their money.

A *Voice* investigation has uncovered extensive real estate investments by Marcos, his wife, Imelda—who will visit the United Nations next week—and their family and so-called cronies in the New York City metropolitan area. Veiled by lawyers, nominal investors, and offshore corporations, these holdings, according to documents and sources in the Filipino business community, range from individual luxury condominiums to major commercial development projects and office towers, and are conservatively valued in the hundreds of millions of dol-

lars. Over the last few years—especially since the assassination of opposition leader Benigno Aquino in August 1983—the Marcos interests, these sources say, have joined the biggest players in New York real estate with deals ranging from prime midtown properties like the Crown Building on Fifth Avenue at 57th Street to prestigious addresses on Wall Street.

The principal agents for all this Filipino real estate activity in the New York area appear to be Ralph and Joseph Bernstein, founders and co-owners of New York Land Company. According to a former adviser to Ferdinand Marcos, who requested anonymity, the Bernsteins have been handling deals for the Marcoses since 1981. Last summer, New York Land, in conjunction with a Japanese construction company, made an unsuccessful bid of nearly $500 million for the New York Coliseum site and last spring it completed work on the $60 million Herald Center mall.

The flight of capital from the Philippines is an explosive political issue in that impoverished, debt-ridden, and corrupt country. Most of that money has been sent to the United States, in apparent violation of Philippine foreign exchange laws, and most of those sending it are friends, relatives, and employees of the "First Family." The charges of hidden wealth, or "dollar salting" as Filipinos call it, have been the talk of Manila for several years, but the facts have only recently begun to emerge. Last August, after a series of articles in the *San Jose Mercury News* that focused attention on hidden Filipino wealth in California, the parliamentary opposition to Marcos filed an impeachment resolution, which was quickly squashed, accusing him, his family, and cronies of:

". . . plundering the nation's wealth . . . and, in gross violation of Philippine foreign exchange laws, diverting most of such ill-gotten wealth to foreign countries. . . ."

Ferdinand Marcos insists that he and his wife have no foreign investments at all and calls all such allegations "a malicious lie." He has ordered his justice minister, Estelito Mendoza, to look into illegal hidden wealth abroad, but Mendoza has exempted Marcos from his probe.

A report on the Philippines that appeared on ABC's *20/20* last August 22 included an interview with Imelda Marcos in which, stammering and looking flustered, she responded to allegations about her own hidden wealth in the U.S.:

"Well, this is really, this is all a rumor. I am amazed, the many places I have been to or have passed through or been invited to [that have] been [called] mine. Now it looks like everywhere I go, I must use blinders for fear that every place that I look . . . [laughs] is mine. This is a bit unfortunate and this just shows that they must surely be bankrupt of issues. But they can go this low, this is understandable. This is part of the political game."

The first concrete evidence to support these allegations surfaced in a financial dispute between Imelda Marcos and two of her apparent front men, who accused her in separate lawsuits of attempting to swindle them out of millions of dollars in a Long Island resort development. Although both cases were settled this year, one as recently as last month, they exposed a paper trail that led far beyond their original allegations.

THE PAPER TRAIL

On February 1, 1984, attorneys for Augusto M. Camacho, a Filipino architect who worked on two buildings owned by the Philippine government in New York, filed suit in Suffolk County Supreme Court against Imelda Marcos; a Curacao corporation known as Ancor Holdings, N.V.; the Luna 7 Development Corporation; and three close Marcos associates: architect Jorge Y. Ramos; Philippine consular employee Miguel Arguelles; and Antonio Floriendo, a multimillionaire industrialist with large holdings in bananas, sugar, and shipping who belongs to President Marcos' inner circle.

Camacho alleged in his complaint that Imelda Marcos "does business in New York State systematically and continuously . . . [including] extensive real estate purchasing, improving, developing and managing. . . . Among other reasons, Marcos employs agents, representatives and/or nominees to keep hidden her personal direct participation and involvement. . . ."

In 1980, Camacho had become a 10 percent stockholder in the Luna 7 Corporation, set up to develop the Lindenmere, a 10-acre estate in Center Moriches with a mansion designed by Stanford White, into a $19 million luxury resort and condominium. But Camacho was angry, according to his complaint, because six months after the property was purchased, "Marcos decided to make Lindenmere into her private personal estate and discontinued the development of the $19 million resort." He said that Marcos demanded in November 1982 that all Luna 7 shareholders deliver their stock certificates to her, which Camacho refused to do, since he believed his share of the property was worth at least $1 million. At that point, he claimed, Marcos had the property transferred from Luna 7 to Ancor Holdings, a company controlled by her in which Camacho owned no interest.

Camacho felt swindled, and he wasn't the only one. A virtually identical lawsuit was filed in Suffolk last March by Dr. Pablo Figueroa, a close friend of Ernesto Pineda, the Philippine consul general in New York. Figueroa, too, watched helplessly as his 10 percent interest in the fabled Lindenmere was transferred out from under him. Yet neither plaintiff has been talkative. Figueroa could not be reached for comment, and in two brief *Voice* interviews Camacho refused to comment about his dealings with Imelda Marcos.

In their court papers, both Figueroa and Camacho identified Bernstein, Carter and Deyo—Joseph Bernstein's Manhattan law firm, which specializes in offshore tax havens for foreign investors in New York real estate—as the attorneys for Luna 7 and Ancor Holdings. Initial purchase documents in the Suffolk County Register's office showed another firm as the lawyers for Luna 7. But on deed papers transferring Lindenmere from Luna 7 to Ancor Holdings, the notary is listed as William Deyo, a partner in the Bernstein firm, and the documents were returnable to Bernstein, Carter and Deyo at their West 57th street offices.

Deyo's partner, Joseph Bernstein, and his brother Ralph have, over the past five years, come out of nowhere to achieve a prominent position in the local real estate world. Their umbrella company, New York Land, and related corporations have developed the Herald Center vertical mall, renovated the Crown Building at 730 Fifth Avenue, and bought the second-largest office tower in lower Manhattan, at 40 Wall Street. Last July, a subsidiary joint venture, the New York Coliseum Land Company, came in second to Boston Properties with a bid of $477 million for the Coliseum site at Columbus Circle.

Documentary evidence, as well as sources in the Filipino business community, point to the Bernsteins as the primary investment arm of the Marcos interests in New York. Although Bernstein denied in an interview with the *Voice* that his firm had ever represented Imelda Marcos, or that he had ever met her, his former chauffeur, a Filipino named Reuel Alger, and Alger's wife, have both said that he drove Bernstein to a meeting with Mrs. Marcos at the Waldorf-Astoria in 1982.

Few Filipinos not openly identified with the opposition are willing to speak publicly about the U.S. investments of the Marcos family and their cronies. Many Philippine citizens living in New York still have family back home and fear reprisals if they talk. But when assured of anonymity, even some associates of Mrs. Marcos talk about her dealings with the Bernstein firm. Her presence at the Herald Center before it opened last year, for example, was a staple of Filipino community gossip.

The Bernstein connection with the Philippines dates back to the early childhood of both brothers. Ralph Bernstein, 27, was born in Manila, and Joseph, 36, says he learned to speak the Philippine language Tagalog before he learned English. Their uncle, Jack Nasser, a textile manufacturer and importer with offices in Manila and New York, knows the Marcos family well, and employed the Bernsteins' father, Victor, until 1962, when the family left for California. They eventually moved to Hillsborough, a wealthy San Francisco suburb where many prominent Filipinos maintain their West Coast homes.

After obtaining degrees in law and finance, Joseph Bernstein entered the graduate tax law program at New York University, where he began to specialize in offshore tax havens. Before starting his own firm, he was an associate at Rosenman, Colin, Freund, Lewis & Cohen, a top New York firm where he worked closely with Irwin Jay Robinson.

Robinson, who filed notices of appearance in the Camacho and Figueroa lawsuits on behalf of Imelda Marcos, is an officer in the Philippine-American Chamber of Commerce and, according to the *San Jose Mercury News*, virtually ran the crony-connected Redwood National Bank in San Francisco. He has also represented Antonio Floirendo, the banana and sugar millionaire, whose New York real estate holdings have been handled by Bernstein, Carter and Deyo.

While working at the Rosenman firm, Joseph Bernstein represented his brother Ralph, who had gone into the real estate business, in an unsuccessful 1980 bid to purchase the Pan Am building for $369 million in cash. Bernstein says the two brothers were then working for the Gaon family, Swiss multimillionaires who are related to the Bernsteins by marriage. In late 1980, the Bernsteins incorporated their own real estate firm, and the law firm was founded around the same time.

When interviewed by the Voice last week, Bernstein denied any connection with the Marcoses. He also denied knowing Barry Knox, an individual listed on the Crown Building's deed as being authorized by a subsidiary of New York Land to borrow $57 million for its renovation. Otherwise he refused comment on clients represented by his firm or deals in which his company was involved, although he did say that many of his clients are foreign investors.

"My law firm is involved in a lot of different things for a lot of different people," he said. The Marcos allegations have "been haunting us for quite a few years. I suppose people think that because of my uncle being over there. My uncle does know [the Marcos family]. You know, Filipinos take pride in the doings of the First Family. I remember when there was a promotion of Philipine products at Bloomingdale's, people were saying that they own Bloomingdale's."

The Bernsteins don't seem to socialize with their real estate colleagues, who wonder where these young men obtained so much capital so rapidly. Some say they have heard rumors about the Marcos connection. Others compliment the Bernsteins skill and tenacity but say they are not well liked.

New York Land has been involved in two joint ventures this year with Kumagai Gumi, a giant multinational construction firm based in Japan; one was their unsuccessful bid for the Coliseum site, owned by the Metropolitan Transportation Authority. According to documents filed with the MTA, Kumagai would have put up the entire $477 million acquisition cost, plus the cost of constructing an 80-story development—but New York Land would have shared 30 percent of the profit. It's difficult to understand why a Japanese construction company would offer such a generous deal to a New York firm that has never put up a building. Bernstein says the two companies were brought together by Sonnenblick-Goldman, a real estate equity broker.

But possibly more significant is Kumagai's connection to the Philippines, where, according to Filipino and Japanese sources, they have done business for two decades as Suma Kumagai. These sources report that Suma Kumagai operates in partnership with Herminio Disini a relative of Imelda Marcos who has also been a member of the Marcos inner circle. Disini has held many government contracts to build highways and other public works, including a controversial nuclear power plant.

Bernstein is aware that Kumagai does business in the Philippines, but says he knows little about it. "I don't think they do business with the Philippine government," he added.

New York Land is also currently involved with Kumagai in a planned 55-story, $150 million project at 46th Street and Sixth Avenue called Americas Towers. Having assembled the site through purchases from Seymour Durst, the Bernsteins are not negotiating with the city's Division of Real Property for the air rights over the old High School of Performing Arts, which abuts the site. Assistant Commissioner Terrence Moan indicated that the size of Americas Tower would be considerably reduced if the Bernsteins and the city fail to agree on an air rights deal.

The city's sale of 270,000 square feet of transferable air rights would have to be approved by the Board of Estimate. The Bernsteins may have friends at City Hall, since in addition to providing financing for the Off-Broadway musical based on Ed Koch's book *Mayor* (see sidebar), the Bernsteins and their companies contributed $18,500 to Kock's 1985 campaign. They have never contributed to Koch before. They also gave $25,000 to Comptroller Harrison Goldin, $7500 to Andrew Stein, the Democratic candidate for City Council president who is likely to have two votes on the board, as well as $10,000 to Ken Lipper, who lost to Stein in the primary.

FROM PRINCETON TO CENTER MORICHES

A tour of the properties connected to the Bernsteins, and in some cases directly to Imelda Marcos, would lead from a mansion in Princeton, New Jersey, to the Lindenmere estate on Long Island, with at least a dozen stops at impressive Manhattan sites along the way. The Marcoses are never named in any mortgage or sale documents, and it is possible that some of the properties developed by New York Land may involve other investors. Joseph Bernstein refused to identify any of the foreign investors whose money he acknowledges is behind his firm's activities. What follows is a chronological list of properties, beginning in 1981, that are connected to New York Land, to the Bernstein law firm, or directly to Marcos and Marcos cronies:

The Lindenmere (Center Moriches).—Purchased in 1981 and renovated the following year for approximately $3 million, the Lindenmere's acquisition by Imelda Marcos is described above. Although Marcos has officially denied owning any U.S. property, Ernest Hoffstaetter, the general contractor who renovated the 10-acre estate, told the *Voice* he was introduced to her by Augusto Camacho and saw her there at least five times during the renovation. The last time he saw her was at a party to celebrate the completed rebuilding. Hoffstaetter said he was usually paid by Luna 7 Corporation, but sometimes received personal checks from Vilma Bautista, a secretary to Mrs. Marcos who resides in New York. He also was hired to renovate a mansion at 13-15 East 66th Street owned by the Republic of the Philippines and was paid for this work as well by Luna 7. He showed a *Voice* photographer pictures of himself posing with Mrs. Marcos on the porch of the Lindenmere.

John Sprague, a Center Moriches broker who showed the property to Camacho, recalled having tea with the Philippine first lady in his own home to discuss the estate. As noted above, the Bernstein law firm handled the transfer of the Lindenmere from Luna 7 Corporation to Ancor Holdings.

The Crown Building (730 Fifth Avenue).—The September 1981 purchase of the Hecksher Building (later renamed the Crown Building) for $51 million, with $15 million planned for renovations, was the Bernsteins' first foray into Manhattan real estate. Mortgage and deed records on file with the New York City Register's office list the building's owner as the Canadian Land Company, whose sole directors are Ralph and Joseph Bernstein, while the law firm handling the purchase was Bernstein, Carter and Deyo. The building was originally bought by a Curacao company called Lastura N.V., which, according to sources in the Filipino business community, belongs to Imelda Marcos. Lastura's name was later changed to Canadian Land Company, a New York Land subsidiary.

Herald Center (34th Street & Broadway).—Five months later, in February 1982, an outfit called Voloby Ltd., a British Virgin Islands corporation that listed Joseph Bernstein as its sole director, purchased the leasehold on the old E.J. Korvettes site at Herald Square. In 1983 the name Voloby was changed to Herald Center Ltd., with offices at the New York Land Company, and in 1984 the company took out a $29 million mortgage from Security Pacific Mortgage Company, subsidiary of a California bank with significant Philippine business. The total cost of the vertical shopping mall was $60 million. The impeachment resolution filed by the opposition in August lists this property as being a Marcos investment, and Filipino sources report that Imelda Marcos made a quiet appearance at the nine-story mall before its official opening last March 29.

New York Realty Building (29 West 57th Street).—This is the headquarters of New York Land and its related companies, including Bernstein, Carter, and Deyo. It was purchased in March 1982 and renovated for a total cost of $9.4 million. It is owned by Shalimar Ltd., a British Virgin Islands corporation whose law firm at the time of the sale was Rosenman, Colin, Freund, et al., attorneys for Imelda Marcos and Antonio Floirendo. Shalimar's address is c/o New York Land.

30 Wall Street.—NYLAND Ltd., a Curaçao corporation whose managing director is Joseph Bernstein, bought the leasehold on this building, but not the land beneath it, in September 1982, although Bernstein said last week that he never bought this building. Tax records show Bernstein as the billable party for city real estate assessments.

2650 Princeton Pike, Princeton, New Jersey.—Even local police chief William Seabridge knows, as he told the Voice, that this 13-acre estate and mansion are owned by the Marcos family. The deed shows Faylin Ltd., a British Virgin Islands corporation, purchased the property on October 26, 1982, but did not list the price. The sale documents list William Deyo as the notary, with all papers returnable to Bernstein, Carter and Deyo. The October 2-8, 1985, issue of Philippine News, published in San Francisco, reports that Marcos's children Imee and Ferdinand Jr. stayed here while studying in the U.S.; this property is also listed in the Marcos impeachment resolution.

St. James Tower (415 East 54th Street).—Kashgar Holdings Corp. N.V. of Curaçao with offices c/o New York Land, paid $887,000 on November 1, 1982, for apartment 17-M in this condominium. On November 17, Aderito Yujuico, a business partnet of Marcos's son-in-law Gregory Araneta, bought apartment 16-C for $485,000. Three months later, Kashgar paid $680,000 for aprtment 17-D. Bernstein said he knew nothing about Kashgar of these condos. In December, Sugarbush Corporation, owned by Marcos crony Antonio Floirendo, also purchased two apartments in this building—both on the 11th floor—for $716,500 and $460,000. These purchases took place two months after Ferdinand and Imelda Marcos paid an official state visit to Washington in September. Following a White House reception both Marcoses flow to New York for a short visit.

There were no recorded purchases by New York Land or its affiliates between the end of 1982 and August 21, 1983, when former senator Benigno S. Aquino, the exiled opposition leader, was assasinated upon his arrival at Manila Airport. But the buying began again a few months after Aquino's murder.

84 William Street.—This financial district building was purchased by 84 NYL Partners, affiliated with New York Land, for $10.5 million in November 1983. Renovation is expected to cost $5 million and will include the exterior goldleafing that has become a New York Land trademark.

200 Madison Avenue.—The Glockhurst Corp. N.V., another Curacao company with offices c/o New York Land, bought this commercial building from Harry Helmsley and his partners for $50 million on November 22, 1983. Again, the authorized signator was Barry D. Knox. But Bernstein claimed

to know nothing about Knox or the 200 Madison deal.

40 Wall Street.—The second tallest building downtown, this 70-story office tower has over a million square feet of office space. It was bought December 20, 1983, for $71 million by NYLAND Ltd., the Curacao corporation that also owns the leasehold on 30 Wall Street. Renovation costs are estimated at $15 million, with projected completion in 1986.

56 West 57th Street.—This four-story building, now mostly vacant, was purchased earlier this year by 57 NYL Partners, a limited partnership of two Bernstein-connected firms, for $2.2 million. Incorporation documents for one of the firms—CNY, Inc.—indicate that it is in the nightclub business.

In February 1984, two months after the purchase of 40 Wall Street, Augusto Camacho filed his lawsuit against Imelda Marcos, Antonio Floirendo, and their partners in Luna 7 Corporation, publicly linking these individuals to the Bernstein complex for the first time. No deals are recorded between the filing of the suit and the reemergence of the Bernsteins' joint ventures with Kumagai Gumi—the Coliseum and Americas Tower deals.

THE CRONIES IN NEW YORK

Connections among the Marcos family, their relatives and friends are exploited so widely and blatantly for economic gains that even *The Wall Street Journal* has referred to the system of "crony capitalism" in the Philippines. Naturally, many of the Marcos relatives, friends, and employees have followed their leader and his wife to the New York real estate market—sometimes for themselves and sometimes, it appears, as nominees for the Marcoses.

Perhaps the most obvious case of an apparent straw is Vilma Bautista, a personal secretary to Mrs. Marcos who works out of the New York Consulate. Bautista's salary is not public information, but it is hard to understand how, after living for years in an efficiency hotel on the West Side, she could suddenly begin to buy superluxury condominiums on Fifth Avenue.

Her first condo purchase occurred back in September 1976, when she paid $270,000 for apartment 29-H in Olympic Tower, across from St. Patrick's Cathdral. The sale documents list Bautista as the "authorized agent" for United Motors, a "Philippine corporation with an office at 210 West 70th Street," the efficiency hotel where Bautista lived and which she still uses as her address. According to the *San Jose Mercury News* series, United Motors is owned by Antonio Floirendo, who hid not return calls from the *Voice*.

Sometime early in 1977, Bautista bought three adjoining condos on the 43rd floor of Olympic Tower, this time as the agent of Thetaventure, N.V., a Curacao corporation. None of the sale documents on these purchases list an attorney; all papers are returnable to Bautista's apartment. The total price came to $688,000.

Around the same time, she bought a fifth Olympic Tower apartment, which she resold last February for $1.1 million.

On April 6, 1984, Bautista and Leonor Hernandez, her sister, bought an apartment at the Kingsley condominium, 400 East 70th Street, for $335,000. Bautista failed to return numerous calls from the Voice, but told the San Jose Mercury News that she knew nothing about these apartments. "This could be another Vilma Bautista," she explained.

Even more intriguing in some respects is Edna Guiyab Camcam, reportedly a close friend of General Fabian Ver, who is currently on trial in Manila, along with 25 other defendants, for conspiracy in the murder of Benigno Aquino. Until his indictment, Ver was the chief of staff of the Philippine Armed Forces and head of the nation's intelligence service.

Before Aquino's assassination, in August 1983, only one property in the New York area could be linked to Ver: a $90,000 home at 4 Capshire Road in Cherry Hill, New Jersey, purchased by Ver's son Irwin, who heads the Philippine Presidential Security Command. Irwin Ver bought the Cherry Hill house from Julian Antolin, an attaché to the New York consulate in December 1979, four months after the then-head of the Philippine-American Chamber of Commerce, Tristan Beplat, bought a nearby house at 19 Pendleton Drive for $119,000. Captain Hal Mathiesen of the Cherry Hill police said that the Pendleton address was used by Ferdinand Marcos Jr. and one of his sisters, while the place on Capshire Road was used by "servants and security." Mathiesen kept in contact with the State Department regarding the presence of Marcos family members in Cherry Hill, he added.

But seven weeks after the Aquino killing, Camcam, the Voice has learned, went on a condo-buying spree, spending $441,500 on three East Side apartments. On October 19, she bought a unit at 80 Park Avenue, where Augusto Camacho had purchased an apartment 17 days earlier. Five days later, she bought two apartments in a single day; another at 80 Park Avenue, and one at 402 East 90th Street.

Ver was immediately suspected in the death of Aquino and was charged with conspiracy by a board of inquiry convened by Marcos and headed by Andres Narvasa, a law school dean. There was considerable speculation in the Philippines that the president might sacrifice Ver, but the Marcos-controlled prosecution, which rested its case last week, is believed by independent observers to be insincere, incompetent, or both in seeking a conviction.

Other Marcos cronies, according to Filipino sources and real estate documents, include:

The wife of Marcos' immigration commissioner Eduardo Reyes, who bought a condominium at the Galleria, a superluxury building on East 57th Street in September 1977. Carmen Reyes paid $159,000 for the apartment and sold it last December for $600,000 in cash. She is a member of Parliament in Marcos's party and a close associate of Imelda Marcos.

Miguel Arguelles, a partner of Mrs. Marcos in the Lindenmere deal, was an employee of the New York consulate until last year. His brother Romeo is currently serving as consul general in San Francisco. Arguelles has also been active in the condo market. In September 1981, Arguelles bought apartment 6-F in the Elysabeth at 35-41 East 38th Street for $70,000, and sold it July 31, 1984, for $120,000. On October 14, 1982, he bought apartment 14-F in the Beaumont at 30 West 61st Street for $92,000. On the sale documents Arguelles lists his home address at 119 Continental Avenue in Forest Hills Gardens. A title search revealed that this house, in Queen's richest neighborhood, is owned by Jorge Y. Ramos, another Lindenmere defendant, who brought it in 1979 for $202,000.

Lydia Nicasio, whose family owns the pro-Marcos Manila Times-Journal, paid $950,000 on March 1, 1982, for a four-story commercial building at 304 East 55th Street. The building is currently for sale.

Aderito Yujuico, as noted above, bought a St. James Tower condo in 1982. Yujuico also bought an apartment at 900 Park Avenue in December 1979 for $320,000, and a few months later, in January 1980, paid $286,000 for another unit there. In April 1980, he bought still another unit at 900 Park Avenue for $178,200.

Penetrating the secrecy of these and other Marcos-tied investments in the United States has until recently been almost impossible. But the exiled opponents of Marcos here say that they are aware of many of the properties described in this account, as well as more hidden wealth. They speak of jewel collections and priceless art, of real estate in other cities and numbered bank accounts in other countries. When Marcos is finally removed, they predict, the new government will use this information to recover wealth the opposition believes was stolen from the people of the Philippines.

COLONEL GATAN: THE LIQUIDATING LANDLORD

Compared to luxury condominiums and office towers on the East Side, the dilapidated Webster Hotel on West 45th Street near Sixth Avenue did not appear to be a property that would interest the Marcos family or their cronies. However, an examination of the 1980 purchase of this building and the subsequent conversion attempt reveals that this nondescript 13-story transient hotel may be the prototype of "crony capitalism" in New York.

The Webster was purchased on June 23, 1980, for $1,577,000 by Consolidated Equities, which then transferred the hotel to 40 West 45th Street Associates, a limited partnership. Incorporation papers for both companies reveal the Webster's Marcos connections.

Consolidated Equities is owned by Augusto Camacho and Pablo Figueroa, formerly two of Imelda Marcos's principal front men in New York. Incorporation papers of 40 West 45th Street Associates list Consolidated Equities as the company's general partner and 10 other limited partners. The limited partners include:

Thelma Figueroa. The wife of Pablo Figueroa, she paid $261,350 for 10 percent of the company and agreed to invest another $255,150 if the partnership needed it.

Bernadette Reyes. The daughter of Eduardo Reyes, the Philippine Commissioner of Immigration, Reyes kicked in $32,166 and agreed to a second $64,000 installment. Reyes listed her address as 117 East 57th Street, the 47th-floor Galeria condominium her mother Carmen bought for $159,000 in 1977.

Avenilo Aventura. The director of the Philippine Heart Center, a pet project of Imelda Marcos, he paid $24,666 for a 1.4 percent share in the Webster. He agreed to an additional payment of $49,333.

Six of the other seven limited partners are doctors who, sources said, are close to Pablo and Thelma Figueroa, who are also doctors. The remaining limited partner, however, has direct ties to Fabian Ver—who is currently on trial for conspiring to killed Benigno Aquino—and Ferdinand Marcos:

Romeo Gatan. On the eve of the declaration of martial law in September 1972, Ferdinand Marcos decided to have Aquino arrested. The president dispatched one of his most trusted military officers, then Colonel Romeo Gatan, to head the unit that would

arrest the opposition leader at the Manila Hilton. Gatan, who recently retired with the rank of Major General, is also a close associate of Fabian Ver. Last February, a former Philippine army officer testified that Gatan was one of two military middlemen who paid him to "execute or liquidate certain persons whom the military establishment wants to be executed or liquidated for various reasons." In testimony submitted to the House's Committee on Foreign Affairs, the officer, Jose Fronda Santos, admitted to participating in the murders of 50 Marcos opponents, some of whom were identified as members of the communist New People's Army, or their sympathizers. Gatan invested $169,000 for 4.2 percent of the Webster deal. Camacho, in a Voice interview, said that Figueroa brought Gatan and the other limited partners into the deal. Asked how a military officer could afford to invest $169,000 in New York real estate, Camacho said, "I'm not in the position to question where his money came from."

According to deed records, 40 West 45th Street Associates held the Webster for almost five years, an ownership that was marred by scores of building code violations that went ignored, apparently in an attempt to force the remaining tenants to vacate the building. After failing to convert the hotel, they sold the building last April for $5.5 million to developer Robert McFarlane. On paper, this would represent a $4 million profit, but Camacho claimed that the partnership lost money on the Webster.—W.B. and J.C.

[From the New Republic, Oct. 7, 1985]

MARCOS'S NEST EGG

As the Philippines sink deeper into poverty, foreign debt, and political unrest, many of their most prominent citizens are systematically draining vast amounts of wealth from their nation and hiding it overseas. These political and business leaders, who largely determine the Philippines' economic destiny, have poured their personal fortunes into investments in the United States, including condominiums, luxury homes, office buildings, businesses, and banks in California and New York.

Overseas investments have emerged as a potent political issue in the Philippines. President Ferdinand Marcos and his so-called "cronies" have used their leadership position to accumulate large fortunes in the 20 years Marcos has been in power. Some opposition leaders abroad have made it their bitter vocation to track the holdings of the Marcos circle. Our articles last June in the San Jose, California, *Mercury News* about the extensive U.S. investments of Marcos and his associates were reprinted in major opposition newspapers and discussed in radio broadcasts and sermons. More than 50 members of Parliament signed a resolution calling for impeachment hearings. Marcos countered the resolution with a threat to dissolve Parliament and hold presidential elections in November, Marcos has now apparently dropped the idea of early elections, but the political fallout continues.

At the center of the controversy are Marcos and his wife, Imelda. Like many Filipinos who have invested overseas, they use holding corporations or business associates to handle their transactions. The complex system makes it difficult to identify the real owners and to identify the relationships between businesses involved in the investments. But Pablo Figueroa, a former business partner of Mrs. Marcos, charged in a lawsuit filed in March 1984 that Mrs. Marcos "does business in New York State systematically and continuously" and that her activities included "extensive real estate purchasing, improving, developing and managing." Figueroa also said that Mrs. Marcos used agents and nominees "to keep hidden her personal . . . involvement" in the transactions.

Figueroa said that in 1981 Mrs. Marcos and several partners, using a Curacao corporation called Ancor Holdings N.V., bought as estate on several acres of property in suburban Long Island known as Lindenmere, planning to expand it into a $19 million resort. But Mrs. Marcos abandoned those plans and converted Lindenmere into a private estate. In the process, Figueroa said that she failed to pay him one million dollars she had promised as his share in the deal.

Figueroa has since agreed to drop his lawsuit, according to his attorney. (Mrs Marcos's attorney refused to comment on the suit.) But Figueroa's suit was identical in its allegations to one filed in 1984 by a partner of Figueroa, August M. Camacho. That suit, which also named Mrs. Marcos as defendant, ended with a substantial settlement for Camacho.

There is also evidence to support allegations that the Marcoses own other properties in the United States. A home in Princeton, New Jersey, is owned by an offshore corporation that is represented by the same law firm that represents Ancor Holdings. Police officials in Princeton say the home is used by Marcos family members.

The Marcoses are also linked to three condominiums in a Fifth Avenue apartment building in Manhattan. According to real estate records, the adjoining condominiums are owned by a Hong Kong corporation whose agent is a woman named Vilma Bautista. Bautista is also Mrs. Marcos's personal secretary in New York and a staff member for the Philippines U.N. delegation. She denies knowing anything about the condominiums. "There are so many names, there are so many numbers," she told us. "This could be another Vilma Bautista."

Other prominent Filipino government officials also often employed surrogates or offshore corporations for their overseas investments. Defense Minister Juan Ponce Enrile and his wife, for example, purchased a $1.8 million mansion in San Francisco through a company called Renatsac Inc., which is Enrile's wife's maiden name spelled backward. Enrile claims the mansion "was bought by a company and has been sold. We—my wife—was acting for someone. I won't tell you who it was. It's since been sold." Geronimo Velasco, Marcos's energy minister, occasionally resides at a $925,000 estate in a suburb of San Francisco, whose registered owner is a Hong Kong company called Decision Research Management Ltd.

Businessmen intimate with Marcos rely on the same methods. Antonio Floirendo is the banana baron of Philippines. His business has thrived since Marcos came to power in 1972. Floirendo is also a director of Ancor Holdings. N.V. Floirendo's own properties in the United States include three sugar refineries in Boston, Chicago, and Brooklyn, for which he paid $11.7 million, according to U.S. Securities Exchange Commission documents. He owns a one-million-dollar mansion in the Makaki Heights area of Honolulu and maintains a residence in the same Fifth Avenue apartment building where the three condominiums linked to Mrs. Marcos are located. A company called United Motors is listed as the owner of the condominium; Philippine records shows that United Motors & Equipment is owned by Floirendo. Jose Y. Campos, a businessman said to be a close financial adviser to Marcos, used a firm called UNAM Investment Corp., registered in the Netherlands Antilles, to buy nine million dollars in property in downtown Seattle.

In other cases, real estate is held in the name of trusted American lawyers or agents. "I 'own' more goddamn property," said one American lawyer in San Francisco who has invested for prominent Filipinos for 15 years. "Tomorrow, if I wanted, I could sell $50 million worth of real property, get the money, and abscond. I could go to Rio and just say, 'Bye-bye, baby.' I just wouldn't, 'cause they trust me."

Capital flight from the Philippines surged shortly after the assassination of opposition leader Benigno S. Aquino Jr. in 1983, according to a special study last year by the Northern California Interfaith Committee on Corporate Responsibility in San Francisco. The study found, "Out of fear of political and economic turbulence, over a billion dollars left the Philippines" in three months after the Aquino assassination. Marcos has issued a decree making it illegal for Filipinos to export large sums of cash or hold foreign exchange accounts without approval from the nation's Central Bank. But even Philippine government officials acknowledge deficiencies in the laws, which do not forbid overseas investments per se.

In fact, U.S. real estate agents relate instances in which their Filipino clients have plopped shopping bags stuffed with cash on their desks, no questions asked, to be used for investment in property. "It is illegal, and every once in a while, there'll be fines and confiscations," said the San Francisco lawyer who represents Filipinos and who insisted on anonymity. "But if the Philippine government really did anything about this, they'd be indicting all their own officials. They're the biggest offenders."

In the view of the opposition, extravagant foreign purchases compound the injustice of a regime that has favored a loyal few at the expense of millions of others. As reports of corruption proliferated between 1971 and 1979, the Philippines' large income-distribution gap widened even further. According to a study released last year by economists at the University of the Philippines, the poorest 60 percent of the households, which had received only 25 percent of total income in 1971, saw their share drop to 22.5 percent in 1979. The richest ten percent of the population, on the other hand, increased their share of total income to 41.7 percent from 37.1 percent in the same period.

Capital flight has probably made matters worse. According to Verne Dickey, an economist at the State Department, some Philippine factories have laid off workers or closed because there were no foreign currency reserves with which to buy raw materials and spare parts. U.S. Ambassador Stephen Bosworth relayed official American concern over the problem at a news conference in Manila in August 1984. Citing a leading Filipino economist's estimate that residents had removed more than ten billion dollars in recent years, Bosworth said, "Now, if even half of that would return to the Philippines for private investment, it would make a considerable difference here."

Some Filipino officials, including the Marcoses, denied that they owned any property in the United States. But the Marcos's statement added that the government's policy is to allow overseas investment: "So long as

the acquisitions are legal, nobody can question the owners' right to these properties."

Energy Minister Velasco also flatly denied owning any property abroad, although his nephew Patrick de Borja told us that the Woodside mansion is a "family house," and that Velasco stays there when he is in the area. Soon after the *Mercury News* series was published, Velasco offered to resign, but was reportedly persuaded to stay on by Marcos.

Defense Minister Enrile said that the propriety of U.S. investment "depends on the magnitude of money." In the past Enrile and his wife have owned three San Francisco properties, and Enrile acknowledged currently owning one condominium there. "If the holdings are of such a magnitude as billions of dollars, I'd say it would be just to get it out of the Philippines and I'd agree that it was harmful. But when I acquired mine, the economy of the Philippines was not what it is today. It was stable and strong," he said.

One Filipino leader who spoke freely was Nemesio I. Yabut, mayor of Makati, the financial district of Manila. A former policeman and cargo handler, Yabut has served as mayor of Makati since 1971 and is a strong supporter of Marcos. He comes to the Bay Area twice a year for medical checkups at Stanford University Medical Center.

Early one evening in May, Yabut answered the door of his $520,000 pink-stucco home in San Francisco's exclusive St. Francis Woods in pajamas and a bathrobe, and agreed to discuss his properties. He confirmed real estate records indicating he has owned, over the past few years, not only the two-story home, in his wife's name, but a $900,000 apartment building, at least two condominiums, and a San Francisco seafood restaurant called the Old Clam House. "But I'm only a lowly mayor," Yabut said. "I have very little money. . . . I'm small-fry."

Yabut confessed that he worried about publicity concerning his U.S. holdings, most of which have been in his own name, but insisted he had done nothing illegal. Although he has taken money out of the Philippines, he said, he also has brought money back. Nor, he said, has he illegally traded currency or neglected to pay U.S. taxes. "I remember the story of Al Capone," he said. "Al Capone was never convicted of anything but tax evasion."

U.S. real estate investments by Marcos' inner circle are merely the "tip of the iceberg," according to a senior executive with one of the largest banks in the Philippines. "You're not seeing the securities, the Swiss bank vaults," he said in an interview in Manila. "The important thing is, it's unlikely that any of this money will return to the Philippines when transition is complete and we have stability. When their patron saint [Marcos] goes, most of them will go overseas to stay; most of them already hold green cards. These people have not bought U.S. real estate as a financial investment; it's for their retirement when they can no longer stay in the Philippines."—PETE CAREY, KATHERINE ELLISON, AND LEWIS M. SIMONS

[From the San Jose Mercury News, a reprint of a series of articles published June 23-25, 1985]

HIDDEN BILLIONS—THE DRAINING OF THE PHILIPPINES

HIGHLIGHTS OF THIS SERIES

As much as $30 billion has left the Philippines since the 1950s. Millions of dollars have been used for investment in the United States.

The Philippines' top political and business leaders, including President Ferdinand E. Marcos and his wife, Imelda, participate in this capital flight.

Many of the investments are cloaked in secrecy, and principals use offshore corporations or surrogates to hide their ownership.

Key American conduits frequently are used to facilitate transactions or represent Filipino investors.

Banks are favored places for investment by Filipinos.

Overseas investment is not limited to top associates of President Marcos. Many mid-level businessmen and politicians participate.

Some Filipino investments have run into legal or financial troubles.

U.S. officials worry that continued capital flight could lead to further unrest in the Philippines and eventually lead to a government takeover by the communists.

Reaction in the Philippines is swift: Marcos orders an investigation, while the opposition prepares an impeachment resolution.

ANALYSTS FEAR EXPORT OF DOLLARS FUELS PHILIPPINE REBEL INSURGENCY

(By Lewis M. Simons)

MANILA, PHILIPPINES.—The Philippine economy has been gouged so deeply and for so long that most people here have grown apathetic about the practice they call "dollar-salting."

To the man and woman on the street, reports that their impoverished nation's political and business leaders are sending billions of dollars abroad to establish nest eggs are met with acceptance.

"I guess it's one of the main advantages of being in power," Afredo San Angelo, an unemployed electrician, said in a conversation that was typical of several held in the Metro Manila area. "Why else be in power if you can't enrich yourself and your family?"

SECURITY THREATENED

But there is less apathy among a number of Filipino and Western experts, who say that the flow of funds out of the country—estimated as high as $30 billion since the 1950s—has done enormous damage to the economy of the country and threatens its security.

The Philippines now is plagued by an increasingly challenging communist insurgency. To some analysts, the connection between the drainage of dollars and the rising tide of guerrilla war is not coincidental.

"There is not the slightest doubt that the mind-boggling manipulation of the economy by less than 1 percent of the population has created fertile ground for the communists' appeal among the 99 percent who are have-nots," said a Western diplomat here.

The spreading insurgency is of grave concern to the United States, which views it as a direct threat to its vital military bases in the Philippines—bases that most U.S. officers believe are irreplaceable in the Pacific.

Western diplomats in Manila and political opponents of the Marcos regime trace a direct line from peasants exploited by those with wealth and power in such traditional Philippine economic fields as sugar and logging to the spreading insurgency.

"The exploitation of the vast underclass by the handful of rich with political and military connections—the very people who are investing huge fortunes overseas—must be viewed as a fundamental contributing factor to the insurgency," a Western economic analyst said.

A senior Filipino corporate executive put it this way: "The poor have lost all hope. They're ripe for anything that offers change. The insurgency is a direct reflection of the maldistribution of wealth, and the salting of dollars overseas is but one example of how horribly twisted things are.

"Unfortunately, we have no one to blame but ourselves. We've slept too long, lulled by a corrupt judiciary and a shackled press. I don't know if we're waking up yet. But, even if we are, it may be too late."

Defense Minister Juan Ponce Enrile dismisses such claims.

"Drainage of dollars out of the country has not been raised as an issue by opponents of the regime," Enrile said. "We cannot yet say whether or not this supposed drain contributes in any way to the rising strength of the communists."

According to a number of political and economic analysts, the system of sending money out of the country revolves around President Ferdinand E. Marcos and his wife, Imelda, herself a powerful force in the national government.

In the 20 years of their rule, the Marcoses, these analysts allege, have surrounded themselves with a coterie of Cabinet ministers and business people who have amassed huge fortunes through privileges and favors granted them by the first couple.

VISIBLE WEALTH

In Manila, their stunning wealth is seen in vast mansions, superb art collections, huge staffs of servants, fleets of imported cars and private aircraft. Hedging against the day when all this falls apart, these same people also invest their wealth in the United States and elsewhere.

In return for their gain, the privileged few have contributed to the Marcoses' own personal fortunes as well as their political war chests.

"The main characteristic distinguishing the Marcos years from other periods in our economic history has been the trend towards the concentration of power in the hands of the government, and the use of governmental functions to dispense economic privileges to some small factions in the private sector," stated a controversial report published last year by the University of the Philippines.

So common and widespread has capital flight become, particularly in the past few years, that, President Marcos last year appointed a commission headed by Trade and Industry Mininster Roberto V. Ongpin to investigate the dollar-salting.

The commission has reported that an estimated $1 billion was drained out of the Philippines in 1983 and about $2 billion last year. But because Marcos and his so-called cronies are widely believed to profit most from the system, few Filipinos have confidence that the commission's net will catch any big fish.

SMALL OPERATORS

"The commission was appointed by the president, and it will concentrate only on small operators," said a consultant to one of the country's leading banks. "To expect otherwise would be silly self-deception."

Beyond the presidential commission, several of Marcos' opponents have mounted their own investigations into overseas investments by the regime.

STEPS TO PANEL

Opposition member of parliament Eva Kalaw has taken preliminary steps toward forming a panel similar to the one that probed the August 1983 assassination of former Sen. Benigno S. Aquino Jr.

The political trauma triggered by the Aquino killing heightened the torrent of dollars and altered the character of overseas investments.

"Ever since the 1950s, dollars would ebb and flow in and out of the Philippines," said an internationally respected Manila banker. "But, after the assassination, the money has stayed overseas and there's little or no hope that it will ever return."

OPPOSITION QUIETLY TRACKS TRANSACTIONS LEAVING COUNTRY

(By Katherine Ellison and Pete Carey)

NEW YORK.—They compile files with fervor, trade rumors and hoard rare facts, swear each other to secrecy and wait for the day they know will come: the day that President Ferdinand E. Marcos no longer is in power.

Among anti-Marcos activists in the United States, there is a self-appointed group of investigators dedicated to tracking foreign investments by those they call the "cronies"—the powerful political and financial allies of the Philippine president.

Most boast intimate knowledge of the well-concealed business transactions. Several show a clear desire to be thought of as the most in the know. But for now, almost all of the activists are holding their cards close to their vests, claiming that the time isn't ripe for revelations.

"We are keeping tabs on everybody," said New York tax attorney Pompeyo Realuyo, 51, a Filipino who claims he has "worldwide contacts" and files full of details on bank accounts and real estate held by wealthy Filipinos. "But I don't want to let the cat out of the bag. No way I'll give it to anyone, not even Uncle Sam."

Realuyo said the purpose of his search, which he claims has lasted more than a decade, is twofold:

"One—the recovery of the stolen wealth that has driven the Philippines to penury. And, two—the punishment of those malefactors. But until we know who will be in power—and unless he is absolutely untainted—it would do no good to let it out."

Realuyo hopes for the day when a new government with no ties to Marcos comes to power. Then, he said, he will file suit on behalf of his homeland to seize the overseas assets of Marcos and his wealthy associates.

In the meantime, the investigating goes on, with a passion mixing patriotic indignation and competitive zeal.

Marcos' allies "have been drumming around," Realuyo said, "trying to find out what has Pompeo got. They know I am the only guy capable of getting hold of these things."

On the opposite side of the country, however, San Francisco anti-Marcos activist Steve Psinakis is equally sure of the value of his information.

"I have a lot of documentation," said the 54-year-old Greek-born businessman. "Verified official documentation from insiders . . . taped interviews, personal notes kept on microfilms in bank vaults.

"A lot of people are doing the same thing. In my case, of course, I feel I have the most valuable information."

Psinakis began his anti-Marcos activities after his marriage to Presy Lopez, whose wealthy and prominent Manila family for years has been locked in economic rivalry with the president and his first lady, Imelda.

Psinakis said his information includes not only business dealings of Marcos' allies, but details of "corruption, crimes and murders and tortures," Like Realuyo, however, Psinakis insists that release of his findings must be properly timed.

"For now, if this information got out, it would identify those who gave it, including people in the Philippines," he said. "If I had a file disappear, I'd be dead."

Also in San Francisco 69-year-old Juan G. Frivaldo describes himself as the "boss" of a half-dozen part-time Bay Area probers into Philippine foreign investment. Governor for 18 years of the Sorsogon province in the Philippines, Frivaldo now lives in self-imposed exile, teaching humanities at San Francisco City College.

"As soon as martial law is kicked out," Frivaldo once wrote of the "cronies" in an article, "those smugglers and hoarders will have to be rounded up and explain to the people how they suddenly acquired that wealth."

Psinakis, Frivaldo and Realuyo have legions of comrades. In Los Angeles; Washington; San Antonio, Texas; and even De Funiak Springs, Fla., Philippine exiles say they are filling notebooks with bits of rumor and fact about the "crony" purchases.

"Any right-thinking Filipino would do something similar," said Buddy Gomez, a Philippine corporate executive-turned-opositionist now living in De Funiak Springs. "All those people are enemies of the Philippine republic. We have to know who they are and what they've stolen. We have to hope there'll be a way someday to try to convince them at least to give some of it back."

[From *Newsweek*, Aug. 19, 1985]

MARCOS'S NEW GAMBLE—IN A BID TO UPSTAGE AN IMPEACHMENT MOTION, THE FILIPINO LEADER MAY CALL SNAP ELECTIONS

Day after day, hundreds of Filipinos filed into a high-rise building in Manila's business district last week. They came to see an exhibit—featuring a blood-splattered, bullet-proof vest—in memory of Philippine opposition leader Benigno Aquino, who was murdered two years ago this month. But many also came to visit the seventh-floor office of "Ninoy's" widow, Corazon Aquino. Their aim: to urge Mrs. Aquino to run for president if Ferdinand Marcos makes good on his threat to call snap elections later this year. No one knew for sure whether Marcos was serious, or whether he was just bluffing out of anger over a new parliamentary move to impeach him. But the election talk had his political rivals scrambling—and his allies from Manila to Washington wondering whether he could salvage his battered regime.

Marcos would have some strong reasons for moving up the presidential contest, which is currently scheduled for 1987. This week opposition leaders are expected to introduce an impeachment motion charging Marcos with misallocation government funds and allowing shady foreign investments by top officials, including his wife, Imelda (NEWSWEEK, July 29). Marcos brushed off the charges, and the resolution doesn't have much of a chance. But it could prove embarrassing—and a quick election would upstage it. Marcos's advisers are eager for a vote before a new round of inflation and a fresh devaluation of the peso add to the nation's economic crisis, and before the divided opposition has a chance to regroup. Marcos's health is also uncertain—he suffers from kidney ailments—and he may want to fill the vacant post of vice president with a handpicked successor while he is still able.

According to sources in Manila, Marcos was also responding to heavy pressure from the Reagan administration. These sources said that when CIA Director William Casey visited Manila last May, he pushed hard for early elections. In a long, testy meeting, Casey reportedly told Marcos that the country's economic mess and the rise of the communist New People's Army (page 34) had left foreign investors with "fear in their hearts." A new mandate, he argued, might help restore the faith of U.S. officials and congressmen. In Washington, however, a senior State Department official denied that Washington had pressed for an early election. The official also responded guardedly to the prospect, saying only that he hoped any ballot would be "reasonably clean by Philippine standards."

Marcos may have been planning an early vote for some time. Last month he appointed a hometown friend to head the Commission on Elections, a supposedly independent body that supervises polling. He also named three new members to the commission, all of whom are described by opposition sources as "rabid partisans" of Marco's New Society Movement (KBL). Marcos recommended that local village leaders—most of whom support the KBL—serve as election inspectors. More ominously, he removed accreditation from the National Citizens Movement for Free Elections, a volunteer poll-watching group that helped prevent shady balloting during parliamentary elections last year.

If Marcos does call an election, everyone will watch his choice of a running mate. One of the most talked about candidates is Deputy Prime Minister José Rono, a longtime Marcos ally. During a luncheon recently, U.S. Ambassador Stephen Bosworth interrogated opposition figures about Rono's credentials. Another possibility is Eduardo Cojuangco Jr., one of the country's most powerful businessmen. Also a tested Marcos loyalist, Cojuangco could be expected to protect the president's family if he does. There is also inevitable speculation about Imelda Marcos, whose frequent denials of political ambition only fuel public suspicion that she hopes to succeed her husband. Most analysts agree, however, that an Imelda candidacy is a long shot.

Marcos may have been holding back in part because under the Philippine Constitution he can't call an election while he is still president. To get around that obstacle, he might turn over his office to a caretaker president—by law, the speaker of the National Assembly, Nicanor Yniguez. He also might try to call a plebiscite, or ask the Assembly to pass a constitutional amendment allowing him to rule and run at the same time. Palace sources said Marcos would want the opposition to support such an amendment—and even propose it. But opposition leaders aren't likely to comply.

"Either he resigns or there will be no takers," said Assemblyman Homobono Adaza. "We won't play with the dice loaded in his favor."

DIVIDED OPPOSITION

On the opposition side, an umbrella group called the National Unification Committee (NUC) met last week to discuss election strategy. But Marcos' rivals are far from united, and ideological differences and personal rivalries could prevent them from

forming a single ticket. The front runner is Salvador Laurel, head of an eight-party group called the United Nationalist Democratic Organization, which has already nominated him for President. But others think that former Sen. Jovito Salonga has more credibility. Many more believe that Corazon Aquino is the only figure who can unite the opposition and mount a serious challenge. However, Mrs. Aquino has said she would prefer that the opposition choose another candidate.

With the prospect of an election looming, opposition leaders were eager to move forward on impeachment. Their motion includes evidence, gathered by the San Jose Mercury News, of "hidden [Marcos] wealth" in the United States. A draft of the resolution charges that Marcos violated the Constitution in naming Banjamin Romualdez, Imelda's brother, as ambassador to the United States. (Elected officials, like Romualdez, are barred from holding appointed positions, except in the cabinet. It also accuses him of diverting government funds for unauthorized purposes; among other things, it says he used money intended for flood control and drainage projects to finance Manila's film center and the publication of books about Marcos. The ruling party has labeled the charges "frivolous."

Nonetheless, when the resolution is introduced in the assembly this week, at least 57 assemblymen are expected to endorse it. "Once we file the resolution," predicted Adaza, "Marcos will consider it total war." The KBL is expected to try to kill the measure while it is still in committee. And with two-thirds of the assembly's 200 members needed to pass, it has little chance of success.

The election talk drew attention away from some embarrassing developments in the Aquino trial. Last month, several U.S. Air Force officers told the San Francisco Examiner that on the day Aquino was shot, two Philippine F-5 fighter jets tried unsuccessfully to intercept his China Air Lines plane and divert it to the Basa Air Base northeast of Manila. According to this report, Philippine Air Force officers seized radar scopes and other equipment at a joint U.S.-Philippines air defense center in Manila and at the U.S. Wallace Air Station north of the city. If true, the report would be doubly damning. It would contradict the military's assertion that it did not know which plane Auqino was flying on. It would also suggest either that some officers wanted to do something to Aquino at Basa—or that another group had uncovered the plot against him and was trying to foil it.

At first Philippine Air Force commander Maj. Gen. Vicente Piccio dismissed the report as "a sensationalized barracks story." Two weeks ago, however, Bosworth sent the foreign ministry a copy of a Wallace Air Station logbook entry. According to the entry, Philippine officers did tell U.S. personnel that they had orders to "scramble and have RPC 1964 (aircraft inbound from Hong Kong) land at Basa AB whether or not that is their intention. (Aquino)." At this point Piccio confirmed the scramble but said it was only "routine." He also charged that Aquino's name had been added later, in a different handwriting. U.S. Embassy officials confirmed that that was apparently true, but they did not explain the discrepancy. They also refused to explain why they had waited so long to release the entry or why they hadn't released more of the logbook.

Barring an unforeseen development, it now seems likely that Armed Forces Chief of Staff Gen. Fabian Ver will be acquitted on charges of covering up the Aquino plot. Last June the special Sandiganbayan court voted to exclude testimony given by Ver and seven other officers during the Agrava inquiry. The Philippine Supreme Court is now reviewing that decision but is expected to uphold it. The ruling would deprive the prosecution of the heart of its case and would set the stage for a Ver acquittal. Marcos has promised to give Ver his job back if he is exonerated—and that, in turn, is sure to upset Washington. "If Ver is reinstated as chief of staff," one senior White House official said last week, "here in Washington it will be construed as a step away from reform."

DIVERSIONARY TACTIC

With so many other problems besetting Marcos, many Filipinos continued to speculate that he might be using the election promises simply as a diversionary tactic. Others suggested that he might call a vote, but demand in exchange that Washington stop pressuring him for other political and military reforms. Still others predicted that he would use the need for a secure ballot as an excuse to impose a new state of emergency. "There's a 50-50 chance that Marcos might declare martial law," said Laurel.

For both Marcos and his allies, however, the dangers of reneging on reform are enormous. Two weeks ago 3,000 protesters held a funeral march for a teen-ager killed in a clash between government troops and Manila squatters. This week students will take to the streets in protests that will climax on Aug. 21, the anniversary of Aquino's death. Marcos may hope to avert a new eruption of protest by playing the election card. But if he doesn't play it carefully, opposition to his strongman rule can only intensify.

[From the New York Times, Aug. 14, 1985]

MARCOS ALLIES BAR IMPEACHMENT BILL—PARLIAMENTARY PANEL REJECTS AN OPPOSITION MOTION ON GRAFT AND CORRUPTION

(By Steve Lohr)

MANILA, August 13.—An attempt to impeach President Ferdinand E. Marcos was defeated tonight when a parliamentary committee rejected an opposition motion charging him with graft and corruption, violating the Constitution and other "high crimes."

The resolution, signed by 56 of the 57 opposition members of the National Assembly, was the first formal impeachment action filed against a Philippine President.

The Committee on Justice, Human Rights, and Good Government rejected the measure, saying it lacked merit. Sixteen of the panel's 25 members belong to the ruling New Society Movement.

The impeachment measure had been referred to the committee by the Assembly, in which the ruling party has a 2-to-1 majority.

GOES BACK TO ASSEMBLY

The committee met in an unusual evening session that lasted late into the night. The resolution and the committee report will now go back to the full Assembly for formal rejection.

Luis Villafuerte, an opposition member of the Assembly, said the opposition would appeal to the Supreme Court.

Before the committee vote, Homobono Adaza, a member of the opposition, said, "If this motion is overruled, it will not be by the merits of the case, but by the tyranny of numbers."

The ruling party also filed its own resolution today, signed by 109 of 183 Assembly members, describing the impeachment effort as "nothing more than a product of unsubstantiated news reports, irresponsible speculations and gossips and baseless conclusions motivated by petty partisan intentions."

The impeachment motion was viewed by political commentators here as an embarrassment to President Marcos and as another attack on his Government's credibility. The move also appeared to increase the chance that Mr. Marcos will call a presidential election this year, well ahead of the next scheduled vote in 1987.

Two weeks ago, President Marcos announced he was "seriously considering" calling early elections. Since then, senior Government officials have said the impeachment resolution raised doubts about the Government, undermining efforts at economic recovery and the fight against a growing Communist insurgency.

"The filing of this impeachment motion should increase the likelihood of an early election," said Blas Ople, a Cabinet minister.

REASON FOR ELECTIONS

Government officials contend a snap election may be needed to clear the political air and re-establish the President's mandate.

The impeachment complaint charged President Marcos with "taking undue advantage of his office and his authoritarian powers" to enrich himself, family members and close associates. It called on the Assembly to charge, try, convict and remove Mr. Marcos from the presidency and to ban him from holding public office for life.

Among the abuses of power, the complaint charged, were the creation of commodity marketing monopolies, which the President "placed in the hands of trusted cronies," and the confiscation of the businesses of political opponents.

The resulting "ill-gotten wealth," the complaint said, was taken out of the country, often in violation of Philippine foreign exchange laws, and invested overseas, especially in the United States.

A DOZEN PROPERTIES LISTED

The complaint listed a dozen properties that, the opposition says, are owned by the Marcos family, either directly or by proxies. The property list was a mixture of previous allegations and new ones. The Government has denied that President Marcos and his wife, Imelda, have any sizable investments outside the Philippines.

The complaint charged, for example, that in 1981, Mrs. Marcos bought the Crown Building in Manhattan, an office tower on Fifth Avenue and 57th Street, valued at $51 million under the name of a Netherlands Antilles holding company, Lastura N.V. Later the compliant states, the property was transferred to another holding company owned by Mrs. Marcos, the Canadian Land Company.

Also in 1981, the complaint said, Mrs. Marcos bought property on Long Island known as the Lindenmere Estate.

Among other properties, the complaint said, Mrs. Marcos owns a six story townhouse in Manhattan at 13 East 66th Street, a $104 million highrise commercial building at Seventh Avenue and 57th Street, an $18 million mansion in London and a $20 million estate in Rome. In some cases, the document said, close friends of the Marcos family made the purchases on her behalf.

The purported violations of the Philippine Constitution included the naming of Benjamin T. Romualdez, Mrs. Marcos's brother, as Ambassador to the United States in May 1982, while he was also serving as the Governor of Leyte. Mr. Romualdez still holds both posts.

The Constitution says that "unless otherwise provided by law, no elective official shall be eligible for appointment to any office or position during his tenure except as member of the Cabinet."

A Government spokesman said Mr. Romualdez could legally hold both positions because President Marcos issued an executive order allowing it.

Like other senior Government officials, Jose Rono, Deputy Prime Minister, was sharply critical of the impeachment motion, describing it as "merely political propaganda."

[From the Washington Post, Aug. 14, 1985]

EFFORT TO IMPEACH MARCOS QUASHED

(By William Branigin)

MANILA, August 13—Opposition legislators formally called for the impeachment of Philippine President Ferdinand Marcos today on corruption charges principally connected to his family's alleged acquisition of overseas property said to be worth more than $400 million.

Members of Marcos' ruling party quickly killed the impeachment effort in an extraordinary parliamentary committee session tonight and filed a counterresolution amid signs of great distress over the issue in government ranks.

Today's submission marked the first time that a legal impeachment resolution and supporting "verified complaint" have been filed against any Philippine president.

While the governing party succeeded in bottling the resolution up in a committee and then killing it after opposition members walked out, senior government officials said the impeachment resolution increased the likelihood that Marcos will call an early presidential election to seek a new mandate before his current six-year term expires in 1987.

The impeachment measure expanded on a draft resolution distributed by opposition legislators on July 22, when Marcos opened the current parliamentary session. The legislators stopped short of formally filing the initial resolution then in favor of gathering further documentary evidence against Marcos and collecting more signatures.

The resolution, signed by 56 members of the 200-seat National Assembly, accused Marcos of "graft and corruption, culpable violation of the constitution, gross violation of his oath of office and other high crimes."

An accompanying complaint charged that during his 20 years in power, Marcos has enriched himself, members of his family, high ranking government officials and trusted "cronies" through use of his "authoritarian powers." It said much of this "ill-gotten wealth" was channeled into investments overseas in violation of Philippine foreign-exchange laws.

The complaint listed 17 properties in the United States and Europe allegedly owned or controlled by Marcos and his wife, Imelda.

A presidential spokesman denied that Marcos owned any of the properties and said that none of the overseas investments mentioned were in his name. But he declined to comment on a number of properties that the impeachment complaint said were owned or controlled by Imelda Marcos.

Members of Marcos' New Society Movement party immediately filed a counterresolution, sponsored by 109 assembly members, condemning the impeachment move as "nothing more than a product of unsubstantiated news reports, irresponsible speculations and gossips and baseless conclusions motivated by petty partisan intentions."

[From the Journal of Commerce, July 24, 1985]

ANTI-MARCOS ACTIVISTS TRACK FOREIGN VENTURES

NEW YORK.—They compile files with fervor, trade rumors and board rare facts, swear each other to secrecy and wait for the day they know will come: the day that President Ferdinand E. Marcos no longer is in power.

Among anti-Marcos activists in the United States, there is a self-appointed group of investigators dedicated to tracking foreign investments by those they call the "cronies"—the powerful political and financial allies of the Philippine president.

Most boast intimate knowledge of the well-concealed business transactions. Several show a clear desire to be thought of as the most in the know.

But for now, almost all of the activists are holding their cards close to their vests, claiming that the time isn't ripe for revelations.

"We are keeping tabs on everybody," said New York tax attorney Pompeo Realuyo, 51, a Filipino who claims he has "worldwide contacts" and files full of details on bank accounts and real estate held by wealthy Filipinos.

"But I don't want to let the cat out of the bag. No way I'll give it to anyone, not even Uncle Sam."

Mr. Realuyo said the purpose of his search, which he claims has lasted more than a decade, is twofold:

"One—the recovery of the stolen wealth that has driven the Philippines to penury. And, two—the punishment of those malefactors. But until we know who will be in power—and unless he is absolutely untrained—it would do no good to let it out."

Mr. Realuyo hopes for the day when a new government with no ties to Mr. Marcos comes to power. Then, he said, he will file suit on behalf of his homeland to seize the overseas assets of Mr. Marcos and his wealthy associates.

In the meantime, the investigation goes on, with a passion mixing patriotic indignation and competitive zeal.

Mr. Marcos' allies "have been drumming around," Mr. Realuyo said, "trying to find out what has Pompeo got. They know I am the only guy capable of getting hold of these things."

On the opposite side of the country, however, San Francisco anti-Marcos activist Steve Psinakis is equally sure of the value of his information.

"I have a lot of documentation," said the 54-year-old Greek-born businesman. "Verified official documentation from insiders . . . taped interviews, personal notes kept on microfilms in bank vaults.

"A lot of people are doing the same thing. In my case, of course, I feel I have the most valuable information."

Mr. Psinakis began his anti-Marcos activities after his marriage to Presy Lopez, whose wealthy and prominent Manila family for years has been locked in economic rivalry with the president and his first lady, Imelda.

He said his information includes not only business dealings of Mr. Marcos' allies, but also details of "corruption, crimes and murders and tortures."

Like Mr. Realuyo, however, Mr. Psinakis insists that release of his findings must be properly timed.

"For now, if this information got out, it would identify those who gave it, including people in the Philippines," he said. "If I had a file disappear, I'd be dead."

Also in San Francisco, 69-year-old Juan G. Frivaldo describes himself as the "boss" of a half-dozen, part-time San Francisco Bay area probers into Philippine foreign investment.

Governor for 18 years of the Sorsogon province in the Philippines, Mr. Frivaldo now lives in self-imposed exile, teaching humanities at San Francisco's City College.

"Soon as martial law is kicked out," Mr. Frivaldo once wrote of the "cronies" in an article, "those smugglers and hoarders will have to be rounded up and explain to the people how they suddenly acquired that wealth."

Mr. Psinakis, Mr. Frivaldo and Mr. Realuyo have legions of comrades. In Los Angeles; Washington, D.C.; San Antonio, Texas; and even De Funiak Springs, Fla., Philippine exiles say they are filling notebooks with bits of rumor and fact about the "crony" purchases.

"Any right-thinking Filipino would do something similar," said Buddy Gomez, a Philippine corporate executive-turned-opositionist now living in De Funiak Springs.

"All those people are enemies of the Philippine republic. We have to know who they are and what they've stolen. We have to hope there'll be a way someday to try to convince them at least to give some of it back."

[From the Washington Post, July 22, 1985]

CRITICS CALL IMELDA MARCOS "MATERIAL GIRL"

MANILA.—Filipinos, long known as a tolerant people, seen to be running out of patience with the extravagant life-styles of their leaders.

President Ferdinand Marcos, his wife, Imelda, and their friends and associates known as "the cronies" have been accused repeatedly of lavish spending, conspicious consumption and monumental waste during two decades in power.

A series of financial scandals of late has renewed the attack.

The latest reports by American newspapers of massive private investments in the United States have raised an unexpected public outcry, with opposition calls for Marcos' resignation and demands for an independent investigation.

Even before the outcry this month, there were signs that the threshold of tolerance for profligate spending was being reached. A $27 billion foreign debt has imposed severe austerity measures, and as much as 70 percent of the population lives below the poverty line. Displaced workers in the slumping sugar industry face widespread malnutrition.

Much of the criticism has revolved around Imelda Marcos, 56, who goes by the title of "First Lady" and is constantly referred to in newspaper headlines here as "FL."

In one of the more sarcastic commentaries about her lately, a picketer protesting the overseas investments held up a placard reading: "Imelda—the fierce lady. The origi-

nal material girl," a reference to a hit song by Madonna.

In May, Imelda Marcos aroused considerable public indignation when she proclaimed herself the "godmother" of newly appointed Philippine Cardinal Ricardo Vidal and led 85 nuns and priests, plus a private retinue of 38, on a pilgrimage to Rome for Vidal's investiture.

With great fanfare, Imelda Marcos and her party boarded a commercial Philippine Airlines flight to Dhahran, Saudi Arabia. There, Manila newspapers reported later, they quietly took a special Boeing 747 to fly to Rome in style. Once in the Italian capital, she had a 20-piece orchestra and a dance troupe flown in to give private performances during a lunch and dinner, insiders said.

Imelda Marcos' foreign travels long have been popular with those accompanying her, especially flight crews, to whom she has doled out thousands of dollars in tips, said a former member of her entourage. "Besides," he added, "you can smuggle anything you want."

For the priests and nuns who went on Imelda Marcos' pilgrimage, "the great temptation . . . was to get a 'free ride' to that Mecca of all Roman Catholics, the eternal city of Rome," wrote columnist Max Soliven. "The trouble is, the Filipino taxpayers will be eternally paying for that trip."

Imelda Marcos returned just in time to orchestrate last month's independence day festivities, marked by the first major military parade in the capital since the 1950s.

But even that backfired when, the day before the June 12 celebrations, an unannounced dress rehearsal organized by Imelda Marcos clogged major city arteries with tanks and troops, snarling traffic for hours and provoking a barrage of public complaints.

Opposition leaders gathered at a weekly coffee-shop meeting in a luxury hotel nearly panicked at the prospect that the show of force was a military coup, and a fuming Prime Minister Cesar Virata had to get out of his car and walk to his office.

It took publication in the American press of charges of massive overseas investments to crank up what opposition commentators proclaimed as the most serious financial scandal to hit the Marcos administration. According to an investigation by a Knight-Ridder team, prominent Filipinos including the Marcoses, their friends and government officials have siphoned tens of millions of dollars from this cash-poor country to the United States, often through mysterious holding companies.

After two weeks of silence, President Marcos last week asked his justice minister, Estelito Mendoza, to investigate the allegations of "unexplained wealth" leveled against public and private figures and to "spare no one," Mendoza sent letters to 10 government officials and businessmen and the owners of a private firm asking them whether they owned the properties cited in the news reports and, if so, to explain the acquisitions.

The recipients included Defense Minister Juan Ponce Enrile, Energy Minister Geronimo Velasco, Ambassadors Eduardo Cojuangco Jr. and Roberto Benedicto, Philippine Airlines President Roman Cruz Jr., businessmen Antonio Floirendo, Herminio Disini, Rodolfo Cuenca and Jose Campos and the owners of Ayala International Corp.

Cojuangco, Benedicto and Floirendo, who are known here as cronies of the president, are big in the coconut, sugar and banana industries.

Conspicuously absent from the list were the Marcoses themselves, who had figured most prominently in the allegations.

Concerned that the investigation would be squelched, 14 national business, legal and church associations published a full-page newspaper advertisement calling for a "full and public investigation of these reported overseas investments through an independent panel" and not an "alter ego of the president."

The issue also spawned a new opposition group in this country, where the first order of business for any fledgling organization seems to be to choose a snappy acronym. So it is that protest groups such as ROAR (Run on for Aquino and Resignation, a joggers' movement), WOMB (a women's group), MAD and ATOM have burst onto the scene. The new group is called the Anti-Cronyism Movement, and for short—it had to happen—"ACRONYM."

Imelda Marcos brushes aside charges of indulging in frivolity and opulence. "People say I'm extravagant because I want to be surrounded by beauty," she was quoted as telling the San Francisco Examiner. "But tell me, who wants to be surrounded by garbage?"—WILLIAM BRANIGIN.

[From the Christian Science Monitor, July 22, 1985]

FILIPINOS ANGERED BY REPORT OF LEADERS' FOREIGN INVESTMENTS—SCANDAL ELICITS CALLS FOR MARCOS'S IMPEACHMENT

(By Marites Danguilan-Vitug)

MANILA.—The government of President Ferdinand Marcos faces a deepening crisis of confidence following a news exposé on the investments of top Philippine officials in the United States. The investments reportedly total $100 million.

The San Jose (California) Mercury News reported last month that President Marcos, his wife, Imelda, and some of their friends including Cabinet ministers and businessmen have acquired large real estate holdings in the U.S. "draining vast amounts of wealth from their nation and hiding it overseas."

The Philippines is experiencing its worst economic crisis ever. The report that prominent Filipino politicians and businessmen are investing heavily abroad when there is such a financial crunch here has many people up in arms. Public anger is mounting, and some people have taken to the streets to protest. There have been repreated calls for Mr. Marcos to resign.

Following publication of the report, Marcos ordered Justice Minister Estelito Mendoza to conduct a probe and to "spare on one." However, some doubt the investigation will lead anywhere.

Jaime Ongpin, a local businessman, says, "Marcos can assume full control of the investigation. The justice [minister] can delay action on it; he may not even act on it [the order] at all."

Among those named in the San Jose Mercury News report as top investors in the U.S. are Defense Minister Juan Ponce Enrile, Energy Minister Geronimo Velasco, Philippine Air Lines president Roman Cruz, coconut king Eduardo Cojuangco Jr., banana magnate Antonio Floreindo, sugar baron Roberto S. Benedicto, and businessmen Jose Campos and Rodolfo Cuenca. All are said to be close to the President. Most of them have kept quiet about the report.

Mr. Enrile has admitted owning a condominium in San Francisco but denies owning other properties as reported by the Mercury News.

Mr. Velasco sent Marcos a letter of resignation saying the expose "cast doubt" on his integrity as a government official. Marcos refused to accept the resignation.

The strongest reaction came from Mr. Floreindo, who threatened to file a $1.9 million libel suit against any local newspapers writing about or reprinting the three part Mercury News story.

Some here say Floreindo's move must have been instigated by Marcos. One former Cabinet minister said privately. "He [Floreindo] will not do this without the blessing of the President."

Many observers say Floreindo's move will not accomplish much as most of the damage has been done. A source from the President's Malacanang Palace said, "We do not expect to win. We just had to stop the damage at some point."

Some members of Marcos's party admit the foreign-investment issue "spells trouble" and may diminish the party's chances for victory in local elections in 1986 and the presidential polls in 1987.

But Labor Minister Blas Ople disputes this. While he admits that overseas investments by top government officials are no longer rumor but a documented fact, he says, "The issue has not yet crystallized in the provinces. . . . It may not affect our chances at the polls.

Opponents of Marcos are using the report for all the political mileage they can. Salvador Laurel, an opposition leader and presidential candidate, called the reported $100-million investments in the U.S. only the "tip of the iceberg."

Political parties have issued statements of outrage. Some opposition members of the National Assembly have started a compaign to collect a million signatures for a petition calling for the President's resignation. One has made a resolution urging a full investigation of the scandal by the National Assembly. Others have called for Marcos's impeachment and for a vote of no confidence against Prime Minister and Finance Minister César Virata.

All these may be futile steps. The assembly is dominated by Marcos's Movement for a New Society.

Businessmen and civic groups are clamoring for the establishment of an independent probe. Professionals and businessmen have started picketing residences and offices of some of the top investors to protest what they call the "shameless plunder" of the country.

[From the Far Eastern Economic Review, July 18, 1985]

PROPERTY AND PROPRIETY—A U.S. NEWSPAPER REPORT ALLEGING MAJOR INVESTMENTS ABROAD CAUSES A STORM, WITH ONE MINISTER OFFERING TO RESIGN

(By Jose Galang in Manila)

The Philippine Government faces a new political storm spawned by reports of big property holdings and investments overseas by prominent government and business personalities, including some people close to President Ferdinand Marcos.

So far, Marcos has been able to avert a major setback by persuading one minister to take back his offered resignation that was prompted by the controversy. But adverse reaction, particularly from members of the political opposition, continues to build up, with calls for the impeachment or resignation of Marcos.

The turmoil was sparked by a lengthy report in a California newspaper about al-

leged "millions of dollars" poured by certain prominent Filipinos into property and business in the US over the past 10 years. Those named in the *San Jose Mercury-News* report included members of the cabinet and businessmen with known ties to Marcos.

The report drew wide attention in Manila when local newspapers started quoting extensively from it. One vocal opposition-oriented daily, *Malaya*, reprinted the three-part series, carrying it as its lead story for three days.

The general public reaction was critical, especially in view of the fact that the country's economy was going through various difficulties and the government was securing foreign credits in increasing amounts—some of which was used to bail out corporations run by so-called cronies of the president—during the period these alleged investments were supposedly made.

The government has chosen to remain silent about the report, almost ignoring it entirely, but there was no hiding the fact that Energy Minister Geronimo Velasco offered to resign. Although describing the report as "a rehash of old gossip designed for obvious political ends," Velasco nonetheless felt that "my usefulness to your [Marcos'] government and to our people has been adversely eroded, the truth and clear conscience notwithstanding."

After "several" meetings with Marcos, Velasco on 5 July agreed to abide by the president's decision not to accept the resignation. With that out of the way, the administration proceeded to seek various ways to stop the rot. Sources said lawyers' opinions are being sought by most of those named in the reports. At least one libel action has been filed against *Malaya* and others against that and other publications may follow.

Opposition groups are expected to table a resolution calling for the impeachment of Marcos and a vote of no-confidence in Prime Minister Cesar Virata when the National Assembly opens a new regular session on 22 July.

Given the two-thirds majority of Marcos' ruling Kilusang Bagong Lipunan party, however, both moves have virtually no chance of success.

Another opposition move is a campaign for the collection of "a million signatures" for a petition asking Marcos to resign.

The US report is not the only thing worrying the government, however, with a potentially damaging situation on another front in the form of the unrelated resignation on 6 July of Labour Minister Blas Ople from the newly organised Presidential Council for National Economic Recovery.

The council, composed of seven cabinet ministers headed by Virata, was formed to devise measures to meet export targets without disruptions caused by labour strikes. In the first three months of 1985, there were a total of 130 strikes that involved 23,270 workers and resulted in the loss of 626,900 man-days.

But Ople disagreed with the council's preoccupation with industrial unrest as the key obstacle to recovery. The economic managers, he said, should turn their attention to boosting confidence and lowering interest rates "that would release new economic dynamism."

[From the Washington Post, July 17, 1985]

FORMER FILIPINO OFFICIAL CHARGED WITH BRIBERY—COLUMNIST DERIDES USE OF "SMOKESCREEN"

(By William Branigin)

MANILA, July 16—The government of President Ferdinand Marcos today arrested a former information minister-turned-critic on corruption charges. Opposition figures said it was a move aimed at deflecting allegations of massive transfers of money abroad by the Marcos family and political supporters.

Francisco S. Tatad, an information minister under Marcos in the 1970s and now a leading newspaper columnist and president of a small opposition party, was arrested at his home today and briefly detained before posting $1,277 bail. The charges were related to offenses allegedly committed as long as 12 years ago.

The complaints were filed with a government special prosecutor in 1980, shortly after Tatad left Marcos's Cabinet in a dispute over regional politics. There was no official explanation for the five-year delay in proceeding with indictments.

Tatad rejected the charges as false and said in a written statement: "This is character assassination of the worst kind. It is political persecution pure and simple. It is not I, but they whose enormous wealth at home and abroad cannot be explained who should be criminally prosecuted for graft and corruption, economic sabotage and other high crimes."

In an interview shortly before his arrest, Tatad said Marcos was trying to "create a smokescreen" to divert attention from charges that the Marcos family, top government officials and presidential friends have made huge investments in property in the United States, often through mysterious holding companies.

In a series of articles written by a team of reporters for The San Jose Mercury News and distributed by the Knight-Ridder News Service, Filipino political and business leaders were said to be "systematically draining vast amounts of wealth from their nation and hiding it overseas."

The series did not give details of specific illegal transactions but described a shady system in which Filipino investors used holding companies based in Hong Kong, the Caribbean and other places to transfer millions of dollars possibly in violation of Philippine foreign exchange regulations.

The articles said the money was used to purchase real estate, office buildings, banks and businesses in the United States. The series also listed U.S. holdings traced to Marcos' wife, Imelda, government ministers and presidential cronies.

According to a lawsuit filed in March 1984 by Pablo E. Figueros, a former business partner of Imelda Marcos, she has invested heavily in New York real estate through agents and nominees, the series said.

In a statement here, the Marcoses denied owning any property in the United States.

The articles, coming at a time of major economic difficulties in the Philippines, caused an uproar among opposition politicians, who seized on the charges to renew demands for Marcos' resignation.

"Dollar salting," as the practice of transferring money abroad is known here, has long been a sore point. But it is particularly sensitive when a majority of Filipinos are living below the poverty level.

In response to the charges, Marcos last week ordered his justice minister, Estelito Mendoza, to investigate immediately the alleged overseas investments of "public officials and private individuals" and to "spare no one."

Marcos added, however, that the allegations were "apparently based on innuendoes, rumors and gossip."

Information Minister Gregorio Cendana indicated that the Marcoses would not be included in the investigation, since they had already denied having property abroad.

Opposition commentators predicted the investigation would lead nowhere, except possibly to cases against Marcos' opponents and opposition-leaning businessmen. They pointed out that, in any event, Marcos enjoys lifetime immunity from suits under legal provisions enacted when he ruled the country under martial law from 1972 to 1981.

"A whitewash and a farce cannot be avoided," Tatad said in his column published yesterday in the independent Manila daily, Business Day.

Tatad added that "the Marcos regime has lost the moral authority to govern" and that it "has become instead a major cause of the growth of the Communist-led insurgency" being waged in most Philippine provinces by the New People's Army guerrilla organization.

Tatad, who as Marcos' chief spokesman announced the declaration of martial law in 1972, last week called on the 67-year-old president to resign in the wake of U.S. investment charges.

On Friday, Tatad was indicted on five counts of corruption, alleging: failure to file financial disclosure statements for three years when he was in the Marcos Cabinet; receipt of a bribe in 1973 of 125,000 pesos ($6,944 at the present exchange rate) for a government contract, and transferal of ministry funds to a private company headed by his brother-in-law in 1975.

[From the San Jose Mercury News]

MARCOS, TOP ASSOCIATES STASH PERSONAL FORTUNES OVERSEAS

(By Pete Carey, Katherine Ellison and Lewis M. Simons)

As the Philippines sinks deeper into a quagmire of poverty, foreign debt and political unrest, many of its most prominent citizens are systematically draining vast amounts of wealth from their nation and hiding it overseas.

These political and business leaders—who more than any other group hold sway over the Philippines' economic destiny—have poured their personal fortunes into offshore havens such as the United States, a Mercury News investigation has found.

Of the billions of dollars that U.S. and Filipino analysts agree have left the Philippines in the past 20 years, tens of millions have come to the United States, often concealed by holding companies registered in Hong Kong or Curacao. The money has been used to buy condominiums, homes, office buildings, businesses and banks, some of them in Woodside, Hillsborough, San Francisco and elsewhere in the Bay Area.

"If only these people kept their money here and reinvested it in productive enterprises, our problems would be a lot more manageable," said a Filipino senior executive of a multinational oil company operating in the Philippines. "Let's face it, this country has been ruined by the greed of a few people, and what makes me sad is, we can't say enough is enough. We can't seem to bring ourselves to stop them. We're

broke. Where's the money? There's no accountability. It's sickening."

That the rich and powerful in the Philippines, including President Ferdinand E. Marcos and some of his closest associates, have profited from their positions of leadership or ties with the government has been widely reported in Philippine and U.S. studies.

But there is "special outrage," noted a 1984 U.S. Senate committee report, "that the country's leadership, having acquired immense personal fortunes, has reportedly removed badly needed capital permanently from the Philippines economy. People feel doubly robbed."

Several of the top Filipino business and political leaders whose U.S. links were examined in the Mercury News investigation either downplayed the importance of their investments or denied owning overseas property. Others declined to be interviewed or did not respond to written questions submitted to their offices.

The extent of the capital flight is causing increasing concern among U.S. officials. They worry that the faltering Philippine economy could help topple the Marcos government, which plays host to key U.S. military bases.

"Everybody in the (U.S.) government is worried," said Richard Kessler, a specialist on the Philippines with the Carnegie Endowment for International Peace in Washington. "As a crisis, the Philippines is their No. 1 concern. The people that I've talked to say that in comparison, Central America is just a sideshow."

At the forefront of overseas investment, the Mercury News has found, are Marcos and his wife, Imelda. Like many Filipinos who have invested overseas, the Marcoses use holding corporations or business associates to handle their transactions. The complex system makes it difficult to trace ownership or relationships between businesses involved in the investments.

But a March 1984 lawsuit not previously reported in the media has for the first time shed light on millions of dollars of real estate investments in the United States by the Philippines' first family. The suit, filed by a former business partner of Mrs. Marcos, alleges that she "does business in New York state systematically and continuously" and that her activities include "extensive real estate purchasing, improving, developing and managing."

New York investor Pablo E. Figueroa further charges in the suit that she uses agents and nominees "to keep hidden her personal . . . involvement" in the transactions.

Filed in Suffolk, County, Long Island, Figueroa's suit alleges that Mrs. Marcos and several partners, using a Curacao corporation called Ancor Holdings N.V., in 1981 bought an estate on several acres of suburban Long Island property known as Lindenmere, planning to expand it into a $19 million resort.

But Mrs. Marcos abandoned those plans and converted Lindenmere to a private estate, the suit says. In the process, Figueroa claims, she failed to pay him $1 million she had promised as his share in the deal. Attorneys for both Mrs. Marcos and Figueroa refused to comment on the suit.

There also is evidence of other Marcos properties. According to real estate records, Mrs. Marcos' personal secretary in New York is the agent for a Hong Kong corporation that owns three adjoining Manhattan condominiums. And a home in Princeton, N.J., is owned by an offshore corporation that is represented by the same law firm that represents Ancor Holdings. Police officials in the New Jersey town said the home is used by Marcos family members.

The U.S. investments or economic links of eight other prominent Filipino government and business leaders were examined by the Mercury News: Defense Minister Juan Ponce Enrile, Energy Minister Geronimo Velasco, coconut and brewery magnate Eduardo Cojuangco, industrialist Rodolfo Cuenca, banker Roberto Benedicto, airline executive Roman Cruz, businessman Jose Campos and banana baron Antonio Floirendo.

In many cases, surrogates or offshore corporations were used to execute transactions, making it difficult to ascertain the originators of the investments.

Defense Minister Enrile and his wife, for example, purchased property in San Francisco through a company called Renatsac Inc., which is Enrile's wife's maiden name spelled backward. Campos, through an investment company registered in the Netherlands Antilles, bought $9 million in property in downtown Seattle. In other cases, real estate is held in the name of trusted American lawyers or agents.

"I 'own' more goddamn property," said one American lawyer in San Francisco who has invested for prominent Filipinos for 15 years. "Tomorrow, if I wanted, I could sell $50 million worth of real property, get the money and abscond. I could go to Rio and just say, 'Bye-bye, baby.' I just wouldn't 'cause they trust me."

As a result of the use of surrogates or holding companies, U.S. administration and congressional officials who have tried to gather data on investments from the Philippines have come up empty-handed. John Maisto, the State Department's director for Philippine affairs, said he recently tried to collect investment information at the request of Rep. Stephen Solarz, D-New York, a persistent critic of Marcos.

"We found it very difficult as we checked through the U.S. government to find anything that was readily available, without calling together a task force," Maisto said.

Even the most knowledgeable observers can offer only rough estimates of how much money has left the country.

"While it's almost impossible to estimate an accurate figure on the flow of cash abroad, it's possible that it's been about $30 billion since the 1950s," said Jesus P. Estanislao with the Center for Research and Communication, a privately funded think tank in the Philippines. "But there's been a great surge since 1979, when it became clear to Filipinos and foreigners that our finances were in grave danger."

At a Manila news conference last August, U.S. Ambassador Stephen Bosworth relayed official American concern over the problem when he cited a leading Filipino economist's estimate that residents had removed more than $10 billion in recent years.

"Now, if even half of that would return to the Philippines for private investment, it would make a considerable difference here," Bosworth said.

Philippine officials interviewed by the Mercury News offered varied explanations for or denials of their overseas holdings.

"It depends on the magnitude of money," said Enrile, who with his wife has owned three San Francisco properties and who acknowedged currently owning one condominium in San Francisco. "If the holdings are of such a magnitude as billions of dollars, I'd say it would be just to get it out of the Philippines and I'd agree that it was harmful. But when I acquired mine, the economy of the Philippines was not what it is today. It was stable and strong."

Energy Minister Velasco flatly denied owning any property abroad, although his nephew, Patrick de Borja, told the Mercury News that a mansion in Woodside owned by a holding company linked to Velasco is a "family house" and that Velasco stays there when he is in the area.

The Marcoses, in a statement from Manila, denied owning any property in the United States. The statement added that the government's policy on overseas investment is that "so long as the acquisitions are legal, nobody can question the owners' right to these properties."

A spokesman for the Philippine consulate in San Francisco, Prudencia Europa, complained that the Marcoses always are blamed when the issue of capital flight arises.

"I know some friends of the president who own property here," Europa said, "and then the critics say this property is owned by Marcos, and then it's owned by Cuenca, for instance."

Capital flight surged shortly after the assassination of opposition leader Benigno S. Aquino Jr. in 1983, becoming "epidemic in proportion," according to a special study last year by the Northern California Interfaith Committee on Corporate Responsibility in San Francisco. "Out of fear of political and economic turbulence, over a billion dollars left the Philippines," the study said.

Marcos apparently tried to stem the flow in the early 1970s and again in 1983 with decrees that made it illegal for Filipinos to export large sums of cash or hold foreign exchange accounts without approval from the nation's Central Bank.

But even Philippine government officials acknowledge deficiencies in the laws, which do not forbid overseas investments per se. It would be hopeless, the officials say, to try to catch each unauthorized dollar as it flows from the country.

"Somehow, some way, dollars are taken out," said Felipe Sarmiento, the commercial attache at the Philippine consulate in San Francisco. "But you can't police everybody 24 hours a day. You cannot track them."

In fact, U.S. real estate agents relate instances in which their Filipino clients have plopped shopping bags stuffed with cash on their desks, no questions asked, to be used for investment in property.

"It is illegal, and every once in a while, there'll be fines and confiscations," said the San Franciscan lawyer who represents Filipinos and who insisted on anonymity. "But if the Philippine government really did anything about this, they'd be indicting all their own officials. They're the biggest offenders."

Commercial attache Sarmiento said it would even be possible for top government officials to carry cash out of the country in their suitcases, if they wished, because they are immune from routine airport searches. Sarmiento said that Defense Minister Enrile, for example, might easily pass through airport security by virtue of his position.

"They may not only not search him," Sarmiento said, "they may salute him."

There are, of course, more subtle ways to export currency than stuffing it in suitcases. In a series of interviews, attorneys, brokers and Philippine officials detailed what all described as well-established and

often used ways of circumventing the islands' exchange-control laws.

Transactions occur in an air heavy with intrigue. Brokers tell of late-night phone calls from Manila, of secret instructions to send secret papers to secret destinations.

Offshore corporations help get the dollars off the islands and to make purchases abroad. Filipino investors frequently have used corporations based in the Netherlands Antilles, particularly Curacao, which have offered tax advantages for buying and selling real estate.

Other corporations have been based in New Hebrides, Panama, the Cayman Islands, the British Virgin Islands, Hong Kong and even Liberia. Most combine some sort of tax benefit with the equally precious commodity of anonymity.

The desire for secrecy is hardly unwarranted. Overseas investing is a hot political issue in the Philippines, and some opposition leaders abroad have made it their bitter vocation to track foreign investment, particularly those by Marcos and his so-called "cronies."

In the opposition's eyes, extravagant foreign purchases compound the injustice of a regime that has favored a loyal few at the expense of millions of others.

While reports of graft and corruption proliferated, the Philippines' large income-distribution gap widened even further between 1971 and 1979, according to a June 1984 study by economists at the University of the Philippines.

The poorest 60 percent of households, which had received only 25 percent of total income in 1971, saw their share drop to 22.5 percent in 1979, the study said. The richest 10 percent of the population, on the other hand, increased their share of total income to 41.7 percent from 37.1 percent in the same period.

Capital flight, many experts believe, has made matters worse. Some Philippine factories have closed or laid off workers because there were no foreign currency reserves with which to buy raw materials and spare parts, according to Verne Dickey, an economist of the State Department.

William Sullivan, a former U.S. ambassador to both the Philippines and Iran, noted that the Philippine economy is in even worse condition than the economy of Iran was in before the shah fell.

"In the case of Iran, capital flight took place against a background of enormous foreign-exchange earnings from oil," Sullivan said. "But the Philippines can earn damn little. Every main commodity they have (to export) has gone flat. . . . In due course, you get down to the absence of necessities. In the Philippines, for instance, you have to import all the wheat flour."

Nonetheless, reports continue of enormous bank accounts and extravagant overseas purchases by wealthy Filipinos.

And as a senior executive with one of the largest banks in the Philippines put it, U.S. real estate investments by Marcos' inner circle are merely the "tip of the iceberg."

"You're not seeing the securities, the Swiss bank vaults," he said in an interview in Manila. "The important thing is, it's unlikely that any of this money will return to the Philippines when transition is complete and we have stability.

"When their patron saint (Marcos) goes, most of them will go overseas to stay; most of them already hold green cards. These people have not bought U.S. real estate as a financial investment; it's for their retirement when they can no longer stay in the Philippines."

THE MARCOSES

Ferdinand & Imelda Marcos.

Ages 67, 55.

Background and occupations, Marcos has been head of state since 1965. His wife, Imelda, was a Filipino beauty queen. She is active in government and finance.

U.S. links: Imelda Marcos has invested heavily in New York real estate, according to a lawsuit against her by one of her former partners. One holding listed in the suit is an estate known as Lindenmere in Center Moriches, N.Y., purchased in 1980. The estate is held in the name of a Netherlands Antilles corporation, Ancor Holdings N.V. The suit said Ancor is "controlled" by Mrs. Marcos. A home on 13 acres at 3850 Princeton Pike, Princeton, N.J., is used by the Marcos family, according to local police. The home is owned by Faylin Ltd., an offshore corporation represented by the New York law firm of Bernstein, Carter & Deyo, which also represents Ancor Holdings. Real estate records also show that Mrs. Marcos' personal secretary in New York, Vilma H. Bautista, is the authorized agent for a Hong Kong corporation that owns three adjoining condominiums at 641 5th Ave. in New York City. Bautista, a staff member of the Philippine U.N. delegation, denied knowledge of the condominiums, although she was reached at a phone number listed on real-estate records for the units. "There are so many names, there are so many phone numbers," she said. "This could be another Vilma Bautista." The Marcoses deny they own property in the United States.

ROBERTO S. BENEDICTO

Age: 68.

Background and occupation: Banking and sugar were the cornerstones of Benedicto's rapid rise after President Marcos declared martial law in 1972. A close personal friend and former fraternity brother of Marcos. Benedicto owns several banks in the Philippines and once headed the government-owned Philippines National Bank, which finances sugar operations for the Philippine government.

U.S. links: California-Overseas Bank in Los Angeles, with total assets of $133 million, is principally owned by Benedicto. The bank owns real estate worth $7 million, some of it foreclosures on bad loans and some of it bank property, according the the California Superintendent of Banks. More than $30 million in capital has been infused by the bank's owners since it opened in 1976. The bank owns two office buildings in Beverly Hills. The buildings, at 9145 Wilshire Boulevard, were purchased for $3.7 million in 1981, according to Los Angeles County real estate records. A major Philippine newsmagazine, Mr. & Ms., reported Feb. 22 that Benedicto recently bought an unidentified for $63 million, paid in cash. Benedicto did not respond to request for an interview.

ANTONIO O. FLOIRENDO

Age: 70.

Background and occupation: From his start as an obscure Ford dealer on the island of Mindanao, Floirendo rose to become a major banana plantation owner. In 1977, he branched from bananas to sugar. That year, he paid $11.7 million for three refineries—in Boston, Chicago and Brooklyn, N.Y.—that belonged to Sucrest Corp., according to U.S. Securities Exchange Commission documents. Floirendo re-named the company that was thus formed Revere Sugar Corp.

U.S. links: Assets of the Boston sugar refinery were listed in bankruptcy filings at $4.2 million. Assets of the Brooklyn refinery were valued at $16.1 million. Floirendo also is director of Ancor Holdings N.V., identified in a New York law suit as a holding company for property owned by Imelda Marcos. Floirendo also owns a $1 million Mansion in Makaki Heights, Honolulu. According to reports in the Honolulu Advertiser, Floirendo paid $800,000 cash in 1980 and signed a note for the remaining $200,000. Floirendo has a New York address at 641 Fifth Ave., where a company called United Motors is listed as the owner of a condominium. Philippine records show United Motors & Equipment is owned by Floirendo. An employee of Floirendo in the Philippines confirmed that Floirendo owns Revere sugar as an "investment." He said he does not think Floirendo owns a condominium at 641 Fifth Ave., but that "In Honolulu, I understand a couple of years ago he bought a house there."

GERONIMO Z. VELASCO

Age: 58.

Background and occupation: Minister of Energy for eight years, Velasco is the Philippines' energy czar. Trained as a mechanical engineer, Velasco has had no formal education in management. As former president of Dole Philippines, Velasco was the first Filipino to head a major multinational company in the country.

U.S. links: Velasco has been linked to a mansion at 140 Farm Road in Woodside that was purchased in 1979 for $925,000, though he denies he owns it. It technically is owned by Decision Research Management Ltd., a Hong Kong corporation that also bought a condominium in Century Hill in Los Angeles in 1982, assessed in 1984 for $561,000. A senior executive of a multinational oil company in the Philippines said Velasco told him he bought the Woodside home under a Dole executive plan. Alfred De Borja, Velasco's nephew, executed a $675,000 promissory note on the property in 1979. According to a Western diplomatic source in Manila, De Borja manages all of Velasco's offshore funds. De Borja's brother, Patrick, lives in the Woodside home and said the estate is "a family home" and that Velasco stays at the home when he visits the area. "I don't know anything about Decision Research Management Ltd.," Velasco said, "Alfredo de Borja is my nephew, but I don't know anything about his supposedly managing my supposed overseas properties."

EDUARDO COJUANGCO

Age: 50.

Background and occupation: The Philippines' "Coconut King" is one of the nation's wealthiest men. A longtime friend of President Marcos, Cojuangco until recently enjoyed a near-monopoly in the coconut industry. Chairman of the San Miguel Corp. brewery, he owns a multimillion dollar horse farm in Australia.

U.S. links: Cojuangco is former president of United Coconut Mills Inc. (Unicom) of Manila. Unicom, however, is still owned in part by the United Coconut Planters Bank, which Cojuangco controls in San Francisco. Unicom's subsidiary, Granex Corp. U.S.A., refines coconut oil at 1301 Army St. Another company, an import-export firm in Los Angeles, is described as belonging to Cojuangco by Rafael Fernando, a former executive for another Unicom subsidiary. The company, Coastal American Traders Inc., is partly owned by Helenita Soriano, Cojuangco's former personal secretary, who was unavailable for comment. Real estate records show Coastal American Traders owns a

house in Santa Monica valued at $220,000. In Beverly Hills, a jewelry store called Jewelmer International is a branch of a Cojuangco family corporation of the same name, based in Manila, according to Dorothy Reyes, manager of the Manila store. A spokesman for Cojuangco in Manila said, "My boss will not be able to tackle the questions you posed. He was too busy and is now preparing to travel to Barcelona with his San Miguel basketball team."

ROMAN "JUN" CRUZ

Age: 47.

Background and occupation: Cruz, president of Philippine Airlines, also heads the Government Service Insurance System. Harvard educated in public administration, he runs the airline and reports to Imelda Marcos, PAL chairwoman. In his early days, he was an economist for banks in Hong Kong and Manila, and he still is a banker. Cruz is chairman of Century Bank in Los Angeles, a branch of Philippine National Bank, which is owned by the Philippine government.

U.S. links: In 1979, Cruz purchased four lots in a vacation resort called Brooktrails Vacation Village, just outside Wiiits in Mendocino County, according to county real estate records. Their taxable value was $66,014. Cruz, through a spokesman, denied owning property in Mendocino County.

RODOLFO CUENCA

Age: 57.

Background and occupation: Cuenca's Construction and Development Corporation of the Philippines became the major public highway builder under the Marcos administration. He also founded CDCP International in Hong Kong and Galleon Shipping Co., a Philippine shipping line with a U.S. subsidiary, Trans-Asia Marine Corp.

U.S. links: Cuenca has owned several pieces of Bay Area real estate, including a condominium at 1177 California St. in San Francisco; a home at 131 Devonshire in San Francisco; and half-interest in a home at 2741 Berkshire Dr., San Bruno. He also owns a cooperative apartment at 700 Park Ave., in New York City, according to a lawsuit filed against the U.S. subsidiary of Cuenca's shipping firm. Cuenca has sold the Bay Area properties to a Delaware firm called TRA Equities Inc., whose president is Cuenca's attorney, Roger MacKenzie of the San Francisco law firm of Graham & James. Sources said TRA is a Cuenca company, but MacKenzie said he does not know if Cuenca is involved in the firm. TRA Equities bought two San Francisco office buildings, one at 625 Martet St. and its annex at 25 New Montgomery St., for $10.3 million in 1983. The annex later was sold. Cuenca still registered as the occupant of the TRA-owned condominium at 1177 California St. Cuenca's daughter, Marianne, lives at the 131 Devonshire home, according to relatives who were interviewed at the house. Cuenca did not respond to questions submittd to his office.

JUAN PONCE ENRILE

Age: 61

Background and occupation: Formely one of President Marcos' most intimate associates, the Harvard-educated attorney has been minister of defense for the past several years. He also has held an array of government posts, including secretary of finance, secretary of justice and acting chairman of the monetary board of the Central Bank.

U.S. links: Enrile acknowledges that he and his wife, Christina, purchased a condominium at 2190 Broadway in San Fransciso in 1979. Real estate records show the family has owned two condominiums in the same building, and sold one in 1982 to Renatsac Inc., a California corporation. Enrile acknowledged that Renatsac, which is the backward spelling of his wife's maiden name, is a company "my wife used" for business purposes. In 1982, Renatsac bought a house valued at $1.8 million at 2310 Broadway in San Francisco. Enrile claimed that "it was bought by a company and has been sold. We—my wife—was acting for someone. I won't tell you who it was. It's since been sold."

JOSE Y. CAMPOS

Age: 63.

Background and occupation: An ethnic Chinese said to be a close financial adviser to Philippines President Ferdinand E. Marcos, Campos is head of United Laboratories Inc., one of Asia's largest pharmaceutical firms and the largest distributor of drugs to the government's health ministry and all its public hospitals. Canadian records indicate Campos is president of Greenfield Investment Corp., based in Vancouver, British Columbia.

U.S. links: Campos is president of UNAM Investment Corp., registered in the Netherlands Antilles. In 1983, the firm purchased $9 million of buildings on a city block in downtown Seattle, according to Washington state real estate records. The buildings, which include low-income apartment houses, are bordered by Sixth and Seventh avenues and Pike and Pine streets. Real estate records show that Campos' wife, Elizabeth, owns a house in Vancouver, British Columbia, with a 1982 assessed value of $482,300. William Wright, a Vancouver attorney for UNAM Investment, declined to comment. Campos' secretary in Manila said Campos is "out of the country. I don't know where he is; I don't know what country he's in. He's been out of the country since April."

[From the San Jose Mercury News]

OFFSHORE HOLDINGS NOT LIMITED TO PROMINENT FILIPINO LEADERS

(By Katherine Ellison and Pete Carey)

Overseas investment by Filipinos is not limited to the 10 political and business leaders featured in this report. Others—including elected officials and businessmen and women—also have opted to buy American.

One of the Bay Area's most notable Filipino investors is Ricardo C. Silverio, who until a few years ago was ranked among President Ferdinand E. Marcos' closest associates. The Far Eastern Economic Review once called him "the star of crony capitalism" in the Philippines.

Silverio, who began as a small textile merchant, came into his fortune after he founded the Delta Motor Corporation in 1961 and won for it the exclusive rights to assemble and distribute Toyota cars and trucks in the Philippines. But Silverio's heyday ended in 1981, when a no-longer friendly Marcos seized the firm as partial repayment for government loans to the company.

WORKING AT NEW HEADQUARTERS

Of late, Silverio has been working at his new headquarters in Daly City, overseeing the development of a 105-acre housing and shopping project in Lancaster, in Los Angeles County.

Real estate records show Silverio bought more than half a million dollars worth of land in Lancaster in 1974. His Silcor corporation also owns a Hillsborough home purchased four years ago, with a total assessed value of nearly $850,000.

Silverio fell afoul of Marcos shortly after a reporter inquired if he had profited through his friendship with the president.

"I know President Marcos very well and deserve his support," Silverio was quoted as responding. The developer no longer grants interviews with the press and declined through spokesmen to respond to questions for this article.

Three San Francisco condominiums are linked to the family of Herminio Disini, 48, the cousin-in-law of first lady Imelda Marcos and an industrialist who at one time was one of President Marcos' closest associates. Through his giant Herdis Group, Disini then expanded into such fields as textiles, electronics and construction. In the late 1970s, however, Marcos ordered him to give up control of the three companies after he was accused of earning millions of dollars in commissions to build a nuclear power plant near Manila.

Disini now spends much of his time in Europe, but real estate records show that Herminio Disini Jr. owns a $348,340 Nob Hill condominium at 1177 California St. Two other condominiums at the same building are listed on real estate records as belonging to Asia Resources International, a California corporation. The mailing address listed on the condominium in Disini's name is Asia Resources International, which business sources say was Disini Sr.'s trading company. Daniel Sullivan, the registered president of Asia Resources in Menlo Park, was unavailable for comment.

Edna Guiyab Camcam, a Filipina businesswoman who now lives in the United States, owns a Los Angeles apartment building valued at more than $1 million purchased in 1980. Camcam, a former vice president of Equitable Banking Corp. in Manila, is said to be a close associate of Gen. Fabian Ver, who is on leave as army chief of staff. Real estate records show she owns a second property in Los Angeles, a four-plex building bought in 1979. In East Islip, N.Y., Camcam is the registered owner of a home purchased in 1978.

A women reached during repeated calls to an East Islip number for Camcam said the businesswoman was out of the country. She added that she was simply renting the property and did not know Camcam's whereabouts.

CONFIRMED HOLDINGS

Nemesio I. Yabut, mayor of the financial district of Manila, answered the door of this $520,000, pink stucco home in San Francisco's exclusive St. Francis Woods one recent evening in pajamas and a bathrobe. Yabut comes to the Bay Area twice a year for medical checkups at Stanford University Medical Center.

In the course of the next hour, he confirmed real estate records indicating he has owned, over the past few years, not only the two-story home, in his wife's name, but a $900,000 apartment building, at the least two condominiums and a San Francisco seafood restaurant called the Old Clam House.

"But I'm only a lowly mayor," Yabut said. "I have very little money. . . . I'm small fry."

STRONG MARCOS SUPPORTER

A former policeman and cargo handler, Yabut, 59, has been mayor of Makati for the past 14 years. He also is a strong supporter of Marcos, whom he backed financially in 1965.

Yabut said he worries about publicity of his U.S. holdings, most of which have been in his own name, but insisted he has done nothing illegal. While he has taken money out of the Philippines, Yabut said, he also has brought money back. Nor, he said, has he illegally traded currency or neglected to pay U.S. taxes.

"I remember the story of Al Capone," he said. "Al Capone was never convicted of anything but tax evasion."

[From the San Jose Mercury News]

SOME INVESTMENT DEALS HAVE GONE SOUR IN U.S.—LEGAL, FINANCIAL TROUBLES PLAGUE BUSINESS VENTURES

(By Pete Carey and Katherine Ellison)

Although investment by Filipinos in the United States is perfectly legal, a number of Philippine businesses formed in the United States by associates of President Ferdinand E. Marcos nonetheless have met with legal difficulties or prompted government probes in the past several years.

Three Silicon Valley companies became the subject of numerous Philippine Government investigations after they were purchased by Asian Reliability Corporation Inc., a Philippine Holding Company partly owned by the Philippine Ministry of Human settlements, which is run by Imelda Marcos.

At issue in the investigations in the use of a Philippine Government-guaranteed $25 million loan to buy the companies. The money was supposed to have been used for economic development inside the Philippines.

The three Silicon Valley firms, Interlek Inc. and Test International Inc. in San Jose and Tool & Die Master in Santa Clara, were bought by ARCI for about $14 million in 1981. ARCI is run by Vicente Chuidian, 42, a Hillsborough businessman.

According to sources at the company, who asked not to be identified, the purchase had government approval and President Ferdinand E. Marcos was to have put $9.5 million of his own money into the companies in exchange for half the stock, but Marcos later changed his mind.

Publicity about government-backed loans being used for overseas investment embarrassed the Marcos administration, and it ordered the Philippine Central Bank to deny official registrations of loans for ARCI to purchase the three firms. This caused a London-based banking firm that was providing financing to call in its loan, leaving Chuidian and the Marcos administration in a dispute over who is responsible for the debt. Chuidian calls the situation a "Harvard case study;' in what's wrong with the Phillippine economy.

"Marcos equated political power with economic power," Chuidian said. "Correspondingly, the vast machinery of his office operated under this reality. Policies were drawn, laws were enacted, organizations were created, relationships were rearranged, rights and obligations were regulated, always with this thought in mind that 'he who controls the coffers, controls the crown.' "

A Philippine sugar deal was investigated in 1977, when Sucrest Corp., a U.S. corporation, signed a contract to buy Philippine sugar and ultimately was bought out by its Philippine sugar broker, Antonio Floirendo.

The contract was investigated by the Federal Trade Commission because of an alleged agreement, between the Philippine government and Sucrest to sell sugar for a fixed profit over a 5-year period.

Sucrest auditors also investigated more than $1 million in brokerage fees received from Sucrest in 1977 by Marcos intimate Floirendo. Investigators said that while their access to Floirendo was "limited," no evidence was unearthed that showed that corporate funds were used for "illegal or questionable" payments.

The same year, Sucrest sold Floirendo its three U.S. refineries. He paid $11.7 million for the refineries and renamed the company Revere Sugar Corp. Floirendo could not be reached for comment.

In 1981, the U.S. Justice Department investigated alleged attempts by three Filipino-controlled firms in the Bay Area to form a cartel in coconut oil—a scheme then jokingly referred to as "Cocopec." The department's antitrust division alleged that the companies tried to raise and fix prices for the oil.

Defendant corporations in the federal suit were Pan Pacific Commodities, Granex U.S.A. and Crown Oil, all then associated with the Philippine United Coconut Planters Bank, controlled by Marcos intimate Eduardo Cojuangco. In an out-of-court settlement, each was ordered to end the alleged conspiracy.

In another case involving an industrialist close to Marcos, Trans-Asia Marine Corp., the U.S. subsidiary of Galleon Shipping Lines, was sued for $5.5 million in New York. The suit alleges that Philippine construction czar Rodolfo Cuenca, who owns the firms, pocketed $41.8 million through a scheme in which ships purchased by Galleon with loans from the Development Bank of the Philippines were vastly overpriced. The suit was filed by a former president of Trans-Asia Marine.

Cuenca's attorney, Michael J. Silverberg, and there is no merit to the lawsuit.

[From The San Jose Mercury News]

PHILIPPINES AT A GLANCE

Size and population: Only 400 of the nation's 7,000 islands are inhabited, and 95 percent of the country's 52 million people live on the 11 largest islands.

Religion: Eighty-four percent of the people are Roman Catholic, 9 percent are Protestant, 5 percent are Moslems.

Government: President Ferdinand E. Marcos was elected president in 1965, and declared marital law in 1972. He lifted marital law in 1981. Marcos backers dominate the National Assembly.

Economy: Gross national product ($39.2 billion in 1982) dropped by more that 5 percent in 1984. Vicinte Valepenas, economic planning minister, blamed much of the drop on shortage of dollars needed to import raw materials for industry. Per capita income in 1984 was $600. The 1984 inflation rate was about 50 percent, and the unemployment rate was estimated at 23 percent. As much as 80 percent of the population is said to be living below the poverty line. The average monthly wage for a laborer is $60. The nation's foreign debt is $26 billion.

[From the San Jose Mercury News]

ARTICLES SPARK MASSIVE PROTESTS, CALLS FOR MARCOS' IMPEACHMENT—JULY 12: MARCOS ORDERS INVESTMENTS PROBE

(By Lewis M. Simons)

TOKYO.—After three weeks of silence, Philippine President Ferdinand E. Marcos has responded to a firestorm of criticism by ordering an investigation of private investments by prominent Filipinos in the United States and other foreign countries.

Marcos' order to Justice Minister Estelito Mendoza to "spare no one" in the inquiry came in response to a series of articles in the Mercury News detailing millions of dollars worth of real estate and other overseas investments by Marcos, his wife, Imelda, and a number of government and business leaders.

The series, published in the Mercury News from June 23-25, has been widely reprinted or excerpted by the anti-government press in Manila, capital of the Philippines.

SURGE OF PROTEST

The result has been a surge of protest unlike any in the Philippines since the assassination of opposition leader Benigno S. Aquino in 1983.

Opposition members of Parliament are circulating open letters seeking to amass a million signatures calling for Marcos to resign. They also have called for a rally in the central city of Cebu on July 20 that will demand that Marcos step down.

On Thursday, a number of homes owned by those named in the articles were picketed by protesters.

OPPOSITION FOLLOW-UP

The parliamentary opposition also has dispatched one of its members to the United States to follow up on the Mercury News series, according to an informed source in Manila.

"The series detailed millions of dollars," the source said. "We're looking for billions."

Marcos' order for the investigation was carefully worded, directing that the inquiry focus on "ill-gotten, unexplained wealth or unlawfully transferred foreign exchange from the Philippines to other countries."

The Mecury News articles made no allegations of illegality, however. The stories did detail how many of the investments were made through the use of surrogates or offshore corporations. In a statement printed in the series, the Marcoses responded to the allegations by denying that they owned property overseas and saying that "so long as the acquisitions are legal, nobody can question the owners' right to these properties."

In an interview in the pro-government Daily Express after the announcement of the probe, Information Minister Gregorio Cendenna, when asked if the Marcoses would be included in the investigation, said, "If they have no property, how can they be included?"

By shifting the focus to legalisms, ordering Mendoza to investigate questions of exporters salting dollars abroad through fraudulent business practices, Marcos appeared to be attempting to take the heat off himself and his closest associates, according to critics.

"It's a red herring," former Sen. Jose W. Diokno, a longtime Marcos foe, said in a telephone interview from his home in Manila. "He's including so many other things, not just the assets made public by the San Jose Mecury News, because he wants to create counterpressure to halt the investigation."

According to Diokno, a leader of political forces striving to end Marcos' 20-year rule, the president was forced to respond to the press reports after attempting to wait them out.

"He thought it would die down, but it hasn't," he said. Nevertheless, Diokno has few expectations of an honest investigation.

"Nothing will happen," he predicted. "It will be another whitewash."

According to an article published in the anti-government weekly Mr. and Ms., a group of Filipino bankers and other top financial executives based in the United

States claims that many U.S. and Swiss banks holding deposits by prominent Filipinos are prepared to freeze them—pending the outcome of the investigation—if requested to do so by the Marcos regime."

The group, calling itself "Magdiwang (National Fervor) '83," said that rules of banking secrecy were not meant to hide illegal activities, according to the article. A spokesman for Magdiwang '83 in Manila, Antonio P. Gatmaitan, said that "a low of $16 billion to a high of $20 billion" is retrievable from these bank accounts.

Gatmaitan, a respected ex-banker and economist, said that a number of the banks involved are among the consortium of 485 U.S. and other foreign financial institutions to which the Philippine government owes $26.5 billion.

WARNING LETTER

The same issue of Mr. and Ms. carried a second installment of the Mercury News series. It also published a letter from businessman Antonio Floriendo, a close Marcos associate named in the series, warning the editors not to carry any more of the articles and to publish a retraction and an apology.

Floirendo has threatened to file a $10 million suit against another opposition newspaper, Malaya Free Press, which carried the full series last week. Checks with the public prosecutor revealed, however, that the suit still has not been filed.

OTHERS NAMED

Also named in the series were Defense Minister Juan Ponce Enrile; Energy Minister Geronimo Velasco; businessmen Eduardo Cojuangco, Jose Campos, Roberto Benedicto, Rodolofo Cuenca, Roman Cruz and Edna Camcam, a close associate of Armed Forces Chief Gen. Fabian Ver.

Velasco announced earlier this month that he would resign because his credibility was damaged by the series, but Marcos refused to accent the resignation and Velasco withdrew it.

Political observers in Manila have said that if Velasco had been permitted to resign, it might be viewed as an admission of wrongdoing by the entire government.

[From the San Jose Mercury News]

JULY 23: FOES PLAN IMPEACHMENT STRATEGY

(By Abby Tan)

MANILA, PHILIPPINES.—The Philippine opposition in Parliament has mapped out a three-stage strategy to impeach President Ferdinand E. Marcos in the wake of reports that he and several of his business and political associates hold large investments overseas, particularly in the United States.

At a caucus of 59 opposition members before Parliament opened its regular session Monday, the group decided first to summon Prime Minister and Finance Minister Cesar Virata and two other Cabinet ministers to face a "question hour" in which legislators can query government officials.

The other two Cabinet ministers, Defense Minister Juan Ponce Enrile and Energy Minister Geronimo Velasco, were among 10 prominent government and business leaders named in a Mercury News series last month that documented overseas investment by Filipinos. Holdings by Marcos and his wife, Imelda, also were cited in the series.

"We feel it will be more effective on a one-to-one basis" to begin the process with the question hour, explained opposition member Marcelo Fernan of Cebu. A date for the question sessions has yet to be set.

After the sessions, the opposition plans to file a resolution for an investigation into the holdings of non-Cabinet ministers named in the Mercury News series.

The impeachment resolution will then follow, Fernan said.

The resignation, which will be offered by Antonio Cuenco, another Cebu legislator, cites Marcos' alleged "culpable violation of the constitution and other laws, for gross negligence in the performance of his duties as chief executive in committing and abetting economic sabotage by members of his immediate and official families, other high-ranking government officials and business cronies through massive investments abroad causing untold sufferings to the Filipino people."

The resolution also states: "With vast powers at his command, not only has (Marcos) failed to prevent the systematic looting of the country's finances but on the contrary has permitted and abetted it, which can be deduced by the inclusion of his name and that of his first lady, Imelda Marcos at the head of the list of those identified by the San Jose Mercury News."

In his state of the nation address given as the parliamentary session opened, Marcos briefly mentioned the articles and reiterated his view that the series consisted of rumors, gossip and speculation. However, he ordered Philippine embassies abroad to document all overseas investments by Filipinos.

Marcos assured the nation that his government has turned the corner on its worst economic crisis since World War II and is winning the war against communist guerrillas.

In a nationally televised speech, Marcos called "most critical" the war with the New People's Army, or NPA, the rebel wing of the banned Communist Party of the Philippines.

But the 67-year-old leader dismissed claims that the 12,000-member guerrilla force was winning and contended that the Philippines could win even without foreign aid.

The NPA was "potent enough" to affect peace and order in only 4 percent of the nation's 41,615 villages and its political and military groups were operating in only 9 percent, Marcos said.

"The claim that our country is in danger of a takeover by the subversives has no basis in truth," he said. "The armed forces have taken the initiative and, as you can read in the media, the NPA are beginning to surrender in droves."

The speech was boycotted by some of the opposition assemblymen. Of the 180-member body, 145 members attended the address.

[From the San Jose News]

AUGUST 2: MARCOS THREATENS TO CALL ELECTIONS

(By Michael Zielenziger)

MANILA, PHILIPPINES—Philippine President Ferdinand E. Marcos, stung by a growing opposition movement to have him impeached, threatened late Thursday to dissolve Parliament and call new elections for later this year.

The surprise move, if carried out, could cut short opposition efforts to enter a bill of impeachment against the president and would shift attention from a growing controversy over allegations that Marcos and his official family have salted away millions of dollars in an extensive network of investments throughout the United States.

After a late-night caucus of Marcos' ruling party at the presidential palace, the government said in a statement that the possibility of a new election "within the year" had been "seriously discussed."

At the same time, the caucus also considered dissolving the Parliament, with the "distinct possibility" that legislative elections would be held after December, the statement said.

No final decision was made, however, pending indications from the opposition as to whether it would actually file a bill of impeachment including a "specified, verified complaint" against Marcos, the statement added.

The discussion of new elections comes after a series of articles in the Mercury News documented how prominent Filipino political and business leaders have systematically drained millions in assets from the island nation, investing the proceeds in homes and businesses in the United States.

There have since been calls for impeachment, a move Marcos seems eager to avoid even though his party controls enough parliamentary votes—at least 115 out of 183 in the body—to block the impeachment proceeding.

The government has maintained that the allegations in what has become known as the "hidden wealth" scandal are based on "rumors, gossip and speculation."

Marcos told the caucus that he would submit to an early election in order to fight "efforts at harassment and attempts to discredit the presidency." His efforts to build economic recovery and fight a growing communist insurgency might be hampered without a new mandate, he said.

Should Marcos seek an early election before the scheduled end of his term in May 1987, he would have to resign his office.

Under the constitution, the Parliament could be dissolved as early as December, 18 months after the May 1984 parliamentary election.

Homobono Adaza, an opposition member of Parliament, said that 53 signatures had already been obtained on the impeachment resolution, eight more than required, and that a revised impeachment document would be filed next week.

He said that although new elections would be an effort to thwart the impeachment effort, the parliamentary moves would continue.

But Adaza acknowledged that any dissolution of the Parliament would "nip in the bud" any impeachment effort.

"This is designed to frustrate our efforts to have any debate" on the impeachment bill, he said, noting that without a sitting Parliament, an impeachment hearing would be impossible.

Moreover, Adaza said the fact that Marcos is considering new elections stems directly from U.S. pressure on the president to acquire a new mandate in the face of renewed opposition. Adaza based this conclusion, he said, on discussions he had in Washington last week with middle-level officials at the State Department.

"I think Marcos is panicking," Adaza told United Press International. "He is under pressure from the United States to call an election. He is making all the excuses, but he has only himself to blame for all our problems."

Opposition leaders initially had said they would file impeachment papers today in the Parliament against Marcos, but then announced they would defer the matter a week so they could "refine" the document and add more substantive charges, including specific records and other documentation.

They also conceded that new elections would force into the background any discussion of the oveseas assets of the Marcos cabinet and friends, as the two sides jockeyed for electoral advantage.

Opposition leaders acknowledged also that a quick election would leave them at a distinct disadvantage because they have not yet undertaken extensive fund-raising and lack even agreement on whether they can unify behind a single candidate.

"I don't know what to say," opposition leader Jose Diokno told the Associated Press when asked for comment on the palace announcement. "I don't know of any dictator who has lost an election."

[From the San Jose Mercury News, June 27, 1985]

DRAINING THE PHILIPPINES

A communist insurgency is seeping through the Philippines. Should it succeed, and as in years past should the United States begin a chagrined debate over "who lost the Philippines," we need look only to the Philippines' leading citizens.

Ferdinand Marcos and his cronies have perverted the capitalist system in the Philippines to a rapaciousness that resembles a communist caricature of capitalism.

Not only do the Marcoses and leading businessmen enjoy near monopoly control of their industries, but by sequestering their money abroad, they have blocked their unearned wealth from eventually trickling down to benefit the mass of impoverished Filipinos.

As reporters Peter Carey, Katherine Ellison and Lewis M. Simons documented in a Mercury News series, billions of dollars have been taken out off the Philippines and invested around the world, often in the United States.

That wealth, had it been desposited in Philippine banks or invested in Philippine industry, could have provided at least some jobs for Filipinos and at least some support for the Philippine economy.

Instead, economists estimate that $30 billion has been invested overseas since 1950, perhaps $10 billion of that since 1979, when the instability of the Philippine economy became apparent.

While a tiny elite was siphoning the islands' riches, the majority fell deeper into poverty. During the '70s, the poorest 60 percent of the population saw its share of national income slip from 25 percent to 22.5 percent. Factories closed or laid off workers because they lacked the foreign currency to buy parts or raw materials.

The result? "There is not the slightest doubt that the mind-boggling manipulation of the economy by less than 1 percent of the population has created fertile ground for the communists' appeal among the 99 percent who are have-nots," a Western diplomat said.

It is not only spies who betray nations. Those who wring nations of wealth and discard them betray them just as surely.

[From the San Jose News, July 15, 1985]

TRANSFERRING THE WEALTH

In a series published June 23-25, Mercury News writers Peter Carey, Katherine Ellison and Lewis M. Simons reported that Philippine President Ferdinand Marcos had created a system in which politically connected businessmen make fortunes in government-run monopolies and transfer the money to overseas accounts and investments.

Some $10 billion reportedly has been invested overseas since 1979. By way of comparison, the entire GNP of the Philippines is less than $40 billion.

Those articles have brought on mass picketing at the homes of the principals, caused a Cabinet minister to offer his resignation and spawned a drive to obtain a million signatures on a petition for Marcos' resignation.

The people of the Philippines know from daily experience that Marcos runs an authoritarian government, rigging elections, suppressing opposition and controlling all power.

But when the Mercury News series was reprinted and excerpted in opposition papers around the country, Filipinos knew that more than their liberty was being taken.

What Simons called a "surge of protest unlike any in the Philippine since the assassination of opposition leader Benigno Aquino in 1983" has forced Marcos to open an investigation into the investments by his cronies.

Some Filipinos are protesting by leaving. With legal emigration to the United States reaching 35,000 a year, Filipino-Americans should overtake Chinese-Americans in the next five years as the largest Asian-American ethnic group. Filipino visa applications run as high as 1,000 each day.

When a newspaper article from 7,200 miles away can stir this kind of uproar, it must be tapping into deep popular discontent. Unless Marcos hold his cronies to a standard of responsibility in keeping with the privileges he has granted them, his political problems can only increase.

[From the San Jose News]

WEALTHY FILIPINOS FIND CALIFORNIA LUCRATIVE TERRITORY FOR INVESTMENT

(By Katherine Ellison and Pete Carey)

When rich and powerful Filipinos invest outside of their debt-ridden homeland, a favored haven for their wealth is California—and particularly the Bay Area—where they have poured millions of dollars into property and businesses in the past 10 years.

For local lawyers and real estate agents who deal with such high-powered Filipino clients, otherwise routine transactions often become filled with intrigue and suspense.

"They come over here with shopping bags full of money—real money," said Palo Alto real estate agent Carl Horvitz, whose clientele includes Filipino investors. "Sometimes it flows through the hands of their attorney or a trusted relative. Sometimes they drop it on my desk. And if a trustworthy relationship can be established, one could expect visits from friends."

The allure of Northern California comes from a combination of close cultural ties and keen interest in the area's hot real estate market.

As a first Pacific Ocean port of entry, San Francisco historically has had familial and financial links to the Philippines. Close to 120,000 Filipinos have settled throughout the Bay Area—including more than 27,000 in Santa Clara County—according to the 1980 U.S. Census. Countless others are frequent visitors.

Residents and visitors alike have brought their investment dollars. At least 25 properties in California are or have been owned in recent years by prominent Filipino government and business leaders, according to the findings of a Mercury News investigation. These include office buildings, homes, condominiums, vacation lots and bank buildings. Several other properties have been linked to prominent Filipinos, but ownership was difficult to ascertain because of the use of surrogates or offshore corporations to handle transactions.

In virtually all cases, Bay Area brokers and lawyers say, Filipinos seeking investments in the region are extremely affluent.

"Everyone who have investments here is in the million-dollar category—they go up from there," said one San Francisco attorney who has worked with wealthy Filipinos for more than a dozen years and who insisted on anonymity.

The attorney, one of several Bay Area lawyers who specialize in representing Filipino investors, pointed to an anteroom at his office where two bookshelves were crammed with boxes of files.

"There they are—all Filipino companies" he said, cheerfully.

Filipino land purchases in the area frequently are characterized by large down-payments and small mortgages, reflective of the desire to move large amounts of money out of the troubled islands and a worry that investors' cash-flow might suddenly dry up.

As an example, a San Francisco insurance agent offered the case of one of his clients, a Filipino physician, who recently bought a house for $550,000. The doctor put down $500,000 in cash, he said, and took out a $50,000 loan.

"It's just the opposite of what you and I would do," said the agent, who asked not to be identified. "It's like a Depression-era psychology."

Notable exceptions to the general fondness for California are President Ferdinand E. Marcos and his wife, Imelda, who apparently perfer New York and the East Coast for both vacations and investments. Sources acquainted with the couple said they avoid the Bay Area because of its particularly high concentration of anti-Marcos activists, thousands of whom turned out for raucous protests during Marcos' last official visit in 1982.

But quite a few other Filipinos—including some of Marcos' closest associates—remain attracted to California and the Bay Area. Instead of staying away, many go to great lengths to disguise their personal involvement in the investments.

"You'll never find out who the principals are," said the San Francisco attorney. "Every time I've ever dealt with these guys, I've never dealt with a document signed by a principal. Ninety-nine percent of the time they just tell me what to do, and I do it."

Indeed, many brokers and lawyers learn quickly that secrecy is prized by their Filipino clients.

"Everybody manages to take money out some way," said San Francisco real estate broker Rene Miranda, whose clients include Nemesio I. Yabut, mayor of Makati—the financial district of Manila. But Miranda said he never asks how investment dollars arrive.

"The less I know," he said, "the better for me."

Other attorneys and brokers managing the investments of Filipino clients become experts in the formation and use of offshore corporations to handle transactions, a favored technique both to disguise owners' identities and to reap tax advantages.

A substantial number of Philippine holdings in California and throughout the United States are registered in the names of Netherlands Antilles corporations—corporations sometimes purchased in Curacao, according to real estate broker Horvitz, who has written a booklet advising foreign investors how to purchase U.S. real estate.

Horvitz said one popular notary in Curacao, Dr. Jacob Schultkamp, oversees 80 em-

ployees and sells "incorporations off the shelf . . . for a couple thousand dollars, with his dummies, his people," as officers and directors. "All you have to do is send him a telex. . . . He'll be the director for you."

Horvitz added that some of his own clients have used one Hong Kong accountant to be managing director of their numerous property-purchasing companies.

"They hire somebody in this country to manage the property, and he puts the money in a trustee account," Horvitz said. Then, when the investors in the Philippines want money sent back from abroad, they simply notify their representatives.

"The attorney over here or the accountant over there (tells the bank), 'Send me $5,000 or $100,000,'" Horvitz said.

The lure of profits in California's real estate market is such that it also has drawn major Filipino land developers, some of whom now live in the Bay Area and have become prominent in the industry.

Among them: Morris G. Carpo, described by relatives as a former tax investigator in the Philippines who now heads a Burlingame-based development company that owns 13 parcels of California land with a combined taxable value of $29.7 million. Carpo's firm, the Carruf Corp. N.V., is incorporated in the Netherlands Antilles but conducts substantial business in the Bay Area. Among its holdings are the Legaspi Towers buildings in Burlingame and the twin Legaspi Towers office complexes in Santa Clara.

Capo was not available for comment. "He can't be bothered," said a secretary, who declined to give her name.

Ricardo Silverio, a former auto parts magnate in Manila and erstwhile intimate of President Ferdinand E. Marcos. Silverio is developing a condominium and shopping project on 105 acres of land he owns in Lancaster in Los Angeles County, according to real estate records and Lancaster planning officials.

Another firm of Philippine origin with substantial interests in California properties is Ayala International Inc., the former international arm of the Ayala Corp. in Manila. Registered in Hong Kong and based in Burlingame, the corporation controls the $33 million Campton Place Hotel in San Francisco's Union Square and the $40 million Mayflower Hotel in Los Angeles, according to company officials. It also developed the Terrace Villa condominium complex in south San Jose, company officials said.

Ayala International is controlled by millionaire banker Enrique Zobel, who retired as chairman of Ayala Corp. and bought the company's international division. Zobel was trained in agronomy at the University of California at Los Angeles.

As instability grows in the Philippines, experts and other observers believe it will continue to push a growing number of Filipino investors to transfer their wealth overseas.

"They have money in Switzerland and money all over," said Hank Kriss, an electronics executive who has worked for Filipino-owned companies in Silicon Valley. "But the really wealthy put their money over here, always with the expectation that something could go wrong. One man told me: 'As long as I can get out of the Philippines and get to a telephone, I'm in no trouble.'"

[From the San Jose News]

AMERICAN CONDUITS HELP FILIPINOS BUY REAL ESTATE

(By Pete Carey and Katherine Ellison)

In the forefront of many transactions involving powerful Filipinos are a handful of real estate agents and several prominent lawyers and law firms in the United States.

Some of them handle sales and manage real estate. Others actually are the owners of record for investment properties, concealing client's identities behind their law offices, brokerage firms and the offshore corporations they form.

Such secretiveness is prized by wealthy Filipino investors, who, for the most part seek out U.S. natives to handle their affairs.

"They don't want to go to Filipinos because they think we talk," said San Francisco broker Sylvia Lichauco, one of the few Filipinos who helps her wealthy countrymen buy real estate. "The big guys go to Americans."

Among those who handle the greatest number of Philippine accounts are:

Irwin Jay Robinson, an attorney with Rosenman, Colin, Freund, Lewis & Cohen in New York City. According to court records, Robinson represents Philippine first lady Imelda Marcos in a suit involving her U.S. real estate holdings. He also has represented Philippine banana king Antonio Floirendo, and for several years was an important source of advice on the operation of Filipino-owned Redwood Bank in San Francisco, according to a former executive of the bank.

A measure of his influence is his role at the Redwood Bank. The former bank official, who worked there after the bank was purchased by three Filipinos close to the government of President Ferdinand E. Marcos, recalled that even though Marcos family intimate Rolando Gapud was made a director, Robinson was the key decision maker.

"He is attorney for them in a whole number of things they do in this country," the official said. "Robinson insisted everything go to him."

In 1983, the bank's legal fees totaled $1.8 million, of which 74 percent was paid to Robinson's law firm, according to records of the Federal Deposit Insurance Corporation.

Robinson declined to be interviewed, citing "client privilege."

Bernstein, Carter & Deyo, a New York law firm that has represented Mrs. Marcos in two documented real estate deals and according to Philippine banking and business sources has handled other purchases of office buildings and a department store in New York City for the Marcoses.

The firm's senior partner is Joseph E. Bernstein, a Hillsborough native and self-described expert on offshore real estate investment in the United States. Bernstein once practiced at Robinson's firm.

Bernstein has family ties to the Philippines and acknowledged that his law firm "from time to time might get somebody with a Philippine connection."

According to New York real estate records, a company Bernstein heads, the New York Land Co., has handled the purchase of several office buildings in New York by Netherlands Antilles corporations. One building in particular, the $51 million Crown Building in Manhattan, has been singled out by several Filipino business and banking sources as having been bought and sold for Imelda Marcos.

The Mercury News found that it was bought in 1981 by Lastura N.V., a Curacao corporation, and later was transferred to another Curacao firm, Canadian Land Co. of America N.V., which is managed by Bernstein. That firm is controlled by a third Curacao firm, Caribbean Management N.V. The offices of Lastura and Canadian Land are in the same suite as the offices of New York Land.

Bernstein denied that he represents Mrs. Marcos.

"I don't know her," he said, declining to discuss the identities of his clients. "I wish I did. Everybody thinks I do. . . . Send her my way.

"I always thought the Marcos rumors were attributable to Stanley Marcus," board chairman emeritus of Neiman-Marcus, who was hired as a consultant by a Bernstein-managed development company.

Bernstein's uncle, Jack Nasser, owns Philippine-American Embroidery Corp., a major garment manufacturer in the Philippines. Nasser said he is a friend of Mrs. Marcos.

Another partner in the firm, William Deyo, has represented a corporation identified in a lawsuit as a holding company for property belonging to Mrs. Marcos. According to Deyo, Robinson now is defending the company in the lawsuit.

In 1982, Deyo also represented Faylin Ltd. in the purchase of a home on 13 acres in Princeton, N.J., according to Mercer County, N.J., real estate records. The home is used by members of the Marcos family, according to interviews with people familiar with the property. Deyo declined to comment.

Alexander "Sandy" Calhoun Jr., an attorney with Graham & James in San Francisco. He said he has helped put together the purchases by Filipinos of Redwood Bank in San Francisco, Oceanic Bank in San Francisco and California-Overseas Bank in Los Angeles. Born in Shanghai and an honors graduate of Harvard Law School, Calhoun speaks Japanese, Chinese, and French.

Roger MacKenzie, an attorney with Graham & James in San Francisco. MacKenzie also declined to discuss his clients, who include Philippine Defense Minister Juan Ponce Enrile and construction magnate Rodolfo M. Cuenca, according to real estate records.

MacKenzie defended Filipinos' investments in the United States as helping to balance the U.S. trade deficit.

"We wouldn't be able to run the trade deficit that we were running unless it were offset by capital invested in this country," he said. "I'm sure there is Filipino money invested abroad, but I think that's more of a political whipping boy than anything else. If you want to look at what happened to the economy and what is wrong with it, all you have to do is look at the big projects of Imelda Marcos, the buildings in downtown Manila and all the money they spent on international film festivals, flying Tony Martin into Manila."

Sylvia Lichauco, president of Edgewood Investments, San Francisco. The daughter of a former Philippine ambassador to England, Lichauco acknowledges handling real estate investments for numerous wealthy Filipinos, although she would not discuss her clients.

Lichauco was the broker for the recent purchase of the Philippine Airlines building at 200 Stockton St. on San Francisco's Union Square, by a California corporation called Jamestown Company Inc. Lichauco is listed on state records as the president of the company, but she declined to name its owners. According to a 1984 U.S. Commerce

Department report, the building was bought in 1983 by an "unidentified investor" from the Philippines.

The acquisition was handled by transferring shares in Jamestown Company from its former owner, Hong Kong jeweler Kevin S. Hsu, to the undisclosed new owners of the company, according to an attorney familiar with the transaction. The attorney also claimed that members of the Marcos family were the purchasers.

G. Alfred Roensch. A San Francisco attorney who represents clients from the Far East and son of a former San Miguel beer executive, Roensch has represented wealthy Filipinos in purchases of several pieces of Bay Area property, real estate records show. Roensch declined to comment on his activities.

[From the San Jose News]

CALIFORNIA BANKS EMERGE AS FAVORED INVESTMENTS

(By Pete Carey and Katherine Ellison)

California's banking system has proved to be fertile investment ground for Philippine businessmen and bankers, sometimes resulting in large amounts of capital leaving the distressed Philippine economy.

The state is home to nine banks that are owned by Filipinos. Some of them have done well. Some have not. In the past decade, deposits in institutionally owned Philippine banks and agencies of Philippine banks have risen from $15 million to $277 million, according to figures from the state Superintendent of Banks. This figure does not include another $165 million in privately owned Redwood Bank of San Francisco.

One reason banks have been a popular investment for Filipinos is a desire to get money out of the country, according to Gerry Findley, publisher of the Findley Reports on California Banking in Brea.

"They want to convert it into dollars. . . . That's a very important factor," he said. "Most of them don't have confidence in their own monies."

Findley said that while this is "a legitimate basis" for investing here, "it would be a big controversy with me if I was running the Philippines. If my economic base were going to some other country, I'd be a little unsettled. Hell, we're unsettled, too, when that happens here."

Alexander Calhoun, a San Francisco attorney who has helped Filipinos buy three California banks, said, "The political situation everywhere in Asia is not quite as stable as here. So people generally like to have something outside of the country in case things change suddenly."

But increased competition caused by deregulation of the banking industry and uncertainties in the real estate loan market has lessened the attractiveness of banks as an investment, he said.

In fact, three of California's Filipino-owned banks had bad years during the 1970s and 1980s. Their owners were forced to pump millions of dollars in fresh capital into their U.S. banks.

California-Overseas, established in 1976 in Los Angeles by Roberto S. Benedicto, sugar baron and a close friend of President Ferdinand E. Marcos, posted combined operating losses of $7.4 million in 1982 and 1983, according to state banking officials. The bank's ownership has infused more than $30 million in capital into the bank since it opened in 1976. Last year, the bank posted a net profit of $475,000 with no increases in capital.

California-Overseas spokesman Saul Soteras said he had no comment on the losses in 1982 and 1983.

Redwood Bank of San Francisco was purchased in 1980 by an offshore holding company owned by three Filipino textile magnates for about $15 million, according to a former bank officer, who asked not to be identified. The holding company's president, Dewey Dee, fled the Philippines in 1981 leaving about $90 million in unpaid loans behind him.

Redwood Bank lost $26 million from 1982 to 1984, according to the state Superintendent of Banks. The owners infused a total of $22 million into the bank's reserves during that period, state records show.

"You got to work at losing money like that," said Findley, the banking expert. "I am not in position to make a statement about why they lost the money, but you don't lose $18 million in operations. You lose it by giving it away to bum loans, or having it taken from you in some way."

Records show that the bank was investigated by the Federal Deposit Insurance Corp. for its management and loan practices after its 1980 purchase. Last year, without admitting or denying improper activities, the bank agreed to FDIC-mandated management changes.

The bank's current senior vice president, Bruce Leppla, said Redwood is now showing a profit of $400,000 so far this year.

The millions pumped into the bank show that the owners "believe in the stability and strength of America," he said. "You've got some Philippine owners who say, 'We believe in that bank.' You call it flight capital. The other side of that is that . . . my owners believe the U.S. is the land of opportunity and have stood by the bank by putting in more than $21 million."

Century Bank of Los Angeles owned by five Philippine government agencies, chalked up an operating loss of $755,000 in 1982, according to state banking officials. Merged the next year with the profitable Philippine Bank of California, it reported a net loss of $490,00 in 1984.

The purchase of Century Bank may have cost the Philippine government millions of dollars unnecessarily, said Gilberto Teodoro, chairman of the bank's holding company. He said he suspects that the Philippine government agencies paid "2½ times" what the bank was worth. The purchase, for $14.75 million from the Financial Corporation of America, now is the focus of an inquiry by the Philippine National Assembly, Teodoro said.

"They're saying it was bankrupt, why put more money into it?" Teodoro said. "There are so many things happening back home that are being investigated. It's open season."

The cash used to cover losses at the struggling banks ultimately had to come from the Philippines, Findley said.

"Whether they borrowed the money from somewhere else (or obtained it directly from the Philippines)—whatever the case might be, it has some impact on the outflow of dollar funds from the Philippines," he said.

Not all Philippine-owned banks in California have had problems. For example, Oceanic Bank of San Francisco, started in 1981 with initial capital of $10 million, has returned profits each year.

Oceanic Bank is held by Allied Banking Corp., which is owned in the Philippines by Lucio Tan, said to be one of President Marcos' closest ties to the islands' Filipino-Chinese business community.

U.S. banks also have been the recipient of capital flight dollars from the Philippines. More than a billion dollar left the Philippines in the three months after the assassination of Benigno S. Aquino Jr., according to a report on Philippine Debt to Foreign Banks by John Lind of the Northern California Interfaith Committee on Corporate Responsibility.

Lind wrote that the money went "primarily to foreign branches of U.S. banks" outside of the Philippines.

Other California banks owned or operated by Filipinos include:

Philippine Commercial & Industrial Bank has an agency in Los Angeles with $16 million in assets, according to state banking records. Chairman of PCIB in the Philippine is Cesar Zalamea, who is a founding director of the Marcos Foundation; International Bank of California, Los Angeles; the Philippine National Bank, Los Angeles; Metropolitan Bank & Trust, San Francisco and ManilaBank California, Los Angeles.

By Mr. CHAFEE:

S. 1844. A bill to amend the Consolidated Farm and Rural Development Act to improve the disposition of real property acquired under such act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARMLAND CONSERVATION ACT

● Mr. CHAFEE. Mr. President, America's farmlands are disappearing at an alarmingly rapid rate. During the 1970's slightly over 1 million acres of rural land were converted to urban or transportation uses.

The loss of farmlands continues to accelerate, despite steps taken by Congress to slow this process—most notably the passage of the Farmland Protection Policy Act in 1981. This act established the intent of Congress that Federal policies should not contribute to the unnecessary conversion of farmland to other uses.

Although FPPA enjoyed broad bipartisan support in Congress, the administration has given it an exceedingly narrow interpretation. The bill I introduce today would not materially change existing statutes, but would clarify the intent of Congress, as expressed in the Farmland Protection Policy Act.

Specifically, this bill would ensure that the Farmer's Home Administration [FmHA] disposes of farmland which it has acquired through foreclosure in a manner consistent with the FPPA.

Under the bill I am introducing today, FmHA would be required to make a good faith effort to keep land in agricultural use, rather than simply selling it off to the highest bidder.

I cannot overemphasize the importance of clearing up the confusion currently surrounding this question. FmHA how holds about 10 percent of the Nation's $200 billion farm debt. And since it is the lender of last resort for farmers, a greater proportion of those loans are in trouble.

With farm foreclosures on the rise, FmHA stands to acquire a massive amount of farmland in the very near future. It already holds over 1 million acres of land in its inventory, one-third of which was acquired in this year alone. How it disposes of this land will—to a great extent—determine our success in keeping good land in agriculture.

The problem is this: Under current FmHA interpretation of its operating authority, land held in inventory is offered at public auction and sold to the highest bidder.

This policy puts those who wish to preserve the land in farm use into competitive bidding against well-heeled developers and land speculators. Few farmers can afford to win or even fight such a bidding war.

FmHA's current policies are subverting the FPPA, undermining development rights purchasing programs, and hindering conservation efforts. This clearly was not the intent of Congress.

To further aggravate the situation, Farmer's Home has taken the position that current law does not permit the sale of development rights to such property separately from the property itself. This closes off an option which has been invaluable in the preservation of farmland.

That option is this: In the case of land which is not held by FmHA—that is, which is simply offered for sale on the open market—a local government or land trust might step in and offer to purchase the development rights. By purchasing development rights, these entities can bridge the gap between the farm value and the development value of a parcel of land. Six States have enacted purchase-of-development-rights programs, and have established funds for this purpose.

But FmHA's interpretation of current law pits these parties directly against those who would develop the land for commercial purposes.

My bill would address this problem in two ways. First and foremost, it would expressly permit FmHA to sell the development rights to property separately from the property itself. This would clarify a major area of confusion under the current law.

In one particular case, my State wants to purchase such a conservation easement from FmHA before the agency sells the land. The agency is willing to sell, but its lawyers say that current law prevents them from doing so. We are currently at an impasse, even though all the policymakers and administrators seem to agree that the transaction would be in the interests of all concerned.

This bill would make it clear beyond a shadow of doubt that FmHA may grant or sell conservation easements separately from the underlying property, just as it may grant or sell a highway right-of-way.

These rights would be valued at the difference between the farm-use value of the land and its development value. Thus, from the standpoint of revenue to the Federal Government, the effect would be the same as if the land were sold to the highest bidder.

Second, my bill would require FmHA to make a good faith effort to keep farmland in agriculture by offering it as a matter of first priority to eligible farmers. If such a farmer does not purchase the land within 2 years, State and local agencies and nonprofit organizations would also become eligible to buy the land for 1 additional year.

In such a case, the agency or nonprofit buyer would have to agree to keep the land in agriculture and to reconvey it to a farmer at the earliest practicable time. Only after 3 years—the period specified by the current law—could the land be offered for sale on the open market. This would give entities interested in preserving the land a window in which to purchase it.

This is particularly important in areas where the nonfarm value of the land vastly exceeds its farm value because of the pressure of commercial and residential development. In my home State of Rhode Island, farmland totals about 30,000 acres—less than one-third of what it was 40 years ago. And according to a Federal study, Rhode Island may have no farmland at all by the turn of the century, if current trends continue.

On Tuesday, November 5, voters in my state overwhelmingly approved a bond referendum to replenish the fund with which the State purchases conservation easements. This program was established 3 years ago, and thus far, the State has used it to buy the development rights to 1,000 acres of land. This bill would not only buttress similar efforts now underway in many States to preserve quickly disappearing tracts of farmland, but would also ensure that federal policies do not unnecessarily hinder these efforts.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1844

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (c) of section 335 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(c)) is amended to read as follows:

"(c)(1) The Secretary shall determine whether real property administered under this title is suitable for disposition to persons eligible for assistance under any law administered by the Farmers Home Administration.

"(2) Real property shall be suitable for disposition to such eligible persons if—

"(A) such property—

"(i) is currently being used for the production of an agricultural commodity; or

"(ii) has been used for the production of an agricultural commodity during at least 3 of the 5 years immediately preceding the determination of suitability; and

"(B) any proposed agricultural use of such property is consistent with local land use requirements.

"(3) If the Secretary determines that such property is suitable for disposition, as expeditiously as possible, the Secretary shall offer such property for sale, in a manner consistent with this section, to eligible persons referred to in paragraph (1).

"(4) If such property has not been purchased by such an eligible person within 2 years after the date of the acquisition of such property, the Secretary shall offer such property for sale to units of State and local government, and private nonprofit organizations, that agree—

"(A) to ensure the agricultural use of such property; and

"(B) to convey such property to such an eligible person at the earliest practicable opportunity.

"(5)(A) If the Secretary determines that such property is not suitable for sale to such eligible persons, units, or organizations, or such property has not been purchased by such persons, units, or organizations within 3 years from the date of acquisition, the Secretary shall offer such property for sale—

"(i) after public notice, at public sale; and

"(ii) if no acceptable bid is received, by negotiated sale.

"(B) Such property shall be sold at the best price obtainable for cash or on secured credit without regard to laws governing the disposition of excess or surplus property of the United States.

"(C) The terms of such sale shall require an initial downpayment and the remainder of the sales price payable in installments with interest paid on the unpaid balance at a rate determined by the Secretary, except that such terms and rates may not be more favorable than terms and rates available to eligible borrowers.

"(6)(A) Except as provided in subparagraph (B), a conveyance under this section shall include all of the interest of the United States, including mineral rights.

"(B) The Secretary may for conservation purposes grant or sell an easement, restriction, development rights, or the equivalent thereof, to a unit of local or State government or a private nonprofit organization separately from the underlying fee or sum of all other rights possessed by the United States.".

"(b) The amendment made by this section shall apply to—

(1) real property acquired by the Secretary of Agriculture under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) on or after the date of enactment of this Act; and

(2) real property acquired by the Secretary under such Act before the date of enactment of this Act that has not been disposed of in accordance with such Act before such date.●

ADDITIONAL COSPONSORS

S. 402

At the request of Mr. PRESSLER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 402, a bill to amend the

Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons.

S. 670

At the request of Mr. PELL, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 994

At the request of Mr. JOHNSTON, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 994, a bill to facilitate the national distribution and utilization of coal.

S. 1017

At the request of Mr. WILSON, his name was added as a cosponsor of S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

S. 1107

At the request of Mr. NUNN, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Tennessee [Mr. GORE], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 1107, a bill to authorize the Society of the 3d Infantry Division to erect a memorial in the District of Columbia or its environs.

S. 1209

At the request of Mr. CHILES, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1259

At the request of Mr. THURMOND, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1259, a bill to correct certain inequities by providing Federal civil service credit for retirement purposes and for the purpose of computing length of service to determine entitlement to leave, compensation, life insurance, health benefits, severance pay, tenure, and status in the case of certain individuals who performed service as National Guard technicians before January 1, 1969.

S. 1296

At the request of Mr. MATHIAS, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1296, a bill to amend the Immigration and Nationality Act to modify the requirement for naturalization of an understanding of the English language.

S. 1439

At the request of Mr. DODD, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1439, a bill to amend title 39, United States Code, to provide that change-of-address order forms submitted to the Postal Service may be furnished to the appropriate State authority for purposes relating to voter registration.

S. 1600

At the request of Mr. HEINZ, the name of the Senator from Vermont [Mr. STAFFORD] was added as a cosponsor of S. 1600, a bill to provide that certain of the Social Security Trust Funds be excluded from the Federal budget process for fiscal years beginning on or after October 1, 1985, and to clarify that specifications and directions with respect to such trust funds may not be included in any concurrent resolution on the budget adopted with respect to fiscal years beginning after such date.

S. 1624

At the request of Mr. DECONCINI, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 1624, a bill to make ineligible for certain agricultural program benefits persons who are convicted under Federal or State law of planting, cultivation, growing, or harvesting of controlled substances.

S. 1672

At the request of Mr. BINGAMAN, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1672, a bill to establish an Export Promotion and Information Center.

S. 1710

At the request of Mr. HOLLINGS, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 1710, a bill to establish a motor carrier administration in the Department of Transportation, and for other purposes.

S. 1747

At the request of Mr. ROTH, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1748

At the request of Mr. ROTH, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1748, a bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries.

S. 1824

At the request of Mr. ZORINSKY, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 1824, a bill to amend section 13(e)(3) of the Federal Deposit Insurance Act.

SENATE JOINT RESOLUTION 217

At the request of Mr. HEINZ, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of Senate Joint Resolution 217, a joint resolution to designate the week of December 2, 1985, to December 8, 1985 as "National Emergency Medical Air Transport Week".

SENATE CONCURRENT RESOLUTION 69

At the request of Mr. DANFORTH, the names of the Senator from Michigan [Mr. RIEGLE], and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of Senate Congressional Resolution 69, a concurrent resolution to recognize the National Camp Fire Organization for 75 years of service.

SENATE CONCURRENT RESOLUTION 86—CONGRATULATING SHARON CHRISTA McAULIFFE ON HER SELECTION AS THE FIRST TEACHER IN SPACE

Mr. HUMPHREY (for himself and Mr. Rudman) submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. CON. RES. 86

Whereas a quarter century of the exploration of outer space has opened new frontiers for humanity;

Whereas the quality of life has always been dependent upon human endeavor;

Whereas the talents of all professions will be required in order to expand our presence in outer space;

Whereas education has always prepared our Nation for social and technological advancement;

Whereas tomorrow's space travelers are in today's schools; and

Whereas teachers are the vital link in motivating our Nation's youth to face the challenges of the future: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) Sharon Christa McAuliffe is to be congratulated on her outstanding achievement on being selected as the first Teacher in Space;

(2) President Reagan and the National Aeronautics and Space Administration are to be commended on their foresight and wisdom in recognizing the importance of education to our future in outer space; and

(3) the Administrator of the National Aeronautics and Space Administration should make the experience of our Nation's first teacher flight participant available to all of our Nation's people by encouraging Sharon Christa McAuliffe to conduct the world's first lesson from outer space for the benefit of all humanity.

● Mr. HUMPHREY. Mr. President, today I join my distinguished colleague Senator RUDMAN in submitting a concurrent resolution congratulating Sharon Christa McAuliffe on being selected as the first teacher in space.

The entire State of New Hampshire is filled with a deep sense of pride in this outstanding woman, who will be the first private citizen to participate

in space flight. It is especially significant that the first private citizen in space will be a teacher, as tomorrow's explorers are in the schools of today. A teacher's experience can be a great motivating force for our Nation's youth. Christa's experiences in space will reach much further than her own classroom; they will touch students across the country, and indeed, every one of us.

Space exploration has opened new frontiers for humanity; Christa McAuliffe's flight will open new frontiers for all of us. We all look forward to reading Christa's space journal when she returns from outer space to experience this incredible journey through the senses of a fellow private citizen.●

● Mr. RUDMAN. Mr. President, it was terrific news and a step in the right direction when President Reagan announced last year that the first private citizen to be launched into orbit on NASA's space shuttle would be a teacher. What better way to highlight the importance our society places upon education.

But, Mr. President, I was particularly pleased when Vice President Bush announced last month that the teacher will be Christa McAuliffe, an enthusiastic and extremely articulate social studies teacher from Concord High School in New Hampshire.

Those of us from New Hampshire are extremely proud of Christa and are anxiously awaiting her trip into space. But we also recognize that Christa will carry with her the hopes and dreams of millions of Americans who have supported our space program and carefully followed the development of the space shuttle. Christa represents the more than 10,000 teachers who applied, representing elementary and secondary schools throughout the United States and its territories, competing for the honor of being the first "teacher in space."

As a space flight participant on a shuttle to be launched next January, Christa will keep a personal journal detailing her experiences in flight which she plans to share with educators from all disciplines throughout the Nation. She will be a guest speaker at national, regional, and State educational workshops and conferences where she will discuss the realities of the trip and offer her perspectives on space technology in terms of politics, science, defense, art, and as an aid to humanity.

In addition to her role as high school teacher, wife, and mother of two young children, Christa is a board member of the New Hampshire Council for the Social Studies, the Junior Service League, a volunteer for a family planning clinic and is active in fundraising for community projects. She represents the best of the American volunteer spirit.

I am very pleased to congratulate Christa McAuliffe on her selection as the first teacher and first private citizen in space and would like to compliment NASA on its fine decision. One need only meet Christa for 1 minute to recognize that NASA made the right choice in selecting this intelligent, accomplished young woman from New Hampshire. Her selection as a member of the space shuttle crew continues our State's long history of contribution to the Nation's space program which began with Alan Shepard's first solo space shot nearly 25 years ago. It also underscores the important role educators have played in our society toward the development of knowledge and understanding, as well as the ability to instill a sense of curiosity and appreciation for learning in our Nation's youth.

On behalf of my colleagues and the entire Nation, I extend congratulations and best wishes to Christa McAuliffe. We all look forward to that momentous day next January when all systems are "go" for liftoff to her exciting venture into space.●

SENATE RESOLUTION 255—CONCERNING THE FEDERAL ENERGY REGULATORY COMMISSION'S VOLUNTARY NATURAL GAS TRANSPORTATION PROGRAM

Mr. NICKLES (for himself, Mr. DOMENICI, Mr. DOLE, Mr. BOREN, and Mr. GRAMM) submitted the following resolution; which was referred to the Committee on Energy and Natural Resources:

S. RES. 255

Whereas, due to the complexity, uncertainty, disincentives and problems created by the Federal Energy Regulatory Commission's voluntary natural gas transportation program, established by final rule by FERC Order No. 436, few pipelines are willing or able to participate immediately in the program;

Whereas, most of those pipelines that are currently participating have only committed to participate through December 15, 1985;

Whereas, as a result of pipelines' decisions not to participate, numerous natural gas consumers located throughout the Nation have experienced a discontinuance of natural gas transportation services;

Whereas, as a result of pipelines' decisions not to participate certain natural gas transportation programs have ceased to exist and, as a result many natural gas producers are being forced to shut in natural gas production due to lack of available transportation;

Whereas, this situation can only be expected to worsen over time due to the expiration of other existing voluntary natural gas transportation programs;

Whereas, all consumers and producers of natural gas must have access to nondiscriminatory transportation in order to provide competition in the natural gas marketplace, and to assure an adequate and reliable supply of natural gas at the lowest possible cost; and

Whereas, producers of natural gas, both independents and majors, must have access to nondiscriminatory transportation in order to be able to make available natural gas to meet market demand, and to insure continued exploration for new natural gas reserves: Now, therefore be it

Resolved by the Senate of the United States, That it is the sense of the Senate that—

(1) the Federal Energy Regulatory Commission should make such changes to the transportation and certificate regulations implemented by Order No. 436, without going beyond their current scope, as may be necessary to remove the disincentives for natural gas pipelines to provide voluntary transportation of natural gas for others;

(2) such changes should be made as soon as possible so as to insure uninterrupted transportation of natural gas to residential, commercial and industrial gas consumers;

(3) until such changes are made, the Federal Energy Regulatory Commission should immediately take such actions as may be necessary to make available on an expedited basis natural gas transportation pursuant to the Natural Gas Act and the Natural Gas Policy Act so as to preclude further disruption in the natural gas marketplace; and

(4) once such changes are made pipelines will participate in the voluntary natural gas transportation program.

SENATE RESOLUTION 256—TO ESTABLISH AN AD HOC COMMITTEE OF THE SENATE

Mr. DOLE submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 256

(1) There is hereby established an Ad Hoc Committee of the Senate consisting of all members of the Senate duly chosen and sworn. The Majority Leader shall designate a chairman and the Minority Leader shall designate a Vice-chairman. A quorum shall consist of 6 members no more than three of which shall be from one party.

(2) The President Pro Tempore of the Senate or his designee is hereby authorized to issue a subpoena to require the attendance of Miroslav Medvid at a hearing before the Ad Hoc Committee to be held at 9:30 a.m. November 12, 1985, in S. 207 of the U.S. Capitol, Washington, D.C. or at such other time or times and places as the chairman of the Ad Hoc Committee shall designate. The Sergeant of Arms, or his designee, is authorized and directed to serve such subpoena forthwith.

(3) The appropriate agencies are requested to assist the Senate in the service of the subpoena referred to in paragraph one and in obtaining the presence of Mr. Miroslav Medvid before the Ad Hoc Committee.

AMENDMENTS SUBMITTED

MILITARY CONSTRUCTION APPROPRIATION, 1986

THURMOND (AND HATFIELD) AMENDMENT NO. 969

Mr. MATTINGLY (for Mr. THURMOND, for himself and Mr. HATFIELD)

proposed an amendment to the bill (H.R. 3327) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 4, line 1, strike out "$208,350,000" and insert in lieu thereof "$233,290,000".

BINGAMAN (AND GLENN) AMENDMENT NO. 970

Mr. MATTINGLY (for Mr. BINGAMAN, for himself and Mr. GLENN) proposed an amendment to the bill (H.R. 3327), supra; as follows:

On page 2, line 7, strike out "$1,541,190,000" and insert in lieu thereof "$1,545,690,000".

On page 3, line 13, strike out "$1,718,863,000" and insert in lieu thereof "$1,721,763,000".

GORTON AMENDMENT NO. 971

Mr. MATTINGLY (for Mr. GORTON) proposed an amendment to the bill (H.R. 3327), supra; as follows:

On page 3, line 13, add $12,500,000 to the number shown.

MATTINGLY (AND HEFLIN) AMENDMENT NO. 972

Mr. MATTINGLY (for himself and Mr. HEFLIN) proposed an amendment to the bill (H.R. 3327), supra; as follows:

On page 2, line 7, add $2,200,000 to the Senate number.

DECONCINI AMENDMENT NO. 973

Mr. DECONCINI proposed an amendment to the bill H.R. 3327, supra; as follows:

On page 2, line 7, add *$10,820,000.*

On page 3, line 13, add *$2,100,000.*

BUMPERS (AND PRYOR) AMENDMENT NO. 974

Mr. MATTINGLY (for Mr. BUMPERS, for himself and Mr. PRYOR) proposed an amendment to the bill (H.R. 3327), supra; as follows:

On page 3, line 13, add *$4,260,000.*

KENNEDY AMENDMENT NO. 975

Mr. KENNEDY proposed an amendment to the bill (H.R. 3327), supra; as follows:

At page 3, line 13, add $11,000,000 to the figure appearing at the above-cited location in the bill.

MATTINGLY (AND SASSER) AMENDMENT NO. 976

Mr. MATTINGLY (for himself and Mr. SASSER) proposed an amendment to the bill (H.R. 3327), supra; as follows:

At the appropriate place in the bill, add the following: The Senate finds that the U.S. has historically been a haven for those seeking refuge from repression; and

Recent events have focused on the procedures used in handling cases involving foreign merchant seamen who might seek political asylum; and

Serious questions have arisen about the application of those procedures by the INS in the case of Miroslav Medvid.

Therefore, it is the sense of the Senate that all legal and legitimate means should be taken by the U.S. Government in arriving at a just resolution of this incident.

FEDERAL RETIREMENT REFORM ACT

GORE AMENDMENT NO. 977

Mr. GORE proposed an amendment to the bill (S. 1527) to amend title 5, United States Code, to establish a new retirement and disability plan for Federal employees, postal employees, and Members of Congress, and for other purposes; as follows:

On page 176, line 24, beginning with "in", strike out all through "hardship" on line 25.

EAGLETON (AND STEVENS) AMENDMENT NO. 978

Mr. EAGLETON (for himself and Mr. STEVENS) proposed an amendment to the bill S. 1527, supra; as follows:

Immediately following title III, insert the following:

TITLE IV—CENTRAL INTELLIGENCE AGENCY RETIREMENT REFERENCES

SEC. 401. The Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1043; 50 U.S.C. 403 note) is amended—

(1) in section 111, by striking out "When" and inserting in lieu thereof "Except as otherwise provided in section 302 of this Act, when";

(2) by striking out "this Act" each place it appears in title II except in sections 201 and 264, and inserting in lieu thereof "this title"; and

(3) by inserting "under this title" after "payable from the Fund" each place it appears in title II.

CONTRIBUTIONS TO THE CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 402. Section 211 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1045; 50 U.S.C. 403 note) is amended—

(1) by inserting "Except as provided in subsection (d)," before "7 percent" in the first sentence of subsection (a); and

(2) by adding at the end thereof the following new subsection (d):

"(d)(1) In the case of a participant who was a participant subject to this Act before January 1,1984, and whose service—

"(A) is employment for the purpose of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, and

"(B) is not creditable service for any purpose under title III of this Act or chapter 84 of title 5, United States Code,

there shall be deducted and withheld from the basic pay of the participant under this subsection during any pay period only the amount computed pursuant to paragraph (2).

"(2) The amount deducted and withheld from the basic pay of a participant during any pay period pursuant to paragraph (1) shall be the excess of—

"(A) the amount determined by multiplying the percent applicable to the participant under subsection (a) by the basic pay payable to the participant for such pay period, over

"(B) the amount of the taxes deducted and withheld from such basic pay under section 3101(a) of the Internal Revenue Code of 1954 for such pay period.".

OFFSET OF ANNUITY BY THE AMOUNT OF SOCIAL SECURITY BENEFITS

SEC. 403. Section 221 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1045; 50 U.S.C. 403 note) is amended by adding at the end thereof the following new subsection:

"(p)(1) Effective on the first day of the month in which an annuitant, including a survivor, becomes 62 years of age, the annuity computed under the other subsections of this section and payable to the annuitant shall be reduced (but not below zero) by the amount determined by multiplying the amount of the old-age and survivors insurance benefits which the annuitant is entitled to receive under section 202 of the Social Security Act for the such month, if any, by a fraction—

"(A) the numerator of which is the total of the wages (within the meaning of section 209 of the Social Security Act) for service which is referred to in paragraph (2) of this subsection for years before the calendar year in which such month occurs, and

"(B) the denominator of which is the total of all wages (within the meaning of section 209 of the Social Security Act) and all self-employment income (within the meaning of section 211(b) of the Social Security Act)—

"(i) of such annuitant, or

"(ii) in the case of a survivor, of the participant on whose service the annuity is based.

credited for years after 1936 and before the calendar year in which such month occurs.

"(2) The service referred to in paragraph (1)(A) of this subsection is service which is covered by amounts deducted and withheld as provided in section 211(d), is service described in subparagraphs (C) through (G) of section 210(a)(5) of the Social Security Act, and is taken into account for the purpose of computing the annuity to which paragraph (1) of this subsection applies.".

TREATMENT OF CERTAIN RECALL SERVICE

SEC. 404. Section 271 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1052; 50 U.S.C. 403 note) is amended by adding at the end thereof the following new subsection:

"(c) Subsection (b) shall not apply to an annuitant who becomes subject to title III of this Act by reason of recall service.".

CONFORMITY BETWEEN THE FEDERAL RETIREMENT SYSTEM AND THE CENTRAL INTELLIGENCE AGENCY PENSION SYSTEM

SEC. 405. Section 292 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended by adding at the end thereof the following new subsection:

"(c) The President shall maintain, under the same conditions and in the same manner as provided in subsections (a) and (b), existing conformity between the Federal Retirement System provided in chapter 84 of title 5, United States Code, and the Central Intelligence Agency Pension System provided in title III of this Act.".

CENTRAL INTELLIGENCE AGENCY PENSION SYSTEM

SEC. 406. The Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1043; 50 U.S.C. 403 note) is amended by adding at the end thereof the following:

"TITLE III—CENTRAL INTELLIGENCE AGENCY PENSION SYSTEM

"ESTABLISHMENT

"SEC. 301. (a) There is hereby established a Central Intelligence Agency Pension System.

"(b)(1) Except as otherwise specifically provided in this title or any other provision of law, all participants in the Central Intelligence Agency Pension System shall be subject to the provisions of chapter 84 of title 5, United States Code, and shall be treated in all respects as persons whose participation in the Federal Retirement System provided in that chapter is required by section 8402 of such title.

"(2) Participants in the Central Intelligence Agency Pension System may not make an election authorized by section 8418(c) of title 5, United States Code, and shall not be entitled to any benefits under chapter 84 of such title which result from such an election.

"DEFINITIONS

"SEC. 302. As used in this title, unless otherwise specified—

"(1) the term 'annuity' means the annuity which is described in subchapter II of chapter 84 of title 5, United States Code, and is payable to a Pension System participant;

"(2) the term 'dynamic assumptions' has the same meaning as provided in section 8401(9) of title 5, United States Code;

"(3) the term 'Fund' means the Central Intelligence Agency Retirement and Disability Fund maintained by the Director pursuant to section 202;

"(4) the term 'normal cost' means the entry-age normal cost of the provisions of the System which relate to the Fund, computed by the Director in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay, and shall be used to value the cost of the System for all purposes for which the cost of the System is required to be determined;

"(5) the term 'Pension System participant' means a person who participates in the Central Intelligence Agency Pension System;

"(6) the term 'supplemental liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this title, over

"(B) the sum of—

"(i) the actuarial present value of the future contributions to be made on behalf of participants pursuant to section 305(b)(2)(A) of this Act; and

"(ii) the balance in the Fund attributable to the System on the date the supplemental liability is determined or to contributions made under section 204(b) or 205 of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1106; 5 U.S.C. 8331 note); and

"(7) the term 'System' means the Central Intelligence Agency Pension System.

"PENSION SYSTEM PARTICIPANTS

"SEC. 303. (a) Except for persons excluded by subsection (b), all officers and employees of the Agency, any of whose service after December 31, 1983, is employment for the purpose of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954 shall be Pension System participants.

"(b) Participants in the Central Intelligence Agency Retirement and Disability System who were participants in such system on or before December 31, 1983, and who have not had a break in service in excess of 1 year since that date, are not made Pension System participants by this section, without regard to whether they are subject to title II of the Social Security Act.

"SPECIAL RULES RELATING TO THE ENTITLEMENT OF SECTION 203 EMPLOYEES TO ANNUITY

"SEC. 304. (a) Any Pension System participant who is described in section 203 and retires voluntarily or mandatorily under section 102(c) of the National Security Act of 1947 (61 Stat. 498; 50 U.S.C. 403(c)) or section 233 or 235 of this Act under conditions authorizing an immediate annuity for participants in the Central Intelligence Agency Retirement and Disability System shall be entitled to an immediate annuity computed under subsections (a)(2), (a)(3), and (c) of section 8413 of title 5, United States Code. The annuity shall not be subject to reduction under section 8414 of such title.

"(b) A Pension System participant who is entitled to an immediate annuity under subsection (a) shall be entitled to receive an annuity supplement while under 62 years of age. The annuity supplement shall be based on the total creditable service of the participant and shall be computed and increased in accordance with section 8413(b) of title 5, United States Code.

"(c)(1) Any Pension System participant described in section 203 may be retired under the conditions specified in sections 233 and 235(a) and shall be retired under the conditions specified in section 235(b). Each Pension System participant so retired shall receive benefits under this title.

"(2) For the purposes of this subsection—

"(A) the term 'participant', as used in the sections referred to in paragraph (1), means a Pension System participant described in section 203; and

"(B) the term 'system', as used in section 233, means the Central Intelligence Agency Pension System.

"(d) Any Pension System participant described in section 203 who is separated under the conditions specified in section 234(a) shall be entitled to a deferred annuity under section 8412 of title 5, United States Code, unless the Director determines that the separation was based in whole or in part on disloyalty to the United States.

"FUNDING

"SEC. 305. (a) All payments under subchapters II, IV, and VII of chapter 84 of title 5, United States Code, based on the service shall be paid by the Director from the Fund.

"(b)(1) All sums required to finance the payments referred to in subsection (a) shall be credited to the Fund.

"(2) The sums referred to in paragraph (1) are—

"(A) amounts which are determined by the Director to be necessary to defray the normal cost of the benefits, other than disability benefits, payable under this title to Pension System participants;

"(B) The sums which are transferred to the Fund by the Secretary of the Treasury to amortize over 30 years the supplemental liability of the System which is attributable to Pension System participants, as computed at the end of each fiscal year beginning after September 30, 1987; and

"(C) the sums which are transferred by the Secretary of the Treasury to the Fund out of funds appropriated to the Department of Defense for the purpose of paying the costs incurred during any year which relate to the creditable military service of Pension System participants.

"(C) At least every 5 years, the Secretary of the Treasury shall prepare periodic valuations of the Central Intelligence Agency Pension System and shall advise the Director of (1) the normal cost of the System, without regard to the cost of disability payments, (2) the supplemental liability of the System, and (3) the amounts necessary to finance the costs of the System.

"THRIFT SAVINGS PLAN

"SEC. 306. (a) The Director, in consultation with the Executive Director of the Federal Retirement Thrift Investment Board, may—

"(1) maintain exclusive records relating to Pension System participants' elections, contributions, and accounts under the Thrift Savings Plan provided in subchapter III of chapter 84 of title 5, United States Code, and

"(2) provide for investments under the Thrift Savings Plan to be made and accounted for by such Executive Director in aggregate amounts for the Central Intelligence Agency Pension System.

"(b) The Director may make the necessary allocations of earnings, losses, and charges to individual accounts of Pension System participants under the Thrift Savings Plan.

"(c) The Executive Director of the Federal Retirement Thrift Investment Board may not exercise authority under subchapter III or VIII of chapter 84 of title 5, United States Code, in the case of the Central Intelligence Agency Pension System to the extent that the Director exercises authority provided in subsections (a) and (b).

"DISABILITY

"SEC. 307. The Director, instead of the Office of Personnel Management, may contract with an administrator of benefits (as defined in section 8441(1) of title 5, United States Code), for the purpose of administration of benefits under subchapter V of chapter 84 of such title with respect to Pension System participants.

"GENERAL AND ADMINISTRATIVE PROVISIONS

"SEC. 308. (a) The Director shall administer the Central Intelligence Agency Pension System except for matters (other than matters to which section 306 of this Act applies) relating to the Thrift Savings Plan provided in subchapters III and VIII of chapter 84 of title 5, United States Code, and matters (other than matters to which section 307 of this Act applies) relating to disability benefits under subchapter V of such chapter. The Director shall, with respect to the Central Intelligence Agency Pension System, perform the functions and exercise the authority vested in the Office of Personnel Management or the Director of such Office by such chapter 84, and may issue regulations for such purposes.

"(b) Section 201(c) shall apply to determinations of the Director under the Central Intelligence Agency Pension System which, if made by the Office of Personnel Management under chapter 84 of title 5, United States Code, the Director of such Office, or an administrator of benefits (as defined in section 8441(1) of such title), would be appealable to the Merit Systems Protection Board, to such Office, or to the Director of such Office.

"TRANSITION PROVISIONS

"SEC. 309. The Director shall issue regulations providing for the transition from the Central Intelligence Agency Retirement and Disability System to the Central Intelligence Agency Pension System. For this purpose, the provisions of sections 8471, 8472, and 8473 of title 5, United States Code, relating to the Civil Service Retirement and Disability System and contributions, deposits, pay computations, service credit, and disability retirement under such system shall be deemed to refer in like manner to the Central Intelligence Agency Retirement and Disability System and contributions, deposits, pay computations, service credit, and disability retirement thereunder.

"REFERENCES IN OTHER LAWS

"SEC. 310. References made to participation in the Federal Retirement System in section 8113(c), 8475, 8704(a)(2), and 8705(e) of title 5, United States Code, section 210(a)(5)(H) of the Social Security Act, and section 3121(b)(5)(H) of the Internal Revenue Code of 1954 shall be deemed to refer to participation in the Central Intelligence Agency Pension System.".

Redesignate the succeeding title and sections accordingly.

DURENBERGER (AND HOLLINGS) AMENDMENT NO. 979

Mr. DURENBERGER (for himself and Mr. HOLLINGS) proposed an amendment to amendment No. 978 proposed by Mr. EAGLETON (and Mr. STEVENS) to the bill S. 1527, supra; as follows:

On page 14, immediately following line 1, insert the following:

ADMINISTRATION OF THE CIVIL SERVICE RETIREMENT AND DISABILITY SYSTEM FOR EMPLOYEES OF THE CENTRAL INTELLIGENCE AGENCY

SEC. 407. Section 8347 of title 5, United States Code, is amended by adding at the end thereof the following new subsection (n):

"(n)(1) Notwithstanding any other provision of this subchapter, the Director of Central Intelligence shall—

"(A) administer the provisions of this subchapter with respect to officers and employees of the Central Intelligence Agency; and

"(B) perform the functions and duties which would otherwise be performed with respect to such officers and employees by the Office of Personnel Management or the Director of such Office under this subchapter.

"(2) The Director of the Office of Personnel Management shall furnish such information and services to the Director of Central Intelligence as the Director of Central Intelligence determines necessary to carry out paragraph (1) of this subsection.".

REPORT ON EXPANSION OF COVERAGE OF THE CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 408. (a) The Director of Central Intelligence shall determine whether it would be appropriate to expand the coverage of the Central Intelligence Agency Retirement and Disability System to include any officers and employees of the Central Intelligence Agency who are subject to the Civil Service Retirement and Disability System under subchapter III of chapter 83 of title 5, United States Code.

(b) Not later than 1 year after the date of the enactment of this Act, the Director of Central Intelligence shall transmit to the Congress the Director's determinations under subsection (a) and any recommendations for legislation which the Director considers appropriate and relate to such determinations.

LUGAR (AND OTHERS) AMENDMENT NO. 980

Mr. STEVENS (for Mr. LUGAR, for himself, Mr. STEVENS, Mr. EAGLETON, and Mr. PELL) proposed an amendment to the bill S. 1527, supra; as follows:

Immediately following title III, insert the following:

TITLE IV—FOREIGN SERVICE RETIREMENT

REDESIGNATION OF CERTAIN PROVISIONS OF THE FOREIGN SERVICE ACT OF 1980

SEC. 401. (a) Chapter 8 of title I of the Foreign Service Act of 1980 (94 Stat. 2102; 22 U.S.C. 4041 et seq.) is amended—

(1) by striking out the caption of such chapter and inserting in lieu thereof the following:

"CHAPTER 8—FOREIGN SERVICE RETIREMENT AND DISABILITY

"Subchapter I—Foreign Service Retirement and Disability System";

(2) by striking out "this chapter" each place it appears and inserting in lieu thereof "this subchapter"; and

(3) by inserting "under this subchapter" after "payable from the Fund" each place it appears.

(b)(1) Section 808(d) of such Act (94 Stat. 2110; 22 U.S.C. 4048(d)) is amended—

(A) by stiking out "such subchapter" each place it appears in the second and third sentences and inserting in lieu thereof "subchapter I of such chapter 81"; and

(B) by striking out "Act" each place it appears and inserting in lieu thereof "subchapter".

(2) Section 808(e) of such Act (94 Stat. 2111; 22 U.S.C. 4048(e)) is amended by striking out "Act" each place it appears and inserting in lieu thereof "subchapter".

(c) Section 809(a) (94 Stat. 2111; 22 U.S.C. 4049(a)) is amended by striking out "Act" and inserting in lieu thereof "subchapter".

CONTRIBUTIONS TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

SEC. 402. Section 805 of the Foreign Service Act of 1980 (94 Stat. 2104; 22 U.S.C. 4045) is amended—

(1) by inserting "Except as provided in subsection (g)," before "7 percent" in the first sentence of subsection (a); and

(2) by adding at the end thereof the following new subsection (g):

"(g)(1) In the case of an employee or member of the Service who was a participant subject to this subchapter before January 1, 1984, and whose service—

"(A) is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, and

"(B) is not creditable service for any purpose under subchapter II of this chapter or chapter 84 of title 5, United States Code,

there shall be deducted and withheld from the basic pay of the employee or member of the Service under this subsection during any pay period only the amount computed pursuant to paragraph (2).

"(2) The amount deducted and withheld from the basic pay of an employee or member of the Service during any pay period pursuant to paragraph (1) shall be the excess of—

"(A) the amount determined by multiplying the percent applicable to the employee or member of the Service under subsection (a) by the basic pay payable to the employee or member of the Service for such pay period, over

"(B) the amount of the taxes deducted and withheld from such basic pay under section 3101(a) of the Internal Revenue Code of 1954 for such pay period.".

OFFSET OF ANNUITY BY THE AMOUNT OF SOCIAL SECURITY BENEFITS

SEC. 403. Section 806 of the Foreign Service Act of 1980 (94 Stat. 2106; 22 U.S.C. 4046) is amended by adding at the end thereof the following new subsection:

"(m)(1) Effective on the first day of the month in which an annuitant, including a survivor, becomes 62 years of age, the annuity computed under the other subsections of this section and payable to the annuitant shall be reduced (but not below zero) by the amount determined by multiplying the amount of the old-age and survivors insurance benefits which the annuitant is entitled to receive under section 202 of the Social Security Act for the such month, if any, by a fraction—

"(A) the numerator of which is the total of the wages (within the meaning of section 209 of the Social Security Act) for service which is referred to in paragraph (2) of this subsection for years before the calendar year in which such month occurs, and

"(B) the denominator of which is the total of all wages (within the meaning of section 209 of the Social Security Act) and all self-employment income (within the meaning of section 211(b) of the Social Security Act)—

"(i) of such annuitant, or

"(ii) in the case of a survivor, of the participant on whose service the annuity is based, credited for years after 1936 and before the calendar year in which such month occurs.

"(2) The service referred to in paragraph (1)(A) of this subsection is service which is covered by amounts deducted and withheld as provided in section 805(g), is service described in subparagraphs (C) through (G) of section 210(a)(5) of the Social Security Act, and is taken into account for the purpose of computing the annuity to which paragraph (1) of this subsection applies.".

TREATMENT OF CERTAIN RECALL SERVICE

SEC. 404. Section 823 of the Foreign Service Act of 1980 (94 Stat. 2122; 22 U.S.C. 4063) is amended by adding at the end thereof the following new subsection:

"(c) If an annuitant becomes subject to subchapter II of this chapter by reason of recall service—

"(1) subsections (a) and (b) shall not apply to such annuitant; and

"(2) section 824 shall apply to the recall service as if such service were reemployment.".

REEMPLOYMENT

SEC. 405. Section 824 of the Foreign Service Act of 1980 (94 Stat. 2122; 22 U.S.C. 4064) is amended to read as follows:

"SEC. 824. Reemployment.—(a)(1)(A) except in the case of an annuitant who makes an election under subsection (b), if any member of the Service who has retired and is receiving an annuity under this subchapter or subchapter II of this chapter becomes employed in an appointive or elective position in the Government, payment of

any annuity under either subchapter to the annuitant terminates effective on the date of the employment.

"(B) If an annuity of an annuitant is terminated under subparagraph (A) by reason of reemployment and—

"(i) the annuitant was not entitled to an annuity under subchapter II of this chapter before the reemployment began, or

"(ii) the reemployment service is subject to the Federal Retirement System under chapter 84 of title 5, United States Code,

the terminated annuity shall resume and the annuitant shall be entitled to an additional annuity under subchapter II of this chapter effective on the date of termination of the reemployment. The additional annuity shall be computed under sections 8413, 8414, and 8415 of title 5, United States Code (as made applicable by subchapter II of this chapter), based on the service during the period of reemployment and the basic salary paid the annuitant for such service.

"(2) A reemployed annuitant who, before reemployment, was entitled to an annuity under subchapter II of this chapter and has been reappointed in a status covered by the System under such subchapter shall be entitled to a redetermination of rights under such subchapter upon termination of the employment. If such annuitant, before reemployment, was also entitled to an annuity under subchapter I of this chapter, that annuity shall be resumed upon termination of the employment.

"(b)(1) A member of the Service who is entitled to an annuity under this subchapter or subchapter II of this chapter and becomes employed in an appointive or elective position in the Government on a part-time or temporary basis may elect to continue to receive either or both annuities as provided in this subsection.

"(2) The total annuity payable under this chapter to an annuitant making an election under paragraph (1) shall be reduced during the part-time or temporary employment referred to in such paragraph as necessary to meet the requirements of paragraph (3).

"(3) The sum of—

"(A) the total annuity payable under this chapter to an annuitant making an election under paragraph (1), and

"(B) the annual rate of pay payable to the annuitant during the part-time or temporary employment referred to in such paragraph.

may not exceed, in any year, the highest annual rate of pay which is payable during such year for full-time employment in the position in which the annuitant is employed.

"(4) Upon termination of the part-time or temporary employment referred to in paragraph (1), payment of the full annuity of an annuitant who has made an election under paragraph (1) of this subsection shall resume.

"(c) The amount of an annuity which has been terminated or reduced under this section by reason of the reemployment of the annuitant and is resumed under this section shall be the amount of the annuity which would have been payable if the annuitant had not accepted the reemployment. The amount of an annuity resulting from a redetermination of rights pursuant to subsection (a) shall not be less than the amount of the terminated annuity plus any increases under section 826 or section 8462 of title 5, United States Code, as appropriate, occurring after the termination of the annuity and before the commencement of the redetermined annuity.

"(d) If an annuitant to whom this section applies dies while reemployed, a survivor annuity payable with respect to the deceased annuitant shall be redetermined as if the employment had terminated on the date of death.

"(e) The annuity rights of any member of the Service who is reemployed in the Federal Government shall be determined under this section instead of section 8468 or 8474 of title 5, United States Code.

"(f) When any such retired member of the Service is reemployed, the employer shall send a notice of such reemployment to the Secretary of State, together with all pertinent information relating to such employment, and shall pay directly to such member the salary of the position in which he or she is serving.

"(g) In the event of any overpayment under this section, such overpayment shall be recovered by withholding the amount involved from the salary payable to such reemployed member of the Service or from any other moneys, including annuity payments, payable under this chapter.".

COMPATIBILITY BETWEEN THE FEDERAL RETIREMENT SYSTEM AND THE FOREIGN SERVICE PENSION SYSTEM

SEC. 406. Section 827 of the Foreign Service Act of 1980 (94 Stat. 2124; 22 U.S.C. 4067) is amended by adding at the end thereof the following new subsection:

"(c) The President shall maintain, under the same conditions and in the same manner as provided in subsections (a) and (b), existing conformity between the Federal Retirement System provided in chapter 84 of title 5, United States Code, and the Foreign Service Pension System provided in subchapter II of this chapter.".

FOREIGN SERVICE PENSION SYSTEM

SEC. 407. (a) Chapter 8 of title I of the Foreign Service Act of 1980 (94 Stat. 2102; 22 U.S.C. 4041 et seq.) is amended by adding at the end thereof the following:

"Subchapter II—Foreign Service Pension System

"SEC. 851. ESTABLISHMENT.—(a) There is hereby established a Foreign Service Pension System.

"(b)(1) Except as otherwise specifically provided in this subchapter or any other provision of law, all participants in the Foreign Service Pension System shall be subject to the provisions of chapter 84 of title 5, United States Code, and shall be treated in all respects as persons whose participation in the Federal Retirement System provided in that chapter is required by section 8402 of such title.

"(2) Participants in the Foreign Service Pension System may not make an election authorized by section 8418(c) of title 5, United States Code, and shall not be entitled to any benefits under chapter 84 of such title which result from such an election.

"SEC. 852. DEFINITIONS.—As used in this subchapter, unless otherwise specified—

"(1) the term 'annuity' means the annuity which is described in subchapter II of chapter 84 of title 5, United States Code, and is payable to a participant;

"(2) the term 'dynamic assumptions' has the same meaning as provided in section 8401(9) of title 5, United States Code;

"(3) the term 'Fund' means the Retirement and Disability Fund maintained by the Secretary of the Treasury pursuant to section 802;

"(4) the term 'normal cost' means the entry-age normal cost of the provisions of the system which relate to the Fund, computed by the Secretary of State in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay, and shall be used to value the cost of the System for all purposes for which the cost of the System is required to be determined;

"(5) the term 'participant' means a person who participates in the Foreign Service Pension System;

"(6) the term 'supplemental liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this subchapter, over

"(B) the sum of—

"(i) the actuarial present value of the future contributions to be made on behalf of participants pursuant to section 855(b)(2)(A) of this Act; and

"(ii) the balance in the Fund attributable to the System on the date the supplemental liability is determined or to the contributions made under Section 204(b) or 205 of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 stat. 1106; 5 U.S.C. 8331 note); and

"(7) the term 'System' means the Foreign Service Pension System.

"SEC. 853. PARTICIPANTS.—(a) Except for persons excluded by subsection (b), all members of the Foreign Service, any of whose service after December 31, 1983, is employment for the purpose of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, who would, but for this section, be participants in the Foreign Service Retirement and Disability System pursuant to section 803 shall be participants in the Foreign Service Pension System.

"(b) Members of the Service who were participants in the Foreign Service Retirement and Disability System on or before December 31, 1983, and who have not had a break in service in excess of 1 year since that date, are not made participants in the System by this section, without regard to whether they are subject to title II of the Social Security Act.

"SEC. 854. ENTITLEMENT TO ANNUITY.—(a) Any participant who retires voluntarily or mandatorily under section 607, 608, 811, or 813 under conditions authorizing an immediate annuity for participants in the Foreign Service Retirement and Disability System shall be entitled to an immediate annuity computed under subsections (a)(2), (a)(3), and (c) of section 8413 of title 5, United States Code. The annuity shall not be subject to reduction under section 8414 of such title.

"(b) A participant who is entitled to an immediate annuity under subsection (a) shall be entitled to receive an annuity supplement while the annuitant is under 62 years of age. The annuity supplement shall be based on the total creditable service of the annuitant and shall be computed and increased in accordance with section 8413(b) of title 5, United States Code.

"(c)(1) Any participant may be retired under the conditions specified in section 811 and shall be retired under the conditions specified in sections 812 and 813 and receive benefits under this subchapter.

"(2) For the purposes of this subsection—

"(A) the term 'participant', as used in the sections referred to in paragraph (1), means a participant in the Foreign Service Pension System; and

"(B) the term 'System', as used in those sections, means the Foreign Service Pension System.

"(d) Any participant who is separated for cause under section 610 shall be entitled to a deferred annuity under section 8412 of title 5, United States Code, under the conditions specified in such section unless the Secretary determines that the separation was based in whole or in part on disloyalty to the United States.

"SEC. 855. FUNDING.—(a) All payments under this subchapter which are comparable to payments under subchapters II, IV, and VII of chapter 84 of title 5, United States Code, based on the service of participants or former participants shall be paid by the Secretary of State from the Fund.

"(b)(1) All sums required to finance the payments referred to in subsection (a) shall be credited to the Fund.

"(2) The sums referred to in paragraph (1) are—

"(A) amounts which (i) are determined by the Secretary of State to be necessary to defray the normal cost of the benefits, other than disability benefits, payable under this subchapter to participants who are members of the Foreign Service, and (ii) are paid by each agency which employs any such participants;

"(B) the sums which are transferred to the Fund by the Secretary of the Treasury to amortize over 30 years the supplemental liability of the System which is attributable to such participants, as computed at the end of each fiscal year beginning after September 30, 1987; and

"(C) the sums which are transferred by the Secretary of the Treasury to the Fund out of funds appropriated to the Department of Defense for the purposes of paying the costs relating to the creditable military service of Foreign Service members who become participants during any year.

"(c) At least every 5 years, the Secretary of the Treasury shall prepare periodic valuations of the Foreign Service Pension System and shall advise the Secretary of State of (1) the normal cost of the System, without regard to the cost of disability payments, (2) the supplemental liability of the System, and (3) the amounts necessary to finance the costs of the System.

"SEC. 856. DISABILITY.—The Secretary of State (in consultation with the Medical Director of the Department of State and the Foreign Service), instead of an administrator of benefits (as defined in section 8441(1) of title 5, United States Code), shall determine whether a participant or former participant is unfit for overseas duty (within the meaning of section 808 of this Act) for the purposes of subchapter V of chapter 84 of such title.

"SEC. 857. GENERAL AND ADMINISTRATIVE PROVISIONS.—(a) The Secretary of State shall administer the Foreign Service Pension System except for matters relating to the Thrift Savings Plan provided in subchapters III and VIII of chapter 84 of title 5, United States Code, and disability benefits under subchapter V of such chapter (other than matters to which section 856 applies). The Secretary of State shall, with respect to the Foreign Service Pension System, perform the functions and exercise the authority vested in the Office of Personnel Management or the Director of such Office by such chapter 84, and may issue regulations for such purposes.

"(b) Determinations of the Secretary of State under the Foreign Service Pension System which, if made by the Office of Personnel Management under chapter 84 of title 5, United States Code, the Director of such Office, or an administrator of benefits (as defined in section 8441(1) of such title), would be appealable to the Merit systems Protection Board, to such Office, or to the Director of such Office shall, instead, be appealable to the Foreign Service Grievance Board.

"SEC. 858. TRANSITION PROVISIONS.—The Secretary of State shall issue regulations providing for the transition from the Foreign Service Retirement and Disability System to the Foreign Service Pension System. For this purpose, the provisions of sections 8471, 8472, and 8473 of title 5, United States Code, relating to the Civil Service Retirement and Disability System and contributions, deposits, pay computations, service credit, and disability retirement under such system shall be deemed to refer in like manner to the Foreign Service Retirement and Disability System and contributions, deposits, pay computations, service credit, and disability retirement thereunder.

"SEC. 859. REFERENCES IN OTHER LAWS.—References made to participation in the Federal Retirement System in sections 8113(c), 8475, 8704(a)(2), and 8705(e) of title 5, United States Code, section 210(a)(5)(H) of the Social Security Act, and section 3121(b)(5)(H) of the Internal Revenue Code of 1954 shall be deemed to refer to participation in the Foreign Service Pension System.".

(b) The table of contents in section 2 of such Act is amended—

(1) by striking out the item relating to chapter 8 and inserting in lieu thereof the following:

"Chapter 8—Foreign Service Retirement and Disability

"SUBCHAPTER I—Foreign Service Retirement and Disability System"; and

(2) by inserting after the item relating to section 827 the following:

"SUBCHAPTER II—Foreign Service Pension System

"Sec. 851. Establishment.
"Sec. 852. Definitions.
"Sec. 853. Participants.
"Sec. 854. Entitlement to annuity.
"Sec. 855. Funding.
"Sec. 856. Disability.
"Sec. 857. General and administrative provisions.
"Sec. 858. Transition provisions.
"Sec. 859. References in other laws.".

Redesignate the succeeding title and sections accordingly.

EAGLETON AMENDMENT NO. 981

Mr. EAGLETON proposed an amendment to the bill S. 1527, supra; as follows:

On page 133, line 11, after "Service", insert ", and including an employee referred to in section 2105(c) of this title who was first employed by the Government after December 31, 1983".

On page 292, strike out lines 7 through 11.

On page 292, line 14, strike out "SEC. 306." and insert in lieu thereof "SEC. 305.".

On page 293, line 12, strike out "SEC. 307." and insert in lieu thereof "SEC. 306.".

On page 293, line 25, strike out "SEC. 308." and insert in lieu thereof "SEC. 307.".

On page 296, line 25, strike out "SEC. 309." and insert in lieu thereof "SEC. 308.".

CHILES (AND EAGLETON) AMENDMENT NO. 982

Mr. EAGLETON (for Mr. CHILES, for himself, and Mr. EAGLETON) proposed an amendment to the bill S. 1527, supra; as follows:

On page 210, line 22, strike out "increased," and all that follows through page 211, line 1, and insert in lieu thereof the following: "increased on January 1 of each year after such date by the same percent by which annuities referred to in section 8462(b)(1) of this title are increased under section 8462(b)(2)(D) of this title in December of preceding year, and".

On page 212, line 20, strike out "paragraph (3)" and insert in lieu thereof "paragraphs (3) and (4)".

On page 214, between lines 23 and 24, insert the following:

"(4) If an eligible participant has elected to make contributions under section 8418(c) of this title and has not received a refund of such contributions under section 8420 of this title, the amount of the annuity which the participant is entitled to receive under subchapter II of this chapter by reason of the application of paragraph (1) of this subsection—

"(A) while the participant is at least 55 years of age and under 62 years of age may not be less than the amount equal to 30 percent of the participant's final average pay computed on the date the participant becomes 55 years of age; and

"(B) on and after the date the participant becomes 62 years of age may not be less than the amount equal to 10 percent of the participant's final average pay computed on the date the participant becomes 55 years of age.".

On page 216, between lines 13 and 14, insert the following:

"(c)(1) Under regulations prescribed by the Office, the level benefits option provided under regulations prescribed pursuant to section 8417 of this title may be extended to cover the disability benefits payable to a participant under this subchapter.

"(2) The actuarial present value of the benefits expected to be paid to a participant under this subchapter and subchapter II of this chapter as provided under paragraph (1) of this subsection may not exceed the actuarial present value of the benefits that would be expected to be paid to such participant under this subchapter and such subchapter II if the adjustments authorized by such paragraph were not made, as determined under regulations by the Office.

On page 220, line 5, strike out "60" and insert in lieu thereof "50".

STEVENS AMENDMENT NO. 983

Mr. STEVENS proposed an amendment to the bill S. 1527, supra; as follows:

In the chapter analysis of chapter 84 of title 5, United States Code, as set out in section 101(a), insert after the item relating to section 8476 the following:

"8477. Treatment of individuals transferring among certain Government retirement systems.".

On page 256, between lines 14 and 15, insert the following:

"§ 8477. Treatment of individuals transferring among certain Government retirement systems

"(a)(1) The President shall prescribe regulations to assure that individuals who com-

mence participation in the Federal Retirement System, the Foreign Service Pension System, or the Central Intelligence Agency Pension System after participating in any other such retirement system is given credit for (A) all service performed while participating in any such retirement system for the purposes described in paragraph (2) of this subsection, and (B) rates of pay paid to such individual for any such service in computing an annuity under any such retirement system.

"(2) Service credit shall be given as provided in paragraph (1) of this subsection for—

"(A) the purpose of determining eligibility to retire entitled to an annuity under any retirement system referred to in such paragraph;

"(B) the purpose of satisfying vesting requirements under any such retirement system; and

"(C) the purpose of applying any applicable formula with respect to such service in computing an annuity under any such retirement system.

"(b) Under regulations prescribed by the President, any individual who commences participating in the Federal Retirement System, the Foreign Service Pension System, or the Central Intelligence Agency Pension System under circumstances similar to the circumstances described in subsection (b) or (c) of section 8471 of this title after having participated in another Federal Government retirement system established before January 1, 1984, shall be treated in the same manner as is provided in such subsection and section 8472 of this title.".

ROTH AMENDMENT NO. 984

Mr. STEVENS (for Mr. ROTH) proposed an amendment to the bill S. 1527, supra; as follows:

On page 133, strike out line 6 and all that follows through page 134, line 4, and insert in lieu thereof the following:

"(12) the term 'employee'—

"(A) except as provided in subparagraph (B) of this paragraph, means—

"(i) each individual referred to in subparagraphs (A), (E), (F), (H), (I), and (J) of section 8331(1) of this title, including an employee of the United States Park Police and an employee of the United States Secret Service, and including an employee referred to in section 2105(c) of this title who was first employed by the Government after December 31, 1983, and

"(ii) a Congressional employee as defined in section 2107 of this title, including a temporary Congressional employee,

any of whose employment by the Government after December 31, 1983, is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954; and

"(B) does not include any individual who—

"(i) is referred to in clause (i), (v), (vi), or (ix) of paragraph (1) of section 8331 of this title or in the undesignated material after clause (ix) of such paragraph;

"(ii) is subject to another retirement system for Government employees, except in the case of an individual—

"(I) who is an employee of the United States Park Police or the United States Secret Service, or is an employee referred to in section 2105(c) of this title who was first employed by the Government after December 31, 1983; or

"(II) who, without regard to this chapter, would be subject to subchapter III of chapter 83 of this title or would be eligible to be subject to such subchapter;

"(iii) is excluded under section 8402(b)(2) of this title; or

"(iv) was subject to subchapter III of chapter 83 of this title on December 31, 1983, has not had a break in service with the Government described in section 210(a)(5)(A) of the Social Security Act for a period of more than 1 year beginning after such date, and has not commenced participation in the System pursuant to section 8471 of this title;

On page 150, line 24, strike out "A" and insert in lieu thereof "Except as provided in section 8436(c)(1) of this title, a".

On page 164, strike out lines 4 through 7 and insert in lieu thereof the following:

"(5) Under regulations prescribed by the Executive Director, at least once each year a participant may modify the amount contributed pursuant to paragraph (1) or (2) of this subsection, as the case may be, or may terminate an election to make contributions under such paragraph.

On page 183, line 24, strike out "notwithstanding" and insert in lieu thereof "subject to".

On page 191, line 13, strike out "the reduced" and all that follows through "computed," on page 191, line 16, and insert in lieu thereof the following: "an annuity computed with respect to such participant as of the day before the date of death".

On page 191, line 19, strike out "reduced".

On page 192, line 8, strike out "the annuity" and all that follows through "computed" on line 11, and insert in lieu thereof "an annuity computed with respect to the participant as of the day before the date of death".

On page 236, line 6, insert a comma after "annuitant".

On page 236, line 8, insert a comma after "subsection".

On page 238, strike out lines 7 through 15, and insert in lieu thereof the following:

"(B)(i) the number of months, not to exceed 12 months, for which the annuity was payable before the effective date of the increase, counting any portion of a month as a month, or

"(ii) in the case of a survivor annuity payable to a surviving spouse or surviving former spouse of a deceased annuitant whose annuity has never been so increased, the number of months, not to exceed 12 months, since the annuity was first payable to the deceased annuitant, counting any portion of a month as a month.

On page 246, line 21, strike out "before" and all that follows through "1984," on line 22.

On page 248, line 2, insert "and" after "title,".

On page 248, line 4, strike out "and" and all that follows through line 6.

On page 248, line 8, insert "before January 1, 1984," after "performed".

On page 248, line 14, insert "and" after "title,".

On page 248, line 16, strike out "and" and all that follows through line 16.

On page 248, line 20, strike out "1987," and insert in lieu thereof "1984,".

On page 262, line 9, insert "subject to section 8495 of this title," after "(1)".

On page 262, line 16, insert "subject to section 8495 of this title," after "(2)".

On page 266, line 2, insert "and" after the semicolon.

On page 266, line 3, strike out "; and" and all that follows through line 6, and insert in lieu thereof a period.

TRIBLE (AND WARNER) AMENDMENT NO. 985

Mr. TRIBLE (for himself and Mr. WARNER) proposed an amendment to the bill S. 1527, supra; as follows:

On page 151, between lines 9 and 10, insert the following:

"(c)(1) A participant or former participant—

"(A) who, at the time of retirement, is married, and

"(B) who elects at such time (in accordance with subsection (b) of this section) a method of payment other than the method described in subsection (a)(2)(B) of this section,

may, during the 18-month period beginning on the date on which the participant or former participant may first make an election under subsection (b) of this section, elect the method of payment described in subsection (b)(2) of this section.

"(2)(A) An election under paragraph (1) of this subsection shall not be considered effective unless—

"(i) the spouse of the participant or former participant is provided advance notice of the election in accordance with such regulations as the Office shall prescribe; and

"(ii) the amount specified in subparagraph (B) of this paragraph is deposited into the Fund before the expiration of applicable 18-month period under such paragraph (1).

"(B) The amount to be deposited with respect to an election under this subsection is an amount equal to the sum of—

"(i) the additional cost to the System which is associated with providing a survivor annuity under subsection (b)(2) of this section and results from such election taking into account (I) the difference (for the period between the date on which the annuity of the participant or former participant commences and the date of the election) between the amount paid to such participant or former participant under this subschapter and the amount which would have been paid if such election had been made at the time the participant or former participant applied for the annuity, and (II) the costs associated with providing for the later election; and

"(ii) interest on the additional cost determined under clause (i) of this subparagraph computed using the average annual interest rate earned during such period by securities held by the Fund.

"(3) An election by a participant or former participant under this subsection voids prospectively any election previously made in the case of such employee or Member under subsection (b) of this section.

"(4) The annuity of a participant or former participant which is reduced in connection with an election under this subsection shall be reduced by the same percentage reductions as were in effect on the date on which the annuity of the participant or former participant commenced.

"(5) Rights and obligations resulting from the election under this subsection shall be the same as the rights and obligations which would have resulted had the participant or former participant made such election at the time of applying for an annuity.

"(6) The Office shall, on an annual basis, inform each participant and each former participant who has accrued entitlement under this subchapter of the right of election under this subsection, including the

procedures and deadlines applicable in making any such election.".

At the end of title III, insert the following:

18-MONTH PERIOD TO ELECT A SURVIVOR ANNUITY

SEC. 310. (a) Section 8339 of title 5, United States Code, is amended by adding at the end thereof the following:

"(o)(1)(A) An employee or Member—

"(i) who, at the time of retirement, is married, and

"(ii) who notifies the Office at such time (in accordance with subsection (j)) that a survivor annuity under section 8341(b) of this title is not desired,

may, during the 18-month period beginning on the date of the retirement of such employee or Member, elect to have a reduction under subsection (j) made in the annuity of the employee or Member (or in such portion thereof as the employee or Member may designate) in order to provide a survivor annuity for the spouse of such employee or Member.

"(B) An employee or Member—

"(i) who, at the time of retirement, is married, and

"(ii) who at such time designates (in accordance with subsection (j)) that a limited portion of the annuity of such employee or Member is to be used as the base for a survivor annuity under section 8341(b) of this title.

may, during the 18-month period beginning on the date of the retirement of such employee or Member, elect to have a greater portion of the annuity of such employee or Member so used.

"(2)(A) An election under subparagraph (A) or (B) of paragraph (1) shall not be considered effective unless—

"(i) the spouse of the employee or Member is provided advance notice of the election in accordance with such regulations as the Office shall prescribe; and

"(ii) the amount specified in subparagraph (B) of this paragraph is deposited into the Fund before the expiration of the applicable 18-month period under paragraph (1).

"(B) The amount to be deposited with respect to an election under this subsection is an amount equal to the sum of—

"(i) the additional cost to the System which is associated with providing a survivor annuity under subsection (b)(2) of this section and results from such election taking into account (I) the difference (for the period between the date on which the annuity of the participant or former participant commences and the date of the election) between the amount paid to such participant or former participant under this subchapter and the amount which would have been paid if such election had been made at the time the participant or former participant applied for the annuity and (II) the costs associated with providing for the later election; and

"(ii) interest on the additional cost determined under clause (i) of this subparagraph computed using the average annual interest rate earned during such period by securities held by the Fund.

"(3) An election by an employee or Member under this subsection voids prospectively any election previously made in the case of such employee or Member under subsection (j).

"(4) An annuity which is reduced in connection with an election under this subsection shall be reduced by the same percentage reductions as were in effect at the time of the retirement of the employee or Member whose annuity is so reduced.

"(5) Rights and obligations resulting from the election of a reduced annuity under this subsection shall be the same as the rights and obligations which would have resulted had the employee or Member involved elected such annuity at the time of retiring.

"(6) The Office shall, on an annual basis, inform each employee and Member of the right of election under this subsection, including the procedures and deadlines applicable in making any such election.".

(b)(1) Notwithstanding section 404 of this Act, the amendment made by subsection (a) shall take effect 3 months after the date of the enactment of this Act.

(2)(A) Subject to subparagraph (B), the amendment made by subsection (a) shall apply with respect to employees and Members retiring before, on, or after such amendment first takes effect.

(B) For purposes of applying the provisions of paragraph (1) of section 8339(c) of title 5, United States Code (as added by this Act) to employees and Members retiring before the date on which the amendment made by subsection (a) first takes effect—

(i) the period referred to in subparagraph (A) or (B) of such paragraph (as the case may be) shall be considered to begin on the date as of which such amendment first becomes effective; and

(ii) the amount referred to in paragraph (2) of such section 8339(o) shall be computed without regard to the provisions of subparagraph (B)(ii) of such paragraph, relating to interest.

(3) For purposes of this subsection, the terms "employee" and "Member" each has the meaning given that term in sections 8331(1) and 8331(2) of title 5, United States Code, respectively.

RETIREMENT COUNSELING

SEC. 311. (a)(1) Subchapter III of chapter 83 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 8349. Retirement counseling

"(a) For the purposes of this section, the term 'retirement counselor', when used with respect to an agency, means an employee of the agency who is designated by the head of the agency to furnish information on benefits under this subchapter and chapter 84 of this title and counseling services relating to such benefits to other employees of the agency.

"(b) The Director of the Office of Personnel Management shall—

"(1) establish a training program for all retirement counselors of agencies of the Federal Government; and

"(2) designate and publicize a telephone number at the Office which annuitants under this subchapter or chapter 84 of this title may call to obtain answers to questions relating to retirement benefits under this subchapter or such chapter and which is to be used exclusively for such purpose.

"(c)(1) The training program established under subsection (b)(1) of this section shall provide for comprehensive training in the provisions and administration of this subchapter and chapter 84 of this title, shall be designed to promote fully informed retirement decisions by employees and Members under this subchapter and participants under chapter 84 of this title, and shall be revised as necessary to assure that the information furnished to retirement counselors of agencies under the program is current.

"(2) The Director shall conduct a training session under the training program once each quarter-year.

"(3) Once each year, each retirement counselor of an agency shall successfully complete a training session conducted under the training program.

"(c) The Director shall assign the responsibility of receiving and responding to calls made to the telephone number designated under subsection (b)(2) of this section to a sufficient number of employees who are knowledgeable about the provisions and administration of this subchapter and chapter 84 of this title to assure that prompt and effective assistance is furnished to annuitants.".

(2) The chapter analysis at the beginning of such chapter is amended by inserting after the item relating to section 8348 the following new item:

"8349. Retirement counseling.".

(b) Notwithstanding section 404 of this Act, the amendments made by subsection (a) shall take effect on the date of enactment of this Act.

TEXTILE AND APPAREL INDUSTRY RECOVERY

HATFIELD AMENDMENTS NOS. 986 AND 987

(Ordered to lie on the table.)

Mr. HATFIELD submitted two amendments intended to be proposed by him to the bill (H.R. 1562) to achieve the objectives of the Multifiber Arrangement and to promote the economic recovery of the United States textile and apparel industry and its workers; as follows:

AMENDMENT No. 986

In paragraph (1) of section 4 of the matter proposed to be inserted, insert "(except subpart A)" after "schedule 6, part 1".

AMENDMENT No. 987

At the end of the bill, add the following new section:

SEC. ——. Notwithstanding any other provision of this Act, any limitation imposed by this Act on the quantity of textiles and textile products entered, or withdrawn from warehouse, for consumption in the customs territory of the United States shall not apply with respect to any article provided for in subpart A of part 1 of schedule 7 of the Tariff Schedules of the United States.

DISTRICT OF COLUMBIA APPROPRIATION ACT, 1986

HUMPHREY (AND ARMSTRONG) AMENDMENT NO. 988

Mr. HUMPHREY (for himself and Mr. ARMSTRONG) proposed an amendment to the bill (H.R. 3067) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 20, strike out lines 10 through 25 and insert in lieu thereof the following:

SEC. 118. None of the funds appropriated under the Act shall be used to pay for abortions for which Federal funds are not available under the Medicaid program (title XIX of the Social Security Act).

MATTINGLY AMENDMENT NO. 989

Mr. MATTINGLY proposed an amendment to the bill H.R. 3067, supra; as follows:

At the proper place in the bill, add the following new section as follows:

"SEC. ——. Notwithstanding any other provision contained herein, none of the funds appropriated under this Act may be used to advertise for or award, retain or otherwise obligate payment for contractual and related professional services for District agencies at any level which would directly or indirectly exceed the level of expenditure or obligation for such services for fiscal year 1985, or the sum of Twenty-One-Million, Seven - Hundred - Eighty - Thousand - Dollars ($21,780,000), whichever is the lesser.".

HART (AND OTHERS) AMENDMENT NO. 990

Mr. HART (for himself, Mr. LAUTENBERG, and Mr. LUGAR) proposed an amendment to the bill (H.R. 3067), supra; as follows:

On page 27, between lines 8 and 9, insert the following:

SEC. 134. (a) None of the Federal funds provided in this Act shall be used by the District of Columbia to obtain a major league baseball franchise to be located in the District of Columbia.

(b) The Congress expresses no preference with respect to the activities of any municipality to obtain a major league baseball franchise.

SPECTER AMENDMENT NO. 991

Mr. SPECTER proposed an amendment to the bill (H.R. 3067), supra; as follows:

At p. 32 after line 4 insert

SEC. . There are authorized to be expended from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both) such sums as may be necessary to finance the District's participation in a student loan revenue bond program. Sums authorized to be expended by this section shall remain available without limitation as to fiscal year until such student loan revenue bonds have been paid or payment has been provided for.

At p. 3 after line 16 insert

COURT STUDY

For a Federal Contribution to the District of Columbia $100,000.

TRIBLE AMENDMENT NO. 992

Mr. SPECTER (for Mr. TRIBLE) proposed an amendment to the bill (H.R. 3067), supra; as follows:

H.R. 3067 is amended by adding at p. 8 after line 5:

Provided further, that not to exceed $50,000 of this appropriation shall be used to reimburse Fairfax County, Virginia, for expenses incurred by the County during fiscal year 1986 in relation to the Lorton prison complex. Such reimbursement shall be paid in all instances in which the District requests that the County provide police, fire, rescue, and related services to help deal with escapes, riots, and similar disturbances involving the prison.

The District shall make a quarterly report to the Chairman of the Senate Appropriations Subcommittee on the District of Columbia regarding the amount and purpose of reimbursements made to the County, and the amount of the authorization remaining for such reimbursements.

GRASSLEY AMENDMENT NO. 993

Mr. SPECTER (for Mr. GRASSLEY) proposed an amendment to the bill (H.R. 3067), supra; as follows:

On page 32, line 5, add the following new section;

SEC. 134. The District of Columbia shall construct three signs which contain the words, "Sakharov Plaza." These signs shall be placed immediately above existing signs on the corners of 16th and L and 16th and M Streets, Northwest. These should be similar to signs used by the city to designate the location of METRO stations. In addition, a sign shall be placed on city property directly adjacent to, or directly in front of, 1125 16th Street designating the actual location of Sakharov Plaza.

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION

CRANSTON-BURDICK AMENDMENT NO. 994

(Ordered to lie on the table.)

Mr. CRANSTON (for himself and Mr. BURDICK) submitted an amendment intended to be proposed by them to the bill (S. 1730) to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, 99th Congress); as follows:

On page 164, after line 25, insert the following new section:

SEC. 711A. PAYMENTS TO SOLE COMMUNITY HOSPITALS.

(a) ADJUSTMENT TO PAYMENT AMOUNT.—Section 1886(d)(5)(C)(ii) of the Social Security Act is amended by inserting after the second sentence thereof the following: "In the case of a sole community hospital which experiences, in any cost reporting period after the cost reporting period which was used as the base for determining the target amount for payments to such hospital under paragraph (1)(A)(i)(I), a significant increase in operating costs attributable to the addition of new inpatient facilities or services at such hospital (including the opening of a special care unit), the Secretary shall provide for such adjustment to the payment amounts under this subsection for such cost reporting period and subsequent cost reporting periods as may be necessary to reasonably compensate such hospital for such increased costs, corrected as necessary for any change in the hospital's case mix in the cost reporting period for which the payment is being made.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments for cost reporting periods beginning on or after October 1, 1983.

Mr. CRANSTON. Mr. President, on behalf of myself and the distinguished Senator from North Dakota [Mr. BURDICK], I am today submitting an amendment, No. 994, to S. 1730, the proposed "Consolidated Omnibus Budget Reconciliation Act of 1985." Our amendment would provide certain sole community hospitals with adjustments in their Medicare payments to account for services instituted after the end of the so-called base-year—the time period from which operating costs are used to determine the hospital's prospective payment rate.

This amendment is intended to rectify a very serious inequity affecting a small community hospital in Clearlake Highlands, CA—and possibly about 10 others—which, if left uncorrected could force the hospital out of business. Redbud Community Hospital is a 40-bed hospital serving a predominantly old and poor population. Redbud is designated under Medicare as a sole community hospital and is the primary source of health services available to many citizens of Clearlake Highlands.

SOLE COMMUNITY HOSPITALS

Mr. President, during consideration of the Social Security amendments of 1983, which established the Medicare prospective payments system [PPS] based on diagnosis related groups [DRG's] Congress recognized the relatively higher unit costs of providing services incurred by sole community hospitals [SCH's] due to the special circumstances, such as remote location and small size, which qualify them for SCH status. Specifically, an SCH's reimbursement rate is based 75 percent on a hospital-specific rate and 25 percent on the regional DRG rate. Unlike other hospitals under PPS which will eventually be paid totally by a national DRG rate, SCH's remain at the 75 to 25 ratio I have just described. Thus, accurate calculation of the hospital-specific portion of that ratio is critical to an SCH's economic survival.

Nevertheless, when Blue Cross of California, under contract with the Health Care Financing Administration calculated the reimbursement rate for Redbud, it did not take into account Redbud's costs of providing three new services that are necessary for it to meet the needs of its community. The target hospital-specific rate was computed using the hospital's costs for its base-year, 1982-83. However, just 7 days after the end of the hospital's base-year, Redbud opened new cardiac care and intensive care units and, 6 months later, it began operating a new pharmacy unit, which had long been under development. With 65 percent of the hospital's patients being Medicare beneficiaries, these added services ensure that the patients have access to a full range of life-saving medical services.

In the 1983 law establishing the PPS, Congress clearly indicated its intention that exceptions and adjustments in Medicare reimbursement for SCH's be provided when special circumstances exist to warrant such consideration. Section 1886(d)(5)(C)(iii) of the Social Security Act, added by section 601(e) of the 1983 amendments, directed the Secretary to provide by regulation for such "exceptions and adjustments" to payment amounts to these hospitals "as the Secretary deems appropriate." In addition, section 1886(b)(4)(A) of the Social Security Act—enacted in section 101(a)(1) of the Tax Equity and Fiscal Responsibility Act of 1982—states in part:

The Secretary shall provide for an exemption from, or an exception and adjustment to, the method . . . for determining the amount of payment to a hospital where events beyond the hospital's control or extraordinary circumstances . . . create a distortion in the increase in costs for a cost reporting period (including any distortion in the costs for the base period against which such increase is measured).

REDBUD HOSPITAL DISTRICT VERSUS HECKLER

From the day the hospital was due to enter the prospective payment system on July 1, 1984, Redbud Community Hospital has struggled with the Department of Health and Human Services to develop a reasonable rate of reimbursement to account for these new services. Without an adjustment in Redbud's base-year target rate, the SCH provision, intended to benefit SCH's would have the effect of unduly penalizing Redbud because the higher proportion of its Medicare reimbursement based on a hospital-specific rate does not reflect its actual operating costs.

Thus, on June 29, 1984, Redbud filed suit against Health and Human Services Secretary Heckler challenging the intermediary's determination of its PPS rate. Because of the lawsuit, Redbud has not entered the PPS and has continued to be reimbursed under the previous method.

The United States District Court for the Northern District of California issued a preliminary injunction on July 30, 1984, which directed the Secretary to issue regulations to take into account the special needs of SCH's, the special needs of hospitals serving disproportionate numbers of Medicare and low-income patients, and unforseen extraordinary and unusual costs incurred by hospitals after the base year, and to provide for a timely review of an intermediary's estimate of a hospital's target rate under PPS.

This injunction was modified on June 14, 1985, to require specifically that the regulations be published by July 1, 1985. Although HCFA did issue those regulations on July 1, Supreme Court Justice William Rehnquist stayed the order on July 24, and, subsequently, HCFA withdrew the regulations on July 31.

Thus, more than one year has now transpired and Redbud is still being reimbursed under the pre-PPS method because HCFA has failed to provide for an adjustment in Redbud's base-year target rate. Redbud estimates that it will lose between $30,000 and $50,000 per month without such an adjustment. This would force the hospital to default on its State-issued bonds and jeopardize the availability of care to the rural community that must depend on Redbud for hospital services.

The amendment we are proposing would enable Redbud Hospital—and any other SCH that has added necessary hospital services—to be reimbursed reasonably and fairly under the PPS system.

DISPROPORTIONATE-SHARE ADJUSTMENT

Mr. President, I would note that HCFA's footdragging in making adjustments for SCH's is not an isolated situation. Under the Social Security amendments of 1983, the Secretary of HHS was required to make adjustments in the PPS for hospitals that serve a disproportionate number of low-income elderly patients. In addition, the Deficit Reduction Act of 1984 required the Secretary, prior to December 1, 1984, to develop and publish a definition "of disproportionate share hospitals" and to provide the Congress with a list of hospitals meeting this criterion. However, at this point, the Secretary remains out of compliance with these requirements under the 1983 and 1984 measures.

In response, the Finance Committee has included in the reconciliation bill a provision to require the Secretary to make additional payments to all PPS hospitals serving a disproportionate share of low-income Medicare patients.

COST ESTIMATE

The Congressional Budget Office has estimated that this amendment would cost $3 million in fiscal year 1986 and $5 million during each of fiscal years 1987 and 1988. This estimate was based on the assumption that 10 SCH's—out of 394 Medicare-qualified SCH's—would be affected.

Mr. President, $13 million over 3 years is a very modest amount. But the survival of 10 hospitals may be at stake. If Redbud Hospital and the other nine hospitals that have either added or will add services are unable to meet their financial obligations, thousands of patients will be denied access to health-care. Congress intended that these hospitals should be fairly compensated, and I believe that $13 million is a reasonable amount to spend to preserve needed health services for thousands of Americans throughout the country.

CONCLUSION

When PPS was developed, Congress recognized that modifications in the system would need to be made in order to ensure that hospitals with special circumstances are treated fairly. When the intended modifications are not made by the Secretary—as in the case of the disproportionate-share hospitals—the Congress must take action to ensure that its intent is carried out through adjustments in the legislation.

Mr. President, the amendment I am offering will help ensure, as I believe Congress has intended all along, that SCH's can continue to provide essential health-care services to the people living in the remote areas the SCH's serve. We must ensure that sole community hospitals, the primary source of health care to citizens throughout rural America, remain economically viable.

Therefore, I urge the support of my colleagues for this amendment.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry has scheduled a hearing to examine the marketing, transportation, handling procedures, and inspection of agricultural commodities in connection with grain purchases by foreign nations and to examine incidents pertaining to the loading, handling, and inspection of the Soviet vessel *Marshal Konev*.

The hearing is to be held on Tuesday, November 12, 1985, at 9:30 a.m. in room 328-A Russell Senate Office Building.

Please contact the committee staff at 224-2035 if further information is needed.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, November 7, in order to receive testimony during a closed hearing on the nomination of Stanley Sporkin, of Maryland, to be U.S. district judge for the District of Columbia.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE POLICY ACQUISITION

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Defense Acquisition Policy of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, November 7, to receive testimony on the implementation of 1984 defense procurement legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, November 7, to conduct a meeting on insurance and space commercialization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE FALLACY OF ARMS SALES TO RED CHINA

● Mr. GOLDWATER. Mr. President, by its inaction, the Congress has sanctioned the first direct military sales by our Government to Red China. This is a short-sighted policy that holds no advantages to the United States, other than the immediate gratification of a few contractors, but it does threaten to disturb the peace and security of East Asia.

The United States is placing its reliance upon the wrong government. Instead of cowtowing to Peking, we should be strengthening our ties with the Republic of China on Taiwan and improving the self-defense capabilities of our long-time, trusted ally on that island.

The romance with Red China is nothing new. I recall that certain officials in the Carter administration viewed Communist China as the Pacific anchor on NATO. Unfortunately, the groundwork for a Peking-Washington defense relationship that began in the Carter administration has been expanded by the present administration.

Secretary of State Haig visited Red China in June 1981, and announced that the United States was willing to sell lethal military equipment to Peking. Secretary Shultz held 4 days of talks with Communist officials in February 1983, including the subjects of technology transfer and military cooperation. In May 1983, Secretary of Commerce Baldridge promised Red China's leaders that the United States would allow them to buy advanced technology barred to the Soviet Union. Secretary of Defense Weinberger made a conditional offer in September 1983 to sell the Red Chinese certain defensive weapon systems and negotiated the exchange of working military missions.

Then the August 1984, Secretary of the Navy Lehman issued a statement saying that his visit to Red China had laid a foundation for future military cooperation, a visit that was followed by a meeting in January 1985 between General Vessey, Chairman, Joint Chiefs of Staff, with Red China's Chief of General Staff Yang. Last month, Air Force Chief of Staff General Gabriel was in Peking and it is speculated he discussed how the United States can help modernize Red China's Air Force.

Peking's first major purchase of United States equipment was through the commercial sale last year of 24 S-70C2 Sikorsky helicopters, civilian versions of the military "Black Hawk." Then, in August this year, Red China reportedly signed a contract with General Electric to acquire five GE LM 2500 gas turbine naval engines for destroyers.

The first foreign military sales package, which was included in the administration's recent notice to Congress, covers the design and general layout of an artillery munitions factory and date packages for M-82 primers, M577A1 and M739A1 fuses, and M107 155mm projectiles. There have been scattered reports in the news media of other potential arms sales, including Hawk antiaircraft missiles, improved TOW antitank missiles, with a larger warhead capable of greater armor penetration, Mark 46 antisubmarine torpedoes, General Dynamics's Phalanx close-in weapons system designed to protect surface ships from cruise missiles, modern towed sonars, and avionics to upgrade and modernize Red China's F-8 fighter.

At the same time as these moves toward closer defense cooperation with Communist China have occurred; the administration decided not to sell an advanced fighter aircraft to Taiwan and issued a joint communique with Red China declaring "that the United States intends to reduce gradually its sales of arms to Taiwan." The relevance of the Republic of China to our strategic interests has been lost in the sales rush to penetrate the market in Red China.

Unfortunately, our policymakers have blinded themselves to the fact that the task of modernizing Communist China's military is so enormous she could never realistically become a match for the Soviet Union. James Gregor estimates that the United States would have to give Red China well over $100 billion in military aid in order to build its military capabilities sufficiently to deter a Soviet attack. When the cost of domestic infrastructure is included, the total defense modernization program would be in the area of $300 billion.

Although Red China could not become a military counterweight to the Soviet Union, it can pose a serious threat to United States allies in East Asia. While Red China's effect on the global balance is being exaggerated, its position as a regional power is being overlooked.

In addition to having the potential of destabilizing the position of our true friends in Asia, it appears no thought has been given by the administration to what impact United States arms sales may have on the domestic situation in mainland China. Why American officials have not considered the possibility that Red China's leadership will not remain friendly to the United States is beyond me.

Whatever the efforts of the 81-year-old Deng to name his own successors, no one has any real idea of what group will succeed him. There is little the United States can do to change the politics of a billion people, but what we may unknowingly accomplish by providing military assistance is to significantly alter the internal balance of power on the mainland. Since we cannot predict what the effect will be, this is a risky move that clearly is unwise to pursue any further.

Mr. President, a sensible policy for the United States would emphasize the strategic role of the Republic of China. From a strategic standpoint, Taiwan and the offshore islands stand at pivotal positions between the main sea lanes connecting the Indian and Pacific Oceans through which flows the petroleum from Mideast wells that fuels the economies of Japan and South Korea and which serves as a link with the United States 7th Fleet. Taiwan bridges the surrounding air and sea lanes and provides a valuable strategic asset for the United States. This becomes ever more apparent as the situation in the Philippines deteriorates.

The United States has it within its capacity to improve the position of the Republic of China and thus to strengthen its strategic significance to Western interests. The first priority is to offer Taiwan new, all-weather fighter interceptors to replace its aging inventory. Ideally, a creditable antiblockade defense would also include new helicopters to identify and track submarines, effective countermissile measures, and other enhanced defense capabilities.

Mr. President, I would repeat that instead of seeking a military relationship with Communist China, the interests of the United States will be best served by strengthening existing ties with the pro-Western and private enterprise nations of Asia and the Pacific.

Finally, Mr. President, I wish to share with my colleagues an excellent commentary on the subject of the arms sales relationship between the United States and Red China authored by Martin Lasater, director of the Asian studies center at the Heritage Foundation. Mr. Lasater's article appeared in the November 5 issue of the Washington Times and it provides a realistic analysis of the subject. I ask that it be printed in the RECORD.

The article follows:

[From the Washington Times, Nov. 5, 1985]

SELLING ARMS TO CHINA

On Sept. 30 the administration sent Congress notification of the first U.S. arms sale to the People's Republic of China. The $98 million package included the design and general layout of facilities to produce artillery ammunition, primers, fuzes, and explosives, plus technical data packages for M82 primers, M577A1 and M739A1 fuzes, and M107 155mm projectiles.

The administration justified the sale as a means of further enhancing the U.S.-PRC military technology cooperation and of improving overall Sino-American relations. The sale is designed to enhance the compatibility of U.S. and PRC artillery ammunition.

Although the sale opens the door on direct U.S. military assistance to the People's Liberation Army, neither the Senate Foreign Relations Committee nor the House Foreign Affairs Committee has scheduled hearings on the Foreign Military Sales deal. Significantly, leadership in both Houses decided to postpone hearings until more controversial sales, such as advanced avionics to upgrade PRC figures, are announced in the future.

By bringing China into the FMS program, U.S. military assistance to the PLA will become institutionalized and thus more efficient and wide-ranging. Increased competition among defense manufacturers and among the armed services themselves will push the quality and quantity of sales ever upward.

This may be good news to some, but there are real dangers in opening this Pandora's box. Previous attempts by the PRC to seize Quemoy and Matasu in 1954-1955 and in 1958 were accompanied by intense artillery barrages. In view of the impatience recently displayed by the Chinese over the Taiwan issue, it is not inconceivable that some day the PRC may use U.S. artillery shells to kill Republic of China soldiers on the offshore islands.

But more disturbing is the fact that the artillery package now before Congress is just the tip of the iceberg of planned arms sales to Peking. TOW anti-tank and various surface-to-air missiles have been discussed widely in Washington as appropriate items to sell to the Chinese. Yet anyone familiar with Taiwan's defense capabilities recognizes that tanks are one of the ROC's chief shoreline defenses against a PRC invasion and that fighters are essential to disrupt any invasion attempt.

Also seriously being contemplated by the administration is the sale of weapons and equipment designed to enhance PLA naval and air capabilities. Since the key to Taiwan's security is air and naval superiority over the Taiwan Strait, U.S. military assistance to the PRC in these two categories would contribute directly to Peking's ability to defeat Taiwan. Moreover, air and naval weapons sales would increase PRC force projection capabilities, a fact noted in warnings issued by members of the Association of Southeast Asian Nations (ASEAN), South Korea, and Japan.

Very few Americans oppose friendly relations with China. But direct U.S. military assitance to the PLS crosses a dangerous threshold. Exactly where will the line be drawn on which weapons to sell to Peking? Will appropriate countermeasures be made available to Taiwan, ASEAN, South Korea, and Japan? As PLA capabilities improve with U.S. assistance, will the administration make more firm its defense commitments to the people of Taiwan as mandated by the 1979 Taiwan Relations Act? In helping the PRC counter a perceived Soviet threat, will not the United States also hasten the day when Peking may conclude that it is able to settle the Taiwan issue by force? And in view of rapidly improving Sino-Soviet relations, how appropriate are U.S. arms sales to China?

These are the sort of questions the administration must answer before it submits additional FMS requests for the PRC. The administration needs to issue precise public guidelines on the extent of U.S. arms sales to China. This area of Sino-American relations is far too sensitive to evolve piecemeal.●

B'NAI B'RITH AGAINST DRUNK DRIVING

● Mr. DODD. Mr. President, allow me to pay a tribute to a dedicated group of Connecticut citizens who do us all a great service. On Sunday, November 17, the Connecticut Valley Council B'nai B'rith and B'nai B'rith women are sponsoring "BBADD," or B'nai B'rith Against Drunk Driving. It will be a day of events designed to increase awareness about the dangers of drunk driving and to convince alcohol and drug users to refrain from driving while under the influence.

Drunk driving ranks as one of America's most serious health and safety issues. It accounts for more than 25,000 fatalities and hundreds of thousands of injuries annually. It costs billions of dollars in lost productivity and costs to society. Traffic accidents are the leading cause of violent death among people of all ages, and more than 40 percent of all fatal accidents are drug and/or alcohol related.

I am proud of the strong actions my State of Connecticut has taken recently to rid our streets and highways of drunk drivers. The Governor has appointed a task force on driving while intoxicated and the legislature has mandated more severe penalties for persons found guilty of driving under the influence of alcohol or drugs. Most recently, the drinking age was raised to 21 in order to reduce the incidence of teenage drinking and driving accidents.

However, stronger legislation and stiffer penalties will not, in themselves, solve this critical problem. Each individual citizen must develop an awareness or the dangers we pose, to ourselves and to others, when we operate a motor vehicle under the influence of drugs or alcohol.

B'nai B'rith, an international Jewish service organization committed to promoting health, education and social well-being, has adopted the commendable goal of educating Connecticut citizens about these dangers through B'nai B'rith Against Drunk Driving. In my opinion, they deserve a great deal of credit and thanks. I am proud of their important contribution to my State.●

MEASURING THE SERVICE ECONOMY

● Mr. INOUYE. Mr. President, I request that a New York Times article on the importance of improving our Nation's data on the service sector be printed in the RECORD. As the article clearly and effectively illustrates, our current lack of sufficient data on this dynamic sector of our economy impedes our efforts to reduce services trade barriers and leads to misinterpretations of our domestic economic position and overall trade balance. It also hampers the growth and development of existing service industries by keeping managers in the dark about actual efficiency and potential growth areas.

The Coalition of Service Industries, together with concerned Senators, has been successful in addressing this problem in part through providing more funds to the Departments of Labor and Commerce to upgrade their services data collection efforts. While significant improvements have been made, much more needs to be done. Services should be included in the 1987 quinquennial census, for example, as a major step toward developing a services data base reflective of its importance to employment, GNP, and international trade.

The fact that this important issue and the efforts of the Coalition of Service Industries have been highlighted in the article is encouraging, and I hope the momentum will continue to build.

The article follows:

MEASURING THE SERVICE ECONOMY

(By Eileen Shanahan)

WASHINGTON.—"We've been looking at the economy with one eye; it's time to open the other eye," says Joan E. Spero, senior vice president of the American Express Company.

She is talking about the lack of adequate data on what is widely considered the most dynamic part of the American economy today: the service sector.

Gregory Ross, vice president of planning and development for A.R.A. Services Inc., a diversified commercial food and health service company, puts the same issue another way.

"With the information we have now," he says, "it's like trying to use a 20-year-old road map that doesn't have the interstates to figure out the fastest way to get places."

The shortage of data hurts the economy in diverse and often unpredictable ways. For example, the United States is expected to apply pressure in upcoming trade negotiations for lower import barriers for services such as insurance and banking. But our negotiators will be hamstrung, say many service-company officials, because the Government may know too little about the volume and price of service imports and exports to build an effective case. "We know how to measure all those autos that go out," says Mrs. Spero. "But how do you capture the services flows—banking, insurance and so on?"

While the Government has taken steps in recent years to redress the imbalance, most service-company executives agree that far more needs to be done. They worry that major business and public-policy decisions are being made with inadequate data that distort perceptions of reality.

"We have a hangover of restrictive thinking when it comes to services," says Walter W. Heller, professor of economics at the University of Minnesota and a former chairman of the Council of Economic Advisers. "People still think about the service sector in terms of the Middle Ages—low productivity activities like barber shops. There's all this handwringing about the basic industries, like autos, but computers are just as basic. These obsolete thought patterns are part of what's getting us into our protectionist posture."

The list of statistical pitfalls for business executives and Government policy makers is impressive. It includes the following:

Measuring imprecisely the output of service industries. This may have led to a chronic underestimating of overall economic growth and productivity gains. Nancy Teeters, the former Federal Reserve Board Governor who is now director of economics for the International Business Machines Corporation, feels certain that "there's a lot of productivity gain going on" in the economy that's being missed because of inadequacies in measuring what computers do.

Overstating the nation's trade problems. Harry L. Freeman, executive vice president of American Express, thinks exports of services are considerably bigger than estimated. He notes that the Commerce Department put a figure of $60 billion on service exports a couple of years ago but he thinks it may actually be more like $100 billion, because of unreported business activity.

"The trouble is that a lot of people don't realize they're exporting services," he says. "Americans manage hospitals around the world; that's an export of services. If a U.S. law firm bills a German bank for telling it what Congress is doing on the tax bill, thats an export."

Hampering business efficiency. Most Government statistics track only broad categories of services. This not only makes it hard for service companies to identify their best potential growth areas, but also can prevent service-company managers from comparing their companies' performance, in sales or in efficiency, with the rest of their industry.

For example, Mr. Ross of A.R.A. Services said he would like to know how large a slice home health care services are taking from the market for nursing homes—his company is in both fields but bigger in nursing homes. Since the two lines of business are lumped into one statistical category, he cannot find out.

Traditionally, the Government's statistics gatherers have focused primarily on manufacturing and, to a lesser extent, on the other goods-producing industries—mining, construction and agriculture. Services received short shrift. The goods-producing industries were always considered the heart of the economy, while services were a frill. Manufacturing and the other goods-producing industries were the most vulnerable to cyclical ups and downs, and therefore had to be studied more closely. Only manufactured and agricultural products were significant exports.

There is evidence now that none of these things are as true as they once were. Just how much is hard to say, of course, because of the lack of data.

The goods-producing industries last year accounted for only 32 percent of the dollar value of what the nation produced and 29 percent of the jobs. Services, broadly defined to include everything else—transportation, communication, public utilities, wholesale and retail trade, finance, insurance, real estate, business and personal services and government—accounted for the rest.

Those things that most people think of as services (health care, legal work, barber and beauty shops, repair services and so on) constitute what economists call the "service industries," as opposed to the "service sector." The service industries accounted for 14 percent of domestic production and 22 percent of employment last year. At that, their share of the nation's employment was larger than that of manufacturing, which now employes 19 percent of the work force, though manufacturing still produces about 25 percent of gross domestic product, as it has for the past 25 years.

Yet, beyond the basic measures of employment and income for broad categories, we do not know much about services, many statistical experts say, especially when compared with our detailed knowledge of manufacturing.

Dolls, saws, lace, razors and cigars all are measured in the Government's statistics. Each is what is known as a four-digit industry under the standard industrial classification, whose sales, employment, inventories and capital investment, among other facts, are collected.

By contrast, every type of legal service will be found under just one four-digit industry code and there are no specific data for such relatively new services as cable TV or physical fitness facilities.

Part of the problem is that services are not so easily measured as manufactures. How do you measure a unit of output from a computer when its work can range from a simple piece of word processing to an infinitely complex analysis of a problem in finance or physics?

Walter B. Wriston, the retired chairman of Citicorp, argues that figures on business investment are losing validity because they fail to measure "human capital." Writing a software program, he says, "may require only a relatively trivial sum of money, as compared to the amounts of money we used to think of as capital in entering, say, a heavy manufacturing business. On the other side of the coin, the knowledge-capital accumulated in the software writer's head, or in the documentation, or on disks, is very substantial and very real. A strong argument can be made that information capital is as important, or even more critical, to the future growth of the American economy than money. Despite this perception, this intellectual capital does not show up in the numbers economists customarily look at or quote about capital formation."

All the concern and complaining tends to obscure the steps that have been taken to improve service statistics—an effort that is being led by large service companies, a new trade group, the Coalition of Service Industries Inc. (see box), and the Labor and Commerce Departments.

The Bureau of Labor Statistics has, since June 1984, been collecting and publishing data on earnings and hours worked in 82 service industries that it could not cover separately before, most of them in transportation, public utilities, wholesale and retail trade, and finance, insurance and real estate.

And already, the new information has paid dividends. Janet L. Norwood, the Commissioner of Labor Statistics, points out that the improved B.L.S. surveys showed that companies providing temporary help to other employers were among the fastest growing service businesses. Mrs. Norwood thinks future surveys of companies that supply temporary workers may help identify cyclical swings in the economy.

And with an additional $1.3 million that Congress appears to be ready to add to its finding this year, B.L.S. will look into ways to measure the elusive output of service industries. B.L.S. had hoped to start some of this work two years ago, when Congress also added funds—$750,000 at that time—that had not been requested by the Reagan Administration. But the Office of Management and Budget instead forced the Labor Department to use the money to cover part of the Government-wide pay raise that went into effect that year.

Also in the works is a revision and updating of the standard industrial classification, which will provide the framework for the benchmark economic censuses that will be taken in 1987, as they are every five years. The S.I.C. is also supposed to be updated every five years but the 1982 work was cut off before completion for budgetary reasons.

Trade is another area in which an effort is being made to revise, expand and upgrade the statistics, as policy makers look to the service sector to help lower the nation's trade deficit. Over the last few years, a surplus of trade in services has helped to offset the huge deficit in the balance of trade in goods. That surplus has shrunk, however, to a reported $18.1 billion in 1984 from $41.2 billion in 1961, according to Commerce Department figures.

The United States has already served notice that it will insist that the next round of talks on GATT, the General Agreement on Tariffs and Trade, reduce trade barriers on services. Some less-developed countries—India and Brazil are named by many—are already resisting.

Senator Daniel K. Inouye, Democrat of Hawaii, the principal Congressional advocate of better funding for statistics on services, says he "hears rumblings from all over—Europe, as well as Asia—about closing their doors to our banks, insurance companies and credit cards."

However, the effort to upgrade statistics on trade in services is yielding mixed results. Some of the problems of obtaining this sort of information are at the heart of a battle that is taking shape between the Commerce Department and O.M.B. over a Congressionally mandated survey to establish the benchmark data for international trade in services. O.M.B. just last week rejected the survey form prepared by the Commerce Department's Bureau of Economic Analysis on the ground that it would impose an unwarranted burden on business.

Significantly, even some companies, such as American Express, that have been in the forefront of the fight to get better data on services, agree with O.M.B. that filling out the proposed form would require tens of thousands of hours of staff time. Du Pont, for one, estimated the cost at $100,000. It is not yet clear whether a compromise can be reached.

Complaints like these tend to stir Sidney L. Jones, Under Secretary of Commerce for Economic Affairs, who is about to return to private industry, to "an emotional outburst." After devoting 80 percent of his time the last two years to upgrading economic statistics, he has found that "Corporate

C.E.O.'s go around being statesmen, talking about the need for better data. Then the controllers and accountants who have to do the work get the forms and they sabotage the whole thing."

He added, "Many parts of the business community are pleading for a more aggressive trade policy, yet they have this extreme reaction toward the gathering of statistics. If the business community wants good decisions made, they're going to have to provide the information."

PUSHING CONGRESS FOR BETTER SERVICE

Spearheading the drive to improve the Government's measurement of the service economy is a relatively new and unknown trade association, the Coalition of Service Industries, Inc. It is lobbying Congress for additional funding and giving technical help to the agencies that gather, analyze and publish the statistics.

The coalition, founded in 1982, claims among its accomplishments the enactment of laws giving services as favorable treatment as goods under United States trade laws and extending Export-Import Bank financing to exports of services.

The group has 26 member corporations, most of them well-known public companies. At the top of the list, alphabetically, is the American Express Company. At the bottom, Young & Rubicam Inc., the advertising agency. Other members include major financial corporations (Citibank, Chase Manhattan Bank, the First Boston Corporation and Merrill Lynch & Company, among others); three of the big accounting firms (Peat Marwick, Coopers & Lybrand and Deloitte, Haskins & Sells); a communications giant (CBS Inc.); a financial publisher (the Dun & Bradstreet Corporation) and several large insurance companies.

Today, the group is more urgently interested in Washington's plans to overhaul the tax code than in improving service statistics. Its top priority is to persuade Congress to preserve intact the beneficial tax treatment now afforded income from a company's overseas subsidiaries. The coalition is still trying to hammer out a consensus on other major tax issues, such as retention of the investment tax credit and the tax treatment of research and development.

Officers and board members are mostly chief executives of member companies. The current chairman is Maurice R. Greenberg, chief executive of the American International Group, who was also one of the coalition's founders. Among the other founders was Washington lawyer Robert Strauss, the former Democratic Party chairman.●

SAFE LANDING

● Mr. DOMENICI. Mr. President, I would like to pay tribute today to two Albuquerque pilots, Charles D. Leonard and Robert H. Bennett, whose heroism and quick action on the morning of October 25 saved the life of Nancy Eves of Alamogordo, NM, and prevented what very probably could have been an airplane crash.

To briefly sum up the events of the day, Nancy Eves was a passenger in a single-engine 1940's vintage Globe-Swift aircraft piloted by her husband, Charles Emmett Eves, when he suddenly suffered a heart attack and collapsed. The Albuquerque airport tower responded to her call for help and asked for assistance from pilots in the area to help her land, since she had never flown a plane before.

Two pilots from Cutter Flying Service of Albuquerque, Charles Leonard and Robert Bennett, responded immediately and were in the air within 4 minutes after receiving the call. Positioning themselves next to the stricken aircraft they talked and guided Nancy Eves to a safe landing at Albuquerque International Airport. The aircraft landed safely, thanks to their quick response and brave action.

Such heroism should not go unnoticed by this body, and I would like to pay tribute to Charles Leonard and Robert Bennett. I ask that the detailed accounts of their heroic act, which appeared in the Albuquerque Journal and Albuquerque Tribune, be printed in their entirety in the RECORD.

The articles follow:

TWO PILOTS TALK PLANE DOWN TO SAFE LANDING

(By John Temple)

The call came from the tower, "We've got an incapacitated pilot, can you put up an airplane and help the lady down?"

Within minutes, Chuck Leonard, chief pilot of Cutter Flying Service, and Bob Bennett, a charter pilot for the service, were airborne, embarked on a dramatic rescue mission.

Nancy Eves was alone behind the wheel of a single-engine plane about 12 miles southwest of Albuquerque with her pilot-husband slumped, incapacitated beside her.

"If she flew around out there by herself she would have probably run into the ground someplace," Leonard said.

"The tower had been talking to her and she was having a problem finding the airport. The airport was very difficult to see," he said.

"She did a super job of getting that airplane down," he said. "Even for a good pilot this airplane is difficult to land."

Leonard, 53, and Bennett, 56, caught up with Eves' mid-1940s vintage plane at about 600 feet, six miles southwest of the airport.

It happened fast. The rescue took about 10 minutes, Leonard said.

"Mainly we were just trying to talk to her and keep her busy. We told her she was doing a good job."

"We got on her wing and we could see the pilot slumped over, leaning back in his seat," Leonard said.

"Bob told her, we're on your wing now and everything's looking good."

Although Nancy Eves apparently could hear Bennett, a former military flight instructor, the two pilots could not make out what she was saying to them over the radio.

They were within 50 feet of her and started guiding her back to the airport.

"We were matching everything she did. We were in a sense almost flying her airplane," Leonard said.

Nancy Eves was in the passenger seat of the Globe-Swift airplane. The plane has two wheels to steer the plane and two sets of rudder pedals so she was able to control the plane without having to move her husband.

But she had no brakes for the landing. The only brake pedals were below her husband's feet, Leonard said.

"She knew how to handle the throttle," Leonard said. Although she may have never flown an airplane, she had probably watched her husband fly enough to know the basic procedures, he said.

"She was able to turn the aircraft and roll out whenever we asked her to. Her turns were good. She knew hot to put the landing gear down. But she was pitching up and down," he said.

They guided her to a landing on the airport's longest runway, which at 13,000 feet would give her the best chance for a successful return to earth, Leonard said.

And Nancy Eves handled it beautifully, Leonard said.

"She touched down very nicely," he said.

The plane bounced, and eventually rolled to a stop off the runway, where rescue teams were ready. The landing gear collapsed.

Leonard and Bennett circled the airport and landed. By the time they were down, Nancy Eves was gone and they haven't had a chance yet to talk to her.

This was the first time the two experienced pilots had talked down a novice pilot.

"It was a hell of a good feeling," Leonard said.

It was a difficult day to find the airport because of the haze and glare from the sun. Even Leonard said he couldn't see it until he was a mile away. He used his knowledge of the area to guide him, he said.

Although neither pilot had ever flown a Globe-Swift, Leonard said they knew how to tell Eves what to do because the basic controls of each airplane are similar.

FIRST-TIMER LANDS AIRPLANE AFTER HUSBAND'S HEART ATTACK

(By Patricia Gabbett)

A 54-year-old Alamogordo woman who'd never flown a plane managed to land one just off an Albuquerque International Airport runway Friday after her husband, the pilot, suffered an apparent heart attack and died.

Nancy Eves circled the airport for about 35 minutes under the radio guidance of two veteran pilots.

Hours later, Mrs. Eves downplayed her feat, expressing gratitude for her rescuers and for the fact that her husband, Charles, 63, died quickly.

"I'm glad he went that way," she said. "We were on final approach when he died. I just straightened up the plane, reached over him and pushed the talk button on his controls.

"They started directing me around the traffic pattern so I wouldn't be in anyone's way, and the next thing I knew, another plane was beside me. Those men did a fabulous job."

Her husband was piloting the single-engine Swift aircraft on its final approach around 8 a.m. when he apparently went into cardiac arrest, said Lowell Pratte, city director of aviation.

Control-tower workers noticed Eves' aircraft turn toward the east and radioed to tell him he was heading for the wrong runway, said Bill Halleck, assistant air traffic manager.

"That's when she (Mrs. Eves) got on and said she didn't know how to fly and that the pilot was unconscious," he said.

And that's when the tower sent out a plea for someone to help bring the Eveses down, Halleck said.

Chuck Leonard and Bob Bennett of Cutter Flying Service heeded the call.

Within four minutes, they were in the air. Leonard positioned their Beechcraft Bonanza beside the Eves' plane, and Bennett began instructing Mrs. Eves to gain altitude.

"She was about six miles southwest of the airport and about 600 to 700 feet above ground when we spotted her going south," said Leonard, a 30-year pilot and vice president of operations at Cutter. "We joined on her wing and had her turn to the north because we wanted a longer final (approach.)"

At one point, the plane was so low that Leonard and Bennett thought Mrs. Eves might hit some power lines.

"That frightened me but otherwise, she was doing real well," said Bennett, a charter pilot for 33 years.

As Mrs. Eves' plane hit the runway, it spun around and came to an upright stop in some dirt at the runway's side.

The impromptu coaching team came together so quickly because "we just happened to have a plane out front, and I didn't have a flight scheduled," Bennett said.

Neither pilot had ever coached a plane down before. "I'm just amazed she did so well," said Bennett.

Mrs. Eves said "all passengers in private planes should have a pinch-hitter course in flying."

Both of the airport's commercial runways were shut down during the ordeal, and six outbound flights were delayed, said Pratte.

Halleck said Mrs. Eves was in "an emergency situation" for about 35 minutes, and that the episode was "a commendable example of emergency crews helping an airman in distress."

PILOT DIES, WIFE LANDS PLANE

(By Manuel Franco and Dennis Domrzalski)

An Alamogordo woman with no experience as a pilot was talked through an emergency landing in a small plane at Albuquerque International Airport today as her husband lay slumped in the pilot's seat, dead of an apparent heart attack.

Charles Emmett Eves, 63, of Alamogordo, was dead upon arrival at Lovelace Medical Center, a hospital spokeswoman said, His wife, Nancy Eves, 54, was not seriously injured.

Heroic efforts by two Cutter Flying Service pilots and emergency measures by the Federal Aviation Administration enabled the woman to land the plane.

Eves said her husband became rigid, slumped over, she grabbed the wheel pushed the radio button and asked for help.

"I wasn't scared; I only wanted to get him down," she told *The Tribune.*

"The only thing going through my mind was to get him to safety. "These two men are heroes. They flew the plane, I just held on to the wheel."

She said she was not afraid once she started following their instructions.

Witnesses gathered outside on the ground to shout encouragement as the single-engine craft approached the runway.

"Oh, gosh, I thought she was going to kill herself," recalled pilot Bob Batchelder, who saw the craft come down, bounce at least four times and veer off the side of the runway, losing a wheel.

"They ought to give that woman a medal," he said.

"That plane is real dicey even for an experienced pilot."

Eves, a project engineer for Dynelectron, a defense contractor for Holloman Air Base, and his wife were flying to Albuquerque from Alamogordo in their 1940s vintage Globe-Swift aircraft when the incident began.

The plane is described by pilots as a rare "collector's airplane."

Bob Turner, controller supervisor; Alfred Jaramillo, controller; and Ron Sevin, assistant controller, were in the Federal Aviation Administration control tower when trouble started.

About 8 a.m. the aircraft had filed a normal landing request, they said.

At the time the plane had started its approach, was about 15 miles out and traveling about 60 to 70 mph.

When the plane was 4-5 miles out, Jaramillo noticed that it was veering off course and notified his supervisor. At that time, a woman's voice told the tower that her husband-pilot had passed out.

Jaramillo gave her instructions on how to gain altitude and directed her to an unpopulated area south of the airport. Her elevation at the time was 5,352 feet and she was able to gain an altitude of 6,500 feet, although her inexperienced hand caused the plane to "porpoise," or alternately gain and lose altitude.

Meanwhile, Turner got on the phone to call various private airports to try to find a pilot who knew about the controls on the old-fashioned Globe Swift.

He found immediate response from Cutter Flying Service and two of its pilots took off on the rescue mission.

Two runways were closed down at the airport until the aircraft landed.

Eves, upon leaving the hospital, went to Cutter Flying Service, where she hugged both pilots and told them "You're heroes; without them I wouldn't be here at all."

She said she and her husband were flying into Albuquerque so her husband could get blood transfusions from United Blood Services. She said he needed transfusions for a neurological disorder.

Tower officials cleared the stricken plane for landing on runway 8, the widest and longest of Albuquerque International's runways.

The landing came at 8:40 a.m.

"She did a beautiful landing, but when she came to a stop, she did lose a wheel," said FAA's Turner.

"Everybody involved did a great job of getting her down safety."

Eves later confirmed that she had never had any flying experience, except as a passenger on trips with her husband.●

TRIBUTE TO SPENCER KIMBALL

● Mr. WILSON. Mr. President, the Bible tells us that young men shall dream dreams, and old men shall see visions. Spencer W. Kimball was a man who did both. As a result of his lifelong ministry on this planet, life was enhanced for millions of its people. And, the good news of Jesus Christ was made a living presence in the lives of countless persons, in this country and around the world.

Prophet Kimball presided over the Church of Jesus Christ of Latter-day Saints during a time of unprecedented growth. Under his administration, it went through a period of significant change and historic reforms. It became more than ever reflective of a world barely imaginable to Joseph Smith or Brigham Young. It opened its arms and strengthened its well-earned reputation for social outreach and institutional compassion. It played an important role in the spiritual and temporal lives of the American people.

Mr. President, at a time when our society seems to be rediscovering as never before the bedrock values of faith, family, and community, the influence of Spencer Kimball and his church have been enormous. That in itself has been a blessing bestowed on all of us. Now Prophet Kimball has lived out his days among us. But his example lives on. It will no doubt continue to inspire millions to make God's work their own. For this, as for so much more, every American today should pause and reflect in profound gratitude for this man, and the mission he undertook.●

MODIFYING THE ENGLISH LANGUAGE REQUIREMENT FOR PERSONS OVER 65 SEEKING NATURALIZATION

● Mr. D'AMATO. Mr. President, I am pleased today to join my colleagues on both sides of the aisle who have cosponsored S. 1296, introduced by my distinguished colleague from Maryland. This bill recognizes the fact that there are many elderly people who want to become American citizens with all their hearts, but who, despite their best efforts, simply cannot master the English language.

S. 1296 carefully imposes very precise conditions on applicants for the new exemption. First, candidates must make diligent efforts to learn the English language. Second, they must be over 65 years of age. Third, they must have been lawful permanent resident aliens living in this country for at least 5 years. Applicants must still meet the other educational requirements by demonstrating adequate knowledge of U.S. history and government.

Mr. President, this bill will affect only a few thousand people each year. Yet, in making the difference between whether they will or will not achieve their life-long dreams, it will affect them very greatly indeed. I commend Senator MATHIAS for introducing this humanitarian legislation. I urge my colleagues to cosponsor this bill and to give it their enthusiastic support.●

THE GRAMM-RUDMAN-HOLLINGS PROPOSAL

● Mr. McCONNELL. Mr. President, I would like to bring to my colleagues attention on exchange of views which I recently had with the Louisville Courier-Journal on the Gramm-Rudman-Hollings deficit reduction proposal.

In my mind, Mr. President, we do a disservice to the American public when we reduce the deficit issue to the lowest common denominator of partisan politics. If deficit reduction is to be our goal, then we must resist the temptation to sharpen our political

rhetoric rather than our budget-balancing pencils.

Mr. President, I ask that the Courier-Journal editorial and my response be printed in the RECORD.

The material follows:

[From the Louisville Courier-Journal Oct. 30, 1985]

WHY NOT CUT DEFICIT BEFORE 1986 ELECTION?

Politics, not economics, is at the heart of the Gramm-Rudman-Hollings budget-balancing amendment. So it's entirely fitting that Democratic opponents of the measure are insisting that voters get a taste of its effects before the congressional elections.

In its current form, the amendment—attached to a bill raising the national debt ceiling—would aim for a $180 billion federal deficit for the current fiscal year. That's well below the record $211.9 billion deficit chalked up in fiscal 1985, which ended September 30. But forecasts by the Congressional Budget Office suggest that the $180 billion figure is within easy reach for this year, fiscal '86.

This means that lawmakers (mostly Republicans) who are pushing Gramm-Rudman-Hollings could take credit next year for doing something about the deficit—but without suffering the political consequences of deep cuts in popular federal programs.

The pain would come later, when the amendment requires $36 billion-a-year deficit reductions until the budget is balanced. The measure also stipulates that, if Congress missed an annual deficit target by more than seven percent, the President could unilaterally cut spending—except for Social Security, existing defense contracts and several other items. (In theory, tax increases also could be used to achieve the prescribed deficit reduction, but no one expects Mr. Reagan to do so.)

The Democrats' strategy is simple. They want to lower this year's deficit target to somewhere between $160 billion and $172 billion, instead of $180 billion, so that Congress and/or Mr. Reagan would be forced to start cutting spending right away. Then, in November, 1986, voters would go to the polls armed with some knowledge about how the White House was implementing Gramm-Rudman-Hollings.

Mr. Reagan calls the Democrats' maneuvers, and the continuing debate on the amendment, "inexcusable dithering and delay." He wants quick and favorable action on the Gramm-Rudman-Hollings amendment. Partly, that's because the government can't resume borrowing until the debt ceiling is lifted; but Mr. Reagan also says the amendment is the surest way to put some teeth in the budget process.

Fine—but the dental work should be done this year. Let the voters see what kind of bite Gramm-Rudman-Hollings puts in federal spending. Mr. Reagan himself might benefit from prompt education on the subject. Some observers, including Les Aspin, chairman of the House Armed Services Committee, believe the amendment would do serious damage to the President's cherished military buildup.

If so, don't be surprised to hear Mr. Reagan grumbling, a year from now, about how Congress should have continued dithering and delaying instead of passing that blankety-blank budget-balancing amendment.

[From the Louisville Courier-Journal Nov. 6, 1985]

SENATE BUDGET PROPOSAL'S FOES SHOW POLITICAL HYPOCRISY

(By Mitch McConnell)

The Courier-Journal was right about one issue in its editorial commentary on the Gramm-Rudman-Hollings budget-balancing amendment. Politics is at work in the debate currently raging over this budget proposal.

However, the Courier-Journal is wrong to suggest that politics was the basis for drafting this legislation. Instead, it is politics that is at work to decimate a bill that will bring about a balanced budget in 1991.

Democrats and Republicans—75 in all—in the Senate voted for the Gramm-Rudman-Hollings bill. Democrats and Republicans, together, wrote the bill.

Only when the legislation was sent to the House of Representatives did the debate on the issue deteriorate to a partisan discussion of who is going to get the credit for balancing the federal budget.

Of course, in and of itself, Gramm-Rudman-Hollings does not make the tough choices. Gramm-Rudman-Hollings does, however, create a framework of discipline which requires Congress to change its spending ways. It sets up a procedure to systematically reduce the federal budget deficit—$38 billion per year—until, in 1991, the president will be required to submit, and Congress will be requireed to approve, a balanced federal budget.

Yet the House has cried "foul." They claim (and the Courier-Journal seems to concur) that the bill is drafted to postpone hard decisions until after 1986 congressional elections and was drafted to protect incumbent Republican senators. Nothing could be further from the truth.

Not only will Gramm-Rudman-Hollings force incredibly tough deficit reductions in 1986, but the toughest decisions will come only one month before election day.

The Gramm-Rudman-Hollings process requires the president to submit by Jan. 15, 1986, a budget with a deficit no greater than $144 billion—the leanest of his presidency. Six months before the election, Congress will be required to pass a budget with the same deficit target. If we fail, the president will be mandated to make across-the-board spending reductions. One month later the American public will go to the polls.

For the House Democrats to now oppose the Gramm-Rudman-Hollings bill on the grounds that it does not do enough soon enough represents the height of political hypocrisy. The reality is that Gramm-Rudman-Hollings will force those legislators who have built their political careers out of spending more and more of the taxpayers' money to say no. And that notion has struck fear in their overspending hearts.

Without question, Gramm-Rudman-Hollings represents a dramatic departure from current budgetary procedure. But then we are facing a dramatic debt—more than $2 trillion. We pay more to service that debt every year than we did on the entire budget only two decades ago.

Nearly 40 percent of all revenues collected by the federal government from 1985 personal income taxes will go to pay interest on our national debt. That's more than $300 billion that will not be available for social spending, or education, or transportation, or maintaining a strong defense.

Perhaps the easy solution is to avoid setting budget priorities altogether. Why not increase taxes, reduce the debt and continue spending ad infinitum?

The problem should not be solved by asking Kentuckians to send a greater portion of their paychecks to Washington. In Fiscal Year 1985 federal revenues actually rose by 10.1 percent from FY 1984. Let there be no confusion—we have a deficit because spending climbed 11.3 percent during the same time period. So much for easy solutions.

Time is running out for those in Congress whose political future is dependent on mortgaging the economic future of our country. No matter how much kicking and screaming they do, no matter how far they try to run, there are those of us in both houses and in both political parties who are committed to seeing that deficit-reduction discipline is sure and swift. That's why we support Gramm-Rudman-Hollings.●

THE 10TH ANNIVERSARY OF MACNEIL/LEHRER

● Mr. HOLLINGS. Mr. President, last week I had the pleasure of joining with a few of my colleagues and a number of other distinguished Americans in celebrating the 10th anniversary of a nightly news program hosted by the finest and most accomplished journalistic team on the airwaves—Robert MacNeil and Jim Lehrer.

"The MacNeil/Lehrer NewsHour," watched by some 12 million people on approximately 250 public television stations, represents the very best in public affairs and news programming. No other evening news program offers "MacNeil/Lehrer's" indepth documentary reporting and analysis on topics ranging from the Federal budget to the farm crisis to South Africa and the Philippines. And certainly no other program can match the thoughtful and probing interview format that Robert MacNeil, Jim Lehrer, and their correspondents and staff provide their viewers each weeknight.

To describe this program as quality television simply is not enough. It is superior television. "The MacNeil/Lehrer News Hour" does so much more than just look at the news of the day. It looks behind the news. Each night, "MacNeil/Lehrer" devotes extended coverage to a single story or issue, in addition to its review of breaking news. This hour-long approach to early evening news presentation is unparalleled by the major networks, all of which try to cram the day's news into a series of 2- 3-, and 4-minute segments in a half-hour time period—more like 20 minutes when you subtract for commercials.

I suppose the show's propensity for thoroughness and detail is what I appreciate most about it. We politicians all know that if you want to get your point across to the people on network television, you have to speak in the "20-second bite." Unfortunately, we all know that there are a lot of bad ideas that can sound good in 20 seconds, as well as a lot of good ideas that can sound bad. "MacNeil/Lehrer," thank-

fully, allows us to sit down, get all the facts on the table, and talk things through—perhaps even engage in a little debate. It is always informative. And those who watch it regularly, myself included, can count themselves as among the best-informed people in America.

Robin and Jim's association in television actually goes back further than 10 years. They teamed up in 1973 to produce the "America 1973" series on the Public Broadcasting Service, and millions of television viewers watched them anchor PBS's gavel-to-gavel coverage of the Senate Watergate Hearings in 1973. In October 1975, they moved into nightly news with the half-hour "The Robert MacNeil Report," the name of which was changed the following year to "The MacNeil/Lehrer Report." Perhaps the most satisfying change came 2 years ago, when the show expanded to a 1-hour format and became known as "The MacNeil/Lehrer NewsHour."

Over the years, Robin and Jim have co-anchored more than 2,500 programs, during which they interviewed more than 5,000 guests. Their program has received numerous prestigious awards. In just the past 2 years, "The MacNeil/Lehrer NewsHour" has won four Emmy's, a George Foster Peabody Award, and the George Polk Award.

Crucial to the program's success in recent years is a team of experienced and talented correspondents, producers, editors, and writers. I'd like to make particular mention of chief Washington correspondent Judy Woodruff, who joined the show 2 years ago after several years as an NBC White House reporter and Washington correspondent for the "Today" Show, and Charlayne Hunter-Gault, who has been with "MacNeil/Lehrer" since 1977 as the program's national correspondent. Charlayne, by the way, is a native of the town of Due West, SC, and we in the State are certainly proud of all her accomplishments. Finally, I'd like to commend Executive Producer Les Crystal, another NBC News alumni who joined the show in 1983.

Naturally, a program of the size and scope of the "The MacNeil/Lehrer NewsHour" requires more than human talent—it takes money. Fortunately, AT&T has come through with an extremely generous multiyear commitment to keep the program on the air. In fact, when "MacNeil/Lehrer" expanded to 1 hour, AT&T committed itself to the largest single-year underwriting in PBS history—$10 million. AT&T's ongoing support of "MacNeil/Lehrer"—now at 5 years—has given the show the stability it needs to maintain its high-quality programming. This association between "MacNeil/Lehrer" and AT&T has been an important one for those of us who enjoy watching more than just your standard network newscast, and I am grateful for it.

I congratulate Robin MacNeil and Jim Lehrer on their 10-year association in nightly news. I commend them for their talents and their hard work. And I'm sure I speak for all who faithfully watch "The MacNeil/Lehrer NewsHour" when I express my hope that the program will remain on the air for many years to come.●

NATIONAL SOCIAL STUDIES WEEK

● Mr. D'AMATO. Mr. President, I rise today to cosponsor a resolution, S.J. Res. 232, introduced by my distinguished colleague from Illinois to designate October 6, 1986, through October 10, 1986, as "National Social Studies Week."

Social studies is of great importance to the education of America's young people. It is through instruction in courses of history, geography, civics, and sociology in our Nation's elementary and secondary schools that our students are educated in the tenets of life, welfare, and relations of human beings in a society. In this manner, social studies uniquely contribute to the development of future citizens and leaders in our society.

Well over 100,000 teachers are dedicated to the instruction of our Nation's youth in social studies. In my own State of New York there are approximately 12,000 social studies teachers. Certainly, these professionals deserve recognition for the valuable service they perform for our Nation.

Mr. President, I urge my colleagues to join with me in the adoption of this resolution.●

MIDEAST TERROR

● Mr. HATFIELD. Mr. President, the PLO hijacking of the *Achille Lauro*, with its implications for United States policy toward Egypt and other countries, the proposed sale of United States arms to Jordan and its relationship to the peace process in the Middle East and the recent Israeli attack on a PLO facility in Tunisia all combine to remind us of the complexity and fragility of our relationship to that region. All too often the decisions which confront this Congress are made in an emotional, politically charged atmosphere devoid of balance and diversity.

In an effort to facilitate a more constructive debate, I have asked that a number of articles be placed in the CONGRESSIONAL RECORD. While I do not associate myself with every point of view expressed in these articles, I do believe that each one expresses a perspective worthy of consideration by every Member of this body.

Former President Nixon points out that terrorism directed against any civilized nation should not simply be viewed as the problem of the victim nation, but rather as an act of terrorism against the entire civilized world. Alfred Lilienthal reminds us that we must resist the temptation to interpret acts of terrorism simplisticly. Instead, we must remember that even terrorism has its root causes. Ze'ev Schiff makes a case that the PLO cannot be seen in shades of black and white. There are many factions within that organization, some of which are moderates who oppose violence and are struggling to maintain credibility.

These are all timely arguments that underscore the fact that there is no simple solution to the problems which confront the Middle East. I would urge my colleagues to take time to read the thoughts of these distinguished writers.

The material follows:

[From the New York Times, Oct. 15, 1985]

MIDEAST TERROR—THE PEACE PROCESS IS AGAIN PERILED

(By Ze'ev Schiff)

The recent round of terror and reprisals in the Middle East is threatening to nip the peace process in the bud. Those Israelis, Jordanians and Palestinians who still hope to reach a negotiated settlement must act now before the opportunity slips through their fingers.

The number of people killed and injured by Palestinian terrorism and Israeli reprisals has been rising steadily, and all parties appear to be losing their grip on events. The Israeli raid on Palestine Liberation Organization headquarters in Tunis led Egypt to suspend talks with Israel on the future of Taba, a disputed strip of beachfront in the Sinai, posing a serious threat to the fragile peace between those two countries. Attacks against people carrying American passports, especially those with Jewish names, have become a terrorist pastime, and the United States has been compelled to use force. Other countries, such as Tunisia, that are not directly involved have been drawn into the hostilities, and neighboring countries such as Italy have become incidental targets.

It is hardly the first time that terrorism has caused the situation in the Middle East to get out of hand. Terrorism was one of the causes of the escalation that led to the Six-Day War in 1967. It also played a crucial role in sparking the Lebanon war in 1982. The continued deterioration of the present situation will not only put an end to the peace process but may actually lead to large-scale clashes between countries—in effect, another war. Those who suffer most from this sequence of terror and reprisal are the moderate countries of the region. It is the radicals in both camps—those who oppose peace talks and want to drive a wedge between Israel and Egypt—who benefit.

What does all of this mean for the peace process? It is clear, for one thing, that the Lebanon war has not uprooted terrorism or liquidated the P.L.O. as either a political or a military force. Beyond this, it is evident that the longer it takes for Israel, Jordan and the Palestinians to move toward peace,

the more susceptible the process will be to violent disruptions from outside. Palestinian terrorism is a threat in itself, but as long as it is sure to provoke fierce Israeli reprisals, it is also a threat to peace.

Can the peace process be saved? Yasir Arafat and Shimon Peres still have some small hope of breaking out of the spiraling hostility between their peoples. The task is far from easy, but both know this may be their last chance before they are succeeded by more extreme forces waiting in the wings.

Mr. Arafat must realize that so long as he and his organization keep up their terrorist offensive, his pronouncements that he is prepared to enter the peace process will remain meaningless. For its part, Israel must recognize that it can find no substitute for the P.L.O. as the representative of the Palestinian people. Instead, it must work with the United States to draw those in the P.L.O. who are interested in peace more wholeheartedly into the process. Both parties are in a race against time. This may be the last chance they have before their peoples are plunged into civil war.

What distinguishes the recent upsurge of terror is that today, for the first time, acts of hostility are accompanied by an evident interest in peace both among the P.L.O. and in Israel. Why then, the outbreak of terror? How are we to explain the fact that even as the P.L.O. expresses its readiness to negotiate, it goes on perpetrating terrorist acts that jeopardize the entire peace process?

The official Israeli explanation is that terrorism is the P.L.O.'s raison d'ebe: That is why negotiations with if must be avoided. The problem with this view is that it fails to take account of the differences within the P.L.O. or among various incidents. It also allows Israelis to evade the main issue—negotiations with Palestinians on the future of the West Bank and the Gaza Strip.

There is no doubt that the part of the P.L.O. still led by Yasir Arafat is responsible for much of the recent terrorism. It is most unlikely that all these operations have been carried out without Mr. Arafat's knowledge or contrary to his instructions. There are direct links between some of this terror, including the highjacking of the Achille Lauro, and the Palestinians at his elbow.

But the present wave of terror is in part at least a result of the struggles among different factions of the Palestinian movement and among the factions under Mr. Arafat's control. The Palestinian leader is increasingly interested in joining in the peace process with King Hussein, but he also finds it necessary to demonstrate to his rivals in the Palestinian movement that he has not discarded the principle of armed struggle with Israel.

The recent escalation of terror may also be meant as a prelude to a negotiated ceasefire. That, after all, is precisely what happened in the summer of 1981 after the artillery duel between the P.L.O. and the Israelis on the Lebanese border. The advantage of such an approach for Mr. Arafat is that it would allow him to come to the table with Israel without making broad diplomatic concessions, while obliging Israel to cease military operations against the P.L.O.

[From the USA Today, July 3, 1985]

PRO-ISRAEL POLICY FEEDS VIOLENCE

(Alfred M. Lilienthal)

WASHINGTON.—Two years ago, after the first bombing of the U.S. Embassy in Lebanon, I wrote for USA Today:

"(The) tragedy in Beirut has its roots in Washington's abysmally unsuccessful, unjust, and undemocratic Middle East policy. . . . Unless (our) leadership endows Palestianians with a meaningful right to self-determination, including a two-state—Israel and Palestine—solution, we can only expect a repetition of yesterday's tragedy."

We cannot dismiss the hostage-takings simply as wanton acts by religious fanatics. The bias of our policy has fed the fires of hatred and violence.

Our Middle East chickens have come home to roost.

Israel's invasion and occupation of Lebanon, with Washington's covert support, has inflamed Islam, with its long-simmering resentment against the imposition of Western culture on its world.

The humiliation of seeing a triumphant Israel, maintained largely through U.S. power, dominant in all of Palestine and particularly in the holy city of Jerusalem, has bred a jihad long in the making.

George Washington warned: "The nation which indulges toward another an habitual hatred or an habitual fondness is in some degree a slave."

We have now sadly learned the degree to which we are a slave of our Zionist allies.

Israel ought not to have asked us to request the release of its 766 Shiite prisoners, taken from South Lebanon in a clear contravention of the Geneva Convention. The recipient of unprecedented financial, military, diplomatic, and political U.S. assistance—in fact enjoying the status of a 51st state—Israel ought to have voluntarily released the detainees.

No wonder many people are asking, "What price Israel?"

Through a free and open debate, without irrelevant interjection of the anti-Semitic label and incessant reminders of the Holocaust, we must immedately reassess our Middle East policy. At an international comference, Israel, the Palestine Liberation Organization, the USA, and the USSR could negotiate their differences.

A resolution of the Palestine question would not end the Lebanese devouring one another but would lessen the deep anti-Americanism and the threat to world peace through that area.

[From the Washington Times, September 9, 1985]

DEALING WITH TERRORISM

(BY RICHARD NIXON)

No one can quarrel with the proposition that the United States must not use military force unless we have the means to achieve our goal of victory. But we must recognize that where our interests are clearly involved, we must take risks to protect them.

Every military operation cannot be a sure thing. The United States is a great power with worldwide responsibilities. We will not prevail against an enemy willing to take any risk to achieve victory if we are unwilling to take some risks to prevent defeat.

The same principle applies to international terrorism. Some urge restraint in retaliating against terrorism because of the admittedly significant risk of casualties among civilians, hostages, and military personnel. But while we cannot act in every instance of terrorism, we should always act decisively when we know who is responsible and where they are. Otherwise we give carte blanche to these international outlaws to strike again.

If one group of terrorists succeeds in intimidating the United States, others will be encouraged to try, and more lives will undoubtedly be lost as a result. Swift, timely retaliation, even if there is some risk to innocent people, will mean that other terrorists will be less likely to threaten and kill innocent people in the future. Repeated threats to retaliate that are not followed by action are counterproductive. A president of the United States should warn only once.

Terrorism, whether undertaken by states, political groups, or individuals, is one of the most insidious and deadly aspects of the Third World War. The Soviet Union and its proxies use terrorism to wage covert war against the West and its friends and allies. It is also a tactic that our enemies use to try to drive the United States out of the Third World. We were forced out of Lebanon not by another country but by suicidal terrorist bands whom we could barely identify and whose sponsors remain out of our reach.

Our military forces can only fight an enemy they can see. All the military power in the world is useless against shadows. If the United States wants to continue to play a role in the Third World it must attack terrorism at its source. We must hold those who inspire it and pay for it accountable for their actions.

The most powerful weapon terrorists have is the civilized world's parochial approach to combating them. If Americans are taken hostage, the world considers it solely an American problem. If most of the passengers of a hijacked jet are Kuwaitis, the hijacking is considered primarily Kuwait's problem. When a car bomb explodes in the streets of Paris, we leave it up to France to respond.

By reacting in this narrowminded way, we play into the terrorists hands. Terrorism today is an international challenge to international order, and it requires an international response.

The Soviet Union's record in fueling international terrorism is well-known. But it is not the only nation that does so. The Ayatollah Khomeini's Iran and Muammar Qaddafi's Libya are both international outlaws that openly praise, protect, and incite those who commit terrorist acts. Such state-supported-and-sponsored terrorism is one of the most dangerous threats to peace in the world.

Dealings within and between nations depends on order. Diplomats must be able to travel, and embassies to keep their doors open, without fear of assassinations and attacks, and businessmen must be able to go about their business without being kidnapped. Terrorism breeds fear; fear breeds insularity and suspiciousness; and these inevitably will serve to drive nations apart. When that happens, the whole world will suffer the consequences.

In most cases of state-sponsored terrorism, military reprisals, though tempting, are impractical. But what has been most pathetic about the civilized world's response to terrorism is that it has made so little use of the wide array of choices short of military action available to it. Terrorism is a way to divide and conquer—but only if its victims allow themselves to be divided.

When terrorists act against one nation, other nations should respond as if it were an attack on them all—because, in essence, it is. The first impulse of other nations should not be relief that they were not the victims but outrage that someone was.

The civilized world must develop a unified policy for dealing with terrorism. All nations that are potential victims should pool and share intelligence-gathering and com-

munications resources. When military retaliation is appropriate, they must be prepared to act together.

Most important, they must recognize that even nations that support terrorism depend on their victims. While neither Iran nor Libya could survive without selling oil, the rest of the world could survive without Iranian and Libyan oil. In the past economic and diplomatic sanctions and quarantines have been justifiably criticized for being ineffective. They were ineffective, however, primarily because too few nations participated.

Terrorists will not be deterred by U.N. resolutions or expressions of outrage by leaders or legislatures. But they may be deterred once they realize that by using terror they will spark the wrath of all nations that do not want to exist in a world driven by a tiny minority who have resorted to violence in pursuit of their objectives. We will only eliminate terrorism if we choke it off by drawing the dark curtain of international condemnation around its sponsors.

And actions will speak louder than words. Unless they are willing to live peacefully in the community of nations, we cannot allow them any of the privileges of membership.●

NATIONAL ALZHEIMER'S DISEASE MONTH

● Mr. D'AMATO. Mr. President, I rise today to call the attention of my colleagues to the fact that the month of November 1985 is "National Alzheimer's Disease Month." The current knowledge base for this disease is relatively small. Thus, it is critical that we elevate public awareness and step up our research efforts into the causes of Alzheimer's disease and improvements in the care we provide its victims.

At the present time, the etiology of Alzheimer's disease is obscure, and relatively little is known about its pathogenesis. The diagnosis for this disease is based upon observation of the progressively degenerative mental status of individuals in whom other known causes for cognitive and memory impairment have been excluded. Although the victim's medical history, daily activities, neurological and psychiatric tests are taken into consideration, it is difficult to distinguish the Alzheimer's disease patient, particularly in the early stages, from someone suffering from depression or other functional states.

We do know, however, that Alzheimer's disease is one of the major problems facing our senior citizens. It is the major form of old-age senility. It is the most common cerebral impairment of older people.

In 1983, there were 27.4 million older Americans, 11.7 percent of our population, and the rate of individuals reaching the age of 65 is increasing. In New York State, roughly 12 percent of my 17.7 million constituents are over 65.

While presently there is no known cure for the approximately 2.5 million victims of Alzheimer's, Alzheimer's research has intensified, and developments since 1976 have made me optimistic for long-run success. But much more needs to be done.

I sponsored S. 750, legislation to better direct Federal funds under the Alzheimer's Disease Research Coordination Act of 1985 to improve our utilization of research funds by directing the National Institute on Aging [NIA] to coordinate research not only within the National Institutes of Health [NIH] and the Department of Health and Human Services [HHS], but also within the many other scientific disciplines outside of the usual research efforts on this disease. This bill also proposes to change the name of NIA to the National Institute on Aging and Alzheimer's disease to underscore its role in combating this disease.

Medicare does not financially compensate for Alzheimer's care. This lack of adequate health care for Alzheimer's victims has placed a tremendous financial burden on their families, estimated to be more than $25 million annually. Thus, I have sponsored S. 751, legislation which directs the Secretary of HHS, in consultation with other agencies, to establish 10 demonstration projects to determine the feasibility of providing for alternative benefits for those suffering from Alzheimer's disease or related disorders, who are entitled to Medicare.

Also, while there are Federal home health care programs available to our elderly, many are not useful since many of our senior citizens are unaware of them. Thus, I have sponsored S. 752, legislation to establish within the Department of Health and Human Services a home health clearinghouse to provide for our elderly a centralized computer system to obtain complete information on Federal home health care programs available to them.

Although the Federal Government has responded in large part to the needs of Alzheimer's sufferers, their families are still in large part the primary health care providers. Thus, I also have sponsored S. 753, legislation to promote the establishment of family support groups for victims of Alzheimer's disease and related disorders.

I believe this Nation is starting to understand how dangerous and debilitating Alzheimer's disease is among our older citizens. While Federal funding for research into this disease has significantly increased over the last 5 years—from $13 million in 1980 to over $55 million in 1985—the struggle for Alzheimer's and its victims continues. During this month of November, designated as National Alzheimer's Disease Month, I believe that we, as a nation, must consider additional alternatives to provide for better care for Alzheimer's victims. Public support in this effort plays an integral part in the efforts of the Federal Government to reach this goal.●

THE CENTRAL UTAH PROJECT

● Mr. METZENBAUM. Mr. President, in early October I released several reports prepared by the General Accounting Office which together identified at least $6 billion in subsidies to water users in the West. These reports presented convincing evidence that the Bureau of Reclamation is more interested in making cozy deals with local interests than protecting all Americans from unjustified, budget-busting subsidies.

One of the most egregious examples of the Bureau's mismanagement of its public trust was the Bonneville unit of the central Utah project. Although barely one-third completed, construction costs on this huge water supply project have ballooned to $2.1 billion and existing repayment contracts are woefully inadequate to recover the Federal investment. After years of stalling by the Bureau, taxpayers in 12 Utah counties will soon be asked in a referendum to nearly quadruple their local repayment obligation.

The referendum campaign has produced heated debate within Utah over the wisdom of this major new commitment of local funds to complete the Bonneville unit.

I welcome the repayment contract referendum in Utah, as well as the discussion of cost-saving alternatives for supplying water and modifying the project. The local dialog reflects the growing national realization that the Federal Government can no longer continue to bankroll grandiose water projects without major matching commitments of local funds.

I want to assure my colleagues from Utah and their constituents that regardless of the outcome of the local election, I as a member of the Energy and Natural Resources Committee, will work with them to secure whatever modifications and improvements are required to assure an affordable water supply for the future. I will also do what I can to develop a repayment contract that better protects taxpayers in Utah and the rest of the country. I am confident that a revised plan and contract for the central Utah project can be found that would better match tomorrow's water needs with today's budgetary realities.●

EXPANDED CAPITAL OWNERSHIP AND THE IDEOLOGICAL HIGH GROUND

● Mr. LUGAR. Mr. President, today I am introducing the third of four statements on expanded capital ownership. This is part of a position paper entitled "Project Economic Justice, a Revolutionary Free Enterprise Challenge to Marxism," prepared by Norman G. Kurland and presented for background study by the new Presidential

Task Force on project economic justice.

The concept of economic justice, in America and the rest of the world, pivots around a central idea: restoring and broadening private property ownership in the means of production as a fundamental human right. Private property tools for economic development should continue to be refined in the United States and exported as government and private sector policy.

A new constituency must be created who are for free enterprise and against collective and state ownership of industry and agriculture. To create that new constituency, the fight for freedom and democracy must be reinforced with economic justice, and economic justice must be built on four pillars: free labor, free markets, private property in the means of production, and expanded access to corporate equity ownership and profits. Since future ownership is largely determined by who has access to productive credit, widespread access to credit for expanded capital ownership is key to the future of free enterprise.

Mr. Kurland has prepared a four-pronged agenda for economic justice in Central America and the Caribbean Basin. I invited my colleagues to consider this agenda carefully, and I ask that his statement be printed in the RECORD.

The material follows:

[Project Economic Justice—Part III]

BASIC COMPONENTS OF AN AGENDA FOR ECONOMIC JUSTICE

(By Norman G. Kurland)

To succeed on the ideological front, it would help to organize on a regional basis, perhaps within a regional bank with central banking capabilities, such as the Central American Bank for Economic Integration. From such a base it would be easier to advise on the infrastructural changes that would be necessary within one or more of the developing countries willing to cooperate on the new agenda for stimulating private sector growth linked to broadened ownership.

The strategic objectives would be to maximize growth rates, jobs, and productivity of the private sector within selected countries or target areas, with a zero rate of inflation, and maximum ownership and profit sharing opportunities among all private sector workers as a supplement to free market wage rates.

The four main components of this agenda for economic justice are: (1) a new social contract with workers based on expanded capital ownership; (2) a two-tiered capital credit system for local banks; (3) a regional SDR to establish lower-tier-capital credit; and (4) the multinational corporation as a primary vehicle for accelerating private sector growth linked to expanded ownership. These are explained below in more detail.

A. A NEW SOCIAL CONTRACT WITH WORKERS BASED ON EXPANDED CAPITAL OWNERSHIP

The traditional wage system rests on a "conflict theory" of management-labor relations. The traditional system takes for granted that workers and owners have different interests and therefore assume that they will be in conflict. That assumption vanishes under a system which attempts to maximize the ownership opportunities of working people, whenever possible enabling the management and non-management workers to acquire up to 100% of the firm they work for.

The expanded ownership system assumes a merger of interests among all persons with an ownership stake in the enterprise. If implemented properly, maximum profits and maximum justice go together. Job security is enhanced by everyone agreeing to accept modest base wages, generally set in the freely competitive marketplace. This allows the company to operate with low fixed costs when times are rough. But workers participate in a monthly cash bonus plan and an annual cash bonus plan, both based on a formula linked to productivity and profits. A wage differential may be instituted so that the highest paid manager is paid a multiple of what other full-time workers are paid, with his increases also coming from his proportionate share of productivity and profits of the overall company; in this way all members of the team prosper or tighten their belts together.

The best ESOP models allow employees to vote their ownership stake in the company, normally measured by their shares of stock. An employee-owned company is generally structured to permit delegated powers and responsibilities, with a minimum of formal meetings or group decision-making. Thus, it is a system which must be delicately structured (like a republican form of government) to balance efficiency with justice; a high degree of autonomy for leadership decisions, with high levels of management accountability and disclosure of results; professionalism at the top, with self-management of the workplace. The basic principle of management is that of "subsidiarity," where authority is left as close as possible to those responsible for doing the work.

Workers earn their ownership shares, generally based on credit extended to them individually or jointly and repayable with their share of future profits. Ideally, the tax system would avoid the double tax on corporate profits, so that the capital credit for workers could be repaid with future dividends. In the United States workers are taxed on the bonuses or dividends they receive in cash, but they are not taxed until retirement on the stock they accumulate within an ESOP trust. Tax laws that allow workers to accelerate the rate of their equity accumulations help promote savings and investment within the private sector, while reducing the need for redistributive taxation. (See the "Expanded Ownership Act" introduced by Senator Long for additional tax reforms to encourage employee stock ownership.)

Remember, one of the unique features of an ESOP is that it systematically extends the benefits of capital credit among all workers of a company. This allows the employees to borrow to buy outstanding stock from an existing owner (including the government, where it wishes to denationalize a nationalized enterprise), or to buy newly issued stock directly from the company for meeting the expansion or working capital needs of the company. A properly designed loan to an ESOP is more secure than a straight loan to the company because, in addition to normal security on loan repayment, the workers have a stake in the outcome and there are special tax advantages for all parties.

B. A TWO-TIERED CAPITAL CREDIT SYSTEM FOR LOCAL BANKS

There is one thing that bankers, businessmen, and political leaders in the developing countries can agree on: high interest rates are a major barrier to sustaining a healthy free enterprise system. On the other hand, everyone would agree that nothing would do more to get everyone's attention and to promote a more broadly-owned and more just free enterprise system than to combine it with the carrot of a radically lowered interest rate. There is a logical way to create a differential of 7.5% or more in prime business loans that would be made available through local bankers. This strategy is known as a "Two-Tiered Interest Rate Policy." The rationale for this policy is as follows:

High interest rates are choking the life out of business. Today's interest rates have effectively stifled business expansion and modernization, have depressed innovation and productivity, and have curtailed the absorption into a revitalized private sector of millions of unemployed and underemployed and excess government workers in almost every free enterprise nation.

Much of today's economic malaise stems from the money-creating policies of central banks like the International Monetary Fund (IMF), which reflects the same policies as the Federal Reserve Bank and the central banks of the major Western economies. The IMF is an emergency lending organization to which 146 governments belong. Because of the central role the IMF plays in international finance, the debts of poor countries are expected to reach $650 billion by the end of 1983, nearly $400 billion of which is owed to private banks. Many of these countries cannot afford the interest payments at today's high rates, let alone the principal.

When it issues Special Drawing Rights (SDRs, sometimes called "paper gold"), the IMF "creates money" which can be used for making loans. We call this "pure credit," to contrast it from credit based on already existing savings. However, how "pure credit" is used determines whether it will be inflationary or not and whether or not it will be an asset-backed currency.

The IMF, like all central banks today including our Fed, fails to distinguish between supply-side and demand-side credit, between self-liquidating credit for productive purposes and non-self-liquidating credit for non-productive purposes. Self-liquidating credit is used to buy things intended to produce new wealth or future savings sufficient to pay its own acquisition costs. Non-self-liquidating credit (e.g., loans to cover government waste or consumer credit), by definition, is never used to buy things expected to "pay for themselves." While capital credit creates a healthy demand for the plant and equipment producers need to supply more consumer goods and increase real consumer incomes, non-productive government credit simply pumps new currency into the economy, giving consumers a false sense of their buying power. Productive credit increases the supply of new marketable wealth or is used to acquire new income-producing investments. Non-productive credit, in contrast, merely stimulates demand, creating artificial buying power to purchase existing wealth, commodities, and securities. For example, the IMF monetizes non-productive government deficits when it buys that government's debt paper, instead of allowing market savings rates to disci-

pline government overspending. This fuels inflation.

The discount powers of an international central bank like the IMF could be the key to uniting the workers and owners of developing countries, without taking anything away from present owners, except the dubious "right" to monopolize future access to capital credit. It should not be forgotten that control over capital credit represents control over future ownership patterns.

A more logical and just use of a central bank's credit machinery would be under a two-tiered interest structure. The higher level would be geared to *market-rate* yields on existing savings. This reservoir of credit would remain available for all forms of conventional loans, including loans to governments and state-owned enterprises. The higher interest rates would discourage these less productive and non-productive uses of credit. This works against inflation.

The proposed lower level would create a new reservoir of credit, reserved exclusively for structuring a more just and productive future for free enterprise. Only credit intended for productivity-oriented purposes in the private sector would be eligible.

But there is a hitch. The lower-tier would be reserved exclusively to channel the "magic" of future capital credit in ways that systematically transform wage-earners into an ever-widening base of capital owners, or to save farmers and entrepreneurs from losing their farms and businesses because of today's high interest rates. This combination of reduced credit costs and worker ownership is counter-inflationary by design.

For business reasons, and to underscore the injustice to workers of state-owned enterprises, this lower-tier should never be used, for example, to help refinance the $26 billion in debt like that recently negotiated with the Polish Government by Western bankers. No longer will Western capitalists give their own money to buy the rope to hang themselves. Today they use the savings of Western workers to supply the credit to build State-owned enterprises, at the expense of the capital-starved Western factories which are laying off their own workers. Instead, unsubsidized lower-tier credit would be used to denationalize some of the government-owned enterprises in communist countries and organize them into employee-owned stock corporations, using a "qualified ESOP." In this way, the "magic" of capital credit would become our most powerful weapon in pointing out the ideological contradictions of Marxist-Leninism.

Every dollar saved in interest costs could add a dollar to the bottom-line profits of the borrowing businesses and farms or save a dollar in prices to their customers. But it would also be a dollar for promoting economic justice for working people.

C. A REGIONAL SDR TO ESTABLISH LOWER-TIERED CAPITAL CREDIT

The third major component in the agenda for economic justice is to mobilize friendly countries in a development region like the Caribbean Basin in support of a new unit of international credit. The IMF cannot be expected to play this role. As mentioned earlier, the Central American Bank for Economic Integration might be the ideal place to start this new initiative. CABEI could, with the backing of the United States and countries which might respond positively to these ideas, issue a new currency, a Caribbean Basin SDR, to be used for regional economic development linked to expanded capital ownership and issued exclusively through the lower-tier discount window of the regional central bank as outlined below:

Eligibility for access to the lower-tier discount rate at the regional central bank should be based on the following criteria:

(1) The privilege of discounting "eligible" paper should be limited exclusively to commercial banks declared "eligible" by the regional central bank.

(2) "Eligible" loan paper should be:

(a) Limited to private-sector productive credit instruments;

(b) Issued for any commercial, industrial, or agricultural purposes or ventures determined to be economically feasible by the lending bank. (Credit for speculation in securities or commodities, unfriendly acquisitions, consumer or home purchase credit, public-sector programs, or for other nonproductive purposes should be declared specifically ineligible for lower-tier interest rates.);

(c) Designed to be repaid on a self-liquidating basis, primarily through projected future pre-tax profits of the enterprise guaranteeing the loan's repayment;

(d) Made the direct debt obligation of a capital credit mechanism that is "qualified" for ownership-expanding purposes by the regional bank or some expanded ownership authority approved by the cooperating countries in the region, including an ESOP trust for corporate employees; a general stock ownership corporation (GSOC), a professionally-managed real estate planning and development corporation for spreading equity ownership among residents of development communities; production and marketing cooperatives owned by workers and farmers; and small businesses and family farms which provide all their regular full-time workers with equitable opportunities to share in ownership and profits; consumer stock ownership plans (CSOPs) to spread equity ownership among customers of highly capital-intensive enterprises, like public utilities, cablevision, mass transit systems, etc.; and Village Corporations, for equity participation by rural workers in integrated agro-industrial enterprises.

(e) Collateralized by whatever tangible and intangible assets are to be acquired with the loan proceeds, plus shares of corporate stock to be acquired by an ESOP or other qualified capital diffusion mechanism;

(f) Guaranteed by the general credit of the sponsoring enterprise;

(g) Endorsed for negotiability by the member bank or banks discounting such paper;

(h) Insured to cover the risk of default, when appropriate, by a premium paid by the borrower or the lending banks to a regional central bank-approved public or private capital diffusion insurance company;

(i) Supported, when appropriate, by documented business plans and feasibility studies justifying the need for capital credit; and

(j) Endorsed by every collective bargaining unit representing employees of the sponsoring enterprise whose members are to receive ownership benefits as a result of the loan.

(3) All credit charges (including bank administrative charges and profits, the risk of default, etc.) above the fixed central bank discount rate of 1% or less, would be set by marketplace competition between qualified member banks. While higher-risk loans would naturally cost more, the normal bank mark-up on money to their best business customers would still keep the lower-tier prime rate at about 3%.

(4) The regional central bank could also require that all new currency issued through the lower-tier discount window be matched by "eligible paper," creating an asset-backed currency reflecting the economy's true increases in productive capacity. The central bank could add a 100% reserve requirement for lower-tier participation. This would eliminate the power of member banks under fractional reserve banking to leverage their lending capacity for "non-eligible" purposes with currency supplied at lower-tier rates. The supply of new money would thus be tied closely to real income-producing growth of the economy, thus keeping the region's overall money supply under tightened control of the regional central bank.

WHAT ARE SOME OF THE OTHER ADVANTAGES OF A TWO-TIERED SYSTEM?

The two-tiered interest system would not involve taxpayer dollars. No loan funds or interest rate subsidies would come from the taxpayers or in any way increase government borrowings. (In fact, this radical lowering of the cost of money to local banks and their business borrowers—by accelerating growth in private investment, jobs, and productivity—should quickly begin to cut government deficits.)

Since the two-tiered interest strategy would strike directly at the underlying causes of inflation—by discouraging excessive demand with higher interest rates and by encouraging maximum production with 3% prime rates or lower—an "inflation premium" would not be justified for capital credit linked to broadened ownership.

"Eligible" commercial banks, not the regional central bank itself, would still scrutinize feasibility of each loan before it was made. Approved local banks with access to the discount windows of the regional central bank would make all loans and set interest charges to eligible borrowers. Thus, bank lending practices could continue to insulate the central bank from political pressures to favor one borrower over another.

For both the upper and the lower tiers, the market would still determine the cost of money, including bank charges and profits. Bank markups and differential risk premiums which are normally included in interest rates would not be reduced. Both the volume of loans through the commerical and agricultural departments of local banks would greatly expand, along with bank profits. Once commercial loan officers fully understand their expanded role and new business opportunities under the two-tiered credit system, they can be expected to support it. (Today less than 20% of all U.S. new capital formation is financed through commercial banks.)

D. THE MULTINATIONAL CORPORATION AS A PRIMARY VEHICLE FOR ACCELERATING PRIVATE SECTOR GROWTH LINKED TO EXPANDED OWNERSHIP

American assistance to the developing countries could be vastly expanded, with reduced taxpayer support, if U.S.-based multinational corporations could be encouraged to link their investments overseas with the expanded ownership objectives called for under the Industrial Homestead Act. (See the author's paper "The Future of the Multinational Corporation.") For example, through use of ESOP financing the multinationals would not only convert their foreign employees into capital owners, but in so doing would automatically be creating a broadened political constituency for a global common market based on free enterprise principles. No troops or foreign aid could offer a more effective safeguard against

future expropriations and nationalizations of U.S.-based companies around the world. This would also facilitate the transfer of U.S. knowhow and technology in ways that would further peaceful growth and expanded U.S. markets.●

DEPAUW UNIVERSITY

● Mr. QUAYLE. Mr. President, as a member of the Senate Labor and Human Resources Subcommittee on Education, I take great interest in education and related issues. I believe that citizenry, legislators, parents, students, community, leaders, and educators have to play an important part in developing our education system to its fullest potential. The education system is among our most important institutions. In making a commitment to education, we foster and nourish the development of a people and the future of a nation.

America's educational institutions provide a service to not only their individual students but to entire communities. The absence of knowledge is detrimental to the progress of our Nation and the burden of ignorance is borne by not one, but all. In improving the understanding and knowledge of a people, we benefit from a better future.

DePauw University is one such notable institution that merits recognition. A small liberal arts university in my home State of Indiana, it has excelled in the promotion of quality education and experience at all levels and for all students. It exemplifies the American educational system at its best.

As an alumnus of DePauw University and as a Representative of the people of Indiana, I would like to recognize this institution for its unparalleled progress in its fundraising sesquicentennial campaign. In April of 1983, DePauw University began a campaign designed to raise funds for the development of its endowment fund. Only 2½ years into its campaign, contributions total an astonishing $102,070,000, far exceeding the original goal. Gifts amounting to $42 million have been specifically set aside for academic scholarships at the request of some donors. The campaign continues through June 1987, which marks the university's 150th anniversary celebration.

Mr. President and colleagues, DePauw University is creating history in that never before has a liberal arts college raised so much money in a single fund raising program. I wish to commend the donors—trustees who have collectively given over $200 million, an anonymous DePauw family who made the largest single contribution of $10,000, corporations and foundations who have been longtime supporters of this find institution, alumni, and friends of the university. Without the benevolent support of a great many people, DePauw University could not have surpasssed its expectations as it so obviously has done.

In closing, I congratulate DePauw University on its 150th anniversary. This university has provided a great service to so many alumni as well as to the State of Indiana. I wish the university continued success in its operations, and many more happy and productive years.●

THE 68TH ANNIVERSARY OF SOVIET UNION

● Mr. D'AMATO. Mr. President, I rise today to call the attention of my colleagues to the fact that 68 years ago today, November 7, 1917, the Communist Party of Bolshevik Internationalists brought down the provisional government in Russia and established a Communist dictatorship, IN 1922, as a result of this revolution, the Union of Soviet Socialist Republics was formed. Since that time, the Soviet Union has been a leader of the nations which have blocked progress toward securing and maintaining global freedom and peace.

I am hopeful that the upcoming summit negotiations will be fruitful and will establish a firm foundation of truth upon which we may proceed to negotiate serious, varifiable arms reductions. As always the case when dealing with the Soviets, however, my hopes are tempered with realism. When I consider the history of the Soviet dictatorship, which is filled with crime that are an affront to humanity, my hopes turn to skepticism. When I consider the nature of their system, without getting caught up in its facade of lies and propaganda, I ask myself if the Soviets will ever face facts and confess to their crimes. Progress can never be achieved unless those areas of contention between our two nations are faced honestly and squarely.

The President is serious about the upcoming talks in Geneva, and he has done his homework. But the approach of the Soviets to international talks leaves me doubtful about their sincerity to work toward agreements we both can live with. The Soviets are tough bargainers because they prefer to wait and see how their propaganda campaigns have influenced Western opinion before seriously moving in negotiations. And unless we, as a nation, and in combination with all Western democracies, are united in our resolve for serious negotiations, the Soviet's will consistantly dodge questions about their crimes which need to be remedied before we can address agreements for varifiable arms reductions.

Let us not think for 1 minute that the Soviets lack the ability to use the media to shape Western opinion. We must distinguish between facade and fact. After watching the polished, smiling leader of the Soviet Union in Western dress on television, we must not be fooled into asking the wrong question. The question is not, who is this man Gorbachev? Rather, the question remains, what is the nature of the Soviet Communist dictatorship?

Over the course of its existence, the Soviet Communist dictatorship has extermined more than 60 million of its citizens, mainly laborers and peasants, in whose name their revolution was proclaimed. Its first victims were Russians and other peoples of the former Russian Empire, but it has since expanded to subjugate the peoples of Eastern Europe, Asia, Africa, and Latin America. We must add to this figure the millions of people who are forced to live in the Soviet Union under the pall of perpetual oppression and constant fear for their own and their children's lives.

Today, there are many issues which divide our two nations, and they are of major concern to this Congress and to the American people. Every day, the Soviets are systematically violating the Helsinki accords, continuing their human rights violations of Soviet Jewry. How can we forget the cold murder of Major Nicholson, and the ongoing incidents directed against United States observers in West Germany. What about Korean flight 007 shot down with more than 250 innocent people on board? And what can be done to regain the freedom of the Afghan people? The expression of Soviet agression is not by chance, but by design.

At a minimum, the American people must recognize the true nature of the Soviet Union and realize that Mikhail Gorbachev is the dictator of a system that is bent on undermining and defeating the West. This does not mean, however, that our two nations should not meet in Geneva. Indeed, every effort must be made on both sides to ensure that our dialog continues. Rather, this means that we should not allow ourselves to be psychologically stampeeded by Soviet propaganda into making unwarranted concessions during the talks.

We must recognize the dangers of the Soviet dictatorship. We must hope for a true, meaningful shift in their historical record and, in the meantime, we must proceed with caution—every step of the way●

VETERANS DAY 1985

● Mr. QUAYLE. Mr. President, this November 11, Veterans Day 1985, I am joining with those assembled at ceremonies across our country—from Arlington National Cemetery to Indianapolis' Monument Circle—and those gathered at U.S. military bases and installations around the world to honor the contribution of our Nations veterans.

Our veterans deserve our respect, our thanks, and our prayers. On this special day of recognition, we honor those Americans who made the ulitimate sacrifice and gave their lives for our security and our future. This day also enables us to show our respect for the more than 27 million veterans alive today, men and women who have served and survived to share with us the benefits of their efforts. Because of these veterans who answered their Nation's call to duty, the United States shines forth today as a symbol of freedom, democracy, and opportunity in the world.

Veterans Day was originally a celebration of peace. In 1919, President Wilson proclaimed the first Armistice Day, commemorating the agreement signed the previous November 11 that ended the fighting and bloodshed of World War I. Unfortunately, the veterans of World War I were not the last Americans to be called upon to serve their country in battle. In 1954, Armistice Day was renamed Veterans Day to pay tribute to all those who have served in our Armed Forces.

On this, the 31st Veterans Day since Congress established a national day to honor our veterans, I believe that special recognition is due to two groups.

First, we cannot, must not, and shall not forget all the Americans who served their Nation in the Vietnam war but who are still listed as missing in action or as prisoners of war. We must redouble our efforts to resolve each and every one of the outstanding 2,500 MIA/POW cases, both to honor our national commitment to all those who serve our country and particularly to fulfill our duty to the families who are still uncertain over the fates of their loved ones.

Much remains to be done by the governments of the United States, Vietnam, and Laos before we can consider the cases of these service members closed. We can, however, be greatly encouraged by the recent signs of progress toward the resolution of this regrettably longstanding problem. Just recently, the United States was able to undertake a joint search for some of our missing men in Southeast Asia for the first time since the war. I will continue to urge President Reagan to pursue the search for our MIA's until all the facts are known.

On this Veterans Day 1985, I would also like to pay tribute to today's members of the U.S. armed services, particularly those who took part in the interception last month of the Egyptian jetliner carrying the four Palestinian terrorists who hijacked the Italian cruise ship *Achille Lauro* and then murdered Leon Klinghoffer. The hijacking of the *Achille Lauto* and the murder of an invalid were dastardly acts. For their performance in intercepting the jetliner carrying those terrorists, we are all proud of our military forces, who quickly, valiantly, and successfully managed to capture these murderers and hand them over for justice.

In observing this special day, I hope all Americans and all citizens of Indiana will pause to reflect again on the origins of Veterans Day. Reviewing the international arena today, we cannot mistake the fact that America's values, ideals, and goals will continue to be challenged as they have been in the past. As we have in the past, we must remain vigilant in the defense of our way of life and our free system of government. A solid base of military strength and readiness must be maintained to preserve and secure the gains and benefits our veterans' sacrifices have brought us. But we must also focus our efforts on keeping the peace in order to preserve and strengthen our heritage.

I am sure all Americans and all Hoosiers join me this Veterans Day in honoring those who have fought to preserve our Nation and all it stands for—and in praying that, in the future, we will be granted the peace that will allow us to focus on achieving our goals and dreams.●

NOMDA—MANUFACTURERS VOLUNTARY CODE OF CONDUCT

● Mr. RIEGLE. Mr. President, recently the manufacturers, distributors, and dealers of office equipment in this country concluded an agreement to abide by a voluntary code of conduct. This code will govern the relationships between these groups, and is designed to insure that their dealings will be marked by equity.

This event is noteworthy, Mr. President, because it completely eliminates the need for remedial legislation. For several years, legislation has been pending which would impose statutory standards on the relationships between manufacturers and dealers. I have felt for some time, that the passage of legislation to govern business dealings carries with it the possibility of harm to all those affected by the law. The Congress should rightfully be the last resort in a situation such as this, when parties in good faith can reach understandings and accommodations on their own in face-to-face negotiations.

That is, in a real way, precisely what occurred here, and good business sense took hold, and has produced this agreement.

It is not often that we can avoid legislative relief, but in this case we have done so to the great benefit of the dealers and to this important industry. There is a great deal of interdependence between the dealers and manufacturers, and this agreement recognizes and strengthens that relationship.●

VETERANS DAY AND NATIONAL DISABLED VETERANS WEEK

● Mr. D'AMATO. Mr. President, it gives me great pleasure to rise today to pay tribute to our Nation's veterans. Monday, November 11, 1985, is our Nation's Veterans Day celebration, and from that day through Friday, November 15, 1985, we shall celebrate National Disabled Veterans Week. In this country there are 28 million veterans, many of whom have risked their lives in selfless defense of our Nation, its freedoms and liberties, and our own and our children's future. As a nation, we shall honor our veterans during these celebrations, and we shall demonstrate our gratitude through speeches and parades for these men and women who have sacrificed all that can be asked of anyone in service to their country—life itself.

Along with the many speeches and parades that will take place, special services are held on Veterans Day at the Tomb of the Unknown Soldier in Arlington National Cemetery, just across the Potomac River. These services are held to honor those nameless soldiers who died for their country, but who were never returned home. They are also held to remind Americans of the tragedies of war. For this reason, President Wilson proclaimed November 11 as Armistice Day. A law adopted in 1938 made this day a Federal holiday, but in 1954, Congress changed the name to Veterans Day to honor all U.S. veterans.

Over the years, many veterans organizations have been established in the United States to support our veterans. The very first veterans organization was the Society of Cincinnati. At the suggestion of Maj. Gen. Henry Knox, the Society of Cincinnati was formed in 1783 by the officers of the Continental Army. With George Washington as its first president, the Society of Cincinnati consisted of all veterans who fought in the Revolutionary War.

The veterans groups which were formed after the War of 1812 and the Mexican War were small. However, after the Civil War, because of the large armies that were deployed in battle, powerful veterans organizations were established. The Grand Army of the Republic, an organization of veterans of the Union Army, which began its operations in 1890, had enough influence to play an integral role in politics for over 40 years.

In the late 1890's, attempts were made to organize veterans of foreign military campaigns, and in 1898 the United Spanish War Veterans was formed by the men who fought in the Spanish-American War. In 1913, three different veterans groups of foreign wars joined to form the Veterans of Foreign Wars. Following World War I, the men who fought in France organized in 1919 to form the American

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Legion, and the disabled veterans from this war joined together to form the Disabled American Veterans in 1920. AMVETS was founded in 1944, and the American Veterans Committee began its work in 1944.

Through the years, some of these organizations have grown to play an important function in the lives of our veterans. They seek to foster comradeship among members, assist needy veterans and their families, organize memorial services for deceased veterans, and promote patriotism and community activities. These organizations have done well, and the Federal Government, through the Veterans' Administration, has been doing its part on behalf of the American people to carry out its responsibility to meet the needs of our veterans.

This year, on July 21, the United States Veterans' Administration celebrated its 55th anniversary. It was created in 1930 to centralize the Federal Government's responsibility for providing benefits to our veterans and their dependents. Altogether, 81.5 million individuals—veterans, dependents, and survivors of veterans—are eligible for VA benefits and services. Paralleling the vast increase in the number of veterans over the last 55 years, the VA has grown into this Nation's largest independent Federal agency.

The beneficiaries of the Veterans' Administration constitute approximately one-third of our Nation's population. Thus, the influence of the VA cannot be downplayed. The administration has 172 major medical facilities, 185 outreach centers, the largest direct insurance program, and an educational program which interacts with almost every post-secondary and vocational institution in the United States. For these reasons, I have cosponsored S. 657, legislation to make the VA a full cabinet department. Elevating this administration to a cabinet level department will help make the needs and concerns of our veterans a top priority of our Government.

The Veterans' Administration is by no means perfect or complete, but in the words of its current Administrator, Harry N. Walters, the VA "is more than ever dedicated to serving America's finest." As part of my efforts to ensure that the VA is fully equipped to meet its responsibility to our Nation's veterans, I have recently moved to correct several inequities I have found in their laws.

Last year, Congress enacted a new GI education program. By passing this legislation, we again demonstrated our gratitude to our Nation's veterans, and we recognized the value that education brings to individuals and to our society at large. Under this bill, however, veterans discharged from service before January 1, 1977, are only given 10 years from their date of discharge to use their educational assistance. When this bill expires in 1989, as many as one-third of our veterans will lose the educational opportunities they have earned. Therefore, I have introduced legislation, S. 964 to remove this arbitrary 10-year limitation period. In this way, these benefits would continue to be available for as long as they are needed.

I have also moved to ensure that our Nation's disabled veterans receive the best possible care that we can provide. Since 1971, the Veterans' Administration has limited its mortgage protection to certain categories of 100 percent disabled veterans who obtain VA grants for specially adapted housing. At the present time, however, this protection excludes some of our Nation's most severely disabled veterans who find it extremely difficult, or even impossible, to obtain mortgage protection from commercial sources. To remedy this problem, I have introduced legislation, S. 966, to expand the VA's mortgage protection program to cover veterans who are 80 percent or more disabled.

There is also an inquity under the VA's current Specially Adapted Housing Grant Program. Under this program, $35,000 is provided for certain blinded and disabled veterans to be used toward the purchase of a specially adapted house, or for renovations of a home already owned. A smaller grant of $6,000 is provided to another category of blinded, but less disabled, veterans, but can only be used to make the necessary renovations of a home already owned. I believe this limitation on the second category of veterans is wrong. Therefore, I have introduced legislation, S. 965, to give this second category of blinded veterans the same opportunity to use their grant toward the purchase of a house that we now provide the first category of blinded veterans.

These veterans have suffered the most severe personal losses in defense of our Nation. Quite often, the nature and extent of their disabilities have prevented them from accumulating the savings necessary to insure financial security for themselves and for their families. They, too, need this protection. Veterans need not only our protection, they deserve our praise.

Therefore, on Veterans Day, and throughout the following week, let us all, as individuals and as a Nation, pay tribute to our veterans. They have given their all to defend this great land and to protect liberties and freedoms for ourselves and our children. I urge the American people to join in local celebrations and parades in honor of these men and women, and to hold your heads high. For, if it were not for our veterans, there would be no laughter, no galas, and no smiles on our children. Indeed, if it were not for our veterans, there would be no celebrations this fall. It is because of our veterans, their bravery and their courage, that we have any pride at all.●

100TH ANNIVERSARY OF PET INC.

● Mr. DANFORTH. Mr. President, 1985 is the 100th anniversary of Pet Inc., headquartered in the city of St. Louis, MO.

Pet has long been one of the pillars of the economic community in St. Louis. From humble beginnings as a company formed to develop a canned milk that could be stored indefinitely, it has grown to become a great American success story, employing more than 7,000 people and providing economic growth in communities here and abroad.

Pet Inc. began life as the Helvetia Co. in 1885 and in 1894 began marketing "Our Pet" evaporated milk. That product became a household standard, and was so well known that the Helvetia Co. took the product's name in 1924. Following World War II, Pet began a program of diversification and expansion to serve consumer demand for a wide range of specialty food products.

Today, Pet's growth has made it an industry leader, manufacturing more than 200 food products under the banner of 30 brand names. Many of Pet's products rank at the top of their field in terms of market share.

I commend Pet Inc. on 100 years of service to the St. Louis area and other communities across the Nation, and wish the 7,000 employees of Pet the best on the occasion of the company's 100th anniversary.●

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION

Mr. DOLE. Mr. President, it appears obvious that we are not going to get the unanimous-consent agreement. It is now 10 minutes after 8. I think everyone has been here long enough. Maybe we can work out something on Tuesday or later next week.

As I indicated, we would like to start on the reconciliation bill on Tuesday. All I will propound now is a unanimous-consent request that on Tuesday, November 12, at the hour of 10 a.m., the Senate proceed to the consideration of S. 1730, the reconciliation bill.

Mr. HOLLINGS. Mr. President, reserving the right to object, and it is not my intent to object, but to clarify. Do we start, as the leader sees it, starting where we were and go to textiles directly on Tuesday?

Mr. DOLE. Yes.

Mr. HOLLINGS. I have no objection.

Mr. DOMENICI. Reserving the right to object, Mr. Leader, I am as tired as the leader is and I will not take long, I

would like the Senate to know that we spent more time trying to reduce the deficit in the past 4 or 5 weeks than any time I can remember. Thus far, it has been talk. But while the clock ticks, our best estimate is that $52 million a day in savings is being lost from the reconciliation bill because those are the savings you cannot pick up as time passes. We are now 7 days into the second month of this fiscal year. We probably will need another 10 to 12 days, Mr. President, after we pass it to finish the conference.

So I think probably we are talking about at least 30 days times $52 million a day. That is a pretty nice piece of change.

I am not critical but I am hopeful that everybody understands we have to get the bill completed.

We spent hours of debate, and the House has, as to what level of deficit we ought to have this year. Somebody said it ought to be $180 billion with 7 percent error, somebody said $150 billion with 5 pecent for error, the House thinks $161 billion.

The truth of the matter is we are losing more money by not passing reconciliation and getting it to the President day by day here than any of this talk on deficit reduction proposals.

We stand ready at 10 o'clock on Tuesday if that is the Senate's will to really begin work on the bill. I hope everybody knows there are 45 amendments that people have told us about. There remains 1 hour and 16 minutes somewhat equally divided. The way the statute reads we will move on. Obviously, textiles could use that whole period of time. Then we will have 45 amendments that have something to do with the bill. Everybody will have a chance to vote on them. That is the way we do it here. We will not have much time for debate, and maybe none. But whoever wants their amendments can call them up and we will vote.

We will be here, Mr. Leader, and I hope we can get something done on that day.

I thank you for getting back on the bill. I think that is the way to do it.

Mr. CRANSTON. Mr. President, reserving the right to object, I want to address a question to the majority leader. We have had an understanding that H.R. 505 will come up on Wednesday. I assume we will have that opportunity on Wednesday?

Mr. DOLE. I am told we can dispose of that in 1 hour. If we can keep at that, that would be one thing. Otherwise, we would have real problems.

Mr. CRANSTON. It may be that we can dispose of it in 3 minutes.

Mr. EVANS. Reserving the right to object and I do not intend to object, could I ask the chairman of the Budget Committee a question or two?

I am convinced from meetings today, and I think I have a good right to be convinced, that the textile bill, regardless of what vehicle it is on, will be vetoed.

Could the Budget Committee chairman, the Senator from New Mexico, inform me as to what he believes the stages after that will be in terms of trying to resurrect a reconciliation bill and the cost that might be attached to that?

Mr. DOMENICI. Does the Senator mean that we will go all the way through reconciliation and conference and textiles are still on it and it gets vetoed because of that?

Mr. EVANS. That is right. How much longer will it take and how much will it cost?

Mr. DOMENICI. It seems to me, and this is just my speculation, that that would take so long, because we would still have to go to conference, that my best estimate is that with or without textiles the conference will take 10 days or 2 weeks maybe. That gets us well beyond Thanksgiving and into the first of December.

My best judgment is we will not get a reconciliation bill.

I do not want anyone to think that this reconciliation bill is not vulnerable without textiles. It just makes it a natural target with it. But I think we would not get one. If you would like the numbers there, we will lose in savings in the first year credited to the budget a minimum of $19 billion off this year's deficit in terms of savings, and a maximum of $22 billion, that will either never occur, or if we pass the Gramm-Rudman-Hollings amendment to the debt limit bill we will have to pick up that amount of money from across-the-board cuts on everything evenhanded.

Mr. EVANS. I thank the Senator.

Mr. HOLLINGS. Mr. President, reserving the right to object, we will be ready on Tuesday to vote. I have tried to accommodate the distinguished leader and the entire body by putting it on a two-track basis whereby we would not gain anything and we would not lose anything if we called the bill up and had it considered with a time agreement with some 17 to 20 amendments that we have. We each went around and got time limitations on the 20 amendments. We were ready to agree and set that aside and then as it is disposed of successfully or unsuccessfully in an up-or-down vote we would get off reconciliation. The majority knows that and the record would so show.

What the distinguished Senator from Washington is questioning, as I understand, is that we get off of not only reconcilation, the Micronesian compact and every other thing. I am as determined as I can possibly be that we will have this particular bill even more strongly on textiles and on Micronesia. I did not want to lose any particular position on the Micronesia bill. I am not asking for an advantage but I do not want any disadvantage. I am trying to accommodate. I am confident.

The proposed unanimous-consent agreement that we worked on all day long, which accommodated Senators on both sides, with time limits and everthing else, did not accommodate the Senator from Washington who somehow is trying to read into the record that somehow textiles are causing the cost to the Government. I think it is, if only we could enforce the textile and multifiber agreements that we have.

Mr. MITCHELL. The Senator from Washington is entitled to make the point he desires to make, but I think it should be noted that the chairman of the Budget Committee with tremendous forthrightness stated accurately that the reconciliation bill is subject to veto on grounds other than the textile bill.

The President's chief of staff has stated explicitly on several occasions, identifying numerous other grounds as a potential basis for a veto in the reconciliation bill. So any effort to suggest that there will be some additional cost attributable to the textile maneuver is, of course, inaccurate based upon the clear public record that has existed until this time.

Mr. DOMENICI. Mr. President, I try to be as honest as I can be here. I would like to say that there is a real chance on the part of the Senate as it moves through a day's debate to vote on some of those controversial provisions that the Whie House has identifed. The distinguished leader is concerned about a number of them and clearly, we are going to work the Senate's will, and it will send some kind of message to the White House or we will indeed improve the bill. Then it has to go to conference and even there, we can further clean up that bill.

Obviously, with textiles on it, you cannot clean it up. You might as well put everything on and send it over because it is going to get vetoed.

I say to my friend, the Senator from South Carolina [Mr. HOLLINGS], that he has done very well, he won a great victory. The Senate decided to do something it has only done once before, it waved the Budget Act and put the textile bill on reconciliation. There are many in this body who do not agree, who feel that we are going to vote on textiles not only once, but two times, three times, four times.

Frankly, nobody is taking away any rights to offer it on the continuing resolution if that is what the Senator desires. There will be other appropriations bills coming down. We did not bother to mention those. You might even put it on defense appropriations. I assume sometime or other the President wants to sign one of those. But

frankly, I am not sure the Senate is going to muster up 51 people, as much as they support textiles, to give the Senator, as much as they may feel as he does, two, three, or four shots.

He is right in saying he would like to have it and he may get that right. But frankly, I do not think anybody loses anything if they take this textile bill off the reconciliation bill, get a unanimous-consent agreement to vote with a time certain on a freestanding measure, and send it over to the House on their bill. I think that is about as good an opportunity to get it in the hands of the President and prove what the U.S. House and the U.S. Senate thinks about textile enforcement as anybody is going to get.

Mr. HOLLINGS. Well, Mr. President, that is what we will have, if the distinguished Senator will yield. That is what we have drawn up. I have given him a copy of just that, what he is saying right now. Let us call it up on a freestanding bill and vote it up or down. But you have all these amendments.

Look, I am ready to vote for passage. I have voted, as the Senator said, four times. I am not asking time and time again. I am just asking for final passage up or down. That is all I have been asking.

Mr. DOMENICI. What about the Micronesia bill? Does the Senator agree if he gets it disposed of, he will take it off that?

Mr. HOLLINGS. We will see what we get. If I have to fight all these amendments—is the Senator talking Micronesia, reconcilation, and all the rest? He is not negotiating on the reconciliation bill. That is what we have been talking about all along.

Mr. DOMENICI. The 22 amendments the Senator refers to on the textile bill will have time agreements and everyone will know what they are.

Mr. HOLLINGS. Right.

Mr. DOMENICI. They are all offerable now to the textile bill as it is presently pending on reconciliation.

Mr. HOLLINGS. Exactly.

Mr. DOMENICI. If you do not get them there with a time agreement with everybody knowing what they are, you are going to get them here one at a time on a reconciliation bill with nobody knowing what they are. I do not ask that the Senator give up anything by agreeing to a list that we have 3 days to look at and get to decide which ones properly belong and which ones do not.

Mr. HOLLINGS. What does that have to do with the Micronesia bill? Why is the Senator all of a sudden leading that fight?

Mr. DOMENICI. I was not. I was trying to help the Senator get his bill passed.

Mr. HOLLINGS. That is what I say, let us get going, let us not get off on the Micronesia bill.

Mr. EVANS. If the Senator will yield, I think the Micronesia bill is important. The Senator from South Carolina thought it was important when he put the textile bill on it because the bill is important to this degree: Our agreements in the Micronesia area ran out on October 1. We are facing the potential of very, very large lawsuits. We are facing the potential loss of our leases that are terribly important to the United States in terms of its missile tracking system.

This is not just a simple little bill that has nothing at stake. As the Senator from New Mexico mentioned, this does not prevent using the CR, the defense bill, or anything else if the Senator from South Carolina would like to take the second, third, or fourth bite at the apple.

What it attempts to do—and I worked very hard during this day to try to develop and cut down, I might add, the list of proposed amendments, which was much longer than this to start with, to cut down from original propositions by going to each of these people and attempting to minimize the time limit in order to bring this to a freestanding conclusion. This Senator cannot guarantee any more than the Senator from South Carolina that if the bill ultimately passes, it will wind its way through conference and find its way to the President's desk. I can say to the Senator from South Carolina I am convinced at least that regardless of the vehicle on which it is placed, it will be subject to a Presidential veto, and the real question is whether the proponents can muster sufficient votes to override a veto in both Houses of Congress. It is important to release Micronesia and get it passed or else we are going to be facing some very, very strong possibilities of money loss and serious problems in terms of our Defense Department and our national security. I do not think anyone wants that. It does not prevent anyone in this Chamber from coming back on any bill and, as the Senator from New Mexico suggested, trying again and again and again to put this bill through. The place for it is on the bill that came over from the House. It is not to put it on the reconciliation bill. It is not to put it on Micronesia. It is to get this opportunity to get it over and done with, which I would like to do.

Mr. HOLLINGS. Mr. President, just one minute. The distinguished Senator from Washington should realize that I had this on the Micronesia bill back in July and was willing to call it up and pass it before we had the August recess. I so informed the majority leader, so informed the chairman of the Interior Committee and the ranking member. We did not stand in the way. They just did not want to call it up. The Senator knows the game being played. Now we have acceded to the majority leader's wishes to try to get moving and not really take up this initial time next Tuesday, which we will because the pending motion now is not only just on textiles but the Danforth amendment to it and, I take it, other amendments the distinguished Senator from Washington will present.

But we have solved that problem. We just cannot solve all the problems. I think the Senator is really talking about Micronesia. It seems to me a good strategy. Put us to the test and let us get an up or down vote on textiles, and then he might have some merit in his argument. But at the present time we have worked with the majority of the Senate with up or down votes on Micronesia and we are there. We have had three votes up or down on reconciliation and we are there. So we not holding up anything. All I want is final passage on textiles and not all of this other stuff that has come up. But we even agreed to all the stuff being considered. Let us consider it and not hold up reconciliation.

I have no objection to the majority leader's request.

Mr. DOLE. Mr. President, I think the distinguished Senator from North Carolina wanted to suggest the absence of a quorum very briefly.

There are other ways we could proceed. We could call up H.R. 1562, the House textile bill. If we could not get consent to proceed, we could file cloture tonight on a motion to proceed to that bill. Then we would vote on cloture on Tuesday. Then we could be on the House-passed textile bill. But I am not certain that saves any time. I guess the larger concern is when we break this logjam. We have a farm bill, a reconciliation bill, and the textile bill blocking the road toward adjournment. And if we are not in on Monday, we will probably have 3½ days next week. We would like at least to dispose of the textile bill and the reconciliation bill, and then stay on the farm bill until it is passed, which would be sometime the following week before the Thanksgiving recess.

I suggest the absence of a quorum, briefly, Mr. President.

The PRESIDING OFFICER (Mr. MCCONNELL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I am going to propound a unanimous con-

sent request, and I hope that we can agree to it.

I thank my colleagues for their patience and willingness to make a compromise in an effort to dispose of the reconciliation bill and the textile bill as well as, hopefully getting back and staying on the farm bill until it is completed.

So I ask unanimous consent that on Tuesday, November 12, at the hour of 10 a.m. the Senate proceed to the consideration of S. 1730, the reconciliation bill, and that the Hollings-Thurmond amendment dealing with textiles be temporarily laid aside, for the consideration of other amendments until the hour of 10 a.m., on Wednesday November 13.

I further ask unanimous consent that at the hour of 10 a.m. Wednesday November 13, the Senate proceed to vote on the question, "Is the sense of the Senate that debate be brought to a close on H.R. 1562, the House textile bill?" and that if three-fifths of the Senators duly chosen and sworn, vote in the affirmative, H.R. 1562 shall be the unfinished business to the exclusion of all other business until disposed of, the language of a Hollings-Thurmond amendment be considered germane, the amendment subject to a time limit of 1 hour, not subject to any motions, and the following amendments be the only other amendments in order, and limited to the following time agreements: and final passage time be in effect.

Three Gramm textiles amendments, 20 minutes each; the Matsunaga coverage to all countries, 30 minutes; Danforth, section 201, 30 minutes; Baucus, $400 million floor for agricultural exports, 30 minutes; Hatfield, athletic shoes, 20 minutes; Evans, eliminate import licensing, 30 minutes; Evans, additional customs officials (if first Evans does not pass), 30 minutes; Boschwitz, dealing with agricultural exports, 30 minutes; Domenici, copper, 30 minutes; Lautenberg, relating to textile handbags, 20 minutes; Lautenberg, relating to silk, 20 minutes; Lautenberg, relating to textile toys for dogs and cats, 20 minutes; Dole, sunset in January 1987, 10 minutes; Harkin, ag exports, 30 minutes; Levin, trade deficits, 30 minutes; Johnston, necktimes, 20 minutes.

Then there are some others that came in late.

Inouye, U.S. insular possessions, 30 minutes; Inouye, omit import licenses, 30 minutes; Inouye, limit quota restrictions to finished apparel, 30 minutes; Baucus, wage rates, 30 minutes.

I further ask unanimous consent that final passage of H.R. 1562, as amended, if amended, occur, without intervening motion, no later than 12 noon on Thursday, November 14, and that paragraph 4 of rule XII be waived and the agreement be in the usual form.

Further, I ask unanimous consent that immediately following disposition of H.R. 1562 that the amendments regarding textiles to S. 1730, the reconciliation bill, and amendments Nos. 719 and 724 to Senate Resolution 77 be considered withdrawn.

I also ask unanimous consent that following final disposition of H.R. 1562 the Senate return to the consideration of S. 1730, the reconciliation bill, or any other needed to send the reconciliation bill to the House.

I ask unanimous consent that third reading of the reconciliation bill, and that is not going to happen, not be in order prior to disposition of H.R. 1562.

Mr. MITCHELL. Mr. President, I really wish to inquire to make certain that my understanding of the unanimous consent request that has been propounded is correct. I understand that in the second paragraph on the first page the cloture vote will be on the House textile bill, and I want to make my intention clear. The House textile bill does not include shoes; whereas, the Hollings-Thurmond amendment in the Senate does include shoes, and it is my interest to see that the vote that occurs following the cloture vote be on that amendment which does include shoes.

I inquire as to whether or not my understanding is correct so that the vote here will be on the bill that includes textiles and shoes?

Mr. THRUMOND. That is our understanding, it would include shoes.

Mr. DOLE. That is my understanding. I conferred with both Senators from South Carolina and the Senator from North Carolina, and it would include that amendment.

Mr. MITCHELL. May I inquire of the distinguished chairman of the Budget Committee—I asked him in a conversation earlier—is that his understanding?

Mr. DOMENICI. That is my understanding.

Mr. MITCHELL. I thank the Senator.

Mr. BYRD. Mr. President, reserving the right to object, I would ask that the distinguished majority leader put in a quorum.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, before yielding to the distinguished minority leader, let me add one additional amendment by Senator MATSUNAGA to exempt imports to noncontiguous areas, with a time limit of 30 minutes.

Let me clarify the last part of the unanimous-consent request.

After disposition of H.R. 1562, that the amendments regarding textiles to S. 1730, the reconciliation bill, and amendment No. 719 and amendment No. 724 to S.J. Res. 77 be considered withdrawn; and after disposition of H.R. 1562 on Thursday, November 14, unless disposed of earlier, the Senate resume consideration of S. 1730, the reconciliation bill, or H.R. 3128. That is the bill that will come from the House.

Then finally, I have stricken the next paragraph because we will probably not complete action until Thursday. I was trying to figure out the three-track system including the farm bill.

Then the last paragraph I do not think will be operative, but we will leave in. We will ask unanimous consent that third reading of the reconiliation bill not be in order prior to disposition of H.R. 1562.

Mr. HOLLINGS. No objection.

Mr. BYRD. Mr. President, I withdraw my reservation.

Mr. CRANSTON addressed the Chair.

Mr. DOLE. Let me accommodate the Senator from California who has a request indirectly related to this request.

Mr. CRANSTON. If the majority leader pursuant to our conversation will simply add to that agreement that at 9 a.m. on Wednesday, H.R. 505 will be taken up and disposed of finally by 10 o'clock with the necessary rollcall to commence at 9:45.

Mr. DOLE. I have no objection to that because that will not interfere with this unanimous-consent agreement. I think we may need to proceed to the question on H.R. 1562; that it is the sense of the Senate that debate be brought to a close. We will proceed to that question at 10 a.m. on November 13.

I have no objection on that.

Mr. CRANSTON. That will be incorporated into the agreement.

I thank the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That on Tuesday, November 12th at the hour of 10:00 A.M., the Senate proceed to the consideration of S. 1730, the Reconciliation Bill, and that the Hollings-Thurmond amendment dealing with textiles be temporarily laid aside, for the consideration of other amendments until the hour of 10:00 A.M. on November 13th.

Ordered further, That at the hour of 10:00 A.M. on November 13th, the Senate proceed to vote on the question, "Is it the sense of the Senate that debate be brought to a close on H.R. 1562, the Textile and Apparel Bill", and that if three-fifths of the Senators duly chosen and sworn, vote in the affirmative, H.R. 1562 shall be the unfinished business to the exclusion of all other business until disposed of, the language of a Hollings-Thurmond amendment be considered ger-

mane, and that amendment subject to a time limit of 1 hour, not subject to any motions, and the following amendments be the only other amendments in order, and limited to the following time agreements and the time for final passage will become effective.

1.	Gramm—Textiles	20 minutes.
2.	Gramm—Textiles	20 minutes.
3.	Gramm—Textiles	20 minutes.
4.	Matsunaga—coverage to all countries.	30 minutes.
5.	Danforth—Sec. 201	30 minutes.
6.	Baucus—$400 million floor for agricultural exports.	30 minutes.
7.	Hatfield—Athletic Shoes.	20 minutes.
8.	Evans—eliminate import licensing.	30 minutes.
9.	Evans—additional customs officials (If 1st Evans does not pass).	30 minutes.
10.	Boschwitz—dealing with agricultural exports.	30 minutes.
11.	Domenici—copper	30 minutes.
12.	Lautenberg—relating to textile handbags.	20 minutes.
13.	Lautenberg—relating to silk.	20 minutes.
14.	Lautenberg—relating to textile toys for dogs and cats.	20 minutes.
15.	Dole—Sunset in January 1987.	10 minutes.
16.	Harkin—Ag Exports	30 minutes.
17.	Levin—Trade deficits	30 minutes.
18.	Johnston—Neckties	20 minutes.
19.	Inouye—strike references to U.S. insular possessions.	30 minutes.
20.	Inouye—omit import licenses.	30 minutes.
21.	Inouye—limit open quota restrictions to finished apparel only.	30 minutes.
22.	Baucus—wage rates	30 minutes.
23.	Matsunaga—imports—non-contiguous areas.	30 minutes.

Ordered further, That final passage of H.R. 1562, as amended, if amended, occur, without intervening motion, no later than 12 noon, Thursday, November 14th, and that Paragraph 4 of Rule XII of the Standing Rules of the Senate be waived and the agreement be in the usual form.

Ordered further, That immediately following disposition of H.R. 1562, that the amendment regarding Textiles to S. 1730, the reconciliation bill, and amendments Nos. 719 and 724 to S.J. Res. 77 be considered withdrawn.

Ordered further, That following disposition of H.R. 1562 on Thursday, November 14th, the Senate resume consideration of S. 1730, the reconciliation bill, or H.R. 3128, deficit reduction amendments bill.

Ordered further, That third reading on the reconciliation bill not be in order prior to disposition of H.R. 1562. *(Nov. 7, 1985.)*

Ordered, That at 9 A.M., Wednesday, November 13, 1985, H.R. 505 House message on veterans health care will be taken up and disposed of finally by 10 o'clock, with the necessary rollcall to commence at 9:45 A.M. *(Nov. 7, 1985.)*

Mr. DOLE. Again, let me thank my colleagues. I think this will help us break the logjam.

Mr. President, let me inquire of the distinguished Senator from California because I had not cleared that agreement with one Senator on this side. If for some reason we cannot work it out in that period of time, I hope the distinguished Senator from California might give us additional time, say, on the following date. I have not cleared that amendment.

Mr. CRANSTON. Senator DENTON has agreed with me that we will dispose of it Wednesday.

Mr. DOLE. Staff indicated earlier we could dispose of it with 5 minutes' debate.

Mr. CRANSTON. I think we probably can.

Mr. DOLE. It might involve two votes. If we can reduce it to one vote——

Mr. CRANSTON. We may not need any vote at all.

Mr. DOLE. That is my hope. If not, I will assume the Senator from California will help me work it out.

Mr. CRANSTON. Absolutely. If the majority leader will help me work it out, I will help him work it out.

Mr. DOMENICI. If the majority leader will yield, I, too, want to thank everyone. I think this will expedite the completion of the reconciliation bill. I want to share with the Senators who are here what I understand the situation to be reference to Tuesday morning and the commencement of reconciliation.

As it now stands before the Senate, we have an hour and 16 minutes on reconciliation.

The PRESIDING OFFICER. An hour and 12 minutes.

Mr. DOMENICI. We will proceed. As I understand it, we will be off of the textile amendments and onto whatever amendment anyone wants to offer. I do know there are 45 amendments that people have talked about. We have no extension of the hour and 12 minutes as of tonight, no agreement with reference to any of these 45, any time limits on them, or any disposition of the germane and nongermane amendments.

We do intend on Tuesday morning—the distinguished Senator from Florida and myself—to attempt to work out a time agreement for all of the amendments that people have suggested to us. We will not do that tonight. But perhaps after the first vote when we have the attention of the Senators we will circulate and offer a time agreement for all of the amendments that we are aware of. We will seek to further clarify the list of amendments over the weekend.

That would at least give us a time certain on reconciliation. At this point, the time certain is that time will run out, but there is no time certain because all amendments are in order to be called up and voted on and that time does not count.

I assume these 35 to 40 would want those kinds of votes with no debate if the 1 hour 12 minutes runs out. That is not our desire, but that is the present parliamentary situation, as I understand.

Mr. BYRD. Will the distinguished Senator yield for a question?

Mr. DOMENICI. I will be pleased to.

Mr. BYRD. Would the distinguished Senator be in a position to let us see the amendments he has? This might be helpful to us in the interim.

Mr. DOMENICI. I would say to the distinguished minority leader we have been working with his staff and the staff of Senator CHILES. We can make them available tonight, right now, in detail and go through them. I understand your side has asked informally and ours has, too. We hope to finish that with your help and Senator DOLE's help sometime Tuesday morning so everyone knows where we are.

Mr. BYRD. If the distinguished Senator will yield, I am informed by the staff that we have seen nothing. I am talking about the floor staff. I am advised that it could be that someone has been working with other staff members.

Mr. DOMENICI. There is no question we have been working with somebody. We will make them available.

Mr. HOLLINGS. Maybe we can put reconciliation on textiles.

Mr. DOMENICI. We might be able to do that.

Mr. DOLE. Mr. President, I think the moral is do not be absent on Tuesday, Wednesday, or Thursday of next week. There will be a lot of votes. I am not certain we need any additional time. I think 1 hour 12 minutes ought to be enough to dispose of those 40 amendments. Hopefully, many of the amendments can be disposed of by voice vote. I understand there will still be 10 or 15 that will require rollcall votes.

I will alert my colleagues and members of their staffs that Tuesday would be a good day to be in town, as will Wednesday and Thursday also be. We hope to conclude action on these two matters in those 3 days and then move to the farm bill maybe later Thursday and part of Friday.

TO ESTABLISH AN AD HOC COMMITTEE OF THE SENATE

Mr. DOLE. Mr. President, it had been my intention earlier today to ask unanimous consent that we might proceed to a resolution which would establish an ad hoc committee of the Senate so that we might pursue the attendance of Mr. Medvid before the full Senate. I am advised by Members on both sides that they would object to the immediate consideration of that resolution.

I will simply ask that the resolution be printed in the RECORD, that an explanation of the resolution be includ-

ed, and that it be appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. The resolution is not being offered.

The PRESIDING OFFICER. The Senator is correct.

There being no objection, the resolution and statement of explanation were ordered to be printed in the RECORD, as follows:

S. RES. 256

Resolved,

(1) There is hereby established an Ad Hoc Committee of the Senate consisting of all members of the Senate duly chosen and sworn. The Majority Leader shall designate a chairman and the Minority Leader shall designate a Vice-chairman. A quorum shall consist of 6 members no more than three of which shall be from one party.

(2) The President Pro Tempore of the Senate or his designee is hereby authorized to issue a subpoena to require the attendance of Miroslav Medvid at a hearing before the Ad Hoc Committee to be held at 9:30 a.m. November 12, 1985, in S. 207 of the U.S. Capitol, Washington, D.C. or at such other time or times and places as the chairman of the Ad Hoc Committee shall designate. The Sergeant of Arms, or his designee, is authorized and directed to serve such subpoena forthwith.

(3) The appropriate agencies are requested to assist the Senate in the service of the subpoena referred to in paragraph one and in obtaining the presence of Mr. Miroslav Medvid before the Ad Hoc Committee.

SUMMARY OF RESOLUTION

The resolution authorizes the issuance of a subpoena requiring the attendance of Miroslav Medvid before the full Senate and requests executive branch agencies to provide whatever assistance might be necessary in serving the subpoena and securing Medvid's appearance.

It is being offered in response to the serious questions that have been raised about the handling of the Medvid case and whether justice has been done with regard to Medvid's apparent expressed desire to seek political asylum in this country.

The Senate Agriculture Committee has already authorized the issuance of a subpoena requesting Medvid's appearance, invoking its oversight responsibilities with regard to the U.S.-Soviet trade agreement. However, in light of the kinds of issues raised by the Medvid incident, it would also be fitting and appropriate if a subpoena were to be issued under the authority of the entire Senate.

ORDER FOR RECESS UNTIL 10 A.M. FRIDAY

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 10 a.m. on Friday, November 8, 1985, for a pro forma session only, and no business to be transacted during Friday's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, NOVEMBER 12, 1985

ADJOURNMENT UNTIL 8:45 A.M., TUESDAY

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate convenes on Friday, it immediately stand in adjournment until 8:45 a.m., Tuesday, November 12, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO DISPENSE WITH READING OF THE JOURNAL

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes at 8:45 a.m. on Tuesday, November 12, 1985, that reading of the Journal be dispensed with, no resolutions come over under the rule, and that the call of the calendar be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators CHAFEE, DANFORTH, PROXMIRE, MELCHER, and GORE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m. with statements therein limited to 5 minutes each, and provided, further, that the morning hour be deemed as expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS ON TUESDAY FROM 12 NOON UNTIL 1:30 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 1:30 p.m. on Tuesday, November 12, for the weekly party caucuses.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. DOLE. Mr. President, I move that the Senate now stand in recess until 10 a.m., Friday, November 8, 1985, for a pro forma session only.

The motion was agreed to; and the Senate, at 9:08 p.m., recessed until Friday, November 8, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 7, 1985:

THE JUDICIARY

J. Spencer Letts, of California, to be U.S. district judge for the central district of California vice a new position created by Public Law 98-353, approved July 10, 1984.

Dickran M. Tevrizian, Jr., of California, to be U.S. district judge for the central district of California vice a new position created by Public Law 98-353, approved July 10, 1984.

Harry D. Leinenweber, of Illinois, to be U.S. district judge for the northern district of Illinois vice a new position created by Public Law 98-353, approved July 10, 1984.

George H. Revercomb, of Virginia, to be U.S. district judge for the District of Columbia vice Thomas A. Flannery, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 7, 1985:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Ronald E. Robertson, of Virginia, to be general counsel of the Department of Health and Human Services.

EXECUTIVE OFFICE OF THE PRESIDENT

M. Alan Woods, of the District of Columbia, to be a Deputy U.S. Trade Representative, with the rank of Ambassador.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Alex Kozinski, of California, to be U.S. circuit judge for the ninth circuit.

PANAMA CANAL COMMISSION

Richard N. Holwill, of the District of Columbia, to be a member of the Board of the Panama Canal Commission.

EXTENSION OF REMARKS

ANOTHER BRACERO PROGRAM?

HON. ROBERT GARCIA
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. GARCIA. Mr. Speaker, Mr. Speaker, the Arizona farmworkers Washington representative, Mr. Arnold Torres, has put together a paper analyzing the myths surrounding the need for temporary agricultural workers in this country. In my mind, the Wilson amendment contained in S. 1200 is a thinly disguised Bracero Program. If we are to have immigration reform, let's not have a double standard for growers.

I submit for the RECORD an excerpt from Mr. Torres study of this issue.

ANALYSIS OF S. 1200 AND WILSON AMENDMENT AND RESPONSES TO GROWER MYTHS CONCERNING THE NEED FOR AGRICULTURAL WORKER PROGRAMS

S. 1200 has three major provisons designed to expedite and increase the importation of foreign agricultural workers. In addition, Senator Pete Wilson (R.C.A.) is sponsoring an amendment which would provide a temporary agricultural worker program for perishable crops. These provisions establish three new temporary worker programs which will allow between an estimated 500,000 to 800,000 foreign workers annually to enter the U.S.

A. Specifically, S. 1200 would:

(1) Establish a three year agricultural labor transition program which will have the effect of legalizing the existing undocumented workforce of growers by phasing out their use over three years. A grower will be allowed to retain 100 percent of their undocumented workforce the first year after passage, 67 percent the second year and 33 percent the third year.

Negative Impact:

There is no mechanism to monitor and protect against U.S. workers being displaced,

No procedures to insure that employers not inflate the number of undocumented workers,

No mechanism to monitor and insure compliance by employer with existing labor standards and wage laws,

Complete control of worker is in the hands of employer which can and has always led to severe abuses of worker rights.

(2) Establish a special agricultural worker program (N visa) within the existing H-2 worker program which:

Negative impact:

Significantly reduces the requirement that growers recruit U.S. workers by not requiring minimum recruitment period.

Significantly weakens the statutory preference for hiring U.S. workers as contained in current law,

Eliminates current law requiring H-2 growers to provide employment to any qualified worker who seeks employment during first half of contract period,

Eliminates current law's requirement that free housing be provided to each worker,

Eliminates the U.S. Department of Labor (DOL) ability to suspend certification of H-2 grower during strike of U.S. workers,

(3) Establishes a series of expedited review procedures of applications requesting foreign workers:

Negative Impact:

Assures that any denial of H-2 certification will be subject to multiple avenues of challenge,

Despite the amount of foreign workers being requested and the variation in crops, DOL is required to resolve appeals no later than 72 hours,

Grants authority to U.S. Attorney General to review denials by DOL not later than 72 hours after requested,

Establishes a legal presumption that grower applications will be considered acceptable unless DOL identifies deficiencies within 14 days. This is granting certification by default.

ESTIMATED ANNUAL FOREIGN WORKFORCE UNDER S. 1200

According to testimony by noted economist David North, an estimated 10% of the total undocumented population is employed in the agricultural industry. The recently published report by the National Academy of Sciences concluded that while no range can be soundly defended, "A population of 1.5 million to 3.5 million illegal aliens in 1980 appears reasonably consistent with most studies." Using the figure of 3.5 million undocumented in the U.S., ten percent or 350,000 are employed in agriculture. Accordingly, 625,000 temporary workers would participate in the transitional program over three years.

In addition to this program, the special "N visa" program and the expedited review procedures would allow based on estimates growers have over the last few years some 300,000 temporary workers annually.

These two programs combined over a three year period would allow an estimated 500,000 temporary workers annually to enter the U.S. and work in agriculture.

(II) Wilson Temporary Worker Program for Perishable Crops

This temporary agricultural worker program is intended to provide a free flowing supply of un-regulated foreign temporary workers to the agricultural industry. Despite the fact that provision in S. 1200 virtually repeal all current law, growers from California insist that these provisions are burdensome and impractical for their use.

In essence, many California growers who propose the Wilson amendment are committed to maintaining a status quo of a continued over-supply of farmworkers. Instead of hiring undocumented workers they propose to legitimize their present practices and insulate themselves from any serious review.

Specifically, the Wilson amendment would:

Omit statutory preference for hiring U.S. workers,

Omit establishing effective recruitment requirements of U.S. workers,

Establish a legal presumption that grower applications will be considered acceptable unless the U.S. Attorney General prove otherwise. In the event the A.G. is unable to process all certifications before harvest time, growers will be presumed to have complied with program terms.

Establish all substantive powers with the A.G. while giving limited responsibilities to the U.S. Department of Labor (DOL).

Provide no real penalties nor debarment of growers violating labor laws, working conditions, provisions of bill.

Elevate violation standard to "substantively violating." This will have the practical effect of never finding any violations. In the case of violations, disqualification from program may not be denied more than 1 year.

COMBINED TEMPORARY WORK FORCE RESULTING FROM S. 1200 AND WILSON AMENDMENT

We have previously estimated that some 500,000 to 600,000 workers would be allowed to be imported under the three year labor transitional program and the newly constituted expedited procedures of the H-2 Program-N visa. Proponents of the Wilson Amendment represented to various Senators that they would be willing to accept a cap of 350,000 temporary agricultural workers annually for perishable crops annually. The combined total of all three temporary agricultural worker programs would be approximately 800,000 foreign workers a year for three years and approximately 500,000 to 600,000 there after.

These estimates would more than double the existing estimates of 10 percent of the total undocumented workers in the U.S. of 3.5 million which are said to work in the agricultural industry. This is being proposed at a time when unemployment amongst U.S. Farmworkers has been over 20% for the last three years.

FACTS ABOUT GROWER MYTHS

The following information is based on a study—California's Farmworkers conducted by the University of California (UC) and the California State Employment Development Department (EDD). It provides important facts on the farmworker population of California. Most importantly, these facts are from the state whose growers have been the major proponents of cheap temporary worker programs.

Myth No. 1. Growers fear that a legalization/Amnesty program would phase out their undocumented workforce who would choose to leave farmwork for urban jobs.

Fact. "According to the VC-EDD survey, more farmworkers have contacts to rural employment than to city jobs in the U.S. Moreover, there appears to be little difference according to legal status. Most of the undocumented, like immigrant farmworkers as a whole, do not have urban job contacts. Survey results demonstrate clearly that workers are restrained from moving to city jobs for reasons other than their legal status. Among the undocumented only 12 percent reported that lack of legal papers was their motivation for staying in rural areas. Most cannot move to cities because they have no contacts to jobs or housing. Instead, they prefer to stay in an area where their skills are salable.

Myth No. 2. Growers contend that a dominant portion of agricultural labor force is

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

undocumented and therefore temporary worker programs are needed.

Fact. The UC-EDD survey found that a central characteristic of California farm labor markets is the availability of a large pool of workers who individually experience long spells of unemployment. The survey found an average period of unemployment of over 20 weeks for farmworkers heads of household. Corroboration of the existence of this pool is shown by comparing the demand for farmworkers with the numbers of individuals actually doing the work. For example, in the late 1970's total demand for in-field labor was approximately 128,000 workers working year-round. But in 1976 there were 298,000 farmworkers who earned more than $800 in 1978 implying the existence of a labor pool with over twice as many workers as there were available jobs. Overall employers in California face a very stable supply of workers. Scarcities are rare for almost all crop activities.

Myth No. 4. A legalization/Amnesty program will not provide a sufficient work-force for the agricultural industry and therefore temporary worker programs are necessary.

Fact. The UC-EDD report concluded that "A generous amnesty would actually alleviate the short-run, if faced with a permanently curtailed labor supply, employers might be obliged to improve working conditions, offer year around employment, and implement technologies which lighten farm tasks. These changes could lengthen farm work careers, attract more women and domestic workers to farmwork, and lessen the need for a uncontrolled influx of Mexican workers." The approximately 70 percent had resided in the U.S. for up to 10 years and would thus qualify for either House-Senate legalization program.

Wilson Amendment and its False Representations

Myth. Proponents of the Wilson Amendment have emphasized that this program will not result in increasing the flows of undocumented workers and that the workers will have adequate rights and privileges. They believe that by requiring the undocumented to have 20% of their salaries kept in a fund not refundable unless they return after contract period will prove a sufficient safeguard.

Fact. The staff Report of the U.S. Commission on Immigration and Refugee Policy, the Commission which Senator Simpson and others have taken their guidance from in drafting S. 1200, indicated that all previous temporary agricultural worker programs authorized employer to hire temporary workers and to insure that INS was notified. However, because of lack of adequate enforcement many workers deserted their contracts and found higher paying jobs elsewhere. It was found that "a total 72,862 temporary workers had been admitted from 1917 to 1921, of which 21,400" deserted their employment and disappeared."

The report highlights the observations of the famous Bracero program by historian Otey Scruggs who said, "The basic weakness of the program was lack of adequate enforcement machinery. Too much reliance was placed on the good faith of the parties involved. In the case of the farmers, most of whom were haunted by the fear of labor shortage, and who had come to regard the use of Mexican labor as a natural right, an appeal to good faith plainly was chimerical." Once again we find the Wilson Amendment depending on the "good faith" of growers to insure recruitment of domestic workers and compliance with labor law and working condition standards.

Furthermore, the report found that the after the first temporary worker program a drastic increase in Mexican immigration, legal and illegal occurred, increasing from 221,915 in 1910 to 484,418 in 1920 and 890,746 in 1926.

In 1942 when the infamous Bracero program commenced it carried with it many of the same provisions and more than the Wilson Amendment is proposing. The report found that "Despite these strict guarantees, however, workers rights and privileges under the Bracero program were not generally upheld and abuses were common. Such rights were not commonly granted to domestic farmworkers and there were no enforcement mechanisms. Futher illegal entry continued unabated as U.S. employers continued to hire undocumented/illegal workers to protest the terms of the Bracero program. During the 22 year history of the program 4.5 million workers came in as Braceros, but 5 million were apprehended as illegals.

Today, while some things have changed such as farmworker having more rights then as before, sadly but true, there is no serious enforcement of these rights. While Wilson is being proposed along with sanctions it must be noted that less than 5% of all growers in California and in the U.S. are reviewed by INS agents for hiring undocumented. The hiring of the undocumented by the agricultural industry will undoubtely continue. The Wilson Amendment makes absolutely no serious effort to ensure aqusation displacement, insure worker's rights and insure equity. It is a grower's program as all others have been in the past.

SOVIET/AMERICAN BALANCE OF POWER

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. LIPINSKI. Mr. Speaker, we are all acutely aware of recent events which have put a new twist to our relations with the Soviet Union. With the historic summit meeting between President Reagan and Chairman Gorbachev coming up soon, the balance of power between our two nations is even more crucial. On October 19, I had the privilege of presenting my view on this critical issue to the Ilinois Nuclear Freeze proponents. I would like to share that speech with my colleagues today.

The text of the speech follows:

SPEECH BEFORE ILLINOIS NUCLEAR WEAPONS FREEZE CAMPAIGN

I am happy to be here today to give you my views on the United States-Soviet relations, with an emphasis on nuclear weaponry. The awesome destructive power of nuclear weapons is known to almost everyone on this planet. Most of us could agree that mankind might well have been better off if the atom had never been split, but it has been and we must deal with it in the real world. To be perfectly objective, we must remember that nuclear weapons ended World War II, have prevented World War III, helped to win the Korean War, and played a decisive role in deterring Soviet aggression in crisis in Europe, the Middle East, and the Caribbean. This positive role is most dramatically illustrated by the fact that two superpowers, with diametrically opposed political philosophies and geopolitical interests, have not resorted to arms to settle their differences. Of course, the prospect of nuclear destruction has certainly encouraged that restraint. We must also keep in mind that the major danger to the United States and the West is not nuclear war but surrender to nuclear coercion or blackmail. As Joseph Stalin once said, nuclear weapons are things that can be used to frighten people with weak nerves. The question before us now is where do we go from here. We do have several options. Some advocate that we seek to regain overwhelming nuclear superiority once again. A strong theoretical case can be made for doing so. But it is not politically realistic and I do not believe that it is the way to go. Those individuals that advocate this position assume that because of our superior technology and our far stronger economy, the United States would win an accelerated arms race. But this is not necessarily the case. It is very true that our technology, and our much stronger economic base, is a great asset to us, but the Soviet Union has demonstrated by the speed with which it developed the H-bomb, the cruise missiles, nerve technology, and missile accuracy that its ability to concentrate its limited resources and manpower can compensate for its technological weaknesses and its poor economic base. Another alternative is banning the bomb as a peace initiative. Those that approve this are simply not in tune to the facts of international life. Even if the Soviet Union and the United States agreed to abolish their weapons, the world would not be safe from nuclear war. Nuclear weapons are simply too easy to make and building them would be within the capacity of a number of smaller powers that have not signed the nuclear proliferation treaty. Radical governments such as Libya and Iran who have maintained a strong anti-American posture have vocally expressed their desire to acquire, at any cost, nuclear weaponry.

Today's greatest danger is what happens when these nuclear weapons come into the hands of smaller powers. If a nuclear weapon is going to be used in anger, it will probably be in the Third World.

In any event, it is unlikely that the Soviet Union would ever agree to abolish nuclear weapons. Without these arms, the Soviet Union's conventional forces could be overmatched by those of the United States and Europe, which have populations more than twice that of the Soviet Union. Without nuclear weapons, the Soviet Union's claim to superpower status would be seriously questioned.

There are those who have suggested that it might be to our advantage to allow U.S. nuclear superiority to fade away. When each has the power to destroy the other many times over, what difference does superiority make?

Those who take this view fail to understand that the United States and the Soviet Union have diametrically opposed foreign policy goals. The Soviet Union is an offensive power with the goal of extending its domination over noncommunist nations. The United States is a defensive power with the goal of preserving peace and freedom. Thus, the Soviets nuclear planning is based on recognizing the possibility of war, initiating it, and winning it. Our nuclear planning is based on retaining a retaliatory capability that will deter a war.

Those who claim that the Soviet Union, too, is basically a defensive power and it only builds up its nuclear arsenal because we do, are fostering an illusion that cannot stand up to the historical record.

In 1946, when the United States had a monopoly on nuclear weapons, the Soviets rejected the Baruch Plan, under which the U.S. would have agreed to turn over to the United Nations control of all nuclear energy and five years later, our weapons technology as well. At that time, the use of nuclear weapons would be banned.

In 1953, the Soviets rejected Eisenhower's Atoms for Peace plan, under which all nuclear nations would turn over fissionable material to the United Nations for scientific research. Since our programs were more advanced, we offered to turn over five times as much material as the Soviet Union.

In 1955, the Soviets rejected President Eisenhower's Open Skies Proposal, which called on both sides to exchange blue prints of their military establishments and to permit aerial surveillance.

In the 1960's, the Soviets responded to Secretary McNamara's decision to stop our deployment of land-based missiles at one thousand by moving ahead of us and deploying sixteen hundred and twenty.

In the late 1970's, the Soviets responded to President Carter's cutbacks in nuclear-weapons programs by sharply increasing spending on their own.

In every case, the Soviet answer to U.S. nuclear restraint has been an escalation of their own weaponry.

One indication of the Soviet's strategic thinking is that they are spending as much on population defense as on offense weapons and twice as much as we spend on defensive weapons.

The Kremlin's prime nuclear goal has been to develop an offensive first-strike capability against the United States. The Soviets' SS-18's and their new SS-24's and SS-25's will have the capacity to take out our entire land-based missile force with enough left over to take out all our major cities. While our MX missiles are powerful and accurate enough to take out Soviet missile silos, our present planned deployment of forty missiles will not provide a first-strike capability nor will they provide an effective bargaining chip in the upcoming Geneva negotiations. The Soviets will not cut back over 300 SS-18's to only 40 without getting something in return.

That is why it is my contention that the President's strategic defense initiative (Star Wars) remains as an integral part of our defense system.

The SDI Program consists of research development and testing to determine whether a viable defense system can be developed in the event a missile attack occurs from space. A vast range of technologies are currently being investigated including lasers, X-ray weapons, and other high technology.

The fact that most funds authorized last year have not been spent is typical of programs involving research that are spread over many years. Any new research program takes months for planning, awarding contracts, and the actual paying out of funds. The slow expenditure rate clearly reflect planned procedures and not excessive spending. In addition, our economy will realize enormous benefits from this research, both as a result of funding poured into hundreds of companies and universities, and from scientific discoveries that result from the research.

Moreover, it is again worth noting that this program strictly provides for scientific studies. None of the ongoing SDI research has been, or will in the immediate future, be near the point when it can be turned into building weapons.

The Soviets, on the other hand, have maintained their own equivalent of the SDI Program which many experts believe is ahead of the U.S. program. It clearly makes no sense to reduce our research efforts, given Soviet advances and the fact that the feasibility of the SDI defense has yet to be scientifically determined.

The SDI Program is in its infant stage and it may or may not work, however, it is imperative that the United States maintain and actively pursue a high level of research in this field both in the interests of national security and for the continued growth of our economy.

The SDI provides us with a necessary and powerful deterrent to any future Soviet aggression. The overriding importance of the strategic defense initiative, however, is the promise it offers of moving to a better, more stable basis for deterrence in the future and of providing new and compelling incentives to the Soviet Union to agree to progressively deeper negotiated reduction in offensive nuclear arms.

Our forces are designed for retaliation; theirs is for a first strike that will assure victory. This does not mean that the Soviets want war. They do want war! They are realists, they know a victorious nuclear war will greatly damage their country and make the prizes of Europe and the United States less than desirable. Their primary goal is to achieve superiority in order to have the political leverage to suppport their expansionist foreign policy.

The new Soviet leader, Miklai Gorbachev, is a young, charismatic and extremely popular figure in his country and he will be a formidable negotiator. Soviet leaders may change but the policies remain the same. Like his predecessors, Gorbachev is dedicated to the communist movement. Like them, he is committed not only to defending the Soviet empire but to extending communist domination to the non-communist world.

Although Gorbachev has assumed the lion's share of power in the Soviet Union, he has also inherited enormous problems. Soviet troops are bogged in Afghanistan. Freedom fighters threaten Soviet allies in Ethiopia, Angola, Nicaragua, and Mozambique. Forces of dissent are rising not only in Poland but throughout Eastern Europe. The Soviet economy has been steadily failing—Japan with half the population, hardly any natural resources, and one-sixtieth of the territory has replaced the Soviet Union as the second strongest economy in the world. The Soviet Union has no allies among the world's major nations. Western Europe, Japan, China and the United States are all aligned against it.

Gorbachev needs a relaxation of tensions with the U.S. and the West, and the time may be right for serious negotiations.

There are, however, a number of fundamental sources of tension in the U.S. Soviet relations. Perhaps the foremost of these is Soviet militarism. The Soviet military buildup is far in excess of that required merely for defense. Even those who attribute essentially defense motives to the Soviet arms buildup, complain that Moscow's obsessive pursuit of absolute military security for itself creates insecurity for nearly everyone else. In addition, the Soviet Union is inherently interventionist and expansionist. The Soviet invasion of Afghanistan, its support of Vietnam in Cambodia, and its role in the suppression of solidarity in Poland are prime examples. A third underlying source of tension between our governments has been the Soviet's systematic suppression of human rights, i.e. freedom of conscience, religious worship, and the right to emigrate. All of these factors have contributed significantly to the deterioration in U.S. Soviet relations.

U.S. Soviet relations must be based on the hard reality of mutual respect and not the illusion of mutual affection. A meaningful dialogue for peace is only possible if both superpowers recognize at the outset that they do have profound differences some of which will never be settled, but also that there is a fundamental agreement to develop rules of engagement for living with these differences.

Our position in negotiations with the Soviet Union must first begin from a position of American strength—not militarily, but political and economic strength as well—in order to achieve a lasting peace. The necessity of such a position is clear both from our past experience and because we want to negotiate equitable agreements in the future.

If we are to have substantive negotiations with the Soviet Union on nuclear disarmament, we must recognize the inherent adversarial nature of our relationship. We cannot expect a quick fix to problems which have remained with us for decades. Our policy must be, rather, a steady, long-term approach which is rooted in a realistic appraisal of superpower relations.

The only major common interest the United States and the Soviet Union have is survival. Nuclear weapons mean war is no longer an option for settling our differences. Our only option is peace—not the peace of surrender of the peace following nuclear destruction but real peace in which each pursues its interests but avoids actions that would force the other to resort to arms.

In review, I believe the United States must act in three main areas to protect our national security and preserve stability on the international front:

First, we must at least maintain if not modernize some of our offensive nuclear weapons in order to ensure an essential military balance while providing the Soviet Union with the necessary incentives to join us in negotiating equitable and verifiable nuclear arms reductions.

Second, we must continue our research efforts to examine the potential for future effective defenses against ballistic missiles. The strategic defense initiative is a prudent and necessary response to the ongoing extensive Soviet anti-ballistic effort including the existing Soviet deployments permitted under the ABM Treaty.

Lastly, we must pursue negotiation and diplomacy. We are now looking forward to a transition to a more stable world, with greatly reduced levels of nuclear arms and enhanced ability to deter war based upon the increasing contribution of non-nuclear defenses against offensive nuclear arms. Toward those ends, we must embark on a course of serious negotiations with the Soviets if we are to ultimately achieve significant, equitable and verifiable reductions in our respective nuclear arsenals.

What I envision is not an arms race or a search for military superiority but instead a defense reliant approach that would serve and protect the security interests of the United States, our allies, the Soviet Union, and most importantly, the world as a whole.

URGING AN AD HOC COMMITTEE ON TRADE

HON. DON BONKER
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. BONKER. Mr. Speaker, every Member of this Congress in now familiar with the issues surrounding the current trade policy debate.

At the center of this debate stands the trade deficit, now projected to reach another record of $150 billion this year. The trade deficit is a sobering commentary on what's occurring in our domestic and global economies. As a nation, we are experiencing export stagnation and a loss of our competitive position. We are also confronted with numerous import-related problems, such as plant closures, and millions of lost jobs.

In short, we are witnessing fundamental change in our domestic economy. While some of these changes may have been inevitable, they are devastating in their impact upon our communities and many of us in Congress feel the administration has no coherent policy to deal with the sweeping economic changes we are experiencing.

Perhaps the most troubling statistics are those which indicate that consumer spending is rising at a strong rate, but that U.S. industrial output nevertheless continues to fall. America's basic industries are withering away.

Until recently, the Reagan administration has appeared to take pride in this new economic order. White House officials have extolled the strong dollar, praised the trade imbalance for holding down inflation, and proclaimed the current state of affairs as a validation of their supply-side economic policies. While the administration has taken several positive actions in recent weeks, it still appears to be concerned more about public perceptions on the trade issue than doing something concrete to address our trade deficit.

For the past 6 months, I have had the honor of chairing the Democratic Trade Task Force, a select group of key Democrats on trade issues. The purpose of the task force is to develop a comprehensive legislative package for the leadership. On October 17, the task force released its recommendations, and I believe the package represents an in-depth, aggressive, yet responsible way to deal with the trade deficit. Specifically, the package calls for measures to bring down the overvalued dollar and stabilize exchange rates, enhance U.S. export promotion and export financing programs, strengthen out trade laws to counteract unfair trading practices employed by other nations, provide retraining and other assistance to workers and businesses affected by increased imports.

EMERGING CONSENSUS ON TRADE ISSUES

In recent weeks, several other major trade packages have emerged from the party leaderships in both the House and Senate.

After carefully scrutinizing all of these various packages, I believe there is an emerging consensus on what needs to be done about our Nation's current trade crisis. To be sure, there are important differences between all of these packages. But every package seems to similar core elements—monetary reform, export promotion, dealing with unfair trade practices, and trade adjustment assistance.

In many ways, it's surprising how close the major packages are on the substance of these major issues.

The problem no longer appears to be in the realm of policy; the real problems now are in the area of process.

Neither the administration nor the Congress are prepared to deal with trade matters in a coherent and timely manner. The White House is badly divided along ideological lines, with the supply-side ideologues on one side and the pragmatists on the other. The disjointed trade organization among the various agencies of the executive branch is like a football team with three quarterbacks.

Here in the Congress, we must acknowledge our own organizational difficulties. The balkanized committee jurisdictions on this issue make swift action on any comprehensive trade measure next to impossible. The major committees include Ways and Means, Foreign Affairs, Banking, and Energy and Commerce, as well as others. To cite an extreme example, legislation which I introduced last year to reform trade organization within the executive branch was referred to no less than eight different standing committees.

AN AD HOC COMMITTEE ON TRADE

In an effort to facilitate passage of comprehensive trade legislation and at the same time maintain the vital input and jurisdictions of the standing committees, I have proposed the establishment of an Ad Hoc Committee on Trade.

This special panel would be patterned after the Ad Hoc Select Committee on Energy established by the Speaker in 1977 to deal with the energy crisis and President Carter's Energy Program.

Such an Ad Hoc Trade Committee would not preempt the existing statutory committees which deal with trade policy. They would retain primary jurisdiction and initial referral of trade measures. The Ad Hoc Energy Committee, for example, was composed of key members of the standing committees with jurisdiction over energy issues. Its staff also was primarily drawn from the various standing committees.

The Ad Hoc Trade Committee would oversee the process, set timetables, and facilitate speedy action by the House. In the late 1970's, the standing committees received primary referral of the major energy legislation, had the opportunity to hold hearings and to make any changes they wished, but were required to report the legislation within 90 days to the Ad Hoc Energy Committee.

Establishment of an Ad Hoc Committee on Trade would not alter the current jurisdictions in the House nor undermine our ability to deal with today's complex trade questions in a responsible, measured way. Creation of an ad hoc committee would, however, enable the House to move more forcefully on a comprehensive solution to our Nation's pressing trade problems.

At this point, Mr. Speaker, I would like to enter into the RECORD, a copy of the letter which I sent yesterday proposing the establishment of an Ad Hoc Committee on Trade.

HOUSE OF REPRESENTATIVES,
Washington, DC, November 5, 1985.
Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House,
H-204 Capitol.

DEAR MR. SPEAKER: The trade deficit and a troubled trade policy continue to threaten the long run economic strength of the United States. In response to the trade crisis, you have already taken an important first step by establishing the Democratic Trade Task Force. The Task Force has met your initial goal of developing a comprehensive trade program that commands broad support within the Democratic Party. The Task Force's recommendations have been complemented by the Democratic Caucus, which has urged the House to take a comprehensive, rather than piecemeal, approach to trade.

I believe it is now time to consider a second step—the creation of an ad hoc committee on trade to coordinate and speed the consideration of trade legislation in 1986. The Committee could be modeled after the highly successful Ad Hoc Committee on Energy that you established in 1977, under the authority of House Rule X, clause 5. There are many similarities between today's situation and that which prevailed in 1977.

The current trade crisis rivals the energy crisis of the 1970s. Until the dollar soared to recent heights, one in three acres were planted for export and one in six industrial jobs depended on overseas sales. The bulk of American manufacturing firms now face stiff foreign competition both at home and abroad.

In part because of lost overseas markets, much of American agriculture faces severe economic problems. Manufacturing employment has failed to regain its pre-recession level. Since the beginning of the year, an additional 300,000 manufacturing jobs have been lost. More and more industrial firms are closing plants in America and opening facilities overseas.

Members from all parts of the country and of all political persuasions report a growing concern about the lack of a comprehensive trade policy.

There is significant overlapping of trade jurisdiction in the House. Many committees have a longstanding involvement in trade legislation. Because trade policy increasingly includes such disparate elements as taxes, monetary policy, and worker training, even more committees are likely to become involved. Omnibus proposals are frequently referred to several committees.

There are already hundreds of trade bills before the House with more on their way. The sheer volume and range of the trade proposals have added to the difficulties of moving quickly on major trade legislation. The already crowded calendars of the standing committees have only made this problem worse.

In 1977, the Ad Hoc Committee on Energy drew together the separate pieces of legislation after they had been considered by the standing committees. The Committee was

then able to consider and report to the House a comprehensive package without disrupting the traditional roles or jurisdictional prerogatives of the standing committees.

Mr. Speaker, you have already taken the lead in responding to the trade crisis. Further action is the clearest possible way of indicating to the country and the Congress that dealing with the trade crisis is a top priority for the House. The very success of your Ad Hoc Committee on Energy recommends forming a similar Ad Hoc Committee on Trade. The Trade Committee would facilitate the consideration of complex trade legislation without limiting the House's ability to draw on the expertise of the standing committees. It would create a mechanism to consolidate individual committee action for unified consideration, provide a forum for the development of any needed amendments, and expedite action on a comprehensive trade bill. I respectfully urge your consideration of this proposal.

With kindest regards.

Sincerely,

DON BONKER,
Member of Congress.

DIVISION IN THE SANCTUARY RANKS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. LAFALCE. Mr. Speaker, for 3½ years an affiliation of religious congregations known as the "Sanctuary Movement" has offered refuge to illegal aliens from Central America, especially from El Salvador. Eleven participants in that movement are now being tried for their activities in Tucson, AZ, and their trial has brought national attention to American policy toward undocumented Salvadorans.

This issue is of particular interest to Congress because the House is considering a bill introduced by Mr. MOAKLEY, H.R. 822, which would suspend the deportation of Salvadorans until the General Accounting Office had reported on Salvadorans who are displaced in Central America, illegally in the United States, or deported from the United States back to El Salvador, and until the appropriate committees in Congress had considered this report and reported their own findings to their respective Houses. A hearing on H.R. 822 is being conducted today by the House Judiciary Committee's Subcommittee on Immigration, Refugees, and International Law.

Each side of the sanctuary debate has accused the other of subordinating immigration policy to foreign policy, and of ignoring or distorting the facts that should determine whether sanctuary is justified by purely humanitarian considerations. To evaluate these arguments, it may be useful to read an article by Miriam Davidson from the Christian Science Monitor of October 22. The article describes the sharp split within the sanctuary movement itself between participants with humanitarian goals and those whose goals are political. It shows that these goals are indeed distinct, and I believe we should keep the distinction in mind in our deliberations over sanctuary for Salvadorans.

The article follows.

SANCTUARY MOVEMENT UNDER FIRE

(By Miriam Davidson)

TUCSON, ARIZ.—Not 10 feet from the barbed-wire fence two women sit under a tree having lunch. They share cheese, crackers, and an orange and pass a canteen of lukewarm watez back and(forth. All the while they watch the mesquite bushes on the Mexican side of the fence. The women talk—and wait.

The people they are supposed to meet are late. It doesn't matter, though. Both are experienced border crossers who know in this business anything can happen.

These women are in the business of sanctuary—a four-year-old movement among American churches to shelter and transport Central American refugees. Sanctuary activists insist that the people they help are either bona fide political refugees—people facing death or torture because of their beliefs—or refugees fleeing a war zone, and so are entitled to at least temporary asylum in this country.

The government disagrees, saying that the refugees come for economic, not political, reasons and therefore cannot stay. With very few exceptions, Salvadoreans or Guatemalans who encounter the border patrol are deported.

Since war broke out in El Salvador in 1980, almost one-third of that country's 5 million people have become refugees. It is estimated that half a million of these live in the United States, most without legal status. Another 200,000 live in Mexico, where their presence is also illegal.

The US Congress has been slow to act on resolving the problem. The DeConcini-Moakley bill, meant to give Salvadoreans already here extended voluntary departure status (which would allow them to stay in this country until hostilities in their own country ceased), is stalled as the Senate Judiciary Committee waits for the Justice Department to review it. Meanwhile, more and more churches sign up to give sanctuary—some 225 at last count, representing nearly 30 Protestant denominations as well as Roman Catholic and Jewish groups.

The Justice Department is in no rush to help put the DeConcini-Moakley bill into law, since it is in the middle of the government's first systematic prosecution of sanctuary workers. The movement has operated more or less openly since March 24, 1982 (the day when one church in Tucson and four in the San Francisco Bay Area first announced they were giving sanctuary).

During the summer of 1984, an informant named Jesus Cruz posed as a sanctuary supporter and secretly recorded church meetings around Tucson and Phoenix. Based on the information that Cruz collected, the Justice Department last January indicted 16 people, many of them founders of the movement. Eleven will stand trial here in Tucson, with proceedings scheduled to begin today.

Despite the crackdown, sanctuary work goes on. The two women at the fence are part of an underground railroad that can move the refugees all the way from a camp in southern Mexico to a church in Boston, provided they don't get caught in between. These women are making just one leg of the trip—from the fence to Tucson—but in many ways, it is the most dangerous part. Not only do they have to look out for the border patrol; they risk stumbling across drug smugglers who carry guns and aren't afraid to use them.

What kind of people volunteer for such a job? Sanctuary activists generally share respect for life and a willingness to lay their own on the line, but beyond that they all have their own motivations. These two, for example, offer very different reasons for their involvement.

Gray-haired Marjorie (a pseudonym) says she is here because she believes that God calls us to care for the neediest and most despised in our midst. A widow, a registered Republican, and a churchgoing Presbyterian, Marjorie doesn't consider herself political. In fact, she worries about "that element" taking over the movement.

Laura (also a pseudonym), lying next to Marjorie, says she's not religious. Laura is a young woman active in a variety of leftist political causes around Tucson. Most recently, she joined a sit-in at Arizona Sen. Dennis DeConcini's office because he voted to fund the "contras" fighting the Sandinista regime in Nicaragua. To Laura, sanctuary is a good way, but one of many, that people can mobilize to stop the killing in Central America.

It may seem odd that people with opposite views are found risking their hides together, but that's the nature of sanctuary. It's a movement of contradictions: conservative, churchgoing Americans doing things their government considers illegal, clergy engaging in "subversive activities," aiding the suffering who are seen as a threat to US foreign policy. No wonder sanctuary is hard to categorize, existing as it does in the gray area where both humanitarian and political motives are present.

Currently, a debate is raging within the movement itself. Some sanctuary activists want to organize around a specific goal, that of ending US intervention in Central America. Others are stubbornly resisting politicization. As a result, even as it's gaining momentum, the sanctuary movement may be splitting into two camps.

Those who seek to avoid labels have found an advocate in Jim Corbett, the retired rancher who began the underground railroad for Central Americans in 1981. Corbett, a Quaker and one of the 16 indicted, has written many philosophical tracts on sanctuary over the years. In them he has resisted naming goals or purposes for the movement. Sanctuary—as Jim Corbett defines it—exists to care for refugees, period. Should political change come about as a result of helping them, fine, but to establish sanctuary on a defined platform, such as ending US intervention in Central America, in Corbett's view would reduce it to the level of just another political pressure group.

Corbett's insistence that sanctuary is simply a response to suffering is not just expedient or tactical. He genuinely believes that sanctuary can be an alternative to political power. Corbett's wife, Pat, put it best last year, in her acceptance speech on behalf of the sanctuary movement for the 1984 Letelier-Moffitt Memorial Human Rights Award of the Institute for Policy Studies.

She said: "Sanctuary is independent of traditional political activism because the covenant people [the term Corbett uses to indicate that those who give sanctuary carry on the Biblical covenant between God and His people] is formed by creative service rather than competitive struggle. As a result, the movement is politically as well as religiously ecumenical. . . ."

Corbett's position rankles Renny Golden, a former nun who has co-written a book on sanctuary to be published soon by Orbis

Books. "It's simply not true that sanctuary transcends the political," Golden says. "We have a responsibility not to take what could be the most beautiful position—what could be possible in other worlds—but to do what is historically possible."

Golden is a founding member of the Chicago Religious Task Force on Central America, a group that best represents Corbett's opposition within the movement. According to its newsletter Basta! (Spanish for Enough!), the task force was formed in January 1981 to "organize people of all religious persuasions to understand and challenge US foreign policy towards Central America." The task force got involved in sanctuary at Corbett's request, as a refugee placement coordinator in September 1982. Since then, a series of disagreements over policy and direction has resulted in a schism between Tucson and Chicago.

In its newsletter and elsewhere, the Chicago group has said that it believes sanctuary should be organized around the goal of ending US intervention in Central America. Anything short of that is a "humanitarian band-aid." Through sanctuary, churches can be brought around to a more radical point of view, it says, but the Chicago group has no use for a church that offers sanctuary and then "continues its support [by silence or vote] for US policies in Central America."

The Chicago group recognizes that the number of refugees who have actually been helped by the movement is small (at most 3,000) compared with the numbers here and south of the border who need help. For that reason they see sanctuary as primarily symbolic—a gesture of solidarity with the refugees as well as a way to increase public awareness about the situation. Renny Golden says the refugees in sanctuary are spokesmen for "a people in a liberation struggle."

Sanctuary workers in Tucson think that view has hampered Chicago's ability to act as a coordinator for refugee placement. In December 1983 the Chicago task force sent a letter to the Tucson Ecumenical Council Task Force on Central America saying that only refugees who were going to a public sanctuary should be allowed to use the underground railroad. In response, the Tucson group sent a letter that asserted its intention to help refugees "regardless of the political origins of their persecution or their usefulness in promoting preconceived political purposes."

Counselors in Tucson say that only about one in 20 refugees wants to go live in a church sanctuary and be a public spokesman. Most prefer to join their families or go to cities with large Central American communities, such as Los Angeles or Houston. Many are too frightened to make themselves available to the media. In any case, once a refugee has been screened in Mexico and determined to be at risk there and in his home country, the railroad helps him get where he wants to go.

After the disagreement over the railroad, Tucson's relationship with Chicago deteriorated. The low point came in October 1984, when the Chicago group refused to share with Tucson its mailing list of network. At that time, Chicago had the only complete list, and, after repeated requests from the Tucson group (which wanted the list both to place refugees and to set up a symposium it was planning), Chicago decided not to release it.

The Tucson group took Chicago's refusal as an attempt to take over the movement. Corbett fired off a letter, published in the January 1985 *Basta!*, that said he was proud to be the first heretic excommunicated from the "Chicago Creed." The mailing list, in Corbett's view, was a "litmus test" that Chicago failed. Saying he did not want to get involved in an organizational struggle, Corbett also announced he was resigning from the Tucson group's board and withdrawing from a public role in the sanctuary movement. He hasn't, however, withdrawn completely. Journalists still seek him out; Corbett is too well known to withdraw, even if he wanted to.

In recent months, the ideological split in the movement has shifted from Jim Corbett vs. Chicago to Jim Corbett vs. the National Sanctuary Movement. This time, the question is how (and whether) sanctuary should be organized. Last spring, a gathering of 200 people from around the country formed the National Communications Council (NCC), a 12-member body intended to give the movement some focus and direction. The council has no policymaking powers; and it is unclear how representative it is of all the sanctuary congregations, since many did not even know the meeting was held. The NCC has joined the National Sanctuary Defense Fund (NSDF), an independent San Francisco-based fund-raising organization created in the summer of 1984, to form a third group, the National Sanctuary Movement.

Predictably Corbett and most of the Tucson group are not part of the National Sanctuary Movement. Corbett is all in favor of "horizontal" organization of sanctuary sites, that is, a network where no one group or individual has power over any other. But as a Quaker, he believes that a hierarchical power structure like the NCC subjugates the will of the minority to that of the majority, and is thus inherently violent.

But not only Quakers are wary of the National Sanctuary Movement. Tucson minister John Fife has worked in the hierarchical organization of the Presbyterian Church for most of his life, so he is not opposed on principle. He is concerned, though, about people making statements and directives for what is essentially an informal collection of faith communities. Mostly, he and Corbett don't want the "Chicago Creed" (the idea that the purpose of sanctuary is to end U.S. intervention in Central America) identified in the public mind as in the goal of the entire movement.

The result of all this has been the almost two-track development of the sanctuary movement. On one level, sanctuary is big business. The NSDF has, so far, put out two mailings and raised well over half a million dollars for legal defenses. It also hired a Washington, D.C., public relations firm that created a "sanctuary media packet." The Chicago task force and other national groups organize caravans, demonstrations, and speeches.

At the same time, the chronically underfunded, unglamorous day-to-day work with the refugees goes on.

Arguably both parts of the sanctuary movement are necessary. But Corbett worries that emphasis on public actions—including his own trial—takes attention and resources from the needs of the refugees.

He wants the movement to get back into "affirmative filing," a process by which a person who has entered the country "without inspection" can go into an Immigration and Naturalization Service [INS] office, apply for political asylum, and be released on his own recognizance. This was the practice among Tucson sanctuary workers until June 1981, when the INS abruptly changed its policy and arrested two Salvandoreans Corbett had brought in to file for asylum. But a Texas court and two Arizona immigration officials have recently stated that sanctuary workers and refugees would not be arrested if they were on their way to apply for asylum.

Corbett also hopes that the sanctuary movement will succeed in influencing Congress to grant extended voluntary departure status to Salvadoreans.

In this respect as well, the Chicago task force takes a different view. "What Jim [Corbett] doesn't realize is, we cannot get ourselves legitimized or win in the courts," Golden says. "The North American church must choose sides," Golden has written. "Either it stands with the United States government or it stands with the refugees."

Ironically, Jim Corbett wrote a sentence similar to that when he first started helping refugees to enter the country and hide from the Immigration and Naturalization Service. "We can serve the Kingdom of Love or the Kingdom of Money, but we cannot serve both," he wrote. The difference is, Corbett believes, that subjugating sanctuary to a political goal—no matter how valuable—places it back in the coercive, power-serving world. Sanctuary cannot propose answers for Central America. The only answer is for each community to become a sanctuary—to live, here and now, as a "Kingdom of Love."

The opposing points of view haven't paralyzed the work of sanctuary volunteers. The women at the fence finally hear a shout from the other side two hours after sitting down. They jump up to greet an American couple—fellow sanctuary workers—and the four Salvandoreans with them. The refugees offer their goodbyes and thanks; then they climb through the barbed wire that separates the two countries. Marjorie and Laura welcome the three women and the teen-age boy with hugs. The refugees smile, but they are flushed and nervous.

Together, the refugees and their new guides start toward the road. Laura scans the sky and the rocky hillside, looking for a plane, a car, or people. Everyone must be ready to run for cover in an instant. Marjorie and Laura exchange glances. They may not agree on everything, but they know that helping these lost, desperate people is what sanctuary's all about.

WILLIAM RANDOLPH HEARST, JR.: SOVIET RHETORIC ON U.S. DEFENSE POLICIES

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. DUNCAN. Mr. Speaker, the following article by William Randolph Hearst, Jr., is worthy of thoughtful consideration as we prepare for negotiations with the Soviets in November. I believe the United States must keep its defenses strong. The Soviets do not always approach such negotiations in as forthright and honest a manner as we might hope. I therefore commend the article and wish to reiterate Mr. Hearst's hope for a feasible arms control agreement.

The article follows:

PROOF OF SOVIET LIES

(By William Randolph Hearst, Jr.)

NEW YORK.—In the Soviet propaganda blitz now under way against President Reagan's strategic defense program, we are witnessing the carrying out of Lenin's dogma that communists are duty bound to be deceitful in dealing with the capitalist world.

Using his visit to Paris last week as a sounding board, Russia's new smooth-talking leader, Mikhail Gorbachev, sought to create the impression it is only the United States which is moving to "militarize space."

In New York last week, his foreign minister told the United Nations the president is threatening a "nuclear winter" by developing a defense against nuclear weapons.

A couple of weeks ago, Gorbachev assured The Union of Concerned Scientists that the Soviet Union "is not laying the foundation of a strategic defense capability."

A Soviet Foreign Ministry spokesman tells the world the Soviets have no space weapons and it is the United States, not Russia, that is violating the ABM (anti-ballistic missile) Treaty.

All lies, as you will be able to see by reading the rest of this report.

In response to my request for his reaction to the Soviet contention that we alone want to develop a strategic defense system, Robert McFarlane, the president's national security adviser, sent me the following message:

"Soviet doctrine in practice—backed up by spending at levels equal to what is spent on offense—makes it clear the Soviet leadership views building strategic defense as perhaps its highest priority program."

Defense Secretary Caspar Weinberger said the other day in Philadelphia that the U.S.S.R. was the first to drop reliance on deterrence. The Soviets, according to the defense secretary, keep rushing ahead with their own anti-missile program even while denouncing American research into a similar program.

"If we stop our work on strategic defense, and give it away at the negotiating table, we will forever lose one of history's best chances to end the shadow and the fear of nuclear weapons," Weinberger said. "We must seek and secure a defensive capability that could ultimately lead to the end of nuclear missiles."

Tom Dearmore, editorial writer for our San Francisco Examiner, reported that it was revealed just last Tuesday that the Soviets had tested high-energy laser weapons in space which caused an occasional loss of information from orbiting U.S. sensors.

It is no secret that the Soviets have been working on development of an anti-missile system for the past 20 years. A Pentagon report issued earlier this year said more than 10,000 scientists are engaged in laser weaponry research. Only the Soviets have deployed in space a low-orbiting anti-satellite weapons system. A booklet recently published in Moscow by the Military Publishing House admitted that "certainly military space research is being done in the Soviet Union."

As for Soviet leader Gorbachev's contention that the non-nuclear weapons the president wants to develop to defend our country against nuclear attack would be an aggressive weapon aimed at giving the United States first-strike capability, let me quote you the past Soviet position on defense against nuclear weapons as recorded in official State Department documents.

At the 1967 conference between President Lyndon Johnson and Soviet Premier Alexei Kosygin at Glassboro, N.J., the Soviet leader said an anti-missile system "is not a weapon of aggression, of attack. It is a defensive system . . . and, if the money is used to build up offensive missile systems, mankind will not stand to gain anything." Kosygin had been told at that time that if the Soviets developed a defense against nuclear missiles, the United States would have to build up its offensive nuclear weapons, which ironically is just what the Soviets are now threatening to do if we proceed with our anti-missile defense program.

As for the Soviet charge that our program violates the ABM treaty, here is what then Defense Minister Marshal Grechko told the Soviet parliament in September 1972:

"The treaty does not place any limitation on carrying out research and experimental work directed toward solving the problems of defense of the country against missile attack."

So much for the lies we and the rest of the world are now being told by the current Soviet regime. The Soviets fear that successful American development of a defense system against nuclear missiles headed our way through space would deprive them of the strategic superiority and first-strike capability which the president and his military chiefs are convinced they presently possess.

The problem of concluding agreements with the Soviets is that one cannot rely on them to keep their word if they feel it is not in their interest to do so. Last month, the Pentagon informed Congress the Soviets were continuing to violate arms control agreements. A White House report in June documented 19 Soviet violations of the SALT II agreement.

The duty of communists to violate any agreements made with the capitalist governments is another one of Lenin's precepts. Addressing the Bolshevik Party Congress in March 1918, Lenin spelled out the theory that treaties are made to be broken when they no longer serve Soviet interest. He said he had broken the treaty of Brest-Litovsk "30 or 40 times."

Let us hope that if the president succeeds in getting a nuclear arms control agreement with the present Soviet leaders, they and their successors will consider it in Russia's interests to respect it.

Personally, I doubt it.

THE ANGUISH OF APARTHEID: BLACKS AND WHITES FEEL TRAPPED BY EXTREMISTS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. SOLARZ. Mr. Speaker, before the South African Government was able to close down opportunities for American journalists to report on the current wave of unrest and political ferment gripping that nation, an extremely talented reporter, Ms. Karen House, was able to visit South Africa.

Today's Wall Street Journal carries a perceptive article on South Africa by Ms. House which provides special insight into the particular tragedy of this racially split society. Because of the importance of what is happening in South Africa, I ask that Ms. House's article be reprinted in today's CONGRESSIONAL RECORD.

IN SOUTH AFRICA'S RIFT, BLACKS AND WHITES FEEL TRAPPED BY EXTREMISTS

(By Karen Elliott House)

JOHANNESBURG—South Africa is a nation imprisoned by its history and frightened that it may have no future.

It is a land divided in a dozen ways not only black and white but also rich and poor, urban and rural, modern and primitive, rigid and flexible. Afrikaner and English, Zulu and Xhosa.

The extremes are the Afrikaner hardliners who steadfastly defend apartheid and the black youths who throw rocks and petrol bombs at government personnel carriers. But the surprising thing to a first time visitor isn't so much the passion of the extremists but rather the desire for some sort of compromise and conciliation among the great majority of South Africans representing the spectrum in between.

It is one of South Africa's many sad paradoxes that this political center, while surprisingly broad, seems also increasingly impotent. Afrikaner hard-liners hold the power here, and the opposition increasingly is dominated by young urban blacks who seek to topple the system rather than enter it. This street dialogue of bullets and bottles all but drowns out the calmer conversations.

During two weeks of crisscrossing this large land that is twice the size of Texas, a visitor encounters South Africans of many hues and views. The most poignant are the people trapped in the middle.

GRANDSON OF APARTHEID

Wilhelm Verwoerd, 22 years old, is a graduate student in theology at Stellenbosch University, both the Harvard and the Heartland U. of Afrikaners. Wilhelm's late grandfather, Hendrik Verwoerd, taught there and went on to become the prime minister of South Africa and the architect of apartheid. This system of racial separation today troubles even many young Afrikaners, including his grandson.

"For 18 years, apartheid was for me a very positive word—until I talked to other people," says the slight, sandy-haired and soft-spoken Wilhelm. It was at age 19 that Wilhelm first met an educated black. "I discovered blacks were just people," he says with the sense of awe and accomplishment that a child might feel on learning that the moon isn't made of green cheese.

Since then Wilhelm has become a modest missionary seeking somehow to do good and to undo his grandfather's policies. In doing so, he has broken with his own family, yet he remains a world apart from blacks. Like liberals of all colors here, he finds himself trying to build bridges across a gulf that is becoming increasingly wide.

"We want to get to know blacks as people. To have picnics. To play volleyball. But they are so frustrated that when they get a chance at a white they only want to talk politics, not play volleyball," he says, genuinely baffled.

Meanwhile, Wilhelm is having a hard time with friends and family. "It's exhausting trying to explain to white people like my grandmother about the blacks," he says. "If you talk favorably about blacks, people say you are a 'kaffir boetie' [nigger lover]. And some blacks can ony see me as the grandson of apartheid. Blacks must have rights, but I don't know how to do it. I don't know how to end the unfairness. It is hard not to be irrelevant."

GANDHI'S GRANDDAUGHTER

She stands, head bowed in painful reverie, amid the chared ruins of her grandfather's house. Ela Ramgobin, a plump, middle-aged Indian, points plaintively at the bare foundation. "I was born in that house," she says softly. "I remember as a child making mud for the bricks to build the house next door," which is also a burnt shell.

These are the ruins of the home of Mahatma Gandhi, who lived in South Africa for many years before he returned to lead India to its independence. It is one of South Africa's many ironies that among the casualties of its violence is the home of one of history's leading apostles of nonviolence. Last summer, mobs of young Zulus, the largest black tribe here, burned and looted the neighborhood in an effort to drive out Indians.

Next to the ruins of the Gandhi ancestral home is a small museum. The only contents left these days are an antiquated old press on which Mr. Gandhi printed his newspaper, Indian Opinion. The press was too heavy to loot. Only one thing is left hanging on the museum wall, a sign saying: "Do Not Touch."

Mrs. Ramgobin seems to blame this misfortune more on the political and social system than on the particular youths who wreaked this havoc. "You just can't have an island of nonviolence in such a violent country," she says sadly.

CHILD OF VIOLENCE

For many youths in black townships from Johannesburg's Soweto to Port Elizabeth's New Brighton, nonviolence is no longer an option.

The blacks of New Brighton are among the most tense and violent in South Africa. White soldiers periodically roll down the bleak, garbage-strewn and unpaved streets in armored personnel carriers. Groups of black youths stand on street corners watching them in sullen defiance. The previous night, a white soldier was hacked to death not far from here.

Sicelo Duze, a squat, powerful man in his early 20's who wears a black knit cap pulled low over his forehead, is encountered on a street corner. "Before any change will come, we must have confrontation," he says. "No one will free us. We have to free ourselves. Civil war is not far away, and whitey is going to get hurt." Mr. Duze speaks the words matter-of-factly, without apparent anger and with the absolute assurance of someone who believes history is on his side.

SWORD OF GOD

It is Sunday morning in Krugersdorf, a small community of working-class whites on the outskirts of Johannesburg, and the Rev. Kalman Papp is preaching. A thin man with graying hair, he stands stiffly erect in the pulpit of his Dutch Reformed Church, as he has every Sunday for 34 years. He reads from St. Matthew: "Seek ye first the Kingdom of God and his righteousness and all these things shall be added unto you."

After services he explains: "There's so much worry in our community these days about economics and politics that I try to tell our people to think first about God and then all else will work out."

But, as he sips a cup of tea, Mr. Papp reveals that he isn't leaving quite everything in the hands of the Almighty. The Papp home, it turns out, contains no fewer than 25 guns.

"I understand blacks' desire for freedom," he says. "But they're not ready for it yet. If they try to take it, we will have to fight. I'm a peace-loving man," he continues, warming to the subject, "but anyone who attacks me better be prepared to get a bullet."

NO MAN'S LAND

Donald Ncube, a suave, handsome black man in his mid-30's, has achieved all the trappings of success—a middle-management job at a major corporation, a nice home and two sons attending racially mixed private schools. But his very success now threatens him.

Sitting in a racially mixed restaurant in downtown Johannesburg, Mr. Ncube appears to be a man caught between cultures. He is clearly at home here in a white man's world, but he isn't allowed to stay overnight.

Angry gangs of black youths in Soweto, the black township where by law he must return each night, hurl stones at fancy cars like his. "They see people like me as part of the lost generation," he says. "They say I am a disgrace. 'You don't control anything,' they say to me. 'You're a stooge. It's better to die for liberation.' "

Mr. Ncube insists that he doesn't apologize for working at Anglo American, a diversified mining concern that is South Africa's largest corporation. "I want to show whitey that blacks aren't inferior. I want to be a symbol to my black brothers and sisters."

But, paradoxically, as a few blacks like Mr. Ncube manage to overcome white suspicion and hostility to achieve a measure of prosperity and prominence, they find they must now fear black suspicion and hostility. Mr. Ncube says he understands the hostility, even as he fears it.

MOTHER AND SON

Chasms of color are only the beginning of South Africa's divisions. Phetole Lipson Letsie, a tall black man who looks much younger than his 50 years, serves as a wine waiter at a Johannesburg luxury hotel, where he earns 200 rand a month, or about $80. Mr. Letsie stands in the middle of the hotel dining room alternately discussing with patrons the virtues of a 1983 Pinotage wine and the inequities of apartheid.

He is particularly upset about wage discrimination because he must send money home to support a large family in his tribal village of Mpepule.

Mpepule is both a six-hour drive and several centuries distant from Johannesburg. At the end of a bumpy dirt road, flanked by fields turned to dust by drought, sits a clump of conical mud huts with pointed straw roofs. From one of them emerges Mr. Letsie's mother. She is barefoot, with a dozen silver bangles jangling on her ankle. Her clothes are in tatters and her few remaining teeth are blackened. Like all mothers, she simply wonders why her son doesn't come home.

Her concerns are those of food and family. Neither she nor anyone else in this village seems aware of the political and economic crises dominating South Africa. Three years without rain have reduced this village to a few dozen families with their scrawny chickens and goats. Here, survival, not politics, is the issue.

FARM FAMILY

Elizabeth de Wilde, a middle-aged Afrikaner farm wife, also believes she is fighting for survival—not from the vagaries of weather but from the ravages of blacks. A strong, stern woman, she says she and her husband are so frightened that they are trying to sell a farm that represents two lifetimes of labor.

"It's too dangerous living out in the country alone among all these blacks," she explains. "If we have equal rights when we go to the ballot box, they will put in their people and they will murder us.

"It's communism that's pushing the blacks," she adds. "We are fighting for our very survival."

Her son, Marius, a shy, red-faced worker on the railroad in Nylstroom, feels threatened, too. Like a number of poor whites pinched by the worsening economy, he thinks the government is coddling blacks at his expense. "They take our jobs and our money," he says. "We pay taxes so they can burn schools. Enough is enough. Savages are savages."

At 33, he has already done three stints in the military and says he is ready to go again. "I'll kill 'em if necessary," he says.

BIG-BUSINESS MAN

The future looks much brighter from the high-rise offices of corporate South Africa. Here men whose personal wealth is assured worry not about their personal futures but rather about the future of South African capitalism. Zach de Beer, a director of Anglo American, says, "If one is intelligent and realistic, he has to conclude we are going to have a black government within 10 years. I accept that blacks will be calling the shots. What concerns me is the extent to which we get socialism."

Unlike most South Africans, Mr. de Beer has lived under black rule before. From 1972 to 1974, he ran Anglo American's mines in Zambia before the government nationalized them. "We were making a million dollars a day under a black government," he says. "Look at Zimbabwer [President Robert] Mugabe is the most out-spoken Marxist in Africa and he hasn't nationalized anything, so that gives me hope."

PROSPECTIVE EMIGRANT

Like thousands of less confident South African whites, Peter Anton is thinking of leaving. "I ask myself 30 times a day, 'Do I want to live through another civil war?' "

Mr. Anton, 39, was wounded three times during seven years of war in neighboring Zimbabwe. Eventually he immigrated to South Africa. But now he is contemplating returning to black-ruled Zimbabwe. "The bloodshed and destruction isn't worth it, but it's hard to convince people here of that," he says.

Indeed, 2,200 South Africans are emigrating to Australia this year, the destination of first choice for whites without links to Britain. Almost everyone has a friend or acquaintance leaving or hoping to leave. The first to go are the young, educated South Africans whose capital is in their heads. The government allows emigres to take only 100,000 rand, or $36,000 at today's rates. Less tomorrow.

A joke making the rounds at white dinner parties captures the mood of impending doom. "What's the difference between an emigrant and a refugee?" asks Mr. Anton. The answer: "Timing."

THE CHIEF

Drums beat. Little black girls in thigh-high yellow dresses strut ahead like drum majorettes. Out of a gray BMW steps Chief Mangosuthu Buthelezi, smiling, swaying to the rhythm, waving a small wooden mace above his head.

Mr. Buthelezi, still boyish-looking at 57, is the chief of the Zulus, the largest ethnic group in South Africa. By many estimates, this makes him the most powerful South

African black leader and almost surely the most powerful one who is not either in jail or in exile.

Today he is addressing a conference of 5,000, mostly Zulu women, crammed into a large tent. Surprisingly, Chief Buthelezi's strongest criticism is directed not at white leaders like President P.W. Botha but rather at black South Africans in the exiled African National Congress. "We do not go to bed with jackals, hyenas and serpents," he says. "We must not abide them. We must eradicate them."

Chief Buthelezi objects to the ANC's call for the violent overthrow of the white government. It is not that he is a proponent of nonviolence but rather that he believes blacks mustn't destroy the country they inevitably will inherit. "If my people will be worse off after liberation than before, I cannot support," he says. Or, as he tells the Zulu women, "When a hippo comes to your field to eat your crops, you do not destroy your crops to chase the hippo away."

Chief Buthelezi, like so many of his countrymen of all colors, finds himself a man in the middle—too radical for P.W. Botha and his Afrikaner constituency, not radical enough for the black urban youths who follow the violent line of the ANC. South Africa, meanwhile, continues to see its crops of every sort devoured by the hippos.

PALESTINIAN LIFE IN THE OCCUPIED TERRITORIES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. CONYERS. Mr. Speaker, a member of my staff recently participated in an annual 2-week work camp in the West Bank and Gaza Strip. The purpose of the camp, attended by delegations from throughout the world, is to provide an opportunity to observe and experience first-hand Palestinian culture, history, and life under occupation.

The work consists of building roads and schools, cleaning streets, and other community-oriented activities which the Palestinians, either because of a lack of money, manpower, or for other reasons, cannot accomplish alone. The delegation also had the opportunity to meet with various community leaders and to tour the ancient cities and religious sites of the Holy Land.

Gina Aranki has written a personal account of her experiences and impressions of Palestinian life in the Occupied Territories, which was recently published in the Detroit Advocate. I would like to share this article with my colleagues. It provides a perspective that we don't often have the opportunity to hear.

PALESTINIAN LIFE IN THE OCCUPIED TERRITORIES

FOREWORD

I participated in a two-week international work camp in the Israeli-occupied West Bank and Gaza Strip from August 4-18, 1985. The following is a summary of the experiences our delegation encountered—things neither acknowledged by the Israeli government nor publicized in the American media. The information presented is only a small and informal sample of the injustices and forms of oppression committed against the Palestinian people; in this vein I hope that the readers of this piece will take it upon themselves to learn the details and statistics concerning these occurrences, and attempt to understand that the Palestinian people, like our South African brothers and sisters, are fighting for their very existence. I believe that this fact is important to the larger understanding of the motivations of those who are called "terrorists." While it is certainly wrong to use the lives of innocent people as pawns for political gain, it is important that we address not only the subject of bringing these people to justice, but the subject of why they act in the first place.

This is dedicated to the memory of Alex Odeh, the late Director of the West Coast Chapter of the American-Arab Anti-Discrimination Committee, who lost his life to terrorism here in America. While we are concerned with bringing the Palestinian hijackers of the Achille Lauro to justice, let us also concern ourselves with those whose actions ended Alex's life.

It is difficult for any individual—Palestinian or otherwise—not subjected to it to comprehend life under occupation. Even what I considered to be my own above-average understanding of its conditions and consequences did not prepare me for its utter pervasiveness—in aspects of daily life that we take so much for granted. And while we would certainly resist anything similar were it to take place in America, the Palestinians' resistance is labeled terrorism, and we are supposed to accept the hypocritical suggestion that victims of violence and injustice are tragic only when the violence is random and not when it is systematic and institutionalized; that concentation camps are intolerable anywhere in the world except the West Bank and Gaza, or Lebanon.

Synonymous with both the tragedy and the hope of the Palestinian people throughout the occupied territories was Dheisheh Camp, the largest refugee camp, population-wise, in the West Bank. As we walked through the streets to our respective work sites, children hollered "shalom"; the more bashful hid behind their mothers or older children. Their eyes widened when we answered them in Arabic, and suddenly we were surrounded by these beautiful little beings—old for their ages, judging from the intelligent questions and their surprisingly accurate knowledge of America and our government. Some of them led us along the dusty pathways to their shelters—for it is difficult to call the bare stone rooms which they shared with anywhere from eight to 20 people homes—where we were greeted by the hospitality of those who have little to share but the stories of their lives. And we heard many of those stories—of martyred sons and daughters whose photographs were taken from their places of honor for us to touch and gaze upon, and wonder, like their families, what they would have been like today. We heard about the homes and farms and fields and lives away from Dheisneh, many nearly 40 years ago, in various towns and villages that no longer exist. Destroyed by the Israeli military to make room for the new settlements and Jewish cities, those towns and villages only live on in the memories of the people of the camps. And despite the dense population, the lack of electricity and plumbing and medical care, those memories remain as fresh as if they were yesterday, and give the people hope for the future. When asked why they continue to raise large families in such difficult conditions, the parents said that they considered it an honor and a responsibility to have many children who will grow up and fight for their freedom.

Our days in Safa and Al-Isaweya, two towns not far from Jerusalem, are typical of most towns and villages of the West Bank. Many of the wage-earners commute to Israel to work at factory jobs, and have been involved in various battles with regard to equal pay and the right to unionize for Palestinian workers. The towns themselves are considered pockets of resistance, and we witnessed in them the kinds of attempts the occupiers frequently use to quell that resistance—the bulldozing of homes, without cause or notice.

In Safa, a family of 12 lives in what was once a shed behind the ruins of their home. They told us that two of their sons had been detained for allegedly belonging to a faction of the PLO: later they were told that they had been detained for stone-throwing. Even the authorities were unclear on what those charges were, and the sons had yet to even be arrested when a group of Israeli soldiers appeared at the house in the middle of the night to announce that they had 15 minutes to clear themselves and anything of their belongings they wished to save before the house would be demolished. They were then forbidden to rebuild on the site, and were refused when they sought to rent the heavy equipment needed to remove the rubble from their land. In Isaweya, we watched as the military demolished another residence while we simultaneously cleared the rubble from a third site, the former home of a suspected labor organizer. That afternoon there was little talk and no song, as we were prone to during our work in other places—only quiet anger and bitterness.

We made two trips to Gaza during our stay, although only one was originally planned. The first 3½ hour bus ride from our camp at Bir Zeit culminated in a quick denial to enter at the checkpoint. While a few of us sitting near the front of the bus were questioned by the guard, someone whispered that Meir Kahane was in the booth to the right of the entrance. Whether that ominous presence had anything to do with our being turned back, none was sure. For myself, the look of insolence and condescension on the face of a young soldier who eyed our bus as it turned back and brandished his Uzi, was explanation enough.

It was decided unanimously among our group that since there was something or someone in Gaza that the occupiers didn't want us to see, we were going to see it—the Palestinian will was contagious that day—and two days later, with a bit more planning on our part we were allowed to enter. Our anticipated work in Jabalya and other refugee camps in the thoroughly militarized strip was held to quick bus rides through them and only one stop to talk with the people, because of recent violence and the presence of the military.

Adnan, the leader of our host committee from Bir Zeit, was able to find Dr. Hader Abdul Shafie and ask him to speak with us. We gathered in a beautiful park just inside Gaza City, near the Mediterranean, and sat under the shade of a huge fig tree while the doctor, the director of the Palestine Red Crescent Society (similar to the Red Cross) lectured. As he spoke, however, a trio of soldiers entered the park.

They walked around our circle and stopped behind us, watching Dr. Abdul Shafie intently. He continued his discussion of the Red Crescent and answered our ques-

tions, but it was obvious that he was not providing as much information as he would have under other circumstances. He smiled often, but his gaze wandered to the soldiers who themselves never took their eyes from him. One of our delegation asked if there might be trouble for him after we were gone, and he said probably, but that would certainly not be unusual; they cause trouble every day of our lives.

And indeed, they did not even wait until we were gone to further attempt to intimidate both the doctor and our group. As we filed out of the park through a narrow, alley-like road, a jeep rumbled past, guns cocked from both sides of the windshield, forcing us to quickly move against the fences as it followed Dr. Abdul Shafie's car. We were frightened for him but utterly helpless, and it was a most frustrating feeling that we experienced often during our two weeks.

The day we were turned back at Gaza, we made an alternative trip to Khalil, or Hebron, its Jewish name. Khalil is considered by the military to be even more of a problem area than Safa or Isaweya because of the proximity of the central marketplace to a settlement called Kiryat Arba. Kiryat Arba is almost fully occupied by Kahane-followers who espouse vigilantism in alarmingly increasing incidents. Two days prior to our visit, a settler had been knifed, and it was believed by many that other settlers had done the deed so that the military's presence would become more pronounced and apparent as a result. Whatever the motive and whoever the perpetrator, a stronger military presence—presumably directed against the Palestinian population of Khalil only—was exactly the result. It came in the form of troops, of hastily erected watchtowers, of barricades and barbed wire around the marketplace which was closed indefinitely, and of a curfew imposed on the entire town until further notice. As a result of this latest intimidation there was an atypically small number of Palestinians out that day; those who were moved quickly, with their eyes averted from the soldiers who outnumbered them easily.

The situations we experienced, of course, were incomparable to those experienced by our brothers and sisters who live with—or rather, in spite of—the occupation. The first hand accounts of detainment, arrest, and torture, the censure and closure of Palestinian universities and media for opinions not espoused by the Israeli government, town and house arrest of leaders like Bassam Shakaa, the former mayor of Nablus, and deportation of others—the list is endless, and the incidents almost daily. But against every form of oppression, the Palestinian people struggle with a determination that is awe-inspiring. They obtain and read the some 3,000 banned books, hold classes censored by the military in private homes, relay information to the outside through the mail using false addresses, and in increasing cases are taking their grievances to the usually farcical Israeli courts—and winning.

I have written solely about the bittersweet during our two weeks in Palestine, but that is not to say that there was a lack of sweet experiences. The beauty of the land and the smell of the air were daily exhilarations; it was easy to understand the Palestinians' love for their country and why they have fought so long and so hard to remain a part of it. The desire within myself to stay and become a part of them was intense, and in that sense the two weeks were much too short.

There was just enough time, however, to begin lasting friendships, to come to love and respect the Palestinian people as a whole, and to be proud to be a part of them and their struggle, even thousands of miles away. If anything positive could be said about the occupation. It is this: it has created a marvelous strength of will within the Palestinian people, a strength that has persisted and grown in the face of tremendous odds against them. It will not be destroyed by anything tangible to which they may be subjected because of their belief—and now my belief as well—in the justice that will ultimately be theirs.

DEMOCRACY IN ARGENTINA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. GARCIA. Mr. Speaker, the New York Times ran an editorial yesterday on Argentine midterm elections. While that nation continues to face problems, the people of Argentina showed their support, not only for President Alfonsin, but for democracy.

Right-wing terrorists have been attempting to undermine the Argentine democracy, but neither Mr. Alfonsin nor the people of Argentina are going to let that happen. But as the Times editorial states:

To complete the democratization of Argentina, he (Pres. Alfonsin) will need a lot more help from his friends, starting with significant financial relief from Washington.

Amen.

I submit the editorial for the RECORD.

[From the New York Times, Nov. 6, 1985]

DEMOCRACY UNFOLDS IN ARGENTINA

President Raúl Alfonsín fell short of a sweeping vote of confidence in Argentina's midterm elections, but his democratic cause nonetheless gained while the most backward-looking Peronists lost ground. Still, friends of freedom can scarcely afford to relax; the foreign debt problem remains dangerous and Washington's help on this issue remains essential.

Just getting to the election was a milestone. It has been 20 years since any constitutional government lasted long enough to reach a midterm vote. Argentine politics is a rough sport, peopled with demagogic Peronists and undemocratic generals. Mr. Alfonsín has rebuilt his traditionally middle-class Radical Party into a national coalition. He has insisted on legal accountability for leaders from the lawless past. And he has aggressively challenged the hyperinflation that has repeatedly undermined politics.

His greatest success has been on the political front. For the second time now, his Radicals have outpolled the once-invincible Peronists. And this time Peronism's least democratic faction, built around ultranationalists and labor bosses, was thoroughly repudiated.

Mr. Alfonsín's legal and economic initiatives have had a rougher time. Rightist terrorists are trying to block the pending verdicts in the junta trials. Unable to count on judges mostly appointed by the military to detain the terror suspects, he was forced to declare a state of siege just days before the midterm vote. His original economic program was derailed largely by resistance from the Peronist labor hierarchy. He was forced to drastic I.M.F.-style austerity, which has sharply reduced inflation—but also real income. That probably cost the Radicals some votes.

Though he has now gained a little breathing room, President Alfonsín remains in a tight spot. He has pushed back the ultranationalists, but still faces the crushing foreign debt. He has confronted but not yet vanquished terrorism, even with a worrisome state of siege. To complete the democratization of Argentina, he will need a lot more help from his friends, starting with significant financial relief from Washington.

LOCAL ANTI-TERRORISM PLANNING ACT

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. SMITH of Florida. Mr. Speaker, international terrorists have declared war on the United States, and it is only a matter of time before the battleground shifts to our country itself.

In recent years, we have given more than $1 trillion to the Armed Forces to protect us from the enemy without. Yet, we are quite unprepared to meet a threat directed against our people or vital public services within our own country.

On October 23, 1985, the Foreign Affairs Committee held a hearing on maritime security. I asked the witnesses from the Coast Guard, Federal Maritime Administration, and Department of State whether they had a plan for dealing with domestic terrorism. They told me of an interagency working group that is studying the problem but also admitted that no current plan exists for aiding States or localities.

Despite this lack of Federal initiative in this area, several local law enforcement agencies are working on their own to develop plans that would permit them to deal with a terrorist threat that might affect their jurisdiction.

I believe that the Federal Government must help these efforts. I, therefore, am introducing legislation that I am calling the Local Anti-Terrorism Planning Act. This bill authorizes the Attorney General to make grants for 3 years to local governments for the development and implementation of innovative antiterrorism plans. The money would come from existing discretionary grants under the Justice Assistance Act and would require no additional authorization or appropriation.

Certain parts of this country are more vulnerable to terrorist threats than others because of the public facilities they contain. For example, the concentration of major transportation and energy facilities in a small area would be a greater prize for terrorists than widely dispersed facilities.

I believe, therefore, that antiterrorism plans first should be drafted for these jurisdictions. Once these plans are implemented properly, other communities with fewer

strategic facilities could modify and use appropriate provisions. For this reason, my bill would limit these initial grants to units of local government that contain important public facilities in a limited area. In the future, these antiterrorism plans would be funded and used like other innovative plans of proven effectiveness.

Let me illustrate my point by looking at Broward County, FL. South Florida contains many refugees and emigrees, some of whom come from countries that support or harbor terrorists. Given the laws of probability, some of these residents might themselves be potential terrorists or might be willing to support such terrorists.

We also have within a mile of each other a major airport and deep water port, electricity generators, and storage facilities for most of the fossil fuels consumed in south Florida.

In 1984, the Fort Lauderdale/Hollywood International Airport handled 6.4 million passengers on 300 domestic and international daily flights. Two major air freight carriers also use this facility. The airport is projected to have a 5-percent annual growth.

Also in 1984, Port Everglades handled 437 ships, many of which carried containerized cargo, plus 713 petroleum tankers or barges; an additional 190 naval vessels visited the port. Finally, this year an estimated 20 cruise ships will carry 330,000 passengers in and out of Port Everglades. As a target for terrorism, this region must rank high.

Because of this combination of people and public facilities, this region must rank high as a potential target for terrorism. This, in turn, poses a definite problem for law enforcement. The Broward sheriff's office [BSO] is but one of three police agencies and two separate security forces that have jurisdiction over these facilities. Rather than having to deal with a terrorist threat in a reactive manner, BSO would like to expand the services it already provides to create a proactive deterrent to any terrorist threat.

BSO, therefore, is proposing a three-phased program. It includes obtaining additional bomb dogs; reorganizing its SWAT section into a hostage rescue/antiterrorist squad; and establishing a management team to extend these services to other law enforcement and security personnel.

This is a necessary local attempt to solve what is a national problem. Properly implemented and supported, this limited program could be expanded to create a plan that would deter terrorism in south Florida and elsewhere.

We must not wait until after terrorists have struck at home to protect our fellow citizens. Ad hoc solutions are not the answer in a time of war. Proper planning, however, is essential. My bill would enable us to develop a limited number of workable plans that could then be utilized by jurisdictions throughout the country. Antiterrorism plans are needed now. Tomorrow may be too late.

RAINBOW NAVIGATION AND MILITARY CARGO PREFERENCE

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. McCLOSKEY. Mr. Speaker, recent calls for a comprehensive reorganization of the Department of Defense have underscored the importance of rebuilding American maritime capability. Practically none of our missions in defense of allies and national interest make sense without a substantial improvement in our current sealift capacity. It is estimated that the minimum requirement to sustain the operations of a single mechanized division is 1,000 tons per day delivered: 100,000 tons are required to deploy such a division. As my colleagues know, the United States depends on U.S.-flag ships to augment our military sealift capacity during a time of war, or national emergency. But the number of U.S. ships under construction has declined steadily, dwindling from a recent high of 96 one decade ago to only six in 1985.

It's therefore, most disturbing to find the Department of Defense and the Department of State attempting to undercut what little sealift capacity we now have for foreign policy reasons which have been found contrary to longstanding DOD cargo preference law. I refer here to the case of Rainbow Navigation, a small American-flag shipping company which operates the only U.S.-flag vessel in the carriage of U.S. defense cargoes between the United States and Iceland.

In August of this year, the Secretary of the Navy initiated action to effectively scuttle Rainbow Navigation's ability to continue to conduct military commerce between the United States and Iceland by declaring this small company's rates to be excessive and otherwise unreasonable. But the Department of Defense did not stop 'here and determined to divert military cargo which could be more efficiently carried by Rainbow Navigation to transport by military aircraft, effectively obstructing any westbound trade for Rainbow Navigation. Rainbow Navigation filed suit in the U.S. district court for declaratory and injunctive relief on the grounds that the Navy Secretary's action violated the 1904 Military Cargo Preference Act. On October 15, the court ruled in favor of Rainbow Navigation.

I have expressed my concern about the Navy's actions to the House Armed Services Subcommittee on Seapower. It is most disturbing to me that the Department of Defense would seek to eliminate the sole surviving United States-flag carrier of DOD cargo between the United States and Iceland. Moreover, the apparent subsidy of the Icelandic shipping industry as the result of these actions at the expense of an American-flag carrier contrary to provisions of law is neither good policy nor good politics.

The importance of Iceland to the NATO alliance is understood and appreciated by all who support our treaty commitments. What is not part of our treaty commitment to NATO is the manner in which an American shipping company is targeted to pay the price for harmony in our relations. Given our need to keep what potential sealift assets we have, I believe we are being pennywise and pound foolish by undertaking these actions which only hurt the U.S. maritime industry.

Forgetting what one is doing in the middle of doing it is the classic definition of stupidity. It is tempting to say that the Department of the Navy forgets the case that it makes to the Armed Services Committee year after year for building up our sealift capability.

What I hope that the case of Rainbow Navigation will do is to set right the thinking of the Navy on matters of law. We should explore avenues of solving our foreign policy problems with a foreign friend other than offering up for sacrifice a competent American shipping firm. Common sense and the courts are on the side of Rainbow Navigation. The Department of Defense should be as well.

FLEXIBLE FOREST MANAGEMENT

HON. FREDERICK C. BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. BOUCHER. Mr. Speaker, proper forest management is an ongoing debate in my heavily forested congressional district. The various benefits of a forest—economic, recreational, wildlife, and aesthetic—must be considered when determining forest management policy. To contribute to the debate, I am pleased to submit the following comments by a forester in my district, Leon Minckler, who argues for flexible forest management.

ECOSYSTEM MANAGEMENT REQUIRES FLEXIBLE SILVICULTURE IN EASTERN HARDWOOD FORESTS

(By Leon Minckler)

Ecosystem management treats each part of the forest in harmony with ecological principles to produce multiple uses and maintain forest productivity. Application involves the use of flexible silviculture consistent with site-type-forest condition-climatic characteristics. This looks toward seldom used practices especially applicable to public forests and nonindustrial private ownerships. Adoption of these practices would involve some major changes in present forest management policies and would affect forest planning.

Central to this thesis are the functions of forests in our modern society. In simple terms, a forest is a biomass factory and it is an environment with all the attendant values. The art and science of the forestry profession must be concerned with both. To do this we must treat our forests, or significant portions of them, as natural ecosystems sensitive to outside influences.

How does this relate to silvicultural (ecological) practices? Traditionally, foresters have talked mostly about timber productivity, and forest economists have tended to

place high emphasis on timber values. This has affected management practices in both obvious and subtle ways. But land should be seen as a priceless resource and man's management oriented toward the health, beauty, and permanence of this resource. Maintaining productivity, then, follows as a necessary consequence when productivity includes all values, materialistic and environmental, over the long term.

Ecosystem management requires a recognition of the unified and flexible nature of all silvicultural practices. Practices should not be considered separately, as often done in textbooks, but treated as an interrelated whole.

The practice of silvaculture includes three funtionally different but related activities. These are the modification of existing stands, the creation of conditions favoring new regeneration, and establishment of new forests by artificial regeneration. Modification of forests include the familiar thinning, improvement cutting, release cutting, and weeding. But this can and should often be done at the same time (and in the same area) as the creating of space for new regeneration by cutting mature trees. Actually, these processes complement each other as more space is provided fo regeneration at the same time existing good growing stock trees are freed from undesirable competition. We cut mature trees before they become decadent; we thin dense stands to save mortality; we provide space for regeneration that is adequate and effective. It emulates nature but saves waste of wood and saves time by shortening rotations.

One of the most important forestry research projects in this country is development of methods, skills, and machinery for logging to develop and maintain reasonably natural forests while still producing high yields of quality timber products. So far, much of our effort has been in the other direction; heavy efficient machinery for short-term timber profits.

Some foresters will protest that a managed forest cannot be "natural". In the strict sense only a wilderness area untouched by humans can be natural. But we can emulate nature by ecosystem management or produce forests with most of the characteristics we consider natural. For eastern mixed hardwood, the following characteristics should usually be present:

1. Species composition similar to forests for that climate and site but not necessarily those present after past management abuses or disease epidemics. These are species and proportions of species which have become adapted over geologic time to these conditions.

2. The stand structure, diameter distribution and tree size range, should be similar to the original, except for fewer very large trees.

3. There should be a scattering of den trees for wildlife.

4. There should be a few dead trees, especially of medium and large size.

5. The understory should be typical of the original forest.

6. The diversity within the forest will include species composition and tree size usually arranged in a mosaic of small groups of openings. This contrasts with external diversity where large blocks are clearcut as now being done in most national forests. For some species, nature can be emulated by clearcutting with proper measures for regeneration.

These characteristics are not incompatible with timber production. We are on ecologically sound ground, and if practices are continued, we know where we will be 100 years from now. Widespread clearcutting of eastern mixed hardwoods, with many species and tree sizes and for many sites, types, and climatic conditions, is an ecological puzzle. We don't know what will happen and we don't know where we will be 100 years from now. Repeated clearcutting will change the ecosystem and degrade the sites on moderate and steep slopes. We are doing it now.

A TRIBUTE TO THOMAS A. DINE

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. LEVINE of California. Mr. Speaker, I call to your attention and to the attention of the House an article which appeared in the National Journal of November 2, 1985. Written by Christopher Madison for the "In Person," page, this piece profiles Thomas A. Dine, executive director of the American Israel Public Affairs Committee, or AIPAC.

The headline on the page reads, "He's Got Charisma, Credibility, and He Wins Battles for Israel." Mr. Speaker, all of that is true, but it does not go far enough. In fact, Tom Dine is one of the most eloquent voices in this country fighting for a strong and secure United States-Israel relationship. His superb grasp of the issues, his persuasive and straightforward style, and his engaging personality, have combined to elicit the respect of every Member of this body who has been lobbied by him.

I am pleased to consider Tom a friend of long standing. I, as well as many of my colleagues, seek advice from him on the numerous issues that arise involving American foreign policy in the Middle East. We can always count on a cogent and well-reasoned response.

Under his stewardship, AIPAC has earned a reputation as one of the most effective foreign policy lobbies in Washington. Not only does this stem from Tom himself and from the professional staff at AIPAC that Tom as assembled, not only does this stem from the convincing case to be made on behalf of strong United States support for Israel, but it also stems from Tom's insistence on local political participation by all who believe that a strong United States-Israel relationship is in the best interests of both countries. As Tom is fond of saying:

We in Washington are only as strong as you at the grassroots.

Mr. Speaker, I applaud Tom's emphasis on citizen involvement; it helps enrich the political process and serves to strengthen our democracy. It is an element of AIPAC's success too often overlooked.

The article on Tom Dine from National Journal follows:

[From the National Journal, Nov. 2, 1985]

He's Got Charisma, Credibility and He Wins Battles for Israel

(By Christopher Madison)

Accuse Thomas A. Dine, executive director of the American Israel Public Affairs Committee (AIPAC), of carrying water for Israel and he will throw, well, cold water on the idea.

He still remembers that day in early September 1982 when he was quoted on the front page of *The New York Times* as saying there were positive elements in President Reagan's Middle East peace proposal.

Dine's remarks were controversial—they were used in the *Times* as a sign of dissension in the Israeli ranks—because Israel had already called the peace proposal unacceptable. After the article appeared, a Member of Congress offered to provide Dine a "safe house," and Israeli diplomats at a dinner that week at the Israeli ambassador's house assured him he was safe—as long as he did not stand under the chandelier.

But that declaration of independence from Prime Minister Menachem Begin probably still gives Dine added credibility when he goes to Members of Congress and argues the pro-Israeli side of foreign policy issues, as he did in late October, when Congress delayed the Reagan Administration's proposal to sell arms to Jordan until March 1.

The delay was something of a coup for Dine and AIPAC because the Administration had pressed the argument that Jordan's King Hussein needed the arms sale to continue his participation in the Middle East peace process.

Dine's two-part reply to this argument—an argument also heard on the Senate floor, where the delay was approved, 97-1—was that "arms don't lead to negotiations" and that Hussein must prove he is willing to sit down at the peace table with Israel before getting weapons. "Deeds, not words," he said.

Dine, 45, joined AIPAC in 1980 with 10 years of Capitol Hill experience—he had worked for Sen. Edward M. Kennedy, D-Mass., and former Sens. Frank Church, D-Idaho, and Edmund S. Muskie, D-Maine—as well as at the Brookings Institution and the Institute of Politics at Harvard University.

Where his predecessor, Morris J. Amitay, had a reputation as being abrasive in his dealings with Congress, Dine is smooth, low-keyed, even intellectual. He had good credentials, and he was politically astute. A former AIPAC staffer said Dine was "the best possible person" to replace Amitay.

He has charisma and is a bit of a cheerleader, and he presides over an organization that has developed into one of the most effective lobbies in town.

Fresh from the arms sale victory, Dine was eager in an interview to tackle the charge that AIPAC distorts the U.S. political system because it represents the interests of the Israeli government even though the organization is backed by American constituents.

"I feel our whole approach is based on our concept and pursuit of American foreign policy. It is not based on the concept of Israeli foreign policy per se," Dine said.

To those who question whether ethnic lobbies serve the U.S. national interest, Dine responded: "No one knows what the national interest is. We're all trying to find the national interest. It's a confluence of an enormous number of influences."

While Dine denies that he lobbies for the Israeli government, he does not pretend

that AIPAC does not use political leverage to maximize its impact. He acknowledged the "crucial" role played by the 22 Republican Senators up for reelection next year in the Jordan arms sale victory.

Dine visited about three-fourths of the Senators on the arms sale issue, and, all together, AIPAC lobbyists met with 99—the exception being John C. Stennis, D-Miss., who has been ill for some time. But Dine denied threatening political retribution against those voting for the sale.

He is proud of two new converts to the pro-Israeli contingent in the Senate—Jesse A. Helms, R-N.C., who began building ties to AIPAC and Israel when he was mentioned as a potential Foreign Relations Committee chairman in early 1985, and Thad Cochran, R-Miss., another southern conservative.

AIPAC may have won last month's battle, but the war is never over. The resolution the Senate passed would allow the arms sale to go through next March unless Congress stops it. It could go sooner if peace talks begin between Israel and Jordan.

Dine said his team will support another resolution disapproving the arms sale early next year if there are no signs of peace talks. "The burden is really on Hussein now," he said. "If he does not go along" with peace talks with Israel, "he will not get the arms."

THE SATURDAY NIGHT SPECIAL CRIME CONTROL ACT OF 1985

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. HAYES. Mr. Speaker, I along with Representative SALA BURTON introduced today, the Saturday Night Special Crime Control Act of 1985, which, when enacted will extend to those handguns manufactured in the United States the same standards that now apply to imported handguns under the terms of the 1968 Gun Control Act [GCA]. We believe that this legislative initiative strengthens our law enforcement response to violent crime.

The incidence of violence in which these handguns are used had continued to be a problem even though the cheap imports have been eliminated. Many of the foreign manufacturers have been able to evade the intent of the GCA by establishing subsidiaries in the United States where the constituent parts are imported and assembled. These handguns are cheap, easily concealable, poorly made, inaccurate and useless for any legitimate purpose.

The issue of the availability of these handguns has been raised again in recent weeks. The most important development is a decision by the Maryland Court of Appeals (*Olen J. Kelley, et al.* v. *R. G. Industries, Inc., et al.*, filed October 3, 1985) in which they held that manufacturers and sellers of Saturday night specials can be held liable for their criminal misuse. The decision cited the long history of criminal misuse of these handguns and the absence of any legitimate use. This decision could have far-reaching impact in other States and could conceivably stop the manufacture of these handguns due to the potentially vast liability on the part of the manufacturers and sellers of Saturday night specials.

We believe that our bill is reasonable, modest, and balances the approach to sale of Saturday night specials in our country and improves the method for keeping handguns out of the hands of criminals.

We believe that by this legislation Congress can deal with the critical problem of handgun violence perpetrated by criminals who have easy access to cheap, easily concealable handguns. This particular aspect of handgun violence has plagued our society for many years and which has heretofore defied effective solutions. The problem has persisted despite the efforts to control the flow of handguns through the Gun Control Act of 1968 and other measures. We propose to again try and address an aspect of the problem which now exists and which we are confident is solvable.

The Saturday Night Special Crime Control Act of 1985, contains the moderate, sensible steps necessary at the Federal level to reduce the appalling handgun crime figures without infringing upon the legitimate needs of hunters and sportsmen. The handguns we address in this bill have long been recognized as particularly prone to criminal misue and virtually worthless for any legitimate purpose.

Our bill is narrowly drafted to accomplish a simple yet very important purpose. It would extend to those handguns manufactured domestically the same manufacturing criteria currently required of foreign manufactured handguns under the terms of the Gun Control Act of 1968.

This criteria, with each aspect assigned a numerical value, includes such things as length, quality of materials, caliber, safety features, type of sight, and barrel length. Additionally, certain drop tests intended to determine the handguns safety under adverse conditions are applied. The result of these criteria and tests is to produce a numerical score which determines whether or not the handgun may be imported. We propose to extend to all domestic handguns these same requirements. The effect of our bill will be to remove from the market, easily concealable, cheap, unsafe handguns which have no legitimate sporting purpose.

We recognize that handgun control legislation is not the whole answer to the problems of handgun violence. Other steps to address the problem must and are being taken. But this legislation is moderate, well-reasoned and addresses the serious problems presented by cheap, easily concealable handguns. We cannot ignore the fact that these handguns pose a serious and continuous threat to our law enforcement officers and those citizens unfortunate enough to be a victim of criminal assault.

We believe that our bill will have a significant impact on reducing the availability of the Saturday night specials in our country. A copy of our bill is attached. We hope that the majority of our colleagues agree and will join us and support our bill.

The bill follows:

H.R. 3706

A bill to amend chapter 44 (relating to firearms) of title 18, United States Code, to prohibit the sale of handguns commonly called Saturday night specials

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 922(b) of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting "; and" in lieu thereof; and

(3) by inserting paragraph (5) the following:

"(6) any firearm, other than a rifle or shotgun, to any person, if the Secretary determines such firearm to be unsuitable for lawful sporting purposes based upon standards established under section 925 (d)(3) of the title."

OPPOSE REPUBLICAN DISINVESTMENT OF SOCIAL SECURITY FUNDS

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. COLEMAN of Texas. Mr. Speaker, I strongly oppose the recent action of the Treasury Department to disinvest the Social Security trust funds to finance the national debt. Because the Treasury accelerated the redemption of trust fund securities, there will now be a substantial loss of interest to these funds for years to come.

Tragically, this action was not even necessary. The Democratic House approved a debt-ceiling extension that precluded the need to dip into the Social Security Trust Fund, but the Senate turned its back on the House legislation and said, in effect, "full speed ahead." I join with Congressmen JONES and PICKLE in their lawsuit, filed just hours after the Republican raid on Social Security began, to prevent the Treasury from using the trust funds to back the Government's debt.

This ill-advised and illegal action goes beyond the financial loss and will create a loss of trust by the American people in the Government's commitment to Social Security. To restore that trust, Congress must take every necessary measure to make sure that this disinvestment can never happen again. The President himself said that Social Security does not contribute to the deficit, but the administration's budget-cutting knife continually looks to this program for major reductions. Now they are drawing from the trust funds, without the consent of Congress, to meet the financial considerations of the Federal Government.

I do not think anyone needs to be reminded that the Democrats created the Social Security Program, and the Democrats protected it throughout the years from constant Republican-sponsored assaults. The Social Security Program was established in 1935 by a Democratic President as a protective measure against "pov-

erty-ridden old age." Fifty years later, this legacy of Franklin Delano Roosevelt has allowed many of our Nation's elderly, poor, and disabled to live a more secure life than their counterparts did 50 years ago.

Despite continuous promises by the President to never reduce Social Security, he and the Republicans have tried continually to do just that. If we examine the Republicans' track record, it is evident that they have breached their promise to the American people. In the 1980 campaign, the Republicans promised to protect Social Security and Medicare, the two programs the elderly rely on the most. This promise, however, did not prevent the Republicans from seeking large benefit cuts as soon as they took office in 1981. Although they have tried to implement large spending cuts in both Social Security and Medicare, the Congress has repeatedly rejected their proposals.

And who, Mr. Speaker, can forget in 1982 when the chairman of the National Republican Congressional Committee suggested in a letter that Social Security might be made voluntary?

1984 was no different. During his bid for a second term in office, the President stated that "* * * no one presently dependent on Social Security is going to have the rug pulled out from under them and not get their check." But shortly after his reelection, the President requested that the Senate include a freeze in the Social Security cost-of-living adjustment in this year's budget proposal. Once again, the Democrats in the House beat back the Republican attacks on the Social Security system.

And today, Mr. Speaker, "there they go again." The original Gramm-Rudman proposal targeted Social Security for automatic budget cuts, which could have reduced the retirement fund by up to 20 percent. I for one am proud that the Democrats refused to even consider the measure until the authors exempted Social Security from the dramatic cuts that would result from the implementation of the Gramm-Rudman proposal.

Mr. Speaker, given the Republicans' track record over the last 5 years, is it any wonder that this Congress spends days on end debating whether or not to cut Social Security? Why is it that whenever the discussion turns to budget cutting, the Republicans automatically assume that Social Security is at the top of the list? Why is the debate always framed in such a manner that they demand that we Democrats have to find a good reason not to cut Social Security or else it will automatically be considered for cutting?

Mr. Speaker, I am tired of seeing Social Security at the top of the Republican hit list. It is shameful that we have to continually fend off Republican attacks on Social Security, attacks that always and automatically assume that Social Security is the prime candidate for budget cutting. Some things in the American tradition have worked so well that they have become part of the foundation of trust between the American people and their Government. This foundation is made up of cornerstones such as the Constitution, the Bill of Rights, the Civil War amendments to the Constitution, and yes; I will say to my Republican colleagues, the Social Security Act is one of these cornerstones. It is time that we uphold the trust placed in us by the American people to take necessary action to prevent the administration and the Republicans from invading the Social Security trust funds for political gain.

INTRODUCTION OF H.R. 3684 AND H.R. 3685

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. RICHARDSON. Mr. Speaker, I want to take this opportunity to share with you and my distinguished colleagues two legislative initiatives that I have introduced to stimulate economic activity and protect environmentally sensitive areas in west central New Mexico.

My two bills—El Malpais National Monument and Chaco National Historical Park—are carefully balanced compromises in the best interest of our Nation. The legislation will protect some of this country's most sensitive and unique environmental areas and at the same time provide some much needed relief to an area of New Mexico that has been blighted with high unemployment due to the decline of domestic mining industries.

My El Malpais National Monument bill would provide protection to 351,000 environmentally sensitive acres; 193,000 acres would receive well-deserved permanent wilderness status protection. The Bureau of Land Management (BLM) would continue their management role over the national monument area, protect its unique resources, provide for recreation, public education, and research through the creation of a visitors center.

El Malpais lava field and neighboring public lands include a collection of u que treasures and some of our country's finest environmental sites: Cinder cones, lava tubes, ice caves, pine forests, sandstone formations, and a natural archway—an area that has been preserved in its natural condition since 1974 by the Bureau of Land Management.

E. Malpais (The Badlands) is the historic Spanish name given to the lava field. The area is located in west central New Mexico just south of the city of Grants. The area contains one of the most outstanding examples of volcanic landscape in the continental United States. The four lava flows in the El Malpais area occurred over the last 3,000 years. Indian legends relay a tale about a river of fire covering fields that their ancestors tilled. The area contains several unique assets that deserve protection for future generations to enjoy.

In 1976, the BLM received its first mandate to look at the Malpais area as wilderness. Since that time, BLM has exchanged more than 60,000 acres of land it had in northwestern New Mexico for private land in the Malpais so they could make the area a showcase for the public. The second phase of that land transfer was just completed. BLM is still working with mining concerns to acquire the mineral rights. All BLM plans have included the creation of a visitors center. For the past 10 years, BLM has gone through a methodical process to try and bring it to a point where El Malpais can be managed for the enjoyment of the public.

Back in 1970, the National Park Service conducted a feasibility study for the Malpais area. That study concluded that the area was suitable for recreational development but that BLM was working on a proposal. We already know the area is worthy of environmental protection and we already know that the area is suitable for recreational development. The time for action is now.

Mr. Speaker, my second bill, the Chaco Culture National Historical Park, will improve on the overall management of the area and its archaeological protection sites by directing the National Park Service to administer the lands. The bill provides for the development of one archaeological preservation site in the vicinity of Grants, NM, to be used as a detached, interpretive unit.

Chaco Canyon is an area of major significance in the cultural history of North America, as it contains spectacular archaeological remains of the native American past which has long been recognized as representing an architectural peak in Anasazi Indian prehistory.

The significance of the 33 identified Chacoan outliers has only recently been appreciated; many of the archaeological features received little protection in the past. Cultural values such as: Roadways, water control systems, and concentrations of pottery, weapons, tools, refuse, perishable material, and human materials have experienced looting and vandalism at some Chacoan outlier sites. One of the problems, I believe, has been with the management of the area.

On December 19, 1980, Public Law 96–550 was adopted to create a system of Chaco culture archaeological protection sites composed by outlying Chaco sites that were connected to the main complex in Chaco Canyon by a system of prehistoric roads. Thirty-three of these sites (31 are in New Mexico) were designated to be protected by the National Park Service, the Bureau of Land Management, and the Bureau of Indian Affairs. A joint management team was mandated to come up with a plan.

That was 5 years ago and to date, none of the three Federal agencies mandated under the act have protected a single site that was not already protected at the time of its enactment.

Further, the Secretary of the Interior was required to submit recommendations to Congress by December 12, 1982, on his suggestions for additions to, or deletion from, the list of archaeological protection sites. This has not happened. The final joint management plan for the Chaco cul-

ture archaeological protection site system was adopted in July 1983, but was not published in the Federal Register until November 1984. The plan calls for a very awkward system of management by the three Federal agencies.

Mr. Speaker, it is clear to me that the compromise Congress adopted in the 1980 legislation to protect these Chaco outliers has been a complete failure. My bill will ensure the protection and proper management of the Chaco outliers. One agency should be designated to protect and manage this internationally important resource—that agency should be the National Park Service, since it has the legislative mandate and the expertise to do the job right.

A majority of the Chaco outliers are now owned by the Navajo Nation. Clearly, the Bureau of Indian Affairs should not be the agency to manage archaeological sites—the BIA is not a land management agency. My bill directs the Secretary whenever possible to acquire by exchange or purchase those sites in question or whenever possible to negotiate a cooperative agreement with the Navajo Nation.

Chaco Canyon is one of our Nation's most important resources. It is scheduled to be designated as a world heritage site by the United Nations in 1985.

It is important that the Congress act now to ensure that the malpais and Chacoan outliers are properly protected and managed and that there are interpretive sites available for the public to enjoy these archaeological and natural wonders. At the same time, the creation of two new tourism centers would provide much-needed employment relief to an economically depressed area of New Mexico and an opportunity for a traditional mining community to diversify their economic base. I hope that my colleagues will take the time to review these legislative initiatives—H.R. 3684 and H.R. 3685—and support their swift enactment.

INTIMIDATION THROUGH COMPUTERS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. DORGAN of North Dakota. Mr. Speaker, in the old days, pirates were characterized as those who operated fast ships, wore unusual bandanas and eye patches and tried to relieve unsuspecting victims of their valuables.

These days we still have some pirating going on, but the pirates operate a little differently. They still get your money, but they get it through intimidation with computer solicitions.

A recent column by Mike Royko tells of an 85-year-old lady in a nursing home who got a letter signed by a Rodney A. Smith, treasurer of the Republican Presidential Task Force, who told the elderly woman that if she did not contribute money to the Presidential Leadership Task Force, "in exactly 30 days he would be instructed to submit a membership status report to President Reagan * * * " He said further, "I've had our comptroller enclose a statement showing our recent attempts to renew your membership. I want you to know that an updated copy of this statement will be reflected in my report to the President," He said, "Unless I hear back from you immediately, I will be forced to place your name on the delinquent member ledger that I send to the President."

Mr. Speaker, this is just one example of a Republican fundraising letter that, in effect, threatens to report an elderly woman to the President that she was delinquent in her responsibilities to give money to the Republican Party.

This example is one from the Republican Party, but these mail solicitations that try to intimidate are occurring all too frequently by many groups—Republicans, Democrats, religious groups, and others.

It's time for this con game with computers to bilk people out of their money to stop. I'm especially outraged at this example. I don't know who Rodney A. Smith is, but whoever he is, wherever he is, he ought to be ashamed of himself. This kind of intimidating mail is inexcusable.

The article follows:

A REPUBLICAN COMPUTER SHAKEDOWN

(By Mike Royko)

The Republicans have a well-deserved reputation for being masters at raising money through the mails.

The party's numerous fund-raising arms have developed the computerized letters and mass mailings to an art form.

They know just what buzzwords to use to raise the frightful specter of liberals and other peacemongers rising up and seizing the White House, the Senate, the House and the local sheriff's office and giving it all away to the Russians.

As I've written in the past, they can be so persuasive that they occasionally stampede people into contributing more than they can afford.

There was, as an example, the senile old guy in California who managed to land on just about every Republican computer list in the country, causing him to be bombarded with pleas and demands for more and more money.

He gave and gave until he wiped out his savings and was down to writing bad checks and foraging in garbage cans before his family found out what happened.

After the case was publicized, a few of the Republican groups refunded his money, but some just said they didn't trust his relatives to spend it as wisely as they would.

Now, we have the case of an old lady being almost frightened out of her wits by the threat of her name being turned over to President Reagan himself if she failed to send in a contribution.

The letter was from the Republican Presidential Task Force, which is a formal sounding name for political hustlers who raise money for Senate races.

Not long ago, this elderly lady who lives in a nursing home and once contributed to the fund, received their most recent letter. And it had her in a dither.

The letter, signed by Rodney A. Smith, treasurer, said:

"In exactly 30 days I have been instructed to submit a Membership Status Report to President Reagan on the Presidential Task Force.

"And unless I hear back from you immediately I will be forced to place your name on the Delinquent Member Ledger that I send to the president.

"President Reagan and the leadership of the Republican Party are extremely concerned about the Task Force. They know that 100 percent active membership is absolutely essential if we are to maintain our razor-thin Senate majority.

"I've had our Comptroller enclose a statement showing our recent attempts to renew your membership. I want you to know that an updated copy of this statement will have to be reflected in my report to the President." It went on to tell her that if she sent in $10 immediately, she could avoid being tattled on to the Prez.

Before the old lady could go into shock at being on a Delinquent Member Ledger that would be seen by the president himself, one of her relatives calmed her down.

But the relative sent the letter on to me with a few angry comments:

"This letter is absolutely inexcusable . . . I'm sure my 85-year-old mother-in-law expected to be rushed off to jail if she did not immediately send money . . . Even the most sophisticated and intelligent seniors can be absolutely terrified by the government."

So, we called the Republican Presidential Task Force office in Washington and asked them why they were scaring little old ladies. Or at least this particular little old lady.

"That was an attempt," a spokesperson said, "to get former members who had not renewed to renew right away. We wanted to indicate the urgency of their donation."

But it sounded so intimidating.

"I admit the wording is rather strong. But its purpose is to emphasize the urgency. It's not meant to imply that we're going to penalize them."

Who wrote the letter, the guy who signed it and said he was going to turn the old doll's name over to President Reagan if she didn't send in a ten-spot?

"No, we have direct-mail people who write these things."

Ah, so it is basically a fraud. Instead of a "Task Force," what we have is some hired wordsmith, sitting at a computer terminal, composing sneaky-mean letters.

You know, people have always made fun of the imaginative ways that Chicago politicians raise money.

But I've never once heard of a Chicago alderman trying to shake somebody down with a computer.

THE FEDERAL CRIME INSURANCE PROGRAM MUST BE CONTINUED

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. MANTON. Mr. Speaker, since 1970, the Federal Crime Insurance Program has provided affordable insurance against burglary and robbery to small businesses and homeowners situated in high crime areas. In short, the program promotes economic stability and provides financial security in

urban areas deemed "uninsurable" by the private market.

The Federal Crime Insurance Program is particularly important in the economically distressed areas of New York City, including portions of the Ninth Congressional District which I represent. Last year, New York accounted for about 60 percent of commercial and residential policies and claims nationwide. Ninety-seven percent of all New York policies cover New York City neighborhoods. The Crime Insurance Program has enabled small businesses to remain in these urban neighborhoods providing much needed jobs and services. Without Federal crime insurance, these businesses would be forced to close their doors.

Mr. Speaker, the Federal Crime Insurance Program is operated at minimal cost to the Federal Government. Last year, the program cost the Federal Government only $10 million. In addition, the cost of the program has been steadily declining over the past few years. Nevertheless, the Reagan administration is fighting to kill the Federal Crime Insurance Program. Evidently, preventing the decay of our urban neighborhoods is not high on the administration's priority list.

The House recently passed reconciliation legislation which included the text of H.R. 1, the Housing Act of 1985. A provision of this landmark housing bill extends the Federal Crime Insurance Program for 1 year. Unless Congress acts further, the Federal Crime Insurance Program will expire on November 14.

I commend to my colleagues the following New York Times editorial of November 3 which strongly makes the case for continuation of the Federal Crime Insurance Program.

The article follows:

[From the New York Times, Nov. 3, 1985]

KEEP CRIME INSURANCE ALIVE

Though its oratory occasionally acknowledges the needs of cities, the Reagan Administration has no urban policy. Now it wants to eliminate Federal crime insurance, which helps stabilize neighborhoods plagued by crime. Only quick Congressional action can save this modest, worthwhile program.

Federal crime insurance began in 1970, after racial rioting devastated urban neighborhoods. It provides reimbursement for property losses that result from crime to residents and small businesses in areas that have been "redlined"—ruled off-limits—by private insurers. The program insures up to $10,000 for residences and $15,000 for businesses against losses from robbery, theft, burglary or vandalism.

Such coverage may be crucial to keeping small businesses from fleeing marginal urban areas. This year, the program provided $332 million in crime coverage to 40,000 residents and businesses in 26 states. The actual cost to the Government was only about $5 million.

Still, critics of the program in the Administration complain that all taxpayers shouldn't have to support insurance that mostly benefits poor urban neighborhoods. They want to turn responsibility for crime insurance back to the states. But shifting the burden to the states would likely result in higher premiums that would deal the program a fatal blow.

The Administration has no trouble supporting the $1.5 billion Federal flood insurance program. Indeed, it wants to extend that for six years. Yet flood insurance requires all taxpayers to bear the cost of coverage for a risk group every bit as narrow as the one vulnerable in urban crime. When the cost is so modest, the benefit of national insurance far outweighs any conceivable harm, whether the insured are victims of floods or crime.

The Administration is willing to let Federal crime insurance expire on Nov. 14. There is hope of extending it for another year, however, with an amendment now attached to the House budget resolution. Helping to preserve urban neighborhoods is the legitimate business of the Federal Government. It's up to Congress to make that clear.

THE 100TH ANNIVERSARY OF THE BIRTH OF GENERAL PATTON

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. CHAPPIE. Mr. Speaker, as we all know, Monday is Veterans' Day, a day set aside to honor and remember those who served and protected our Nation. This day is especially significant to me, and others who served in World War II, because it marks the 100th anniversary of the birth of one of our Nation's most famous military heros, Gen. George S. Patton. This extraordinary coincidence of events was recently brought to my attention by a constituent and General Patton admirer, Dan Mertens of Chico, CA.

General Patton is well known for the great spirit of camaraderie he encouraged between the officers and troops under his command. His energy and intelligence while serving the United States brought him the Distinguished Service Cross, the Distinguished Service Medal, the Silver Star, and the Purple Heart. I, like many others who served our country in World War II, was inspired by General Patton's courage, patriotism, and dedication to the men and women he led to victory.

General Patton's leadership in Africa and Sicily during World War II contributed to Allied victory, world peace, and the preservation of our democratic way of life. It is appropriate that the anniversary of his 100th birthday falls on Veterans' Day, November 11, 1985, and I urge all my colleagues to join me in remembering this great man and the contribution he made to our country.

BLACK REVOLUTIONARY WAR PATRIOTS MEMORIAL

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. FORD of Tennessee. Mr. Speaker, yesterday we made a very honorable and worthy decision. I am referring to our decision to establish a memorial in honor of the more than 5,000 black persons who served in the American Revolution.

Of the many thousands of blacks who fought for American independence, very little was done to preserve the contributions of black Americans. In fact, knowledge of their contributions is not widespread. More often than not, the contributions of black Americans were hardly recognized. Although blacks died and gave brave, honorable service, none were given recognition or declared national heroes. Often the only record of a black soldier's existence is a name on a "muster roll," or an entry in a ship's log. Many blacks who enlisted were enrolled without specific names.

However, we made it possible to memorialize in perpetuity their service, their dedication and their sacrifices.

Mr. Speaker, my black American brothers and sisters fought with honor and distinction, in every branch of the Armed Services. They gave their all in the hope that America would become free and that they too could share in this freedom.

Therefore, it is only fitting that we establish a memorial in their honor that will perpetuate a memory in the minds of all Americans.

HARRIET AND LAURENCE WEISS HONORED BY YM-YWHA

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. DWYER of New Jersey. Mr. Speaker, on Sunday, November 17, 1985, the Perth Amboy, NJ YM-YWHA will be celebrating its 75th anniversary at a diamond jubilee celebration. As part of this very special occasion, Harriet Weiss and her son, Senator Laurence Weiss, will be honored by the "Y" as "Woman and Man of the Year."

Honoring these two individuals is certainly appropriate as the Perth Amboy "Y" celebrates its 75th year. They have both made vast contributions to the community and beyond, giving unselfishly of their time and knowledge for the benefit of their fellow citizens.

Mrs. Weiss is a talented and creative individual who has been able to combine an active career as a full partner and tailor in the family cleaning business, with her participation in countless worthwhile projects and extensive volunteer work.

During the 1950's she and her husband served as volunteer interpreters for many of the Hungarian-born immigrants who came to this country as a result of the Hungarian uprising. She has also served as a volunteer at Perth Amboy General Hospital and at the thrift shop at Shaarey Tefiloh.

Mrs. Weiss' son, Laurence, has continued the family tradition of dedicated to service to the community. He was elected to the New Jersey State Senate in 1977, and in 1981, Senator Weiss became chairman of the important Joint Appropriations Committee—a tribute to his excellent leadership and fine record of service.

Senator Weiss has served as a member, and twice as chairman, of United Jewish Appeal Committees. He has served on several local boards, including the township of Woodbridge Library Board, and the Middlesex County Planning Board, and is a director of the JFK Medical Center in Edison, NJ. He is a member of VFW Post 1352 in Hopelawn.

Mrs. Weiss and Senator Weiss exemplify the kind of individuals whose contributions over the years have made our Nation a proud one, and we are grateful to them.

The Perth Amboy "Y" has much to be proud of as it celebrates its diamond anniversary—people such as the 1985 man and woman of the year, and countless others who have made this organization the truly fine one that it has been during its 75 years.

The YM-YWHA in Perth Amboy has been distinguished by dedicated service, thoughtful action and excellent learning opportunities. We warmly congratulate the Perth Amboy "Y" as it celebrates its 75th anniversary, and express our deep appreciation for its enduring presence in our community.

TERRORISM IN COLOMBIA

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. FASCELL. Mr. Speaker, we have both good and bad news coming out of Colombia today. On the positive side, it has been reported that the Government of Colombia has successfully negotiated the release of the two Americans being held by the FARC. We are grateful to the Colombian Government for securing their release and happy for the two individuals and their families.

Unfortunately, this news is overshadowed by the account in the press today regarding the M-19 attack on the Palace of Justice in Bogota. Facts on the situation are sketchy, but, while many individuals have escaped, the terrorists are still holding hostages and the situation has yet to be resolved.

This is the type of terrorist action which the United States must stand four-square against. Our sympathies are with the Colombian Government and people in this moment of difficulty and we must stand with them in confronting this handful of ruthless terrorists. This is the purpose of congressional enactment of the antiterrorism assistance program, which is designed to help other countries prevent such despicable acts.

The Government of Colombia has a commendable human rights record. It is a nation characterized by an open and free political process. The President and his government have worked hard to eradicate illicit drugs and have cooperated extensively with the United States to halt drug trafficking. The assault by terrorists on Colombia's judiciary is an attack on that country's democracy and on those who stand in the front lines of the struggle to end drug trafficking. All who cherish democratic ideals and respect human values are outraged by this vicious attack.

PRESIDENT EXPECTED TO NAME DR. OTIS BOWEN AS NEXT SECRETARY OF HEALTH AND HUMAN SERVICES

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. HILLIS. Mr. Speaker, President Reagan is expected today to name Dr. Otis Bowen, former Governor of my home State of Indiana, to be the next Secretary of Health and Human Services. He could not have made a better choice.

In his years as speaker of the Indiana House of Representatives and two terms as Governor, Doc Bowen distinguished himself not only as a strong and capable leader but as a man of compassion and integrity.

He will bring to the President's Cabinet a solid background of sound fiscal management. When Otis Bowen left office after 8 years as Governor of Indiana, the State Treasury, despite the economic recession, held a $15 billion surplus. Can you think of anyone more suited to run one of the Government's largest bureaucracies and a budget of $348 million?

The people of Indiana know the outstanding job Otis Bowen did as Governor. We cheered him on when he ushered in a sweeping tax reform package, stood with him as the State faced a serious coal shortage during the 1977 UMW strike. We cried with him when his wife, Beth, died shortly before he left office.

And now we will proudly share him, with the rest of America.

STUDENTS GIVE SEQUESTERING AN "F"

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. STARK. Mr. Speaker, a package of letters I have just received has called to my attention yet another group of Americans unfairly affected by the sequestering portion of the Gramm-Rudman amendment. The package contained a fistful of post cards from students who attend the University of California at Berkeley and are afraid of losing their financial aid. The letters also came from students who do not receive any aid but still are equally concerned for their fellow students who would be deprived of an education if the bill passed.

We have all received letters from bankers, members of the Education and Labor Committee, and others that if the idea of sequestering is adopted, then the student loan program may die, since it will become an administrative and contractual nightmare which will no longer be supported by the private lenders. Sequestering of Pell grants and work-study assistance will also play havoc with students who will suddenly find that their income is no longer in line with their tuition, room, and board commitments.

I would like to share with you all some of the more moving quotes which I feel truly represent a voice we shouldn't be shutting out. One young man explains,

While fortunate enough to have parents able to pay for my education, I still know of many people who can attend the University solely by virtue of Pell Grants and/or Guaranteed Student Loans. While the debt problem of this country is enormous, the ramifications of denying so many people an education are far more serious.

Again, a student expresses a general concern for all students,

Because many programs will be exempt from cuts under the proposal, the aid that students at my university depend on will be cut disproportionately. Many students here will be unable to continue their education. Please don't let this happen. Education is one of the most valuable assets in life. It is unfair to deprive students of this privilege for financial reasons.

Some of the responses reflected their agitation on a more personal and individual level. One woman writes.

I am very disturbed about the potential of the Gramm-Rudman budget amendment to unfairly damage student financial aid * * *. School is too expensive for us to get by without Pell grants, college work-study programs and loans. please don't take them away from us * * *. This amendment will hurt our country more than help it. If people can't get educated how can the U.S. compete economically with foreign countries?

And finally, a Berkeley student who was a congressional award recipient had a few words expressing what he feels is a threat to his future. In his letter he explains his situation.

I have a guaranteed student loan. I pay for my room and board by working as a staff member in the residence halls. I'm also working (college work study) as a maintenance man in the dormitories. I average, between my two jobs, 35-40 hours per week. I also have 14 units, and those are a full-time job in themselves * * *. I wouldn't be here at UC Berkeley if I hadn't worked extremely hard. Financial aid gives me, or provides the opportunity, to stay at UC through hard work * * *. You've seen what I'm capa-

ble of. You've awarded me the Congressional Award-the highest award given by Congress to a young person for outstanding service (for non-military action). Please don't cut financial aid. Please don't take away my opportunities.

I'm sure you'll agree, these quotes reflect the flaws in the Gramm-Rudman proposal we all should consider. It would be my hope that sequestering would never occur. But that is just a hope—and the students of our country deserve a better solution.

OCS MORATORIUM

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. BOSCO. Mr. Speaker, last July, after 6 weeks of good faith negotiations between Interior Secretary Donald Hodel and members of the California delegation, a preliminary agreement was reached permitting oil and gas leasing in 150 tracts along the California coast. These negotiations were initiated by last year's conference report accompanying the fiscal year 1985 Interior appropriations bill. I believe the negotiations represented an important step toward restoring balance and certainty to the process of developing, while protecting, California's offshore resources.

Unfortunately, 6 weeks after the announcement of this preliminary agreement, Secretary Hodel unexpectedly backed off the agreement and stated that he could no longer support the original terms of the agreement. Subsequently, Secretary Hodel has written the California delegation requesting the establishment of a new negotiating team to start the process over. A team has been appointed by Messrs. DON EDWARDS and CARLOS MOORHEAD and both sides are now looking forward to beginning anew.

In good faith compliance with the Interior/California agreement, I and other members of the delegation did not seek a continuance of the 1-year moratorium on OCS oil and gas leasing activity off California. However, in light of Secretary Hodel's about-face, the delegation will be attempting to secure a continuation of the moratorium in the fiscal year 1986 continuing resolution. This moratorium is urgently needed to protect the integrity of the negotiation process by ensuring meaningful negotiations and providing time for Congress to thoroughly consider the complex issues surrounding leasing in this area. As we are all well aware, no one should be expected to go to the bargaining table empty handed.

Mr. Speaker, I would like to share with my colleagues a November 2 Washington Post editorial that eloquently speaks to this very issue. The editorial follows:

[From the Washington Post, Nov. 2, 1985]

DRILLING OFF CALIFORNIA

Congress must shortly decide whether to continue the moratorium that has been in effect on oil and gas drilling off the California coast since the earliest months of the Reagan administration. There is growing impatience in both houses with the plea of Californians that their coast be favored in this way. The understandable view is that California ought to be able to work out a compromise with the administration and the oil industry, as other states have, in which energy, commercial and environmental interests all would be represented and partly served. Certainly that is the right goal. But given where the parties now stand, a one-year extension of the moratorium may be more help than hindrance in achieving it.

The moratorium was a protective reaction to the leasing instincts of the administration's first Interior secretary, James Watt. The combative Mr. Watt's stated sense of the matter was pretty much that whatever the government owned and industry wanted, industry ought to have. He overreached and produced overreaction in turn. The tracts off California are among the more important U.S. energy fields still largely unexplored. What Mr. Watt mostly achieved was to have them locked up.

This year the new Interior secretary, Donald Hodel, tried to end the polarization. He negotiated with the California delegation and in July reached a "preliminary agreement" to open 150 of the 6,460 offshore California tracts to drilling over the rest of this century. On the strength of that the House passed an Interior appropriations bill without a moratorium rider. But Mr. Hodel then renounced the agreement, in part under industry pressure. The Californians, who had already given up their customary legislative vehicle, had to rush to have a moratorium attached to the continuing resolution under which most of the government is being funded for the first 45 days of this fiscal year.

The Californians and Mr. Hodel are now moving back to the bargaining table. Meanwhile, the continuing resolution and the moratorium both come up for renewal on Nov. 14. The Californians say they will be in a much weaker position at the bargaining table without a moratorium, and there are two reasons for giving in to them. One has to do with fairness: to some extent they were misled into giving up their leverage when the appropriations bill was around. The other is practical. The affected communities can fight all kinds of rear-guard actions against a drilling program if there is no political resolution of the problem. The Californians should be given a chance to bargain without a gun at their head.

HONORING REV. NATHANIEL TYLER-LLOYD

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. WEISS. Mr. Speaker, I am pleased to join the members of Trinity Baptist Church in honoring the Reverend Nathaniel Tyler-Lloyd on the celebration of his silver anniversary as pastor of his congregation. The Reverend Tyler-Lloyd is being honored by his beloved congregation in recognition of his undaunted spiritual leadership over the past 25 years.

One of Reverend Tyler-Lloyd's major accomplishments has been his effort to realize the construction of the beautiful edifice in which he leads his congregation in solemn worship each week.

Reverend Tyler-Lloyd, a native New Yorker, attended the public schools of Brooklyn, Music and Art High School in Manhattan, Brooklyn College, and New York Theological Seminary. While in Brooklyn College he was converted through the influence of Inter-Varsity Fellowship and the powerful preaching of the Reverend Dr. Sandy F. Ray at the Cornerstone Baptist Church. He served in the U.S. Army as troop information and education instructor and also as an assistant to an Episcopal chaplain.

Reverend Tyler-Lloyd entered the New York Theological Seminary and in June 1957 was licensed to preach. He was ordained in June 1959 at the Cornerstone Baptist Church and graduated from the seminary in May 1960.

Reverend Tyler-Lloyd serves as the ministers seminar leader of the Empire Baptist Convention; assistant dean, Sunday School and Baptist Training Union, Congress of Christian Education, Empire Baptist Convention; general board member of the American Baptist Convention; vice president of the Lott Carey Foreign Mission Society; and in numerous other organizations needing his expertise.

I want to take this opportunity to extend my sincere congratulations to Reverend Tyler-Lloyd in recognition of his 25 years of faithful service, his untiring commitment, and his devotion to his congregation and the Bronx community.

REMEMBERING THE VETERANS AND THE VICTIMS OF BEIRUT

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. DONNELLY. Mr. Speaker, 2 years have passed since a terrorist bomb claimed the lives of 241 American Marines in Beirut. One of the survivors of the blast at the Marine compound, Cpl. John L'Heureux of Randolph, MA, recently gave an important reminder to his neighbors in Massachusetts: "We weren't over there serving the Lebanese. We were over there serving the United States. We were over there serving you."

Massachusetts is taking his words to heart. Under the leadership of the parents of the Marines killed in Beirut, and the parents of the survivors as well, Massachusetts is working toward erecting a monument to the veterans of that peacekeeping effort.

I would like to call the attention of this House to a poignant reminder of the Beirut bombing and its aftermath, a column by Steven Austin that appeared recently in the Enterprise of Brockton, MA.

HIS PAST MEMORIES ARE UNCLEAR; HIS AIMS FOR THE FUTURE CERTAIN

(By Steven Austin)

His name is John L'Heureux and now, more than two years after 241 Marines died in the bombing of their Beirut compound, he has little memory of his wounding.

He sat on the roof of the compound directing Naval gunfire on Oct. 23, 1983, and the force of the blast from the explosive-laden truck drove the leg of a steel stool through his rectum and into his stomach. He remembers only trying to climb up as the roof fell away beneath him.

Later, after he had been moved to a hospital in Germany, the Marines who rescued him told him he was conscious and coherent through it all.

"Nothing has come back," said L'Heureux, who lives in Randolph. "After the blast, I didn't wake up for seven days. They told me I knew my name and that I'd responded to orders."

What followed was a series of hospitals and doctors and an operation to repair a damaged kidney. He will feel the effects of the explosion for the rest of his life. There are headaches and nerve damage and back pain. There is the damage to his senses of hearing and taste and smell.

"I'm trying to learn to live with it," L'Heureux said. "That's the big thing, living with it. There are 241 Marines who aren't living with it."

That day in Beirut changed L'Heureux's life forever.

"I can't really notice any major changes, but of course, I guess no one does about themselves. My family tells me I've changed, that I sometimes get quiet, that I'm just there. Sometimes it's hard to believe there was anything before it happened. I guess you couldn't be the same after something like that. How could it be after losing so many lives?

He came home again in time for Christmas 1983 and was welcomed as who he was, a Marine who'd served his country and almost died in the process. There was a time sponsored by the Elks. The town's VFW post was also instrumental in welcoming L'Heureux home.

One of those who died was John L'Heureux's best friend, a Marine who trained with him in Japan and North Carolina, who shared the same quarters with him in Beirut.

"We had all sorts of plans," L'Heureux said. "We'd planned to visit each other's families. I wrote mine about him and he'd written his about me."

L'Heureux met his friend's family again last week in Philadelphia where a monument to those who died in the blast was unveiled. L'Heureux and four other survivors were a part of those ceremonies.

"They called my mother after the service," L'Heureux said, "to say they were glad I was there, that it meant a lot to them that I was there."

Remembering is a great deal on L'Heureux's mind now—remembering that, in his words, "peace has a price."

"A lot of people forget that," he said. "We weren't over there serving the Lebanese. We were over there serving the United States. We were over there serving you."

He pauses for a moment.

"I saw a T-shirt once that had the message 'The smell of death and fear is something the protected will never know.'"

L'Heureux voices sentiments that seem much too old for him.

He speaks of the contributions veterans have made and uses words you might expect to hear from someone much older.

"If it wasn't for veterans," he said, "we'd all be speaking German or Japanese now. People forget those things. Those who forget it most are those who didn't serve. When we were in Lebanon, we got the newspapers from home. There were pictures of people protesting the fact that we were there. How was that supposed to make us feel? The guys with signs that said to get out of Beirut."

There have been some efforts to honor those who were wounded or died. Randolph's Memorial Drive will be renamed Peace Keeper's Way every Oct. 23. Two local contractors, Richard Pontius and William Kelly, are naming a street Corp. John L'Heureux Circle.

L'Heureux has made efforts of his own. He worked with the Vietnam Combat Veterans Combined Armed Forces group in the erection of a monument to Vietnam-era veterans in Dorchester.

But for John L'Heureux, there is something else.

What he wants most is for those who died in Beirut not to go unremembered. He, his mother, Mary Wells, and his stepfather, Dick, are now working to establish a monument for those who served in Lebanon. Parents of both the survivors and the dead from Massachusetts will meet Nov. 24 to begin planning for the monument.

John L'Heureux wants everyone involved in the monument campaign. He wants the Marine Corps there. He wants the government involved. Most of all, he wants the "protected" to involve themselves with the building.

He is happy that the town of Randolph took a stand, that the town's service organizations remembered the price that was paid.

"I'd still go," L'Heureux said. "Even if I knew what was going to happen, I'd still go. I made it out of there—241 Marines didn't.

He pauses again.

"At the Memorial service in Philadelphia last week," he said, "written on the program was 'If you forget my death, then I died in vain'"

THE INTERLOCHEN CENTER FOR THE ARTS

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. SCHUETTE. Mr. Speaker, my warmest congratulations to the Interlochen Center for the Arts on the achievement of a $200,000 grant from the National Endowment for the Arts. I know that these moneys will enable many students to receive scholarships to the center. It is during this time, when many families suffer financial difficulties, that assistance can literally make or break a student's education. I firmly believe that we all must work to continue support for the education of our many talented fine arts students in Michigan. Interlochen Center for the Arts provides outstanding training, education, and skills to our gifted students in mid-Michigan. I wish you all the success possible in continuing your unparalleled achievements.

Once again, my congratulations.

THE 20TH ANNIVERSARY OF THE HIGHER EDUCATION ACT

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. FUQUA. Mr. Speaker, the history of higher education in America began with the formation of a number of essentially private institutions during the colonial period designed to prepare males primarily for the ministry and teaching. Today the system has evolved into a mosaic of colleges and multipurpose universities preparing students both male and female for careers in hundreds of fields.

Since 1965 the Higher Education Act has been the principal legislative vehicle for providing Federal financial aid to postsecondary students and institutions, except in the area of Federal support for university-based research. This significant act has been amended four times and numerous statutes have amended or otherwise affected the Higher Education Act. The comprehensive reauthorization of the Higher Education Act expanded the scope of Federal student grant and loan programs, restructured the largest program of direct support for disadvantaged postsecondary institutions and focused new attention on the nontraditional college students and on urban institutions.

The Higher Education Act authorizes a broad range of postsecondary educational assistance programs that benefit American students and institutions. However, it also makes special provisions concerning the treatment of Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands. The act also provides funds to support the cost of postsecondary programs on Guam for nonresidents from the other outlaying territories of the Pacific.

America's system of higher education has made major contributions to the social and economic development of our Nation. Our National and State governments have relied heavily upon America's higher education system in times of crises. The system has demonstrated the capacity to respond to changing economic conditions and provides a continous supply of well-trained individuals to assist our country as we face new challenges during this period of reduced economic growth.

Funds provided under the Higher Education Act have made it possible for many students to attend college who, without this financial assistance, would find the ability to obtain such an education next to impossible. Federal assistance for higher education is directed mainly at particular national purposes, such as aid to low-income students and support for scientific research. These are purposes which the Nation cannot overlook and must make every effort to continue.

Today marks the 20th anniversary of the Higher Education Act of 1965. The contributions made to our Nation directly and indirectly by this landmark legislation are infinite. If we are to continue meeting the challenges facing our Nation we must continue to provide assistance to higher education and those programs designed to produce individuals capable of meeting the challenges of these changing times.

THE ENERGY CRISIS

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. CLINGER. Mr. Speaker, former Secretary of the Interior Don Hodel said last week there is a good possibility the United States will be faced with an energy crisis by 1995 unless we begin to develop new energy supplies. He said the issue confronting us is not tomorrow's oil supply, but the supply we expect to have in 1995. Americans do not expect an energy crunch because right now there is plenty of competitively priced gasoline and other forms of fuel available. But this could change at any time.

In my congressional district, in Scrubgrass Township in Venango County, PA, there have been efforts to create a synthetic fuels plant using otherwise unusable high-sulphur coal and turning it into environmentally safe fuel. Those efforts have met with skepticism and rejection. We have plenty of fuel now we are told. So why worry?

I hope each and every Member of Congress who drives a car remembers what we say here today while they are sitting in the gas lines of the 1990's. I would hope that the U.S. Congress will reverse itself from its recent erroneous decision to eliminate funding for the U.S. Synthetic Fuels Corporation, so that projects like the one in Venango County, PA can move forward to meet the energy needs of the next decade.

AN EXPRESSION OF SYMPATHY TO RAYMOND ROEBUCK ON THE DEATH OF HIS FATHER

HON. GUS SAVAGE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. SAVAGE. Mr. Speaker, today I wish to pay my respects and offer my deepest sympathy and condolences to Raymond Roebuck upon the death of his father, John H. Roebuck.

As most of us know, Raymond has run the snack bar in the Democratic Cloakroom for 22 years. His patience and good nature have touched many of us on many occasions.

I understand that John Roebuck was similarly noted for his compassion and thoughtfulness. As a leading member of his community and church, he drew many to him and inspired the affectionate nicknames "Papa Roebuck" and "Daddy John."

John H. Roebuck will surely be missed, but his contributions to his family and community will always be remembered.

A TRIBUTE TO DR. HARLOW SHAPELY

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. WHEAT. Mr. Speaker, this month marks the centennial of the birth of a great Missourian and one of the great American astronomers of this century, Dr. Harlow Shapely. It is a privilege to share with my colleagues the achievements of one Missouri's favorite sons.

Dr. Shapely is considered the American Copernicus for his contribution in determining the Earth's location in our galaxy, the Milky Way system. He was also a great humanitarian and one of the founders of UNESCO, the United Nations Educational, Scientific, and Cultural Organization.

Born in Nashville, MO, on November 2, 1885, Harlow Shapely received his doctorate from Princeton University in 1913 and began research the following year at the Mount Wilson Observatory in Pasadena, CA. At Mount Wilson, Dr. Shapely made some of his most significant contributions to astronomical science. It was there that he determined the distance of numerous stars from Earth and, through this work, was able to locate the center of our galaxy. In so doing, Dr. Shapely shifted our perspective of our solar system, much the same as Copernicus had shattered the myth that the Earth rested at the center of the universe four centuries before.

Dr. Shapely's contributions to his fellow man were not limited to his contributions to scientific knowledge. During World War II, he was instrumental in bringing hundreds of refugees to our country from Nazi Germany. After the war, Dr. Shapely helped start UNESCO, which is dedicated to international cooperation in the pursuit and promotion of scientific and cultural knowledge.

Dr. Harlow Shapely was a modern-day renaissance man and a great American. His contributions, including both his scientific and humanitarian efforts, were invaluable to improving humanity. Dr. Shapely died on October 20, 1972, but his legacy still lives. He provided his Nation and his world with solid foundations for others to build upon.

THE GROWING POWER OF ASIAN AMERICANS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. GARCIA. Mr. Speaker, for those of us who have been fortunate enough to have gotten to know our Nation's Asian American community, it comes as no surprise that members of that community from Indian Americans to Koreans have begun to mobilize themselves politically.

There are more than 4.5 million Asian Pacific Americans in the United States, and their political power is fast becoming a reality. This weekend the Asian Voters Coalition is holding a conference in Washington. I am submitting for the RECORD a press release from the coalition, describing their activities and their goals, as well as an excerpt from an article published in the New York Times on their upcoming conference. I am certain that the coalition will play an important role in the future of this Nation.

ABOUT THE COALITION

The Asian American Voters Coalition was established in October, 1983. The Coalition consists of twelve national organizations and seven local groups in the Washington, D.C. area. Its members represent grassroots organizations of various ethnic groups, including Chinese Americans, Korean Americans, Japanese Americans, Phillippine Americans, Indian Americans, Thais, Vietnamese and Guamanian Americans. The objectives of the Coalition are to promote active participation of Asian Americans in local and national elections through voter registration and education.

The Coalition is non-partisan and does not support or oppose any candidate or political party; however, the Coalition evaluates the issues and policies affecting Asian Pacific American interests and declare the position of the Coalition. The Coalition sponsors educational programs and community activities which encourage every member to be a constructive American who will participate actively in the democratic process of this country.

There are about 5,000,000 Asian Pacific Americans in the United States. Most are living in key metropolitan cities and states such as California, Hawaii, Washington, Illinois, Massachusetts, New York and New Jersey. Now they are pushing for voter registration. Asian Pacific votes could make the difference and swing the election results in many important states.

Regional Coalitions will be formed in Chicago, New York, Dallas, Los Angeles and other areas where the Asian and Pacific American populations are high and there are active chapters of our national organizations. From now on, Asian Pacific Americans will not be the silent minority of minorities; they have combined their forces and united their voices to express their concerns and to protect their interest. Through the united effort of the Coalition, they will participate actively in local and national affairs of this great country.

[From the New York Times, Oct. 23, 1985]

ASIAN AMERICANS

A potentially powerful new political bloc of five million Americans of Asian descent is serving notice that it intends to raise an audible voice in coming elections and work for the interests of members of its varied minorities. Today at the National Press Club, the Asian American Voters Coalition will announce a national conference on "political awareness and participation" to be held in Arlington, Va., Nov. 7-9.

Including 13 national and six local organizations, the coalition seeks to represent Japanese, Chinese, Indian, Phillippine, Korean,

Vietnamese, Thai and Guamanian Americans. The group is nonpartisan and says it will not support or oppose parties or candidates, but it will take a position on issues that affect "Asian-Pacific-American interests." The coalition notes that "Asian Pacific votes could make the difference and swing the election in many important states."

TRIBUTE TO MANUEL B. ALCON

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. RICHARDSON. Mr. Speaker, I rise to salute an outstanding American and educator, Manuel B. Alcon. Mr. Alcon has served as a teacher, coach, superintendent, and principal for 33 years in the New Mexico school system.

Mr. Alcon started his teaching career in a one-room schoolhouse in Monte Aplanado. He continued to teach in Mora County at Holman Grade School. For the next 6 years he taught and coached at West Las Vegas North Public School and then returned to Holman.

Mr. Alcon became a principal in 1960 at Mora Elementary School and was elected superintendent of Mora County the following year. Mr. Alcon also taught at Guadalupita School, Mora High School, and Wagon Mound School.

He has received several awards that have noted him as an outstanding citizen of New Mexico and as an educator. Mr. Alcon's contribution to the New Mexico public school system will last for generations.

Mr. Speaker, I am sure that my colleagues will join me in thanking this educator for his dedication to the teaching profession.

HONORING OTTO J. LACAYO

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. TORRES. Mr. Speaker, I would like to bring to the attention of my colleagues, a personal friend and an outstanding community leader who has dedicated 15 years of his life to making the city of Cypress, CA, a healthy and pleasurable place to live.

Otto Lacayo has demonstrated his ability to work hard and master his professional responsibilities in every task he has tackled throughout his career. After enrolling in college, Otto applied, and was accepted, to an engineering department at Douglas Aircraft in California. Within 2 years, Otto was managing one of the company's most innovative computer projects. After 2 years of running his own computer consulting business in addition to working for Douglas Aircraft, Otto began a successful political career as Cypress city councilman.

Proving himself through four successful terms as city councilman of Cypress, Otto has strived to make the city a better place to live, work, and play. Because of Councilman Lacayo's efforts, growth in the commercial and light industrial business park has established Cypress as one of the leading employers in Orange County. Otto approaches his responsibilities as councilman as he approaches his successful businesses—with diligence and commitment.

Mr. Speaker, I rise here in the House today to recognize the contribution Otto has made to the community of Cypress and to wish him well in his future endeavors as a recently elected member of the board of trustees of the North Orange County Community College. I am proud to know Otto and to know that through his efforts and accomplishments, he will continue to serve his community and its residents.

THE JICARILLA INN

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. RICHARDSON. Mr. Speaker, as an example of a successful economic development initiative by the Indian people, I would like to insert in the RECORD two articles about the Jicarilla Inn in Dulce, NM.

Tom Vigil, a Jicarilla Apache, has put this successful enterprise together with the help of the Jicarilla Apache tribal administration.

Those who are critical of the self-reliance of the Indian people can see first-hand this success story.

The articles follow:

APACHE INDIAN HERITAGE IS HEART OF NEW INN

(By Skip Boyer)

DULCE, NM.—They came up to the surface of the earth from an ancient underworld where all living things dwelled. Seeking light, they were guided by Hac ct'cin, the ultimate power.

After many trials, they reached the surface and began traveling, all people and animals. Small groups broke off and settled while others continued their travels. At last, there was only one group left, continually circling the world.

Hac ct'cin asked, "Where do you want to live?" The last travelers replied, "Near the center of the earth." Hac ct'cin considered this and created four sacred rivers to outline the land at the center of the earth. According to their own story of the creation of mankind, this land became holy and the people were known henceforth as the Jicarilla Apaches (pronounced hekare'ya).

This, of course, happened a long time ago—in the days when animals still spoke with humans, before good and evil.

Today, the Jicarilla Apache Tribe lives on a reservation of 780,000 acres in northcentral New Mexico—still near the center of the earth. In the years between their emergence from the underworld and today is a story of the growth of a culture. It is the story of a people with infinite patience, flexibility and imagination. It is a story of survival, despite Spanish conquerors, mountainmen, miners, settlers and a capricious federal government.

THE BEST WESTERN JICARILLA INN

You don't have to know all that history, of course, when you check in to the Best Western Jicarilla Inn. It is a Best Western. You already know what to expect: good service and quality lodgings at a fair price. You can enjoy this remarkably beautiful land with its abundant hunting and fishing without even knowing how to pronounce the name of the hotel.

If you miss the history, however, you miss the thing that makes this new Best Western member so special. Located on the northeastern corner of the tribal reservation, the Best Western Jicarilla Inn was financed by the Jicarilla Apache Tribe for Jicarilla Apache owners and operators. Their heritage has influenced everything from interior design to management philosophy.

At the heart of Best Western's only American Indian-owned property is B. Thomas "Tom" Vigil, president of Vigil Family Enterprises, Inc. With his brother, Fred, and wife, Irene, Vigil (pronounced Veehill) heads the family group that envisioned the 42-room property two years ago.

In late July, Tribal and Best Western dignitaries helped mark the grand opening of the new property. It is already making an impact in Dulce, a community of 3,200 people.

"We've made a terrific impact in a short time," Vigil notes. "This community is proud of the hotel. I think they want us to succeed. The measure we use of our local acceptance is the trade we do in our restaurant—we've served a tremendous number of meals since we opened."

Vigil is proud of his Hill Crest Restaurant. Its unusual decor reflects the Jicarilla heritage in a striking way. Rough cut poles form abstract arbors over the tables throughout the main dining room. Similar arbors stand throughout the reservation and are used for ceremonial purposes. Large, framed black and white photographs recalling tribal history hang throughout the dining room and coffee shop.

While the growing regional reputation of the Hill Crest is playing an important role in the Inn's early success, it is not the only reason.

A FAMILY OPERATION

"The real reason we have come so far in such a short time," Vigil says, "is this: I have a brother who is partner in this operation. We have two other brothers working with us, a sister who is our secretary and a number of other relatives—including my grandmother—working in other capacities here. I sprinkle the staff with people who have hotel experience but basically, we are a family operation."

Vigil is also pleased with his "silent" partner. The Jicarilla Apache Tribe. Through the tribal council, the Tribe is financing the $2.3 million facility. "The Tribe is playing the role normally played by a bank," explains Vigil. "We undertook this joint endeavor to fulfill a local need, to curb the leakage of dollars off the reservation, to be able to accommodate our guests and business associates in comfort and convenience and, most importantly, to gain a profitable return on our investment. The Tribe is a good business partner.

That works both ways: Tom Vigil is a good man to have as a partner, himself.

Like most of his people, this land along the Continental Divide is his home. He loves it, even though he has spent most of his adult life living in Los Angeles and Washington, D.C.

In the early 1950s, oil and gas were discovered on our reservation," he explains. "The proceeds from those discoveries were used to establish a scholarship fund to send our young people to college. I was among the first to go."

The scholarship program began to bear fruit in the 1960s when young people like Tom Vigil started coming home with their shiny new college degrees.

"When I came home, the tribal council told me to go out into the world and succeed, then I could come back. I would be more valuable to them if I did."

Vigil took his new accounting degree, moved to Los Angeles and got involved in what he calls "big time politics." His work in city government eventually took him to the legendary home of the Great White Father—Washington, D.C.—and a position with the Department of the Interior. Nearly 20 years passed before he brought his wife and family home to the center of the earth in 1982.

YOU CAN GO HOME AGAIN

Vigil's home is one of the last unspoiled wilderness areas in the Southwest. The reservation is nearly 63 miles long, from north to south, about 25 miles wide. Elevations range from 6,500 feet to more than 8,500 and includes areas of heavy timber, mountains, deep canyons and rolling meadows. It is an unfenced paradise. Deer, elk, bear, turkey and water fowl, as well as trout up to 29 inches in length, make the reservation a natural hunting and fishing center. A variety of ancient ruins, cliff dwellings and pictographs serve as a reminder of the "ancient ones" who made the first climb to the earth's surface. This remarkable land is what brought Tom Vigil vack to New Mexico.

"It's not the coming back that is important," he says, thoughtfully. "It's what you bring back and the feeling you bring back. I came back wanting to protect this land."

Years spent away from his Indian heritage and living in the midst of another culture haven't dimmed his feelings for his home or his people. "I can say that I love this place, that I love being an Indian," he says. "In many ways, it hasn't made a difference. You have certain values that are given to you at a young age and you live with them, no matter what society you live in. Good and bad are much the same everywhere. The idea of culture shock is overplayed. It's an excuse for not doing something you are capable of doing."

LEARNING THE BUSINESS

Vigil's current goal is learning the art of innkeeping and how to market a property in one of America's most remote areas.

"That's our biggest problem," he confirms. "We must let people know that we are here and what this area has to offer. We think that with the help of Best Western and good marketing, we can make it work.

"We have to create a regional economy in this part of New Mexico," he continues. "We can't afford to be parochial any more. One little community can't compete with another. We must work together to market this entire area. We want to be leaders in that approach. If we can work together, we can all prosper. If not, well, it's just a crap shoot."

The area that Vigil wants to promote includes much of the northcentral New Mexico—the Jicarilla Apache Reservation, the Chama Valley and the Rio Brazos. Hunting, fishing, camping, hiking, skiing and spectacular scenery are the drawing cards he hopes to use. The Cumbres and Toltec Scenic Railroad, a steam-powered narrow-gauge line built a century ago, is already a major tourist attraction in nearby Chama. Special events on the reservation are also attracting visitors. The Stone Lake Fiesta, in mid-September, includes an all-Indian rodeo, traditional dances and foot races. In July, the two-day Little Beaver Roundup combines a rodeo and carnival with traditional Indian dances. The Tribal Arts and Crafts Shop and Museum spotlights the work of Jicarilla artisans. Of special interest are a wide variety of delicately made baskets that remind visitors of the meaning of the word Jicarilla—little basket or basketmaker. During the winter months, a special area of the reservation is set aside for skiing and snowmobiling.

A few miles away, on the Rio Chama, fishing and whitewater rafting are popular sports. Heron Lake even offers sailing. And, of course, the annual Pack Burro Race in Charma is a must for summer visitors.

For Tom Vigil, this land doesn't have everything—just those things of value, the things that really matter. It is this land that he hopes the Best Western Jicarilla Inn will help others discover. It is, after all, a special place—a holy place. It is the land near the center of the earth.

THE JICARILLA INN

(By Talli Nauman)

DULCE.—Tom Vigil figures he could have been rich and famous by now.

Instead he is working seven days a week running a small motel in his hometown.

In his college days, he was in line to make big bucks; a classmate at the University of Southern California offered to cut him in on a lucrative shopping mall development strategy.

"If I'd have stayed there I'd have been very wealthy," he says. "I had friends and connections."

But he went into public administration instead.

"I wanted to do something for my people," he says.

He rose to prominence in Washington, D.C., as a key designer of the Social and Economic Development Strategies program instituted by the Administration for Native Americans; the conceiver of the Indian Self-Determination Act; and the planner of Bureau of Indian Affairs reorganization during the Carter administration.

He had a suburban home, a two-car garage, and his children went to the best schools.

But that wasn't his idea of success. "It's too easy to get co-opted," he concludes.

And he gave it all up to go home to the Jicarilla Apache Reservation in northwestern New Mexico.

He opened the Jicarilla Inn just a little more than a year ago. Ever since then, he and his family have been working around the clock to make their Vigil Family Enterprises, Inc., a success.

None of the family, Vigil included, makes any more than an hourly wage. The constant commitment is wearing, Vigil observes. But he keeps hoping some day it will pay off.

He is still concerned about making money and gaining fame. "I'm very patriotic. I think whenever you can, you should be able to do it," he says.

And he still wants to help his people, he claims.

The 42-room Best Western motel, his own business, is the way to achieve those goals, he believes.

"What I'm trying to do here is practice what I preached," he says, in reference to the federal programs he wrote. "I went around the country taking the old supply-and-demand government theory and applying it to the Indian environment," he says.

"Everybody has a dream. It's no different for Indians than any other community," he maintains.

The Jicarilla Inn is the first private enterprise on the Jicarilla Reservation to receive backing from the tribal government.

The tribe financed its $2.4 million construction.

So the inn represents a significant shift in philosophy away from tribal enterprises, in which all profits are returned to a tribe and its members.

With Vigil's motel, the tribal government receives 40 percent of any profit and Vigil's family receives 60 percent. After 30 years, Vigil has an option to take over 100 percent of the operation, he says.

He hopes the hotel will be just the beginning of a vital business community in Dulce.

Right now, 78 percent of the income generated in the community is spent in Farmington, off the reserve, 91 miles away.

Average annual Jicarilla family income, including wages and dividends from petroleum royalties, approaches $25,000. So Vigil and tribal leaders contend, if a few other private businesses could be developed to keep that money in the community, the effort could snowball, creating a healthy private sector on the reservation.

The motel mainly caters to business clients of the tribe, as well as wealthy vacationers looking for a peaceful, rural retreat.

His operation is breaking even right now, and with 10 percent more volume Vigil hopes to generate this year through promoting recreation, it could stand as a testament to perseverance in the difficult quest for corporate success in tribal America.

PENN STATE HEART

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. CLINGER. Mr. Speaker, I rise today to commend the physicians at the Hershey Medical Center, which is the hospital facility of Penn State University in my congressional district, for developing and for the first time, implanting a new type of temporary artificial heart.

The "Penn State heart," as it is commonly known, is similar to the commonly used Jarvik-7 artificial heart, however, the differences are designed to significantly reduce the chance of blood clots and strokes in the recipient, a dangerous risk in previous artificial heart patients. Dr. William S. Pierce and Dr. John L. Pennock designed the Penn State heart to be used for only 1 or 2 weeks during which the patient would, ideally, be given a chance to regain strength before undergoing a heart transplant.

Mr. Speaker, the success of the revolutionary Penn State heart is a testament to the dedication of Drs. Pierce and Pennock

and a source of pride for Penn State University and the 23d district—I salute them in their historical achievement.

IKE'S TWIN PILLARS OF STRENGTH

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. DORGAN of North Dakota. Mr. Speaker, during the recent debate on 5 year deficit reduction packages we heard some long-winded promises, too many of which were short on common sense.

I believe that we have failed here in Congress to face some hard facts about deficits and defense. One is that you cannot combine the largest defense buildup in peacetime and simultaneously make the biggest tax cut in our history and still keep the budget balanced. If we need to make a bigger investment in defense for our national security, then we should also pay the defense tab.

But the White House has pretended that we can have it both ways: Big spending for defense with a tax cut for good measure. That's the main reason why the country is now saddled with $200 billion deficits and a $2 trillion national debt.

We have also forgotten that a strong economy must stand beside a strong defense as the twin pillars of our national security. President Eisenhower understood this and we would do well to remember his advice.

I recently read an article by Dr. Robert H. Johnson, who has served both Republican and Democratic Presidents on the National Security Council and the Policy Planning Council, which lays out clearly and concisely these and other arguments about the strength of America. I commend his timely and wise article to my colleagues.

[From the Christian Science Monitor, Nov. 5, 1985]

REAGAN AND THE DECLINE OF AMERICAN POWER

(By Robert H. Johnson)

As Congress continues to look at various elements of the defense budget—and the operation of the Pentagon—it ought to reflect on a fundamental irony at the heart of the Reagan administration's national security strategy: Though the administration came to office determined to reverse the deterioration of American power and to reassert American global primacy, its policies are more likely to accelerate the American decline.

President Reagan believed that American power had suffered because of a failure to sustain American military strength and to respond decisively to the Soviet threat. But the sources of decline are—as most analysts have long recognized—much deeper, being rooted in a variety of changes that have produced a broader diffusion of global power.

The Nixon, Ford, and Carter administrations tried seriously to accommodate to this reality while preserving and enhancing the remaining substantial margin of American influence. That required a reassessment of the American role in the world, ideological flexibility, and the skillful use of diplomacy.

The Reagan administration has rejected the idea that the diffusion of power represents a fundamental change in the international landscape and has relied almost exclusively upon the buildup of U.S. military power to reverse it. Diplomacy has been little valued and the administration has demonstrated little aptitude for it. It has lacked the ideological adaptability and top-level direction to play the complex game of international politics attempted by its predecessors.

Reagan's approach to defense spending is based, in important part, on the notion that the sheer magnitude of the defense budget counts most in the power equation. Our decline is seen as growing out of our failure to match Soviet military spending. In reality, the US and its allies have always spent more than the Soviets and their allies. More important, the administration does not seem to recognize that the very international and domestic constraints that have made it cautious about actually using military force have broader negative implications for the US capacity to translate the Reagan buildup into increased power.

The buildup has also produced proportionately little power because much of it has gone into pay increases, research and development, and modernization of strategic nuclear forces which cannot, by their nature, be transformed into international influence.

More fundamental, the size of the program, in combination with the unwillingness of the administration to raise taxes, is likely to produce serious economic difficulties that will strike at the very base of American power. Defense and tax policies have played a major role in creating the massive budget deficits, overpriced dollar, and record-breaking trade imbalances that make the American economy so fragile.

Although prediction is difficult, some likely effects of these economic imbalances on American power are reasonably clear. While the imminent transformation of the US into the world's largest debtor is not going to make America into another Mexico, it will reduce the US ability to play a leading role in the global economy, making US economic progress and welfare more the hostage of the interests and actions of others.

Since much of our borrowing is not increasing US non-military productive capacity, the need to service the debt and to reduce the trade gap will make us poorer. (Annual service on overseas debt could be upward of $100 billion by 1990 at present rates of growth.) In this situation our capacity to finance foreign aid, NATO troop deployments, and other overseas activities will be severely constrained.

The effects of our debtor status upon US domestic politics could include a neo-nationalist tendency, ever-increasing protectionism, and pressures to monetize the US debt through inflationary policies. Concessions to such pressures will reduce the capacity of the US for constructive international influence.

Recent action to drive down the dollar, if not accompanied by fundamental changes on defense spending, tax policy, and developing-country debt, is unlikely to forestall a major global economic adjustment that could include such elements as a worldwide economic contraction, detonation of the "debt bomb," and a large rise in US inflation. Such developments could be devastating for American power.

We need to return to President Eisenhower's recognition that national security must rest upon the twin pillars of a strong defense and a strong economy and that too much emphasis upon the first can undermine the second.

THE SANDINISTAS AND CHRISTIANITY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1985

Mr. LaFALCE. Mr. Speaker, our improvement of American policy toward Nicaragua depends on our familiarity with balanced information about conditions in that country. As a source of such information, I commend to my colleagues an article by Karen M. Franz which appeared in the Rochester Courier-Journal of October 31.

Ms. Franz' article reports on a recent lecture at St. John Fisher College by Humberto Belli, a former supporter of the Sandinista Front. Mr. Belli eventually became disenchanted with the Sandinistas and wrote a book entitled "Nicaragua: Christians Under Fire." Mr. Belli does not endorse the anti-Sandinista Contras, but he describes the conflict he sees between Sandinism and Christianity. His well-informed views deserve our attention.

The article follows:

[From the Rochester (NY) Courier-Journal, Oct. 31, 1985]

FORMER SANDINISTA SAYS PARTY MISLEADS NICARAGUAN VISITORS

(By Karen M. Franz)

Humberto Belli, author of the book "Nicaragua: Christians Under Fire," explains that he was for many years a member of the Sandinista Party and, therefore, knows whereof he speaks.

Nicaragua under the Sandinistas is not a utopia, he claims. The Sandinistas are communists, and they intend to create a communist state in which there are no religions, no freedoms. But, he adds because of the religious character of the Nicaraguan populace, the Sandinistas are moving slowly toward communism, progressing cautiously to consolidate their power.

Many who visit Nicaragua for a few weeks come back with the impression that all would be well in Nicaragua if it were not for the intervention of the United States. Those visitors are being misled, Belli told a small audience at St. John Fisher College last Thursday evening.

"There is a clear pattern of commitment to Marxist-Leninist ideals in the documents of the Sandinistas since the 1960s," he said. "You will listen very often to people who have been in Nicaragua for one, two or three weeks, who do not even speak the language or understand the culture. They come back as experts on Nicaragua. I have been in this country for three years, and I still don't think I understand American politics," he said.

Most of the American groups that go to Nicaragua are hosted by CEPAD, an evangelical Protestant group Belli claimed is really a propaganda tool of the Sandinista government. The political pilgrims, he said,

return to this country prepared to convince the public of the wonders of the revolution.

"These people want to find out what they want to find out," he said, "and they find it because they are blind to anything else." Belli noted that it is easy for Americans to speak glowingly of conditions in Nicaragua because they will not have to live with the consequences. "I wish all the ones who go to Nicaragua and say it's great would stay there and never leave," he said.

Belli conceded, however, that the Sandinistas might have good intentions. But he said, "I think Stalin might have had good intentions of establishing a new world justice. Anyone who opposes the Sandinistas is the enemy and should be crushed. That's the danger with totalitarianistic ideologies. They are so messianic. Hitler probably wanted a wonderful Germany, too, but he was a fanatic."

A onetime editorial writer for Nicaragua's opposition newspaper *La Prensa*, Belli holds a law degree from the University of Madrid and a master's degree in sociology from the University of Pennsylvania. He had become involved with the Sandinistas in 1966 and was acquainted with several of the men who assumed power after the Sandinistas took control of the liberal coalition that overthrew Anastasio Somoza.

For 10 years, Belli sympathized with and aided the efforts of the Sandinistas. After a "personal encounter with Jesus Christ" in 1975, he lost faith in the communist ideology of the party. "Now I see things differently. The presence of Jesus Christ has convinced me that Marxism is not the answer—that you can't just change the economic structure, you have to change people's hearts," he said.

But this is not the case, he said, and events in Nicaragua cannot properly be understood unless people realize that the Sandinistas have an "ideological script or hidden agenda" that is not in keeping with the democratic principles they often claim.

"Who are the Sandinistas?" he asked the audience. "The implicit interpretation that is so widespread is that the Sandinistas are people who have basic democratic ideals," he said, adding that many believe the Sandinistas will follow a policy of nonalignment if they are not pressured by the United States.

Bellie's primary topic in the lecture was what he termed the Sandinistas' subtle repression of the Church in Nicaragua. Eighty percent of the Nicaraguan populace is Roman Catholic, he noted, and the remaining 20 percent is divided among various Protestant denominations. He said that the Sandinistas are moving slowly toward their goal of eliminating religion because they have a shrewd understanding of their country.

"The Sandinistas knew that Nicaragua was one of the very religious countries," he said. "It was their strategy not to antagonize the Church too soon after the revolution. They could not openly disclose their Marxist-Leninist nature because they would alienate their supporters."

Belli noted that when asked if he is a communist, Sandinista President Daniel Ortega answered, "I am an Sandinista." That, Belli noted, was not a denial of Ortega's communist leanings, because communism is an inherent principle of Sandinism. "You cannot be a Sandinista without being a Marxist-Leninist."

Similarly, Belli said, Ortega claims to support religious freedom and points to four priests in the Sandinista government as proof. Belli claims, however, that the priests do not demonstrate Sandinistan religious freedom, but instead indicate the creation of a new state religion.

Rather than challenging religion directly, the Sandinistas have set about to change the signs and beliefs of Christianity to correspond with communism, Belli said, citing an official Sandinista document he secretly obtained. The document, issued shortly before the first Christmas following the revolution of 1979, urged regional party officials not to discourage celebration of the religious holiday but to use the event to reorient children to a new meaning of Christmas, one that was fundamentally political.

The document advised that it would be foolish only five months after the revolution to challenge a tradition nearly 2,000 years old. Instead, the government printed thousands of posters showing the Christ child surrounded by armed militia men, depicting the "Birth of the new man of the revolution," Belli said.

The Sandinistas' attempt to convert Christianity to a Marxist-Leninist state religion is aided, he claimed, by the efforts of a group of "minority Christians" who espouse liberation theology, an interpretation of the gospels which is currently popular in Latin America. This theology praises Marxist revolution as the way to liberate people and to create a new world justice.

The Sandinistas, Belli said, have embraced the liberation theologists, giving them access to the government-controlled media and funds for Cursillo activities and retreats.

These liberation theologists teach that in order to be a true Christian, you must be a Sandinista, Belli claimed. He showed slides taken from his book to illustrate the ways in which he believes Christianity is being manipulated to promote support of the Sandinista government. In one example, a pamphlet Belli said was published by a promarxist Jesuit organization, the figure of Christ crucified is superimposed on a larger drawing of an armed guerilla fighter. In another, a drawing of a cross is combined with a hammer and sickle.

Thus, the pro-Sandinista clergy teach that the path to "salvation is not fighting against sin for holiness, but fighting against the system," Belli said. The Sandinista Party has become the new messiah, he asserts. The kingdoms of God and Nicaragua under the Sandinistas are treated as synonomous.

According to Belli, Father Ernesto Cardenal, Sandinistan minister of culture, furthers this idea with the statement: "You cannot encounter man and you cannot encounter God unless you embrace Marx." The belief that Christ came to liberate humanity is taken literally—a liberation from worldly chains, not the chains of sin, Belli said. He explained that the message of Sandinistan Christianity is that if Christ were to be reincarnated in Nicaragua today He would be a guerilla fighter, and Ronald Reagan would be Pontius Pilate.

"Instead of denying Jesus Christ, the new strategy is to change Him, to change what He means, which is a subtle way of denying Him," Belli said.

The Sandinistas also claim that there are two churches in Nicaragua: the "church of the poor," which supports the government, and the "church of the rich," which opposes it. Ironically, Belli explains, the poor of Nicaragua hold to the so-called church of the rich, while the intellectual and economic elite support the "church of the poor." Belli noted that both Fathers Cardenal and Miguel D'Escoto, Sandinistan minister of foreign affairs, come from Nicaragua's upper class. Liberation theology is supported, he said, by the "theological jet set."

Belli explained that the Sandinista government has gone to great lengths to discredit or silence churchmen—including Nicaraguan Cardinal Miguel Obando y Bravo—who oppose their policies, and in one instance, confiscated the printing press of one parish so that it could not publish a parish bulletin.

Belli urged the audience to "work inside your churches so that people become aware of the other side of what is going on in Nicaragua." He cited in particular the merit of writing to the editors of newspapers.

Belli conceded, however, that there is little hope of constraining the Sandinistas, short of another revolution. And despite all the evidence he presented to demonstrate Sandinista repression, he said he was not sure that life would be any better for Nicaraguans if the U.S.-supported contra forces were to gain control. The result of a contra takeover, he acknowledged, might well be a right-wing totalitarian regime even more repressive than that of the Sandinistas.

SENATE—*Friday, November 8, 1985*

(Legislative day of Monday, November 4, 1985)

The Senate met at 10 a.m. on the expiration of the recess, and was called to order by Hon. MACK MATTINGLY, a Senator from the State of Georgia.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 8, 1985.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MACK MATTINGLY, a Senator from the State of Georgia, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. MATTINGLY thereupon assumed the chair as Acting President pro tempore.

ADJOURNMENT UNTIL TUESDAY, NOVEMBER 12, 1985

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will stand in adjournment until Tuesday, November 12, 1985, at 8:45 a.m.

Thereupon, at 10 o'clock and 20 seconds a.m., the Senate adjourned until Tuesday, November 12, 1985, at 8:45 a.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

HOUSE OF REPRESENTATIVES— *Friday, November 8, 1985*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. RANGEL].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 7, 1985.

I hereby designate the Honorable CHARLES B. RANGEL to act as Speaker pro tempore on Friday, November 8, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

Rev. Henry L. Reinewald, pastor, United Church of Christ, Covington, OH, offered the following prayer:

Our Father and our God, we invoke Your grace and blessing upon this session of the House of Representatives of the United States of America. Bless each Congressman with the fulness of Your Holy Spirit. Lord God Almighty may the labors of this day by the Congress of the United States of America prove to be a blessing to our land and its people. We pray Lord, Your holy blessing upon our land and its people. By Your grace let us ever be the land of the free and the home of the brave. Help us, Lord, as a nation to work with all nations to bring peace and justice in our world.

We pray Almighty God, in Your holy name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 207. Concurrent resolution to recognize the 20th anniversary of the Higher Education Act of 1965 and reaffirm its purpose.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3036) "An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 19, 68, 71, 97, and 98 to the above-entitled bill.

The message also announced that the Senate recedes from its amendment numbered 3 to the above-entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1570) "An act to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that act to volunteers, and for other purposes."

The message also announced that the Senate insists upon its amendments to the amendments of the House to the amendments of the Senate numbered 1 and 2 to the joint resolution (H.J. Res. 372) "Joint resolution increasing the statutory limit on the public debt," disagreed to by the House, and agree to a further conference asked by the House on the disagreeing votes of two Houses thereon, and appoints Mr. PACKWOOD, Mr. DOMENICI, Mr. ROTH, Mr. DANFORTH, Mr. ARMSTRONG, Mr. GRAMM, Mr. RUDMAN, Mr. LONG, Mr. BENTSEN, Mr. CHILES, Mr. LEVIN, Mr. BOREN, and Mr. HOLLINGS to be the conferees on the part of the Senate.

REV. HENRY L. REINEWALD, PASTOR, UNITED CHURCH OF CHRIST, COVINGTON, OH

(Mr. DEWINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEWINE. Mr. Speaker, our guest chaplain today is the Reverend Henry L. Reinewald, pastor of the United Church of Christ in Covington, OH.

Reverend Reinewald is a graduate of Wagner Lutheran College in Staten Island, NY, where he received a B.A. degree in 1951. In 1955, he was awarded the degree of master of divinity by the New Brunswick Theological Seminary in New Brunswick, NJ, and that same year was ordained into the ministry by the Reverend Classis of New York Reformed Church of America.

He has served churches in New York, Michigan, and Indiana, and now in Ohio. Reverend Reinewald also serves as supreme chaplain of the Military Order of the Cootie, and this weekend will join some 3,000 other Veterans of Foreign Wars in their annual visit to the Tomb of the Unknown Soldier.

Reverend Reinewald is joined in his visit to the U.S. House of Representatives by his wife, Berna Mae. Mr. Speaker, I am honored to welcome the Reinewalds.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3038, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES, APPROPRIATION ACT, 1986

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 3038) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled joint resolutions on Thursday, November 7, 1985:

S.J. Res. 29. Joint resolution designating the week of November 11 through November 17, 1985, as "National Reye's Syndrome Week";

S.J. Res. 51. Joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week"; and

S.J. Res. 130. Joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week."

SPEECH CONTEST FOR SEVENTH AND EIGHTH GRADERS

The SPEAKER pro tempore. Under a previous order of the House, the gen-

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tleman from Illinois [Mr. LIPINSKI] is recognized for 15 minutes.

Mr. LIPINSKI. Mr. Speaker, on October 28, I conducted an essay/speech contest in my district for seventh- and eighth-grade students. Over 750 youngsters participated; our judges selected 15 in each grade to be presented orally. I was so impressed with these speeches, titled "What America Means To Me," that I would like to share the first-place speeches in each age group with my colleagues. I would also like to place the second- and third-place speeches of each age group in the CONGRESSIONAL RECORD.

Mr. Speaker, the first-place winner in seventh grade is from Epiphany Grammar School in the city of Chicago. His name is Osvaldo A. Rubio.

WHAT AMERICA MEANS TO ME

When I first heard of this contest I wondered if I could express my feelings in five hundred words or more I also wondered if I could express my feelings correctly. I entered the contest and when I put that pen in my hand, I listened to my heart and mind and wrote the following thoughts.

America to me is primarily "the land of opportunity." I have other opinions on what America is, but this one is more prominent than the others. The reason for this particular belief is because of my father's early experience in America.

In 1966 my dad decided to come to America because he had heard that it was "the land of opportunity." Dad trudged the whole family to Chicago, Illinois, America. It was a big "risk" he was taking. He left everything he had in hope of a better life. There were many dangers in this "venture". He had heard of Chicago gangsters, and there was the language barrier. If he didn't find a job, he would have to go back to Mexico penniless. But this was America and he found a job. He worked continuously, bought his own home, and put his children through school. He worked until he became self-employed. At that time his daughter became a teacher, two of his sons had good jobs and got married, his other son was studying to become a priest and the youngest was in elementary school. My father tells me this story and says "I owe my life to this great country, this 'land of opportunity'!"

My other opinion is that democracy is at its best in America. Other countries claim to have a democracy and in some ways they do. But only in America is democracy practiced the best. In America you can do anything you want, become anything you want, or purchase anything you can afford.

The main word in the past sentences is you, which expresses the tremendous democracy we have. Other countries that have different forms of government say that America is too liberal with its people. Well, this is the way democracy works in America. America allows its people to do what they want as long as it is within the law. If you go to any of those other countries, to ask the people how they feel about the way they are being governed (which the country will usually not let you do) the overall opinion will be dissatisfaction. Most Americans can say they are satisfied about the way democracy works for them.

Another opinion I have is that America is a melting pot. Nowhere else on the face of the earth will you see so many different races living so harmoniously. Take a ride in any city in America and you will see races from all over the earth. There is an American store, next to a Mexican restaurant, next to a Japanese electronics store, next to an Italian shoe store. Or go down a residential street and listen to the children's playful voices or hear the neighbors' relaxing conversations. It is good to have different races about you. You can learn something different from each one, for example, I have black, white, Mexican, Polish, Italian, and Vietnamese friends. It is these people and many more who actually make up America.

America in another sense means strength It also means strength to other countries. During World War I America joined the allies and they won. In World War II, again America joined the allies and they were victorious.

Countries on the verge of financial disaster rely on America for help. Countries in personal disaster like Africa or Mexico are helped by America. Not only is America known as a financial and powerful country, but also as a peacemaker. For example, the United Nations, with Secretary General Dag Hammarskjold intervened in the Suez dispute and stopped a possible war. Anytime two or more countries are in dispute, America tries to help.

America is also known as a world leader in the field of new technology, ideas, or inventions. Whether it was with the invention of the automobile, the development of the Sabin vaccine or the making of the computer, America is a leader in practically all fields of products in the world. America also first developed many of the conveniences we have today.

America has also revolutionized modern warfare with the introduction of the atomic bomb and space weapons. No matter what the field of endeavor, America is a leader.

I would like to say that I know people who are desperate to come to this country. Many times they are forced by poverty and other reasons to come to this country illegally. Others come in small boats across dangerous waters and sometimes they never see America. Their hopes go down with the boat. Sometimes when I visit another country people ask me, "Where do you come from?" and I respond, "America". "From America!" They say excitedly "I would give anything to be in America". "Why do you want to go to America?" I inquire. "We have heard that it is a wonderful and plentiful land," they answer. I respond, "I guess you are right. It is a wonderful land and I am glad I live there."

I look at these people and I see all the people in the world who wish they were in America. Down deep in my heart I wish that there was another America but there isn't, there's only one.

My heart and mind have told me that this is America and my hand has made sure that I have expressed my feelings correctly. From opportunity to democracy, I believe that is America's real backbone. America isn't just power and money as many foreign people believe. In this essay I hope to have cleared up some of these rumors. I may not be able to read this to other countries, but even in America some people don't know what America is. Even up to now I didn't know exactly what America is. I feel a sense of knowledge and pride in my expressions, I hope you do too.—OSVALDO RUBIO.

□ 1010

Mr. Speaker, that concludes this essay, and, as I say, that was the first-place essay in our seventh-grade contest.

Now we will go on to the essay that took first place in our eighth-grade contest:

Dear George (or should I call you Mr. Washington?): I bet you're wondering how everything around here turned out. Well, it's just great.

As you know, it all started about 500 years ago, in the year 1492. Christopher Columbus discovered what he called "The New World". Which was later renamed "America".

Indians were living there until through dealing and dueling, our forefathers won the land.

In time, we grew from colonies and towns to cities and states, and into a single great country with millions of people.

Here we get the right to vote. We can work and pray as we please. Each one of us gets his chance to grow and improve like America did.

This nation to me is really grand. It has people who care and people who help. There are many schools in which you can learn and jobs where you can work. No matter what nationality, color or creed, we all live together peacefully.

Thanks to the Declaration of Independence that you signed, we now are independent and free.

We now have factories and machines to make life easier for us. We make things here in half the time. And our technology is super.

Another good thing about America besides independence, liberty and happiness is that we hardly ever fight. We did have a few major wars but only to preserve our country or its ideals. We work well with other countries. You may find it hard to believe George, but in these days we even get along with Great Britain.

We now have a Statue of Liberty. It's a beautiful monument that welcomes strangers and tells them we are a friendly and free nation. We are so friendly that this monument was actually a gift.

It is a statue of a woman holding a lighted torch that was given to us by France. It stands on Liberty Island located in New York Harbor.

The beautiful statue is a popular tourist sight and makes Americans proud to have it as a sign of freedom and opportunity.

Well, Mr. Washington, I bet you're wondering what I think of America. So I'll tell you.

I think that America is a splendid place to live. It is peaceful, free, and independent, thanks to you and many others.

I enjoy living here and meeting such friendly people each day. We care about and help each other with any problems we may have. This, more than anything keeps our country strong.

Sometimes things may get out of hand and need to be stopped. Things like fighting and killing. But at least this country has courts, judges, policemen and lawyers to solve these problems.

We are not a totally perfect nation yet, but certainly one of the best.

Being in politics, George, one of the most interesting developments, I can tell you about is that now-a-days women can vote, that's how truly equal we have become.

To me America is the land of everyone's dream.

Well, Mr. President, I've got to sign off now. And I truly hope you get to read this

letter someday. After all, you are the father of this country, and we kids have a knack for making our fathers proud.

Sincerely yours,

SHANON LUSZCZEWSKI.

Mr. Speaker, the other essays to which I referred are as follows:

"WHAT AMERICA MEANS TO ME"

(By Joanne Pastores Boy)

Compared to all the major countries and smaller nations in the world today, America is the most unique combination of ideals, customs, cultures, and most of all, peoples.

America is a giant melting-pot, as many of you have already heard some time in your life. It's a place where people can escape the problems and tragedies of their distant and troubled homelands. Here, people can find the freedom they have longed for all their lives, for in such nations like Russia and Poland, people are sometimes restrained from doing even the normal everyday activities, which we take for granted. It is here that people from all walks of life come to worship God, and participate in the religion of their choice. As I said before, America offers freedom to all those, no matter who you are, who truly want it. In the United States you are free to conduct yourself anyway you please, as long as what you do doesn't harm or endanger anyone else's freedom. Most Americans use their freedom to honor America and all the graces she has bestowed upon us.

America is a land of pride and devotion. Many Americans devote their lives to the service of our country. Young men and women enlist each year to serve and defend our country as members of our armed forces; the Navy, the Army, the Marines, and the Air Corps. We have holidays devoted to the men and women who gave their lives for the honor and freedom of the United States of America. These heroes and heroines are the backbone of our illustrious nation, of which we are proud. These people are from our recent history, but there are others. The names of these people go back as far as the beginning of our nation. Some of these historical names are the names of the founders, presidents, political figures, and most of all the American people. Some of these names include George Washington, Thomas Jefferson, or even Abraham Lincoln. These are not only the names of men long-gone, but the names of the men who founded, freed, and most of all set the marker of achievement, pride, and excellence each American should strive for, because of the fact that you are an American.

America is a land of diversity and contradictions. People in the United States believe in different ways of life, religion, and political views. Different people have different views. We in America have this right and privilege. We do things in America that contradict the beliefs of our own society. We differ in fashion, generations, music, and in many, many more areas, but generally we have one thing in common, the belief in the strength of the United States.

America is a nation of love and concern. The United States has been involved in all types of missions of mercy and love. Many Americans have participated in bringing aid to starving nations, undernourished children, and poor underdeveloped countries. America has been associated with the words aid, concern, and help for many years, and probably will be for many more years.

I have explained what America means to me. America is freedom, pride, devotion, people, diversity, contradiction, love, and concern. America is that and more. Its meaning is beyond words. America is a part of all of us and we are a part of it. "She is our friend and we are Hers." America's arms will always be open to all those in need.

WHAT AMERICA MEANS TO ME

(By Natalie Pietura)

To really explain what America means to me, to give my innermost feelings, is the purpose of my essay.

I am foreign parents born in a foreign country. As long as I can remember my parents spoke of coming to America. That was their dream and it became mine. Finally the day came and we arrived.

The beauty of its shores, the forests, huge mountains, the farms, the meadows just takes my breath away.

No more must we fear a police state—no more do we have to explain where we go—or why.

This America is a our dream to be able to vote as we see fit for whoever is the candidate. To go to church and worship God in our own private way.

I am able to speak freely. In America I can enjoy visiting other states besides my own without special passes or visas. I have no fear of moving about freely. I can write to whomever I please without fear of censorship I can read any book as well as read any newspapers.

Perhaps some Americans can take what America offers for granted but for me this land of the free is paradise for me. I can't wait until I become a full fledged American citizen so that I too can say "I am an American."

The many opportunities that America offers to all people is something to behold. We read of people who although poor became people of means, the many races of people that are here and people of all countries, all living in this land. It is no wonder that America is known as the "melting pot."

A person can travel short distances and experience many tradition of many ethnic people. The beauty of all this, is that they all get along.

"Freedom"! What a beautiful word but oh so lighty taken. We must always be on the alert that this shall not be taken away from us by enemies either within or without.

The Constitution was written many years ago and its spelled out this freedom.

America the champion of many nations—always willing to lend a hand to any oppressed nation.

We are a republic; governed by people we elect. America is "Hollywood" to many people of other nations.

Just look around you and see the rich resources of America. The rich farm lauds which produce wheat, oats, corn, barley, and other staples—the factories, the many universities—the large ranches; all of this takes ones breath away. America means riches to me, not riches in the sense of money but riches in it's determination to be the best.

In all America is the land of "Oz" to me a fairyland of fairy tales, a God fearing nation who tries the most for all of its people. America to me, is sugar and spice and everything nice.

Whenever I hear the Preamble and see the Flag I rise with pride. When I hear the "Star Spangled Banner" or "God Bless America" I'm thrilled and I thank my God for letting me be here. This is my America!

WHAT AMERICA MEANS TO ME

(By Douglas W. Ingersoll)

America is known as the land of the free and also known as the land of opportunity. That saying is famous around the world. But, that is not what America means to me. What America really means to me is a land where troubled people can go for love and support. To make it easier to understand, America is sort of like our mother who loves and cares for us. America is very dear to me because it is the land that I came to for love and support.

Before I came to America, I lived in an orphanage in Seoul, Korea. Soon, a loving family adopted me. When I arrived in my new home it was quite scary. To me it was a strange land to be in and I had to learn to cope with the new environment. My mother and father did all they could to help me get along easier in the new world. I learned to speak a new language, eat new foods, go to school and learn the history of the United States.

When I first learned about the equal rights of all men, I knew this country was going to be the place for me. I asked my teacher what equal rights meant. She said, that equal rights means the chance to do whatever anybody wishes. I still didn't quite know what the words meant, but I knew it had to mean something good.

Soon, I was going to be an American citizen and I was very nervous. All I could think of was becoming one of the people who had freedom. The happiest day of my life was October 21, 1982, when I saw the papers that said I was now a true American citizen.

A kid like me is pretty lucky to have a loving family and a land that I love. My parents soon found out I had muscular dystrophy. Mom and dad were pretty upset, but that wouldn't stop me from going ahead with my life. I have a whole future ahead of me in this great land, and the disease in my legs isn't going to stop me.

So, today I am proud to be an American Citizen and I alway will be proud of who I am. Also, I will try to make this great land of ours a place for all people of all races to come and live. I will always love and be thankful to the Statue of Liberty, the American Flag and the United States for all the loving, caring and inspiration it has given to me.

Besides a land of freedom and a land of opportunity, America is a lot more than most people think. I know that this land of the free will welcome people with open arms and will always give liberty to all mankind. The United States, or better known as America is a great place to live. This is what America has done for me and what it means to me.

WHAT AMERICA MEANS TO ME

(By Jim Jannece)

Being an American means many things to me. It means a ball game on a hot, summer day when you're eating a hot dog. It means turkey on Thanksgiving Day while watching a football game. The United States means so much to me that I would give life for it.

Now, in the 1980's, a renewal of patriotism is sweeping across our great land. Movies such as "Rambo" and "Red Dawn" have only added to the wave of patriotism. Also, who would have thought during the Vietnam War that the number one selling album in 1985 would be Bruce Springsteen's "Born in the USA"? Who also would have become a person to sing the song "Born in

the USA" would be a cult song among today's terms? An American flag within sight of any Vietnam protester would be burned and spit on about fifteen years ago. So why is this happening? I don't know, but I'm sure glad that it is happening.

Back in the 1930's, before World War II, the US was a nation at ease with itself. The growing threats of Hitler and the Japanese were only considered minor problems. But then on Dec. 7, 1941, America was thrust into the war. Young men lined up around the block to be recruited into the military. Morality in the USA reached its peak after Japan surrendered. Later, in the late 1960's, morality reached an all-time low. When the USA pulled out of Vietnam in 1975, the US remained in a short of limbo for five years. In 1980 the Iranians took control of the US Embassy in Teheran and the Soviets invaded Afghanistan. The US a nation ready and waiting for something to explode about. Then, a simple little hockey game in Lake Placid, New York during the 1980 Winter Olympics began to change the morale. The young, upstart U.S. Olympic hockey team pulled one of the biggest upsets in sports history by defeating the powerful, once-invincible Soviet team 4-3. Although I was only eight years old, I'll never forget that moment as long as I live. I remember it like it was yesterday. After the game, a crowd of 9,975 made noise that could have been heard at the Canadian border 45 miles away. You didn't have to be a hockey fan to enjoy the game—but only a proud American. When the final score was announced at a college basketball game in Ohio, the crowd, of which many had never seen a hockey game stood up and chanted U.S.A., U.S.A! A doctor in Atlanta came up with a drink named after the U.S.A. goalie, Jim Craig. He called it "The Craig Cocktail". He said it contained everything but the Vodka.

Ever since that moment, national morale has been on the upswing. People are once again proud to say that they are Americans.

What I've stated in this essay is not even one-fourth of what America means to me. I couldn't possibly name them all.

□ 1020

VETERANS DAY: REMEMBERING OUR PAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 30 minutes.

Mr. SKELTON. Mr. Speaker, on the 11th hour of the 11th day of the 11th month in the year 1918, the guns on the western front finally fell silent, bringing to an end more than 4 years of war. The cost was staggering. More than 15 million had died, many in the muddy trenches that came to symbolize the agony of that conflict. Most people who had lived through the war prayed that such a massive and bitter conflict could never take place again.

When I was 9 years old, I was in the fifth grade. It was 44 years ago today. I remember as if it were yesterday. My father, who was considered the best orator in the country, took me out of school and drove me to Odessa so I could hear him deliver the Armistice Day address to the high school assembly. I remember sitting there in the audience and hearing him tell about the World War of which he was a veteran and how it was fought by his generation of American young men to preserve our freedom.

I remember him speaking about freedom and liberty and the importance of keeping them alive in our country. I also remember him telling that student body that there might come a time when freedom would have to be defended again and that there were those in the audience who might well have to fight to preserve it.

Less than a month later, his prophecy came true. Just 26 days after his speech, December 7, 1941—that date that lives in infamy—the attack on Pearl Harbor brought World War II upon us.

If the idealistic hope had been realized for World War I to have been "the war to end all wars," November 11 might still be called Armistice Day; but the war that engulfed the world from 1939 to 1945 shattered the dream.

In 1954, Congress passed, and President Eisenhower signed, a bill specifying that Armistice Day would thereafter be known as Veterans Day. As we observe the holiday, it often has the face of strife, of suffering and bloodshed, of terror, of destruction and mutilation, and of death; but, and we should not forget this, it is really a day of peace. It should also be a day of hope and remembrance when we honor those Americans who gave their lives in the ongoing struggle for freedom. It is also a day of respect and appreciation for those 30 million of our veterans who survived, to whom we owe the blessings of liberty. While the initial promise for Armistice Day proved faulty, the idealism behind the aspiration must not be forsaken.

Of all God's creatures, only man has a sense of history. It is this gift which allows us to gather here today and to look back.

First, it is important to remember that it has been the youngest and the best who have borne in disproportionate measure the responsibilities incumbent on a great nation. More than 600,000 of our countrymen have paid freedom's supreme sacrifice in the four wars we have fought this century.

Second, it is important to underscore that every generation of Americans has owed a debt to the past and that every generation that comes after us will, in turn, inherit that debt. Veterans know best the price of peace and freedom we enjoy today. Those who have made the ultimate sacrifice, or put their lives on the line for their country, reflect the fact that democracy is not a gift, but a constant challenge.

Finally, there is one supremely important task we must do. We must teach our children and every future generation to value the freedoms we enjoy and the pride of being an American. We must instill in them a strong sense of duty, honor, and conviction toward our country. We must ensure that they continue to recognize and honor the great sacrifices made by previous generations of Americans—Americans who gave their lives so that we could live free from tyranny and oppression.

It was the Irish writer, John Curran, who wrote: "The condition upon which God hath given liberty to man is eternal vigilance; which condition if he break, servitude is at once the consequence of his crime and the punishment of his guilt."

There are reminders of those who paid the price of that eternal vigilance. I have seen the superstructure of the U.S.S. *Arizona*—the ship which lies on the bottom of Pearl Harbor, the tomb of hundreds of American sailors. I have seen the ruins of Corregidor where the soldiers, sailors, and marines under Gen. Jonathan Wainwright defended the small island fortress against overwhelming odds.

This past March, I visited the American cemetery at Hamm, Belgium, where Gen. George S. Patton, Jr., is buried. This is not far from Bastogne, the scene of much bloodied fighting in December 1944, remembered to history as the Battle of the Bulge. Though there was snow on the ground, I walked among the crosses denoting each grave, looking for those from our State of Missouri. As I did so, I remembered some young men from my hometown, several years older than I, who did not return from World War II. I also recall three of my schoolmates who never returned from Korea. They were gone, never to enjoy what I did, never again to experience friendship, never again to know a warm embrace, never to work to make their young aspirations and ambitions come true, never to return. As I left that Belgian cemetery, it was the resolve not to forget them or my friends or my schoolmates who had given their lives at another time, at another place.

These scenes of yesterday's sacrifices still speak to us and call down to this generation. What is being done to preserve that freedom? In answer, I can say that I have seen the young people today committed to maintain our way of life. I have seen it in the determined eyes of the sailors as they climbed aboard a submarine at Norfolk. I have watched Missouri National Guardsmen skillfully building a road in Panama. I have seen the pride of marine recruits as they graduate from boot camp at Parris Island. I have watched the enthusiasm of the troops, the airborne troops at Fort Benning.

Today we live in an unsettled world. As a nation, we are on guard all over the globe, still searching for what we

thought we had won permanently in 1918—everlasting freedom and peace and justice. We had become the great world leader, the bastion of freedom. People from other countries are attracted to our shores. Thus, the responsibility placed upon us as a Nation and as a people continues to be great. We are still the last and best hope for people who revere liberty on this Earth.

This is a heavy responsibility. It requires us to assist our friends and allies. It causes us to work hard to set the example for peace-loving people everywhere.

Peace has its victories, no less than wars, but to maintain the peace we must remain vigilant and remember; for if we remember the greatness of yesteryear and we are inspired by heroic deeds of days gone by, we not only will have received the torch of freedom from those who have gone before, but we will have held it high.

Of our living veterans, we can say they willingly bore the burden of defense; they kept freedom's lonely vigil and were the guardians of the Nation's values, yet became neither oppressor nor oppressed.

Of our dead, we can say as Lincoln did in his Gettysburg Address: "It is rather for us to be here dedicated to the great task remaining before us—that from those honored dead we take increased devotion to that cause for which they gave the last full measure of devotion."

Today we voice again the gratitude of liberty to all who have suffered to protect that liberty.

In that address to the Odessa High School assembly on November 11, 1941, I also remember my father concluding his talk with a poem that came out of World War I. Those poetic words still speak to us today with the same message as when it was first written in 1918, as when it was recited in 1941, and as it is heard today:

In Flanders Fields the poppies blow; Between the crosses, row on row,
That mark our place; and in the sky the larks still bravely singing fly,
Scarce heard amid the guns below. We are the dead, short days ago, we
Lived, Felt dawn, saw sunset glow; Loved, and were loved; And now,
We lie in Flanders Fields. Take up our quarrel with the foe, To you,
from failing hands, we throw the torch; Be yours to hold it high,
If ye break faith with us (who die) We shall not sleep, tho'
Poppies grow In Flanders Fields.

AMENDMENT TO HOUSE JOINT RESOLUTION 441

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. FOLEY] is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, pursuant to House Resolution 312 I am submitting for the RECORD the amendment which I intend to offer to House Joint Resolution 441, the resolution making further continuing appropriations for the fiscal year 1986:

At the end of the joint resolution add the following new section:

SEC. 2. Such joint resolution is further amended by adding the following new section:

SEC. 107. In order to achieve the necessary savings in appropriated accounts, in conjunction with savings in reconciliation and other legislative measures, which would reduce the estimated deficit to the $161,000,000,000 maximum deficit amount for the fiscal year 1986 as specified in the Balanced Budget and Emergency Deficit Control Act of 1985 as adopted by the House of Representatives on November 1, 1985, all amounts, except as otherwise specified hereafter, provided by this joint resolution shall be reduced by 3.8 percent: *Provided*, That programs and activities listed in sections 253, 254(o), and 255(l) of such Act as passed by the House of Representatives on November 1, 1985, shall be exempt from reduction under this section: *Provided further*, That reductions for programs listed in sections 254(g), (i), (j), (l), (m), and (n) of the Balanced Budget and Emergency Deficit Control Act of 1985 as passed the House of Representatives on November 1, 1985, shall be made in accordance with the provisions of section 254 assuming a uniform budget authority sequestration of 3.8 percent: *Provided further*, That programs, projects, and activities reduced pursuant to this section shall be reduced in a uniform and proportional manner as provided in the Balanced Budget and Emergency Deficit Control Act of 1985 as passed the House of Representatives on November 1, 1985: *Provided further*, That no program, project, or activity shall be terminated pursuant to this section.

CONFERENCE REPORT ON H.R. 3038

Mr. BOLAND submitted the following conference report and statement on the bill (H.R. 3038) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes:

CONFERENCE REPORT (H. REPT. 99-363)

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3038) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 6, 8, 11, 14, 15, 19, 21, 26, 27, 28, 29, 31, 36, 37, 39, 40, 45, 47, 48, 51, 53, 56, 57, 58, 59, 62, 64, 65, 67, 73, 75, 85, and 93.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 13, 22, 23, 24, 25, 32, 34, 44, 49, 52, 60, 77, 78, 80, 81, 82, 86, 87, 89, and 90, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$838,803,547;* and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$922,500,000;* and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$851,225,000;* and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *:Provided further, That up to 20 per centum of the $978,900,000 provided herein for assistance in financing the development or acquisition cost of public housing shall be made available for major reconstruction of obsolete public housing projects;* and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$587,831,000;* and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$36,000,000;* and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$14,615,442;* and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum named, insert: *$5,000,000;* and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$4,000,000;* and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$46,000,000*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,500*; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,397,900,000*; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,352,205,000*; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$72,500,000*; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,450,000*; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum named, insert *$9,000,000*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$55,550,000*; and the Senate agree to the same.

Amendment numbered 76:

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided, That, notwithstanding the provisions of 31 U.S.C. 6701-6724, payments to local governments from this appropriation shall not exceed $4,185,000,000 and this appropriation is hereby reduced by $381,700,000 through a reduction in the payment for the final quarter of the entitlement beginning October 1, 1985 and ending September 30, 1986*; and the Senate agree to the same.

Amendment numbered 79:

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$9,255,694,000*; and the Senate agree to the same.

Amendment numbered 83:

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided, That in the Veterans Administration not to exceed 53 full-time equivalent employment shall be available for the Office of Planning and Program Evaluation*; and the Senate agree to the same.

Amendment numbered 84:

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$507,360,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 3, 10, 12, 16, 17, 20, 43, 46, 54, 55, 63, 66, 68, 88, 91, 92, and 94.

EDWARD P. BOLAND,
BOB TRAXLER,
LOUIS STOKES,
LINDY BOGGS,
MARTIN OLAV SABO
(except amendments Nos. 25 and 76),
BILL BONER,
JAMIE WHITTEN,
BILL GREEN,
LAWRENCE COUGHLIN,
JERRY LEWIS,
SILVIO O. CONTE,
Managers on the Part of the House.

JAKE GARN,
LOWELL P. WEICKER, Jr.,
PAUL LAXALT,
ALFONSE M. D'AMATO
(except amendment No. 53),
JAMES ABDNOR,
PETE V. DOMENICI,
MARK O. HATFIELD,
PATRICK J. LEAHY
(except amendment No. 46),
JOHN STENNIS,
J. BENNETT JOHNSTON,
FRANK R. LAUTENBERG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference of the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3038) making appropriations for the Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendment No. 1: Appropriates $838,803,547 in annual contract authority for annual contributions for assisted housing, instead of $756,897,547 as proposed by the House and $872,191,547 as proposed by the Senate.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $9,965,607,781 in budget authority for annual contributions for assisted housing, instead of $9,200,902,781 as proposed by the House and $8,108,355,781 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conferees expect the Department and the Office of Management and Budget to adhere to the 1986 program detailed in the following table. The Department is expected to continue to utilize the regular reprogramming procedure if any changes are required to the agreed upon program contained in the table.

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1986—GROSS RESERVATIONS

	Units	Cost	Contract authority	Term	Budget authority
Carryover	NA	NA	$86,491,114	NA	$909,286,719
Rescission of recaptures	NA	NA	−33,611,000	NA	−859,000,000
New authority used in 1986	NA	NA	838,803,547	NA	9,965,607,781
Total available	NA		891,683,661		10,015,894,500
Public housing:					
New construction	5,000	$6,526	32,630,000	30	978,900,000
Indian housing	2,000	5,850	11,700,000	28	327,600,000
Amendments	NA	NA	10,344,828	29	300,000,000
Lease adjustments	NA	NA	19,200,000	1	19,200,000
Modernization	NA	NA	75,000,000	20	1,500,000,000
Subtotal, public housing	7,000		148,874,828		3,125,700,000
Sec. 8:					
Sec. 202:					
Sec. 202	12,000	7,000	84,000,000	20	1,680,000,000

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1986—GROSS RESERVATIONS—Continued

	Units	Cost	Contract authority	Term	Budget authority
Sec 202 amendments	NA	NA	13,000,000	20	260,000,000
Subtotal, sec 202	12,000		97,000,000		1,940,000,000
Housing vouchers:					
Free-standing and rental rehabilitation	36,000	3,858	138,888,000	5	694,440,000
Sec 8 opt outs	1,000	3,856	3,858,000	5	19,290,000
Public housing demolitions	2,500	3,858	9,645,000	5	48,225,000
Voucher PHA fees	NA	452	17,854,000	5	89,270,000
Subtotal, vouchers	39,500		170,245,000		851,225,000
Existing/Mod. rehab:					
Existing	32,000	5,142	164,544,000	15	2,468,160,000
Moderate rehab	10,000	6,150	61,500,000	15	922,500,000
Subtotal	42,000		226,044,000		3,390,660,000
Existing—Project-based:					
Loan management	5,000	3,625	18,125,000	5	90,625,000
Property disposition	5,000	4,875	24,375,000	15	365,625,000
Subtotal	10,000		42,500,000		456,250,000
Conversions—Sec. 23	1,000	3,385	3,385,000	15	50,775,000
Amendments:					
New/rehabilitated	NA	NA	26,000,000	6	145,000,000
Existing housing	NA	NA	100,000,000	5	500,000,000
Loan management	NA	NA	105,245,833	5	205,284,500
Moderate rehab	NA	NA	4,000,000	10	40,000,000
Property disposition	NA	NA	2,000,000	10	20,000,000
Subtotal, amendments	NA	NA	237,254,833		910,284,500
Subtotal, sec. 8	104,500	NA	776,419,833		7,599,194,500
Total, public housing and sec. 8	111,500	NA	925,294,661		10,724,894,500
Sec 17 development		NA	NA		75,000,000
Sec 17 rehabilitation	NA	NA	NA		75,000,000
Rescission of recaptures			-33,611,000		-859,000,000
Total	NA	NA	891,683,661		10,015,894,500

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer to recede and concur in the amendment of the Senate with an amendment as follows: *$1,306,500,000 shall be for assistance in financing the development or acquisition cost of public housing, of which $327,600,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 4: Earmarks $1,500,000,000 in budget authority for long-term debt financing of public housing modernization as proposed by the Senate, instead of $735,295,000 in budget authority as an appropriation for public housing modernization as proposed by the House.

The conferees strongly reaffirm previous committee and conference directives to the Internal Revenue Service to promptly clarify the tax status of all public housing debt instruments.

Amendment No. 5: Deletes language proposed by the Senate earmarking $50,000,000 of modernization funds for the purpose of assisting public housing agencies to reduce the hazards of lead-based paint in public housing.

The conferees have deleted this language without prejudice. The Committee of Confernce has been advised of a growing concern over the serious potential health risk represented by lead-based painted housing occupied by young children. When this paint is improperly maintained and allowed to blister or peel, it represents a major hazard if ingested by children. In view of this ongoing, serious health risk, the conferees direct the Department and, through the Department, the public housing authorities, to immediately identify resources to address the removal of lead-based paint. The conferees note that substantial federal assistance is annually appropriated for the maintenance of public housing units and strongly suggests that those funds should be put to use *now* to prevent the exposure of children to lead-based paint. The conferees further direct that the Department report to the Committees on Appropriations by March 30, 1986 on the level of funds that have been allocated to address this problem at the local level.

Amendment No. 6: Earmarks $2,468,160,000 in budget authority for the section 8 existing housing program as proposed by the House, instead of $2,056,800,000 as proposed by the Senate.

Amendment No. 7: Earmarks $922,500,000 in budget authority for the section 8 moderate rehabilitation program, instead of $1,286,100,000 as proposed by the House and $428,700,000 as proposed by the Senate.

Amendment No. 8: Restores language proposed by the House and stricken by the Senate earmarking $75,000,000 in new budget authority as an appropriation for rental rehabilitation grants and $75,000,000 in new budget authority as an appropriation for housing development grants.

Amendment No. 9: Earmarks $851,225,000 in budget authority for the housing voucher program, instead of $672,177,500 as proposed by the House and $937,642,500 as proposed by the Senate.

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: , *for use, notwithstanding the limitations in section 8(o)(1) of such Act that the Secretary conduct a demonstration, and in section 8(o)(4) of such Act that the Secretary use substantially all authority in connection with certain programs, in connection with the rental rehabilitation program under Section 17 of such Act and for any other purposes as determined by the Secretary*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 11: Deletes language proposed by the Senate limiting section 8 existing contracts to not more than 10 years.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate exempting authority previously provided for the section 235 homeownership assistance program, rental rehabilitation grants and housing development grants from the merger and recapture provisions carried in this paragraph.

Amendment No. 13: Deletes word proposed by the House and stricken by the Senate clarifying the amounts available for obligation not subject to certain allocation of funds provisions.

Amendment No. 14: Deletes language proposed by the Senate earmarking up to $100,000,000 in recaptured budget authority as an appropriation for rental rehabilitation grants and up to $50,000,000 in recaptured budget authority as an appropriation for housing development grants.

Amendment No. 15: Deletes language proposed by the Senate further defining which authorities recaptured in 1986 shall be rescinded.

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate specifically excepting recaptured authorities for the section 235 homeownership assistance program, rental rehabilitation grants and housing development grants from rescission in fiscal year 1986.

Amendment No. 17: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *section 6(b) of the United States Housing Act of 1937 is repealed.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 18: Restores language proposed by the House and stricken by the Senate providing that up to 20 percent of the $990,000,000 provided for public housing development shall be available for major reconstruction of obsolete public housing projects, amended to earmark 20 percent of $978,900,000.

Amendment No. 19: Appropriates $1,210,600,000 for payments for operation of low-income housing projects as proposed by the House, instead of $1,240,600,000 as proposed by the Senate.

Amendment No 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing for the carryover of any operating subsidy funds in excess of established performance funding system requirements.

Amendment No. 21: Deletes language proposed by the Senate earmarking $30,000,000 of operating subsidy funds for increases in the costs of insurance premiums.

While the Committee of Conference has deleted the specific earmarking for cost of insurance premiums, it recognizes that many public housing authorities that have recently renewed property and casualty insurance policies have confronted premium increases averaging 400 percent. In that connection, the conferees expect that the Department should assess the extent and nature of the rapidly escalating insurance cost of housing authorities and explore a long-term solution to this serious problem. Clearly, the increasing insurance premiums highlight an underlying concern over the adequacy of the performance funding system mechanism to fully and fairly reflect the actual cost of operating public housing. Therefore, the conferees direct that HUD review the existing formula and make the needed adjustments to update PFS to accurately reflect the true costs of operating public housing.

Amendment No. 22: Appropriates $3,500,000 for housing counseling assistance as proposed by the Senate, instead of $4,000,000 as proposed by the House. Amendment numbered 94 reduces the appropriation by $38,500 to $3,461,500.

Amendment No. 23: Establishes the 1986 limitation on Federal Housing Administration mortgage and loan insurance commitments at $60,000,000,000 as proposed by the Senate, instead of $50,900,000,000 as proposed by the House.

Amendment No. 24: Establishes the 1986 limitation on nonprofit sponsor assistance direct loans at $1,000,000 as proposed by the Senate, instead of $500,000 as proposed by the House.

Amendment No. 25: Deletes language proposed by the House and stricken by the Senate appropriating $20,000,000 for the solar energy and energy conservation bank. Extremely tight overall budget constraints and the bill have forced the conferees to eliminate funding for the solar bank in 1986. The conferees understand that between $5,000,000 as $7,000,000 will be available from recaptures and other funds in 1986 and direct that HUD allocate all such funds on the normal annual schedule using a performance based distribution.

Amendment No. 26: Appropriates $3,124,800,000 for community development grants as proposed by the House, instead of $3,024,800,000 as proposed by the Senate. The Committee of Conference is in agreement that $60,500,000 shall be available for the Secretary's Discretionary Fund.

Amendment No. 27: Appropriates $330,000,000 for urban development action grants as proposed by the House, instead of $352,000,000 as proposed by the Senate.

Amendment No. 28: Deletes language proposed by the Senate appropriating $2,000,000 for a neighborhood development demonstration.

Amendment No. 29: Appropriates $16,900,000 for research and technology as proposed by the House, instead of $18,900,000 as proposed by the Senate.

Amendment No. 30: Appropriates $587,831,000 for salaries and expenses, instead of $592,831,000 as proposed by the House and $586,686,000 as proposed by the Senate.

The Committee of Conference is in agreement with the following reductions from the House recommendations:

−$3,000,000 of the $11,300,000 increase for additional staff years to maintain staffing for recommended program levels.

−$2,000,000 of the $5,100,000 increase to be distributed at HUD's discretion for additional staff years to begin rebuilding the public housing development program and public housing staff training.

Amendment No. 31: Transfers $251,404,000 from the various funds of the Federal Housing Administration as proposed by the House, instead of $254,366,000 as proposed by the Senate.

Amendment No. 32: Deletes language proposed by the House and stricken by the Senate limiting the Office of Public Affairs to 16 permanent positions and 18 staff years. The House language has been deleted because it is too restrictive. However, the conferees expect staffing reductions in this office to be accomplished through attrition.

TITLE II—INDEPENDENT AGENCIES

Consumer Product Safety Commission

Amendment No. 33: Appropriates $36,000,000 for salaries and expenses, instead of $37,000,000 as proposed by the House and $34,900,000 as proposed by the Senate. The conferees agree that $1,000,000 of the additional funds provided to CPSC shall be used to support the study on cigarette fire safety, with $70,000 available for travel expenses related to meetings of the technical study group. If additional resources are required in 1986 to complete the cigarette fire safety study, the conferees expect the Administration to make such funds available from the budgets of other participating Federal agencies. Finally, the conferees agree on the following additions to the budget request: +$250,000 and 2 FTE for indoor air pollution; +$100,000 for chain saw safety; and +$75,000 for laboratory equipment replacement.

Amendment No. 34: Deletes language proposed by the House and stricken by the Senate earmarking $1,000,000 for activities authorized by the Cigarette Safety Act of 1984. As indicated above, the Committee of Conference directs that $1,000,000 be devoted to completion of this study.

Department of Defense—Civil

Cemeterial Expenses, Army

Amendment No 35: Appropriates $14,615,442 for salaries and expenses, instead of $7,759,000 as proposed by the House and $14,778,000 as proposed by the Senate.

Environmental Protection Agency

Amendment No. 36: Appropriates $690,176,000 for salaries and expenses as proposed by the House, instead of $688,376,000 as proposed by the Senate. Amendment numbered 94 reduces this appropriation by $6,000,000 to $684,176,000.

The conferees agree on the following changes from the budget request:

−$6,000,000 as a general reduction to be allocated at the discretion of the Administrator,

+$6,000,000 and 100 FTE for RCRA regulations, permitting and enforcement,

+$4,500,000 and 75 FTE for hazardous air pollutants. The conferees have not included funds for the air program epidemiological and extrapolation studies described in the Senate report because they understand that these activities are already being performed by the Agency. The Committee of Conference directs that a portion of these additional funds be used for regulatory development of all the hazardous air pollutants that the Administrator states his intent to list in fiscal year 1986. The conferees also direct the Agency to use a portion of these funds for the pre-regulatory evaluations needed to meet the Agency's program objectives for listing of hazardous air pollutants in future years.

+$3,000,000 and 60 FTE for enforcement activities. The conferees direct that a portion of these funds be used by the Agency to insure that high priority expired NPDES permits are reissued. They direct the Agency in its program plan to describe the priority setting method it has used to determine which permits will reissued.

+$2,260,000 for intramural research equipment and support costs,

+$1,500,000 and 30 FTE for NSPS reviews. The conferees expect these funds to be used so that work on the remaining new source performance standards will begin in 1986,

+$1,500,000 for the national emissions data system to support acid rain data collection and analysis, and

+$1,000,000 and 20 FTE for contracting and financial management.

The conferees understand that the budget request provides sufficient resources to support headquarters review of advanced wastewater treatment projects over $3,000,000 in cost. Evaluation of State and regional AT reviews should continue, with special emphasis on the trial delegation of reviews to regions IV, V and VI.

Amendment No. 37: Appropriates $223,400,000 for research and development as proposed by the House, instead of $218,750,000 as proposed by the Senate. The conferees agree on the following changes from the budget request:

−$9,000,000 reduction from acid rain research, including work funded by other agencies,

−$5,500,000 general reduction, to be applied at the Administrator's discretion to areas other than those augmented,

+$5,000,000 for the limestone injection multistage burner (LIMB) demonstration,

+$4,000,000 for grants and centers,

+$3,000,000 for air toxics total exposure assessment studies,

+$3,500,000 for indoor air pollution, including $1,500,000 for radon,

+$3,000,000 for hazardous waste and groundwater research,

+$2,500,000 for the hazardous waste management center,

+$1,400,000 for Great Lakes research to maintain the 1985 program level of $2,300,000. The Conferees direct that $300,000 of these funds be used in concert with the program office to begin biochemis-

try and engineering studies at the highest priority Class A areas of concern identified by the International Joint Commission.

+$1,100,000 for exposure validation models,

+$1,000,000 for the American Water Works Research Foundation, as the final Federal payment,

+$750,000 for research to support hazardous air pollutant regulations. The funds are included to cover the costs under this account of the NESHAP pre-regulatory activities described in amendment numbered 36.

+$250,000 for a health effects study of the Kanawha Valley in West Virginia.

The Committee of Conference has not funded the other NSPS and pesticide activities described in the Senate report. Finally, the conferees direct that EPA make no final decision or take no action on terminating the non-ionizing radiation health effects research program before January 1, 1986.

Amendment No. 38: Restores language proposed by the House and stricken by the Senate amended to earmark $5,000,000 for a full scale demonstration of limestone injection multistage burner (LIMB) technology in a tangentially fired boiler on an equal cost sharing basis with the electric power industry, instead of $6,000,000 as proposed by the House.

The conferees view this demonstration as a high priority, given its potential for cost effectively reducing power plant emissions related to acid rain. The conferees are fully aware that this $5,000,000 will cover only about one-half the Federal cost of demonstrating this technology in a 200 megawatt boiler. At the same time, however, the conferees are aware that the Department of Energy may be undertaking related technology demonstrations under the "clean coal initiatives." Because of the similarity in the technologies and the potential for overlap, the conferees believe the closest coordination is required between EPA LIMB activities and any demonstrations under a clean coal initiatives program. In hearings on the 1987 budget, EPA should provide a progress report on the coordination of relevant technical, management and funding issues.

Amendment No. 39: Deletes provisions proposed by the Senate earmarking $1,000,000 for a study of lead and other fuel additives in gasoline engines in agricultural equipment and prohibiting the use of funds to modify the regulations on gasoline lead content made final on March 7, 1985 (50 FR 9386) or to provide exemptions for users or classes of users from such regulations. Both the House and Senate reports call for this study on the effects of changes in leaded fuel regulations on farm equipment. The conferees understand that EPA plans to conduct this study and agree that up to $1,000,000 of abatement, control, and compliance funds may be reprogrammed for this purpose.

The conferees are supportive of EPA's efforts to better understand and analyze the effects of environmental pollutants on the aging process, as demonstrated by the agency's recent conference on toxicity and aging. Of particular concern is how environmental pollutants contribute to chronic impairments and illnesses. In light of recent reports by the Office of Technology Assessment on the need for better environmental analysis and assessment related to aging, the conferees urge EPA to continue its efforts in this area working with its quality assurance support laboratory and in consultation with appropriate public health agencies.

Amendment No. 40: Appropriates $577,600,000 for abatement, control, and compliance as proposed by the House, instead of $572,600,000 as proposed by the Senate. The conferees are in agreement on the following changes from the budget request:

+$50,000,000 for the school asbestos abatement program.

+$5,000,000 for additional hazardous air pollution and NSPS activities. These funds will provide the abatement, control, and compliance costs of the NESHAP and NSPS regulatory work funded in amendment numbered 36.

+$5,000,000 for air toxics State grants,

+$5,000,000 for clean lakes,

+$4,750,000 for hazardous waste innovative State grants. The conferees direct that these funds be used to support innovative hazardous waste activities and approaches sponsored directly by local, State, regional and interstate governments.

+$4,000,000 for water quality State grants,

+$2,350,000 for the Rural Water Association,

+$2,000,000 for comprehensive estuarine management,

+$2,000,000 for academic training,

+$2,000,000 for wastewater treatment operator training. The conferees strongly support this activity and understand that the current level of effort can be maintained using carryover funds and this addition.

Amendment No. 41: Limits funds available for administrative expenses for the school asbestos abatement program to $4,000,000, instead of $5,000,000 as proposed by the House and $2,500,000 as proposed by the Senate. The conferees direct that $500,000 of these funds be used for asbestos air monitoring studies as specified in the House report. The bill includes requirements for Federally funded school absestos abatement projects to be conducted by trained, certified individuals. The conferees strongly support EPA's efforts to encourage State certification and training programs and urge the Agency to expand its absestos information and training program from three to six centers.

Amendment No. 42: Makes available $46,000,000 for school asbestos abatement loans and grants, instead of $45,000,000 as proposed by the House and $47,500,000 as proposed by Senate.

Amendment No. 43: Reported in technical disagreement. The managers in the part of the House will offer a motion to recede and concur in the amendment of the Senate substituting the word "persons" for the word "contractors" as proposed by the House.

Amendment No. 44: Deletes the words "by employees" proposed by the House and stricken by the Senate.

Amendment No. 45: Deletes provision proposed by the Senate earmarking $300,000 of safe drinking water State grants for the purchase of essential equipment by State agencies. The conferees understand that some States are experiencing a critical shortage of complex equipment needed to enforce the drinking water standards. They urge the Agency to be flexible in addressing these concerns.

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

PAYMENT TO THE HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

For payment, as repayable advances to the Hazardous Substance Response Trust Fund, when specifically authorized by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, such borrowed funds as may be necessary to carry out the purposes of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), $900,000,000, to be derived from the Hazardous Substance Response Trust Fund, to remain available until expended: Provided, That funds appropriated under this account may be allocated to other Federal agencies in accordance with section 111(a) of Public Law 96-510: Provided further, That for performance of specific activities in accordance with section 104(i) of Public Law 96-510, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, $21,000,000 shall be made available to the Department of Health and Human Services, to be derived by transfer from the Hazardous Substance Response Trust Fund, of which no less than $5,125,000 shall be available for toxicological testing of hazardous substances. For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, not to exceed $90,000,000 shall be available for administrative expenses.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are in agreement that $900,000,000 be appropriated for the Hazardous Substance Response Trust Fund (Superfund) program for 1986. The House deferred all action on Superfund and the Senate amendment appropriated $1,200,000,000. This appropriation has been provided in advance of reauthorizing legislation because of the Conferee's concern that additional Superfund obligational authority be available immediately upon enactment of new legislation. The Superfund program has suffered from disruptions related to the lapse in authorization and the conferees wanted to avoid further possible delays in waiting for a supplemental appropriations Act. The conferees want to make clear, however, that except for approximately $60,000,000 of prior tax receipts, cost recoveries and interest due to the trust fund, the $900,000,000 appropriation cannot be obligated until taxing authority is enacted.

The conferees have agreed to the $900,000,000 level based on the Superfund program's ability to effectively use funds in 1986, given this year's unique circumstances. The delays in reauthorization have led to a "slowdown" of work at many sites, hiring has been frozen, and several months of the fall construction season have been lost. The $900,000,000 level does not in any manner suggest appropriate funding levels for future years. Once reauthorization is in place and the program's momentum regained, the conferees expect to provide funds to meet program needs that can be effectively absorbed in 1987 and beyond. Within the $900,000,000 provided, the conferees direct that an additional 100 workyears be provided to be evenly divided be-

tween enforcement and program management activities. These additional FTE should assist EPA in building its management capacity, integrating the requirements of new legislation, and setting the stage for an expanded and more effecitve Superfund program.

The administrative expense ceiling has also been increased by $90,000,000. This limitation increase will avoid possible furloughs or reductions-in-force of EPA staff or terminations of Superfund contracts, pending reauthorization in the near future. This level will also support all necessary administrative expenses for the $900,000,000 1986 program level, once legislation is enacted. The Senate proviso has also been included earmarking $21,000,000 for transfer to the Department of Health and Human Services, of which $5,125,000 is intended for toxicological testing.

The conferees have also adopted, with technical corrections, the Senate's provision on the payment to the hazardous substance response trust fund. This language provides appropriation authority for repayable advances to be made from the general fund to the hazardous substance response trust fund after specific authority is enacted in legislation. Once new Superfund taxes are imposed, there may be a several month lag before receipts are actually deposited in the hazardous substance response trust fund. Repayable advances will allow temporary borrowing from the Treasury, so that site cleanup work is not delayed. The conferees emphasize, however, that such repayable advances may not be made until specific authority is enacted.

EXECUTIVE OFFICE OF THE PRESIDENT

Amendment No. 47: Deletes language proposed by the Senate raising the travel ceiling for the Council on Environmental Quality to $16,000.

Amendment No. 48: Appropriates $700,000 for the Council on Environmental Quality as proposed by the House, instead of $732,000 as proposed by the Senate.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Amendment No. 49: Appropriates $120,000,000 for disaster relief as proposed by the Senate, instead of $194,000,000 as proposed by the House. Amendment numbered 94 reduces the appropriation by $20,000,000 to $100,000,000. The conferees agree to this reduction due to an increase of approximately $125,000,000 above the anticipated unobligated balance carried forward from fiscal year 1985. Expeditious consideration in a subsequent appropriations bill will be given should additional sums be necessary.

Amendment No. 50: Establishes the limitation on official reception and representation expenses at $1,500, instead of $1,000 as proposed by the House and $2,000 as proposed by the Senate.

Amendment No. 51: Appropriates $118,746,000 for salaries and expenses as proposed by the House, instead of $122,000,000 as proposed by the Senate. Amendment numbered 94 reduces the appropriation by $4,000,000 to $114,746,000. The conferees agreement includes funding for six positions to administer the emergency food and shelter program.

Amendment No. 52: Deletes language proposed by the House and stricken by the Senate establishing total and quarterly limitations on salary funds, limiting funds for headquarter management and administration activities, and listing the number of full-time equivalent employment by office. The Committee of Conference is aware of the Agency management's record of inadequate controls of funds and staff. In deleting the aforementioned provisions, the conferees agree that the Agency should not depart from the following limitations without the approval of the Committees on Appropriations:

a limitation of $92,545,000 on obligations for personnel compensation and benefits object classifications, including $24,001,000 for the first quarter and $22,848,000 for each of the three remaining quarters.

a limitation of $30,650,000 for headquarters management and administration activities.

a limitation on full-time equivalent employment of not less than 42 for the Office of Inspector General, and not more than 8 in the Office of the Director, 19 in the Office of General Counsel, 2 in Special Programs, 5 in the Executive Administrator's Office, 9 in the Office of Public Affairs, 6 in the Office of Congressional Relations, 6 in the Office of International Affairs, 5 in the Office of Equal Opportunity, 12 in the Office of Security, 32 in the Office of Acquisition Management, 43 in the Office of Personnel, 76 in the Office of the Comptroller, 8 in the Office of Program Analysis and Evaluation, 61 in the Office of Administration, 65 in Automatic Data Processing and 7 in the Office of Regional Operations.

The conferees are aware that some reductions in field employment may be necessary. The Agency is to consult with the Committees on Appropriations prior to any reductions in field employment.

Amendment No. 53: Appropriates $248,910,000 for emergency management planning and assistance as proposed by the House, instead of $271,182,000 as proposed by the Senate.

The Committee of Conference is in agreement with the following changes from the budget request:

+$6,700,000 for emergency management assistance grants.

+$3,800,000 for radiological defense grants to States.

+$5,852,000 for population protection.

+$4,000,000 for telecommunications and warning.

+$4,848,000 for civil defense training and education and training and fire programs. In receding to the House increase for civil defense training and education and training and fire programs, the conferees wish to make clear that the Agency has discretion as to how the funds are to be distributed and whether or not to establish a western training center.

−$8,652,000 as a general reduction to be applied at FEMA's discretion to civil defense, comprehensive emergency preparedness planning, Federal preparedness and training and fire programs, other than grants to States.

The Committee of Conference agrees that $1,000,000 of the national residential sprinkler program funds be used for retrofitting residential buildings. Of that amount, $500,000 is to be allocated to non-profit community based, national technical assistance, and housing development organizations with proven experience in arson prevention and housing development and $500,000 for projects to be directed at youth, elderly and handicapped (high-risk) populations.

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate concerning the determination of premium rates under the National Flood Insurance program for Winfield, Kansas.

The Committee of Conference is aware of certain rate and regulatory changes proposed for the National Flood Insurance program. The conferees direct that the premium rate changes for flood insurance under any program established pursuant to the National Flood Insurance Act not be increased above five percent during fiscal year 1986. The conferees further direct that proposed regulations, which would permit imposition of a ten-percent copayment when a claimant files more than two claims in a ten-year period not be issued during fiscal year 1986. The conferees approve the Federal Insurance Administration's decision to advise all policyholders in a community placed on probation that a $25 surcharge will be imposed three months later if the community has not come into compliance with flood plain management requirements.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

NATIONAL INSURANCE DEVELOPMENT FUND

For one-time payments from the National Insurance Development Fund to participating Federal Crime Insurance Program States, as authorized by section 1242 of the Urban Property Protection and Reinsurance Act of 1968 as amended, not to exceed $10,000,000. Eligibility for payment under this appropriation shall be contingent upon certification by a State that it shall develop, on an expeditious basis, an alternative mechanism for providing access to crime insurance to all current Federal Crime Insurance policyholders in that State who apply. Such certification shall be made not later than 30 days following the effective date of this paragraph. Payments to each State shall be determined by the proportionate share of this amount based on the number of policies in force in each State, as of July 31, 1985. The Administrator of the Federal Insurance Administration, Federal Emergency Management Agency, shall provide such funds no later than 60 days following the effective date of this paragraph. This paragraph shall become effective on January 1, 1986: Provided, That the provisions of this paragraph, and eligibility for payments hereunder, shall not become effective or shall cease to be effective during any period that the authority of the Federal Crime Insurance Program for issuance of insurance policies is effective.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees recognize that a temporary reauthorization of the federal crime insurance program presently exists until November 14 and that a full reauthorization may be enacted by the Congress. The conferees agree that a reauthorization would have primacy, and that the funds and provisions in the appropriations Act would take effect only if no reauthorization is enacted prior to January 1, 1986.

Amendment No. 56: Deletes language proposed by the Senate appropriating $5,000,000 for a transition to independence demonstration project.

Amendment No. 57: Restores language proposed by the House and stricken by the Senate providing the terms and conditions for distributing the emergency food and shelter funds only through the Federal Emergency Management Agency, instead of

through the Federal Emergency Management Agency and subsequently transitioning to the Department of Housing and Urban Development as proposed by the Senate.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Amendment No. 58: Appropriates $1,988,000 for the Office of Consumer Affairs as proposed by the House, instead of $2,028,000 as proposed by the Senate.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Amendment No. 59: Appropriates $2,756,800,000 for research and development as proposed by the House, instead of $2,775,800,000 as proposed by the Senate. The conferees agree that within this amount the following reductions are made from the budget request:

Space Station— −$25,000,000. The conferees have included a total of $205,000,000 for space station activities including $5,000,000 which is available only for automation and robotic activities. Specifically, the Committee of Conference directs that the $5,000,000 be used for delivery of a flight telerobotic system at the time of initial space station operational capability for a mobile remote manipulator for station assembly and maintenance and a smart front end on the orbital maneuvering vehicle for remote operations and servicing.

Solar Optical Telescope— −$25,000,000. The conferees agree that the agency may reallocate up to an additional $5,000,000 for solar optical telescope with the approval of the Committees on Appropriations.

Life Sciences— −$4,000,000.

Mars Observer— −$5,000,000.

Scatterometer— −$17,000,000.

Upper Atmospheric Research Satellite— −$10,000,000.

Advanced Communications Technology Satellite— −$5,000,000.

Commercial Programs— −$13,000,000.

The conferees agree that within the $41,100,000 requested for commercial programs the agency may, at its discretion, apply the reduction to the commercial use of space and the technology utilization subactivities.

Orbital Maneuvering Vehicle— −$15,000,000.

Space Transportation System—Capability Development— −$5,000,000.

General Reduction— −$1,000,000.

The Committee of Conference also agrees to "cap" the fiscal year 1986 amounts for a number of programs. In accordance with the agreement as outlined in a letter from NASA to the Committees dated August 9, 1984, these "caps", may not be lifted without the approval of the Committee on Appropriations.

Space Station—$205,000,000.

Upper Stages—$122,000,000.

Orbital Maneuvering Vehicle—$10,000,000.

Space Telescope—$127,800,000.

Solar Optical Telescope—$5,000,000 with an additional $5,000,000 available with the approval of the Committees on Appropriations.

Gamma Ray Observatory—$87,300,000.

Galileo—$39,700,000.

Scatterometer—$14,000,000.

Upper Atmospheric Research Satellite—$124,000,000.

Commercial Programs—$28,100,000.

Amendment No. 60: Deletes language proposed by the House "capping" space station expenditures in fiscal year 1986 at $200,000,000.

Amendment No. 61: Appropriates $3,397,900,000 for space flight, control and data communications instead of $3,402,900,000 as proposed by the House and $3,382,900,000 as proposed by the Senate. The conferees agree that the reduction from the budget request should be applied as follows:

1. −$107,000,000 from the repayment of the loan principal to the Federal Financial Bank for the tracking and data relay satellite system

2. −$5,000,000 as a general reduction to be applied at the discretion of the agency.

Amendment No. 62: Appropriates $139,300,000 for construction of facilities as proposed by the House instead of $141,300,000 as proposed by the Senate. The conferees agree that of the $10,000,000 reduction from the budget request the agency must apply such reduction to the $8,000,000 requested for construction of a spacecraft systems development innovation facility at the Goddard Space Flight Center, or the $8,900,000 requested for construction of a microdevices laboratory at the Jet Propulsion Laboratory, or an alternative discrete project of approximately the same funding level. The balance of the reduction may be applied at the agency's discretion.

The National Space Technology Laboratories (NSTL) was established more than 20 years ago to handle all of NASA heavy lift rocket engine acceptance testing in the foreseeable future. Therefore, the conferees prohibit the expenditure of any funds in this bill for modification of a test stand at Marshall Space Flight Center (MSFC) until the Administrator of NASA verifies to the Committees in both the House and the Senate that the modifications will, in no way, alter the role of NSTL as the only heavy lift liquid rocket engine test facility and, further, that these and other modifications at MSFC will never be for the purpose of acceptance testing at that facility.

Amendment No. 63: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *: Provided further, That the Administrator may authorize such facility lease or construction, if he determines, in consultation with the Committees on Appropriations, that deferral of such action until the enactment of the next appropriation Act would be inconsistent with the interest of the Nation in aeronautical and space activities*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that no amount appropriated pursuant to this or any other Act may be used for the lease or construction of a new contractor-funded facility for exclusive use and support of a contract or contracts with the National Aeronautics and Space Administration without the approval of the Committees on Appropriations.

Amendment No. 64: Appropriates $1,367,000,000 for research and program management as proposed by the House instead of $1,370,000,000 as proposed by the Senate. Amendment numbered 94 reduces the appropriation by an additional $5,000,000 to $1,362,000,000. The conferees urge that the reduction be taken in non-personnel compensation and benefits object classes and request that a report be submitted to the Committees on Appropriations by December 1, 1985 indicating how the offsetting reduction will be applied.

Amendment No. 65: Deletes language proposed by the Senate providing for continuation of a flat rate per diem system for employee travel of the National Aeronautics and Space Administration.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *: Provided further, That of funds provided for the National Aeronautics and Space Administration under this or any other account, $400,000 shall be available for the activities of the National Commission on Space, established by the National Aeronautics and Space Administration Authorization Act, 1985 (Public Law 98-361; 98 Stat. 422)*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 67: Deletes language proposed by the Senate extending the authority of the National Commission on Space from 12 months to 18 months.

Amendment No. 68: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing for the transfer of title of the Mississippi Technology Transfer center to the Government of the United States for operation by the Government of the United States.

NATIONAL SCIENCE FOUNDATION

Amendment No. 69: Appropriates $1,352,205,000 for research and related activities instead of $1,347,205,000 as proposed by the House and $1,361,000,000 as proposed by the Senate. The conferees agree that within the funds provided sufficient resources shall be made available to maintain the advance scientific computing program, the ocean drilling program, and research programs that enhance minority and women's participation at the fiscal year 1986 budget request. In addition, $5,000,000 has been included above the amount provided by the House for other activities selected at the agency's discretion, provided that such activities be submitted for approval of the Committees on Appropriations.

The conferees further agree that not to exceed $500,000 shall be made available for *programmatic support* for the International Institute for Applied Systems Analysis (IIASA). Any funding provided above that level must be made available through the normal peer review process. In that context, the conferees note that the competitive merit based peer review process is the primary means by which the NSF makes project award decisions. This approach helps maintain the health of this Nation's basic research enterprise by supporting the most promising fundamental research. The conferees reaffirm their support for this review process as the primary mechanism for selection of research and instrumentation proposals for large scale centers or facilities.

Amendment No. 70: Provides $72,500,000 for program development and management instead of $71,743,000 as proposed by the House and $73,000,000 as proposed by the Senate.

Amendment No. 71: Provides $3,450,000 for travel expenses of the National Science Foundation instead of $3,300,000 as proposed by the House $3,600,000 as proposed by the Senate.

Amendment No. 72: Restores matter inserted by the House and stricken by the Senate providing that not to exceed $8,000,000 shall be available for the very

long baseline array; amended to provide not to exceed $9,000,000.

The bill includes language providing for permanent authority to indemnify various entities associated with the ocean drilling program. The conferees understand that the authorization committees intend to review the necessity and effectiveness of the NSF indemnification policy. Therefore, the conferees agree that this language may be amended after consultation with the legislative committees to provide that such indemnification will be available only during fiscal year 1986.

Amendment No. 73: Appropriates $115,100,000 for the United States Antarctic Program activities as proposed by the House instead of $113,100,000 as proposed by the Senate.

Amendment No. 74: Appropriates $55,550,000 for science education activities instead of $60,550,000 as proposed by the House and $50,550,000 as proposed by the Senate. The conferees agree that no funds shall be made available for a congressional merit scholarship program.

NEIGHBORHOOD REINVESTMENT CORPORATION

Amendment No. 75: Appropriates $17,669,000 for payment to the Neighborhood Reinvestment Corporation as proposed by the House instead of $16,669,000 as proposed by the Senate.

DEPARTMENT OF THE TREASURY

Amendment No. 76: Restores language proposed by the House and stricken by the Senate reducing the $4,566,700,000 appropriation for general revenue sharing payments by $1,141,675,000 to $3,425,025,000 through elimination of the fourth quarter payment, amended to reduce the appropriation by $381,700,000 to $4,185,000,000 through a reduction in the fourth quarter payment.

Amendment No. 77: Appropriates $7,800,000 for the Office of Revenue Sharing, Salaries and Expenses, as proposed by the Senate instead of $8,000,000 as proposed by the House. Amendment numbered 94 reduces the appropriation by $85,800 to $7,714,200.

VETERANS ADMINISTRATION

Amendment No. 78: Appropriates $826,000,000 for readjustment benefits as proposed by the Senate, instead of $1,026,000,000 as proposed by the House.

Amendment No. 79: Appropriates $9,255,694,000 for medical care instead of $9,368,694,000 as proposed by the House and $9,162,694,000 as proposed by the Senate.

The conferees agree that the funding provided will support an average employment of 193,941 and direct the VA to immediately distribute the funds and personnel ceilings to the hospital directors. While the specific areas of reduction are to be taken at the discretion of the VA, the committee of conference is aware of a number of areas in which savings from the assumptions in the budget request are possible.

Areas of consideration in effecting savings include:

over $30,000,000 in funds carried forward for 1985

an estimated savings of $16,000,000 due to lower than anticipated employee health benefits costs

an estimated savings of $20,000,000 by postponing the upgrading of telephone equipment

savings realized from the implementation of a means test

savings resulting from a trend in lower average salary costs which began in 1985

The conferees agree with the concept of the Senate report establishing a separate activity for the purchase of advanced technology medical equipment in excess of $500,000. Up to $10,000,000 is provided for the pilot program. This is in addition to the existing equipment programs and is restricted to VA facilities where other non-federal sources commit to financing at least 50 percent of the acquisition costs.

The amount of funding is specifically intended to support 193,941 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTEE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common services FTEEs.

Amendment No. 80: Appropriates $191,370,000 for medical and prosthetic research as proposed by the Senate, instead of $195,840,000 as proposed by the House. Amendment numbered 94 reduces the appropriation by $2,105,070 to $189,264,930. The conferees agree that $1,500,000 of the $3,800,000 requested for the Agent Orange Study be conducted by the Centers for Disease Control is not required in 1986. The VA may use the potential savings to offset required reductions.

This amount of funding is specifically intended to support not more than 4,348 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTEE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common services FTEEs.

Amendment No. 81: Appropriates $57,119,000 for medical administration and miscellaneous operating expenses as proposed by the Senate, instead of $61,119,000 as proposed by the House. Amendment numbered 94 reduces the appropriation by $3,595,309 to $53,523,619.

This amount of funding is specifically intended to support not more than 753 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTEE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common services FTEEs.

Amendment No. 82: Appropriates $760,060,000 for general operating expenses as proposed by the Senate, instead of $760,547,000 as proposed by the House. Amendment numbered 94 reduces the appropriation by $23,195,660 to $736,864,340. The reduction in funding is to be applied at the discretion of the Veterans Administration to activities other than the Board of Contract Appeals and the Board of Veterans Appeals.

Amendment No. 83: Restores language proposed by the House and stricken by the Senate providing not to exceed 40 full-time equivalent employment for the Office of Planning and Program Evaluation, amended to limit employment to 53 FTEEs.

Amendment No. 84: Appropriates $507,360,000 for construction, major projects, instead of $516,160,000 as proposed by the House and $486,600,000 as proposed by the Senate.

The approved major construction projects are the same as carried in House Report 99-212, except for the clinical addition project at Philadelphia. The conference agreement reduces the increase for the Philadelphia project by $8,800,000 (the estimated cost of the parking garage) to $89,600,000. This amount, together with $17,700,000 appropriated in 1985 will provide for a total of $119,300,000. While the funding for the parking garage component of the overall project has been deleted, the conferees agree that the parking garage may be built providing it can be accomplished within the total available for the project.

The conferees direct the VA to proceed with the design of a 60-bed nursing home care unit at Wilkes-Barre and the research and education facility at White River Junction in 1986. It is anticipated that the funds for construction of both projects will be included in the fiscal year 1987 budget request for major construction.

Amendment No. 85: Appropriates $144,400,000 for construction, minor projects as proposed by the House, instead of $145,406,000 as proposed by the Senate. Amendment numbered 94 reduces the appropriation by $7,449,908 to $136,950,092.

Amendment No. 86: Appropriates $200,000,000 for the loan guaranty revolving fund as proposed by the Senate, instead of $235,000,000 as proposed by the House.

FEDERAL HOME LOAN BANK BOARD

Amendment No. 87: Establishes $26,877,000 as the limitation on administrative expenses of the Federal Home Loan Bank Board as proposed by the Senate, instead of $26,213,000 as proposed by the House.

Amendment No. 88: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate limiting funds available for State examiner training to $500,000 and funds available for official reception and representation expenses to $1,500.

Amendment No. 89: Deletes provisos proposed by the House and stricken by the Senate limiting funds available for official reception and representation expenses to $1,500 and requiring that not less than $500,000 shall be available for State examiner training.

Amendment No. 90: Establishes $1,440,000 as the limitation on administrative expenses of the Federal Savings and Loan Insurance Corporation as proposed by the Senate, instead of $1,404,000 as proposed by the House.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *to site-related travel under the Solid Waste Disposal Act as amended;*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees believe that the unpredictable demands and emergency nature of work at many RCRA facilities justifies the exclusion of such site-related travel from the statutory ceiling.

Amendment No. 92: Reported in technical disagreement. The managers on the part of

the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *: Provided further, That if appropriations in titles I and II exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates in the same proportion*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are in agreement that as appropriation add-ons are made for programs above the budget request, the corresponding travel ceilings shall be increased proportionally.

Amendment No. 93: Deletes language proposed by the Senate providing authority for up to two percent transfers among appropriation accounts in the Environmental Protection Agency's operating budget accounts. The conferees understand that funding constraints are most severe in EPA's intramural research program. This problem has been addressed specifically in amendment numbered 36, with an increase of $2,260,000 provided for intramural research equipment and support costs.

The conferees remain concerned that continuing budgeting constraints and reductions, especially in administrative accounts, may force agency managers to institute personnel actions involving furloughs or reductions-in-force. Generally, such actions result in greater program inefficiencies through loss of morale as well as added separation costs. Furthermore, shifts in program fund utilization to cover personnel costs to avoid such personnel impacts may also yield a less than optimal application of available budgeting resources.

The conferees therefore direct each agency to prepare revised financial plans, including object class analyses, for the utilization of the budgetary resources provided in this bill for fiscal year 1986. The Committees on Appropriations of the House of Representatives and the Senate expect prompt notification of any substantial administrative or programmatic problem which may require Congressional adjustment during the balance of this fiscal year.

While the conferees would prefer to provide some measure of flexibility to transfer budgeting resources between discretionary administrative and program accounts, such authority is Constitutionally impermissible if subject to statutory Congressional approval. Absent and authorized to be drawn from the Federal Treasury, following enactment of appropriating legislation, the conferees cannot view as advisable or appropriate such transfer authority.

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

SEC. 416. Notwithstanding any other provision of this Act, amounts otherwise provided by this Act for the following accounts and activities are reduced by the following amounts:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

"Congregate services", $29,700;

"Housing counseling assistance", $38,500;

"Federal housing administration fund (limitation on gross obligations for direct loans under section 230(a) of the National Housing Act, as amended)", $981,442;

COMMUNITY PLANNING AND DEVELOPMENT

"Community development grants (limitation on total commitments to guarantee loans)", $2,475,000;

"Urban homesteading", $132,000;

FAIR HOUSING AND EQUAL OPPORTUNITY

"Fair Housing assistance", $73,700;

INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

"Salaries and expenses", $120,494;

ENVIRONMENTAL PROTECTION AGENCY

"Salaries and expenses", $6,000,000;

EXECUTIVE OFFICE OF THE PRESIDENT

"Office of science and technology policy", $25,773;

FEDERAL EMERGENCY MANAGEMENT AGENCY

"Disaster relief", $20,000,000;

"Salaries and expenses", $4,000,000;

"National flood insurance fund (appropriation)", $1,021,372;

"National flood insurance fund (transfer to 'Salaries and expenses')", $96,360;

"National flood insurance fund (transfer to 'Emergency management planning and assistance')", $503,250;

"National flood insurance fund (earmark, of transfered funds, for expenses under section 1362 of the National Flood Insurance Act of 1968, as amended)", $52,558;

GENERAL SERVICES ADMINISTRATION

"Consumer information center (appropriation)", $13,739;

"Consumer information center (limitation on administrative expenses)", $17,941;

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"Research and program management", $5,000,000;

NATIONAL CREDIT UNION ADMINISTRATION

"Central liquidity facility (limitation on new loans)", $6,600,000;

"Central liquidity facility (limitation on administrative expenses)", $9,350;

SELECTIVE SERVICE SYSTEM

"Salaries and expenses", $305,580;

DEPARTMENT OF THE TREASURY

"Office of revenue sharing, salaries and expenses", $85,800;

VETERANS ADMINISTRATION

"Medical and prosthetic research", $2,105,070;

"Medical administration and miscellaneous operating expenses", $3,595,309;

"General operating expenses", $23,195,660;

"Construction, minor projects (appropriations)", $7,449,908;

"Construction, minor projects (limitation on expenses of the office of construction)", $399,443;

"Grants for construction of State extended care facilities", $242,000;

"Grants for construction of State veterans cemeteries", $33,000;

"Grants to the Republic of the Philippines", $5,500;

"Direct loan revolving fund (limitation on direct loans)", $11,000.

SEC. 417. Any funds appropriated in a previous Act for construction grants under Title II of the Clean Water Act shall be made available immediately and shall not be limited to phases or segments of previously funded projects.

This Act may be cited as the "Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1986".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1986 recommended by the Committee of Conference, with comparisons to the fiscal year 1985 amount, the 1986 budget estimates, and the House and Senate bills for 1986 follow:

New budget (obligational) authority, fiscal year 1985	$60,410,060,775
Budget estimates of new (obligational) authority, fiscal year 1986	50,144,230,000
House bill, fiscal year 1986	55,402,513,781
Senate bill, fiscal year 1986	55,593,663,572
Conference agreement, fiscal year 1986	57,290,141,490
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1985	−3,119,919,285
Budget estimates of new (obligational) authority, fiscal year 1986	+7,145,911,490
House bill, fiscal year 1986	+1,887,627,709
Senate bill, fiscal year 1986	+1,696,477,918

EDWARD P. BOLAND,
BOB TRAXLER,
LOUIS STOKES,
LINDY BOGGS,
MARTIN OLAV SABO
(except amendments Nos. 25 and 76),
BILL BONER,
JAMIE WHITTEN,
BILL GREEN,
LAWRENCE COUGHLIN,
JERRY LEWIS,
SILVIO O. CONTE,
Managers on the Part of the House.

JAKE GARN,
LOWELL P. WEICKER, Jr.,
PAUL LAXALT,
ALFONSE M. D'AMATO
(except amendment No. 53),
JAMES ABDNOR,
PETE V. DOMENICI,
MARK O. HATFIELD,
PATRICK J. LEAHY
(except amendment No. 46),
JOHN STENNIS,
J. BENNETT JOHNSTON,
FRANK R. LAUTENBERG,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LIPINSKI) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. LIPINSKI, for 15 minutes, today.

Mr. SKELTON, for 30 minutes, today.
Mr. GAYDOS for 30 minutes, on November 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WEBER) and to include extraneous matter:)

Mr. LOTT.
Mr. JEFFORDS.
Mr. BROYHILL.
Mr. LEWIS of Florida in two instances.
Mr. COURTER.

(The following Members (at the request of Mr. LIPINSKI) and to include extraneous matter:)

Mr. STALLINGS.
Mr. SOLARZ in two instances.
Mr. SAVAGE.
Mr. TORRES.
Mr. LELAND.
Mr. MAVROULES.
Mr. MATSUI.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER pro tempore announced his signature to enrolled joint resolutions of the Senate of the following title:

S.J. Res. 29. Joint resolution designating the week of November 11 through November 17, 1985, as "National Reye's Syndrome Week";

S.J. Res. 51. Joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week"; and

S.J. Res. 130. Joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week."

ADJOURNMENT

Mr. SKELTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 32 minutes a.m.) under its previous order, the House adjourned until Tuesday, November 12, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2231. A letter from the Acting Secretary of Defense (Force Management and Personnel), transmitting the annual report and audit of the American National Red Cross, pursuant to 36 U.S.C. 6; to the Committee on Armed Services.

2232. A letter from the Secretary of Energy transmitting the annual report for fiscal year 1984 on Federal Government energy management, pursuant to Public Law 95-619, section 550; to the Committee on Energy and Commerce.

2233. A letter from the Secretary, Interstate Commerce Commission, transmitting notice of the Commission's determination to extend the time periods for acting on the appeals in Nos. 39669, *Newell Enterprises, Inc., et al* v. *The Atchison, Topeka and Santa Fe Railway Company et. al.*, and No. 39706, *U.S. Reduction Co.* v. *Louisville & Nashville Railroad Co. et al.*, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

2234. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of the political contributions by Paul M. Cleveland, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2235. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting a report and financial audit, pursuant to Public Law 88-504, section 3(36 U.S.C. 1103); to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLAND: Committee of conference. Conference report on H.R. 3038 (Rept. 99-363). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BILIRAKIS:

H.R. 3715. A bill to amend title II of the Social Security Act to provide in certain cases for the payment of widow's, widower's, mother's, or father's insurance benefits to an otherwise eligible person who would qualify for such benefits as the insured individual's widow or widower except for the fact that (at the time of their marriage) such individual already had a legal spouse of whose existence such person was unaware; to the Committee on Ways and Means.

By Mr. FAUNTROY:

H.R. 3716. A bill to waive the period of congressional review for certain District of Columbia acts authorizing the issuance of revenue bonds for nonprofit projects; to the Committee on the District of Columbia.

H.R. 3717. A bill to waive the period of congressional review for certain District of Columbia acts authorizing the issuance of revenue bonds; to the Committee on the District of Columbia.

By Mr. FAUNTROY (for himself, Mr. DELLUMS, Mr. MCKINNEY, Mr. BLILEY, Mr. BARNES, Mr. PARRIS, and Mr. DYMALLY):

H.R. 3718. A bill to waive the period of congressional review for certain District of Columbia acts authorizing the issuance of revenue bonds; to the Committee on the District of Columbia.

By Mr. YOUNG of Missouri:

H.J. Res. 447. Joint resolution to designate the week of January 19, 1986, through January 25, 1986, as National Jaycee Week; to the Committee on Post Office and Civil Service.

By BROYHILL (for himself, Mr. SYNAR, Mr. WRIGHT, Mr. MICHEL, Mr. DINGELL, Mr. SHARP, Mr. DANNEMEYER, Mr. FLORIO, Mr. RITTER, Mr. TAUZIN, Mr. RALPH M. HALL, Mr. WOLPE, Mr. FIELDS, Mr. TALLON, Mr. DURBIN, Mr. RICHARDSON, Mr. TAUKE, Mr. OBERSTAR, Mr. MCMILLAN, and Mr. BRYANT):

H. Res. 315. Resolution expressing the sense of the House of Representatives that natural gas pipelines should transport natural gas for any person, and should do so in a nondiscriminatory manner; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 4 of rule XXII,

280. The SPEAKER presented a memorial of the Senate of the State of Michigan, relative to Miroslav Medvid; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EVANS of Iowa:

H.R. 3719. A bill to extend the patent numbered 3,408,747 for a period of 10 years; to the Committee on the Judiciary.

By Mr. OWENS:

H.R. 3720. A bill for the relief of Epifanio de Guzman; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 468: Mr. DENNY SMITH.

H.R. 864: Mr. PERKINS.

H.R. 1207: Mr. VALENTINE, Mr. GINGRICH, Mr. KEMP, Mr. FOLEY, and Mr. LEWIS of California.

H.R. 2440: Mr. MAZZOLI and Mr. NELSON of Florida.

H.R. 2684: Mr. WYDEN, Mr. GILMAN, Mr. SOLOMON, Mr. ROBINSON, Mr. WHITLEY, Mr. ROTH, Mr. HATCHER, Mr. ROWLAND of Georgia, Mr. BREAUX, Mr. HARTNETT, Mr. BOULTER, Mr. LUNDINE, and Mr. CAMPBELL.

H.R. 2700: Mr. LEVINE of California, Mr. HAWKINS, Mr. ATKINS, Mr. ERDREICH, and Mr. HERTEL of Michigan.

H.R. 3024: Mr. BADHAM, Mr. SABO, Mr. BIAGGI, Ms. MIKULSKI, Mr. SWEENEY, Mr. FIELDS, Mr. WISE, Mr. DWYER of New Jersey, Mr. BATES, Mr. SKELTON, Mr. WHITEHURST, Mr. DELAY, Mr. FUSTER, and Mr. BOUCHER.

H.R. 3692: Mr. CALLAHAN.

H.J. Res. 421: Mr. BILIRAKIS, Mr. YOUNG of Alaska, Mrs. LLOYD, Mr. DARDEN, Mr. STENHOLM, and Mr. SUNIA.

H. Con. Res. 213: Mr. LUKEN and Mr. REID.

H. Con. Res. 227: Mr. DASCHLE, Mr. PENNY, Mr. CARR, Mr. BRYANT, Mr. BIAGGI, Ms. OAKAR, Mr. BARNES, Mr. KANJORSKI, Mr. SHAW, Mr. MOAKLEY, Mr. BOUCHER, Mr. CONYERS, Mrs. BENTLEY, Mr. MILLER of California, Mr. SEIBERLING, Mr. CHAPMAN, Mr. PANETTA, Mr. SPRATT, Ms. MIKULSKI, Mr. APPLEGATE, and Mr. STUDDS.

H. Con. Res. 228: Mr. BARNES, Mr. ZSCHAU, and Mr. SOLOMON.

H. Res. 12: Mr. KILDEE.

H. Res. 310: Mr. HERTEL of Michigan, Ms. FIEDLER, Mr. PURSELL, Ms. OAKAR, Mr. PARRIS, Mr. BROOMFIELD, Mr. MCEWEN, Mrs. BYRON, Mr. FOGLIETTA, Mr. MOLLOHAN, Mr. SILJANDER, Mr. COBEY, Mr. ECKERT of New York, Mr. LEWIS of California, Mr. MCKERNAN, and Mr. MCCAIN.

H. Res. 314: Mr. HAMILTON, Mr. LEVINE of California, Mr. FASCELL, Mr. WOLPE, Ms. SNOWE, Mr. HYDE, Mr. LAGOMARSINO, Mr. SMITH of Florida, Mr. SMITH of New Jersey, Mr. WEISS, Mr. ZSCHAU, and Mr. BEREUTER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

248. By the SPEAKER: Petition of Levy P. Asuncion, Quezon City, Philippines, relative to citizenship; to the Committee on the Judiciary.

249. Also, petition of Manuel G. Brasileno, Kalibo, Aklan, Philippines, relative to citizenship; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

ENERGY INDEPENDENCE AND THE NEGATIVE IMPACT OF CHANGES IN THE INTERNAL REVENUE CODE

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. BRYANT. Mr. Speaker, yesterday during an Energy and Commerce Subcommittee on Fossils and Synthetic Fuels, the members heard testimony from representatives of the independent oil and gas producers who told us that the proposals put forth by both the Treasury and the Ways and Means Committee staff would devastate the industry. Among the witnesses was the Honorable Mack Wallace, the chairman of the Texas Railroad Commission. I commend his comments to my colleagues for their serious consideration when we are asked to make choices to change our Tax Code. We must ask ourselves the question: Are we willing to sacrifice energy independence as the price of tax reform?

The comments follow:

Mr. Chairman, Members of the Committee: My name is Mack Wallace. I am a member of the Railroad Commission of Texas. I am also Co-Chairman of the Council for a Secure America and I am pleased to have this opportunity to submit testimony on behalf of the Council regarding the impact tax reform proposals would have on our energy resources as they relate to our national security.

When I speak of U.S. national security throughout my remarks, I must include in that term the security of the state of Israel—that small but strategic stretch of earth which embodies those staunchly democratic ideals we hold so dear in America. Israel is the only truly democratic ally we have in the Middle East and its geographic location makes its destiny akin to our own. Our futures and the security of our respective nations are intertwined. Our concerns for the development of a viable domestic oil and gas industry is mutual. Our security at home and our foreign policy abroad depend on America's ability to supply the vast majority of its own energy requirements in times of world crisis.

America currently is absorbed in a rather intense national debate over tax reform. While I certainly claim no special expertise with our country's complex tax code, I do know something about energy and I can tell you that regardless of long-term merits of revising this current tax code, this is most definitely not the time to make substantive changes that will effect the nation's energy portfolio. It is the worst time.

These tax proposals will have a tremendous impact on the nation's ability to produce oil and gas.

If implemented, any changes in existing energy tax treatment will do irreparable damage to our national security by crippling one of our most basic and strategic industries.

The existing code, as it is applied to the search for and production of energy, from its inception demonstrated our government's support and recognition of the need to preserve an industry that is absolutely essential to this nation's security.

It has allowed America to drill almost 80 percent of all the oil and gas wells drilled in the world.

Absent this recognition by our government, we will not see much, if any, meaningful exploration.

Today, the plight of the small farmer in the United States who fed this nation for so long is the analogue of the small, independent driller who has drilled almost 90 percent of the exploratory or wildcat wells in this country.

Does this government really want to kill the goose that laid the golden egg? I refuse to believe it.

There is far more at stake than just the survival of an oil and gas industry. The entire American consuming public will suffer needlessly and the security of the nation will be placed in jeopardy.

Any governmental action that has the effect of hindering or stopping the exploration for needed oil and gas reserves will be nothing short of a national disaster.

The public interest is best served by thoughtful policies that will assure a growing, rather than a dwindling, supply of the nation's primary energy resources.

As this debate continues, we face a most serious problem and our responsibility to the people is, indeed, a heavy one.

Seventy-five percent of the crude oil produced in the world is produced by governments—not oil companies. The production of oil and gas, therefore, becomes an instrument of foreign policy.

Do we want to inflict injury upon ourselves by so crippling our own domestic industry to the point of furthering our dependence on unstable, foreign sources of crude oil and crude oil products? I think, most emphatically, not.

The nation also currently is struggling over our trade deficit—almost 50 percent of which comes from crude oil and crude oil products.

Crude oil and crude oil product imports into this nation at a rate of approximately 5 million barrels a day continue to enhance our dependence on unstable, foreign sources.

Since 1972, the cost of crude oil and crude oil product imports into the United States has totaled $548.92 billion.

If this amount had been expended on domestic exploration budgets, we would have had much greater production at home.

The distinguished geologist, Dr. William L. Fisher, a former Assistant Secretary of Interior and present Director of the Bureau of Economic Geology at the University of Texas, said recently that the natural gas situation is "bleak" in Texas, noting that "a generation of government intrusion into the market from the 1950's on through the NGPA of 1978 has taken its toll."

In the last dozen years, we have experienced curtailments of supply twice and surpluses twice. The result has been a severe erosion of market confidence in natural gas as a reliable supply source.

In 1950, one of my predecessors on the Railroad Commission, Lt. Gen. Ernest O. Thompson, warned the House Ways and Means Committee about the national security significance of government incentives for domestic exploration.

Here, more than 30 years later, Congress is considering tampering with it again.

The bottom line is that domestic oil and gas keep our nation protected. In the past, it was said an army traveled on its stomach. Today, an army travels on gasoline, jet fuel and oil. Our ships, planes, tanks, trucks and missiles are worthless pieces of junk without oil and gasoline.

I consider it indisputable that our national security requires an active, prosperous domestic oil and gas producing industry.

Of course, we all know that foreign oil could, and probably would, be denied us in time of a national security crisis.

Congressmen, it is my considered judgment that we cannot afford as a Nation to tamper with a proven system of incentives.

We simply do not have the ready reserve oil producing capacity for our national security.

In times of crisis or war, there will be no time to drill oil and gas wells. To be useful, those wells must have already been drilled.

Reserves lying undrilled are of little value in time of emergency. These wells must have already been drilled, equipped and ready to produce. They must be hooked up and connected to pipelines and to refineries of ample capacity, ready to make the products required in sufficient quantities and of proper quality.

I urge this Committee and Congress to take no action that would remove incentives for the small operators to continue in the oil and gas industry. The small operator is a critical element of today's oil and gas industry because much of our exploration and development is shifting from hunts for the giant, or elephant fields, to a universe populated with many smaller fields.

Ninety-eight percent of these fields are less than 1 million barrels of oil or oil equivalent and most are no more than 500,000 barrels in size.

While we may be beyond elephant hunting, these smaller deposits have aided materially in leveling out the decline in production; in sum, they can provide a substantial boost in this country's oil and gas reserves.

Typically, these small deposits are developed by the small operator since they are suited to his operations and interests. And the tax incentives under consideration may spell the difference in survival for those operators.

Present incentives are absolutely necessary, for it is simply the case that a domestic producer—no matter how efficient he may be—cannot compete with his 12 barrel per day oil well with a 30,000 barrel per day well produced by a government lease.

The roots of this nation's—and any nation's—wealth is in agriculture, minerals and energy. Fundamentally, the drafters of these proposed revisions would apparently

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

have Congress ignore these resources and the fact that we produced ourselves to greatness. It is these resources that form the real basis for a sound balanced economy and a good life for our citizens. Thus, I cannot agree with those who state that we are in a post-industrial society where those in the service industry reign supreme.

How can such a modern society function? Are we to survive by taking in each other's laundry? By directing the operation of a national hamburger chain? By developing a new formula for frying chicken?

To the contrary, rather than moving toward an exclusively service-oriented society here in the United States, I urge that we take those steps necessary to retain our basic industries and to provide them with incentives to remain strong and viable. Otherwise, it is my great concern that we will end up having exported all of our fundamental industries, including manufacturing, with the result that ultimately, we will be exporting our basic raw commodities and important finished goods.

I urge this distinguished Committee and the members on it to help this country return to its earlier goal of energy independence by recognizing the strategic importance of our energy resources to our national security.

AMERICA—THE BEACON OF HUMANITY

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. FUQUA. Mr. Speaker, one of the most outstanding members of the Federal judiciary is the Honorable William H. Stafford, Jr., chief judge of the U.S. District Court for the Northern District of Florida.

In the November issue of "The New Age," the national publication of the Scottish Rite Masonry in the Southern Jurisdiction, an article authored by Judge Stafford was presented. It is outstanding.

I am asking that this article entitled "America—The Beacon of Humanity" be reprinted in these pages for truly that which Judge Stafford has to say is timeless. I commend it to you for your reading and reflection.

[From the New Age, November 1985]

AMERICA—THE BEACON OF HUMANITY

(By William H. Stafford, Jr., Chief Judge, U.S. District Court for the Northern District of Florida, United States Courthouse, 110 E. Park Avenue, Tallahassee, Florida 32301

America is the beacon for humanity because we live here under the rule of law. Our enemies are the enemies of freedom, who through tyranny compel obedience to the rule of man, to whatever individual or group is then in despotic control. Consider if you will how many people have tried to sail into Cuba. When was the last time anyone was caught going east over the Berlin Wall? Who was the last person to flee to the Soviet Union?

As we see oppressed peoples continue to seek entry into America, even illegally, we must know that our system of government, made strong by free enterprise and assured of continued leadership through public education, is what draws these people to our shores. So, it is well that we should take stock of what we have, whence we came and where we are going.

The Declaration of Independence boldly pronounced:

"We hold these truths to be self-evident that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

The challenge remained to translate these beliefs into a workable form of government. The Constitutional Convention which met in 1787 produced a basic document for a new experience—a new system in which the government recevies its only powers from the consent of the governed.

There are many ways in which we can make an appraisal of how well this system has worked. We are still the strongest, richest and the most charitable nation on Earth. Our citizens have more freedom than has ever been known in the history of civilization. Our public school system, while certainly not perfect, has provided each citizen with opportunity for all the education any of us could desire, to free us from the illiteracy prevailing in much of the world. We care about our young, our old and our sick, and manifest this concern through various programs, both public and private. We are free to worship according to our particular religious beliefs—or not to have any religion at all—absolutely without fear of government interference. The press and other forms of the media are free to criticize the government, and those in government, without the bridle of government censorship.

It is well for us to remember that the Constitution—the basic document itself—did not become a reality until the State conventions ratified it. So, at the outset, the American people, themselves, decided what kind of government they would have.

Those wise men who declared independence and then drafted the framework for our system of government were also practical men who realized that all wisdom would not die with them. They built into the Constitution a method to change it—when the people wanted it changed.

Thus, this noble experiment, self-government, began with a built-in system for orderly change. The new Nation grew and prospered. Contrasting economies, lifestyles and attitudes, fueled by the slavery issue, plunged our Country into a terrible Civil War. Abraham Lincoln said: "No man is good enough to govern another man without that other's consent." The Nation weathered the agony of that war between its own States, freed its slaves and gave them the right to vote.

The United States continued its growth and emerged from World War I as a world power. Like many other countries, it suffered through a worldwide business depression, but recovered to lead the free world to victory in World War II.

George Washington said: "There is a rank due to the United States among nations, which will be withheld, if not absolutely lost, by the reputation of weakness." No sooner, it seemed, had our brave men and women returned from Europe and the Pacific, when our international commitments sent them, and their younger brothers and sisters, far away to help a small country called South Korea maintain its freedom and independence from the Communists invading from the north.

As America continued to spread its influence over this planet, and in space, the last three decades have seen changes at home, too. The words "civil rights" took on a different meaning. A Roman Catholic was elected President. A black man and a woman were appointed to the Supreme Court. Separate but equal school facilities were declared unconstitutional. America kept its treaty commitments in Southeast Asia.

As various groups pressed for more rights, the system responded when the people through their elected and appointed officials deemed the change was needed.

The poll tax, arbitrarily used to deny some citizens their right to vote, so shocked the conscience of the American public that the people abolised it by the 24th Amendment in 1964.

The young people of this Country, who through the years had contended that the Nation which had so many times called on them to fight its wars abroad should give them the right to vote at home, found their dream realized when the 26th Amendment was adopted on July 5, 1971. This, like all other Amendments to the Constitution, came about only through ratification by three-fourths of the States.

This brief trip back through American history demonstrates that the Constitution, while giving this Nation the stability it needs, also provides the means to make the changes in our framework when the people feel those changes are needed. Chief Justice John Marshall observed in 1821: "The people made the Constitution, and the people can unmake it. It is the creature of their own will, and lives only by their will."

Each generation of Americans has had its own challenges and problems. The events of the past several years, while unique in our Country's history, have nevertheless been resolved within the framework of a system of laws. These events might have caused other nations to collapse; but here the rule of law prevailed and our Republic survives. The greatness that is America is that we have been able to resolve our conflicts and deal with our problems in an orderly society governed by the rule of law.

Those brave men 200 years ago pledged their lives, their fortunes and their sacred honor in the cause of independence. Because of their sacrifices, we received our freedom as a birthright and we have a duty to preserve it for those who will follow us.

In summary, the words that President and Brother Gerald Ford spoke during the Nation's Bicentennial, are equally appropriate today.

"Liberty is a living flame to be fed, not dead ashes to be revered . . . though prosperity is a good thing, though compassionate charity is a good thing, though institutional reform is a good thing, a nation survives only so long as the spirit of sacrifice and self-discipline is strong within its people. . . . Independence has to be defended as well as declared; freedom is always worth fighting for, and liberty ultimately belongs only to those willing to fight for it."

EDUCATION SAVINGS ACCOUNTS

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. JEFFORDS. Mr. Speaker, I am introducing a bill that will encourage self-help and long-range financial planning for parents who will face the ever-increasing costs of higher education. Our Federal tax policy has few incentives for savings and investment, and our citizens save significantly less of their earnings than their counterparts in other major industrialized nations. We must look for ways to reverse these trends. This bill is a step in that direction.

Studies indicate that most parents don't start anticipating college costs until they actually have to pay the bills. According to a recent report published by the American Council on Education, only about half of those families with incomes between $20,000 and $30,000 are currently saving for their children's education, and they are saving on average of only $466 per year. A second report indicated that just over two-fifths of the families of college students had saved for college costs, and the median amount saved was only $2,500. A substantial amount of those who saved did not begin to put money aside until their college-bound children were already in high school.

Putting children through college isn't getting any easier. Despite a decline in inflation, college costs have continued to rise. In 1985, the average increase was between 7 and 9 percent, despite an inflation rate of less than half that amount. Some parents face college costs as high as $15,000 or more. Most families simply do not have the wherewithal to pay college costs out of pocket. Unless we can create incentives for families to save for these costs over a period of years, higher education—especially private colleges and universities—could become the domain of the wealthy.

The bill provides for the creation of an education savings account. The underlying structure for this custodial account is based on the IRA model, a savings vehicle which is widely understood and has been widely used by the public. An education savings account is not a revolutionary idea. In his State of the Union Address on January 25, 1983, President Reagan announced that he favored legislation authorizing the establishment of such accounts. In addition, during this session of Congress, seven other bills have been introduced which establish such accounts.

Generally, these other bills allow taxpayers to deduct from income amounts contributed to accounts set aside for later payment of college expenses. My bill differs from these others because it allows for a credit—rather than a deduction—for the amounts set aside. As a rule, deductions tend to favor higher bracket taxpayers. For a taxpayer in the 50-percent bracket, for example, a deduction of $1,000 represents a tax savings of $500; but for a taxpayer in the 33-percent tax bracket, a $1,000 deduction represents only $330 in taxes saved. Unlike a deduction, a credit has the same net effect on all taxpayers, high-bracket or low-bracket.

This legislation would give a tax credit of up to $500 per year for amounts contributed to education savings accounts established on behalf of a taxpayer's children. A taxpayer figuring his tax liability on April 14 and finding that he owed the Government $600 could contribute $500 to an education savings account, claim the tax credit, and pay the Internal Revenue Service the remaining $100. The $500 figure is indexed for inflation.

Deposits in the education savings account would accumulate interest tax free; they would not be included in the income of the student when used to pay for costs of attendance at a postsecondary institution—a college, university, or vocational school. Funds must be distributed by the time the beneficiary of the account attains the age of 26. At that time the trust assets revert to the contributor, who becomes liable for income tax on amounts remaining in the account, together with a 10-percent penalty. These accounts may continue to exist past the year in which the beneficiary reaches age 26 if the beneficiary has served time in the Armed Forces, the Peace Corps, or VISTA. The bill also permits rollovers of any excess amounts remaining in an educational savings account to an account established on behalf of another child.

To insure that the credit doesn't become a vehicle for wealthy taxpayers to shelter income, my bill makes the credit unavailable for taxpayers with taxable income in excess of $60,000. This figure is also adjusted for inflation. In addition, to encourage lower income taxpayers to establish such an account, the bill provides that amounts contributed to such accounts shall not be considered as part of the needs analysis in determining a student's eligibility for financial assistance under title IV of the Higher Education Act of 1965. Needs analysis has had the incongruous result of providing greater Federal assistance for families who have accumulated no savings for college expenses than for families who have had the foresight to save. My bill attempts to remedy that inequity with respect to moneys set aside in education savings accounts.

Accumulation of interest in education savings accounts placed with financial institutions should have a beneficial effect on our Nation's savings rate. Through competitive advertising and promotion, these institutions will play an important role in educating the public and encouraging savings. Because of the widespread current use of IRA's, public acceptance should be readily forthcoming. Taxpayers will not need the services of tax lawyers or accountants to establish the education savings account.

I am introducing this bill now for very important reasons. The House and Senate currently are involved in tax reform. So far, however, I have been extremely disappointed in the proposals I have seen because they would reduce tax expenditures for education significantly, from $15 billion down to as low as $1.5 billion.

I am hopeful that the committees in the House will recognize that this is no time to cut back on tax expenditures in the education area. It is possible they may disagree over exactly where those tax expenditures should be placed. That alone is one reason they should consider this an important element of tax reform.

The argument for considering this now is all the more buttressed by the fact the Federal Government is being confronted with more and more people trying to rely on Federal assistance to provide college educations. It is my strong hope that, in providing a tax incentive for people to save, that trend can be changed—and, therefore, costs to the taxpayers substantially reduced.

Mr. Speaker, between 1979 and 1984, the average annual costs at public colleges rose 50 percent. At private colleges, the increase was 63 percent. Meeting these costs is a major burden for the American family. An educated populace is of critical importance to our Nation's future. High quality postsecondary education is essential to our future role as a world leader. It is time we took the necessary steps to help families meet the burdens imposed by the costs of higher education. It's time we looked for ways to use the Tax Code to work for education. I urge my colleagues to join me in sponsoring this bill.

U.S. POSTAL SERVICE IS A BARGAIN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. HUBBARD. Mr. Speaker, I represent 24 counties in western Kentucky. The First Congressional District is filled with small towns and rural areas, all of which are expertly taken care of by the post offices and their employees.

I would like to take this opportunity to share with my colleagues the excellent letter that I received from Ardell Fields, postmaster of Hickman, KY. Ardell has written to me about his strong opposition to any proposals that would permit the delivery of first-class mail by private commercial carriers.

I agree with Postmaster Ardell Fields and with the many others who have contacted me about this issue. I urge my colleagues to read his letter and reflect upon just how much of a bargain it really is to mail a first-class letter for 22 cents. The letter to me from Ardell Fields follows:

HICKMAN, KY,
September 17, 1985.

Hon. CARROLL HUBBARD, Jr.,
House of Representatives,
Washington, DC.

DEAR CARROLL: President Reagan's new budget director, Mr. Miller, has the idea of permitting the delivery of first-class mail by private commercial carriers. This greatly disturbes me. I do not believe that he nor anyone who may believe in this is aware of

the facts regarding this matter and the bargain the American public is now receiving from the U.S. Postal Service.

A twenty-two-cent, first-class letter is now getting delivery to any spot in this United States, whether it be from Bangor, Maine, to San Diego, California; Hickman, Kentucky, to Pikeville, Kentucky, or just one block down the street in New York City. Your newsletter is getting delivery to every constituent in your district. All of these services are performed by the U.S. Postal Service for a small fee.

But, if a private carrier begins raking off the cream of this worldwide service by targeting selective areas, then the mail service to rural America will suffer a sad blow indeed.

This selective service was given to the private parcel carriers; this selective service is rendered by the private overnight delivery carrier; but the U.S. Postal Service is the only carrier that serves all of the people of America, regardless of where they live.

Mr. Miller's statement that the U.S. Postal Service is a deficit problem is a gross error. The Postal Service is self-sustaining and will remain so without subsidy. If he is to be our policy maker, we should never allow him to crucify our worthiness.

Carroll, there are many more benefits from the U.S. Postal Service. I hope and know that you will give this concern of mine your consideration and support us in our effort to give the American public, our customers, the best postal service that a dollar can buy. This well balanced, conservative priced service can only be continued by the U.S. Postal Service retaining the Private Express Statute.

Many thanks for your past services and looking forward to many more. If I can be of any help, please call.

Sincerely yours,

ANDRELL FIELDS,
Postmaster.

"STAR WARS" THE BATTLE INTENSIFIES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. FRANK. Mr. Speaker, we tend to throw the term "distinguished" around in this institution rather lightly. But when Members refer to the gentleman from Florida [Mr. BENNETT], as our "distinguished colleague", we do so with deep sincerity. CHARLES BENNETT from Florida has been an exemplary Member of this institution: His seriousness of purpose, his dedication, and his commitment to the national interest as he sees it are models for all of us to follow. Many of us have been particularly impressed by his willingness to look clearly at issues of national security, drawing on his own considerable expertise about the military, and his long years of service on the Armed Services Committee.

No one can deny that CHARLIE BENNETT has been a staunch defender of measures necessary to keep America strong. He has an outstanding record as an advocate of a solid American defense. But characteristically, although he has been a strong advocate of building our defenses, CHARLIE BENNETT has not hesitated to speak out against Pentagon plans—or plans of a President—when he believes them to be an unwise expenditure of national resource, or when he thinks that they may endanger rather than enhance our security.

On Monday of this week, Mr. BENNETT published in The Christian Science Monitor an excellent article making the case against the President's current posture regarding the strategic defense initiative. I ask that Mr. BENNETT's excellent analysis of the flaws in the President's position be printed here.

[From the Christian Science Monitor, Nov. 4, 1985]

"STAR WARS": THE BATTLE INTENSIFIES

(By Charles E. Bennett)

(Charles E. Bennett (D) of Florida is a senior member of the House Armed Services Committee and a member of the Research and Development Subcommittee, which authorizes SDI funds)

The national debate over the Strategic Defense Initiative (SDI) has been gaining momentum since President Reagan's 1983 "star wars" speech. Now it seems to be entering a new, more-intensive phase.

Confusion in the administration as to the various meanings of the ABM Treaty has now raised fundamental questions among our NATO allies and within the Congress about the United States' commitment to international treaties. This has added to existing concern about the feasibility, survivability, and cost of President Reagan's vision for SDI. This is so because the SDI is an outgrowth of the antiballistic missile systems covered by the ABM Treaty, namely systems that can destroy in coming warheads.

On Oct. 6, national-security adviser Robert McFarlane dropped a bombshell when he asserted that the US was not legally bound by the ABM Treaty from developing the new, exotic ABM weapons envisaged in the SDI program. The zigzagging that followed now seems to have resolved into a curious, and as far as I know, unique position. The administration has told Congress and our allies that a new interpretation of the 13-year-old treaty shows that a "broad" interpretation is justified, which would allow the testing and development of ABM systems based on lasers and particle beams. The administration, however, says that while it could legally go beyond basic research, it will not. That could change, it is implied, after the Geneva summit, or after the 1986 elections, or after the first SDI weapon is ready for tests.

State Department legal adviser Abraham Sofaer conceded to Congress that he could not name another instance where the official US interpretation of an international treaty and the US policy with regard to that treaty were at variance. Beyond the immediate arms control implications, the allies are understandably worried that if the United States can reinterpret this treaty, it could do the same with other international agreements, including whatever may come from Geneva.

While there may be some legalistic arguments about what exactly the ABM treaty says, the more basic question is: Why is the administration raising this issue now? Why should we question one of the few working arms control treaties weeks before President Reagan's first meeting with the Soviet leader? Would it not be better to suggest changes or clarifications at these talks?

At least one faction of the administration has little regard for arms control treaties and wants to base the future security of the country on space weapons. This view is receiving strong support from the defense industries. With the scent of a possible trillion-dollar program in the air, defense contractors are scrambling to get a piece of the action. Foreign support is being sought with the temptation of overseas contracts. Industry here and abroad knows that if the government pumps enough money fast enough into this program, within a few years there will be a strong lobby which will make SDI hard to stop, even if it is not in the best national interest.

So even though the SDI is officially a research program, there seem to be many people who have already decided star wars can work. Congress has not; the scientific data are not yet that sanguine.

Many members of Congress are increasingly concerned about SDI. New studies, such as that recently done by the nonpartisan Office of Technology Assessment, seriously question the feasibility and advisability of the system. The OTA report concludes that the popularized notion of star wars as a "shield" that could render nuclear weapons "impotent and obsolete" is simply not possible. More likely, the SDI program could develop futuristic weapons for a new version of the ABM system proposed in the 1960s—a system that could protect our missiles against Soviet warheads.

But even this more-limited goal might not be worth the effort. The OTA and other analysts note that if both the US and the Soviet Union had ABM systems that worked, we might actually *reduce* our retaliatory capacity to respond to a Soviet first strike. Our defenses might protect most of our missiles over here, but they would be destroyed over there by Soviet defenses. The net result would be fewer US warheads striking their targets than if there were no defenses at all.

Moreover, if a space weapon can shoot down missiles, it can also shoot down other space weapons. Defense Secretary Caspar Weinberger contended in this newspaper recently that SDI is stabilizing and it "could provide defensive security with resulting reduction in nuclear risk." The OTA report reached the opposite conclusion. It indicated that if both sides had space weapons, "an extremely unstable situation would arise." Each side would have an incentive to "use or lose" its weapons.

There is also the question of money. The first, seven years of SDI research are planned to cost $33 billion (fiscal year 1984-90). Full deployment of the system could cost $1 trillion. Where are we going to get these funds? Mr. Weinberger argues in the Monitor, "Techonologies developed through SDI research could be useful in European defense and have implications for conventional defenses . . . SDI capability against intermediate nuclear forces would enhance conventional deterrence by increasing survivability of NATO defenses in Europe." While some of this may be true, I am concerned, along with former Secretary of Defense James Schlesinger and the NATO commander, Gen. Bernard Rogers, that SDI directly competes for the resources needed for our conventional forces. Is the dream of an ABM system worth cutting our ability to meet the more likely threat of a conventional attack in Europe?

I am worried about possible violations by the Soviets of the ABM Treaty, such as their radar at Krasnoyarsk. But I am also

worried about handing the Soviets a convenient loophole to deploy new ABM systems by our new "reinterpretation" of the treaty. Last month Weinberger sent all members of Congress a pamphlet on the Soviets' ABM program which warned of this threat. Now we seem to be giving them legal grounds to do so.

What happens now? Congress has trimmed the President's SDI budget this year, and future restrictions can be expected. There is broad support for a reasonable research program, and I agree with that. There is wariness over testing and deployment, and I agree with that as well. Budgetary and diplomatic consideration may weaken congressional support for SDI even as the administration and the defense industry to build it.

President Reagan should use his present strong barganing position to negotiate at Geneva a limit on the development of space weapons on both sides. In return he could get Soviet agreement for serious reductions in offensive nuclear forces. Mr. Gorbachev has indicated a willingness to do so, and Soviet concern over the administration's new interpretation of the ABM Treaty might encourage additional Soviet concessions.

If the present administration maneuvering is designed to gain negotiating leverage, it is brilliant. If it is the successful effort of a handful of officials to scuttle arms control talks in favor of SDI deployment, it is a tragedy not only for the United States, but for the world.

PIPELINES SHOULD TRANSPORT NATURAL GAS ON A NONDISCRIMINATORY BASIS

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. BROYHILL. Mr. Speaker, today, I am introducing a resolution expressing the sense of the House that natural gas pipelines should transport natural gas for any person, and should do so in a nondiscriminatory manner. Since November 1, hundreds of consumers all across the country have been deprived of transportation service for low-cost natural gas. These consumers are being required to pay more for natural gas, in some cases as much as 100 percent more, because interstate natural gas pipelines do not wish to transport natural gas for others on a nondiscriminatory basis. The purpose of this resolution is to let these pipelines know that this House does not look with favor upon the decisions they have made.

The U.S. Court of Appeals for the District of Columbia Circuit determined last May that the transportation programs being carried out by interstate pipelines violated the Natural Gas Act because only certain producers and consumers could use those programs. The Federal Energy Regulatory Commission was given until November 1 to promulgate a new transportation program that would provide nondiscriminatory access to natural gas transportation. The Commission issued order 436 on October 9 in compliance with the Natural Gas Act, the Natural Gas Policy Act of 1978, and the decisions of the court in Maryland People's Counsel versus FERC, Nos. 84-1019, 84-1029, and 84-1090.

Order 436 provides that, with a few exceptions, if a pipeline transports natural gas for anyone, it must transport natural gas for everyone on the same general terms and conditions. Unfortunately, when faced with the choice of transporting for everyone on a nondiscriminatory basis, or transporting for virtually no one, most major pipelines are choosing not to transport. Those receiving transportation under the old, illegal programs have been cut off abruptly. Consumers previously unable to get low-cost natural gas supplies because they were ineligible for transportation remain shut out of the market for low-cost gas.

This situation is intolerable. Independent producers are producing only 60 percent of the natural gas they could produce while some steel companies will be forced to switch to oil or shut down entirely. The high natural gas prices these plants face make them unable to compete with foreign manufacturers.

Now, when the trade deficit is running at record levels, is no time to handicap American industries. Now, as we enter the winter heating season, is no time to tell consumers that they cannot have low-priced natural gas.

As the list of those Members joining me in introducing this resolution reveals, this is not a partisan issue. This is not a producer versus consumer issue. This is an issue vital to the commerce and well being of the entire Nation. I urge all of my colleagues to cosponsor this resolution and to let the interstate pipelines know that the House expects them to provide transportation service for all, without discrimination and without further delay.

RETIREMENT INCOME POLICY ACT OF 1985

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. CHANDLER. Mr. Speaker, I have become increasingly concerned about the lack of an articulated national retirement policy. This concern is growing as more emphasis is placed on deficit reduction. Good tax policy is not necessarily good retirement income policy. We must reevaluate where we are and where we are going in terms of our ultimate goal—a good retirement income for all Americans to live in dignity and economic security.

Because of my deep interest in this subject and my belief that this country must fashion a sound retirement policy, I am cosponsoring the Retirement Income Policy Act of 1985. We have a policy of sorts now, but its one that has simply evolved over the years. This patchwork approach came about in recent years as a result of tax legislation with little coordinated attempt to take into consideration the effects on retirement income.

New policy should be set, not by taking narrow, short-sighted approaches to retirement issues, but by fully recognizing the impact that retirement decisions have on the economy as a whole and the implications that today's retirement decisions will have for the decades ahead. Retirement policies should not create financial burdens which will become unacceptable and unsupportable by future workers, but instead should encourage savings, investment and productivity in a fiscally sound manner.

The Education and Labor Committee and its Subcommittee on Labor-Management, on which I serve, completed hearings earlier this year focusing on what business, organized labor and pension groups think should be included in a national retirement income policy. Meetings were held with similar groups in creating the Retirement Income Policy Act of 1985.

This legislation provides a framework to discuss future objectives. A sound retirement plan rests upon Social Security, an employer-sponsored plan and personal savings—the so-called three-legged stool. This bill recognizes the importance of such an approach and encourages the growth of the current voluntary system of employer-sponsored retirement plans. It increases the number of people covered under private pension plans and opens the door to address portability. When the baby-boom generation begins to retire shortly after the start of the next century, retirement income sources, especially Social Security, will be strained to the breaking point. We must take steps to provide incentives for increased retirement savings. This legislation further begins the discussion of ways for all businesses, including smaller companies, to have private pension plans.

Recently legislated changes in tax policy relating to pension plans have not only caused confusion, but have not increased tax revenue significantly—for example, reductions in dollar contributions and benefits in the Tax Equity and Fiscal Responsibility Act of 1982. On the other hand, expansion of the IRA's in the Economic Recovery Act of 1981 have added to revenue losses. These examples indicate the need to step back and form a policy.

It is time for Congress to adopt a comprehensive and consistent national retirement income policy. There appears to be a national consensus for programs that provide economic security and protection against economic risks. There is also a national consensus for tax incentives to encourage employer provision of these programs and individual savings. The challenge is to clearly articulate how various programs fit into the economic security system. The challenge is ours. The Retirement Income Security Act of 1985 can provide the vital first step.

THE 1 DAY PLUS PROGRAM

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. LELAND. Mr. Speaker, in March of this year the city of Houston initiated a program designed to hire black youth. The Houston chapter of the NAACP launched 1 Day Plus to put teenagers to work for at least 1 day, with the hope that 1 day's employment would lead to a month, an entire summer and ideally the beginning of a career.

The 1 Day Plus Program was designed to better understand the complications and programs of black youth unemployment and to establish an effective program to minimize these problems.

My Houston office participated in the 1 Day Plus Program by hiring Cheryl Green, a Houston resident, for the month of July. I hope that the experience was beneficial for Cheryl and I know that it was for the staff in my Houston office.

I would like to share a copy of the resolution creating the 1 Day Plus Appreciation Day in Houston and I have submitted it in the CONGRESSIONAL RECORD. I believe this is an exciting idea and I hope that my colleagues would consider a similar program in their communities.

The resolution follows:

ONE DAY PLUS COMMITTEE APPRECIATION DAY

Whereas, according to the Bureau of Labor Statistics the unemployment rate among Black youth in Houston currently stands at 38.9 percent, and in recognition of the need for a program that would encourage the increased hiring of Black youth, the Houston Chapter of the NAACP launched One Day Plus in March, 1985, to put teenagers into the work force for at least one day, with the hope that one day's employment will lead to a month, an entire summer or even the beginning of a career; and

Whereas, the goals of the program are to target and understand complications and problems of Black youth unemployment, to establish an effective and meaningful program of employment to combat and minimize the effects of those problems, to provide counseling and job preparation and to establish a liaison between Black youths and those businesses and individuals willing to provide meaningful employment; and

Now, therefore, be it Resolved that the Mayor and the City Council of the City of Houston do hereby cite and commend the NAACP, the many businesses and individuals and the following volunteers: Yvette Chargois, Arva Brackins, Keith Branch, Anita Dabney, Gloria Cooke, Walt Jeter, Sylvester Turner, Ann LaDee, Ann Bonner, Vivian Bradford, Ed Banks, Vernice Bell, Charles Davis, Judson Robinson, III, Vivian Stewart, Nelson Jones, Simone Capers, Gregori Grantham, Donald Hodo, Rusty Sanford, Mr. and Mrs. Moses Lery and Bob Dean, who donated their time, talent and energies to make this program a success.

TRIBUTE TO CHINESE WORKERS OF 19TH CENTURY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. MATSUI. Mr. Speaker, I rise today to call attention to a group of workers who, despite years of back-breaking labor for the benefit of our land and people, have remained anonymous and relatively unnoticed in the course of our history. I refer, Mr. Speaker, to the Chinese farmers and levee builders of only one century ago.

On November 12, 1985, Mr. Peter Leung, in cooperation with the Chinese community and with support from the University of California at Davis Chancellor's Arts & Humanities Award, is honoring these devoted laborers by opening an historic exhibition entitled, "A Documentary Photographic Project of the Early Chinese Farming Experience in the Sacramento River Delta." The exhibition is the culmination of Mr. Leung's meticulous investigation of workers through sparse and scanty records and the recollections of the Chinese elderly.

Ordinarily, when one is asked about the role of the Chinese in the 19th century, he conjures images of countless transcontinental railroad workmen. This, however, is only a fraction of the story. Between 1850 and 1880, hundreds of Chinese laborers picked, shoveled and wheelbarrowed throughout the Sacramento-San Joaquin Delta, erecting the first levees that reclaimed some 88,000 acres from the tule swamps and freed the land to become what is today one of the most productive agricultural centers of the world.

Famine in China in the 1850's drove the Chinese to America. Chasing the same myths of golden mountains that triggered the American gold rush, Chinese men came to California seeking riches. What they found was work, and a pay of 13½ cents for every cubic yard of earth they picked and hauled.

Arduously they labored until 1892, when the clamshell dredge revolutionized levee construction by digging earth faster and more cheaply than paid labor. Suddenly unemployed, many of the Chinese went back through the rugged mountain passes of the Sierra, the Rockies, and the Cascades to complete the railroad. Others, lonely for their homeland and families, went back to China.

Mr. Speaker, this great Nation was built by the sweat and muscle of people from all over the world. On behalf of the people of Sacramento, I pay tribute to the industrious, indefatigable Chinese workers of the Sacramento Delta. I also thank and commend Mr. Leung, UC Davis and the Chinese community for their commitment to the recognition of the Chinese levee builders of the 19th century and for providing the people of the United States with this vital exhibition.

A CALL TO REMEMBRANCE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. SOLARZ. Mr. Speaker, it was 6 months ago that the United States celebrated the 40th anniversary of our victory in Europe in World War II. While our country and our World War II Allies were recalling V-E Day, people in the Federal Republic of Germany were also reflecting upon the decisive importance of May 8, 1945.

As part of West Germany's commemoration of the end of the war in Europe, the President of the Federal Republic, Richard Von Weizsacker, delivered a very meaningful and moving address on the Holocaust and the Second World War:

Anyone who closes his eyes to the past is blind to the present.

Mr. Von Weizsacker said:

Whoever refuses to remember the inhumanity is prone to risks of new infection. The Jewish nation remembers and will always remember. We seek reconciliation. Precisely for this reason, we must understand that there can be no reconciliation without remembrance.

With the recent groundbreaking for the U.S. Holocaust Memorial Museum, our country has rededicated itself to the task of remembrance. I would like to submit for the RECORD an eloquent appeal to remembrance, the speech given by President Richard Von Weizsacker in the Bundestag on May 8, 1985.

SPEECH BY RICHARD VON WEIZSACKER, PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY

I

Many nations are today commemorating the date on which World War II ended in Europe. Every nation is doing so with different feelings, depending on its fate. Be it victory or defeat, liberation from injustice and alien rule or transition to new dependence, division, new alliances, vast shifts of power—May 8, 1945, is a date of decisive historical importance for Europe.

We Germans are commemorating that date amongst ourselves, as is indeed necessary. We must find our own standards. We are not assisted in this task if we or others spare our feelings. We need and we have the strength to look truth straight in the eye—without embellishment and without distortion.

For us, the 8th of May is above all a date to remember what people had to suffer. It is also a date to reflect on the course taken by our history. The greater honesty we show in commemorating this day, the freer we are to face the consequences with due responsibility. For us Germans, May 8 is not a day of celebration. Those who actually witnessed that day in 1945 think back on highly personal and hence highly different experiences. Some returned home, others lost their homes. Some were liberated, while for others it was the start of captivity. Many were simply grateful that the bombing at night and fear had passed and that they had survived. Others felt first and foremost grief at the complete defeat suf-

fered by their country. Some Germans felt bitterness about their shattered illusions, while others were grateful for the gift of a new start.

It was difficult to find one's bearings straightaway. Uncertainty prevailed throughout the country. The military capitulation was unconditional, placing out destiny in the hands of our enemies. The past had been terrible, especially for many of those enemies, too. Would they not make us pay many times over for what we had done to them? Most Germans had believed that they were fighting and suffering for the good of their country. And now it turned out that their efforts were not only in vain and futile, but had served the inhuman goals of a criminal regime. The feelings of most people were those of exhaustion, despair and new anxiety. Had one's next of kin survived? Did a new start from those ruins make sense at all? Looking back, they saw the dark abyss of the past and, looking forward, they saw and uncertain, dark future.

Yet with every day something became clearer, and this must be stated on behalf of all of us today. The 8th of May was a day of liberation. It liberated all of us from the inhumanity and tyranny of the National Socialist regime.

Nobody will, because of that liberation, forget the grave suffering that only started for many people on May 8. But we must not regard the end of the war as the cause of flight, expulsion and deprivation of freedom. The cause goes back to the start of the tyranny that brought about war. We must not separate May 8, 1985, from January 30, 1933.

There is truly no reason for us today to participate in victory celebrations. But there is every reason for us to perceive May 8, 1985, as the end of an aberration in German history, and end bearing seeds of hope for a better future.

II

May 8 is a day of remembrance. Remembering means recalling an occurrence honestly and undistortedly so that it becomes a part of our very beings. This places high demands on our truthfulness.

Today we mourn all the dead of the war and the tyranny. In particular we commemorate the six million Jews who were murdered in German concentration camps. We commemorate all nations who suffered in the war, especially the countless citizens of the Soviet Union and Poland who lost their lives. As Germans, we mourn our own compatriots who perished as soldiers, during air raids at home, in captivity or during expulsion. We commemorate the Sinti and Romany Gypsies, the homosexuals and the mentally ill who were killed, as well as the people who had to die for their religious or political beliefs. We commemorate the hostages who were executed. We recall the victims of the resistance movements in all the countries occupied by us. As Germans, we pay homage to the victims of the German resistance—among the public, the military, the churches, the workers and trade unions, and the Communists. We commemorate those who did not actively resist, but preferred to die instead of violating their consciences.

Alongside the endless army of the dead, mountains of human suffering arise—grief over the dead, suffering from injury or crippling or barbarous compulsory sterilization, suffering during the air raids, during flight and expulsion, suffering because of rape and pillage, forced labor, injustice and torture, hunger and hardship, suffering because of fear of arrest and death, grief at the loss of everything which one had wrongly believed in and worked for. Today we sorrowfully recall all this human suffering.

Perhaps the greatest burden was borne by the women of all nations. Their suffering, renunciation and silent strength are all too easily forgotten by history. Filled with fear, they worked, bore human life and protected it. They mourned their fallen fathers and sons, husbands, brothers and friends. In the years of darkness, they ensured that the light of humanity was not extinguished. After the war, with no prospect of a secure future, women everywhere were the first to set about building homes again, the "rubble women" in Berlin and elsewhere. When the men who had survived returned, women had to take a back seat again. Because of the war, many women were left alone and spent their lives in solitude. Yet it is first and foremost thanks to the women that nations did not disintegrate spiritually on account of the destruction, devastation, atrocities and inhumanity and that they gradually regained their foothold after the war.

III

At the root of the tyranny was Hitler's immeasurable hatred against our Jewish compatriots. Hitler had never concealed this hatred from the public, but made the entire nation a tool of it. Only a day before his death, on April 30, 1945, he concluded his so-called will with the words: "Above all, I call upon the leaders of the nation and their followers to observe painstakingly the race laws and to oppose ruthlessly the poisoners of all nations: international Jewry." Hardly any country has in its history always remained free from blame for war or violence. The genocide of the Jews is, however, unparalleled in history.

The perpetration of this crime was in the hands of a few people. It was concealed from the eyes of the public, but every German was able to experience what his Jewish compatriots had to suffer, ranging from plain apathy and hidden intolerance to outright hatred. Who could remain unsuspecting after the burning of the synagogues, the plundering, the stigmatization with the Star of David, the deprivation of rights, the ceaseless violation of human dignity? Whoever opened his eyes and ears and sought information could not fail to notice that Jews were being deported. The nature and scope of the destruction may have exceeded human imagination, but in reality there was, apart from the crime itself, the attempt by too many people, including those of my generation, who were young and were not involved in planning the events and carrying them out, not to take note of what was happening. There were many ways of not burdening one's conscience, of shunning responsibility, looking away, keeping mum. When the unspeakable truth of the holocaust then became known at the end of the war, all too many of us claimed that they had not known anything about it or even suspected anything.

There is no such thing as the guilt or innocence of an entire nation. Guilt is, like innocence, not collective, but personal. There is discovered or concealed individual guilt. There is guilt which people acknowledge or deny. Everyone who directly experienced that era should today quietly ask himself about his involvement then.

The vast majority of today's population were either children then or had not been born. They cannot profess a quilt of their own for crimes that they did not commit. No discerning person can expect them to wear a penitential robe simply because they are Germans. But their forefathers have left them a grave legacy. All of us, whether guilty or not, whether old or young, must accept the past. We are all affected by its consequences and liable for it. The young and old generations must and can help each other to understand why it is vital to keep alive the memories. It is not a case of coming to term with the past. That is not possible. It cannot be subsequently modified or made not to have happend. However, anyone who closes his eyes to the past is blind to the present. Whoever refuses to remember the inhumanity is prone to new risks of infection.

The Jewish nation remembers and will always remember. We seek reconciliation. Precisely for this reason we must understand that there can be no reconciliation without remembrance. The experience of millionfold death is part of the very being of every Jew in the world, not only because people cannot forget such atrocities, but also because remembrance is part of the Jewish faith.

"Seeking to forget makes exile all the longer. The secret of redemption lies in remembrance." This oft-quoted Jewish adage surely expresses the idea that faith in God is faith in the work of God in history. Remembrance is experience of the work of God in history. It is the source of faith in redemption. This experience creates hope, creates faith in redemption, in reunification of the divided, in reconciliation. Whoever forgets this experience loses his faith.

If we for our part sought to forget what has occurred, instead of remembering it, this would not only be inhuman. We would also impinge upon the faith of the Jews who survived and destroy the basis of reconciliation. We must erect a memorial to thoughts and feelings in our own hearts.

IV

The 8th of May marks a deep cut not only in German history but in the history of Europe as a whole. The European civil war had come to an end the old world of Europe lay in ruins. "Europe had fought itself to a standstill" (M. Stürmer). The meeting of American and Soviet Russian soldiers on the Elbe became a symbol for the temporary end of a European era.

True, all this was deeply rooted in history. For a century, Europe had suffered under the clash of extreme nationalistic aspirations, at the end of the First World War peace treaties were signed but they lacked the power to foster peace. Once more nationalistic passions flared up and were fanned by the distress of the people at that time.

Along the road to disaster Hitler became the driving force. He whipped up and exploited mass hysteria. A weak democracy was incapable of stopping him. And even the powers of Western Europe—in Churchill's judgment unsuspecting but not without guilt—contributed through their weakness to this fateful trend. After the First World War America had withdrawn and in the thirties had no influence on Europe.

Hitler wanted to dominate Europe and to do so through war. He looked for and found an excuse in Poland. On May 23, 1939, he told the German generals: "No further successes can be gained without bloodshed . . . Danzig is not the objective. Our aim is to extend our Lebensruam in the East and safeguard food supplies . . . so there is no question of sparing Poland. And there re-

mains the decison to attack Poland at the first suitable opportunity . . . the object is to deliver the enemy a blow, or the annihilating blow, at the start. In this, law, injustice or treaties do not matter."

On August 23, 1939, Germany and the Soviet Union signed a non-aggression pact. The secret supplementary protocol made provision for the impending partition of Poland. That pact was made to give Hitler an opportunity to invade Poland. The Soviet leaders at the time were fully aware of this. And all who understood politics realized that the implications of the German-Soviet pact were Hitler's invasion of Poland and hence the Second World War.

That does not mitigate Germany's responsibility for the outbreak of the Second World War. The Soviet Union was prepared to allow other nations to fight one another so that it could have a share of the spoils. The initiative for the war, however, came from Germany, not from the Soviet Union. It was Hitler who resorted to the use of force. The outbreak of the Second World War remains linked with the name of Germany.

In the course of that war the Nazi regime tormented and defiled many nations. At the end of it all only one nation remained to be tormented, enslaved and defiled: the German nation. Time and again Hitler had declared that if the German nation was not capable of winning the war it should be left to perish. The other nations first became victims of a war started by Germany before we became the victims of our own war.

The division of Germany into zones began on May 8. In the meantime the Soviet Union had taken control in all countries of Eastern and South Eastern Europe that had been occupied by Germany during the war. All of them, with the exception of Greece, became socialist states. The division of Europe into two different political systems took its course. True, it was the postwar developments which cemented that division, but without the war started by Hitler it would not have happened at all. That is what first comes to the minds of the nations concerned when they recall the war unleashed by the German leaders. And we think of that too when we ponder the division of our own country and the loss of huge sections of German territory. In a sermon in East Berlin commemorating the 8th of May, Cardinal Meissner said: "the pathetic result of sin is always division."

The arbitrariness of destruction continued to be felt in the arbitrary distribution of burdens. There were innocent people who were persecuted and guilty ones who got away. Some were lucky to be able to begin life all over again at home in familiar surroundings. Others were expelled from the lands of their fathers. We in what was to become the Federal Republic of Germany were given the priceless opportunity to live in freedom. Many millions of our countrymen have been denied that opportunity to this day.

Learning to accept mentally this arbitrary allocation of fate was the first task, alongside the material task of rebuilding the country. That had to be the test of the human strength to recognize the burdens of others, to help bear them over time, not to forget them. It had to be the test of our ability to work for peace, of our willingness to foster the spirit of reconciliation both at home and in our external relations, an ability and a readiness which not only others expected of us but which we most of all demanded of ourselves.

We cannot commemorate the 8th of May without being conscious of the great effort required on the part of our former enemies to set out on the road of reconciliation with us. Can we really place ourselves in the position of relatives of the victims of the Warsaw Ghetto or of the Lidice massacre? And how hard must it have been for the citizens of Rotterdam or London to support the rebuilding of our country from where the bombs came which not long before had been dropped on their cities? To be able to do so they had gradually to gain the assurance that the Germans would not again try to make good their defeat by use of force.

In our country the biggest sacrifice was demanded of those who had been driven out of their homeland. They were to experience suffering and injustice long after the 8th of May. Those of us who were born here often do not have the imagination or the open heart with which to grasp the real meaning of their harsh fate.

But soon there were great signs of readiness to help. Many millions of refugees and expellees were taken in who over the years were able to strike new roots. Their children and grandchildren have in many different ways formed a loving attachment to the culture and the homeland of their ancestors. That is a great treasure in their lives. But they themselves have found a new home where they are growing up and integrating with the local people of the same age, sharing their dialect and their customs. Their young life is proof of their ability to be at peace with themselves. Their grandparents or parents were once driven out. They themselves, however, are now at home.

Very soon and in exemplary fashion the expellees identified themselves with the renunciation of force. That was no passing declaration in the early stages of helplessness but a commitment which has retained its validity. Renouncing the use of force means allowing trust to grow on all sides. It means that a Germany that has regained its strength remains bound by it. The expellees' own homeland has meanwhile become a homeland for others. In many of the old cemeteries in Eastern Europe you will today find more Polish than German graves. The compulsory migration of millions of Germans to the West was followed by the migration of millions of Poles and, in their wake, millions of Russians. These are all people who were not asked, people who suffered injustice, people who became defenseless objects of political events and to whom no compensation for those injustices and no offsetting of claims can make up for what has been done to them.

Renouncing force today means giving them lasting security, unchallenged on political grounds, for their future in the place where fate drove them after the 8th of May and where they have been living in the decades since. It means placing the dictate of understanding above conflicting legal claims. That is the true, the human contribution to a peaceful order in Europe which we can provide.

The new beginning in Europe after 1945 has brought both victory and defeat for the notion of freedom and self-determination. Our aim is to seize the opportunity to draw a line under a long period of European history in which to every country peace seemed conceivable and safe only as a result of its own supremacy, and in which peace meant a period of preparation for the next war.

The peoples of Europe love their homelands. The germans are no different. Who could trust in a people's love of peace if it were capable of forgetting its homeland? No, love of peace manifests itself precisely in the fact that one does not forget one's homeland and is for that very reason resolved to do everything in one's power to live together with others in lasting peace. An expellee's love for his homeland is in no way revanchism.

VI

The last war has aroused a stronger desire for peace in the hearts of men than in times past. The work of the churches in promoting reconciliation met with a tremendous response. The "Aktion Sühnezeichen", a campaign in which young people carry out atonement activity in Poland and Israel, is one example of such practical efforts to promote understanding. Recently, the town of Kleve on the Lower Rhine received loaves of bread from Polish towns as a token of reconciliation and fellowship. The town council sent one of those loaves to a teacher in England because he had discarded his anomymity and written to say that as a member of a bomber crew during the war he had destroyed the church and houses in Kleve and wanted to take part in some gesture of reconciliation. In seeking peace it is a tremendous help if, instead of waiting for the other to come to us, we go toward him, as this man did.

In the wake of the war, old enemies were brought closer together. As early as 1946, the American Secretary of State, James F. Byrnes, called in his memorable Stuttgart address for understanding in Europe and for assistance to the German nation on its way to a free and peaceful future. Innumerable Americans assisted us Germans, who had lost the war, with their own private means so as to heal the wounds of war. Thanks to the vision of the Frenchmen Jean Monnet and Robert Schuman and their cooperation with Konrad Adenauer, the traditional enmity between the French and Germans was buried forever.

A new will and energy to reconstuct Germany surged through the country. Many an old trench was filled in, religious differences and social strains were defused. People set to work in a spirit of partnership.

There was no "zero hour," but we had the opportunity to make a fresh start. We have used this opportunity as well as we could.

We have put democratic freedom in the place of oppression. Four years after the end of the war, on this May 8, in 1949, the Parliamentary Council adopted our Basic Law. Transcending party differences, the democrats on the council gave their answer to war and tyranny an Article 1 of our constitution: "The German people acknowledge inviolable and inalienable human rights as the basis of any community, of peace and of justice in the world." This further significance of May 8 should also be remembered today.

The Federal Republic of Germany has become an internationally respected state. It is one of the most highly developed industrial countries in the world. It knows that its economic strength commits it to share responsibility for the struggle against hunger and need in the world and for social adjustment between nations. For 40 years we have been living in peace and freedom, to which we, through our policy in union with the free nations of the Atlantic alliance and the European Community, have ourselves rendered a major contribution. The freedom of the individual has never received better protection in Germany than it

does today. A comprehensive system of social welfare that can stand comparison with any other ensures the subsistence of the population. Whereas at the end of the war many Germans tried to hide their passports or to exchange them for another one, German nationality today is highly valued.

We certainly have no reason to be arrogant and self-righteous. But we may look back with gratitude on our development over these 40 years, if we use the memory of our own history as a guideline for our future behavior.

If we remember that mentally disturbed persons were put to death in the Third Reich, we will see care of people with psychiatric disorders as our own responsibility.

If we remember how people persecuted on grounds of race, religion and politics and threatened with certain death often stood before the closed borders with other countries, we shall not close the door today on those who are genuinely persecuted and seek protection with us.

If we reflect on the penalties for free thinking under the dictatorship, we will protect the freedom of every idea and every criticism, however much it may be directed against ourselves.

Whoever criticizes the situation in the Middle East should think of the fate to which Germans condemned their Jewish fellow human beings, a fate that led to the establishment of the state of Israel under conditions which continue to burden people in that region even today.

If we think of what our Eastern neighbors had to suffer during the war, we will find it easier to understand that accommodation and peaceful neighborly relations with these countries remain central tasks of German foreign policy. It is important that both sides remember and that both sides respect each other. Mikhail Gorbachev, General Secretary of the Soviet Communist Party, declared that it was not the intention of the Soviet leaders at the 40th anniversary of the end of the war to stir up anti-German feelings. The Soviet Union, he said, was committed to friendship between nations. Particularly if we have doubts about Soviet contributions to understanding between East and West and about respect for human rights in all parts of Europe, we must not ignore this signal from Moscow. We seek friendship with the peoples of the Soviet Union.

Forty years after the end of the war, the German nation remains divided.

At a commemorative service in the Church of the Holy Cross in Dresden held in February of this year, Bishop Hempel said: "It is a burden and a scourge that two German states have emerged with their harsh border. The very multitude of borders is a burden and a scourge. Weapons are a burden."

Recently in Baltimore in the United States, an exhibition on "Jews in Germany" was opened. The ambassadors of both German states accepted the invitation to attend. The host, the President of the Johns Hopkins University, welcomed them together. He stated all Germans share the same historical development. Their joint past is a bond that links them. Such a bond, he said, could be a blessing or a problem, but was always a source of hope.

We Germans are one people and one nation. We feel that we belong together because we have lived through the same past. We also experienced the 8th of May 1945 as part of the common fate of our nation, which unites us. We feel bound together in our desire for peace. Peace and good neighborly relations with all countries should radiate from the German soil in both states. And no other states should let that soil become a source of danger to peace, either. The people of Germany are united in desiring a peace that encompasses justice and human rights for all peoples, including our own. Reconciliation that transcends boundaries cannot be provided by a walled Europe but only by a continent that removes the divisive elements from its borders. That is the exhortation given us by the end of the Second World War. We are confident that the 8th of May is not the last date in the common history of all Germans.

Many young people have in recent months asked themselves and us why such animated discussions about the past have arisen 40 years after the end of the war. Why are they more animated than after 25 or 30 years? What is the inherent necessity of this development?

It is not easy to answer such questions. But we should not seek the reasons primarily in external influences. In the life span of men and in the destiny of nations, 40 years play a great role. Permit me at this point to return again to the Old Testament, which contains deep insights for every person, irrespective of his own faith. There, 40 years frequently play a vital part. The Israelites were to remain in the desert for 40 years before a new stage in their history began with their arrival in the Promised Land. 40 years were required for a complete transfer of responsibility from the generation of the fathers.

Elsewhere, too (in the Book of Judges), it is described how often the memory of experienced assistance and rescue lasted only for 40 years. When their memory faded, tranquility was at an end. Forty years invariably constitute a significant time span. Man perceives them as the end of a dark age bringing hope for a new and prosperous future, or as the onset of danger that the past might be forgotten and a warning of the consequences. It is worth reflecting on both of these perceptions.

In our country, a new generation has grown up to assume political responsibility. Our young people are not responsible for what happened over 40 years ago. But they are responsible for the historical consequences.

We in the older generation owe to young people not the fulfillment of dreams but honesty. We must help younger people to understand why it is vital to keep memories alive. We want to help them to accept historical truth soberly, not one-sidedly, without taking refuge in utopian doctrines, but also without moral arrogance. From our own history we learn what man is capable of. For that reason we must not imagine that we are quite different and have become better. There is no ultimately achievable moral perfection. We have learned as human beings, and as human beings we remain in danger. But we have the strength to overcome such danger again and again.

Hitler's constant approach was to stir up prejudices, enmity and hatred. What is asked of young people today is this: do not let yourselves be forced into enmity and hatred of other people, of Russians or Americans, Jews or Turks, of alternatives or conservatives, blacks or whites.

Let us honor freedom.

Let us work for peace.

Let us respect the rule of law.

Let us be true to our own conception of justice.

On this 8th of May, let us face up as well as we can to the truth.

BERNARD J. ROSENSHEIN TO RECEIVE YOUTH SERVICES MAN OF THE YEAR AWARD

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. DioGUARDI. Mr. Speaker, this Sunday the Tom Paine of New Rochelle Lodge of B'nai B'rith will present its annual Youth Services Man of the Year Award to Bernard J. Rosenshein.

I do not believe that you could find an individual more deserving of this award than Bernie. His list of accomplishments and community service are endless. As president of Rosenshein Associates, his company has become one of the largest shopping center developers. Bernie also serves as the vice president of the eastern division of the International Council of Shopping Centers. However, these accomplishments pale in comparison to the dedication Bernie has shown to the entire Westchester community.

Bernie has been an active participant in the Beth El Synagogue community for 18 years and serves on their board of trustees. He is also the founder of American Friends for the Hebrew University. As president of the board of governors of the Mamaroneck Beach and Yacht Club, he has hosted several fundraising events for Jewish philanthropies and educational causes.

Bernie truly symbolizes what I believe to be the greatest asset of Americans, volunteerism and the desire to help others. It is people like Bernie that make the world a better place for all of us.

His wife, Carol and his daughters, Michele, Julie and Lisa should be proud of him. As a personal friend, I would like to extend my deepest congratulations to Bernie and wish him the best of success in all of his future endeavors.

LEGISLATION TO DESIGNATE NAPLES, FL, TO HOLD FEDERAL COURT

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. LEWIS of Florida. Mr. Speaker, I am pleased to join with my friend and colleague from Florida [Mr. MACK], in introducing legislation to designate the city of Naples as a place to hold Federal court in Florida's southern district.

Currently, the nearest Federal court for individuals in the Naples area is located in Miami, FL—over 200 miles from Naples. No doubt, this makes access to the Federal court for the citizens in and around the area of Naples extremely difficult and costly.

With each passing day, south Florida's population grows at an astonishing rate. In fact, estimates indicate that Collier County, which includes Naples, will grow approximately 74 percent over the next 15 years. The increased growth has placed a tremendous burden on the Florida court system and could endanger its effectiveness in the future. For example, the southern Florida district with 12 judges handles approximately 1,500 new criminal cases filed each year, involving 2,700 defendants. Compare this to the Georgia district court in Atlanta, with 11 judges disposing of 423 cases last year and the Federal district court in New York City which handled a total of 817 cases with 27 Federal judges.

Of particular concern to south Floridians is the problem of expeditiously prosecuting those involved in illicit narcotics. It is no secret that Florida, particularly south Florida, is the major point of entry for illegal narcotics coming into the United States. In fact, over 80 percent of the cocaine entering the United States during the last year moved through south Florida, where more than 80 percent of the seizures occurred. Clearly, these statistics indicate a need to address this problem immediately.

Under the law, Congress must act to authorize an area as a place to hold court. Should Naples be designated such an area, the Federal Government must either find appropriate space in existing facilities or construct a building in which court can be held. Since Collier County is in the process of developing a new judicial center, the possibility exists to include the needed space in this new facility. This could save time and money for both the residents and the Federal Government—a concept which is most welcome given the fiscal problems faced by Government today.

I want to commend my good friend, Senator CHILES, for introducing identical legislation in the other body. This timely and necessary legislation will greatly assist southwest Florida in resolving a difficult and frustrating situation and I ask for my colleagues support.

VETERANS DAY

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. STALLINGS. Mr. Speaker, on November 11, at 11 a.m., a combined color guard representing all military services, will present arms at the Tomb of the Unknown Soldier at Arlington National Cemetery. A wreath will be placed at the tomb, honoring over 1 million veterans who sacrificed their lives for the freedom and honor of this great Nation.

Some 2,400 miles away, communities across the great State of Idaho gather to pay tribute to the brave men and women who proudly served our country, and in all too many instances, sacrificed their lives to give us a future free of oppression, and rich with freedom and liberty.

All across this Nation, there will be parades and speeches and celebrations. Veterans Day is a day for all Americans to pause in commemoration—to sharpen memories of the past, and to dream of the future. It is a day to honor those veterans who sacrificed in the struggle for peace, and a day to respect those who survive.

I take special pride in honoring the more than 122,000 veterans who live in Idaho, and the countless thousands who died in the service of our Nation. Seeing the names of 237 young Idahoans inscribed on the starkness of the Vietnam Memorial brought the realities of war even closer home.

We are charged with keeping alive and vivid the memory of war, of its participants, and of their bravery. Certainly we cannot live in the past, or in the ugliness of war, but we must never forget.

For these veterans, certain values, certain principles, and certain eternal truths were more precious than life itself. The causes for which they fought—freedom, democracy, peace, family—must never be forgotten. We must teach our children and every future generation to value the rights and freedoms we enjoy, instilling a sense of honor, conviction, and duty to our country.

On November 11, Veterans Day 1985, we can sustain these important memories November 11 is a day of appreciation, a day of pride, and above all, a day of peace.

A TRIBUTE TO R. MANNING BROWN

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. COURTER. Mr. Speaker, I rise today in tribute to R. Manning Brown who passed away on October 19, 1985. Mr. Brown served for 15 years as chairman of the executive committee of Princeton University's board of trustees, completing in June the longest term ever served in that position.

Mr. Brown retired in 1981 as chairman of the board of New York Life Insurance Co. At the time of his death he was also director of Associated Dry Goods Corp., Union Camp Corp., and Union Carbide Corp. He had recently retired from the boards of J.P. Morgan and Co., Inc., Louisiana Land and Exploration Co., and Avon Products.

During his 5-year service in the Army during World War II, Mr. Brown achieved the rank of major, and he was appointed to command an infantry company during action in the European Theater. He was decorated five times for service during the war, receiving the Purple Heart and a Bronze Star with three clusters.

To his wife Margrette, his son Ralph, and his daughter Anne Brown Durney, I give my deepest condolences. R. Manning Brown was a great American and his leadership will be sorely missed by the community of Princeton, the State of New Jersey, and the country.

HONORING THE 32D ANNUAL VETERANS DAY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. DYMALLY. Mr. Speaker, today I rise to honor the 28 million living veterans, and to remember the more than 1 million that died defending this great Nation. Veterans Day is a day for all Americans to pay special tribute to these men and women who risked their lives to safeguard our freedom and democracy. This day should also serve as a reminder to Members of Congress of our responsibility and commitment to these citizens.

I am very proud of our country's record in caring for its veterans through responsible programs. It saddens me, however, that we are comtemplating under our newly acquired budget-balancing courage the possibility of tainting this record. I hope that in the midst of the intellectual exchanges on Gramm-Rudman, some common sense is restored to preserve our veterans' benefits.

It would be remiss on the part of our membership and constituencies if we do not recognize that all veterans are not necessarily American citizens; although they all fought under the same flag. I am referring to the 1,600 Filipino veterans of World War II in California who were promised naturalization and saw that promise later denied due to political concerns. It saddens me that responsible Members have not seen fit to move a measure (H.R. 1302) I introduced to fulfill the reneged promise. I hope that on a Veterans Day in the near future, these veterans are properly honored as citizens.

November 11, 1985 marks the 32d annual observance of Veterans Day. No doubt the pains of tragedy will be felt. But, this day should really be for our appreciation of our veterans' service and deeds. We in Congress have an opportunity to overcome any sad notes and rejoice in the peace for which these selfless veterans fought and died. Let us not forget to protect our veterans' benefits and honor all those who fought for these United States.

Mr. Speaker, I urge all Members and other Americans to be thankful and proud of what our veterans contributed to our children's futures. They did not forget us in times of adversity; let us not now do so in our times of adversity. We should all be able to thank our veterans with pride and honor, with sincerity and integrity.

TRIBUTE TO GEN. GEORGE S. PATTON, JR.

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. MAVROULES. Mr. Speaker, I come before my colleagues in the House today to

honor a man who was one of America's finest citizens.

On Monday, November 11, we will have the annual opportunity to remember and honor our veterans. These individuals, throughout the years, have served and fought valiantly to protect our liberties and freedoms. Also on this day, we will have the opportunity to celebrate the centennial of the birth of Gen. George S. Patton, Jr.

Today I address the House in remembrance of General Patton, one of our greatest military leaders and strategists. General Patton's military legacy will long be remembered and revered by free people everywhere. With his Third Army, General Patton succeeded in eradicating an oppressive tyranny from Europe. He was responsible for leading the Third Army to Bastogne, where they freed numerous Allied troops, and took more prisoners than any other army during World War II.

Historian Andrew Metropolis has said that:

Patton's military ability and leadership are considered by many to be unequaled. He took the Third Army through Europe, many times without the aid of supply lines. As a motivator and strategist he was unsurpassed.

This quote exemplifies General Patton's drive and determination. His love for his country, especially for his home in Hamilton, MA, was considerable. Because of his belief in the American way of life, General Patton brought his army to the front, and helped bring about the demize of the Nazi Third Reich and Facists.

General Patton's friends and family, many of whom still reside in Hamilton, MA, deserve to be proud. I personally experience a great deal of pride in recognizing this patriotic and courageous American. And I believe that all free men living in Europe, who rise each morning without the fear of nazism, owe a great deal to General Patton.

Today I call upon my colleagues in the House, as well as the free people across the globe, to pay special tribute to General Patton, this Monday, the 100th anniversary of his birth. We must all take a moment in our Veterans Day celebrations, and pause to remember and honor General Patton.

Men such as he, who gave their heart and souls to the protection of democracy, cannot be forgotten. Let us remember this son of Massachusetts on Monday, November 11.

H.R. 3692 DESERVES QUICK PASSAGE

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mrs. SMITH of Nebraska. Mr. Speaker, I rise in strong support of H.R. 3692, introduced by the gentleman from North Carolina [Mr. BROYHILL]. This legislation is a fair response to a problem faced by companies in my district and throughout the country.

The Hazardous and Solid Waste Amendments of 1984 imposed a deadline for compliance with requirements that land disposal facilities operating under interim status comply with ground water monitoring and financial responsibility requirements. The landfill sites must comply with these requirements by November 8 or close down.

To comply with the financial responsibility requirements, the EPA has determined that a facility must either obtain liability insurance or meet self-insurance requirements. But many of the firms are small, and meeting self-insurance requirements is an impossibility. And other facilities have found it equally impossible to obtain a liability policy from an outside insurance firm.

In a meeting here in my Washington office, a representative from a firm operating a landfill site located in my district explained that his firm was too small to self-insure, so he has been seeking a liability policy with an outside insurance firm. He has contacted almost a dozen insurance companies and has been turned down by them all.

Although the firm has made every effort to comply with the insurance requirement and has spent a good deal of money to meet the other legal requirements, the firm will now have to close down its land disposal operation.

Mr. Speaker, Mr. Broyhill's legislation offers a short-term solution to this problem by providing a 1-year extension on the insurance requirement to those firms that have complied with the other legal requirements and have made a good-faith effort to obtain liability insurance.

Because the November 8 deadline is upon us, it is vital that H.R. 3692 be given consideration in a timely manner. I strongly urge my colleagues to support this measure.

THE COUNCIL FOR A SECURE AMERICA: NATIONAL SECURITY, ENERGY INDEPENDENCE AND THE SECURITY OF THE ISRAELI STATE

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. BRYANT. Mr. Speaker, during hearings yesterday on the impact of changes in the Internal Revenue Code with respect to energy production tax incentives, the Council for a Secure America, represented by Mr. Samuel Eisenstat, presented testimony tying such changes to national security and the security of the State of Israel. I respectfully request this statement be inserted in the RECORD so my colleagues may benefit from Mr. Eisenstat's excellent insight and understanding of the issues of national security, the security of the State of Israel and our own energy independence. Thank you.

TESTIMONY OF THE COUNCIL FOR A SECURE AMERICA BEFORE THE HOUSE SUBCOMMITTEE ON FOSSILE AND SYNTHETIC FUELS OF THE COMMITTEE ON ENERGY AND COMMERCE, NOVEMBER 7, 1985

Mr. Chairman, Members of the Committee: My name is Samuel Eisenstat. I am pleased to be here in my capacity as President of a recently organized group called "The Council for a Secure America." With me is my esteemed colleague, the Honorable Mack Wallace, the Co-Chairman of the Council and one of its founding members. Commissioner Wallace, as immediate past Chairman and now one of three members of the Railroad Commission of Texas, is particularly well qualified to represent the Council here today. As you are no doubt aware, the Railroad Commission of Texas is the state agency chartered with the oversight and regulatory responsibility for the exploration, drilling and production for all oil and natural gas in the State of Texas.

Since this is the Council's maiden voyage before a House Committee, I would like to take a few minutes to introduce the Council to you and to discuss the reasons for the Council's core concerns with U.S. energy and tax policies. Commissioner Wallace will thereafter talk with you about the inextricable and precarious linkage between energy and national security.

The Council for a Secure America was created less than a year ago to educate the American public and its officials of the pressing need to bolster U.S. national security and provide for a forthright and unfettered U.S. foreign policy. In pursuit of this aim, a coalition of two key American constituencies emerged. Members of the domestic oil and gas industry and friends of the State of Israel in the U.S. came together to espouse the following inescapable truths.

1. Neither the United States of America nor the State of Israel can afford the threat to U.S. national security imposed by unacceptable levels of imported crude oil and refined products from often hostile and unstable foreign governments.

2. To insure independence from the intolerable risk of foreign imports, the domestic oil and gas industry must remain vital enough to explore for, produce, and refine reserves sufficient to replace and add to current domestic production.

3. The key to preserving and maintaining a thriving domestic oil and gas industry is the independent oil and gas operator who drills 89 percent of the exploratory or wildcat wells in the United States. This activity locates the new reserves of oil and natural gas we have to be constantly finding to maintain and increase our rate of production.

4. Finally, tax policy will make or break the goal of energy independence. Tax law that allows the development of U.S. crude oil, natural gas, and natural gas liquids is every bit as justified today as it ever was. Independent oil and gas operators are especially sensitive to tax law. Their capital is not cash in the bank but oil and natural gas in the ground. From the revenues of the sale of their production and investments they attract, venture capital is generated for their drilling programs. Thus, tax policy decrees whether critically needed venture capital will be available to keep the rigs running.

On April 11, 1870, Robert Lowe, Viscount of Sherbrooke, testified before the House of Commons on tax matters. He is said to have referred to the Chancellor of the Exchequer

as a ". . . man whose duties make him more or less of a taxing machine . . . intrusted with a certain amount of misery which it is his duty to distribute as fairly as he can."

I know you gentlemen must be able to empathize with the sentiment expressed, and the Council surely believes that the issue of fairness is important to tax policy. But, fairness must be viewed in a broader light when the national security is at stake.

Let's take a look at the domestic industry today. Energy is the lifeblood of our industrial society. And oil and natural gas provide 70 percent of that energy. This will be true for decades to come.

Thus, the need for precious oil and gas resources is of no short-term duration. The trend, however, shows we are not moving forward; we are moving backward. The number of active drilling rigs in the country has dropped by 40 percent since 1981.

Some argue that drilling is down because demand is down. That is certainly contrary to the fact that we imported over 5 million barrels of crude oil and refined products per day in 1984. These imports cost over 54 billion dollars, which constituted 45 percent of the total foreign trade deficit. The size and growth of this deficit is considered by many as the most dangerous trend in our economy today.

The large trade deficit, however, is not the only unfortunte consequence. As recent events, particularly the hijacking of the *Achille Lauro*, should remind us, all the terrorist groups in the Middle East, without exception, likely receive their major funding from petro-dollars—dollars that the free world must pay for oil from the Gulf area. Without the hundreds of millions of dollars they receive annually from the oil exporting countries, these terrorists could not have acquired huge bank accounts, limitless quantities of sophisticated modern weapons, and freedom of travel throughout the world.

Now let's move to ask, what about energy demand in the future?

Charles Ebinger, Director of the Energy and Strategic Resources Program at Georgetown University's Center for Strategic and International Studies, recently said that after several years of decline, energy consumption is on the rise again and will keep rising as the current economic recovery spreads within the U.S. and to other countries.

Others argue that drilling is down because there is little left in the United States to be found. The truth is that vast supplies of oil and natural gas remain to be produced. A map, prepared under the auspices of another distinguished colleague and Council Board Member, Mr. Frank Pitts, and attached as an exhibit to the Council's testimony, shows that 98 percent of our prospective sediments for the accumulation of oil and natural gas remain untouched by drilling. Only 3 percent of our offshore acreage has even been leased.

The present tax law regarding intangible drilling costs is the independent's jugular vein. It, along with percentage depletion, has made it possible for independent producers to serve the energy interests of this nation by increasing their drilling activities and finding more reserves. The Administration's plan proposes to spare the artery from the knife. If the treatment of IDC's is not preserved in their current form, and if depletion allowance is eliminated in its entirety, the nation's drilling activity will plummet by 30 to 40 percent and new reserves will decline by a like amount. This would be totally unconscionable.

The Council considers America's national security through energy independence a sine qua non. Without the independent producers, it cannot be achieved; without present tax provisions, they cannot survive. To forfeit these provisions is tantamount to an abdication of national responsibility.

At this time, I will turn the floor over to Commissioner Wallace to share with you the Council's view of the geopolitics of energy and the vulnerability of the U.S. in the area of national security.

ADDITIONAL POSITIONS FOR U.S. CUSTOMS PROVIDED IN CONFERENCE REPORT

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. LEWIS of Florida. Mr. Speaker, I am pleased that the House voted to approve the conference report to H.R. 3036, which provided funds for fiscal year 1986 operations of the Treasury Department and the U.S. Postal Service.

One of the most important aspects of this bill is language that provides for an additional 473 positions in the U.S. Customs Service. No reduction is easy to support, Mr. Speaker, but cutting over 800 customs positions would have proven fatal to drug interdiction efforts in all areas of the United States. The other body has already adopted a separate proposal which would reduce Coast Guard funding by $230 million. By combining these reductions, the U.S. Congress would have cleared the way for major increases in illicit narcotics distribution and other drug-related crimes.

Stepping up our enforcement against illegal drugs benefits more than just select areas of the country. Hazardous drugs often pass through several dealers before they come into the possession of many young children who do not realize what they are getting into. I appreciate the support of my colleagues who realize that reducing our force against the trade of illegal drugs will only stimulate attempts to dump these substances on American soil.

PRAISE FOR EXCELLENCE IN THE CONGRESSIONAL LEGIS FELLOWS AND FOR ITS PROGRAM DIRECTOR, TOM GARCIA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. DYMALLY. Mr. Speaker, I am certain that many Members of the House join me in praising the excellence of our Congressional LEGIS Program, which over 6 years since its inception, has provided invaluable staffs of experts and legislative analysts to both our personal offices and committees. On the occasion of the departure of Dr. Thomas Garcia, the first Director of the LEGIS Program in the Office of Personnel Management [OPM], all Members who have come to learn firsthand about the LEGIS fellows stand and applaud the professional excellence and dedication that Tom has brought to this program now operating on the Hill.

Indeed, we have been the beneficiaries and recipients of these outstanding midlevel and senior civil servants, who have come to assist each of our offices in order to address the heavy legislative agenda that we have come to experience in both the House and Senate. The excellent record of the literally hundreds of fellows who have graduated speak eloquently about the creative design, preparation and execution of this special Congressional Fellows Program which has been nurtured by Tom Garcia by working with all Federal executive agencies and the individual employees in meeting the special needs of our offices. The fellows, in turn, have labored and learned the ways of the Hill and how we conduct business in the legislative branch. The program has therefore provided a two-way learning process where the fellows have learned and absorbed a great deal themselves—even during their short tenure of 6 months to 1 year.

A descriptive word about this important program: The LEGIS fellows come from all agencies of the executive branch; they come from all disciplines, including but not limited to fellows with science and technical backgrounds; management, budgetary, and tax backgrounds; social scientists as well as civilian analysts who are experts in our military programs. Thus, they have come to serve professionally, not only in addressing our full legislative calendars, but also in the many subcommittees and full committees where the major business of the House is conducted. The nomination and selection of these LEGIS fellows is quite competitive, requiring their agency nomination to be in ranked order with the final selection accomplished through OPM. Their salaries and any travel incurred during their tenure are provided by the sending Federal agency, which is godsend to all our congressional offices laboring under both limited budget and staff capability in covering an ever-increasing legislative calender with many complex issues to be addressed by our staffs. The program includes an intensive 3-week orientation period in which the fellow is exposed to the legislative process and office procedures and he/she uses this period to interview and select the most appropriate work setting or office that the fellow can negotiate with Members or their committee staffs. The results have been overwhelmingly successful in that hundreds of fellows have been placed and have served with distinction; the total investment of funds and human effort expended on this program have certainly provided viable cost-benefit results.

Finally, may I say a word about Tom Garcia under whose guidance the LEGIS Program has evolved into the highly professional talent bank that it is today:

Tom Garcia has spent the past 20 years as a dedicated civil servant in the Office of

Personnel Management, formerly the U.S. Civil Service Commission, where he has been intimately involved with executive training and development programs. With the establishment of the Congressional LEGIS Fellows Program, created through the hard and thoughtful work of Dr. Garcia, the latter became its first program director in 1979. Prior to the period of his outstanding Government service at OPM, Tom developed strong leadership and teaching skills in academia at the University of Georgia, Athens; University of Massachusetts, Amherst; and at Louisiana State University, Baton Rouge. He served honorably in the U.S. Army and is a recipient of many outstanding achievement awards from the U.S. Office of Personnel Management and from academic institutions.

Members assuredly join me in expressing to Tom Garcia our deep appreciation for his stewardship and fine public service in bringing to fruition our Congressional LEGIS Fellows Program, as well as for the leadership and excellence he has personally exemplified in his work with the Federal executive agencies and here on the Hill. We wish him well in his professional career and personal life. He leaves a legacy of excellence in public service.

TRIBUTE TO PRESIDENT SPENCER W. KIMBALL

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1985

Mr. STALLINGS. Mr. Speaker, I would like to take this opportunity today to pay tribute to President Spencer W. Kimball, who died Tuesday after serving as president of the Church of Jesus Christ of Latter-day Saints for 12 years.

President Kimball's death represents a great loss for members of the Mormon Church, as well as for me personally.

President Kimball, who was born in Salt Lake City, UT, and grew up in Thatcher, AZ, dedicated his life to service in the church. His leadership will be greatly missed. He showed great love and compassion as he served in his many leadership capacities, yet his leadership style was decisive. He was known for his humility; his ability to disarm people and make them feel comfortable.

Many aspects of his leadership of the Mormon Church stand out.

In 1957 he underwent an operation for cancer of the throat. One and one-half vocal chords were removed. Despite this, President Kimball continued in his calling as an apostle, meeting and speaking to members of the church around the world.

Rapid church growth was recorded during President Kimball's leadership of the church. In a church seminar in 1974, President Kimball encouraged church members to "lengthen their stride" in missionary work. This phrase became a challenge echoed throughout the rest of his service as president of the church.

He was interested in work with young people, Indian programs, health and education programs and welfare programs. These themes were repeated again and again during his years of service.

President Kimball performed my marriage 22 years ago, which makes his death a personal loss for me.

I join with others throughout the world in paying tribute to this great leader.

SENATE—*Tuesday, November 12, 1985*

The Senate met at 8:45 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

If any of you lacks wisdom, let him ask of God, who gives to all generously, and without reproaching, and it will be given him.—James 1:5.

Eternal God, wisdom of the ages, momentous challenge confronts the Senate. Agriculture, trade balance, national defense, budget deficit, national debt—with few exceptions every issue requiring legislation is critical.

Wise as the Senators are, they need a higher wisdom which is relevant and available. Powerful people in positions of power find it difficult to ask for help, Lord. Probably some are not fully convinced that an invisible God is a viable resource. God of all power and wisdom, manifest Thyself to them and help them understand that there is nothing on Earth which is a matter of indifference to Thee. Give the Senators grace to be humble and acknowledge their inadequacy and ask Thee for guidance. Grant to them the will and the courage to tackle these cosmic issues and find solutions. For Thy glory and the sake of the Nation's future. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. TRIBLE. Mr. President, on behalf of the distinguished majority leader, who is en route to the White House, let me outline the day's activities for the U.S. Senate.

SCHEDULE

Mr. TRIBLE. Under the standing order, the two leaders will be recognized for 10 minutes each. Following that recognition there will be special orders for not to exceed 15 minutes each in favor of Senators CHAFEE, DANFORTH, PROXMIRE, MELCHER, and GORE.

Then, Mr. President, there will be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

At 10 a.m., by unanimous consent, the Senate will resume consideration on S. 1730, the reconciliation measure, with the Thurmond-Hollings textiles amendment laid aside. Consideration of other amendments will occur throughout the day and there is a possibility that a time agreement will be reached to dispose of other amendments.

The Senate will then stand in recess between the hours of 12 noon and 1:30 p.m. in order for the weekly party caucuses to meet.

At 1:30 p.m., the Senate will resume consideration of the reconciliation bill. Rollcall votes may be expected to occur throughout the day.

RESERVATION OF MAJORITY LEADER'S TIME

Mr. TRIBLE. Mr. President, I ask unanimous consent to reserve the remainder of the majority leader's time under the standing order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The distinguished acting minority leader is recognized.

Mr. PROXMIRE. I thank the Chair.

SHOULD THE COURTS ABOLISH THE INDEPENDENT AGENCIES?

Mr. PROXMIRE. Mr. President, I want to call to the attention of the Senate this morning something that I think many of us have missed.

Mr. President, it will come as a shock to many Members of this body to learn that there may be a real possibility that some of the most crucial agencies of this Government—in fact, all of the independent regulatory agencies—could either be abolished or lose their independent status and come under the direct and complete control of the President. In an article in the New York Times on November 6, Stuart Taylor has called attention to a speech by Attorney General Edwin Meese that "the entire system of independent regulatory agencies may be unconstitutional." Attorney General Meese argues that the Constitution gives the President and his executive branch the exclusive power to enforce the law. Unfortunately, Mr. Meese is not alone. Another administration powerhouse, the Director of the Office of Management and Budget, James Miller, joins him. Miller contends: "There is no such thing as an independent agency, at least as far as rulemaking is concerned." What makes this view of Mr. Miller particularly impressive is that Mr. Miller has just left the chairmanship of the Federal Trade Commission.

Mr. President, this is not just the product of a bull session on constitutional powers. A suit pending in Federall district court here in the District of Columbia could end in the effective abolition of the Federal Trade Commission as an independent agency. Six title insurance companies have argued that the Federal Trade Commission should be barred from bringing price fixing charges against them because it has operated unconstitutionally since its creation in 1914. Ironically, Mr. Meese's Justice Department is representing the FTC in this case. But the New York Times reports that the Justice Department is seriously considering a switch. It might decide to support the companies if the court decides to resolve the constitutional issue.

What would happen if the court decides in favor of the firms suing the FTC? The FTC would lose its law enforcement power. How about the Securities and Exchange Commission? Would they lose their authority to act against corporations that failed to disclose crucial information to investors in accordance with the law? That would certainly follow. And how about the National Labor Relations Board? Would they be able to enforce the law with respect to disputes between management and labor unions? They would not. These agencies would have to give up their prosecutorial power to the executive branch. That, of course, means to Mr. Meese's Department of Justice. The consequences would be much greater. Even as lofty and respected an agency as the Federal Reserve Board would be compelled to surrender its regulatory power to the President.

What kind of a legal case could Attorney General Meese have to advance his view that the executive branch, and specifically the Justice Department, has the only rightful power under the Constitution to enforce Federal law? In 1935 the Supreme Court upheld the authority of the Federal Trade Commission as independent of the President, when it ruled that President Roosevelt did not have the right to dismiss a member of the Federal Trade Commission for "political or policy" reasons. But now Mr. Meese argues that two 1983 rulings by the Supreme Court have reasserted the sole law enforcement authority of the President when it struck down "legislative vetoes" and emphasized the exclusive allocation as well as division of powers between the Congress, the

President, and the Judiciary. With this recent decision in mind the Attorney General contends that if Federal agencies perform executive functions, they are under the control and direction of the executive. They are not quasi-judicial. They are not independent. There is no fourth branch of Government mentioned in the Constitution. There are three branches, three distinct branches. Any agency that enforces or executes the law, argues Mr. Meese, must fall within the power and authority of the executive branch of Government.

Given the track record of the Reagan administration and especially of Attorney General Edwin Meese, this itch for more power for the President and his Attorney General has appalling implications. For instance, the Justice Department has a notoriously weak record of acting against defense contractors. For years this Senator has been observing case after case where the Navy has referred cases to the Justice Department for investigation and prosecution. Prosecution has often been recommended by Justice Department investigators, but they rarely take place. The recent Justice Department prosecution of former Navy Assistant Secretary Sawyer who later became a vice president of General Dynamics is a rare, very rare, exception. This administration has a well earned reputation for refusing to pursue white collar criminals. I will concede it is true that many of the so-called independent agencies have been weakened in recent years by appointments to the top policymaking positions of officials who share the administration's aversion to cracking down on powerful corporation officials. Nevertheless, the agencies have been far more forceful in this respect than the Department of Justice.

In the past 50 years, the independent agencies have provided a very useful balance wheel for the immense power concentrated in the executive branch. The independent boards are required by law in most cases to be bipartisan. Appointments are for staggered terms. That means most top policymakers in the agency have either been appointed by a former Presidential administration or they will serve in a term that does not expire until the current Presidential administration has left office. This pluralism is reinforced by bipartisan congressional oversight. What has been the result? The Government regulates and administers many phases of American life without relying on the centralized, exclusive, total power of a single administration. Agencies like the Federal Reserve Board and the Securities and Exchange Commission are held in very high regard by the Congress, the public and the regulated industry. Why? Because, by and large, they have been insulated from political pressure. They have been fair, but they have also been vigorous and prompt in enforcing the law. All of this would be lost if the courts decide, as Messrs. Meese and Miller have argued, that the executive branch and the executive branch alone has the exclusive and total right to enforce every law and regulation of this vast and complex American economy. Suppose the view of Attorney General Meese prevails. Then what? Then Mr. Meese and his Department of Justice will have the power, and the only power, to enforce the law in this vast, rambling complex Federal Government. Would anyone except the administration really want that?

Mr. President, if the opinion of Mr. Meese and Mr. Miller prevail, there could be swift and sudden social and economic revolution in this country. Consider the agencies that would fall completely under the administration's control and the kind of power the administration would have in many cases simply by inaction. The administration and Mr. Meese would decide when and whether to enforce action with regard to the media in this country as they would take over the enforcement authority of the Federal Communications Commission. The country's financial institutions would be in the hands of Mr. Meese as he took over the enforcing powers of the Federal Deposit Insurance Corporation as well as the Federal Reserve Board. Transportation policies now adjudicated and enforced by the Interstate Commerce Commission would come under the authority of Attorney General Meese. The Attorney General would take the exclusive power to prosecute or not prosecute violations of the environmental protection laws. EPA would surrender its authority. And how about this one? The Equal Employment Opportunity Commission would hand over its responsibilities to the not so tender mercies of Mr. Meese. For a windfall of political power consider that the referee in the intensely partisan area of elections, the Federal Elections Commission, would surrender to Mr. Meese and the Justice Department control over Federal elections. Other agencies that have important enforcement powers that they would lose to the Department of Justice are the Federal Labor Relations Authority, the Federal Trade Commission, the National Labor Relations Board, the National Transportation Safety Board, the Occupational Safety and Health Administration [OSHA], the International Trade Commission, the SEC and the Veterans' Administration.

In a nation that prides itself on its pluralism and its checks and balances system of limiting power, this would break all records for backward steps.

Mr. President, I ask unanimous consent that the article to which I referred from the November 6 issue of the New York Times written by Stuart Taylor and headlined: "A Question of Power, a Powerful Questioner," be printed in the RECORD.

There being no objection, the article ordered to be printed in the RECORD, as follows:

A QUESTION OF POWER, A POWERFUL QUESTIONER

(By Stuart Taylor, Jr.)

WASHINGTON, Nov. 5.—Over the years Congress has decreed that more than a dozen agencies it created, beginning in 1890 with the Interstate Commerce Commission and today including the Federal Reserve Board and the Federal Trade Commission, must be independent of Presidential control.

The Supreme Court upheld such laws in 1935, ruling that President Roosevelt had no authority to dismiss a member of the F.T.C. for political or policy reasons.

Now Attorney General Edwin Meese 3d has suggested, in a speech that went largely unnoticed when he gave it Sept. 13, that the entire system of independent agencies may be unconstitutional.

Mr. Meese said his suggestion might at first "sound like new or even radical." But he said the framers of the Constitution did not intend Federal agencies to be independent of the President or to be run by bureaucrats who are not politically accountable. The clear implication was that a President should be free to remove all Federal officials exercising law-enforcement powers.

SHOULD BE UP TO THE PRESIDENT

"Power granted to Congress should be properly understood as power granted to the Executive," Mr. Meese said. "It should be up to the President to enforce the law."

He did not mention any particular agency. Asked whether Mr. Meese thought the Constitution required Presidential control of agencies like the Federal Reserve, Terry Eastland, chief Justice Department spokesman, said, "The specific question of whether any particular agency is properly constituted would depend upon a discrete analysis."

This may seem like an academic issue about the separation of powers between the executive and legislative branches. But more than a speech by a top Reagan Administration official is involved. The issue also has been raised in a lawsuit that may be headed for the Supreme Court.

And if views like Mr. Meese's prevail, it would work a major expansion of Presidential authority. For example, many Presidents have tried to influence the Federal Reserve Board in its control over the money supply to shape the direction of the economy, but no President has yet had legal authority to dictate to the Reserve.

In the suit, pending in Federal District Court here, six title insurance companies have argued that the Federal Trade Commission should be barred from bringing price-fixing charges against them because it has operated unconstitutionally since its creation in 1914.

"The Constitution does not permit law-enforcement power to be granted by Congress to officials who are beyond the ongoing supervisory control of the President," the companies contend.

The Justice Department, which represents the F.T.C. in the case, has sought to dismiss the suit on procedural grounds. But the department, headed by Mr. Meese, is also con-

sidering whether to side with the companies if the court decides to try to resolve the constitutional issue.

Despite the public attention drawn by Mr. Meese's outspoken attacks on other constitutional precedents in recent months, most members of congress are unaware of his Sept. 13 speech in Detroit before the Federal Bar Association, perhaps because of the somewhat technical subject matter. But after being given a copy last week, Representative John D. Dingell, chairman of the House Energy and Commerce Committee, denounced it as "a novel interpretation of 200 years of constitutional history."

"This looks to me like the culmination of a long-planned raid on the independent agencies," the Michigan Democrat said. "It also means that he challenges the very powers and the rights to existence of these agencies."

Mr. Meese and the insurance companies are not alone in their views, however. The director of the budget, James C. Miller 3d, a former F.T.C. chairman, contends that recent Supreme Court rulings suggest "there is no such thing as an independent agency, at least as far as rule-making is concerned."

The companies' position, if accepted by the courts, would bring to a halt the law-enforcement activities of the F.T.C. and of other independent agencies such as the Securities and Exchange Commission and the National Labor Relations Board unless and until Congress placed their prosecutorial powers under Presidential control.

FOURTH BRANCH OF GOVERNMENT

Most independent government agencies are authorized by Congress to carry out, under one roof, the so-called "quasi-legislative" function of issuing rules and regulations, the "quasi-prosecutorial" function of bringing charges against suspected violators and the "quasi-judicial" function of deciding whether violations have occurred.

Mr. Meese said in his September speech that the constitutionality of "a fourth branch of government" made up of such independent agencies was undermined by two 1983 rulings in which the Supreme Court struck down "legislative vetoes" and stressed the division of powers between Congress, the President and the judiciary.

"Federal agencies performing executive functions," he added, "are themselves property agents of the executive. They are not 'quasi' this or 'independent' that. In the tripartite scheme of government, a body with enforcement powers is part of the executive branch of government."

Although the argument being made by the insurance companies challenges the power of any official independent of the President to initiate an enforcement action, the companies do not seek to bar independent officials from the "quasi-judicial" role of deciding cases, subject to review by the courts.

Mr. Meese, on the other hand, argues more broadly that "we should abandon the idea that there are such things as 'quasi-legislative' or 'quasi-judicial' functions that can be properly delegated to independent agencies."

Mr. Meese's analysis might also cast doubt on a provision of the 1978 Ethics in Government Act under which top executive branch officials, including Mr. Meese have been criminally investigated and cleared by court-appointed "independent counsel." The purpose of that provision is to provide for investigations of criminal allegations against top officials by prosecutors who are independent of the President and the Attorney General.

The argument being used by the six title insurers in their suit against the F.T.C. was crafted by Theodore B. Olson, who was head of the Justice Department's Office of Legal Counsel until last year, and by Larry L. Simms, who was his deputy. They were the chief architects of the Reagan Administration's attack on legislative vetoes, which led to the 1983 Supreme Court rulings.

Both are now in the Washington office of Gibson, Dunn & Crutcher, a large Los Angeles law firm of which William French Smith, Mr. Meese's predecessor as Attorney General, is also a member. The firm represents the Ticor Title Insurance Company, one of the plaintiffs in the suit.

COULD GORBACHEV BE RIGHT AND REAGAN WRONG ON ARMS CONTROL?

Mr. PROXMIRE. Mr. President, this is a highly political body. Every Member of the Senate has won election to office, usually after struggling for it for years. This job becomes our pride and joy. We treasure it. We cherish it. We will literally work night and day to defend our right to it. We know we can lose this job by making a self-destructive statement. So just as an exercise let me ask my colleagues what is the most foolish, self-destructive action an incumbent Senator can take to jeopardize his office? What can a Senator say that would, at least, begin to put him in jeopardy the next time he faces the voters for re-election? How can we blow it all?

How about this scenario? The President of the United States is very popular, in fact, a beloved figure. At this moment he is about to go to the summit for the first time with the tough, sharp new Soviet Secretary Mikhail Gorbachev. Virtually every American, regardless of party or political persuasion, will be rooting for the President. He is our boy. Sure, the summit meeting is a meeting, a conference. It is not a contest or a contact sport. But many Americans will view this as a contest with the two leaders symbolizing our two countries. If Gorbachev wins, we win. If Reagan loses, we lose. Do the leaders differ on any crucial issue? Indeed, they do. That issue goes right to the heart of arms control. The very crux of arms control is the testing of nuclear weapons. As long as the superpowers continue nuclear weapons testing, regardless of agreements on any other issue, the arms race plunges on. If the leaders agree to a treaty providing a mutual, verifiable end to nuclear testing, the first big and absolutely quintessential step to end the arms race has been taken.

Assume you, as a Senator, believe this from the heart. Do you see the dilemma? All right, here it is: Gorbachev announced last July that the Soviet Union will stop nuclear weapons testing unilaterally until the end of the calendar year. Meanwhile, he asks that the Soviet Union and the United States enter into a treaty that would end testing.

What does an American Senator who believes that nuclear arms control cannot succeed without ending nuclear arms testing do? Can he count on sympathetic support from an American media which may view the American-Russian dispute with objectivity? Does the American media also support the Soviet proposal to end testing? Consider: the American media with few exceptions has greeted the Soviet proposal to end testing as a public relations ploy. In fact, at least two of the most influential and independent newspapers—the New York Times and the Washington Post—have dismissed the Gorbachev proposal as self-serving and calculated in a way that would embarrass the United States but not inconvenience the Soviet nuclear juggernaut. The papers even charge that the Soviets had stepped up their tests this year before July and planned to resume testing in 1986, assuming the United States turned down their proposal.

Was the media right? Did the Soviets increase their testing in the first 6 months of 1985? Let us take a look at the record. Data from the Department of Energy and the Swedish National Defense Research Institute disclose that in 1985 there have been 7 military nuclear explosions by the U.S.S.R. Does that constitute a step up in Soviet military nuclear explosions? Last year—1984—the same sources disclose that the Soviets conducted 8 military explosions in January through July period. In 1983 they conducted 6. Between 1980 and 1984, the Soviets were reported by available data to have averaged about 25 military nuclear explosions per year. This year the Soviets will conduct not 25 but 7 military nuclear explosions. And yet the New York Times reported that the Soviet offer "would ring hollow even if it had not come immediately after an energetic series of Soviet test explosions."

So, Mr. President, I ask again what does a Senator do if he deeply believes that our popular President is wrong, and on this issue the dictator of that prison camp known as the Soviet Union is right? Does he keep quiet? After all, the Senate plays no role in negotiating an arms control treaty. Or does he recognize that nuclear peace is the most critical issue on Earth and speak his mind in favor of negotiating an end to nuclear arms testing now?

Mr. President, I ask unanimous consent that an editorial and article on this subject in the October issue of the Bulletin of American Scientists be printed in the RECORD. The editorial is entitled: "Stop Testing." The article is

headlined: "How Many Soviet Tests Make a Flurry?"

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

STOP TESTING

Just days after the unilateral Soviet moratorium on nuclear weapons testing went into effect on August 6, the United States conducted its tenth underground nuclear test of the year—thus flaunting by deed the moratorium proposal it already had rejected by word. Then, less than two weeks later, the Reagan Administration announced that it would proceed with the first test of a U.S. antisatellite (ASAT) weapon against an object in space.

To justify each decision, the Administration used the blatantly specious arguments that the United States must catch up to the Soviet lead and that these actions will give the Soviet Union an incentive to negotiate more seriously. This is no way to brake the arms race, much less to stop it.

In the case of the test moratorium, Jeffrey Duncan describes in this issue how the Administration first tried to take the public opinion initiative by preempting the Soviet offer (which it had already learned about) by inviting Soviet observers to a U.S. test in Nevada. Then, decrying the moratorium as "propaganda," Administration spokesmen trotted out the bogus claims that the Soviet Union has an advantage in strategic forces and had just completed an accelerated testing program which put them ahead of the United States. While such deception from this Administration is not unusual, it was disturbing to see how quickly these distortions were picked up and disseminated by major U.S. news media—despite the availability of contradictory evidence.

The August 20 announcement that the United States would continue testing its antisatellite weapon was also accompanied by hollow Administration claims. White House spokesman Larry Speakes used the old argument that the Soviets already have an operational ASAT system and the United States thus must redress this imbalance. Knowledgeable weapons scientists have repeatedly pointed out, in the pages of this magazine and elsewhere, the primitive nature of the Soviet ASAT and the fact that the United States demonstrated a similar technical capability during a test in the summer of 1984.

Moreover, since the U.S. ASAT weapon undergoing tests in highly sophisticated, it is likely to spur the Soviets to speed development of a similar weapon. Ironically, an initial result of this race will be that the United States—which is much more dependent on satellites for its communications, command, and control systems than is the Soviet Union—could find itself in greater jeopardy by pushing development of ASAT technology.

The White House concluded its August 29 testing announcement by stating: "We believe that ASAT testing can constitute an incentive to the Soviet Union to reach agreement on a wide range of issues." Not only does this display an incredible lack of understanding of the history of the arms race, but, as Leon Signal points out in this issue, a failure to negotiate on ASATs will prevent an accord on "Star Wars" systems. Such defensive systems, Daniel Arbess emphasizes, already are proscribed by international treaties now in effect. And, in a penetrating analysis of Star Wars, Gerald Marsh shows how even the flimsiest version of such a system could cause instability in superpower relations and lead to another senseless, expensive, and dangerous escalation of the arms race.

HOW MANY SOVIET TESTS MAKE A FLURRY?

(By Jeffrey S. Duncan)

In a July 29 briefing, White House Press Secretary Larry Speakes suddenly announced that President Reagan was making an "unconditional" and "unilateral" offer to the Soviet Union to come to the United States to monitor a U.S. nuclear weapons test. "As a demonstration of our seriousness," Speakes explained, the president was inviting "a Soviet team to observe and to measure a nuclear test at our Nevada test site." The Soviet team would be allowed to "bring any instrumentation devices the Soviet Union deems necessary to measure the yield of this test." Such an offer, Speakes concluded, "clearly demonstrates the U.S. intention to go the extra mile" to begin addressing the "serious problem" of "putting into place truly verifiable and durable limits on nuclear testing."

Following this unexpected announcement, National Security Adviser Robert McFarlane revealed that—by sheer coincidence—the Soviet Union was unveiling a nuclear weapons testing moratorium proposal that same day. The Soviet proposal, privately communicated to the United States the day before, initiated a five-month unilateral moratorium on all Soviet nuclear testing, which could be extended indefinitely if the United States was willing to suspend its underground nuclear explosions.

Denying that the U.S. inspection proposal was designed to defuse the impact of General Secretary Gorbachev's offer, McFarlane announced that the Administration had no intention of entering into a nuclear explosion halt until it had redressed what it believed to be a Soviet advantage in strategic forces.

He then went on to issue a charge that would play a prominent role in subsequent Administration efforts to discredit the Soviet offer: that just prior to initiation of its unilateral testing halt the Soviets had actually accelerated their nuclear testing program. "Clearly, this was designed to put the Soviet Union in a position not to need to test over the next five months . . . and to break out on an accelerated schedule." Drawing an analogy between the current Soviet offer and a bilateral halt that had ended in 1961 with "the largest series of high yield explosions in history," McFarlane warned that within a few months, the Soviets might "break out on an accelerated schedule—as they did in 1961—after that time, if they choose, without real cost to the Soviet programs."

In an ABC "Nightline" interview, McFarlane expanded on this theme, declaring: "In fact, the appearance, the reality that this was a contrivance is proven, I think, by the fact that in the past few weeks they've accelerated the number of tests that they've had so that they wouldn't need to test for the next five months or so." He cited CIA figures indicating that the Soviets had conducted three nuclear explosions "in a matter of days from this broadcast." Hinting that these tests were only the tip of an iceberg, McFarlane then quickly invoked classification to avoid any further questioning on the subject, explaining that "what we know about Soviet testing is not a matter that we would normally make public."

Although McFarlane's interviewer, Ted Koppel, had the current Department of Energy figures listing four Soviet tests in 1985, he did not press McFarlane to explain the discrepancy between what the CIA and the Department of Energy were saying about Soviet nuclear explosions. Instead, he conceded the point, saying, "Well, let's assume—and we have good reason to assume it because you say so . . . that indeed the Soviets have been jamming it all in and that they've now done whatever they want to do for the time being."

Much of the national media adopted the same unquestioning attitude. Editorial writers around the country quickly seized on the reported flurry to Soviet nuclear explosions to discount the significance of Gorbachev's offer. In an editorial which poured scorn upon the notion of a testing moratorium, the New York Times wrote that the Soviet offer "would ring hollow even if it had not come immediately after an energetic series of Soviet test explosions." The Philadelphia Inquirer, while favoring an eventual ban on all nuclear explosions, pointed to the Soviets' having "just completed a round of tests" as evidence that their offer was pure propaganda.

In Congress, Administration supporters were quick to use the reported testing flurry to discredit Gorbachev's initiative. The morning after the "Nightline" interview, Representative William Broomfield of Michigan, ranking Republican on the House Foreign Affairs Committee, denounced the moratorium offer as "another exercise in Soviet dishonesty." Describing it as something that "smells like leftover borsht," Broomfield concluded that "coming just a week after the Soviets set off three nuclear explosions, it makes you wonder if there really is anything new in Moscow other than the smiling face of Gorbachev."

Within a few days, the Department of Energy increased the number of announced Soviet nuclear tests from four to five, lending further credence to McFarlane's claim of a July testing acceleration. CIA liaison officer Pat McGowan confirmed that at least three Soviet test explosions had been detected in July but would give no further details about what was now being described as an "orgy" of Soviet testing.

But data available from the Department of Energy and the Swedish National Defense Research Institute (which monitors nuclear explosions for the Swedish government) show that there was no sudden acceleration in Soviet nuclear explosions. The Soviet Union conducted three nuclear test explosions in July. Two of these were conducted at the Soviet test site in East Kazakhstan near Semipalatinsk and are undoubtedly part of their military program. The other test was conducted in the northeastern part of the Soviet Union, outside the normal military testing sites. This test is believe to be a "peaceful nuclear explosion" (PNE). The Soviets have long had an active PNE program, and according to a Swedish expert, "It is the first time they have carried out a peaceful explosion there. . . . It is difficult to tell, but the explosion may be part of a project to store natural gas."

Three tests in one month hardly constitute a sudden acceleration in the Soviet testing program, nor do they bring the yearly total to a level consistent with previous years. By way of comparison, at the same time last year, the Soviets had already conducted 11 tests, consisting of eight presumed weapons tests and three PNEs. Between January and July of 1983, they conducted 13 tests, six of them military explosions and seven PNEs. Between 1980 and

1984, the Soviets have averaged about 25 nuclear explosions per year. If anything, this year's Soviet testing program is less energetic than previous years.

The Administration cannot seriously believe that three tests in one month represent a sudden acceleration in the Soviet program, or that in stopping at seven tests the Soviets have completed their program for the year. Nor can it plausibly argue that the Soviets are ahead of the United States in nuclear testing. Overall, the United States continues to lead the Soviets by 754 to 561 nuclear explosions. The United States conducted nine nuclear explosions in the first seven months of 1985, to the Soviets' seven, and the new U.S. warheads being tested represent more sophisticated technologies than their Soviet counterparts. [The United States conducted a tenth test on August 17, after the Soviet moratorium had gone into effect.] As the Republican chairman of the Senate Intelligence Committee, David Durenberger of Minnesota, recently remarked: "If the United States and the Soviet Union could not test their nuclear devices, neither country could make potentially destabilizing qualitative improvements in their nuclear weapons. . . . A Comprehensive Test Ban Treaty would stop menacing Soviet developments while preserving the technological edge the United States enjoys in their nuclear warheads."

McFarlane's mythical testing flurry represents the same kind of disregard for the facts that has characterized much of the Reagan Administration's response to previous calls for arms control. Three years ago, when support for a nuclear weapons freeze began sweeping across the country, the Administration responded with patently ridiculous declarations that a freeze would threaten U.S. security since, in Reagan's words, "On balance the Soviet Union does have a definite margin of superiority." Today, unable to justify its opposition to a simple halt in nuclear explosive testing and unwilling to resume negotiations for a comprehensive test ban treaty, the Administration is again resorting to scare tactics and disinformation.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the American labor movement has no future. Last week, I showed that the American labor movement is alive, well, and contributing to virtually every important aspect of American life. Today, I intend to challenge the notion that organized labor is entrenched in its past and has no vision of the future. Critics maintain that unions are not up to the task of meeting the challenges of a changing economy or of even recognizing that the economy is in fact changing. The truth of the matter is that the AFL-CIO is taking a hard look at itself, its members, and the changing American and international workplace. New strategies are being developed to meet these challenges. Recently, the AFL-CIO Committee on the Evolution of Work published a report that was the culmination of 2½ years of close study and self-evaluation. Entitled "The Changing Situation of Workers and Their Unions," the report directly faces not only the problems of today but also the opportunities that the future holds for the American labor movement.

In its report, the AFL-CIO has proposed creating new categories of membership for those workers who have lost their jobs in declining industries. Heretofore, when a union member was separated from his job and subsequently went to work in a nonunion setting, the union lost all contact with its member. For those workers, the report recommended the creation of an associate membership whereby the worker will continue to receive union publications and participate in union political and community activities.

This is not a trivial recommendation, for 27 million workers, or 28 percent of the nonunion labor force, are former union members, most of whom left the union simply because they changed jobs.

Just last week, at the AFL-CIO's biennial convention, approval was given to offering associate memberships to millions of nonunion workers.

Despite the obstacles placed in the path of unions in the United States today, organized labor has made significant gains into growing areas of the economy—the public and service sectors.

The public sector, which comprises Federal, State, county, and city workers, has grown tremendously since the end of World War II. The AFL-CIO's success in organizing these public servants has been phenomenal. In the early 1960's, only 5 percent of these workers were unionized. Today, 50 percent are.

Just this ygar, the AFL-CIO's industrial union department has won an overwhelming majority of the organizing elections held in eight Southern States.

Internationally, the AFL-CIO is trying to develop free trade movements in the underdeveloped nations and has been an avid supporter of the Solidarity Trade Movement in Poland.

Clearly, the American labor movement can reply to its critics that accounts of its death have been greatly exaggerated.

Mr. President, I am pleased that the American labor movement is still vigorous, because I believe the enduring strength and vitality of unions and unionism is essential to the continued prosperity of our Nation.

NAZI WAR CRIMINALS, A CONSTANT REMINDER OF GENOCIDE

Mr. PROXMIRE. Mr. President, the search for Nazi war criminals continues. The hunt for the perpetrators of the horrible crime of genocide serves as a constant reminder of the Holocaust and our need to ratify the Genocide Convention to make genocide an international crime.

According to an article in the October 27 Washington Post "Parade" section, Nazi hunters will now concentrate on apprehending Alois Brunner, the most notorious Nazi criminal known to be alive.

Alois Brunner was responsible for sending over 100,000 people to Nazi death camps. As one of Adolf Eichman's top aides Brunner rounded up and deported Jews and others from Austria, Greece, and France. Dr. Mary Felstiner, an expert on Brunner, estimates that he sent 47,000 Jews from Vienna to the Nazi camps, of whom only a few thousand survived. He also rounded up and deported 44,000 Jews and non-Jews from Greece, of whom an estimated 1,475 survived; of his 23,500 victims from France, less than 10 percent survived.

Dr. Felstiner believes that Brunner is still alive today and a resident of Damascus, Syria, where he once worked for the secret police. Now that Mengele is presumed dead by most authorities, the Simon Wiesenthal Center hopes to use the $1 million reward money they had originally offered for information leading to the capture of Mengele to capture Brunner and others like him.

Abraham Cooper, associate dean of the Wiesenthal Center, explains that the center is currently trying to get France to extradite Brunner from Syria. According to Cooper:

> Several other countries, including West Germany, have tried and failed (to extradite Brunner), but the French have a special relationship with Syria.

Mr. President, it is an outrage that Alois Brunner has escaped trial for 40 years. What is still more outrageous is that he is widely suspected to be living in Syria where he continues to escape extradition.

The fact that Nazi war criminals continue to evade trial for their crimes is further evidence supporting the need for ratification of the Genocide Convention. Article IV of the convention specifically states that:

> Persons committing genocide or any of the acts in article III shall be punished, whether they are constitutional responsible rulers, public officials, or private individuals.

Let us hold the perpetrators of this horrible crime responsible for their crime. We cannot afford to allow notorious criminals like Alois Brunner to escape punishment. We must take action to prevent future Alois Brunners from escaping trial. We must ratify the Genocide Convention.

ORDER OF PROCEDURE

Mr. PROXMIRE. Mr. President, I have 15 minutes reserved, but in view of the fact that I took the leader's time this morning, I am going to yield that time to my good friend from Ten-

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nessee [Mr. GORE], which he may use or yield to other Senators. I understand Senator GORE is speaking on behalf of the ABM Treaty, a noble cause. I was one of 88 Senators who voted to affirm that treaty in 1972. If he would like to use any part of my time he is welcome.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR GORE

The PRESIDING OFFICER (Mr. SYMMS). The Senator from Tennessee is recognized.

ARMS CONTROL

Mr. GORE. Mr. President, I appreciate the courtesy of the Senator from Wisconsin. I have reserved time later this morning for a speech on the subject of stability and the role of the single-warhead missile in achieving stability. I will speak a little later on that subject. But on this occasion, I want to join in a special order organized principally by the Senator from Rhode Island [Mr. CHAFEE], who is on his way to the floor, as one of a series of speakers on the subject of the ABM Treaty, which was, and stands as the single most important achievement of arms control in the latter half of this century.

Obviously, Mr. President, any comment made about arms control on the floor of the Senate today has to take account of the hopes and chances for progress at the summit meeting. The prayers of all Americans will accompany President Reagan as he travels to Geneva for his important discussions with General Secretary Gorbachev.

No one is going to suggest that the administration is to blame for lack of progress at that summit meeting if it comes to the summit prepared to make a strong case for its own vision and to resist Soviet demands that are patently unacceptable.

For example, Soviet efforts to equate their radar at Krasnoyarsk with modernization of existing United States facilities should be rebuffed. Soviet demands for the total suppression of United States research in fields related to SDI should also be rebuffed. And, if it turns out that progress cannot be made because of Soviet intransigence on these points, then so be it. But our own position at Geneva must be forthcoming and constructive, and in some respects I fear that it is not.

The President's recent redefinition of the meaning of the ABM Treaty has, I fear, effectively destroyed its value as a means of controlling new technologies that can undermine arms control. And the new interpretation of agreed statement D is preposterous. Taken to its logical conclusion, just to cite one example, this new reading of the treaty would have us believe that land-based ABM components are banned, but if either superpower can arrange for these land-based components or this analogs to be based in space, then they are permitted. Such a result is patently ridiculous and patently foreign to the understandings of those who negotiated the treaty, of those who presented its terms to the Senate in asking for ratification, and of those who have guided our policies in adherence to the treaty for these past 13 years.

The fact that Secretary Shultz managed to wrangle a de facto policy of strict compliance from the administration has distracted our attention. Even if we wanted to press the new limits implicit in the President's version of the ABM Treaty, we could not do so for years.

What matters is that the de jure meaning of the treaty has been changed out of all recognition. Notwithstanding testimony before Congress at the time of ratification, notwithstanding the confirmation of that view by all succeeding administrations, including even this one, all that has been swept away. This treaty is now held to mean that, while the ground-based designs favored by the Soviet Union are strictly limited so long as they are fixed in location, nothing whatsoever governs the space-based plans of the administration—that research and development and production of components may occur without legal restraint, the final barrier being only an obligation to consult prior to deployment.

One needs only to have an American sense of balance and equity to see that this stand lacks merit. It would be equitable for the administration to seek to reinforce and restore constraints on research, testing, and development, and it would be in the national interest as well. Instead, however, as we approach the summit, the administration, in the very design of the latest counterproposal, seems intent on forcing Soviet acceptance of a regime where space-based antimissile weapons can be developed without the kind of constraints that the ABM Treaty was written to provide.

One of our most perspicacious journalists has observed that much of the public support for SDI derives not from faith in the goals of the system but from a belief that it is the ultimate bargaining chip—provided that the President cashes it in at the right moment. Many people believe that, despite every appearance to the contrary, he will do that. Until recently, I was among that number.

It is extremely hard to retain any such confidence, in view of recent events. Many still do; but if, in the end, the President, by his actions, convinces them that he will cling to SDI despite any other possibilities for gain in arms control, they will draw certain conclusions. Their conclusions might well be that the legislative branch of our Government must act to enforce a restrained pace of development in SDI that will allow a rational decision, only after the next national election, as to whether or not we wish to go forward full speed in this new acceleration of the arms race.

The President goes to Geneva with the control of events in the palm of his hand. One hopes that he will use that power wisely, and one prays that there will be constructive results on the issue of arms control in Geneva.

I wonder at times, however, what force language has for the administration on the subject of arms control. Not only have we seen this recent reinterpretation of agreed statement D; we have also seen wavering on the definition of the SDI program itself.

Many are confused as to whether it is intended to be near-perfect defense of our people or a limited defense of our missile silos. Is it intended to defend this country or all our allies as well? Is it to replace deterrence or strengthen deterrence?

And yet, despite confusing, contradictory administration statements about SDI, two points at least have seemed clear: First, the President has been consistent in his desire that SDI become a near perfect defense of the country, rendering nuclear weapons impotent and obsolete. In the last week, however, the President's own exposition of the purpose of SDI have been so far afield as to require several interventions by the White House press office to expunge the record.

Second, we have had the famous criteria laid down by Paul Nitze, the senior arms control specialist in this administration; and one of those criteria has been that the SDI system must be cost effective. In other words, the expense of its deployment must be proved to be less than the expense of offensive countermeasures with the capability fo overcoming SDI.

This particular criterion has been particularly significant because in theory it is the counterargument to those who say that introduction of defenses will trigger the kind of double arms race which the ABM Treaty was created to prevent. So, in theory, the supporters of SDI have had an answer for that concern.

Recently, however, we have seen a willingness by Secretary Weinberger and his assistant, Richard Perle, to discard the Nitze criteria out of hand, in an almost contemptuous manner—as if the requirement for cost effectiveness is well meaning but inconvenient and unworkable.

There have even been statements coming out of the Department of Defense that if we could deploy SDI for $100 billion and the Soviets could

deploy offensive countermeasures capable of overwhelming it for only $80 billion, then we should go forward anyway. Mr. President, any such assertion involves a form of madness. Truly.

The ABM Treaty was based more than anything else on the realization that an open-ended double arms race, both in offensive weapons and in defensive weapons, would quickly follow a decision by the superpowers to begin supplementing their offensive arsenals with defenses of their missiles.

Some in this administration, and one hopes the President will ultimately not be among them—present evidence to the contrary—seem to be all too willing to discard that central wisdom which led to the ABM Treaty along with the clean meaning of its words.

The latest counterproposal which I will discuss a little bit more at a later time this morning has just such implications for our policy toward defenses and offenses.

In closing my portion of this special order, Mr. President, I call the attention of my colleagues to an editorial which appeared recently in the Boston Globe which I ask unanimous consent to have printed in full at the conclusion of these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Nov. 6, 1985]

THE MOBILE-MISSILE PLOY

A worm was in the arms-control apple President Reagan proferred to Moscow last week: an unexpected stipulation that both the United States and the Soviet Union should abandon plans to convert their land-based missiles to a mobile force.

The attempt to outlaw two Soviet mobile missiles, SS-24s and SS-25s, and to kill the US Midgetman program, which Congress has backed, is a ploy by Pentagon hawks to shore up their arguments for pushing ahead with "star wars" space defenses.

The nuclear balance is most stable if both sides have missiles that are not likely to provoke, or to be used in, a surprise attack. Mobile ICBMs have one of the vital advantages of submarines: they cannot be confidently targeted by an aggressor.

Pentagon hawks who want to avoid arms curbs that would cut into US production plans have opposed mobile missiles for several reasons. One apparent goal is to throw an unexpected curve that the Soviets will be sure to reject. Their SS-24s and SS-25s are far along in development.

There is an even more important reason: the hawks' desire to build momentum for "star wars," Reagan's Strategic Defense Initiative.

The president's original notion of building an impermeable space shield that could protect cities and populations has been widely debunked. As that has happened, "star wars" advocates have switched to the argument that space defenses "enhance deterrence" by making fixed-base missiles "survivable."

Mobile missiles are survivable by virtue of staying on the move. They do not require antiballastic missile defenses. This eliminates the residual case for building "star wars."

Dropping mobile missiles means scrapping the US strategic doctrine so painstakingly hammered out in 1983 by the Scowcroft Commission. It reneges on the deal between the administration and Congress to permit a small production run of MX missiles in return for redesigning the US deterrent in a more stable configuration.

Sen. Albert Gore (D-Tenn.) immediately attacked the administration's double cross, saying: "This throws our consensus rationale for strategic planning into total disarray. In a democracy one cannot carelessly discard something so valuable and fragile as a strategic consensus."

It is not surprising that Pentagon hawks would sacrifice consensus in order to enhance the arguments for "star wars." It is alarming, however, that Robert McFarlane, President Reagan's national security adviser, placed himself in this camp. McFarlane alternates between flying with the hawks and facing the facts of national security. His own shifting influence is at times "destabilizing."

The mobile-missile ploy perpetuates the questions about good faith that have dogged the administration on arms control from the start and will continue to do so, apparently until the opening bell of the summit at Geneva, and possibly beyond that.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR CHAFEE

The PRESIDING OFFICER. Under the previous order, the Senator from Rhode Island [Mr. CHAFEE] is recognized for not to exceed 15 minutes.

REAFFIRMATION OF THE ORIGINAL ABM TREATY INTERPRETATION

Mr. CHAFEE. Mr. President, first of all, I thank my colleagues for joining in this colloquy today, this discussion on the ABM. I thank Senator DANFORTH, Senator GORE, and any others who choose to participate.

Mr. President, this is the second colloquy we have sponsored on the Senate floor concerning the adverse implications of the administration's recent reinterpretation of the ABM Treaty. Last month, National Security Advisor Robert McFarlane made a sudden announcement of a reinterpretation of the Anti-Ballistic Missile Treaty, which has become administration policy. The administration now claims that the ABM Treaty permits development and testing of ABM systems "based on other physical principles." In other words, the U.S. Government now insists that the ABM Treaty would allow the strategic defense initiative to proceed beyond research to unlimited development and testing of new space-based weapons. Such a viewpoint flies in the face of the legal interpretations of past administrations, the negotiators of the ABM Treaty and the Members of the Senate who voted—88 to 2—for that treaty in 1972.

Mr. President, let us listen to what the chief negotiator said about the treaty. Ambassador Gerard Smith, who was our negotiator for the ABM Treaty, said in a letter to the editor of the New York Times, dated October 23 of this year:

It was not our (the ABM Treaty negotiating team) intention that any type of technology for space-based ABM systems could be developed or tested under the treaty.

The Senate's approval of the treaty in 1972 was based on that interpretation. Senator James Buckley voted against the treaty because he understood Smith's interpretation to be correct. And Senator Buckley disapproved of that interpretation and, therefore, voted against the treaty and said at the time:

Article 5 would have the effect, for example, of prohibiting the development and testing of a laser type system based in space. . . .

Senator Buckley voted against it because he recognized that limitation was in the treaty and, therefore, he was opposed to it.

Therefore, if the administration sticks to its new interpretation of the treaty, it is tantamount to overriding the understanding of the ABM Treaty on which the Senate acted in 1972. While I believe the treaty to be very clear, if the administration wishes clarification of the language they should utilize the Standing Consultative Committee which was set up in the treaty for just such an event. This seems to be a more prudent way of doing business than merely announcing a new interpretation.

Ambassador Smith, whose views deserve special weight since he was the principal negotiator, has said the new interpretation, "reduces the treaty to a dead letter." If the new interpretation stands, we will be off to the races in yet another area of weapons. He went on to say that, "this radical change in a central provision of the treaty, which is the supreme law of the United States, was apparently accomplished in secrecy without consultation with the Congress or U.S. allies for which this treaty has security significance."

This new version of the treaty is a complete reversal of the view held by every administration since the treaty was signed, including the present administration. The 1985 Arms Control Impact Statement, submitted by President Reagan to Congress, specifically stated:

The ABM Treaty prohibition on development, testing and systems, applies to directed energy technology (or other technology) used for this purpose.

Even the Soviets have explicitly confirmed their view that article V of the ABM Treaty completely bans development of space-based ABM systems. As Marshall Akhromeyev, Chief of the Soviet General Staff, stated in a recent article:

Article V of the Treaty absolutely, unambiguously bans the development, testing and deployment of ABM systems or components of space or mobile ground basing and, moreover, regardless of whether these systems are based on existing or "future" technologies.

In the face of vigorous opposition from the allies, Congress and arms control advocates, the administration has retreated somewhat—claiming that since SDI has so far been limited to research— the new interpretation is a "moot point." Yet, the administration continues to claim that the new interpretation is the "fully justified" official version of the treaty. This viewpoint puts the treaty in serious jeopardy, since the administration could adopt the new version at any time, proceed with the SDI beyond research, and render the treaty meaningless.

There has been broad bipartisan support in the Senate for a prudent level of research on ballistic missile defense technology, including research on exotic technologies. I just heard Sentor DANFORTH state that he supports the research. I support such research. I do not know anybody in the Senate who is opposed to research. We are supportive of research because it is permitted by the treaty and, furthermore, it is a subject that is not verifiable. For the United States not to proceed with research, in my judgment, would be a great mistake. It makes no sense to undo the ABM Treaty, especially when the research needed to achieve a high-confidence defense against the Soviet missiles and bombers has not been identified, much less studied.

The importance of the ABM Treaty cannot be underestimated, Mr. President. As I said in the first colloquy, the ABM Treaty is important not only to us but to our allies.

I am a little bit disturbed about some of the comments we hear that we do not care what our allies think; that we are the big boys on the block and we should proceed on our own regardless of what our allies think. Well, Mr. President, I think that is a great mistake.

The sudden reinterpretation of the treaty came prior to the November 1 Dutch decision date concerning deployment of our 48 ground launched cruise missiles. Even though the Dutch decided to deploy—this sudden reinterpretation did not help the United States-Netherlands relationship. And, as you know, after the interpretation was announced by Mr. McFarlane, the backstepping came, headed by Secretary Shultz, and I think it was fortunate that that took place.

The existing situation—that we read the treaty permissively in principle not in practice—will continue to create friction with U.S. allies, as well as with the Soviet Union.

I once again call on the President to reaffirm in unambiguous language, the longstanding, traditional interpretation of the ABM Treaty which has been the cornerstone of our arms control policy for the past 13 years. Now is not the time to tamper with the most successful arms control agreement of the postwar era.

Mr. President, on October 31, Leonard Meeker and Pete Didisheim of the Union of Concerned Scientists testified on the subject of the ABM Treaty and the SDI before the House Foreign Affairs Subcommittee on Arms Control, International Security and Science.

Their testimony was a thorough examination of the need to reaffirm the intent of the 1972 treaty and the need to define the threshold between permitted research and prohibited testing. They came to many of the same conclusions as I that we must limit antisatellite weapons and clarify radar restrictions if we are to move forward in the delicate arms negotiations with the Soviets.

Mr. President, I commend this testimony to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

THE 1972 ABM TREATY AND THE SDI

(Statement submitted by Leonard C. Meeker, UCS Board Member, and Peter Didisheim, UCS Research Associate)

Mr. Chairman and members of the subcommittee, the administration's recent "discovery" of a new interpretation of the 1972 ABM Treaty represents a serious attack on one of the most important standing agreements between the United States and the Soviet Union. While it has been obvious that the SDI program would eventually come into conflict with the ABM Treaty, few observers expected such a direct attack as this attempt to revise the treaty. The wording of the treaty, the way it was presented to the Congress, the manner in which it has been observed in practice, and the relationship of the treaty to international treaty law make clear that the ABM Treaty's prohibition on development and testing of sea-based, air-based, space-based and mobile land-based ABM systems applies to *all* ABM technologies, and not simply to those in existence at the time the treaty was signed.

The objective of the ABM Treaty is clear; as stated in Article I(2), neither signatory to the treaty is to deploy an ABM system for the defense of its territory and not to provide a base for such a defense. The treaty is proscriptive in its approach; first it places a general ban on ABM system deployments, then it permits as a single exception the deployment of one limited system by each country (Article III, as modified by the 1974 Protocol). To argue that Agreed Statement D amounts to a further exception, one allowing *unrestricted* testing and development of exotic space-based ABM systems, is untenable given the basic approach taken by the negotiators in drafting the treaty.

The treaty interpretation now proffered by the Administration is clearly not the one presented to the Senate and endorsed by it in 1972, in connection with the Treaty's ratification. This was recently explained to your subcommittee by John Rhinelander, who served as legal adviser to the SALT delegation. Rhinelander's testimony states that top Pentagon officials, including then Secretary of Defense Melvin Laird, informed Congress in plain terms that the ABM Treaty would *ban* the development, testing, and deployment of space-based "exotic systems." The Senate approved the treaty, 88-2, in the understanding that there would be strict limitations on existing *and* future ABM technologies. Senator James Buckley (R-NY), one of the two dissenters, voted against the treaty largely because of his objection to the prohibition it contained against "the development and testing of a laser type [ABM] system based in space."

The US and USSR have both abided by Article V's complete proscription of air-based, sea-based, space-based, and mobile land-based ABM systems Until Robert McFarlane's October 6, 1985, announcement of a new treaty interpretation, the Reagan Administration was unequivocal in its acknowledgment that space-based ABM systems based on "other physical principles" cannot be developed, tested, or deployed without amendment to or withdrawal from the treaty. As explained in the Fiscal Year 1985 Arms Control Impact Statement (ACIS):

"The ABM Treaty prohibition on development, testing, and deployment of space-based ABM systems, or components for such systems, applies to directed energy technology (or any other technology) used for this purpose. Thus, when such directed energy programs enter the field testing phase they become constrained by these ABM Treaty obligations."

ACIS reports are cleared by the top levels of the Executive Branch and represent the Administration's official policy on treaty compliance. For 13 years the United States has adhered to a policy that placed strict constraints on space-based ABMs of all forms.

The Soviet Union has had a similar interpretation of Article V(1). While there have been few official Soviet statements regarding the ABM Treaty since 1972, recent commentary by General Secretary Mikhail Gorbachev and Marshal Sergei Akhromeyev confirms the standard view of the ABM Treaty. Marshall Akhromeyev stated on October 19, 1985: "the treaty absolutely unambiguously bans the development, testing and deployment of ABM systems or components of space or mobile ground basing and, moreover, regardless of whether these systems are based on existing or 'future' technologies."

The actual practice of both signatories in applying the treaty is plain. That practice bears importantly on the proper interpretation of the treaty. According to the Vienna Convention on Treaties, negotiated in 1968 and recognized by the U.S. as an authoritative statement on customary international

law, subsequent practice of the parties shall be taken into account in interpreting a treaty (Article 31, paragraph 3).

The Vienna Convention provides further guidance for a case of disputed treaty interpretation. Article 31, paragraph 1, states that "a treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given the terms of the treaty in their context and in the light of its object and purpose."

As indicated earlier, the object and purpose of the ABM treaty is clear; it is to prohibit the deployment of ABM systems for the territory of the United States and the Soviet Union and to prohibit the development and testing of sea-based, air-based, space-based and mobile land-based ABM systems. The ordinary meaning of the treaty's terms are self-evident. The Administration's argument that the treaty permits the development and field testing of ABM weapons and components based on new physical principles cannot qualify as an interpretation "in good faith."

Rather than respect the "object and purpose" of the ABM Treaty, the Administration has created a barn-door loophole that would serve to nullify the treaty's basic purpose. Good faith does not permit the invention of a destructive gimmick—years after the treaty was concluded—for the purpose of permitting outlawed activities.

While the Administration has stated "as a matter of policy" that it will not now avail itself of the reinterpretation, the Administration still maintains that the new reading of the treaty is legally justified. Administration officials have tried to cover over the issue by declaring it "moot." This effort to paper over the destructive effects of the new treaty interpretation has not been successful. The Administration's new position regarding the ABM Treaty led to immediate criticisms and protests within the NATO alliance. It will continue to cause damage to American security interests until the matter is resolved bilaterally with the Soviet Union.

The pending situation calls for action. The optimal approach would be a resolution of the question through explicit U.S.-Soviet agreement on the authentic reading of the ABM agreement in the Standing Consultative Commission (SCC), at the Geneva arms control negotiations, or at the November summit.

Inaction on the question is not a viable option, for it would leave in the public domain an erroneous treaty interpretation. A number of dangers would stem from this split-level policy of following one interpretation in practice while sanctioning a second, broader interpretation as a matter of law.

First, the Administration's current position will encourage the Soviets' own efforts to stretch the treaty's meaning unreasonably and could free them from treaty constraints on the development of advanced missile defenses. Under the reading of the treaty that the Administration has now advanced, the Soviets could place a laser weapon in orbit and begin testing it against ICBMs. The US would be unable to invoke the ABM treaty against such plainly illegal and threatening activities. To invite this risk is incongruous for an administration that increasingly seeks public support for the SDI by pointing to an alleged Soviet advantage in directed energy weapons.

Equally important, an unravelling of the treaty would put the Soviet Union in a position to deploy a nation-wide missile defense based on traditional ABM technologies in the near-term—an option that the United States had not maintained. While such a Soviet defense would be of limited effectiveness, it would require the US to invest in new offensive systems and could weaken Western deterrence. Even after deployment several years later of a limited US defense, it is likely that the US would suffer a net loss in retaliatory capability.

Deployments of limited defenses by the Soviet Union would doom any long-range hopes for the highly effective defenses sought by the President, since—as the Administration acknowledges—such defenses would require close superpower cooperation and large cuts in offensive nuclear weapons during the transition to a defense-dominant world.

A final danger emerging from the Administration's present policy is that it will be (and already has been) interpreted as meaning the Administration has bound itself to strict limitations under the ABM Treaty—which it has not done. Prior to this recent episode of reinterpreting the ABM Treaty, the Administration was already promoting a deliberately and dangerously lax interpretation of the treaty in order to permit the testing of ABM components in space under the guise of subcomponent testing.

As the 1985 Report to Congress on the Strategic Defense Initiative makes clear, the Administration intends to exploit to the fullest the treaty's ASAT loophole, and its ambiguities regarding the definition of "development" and "component," in order to rationalize SDI field tests that raise serious questions of treaty compliance. This strategy approaches the treaty as an inconvenient obstacle to be circumvented. This should not be overlooked in the current controversy over the even more egregious assault on the ABM treaty recently attempted.

In sum, the Administration's presentation of a new interpretation of the ABM Treaty, even though temporarily withdrawn as a tactical matter, has resulted in a severe challenge to the continued viability of the ABM Treaty regime in a fashion that will impair US national security if left uncorrected.

In our view, Congress has an essential role to play in resolving this issue. One constructive step has already been taken by the House Appropriations Committee in accepting an amendment offered by Representative Norman Dicks (D-WA) which calls for a "resolution of this question of Treaty interpretation through the SCC or other appropriate forum." Congress should continue to insist that the Administration promptly resolve the question directly with the Soviets. Congress should also incorporate into its defense funding bills language that confirms and supports the commitment made by the United States when it concluded the ABM Treaty in 1972. For example, Congress could insert the following statement into each of its defense bills:

"No funds in this or any other act shall be used for the development, testing, or deployment of ABM systems or components that are air-based, sea-based, space-based or mobile land-based, regardless of the form of technology involved."

Six further steps are needed to salvage the ABM Treaty regime in the face of present policies, both US and Soviet, that threaten it.

1. POLITICAL REAFFIRMATION OF THE TREATY

The United States and the Soviet Union should affirm their continued commitment to the treaty's limitations. A reaffirmation of the treaty could take the form of an agreed communique released at the upcoming Geneva summit. Without such a statement, a self-reinforcing cycle of mutual breakout fears could lead to protective actions by both parties that would ultimately undermine the treaty.

2. DEFINE THRESHOLD BETWEEN PERMITTED RESEARCH AND PROHIBITED TESTING

This distinction is inherently imprecise, but it is crucial, given that a total ban on ABM research is not verifiable. According to the US interpretation offered during the Senate ratification hearings, "The prohibitions on development contained in the ABM Treaty would start at the part of the development process where field testing is initiated on either a prototype or breadboard model. It was understood by both sides that the prohibition on 'development' applies to activities involved after a component moves from the laboratory development and testing stage to the field testing stage, wherever performed." However, the current SDI program plan includes a number of technology demonstrations or "experiments" that are, in effect, field tests. A clearer, agreed definition of the threshold between permitted and proscribed activities should be worked out among the negotiators at Geneva or in the Standing Consultative Commission (SCC).

3. THE GENEVA NEGOTIATIONS OR SCC SHOULD ALSO EXPLICITLY DEFINE ABM COMPONENTS ON THE BASIS OF CURRENT TECHNOLOGY

The Reagan Administration has attempted to reconcile the SDI technology demonstrations with the ABM Treaty provisions in part by defining the systems to be tested as "subcomponents" or "adjuncts" rather than ABM components per se. Use of the first term implies that the treaty restrictions on development and testing apply only to the largest components of ABM systems, in particular interceptors, launchers, and radar. The term "adjunct" implies that a given technology is intended to operate in conjunction with a major ABM component (e.g., an airborne optical sensor working in conjunction with a ground-based radar) rather than substituting for it. Legal specialists knowledgeable about the ABM Treaty negotiations dispute the Administration view and regard some of the planned SDI tests as inconsistent with the treaty. At the very least, these tests would move the United States deep into gray areas of the treaty, and they would certainly be perceived as violations by the Soviets.

4. RESTRICT TACTICAL BALLISTIC MISSILE DEFENSES

The treaty defines ABM as a system "to counter strategic ballistic missiles or their elements in flight trajectory," and thus implicitly allows the deployment of defenses against short-range ballistic missiles. This loophole was originally sought by the United States to accommodate a NATO ATM system, but it is the Soviets who have taken best advantage of it in practice. The newest Soviet air defense system, the SA-12, is assumed to have some effectiveness against tactical and theater-range ballistic missiles, and has reportedly been tested against the former. The NATO Patriot system now in development is intended to have a similar dual capability. The treaty forbids giving such systems ABM capacilities or testing them in an ABM mode, but these restrictions are in practice very imprecise, especially for defense against intermediate-range missiles whose trajectories may be quite similar to those of SLBMs. Because ATMs seem destined to erode the effective-

ness of the ABM Treaty and to invite growing controversies over compliance, they should be prohibited by agreement.

5. LIMIT ANTI-SATELLITE WEAPONS

ASATs are another increasingly relevant loophole in the ABM Treaty. Given the substantial overlap between ASAT and advanced ABM technologies, the development and testing of anti-satellite weapons offers a stepping stone to missle defenses within the formal constraints of the ABM Treaty. Reagan Administration officials have explicitly acknowledged that the SDI will exploit this loophole, and this is of course one reason for the current US opposition to an ASAT treaty. However, ASAT restrictions are an essential part of any serious effort to shore up the ABM Treaty. A ban on the testing of dedicated ASAT weapons would significantly strengthen the treaty (in addition to capping the development of US and Soviet ASAT capabilities before these weapons become a dangerous destabilizing addition to the arms race). A test ban could be adequately verified (in contrast to a total ban on ASAT possession) given the characteristics of the existing US and Soviet ASAT systems. While new ASAT technologies could be researched under such a treaty, these would not be reliable, operational weapons in the absence of extensive testing.

6. CLARIFY RADAR RESTRICTIONS

The United States and the Soviet Union have each challenged the legality of the other's construction programs of large phased-array radars. The US has been critical of the Krasnoyarsk radar being built in Siberia, and the Soviets have questioned the construction of American "PAVE PAWS" radars in Georgia and Texas, and the upgrading of radars in Greenland and Britain. The ABM Treaty forbids the construction of these large radars except when located on the periphery of each nation and oriented outwards. Resolution of the Krasnoyark issue has been a central concern of the Reagan Administration. An agreement on this issue is critical to any reestablishment of long-term confidence in the treaty, and it appears that a resolution is within reach if the issue is taken up seriously by the Geneva negotiators and/or the SCC members.

Mr. CHAFEE. Mr. President, again I wish to thank my colleagues who participated in this colloquy reaffirming the 1972 ABM Treaty. I think the purpose of this is to call attention to the other Members of the Senate and the public on how we feel, and to point out what seems to me the logic of our position and the importance of adhering to the judicial interpretation of the treaty.

RECOGNITION OF SENATOR DANFORTH

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri [Mr. DANFORTH] is recognized for not to exceed 15 minutes.

THE ABM TREATY

Mr. DANFORTH. Mr. President, I express my appreciation to the Senator from Rhode Island [Mr. CHAFEE] for organizing this debate.

For 13 years the United States has maintained that the ABM Treaty bans the testing and development of space-based lasers, particle-beam weapons and other exotic weapons. Several weeks ago, however, the administration placed this longstanding policy in question by arguing that the treaty in fact "authorized and approved" the testing and development of these weapons, prohibiting only their deployment. This revision sets a dangerous precedent in our handling of international agreements and threatens the future of arms control.

Secretary of State Shultz, in attempting to clarify this change in policy, has emphasized that the United States will continue to adhere to the traditional, more restrictive interpretation of the treaty in its research under the strategic defense initiative, even though the administration has concluded that "a broader interpretation of our authority is fully justified." That this reversal of U.S. policy has been allowed to stand at all, however, is disturbing.

Under the broader interpretation, the treaty would not limit testing or development of space-based weapons that use lasers, particle beams, or other exotic principles. This interpretation is based on "Agreed Statement D" to the ABM Treaty, which states that if ABM systems "based on other physical principles" are created, limitations on them would be subject to further discussions.

Proponents of the stricter interpretation, including the treaty's negotiators in the Nixon administration, argue that article V of the treaty itself takes precedence. This provision states that "each party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based." Such a ban encompasses many of the systems envisioned under SDI.

The administration's reinterpretation of the treaty runs counter to both the intent and the text of the treaty. The central purpose of the treaty is the prevention of nationwide ABM systems. The treaty is, in places, ambiguous about how to achieve this goal. But to say that those ambiguities justify overturning one of the principal provisions of the treaty is wrong.

Mr. President, my concern about this revision goes beyond the technical question of what the treaty does or does not allow. The revision in itself has serious consequences for all arms control agreements.

It has been the hallmark of U.S. efforts in arms control to insist on precise language in agreements and strict adherence to that language. Time and again, United States and Soviet negotiators have agreed on broad goals, only to have the Soviets balk at putting those agreements into specific binding language. Disagreements about adequate verification provisions are perhaps the most prominent example. This revision renounces that history. Unilaterally redefining the terms of the ABM Treaty, because we now find it convenient to do so, endangers our credibility on a range of arms control issues.

Our concerns about alleged Soviet violations of arms control treaties—not to mention the clearly illegal construction of an ABM radar at Krasnoyarsk in central Siberia—rest on narrow and consistent interpretations of those treaties. If we abandon similar interpretations now, the Soviets will have no reason to adhere to the careful system of rights and obligations these treaties represent.

If the United States condones smudging the lines of a treaty by either side, there is no point in drawing careful lines. There is no point in signing treaties at all.

It is important to point out that this debate is not about the merits of the strategic defense initiative. I continue to support vigorous research in that area. Any decision to deploy a defensive system would require a fundamental change in our approach to deterrence and in our strategic policy. It would require far greater understanding of defensive weapons and capabilities then we now have. And most of all, it would require extensive discussion and agreement with our allies and with the Soviet Union.

That debate goes on today and will continue. Strategic defense will not eliminate the need for arms control agreements and, in fact, cannot survive without them. Any deployed strategic defense system will require a base of agreements on offensive and defensive arms to make it effective. If we destroy that base now, we will destroy the prospects for strategic defense in the process.

Mr. President, the United States has committed itself to a treaty, and for 13 years has held to a consistent view of its obligations under that treaty. To reverse that interpretation suddenly, and in a manner that fundamentally repudiates the intent of the treaty, is to make our word invalid, to threaten all of our international agreements, and to give license to other nations to follow suit. Few actions could have graver consequences.

RECOGNITION OF SENATOR GORE

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee is recognized for not to exceed 15 minutes.

Mr. GORE. Thank you, Mr. President.

STRATEGIC STABILITY

Mr. GORE. Mr. President, last week I made a series of speeches on the subject of strategic stability and I wish to continue that series this week.

Mr. President, in my last speech, I attempted to define the concept of price to attack, and to explain how it can be applied in the search for solutions to the problem of strategic stability. Today, I want to take that concept and suggest what it shows us, when used to analyze the possibilities inherent in the Soviet proposal.

Before getting on into that subject, however, I feel compelled to return briefly to the subject of my speech of last Wednesday, which dealt with the implications of the President's theories about SDI, as relayed by him to Soviet journalists.

I noted in that speech that it would not be long before the White House would have to correct the President's remark that we should not deploy SDI until all nuclear weapons had been destroyed.

That was, in fact, promptly done. However, the press spokesman left in place a much more important observation the President made; namely, that defense can be destabilizing. The President, moreover, has not abandoned that idea. Indeed, after the interview, he said it again.

I refer my colleagues to the New York Times on November 7, for the account of the President's news conference with reporters from news agencies. What he said was:

> * * * rather than add to the distrust in the world and appear to be seeking the potential for a first strike by rushing to implement a strategic defensive system, my concept has always been that we sit down with the other nuclear powers, our allies and our adversaries, and see if we cannot use that weapon to bring about the elimination—of that defensive system, for the elimination of nuclear weapons.

Let us look closely at the meaning of these words, before we are again told to disregard what the President says as "nonoperative," or as "Presidential shorthand." He has reaffirmed his view that combining defenses with offenses is dangerous. Proceeding from that premise, he has again suggested that we should not deploy SDI until all offensive nuclear weapons are gone, including those of the British and the French.

If the White House staff is pressed to explain this statement, they would probably again encourage us to assume that the President was momentarily confused, as he frequently seems to be when discussing the adventuresome new strategic policy he is charting for the country. But his basic instinct that the combination of limited defenses with formidable offenses is destabilizing is correct.

Mr. President, I shall now return to what I said at the outset was my main theme: using the idea of price-to-attack as a device for evaluating our possibilities in arms control.

The way this can be done is as follows. You begin with the provisions of a particular arms control proposal—and here I will use the latest Soviet proposal as reported in the press. From those provisions one can derive a set of nuclear forces which each side would have after they had brought themselves into compliance with the terms of the agreement.

I made such calculations, and they led to three illustrative force postures for the Soviets and three for ourselves. These force postures were consistent with the Soviet proposal, but with one major difference.

My analysis assumed rejection of the Soviet demands that we count forward based systems and that we give up all plans for modernizing our ICBM's. It assumed, in other words, that if the Soviets are serious, we could end up applying their ideas about how much to cut, to our idea about what to cut. The President is trying such an approach now, but with an important difference, as we shall see.

The next step is to analyze these United States and Soviet forces in terms of mutual stability. This can be done using price-to-attack methodology. The standard for a stable outcome would be one in which the price to carry out a first strike, whether measured in warheads of throw-weight exceeds the gains measured in warheads or throw-weight destroyed.

When these calculations are run, the results are clear. The same number of missiles and warheads can either be unstable or not, depending upon whether one has deployed mobile, single-numbered systems. If such systems are not deployed, then it remains possible even after major reductions, for one side to easily destroy the land-based missiles of the other, retaining a large force in reserve for other purposes. Introduce mobility, and the price to attack is so high as to compel the use of virtually all of one side's missile force in order to destroy only a component of the other's.

Mr. President, I prepared such calculations and, as I said in my speech last Tuesday, briefed them privately to Mr. McFarlane and others in the administration. I ask unanimous consent that these calculations be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ANALYSIS OF MODIFIED SOVIET PROPOSAL—PROJECTED U.S. FORCE, END OF CALENDAR YEAR 1994

Type	Number	MIRV'd	RV's-missile	Total RV's
OPTION NO. I				
Ballistic Missiles				
ICBM's:				
M-X	50	50	10	500
Minuteman III (MK-12A)	300	300	3	900
Minuteman II	0	0	1	0
Total II	0	0	1	0
Midgetman	368	0	1	368
Subtotal	718	350		1,768
SLBM's:				
Trident II (Ohio)	384	384	8	3,072
Trident I (Ohio)	0	0	8	0
Trident I (Lafayette)	0	0	8	0
Poseidon (Lafayette)	0	0	10	0
Subtotal	384	384		3,072
Total, ICBM's/SLBM's	1,120			
Total, MIRV'd missiles/RV's		734		4,472
Total, ICBM/SLBM RV's				4,840
Heavy Bombers				
B-52G (Penetrate)	0	0	8	0
B-52G (ALCM's plus Penetrate)	0	0	12	0
B-52G (ALCM's)	0	0	12	0
B-52H (Penetrate)	0	0	8	0
B-52H (ALCM's plus Penetrate)	0	0	20	0
B-52H (ALCM's)	0	0	20	0
B-1B (Penetrate)	70	0	8	560
B-1B (ALCM's plus Penetrate	30	30	30	600
ATB	0	0	0	
Subtotal	100	30		1,160
Total	1,202	764		6,000
Of which: MIRV'd ICBM/SLBM RV's plus ALCM's				5,072

STRATEGIC SUBMARINES

Class	Number	SLBM's-SSBN
Ohio (Trident II)	16	24
Ohio (Trident I)	0	24
Lafayette (Trident I)	0	16
Lafayette (Poseidon)	0	16
Total, SSBN's	16	

Type	Number	MIRV'd	RV's-missiles	Total RV's
OPTION NO. II				
Ballistic Missiles				
ICBM's:				
M-X	50	50	10	500
Minuteman III	320	320	3	960
Minuteman II	0	0	1	0
Titan II	0	0	1	0
Midgetman	500	0	1	500
Subtotal	870	370		1,960
SLBM's:				
Trident II (Ohio)	360	360	8	2,880
Trident I (Ohio)	0	0	8	0
Trident I (Lafayette)	0	0	8	0
Poseidon (Lafayette)	0	0	10	0
Subtotal	360	360		2,880
Total, ICBM's/SLBM's	1,230			
Total, MIRV'd missiles/RV's		730		4,340
Total, ICBM/SLBM RV's				4,340
Heavy Bombers				
B-52G (Penetrate)	0	0	8	0
B-52G (ALCM's plus Penetrate)	0	0	12	0
B-52G (ALCM's)	0	0	12	0
B-52H (Penetrate)	0	0	8	0
B-52H (ALCM's plus Penetrate)	0	0	20	0
B-52H (ALCM's)	0	0	20	0
B-1B (Penetrate)	70	0	8	560
B-1B (ALCM's plus Penetrate)	30	30	20	600
ATB	0	0	4	0
Subtotal	100	30		1,160
Total	1,330	760		6,000

Type	Number	MIRV'd	RV's-missiles	Total RV's
Of which: MIRV'd ICBM/SLBM RV's plus ALCM's				4,940

STRATEGIC SUBMARINES

Class	Number	SLBM's-SSBN
Ohio (Trident II)	15	24
Ohio (Trident I)	0	24
Lafayette (Trident I)	0	16
Lafayette (Poseidon)	0	16
Total, SSBN's	15	

Type	Number	MIRV'd	RV's-missile	Total RV's
OPTION NO. III				
Ballistic Missiles				
ICBM's:				
MX	50	50	10	500
Minuteman III	350	350	3	1,050
Minuteman II	0	0	1	0
Titan II	0	0	1	0
Midgetman	362	0	1	362
Subtotal	762	400		1,912
SLBM's:				
Trident II (Ohio)	336	336	8	2,688
Trident I (Ohio)	0	0	8	0
Trident I (Lafayette)	0	0	8	0
Poseidon (Lafayette)	0	0	10	0
Subtotal	336	336		2,688
Total, ICBM's/SLBM's	1,098			
Total, MIRV'd missiles/RV's		736		4,238
Total, ICBM/SLBM RV's				4,600
Heavy Bombers				
B-52G (Penetrate)	0	0	8	0
B-52G (ALCM's plus Penetrate)	0	0	12	0
B-52G (ALCM's)	0	0	12	0
B-52H (Penetrate)	0	0	8	0
B-52H (ALCM's plus Penetrate)	0	0	20	0
B-52H (ALCM's)	0	0	20	0
B-1B (Penetrate)	50	0	8	400
B-1B (ALCM's plus Penetrate)	50	50	20	1,000
ATB	0	0	4	0
Subtotal	100	50		1,400
Total	1,198	786		6,000
Of which MIRV'd ICBM/SLBM RV's plus ALCM's				5,238

STRATEGIC SUBMARINES

Class	Number	SLBM's-SSBN
Ohio (Trident II)	14	24
Ohio (Trident I)	0	24
Lafayette (Trident I)	0	16
Lafayette (Poseidon)	0	16
Total, SSBN's	14	

ANALYSIS OF MODIFIED SOVIET PROPOSAL—PROJECTED SOVIET FORCE, START CALENDAR YEAR 1994

Type	Number	MIRV'd	RV's-Missile	Total RV's
OPTION NO. I				
Ballistic Missiles.				
ICBM's:				
New Heavy	0	0	16	0
SS-18	100	100	10	1,000
SS-19	0	0	6	0
SS-17	0	0	4	0
SS-13	0	0	1	0
SS-11	0	0	1	0
SS-24 (silos)	0	0	10	0
SS-24 (rail-mobile)	100	100	10	1,000
SS-25 (silos)	150	0	1	150
SS-25 MIRV'd (silos)	0	0	3	0
SS-25 MIRV'd (mobile)	0	0	3	0
SS-25 (mobiles)	450	0	1	450
Subtotal	800	200		2,600
SLBM's:				
SS-NX-X (Typhoon)	0	0	14	0
SS-N-20 (Typhoon)	80	80	9	720
SS-NX-Y (SSBN-X)	0	0	12	0
SS-N-23 (Delta IV)	16	16	10	160
SS-N-23 (Delta III)	0	0	10	0
SS-N-18 (Delta III)	240	240	7	1,680
SS-N-18 (Delta III)	0	0	3	0
SS-N-8 (Delta II)	0	0	1	0
SS-N-8 (Delta I)	0	0	1	0
SS-N-8 (Golf III)	0	0	1	0
SS-N-8 (Hotel III)	0	0	1	0
SS-N-17 (Yankee II)	0	0	1	0
SS-W-6 (Yankee I)	0	0	1	0
SS-N-S (Hotel II)	0	0	1	0
Subtotal	336	336		2,560
Total, ICBM's/SLBM's	1,136	536		
Total, ICBM/SLBM RV's				5,160
Heavy Bombers.				
Bear B (Penetrate)	0	0	2	0
Bison	0	0	4	0
Bear H (ALCM's)	70	70	12	840
Blackjack (Penetrate)	0	0	12	0
Blackjack (ALCM's)	0	0	12	0
Subtotal	70	70		840
Total	1,206	606		6,000

STRATEGIC SUBMARINES

Class	Number	SLBM's-SSBN
Typhoons (SS-NX-X)	0	20
Typhoons (SS-N-20)	4	20
SSBN-X (SS-NX-Y)	0	16
Delta IVs (SS-N-23)	1	16
Delta IIIs (SS-N-23)	0	16
Delta IIIs (SS-N-18) 7 MIRV's	15	16
Delta IIIs (SS-N-18) 3 MIRV's	0	16
Delta II's (SS-N-8)	0	16
Delta I's (SS-N-8)	0	12
Golf III (SS-N-8)	0	6
Hotel III (SS-N-8)	0	6
Yankee II (SS-N-17)	0	12
Yankee I (SS-N-6)	0	16
Hotel II (SS-N-5)	0	3
Total, SSBN's	20	

Type	Number	MIRV'd	RV's-Missile	Total RV's
OPTION NO. II				
Ballistic Missiles				
ICBM's:				
New Heavy	0	0	16	0
SS-18	100	100	10	1,000
SS-19	0	0	6	0
SS-17	0	0	4	0
SS-13	0	0	1	0
SS-11	0	0	1	0
SS-24 (silos)	0	0	10	0
SS-24 (rail-mobile)	64	64	10	640
SS-25 (silos	150	0	1	150
SS-25 MIRV'd (silos)	0	0	3	0
SS-25 MIRV'd (mobile)	0	0	3	0
SS-25 (mobile)	450	0	1	450
Subtotal	764	164		2,240
SLBM's:				
SS-NX-X (Typhoon)	0	0	14	0
SS-N-20 (Typhoon)	80	80	9	720
SS-NX-Y (SSBN-X)	0	0	12	0
SS-N-23 (Delta IV)	16	16	10	160
SS-N-23 (Delta III)	0	0	10	0
SS-N-18 (Delta III)	240	240	7	1,680
SS-N-18 (Delta III)	0	0	3	0
SS-N-8 (Delta II)	0	0	1	0
SS-N-8 (Delta I)	0	0	1	0
SS-N-8 (Golf III)	0	0	1	0
SS-N-8 (Hotel III)	0	0	1	0
SS-N-17 (Yankee II)	0	0	1	0
SS-N-6 (Yankee I)	0	0	1	0
SS-N-5 (Hotel II)	0	0	1	0
Subtotal	336	336		2,560
Total, ICBM's/SLBM's	1,100	500		

Type	Number	MIRV'd	RV's-Missile	Total RV's
Total, ICBM/SLBM RV's				4,800
Heavy Bombers:				
Bear G (Penetrate)	0	0	2	0
Bison	0	0	4	0
Bear H (ALCM's)	70	70	12	840
Blackjack (Penetrate)	30	0	12	360
Blackjack (ALCM's)	0	0	12	0
Subtotal	70	70		840
Total	1,206	606		6,000

STRATEGIC SUBMARINES

Class	Number	SLBM's-SSBN
Typhoons (SS-NX-X)	0	20
Typhoons (SS-N-20)	4	20
SSBN-X (SS-NX-Y)	0	16
Delta IV's (SS-N-23)	1	16
Delta III's (SS-N-23)	0	16
Delta III's (SS-N-18) 7 MIRV's	15	16
Delta III's (SS-N-18) 3 MIRV's	0	16
Delta II's (SS-N-8)	0	16
Delta I's (SS-N-8)	0	12
Gulf III (SS-N-8)	0	6
Hotel III (SS-N-8)	0	6
Yankee II (SS-N-17)	0	12
Yankee I (SS-N-6)	0	16
Hotel II (SS-N-5)	0	3
Total, SSBN's	20	

Type	Number	MIRV'd	RV's-missile	Total RV's
OPTION NO. III				
Ballistic Missiles				
ICBM's:				
New Heavy	0	0	16	0
SS-18	80	80	10	800
SS-19	0	0	6	0
SS-17	0	0	4	0
SS-13	0	0	1	0
SS-11	0	0	1	0
SS-24 (silos)	0	0	10	0
SS-24 (rail-mobile)	100	100	10	1,000
SS-25 (silos)	150	0	1	150
SS-25 MIRV'd (silos)	0	0	3	0
SS-25 MIRV'd (mobile)	0	0	3	0
SS-25 (mobile)	450	0	1	450
Subtotal	780	180		2,400
SLBM's:				
SS-NX-X (Typhoon)	0	0	14	0
SS-N-20 (Typhoon)	80	80	9	720
SS-NX-Y (SSBN-X)	0	0	12	0
SS-N-23 (Delta IV)	0	0	10	0
SS-N-23 (Delta III)	0	0	10	0
SS-N-18 (Delta III)	240	240	7	1,680
SS-N-18 (Delta III)	0	0	0	
SS-N-8 (Delta II)	0	0	1	0
SS-N-6 (Delta I)	0	0	1	0
SS-N-8 (Golf III)	0	0	1	0
SS-N-8 (Hotel III)	0	0	1	0
SS-N-17 (Yankee II)	0	0	1	0
SS-N-6 (Yankee I)	0	0	1	0
SS-N-5 (Hotel II)	0	0	1	0
Subtotal	320	320		2,400
Total, ICBM's/SLBM's	1,100	500		
Total, ICBM/SLBM RV's				4,800
Heavy Bombers				
Bear G (Penetrate)	0	0	2	0
Bison				
* * *				
* * *				
Blackjack (ALCM's)	0	0	12	0
Subtotals	100	70		1,200
Total	1,200	570		6,000

STRATEGIC SUBMARINES

Class	Number	SLBM's-SSB::
Typhoons (SS-NX-X)	0	20
Typhoons (SS-N-20)	4	20
SSBN-X (SS-NX-Y)	0	16

STRATEGIC SUBMARINES—Continued

Class	Number	SLBM's-SSBN
Delta IV's (SS-N-23)	0	16
Delta III's (SS-N-23)	0	16
Delata III's (SS-N-18) 7 MIRV's	15	16
Delta III's (SS-N-18) 3 MIRV's	0	16
Delta II's (SS-N-8)	0	16
Delta I's (SS-N-8)	0	12
Golf III (SS-N-8)	0	6
Hotel III (SS-N-8)	0	6
Yankee II (SS-N-17)	0	12
Yankee I (SS-N-6)	0	16
Hotel II (SS-N-5)	0	3
Total, SSBN's	19	

SOVIET COST TO ATTACK U.S. ICBM'S
(Modified Soviet Proposal)
(Midgetman absent)
(Graph not reproducible in RECORD.)

SOVIET COST TO ATTACK U.S. ICBM'S—U.S. FORCE STRUCTURE, CALENDAR YEAR 1994

ICBM type	Number	RV's-ICBM	Total RV's	Hardness
M-X	50	10	500	2,000
Minuteman III	350	3	1,050	2,000
Minuteman II	362	1	362	2,000
Midgetman	0	1	0	45
(Dispersal area/missile)				0
Total	762		1,912	

Note.—Yield, CEP, and reliability of attacking Soviet warheads: Megatons, 0.550; CEP (N.M.), 0.05; reliability, 0.90; total attacking RV's, 3,600.

SOVIET COST TO ATTACK U.S. ICBM'S
(Modified Soviet Proposal)
(Midgetman present)
(Graph not reproducible in RECORD.)

SOVIET COST TO ATTACK U.S. ICBM'S— U.S. FORCE STRUCTURE, CALENDAR YEAR 1994

ICBM type	Number	RV's-ICBM	Total RV's	Hardness
M-X	50	10	500	2,000
Minute III	350	3	1,050	2,000
Minute II	0	1	0	2,000
Midgetman	362	1	362	45
(Dispersal area/missile)				27.62
Total	762		1,912	

Note.—Yield, CEP, and reliability of attacking Soviet warheads: Megatons, 0.550; CEP (N.M.), 0.05; reliability, 0.90; total attacking RV's, 3,600.

Mr. GORE. What these calculations show is that the Midgetman system provides a way to achieve radically smaller nuclear deployments that are stable—deployments, that is, which make it impossible for either side to gain even a theoretical advantage from a first strike, and this is the outcome which we have supposedly been pursuing for 3 years now.

Nevertheless, at a time when the President seemingly recognizes the risks to stability of moving toward defenses, he has offered to the Soviets a proposal that bans the right answer to this problem—the Midgetman—and embraces more firmly than ever, the very approach whose dangers he has acknowledged.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I ask unanimous consent to use some of the unused time of a previous speaker.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SUMMIT

Mr. SIMON. Mr. President, I want to take a few minutes to comment on the summit, where we are going, and the importance of it.

I was one of those who last week was protesting the way we handled the Medvid sailor situation. I think it was unfortunate.

I want to make clear that I felt that it was mishandled because of the desire to see the summit not interrupted, and I think it could have been handled without interruption.

Our colleague from New Hampshire, Senator HUMPHREY, said the sailor could have been turned over to a neutral country, Switzerland or a country like that. I think that could have been done and we would have complied with our traditions.

But the importance of the summit can hardly be overestimated. Never before in all of human history has it been so important that two nations understand each other and that they get along. We are not going to like their system of government and they are not going to like our system of government. But let us not miscalculate because we can literally destroy everything.

In that connection, I am concerned that we seem to be taking steps to abrogate the ABM Treaty, to read it in terms that are clearly contrary to the terms of that treaty. I will later today or tomorrow enter a statement into the RECORD about my concerns in that direction.

One of the questions here is the question that was raised in this body by our colleague, Senator GOLDWATER, before the courts in the case of the Taiwan treaty: Can an administration unilaterally abrogate a treaty that this body has ratified?

Legal answers are unclear. I think it would be a disaster for our country, for our country's economy, for our country's security, for the world's security, if we were to move away from the ABM Treaty. I hope we will watch carefully what happens here.

I would point out to the administration that the congressional intent is very, very clear. It has been reiterated in conference language recently. We do not want to move away from that ABM Treaty.

If we were to move away from the ABM Treaty we would be in a rapidly escalating arms race. We already are in an arms race that is insane by any rules of logic. It is dangerous beyond the point that any of us can even understand.

Finally, I would add I have some hope for the summit. I think the very fact that people get together—and I wish it had taken place some time ago—the fact that the President of the United States and the leader of the Soviet Union are getting together is important so that they get some small areas of understanding, so we take some small steps forward.

I do not anticipate anything massively significant to come out of it. I think we would fool ourselves to expect that.

But some small steps forward I think can come out of it.

I hope among others there can be some small steps forward by our friends in the Soviet Union in this area of human rights. I was pleased that they are letting Mrs. Bonner come to the West for medical treatment, but it ought to go much beyond that—the Shcharansky case, the Sakharov case.

I have been working for some years now for a gentleman I met there, Prof. Naum Meiman, who is now 70 years old and retired. He is not in good health. His wife has had her fourth cancer operation. They want to emigrate to Israel. They want to live their last few days in freedom. Why not let them go? Those small gestures by the Soviet Union could mean a great deal.

In that same connection, we now have 29 divided spouses that we are aware of, American citizens who are married to Soviet citizens. The Soviet citizens want to emigrate to the United States. Even Mr. Gorbachev in Paris indicated they wanted to solve these issues. Why not make that small gesture as a right direction for the summit?

It would be in everyone's interest.

When I was last in Moscow, I visited with Roman Kupperman. His wife lives in the Chicago area. She is pregnant. Why cannot these two people who want to be together at this important time in their lives, be together?

In two cases, I have visited with the sons, small sons, of people and their own spouses have never seen those sons. That should not be.

Mr. President, someone the other day said to me, "Well, Americans ought to have more sense than to marry Soviet citizens." The reality is that love crosses barriers of religion, race, nationality, and citizen status and it always will. We are richer and better for that happening. Americans are going to fall in love with Soviet citizens, Soviet citizens are going to fall in love with American citizens. Let us let them marry and live together and do what every family wants to do by having a happy family life.

I hope the summit could make some small progress in that area. But most important of all is that the President and the Soviet leader meet and start

getting some minimum level of understanding—not pie-in-the-sky kind of thing; I hope no one has illusions on that—but some practical things where we can take some small steps forward. I think that is extremely important and I hope we can move in that direction.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

RECOGNITION OF SENATOR MELCHER

The PRESIDING OFFICER. Under the previous order, the Senator from Montana is recognized for not to exceed 15 minutes.

U.S. PHILIPPINE POLICY

Mr. MELCHER. Mr. President, after visiting the Philippines in 1983 I was bold to say to President Marcos and the State Department that unemployed Filipino families should have U.S. food aid; that assuring free elections, personal freedoms and the exercise of the democratic process was vital for the Filipinos; and that General Ramos' authority over the military should be strengthened.

President Marcos may have thought I was meddling and the State Department may have been miffed, but the times are critical, and I have persisted in efforts to arouse U.S. awareness of the slippage of our Philippine policy. In February of this year I again visited the Philippines and renewed my efforts with both President Marcos and the State Department on these same key policies.

The State Department may now well admit these three dominant factors in a successful relationship with the Philippines but to date the State Department has been bungling or ineffective meddling with the Government and business and structure. The decision by President Marcos to request to the Philippine Batasan—their parliament—for a new election for President and Vice President early in 1986 and his invitation for foreign observers to view the election is the right step. Opposition political leaders and their parties say they are ready.

The elections in 1984 for the Batasan were judged to be among the most successful in Filipino history in terms of participation and honesty. The ruling party, the KBL, held virtually every seat in the 180-member legislative body but the election of May of last year resulted in about one-third of the seats being gained by members of opposition parties. This past summer opposition leadership both within and without the Batasan pressured for a quick Presidential election. This spurred polling by both sides, which indicated widespread support in the countryside for retention of President Marcos over any of the opposition candidates. However, the economic conditions encouraging the growth of the insurgents is not in favor of the Government and subsequent polling may well reflect gains by the opposition.

I have several observations to make in regard to the electoral process in the Philippines. First, the 53 million Filipinos are firmly dedicated to practicing a free democracy. The dissatisfaction with the Government exists because of economic downturns, military abuses and the Government's use of extraordinary constitutional powers against individual rights.

Second, the question of succession of Marcos has been of great concern and was only partially resolved by the legislation placing the speaker of the Batasan in line of succession to the Presidency in case of death, incapacitation or impeachment. The Filipinos believe, as we do, that an elected Vice President is the more acceptable method of providing Presidential succession.

Third, the military abuses have resulted in innocent citizens being killed, wounded or oppressed. In addition, along with severe economic problems, military abuse has led to the increase in the numbers of insurgents. Some of the insurgents are of Communist ideology, but the bulk of them are in resistance forces because of the aforementioned circumstances and the armaments that they have are almost all stolen, bought or captured from segments of the Filipino military. Hence, it is urgent that the head of the Philippine military have the confidence and trust of Filipinos in all walks of life. General Maleos has that; he fills the bill.

I believe that the National Movement for Free Election [NAMFREL] should not only be certified but also encouraged to be active during the campaign. Also, appointments of two independent minded people to COMELEC should be made to fill this very important Filipino election commission.

I believe that the invitation extended for observance of the election should be accepted by the United States and other countries, particularly Asian neighbors. And, for our part, we should not only have observers from the Congress but objective election observers from the League of Women Voters and the U.S. Federal Election Commission.

The depressed economic conditions of the Philippines and particularly the need for food among Filipino families should not be held in abeyance by the United States awaiting the outcome of the election; 42 percent of the Filipino population is under the age of 15 and the food needs are pressing. The Filipino poor should not be held as hostage while great matters of state are resolved.

A consistent U.S. Philippine policy is not only desirable but absolutely essential for the strategic, cultural and trade needs of our two countries. The delay in establishing good policy has been thwarted by a fumbling State Department. Senator LAXALT's mission to establish clear U.S. policy will be wasted unless the State Department establishes clear intentions on military and election policies and prompt economic and food aid to the Philippines.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business with statements therein limited to 5 minutes each.

VETERANS DAY 1985

Mr. DOLE. Mr. President, there is no finer commemorative day on our calendar than Veterans Day, November 11, when we salute some of our Nation's best citizens.

CENTURIES OF SERVICE

November 11 was first proclaimed a national holiday in 1919, as an occasion to commemorate the signing a year earlier of the armistice that brought an end to World War I. For that reason, it was then called Armistice Day. In 1958 the name was changed to Veterans Day, in order to honor all former members of all branches of our armed services—to recall their sacrifices in war and to note their contributions to our peace and security.

Throughout our history, men and women of all ages, races and religions have been called upon to serve their country in the armed services. They have responded faithfully and proudly, from our first war, the American Revolution, until our most recent and hopefully our last, the Vietnam war.

Over that period of more than two centuries, 38 million men and women have served in the armed services during wartime. More than 90 percent of those served in this century. And there are now more than 28 million veterans living in the United States.

We honor all of them today, the living and those who have passed on. Each of them did his duty.

OUR NATIONAL RESPONSIBILITY

But we owe them more than just honor. These men and women have sacrificed much in the service of their country. Millions of them made the supreme sacrifice of their lives. Many

more millions were wounded or suffered injuries, often permanent and disabling. Tens of millions have risked their lives, and virtually all have suffered hardship and privation.

One important way we have tried to recognize their contribution and sacrifice is through our veterans' benefits programs. Benefits were started by the Continental Congress in 1776, and they have been expanded and improved throughout the years since. In his second inaugural, President Lincoln called upon the American people "to care for who shall have borne the battle, and for his widow and his orphan." That has become the motto of the Veterans' Administration, and it remains our national responsibility today.

So let us mark this Veterans Day by noting again the vital contributions of our millions of veterans and by rededicating ourselves to fulfill Lincoln's solemn pledge to the men and women who have served us so well.

EUROPEAN AFFAIRS SUBCOMMITTEE HEARINGS ON THE FUTURE OF NATO

Mr. PRESSLER. Mr. President, from September 13 to October 3, the European Affairs Subcommittee of the Senate Foreign Relations Committee held a series of seven hearings under the general title, "Is NATO Still the Centerpiece of U.S. Foreign Policy? Should it Be?" This extremely stimulating set of hearings, which I chaired, produced a variety of useful insights at a critical juncture, in the weeks before the summit.

Our distinguished colleagues might like to be made aware of these insights. I am convinced that they will find them authoritative and helpful. The complete transcript of our testimony will be published as a committee print in mid-December. USIA will be distributing the hearing record to our 200 embassies and consulates abroad, and the hearings were carried live by Radio Free Europe/Radio Liberty in 17 languages in Europe. VOA broadcast several hearings in 30 languages around the world. In addition, NPR, AP, UPI, Reuters, foreign embassies, and newspapers covered the hearings.

I commend my colleagues for their participation in these hearings as well as for their excellent questions.

We were extremely fortunate to hear from an excellent slate of witnesses that included the very best academic and policy expertise in the United States. Among the distinguished Government witnesses were Richard A. Smith, Administrator of the Foreign Agricultural Service of the U.S. Department of Agriculture, Geza Feketekuty, counselor of the Office of the U.S. Trade Representative, Stanton H. Burnett, counselor of the U.S. Information Agency, and the Deputy Directors of the Central Intelligence Agency and the Federal Bureau of Investigation. The distinguished panels of academics included Dr. Jeane Kirkpatrick, senior fellow at the American Enterprise Institute and Dr. Zbigniew Brzezinski, counselor at the Center for Strategic and International Studies at Georgetown University and Herbert Lehman, professor of Government at Columbia University, among many others.

The seven NATO hearings attempted to project NATO's greatest challenges for the 1990's. The analyses provided at these hearings will go a long way toward preparing the Senate for the challenges that shortly will face us. It behooves us to anticipate the tides of history, and to project the currents that will affect us all. We are extremely fortunate to have received 48 informed projections of what the future might bring.

Session 1 discussed "Soviet imperatives for the 1990's." It focused on the critical factors—diplomatic, political, economic, and military—that will be driving the Soviets to adjust their strategies and policies by the 1990's. Zbigniew Brzezinski gave us a tour d'horizon, followed by a panel addressing the Soviet "guns versus butter" dilemma. We often forget that the Soviets suffer from this dilemma far worse than does the United States.

Sessions 2 and 3 focused on "Soviet active measures." Session 2 was closed, with classified testimony presented. The testimony presented at the closed session has been declassified and will be included in our hearing record. Both sessions focused on the political and social means by which the Soviets foster their grand strategy outside the purely military realm. Included was a discussion of "front" organizations, and Soviet "targets" in the West: peace movements, the church, the media, journalists, parliaments, mass public opinion, trade unions, and youth groups, among others.

Session 4 was entitled, "The Crisis of Will in the NATO Alliance." The issues covered were broad, but tended to concentrate upon items that affect the unity and determination of the alliance. These included the differing perceptions of the Soviet threat and how to handle it, attitudinal differences between young and old in Europe on the utility of the alliance, and problems sapping the economic strength of the alliance: structural unemployment, inflation, an inability to innovate, and trade barriers.

Session 5 was entitled, "Crisis of Will in the Warsaw Pact." It focused on the problems the Soviets face within their alliance. These included distrust, problems with coordination and planning, economic rivalries, shortages, and severe military uncertainties. The effect of these difficulties upon the Soviet capacity to plan its strategy was analyzed, as were the opportunities thus created for the West.

Session 6 concerned "a NATO strategy for the 1990's." We dealt with a particularly difficult issue here: Given a host of threats and opportunities, should NATO's structure or mode of operations be altered to better meet changing world conditions?

Session 7 examined "NATO as a competing priority in U.S. policy." We asked a series of important questions. They included a most basic one: Given important and competing U.S. agendas in Europe stemming from trade imbalances and U.S. concerns over competitiveness and the common agricultural policy, how long can NATO's security policies remain sheltered from these strains? A second question was equally provocative: Given the growing importance of the Pacific Rim States, is NATO inevitably to be overshadowed in U.S. policy? Should it be? Can we do anything to stop that natural evolution? Finally, we asked: Given the other competing agendas the U.S. faces, how can the U.S. balance its commitment to NATO and still properly address the international debt crisis, the Soviet threat in the developing world, international economic changes, and regional crises?

I hope that all of us will further examine these important issues, and urge an examination of the testimony that we are so fortunate to have collected, and to distribute it as widely as possible. If we are to meet the challenges of the 1990's, and if we are to remain free and secure in a world full of uncertainty, we must remember that there is no substitute for informed analysis and rigorous study. I believe that we have taken a major step in that direction, but we must not relax our guard. The Soviets think and plan in terms of decades; we must move beyond a month-to-month and year-to-year frame of mind as we develop policy. We have made an excellent beginning in the Senate Foreign Relations Committee under Senator LUGAR's strong leadership. Let us continue that effort as we plan our national strategy for the 1990's.

AIDING THE ANGOLAN FREEDOM FIGHTERS

Mr. TRIBLE. Mr. President, during the past several weeks, the public debate over whether America will keep faith with the Angolan Freedom Fighters has intensified. Richard Bissell, of the Georgetown Center for Strategic and International Studies recently made a valuable contribution to this debate, and I ask unanimous consent that a copy of his column from the Washington Post appear in the RECORD at the conclusion of my remarks.

Few debates, in Congress or out, are as important as those focusing on America's obligation to the world's freedom fighters. Few debates pose such a challenge to America's commitment to foster democracy around the world.

In strategic terms, the United States cannot remain idle while Communist regimes entrench themselves in Afghanistan, in Nicaragua, or in Angola. The strategic importance of the Middle East, Central America, and Southern Africa is simply too important to the West to give the Communists free rein.

Moreover, as the exemplar of freedom, can the United States simply stand by, knowing that our lack of resolve might well consign hundreds of thousands of people to the permanent bonds of communism?

Regrettably this is the approach that the United States has taken toward Angola. For the past decade, America's hands were tied by the Clark amendment, which prohibited U.S. assistance to the UNITA rebels under Jonas Savimbi. During that time, the Soviet Union and Cuba poured troops, weapons, and financial support into Angola to prop up the Marxist government.

Earlier this year, as a signal of our concern about the Communists' military buildup and the trampling of human rights in Angola, the Congress wisely repealed the Clark amendment. The Congress is likely to consider legislation soon that authorizes $27 million in humanitarian aid to the UNITA forces, a sum smaller than that which the Soviets turned over to the Marxist government in the first month after it seized power in Angola.

The simple question we must ask ourselves is whether this is too high a price for the freedom of Angola and its citizens. I believe it is not too high a price, and I hope my colleagues will agree that Jonas Savimbi and his UNITA troops are well worth the investment.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 8, 1985]

AID TO UNITA MEANS PEACE

(By Richard E. Bissell)

The debate over U.S. policy toward Angola has taken a sharp drift toward polarization in recent weeks—typified by the contributions to this page by Jeane Kirkpatrick [Oct. 27] and Randall Robinson [Nov. 3]. In their unveiled partisanship toward the two parties in the Angolan civil war—UNITA and MPLA—they unintentionally increase the likelihood of a win-lose confrontation over U.S. policy. That strengthens the image abroad of a United States divided over foreign policy and, probably, extends the suffering of the Angolan people in this civil war.

The bottom line for U.S. policy on Angola should be the interests of the United States and the Angolans. And the need for peace and democracy in Angola should be manifest: not the peace of the graveyard, but the peace of a growing and open society.

Translated into policy choices, that means the U.S. government should provide aid to UNITA. Many people find this an unfashionable thought, mistakenly believing that aid to insurgents universally encourages wars. For Angola, a better case can be made that aid to UNITA is the pathway to a lasting peace.

Real understanding of the role aid might pay lies in the realities in Angola. The ruling MPLA in Luanda has proven itself unable to put together a "national" government in its 10 years in nominal power. Even with the assistance of Gulf Oil on the economic side and East Bloc advisers for the rest of the government, the MPLA is a formula for bad government. But is has to be counted into the peace process.

On the other hand, UNITA is unlikely to overthrow the MPLA government. Driving 35,000 Cuban soldiers into the sea is an unlikely prospect for any black African army. Jonas Savimbi, the president of UNITA, has demonstrated his staying power and his political skills by governing roughly a third of the country. At the same time, he has unavoidably come to depend on South Africa for much of his "power of last resort"—causing an unfortunate injection of black-white politics into Angolan politics. Still, UNITA has earned a central place in a peace process.

The challenge is to wean UNITA from South Africa and the MPLA from the Cubans. So far, the United States has talked only of getting the MPLA to change course. To be evenhanded, this country should also be proposing aid to UNITA, in order to get Savimbi to loosen his ties with South Africa. When both tracks—with the MPLA and UNITA—have been successful, we shall begin to see the factions for conciliation on both sides willing to discuss seriously a coalition government.

What, after all, is the peace process in Angola? It is the establishment of trust between ethnic groups that have always been at odds. It is a set of careful steps meant to introduce gradually more open modes of governing. It may even involve the devolution of some powers from a potentially dictatorial central government to the various "nations" that make up Angola.

The first steps in establishing that mutual trust will have to be the elimination of Soviet and Cuban force deployments from the MPLA side and of South African forces from support of UNITA. Both can be accomplished; Washington knows that from conversations with sensible individuals on each side. But the United States will have to move to establish more tangible ties with UNITA for it to be accomplished. And its aid will have to be sufficiently open to increase, rather than reduce, the trust between Angolan factions.

We are not talking about a lot of aid. From UNITA's point of view, the amount and cost of military assistance is not a big issue. Its side of the war is not generally fought with great expenditures of hardware; much of UNITA's military supplies are captured from the MPLA. And what has to be supplied from elsewhere could be purchased from trickles of private donations and small amounts of U.S. covert aid. The United States needs to be primarily in the business of social/economic aid.

Jonas Savimbi has major needs. For instance, food aid has not been evenly distributed in Angola, and indications of malnutrition in UNITA-held areas are simply punishment inflicted on future generations. In the peace process, as a military truce takes hold, the economy will need to be placed back on the development path.

The proposal to aid UNITA encounters great skepticism. The State Department is clearly hesitant to get involved, but apparently ready to announce its willingness to go along with some humanitarian assistance. Some people who have spent much time on the Angolan issue are doubtful that shared power can ever be achieved in such a poisoned environment. And others see American "meddling"; but would they prefer the current meddling and a continuation of the destructive warfare that Angola has known for too long?

MEMORIAL TO WOMEN VETERANS

Mr. EAGLETON. Mr. President, today I am pleased to cosponsor Senate Joint Resolution 156, which would authorize a memorial to women who served in the Armed Forces to be erected in the District of Columbia.

I commend Congresswoman MARY ROSE OAKAR for introducing the bill and getting the ball rolling for recognition of this forgotten group of veterans—women veterans.

Yesterday, we, as a Nation, stopped to remember those veterans that have served our country so bravely throughout the years. I believe that too often the more than 1.2 million women veterans are often forgotten heroines. Only recently have these veterans begun to receive pensions, veterans preference in government jobs, education under G.I. bills, and medical treatment from the Veterans' Administration.

The St. Louis Post-Dispatch has written a fine article, "'Invisible Veterans' Still Struggling for Recognition." I am proud to add my name to the growing list of cosponsors in the Senate, and urge for its quick passage.

Mr. President, I ask that the text of the Post Dispatch article be printed in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

'INVISIBLE VETERANS' STILL STRUGGLING FOR RECOGNITION

(By Charlotte Grimes)

"Women veterans. Isn't that a contradiction in terms? Men are veterans, not women. Men are drafted; men bear the burden of national defense. Women can provide some support services: They can fold bandages and answer telephones. But who thinks of women as veterans?"—June Willenz in "Women Veterans: American's Forgotten Heroines"

WASHINGTON.—Like a lot of young, gung-ho Marines in World War II, then-Pvt. Georgia Rahmoeller of Des Peres greeted a parole from nearby Quantico Marine base for Washington with a mixture of excitement and terror.

Wartime Washington, for a recruit fresh from stern training, was the glittering end

of the rainbow, a city of lights and liberty, the City of Brass.

"I go in and here were all these officials and I'm just a private," recalled Rahmoeller, with warm laughter. "They'd been so strict at Quantico and you were so scared you weren't going to do the right thing. The first person I see is a nun—and I SALUTE her!"

Now, 40 years later, Rahmoeller looks forward to someday returning to Washington with her daughter, and maybe granddaughters, to see something that doesn't—so far—exist: a memorial to the women who, like herself, are veterans of America's wars, from the Revolution to Vietnam.

U.S. Rep. Mary Rose Oakar, D-Ohio, leading a contingent of other congresswomen, couldn't agree more.

She has penned a bill that authorizes a memorial to what she calls "women under fire." The idea has support from all the service branches, many veterans organizations, and women still serving in the military. Last week, the House unanimously approved Oakar's bill.

But, in an unusual move that has outraged the congresswomen, the Department of the Interior has come out against the memorial for women veterans. Officials at the department maintain that the memorial doesn't fit new guidelines and simply isn't necessary in a city close to being overcome by monuments to special military groups and causes. At the same time, the department is supporting a memorial to blacks who served in the American Revolution—a gesture that the congresswoman see as hypocritical and bigoted.

It is symbolic, they and other supporters say, of the disregard—even contempt—that the country has always shown to an unacknowledged group of veterans.

"It's the most forgotten group in America," said U.S. Rep. Patricia Schroeder, D-Colo.

If the men who served in Korea are the silent veterans, she and the other supporters, say, the women who served in all America's wars are the invisible veterans.

Today, more than 1.2 million women are veterans of the U.S. service branches. They account for 4.1 percent of all living veterans. And their numbers are growing as record numbers of women—once segregated in their own units and called WAVES, WACS, WAFS and SPARS—pursue careers in the all-volunteer military.

They get pensions, veterans preference in government jobs, education under G.I. bills and medical treatment—though it's generally agreed to be not all they need—from the Veteran's Administration. But almost all of those benefits are recent developments.

As the idea of a memorial for women veterans has grown in Congress, the movement for it has become a short course in women's history.

In wartime, women have been spies, couriers, clerks, nurses and fighters, doing, as Schroeder puts it, "whatever they could, or whatever they were allowed. They have been wounded, captured, shelled, gassed. And sometimes they have been killed."

As many as 20,000 women actively joined the American Revolution. Many were unofficial members of the ragtag Continental Army, tending the wounded, huddling in the snows of Valley Forge and subsisting on half-rations. Some, as several hundred would do later in the Civil War, dressed as men and fought with gun and bayonet. A few, like Margaret Corbin, became legends.

Corbin, who is the prototype for the mythical Molly Pitcher, took her dead husband's place at the cannon as the British charged. Later, at George Washington's request, she commanded a watch on the Hudson River. Wounded, surviving with only one arm, Corbin lived out her days as an invalid at the Army's academy, where she insisted that cadets salute her.

She is the only soldier from the American Revolution buried at West Point.

In World War I, when they still couldn't vote in their homeland, women ran communications for the Army in Europe. In World War II, women landed on Normandy 38 days after the D-Day invasion. They were part of the beachhead on Anzio, on the Bataan death march.

In World War I, 296 American nurses died; 100 of them are still buried in France. On the granite wall of the Vietnam Memorial here are inscribed the names of eight women.

But for those who survived, say supporters of the women veterans memorial, the hardest battles sometimes came after the war.

When Dr. Mary E. Walker, one of the first women to graduate from a medical school, couldn't get an officer's commission in the Union Army, she signed on as a nurse. As a spy for her side in the Civil War, she was captured and imprisoned for four months. For her uncommon valor, she was given the Congressional Medal of Honor. In 1916, a review board tried to take it back, dispatching men to her home to reclaim it.

Walker met them at the door with a shotgun.

And when she died in 1919, at the age of 86, she was still wearing the medal that was not acknowledged by her country until 1977, when President Jimmy Carter reinstated her name on the roll of recipients.

Among other, oft-cited examples:

Edna Gardner Whyte, who taught men to be pilots in World War II, wasn't allowed a pilot's ratings or rank for her work. Instead, she only got veteran's status as a member of the nurses corps and benefits far less than the male pilots she taught.

The 800 women known as WASP's (Women's Air Force Service Pilots) delivered planes around the world, served as test pilots and also taught men to fly in combat in World War II. But they were acknowledged as veterans and eligible for benefits only after a 30-year fight with the government.

The 7,000 or so nurses who served in Vietnam returned home from battlefield hospitals with no ideas that they, too, could be victims of delayed stress. And those who, after a year of patching together mangled bodies and watching the dying had nightmares, anxiety and breakdowns found that the Veterans Administration was ill-equipped to treat them.

For the most part, the women were simply ignored. Indeed, until the 1980 Census, there were not even any reliable figures on the number of women veterans. And the number of women who served in Vietnam remains an estimate—the Pentagon has no firm official figures.

Outside the government and the military, women veterans also found themselves in a shadow world.

Rahmoeller, who eventually became a Marine Corps sergeant, joined two brothers serving in World War II. "I felt I had an equal obligation," she said. And her father was proud to put three stars—the symbol of families with children in the war—in the window of their home.

But when the war was over and the stars came down, no one wanted to listen to her war stories. She, like a lot of other women in what was a national pattern, thought about joining a veterans organization.

"We thought about going in with the male Marines," said Rahmoeller, who is now head of the St. Louis chapter of the Women's Marines Association. She laughed. "They didn't want us so we formed our own organization."

Advocates for women's rights, like Oakar and Schroeder, shudder at what they see as the unfair and hypocritical way American women have been treated as members of the service and as veterans.

Schroeder takes particular aim at the traditional notion that women shouldn't be combatants—a policy that still keeps women out of some military occupations and is often criticized as a way of preventing them from advancing in their service careers. At best, she and others say, the policy is a fuzzy, paradoxical form of protection. Often it has simply meant that women could be put where they could be shot at, but they weren't supposed to shoot back.

The relationship between the U.S. Cavalry and women in frontier forts, says Schroeder, is a good example.

Army regulations of the time, she said, required that every fort have at least one women for every 7½ men.

"What was the purpose of these women in the fort?" she said to her fellow House members last week. "Well, they were there to do the laundry.

"It was really very interesting that when it came down to whether or not the men had to do laundry or to put a woman in a combat zone, we put women in combat zones, and thank you very much. They were not going to have detergent hands for male soldiers."

Under Oakar's bill, a memorial to women veterans would be funded by private donations and turned over to the government.

But meanwhile, the Senate still has to approve the memorial. And there is still the opposition of the Interior Department.

The Department, through the National Park Service, decides where memorials, once they are authorized by Congress, will go and takes care of them once they are built. The National Capital Memorial Advisory Committee, a quasi-governmental body of appointed citizens and headed by a Park Service official, also has some say by giving recommendations to the secretary of the interior on styles and locations for monuments and memorials.

This week, the advisory committee has a regular meeting. Oakar, armed with letters from congresswomen and other supporters, plans to be there to argue their case. But John Parsons, chairman of the committee and associate regional director of the National Park Service, expects to tell her that, in effect, as far as the Interior Department is concerned she's wasting her time.

The Interior Department, Parsons said, is only acting under new guidelines that limit memorials to individual wars or branches of the service.

The department, Parsons said, supports the Korean Veterans Memorial, because it fits the new guidelines, and a memorial for the blacks who fought in the Revolution. "We do not consider the black American Patriots a war memorial, frankly," said Parsons. Asked why the department was making a distinction between the memorial for blacks and the one for women veterans, he said: "Here were slaves and free black persons who participated in a revolutionary war in one fashion or another, and my feel-

ing is that is completely different from the other scenario being played."

The congresswomen who support the memorial for blacks and Korean veterans don't buy that at all.

"It's just totally outrageous that they should take such a stand," said Oakar. "We are outraged at the Interior Department's bigoted notion that they couldn't support all three memorials. That is just pettiness."

What she and Schroeder fear is that the advisory committee, to go along with the interior secretary, will delay the memorial with questions and paperwork. Or worse, I could consign the memorial to the kind of invisibility in which the women veterans themselves have existed.

"They could," Schroeder said angrily, "put it under the 14th Street Bridge or someplace else it won't be seen."

BURN AWARENESS WEEK

Mr. D'AMATO Mr. President, I rise today in support of Senate Joint Resolution 234, worthy legislation introduced by my distinguished colleague from California, to recognize one of the most common, but overlooked, medical tragedies—fire and burn-related deaths.

Every hour of every day 2 people die, 114 people are injured, and $2.5 million is lost because of fire and burn-related incidents. Each day 55 people die and 2,740 people are injured from smoke and burn-related causes. These statistics clearly point out the severity and prevalence of fire hazards.

Fire hazards affect two specific populations, children and the elderly, 35 percent of all deaths and injuries from fire and burn-related causes are children. Over 80 percent of fire deaths occur at home. Many children are unprepared to avoid fire, and too many parents do not have the education or resources to effectively respond to fire and smoke.

Over one-fourth of all fire deaths involve the elderly. These deaths usually occur because of carelessness with cigarettes and smoking materials; 40 percent of the victims are 55 years or older.

Senior citizens are unprepared to deal with fire hazards; 66 percent of the elderly do not have smoke detectors installed in their residences, compared to only 34 percent of the entire population which have failed to install detectors. Clearly, our senior citizens are not equipped to handle fire hazards, leaving these individuals vulnerable to catastrophe.

The public has done very little to address this issue. Information and education relating to fire and burn-related deaths has been minimal and scanty. Undoubtedly, the two populations most affected by fire have not been targeted for preventative education.

National Burn Awareness Week will bring the significance of this issue to the forefront, encouraging individuals to seek out information relating to fire hazards. It is my hope that a broader awareness of this problem will lead to more actions to alleviate the causes of the deaths of the many vulnerable victims who die from fire and burn-related causes each year. I encourage my colleagues to join me in this effort.

SYMMS VETERANS DAY SPEECH

Mr. SYMMS. Mr. President, yesterday the United States observed Veterans Day. I would like, for a moment, to focus the Senate's attention on the importance of that holiday.

Veterans Day, marks the date when, in 1918, the guns of the Great War fell silent. The "war to end all wars" was over and the world's relief was expressed in great celebrations on both sides of the Atlantic. In the United States, Armistice Day was also a day on which to remember the contributions of those whose bravery and sacrifice made victory possible: the members of this Nation's Armed Forces. This remains the reason for our observance of Veterans Day.

Often, busy schedules divert our time and attention from the real meaning of this holiday. On Veterans Day we took time to reflect upon the sacrifices of those Americans who have risked their lives to preserve freedom and human rights in this country and around the world.

There are many nations and cultures in the world today which suffer internal turmoil and violence as inherent elements of their political and social framework. The problems in Central America and Middle East frequently remind us of the fragility of peace. Many nations throughout the world still suffer under totalitarian regimes. Whether under right wing or Communist dictatorships, millions of people in these lands are denied the inalienable rights recognized by our Founding Fathers and guaranteed by our Constitution. Often, however, we take for granted the extreme sacrifices which have been made to preserve these fundamental human freedoms which we so deeply cherish.

American dedication to these ideals on which our Nation was founded, and the selfless sacrifice of the veterans of our Armed Forces who defend them with their lives, allows us to enjoy and preserve freedom in our society. Our stability and liberty continue because our people have had the strength to meet the challenges of totalitarianism and violence; a strength which springs from the vision of freedom expressed by the founders of our Nation. This same vision has remained within and emboldened our veterans through countless battles on our own shores and abroad.

At Saratoga, New Orleans, and Gettysburg their strength and dedication did not waver. At Reims, Marne, and the Somme they fought and many of them died for their country. At Midway, Iwo Jima, and Normandy their courage in the defense of liberty won them victory and the respect of the world. And at Inchon, Khe Sahn, and Hue their valor and commitment to their country's just cause was unshakable.

Veterans Day is a time to take stock in our freedoms and privileges, to recognize their origins and the sacrifices which are needed to preserve them. The burden borne by the veterans of the U.S. Armed Forces while protecting these liberties deserves not only our recognition, but our deep appreciation.

Yesterday, I joined all Americans in saluting our veterans, whose bravery allows our social fabric to remain intact and whose commitment to peace and liberty has brought a higher standard of living and human rights to millions of other people as well. We as Americans can never diminish the importance of the contributions made by our veterans. All veterans from every battle in every war share equally in their claim to our respect and gratitude. We must never forget our debt to them for their sacrifice; a debt which we formally recognize on Veterans Day, but which we will always owe.

NATIONAL BIBLE WEEK, NOVEMBER 24 TO DECEMBER 1, 1985

Mr. BRADLEY. Mr President, the 45th annual nonsectarian National Bible Week will be observed from November 24 to December 1, 1985. This celebration is sponsored by an autonomous interfaith laity organization, the Laymen's National Bible Committee.

The purpose of National Bible Week, which has been observed each year since 1941, is to remind all Americans of the place of the Bible in the development of Western civilization, in the history of America, and in the lives of all people.

Representative RALPH REGULA of Ohio and I are currently serving as congressional cochairman for National Bible Week. We invite you to join us by making your constituents and States aware of National Bible Week. Governors and mayors across the Nation are proclaiming Bible Week and calling for observances.

Recent Gallup studies show that between 1944 and 1983 daily Bible reading by Americans increased 50 percent. This uptrend coincides with the years in which National Bible Week has been observed. By informing more people of the Bible Week observance we may be able to increase the percentage of daily readers of the all-time best seller that Presidents such as Jefferson, Lincoln, Jackson, and Theodore Roosevelt held up before the public as a resource for knowledge.

A public service advertising campaign has been crafted for the 1985 observance of National Bible Week by Grey Advertising as a pro bono service. The ads include this description of the Bible's place in contemporary life: "The history of Western Civilization begins in these pages. Our laws. Our sense of justice and charity. Our standards of ethics and social responsibility. Our familiarity with the Bible's remarkable people whose lives still enrich our literature, our art, our music, even our travels. If you don't know who they are, you are missing much of the glory that's all around you. Knowledge—like faith—is a joyful possession."

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

S. 1730—CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT OF 1985

The PRESIDING OFFICER. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now proceed to the consideration of S. 1730, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1730) to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, 99th Congress).

The Senate resumed consideration of the bill.

Mr. METZENBAUM and Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

AMENDMENT NO. 995

(Purpose: Striking the provision relating to research and experimental expenditures)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 995:

On page 334, strike out lines 1 through 5.

Mr. METZENBAUM. Mr. President, the amendment I am offering today is designed to eliminate a provision of this reconciliation bill that subsidizes the wholesale export to foreign countries of American jobs.

We have had a considerable amount of discussion about the trade issue and about the importing of products made on foreign soil. Today, we have a provision before us which literally provides for the exporting of American jobs, and that is in the budget reconciliation bill.

What is this provision? It is a provision included in the bill by the Finance Committee to reimpose through August 1986 a moratorium on enforcement of a 1977 Treasury Department regulation. That regulation establishes guidelines to allocating research and development expenses to determine taxable income from foreign and domestic sources.

The moratorium, enacted in 1981 and extended last year, expired on August 1, 1985.

The effect of this moratorium, Mr. President, is to subsidize 24 major multinational corporations, to the tune of $244 million a year, by allowing them to deduct from their U.S. income R&D expenditures that support foreign-based manufacturing operations. It is, in other words, a positive incentive for major companies to export manufacturing jobs to low-wage tax havens like Hong Kong and Taiwan—and to allow the taxpayers of the United States to pay the tab for R&D work conducted in this country.

How does that work?

In order to avoid double taxation by the United States and foreign governments, the Tax Code allows American companies to credit taxes paid to foreign governments on a dollar-for-dollar basis against income earned aboard. That obviously makes it necessary to segregate foreign-earned income from profits generated here in the United States.

In 1977, Mr. President, the Treasury issued regulations on the allocation of R&D expenditures between foreign and domestic operations. In general, the 1977 regulations required multinational corporations to allocate a greater percentage of their R&D investments against their foreign source income than had previously been required.

For most companies, these regulations would have had no effect.

But for a few—those with excess foreign tax credits and, therefore, with no U.S. tax liability on foreign income—these regulations would have a real impact. The regulations would increase their total U.S. tax liability.

These are large companies—large enough to export jobs and to accumulate an excess of foreign tax credits. The 24 main beneficiaries of the moratorium are, in fact, cited by Fortune magazine among the top 100 companies in the country.

How do we know this? Because the Treasury Department's report on the impact of the moratorium found that 85 percent of the subsidy—or $244 million—will go to 24 of the largest 100 U.S. corporations.

Are these small, high-technology firms? No, they are not.

They do not benefit, says the Treasury Department study, because they are not large enough to have begun exporting their manufacturing jobs.

And how about stimulating R&D?

According to the Treasury Department study, the moratorium's $287 million price tag buys only $40 to $260 million in R&D. Listen to that: The moratorium's $287 million price tag buys only $40 million to $260 million in research and development. That is not even a dollar-for-dollar value. That is not much of a bargain for the U.S. taxpayer. In addition, the Treasury concluded that its regulation would not result in any R&D moving abroad.

Mr. President, I ask unanimous consent that the conclusions of the Treasury Department study be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE IMPACT OF THE SECTION 861-8 REGULATION ON U.S. RESEARCH AND DEVELOPMENT

Compared to the Regulation, the section 223 ERTA moratorium reduces U.S. tax liabilities. If the R&D rules in the Regulation had been in effect in calendar 1982 instead of the ERTA provision, U.S. tax liabilities of U.S. firms would have been $100 million to $240 million higher.

All firms are not affected uniformly by the moratorium. It only reduces the tax liabilities of firms in an excess credit position. These firms earn from 16 percent to 22 percent of the worldwide income of U.S. manufacturing corporations. Whether or not a firm is in an excess credit position does not seem to be closely related to the level of its R&D effort. The moratorium has its most significant effect on large, mature multinationals, as opposed to small, relatively young, high-technology companies. It affects those R&D oriented taxpayers with relatively large amounts of foreign production and income, as opposed to those taxpayers exploiting their R&D primarily for domestic production. Of the Regulation's $100 million to $240 million estimated increase in additional U.S. tax liabilities, about 85 percent is estimated to be accounted for by 24 U.S. firms on the list of the 100 largest U.S. industrial corporations compiled by Fortune magazine.

This $100 million to $240 million increase in tax liabilities would have increased the cost of privately-financed U.S. R&D by between .27 and .65 percent, or by less than 1.0 percent. Based on assumed responses of both the overall level and geographical location of R&D to this range of cost increases, the $37 billion in privately-financed domestic R&D spending in 1982 would have been reduced by about $40 million to $260 million. Most of the reduction represents a net reduction in overall R&D undertaken by U.S. corporations and their foreign affiliates, because U.S. R&D has become somewhat more expensive, rather than a transfer of R&D abroad.

Mr. METZENBAUM. Mr. President, R&D for job export is not, I think, what Congress had in mind when we wrote into the Tax Code incentives for this type of business expenditure. But that is what the Finance Committee provision subsidizes.

Mr. President, I believe that in the interest of fairness to taxpayers, to working people, and to the rising firms

that are trying to compete in high technology with the corporate behemoths, we should not revive this deal.

We should terminate it now.

We should keep for the Treasury the $277 million a year it will cost us.

I have difficulty in comprehending why the Finance Committee would send us a proposal, a provision, that will cost the Treasury $277 million this year—$277 million is the price tag—and all we get for it is the right to export jobs to foreign countries.

My amendment would strike the moratorium provision. I urge my colleagues to support it.

Let me point out an article from the Washington Post entitled "Is High Tech Unpatriotic?" The subtitle is "We're giving tax breaks so Atari can ship jobs overseas."

The article starts off as follows:

Public opinion poll (multiple choice): Do you think it makes sense for U.S. tax laws to encourage high-tech American firms to move their manufacturing plants abroad?

(a) yes.

(b) No.

(c) Hell, no!

Don't spend too long trying to choose between (b) and (c). The official correct answer—or at least the apparent consensus among elected officials in Washington—is (a).

To be sure, most of our representatives don't want to encourage a shift of manufacturing jobs overseas. Instead, they think they're promoting American research and technology.

So-called "Atari Democrats," along with most Republicans, are the leaders in inadvertently promoting answer (a), so it's appropriate that last spring's decision by Atari, Inc. to lay off 1,700 American workers and transfer its computer assembly operations to Hong Kong offers an apt illustration of the perverse impact of current tax rules.

The article goes on to say:

U.S. companies can defer taxes on foreign profits while still taking advantage of generous tax breaks for the R&D investments which create that income.

Mr. President, I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IS HIGH TECH UNPATRIOTIC?—WE'RE GIVING TAX BREAKS SO ATARI CAN SHIP JOBS OVERSEAS

(By George W. McEntee)

Public opinion poll (multiple choice): Do you think it makes sense for U.S. tax laws to encourage high-tech American firms to move their manufacturing plants abroad?

(a) Yes.

(b) No.

(c) Hell, no!

Don't spend too long trying to choose between (b) and (c). The official correct answer—or at least the apparent consensus among elected officials in Washington—is (a).

To be sure, most of our representatives don't want to encourage a shift of manufacturing jobs overseas. Instead, they think they're promoting Ameircan research and technology.

So-called "Atari Democrats," along with most Republicans, are the leaders in inadvertently promoting answer (a), so it's appropriate that last spring's decision by Atari, Inc. to lay off 1,700 American workers and transfer is computer assembly operations to Hong Kong offers an apt illustration of the perverse impact of current tax rules.

Certainly the lure of cheap labor was a factor on Atari's going abroad. But the tax code clearly provided additional incentives.

U.S. companies can defer taxes on foreign profits while still taking advantage of generous tax breaks for the R&D investments which create that income.

Consider Atari, which invests lots of money researching and developing new products in this country. It is allowed tax deductions for those costs, and in some cases also gets a federal R&D tax credit. The deduction saves Atari about 50 cents in federal and states taxes for every dollar invested, and the credit can add another 25 cents in tax savings. This leaves Atari's put-of-pocket cost for a dollar's worth of R&D somewhere between 25 and 50 cents.

If Atari uses its know-how to manufacture products in California the government will tax the profits. But it's still a sweet deal for Atari. The company keeps at least half the profits, while putting up as little as a quarter of the capital outlays.

By shifting its production offshore, however, Atari has found a way to do even better. The government will continue to pay for 50 to 75 percent of Atari's R&D, but now it will get no share of the profits the R&D generates. As long as Atari reinvests its earnings abroad, U.S. taxes are indefinitely deferred. And, since Atari has carefully chosen to put its runaway plants in low-tax or tax-haven countries like Hong Kong, Ireland, and Taiwan, it won't have to pay any significant foreign taxes either.

But, you may say, now that the Atari situation is a cause celebre, the administration and Congress will certainly figure out what's going on and crack down on tax subsidies for exporting jobs. Don't bet on it. Our lawmakers seem intent on making things worse.

Last month, the Treasury Department recommended giving a couple of hundred million dollars a year in extra foreign tax credits to multinational firms that—you guessed it—do research in the United States to support foreign manufacturing operations.

The purpose of this tax break, its numerous congressional supporters claim, is to stimulate R&D here at home. What they fail to consider, however, is that the real incentive can be to shift manufacturing jobs offshore. By definition, the added tax credits are available only to companies with large foreign operations.

The foreign tax credit bonus at issue would extend a "temporary" measure enacted in 1981 and scheduled to exp,re this year. Pushed by Atari Democrats and ITT, this measure blocked the IRS for two years from enforcing its "Section 861" regulations—rules promulgated in 1977 to try to curb tax subsidies for foreign manufacturing.

The 1981 law required the Treasury to analyze the impact of suspending the 861 regulations and report its findings to Congress this year. In May, Treasury staff dutifully completed a draft study that found the loophole unjustified. But then politics intervened.

Under pressure from congressional Republicans and multinational companies, Treasury Secretary Donald Regan ordered a last minute reversal of the report's conclusion.

Among other things, Treasury's analysis shows that almost all the money from the tax subsidies goes to 24 giant corporations and that the extra tax credits provide minimal stimulus to American R&D.

Treasury also found that the loophole is of virtually no value to "small, relatively young high-technology companies." These firms don't benefit because they haven't yet started exporting jobs.

If we wanted to stop paying companies to ship jobs overseas, the best first step would be to repeal the rule allowing deferral of taxes on foreign profits, as suggested by Presidents Kennedy, Carter and the AFL-CIO. Short of that, we could at last stop Atari-USA from transferring its patent and know-how to Atari-Hong Kong tax-free. Current law is vaguely supposed to limit such tax-avoiding transfers, but in practice it rarely succeeds.

In addition, Congress should allow the IRS to enforce its suspended foreign tax credit regulations—preferably in strengthened form.

Preserving American jobs ought to be politically popular, but, unfortunately, subsidies for "high tech" are the current rage in Washington.

Mr. METZENBAUM. Mr. President, in addition, I want to point out some language in the article:

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The purpose of this tax break, its numerous congressional supporters claim, is to stimulate R&D here at home. What they fail to consider, however is that the real incentive can be to shift manufacturing jobs offshore. By definition, the added tax credits are available only to companies with large foreign operations.

Continuing on, the article says:

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Under pressure from congressional Republicans and multinational companies, Treasury Secretary Donald Regan ordered at last minute reversal of the report's conclusion.

Mr. President, in my opinion, the U.S. Treasury needs this $277 million a year. It would help us substantially in attempting to balance the budget. There is no economic justification for permitting this mind of a tax subsidy for research done here for jobs that are being shipped overseas. The Treasury was right in the first instance and

the Finance Committee is wrong in attempting to deprive the Treasury of $277 million a year in income.

If ever there were a situation that is odd, it is one where we find the Finance Committee bringing a bill to the floor of the Senate that will cost the Treasury $277 million a year and the net result of which would be that 24 large multinational corporations in this country would have the opportunity to ship more American jobs overseas.

This body indicated overwhelmingly our concern about foreign competition in a vote we had on the floor recently. I think today we have an opportunity to stand up and be counted and save the Treasury $277 million a year and save American jobs for American workers.

Mr. President, there is no one on the floor.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Mr. President, it is my understanding when there is no opposition to an amendment that is pending we have to yield back time.

Mr. President, I am prepared on this side to yield back the remainder of my time if those on the other side are prepared to yield back the remainder of their time and bring the matter to a vote.

The PRESIDING OFFICER. Does the Senator from New Mexico yield back time?

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum on my time.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I am going to oppose the amendment of my good friend from Ohio.

Basically in a nutshell let me tell you the dilemma into which he puts a number of U.S. corporations. Let us assume Caterpillar—which does sell a fair amount of equipment overseas—does research and development in the United States, genuinely does it in the United States and sells 100 dollars' worth of their product here based upon their research and 100 dollars' worth of product overseas based upon the research that was done in the United States.

The Treasury Department is attempting to require Caterpillar to allocate part of the research and development costs overseas and offset it against their foreign tax credits because they sold products overseas, even though all of the research and development was genuinely done here.

It is going to work to the disadvantage of U.S. exporters. There is no question about it, and especially those companies that go overseas to manufacture products for overseas markets. They are not sending them back to the United States. The Treasury Department in one way or another has attempted to devise regulations on this subject since 1981 never to the satisfaction of the Congress.

We have put a moratorium on the Treasury from imposing these regulations since 1981. We are asking for that moratorium to continue until Treasury can come up with some workable regulations.

And, therefore, at an appropriate time, I would move to table the amendment of the Senator from Ohio.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I would like to point out to my colleague that he talks about the R&D being used for goods manufactured overseas that are sold overseas.

Even accepting that point, I do not believe it makes a very valid argument as to why there should be an American tax credit for that kind of a situation. Let the other nations provide the tax subsidy.

But what we have here is not even in accord with these facts because you get the foreign tax credit for goods manufactured overseas, and those goods can be shipped back into the United States and take American workers' jobs.

Most of these American companies that manufacture in Hong Kong, Taiwan, Korea, and other places are not selling their products overseas to a great extent. They are manufacturing over there, bringing it back into this country, and taking American jobs.

What kind of silliness is this—to provide a tax writeoff against American earnings for jobs to be exported to other nations of this world?

The chairman of the Finance Committee says that at an appropriate time he will move to table. I urge him not to do that. I urge him to give the Senate an opportunity to vote up or down on this issue. I have no problem about debate time because very shortly I am prepared, if he is prepared, to yield back the time, ask for the yeas and nays, and go to a vote.

The issue is a simple one. Do we or do we not give away $277 million to 24 multinational corporations whose products are being manufactured overseas? This is R&D in connection with the jobs that are being exported to other countries.

The real question is: When we are trying so hard to balance the budget—when we stand here on the floor and fight to pick up $50 million or $100 million in connection with some particular program—what conceivable justification can the U.S. Senate have for contradicting the past position of the Treasury Department of the United States which recognizes how inappropriate this is?

There was talk about having a study. Study time is past. There have been delays over a period of 4 years. Four years have elapsed since we imposed a moratorium on the 1977 Treasury regulations. Let us stand up and be counted. Let us say we are for or against this measure.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time? The Senator from Oregon.

Mr. PACKWOOD. Mr. President, before I make a motion to table, let me simply say that the Treasury regulations go into effect when the company is going to have an alternative to cut, or shift, research and development overseas. Neither is beneficial to American companies in this country, or American countries involved in foreign markets.

Therefore, I move to lay on the table the amendment of my good friend from Ohio, and ask for the yeas and nays.

Mr. METZENBAUM. Mr. President, I ask my colleague to withhold his motion in view of his statement in order that I may respond.

Mr. PACKWOOD. Mr. President, I am willing to withhold. I know the chairman of the Budget Committee is up against a time constraint.

The PRESIDING OFFICER. The motion to table is a nondebatable motion.

Mr. DOMENICI. Mr. President, we are prepared to yield back our time, and we thought the distinguished Senator from Ohio was prepared to do the same.

Mr. METZENBAUM. Mr. President, I dc not intend to delay this matter. I think it is important that I point out what the Treasury says itself on this subject.

Let me just read one paragraph from that Treasury Department statement.

This $100 million to $240 million increase in tax liabilities would have increased the cost of privately financed U.S. R&D by between .27—.27; not 27; .27—and .65 percent or by less than 1 percent. Based on assumed responses of both the overall level and geographical location of R&D to this range of cost of increases the $37 billion in privately financed domestic R&D spending in 1982 would have been reduced by about $40 million to $260 million.

Most of the reduction represents a net reduction in overall research and development undertaken by U.S. corporations and their foreign affiliates because U.S. R&D has

become somewhat more expensive rather than a transfer of R&D abroad.

So I want to emphasize that what we are doing is making it possible to deduct $277 million for about $40 million to $260 million of privately-financed domestic R&D. We do not even get a dollar-for-dollar value in this reduction.

Under those circumstances, I would hope that my colleagues would see fit, particularly those who traditionally consider themselves budget balancers, and conservatives to recognize that in this budget reconciliation measure there is not any justification whatsoever to giving $277 million to 24 major corporations who are shipping their jobs overseas.

Mr. President, if the manager is prepared to yield back his time, I am prepared to yield back my time with the understanding there will be no further debate.

Mr. DOMENICI. I will be prepared in a moment. I yield myself 1 minute.

I hope Senators and their staffs who are listening now will understand that for the entire reconciliation bill we have about 38 minutes left, equally divided. We are aware of 41 amendments to the bill. To the chairmen of the various committees, and there are more amendments from the finance and agriculture committees than from any others, we have a list. When you come down to vote on this tabling motion, I hope you will take a look at the list, because if you are not here to defend your provisions, clearly, the chairman of the budget committee will do his best, but occasionally I might agree with the chairmen of the committee.

If you want to defend against motions to strike, whether they are motions to strike the tobacco, Medicare, food stamps, or AFDC provisions, you should arrange to be around for the next couple of hours. We will probably vote one after another in about 45 minutes.

I yield back the remainder of our time on this side.

Mr. METZENBAUM. Mr. President, I yield 2 minutes to the Senator from Illinois.

Mr. SIMON. I thank my colleague for yielding.

Things happen rapidly around here. All of a sudden I heard what was going on over here. Frankly, the amendment of the Senator from Ohio is one that really ought to be adopted. Why we should subsidize people for moving their products overseas and their jobs overseas—that is basically what we are doing unless we modify the law—just absolutely defies rationality.

I heartly concur with my colleague. We already have a trade deficit from last year of $123 billion. It is going to be $150 billion or close to it this year.

This amendment will not work wonders, but it is a small step in a direction that really makes sense. I commend my colleague for offering this amendment. I certainly will vote for it.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Is the Senator prepared to yield back his time?

I am prepared to yield back my time if the Senator from New Mexico is prepared to yield back his time.

Mr. DOMENICI. I yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Ohio. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from South Dakota [Mr. ABDNOR], the Senator from New York [Mr. D'AMATO], the Senator from Alabama [Mr. DENTON], the Senator from Florida [Mrs. HAWKINS], the Senator from Wisconsin [Mr. KASTEN], and the Senator from New Hampshire [Mr. RUDMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Wisconsin [Mr. KASTEN] would vote "nay."

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Hawaii [Mr. INOUYE], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from New York [Mr. MOYNIHAN], the Senator from Rhode Island [Mr. PELL], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Maryland [Mr. SARBANES] are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote "nay."

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 53, nays 32, as follows:

[Rollcall Vote No. 293 Leg.]

YEAS—53

Andrews	Goldwater	Nickles
Armstrong	Grassley	Packwood
Baucus	Hatch	Pressler
Bentsen	Hecht	Pryor
Biden	Heflin	Quayle
Bingaman	Heinz	Riegle
Boschwitz	Helms	Roth
Bradley	Humphrey	Simpson
Chafee	Johnston	Specter
Cochran	Kerry	Stafford
Cranston	Lautenberg	Stevens
Danforth	Laxalt	Symms
Dixon	Leahy	Trible
Dole	Long	Wallop
Eagleton	McClure	Warner
East	McConnell	Weicker
Evans	Mitchell	Wilson
Exon	Murkowski	

NAYS—32

Byrd	Gorton	Mattingly
Chiles	Gramm	Melcher
Cohen	Harkin	Metzenbaum
DeConcini	Hart	Nunn
Dodd	Hatfield	Proxmire
Domenici	Hollings	Sasser
Durenberger	Kassebaum	Simon
Ford	Kennedy	Stennis
Garn	Levin	Thurmond
Glenn	Lugar	Zorinsky
Gore	Mathias	

NOT VOTING—15

Abdnor	Denton	Moynihan
Boren	Hawkins	Pell
Bumpers	Inouye	Rockefeller
Burdick	Kasten	Rudman
D'Amato	Matsunaga	Sarbanes

So the motion to lay on the table amendment No. 995 was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 996

(Purpose: To Eliminate the Trade Adjustment Assistance Provisions)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read the follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 996:

On page 287, beginning with line 5, strike out all through page 306, line 17.

Mr. GRAMM. Mr. President, as we are all aware, we are short on time. Many of us have to go over to a conference with the House on the debt ceiling and Balanced Budget Emergency Deficit Control Act. I think I can be brief. The amendment that I have offered strikes a major change in permanent law that is contained in the reconciliation bill. It strikes a provision that imposes a new tax which could be, under the provisions of the bill, as high as $3.5 billion a year. This tax would be imposed as an across-the-board import fee on goods and services coming into the United States at a level to fund an extension of the Trade Adjustment Assistance Act. In addition, this tax would create new benefits for the first time covering employees of suppliers and employees of companies that are providing services for those that are affected by foreign competition.

The author of this provision claims savings but does so only by extending the Trade Adjustment Assistance Program for 5 years in a bill that is aimed at saving $11 million by extending the Trade Adjustment Assistance Act, which expires in 1985 and costs $110 million a year. The only savings claimed in this provision are $5 million this year and $6 million the next year.

Mr. President, I do not want to debate that portion of it. If you are for trade adjustment assistance, you will at some point, when it comes up for reauthorization, vote for it. If you favor these provisions, they ought to be offered as an amendment to the reauthorization of the Trade Adjustment Assistance Program. We ought not to, as part of reconciliation, be imposing a new tax that could be as high as $3.5 billion a year to add a new entitlement benefit to a program that has historically not been very successful. This provision which I seek to strike violates the agreement under GATT. It would allow those countries affected to engage in reciprocity where they can impose tariffs against American goods, and they would have an opportunity to focus those tariffs not on an across-the-board tariff but protection against those very areas where we are competitive—in the high-tech area, for example.

Not only does the provision I seek to strike violate GATT, but it also violates the clear intent of the Carribbean Basin Initiative and violates the free-trade-zone-with Israel provisions that was adopted by Congress only recently.

The real question we have to answer is not about reconciliation at all. We are talking about spending money because we are reauthorizing a bill that is expiring. If you want to extend it, you can vote to do that in reauthorization. But even with an extension, with a $110 million add-on through the extension, this bill claims only $11 million of savings over the next 2 years. The question is, do we want to impose a new tax that the American people will pay that could be as high as $3.5 billion. Do we want to establish a protective act that will allow our trading partners on a selected basis to reciprocate by raising their tariffs against our goods on a selected basis, perhaps against high-tech goods in the areas where we are competitive.

Finally, do we really want to add a new, major entitlement that will be driven by a tax that will vastly expand eligibility and will produce an expenditure at a level that we clearly cannot measure today and that clearly would entail bringing much of the economy under trade adjustment assistance, because anyone supplying or servicing a person or a company that can claim to be affected by foreign trade and claim to be losing employment can qualify for this benefit.

Finally, this provision—protectionist, in violation of GATT—will clearly be one of the items the President will look at in trying to decide whether to sign or to veto this bill. I will not vote for reconciliation if this provision is not struck.

Mr. President, in order to save time, I yield the floor, and I reserve the remainder of my time.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. How much time does the Senator wish?

Mr. ROTH. Mr. President, a parliamentary inquiry. How much time does our side have?

The PRESIDING OFFICER. The opponents have up to 25 minutes.

Mr. GORTON. There is up to 25 minutes on this amendment. I believe there are only about 35 minutes remaining on the bill.

Will 5 minutes suffice?

Mr. ROTH. I have several Senators on both sides of the aisle who want to address this question. I want to give them the opportunity to speak, and I wish to speak.

Mr. GORTON. Is the Senator speaking for or against the amendment?

Mr. ROTH. I am speaking against the amendment. I am the principal supporter of the legislation.

What I am asking is this: We have a number of Senators who want to speak against the proposition, the proposed amendment by the Senator from Texas. I would like to have enough time to yield to each Senator at least 1 minute.

Mr. GORTON. The Senator from Delaware may have 1 minute to yield to any such Senator.

Mr. ROTH. I would like to have roughly 5 minutes.

Mr. BRADLEY. Mr. President, will the Senator yield?

Mr. ROTH. I yield one minute to the distinguished Senator from Missouri.

Mr. DANFORTH. Mr. President, I oppose the amendment offered by the Senator from Texas.

The issue here is whether or not we are going to extend the trade adjustment assistance program. At a time when the trade deficit is reaching the neighborhood of $150 billion, it seems to me that this is exactly the time when we should have a trade adjustment assistance program.

We have an administration which has adopted a free-trade position, commendable in the minds of many people. It seems to me that we, as a Government, cannot just say to people who are losing their jobs that there is absolutely no relief of any kind for them, no future of any kind for them.

This legislation, which was authored by Senator ROTH and Senator MOYNIHAN, was considered carefully by the Finance Committee. It pays for itself. I commend the Senator from Delaware and the Senator from New York for their efforts, and I join them in opposition to this amendment.

Mr. ROTH. I yield 1 minute to the distinguished Senator from New Jersey.

Mr. JOHNSTON. Mr. President, a point of order.

I think we inadvertently failed to claim on this side our ability to control half of the time, and we would like to yield time at this time. I would like to yield to Senator MITCHELL to control time on this side.

The PRESIDING OFFICER. If the Senator is in favor of the amendment——

Mr. GORTON. The Senator from Washington is in favor of the amendment.

The PRESIDING OFFICER. Then, he has no time to yield.

The time is under the control of the minority leader.

Mr. ROTH. I say to the distinguished Senator from Maine that I was going to yield 1 minute to the distinguished Senator from New Jersey on his time, if that is all right.

Mr. MITCHELL. That is fine.

Mr. BRADLEY. Mr. President, I oppose the amendment offered by the distinguished Senator from Texas. The Senator from Texas is a persuasive exponent of ideological free trade.

We know that the theory of comparative advantage does have merit. We know that the farmer knows how to farm and that the tailor knows how to sew, and that each can produce more by cooperating and trading with each other. Free trade makes good economic sense. But the reality of the world is more complicated—and cluttered—than the economist's mind.

The fact is that enterprises and their workers cannot move instantly and painlessly into whatever industry is favored by comparative advantage. Workers need time, and sometimes help, to change jobs. That is what this bill does. It gives workers some time and help to change jobs.

I argue strongly that this Government could and should take this bill and its import fee to GATT and argue that it is GATT legal—that it is a price we pay for a free and open trading system.

Mr. President, recently I talked to a number of people from Southeast Asia who confront the same adjustment problem in their developing economies as we confront in our economy—how to move to higher value-added industries. In that part of the world, workers need some adjustment help. We need adjustment help in this economy. This bill will provide that help. This proposal has been deliberated in the Finance Committee with lengthy hearings.

In many ways, the bill is similar to the job security bank I introduced. It has bipartisan support. I hope the Senate will reject the amendment offered by the Senator from Texas.

The PRESIDING OFFICER. One minute has expired.

Mr. ROTH. I yield 1 minute to the distinguished Senator from Rhode Island.

The PRESIDING OFFICER. The Senator has no time to yield. The time

is under the control of the Senator from Texas.

Mr. MITCHELL. Mr. President, that responsibility was delegated to me, and I yield 1 minute to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, the United States for the last 2 years has been in the midst of a healthy and robust economy. Yet, despite the glowing reports on the overall economy, the trading sector has not fared so well. Congress is besieged these days by protectionist pressures from import-competing industries.

Industry after industry has come to Congress seeking protection from imports, and these industries assume that we have more to lose to world trade than we have to benefit from it. I do not agree with that thesis. I think an open market serves the United States very well in a host of tangible ways. Unfettered trade gives consumers access to a greater variety of products at lower prices. So it is a plus.

On the other hand, there are some losers, and the losers are the workers in those industries that have been buffeted by the imports.

Mr. President, I do not think we can turn our backs on those workers. This legislation has been tightened up from the Trade Adjustment Assistance Act we are used to in the past. It does something for the workers.

It requires them to go into retraining and it helps them make up in some ways for the sacrifice that they have had to make, because we all benefit from increased trade.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CHAFEE. Mr. President, I hope that that amendment will not be accepted. Thank you.

Mr. MITCHELL. Mr. President, I yield 1 minute to the Senator from Arkansas.

Mr. PRYOR. Mr. President, I will just briefly make one or two points.

I do oppose Senator GRAMM's amendment.

I think that the trade adjustment provision that has been carefully crafted by the Finance Committee is to the liking of the great majority of this Senate, and I hope that it will prevail in conference. It is very different from the House bill.

The amendment offered in the committee by the Senator from Delaware and the Senator from New York, Senator MOYNIHAN, requires that before receiving any benefits a worker has to agree to participate in a retraining program. We think that that is a proper step.

We also think that this is absolutely the wrong time for an amendment like the one offered by the Senator from Texas to prevail. I should also like to point out to my colleagues that in the Finance Committee, after a great deal of deliberation and debate, this measure as it is now before the Senate was approved without opposition.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. MITCHELL. Mr. President, I yield myself 1 minute in opposition to the proposal.

At precisely the time that the policies of this administration are encouraging imports across a broad sector of the American economy, causing the loss of millions of American manufacturing jobs in textiles in North Carolina and South Carolina, in shoes in Maine and Missouri, and in many other areas, at precisely the time when an adjustment assistance program to enable those workers thrown out of work through no fault of their own and no fault of the owners and operators of their companies are necessary when we need to improve and expand the program, we now have a proposal to terminate it. Thus, American workers are being faced with a double whammy. First, international trade policies which dramatically increase the number of workers who lost their jobs as a result of imports, and, secondly, eliminate the program that is intended to help those workers get training to get new jobs.

This could not possibly come at a worse time. It compounds the problem in our economy rather than solves one.

So, Mr. President, I urge the Members of the Senate to join as the members of the Finance Committee did in a bipartisan fashion to overwhelmingly defeat this unwise, unsound, and illtimes proposal.

I commend the Senator from Delaware for the leadership he has shown on this in the committee, trying to deal with that is a serious national problem.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. GORTON. Mr. President, I yield such time as he desires to the Senator from Texas.

Mr. GRAMM. Mr. President, I guess one thing I can do is count votes, and I wish to make my points here and that is why I offered the amendment.

The issue here is not trade adjustment assistance. I am not killing anything with this amendment. We are supposed to be debating saving money. We are supposed to be debating reconciliation.

What we have here in reconciliation is a proposal that imposes a major new tax, up to $3.5 billion a year, that is in violation of GATT, and that if adopted would provide our trading partners with the ability to selectively raise their tariffs against goods that are competitive in selling abroad. This is a 5-year extension of an entitlement program and it vastly broadens the entitlement program.

I never have deceived myself here that we were going to vote this down. But our problem is that we ought not to be granting 5-year extensions of entitlement programs in a bill that is supposed to be saving money. We ought not to be broadening the base of benefits in a bill that is supposed to be saving money. We ought not to be raising taxes in violation of GATT, setting the very industries that are competitive in this country up for a selective increase in tariffs that will hurt their ability to compete.

If the Senator had brought this provision up in a reauthorization of trade adjustment assistance, I think it would have been a legitimate issue.

The problem is we are not legislating any more on any kind of authorizing basis. We pack everything into one bill that was aimed for another purpose and as a result if the President signs this bill, trying to save roughly $12 billion out of $17 billion we promised, we are starting literally dozens of new spending programs, new taxes, new provisions of law that have nothing to do with reconciliation in terms of saving money.

In fact, while this provision does save $11 million over 2 years, it reauthorizes 5 years of spending and the expansion of a new entitlement. It does not belong on this bill, and what we are doing with these kinds of provisions is destroying the reconciliation process.

I am hoping that the bill that we are now discussing with the House of Representatives will pass and it will then take a 60-percent vote to bring these kinds of provisions to the floor.

I do not intend to ask for a record vote.

I yield the floor.

Mr. MITCHELL. Mr. President, I am going to yield in a moment to the Senator from Delaware to wind up.

But I yield myself 30 seconds. I cannot help but note the supreme irony of the Senator from Texas commenting on others attempting to tack one bit of legislation on another.

Mr. GRAMM. No, I am not.

Mr. MITCHELL. Especially the reconciliation bill which is, of course, something that occurred in 1981 and 1982 and now we, of course, spent the last several weeks dealing with putting one piece of legislation on another piece of legislation.

I yield to the Senator from Delaware.

Mr. ROTH. I thank the distinguished Senator for yielding to me.

First of all, I emphasize that this legislation has been carefully crafted in the Finance Committee which has jurisdiction over the matter. I think it is important to understand that it was unanimously reported out. It had broad bipartisan support, including Senator DANFORTH, the chairman of

the Trade Subcommittee, Senator CHAFEE, Senator HEINZ, Senator GRASSLEY, Senator SYMMS, Senator BAUCUS, Senator MITCHELL, Senator BRADLEY, and Senator MATSUNAGA. Other cosponsors include Senators COHEN, KERRY, GORE, DODD, and KENNEDY.

I also emphasize that the distinguished chairman of the Finance Committee has authorized me to say that he is opposed to the amendment to strike the TAA Program.

Why is there such broad support for this legislation? Let me say I think there are several reasons.

First of all, it represents reform, strengthening the TAA, taking care of the current weaknesses.

No. 2, it is financially sound. We are providing in what I think is an imaginative way for the financing of this program.

Third, I think it is important to understand this is not the time to do away with TAA when our trade deficit is increasing.

Let me point out that the key reform in this legislation is the requirement that workers be in training in order to receive cash benefits. This is a tough new proposal that we think is sound and has the support of the unions and general support of the community.

This change will transform the program into a true adjustment program.

Our country is experiencing a trade shock that is devastating our manufacturing sector and creating increased problems in the farm community.

I want to say that at the behest of Senator GRASSLEY this legislation provides an explicit confirmation that the TAA program covers workers in agricultural firms.

Mr. GRASSLEY. Mr. President, I rise in opposition to the Gramm amendment and to support the Roth/Moynihan trade adjustment assistance legislation. From the early 1960's through 1980 there was widespread bipartisan agreement in the United States that the Government had an obligation to help the relatively few firms and workers adversely affected by imports. TAA was created by President Kennedy in 1962, implemented for the first time under President Nixon, 1969-70, substantially liberalized under President Ford, in the Trade Act of 1974, and used most extensively by President Carter—during the 1980 recession.

With the need to reduce spending, no one can argue with eliminating programs that don't work. It may be that the TAA Program which expired at the end of September of this year may or may not fall into that category. However, what we are looking at with the Roth/Moynihan legislation is not a budget buster, but rather a creative approach to keeping the program in place without the Government picking up the tab. As a result, I feel this legislation is not only timely, but vastly improved over the previous program. Vastly improved in that the very cause of worker and firm displacement, namely foreign imports, will finance the program. With the bill putting a cap of 1 percent on the value of imports and requiring the President to apply such a duty after getting GATT approval, we will be able to assist these displaced workers without any additional cost to the U.S. Treasury within the next couple of years.

I am pleased that this bill also includes an amendment that was offered by myself that would make it explicit that agricultural workers are eligible for the program. Those of us in the heartland of the country, as most of you know, are experiencing a great economic hardship at the present time. For this reason, it is my strong belief that we in the Congress need to look at individuals, whether in manufacturing or agriculture, and see that they are equipped with the new skills rooted in both humanitarian and economic concerns. For every displaced worker is one more addition to unemployment, one less taxpayer, and one less consumer—not to mention the ripple effect as unemployment throws entire families, communities, and industries into chaos.

During my tenure in the Senate, I have, as most of you are aware, spent a great deal of my time and energy trying to reduce the budget deficit. If I felt strongly that this proposal which was accepted in the Finance Committee was either a budget buster or nongermane as offered, I would not be standing up here offering my support. It would be my hope that each of you will feel as strongly as I do, and support this legislation.

Mr. ROTH. The distinguished Senator from Texas has reflected the administration's criticism of the import fee.

It is a myth to see this fee as a threat to the administration's free trade position. As a matter of fact, Hong Kong, the freest of trading nations, uses a similar fee to finance its trade promotion programs.

I also point out that the administration in its own budget proposal calls for Customs user fees, in other words, import fees, on all imports dutiable or nondutiable.

Let me emphasize that this "adjustment fee" is small. It is estimated that it will be 0.1 percent, and this is indeed a small price to pay for an open trading system.

It seems to me it just makes common sense that, if we are going to have liberal trade policies that permit imports, those who benefit from that policy ought to be willing to pay something to help those who are adversely impacted. I think this is a strong new proposal to make this legislation financially sound.

I would also point out that this proposal is relevant to the reconciliation bill because, whether you like the program or not, this legislation does provide savings beginning in fiscal year 1986. We do away with loans and loan guarantees to firms immediately. The President is given the responsibility of negotiating an import fee with our trading partners, and the third year it comes into place.

Mr. President, I urge everyone to support this legislation. I think it is sound. I think it lays the groundwork for us to develop the kind of trade policies we need for the future prosperity of this Nation.

I yield the floor.

Mr. GORTON. Mr. President, I yield 1 minute to the Senator from Texas.

Mr. GRAMM. Mr. President, I wish to respond on only one issue. I am certainly in favor of amendments that are relevant to the subject, that save money—that is what we are here for—and that deal with the problem we are trying to address, the budget. I supported the amendment of the Senator from Ohio [Mr. METZENBAUM], because it was an amendment aimed at addressing a problem. I supported the Balanced Budget Emergency Deficit Control Act, trying to see that it raises the debt ceiling this week—I am hopeful that we will—and that we are not going, 5 years from now, to allow it to go to $3 trillion.

The question, however, is what are we trying to do on reconciliation? What we are trying to do is save money, not reauthorize programs, not impose new taxes to pay for new benefits. I think that is the issue.

Mr. MOYNIHAN. Mr. President, I rise today to oppose the amendment by the junior Senator from Texas, who would have us end the Trade Adjustment Assistance Program [TAA].

Mr. President, America's free trade policies have brought the Nation great benefits, but at certain costs focused on those industries and workers affected most adversely by import competition—textiles, footwear, steel, to name a few.

Trade Adjustment Assistance was designed to help those workers—American men and women who have lost their jobs due to import competition. It helps them pay the bills while unemployed and receive training for new jobs in different industries of the economy. This program represents a commitment of two decades duration to the American worker, made at the time of the Kennedy round of GATT negotiations. TAA was a condition of those talks—just as it was for the Tokyo round in the 1970's.

The need for Trade Adjustment Assistance has never been greater. Between January 1981 and June 1985, we

imported $346 billion more in goods than it has exported. This means that since 1981—according to the Commissioner of the International Trade Commission, Alfred Eckes—as many as 2.3 million new job opportunities have been lost to imports.

The situation continues to deteriorate. The trade deficit for the first 6 months of 1985 was greater than the entire deficit for all of 1983, and the trade deficit for September—$15.5 billion—was the largest monthly deficit ever.

The Roth/Moynihan bill will reform TAA and increase its effectiveness.

First, the bill would immediately eliminate further loans and loan guarantees to firms, because this part of the program simply hasn't worked. And, I might note, this change will provide immediate savings of $5 to $7 million per year.

Second, the bill will require workers to participate in retraining in order to be eligible for extended unemployment benefits.

Finally, the bill expands the number and types of programs that a worker can choose for retraining and gives him a $4,000 voucher so that he can select the program best suited to his background and needs.

The revised TAA Program will be funded through a small fee on imports. As estimated by the Congressional Budget Office, the fee will be between 0.1 and 0.25 percent, but in any event, the fee is capped at 1 percent. The idea behind the fee is simple: those that benefit from a liberalized trading system should help those who are hurt.

May I add that in all likelihood, this fee will be imposed with GATT approval. Our bill gives the President 2 years to obtain GATT approval for the fee and we have every reason to expect that such approval will be forthcoming. Developed countries all need adjustment programs and developing countries understand that such programs must be adequately funded if developed countries are to avoid more protectionist measures. Simply, a small fee levied on imports for adjustment purposes can perhaps avoid the passage of a significant import surcharge.

Mr. President, the need to reauthorize the TAA Program is pressing. As we all know, the TAA Program was last reauthorized in 1983 for 2 years. The program was scheduled to expire September 30, but was reauthorized until November 15—by H.R. 3128—and appropriations were provided in the continuing resolution. The House included a 4-year reauthorization of TAA in its reconciliation bill, and we should similarly extend the TAA Program as part of S. 1730.

Mr. President, the Gramm amendment would eliminate this vital program. Yet a constructive, responsible, trade policy requires an explicit, identifiable adjustment program for trade impacted workers.

We understood this at the time of the Kennedy and Tokyo rounds of GATT negotiations. We understood then that agreement to liberalize and expand trade required helping those who would be hurt by increased foreign competition. Do we no longer understand this most basic point?

Mr. President, the premise on which trade adjustment assistance was based has not changed, and the need for such a program has increased. We cannot let TAA die.

I urge my colleagues to defeat the Gramm amendment.

Mr. GORTON. Mr. President, is the manager on the minority side prepared to yield back all of his time? This side is prepared to yield back all time.

Mr. BRADLEY. Will the Senator yield 1 minute to me?

Mr. MITCHELL. I yield 1 minute to the Senate from New Jersey.

Mr. BRADLEY. Mr. President, let me say to the distinguished Senator from Texas, who proposed the amendment, that I think he is wise not to call for a record vote. I think that the Finance Committee has spoken very clearly on this issue. I hope the Senate will support the Finance Committee and will support a policy of open trade that is caring and sensitive toward workers who lose their jobs because of that open trade. That is what this amendment is trying to restrict and eliminate, and that is why we must oppose it. I hope the Senate will reject the Gramm amendment.

Mr. GORTON. Mr. President, is the Senator from Maine prepared to yield back the balance of his time?

Mr. MITCHELL. Yes.

Mr. GORTON. This side yields back all time.

The PRESIDING OFFICER. Does the Senator from Texas yield back his time?

Mr. GRAMM. Yes.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment (No. 996) was rejected.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 997

(Purpose: To make technical and other changes to the Trade Adjustment Assistance provisions)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for himself and Mr. MOYNIHAN, proposes an amendment numbered 997.

Mr. ROTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 302, strike out lines 19 through 24, and insert in lieu thereof the following:

"(d) AMOUNTS IN THE TRUST FUND SHALL ONLY BE AVAILABLE.—

"(1) for the payment of drawbacks and refunds of the duty imposed by section 287 that are allowable under any provisions of Federal law, and

"(2) to the extent and in such amounts as may be provided by appropriation Acts, for making expenditures to carry out the provisions of chapters 2 and 3.

None of the amounts in the Trust Funds shall be available for the payment of loans guaranteed under chapter 3 or for any other expenses relating to financial assistance provided under chapter 3.".

On page 303, strike out lines 1 through 10.

On page 303, line 11, strike out "(d)" and insert in lieu thereof "(c)".

On page 305, strike out lines 1 through 4, and insert in lieu thereof the following:

"(c)(1) Except as otherwise provided in this subsection, duty-free treatment provided with respect to any article under any other provision of law shall not prevent the imposition of duty with respect to such article by subsection (a).

"(2) No duty shall be imposed by subsection (a) with respect to any article that is treated as duty free under part 148 of title 19 of the Code of Federal Regulations.".

On page 305, line 23, strike out "(d)" and insert in lieu thereof "(c)".

On page 306, line 3, strike out "the date that is 30 days after".

On page 306, line 6, strike out "778D, and 778G(c)" and insert in lieu thereof "and 778D".

Mr. ROTH. Mr. President, this amendment has three objectives. First, it includes the addition of language to the bill requested by the Appropriations Committee that would continue the current practice of subjecting the Trade Adjustment Assistance Program to the annual appropriations process. I am introducing this amendment for the Appropriations Committee, with the expectation that yearly appropriations will be forthcoming to cover certified workers within the limits set by this legislation, that is, up to the financial limits of the 1-percent fee on imports.

The second part of the amendment concerns the operation of the duty drawback of the import fee. When an importer exports a product he has imported, he can obtain a drawback, in essence, a refund of duties he has paid. The drawback of the small import fee proposed in this bill would also take place. This amendment would provide for funds to be taken from the trade adjustment trust fund, rather than

general revenues for the drawback of this import fee.

Third, and finally, this amendment clarifies that the import fee would not apply to goods entering the United States under part 148 of title 19 of the Code of Federal Regulations. The amendment is necessary to clarify that tourists will not be assessed this import fee on the merchandise they purchased abroad and Americans who live abroad will not be assessed this fee on their belongings when they return to this country.

It was never our intention to make these kinds of imports subject to the import fee in this bill.

Mr. President, this amendment has been approved by the chairman of the Finance Committee and, it is my understanding, by the managers of the bill, as well.

Mr. GORTON. Mr. President, the amendment is cleared on this side.

Mr. JOHNSTON. Mr. President, I am advised by staff that it has not been formally cleared on this side, but I am also advised that it is principally technical in nature. So, while I am not at liberty to accept the amendment, I know of no objections at this time and I am advised by Senator BRADLEY that he knows of no objections, so we will not require a rollcall vote.

The PRESIDING OFFICER. Is all time yielded back?

Mr. GORTON. I yield back the remainder of our time.

Mr. JOHNSTON. I yield back the remainder of our time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment (No. 997) was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 998

(Purpose: Add provision regarding minimum drinking age)

Mr. LAUTENBERG. Mr. President, on behalf of myself and Senator DANFORTH, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for himself and Mr. DANFORTH, proposes an amendment numbered 998.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the bill, add the following:

SEC. . Section 158 of title 23, United States Code, is amended—

(1) in subsection (a)(2), by striking "the fiscal year" and inserting in lieu thereof "each fiscal year"; and

(2) in subsection (b), by striking "in fiscal year if in any succeeding fiscal year" and inserting in lieu thereof "in the fiscal year beginning after September 30, 1986, or the fiscal year beginning after September 30, 1987, if before the end of the period for which such funds would be available for expenditure under section 118(b) of this title".

Mr. LAUTENBERG. Mr. President, the amendment I am offering along with my colleague, Senator DANFORTH, will reaffirm the intent of Congress to achieve a uniform minimum drinking age nationwide of 21. This amendment is necessary to make clear to the States that we are serious about this matter and that we will not stand by and see the States circumvent the intent of the Senate and the Congress. It is essentially the text of S. 1428, which I introduced, with Senator DANFORTH, on July 11, 1985, and which was approved unanimously by the Senate on July 31.

In July of last year, President Reagan signed into law a bill that would withhold highway construction funds from those States that failed to raise their minimum drinking age to 21 by October 1, 1986. Five percent of fiscal year 1987 funding would be withheld from four highway programs on October 1, 1986 if a State has a minimum drinking age lower than 21. On October 1, 1987, if a State has not taken action, another 10 percent of highway funds would be withheld. At the close of fiscal year 1988, under current law, the withholding will end.

States which take action to raise their minimum drinking age before October 1, 1986, under current law, will have the funds that have been withheld reimbursed.

Mr. President, the law passed by the Congress last June constituted a restrained use of Federal authority to address an interstate problem. Across the Nation, we have blood borders: A State with a higher drinking age bordered by one with a lower minimum drinking age. In these situations, young people have a clear incentive to drive in order to drink. After purchasing and consuming alcohol in a neighboring State, they try to make it home. Too many don't make it.

A uniform minimum drinking age of 21 will solve this problem by removing the incentive to cross State borders in order to drink.

In the last year, 14 States have taken action to raise their minimum drinking ages to 21. Thirteen States and the District of Columbia have yet to take action. Of the States which acted this past year, most did so in a manner consistent with both the letter and spirit of the law. In a few cases, however, State legislatures exploited technical loopholes in existing law in an attempt to circumvent the will of Congress. In these cases, the States would sunset their 21 minimum drinking age when the Federal withholding of highway funds ends on 1988.

Mr. President, Congress did not pass Public Law 98-363, in order to withhold highway funds. We passed the Uniform Minimum Drinking Age Act in order to reduce the deaths and crippling injuries attributed to drunk driving by those 16 to 21 years of age. Drunk driving is the No. 1 killer of our Nation's young people. This critical age group is the only one in our society that has not increased its life expectancy in the last 20 years. The reason is drunk driving.

A uniform minimum drinking age of 21 will save over 1,000 lives per year. While this act alone will not rid our highways of drunk driving, it will go far to preserving our most precious resource: our children.

The amendment I propose will deal with those States that have exploited technical loopholes in existing law. My amendment will make the 10 percent withholding of highway funds, scheduled to end on September 30, 1988, permanent. This change will conform the statute to that used to enforce the 55-mile-per-hour speed limit. In addition, my amendment will end the reimbursement of highway funds at the close of fiscal year 1988. This change will essentially establish September 30, 1988, as the date by which the Congress wants to see uniformity in minimum drinking ages across the Nation. If uniformity is not achieved by that date, Congress, under this amendment, is prepared to take stronger action. Funds would continue to be reimbursed for fiscal years 1987 and 1988 so long as those funds have not lapsed.

Mr. President, last year we sent a strong signal to the States that there was national support for a minimum drinking age of 21 nationwide. A few States have questioned the seriousness of our intent. If we are serious about a uniform minimum drinking age, we must pass this legislation. As a fiscal matter, this amendment will have no adverse impact on those 37 States that now have 21 as their minimum drinking age. In those States which have tied their minimum drinking age to the existence or nonexistence of Federal sanctions, no highway funds will be withheld, because, through this amendment, we will be making the sanctions permanent. My amendment will not affect their highway funds, it will keep their minimum drinking age at 21.

When Congress passed the Uniform Minimum Drinking Age Act, Mr. President, it contemplated long-term change in minimum drinking ages across the country. It did not contemplate returning to the patchwork quilt

of differing State laws after 2 years had passed. If we fail to adopt this amendment, we will find ourselves in 1988 with exactly the situation we sought to avoid when we passed the Uniform Minimum Drinking Age Act of 1984.

Mr. President, the Uniform Minimum Drinking Age Act of 1984 had the support of some 81 Senators on final passage. My distinguished colleague, Senator DANFORTH, was the floor manager of the bill to which it was attached. The bill had the support of groups such as the Mothers Against Drunk Driving, the National Council on Alcoholism, the National Safety Council, and National PTA. Today, I again join with Senator DANFORTH to reaffirm Congress' support for this vital initiative.

Mr. President, this amendment which was unanimously adopted by the Senate on July 31 of this year, reaffirms the intent of Congress in passing the Uniform Minimum Drinking Age Act of 1984. The amendment closes a loophole exploited by a small number of States in an effort to circumvent the intent of Congress. Passage of the amendment is necessary to affirm to the States that Congress was and is serious about achieving a uniform minimum drinking age of 21 nationwide.

Mr. DANFORTH. Mr. President, I ask unanimous consent that Senator BOSCHWITZ be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, Congress in recent years has taken important steps to address the drunk driving problem in this country. In 1982, I sponsored legislation which encouraged States to take more effective action against drunk drivers by providing Federal grants to States with tough drunk driving laws. This Incentive Grant Program is working well and, throughout the country, States are enacting tougher drunk driving laws. At times, however, more forceful action is necessary to achieve the desired result; this has been the case with the 21-year minimum legal drinking age.

Last year, legislation sponsored by my distinguished colleague, Senator LAUTENBERG, Public Law 98-363, was enacted to encourage States to set their minimum legal drinking ages at 21. Specifically, this legislation directs the Department of Transportation [DOT] to withhold 5 percent of the fiscal 1987 and 10 percent of the fiscal 1988 Federal-aid highway funds from any State that permits the purchase or public possession of alcohol by persons under the age of 21. This was, and is, very important legislation.

Studies have shown that a uniform drinking age of 21 is one of the most effective means of reducing drunk driving deaths and injuries. Unfortunately, in the years immediately prior to the enactment of the 1984 legislation, most States which did not have already a 21-year drinking age chose not to raise their drinking ages to 21. In the months following the enactment of Public Law 98-363 last July, however, several States have taken this important step; we now have 37 States with a minimum legal drinking age of 21. The legislation clearly is working and having its desired effect.

I am concerned, however, about attempts made by some States to circumvent the intent of this important legislation. The 1984 bill requires DOT to withhold highway construction funds from States with drinking ages below 21 for fiscal years 1987 and 1988. This sanction was intended to render long-term benefits. Some States, however, may thwart this important goal by such means as establishing a 21-year drinking age only for the period during which highway funds are to be withheld; after that time, the States drinking age would revert back to a lower level. Clearly, this violates the intent of last year's legislation.

Mr. President, the amendment being offered today by Senator LAUTENBERG and myself would remedy this situation by requiring DOT to withhold 10 percent of a States highway construction funds in each fiscal year following fiscal 1987 if that States minimum legal drinking age is less than 21. This amendment is consistent with the intent of Public Law 98-363 and will go a long way toward ensuring that the "blood border" problem of recent years will not reemerge.

Mr. President, this amendment will help save lives by reducing drunk driving accidents. I urge my colleagues to join me in support of this important amendment.

Mr. President, I wish to congratulate Senator LAUTENBERG on his leadership in the whole area of combating drunk driving. He really has been the leader in the Senate in this area and this is yet another step in his long-standing initiative.

Mr. GORTON. Mr. President, this amendment is obviously totally nongermane to a reconciliation bill. There have not been any objections to it raised on this side, however. I believe that we are prepared to yield back the balance of our time.

Mr. JOHNSTON. Mr. President, the amendment has not been cleared on this side, so far as I know.

But I have no objection, nor has any objection been voiced to me or to the staff. I, therefore, will not require a record vote.

The PRESIDING OFFICER. Is all time yielded back?

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that Senator BRADLEY be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I move the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. JOHNSTON. I yield back the balance of our time.

Mr. GORTON. We yield back the balance of our time.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 998) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 999

(Purpose: To make technical changes relating to the repeal of revenue sharing)

Mr. GORTON. Mr. President, Mr. PACKWOOD has an amendment at the desk which I call up on his behalf. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Washington [Mr. GORTON], for Mr. PACKWOOD, proposed an amendment numbered 999.

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 306, beginning with line 18, strike out all through page 308, line 11, and insert in lieu thereof the following:

SUBTITLE G—REVENUE SHARING

SEC. 779. TERMINATION OF GENERAL REVENUE SHARING.

(a)(1) Except as otherwise provided in this section, the provisions of chapter 67 of title 31, United States Code, are hereby repealed.

(2) The Secretary of the Treasury shall continue to be the trustee of the Trust Fund, which shall remain in existence until amounts in the Trust Fund are expended for entitlement payments to local governments in accordance with the terms of the Revenue Sharing Act.

(3) The Secretary is authorized to take such necessary or appropriate actions, to carry out the requirements of this Act with respect to funds appropriated to the Trust Fund, as were authorized under the terms of the Revenue Sharing Act, including but not limited to enforcement of the regulatory provisions concerning nondiscrimination, audits, accounting procedures, public hearings, expenditures in accordance with State and local law, and cooperation with reasonable requests for information.

(4) The Secretary may increase or decrease a payment to a unit of general local government under the Revenue Sharing Act to account for a prior underpayment or overpayment only if the increase or de-

crease is demanded by the Secretary or such unit of general local government before March 1, 1986.

(5) Amounts paid to units of general local governments from the Trust Fund shall be used, obligated, or appropriated by the units of general local governments before April 1, 1987, and these funds shall continue to be subject to the terms of the Revenue Sharing Act.

(6) Subsection (a)(1) of this section shall not have the effect of releasing or extinguishing any fiscal sanction, finding, determination, compliance agreement, or other duly authorized action for the purpose of sustaining any proper action or prosecution for enforcement authorized under the terms of the Revenue Sharing Act.

(7) The Attorney General, and persons adversely affected by a practice of a local government, may bring a civil action in an appropriate district court of the United States against the applicable unit of general local government as was authorized under the Revenue Sharing Act. The court is authorized to grant such relief as was authorized under the terms of the Revenue Sharing Act.

(8) The Secretary shall report to Congress on the operation and status of the Trust Fund and the implementation of this section not later than December 1 of each year the Trust Fund remains on the books of the Department of the Treasury.

(b)(1) The table of chapters for subtitle V of title 31, United States Code, is amended by striking out the item relating to chapter 67.

(2) Paragraph (2) of section 1115(b) of the Social Security Act (42 U.S.C. 1315(b)(2)) is amended—

(A) by adding "and" at the end of subparagraph (A),

(B) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period, and

(C) by striking out subparagraph (C).

(3) Section 501(b)(6) of the Housing Act of 1949 (42 U.S.C. 1471(b)(6)) and section 102(a)(17) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(17)) are each amended by striking out "under the State and Local Fiscal Assistance Act of 1972 (Public Law 92-512)" and inserting in lieu thereof ", prior to October 1, 1986, under chapter 67 of title 31, United States Code".

(4) Section 302 of the Age Discrimination Act of 1975 (42 U.S.C. 6101) is amended by striking out ", including programs or activities receiving funds under the State and Local Fiscal Assistance Act of 1972 (31 U.S.C. 1221 et seq.)".

(5) Paragraph (3) of section 3 of the Coastal Barrier Resources Act (16 U.S.C. 3502(3)) is amended by striking out subparagraph (A) and redesignating subparagraphs (B), (C), (D), and (E) as subparagraphs (A), (B), (C), and (D), respectively.

(6) Subparagraph (B) of section 119(n)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 5318(n)(2)(B)) is amended by striking out "is an eligible recipient" and inserting in lieu thereof "was an eligible recipient, prior to October 1, 1986,".

(7) Paragraph (1) of section 248(h) of the National Housing Act (12 U.S.C. 1715z-13(h)(1)) is amended by striking out "is an eligible recipient" and inserting in lieu thereoff "was an eligible recipient, prior to October 1, 1986,".

(c) For purposes of this section—

(1) The term "Trust Fund" means the State and Local Assistance Trust Fund established under the Revenue Sharing Act.

(2) The term "Revenue Sharing Act" means the provisions of chapter 67 of title 31, United States Code, as in effect on the day before the date of enactment of this Act and subject to the terms of any appropriation Act of fiscal year 1986.

(3) The term "Secretary" means the Secretary of the Treasury.

(d) There are hereby authorized to be appropriated for fiscal year 1987, such sums as may be necessary to administer the provisions of this section, and to provide for the orderly phaseout of the Revenue Sharing Program.

(e)(1) Except as otherwise provided in this subsection, the repeal and amendments made by this section, and the provisions of this section, shall take effect on October 1, 1986.

(2) The provisions of subsections (a)(4), (c), and (d) shall take effect on the date of enactment of this Act.

Mr. GORTON. Mr. President, section 779A of the reconciliation bill terminates the Revenue Sharing Program when its authorization expires—on October 1, 1986.

This technical amendment does not change that. But in repealing the revenue sharing, we want to make sure that the rules and regulations which are now in place will continue in force until the program is completely wound down. This technical amendment, which has been cleared with the Treasury, the managers of the bill on both sides, and with the ranking member of the Finance Committee, does the following:

First, it ensures that the Secretary of the Treasury will continue to be able to enforce compliance with civil rights; audit, and other requirements which exist now under the Revenue Sharing Act.

Second, it preserves the right of private parties and the Attorney General to enforce the law in court; and

Third, it requires recipient governments to have the funds "used, obligated or appropriated" by April 1, 1987. This is consistent with having the Office of Revenue Sharing wind down within a year.

Mr. President, I am not aware of any objection to this technical amendment. Therefore, I move its adoption.

Mr. President, the amendment is technical in nature. It has been cleared on both sides.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Oregon.

The amendment (No. 999) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1000

(Purpose: To limit the amount of customs fees covered into the general fund of the Treasury and to continue to provide that a portion of such fees be deposited as a refund to the customs appropriation)

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 1000.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 285, beginning with line 24, strike out all through page 286, line 13, and insert in lieu thereof the following:

(f)(1) Notwithstanding section 524 of the Tariff Act of 1930 (19 U.S.C. 1524), all the fees collected under subsection (a) shall be deposited in a separate account within the general fund of the Treasury of the United States. Such account shall be known as the "Customers User Fee Account".

(2)(A) The Secretary of the Treasury is authorized and directed to refund out of the Customer User Fee Account expenses incurred by the Secretary of the Treasury in providing overtime customs inspectional services in an amount determined by the Secretary of the Treasury to be equivalent to the amount of such expenses.

(B) The amounts which are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Secretary of the Treasury of the expenses referred to in subparagraph (A). Proper adjustment shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amounts required to be refunded under subparagraph (A).

On page 286, strike out lines 17 and 18.

On page 286, line 19, strike out "(2)" and insert in lieu thereof "(h)(1)".

On page 286, line 22, strike out "(3)" and insert in lieu thereof "(2)".

Mr. BAUCUS. Mr. President, this amendment has been cleared on both sides. It simply reinstates an account used by the U.S. Customs Service for depositing fees that are directly reimbursed to Customs for performing certain inspection and training services.

Mr. President, my amendment restores a section of law which the Finance Committee repealed before completely understanding the implications.

Section 1524 of the Tariff Act of 1930 allowed for the deposit of reimbursable charges, such as inspection or training services paid for by airlines, shippers and other agencies or governments, to be deposited as refunds to the appropriation rather than deposited into the Treasury.

This section of law, it is now apparent, serves both the Government and industry well. The account is only

used for certain services, such as inspections, which are paid for solely by the industries required to use the services.

It is a self-sustaining account which requires the authorization and oversight of Congress and the administration but does not require an appropriation.

For example, inspections are required of passengers and certain cargo regardless of the time of night—or holiday. The U.S. Government requires businesses to use these services and to pay for their full cost. Since industry is simply reimbursing the Government for its expense, an appropriation is not necessary.

The U.S. Customs Service also collects duty and other fees on behalf of Puerto Rico and the Virgin Islands. From these funds we reimburse ourselves for the expense of the collection and then turn the remainder over to the territory.

Customs also provides, through an international agreement, certain training to the Government of Saudi Arabia for which we are completely reimbursed.

These are a few of the reimbursable activities Customs performs at no cost to the Government because we require the users to pay for them up front.

Mr. President, my amendment will reinstate the reimbursable accounting for these services because both Government and the private sector are best served in this way.

Without this section of law, Congress and the administration will be required to set up and fund an appropriated account thereby subjecting the people depending on these services to the vagaries of budget cycles, fiscal year-end shortages and unintentional across-the-board budget cuts.

These accounts, however, do not lend themselves easily to budget forecasting. Inspections are a result of international trade environment and domestic economy.

Nor would any purpose be served by including them in across-the-board deficit reductions or budget cuts since it would result in absolutely no savings—only restricted access to services businesses are required to use.

Mr. President, all we agree to do here is continue to let industry pay for the services we require them to use and let those payments be directly reimbursed to an account which provides those services.

I always liked the old saying, "if it ain't broke don't fix it." In this case, if we don't restore the old law we will be needlessly breaking something that is working. And we'll be back later to fix it.

I am pleased that both sides of the aisle here in the Senate, and, I understand, in the House, agree that we need to take this step back and fix what we both did in committee. I also understand that all of the industries using Customs services are in agreement.

This account was abolished in the Finance Committee before we fully understood the implications.

It is now apparent that retaining this account best serves the needs of the Federal Government and the industries that pay for these services. It also assures that inspections and training will continue uninterrupted.

Mr. President, I know there are many more amendments and since this is cleared by both sides of the aisle in the Senate as well as the House, I will not take up any more time.

Given the unanimity in this issue, Mr. President, I hope we can save the time of the Senate and approve this amendment by unanimous consent.

I want to thank the floor leaders and the leadership of both the Finance Committee and the Ways and Means Committee for their support.

Mr. GORTON. Mr. President, the amendment of the Senator from Montana has been cleared on this side.

Mr. CHILES. Mr. President, the amendment is cleared on our side.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Montana.

The amendment (No. 1000) was agreed to.

Mr. BAUCUS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1001

(Purpose: To delete section 807)

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 1001.

Beginning on page 441, line 22, strike out through line 14 on page 442.

Mr. DOLE. Mr. President, the amendment being offered simply strikes a provision which erroneously removes the postal subsidy for any mailing of any organization not qualifying for tax exempt status as a 501(c)3 organization.

As CBO was unable to assign any savings to the provision, the amendment results in no loss in savings.

The Senator from Kansas is sympathetic with the original intent of the committee which was to remove subsidies for only those pieces of mail sent by certain organizations that lobby for legislation or raise money or support for a specific candidate, however, the actual result of the provision is much broader.

It is my understanding that both the distinguished chairman of the committee, Senator ROTH, and the distinguished chairman of the subcommittee, Senator STEVENS, are prepared to accept the amendment.

The PRESIDING OFFICER. All time for debate has expired.

Mr. DOLE. I understand this amendment has been discussed on each side. It is acceptable.

Mr. CHILES. Mr. President, it is acceptable on this side.

Mr. GORTON. It is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment (No. 1001) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1002

(Purpose: To express the sense of the Senate with respect to the medicare hospital deductible.)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] for himself and Senators BYRD, RIEGLE, MELCHER, KERRY, SARBANES, MATSUNAGA, CRANSTON, CHILES, and SIMON proposes an amendment numbered 1002.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 164, after line 25, insert the following:

SEC. 711A. SENSE OF THE SENATE WITH RESPECT TO INPATIENT HOSPITAL DEDUCTIBLE.

In view of the $92 Medicare hospital deductible increase that will go into effect January 1, 1986, it is the sense of the Senate that the Committee on Finance should report legislation which will reform calculation of the annual increase in such deductible so that it is more consistent with annual increases in Medicare payments to hospitals.

Mr. KENNEDY. Mr. President, the Department of Health and Human Services announced on September 30 that the Medicare hospital deductible will increase by $92 on January 1, 1986—the largest increase in the deductible in the history of Medicare. This whopping increase has been a source of distress and outrage to senior citizens all over the country.

The Medicare hospital deductible is the amount that each elderly and disabled Medicare beneficiary must pay

out of his own pocket or his own insurance when he enters the hospital. Eight million of our senior citizens must pay this deductible every year, and this scheduled $92 increase will bring the total deductible to a staggering $492, an increase of 173 percent just since 1980.

The exorbitant increase in the hospital deductible was not intended by anyone. It is an unintended consequence of the new Medicare prospective payment system and of Congress' failure to modify the method calculating the deductible to reflect the new payment system.

Since the beginning of the Medicare Program, the deductible has been calculated on the basis of the cost of an average day of care. Increases in the deductible were supposed to reflect increases in the cost to Medicare of a typical hospitalization, and as long as Medicare paid hospitals for services to Medicare beneficiaries on a daily cost basis, the annual increases in the deductible were reasonably fair.

But today, Medicare no longer pays for hospital care on a daily cost basis. Beginning with legislation enacted in 1982, Medicare began to pay a fixed price—set in advance—for each Medicare admission. The fixed price varied depending on the diagnosis that was treated, but the key feature of this prospective payment system was that the price was set in advance and was based on admissions and diagnoses, not days of care.

The prospective payment system has reaped enormous savings for the Federal budget and has had a major impact in slowing the growth in health care costs. In the next 5 years alone, prospective payment will reduce the deficit an estimated $37 billion, and that is without assuming any savings from this year's reconciliation bill.

But, while prospective payment has brought relief to the Federal budget, it has created heavy additional costs for senior citizens already burdened with high health-care expenses. Prospective payment encourages hospitals to economize by reducing length of stay. Between 1982 and 1985, average hospitalization for Medicare beneficiaries dropped from 10.24 days to a projected 8.75 days. Between 1983 and 1984 alone, length of stay dropped almost a full day, from 9.84 to 9.05.

The result of this drop in length of stay—combined with the fact that hospital occupancy rates are now at historic lows—has been that hospitals' costs are concentrated in fewer days of care. The rate of increase in total costs and costs per admission has slowed dramatically, while the costs of care per day have soared.

There is nothing that better illustrates the unreasonableness of Congress' failure to reform the old method of calculating the hospital deductible than what will happen next year. That horrendous $92 dollar increase in the hospital deductible translates into a 23-percent rate of inflation. That is three times as high as the increase in Medicare's per-admission payment in 1984, the base year on which the deductible is calculated.

It is 46 times as high as the increase in per-admission payment to hospitals that is included in the reconciliation legislation that we are considering today.

Mr. President, I say it is time for Medicare beneficiaries to share in the savings from prospective reimbursement rather than being saddled with additional costs. I announced legislation to correct this problem 4 months ago. If that legislation had been included in the bill we are considering today, sick Medicare beneficiaries would not face a $92 dollar tax increase every time they enter the hospital next year.

The amendment that I am offering today would express the sense of the Senate that the Finance Committee should report to this body legislation which will reform the method of calculating the Medicare deductible so that it is more consistent with annual increases in Medicare payments to hospitals. Enactment of this resolution will send a message loud and clear that the Senate believes that our Nation's senior citizens should not be faced with that excessive, unfair increase in the Medicare hospital deductible on January 1, 1986.

I urge my colleagues in this body to join me in casting a vote for fairness for our senior citizens.

Mr. President, I have talked to the chairman of the committee and floor managers about this amendment and they have indicated their consent to it.

I ask unanimous consent that the Senator from Florida [Mr. CHILES] be made a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, the amendment has been cleared on this side.

Mr. CHILES. It is cleared on our side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1002) was agreed to.

Mr. CHILES. I move to reconsider the vote, Mr. President.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECESS UNTIL 1:30 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 1:30 p.m.

Thereupon, at 12 noon, the Senate recessed until 1:30 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. LAXALT].

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, we are on the reconciliation bill. Am I to understand there is no further time for debate on amendments?

The PRESIDING OFFICER. The Senator is correct.

Mr. GORTON. It is the intention of the chairman of the Budget Committee, if at all possible, to finish all amendments by some time between 4 and 5 this afternoon. Senators who have amendments which are ready to be called up are urged to come to the floor and present them. Votes will follow almost immediately upon the amendments being called up.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordered.

Mr. GORTON. Mr. President, I understand that the distinguished Senators from Vermont and Massachusetts have an amendment, though there is no time left for debate. I ask unanimous consent that there be 10 minutes on the Stafford-Kennedy amendment equally divided.

Mr. JOHNSTON. Will the Senator repeat the unanimous-consent request?

Mr. GORTON. That there be 10 minutes for debate of the Stafford-Kennedy amendment equally divided.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Vermont.

AMENDMENT NO. 1003

(Purpose: To remove certain requirements relating to the treatment of energy assistance payments for purposes of calculating excess shelter expense deductions under the food stamp program)

Mr. STAFFORD. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD] proposes an amendment numbered 1003:

Beginning on page 10, strike out the dash on line 23 and all that follows through "(2)" on line 4 of page 11.

On page 11, strike out "a" on line 6 and all that follows through "or" on line 10.

On page 11, strike out "In" on line 11 and all that follows through "Act." on line 15.

Mr. STAFFORD. Mr. President, I understand that there are 10 minutes available, 5 minutes to a side.

Mr. President, I offer this amendment to correct what I think is a serious problem with this bill. I am joined in support of this amendment by my distinguished colleagues, Mr. KENNEDY, Mr. HEINZ, Mr. GLENN, Mr. DANFORTH, Mr. LEAHY, Mr. D'AMATO, Mr. EAGLETON, Mr. BURDICK, Mr. COHEN, Mr. HATFIELD, Mr. MOYNIHAN, Mr. LAUTENBERG, Mr. HART, Mr. ANDREWS, and Mr. RIEGLE.

The bill as written would fundamentally alter the treatment of energy assistance payments for food stamp purposes. Congressional intent in reauthorizing the energy assistance program only last year, made it clear that energy assistance should not be counted as income for food stamps. In stark contrast, under the bill before us some people would have their food stamp benefit cut because they received energy assistance benefits.

Unless this provision is removed from the pending bill, as many as 11 million low-income Americans could possibly face reductions in food stamp benefits during winter months, when good nutrition is important for good health.

For instance, two elderly persons living together who receive a $519 monthly Social Security check would have their food stamp allotment reduced by more than 76 percent—from the present $77 to $18 monthly—during the 5-month heating season.

Congress never intended for this to happen, and I do not think that we should permit it to happen now. My amendment would simply strike the energy assistance language from the bill.

We often hear of people faced with the "heat or eat" dilemma. I can think of no instance when this dilemma has been clearer. I certainly do not think we should be in the position of sanctioning it.

It is claimed that the food stamp cuts for households receiving energy assistance benefits are minimal; but in fact, in many colder regions they are very significant and very painful. On average, Vermonters will lose $28.30 of groceries each winter month. Alaskans and Minnesotans lose over $32. North Dakotans lose $41 each month. Pennsylvanians lose $21.20 monthly, while Iowans lose $18.90. The poorest households, of course, get higher energy benefits and will, therefore, lose more food stamps. For example maximum losses in Minnesota can be $61.30 a month, in Vermont $79.30.

The monthly reduction in food stamp benefits over the 5-month heating season averages $14.70 nationally. Since a meal for a food stamp recipient costs 70 cents, he or she will lose an entire week's meals. Poorer households in colder states could lose as much as a whole month's meals for two household members.

Another important point is that some elderly and disabled households will become ineligible for food stamps under the provisions of the committee bill. These households' eligibility is based solely on net income after deductions, unlike that of other households.

Moreover, I am concerned that the committee's action strays into the jurisdiction of the Committee on Labor and Human Resources.

As I mentioned, Congress only last year reenacted the Energy Assistance Program. The committee again included the language prohibiting energy assistance benefits from being counted as income or resources for any purpose under any Federal or State law.

Despite this clear intent, the Department of Agriculture is currently trying to include energy assistance payments in the calculation of food stamp benefits.

To date, USDA's policy has been challenged in three courts. USDA has lost each case, and is prohibited in those States affected from enforcing this policy. I think they should ultimately be adopted nationwide.

The amendment I am offering is not costly but it will correct a serious inequity in the bill. This amendment is consistent with the Reconciliation Act requirements. It does not break the Budget. It does not increase the deficit. The Agriculture Committee reduced outlays by $184 million more than was required by the reconciliation instructions. This amendment, which costs $165 million, over 3 years—33 million first year, which still leaves the bill $19 million below the permissible ceiling. It has broad support, not only within Congress, but outside it as well.

Let us not force people to heat or eat. Let us continue to recognize energy assistance as a supplemental program. And let us not undo what we did only last year and what we will probably do again next year.

Mr. President, I urge my colleagues to give their full support to this amendment.

Mr. President, basically, the bill before the Senate would do very serious harm in the winter months to elderly poor people in the Snow Belt States by forcing them to count funds for low-income home energy assistance against their food stamp allowances.

Mr. President, I yield to the Senator from North Dakota [Mr. ANDREWS].

Mr. ANDREWS. Mr. President, I cosponsor the amendment offered by my good friends, the senior Senators from Vermont and Massachusetts, to strike the committee provision regarding the inclusion of low-income energy assistance payments as countable income when determining the level of food stamp benefits a household may be eligible for. Implementation of this proposal will result in a substantial reduction in food stamp benefits for these households. Perhaps even more disconcerting, Mr. President, is that the most vulnerable members of our society—the elderly and disabled—are among those who will ultimately suffer, unless we act to correct what can only be viewed as an agregious error. The fact is that elderly individuals just under or over 130 percent of the poverty line, currently receiving food stamp benefits, will more than likely lose their eligibility for food stamps if the committee amendment is enacted into law.

Mr. President, I do not believe that this legislative body, while striving to maintain fiscal integrity, need relinquish our social conscience in the process. I am sure that even the most pragmatic of my colleagues would agree with me on this point. Furthermore, the Food Stamp Program has been credited as representing the last viable safety net that remains available to the poor. I ask my colleagues: At a time when the need for food assistance continues to increase, are we to shorten the net and subsequently cut some recipients off—all in the name of the almighty dollar?

North Dakotans will be hit especially hard. It is estimated that the average reduction in food stamp benefits to a household also receiving low-income energy assistance will be roughly $41 per month. Mr. President, to say that the winter climate in North Dakota is severe would be an understatement of the nth degree. In fact, it is not uncommon for temperatures to drop to 80 below. It seems, therefore, an act of cruelty to force some households to make the decision whether to eat or stay warm.

As a member of the Senate Budget and Appropriations Committees, I am deeply concerned over the Federal deficit. My vote for the Gramm-Rudman amendment reflects my commitment to bring about an end to the Federal Government's spending spree. However, Mr. President, I do not believe that savings to the Government should come unnecessarily off the backs of the less fortunate members of society or those not equipped to fight back for themselves. Therefore, I urge my colleagues to support the amendment offered by Senators STAFFORD and KENNEDY.

Mr. STAFFORD. Mr. President, I yield to the Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. President, I am pleased to join Senator STAFFORD and many of my distinguished colleagues in offering this amendment to remove the detrimental provision in S. 1730 that will reduce food stamp benefits for up to 12 million Americans who also receive Federal energy assistance.

I want to thank Senator STAFFORD for his leadership and hard work on this important amendment. Should this dangerous provision remain, any senior citizen, any disabled individual, any poor family that receives low income energy assistance benefits to heat their homes will be denied a portion of their food stamp benefits because they receive this Federal assistance to stay warm in the winter. To make this absolutely clear to all my colleagues in the Senate, should this dangerous provision remain in the reconciliation legislation, we will be forcing up to 12 million people to decide whether they will eat this winter or whether they will heat their homes.

The loss of food stamp benefits will be significant and will be very painful for low-income Americans, particularly those who live in cold regions of the country. In Massachusetts, food stamp benefits will be cut an average of up to $37.40 per person per month. That translates into a loss of up to 53 meals per month should my constituents chose to accept low income energy assistance to stay warm. Food stamp recipients in Kansas could lose up to $44.40 in food assistance or 3 weeks worth of food stamp assistance each month over the coming winter months. The elderly and disabled in North Carolina could lose an average of 17 meals per month this winter because they need heating assistance. Not only will our country's senior citizens see their food and nutrition benefits reduced, many elderly and disabled Americans could lose their food stamp benefits entirely.

Last year, the Congress passed and the President signed into law, the reauthorization of the Low-Income Energy Assistance Program that included specific language reiterating the will of Congress that low-income home energy benefits not be counted as income when calculating food stamp benefits. Before we ignore this action, I would like to have an opportunity to look more closely at all the effects that a change in this congressional intent will have on our low-income citizens. I would like to afford all my colleagues on the Labor and Human Resources Committee the same opportunity.

This amendment, which represents a return to current law, will add back a total of $165 million to the Agriculture Committee's budget. It is my understanding that the Agriculture Committee went above and beyond their savings mark by $184 million. I commend their zeal and enthusiasm in striving for maximum savings. However, I cannot concur with such action when it means that 6 million of our citizens will go hungry and without heat.

Mr. President, there are 33 million individuals who are poor in this country. One in every four of our young children is living in poverty. The Food Stamp Program is the first line of defense against hunger for the 10 million children who are lucky enough to get benefits. Study upon study tells us that millions of women, children and elderly Americans are suffering from hunger in the United States. We know that the Food Stamp Program has been cut $7 billion since 1981. We know that monthly food stamp allotments do not last through the entire month. And, we know that more and more people are going to the local food pantry and soup kitchen to fill in that gap. A recent Bread for the World study entitled "Unfed America 1985." reported an average monthly increase of 16.25 percent in the number of people seeking emergency food assistance from 1984 to 1985. Hunger and undernutrition in the United States continues to grow and continues to inflict unnecessary human suffering on our citizens. It is unconscionable to allow language that further reduces nutrition assistance to millions of our elderly, our disabled and our struggling families to remain in the budget reconciliation bill. Adequate food and shelter are basic human needs. It is our moral responsibility to provide nutrition and warmth for our citizens in need and it is our obligation to address these human needs in a compassionate manner.

I call on the Senate to remove this devastating provision and allow the poor of this Nation to stay warm and to eat this winter. And, I would like to notify my colleagues that I intend to pursue this same issue when the farm bill comes before the Senate.

● Mr. GLENN. Mr. President, I am pleased to cosponsor this amendment to strike provisions of the budget reconciliation bill that will reduce or eliminate food stamp benefits for our poorest citizens. I urge my colleagues to support this amendment.

The Low-Income Energy Assistance Act has always stated that energy assistance payments shall not be counted as income or resources for purposes of any other Federal or State program, including food stamps. It is the intent of Congress that energy assistance payments will supplement, rather than supplant, other forms of assistance. Our poor and elderly citizens should not be penalized for accepting assistance to pay skyrocketing utility bills.

A provision in the budget reconciliation bill changes this long-standing policy. This provision would not allow the food stamp applicant to include any energy assistance payments in their shelter cost deduction. This means that the applicant's deduction will be lower, thus resulting in a higher net income and reduced food stamp benefits.

Unless this provision is removed from the budget reconciliation legislation, 5.5 million low-income Americans face reduction in food stamp benefits during the winter months, when good nutrition is especially important for good health. The average monthly reduction in food stamp benefits over the 5-month heating season is $14.70. The impact of this change in Ohio would mean an average reduction in food stamp benefits of $10 per month during the 5-month heating season, and a maximum reduction of $26.70 per month. The number of affected households in Ohio would be a staggering 270,000. In colder regions of our country the impact is even more severe. On average, Vermont recipients will lose $28.30 each winter month, recipients in Alaska and Minnesota will lose over $32 each month, and in North Dakota, the average loss will be $41 each month.

This provision will strike hardest at our elderly and disabled citizens, and could mean not just a reduction in food stamp benefits but a loss in eligibility for them. Unlike other applicants for food stamps, eligibility for the elderly and disabled is based solely on net income after deductions. The change in shelter cost deductions could eliminate eligibility for elderly households near the 130 percent poverty level. Winter weather has already arrived in my State of Ohio and other parts of the country. It is unconscionable to force poor Americans, particularly those who are elderly or disabled, into a "heat or eat" choice.

Mr. President, such a major change in policy should not be enacted without carefully considering its serious impact on our poor and elderly citizens. I urge my colleagues to support this amendment.●

● Mr. BOSCHWITZ. Mr. President, I rise today in support of the Agriculture Committee's shelter deduction provision in the Food Stamp Program reauthorization, specifically its treatment of payments under the Low Income Energy Assistance Act and utility costs. Senator STAFFORD's amendment would strike the committee provision. The amendment would have the effect of increasing food stamp benefits to reflect energy expenses which are already being paid by another Federal program.

The current situation is this: In 40 States and the District of Columbia there is an arbitrary distinction on the deductibility of utility expenses based on whether the payments are "cash" (paid directly to the recipient) or "vendor" (paid to the utility company). If the low income energy assistance payment is made to the vendor, the recipients are not allowed to deduct their utility bills covered by that payment. If the low income energy assistance payment is made to the recipient the recipients are allowed to deduct all of their utility expenses, even those paid for by low

income energy assistance. In the other 10 States (the eighth circuit, Idaho, Indiana, and Montana), because of court decisions, recipients are allowed to deduct utility costs when covered by either cash or vendor low income energy assistance payments.

We felt it was irresponsible and inequitable to leave these arbitrary discrepancies in place during committee consideration of the food stamp reauthorization. But that is exactly what the proposed amendment is asking us to do.

The Senate Agriculture Committee by a vote of 17 to 0 adopted a bipartisan provision that brings equity to the treatment of low income energy assistance payments in the Food Stamp Program. Under the committee bill, out-of-pocket expenses for energy costs are allowed as household expenses in determining the excess shelter deduction, but shelter expenses paid by low income energy assistance payments are not deductible.

This provision in no way changes the long-standing policy that federally funded energy assistance payments are not counted as income for purposes of determining eligibility or benefit levels in other programs. The only issue the Agriculture Committee addressed was how the Food Stamp Program should treat expenses paid for by low income energy assistance payments. We decided not to allow food stamp recipients to deduct utility expenses they were not incurring.

These payments would not be deductible regardless of whether they are paid directly to the household or to the utility company. If a recipient receives low income energy assistance payments, utility costs would be deductible only to the extent they exceed that payment and there are out-of-pocket expenses.

States will still be allowed to establish standard utility allowances and deduct a set amount for utility expenses to ease administrative complexity. If expenses exceed the standard utility allowance, recipients are allowed to deduct actual expenses, as under current law. Therefore, the States have set the standard utility allowance somewhat higher than the average utility expenses so they don't have to deal with actual expenses. For example in Minnesota the standard utility allowance is set at $200, in Vermont $552. The only change the committee made in the standard utility allowance was to require that, in calculating their standard utility allowance, States take into account only out-of-pocket utility expense. This could lead to a lowering of the standard utility allowances—not drastic reductions.

The information that has been circulated on this provision has greatly overstated the effect of the committee's proposal. The State-by-State impact that was presented, if totaled, indicates a cumulative impact of the provision at $300 million. However, the Congressional Budget Office has estimated total annual savings of $65 million. The figures cited, therefore, overstate the effect of the provision by almost five times.

Some of the overstatements seem to result from a misunderstanding of the existing Food Stamp Program. Opponents of the committee's provision neglect the fact that approximately one-half of all energy assistance is provided in vendor payments directly to the utility company, and the committee simply restates current regulatory policy. The analyses also seem to miss the fact that the States would still be able to use a standard utility allowance and that there is a ceiling on the shelter deduction, which many households are already hitting, so that a slight adjustment in the standard utility allowance will have no effect.

I recognize that the committee's provision addresses a complicated issue. However, the committee arrived at what was universally regarded as a fair and reasonable solution which I would urge you to uphold.●

● Mr. LEAHY. Mr. President, I want to point out that when the food stamp provisions were acted on by the Agriculture Committee, the Boschwitz/Leahy package contained the LIHEAP provision which we are now trying to amend. It was designed at the time to meet food stamp savings request by the Senate budget resolution. The subsequent final budget resolution gives us more flexibility in the food stamp area.

I reluctantly went along with the LIHEAP provision to facilitate getting the bill out of committee and to meet the budget targets, which were exceeded by $200 million.

This leaves plenty of room to correct a bad situation and to save poor people from losing food stamp benefits because of the energy assistance they may receive.

I have seen the figures for each State, as to how many households will be affected and how seriously they will be affected, if we do not pass this amendment. In Vermont, 12,022 households will lose monthly benefits, from an average of $28.30 per household and up to $79.30 for some households. Vermont has long, cold winters and I am not willing to let poor children and families go cold for the sake of making a greater savings than the Congress requires in the budget resolution.

Mr. President, I will vote for this amendment and I hope others will join me in passing this humanitarian provision.●

Mr. HEINZ. Mr. President, I strongly support the amendment to the reconciliation bill, S. 1730, offered by my distinguished colleague from Vermont. Simply stated, it will keep the status quo for calculating food stamp benefits for individuals also receiving benefits from the Low Income Home Energy Assistance Program [LIHEAP]. Without this important amendment, this bill would make the poorest in our society decide between eating or heating, and that is cruel and unfair, and is not the way this Senator chooses to balance the budget.

It was never the intent of Congress to penalize persons who received energy assistance, yet the food stamp provisions of this bill would do exactly that. These provisions would disallow recipients of energy assistance from continuing to deduct their total energy costs from their gross income for the purposes of determining eligibility for the food stamp program.

Mr. President, this is not a new issue to the Senate. Congress passed the energy Assistance Act as part of the oil windfall profit tax legislation in 1980, and under LIHEAP the Secretary of Health and Human Services provides grants to States for the purpose of making energy assistance available to low-income households with home energy costs that are excessive in relation to household income. It is not difficult to understand how several months of high energy costs could break the backs of the poor, and the Low Income Energy Assistance Act of 1981 explicitly states that payments made under LIHEAP to help low-income families through the disastrous effects of high energy bills shall not be considered "income or resources" for food stamp purposes. The conference report accompanying the act states that "benefits will be computed as if the total cost of the fuel, including the amount of assistance provided, had been paid by the household."

Mr. President, when determining countable income for food stamp eligibility and benefit purposes, certain income is not counted. One catagory of income that is not counted is income derived from LIHEAP, and under the reconciliation bill this is not changed. The Food Stamp Program also allows household expenses to affect the way income is calculated for eligibility and benefit purposes. Current law allows households to deduct utility expenses from their countable income. This makes eligibility more likely and increases benefit levels. But both the farm bill, S. 1714, and the reconciliation bill, S. 1730, include provisions that would disallow the deduction of energy assistance payments. This legislation draws a distinction between energy assistance payments as "income" and as "deductions."

This distinction is a back door approach to considering LIHEAP benefits as income in order to cut Food Stamp Program benefits. It was the

intent of Congress to provide relief from the high cost of energy to low-income individuals without affecting their eligibility or any other program, but if the deduction of energy costs paid by LIHEAP, which would have otherwise been paid by the individual and be considered deductable, are disallowed, and individual's net income will be higher and result in decreased food stamp benefits.

The Congressional Budget Office estimates that approximately $65 million will be saved each year for the next 4 years as a result of this provision. But I ask my colleagues to consider the number of low-income individuals and families that will receive fewer food stamps or none at all as a result of this bill simply because they receive assistance in paying their high energy bills. This $65 million per year cut will hurt human beings, Americans who are struggling to keep food on the table for their children, and older Americans. As chairman of the Special Committee on Aging, I have a special interest in the future of LIHEAP. LIHEAP gives priority to elderly citizens, and the Department of Health and Human Services estimates that about 40 percent of the households receiving energy assistance funds have a family member 65 years of age or older. Although there are no official CBO estimates of how many persons would experience a loss or reduction of food stamp benefits, we estimate that some 5.5 million individuals could be affected by this provision. Isn't it typical that we put as our priority the estimates of how much will be saved and not how many we will hurt?

Mr. President, the Agriculture Committee based its action on the inequity under current law, which prohibits individuals receiving indirect benefits from LIHEAP—benefits paid directly to the vendor, from deducting those expenses for the purpose of calculating food stamp benefits. As I have discussed, an individual who receives his or her benefits directly may deduct these as expenses incurred. I agree with the committee that the current system is inequitable, but another wrong does not right the current inequity. To right the current inequity the committee should have allowed those receiving indirect LIHEAP payments to make these deductions as well. In fact, all court rulings to date regarding this inequity have favored allowing the indirect recipient of LIHEAP to deduct the assistance as an expense.

I understand very well the extremely difficult budget situation Congress and we as Americans must face, and it is not my intention to right this inequity today by extending the ability to deduct these energy expenses to indirect LIHEAP beneficiaries. But I will not stand quietly by while the intent of Congress and the quality of life of our low-income citizens is ignored. The provisions of this bill effectively succeed in diminishing the food stamp recipient's benefits by eliminating the deduction and this is wrong.

Mr. President, in conclusion, I challenge my colleagues to: First, consider the original intent of Congress to provide assistance to low-income Americans who face excessive energy bills, without reducing their other bare minimum benefits; and second, to approach our deficit reduction efforts with integrity. I believe it is wrong to place the burden of our deficit on the backs of those Americans, both young and old, who have the least to give up.

Mr. DURENBERGER. Mr. President I rise in support of the pending amendment of the Senator from Vermont to this reconciliation bill because I share his concern over the Agriculture Committee's treatment of food stamps and low-income energy assistance. I support his effort to delete this language, while we may disagree on the reasons for doing so.

Mr. President, the Low-Income Energy Assistance Program was created as part of the windfall profits tax of 1979. Its purpose at that time was to cushion the disadvantaged segments of our society against the shock of energy price increases due to deregulation. That was a sound and compassionate judgment by the Congress to provide a mechanism for economic adjustment to the ERA of higher, and I might add, more realistic energy prices.

But low-income energy assistance was never intended to become an integral or permanent part of this Nation's welfare system. This 3-year, economic buffer program has been sustained over the last 3 years and threatens to become a permanent fixture in our public assistance policy, along with food stamps, AFDC and SSI. I believe that would be a serious mistake.

My quarrel with the Agriculture Committee is that in establishing reduction in food stamp benefits for funds received through low-income energy assistance, the latter program takes on a permanent character, equivalent to that of the Food Stamp Program.

I would hope that regardless of the outcome on this amendment, that this measure is not interpreted to indicate the judgment of the Senate that Low-Income Energy Assistance Program become a permanent temporary program.

Mr. STAFFORD. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STAFFORD. I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. HELMS. Mr. President, I regret that the Senator wishes to strike this provision of the Agriculture Committee's reconciliation provisions. It is one of the most logical and reasonable provisions we could have adopted. Its widespread support is indicated by the 17-0 vote in favor of its adoption during committee consideration.

The amendment was proposed by the Senator from Iowa [Mr. HARKIN] and was included in a bipartisan proposal being advanced by Senators BOSCHWITZ and LEAHY.

Let me briefly explain the committee's provision and the need for its inclusion in this package.

There are several issues involved. First, let me make it clear and emphasize this point: the committee in no way changed the policy with respect to counting low income energy assistance payments as income. The food stamp policy has long been that these federally funded energy assistance payments are not counted as income for purposes of determining either food stamp eligibility or benefit levels.

The only issue addressed by the Agriculture Committee was how to treat expenses paid for by income—from the Low-Income Home Energy Assistance Program—that is excluded from counting as income.

Frankly, committee members were, I think, astounded to learn of the present, illogical food stamp policy. The committee did an excellent job in untangling present policy and recommending a consistent and logical policy.

There are generally two types of low income energy assistance payments—direct payments made to individuals and indirect, so-called vendor, payments made to energy companies on behalf of individuals. Food stamp policy currently states that food stamp recipients who are also recipients of energy assistance vendor payments may not count energy costs paid to an energy company on behalf of the household as an expense for purposes of determining the household's deductible shelter expenses in the Food Stamp Program. This is a logical position because the household incurred no out-of-pocket expenses of its own. Rather, the Low-Income Energy Assistance Program paid for those expenses. A recent court ruling has overturned this interpretation and stated that such vendor payments must be counted as part of the household's expenses determining the household's deductible shelter expenses. Thus, the committee's bill explicitly puts into law the present regulatory policy in order to reverse the court ruling.

The committee bill goes a step further. The administration's treatment

of direct energy assistance payments is as illogical as the vendor payment is logical. While vendor payments do not count toward the household's deductible shelter expenses, direct payments made under the Low-Income Home Energy Assistance Program are permitted to count as deductible expenses. There is no reasonable rationale for this divergent treatment of such payments. The underlying principle should remain the same—that is, that expenses paid from excluded income should not be permitted as deductible shelter expenses. To remedy this situation, the committee has taken the step of providing that both direct and indirect payments for energy assistance may not be included by the household in determining permissible shelter expenses.

While it is true that some households may have a reduction in benefits, this reduction results solely from correcting this inconsistency in present law. I should emphasize that, at a maximum, the change would reduce food stamp benefits by a maximum of 30 percent of the value of energy assistance payments in those situations in which such payments are now being counted as allowable expenses.

I regret that the present policy has been in effect this long. It was drawn to the attention of the committee by our efforts to correct the initial court decision dealing with vendor payments.

I should point out that the pending amendment would eliminate $65 million in annual savings resulting from the Agriculture Committee's provision and potentially add another $57 million—if the eighth circuit court ruling were to be applied nationally.

For these reasons, I believe we must reject the pending amendment.

Mr. President, I yield to the majority leader.

Mr. DOLE. Mr. President, here we go again. We are talking about another cost of about $165 million over a 3-year period. What we are trying to do through the committee action is close a loophole. I am chairman of the Nutrition Subcommittee and have a pretty good record in the food stamp area.

Mr. President, I rise in opposition to the amendment offered by the Senators from Vermont and Massachusetts. This amendment would reverse a significant provision adopted by a unanimous vote of 17 to 0 during Agriculture Committee consideration of a bipartisan food stamp reauthorization package offered by Senators BOSCHWITZ and LEAHY. Mr. President, this amendment has the effect of increasing food stamp benefits to reflect energy expenses which are already being paid by another Federal program.

COMMITTEE ACTION

The committee adopted an amendment which we believe corrects the anomaly that presently exists where food stamp recipients may deduct shelter expenses even when those costs were paid for by federally funded energy assistance payments. The Agriculture Committee's provision establishes the rational, straightforward policy that deductions for shelter expenses in the Food Stamp Program should not be allowed for expenses that are covered by either direct or indirect payments that are excluded as income.

ENERGY ASSISTANCE POLICY

Mr. President, the committee in no way changes the current policy that federally funded energy assistance payments may not be counted as income for purposes of determining either food stamp eligibility or benefit levels. The only issue addressed by the Agriculture Committee was how to treat expenses paid for by the Low Income Home Energy Assistance Program [LIHEAP].

The committee bill does not restrict the States ability to use standard utility allowances. The only provision in this regard is that standard utility allowances, which reflect average utility expenses instead of using each recipient's actual utility bills, must reflect only actual "out of pocket" expenses—not any Federal energy assistance payments received by the household. Further, under current law, which was not modified by the committee, recipients may deduct actual expenses for energy costs rather than using the standard utility allowance.

TREATMENT OF LOW-INCOME ENERGY ASSISTANCE PAYMENTS

Generally speaking, there are two types of low income energy assistance payments—direct payments made to individuals and indirect, so-called vendor payments made to utility companies on behalf of individuals. Food stamp policy currently provides that food stamp recipients who also benefit from Federal energy assistance vendor payments may not count energy costs as deductible shelter expenses in determining their eligibility for food stamps when LIHEAP payments are made to a utility company on behalf of a household for purposes of determining the household's deductible shelter expenses in the Food Stamp Program. The Senator from Kansas believes this is a very reasonable, equitable policy approach, because the household incurred no "out-of-pocket" expenses of its own. Rather, the Low Income Energy Assistance Program paid for those expenses.

EFFECT OF EIGHTH CIRCUIT COURT RULING

A recent court ruling by the eight circuit has overturned this interpretation, stating that such vendor payments must be counted as part of a household's expenses when determining the household's deductible shelter expenses. The committee's action explicitly puts into law the present regulatory policy in order to reverse the court ruling. Otherwise the States in eighth circuit territory would be treating these payments differently than those in the rest of the country. The amendment would eliminate $65 million in annual savings resulting from the Agriculture Committee's provision and potentially add another $57 million annually—if the eighth circuit court ruling were to be applied nationally.

To the extent the amendment leaves the Food Stamp Program open to future court decisions like the ones already in place in 10 States, there will be benefit increases in any State now implementing the Department's rules regarding vendor recipients. Further, in a State not covered by a court decision that implements the Department's rules on vendor recipients in the future, there will be benefit reductions. In effect, the amendment leaves the program open to being run by court decisions and administrative rulings in this area, rather than by a policy of equity explicitly established by Congress.

The Stafford-Kennedy amendment would retain the inequities of current rules. Current regulations and policy interpretations discriminate against LIHEAP recipients who get their LIHEAP benefit in the form of a vendor payment to their utility provider in States not covered by court decisions by not allowing them to claim a "standard utility allowance." Recipients of cash LIHEAP payments are allowed this option and the committee provisions would extend it to vendor recipients, although the standard utility allowance available to LIHEAP recipients would be adjusted to reflect their having LIHEAP benefits to help pay their energy expenses.

The other inequity retained would be the different treatment of LIHEAP recipients, depending on whether or not they are in a State under a Federal court decision. In the 10 States covered by court decisions, all LIHEAP recipients have access to the standard utility allowance and may claim expenses paid for under the LIHEAP as a deduction. In other States, current regulations and policy interpretations require that only cash recipients have such access to the allowance and the right to claim expenses covered under the LIHEAP. The committee provisions attempt to establish equity by simultaneously allowing all LIHEAP recipients who have any utility expenses above the value of LIHEAP assistance the right to claim a standard utility allowance, which may be significantly above their actual expenses.

TREATMENT OF DIRECT ENERGY PAYMENTS

Mr. President, the committee bill includes another improvement over current policy. The present treatment of direct energy assistance payments is as illogical as the vendor payment policy is logical. While vendor payments do not count toward the household's deductible shelter expenses, direct payments made under LIHEAP are permitted to count as deductible expenses. There is no reasonable rationale for this divergent treatment of such payments. The underlying policy should remain the same—expenses paid from excluded income should not be permitted as deductible shelter expenses. To remedy this situation, the committees has taken the step of providing that both direct and indirect payments for energy assistance may not be included by the household in determining allowable shelter expenses.

Opponents of the committee's provision claim that the committee provisions would require lowering standard utility allowances by the amount of LIHEAP benefits for all LIHEAP recipients. However, this is incorrect. The committee provisions do not specify the method by which any standard utility allowance applied to LIHEAP recipients is to be adjusted to reflect the receipt of LIHEAP benefits. The dollar-for-dollar reduction method suggested by sponsors of this amendment is the most dramatic possible method. There is little to support a claim that this is the way States would respond. In fact, since States use standard utility allowances to ease the administrative burden of dealing with an avalanche of monthly utility bills, there is every reason to believe that they will adjust them as little as possible in response to the committee provision in order to avoid additional administrative complexity.

Further, for a significant number of recipients—those at the $139-a-month ceiling on shelter expense deductions—a lowering of standard utility allowances would have little or no effect, because they cannot take full advantage of the allowance anyway. The sponsors of this amendment recognize this effect when they State that the committee provision would result in a benefit cut—in Minnesota and Vermont—of up to $32 and $29 a month—the maximum potential effect.

AMENDMENT WOULD LEAD TO INEQUITIES

Mr. President, this amendment to strike the food stamp provisions relating to expenses paid with benefits received under LIHEAP would leave in place current inequities in the system. These are the inequities that the Reconciliation provisions attempt to correct.

Although low-income home energy assistance payments are not counted as income for food stamp purposes and would continue to be disregarded under the reconciliation provisions, food stamp households, in many instances, would be able to deduct all utility expenses—even those paid for out of—uncounted—LIHEAP benefits—as though they were paid for out of pocket. It is simply not fair that expenses paid for with income that presumably reduces a household's need for food assistance by freeing up other income, and yet is uncounted by food stamps, should also be allowed as a deduction that increases food stamp benefits. Of course, to the extent that households have actual out-of-pocket energy expenses not covered by their LIHEAP benefits, they should be allowed to deduct them—as the farm bill provisions stipulate.

This inequity would be exacerbated under the Stafford/Kennedy amendment, because households that receive their LIHEAP benefits in the form of payments made directly to their energy provider—so-called "vendor payments"—would not be allowed to claim the expenses covered by the LIHEAP benefits as a deduction—in contrast to those who receive it in cash. This situation would apply in all but the several States covered by current Federal court decisions.

EXAGGERATION OF IMPACT FIGURES

Mr. President, there are some figures which have been circulated which greatly exaggerate the impact of the committee's provision. One such listing purported to demonstrate the State-by-State impact of the committee's action. However, a careful analysis of the figures indicates that the cumulative impact adds up to almost five times the total estimated by the Congressional Budget Office—definitely a worst case scenario. If Congress is to make sensible policy decisions, we need to be able to depend upon facts. The State-by-State analysis presents the maximum impact on recipients—not the average anticipated impact.

Many of the overstatements seem to result from miscalculations or misunderstandings of the existing Food Stamp Program deduction procedures. Opponents of the committee's provision neglect the fact that an estimated one-half of all energy assistance is provided in vendor payments directly to the utility company; the committee's provision merely reinforces current regulatory policy. These analysis also miss the fact that, because some States have significantly high energy costs and standard utility allowances, the committee's provision would have less impact in those States. Actually, the provision would probably have little or no impact on a State like Vermont, one of the States cited as an example. Also, opponents of the committee provision neglect to calculate that not all shelter costs are deductible now—a factor which the committee provision does not change.

EQUITY OF FARM BILL PROVISIONS

Mr. President, the reconciliation provisions have a feature that mitigates the potential benefit reduction effect of requring that utility expenses covered by LIHEAP benefits not be allowed as food stamp deductions. Recipients may still claim a standard utility allowance as long as they pay something toward their heating or cooling bills. This means that many LIHEAP beneficiaries could continue to claim utility expense deductions at a level comparable to that allowed under present rules for those who do not receive payments under LIHEAP. The reconciliation provisions actually expand the availability of this standard allowance to households that cannot now claim it—that is those who receive their LIHEAP benefit in the form of a vendor payment to their utility provider but still have some out-of-pocket expense of their own.

CONCLUDING REMARKS

Mr. President, food stamp treatment of low income home energy assistance payments is a very complex issue. For this reason, the Senator from Kansas believes that it is best resolved by the authorizing committee, which has the expertise to deal with the complexity of the Food Stamp Program. The Agriculture Committee has carefully considered potential options in the treatment of LIHEAP payments, and their recommendation is the proposal contained in the 1985 farm bill and reconciliation measure—passed by a unanimous vote of 17 to 0.

I strongly urge my colleagues to vote against the Stafford/Kennedy amendment for all of the reasons that I have outlined previously. Most importantly, the effect of this amendment would be to increase food stamp benefits to reflect energy expenses which are already being paid by another Federal program. The equity of the committee-endorsed provision speaks for itself.

All we did was provide that people should not be eligible for energy expenses unless they incur them, unless they actually pay the money. This is a loophole that should be closed.

If you want to throw away about $65 million annually, you should support the amendment.

Mr. President, I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. DOLE. There is no time left.

Mr. KENNEDY. Does the Senator from Vermont have time remaining?

The PRESIDING OFFICER. The Senator from Vermont has no time remaining. All time has expired.

51-059 O-87-38 (Pt. 22)

The question is on agreeing to the motion to table the amendment of the Senator from Vermont. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote "nay."

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] and the Senator from Missouri [Mr. EAGLETON] are necessarily absent.

The PRESIDING OFFICER (Mr. MATTINGLY). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 37, nays 59, as follows:

[Rollcall Vote No. 294 Leg.]

YEAS—37

Armstrong	Hecht	Packwood
Bentsen	Heflin	Pressler
Boschwitz	Helms	Quayle
Cochran	Johnston	Roth
Denton	Kassebaum	Simpson
Dole	Laxalt	Specter
Domenici	Long	Symms
East	Lugar	Thurmond
Evans	Mattingly	Wallop
Garn	McClure	Wilson
Gorton	McConnell	Zorinsky
Gramm	Nickles	
Hatch	Nunn	

NAYS—59

Abdnor	Ford	Metzenbaum
Andrews	Glenn	Mitchell
Baucus	Gore	Moynihan
Biden	Grassley	Murkowski
Bingaman	Harkin	Pell
Bradley	Hart	Proxmire
Bumpers	Hatfield	Pryor
Burdick	Heinz	Riegle
Byrd	Hollings	Rockefeller
Chafee	Humphrey	Rudman
Chiles	Inouye	Sarbanes
Cohen	Kasten	Sasser
Cranston	Kennedy	Simon
D'Amato	Kerry	Stafford
Danforth	Lautenberg	Stennis
DeConcini	Leahy	Stevens
Dixon	Levin	Trible
Dodd	Mathias	Warner
Durenberger	Matsunaga	Weicker
Exon	Melcher	

NOT VOTING—4

Boren	Goldwater
Eagleton	Hawkins

So the motion to lay on the table was rejected.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the motion to table was rejected.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the rollcall vote on the Stafford amendment be vitiated and that the matter be disposed of by a voice vote.

Mr. HELMS. Mr. President, I object. I think we ought to decide whether we are going to cut spending around this place.

The PRESIDING OFFICER. Objection is heard.

Mr. DECONCINI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is this an amendment to the Stafford amendment?

Mr. DECONCINI. No, it is not.

The PRESIDING OFFICER. We have not disposed of the Stafford amendment.

The question is on agreeing to the amendments of the Senator from Vermont [Mr. STAFFORD]. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] is necessarily absent.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] and the Senator from Illinois [Mr. SIMON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 60, nays 37, as follows:

[Rollcall Vote No. 295 Leg.]

YEAS—60

Abdnor	Exon	Matsunaga
Andrews	Ford	Melcher
Baucus	Glenn	Metzenbaum
Biden	Gore	Mitchell
Bingaman	Grassley	Moynihan
Bradley	Harkin	Murkowski
Bumpers	Hart	Pell
Burdick	Hatfield	Proxmire
Byrd	Heflin	Pryor
Chafee	Heinz	Riegle
Chiles	Hollings	Rockefeller
Cohen	Humphrey	Rudman
Cranston	Inouye	Sarbanes
D'Amato	Kasten	Sasser
Danforth	Kennedy	Stafford
DeConcini	Kerry	Stennis
Dixon	Lautenberg	Stevens
Dodd	Leahy	Trible
Durenberger	Levin	Warner
Eagleton	Mathias	Weicker

NAYS—37

Armstrong	Hatch	Packwood
Bentsen	Hecht	Pressler
Boschwitz	Helms	Quayle
Cochran	Johnston	Roth
Denton	Kassebaum	Simpson
Dole	Laxalt	Specter
Domenici	Long	Symms
East	Lugar	Thurmond
Evans	Mattingly	Wallop
Garn	McClure	Wilson
Goldwater	McConnell	Zorinsky
Gorton	Nickles	
Gramm	Nunn	

NOT VOTING—3

Boren	Hawkins	Simon

So the amendment (No. 1003) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOSCHWITZ and Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 1004

(Purpose: To limit the fees charged for arrivals of private vessels and aircraft, and to limit the fee for the arrival of trucks)

Mr. DECONCINI. Mr. President, I have an amendment at the desk.

Mr. President, I ask unanimous consent that 6 minutes equally divided be permitted on the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. BOSCHWITZ. Reserving the right to object, Mr. President—

Mr. DOLE. Three minutes on a side?

Mr. DECONCINI. Three minutes on a side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 1004.

Mr. DECONCINI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 283, after line 256, add the following:

(3) No fee shall be charged under subsection (a)(3) for the arrival of a commercial truck during any calendar year after a total of $100 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such commercial truck during such calendar year.

(4) No fee shall be charged under subsection (a)(4) for the arrival of a railroad car whether passenger or freight during any calendar year after a total of $100 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such passenger or freight rail car during such calendar year.

(5) No fee shall be charged under subsection (a)(5) for the arrival of a private vessel or private aircraft during any calendar year after a total of $500 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such private vessel or private aircraft during such calendar year.

Mr. DECONCINI. Mr. President, the amendment I am proposing will improve the section in the bill on Customs Service users fees. To be frank, I believe this section is unfair and would have a detrimental impact on international commerce. I recognize that the Finance Committee was directed to find increased revenues and I recog-

nize the pressures that they were under to do do without raising taxes. But this Customs Service users fee provision differs very little from a tax since the revenues generated go back to the Treasury and do not go to improving or upgrading the customs service.

My amendment addresses two problems. The first would alter the schedule of users fees for commercial trucks and rail cars; the second affects private vessels and general aviation.

Under the bill as presently written, every time a commercial truck or railcar enters the United States from Mexico or Canada it would be assessed a $5 charge. Perhaps $5 doesn't sound like much to those of us in Washington who are used to speaking in millions, billions, and of late trillions of dollars. However, to Arizona border communities, the imposition of a $5 charge for every commercial truck or railcar crossing the border could be devastating. In order to mitigate the impact of this proposal my amendment would place a $100 ceiling on that charge.

Our Arizona border communities have suffered serious economic setbacks in recent years due to a number of conditions outside of their control. The peso devaluation has hurt merchants on the Arizona side of the border. Likewise, the closure of some border crossing stations, and shortened hours of others, inhibited the flow of traffic across the board, resulting in severe economic damage to Arizona. Additionally, the Federal Government acted capriciously earlier this year when they insisted on indepth, meticulous searches of all vehicles crossing from Mexico into the United States following the murder of Agent Camarena. While this action was aimed at penalizing the Mexican Government, it resulted in an additional economic burden on Arizona towns and cities and was not effective retribution for the death of our agent.

I hasten to add that this situation is not unique to Arizona. A similar situation has hurt border communities in Texas, New Mexico, and California. And my colleagues to the north along the Canadian border certainly can relate their own stories of economic distress in their border communities. Like the peso devaluation to the south, the strong U.S. dollar has had a detrimental effect on commerce with Canada resulting in an unfavorable exchange rate for Canadians entering the United States and a reduction in income for many border communities.

In recent years our border communities have sought innovative ways to increase employment on both sides of the border recognizing that their economies are closely interrelated. One such innovation is the twin plant concept or Maquiladora. In 1983 there were 585 twin plants in Mexico employing 125,000 workers. In Nogales, AZ, alone there are 59 twin plants which have resulted in increased employment on both sides of the border. An additional custom fee for commercial truck crossings could devastate these industries whose profit margin is at best tenuous.

The twin plants are not the only enterprises that would be negatively affected by this new tax. The fresh winter vegetable trade is another example of an industry that may be hurt. But this is not just a matter of economic damage to an industry, but of damage to a community.

I am concerned that these prohibitive fees could result in alternative means of transporting goods into this country. Under the bill as proposed, commercial ships under 100 tons would pay a $25 fee. It may well be that economy of scale will convince shippers that this is more economical than sending individual truckloads. If that happens the economic vitality of the border communities of this country would be seriously threatened.

The second part of my amendment concerns the user fees section on private vessels and general aviation. The House reconciliation bill calls for a $25 annual fee on private vessels and general aviation. The Senate bill, in contrast, calls for this same $25 fee to be levied for every arrival. The cost of this will quickly become prohibitive for small businessmen. My amendment places a cap of $500 per calendar year on the $25 per arrival fee.

A simple look at a map will tell my colleagues I have no personal axe to grind on the issue of private boats. In the entire history of Arizona we have never had a boat enter Arizona waters from Mexican waters. And, Mr. President, since Arizona lacks a single natural lake and has no ocean port it is highly unlikely that we ever will. Nonetheless, I pursue this in the interest of fairness. It simply isn't fair to charge such an exorbitant fee for processing. If we want to place a tax on these individuals, fine. But let's be honest and call a tax a tax. Let's not attempt to do so by calling it a user fee.

The question my colleagues are now going to be asking is "what is the revenue impact of all of this?" Let me be honest, I do not know, nor does anyone else. I have been told that there will be no revenue impact by changing the private vessels and general aviation provisions to annually rather than per arrival. Frankly, I find that hard to believe. However, the CBO revenue estimate for the House bill—which has an annual fee—and the Senate bill—which has a per arrival fee—are the same. On the issue of commercial trucks, it is more confusing. The Congressional Budget Office has tried hard to come up with a revenue estimate for this amendment as it pertains to commercial trucks. However, they have been unsuccessful.

Customs has been unable to make any estimate on how many trucks make how many visits to the United States. We know that there are 4,200,000 truck arrivals in the United States a year, but customs is unable to tell us which are repeat visits. However, I would like to remind my colleagues that in earlier consideration of the reconciliation bill, I added a provision which will save the Government $235 million over 3 years, and the total revenue impact of the commercial truck fee is $16 million for fiscal year 1986 if it were unchanged.

In conclusion, I urge my colleagues to support the amendment of the Senators from Texas, New York, and myself. I believe it is a fair, conservative approach to this problem.

Mr. BENTSEN. Mr. President, I wholeheartedly endorse Senator DECONCINI's amendment, of which I am a cosponsor, to limit fees charged for the arrival of both commercial trucks and railroad cars, whether passenger or freight. The Texas border community like the Arizona border community continues to suffer from high unemployment and a depressed economy.

In Laredo, TX, alone, unemployment has hovered at between 20 and 25 percent, Brownsville, and McAllen have similar figures of high unemployment. El Paso also has jobless rates above the national average. Mr. President, I recognize the need to raise revenues to offset the deficit and I support the use of user fees; however I do not believe that we should place this burden on a business community fighting daily to regain its economic balance.

During the Finance Committee markup of these customs user fees I successfully fought to remove a proposed $1 head tax for persons crossing the land border. The initial revenues estimated from this one sole fee was $152.88 million or almost half of the revenue package requested. Fair is fair, but where is the safety net for families hard hit by trade and commercial business failures?

The twin-plant industry, also known as the Maquiladora industry, along the Texas and Arizona borders carry many of their products, on a highly continuous basis, utilizing both rail and trucks along the border. Some of the commodities manufactured in the twin-plants include: auto parts, electronic components, toy parts, oil and gas hardware and packaging operations. Additionally, the border transit also includes the carriage of perishable goods, frozen vegetables, minerals, chemicals, food stuffs, and steel.

In Laredo for example, easily 200 trucks and 100 rail cars crossing the border daily are involved in the interi-

or trade of the Maquiladora industry. The interior trade along the United States-Mexico border relies on fast and efficient transfer of goods. The most logical and expedient mode of transit is therefore both truck and rail. I believe that the limitation of customs user fees on both trucks and rail traffic along the border is fair. Mr. President, I urge my colleagues to support this amendment.

Mr. BOSCHWITZ. Mr. President, this side has no objection to the amendment by the Senator from Arizona and we are prepared to accept it.

The PRESIDING OFFICER. Has all time been yielded back?

Mr. DECONCINI. I yield back the remainder of my time.

Mr. BOSCHWITZ. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona.

The amendment (No. 1004) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1005

Mr. HECHT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. HECHT] proposes an amendment numbered 1005.

Mr. HECHT. Mr. President, I ask unanimous consent that further reading of the amendment be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 440, line 13, after the period, insert the following: The Commission's study shall also include former sections 4355 (a) and (b), former section 4358 (d) and former sections 4554 (b) and (c).

Mr. HECHT. Mr. President, I ask unanimous consent for 1 minute to explain the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HECHT. Mr. President, in the interest of the limited amount of time available on this bill, I will be brief. The amendment I am offering today is simple in nature. As part of its reconciliation report, the Governmental Affairs Committee authorized the Postal Rate Commission to conduct a study of third-class, nonprofit mail subsidies. My amendment, Mr. President, will simply include in that study second- and fourth-class mail.

Mr. President, this matter has been discussed by both sides and I ask that it be accepted.

Mr. BOSCHWITZ. Mr. President, there is no objection on this side to the amendment. The amendment has been cleared on the other side as well.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1005) was agreed to.

AMENDMENT NO. 1006

(Purpose: Expressing the sense of the Senate that the Superfund excise tax be deleted in conference)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1006.

Mr. HELMS. Mr. President, if the clerk will read slowly, then there will be no need for debate.

The assistant legislative clerk read as follows:

On page 372, after line 2, insert the following new section:

SEC. 789H. SENSE OF THE SENATE THAT THE VALUE ADDED TAX SHOULD BE DELETED IN CONFERENCE.

(a) FINDINGS.—The Senate finds that—

(1) the value added tax added by this part is a regressive tax which places the burden of paying for pollution on persons other than those responsible for it;

(2) such tax represents a dangerous shift toward the principle of a broad-based tax on sales;

(3) such tax has escalated rapidly in virtually every country in which it has been implemented;

(4) the Administration has stated, in a September 16, 1985 statement of Administration policy that "(t)he President's senior advisors will recommend disapproval of any legislation containing a value added or other broadbased tax.";

(5) the House of Representatives is expected to adopt a financing mechanism for the Superfund bill which will not include such tax;

(6) the Administration will not be prepared to release its alternative to such tax after the Senate has completed action on the reconciliation legislation; and

(7) prolonged debate on the floor of the Senate concerning an alternative to such tax would unduly delay consideration of this legislation.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the committee on conference on H.R. 2005 or any comparable legislation should submit a conference report which contains a reliable financing mechanism for the Superfund program which does not include any value added tax, and

(2) that the committee on conference on this Act or any comparable legislation should submit a conference report which does not include any value added tax.

Mr. HELMS. Mr. President, by now we are all familiar with the new tax in the Superfund bill passed by the Senate a few weeks ago. Along with others, I have called this tax a value added tax because it imposes a tax of $8 on every $10,000 of manufacturing value. In being confined to manufacturing, it may differ from the widely known VAT's in Europe, but is still in fact a type of value added tax.

Some quibble that this new tax is not a VAT but a "broad-based tax." Others wants to apply to it their chosen name of "Manufacturers' Environmental Excise Tax," or "MEET" for short.

But, Mr. President, if we really wanted to be accurate, we would call it the "Consumers' Pickpocket Tax" because it is a hidden tax as far as American consumers are concerned.

Mr. President, this tax on manufactured and imported goods will be incorporated into the price of the goods, and then passed on to the consumer in the form of higher prices, not as a tax on the sales slip. The taxpayer will never know how much he's paying for the goods and how much he's paying to feed the sacred cow known as Superfund—and the politicians here in Washington can continue to fund the program without the taxpayers ever knowing it. In a very real sense, Mr. President, with this new value added tax, politicians can pick the pockets of American consumers.

Despite strong opposition to the VAT, I am still hearing whispers from its proponents that it is so negligible the taxpayers won't even feel the pinch. That may be true. The MEET, is only 0.08 percent or $8 on every $10,000. But, Mr. President, haven't we all heard that argument before? Our other two Federal revenue sources, Social Security and Federal income tax, started out at a very negligible rate, but just look at how the rates have skyrocketed! In 1937, the American taxpayer paid an average tax of $79. In 1983, the taxpayer paid an average tax of $3,536, an increase of more than 4,475 percent. In 1937, the American taxpayer paid a maximum Social Security tax of $30, and in 1983 he paid a maximum of $2,391, an increase of almost 8,000 percent.

Inevitably, Mr. President, this VAT will follow the same course. We should not and must not thrust an additional tax burden on the American worker.

Clearly, Mr. President, with the exception of a few individuals, no one wants a value added tax. On September 17, 1985, the White House sent a letter to me threatening a veto if the Superfund bill contains a value added tax. On September 24, 1985, the Senate adopted an amendment to the Superfund bill expressing the sense of the Senate that the conferees "should report legislation containing a reliable financing mechanism for the Superfund Program which does not include a value added tax." Furthermore, Mr. President, although the House Ways and Means Committee has not report-

ed out the language for a funding mechanism for Superfund, it is highly unlikely that the bill will contain a value added tax. The administration doesn't want it. The Senate doesn't want it. The House doesn't want it. The taxpayer doesn't want it. Yet, if ths value added tax remains in this reconciliation bill, Mr. President, the VAT tax may become a funding mechanism for Superfund, even if the Superfund bill doesn't contain the tax. We must stop what everyone has objected to coming in the front door on S. 51 from sailing in the back door on the wings of the Senate reconciliation bill.

Mr. President, my amendment would simply close up all the loopholes and bury the VAT once and for all. I ask my colleagues to support me in this endeavor.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I have just been advised that the distinguished Senator from Oregon [Mr. PACKWOOD] would like to be on the floor in connection with this amendment. If it meets the convenience of the Senate, I would suggest we lay this amendment aside in accommodation of the Senator, but that will be up to the manager of the bill.

Mr. BRADLEY. Mr. President, I ask unanimous consent to speak on this amendment for up to 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BRADLEY. Mr. President, I think we should understand why the amendment by the distinguished Senator from North Carolina is being offered. The passage of this amendment, would urge the conferees to essentially reject the Superfund bill that was passed and financed by this body just a short time ago. The Senate bill finances Superfund by a broad-based tax and, if the conference decides that it will not accept a broad-based tax to finance Superfund, then the conferees are left with the option of spending out of general funds or taxing the chemical and oil industry by larger amounts.

Mr. President, during last year's consideration of Superfund, we found neither general revenues nor the chemical industry as routes to finance Superfund. Therefore, we were pushed to adopt a broad-based tax. Senators should understand if they vote to accept this amendment, they are pulling the financing out from under the Superfund bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BOSCHWITZ. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, as an accommodation to the distinguished Senator from Oregon, who is tied up in a conference and who desires that the pending amendment be modified, I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment, I be allowed to amend it on page 2, line 20: "and which does not increase the Federal budget deficit."

Mr. BRADLEY. Mr. President, reserving the right to object, the distinguished Senator from North Carolina has offered an amendment which would essentially instruct the conferees to eliminate the funding mechanism that is now in the bill for Superfund—a broad-based tax.

The Senator's amendment says that the conference should find some other method of funding the Superfund. One other method I can think of, which is increasing the fund of the general Treasury, would increase the deficit, and the Senate has spoken clearly that it does not want to increase the deficit.

Another way to fund it would be to increase taxes on the chemical industry and the oil industry, and that has not been acceptable to the Senate on previous occasions when we considered the Superfund. That, indeed, is the basis for the present tax that is in the bill.

So I say to my distinguished colleague from North Carolina that although I would like to accommodate him on this occasion, I would be compelled to object to the modification, since the yeas and nays have been ordered.

The PRESIDING OFFICER. Objection is heard.

Mr. HELMS. Mr. President, I disagree with my friend from New Jersey, but I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

The PRESIDING OFFICER (Mr. ARMSTRONG). Are there any other Senators in the Chamber who desire to vote?

The result was announced—ayes 32, nays 66, as follows:

[Rollcall Vote No. 296 Leg.]

YEAS—32

Abdnor	Hatch	McConnell
Andrews	Hecht	Metzenbaum
Armstrong	Heflin	Pressler
Boschwitz	Helms	Proxmire
Denton	Humphrey	Quayle
Dixon	Kasten	Rudman
Dole	Laxalt	Symms
Durenberger	Levin	Thurmond
East	Lugar	Trible
Garn	Mattingly	Zorinsky
Goldwater	McClure	

NAYS—66

Baucus	Glenn	Moynihan
Bentsen	Gore	Murkowski
Biden	Gorton	Nickles
Bingaman	Gramm	Nunn
Bradley	Grassley	Packwood
Bumpers	Harkin	Pell
Burdick	Hart	Pryor
Byrd	Hatfield	Riegle
Chafee	Heinz	Rockefeller
Chiles	Hollings	Roth
Cochran	Inouye	Sarbanes
Cohen	Johnston	Sasser
Cranston	Kassebaum	Simon
D'Amato	Kennedy	Simpson
Danforth	Kerry	Specter
DeConcini	Lautenberg	Stafford
Dodd	Leahy	Stennis
Domenici	Long	Stevens
Eagleton	Mathias	Wallop
Evans	Matsunaga	Warner
Exon	Melcher	Weicker
Ford	Mitchell	Wilson

NOT VOTING—2

Boren	Hawkins

So the amendment (No. 1006) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, if I could have the attention of my colleagues just briefly, I am advised we still have 29 amendments pending on reconciliation. I hope that on many of these, where there is not any dispute, we could dispose of the amendments by voice vote. It would seem to me we could save a lot of time. I know a number of Members have plans for later on this afternoon, and we would like to make some real progress.

I urge my colleagues, if the managers are agreeable to accepting amendments, let us let them accept the amendments and not have a rollcall if we can avoid it.

Second, let me indicate—then I will yield to my friend from New York—that I have been asked by the distinguished Senator from Florida, Senator HAWKINS, who cannot be here today, to offer an amendment on disinvestment of Social Security Trust Funds. I am now advised that the Senator from New York has a similar amendment, and he has agreed that it would be Moynihan-Hawkins amendment, and I will not offer the amendment.

I yield to the distinguished Senator from New York and ask unanimous consent that Senator HAWKINS be added as a principal cosponsor.

The PRESIDING OFFICER. Without objection, the name of the Senator from Florida will be added as a principal cosponsor of the amendment at the time the amendment is offered.

AMENDMENT NO. 1007

(Purpose: To make whole the Social Security Trust Funds and other Funds for interest losses due to disinvestment, and for other purposes)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk on behalf of myself, Senator HAWKINS, Senator RIEGLE, Senator KENNEDY, Senator CHILES, Senator SASSER, Senator GRASSLEY, Senator BYRD, Senator HARKIN, Senator BENTSEN, Senator ROCKEFELLER, Senator GORE, Senator MITCHELL, Senator BAUCUS, Senator BRADLEY, Senator KERRY, Senator BUMPERS, Senator HEINZ, and Senator NICKLES, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for himself, Mrs. HAWKINS, Mr. RIEGLE, Mr. KENNEDY, Mr. CHILES, Mr. SASSER, Mr. GRASSLEY, Mr. BYRD, Mr. HARKIN, Mr. BENTSEN, Mr. ROCKEFELLER, Mr. GORE, Mr. MITCHELL, Mr. BAUCUS, Mr. BRADLEY, Mr. KERRY, Mr. BUMPERS, Mr. HEINZ, and Mr. NICKLES, proposes an amendment numbered 1007.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 265, between line 7 and 8, insert the following:

SEC. 769G. RESTORATION OF TRUST FUND INVESTMENTS.

(a) REISSUANCE OF OBLIGATIONS.—The Secretary of the Treasury shall immediately reissue to the Social Security Trust Funds and other retirement funds (as defined in subsection (d)) obligations under chapter 31 of title 31, United States Code, identical in all terms to public debt obligations redeemed on or after September 1, 1985, and on or before the date of the enactment of this Act that as determined by the Secretary on the basis of standard investment procedures for such funds in effect on September 1, 1985, would not have been redeemed if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, has been enacted into law on August 1, 1985. The uninvested balances of such funds shall be debited for the principal amount of such reissued obligations.

(b) APPROPRIATION TO TRUST FUNDS OF LOST INTEREST.—(1) The Secretary of the Treasury shall pay to the Social Security Trust Funds and other retirement funds (as defined in subsection (d)), from amounts in the general fund of the Treasury not otherwise appropriated, amounts determined, in accordance with paragraph (2), to be equal to the net amount of interest that would have accrued to each such fund but for non-investments, redemptions, and disinvestments of such funds—

(A) on or after September 1, 1985, and on or before the date of the enactment of this Act that would not have occurred if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985, taking into account the reissuance of obligations as required by subsection (a); and

(B) on or after September 1, 1984, and prior to September 1, 1985, that would not have occurred but for limitations on the public debt, based on the present value of the permanent loss of such interest.

(2)(A) The determination of the amount of interest which would have accrued to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund shall be made jointly by the Secretary of the Treasury and the Commissioner of Social Security, and must be certified as accurate by the two public members of the Board of Trustees of the Trust Funds and by the Comptroller General.

(B) The determination of the amount of interest which would have accrued to the Railroad Retirement Account shall be made jointly by the Secretary of the Treasury and the Chairman of the Railroad Retirement Board, and must be certified as accurate by the Comptroller General.

(C) The determination of the amount of interest which would have accrued to the Civil Service Retirement and Disability Fund and the Department of Defense Military Retirement Fund shall be made by the Secretary of the Treasury, and must be certified as accurate by the Comptroller General.

(3) The payment required by paragraph (1) shall be made on June 30, 1986. Prior to April 1, 1986, the officials required to make all determinations under paragraph (2) shall do so, and shall report to the Congress any disagreements. The Comptroller General and the public members of the Board of Trustees of the Trust Funds shall report to the Congress any such determinations which they do not certify as being accurate, along with an explanation of why they do not certify such determination.

(c) NOTIFICATION OF DISINVESTMENT PLANS.—(1) The Secretary of the Treasury (as Managing Trustee of the Social Security Trust Funds) shall notify each member of the Board of Trustees of such Trust Funds, the Chairman of the House Committee on Ways and Means, and the Chairman of the Senate Committee on Finance, of any planned action, taken by reason of the limitation on the public debt, to—

(A) redeem or to disinvest any long-term bond held by the Trust Funds (specifying the amount, rate of interest, and date of redemption of each bond); or

(B) not make normalized tax transfers or not invest normalized tax transfers in interest bearing obligations, as required under sections 201, 1817, and 1841 of the Social Security Act.

(2) Notice under this subsection shall be made not less than 15 days prior to the planned action, and shall include an explanation of the necessity for the action.

(d) DEFINITION.—For purposes of this section, the term "Social Security Trust Funds and other retirement funds" means the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, the Railroad Retirement Account, the Civil Service Retirement and Disability Fund, and the Department of Defense Military Retirement Fund.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that I may have 2 minutes to explain the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? Hearing none, it is so ordered.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Senator from Tennessee [Mr. GORE] be added as a cosponor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, this amendment would make whole the Social Security and other retirement trust funds which were disinvested in 1984, and again on three occasions in 1985. For Social Security [OASDI], a total of $5.5 billion was disinvested last year and at least another $24.5 billion as of November 4 this year.

Under my amendment, the computations of lost interest are to be worked out between the Treasury and the administering agency of each fund, with the General Accounting Office certifying as to the accuracy of each computation.

In rough terms, Mr. President, without my amendment, Social Security will forfeit $1.3 billion in interest earnings over the next 15 years.

There is another provision in my amendment, Mr. President, which provides that in the future if the Treasury Department intends to disinvest the Social Security trust funds of long-term bonds, it will notify the Congress and it will notify the public trustees.

It is a matter of some regret that I must report—as the Presiding Officer, the distinguished Senator from Colorado knows—that we had to drag out of the Treasury in hearings on Thursday that they had not previously told Congress, nor had they told the public trustees of their disinvestment actions.

Mr. President, my amendment to the budget reconciliation bill, would make whole the Social Security trust funds and other retirement trust funds which have been improperly disinvested over recent months, in response to pressures of the debt ceiling. Most of the major Federal retirement funds have been affected, and now we must take the necessary steps to protect them all: old age, survivors, disability, Medicare, railroad retirement, military retirement, and civil service retirement.

First, my amendment would require that the Treasury reissue to these

funds bonds identical to those it redeemed from them—which is to say, disinvested from them—over the past 3 months. My amendment also would restore any interest lost to the trust funds from the Treasury's disinvestments, both recently—in September, October, and November 1985—and last year—in October, 1984. The precise calculations of lost interest will fall not only to the Treasury; the GAO and Boards of Trustees of each fund, including public trustees, would also certify the accuracy of these computations. And in times to come, Treasury would be required to provide 15-days prior notice to Congress and all members of the Social Security Board of Trustees—including the public members—of any intention to disinvest or not invest trust fund assets.

Mr. President, a review of the evidence would be instructive. Hearings held just last Thursday by the Senate Finance Subcommittee on Social Security and Income Maintenance revealed a pattern on wholesale disinvestment of Social Security's long-term bonds by the Treasury Department.

Information provided at the hearing by the Congressional Budget Office and the Social Security Administration made it all too apparent that since September—not November 1, as we had previously been led to believe—the Secretary of the Treasury has been cashing in substantial amounts of long-term bonds from the Social Security trust funds. At that hearing, we further learned that some $5.5 billion in long-term Social Security bonds were similarly redeemed over 1 year ago. in October, 1984, when a similar debt ceiling problem arose.

I ask unanimous consent that the CBO and SSA documents relating to such disinvestment be included in the RECORD at the end of my remarks.

These disinvestment procedures have largely been followed with no prior notice to Congress, and without the prior knowledge of the two public trustees of the Social Security trust funds. In fact, despite substantial evidence presented at Thursday's hearing, the Treasury representative there, Deputy Assistant Secretary John Niehenke, was not at all forthcoming with this basic information, nor did he offer any specific remedies to reimburse the trust funds.

Based on information provided at the hearing, we now know that in September, the Department cashed in $6.9 billion in long-term interest-bearing securities from the Social Security trust funds, another $4.8 billion in long-term securities in October, and at least $12.8 billion more this month. Under current law—which is to say, unless we approve this amendment—these moneys will be reinvested in short-term certificates of indebtedness when the debt limit impasse is resolved, and then, next June 30, shifted to new long-term bonds.

According to the most recent interest-rate forecast by the Office of Management and Budget, long-term interest rates will be nearly 1 percentage point lower next June than the rate paid on the cashed-in bonds. According to Social Security Administration [SSA] estimates, this will cost the trust funds some $875 million in lost interest income over the next 15 years. The earlier disinvestment, from October of last year, will cost the trust funds another $440 million over time. Together, the Treasury's disinvestment practices will cost Social Security some $1.3 billion.

The disinvestment of the last 3 months has been of a truly unprecedented scale. Total invested assets of the Social Security trust funds have fallen from $37 billion at the end of August to $10 billion on November 4—a $27 billion reduction. The Treasury claims to have credited the OASDI trust funds for substantial amounts of uninvested assets; but under debt limit pressures, these are essentially IOU's which cannot be used to pay benefits.

Social Security is a well-financed program. According to the most recent actuarial estimates, OASDHI held a surplus of $46.8 billion at the end of 1984, and expects this surplus to reach $58.5 billion by the end of this year. By 1990, the surplus will exceed $268 billion. It is wholly inappropriate to cash in—for 3 months in a row—the assets of a program that is well-financed and self-financed, to float the rest of Government which is in deep deficit.

It is also wholly improper—3 months in a row—to use up Social Security's invested assets to finance benefits, while making no attempt to use daily payroll tax receipts—the program's current cash income—for the same purpose. During this period, Social Security payroll tax receipts were apparently used to finance other, non-Social Security activities—while OASDI's assets were drawn down to pay benefits.

This is an especially complex matter, which we must turn to in the near future. Today, we must make certain that the trust funds are made whole for the substantial losses resulting from the Treasury's disinvestment practices, and that such shall never happen again without the prior knowledge of Congress and the public trustees of the trust funds.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NOVEMBER 7, 1985.

Memorandum

from: Harry C. Ballantyne, Chief Actuary, SSA.

Subject: Long-term effects of debt-limit problems in 1984 on the interest earnings of the Social Security Trust—Funds—Information.

In October of 1984, the total amount of advance tax transfers could not be invested at the beginning of the month because the total U.S. public debt was too close to the debt ceiling then. As a result, long-term bonds amounting to $5.1 billion were redeemed early in October for the payment of OASDI benefits at the beginning of the month. Of the total $5.5 billion redeemed in the month, $3.0 billion was in 10.75-percent bonds and $2.5 billion was in 13.75-percent bonds. The maturity dates of these bonds ranged from June 30, 1987, through June 30, 1991.

Later in October, the debt ceiling was increased, and the amount obtained from the disinvestment of long-term bonds was reinvested according to longstanding practices, initially in short-term certificates of indebtedness that, for October 1984, paid interest at a 12.625-percent rate. On June 30, 1985, these certificates were "rolled over" into long-term bonds bearing a 10.375-percent interest rate.

Because the interest rate payable on the new investments made in October 1984 and rolled over in June 1985 differed from the average rate payable on the long-term bonds that were disinvested earlier, the long-term interest earnings of the trust funds are affected. The table below shows the effect on interest earnings, year by year. The table shows direct effects only and not the indirect effects resulting from interest lost or gained because of the direct change in interest earnings, i.e., "interest on interest."

Effect on the interest earnings of the OASI and DI trust funds

[In millions]

Year ending June 30—	Amount
1985	−$7
1986	−100
1987	−100
1988	−99
1989	−85
1990	−35
1991	−14
Total	−440

Obviously, the amount that would need to be transferred to the trust funds today in order to offset the effects of the debt-ceiling problems in 1984 would be less than $440 million, because that amount would have been earned over a period of several years.

HARRY C. BALLANTYNE.

NOVEMBER 7, 1985.

Memorandum

From: Harry C. Ballantyne, Chief Actuary, SSA.

Subject: Long-term effects of Debt-limit problems on interest earnings of the Social Security Trust Funds—Information.

In September and October of this year, the total amount of advance tax transfers in each month could not be invested at the beginning of the month because the total U.S. public debt was too close to the debt ceiling. As a result, long-term bonds amounting to $6.9 billion and $4.8 billion were redeemed in September and October, respectively, for

the payment of OASDI benefits at the beginning of each month. Of the total $11.7 billion in bonds redeemed in the two months, $11.5 billion was in 10.375-percent bonds and $0.2 billion was in 10.75-percent bonds. The maturity dates of these bonds ranged from June 30, 1987, through June 30, 1991.

On November 1 and November 4, long-term bonds were again redeemed so that benefits could be paid at the beginning of November. The bond redemptions amounted to $9.3 billion on November 1 and $3.5 billion on November 4, for a total of $12.8 billion. These bonds had interest rates ranging from 8.75 percent through 10.75 percent and maturity dates ranging from June 30, 1991, through June 30, 2000.

Eventually the debt ceiling will be increased, at which time the amounts obtained from the disinvestment of long-term bonds in September, October, and early November will be reinvested. Under present investment practices, the amounts will be invested initially in short-term certificates of indebtedness. On June 30, 1986, however, these certificates will be "rolled over" into long-term bonds bearing a coupon rate to be determined by a formula in the Social Security Act. The yields on those bonds cannot be known at this time, but the rate assumed for purposes of estimating the future operations of the trust funds was 9.875 percent for the Mid-Session Review (MSR) of the President's 1986 Budget, and 10.75 percent for alternative II-B in the 1985 Trustees Report.

Because the interest rate payable on the new long-term investments made in June 1986 will almost certainly differ from the average rate payable on the long-term bonds that were disinvested earlier, the long-term interest earnings of the trust funds will be affected. This long-term effect will depend on the June 1986 interest rate. The attached table shows the estimated effect on interest earnings, year by year, on the basis of the two sets of assumptions—MSR and alternative II-B. The table shows direct effects only and not the indirect effects resulting from interest lost or gained because of the direct change in interest earnings, i.e., "interest on interest."

HARRY C. BALLANTYNE.

EFFECTS OF REDEMPTIONS OF LONG-TERM BONDS ON THE INTEREST EARNINGS OF THE OASI AND DI TRUST FUNDS

[In millions]

Year ending June 30—	Redemptions of—		Total
	September and October	Nov. 1 and 4	
	Mid-Session Review		
1987	−$62	−$75	−$137
1988	−49	−75	−124
1989	−36	−75	−111
1990	−24	−75	−98
1991	−10	−75	−85
1992		−74	−74
1993		−62	−62
1994		−50	−50
1995		−42	−42
1996		−30	−30
1997		−20	−20
1998		−17	−17
1999		−14	−14
2000		−11	−11
Total	−181	−694	−875
	Alternative II-B		
1987	45	43	88
1988	36	43	78
1989	26	43	69
1990	16	43	59
1991	7	43	50
1992		42	42
1993		40	40

EFFECTS OF REDEMPTIONS OF LONG-TERM BONDS ON THE INTEREST EARNINGS OF THE OASI AND DI TRUST FUNDS—Continued

[In millions]

Year ending June 30—	Redemptions of—		Total
	September and October	Nov. 1 and 4	
1994		35	35
1995		24	24
1996		17	17
1997		15	15
1998		13	13
1999		10	10
2000		8	8
Total	130	418	548

Source: Social Security Administration, Office of the Actuary, Nov. 7, 1985.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 6, 1985.

Memorandum to: Laurie Fiori.
From: Paul Cullinan.
Subject: Securities held by the Social Security Trust Funds.

As you requested, I am providing this memorandum that presents an analysis of the actual investments of the OASDI funds since June 30, 1985. It is not possible to describe the daily investment position of the funds, however, as this information is not readily available. Instead this memorandum describes changes in trust fund assets concentrating on the end of month balances. Trust fund investments are also presented for November 4, the latest date for which the data are available.

Redemptions for July through October. On June 30, 1985, the OASDI trust funds purchased $21.6 billion in 10.375 percent special issue bonds and held a total of $36.9 billion in invested assets. (See Table 1.) By the end of October, approximately $7.7 billion of the securities purchased on June 30 remained in the trust funds' portfolio, and the total investments of the trust funds amounted to $23.1 billion. An additional $15.9 billion of OASDI assets were uninvested on October 31.

The difference in the investments held at the end of June and at the end of October is primarily the result of the $6.9 billion redemption of the 10.375 bonds that took place in September, and the additional $4.6 billion in these bonds that were redeemed in October. These redemptions are much larger than those which might normally be expected to occur, and would seem to be the result of the inability to credit the trust fund for the full amount of the advanced tax transfers. On the other hand, the remaining difference of $2.4 billion resulted from transactions in July and August, and these appear to be the result of normal practices when trust fund outgo exceeds income.

TABLE 1.—ASSETS OF THE OASDI TRUST FUNDS, EXCLUDING MARKETABLE SECURITIES

[In billions of dollars]

	June 30	July 31	Aug. 31	Sept. 30	Oct. 31	Nov. 4
13.75%	5.2	5.2	5.2	5.2	5.2	5.2
10.75%	8.9	8.9	8.9	8.9	8.7	3.8
10.375%	21.6	21.0	19.2	12.3	7.7	1.0
9.75%	.8	.8	.8	.8	.8	0
8.75%	.4	.4	.4	.4	.4	0
Subtotal	36.9	36.2	34.5	27.6	22.8	10.0
CD's	.0	1.6	2.8	8.9	.3	0
Total invested	36.9	37.8	37.2	36.4	23.1	10.0
Univested	.3	.5	.2	3.1	15.9	NA
Total assets	37.2	38.3	37.4	39.5	39.0	NA

NA: Not available.

Source: Monthly Statement of the Public Debt Outstanding, various issues, SSA's Office of the Actuary, and discussions with Treasury staff.

In addition to the redemptions of the 10.375 bonds, about $0.2 billion in 10.75 percent bonds were redeemed in October. These would not have been redeemed under normal investment practices, because even if the trust fund outgo exceeded income, the 10.375 percent securities would have been redeemed first after the normalized tax transfers and certificates of indebtedness (CD's) were cashed in.

Redemptions in November. Redemptions of long-term bonds were again required in November as a result of the inability to credit the normalized tax transfers, and amounted to about $9.3 billion on November 1, and $3.5 billion on November 4. Consequently, OASDI investments—excluding $261 million in marketable securities—at the end of November 4 consisted solely of $10.0 billion in long-term investments. Although I could not obtain estimates of the total univested assets, these are probably in the $28 billion to $30 billion range.

Two major differences distinguished the November redemptions from those that took place in the two proceding months. First, the redemptions on November 1 exceeded those that would have been necessary to cover the benefit payments that were directly deposited on that date, by between $2 and $3 billion. Second, the November 4 redemptions of $3.5 billion occurred 3-4 days earlier than they normally would have.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be added as a cosponsor to the Moynihan amendment dealing with Social Security Trust Funds which was accepted a few moments ago.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I rise to express in the strongest possible terms my support for the Moynihan amendment, of which I am an original cosponsor. The amendment will require the repayment with interest of all funds taken out of the Social Security Trust Fund on November 1.

I share the indignation of many Members of the Senate about the Treasury Department's transferring $17 billion out of the Social Security Trust Fund to pay its other bills on November 1. With the outcry that occurred about this incident, it soon became apparent that the Treasury Department had dipped into the trust fund four times in the past 2 years, not just once, and that as a result the trust fund may lose as much as $1.3 billion in interest payments over the next 15 years. This is an outrage, and it is doubly outrageous because until

the most recent incident I think it is safe to say that Congress was unaware that Treasury was dipping into the trust fund.

The sanctity of the Social Security Trust Fund had never been violated before 2 years ago and I believe strongly that these transfers of funds are illegal. They set a dangerous precedent and undermine the confidence in the trust fund by all those who currently draw benefits or ever hope to do so.

I have championed legislation to separate the Social Security Trust Fund from the unified Federal budget to ensure that trust fund receipts are never for any purpose other than payment of Social Security benefits. I am delighted that the Gramm-Rudman-Hollings deficit reduction proposal includes a provision which would do this immediately.

During the debate on the Gramm-Rudman-Hollings proposal, I have strongly opposed efforts to reduce the current budget deficit by cutting back on Social Security benefits. Fortunately, under this proposal Social Security benefits are exempt from the across-the-board cuts required if Congress does not reach the deficit reduction targets set in it.

When it become apparent that the Social Security Trust Fund was threatened last November 1, several of us worked to persuade our colleagues to adopt a House-passed bill, H.R. 3669, which would have barred the Treasury Department from tapping the Social Security Trust Fund that night. Unfortunately, the Senate leadership chose not to do so, paving the way for Treasury Secretary Baker to proceed with his plan.

Now it is even more apparent that we must take action on many fronts to prevent abuse of the Social Security Trust Fund.

Since November 1 my priority has been to ensure that these funds are returned to the trust fund as soon as possible and I am delighted to co-sponsor the pending amendment to do just that. We must act quickly; in September the trust fund balance stood at $35 billion but the recent actions have reduced it to only $8 billion. When this missing money is returned, it is vital that the Treasury Department repay every dime of interest lost due to the transfer of funds.

Once we have plugged all the holes in the dike, we can reassure all Social Security recipients that there will be no more shenanigans with the Social Security Trust Fund.

● Mr. KENNEDY. Mr. President, in recent weeks, the administration has employed a number of dubious expedients and shell games to evade the requirements of the debt ceiling. The most objectionable of these expedients is the raid on the Social Security Trust Funds that has unnecessarily alarmed senior citizens concerned about the integrity of their retirement benefits and the very future of the Social Security System itself.

The Social Security Trust Fund represents a sacred compact between the senior citizens of our Nation and the Federal Government. It is a promise that citizens who pay Social Security taxes during their working years will be able to count on stable, secure, inflation-protected income when they retire.

We all know that the present administration has made numerous attempts in recent years to violate the Social Security compact. Fortunately, each of these previous attempts has failed. Yet now the Treasury Department is seeking once again to invade the trust funds and use them artificially to reduce the massive budget deficits that the administration's policies have caused.

In my view, this latest cynical maneuver violates both the letter and the spirit of the Social Security Act, while doing nothing to address the real problem of the mushrooming Federal deficit. Litigation is currently under way to challenge the actions of the Secretary of the Treasury—and the courts may well rule that his action was illegal and in violation of his fiduciary responsibility to the Social Security System.

The revenues lost to the trust funds by these manipulations will total $875 million over the next 15 years. When the administration pulled the same trick last year, the Trust Funds lost over $400 million. Even more important than the direct monetary loss to Social Security is the violation of an important principle: neither this administration nor any other administration must be permitted to tamper with Social Security. The Trust Funds are there to pay the retirement income to our senior citizens, and their integrity must be respected.

No administration should be permitted to use the Social Security Trust Funds as a slush fund to cover failures and shortages in other branches of the Government. Our senior citizens who depend on Social Security deserve to know that Social Security is safe from manipulations of any kind.

The amendment I am introducing today will restore this lost interest in full to the trust funds. I recently introduced legislation to ensure that this tampering with the trust funds never happens again.

It is obvious that Congress bears its share of responsibility for the present impasse. Some in the Senate have made no secret of their willingness to prevent any increase in the debt ceiling unless their version of deficit reduction legislation is also enacted.

The American people will judge who has acted responsibly and who has acted irresponsibly in these circumstances. But at least we can enact legislation that tells the administration unequivocally—"If you are going to play High Noon with the debt ceiling and the very functioning of the Federal Government, at least keep your hands off Social Security."●

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mrs HAWKINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. President, the inability of the Congress to increase the public debt limit hurts many of the programs that help our Nation's senior citizens. This occurs because, by law, all trust fund surpluses are invested in Federal securities and the securities are counted as part of the national debt. Since September 30, the Treasury Department has not invested all of the cash surpluses of the civil service retirement fund, the military retirement trust fund, the Social Security Trust Fund, and the supplemental medical insurance trust fund. This failure to fully invest the funds has caused the four funds listed above to lose a total of almost $7 million per day in interest payments.

Social Security is protected for some lost interest due to the way the Treasury transfers FICA tax receipts to the Social Security Trust Funds. The Treasury Department reconciles transfers with the trust funds at the end of each month. This normalized transfer method was part of the bipartisan solvency compromise of 1983. However, the fact that long-term securities with higher interest rates have been redeemed that otherwise would not have been redeemed had we not bumped up against the debt limit represents a serious loss to the funds.

This amendment is very simple and addresses all of the problems of the trust fund. First, rather than just paying back interest that has been lost, this amendment puts the Social Security portfolio back in the same condition as it was before.

Second, it provides an immediate transfer to the Federal old age and survivors insurance trust fund and the Federal disability insurance trust fund from amounts in the general fund of the Treasury an amount determined jointly by the Secretary of the Treasury and the Secretary of HHS sufficient to fully compensate such funds for interest losses arising from the premature redemption during October, 1984 of securities maturing from 1987 through 1991.

Mr. President, I see no reason why there would be any opposition to this amendment and I ask my colleagues to support it.●

● Mr. RIEGLE. Mr. President, the continuing failure of the Congress to raise the debt limit and the failure of

the administration to agree to a short-term extension of the debt limit has allowed Treasury to conduct unconscionable raids on the Social Security Trust Funds. The current debt limit crisis has created two critical problems relating to Social Security. The first is that since September, Treasury has been unable to invest the amounts they credit to the trust funds. This has meant that the surplus of revenues were not invested in the Social Security Trust Fund, but were used to pay for general Government operations while a non-interest-bearing credit was given to the trust fund. This has resulted a loss of interest, that should be repaid once the debt ceiling has been extended—our amendment would guarantee that repayment.

The more serious problem, however, Mr. President, is that because the debt limit had been reached early in September, Treasury was $2 billion short of the amount needed to advance fund Social Security for October. This is required as part of the normalized tax transfer, a provision included as part of the Social Security Amendments of 1983. Instead, it made a non-interest bearing-credit to the trust fund—a credit which cannot be used to make cash payments. This means that in order to make the October payments to beneficiaries, $15 billion worth of trust fund securities were redeemed, while Social Security revenues continued to go into the general fund and finance the rest of the Government.

In order to make the normalized tax transfer for the November payments to beneficiaries, this same kind of raid again took place. However, it was accelerated, so that up to $14 billion worth of the higher interest long-term trust fund reserves, some of which do not mature until the year 2000, were disinvested. This means that because the debt limit has not been raised, the Social Security revenues have been used to fund the activities of general government while the long-term investments of the Social Security Trust Fund have been liquidated to pay Social Security beneficiaries.

Mr. President, because this accelerated disinvestment is not a part of the ordinary process, the resulting loss of interest may represent a permanent loss to the trust funds. Both the Social Security Administration and CBO claim the loss may be as much as several hundred million dollars over the next 15 years.

Moreover, in response to our questions about these unauthorized raids, we discovered the astounding fact that the same thing had occurred when the debt ceiling was reached in 1984—resulting in a $440 billion loss of interest. Congress had not been informed of any of these episodes, nor had the Board of Trustees, nor had any steps been taken to ensure repayment of the lost interest.

Before this crisis began, the trust funds had long-term investments in excess of $37 billion, while now there is less than $10 billion in these reserve accounts.

I believe that this unconscionable raid on the trust funds calls for immediate action to ensure that these losses are not permanent ones for the future beneficiaries of Social Security, and that this will never happen again.

The amendment we are offering here today includes two crucial provisions:

First, it restores investments and lost interest to the Social Security Trust Funds by requiring repayment of the interest lost in 1984, and reissuance of bonds whose face value is identical to those that have been redeemed to circumvent the debt limit in September, October, and November of 1985;

Second, it requires a 15-day prior notification of Congress and all members of the Social Security board of trustees of any intention by the Secretary of the Treasury to disinvest or not invest Social Security Trust Fund assets; if we fail to act, we are permitting the health of these trust funds to be jeopardized. This is not what those who make regular contributions to this system expect to be occurring. This amendment would make sure that the trust funds be made whole again, so that future generations' benefits are not jeopardized by the present administration's borrowing to pay current debts.●

Mr. HARKIN. Mr. President, I am pleased to be a cosponsor of the Moynihan amendment. Under the policies followed by the Treasury Department, the Social Security Trust Fund is likely to lose more than $1 billion in the coming year unless Congress acts to prevent it.

The Treasury Department announced a few weeks ago that it would prematurely strip the interest paid on certain Social Security trust funds unless the debt limit was increased before November 1. What Treasury did not tell us, however, is that it had taken precisely that kind of action on a number of past occasions, without informing the public trustees of the fund or the Congress. In fact, over $24 billion has been disinvested so far this year, and more than $5 billion was disinvested in 1984.

The Social Security accounts have lost money from nonreceipt of interest on funds not invested. But they have lost far more as a result of the funds being eventually reinvested at lower rates of interest.

The amendment I am cosponsoring requires the Treasury Department to make the Social Security Trust Fund whole. Trust funds are accounted for separately in the budget from Federal funds and should be kept separate even in a fiscal crisis of the Government's own making. Social Security should not be required to pay for the inefficient method by which the Federal Government runs itself.

Adoption and passage by the Congress of this amendment will ensure fair and proper treatment of the Social Security Trust Fund. It will make up for the inappropriate treatment of the fund in the past, and will help avoid future invasions of the fund. I urge all Senators to support the Moynihan amendment.

● Mr. MITCHELL. Mr. President, I rise as a cosponsor of Senator MOYNIHAN's amendment to the budget reconciliation bill which would require that the Department of the Treasury reissue to the Social Security and other retirement trust funds all bonds that were redeemed during September, October, and November 1985 due to the debt-limit situation.

Beginning in September of this year, the Treasury faced a problem with the issuance of Social Security benefit checks because of the statutory debt limit. Congress' failure to raise the debt limit apparently led to the disinvestment of securities held in the Social Security trust funds in the amount of $7 billion in long-term bonds from the trust funds in September and another $4 billion in October.

This amendment would also require the Secretary to reimburse, on June 30, 1986, such trust funds for interest lost as a result of redemption, disinvestment, or noninvestment of the assets of these funds occurring during the most recent debt-limit situation occurring in October 1984.

Last week, during the hearing in the Senate Finance Committee on the Social Security Trust Fund Investment Policy, the members learned from the Social Security Administration, that there was no requirement that Congress or the public trustees be notified when Treasury disinvests Social Security assets to meet a debt-limit crisis.

I expressed my concern about the lack of a requirement to notify Congress and the public trustees of such significant action of the Treasury as the disinvestment of Social Security bonds.

I am pleased that this amendment I rise to support today will require a 15-day prior notification to Congress and the Social Security Board of Trustees of any intention by the Secretary of the Treasury to disinvest or not invest Social Security Trust Fund assets due to the debt limit.

Social Security is vital to the well-being of millions of senior citizens in our country. Those older Americans who have invested in the Social Security System throughout their working lives expect the Government to keep

its promise to them, to meet their end of the contract.

I hope that this amendment we are offering today will be a step toward greater communication between the Congress and the Department of the Treasury with regard to the Social Security Trust Funds.●

PROTECTING SOCIAL SECURITY ONCE AGAIN

Mr. BYRD. Mr. President, I support the amendment by the distinguished Senators from New York and Michigan and I ask that I be added as a cosponsor.

The Senate has taken action many times this year—many times these past 5 years—to protect Social Security from being used as a budget balancing tool. But, sadly, it seems that once again, we find ourselves in the position of having to take action in this body to protect the integrity of the Social Security Program and its commitment—our commitment—to the millions of American elderly and disabled persons, present and future. Just as we think our job may be finished, just as we think that the administration has finally received our message that we will not break our promise to America's Social Security recipients about their benefits, their cost-of-living adjustments, and the fiscal integrity of their program, we find there is more to do.

The Treasury Department has taken the "extraordinary" measure of disinvesting Social Security trust funds, in order to finance Government spending while the Congress has been contending with the Gramm-Rudman amendment to the debt-limit legislation. Apparently, Treasury now feels they have disinvested the maximum amount possible from the funds, and will have to turn to selling gold if the debt limit is not extended by this Thursday.

Well, I am not certain whether this is the very last avenue available to enable the Federal Government to pay its bills. Every time we have approached the "drop dead" day, as the distinguished majority leader has called it, the administration has found that, indeed, there is yet one more way for the Government to keep paying the bills. So, perhaps, there may be other options. There may not.

But the one thing we cannot do—and which we will not allow this administration to do—is to leave any question in the minds of Social Security recipients that the Government is raiding the trust fund with no intention of replacing the interest income it will lose. This amendment removes any doubt in this regard. It requires that the Secretary of the Treasury replace any interest income which would have accrued to the funds during the period in which they are disinvested.

The current and future beneficiaries must know unequivocally that we will not allow this program to be jeopardized—or to be used cynically to purchase political advantage at the price of lost confidence in Social Security. This amendment carefully and unmistakably lays out the Congress' rejection of such a course, and reaffirms that this program will be protected.

I urge my colleagues to support the amendment.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that Mr. MITCHELL, Mr. BAUCUS, Mr. HEINZ, and Mr. NICKLES be added as consponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I move the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New York.

The amendment (No. 1007) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is the Senator from Minnesota seeking recognition?

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, did the Senator from Pennsylvania [Mr. HEINZ] have an amendment?

Mr. HEINZ. Yes.

Mr. DOMENICI. Mr. President, can the Senator tell me what it is?

Mr. HEINZ. It is an amendment which I will be offering on behalf of Senator PACKWOOD having to do with the Katie Beckett issue, the respirator-dependent people.

Mr. DOMENICI. Mr. President, I have two amendments.

Mr. President, I yield the floor.

AMENDMENT NO. 1008

(Purpose: To change the effective date for coverage of respiratory care, to increase funding for home and community-based care demonstration projects, and to increase funding for the independent living initiatives for children in foster care)

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania, (Mr. HEINZ), for Mr. PACKWOOD, for himself and Mr. MOYNIHAN, Mr. HEINZ and Mr. BRADLEY, proposes an amendment numbered 1008.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 174, strike out lines 18 through 20, and insert in lieu thereof the following:

(c) Effective Dates.—(1) Except as otherwise provided in paragraph (2), the amendments made by this section shall apply to services furnished on or after the date of the enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by subsection (b), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State Legislature that begins after the date of the enactment of this Act.

On page 239, line 3, strike out "$700,000" and insert "$85,000,000".

On page 239, line 4, strike out "$800,000" and insert "$88,000,000".

On page 239, line 18, strike out "$150,000" and insert "$1,500,000".

On page 239, line 19, strike out "$200,000" and insert "$2,000,000".

On page 275, line 25, strike out "$500,000" and insert "$45,000,000".

Mr. HEINZ. Mr. President, I ask unanimous consent that I may be allowed to continue for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I am offering this amendment on behalf of Senator PACKWOOD, together with Senator MOYNIHAN and Senator BRADLEY.

This is an amendment that grows out of the deliberations of the Senate Finance Committee which had voted that we would offer such an amendment to achieve the full purposes of our original Katy Beckett bill to enable respirator-dependent children and adults who could be cared for at home to in fact go home and not have to be institutionalized in the hospital.

It was an amendment that was conditioned on obtaining the necessary savings overall as explained at some length in my full statement. We have done that.

I believe that the proposals that we have here are meritorious, and that they in fact will save money.

I hope the committee might be allowed to go ahead and fulfill its obligation to the other Members.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senator from New Mexico have 2 minutes to inquire of the amendment.

The PRESIDING OFFICER. Without objection, the Senator is recognized.

Mr. DOMENICI. Mr. President, this is a new program that is not in the bill at this point. Is that correct?

Mr. HEINZ. Mr. President, that is not entirely correct. A version of this program, as I understand it, is in the bill at this point. The Senate Finance Committee had considered a number of variations of writing so-called Katy Beckett provisions.

One, there was substantial dispute over the cost of these provisions, and how we might adopt a no-cost provision. We agreed to offer as a committee this amendment on the Senate floor which achieves a nominal increase in outlays for the provisions adopted by the committee as we had previously, and the Senate agreed to modify the provisions of spend the tobacco subsidy savings of $235 million.

Therefore, this legislation includes my provision to expand the coverage of respiratory care services for dependent individuals, those persons on respirators—Senator MOYNIHAN's independent live-in care initiative, and Senator BRADLEY's home- and community-based demonstration proposals.

Those are the current provisions as I have earlier described, and are in the Finance Committee's package.

Indeed, I do offer this amendment for Senator PACKWOOD, and I am one of its cosponsors.

Mr. DOMENICI. Mr. President, it is my understanding that regardless of what you call it, this amendment adds $225 million in outlays to the bill pending before us.

Frankly, I am amazed. We were saying a few minutes ago that we should pass one amendment because we were saving too much in this bill. Now we have another one. I assume we have already saved enough so that we ought to add $225 million more.

I ask the Chair a parliamentary inquiry. Is this amendment subject to point of order on germaneness?

The PRESIDING OFFICER. In response to the Senator's inquiry, the amendment seeks to restrict a program which has not been in the purview of the bill at the present time, and therefore, it would be subject to a point of order.

Mr. DOMENICI. I make such point of order against the amendment.

The PRESIDING OFFICER. The point of order is well taken.

The amendment falls.

Mr. DOMENICI. Mr. President, I thank the Chair.

AMENDMENT NO. 1009

(Purpose: Making technical corrections to the cooperative provisions)

Mr. GRASSLEY. Mr. President, I send a technical corrections amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 1009.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 330, strike out lines 20 through 24, and insert in lieu thereof the following:

"(2) CERTAIN NETTING NOT PERMITTED AFTER SECTION 381 TRANSACTIONS.—If such an organization acquires the assets of another such organization in a transaction described in section 381(a) and exercises its option under paragraph (1), the acquiring organization may not, in computing its net earnings for taxable years ending after the date of acquisition, offset losses of 1 or more allocation units of the acquiring or acquired organization against earnings of the acquired or acquiring organization, respectively, to the extent that—

"(A) such earnings are not properly allocable to periods after the date of acquisition, and

"(B) such earnings could not have been offset by such losses if such earnings and losses had been derived from allocation units of the same organization.

On page 331, line 6, strike out "each patron" and insert in lieu thereof "its patrons."

On page 331, lines 10 and 11, strike out ", or would have been distributed to such patron" and insert in lieu thereof "distributed to its patrons."

On page 331, line 15, strike out "such patron" and insert in lieu thereof "its patrons."

On page 332, lines 15 and 16, strike out "each patron" and insert in lieu thereof "its patrons."

On page 333, line 12, strike out "Rate" and insert in lieu thereof "Dates." On page 333, after line 21, insert the following:

(3) No inference.—Nothing in the amendments made by this section shall be construed to infer that a change in law is intended as to whether any patronage earnings may or may not be offset by nonpatronage losses, and any determination of such issue shall be made as if such amendments had not been enacted.

Mr. GRASSLEY. Mr. President, this amendment is a technical correction to a provision concerning treatment of net operating losses by farmer cooperatives exercising their option to net patronage earnings, and several other minor clarifications.

The PRESIDING OFFICER. The Chair regrets to inform the Senator that there is no time for debate. Is the Senator asking a unanimous consent for debate?

Mr. GRASSLEY. I do not think I need it. I believe these changes have been accepted on both sides. I thought I would explain in a few words what it was, if anyone had any questions.

Mr. BOSCHWITZ. Mr. President, I advise the Senator that we were not aware of this amendment.

Mr. GRASSLEY. Mr. President, it has been cleared with Senator PACKWOOD and minority staff because it is a Finance Committee provision.

Mr. THURMOND. Mr. President. I support the pending amendment. This measure would strengthen language in the reconciliation bill that would clarify the tax treatment of former cooperatives, a section critical to the future of our Nation's farmers.

Mr. President, over the last 20 years, the Internal Revenue Service [IRS] has tried again and again to prevent agricultural cooperatives from netting gains and losses of their various cooperative divisions. For other similar business entities, netting gains and losses between divisions is a normal business practice, unchallenged by the IRS. The taxation of farmer cooperatives with respect to this practice needs to be delineated.

S. 1585, introduced by Senator MATTINGLY with myself and others this past August, addresses and seeks to clarify the tax treatment of these cooperatives. Not allowing farm cooperatives to net their gains and losses restricts their growth and prevents them from competing effectively in the existing difficult agricultural climate. This situation could lead to a dismantling of this important component of the economic structure of our agriculture industry, possibly endangering the long-term future of farming in this country.

Mr. President, the Tax Court has repeatedly ruled against the IRS on this issue. Nevertheless, IRS officials continue to pursue these futile cases. This is a waste of both the taxpayers' and the farmers' time and money and an unnecessary harassment of our citizens.

The Finance Committee has acted wisely in including this clarification in the reconciliation bill. I commend them for their insightfulness and recognition of the need to explain the issue so that agricultural cooperatives may get on with the business of marketing their products without further interference from the IRS. I urge my colleagues to support this amendment.

● Mr. MATTINGLY. Mr. President, I rise today to express my great satisfaction with the action which my colleagues in the Senate are taking today regarding an issue which I first brought to their attention last June. The provision included in the Omnibus Budget Reconciliation Act relating to the netting of earnings and losses in calculating taxable income is almost identical to the language contained in S. 1585 which I introduced on August 1, along with 23 cosponsors. I commend our colleagues on the Finance Committee for their speedy consideration of this matter, and their foresight in having it included as part of the package which is now before us.

Mr. President, I especially want to express my heartfelt thanks to the chairman of the committee [Mr. PACKWOOD] for his unrelenting efforts in

moving this issue forward, and to Mr. CHAFEE, chairman of the subcommittee, for so promptly arranging hearings on the topic. I also extend my thanks to Mr. GRASSLEY, Mr. PRYOR, Mr. BOREN, and other members of the committee for their able assistance in reporting out this important provision which has such vital importance to the nearly 2 million members of America's farm cooperatives.

This section does not change existing law. It merely clarifies and codifies a series of Tax Court rulings which have earlier affirmed the right of farm cooperatives to offset losses from one area of business activity against earnings from other areas of activity in order to determine what tax liabilities they have. This is no different from the rule which is applied to any other business enterprise.

However, over the past several years, the IRS has repeatedly attempted to disallow this normal business practice on the part of cooperatives. On each occasion, IRS has been rebuffed by the courts. So, hundreds of thousands of dollars have gone to pay for legal expenses in defending a right which the courts have consistently upheld rather than going into the pockets of farm producers. This legislation will put an end to such administrative abuse in the future, and will ensure that IRS cannot go into past years in an effort to further harass cooperatives who have exercised their right to net gains and losses as provided by law.

A few members have questioned the propriety of this measure, since several cooperatives are currently at differing stages of ongoing IRS audits. I hasten to point out to my colleagues that if there is any reason for such audit other than the fact that the coop has practiced netting of gains and losses in the past, then this legislation would not have any effect on continuation of the audit process. However, if the sole reason for an audit is the past exercise of the right so to net gains and losses, then this measure will terminate such action because it clearly restates such right, just as the courts have continually reaffirmed it.

Again, Mr. President, I express my thanks for a job well done to all of my colleagues who have been so helpful in this effort. From the initial raising of the issue in June to adoption in October is progress around this place that could be equated with light speed. Seriously, there have been many who were extremely dedicated to seeing this vital piece of legislation succeed. To those many, I convey also the appreciation of our Nation's farmer-owned cooperative and their many members.

I would be remiss, Mr. President, if I did not also recognize the indispensable efforts of several Senate staff members and thank them as well as my colleagues. Outstanding among many are Mr. Greg Jenner of the Finance Committee professional staff, Mr. John Colvin, who is the staff director of the committee, and Ms. Julie Rabinowitz, who serves on Senator GRASSLEY's staff. These and many others have devoted literally hundreds of hours working on this piece of legislation, and I want to acknowledge their dedication and able assistance.●

COOPERATIVE NETTING PROVISION (SECTION 787, BUDGET RECONCILIATION ACT)

● Mr. GRASSLEY. I would like to clarify several aspects of section 787, which deals with netting of earnings and losses by cooperatives. First, am I correct that section 787 will not affect the ability of a cooperative to carry forward or back any net operating loss deduction in computing its taxable income.

● Mr. PACKWOOD. The Senator is correct. Section 787 of the bill does not affect the application of section 172 of the Internal Revenue Code which otherwise governs the treatment of net operating loss deductions.

● Mr. GRASSLEY. As the Senator knows, section 787 requires that a cooperative that nets earnings and losses provide a notice of such netting to certain patrons. Am I correct in stating that this requirement should not impose a substantial burden on the cooperative, and that the cooperative likely could satisfy the notice requirement with a one page written statement. In addition, if the cooperative so chooses, the cooperative could include the required information in an annual report, a newsletter or a similar publication of the cooperative, rather than in a separate mailing to each patron.

● Mr. PACKWOOD. The Senator is correct in his statement. So long as the publication containing the required information is mailed or delivered to each patron entitled to notice within the specified time limits, this form of notice would be effective. The required information should be set forth together within the publication rather than dispersed throughout and should not be presented in such a place or manner such that it would be easily overlooked. However, the notice requirement would not be satisfied by merely printing the notice in a publication of general circulation or by making such notice available to be picked up by a patron rather than delivered or mailed.

● Mr. GRASSLEY. Is it correct, that a patron would be entitled to receive notice if netting reduced—to any extent—the amount of any patronage dividend, qualified written notice of allocation, or per-unit retainage that the patron otherwise may have received.

● Mr. PACKWOOD. The statement of the Senator is correct.

● Mr. GRASSLEY. Is it true that to comply with the notice requirement, a cooperative need not provide an explanation or interpretation of the law governing the right to net income and losses, and that the cooperative need only inform the patron of the patron's rights to additional information under the laws of the state of incorporation of the cooperative.

● Mr. PACKWOOD. The Senator is correct. The committee does not expect the notice to patrons to become a treatise on the law of netting, but the notice should at least indicate what rights the patron has to additional information and how that information may be obtained.

● Mr. GRASSLEY. Is it also correct that the fact that section 787 addresses the netting by cooperatives of patronage earnings against patronage losses, but not the netting of nonpatronage losses against patronage earnings, reflects the fact that the committee has not had an adequate opportunity to consider the latter issue. No change in existing law is intended, and no inference should be drawn from the committee's decision.

● Mr. PACKWOOD. Once again, the Senator is correct. The committee intended no change in existing law as to whether nonpatronage losses can be netted against patronage earnings.

● Mr. GRASSLEY. I thank the distinguished chairman for this clarification.●

Mr. CHILES. Mr. President, we have no objection.

Mr. BOSCHWITZ. There is no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1009) was agreed to.

Mr. GRASSLEY. I move to reconsider the vote by which the amendment was agreed to.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1010

(Purpose: To improve flexibility in the administration of training under Trade Adjustment Assistance and to improve coordination with the Job Training Partnership Act)

Mr. QUAYLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Indiana [Mr. QUAYLE] for himself and Mr. KENNEDY, proposes an amendment numbered 1010.

On page 295, line 3, strike out "a training program" and insert in lieu thereof "training an adversely affected worker".

On page 295, line 7, strike out "a training program" and insert in lieu thereof "training an adversely affected worker".

On page 295, between lines 12 and 13, insert the following:

"(C) The provisions of this paragraph shall not apply to, or take into account, any

funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

On page 296, beginning with line 1, strike out all through page 297, line 9, and insert in lieu thereof the following:

"(c) The provisions of section 143(b) of the Job Training Partnership Act shall apply with respect to training provided under this chapter.

"(d) The Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(2) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment, and

"(3) the employer has not taken, at any time, any action which violated—

"(A) the provisions of section 143(b) of the Job Training Partnership Act, or

"(B) the terms of any certification described in paragraph (2) made by such employer,

with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).".

On page 297, between lines 15 and 16, insert the following:

(c) Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended by adding at the end thereof the following new subsection:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.".

Mr. QUAYLE. Mr. President, I have an amendment to the provisions in the Consolidated Omnibus Budget Reconciliation Act of 1985, S. 1730, that continue and expand the Trade Adjustment Assistance [TAA] Program. My amendment improves flexibility in the administration of TAA training and it improves coordination with the Job Training Partnership Act [JTPA]. It is effective upon enactment.

The changes I am making are basically for clarification and to achieve better coordination with the Dislocated Worker Program which is title III of JTPA. I want to make it clear that this amendment does not affect the level or type of benefits for certified workers. The TAA training funds will continue to be available only for workers that have been certified for benefits under the Trade Act.

My amendment makes some minor clarifying changes in language prohibiting double reimbursement of training costs to institutions. For on-the-job training [OJT], I also propose to substitute JTPA provisions for similar labor protections in S. 1730. This will ensure consistency in the implementation of the two programs.

A major thrust of my amendment is to increase flexibility in TAA Program administration by permitting the Secretary of Labor to enter into agreements with one or more State or local agencies for providing training services. These agencies could include the employment service, the State agency that administers title III, private industry councils [PIC's], or other training agencies.

I believe this amendment has been cleared with all interested parties and there is no objection to it. I ask my colleagues support to pass this amendment that will improve the administration of our dislocated worker programs.

Although I am not raising the issue in my amendment today, I am concerned about the proliferation of programs to serve different categories of dislocated workers. During a hearing before the Subcommittee on Employment and Productivity, which I chair, the Secretary of Labor, Bill Brock, concurred with my concern about the need to develop a single coherent, rational approach to meet the needs of all categories of dislocated workers.

The philosophical basis of title III of of JTPA is the same as for the TAA program authorized by the Trade Act: Dislocated workers should not carry the burden of economic changes that benefit society as a whole. I support this common principle and I also support the concept of linking unemployment benefits to training which is a second underlying principle of TAA provisions contained in S. 1730.

The committee report describes authorized TAA training activities to include:

. . . on-the-job training; training provided by a State pursuant to the Job Training Partnership Act; training approved by a private industry council under that act; and any other training approved by the Secretary. The committee considered that other approved training might include programs provided by community colleges, universities, business firms, and unions, and basic education programs such as English instruction and training that enables workers to complete a high school education.

All these activities are permissible under title III of JTPA.

Here are a few examples of title III programs that illustrate how it works and demonstrate that the same training is provided under title III that would be authorized through TAA.

For example, the Job Search Assistance Center in Gary, IN, is funded through the Secretary of Labor's discretionary funds. It is administered jointly by U.S. Steel and the United Steelworkers of America in cooperation with the Indiana Vocational-Technical College. The center solely assists former employees and their families in facing the challenge of finding new employment.

For the convenience of the steelworkers, the center is located at the plant site. The center offers extensive training in job search techniques through job search workshops and job search clubs. Counseling and occupational retraining are also available. The center is equipped with a phone bank and industrial directories and news sources from around the country. For on-the-job training, the center can defer labor costs during a negotiated training period. The center offers classes in preparation for the graduate equivalency degree [GED] and to teach English language skills.

The major programmatic problems are an ongoing search for continued funding and a need for economic development to create more jobs throughout the Gary area.

A second example is the Employment Assistance Services Program in Columbus, IN. Cummins Engine Co. applied for a grant through the Indiana Office of Occupational Development which administers JTPA funds for the Governor. Cummins received $1.5 million to operate a pilot program for dislocated workers from January 1, 1984 to June 30, 1985. Cummins subcontracted the administration of the program to a local, private, for-profit firm.

The Employment Assistance Services Program was available to laid off or terminated workers and other unemployed in a three-county area, including 1,200 former employees of Cummins Engine. The program focused on making the participants marketable through emphasizing existing skills or enrolling in training. The basic philosophy was to develop job hunting skills that could be used again, recognizing the possibility of future needs.

As of April 1985, statistics for the program showed: 937 enrolled; 236 accepted some type of training involving about 19 schools at an average cost of $921 per participant; 808 had some degree of participation in job clubs at an average cost of $207 per participant; 155 entered on-the-job training at a cost of $828 per participant, and two-thirds of these resulted in successful placement.

On June 30, at the time that funding for the program ceased, there were a total of 944 enrolled. At that time, about 600 had been placed in jobs. Returning to employment at Cummins was not considered a placement. The remaining 344 had either been referred to other programs, chose to leave the program, or had not yet found employment at the time the program ceased to exist.

Representatives of Cummins Engine Co. are very supportive of the Dislocated Worker Program and have made some aspects of the program a regular component of company operations. Their chief concern was that, to establish a successful relationship with the private sector, the State should reduce bureaucratic requirements.

These findings are the result of recent oversight hearings on JTPA that I conducted in Indiana. My goal was to investigate the need for amendments to this new program. I presented the findings from this oversight to my colleagues on October 1. They are printed in the RECORD for that day.

I will briefly review my findings in regard to title III. Support for the dislocated worker programs is strong among labor and management representatives who have been involved with the design and operation of these programs. The grant approval process at the Federal and State levels delays the timely implementation of programs. Also, there is concern that there has been a proliferation of administrative entities at the local level. These are some of the issues we will be examining next spring when we conduct oversight hearings to determine whether or not legislative changes are needed to improve title III.

It concerns me that, at a time when we are seeking to nurture and improve this innovative program, there are proposals to reduce its funding and establish a new Federal Dislocated Worker Program.

An editorial in the Washington Post on October 3 made this same point in discussing Federal initiatives for assisting dislocated workers:

> A better strategy might build upon the worker adjustment programs already being funded by the Department of Labor. While these programs are still quite new and generally lacking money for extensive retraining or worker stipends, they have encouraged considerable innovation by States and involvement by private companies. Unfortunately, even as Congress considers voting money for a new Displaced Worker Program under the heading of "trade," it is also in the process of approving a massive slash in funding for the existing programs. That doesn't make sense.

It does not make sense. I am hopeful that we will be able to work with the administration in developing a coordinated, effective approach to assist all dislocated workers.

Mr. President, this amendment has been worked out between the Labor Committee and the Finance Committee concerning trade adjustment assistance. It has been worked out on both sides with the Senators involved. I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1010) was agreed to.

AMENDMENT NO. 1011

(Purpose: To modify provisions relating to graduate medical education)

Mr. QUAYLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated. The legislative clerk read as follows:

The Senator from Indiana [Mr. QUAYLE], for himself, Mr. DURENBERGER, Mr. HATCH, Mr. KENNEDY, Mr. DOLE, Mr. BAUCUS, and Mr. HEINZ, proposes an amendment numbered 1011.

Beginning on page 517, line 14, strike out through page 529, line 10, and insert in lieu thereof the following:

COUNCIL ON GRADUATE MEDICAL EDUCATION

SEC. 986. Title VII of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART II—GRADUATE MEDICAL EDUCATION

"COUNCIL ON GRADUATE MEDICAL EDUCATION

"SEC. 799. (a) Establishment of Council.—There is established the Council on Graduate Medical Education (hereafter in this section referred to as the "Council"). Prior to July 1, 1988, and every three years thereafter, the Council shall provide advice and make recommendations to the Secretary with respect to—

"(1) the supply of physicians in the United States;

"(2) current and future needs for physicians to practice in primary care specialties and in medical specialties which the Council determines to have a relative shortage of physicians;

"(3) issues relating to foreign medical school graduates;

"(4) appropriate Federal policies with respect to the matters specified in paragraphs (1), (2), and (3), including policies concerning changes in the financing of undergraduate and graduate medical education programs and changes in the types of medical education training in graduate medical education programs, and

"(5) appropriate efforts to be carried out by hospitals, schools of medicine, and schools of osteopathy with respect to the matters specified in paragraphs (1), (2), and (3), including efforts for changes in undergraduate and graduate medical education programs.

"(b) MEMBERSHIP.—The Council shall be composed of—

"(1) the assistant Secretary for Health or the designee of the Assistant Secretary;

"(2) the Administrator of the Health Care Financing Administration;

"(3) the Chief Medical Director of the Veterans' Administration;

"(4) ten members appointed by the Secretary from representatives of health care providers, national and specialty physician organizations, schools of medicine, organizations, graduates of foreign medical schools, and hospitals which provide graduate medical education, and

"(5) four members appointed by the Secretary from representatives of health insurers, business, and labor.

"(c) TERMS.—(1) Members of the Council appointed under paragraphs (4) and (5) of subsection (b) shall be appointed for a term of four years, except that the term of office of the members first appointed shall expire, as designated by the Secretary at the time of appointment, four at the end of one year, four at the end of two years, three at the end of three years, and three at the end of four years.

"(2) The Secretary shall appoint the first members to the Council under paragraphs (4) and (5) of subsection (b) within 60 days after the date of enactment of this section.

"(d) CHAIRMAN.—The Council shall elect one of its members as Chairman of the Council.

"(3) QUORUM.—Nine members of the Council shall constitute a quorum, but a lesser number may hold hearings.

"(f) VACANCIES.—Any vacancy in the Council shall not affect its power to function.

"(g) COMPENSATION.—Each member of the Council who is not otherwise employed by the United States Government shall receive compensation at a rate equal to the daily rate prescribed by GS-18 under the General Schedule under section 5332 of title 5, United States Code, for each day, including traveltime, such member is engaged in the actual performance of duties as a member of the Council. A member of the Council who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Council shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

"(h) POWERS.—In order to carry out the provisions of this section, the Council is authorized to—

"(1) collect such information, hold such hearings, and sit and act at such times and places, either as a whole or by subcommittee, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Council or such subcommittee may consider advisable; and

"(2) request the cooperation and assistance of Federal departments, agencies, and instrumentalities in carrying out the provisions of this section, and such departments, agencies, and instrumentalities are authorized to provide such cooperation and assistance.

"(i) REPORTS.—Prior to July 1, 1988, and every three years thereafter, the Council shall prepare and transmit a report to the Secretary and to the Congress which specifies the activities of the Council during the period for which the report is made and contains advice and recommendations as required under subsection (a).".

On page 156, beginning on line 9, strike out "increases," and all that follows through the end of line 12, and insert in lieu thereof the following: "changes, the number of years which the Secretary may specify, after consultation with the Accreditation Council on Graduate Medical Education and after review of the recommendations of the Council on Graduate Medical Education established under section 799 of the Public Health Service Act; except that (1) if such change increases the required number of years, the revised number of years specified by the Secretary may not be greater than such increased required number of years nor less than the number of years specified in the 1985-1986 Directory, and (2) if such change decreases the required number of years, the revised number of years specified by the Secretary may not be greater than the number of years specified in the 1985-1986 Directory nor less than such decreased required number of years.".

● Mr. QUAYLE. Mr. President, this is an amendment which would modify

the graduate medical education provisions in S. 1730 which were reported out by the Senate Finance Committee and the Labor and Human Resources Committee. I am very pleased that the distinguished gentleman from Minnesota and all the other members of both committees who have had a longstanding interest in this subject have agreed to cosponsor this compromise amendment.

This amendment retains the provisions reported out of the Labor and Human Resources Committee that provides authority for the establishment of a council on graduate medical education. This council would have the responsibility for assessing physician manpower needs on an ongoing basis and recommending the appropriate Federal and private sector efforts necessary to address these needs. In my view, this council is particularly important because it will provide a forum to enable thorough and fair consideration of changing medical personnel needs on a continuous basis. The history of our manpower policies over the past two decades have certainly taught us that an ongoing mechanism is needed to develop a flexible policy that can meet changing national health care needs.

In addition, the composition of the council has been modified to include representatives from the private sector responsible for financially supporting graduate medical education programs. I believe this is a particularly valuable modification since, for the first time, those who pay for the residency training of physicians will have a voice in developing and recommending policy.

Perhaps most importantly, this amendment modifies the Senate Finance Committee provisions by directing that, in making further changes in Medicare's payment policy for the direct costs of graduate medical education after July 1, 1989, the Secretary must consider the recommendations of the council. At present, payers exercise no influence over the numbers of training positions, or the distribution of these positions among the various medical specialties. There is no doubt that this system has created manpower training incentives that are counter to our Nation's health manpower goals. This amendment is significant in that it will work to change this. For the first time, the decisions concerning manpower policies and its financing will be made in an integrated fashion.

Finally, in light of the other modifications made by this amendment, the provisions establishing a teaching hospital registry are eliminated.

Mr. President, members of both committees have worked long and hard on the issues related to graduate medical education and I believe we all agree that this represents a satisfactory compromise that will work well toward reforming our Nation's system of graduate medical education. It establishes a clear mandate that the Federal Government is obligated to assume its fair share of the costs of training physicians and it puts the medical education community on notice that changes are required on its part in addressing problems of physician oversupply and overspecialization.

I thank my colleagues and their staffs for all their work on this issue, most particularly the chairman of the Finance Health Subcommittee and his staff, Chip Kahn, who have put forth a great deal of personal effort to develop a reasonable graduate medical education reform policy and to recognize the manpower policy concerns the Labor Committee has raised. I urge the other Members of the Senate to support this amendment.●

● Mr. DURENBERGER. Mr. President, I rise to join the distinguished Senator from Indiana [Mr. QUAYLE] and our colleagues on the Finance and the Labor and Human Resources Committees in sponsoring this amendment to S. 1730 to establish a Council on Graduate Medical Education. This measure represents an important step in the process of reforming Federal graduate medical education policy.

The amendment melds manpower and finance policies for intern and resident training which have been developed by the Senate's two committees.

The graduate medical education policy included in the reconciliation package, as reported by the Finance Committee, establishes three important principles.

First, it assures that Medicare will continue to finance an appropriate share of intern and resident training. Next, it sends a clear signal to the academic medical community that the economics of subspecialty physician training must change. The policy sets forth Medicare's responsibility to support basic physician training in teaching hospitals.

However, it also recognizes that we are in a time when virtually all major physician subspecialties are in surplus. Realistically, advanced training must become more the financial responsibility of those who seek such training, and of the medical faculty for whom those residents and fellows serve as apprentices.

And, finally, that in a time of general and growing physician surplus in America, as American medical schools are reducing class size, this Nation cannot afford the expense of supporting through Medicare the graduate training of doctors—foreign or American—who receive undergraduate medical training outside the United States or Canada, in institutions whose quality the Federal Government cannot assess.

Our new Medicare policy will have an influence on graduate medical education as will the changing environment of privately funded hospital services. Trends need to be monitored and mid-course corrections may be necessary.

The Finance Committee's reconciliation language on graduate medical education allows the Secretary of Health and Human Services to revisit Medicare's graduate medical education policy after July 1, 1989.

The amendment before us calls for the Council on Graduate Medical Education to report to the Secretary in 1988 in time to advise her on the development of Federal graduate medical education policy.

In closing, I would like to express my particular gratitude to my colleague from Indiana [Mr. QUAYLE]. He has spent a great deal of time on this issue. I respect the job he has done and his willingness to accommodate his initiative on GME to the Medicare graduate medical education policy which the Finance Committee developed this year.●

● Mr. HATCH. Mr. President, I would like to lend strong support of this amendment sponsored by my colleague Senator QUAYLE. I am very pleased to cosponsor this amendment which has been the result of a long and productive interchange between the Labor and Human Resources Committee which has responsibility for making manpower policy and the Finance Committee charged with the major financing of such education.

The most important principle that underlies this compromise is the recognition that our Nation's graduate medical education policy cannot be based solely on economics. This amendment would retain the Labor and Human Resources Committee's proposal to establish a Council on Graduate Medical Education which would be charged with making recommendations on national physician manpower policy. Further, the Secretary would be required to consider the recommendations of this body in making decisions concerning changes in Medicare's direct payment policy for graduate medical education. While I understand the urgency and support efforts to reduce Federal expenditures under the entitlement programs, I believe it is much more reasonable to make national medical education policy in the light of public deliberation, not as a consequence of funding cuts.

Right now there is consensus that we are training too many subspeciality physicians. I certainly agree with this view. However, this may not always be the case. We need a forum for discussing these issues and a mechanism to give those who actually pay for graduate medical education an opportunity to say how their dollars should be spent. The council will enable thoughtful and fair consideration of

these issues and allow us to assess our Nation's need for physicians on an ongoing basis.

Mr. President, I commend my distinguished colleagues from Indiana and Minnesota for their leadership in this important area. I urge my colleagues to lend their support to this amendment.●

● Mr. KENNEDY. Mr. President, this amendment addresses the important area of graduate medical education. I have had a long involvement in this area of Federal policy. I have personally chaired numerous hearings on this subject throughout the last decade. I am pleased to join my colleagues, Senators QUAYLE, DURENBERGER, HATCH, DOLE, BAUCUS, and HEINZ in this important contribution to our ongoing commitment to a national manpower policy.

It is the function of our graduate medical education system to meet the health manpower needs of the Nation. These needs have changed over time and continue to evolve. As far back as 1976, there were indications that we had an approaching surplus of physicians. This surplus is not imminent. Since early in the 1970's it has been clear that we have a maldistribution of physicians—by speciality and by location. That maldistribution has improved somewhat. We now have far more primary care physicians and fewer manpower shortage areas than we did 15 years ago. However, these problems are not completely solved. Our Nation's teaching hospitals continue to produce a disproportionate number of specialists. Many rural and inner-city areas continue to lack sufficient numbers of physicians.

Mr. President, I believe all of us who offer this amendment today understand that incentives in our reimbursement systems contribute heavily to overspecialization amongst our medical graduates. That reimbursement system is undergoing reform. But we must approach manpower policy through several avenues.

The amendment before us should have a rationalizing effect on our system of graduate medical education. Though there are also some dangers inherent in this amendment, on balance it will contribute to achieving the goals of reducing the total pool of physicians and shifting the balance of our graduate physicians toward primary care. It is entirely appropriate that the Federal Government support graduate medical education training through first certification only. It is also appropriate that support for foreign medical graduates be reduced.

Mr. President, if there is a danger in this approach, it is that while the number of residency positions nationwide exceed the total number of graduates of American medical schools, it will be impossible for inner city areas that currently rely on foreign medical graduates to provide physicians for their already underserved communities. This danger may be averted, Mr. President, if the total number of training slots decreases. This is a problem we must watch carefully. As this legislation takes effect, extraordinary solutions to protect these communities may be necessary.

Graduate medical education is only half of our system of medical education. The other half is our Nation's undergaduate medical schools. A comprehensive look at our manpower policy must include undergraduate medical education.

We hope that the council which is created by this legislation will provide guidance for future initiatives affecting both graduate and undergraduate medical education. This council will reassess the country's need for primary care and specialty physicians and will examine our system of undergraduate education.

Mr. President, this is a time of great ferment within our health delivery system. It is a time to watch carefully, analyze meticulously and move cautiously. This amendment will provide us with the information we will need for future action, and it begins the process of gradual reform. I look foward to continuing to work on this area of policy formation in the years to come.●

● Mr. HEINZ. Mr. President, I am pleased to be a cosponsor of this amendment which would create a Council on Graduate Medical Education to advise the Secretary of HHS in developing national physician manpower goals. I would particularly like to commend Chairman HATCH and the other distinguished members of the Labor and Human Resources for developing this farsighted proposal: the Federal Government has been influencing the production of physicians for years through Medicare reimbursement, NIH grants, title VII funds, and more. It's about time that the Federal Government acknowledged the role it has played in the production of physicians, and began to consciously and affirmatively tailor that role for the future.

We must face the fact that funding for all programs, even those as critical to the well-being of the American people as the development of high quality health professionals, will be limited in the future—and that, therefore, that funding cannot be dispersed in a haphazard or thoughtless manner. This amendment recognizes that Federal programs, funded by American taxpayers, must be designed to support the training of those types of physicians that will be needed by taxpayers. As Chairman of the Senate Committee on Aging, I particularly want to commend this amendment as the groundbreaking step upon which we can build to develop the supply of health professionals that will be needed to care for our growing elderly population.

By the year 2000, there will be more than 36 million Americans aged 65 or older. While representing 13 percent of the population, this group will account for over one-third of all personal health care expenditures in the year 2000, and for almost one-half of all personal health care expenditures by the year 2040. Today, physicians derive almost one-fifth of their income from patients aged 65 and over, and in the future elderly patients will make up an even larger component of the average physician's practice. Yet shockingly few physicians have the background in geriatric medicine needed to provide competent health care to these patients, and this shortage of appropriately trained practitioners will become even more pronounced as the elderly population grows.

This means that, unless we act now, Medicare will spend hundreds of billions of dollars to purchase services from physicians who have had little, if any, training in the specific needs of older patients. Services provided by these physicians will be expensive, inappropriate, and possibly dangerous for the patient. This is hardly the affordable, quality health care that Medicare was meant to provide for its beneficiaries.

Federal support for graduate medical education must be refocused so that it helps to satisfy the needs of Federal beneficiaries for appropriately trained physicians. I am confident that the creation of the Council on Graduate Medical Education will accomplish just that. Further, it will send a strong message to the medical community—a message which says that Federal support for the training of health practitioners will hereafter be provided in a way that maintains a specialty distribution of practitioners in this country which best serves the needs of our citizens.

I am working to communicate that message even more explicitly. At my request, the Finance Committee has included in S. 1730 a provision regarding reform of Medicare's contribution to the direct costs of graduate medical education. That provision will take effect in fiscal year 1987 when Medicare would limit such contributions to graduate medical education to the lesser of 5 years or the number of years required for specialty board eligibility. It exempts up to 2 years of geriatric fellowship training from that cutoff of Medicare reimbursement. This provision will prevent the reform of Medicare's contribution to direct costs of graduate medical education from squashing the development of geriatric medical faculty and expertise—the type of medical training

truly beneficial to the Medicare population, and truly in short supply. A recent survey of all medical school faculty uncovered only 250 to 300 full-time equivalent physicians teaching "some aspect" of geriatrics. Yet, the National Institute of Aging, and studies by the Rand Corp. and other organizations, warn that at least 1,300 medical faculty with geriatric expertise will be needed by the year 2000 if we are to provide appropriate, cost-effective, quality care for older Americans.

I am pleased to note that the Labor and Human Resources Committee shares my concern for geriatric education and that the committee increased the amount of funding originally provided for geriatric training in the Health Professions Training Assistance Act of 1985. I will work with the Appropriations Committee to see that this emphasis on geriatric training is continued.

The amendment which we are considering today which will establish the mechanism for achieving the manpower goals that will make appropriate and quality health care available to everyone. Again, I commend my distinguished colleague, Senator HATCH, and the other members of the Labor and Human Resources Committee for their fine work in drafting this amendment. It is just the kind of farsighted groundwork that must be laid now if we are to prepare to meet the needs of our elderly population in the future.●

Mr. QUAYLE. Mr. President, I ask unanimous consent that I may proceed for 30 seconds to explain the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. QUAYLE. This is an amendment concerning graduate medical education that both the Labor Committee and the Finance Committee passed. Sponsors of the amendment on both committees have signed off on it, it has been cleared on both sides, and I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1011) was agreed to.

Mr. QUAYLE. I move to reconsider the vote.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOSCHWITZ. Mr. President, since there is no one seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be recinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1012

(Purpose: To change the effective date for coverage of respiratory care, to increase funding for home and community-based care demonstration projects, and to increase funding for the independent living initiatives for children in foster care)

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] proposes an amendment numbered 1012.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 174, strike out lines 18 through 20, and insert in lieu thereof the following:

(c) EFFECTIVE DATES.—(1) Except as otherwise provided in paragraph (2), the amendments made by this section shall apply to services furnished on or after the date of the enactment of this Act.

On page 239, line 3, strike cut "$700,000" and insert "$85,000,000".

On page 239, line 4, strike cut "$800,000" and insert "$88,000,000".

On page 239, line 18, strike out "$150,000" and insert "$1,500,000".

On page 239, line 19, strike out "$200,000" and insert "$2,000,000".

On page 275, line 25, strike out "$500,000" and insert "$45,000,000".

Mr. HEINZ. I further ask unanimous consent that I be allowed to proceed for 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, this is a germane amendment I sent to the desk a moment ago. I will try to make clear to my colleagues with the time restraints that we are operating under what we are doing here.

Mr. BOSCHWITZ. Mr. President, has there been unanimous consent to obtain a time limit?

The PRESIDING OFFICER. The Senator is correct. The Senator from Pennsylvania has been recognized for not to exceed 3 minutes.

Mr. HEINZ. This amendment would allow respirator-dependent kids who are trapped in hospitals at as much as $30,000 or $40,000 a year but who medically could be cared for in a home setting at a substantially lower cost, as much as three-quarters lower, to do so. I might add that this is a provision which was in the bill as originally agreed to and reported by the Senate Finance Committee. At that point the Senate Finance Committee thought it met its reconciliation target.

We had put together what we believed to be a balanced package to get the votes necessary to report our reconciliation bill which saves a lot of money. What we then discovered was that there were some disagreements as to the estimates of the cost of this. Rather than burden the chairman of the Budget Committee with a reconciliation bill, the provisions of which were in dispute, the committee at that point agreed to pull those provisions from the bill with the understanding that were the estimates to work out as we believed they would ultimately, it would be not only in order but that the Senate would respect the judgment of the Finance Committee in offering back this amendment to the legislation.

That is essentially, Mr. President, where we are, and it is my hope that both in terms of the integrity of the work of the Finance Committee, where we have met our targets, in terms of the understandings that we believed we had reached both among ourselves and with our Senate colleagues, and with respect to the merits of the legislation, which I think I have described adequately, the Senate will adopt this provision. I reserve the remainder of my time.

Mr. DOMENICI. I ask unanimous consent that I be granted 2 minutes to respond.

The PRESIDING OFFICER. Without objection, the Senator from New Mexico is recognized for 2 minutes.

Mr. DOMENICI. Mr. President, I regretfully rise in opposition to this amendment. This is the same amendment that was found to be out of order just a few moments ago. Now it has been redrafted to make it, in order as I understand it, although I will ask the Chair that momentarily. But basically when we are finished with all of the discussion about what the understandings were and were not, this amendment will cost $225 million in outlays over the next 3 years. In addition to whatever else we are spending in our Government, and whatever savings we are making in reconciliation, this amendment will reduce that level of savings by $225 million.

Frankly, I really do not know where we are going with this bill. I am determined to get it finished and hopefully we will by Thursday. The more I look at it and see how we have added here, subtracted there and put three more in there, I am not so sure that it will not be the reconciliation bill of the century in that it may end up costing more than it saves. But frankly, I would like the Senate to vote on this so I am going to ask for the yeas and nays and merely state that these are marvelous programs, good reasoning on the part of Finance, but the question is, Should we add $225 million or not? Now, Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were agreed to.

Mr. HEINZ. Mr. President, I offer an amendment to S. 1730, the Consolidated Budget Reconciliation Act of 1985, on behalf of Senator PACKWOOD, the distinguished chair of the Finance Committee, and for Senator BRADLEY, Senator MOYNIHAN, and myself to provide additional support for three vitally important programs that are contained in the bill as reported by committee. This amendment has been agreed to by the ranking majority and minority members of the Finance Committee. I ask unanimous consent that it be adopted.

During markup of the Finance Committee deficit reduction bill, the committee overwhelmingly agreed that, using newly-generated tax revenues, we would authorize programs to provide home respiratory care to ventilator-dependent Medicare and Medicaid patients, establish a 3-year demonstration program for home and community based waivers, and establish a 2-year program to help foster children successfully make the difficult and important transition from foster care to independent living.

This amendment, which is fully in keeping with the decision of the Finance Committee and is made with the chairman's full support, would reestablish the committee's intent and authorize these cost-effective programs at the levels that were agreed to in markup.

Specifically, this amendment would immediately begin S. 1249, the Home Respiratory Care Act, as of the date the reconcilation bill is signed into law. The Congressional Budget Office estimated that this program would cost $49 million over 3 years.

The second part of this amendment would establish a 3-year demonstration program for home and community based waivers. Under this program, four States would be granted $22 million each to conduct a home and community based waiver program that would provide needed services to elderly and disabled residents. After the third year, the Department of Health and Human Services would be required to conduct a $2 million study of the effects of these demonstration programs had on State Medicaid programs, other Federal health care programs, and society at large. This demonstration program will give us a much better understanding of the true costs and benefits of these vital programs.

The third provision in this amendment would authorize $45 million in each year to establish a 2-year program of independent living initiatives to help foster children who are between the ages of 16 and 18 years old make the transition from foster care to independent living. The funds from this program would be used to provide vocational training, counseling, training in budgeting, housing, and career planning, outreach activities, and other necessary services.

I ask that my colleagues join in adopting this amendment.

Because of my special interest in the first of these provisions, that would enable Medicare and Medicaid ventilator-dependent patients to receive respiratory care in their own homes, I would like to add a few comments in support of this provision.

Nearly 4 years ago, President, Reagan, in a nationally televised press conference, brought to light the case of Katie Beckett. Katie was 3 years old and suffered from a medical condition that required her to receive ventilator care around the clock. Katie was medically able to go home, as long as she could still use her respirator. But the State Medicaid plan would only pay for Katie's respirator care as long as she was in the hospital.

The President, recognizing the hidebound nature of these regulations, interceded in Katie's behalf and gave her what amounted to Presidential permission to go home and receive the care she needed. As a result of this simple act of common sense, the Medicaid Program saved an estimated $200,000 in annual costs for Katie's hospital care and a 3-year-old girl was finally able to go home.

Over the last 4 years, about 200 people have made their way through the cumbersome and inequitable route to obtaining these waivers. But over 2,000 people are still confined to hospitals unnecessarily, at great strain to themselves and tremendous unnecessary costs to the Federal Government.

To correct this situation, I introduced legislation, S. 1249, the Home Respirator Care Act, which would enable hospitalized ventilator-dependent patients whose care is currently paid for by Medicare and Medicaid to receive care in their own homes—by far a more satisfactory and less costly option for most patients.

There are thousands of other individuals besides Katie Beckett that would benefit from this legislation. In my own State of Pennsylvania, one little girl in Philadelphia has been in the hospital on a ventilator for most of her 21 month old life, even though her care in the hospital costs $35,000 a month, while she could be cared for in her own home—among her family—for $16,000 a month. Similarly, there is an 18 month old in Pittsburgh who has only been home 1 day since she was born—the rest of her young life has been spent in a hospital on a respirator. Her family has been forced to live apart because she is hospitalized in Pittsburgh while her family lives in West Virginia. And her care in the hospital costs four times what it would cost in the home.

These cases are not merely anecdotal. They represent real life situations that people must endure every day in all too many cases. This legislation would encourage substitution of appropriate, lower cost home care for more costly, unnecessary hospital care, and will also help bridge the gap in the continuum of care.

I wish to extend by sincere thanks for the support that the chairman has provided me on this issue through this reconciliation process and I am hopeful that my colleagues will agreee that amending S. 1730 to make the Katie Beckett provisions effective upon enactment of the finance reconciliation package is not only good health policy, but a good deficit reduction tool.

Mr. DOMENICI. Now, Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the tabling motion.

Mr. BRADLEY. Mr. President, I ask unanimous consent to proceed for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRADLEY. Mr. President, I rise as a cosponsor of this amendment to provide funding for three provisions included in the Finance Committee portion of the reconciliation bill. One of the three Finance Committee provisions relates to my amendment to provide for a four-State home and community-based services demonstration.

Mr. President, in June I introduced the Medicaid Home and Community-based Services Improvement Act of 1985, which is designed to give States much more flexibility in providing home care services to persons at high risk of institutionalization.

Mr. President, in 1981, the Congress established a program that was designed to help Medicaid recipients stay out of nursing homes and hospitals by promoting an expansion of home-based care. Section 2176 of the 1981 Omnibus Budget Reconciliation Act was designed to allow States to apply to HCFA for waivers to allow a limited number of people to be treated at home rather than in institutions through the provision of a wide range of home-health and community services that Medicaid had not previously covered.

To be eligible to run a Home and Community-based Waiver Program, States had to meet several criteria. First, safeguards had to be established to ensure that the health and welfare of recipients be protected and that persons would be given a choice between home care and nursing home care. In addition, States had to show that the costs of home care would not be any higher than they would be for institutional care if the waiver had not

been granted. Finally, by operating the program through the waiver approval process, it was believed that the Government would be able to adequately test the program and still keep control.

Mr. President, in March 1985, after nearly a 4-year delay, the Health Care Financing Administration issued final regulations on the Home and Community-based Waiver Program. It appears to me that OMB had a very heavy hand in drafting the regulations. The program has been tightened up in such a way as to subvert the congressional intent to expand home care services. The regulations put the States through so many hoops and reporting requirements that many States in the future will most likely not be able to get approval for new waivers or extensions for their current waivers.

Mr. President, the recent regulations are clearly trying to undermine the Home and Community-based Waiver Program. So long as this administration is in control of approving State waivers, congressional intent will be subverted. The administration will try to reduce, rather than expand, the current commitment to home care. Unless the administration is overruled, much of the good work that has been done developing this program over the past couple of years will be for naught.

Mr. President, the Finance Committee included several provisions in its portion of the reconciliation bill that should have the effect of countermanding HCFA's regulations. But more must be done. We need to assess the implications of allowing States the option of providing these services. Therefore, I included a provision in the bill to require the Secretary to conduct demonstrations in four States to determine whether and to what extent State controlled home and community-based services programs for elderly, disabled and developmentally disabled Medicaid recipients would reduce expenditures for the society as a whole, for the Federal Government, and for the States. While the Secretary would be required to select programmatically and demographically disparate States, I would certainly hope that New Jersey is selected as one of the States.

Mr. President, I want to point out that we are not proposing to cap Medicaid in these four States. We are trying to give four States more flexibility to provide these services at their option to determine the economic feasibility of expanding this to other States.

Mr. President, there are many among us who have ignored the growing demand for long-term care services in this country, hoping that if the Federal Government does as little as possible that the problem will somehow go away.

The problem won't go away. It is only going to get bigger. In the next 15 years, the over-age-85 population will grow by 60 percent and the number of persons who suffer from a chronic disease that limits their daily activities will grow by 50 percent.

We have to come to grips with the fact that long-term care is going to cost this Nation a lot of money as the population ages. I believe that more home care—as an alternative to nursing home care services—is a humane and cost-effective approach. This provision allows four States much greater flexibility to test out ways to provide affordable long-term care services at home.

The Federal and State governments have a responsibility to develop innovative ways to help meet the long-term care needs of this Nation's elderly and disabled populations. I ask you—for cost reasons and for humanitarian reasons—aren't we better off living in a society that tries to find ways to keep the elderly and the disabled in their homes with their family members rather than in institutions?

In summary, Mr. President, this amendment would apply a four-State test to determine its viability for a national program, I believe we will find home care to be cheaper than any other institutional mechanism available to the State. Mr. President, this is one of the programs that the distinguished Senator from New Mexico mentioned. It is needed and it is a very small program. It was approved by the Finance Committee during the committee's deliberations on the reconciliation bill. It is within the Finance Committee's budget target and I hope the Senate will accept it.

The PRESIDING OFFICER. The question is on the motion of the Senator from New Mexico to table the amendment proposed by the Senator from Pennsylvania. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mr. HAWKINS], is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 25, nays 73, as follows:

[Rollcall Vote No. 297 Leg.]

YEAS—25

Armstrong	Gramm	Pressler
Boschwitz	Helms	Proxmire
Chiles	Hollings	Quayle
Dole	Humphrey	Rudman
Domenici	Johnston	Simpson
East	Lugar	Wallop
Evans	McClure	Zorinsky
Garn	McConnell	
Goldwater	Nunn	

NAYS—73

Abdnor	Gore	Mitchell
Andrews	Gorton	Moynihan
Baucus	Grassley	Murkowski
Bentsen	Harkin	Nickles
Biden	Hart	Packwood
Bingaman	Hatch	Pell
Bradley	Hatfield	Pryor
Bumpers	Hecht	Riegle
Burdick	Heflin	Rockefeller
Byrd	Heinz	Roth
Chafee	Inouye	Sarbanes
Cochran	Kassebaum	Sasser
Cohen	Kasten	Simon
Cranston	Kennedy	Specter
D'Amato	Kerry	Stafford
Danforth	Lautenberg	Stennis
DeConcini	Laxalt	Stevens
Denton	Leahy	Symms
Dixon	Levin	Thurmond
Dodd	Long	Trible
Durenberger	Mathias	Warner
Eagleton	Matsunaga	Weicker
Exon	Mattingly	Wilson
Ford	Melcher	
Glenn	Metzenbaum	

NOT VOTING—2

Boren	Hawkins

So the motion to table the amendment was rejected.

Mr. MATTINGLY. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. BRADLEY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (No. 1012) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agree to.

AMENDMENT NO. 1013

(Purpose: To make a technical correction to section 707)

AMENDMENT NO. 1014

(Purpose: To make technical corrections relating to medicaid provisions)

Mr. HEINZ. Mr. President, I have been asked by Senator PACKWOOD, who is being engaged by the debt ceiling conference, to offer two technical amenedments, and I am assured that they are technical, and I am assured that they have been cleared by both sides to the finance reconciliation provisions.

They are so technical that I will not even try to explain them, and I am not sure I can.

I send them to the desk and ask that they be considered in bloc.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ], for Mr. PACKWOOD, proposes amendments numbered 1013 and 1014, in bloc.

Mr. HEINZ. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 1013

On page 161, line 23, after "1972" insert the following: ", or under section 402 of the Social Security Amendments of 1967 (as amended by section 222(b) of the Social Security Amendments of 1972),".

AMENDMENT NO. 1014

On page 174, line 14, before the semicolon insert "payment for which would be made under the State plan".

Beginning on page 218, line 24, strike out "but shall not be subject to any other monitoring, quality control, audit, or penalty provision" and insert in lieu thereof "but shall not be subject to any other financial penalty as a result of any other monitoring, quality control, or auditing requirement".

Mr. HEINZ. Mr. President, I move the amendments.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments (No. 1013 and No. 1014) were agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. JOHNSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I am advised there are still 26 amendments outstanding. I would hope we could have one offered here and have another quick vote. Maybe some of these amendments will not be offered. But the tally here shows 26 amendments remaining.

We are advised 16 of them would require a rollcall. So this is a good time to bring one of those up.

Mr. President, some of our principals are involved in the debt limit extension conference and they need to go back at 4:15. I hope we might have one additional amendment and then they could depart with some assurance they would not be called back every 15 or 20 minutes for an amendment.

Are there any amendments on that side, I might ask the minority manager?

Mr. JOHNSTON. I believe Senator METZENBAUM has three of four, but he is not here, and there are two others that we are trying to find.

Mr. DOLE. Mr. President, we have been trying to scour up a couple of additional amendments on reconciliation. I am advised that some of those who thought they might offer amendments may not now do so and in the few cases there are amendments they are not prepared.

I am prepared to indicate at this time there will be no more rollcall votes.

Under the previous order, tomorrow morning at 10 o'clock there will be a cloture vote on the textile and apparel bill. Between 9 and 10 in the morning we hope to settle the health care proposal.

I believe Senators MURKOWSKI, HAWKINS, CHILES, and others may have resolved that.

I am advised from a distance that may be correct.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond the hour of 4:45 p.m. with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEBT LIMIT DEADLINE

Mr. DOLE. Mr. President, over the last month and a half, the Treasury Department has repeatedly warned us of the consequences of failing to pass an increase in the debt limit. We have faced two debt limit deadlines, but in both instances the Treasury has found ways to avoid default without any change in the debt limit. First, beginning on October 9, the Treasury utilized the independent borrowing authority of the Federal financing bank to obtain $15 billion of additional cash to operate the Federal Government. Once that cash was exhausted Treasury obtained additional borrowing authority within the existing debt ceiling by accelerating the redemption of Federal securities held in the Social Security and other trust funds.

Now we face yet another debt limit crisis if a debt limit increase is not enacted by Thursday, November 14. For many Members the Treasury Department's latest warning may seem like the shepherd boy who repeatedly cried "wolf!" when there was no wolf. But one must remember that the shepherd boy in the fable was eventually consumed by the wolf after all the villagers ignored the boy's final warning when it was for real.

The wolf may really be at our door this week. The Treasury indicates that unless we act by midnight on November 14, the Treasury will default on between $25 and $30 billion of its obligations on Friday, November 15. Beginning at 8:30 a.m. on Friday, the Federal Reserve will be notified to no longer honor Federal checks. This will mean failure to meet about $16 billion of interest payments due on Treasury bills and on almost $9½ billion in principal due on Treasury bills that are maturing on Friday. This default would mean the full faith and credit of the U.S. Government is not adequate security for holders of our obligations. If this occurs, obviously it will have a destabilizing effect on financial markets and certainly result in long-term higher interest costs for the Federal Government as investors seek a hedge against the risk of similar occurrences in the future.

I hope we can all agree that this result must be avoided. That is why I am urging my colleagues who are negotiating over the debt limit bill and the Gramm-Rudman-Hollings budget reform to move swiftly to agree on a package that we can all support. Our conferees are doing an outstanding job, and I know that Chairman BOB PACKWOOD is determined to get a satisfactory and timely solution of this matter.

Mr. President, I would just indicate that this would be the first time in history, I am advised, that the U.S. Government has defaulted, so it is a matter of some importance. We trust that there can be a resolution—not another little extension but a resolution—of the basic problem which appears to be on the House side, the implementation of the Gramm-Rudman amendment. I urge my colleagues in both the House and the Senate to help us resolve this matter before it is too late.

THE AGRICULTURE COMMITTEE SUBPOENA IN THE MEDVID CASE

Mr. HELMS. Mr. President, this morning the Agriculture Committee was scheduled to hear testimony from Mr. Miroslav Medvid, the Ukrainian sailor sought to defect to the United States. As everyone now knows, the executive branch conspired to flout the subpoena which was issued by the committee. I invited Secretary of State Shultz to testify on this matter in Mr. Medvid's place, but the Secretary pleaded other engagements more pressing than elucidating the truth on this shameful episode. Further opportunities will be provided for Mr. Shultz' testimony.

For it is now clear that the State Department ordered the return of Mr. Medvid even though reasonable medical opinion should have concluded that Mr. Medvid was under the influence of powerful drugs. The so-called free choice attributed to Mr. Medvid by the Secretary and other administration spokesman was actually a choice induced by powerful psychiatric drugs of the sort used to quell political

and intellectual dissent in the Soviet Union.

Astonishingly, the State Department itself released the medical records pertaining to Mr. Medvid, apparently under the impression that they somehow justified the human sacrifice they were about to make. At the request of the Agriculture Committee, a very distinguished neuropsychiatrist and pharmacologist, Dr. William E. O'Malley, agreed to examine these records by professional standards. Despite the very short notice we were able to give—the State Department did not release the records until Friday afternoon—Dr. O'Malley agreed to review the records and share his conclusions with us this morning.

We have seldom had testimony before the committee which met such high standards. Dr. O'Malley is a medical doctor, board qualified in psychiatry and neurology, who also has a Ph.D. in pharmacology. He happens to be expert in the very drugs which the State Department report stated were given by the Soviets to Mr. Medvid.

Dr. O'Malley stated that Mr. Medvid did not act in an impulsive manner, but in a very considered and deliberate manner, indicating his intention to seek political asylum on at least four occasions. From an analysis of the medical record, Dr. O'Malley found evidence that Mr. Medvid had symptoms that matched the known side effects of the neuroleptic drugs which the Soviets said that they gave to the sailor. Dr. O'Malley stated that the powerful effects of the drug were known to persist for weeks. Finally, he explained that these drugs profoundly alter the brain chemistry with regard to emotions such as aggression, even though the patient—or victim, in this case—might appear to be normal to the casual visitor.

This analysis is an indictment of the State Department's action in returning a drugged yound man to Soviet terror, while maintaining that he made a free choice. Such an inexplicable action leads us to search for more extensive motivations for the State Department action. It should be noted that the recent court case of Ukrainian Bar Association against Shultz contains references to high-level negotiations and threast of force, all made under the injunction—since removed—of secrecy. Further, the Agriculture Committee staff who served the subpoena in New Orleans have reported that the Soviet diplomats claimed extraterritoriality after telephone conversations with Ambassador Dobrynin. This leads us to inquire whether the State Department was protecting the Soviet claim.

Mr. President, I wish to assure my colleagues that the Medvid matter is not closed, whatever the State Department thinks. Secretary Shultz has a standing invitation to come before the Agriculture Committee to explain why he thinks foreign policy considerations made it necessary to ignore our subpoena and give up on a young man who sought the protections of liberty.

Mr. President, I ask unanimous consent that text of Dr. O'Malley's testimony be printed in the RECORD, along with the statement of my staff member, Mr. Dave Sullivan, and the opening statement of the chairman.

There being no objection, the statements were ordered to be printed in the RECORD, and follows:

STATEMENT OF WILLIAM E. O'MALLEY, M.D., PH.D., BEFORE THE U.S. SENATE COMMITTEE ON AGRICULTURE IN THE MATTER OF MIROSLAV MEDVID

Mr. Chairman, and members of the Committee. My name is Dr. William Edward O'Malley. I currently live in Virginia, near Leesburg, a suburb of Washington, D.C. My professional medical training is in the general areas of neurology, psychiatry, and pharmacology. I have two doctorate degrees, an M.D. and a Ph.D., and I am Board-qualified in neurology and psychiatry.

I have spent most of my professional life studying the effect of drugs on the brain and the nervous system. I attended medical school at the University of Maryland and Georgetown University, here in Washington, D.C. I left Georgetown after spending six years there in training, and after spending an additional four years as a teacher, researcher, and medical practitioner. I also spent three years at the National Institutes of Health. For the past 15 years, I have held various positions in the U.S. pharmaceutical industry, mainly at Parke-Davis & Co., and at the pharmaceutical division of Dow Chemical Company. Currently I work as a consultant in matters involving pharmaceuticals.

The work which gave me the most satisfaction in my research career was as an independent researcher in studying the effect of the drug 1-dopa on Parkinson's disease. The use of 1-dopa changes the chemical composition of the brain by increasing the concentration of the chemical compound dopamine, a nonAL1 constituent of the brain. Sufferers from Parkinson's disease do not have the normal complement of dopamine in certain parts of the brain. Those of us who were studying 1-dopa at that time discovered that it actually altered the content of dopamine in the brain, and enabled sufferers to function normally. The drug 1-dopa is now the standard treatment for Parkinson's disease and is a classic example of how medicine has benefited humanity.

I mention this work because the concept of creating changes in the composition of the brain is relevant to the inquiry of this Committee. My work with 1-dopa was preceded by basic laboratory studies on the effects of a drug called chlorpromazine on brain tissue. This is the generic name for one of the two drugs which we now know the Soviets used on Mr. Medvid. In my clinical and laboratory experience, I have found that these drugs profoundly alter emotions and thought processes by making changes in the actual chemical composition of the human brain. For this reason, these drugs are never used in the United States in the manner in which they were used on Mr. Medvid.

Several days ago I was asked to review thoroughly and critically the report of the U.S. Air Force psychiatrist who examined Mr. Miroslav four days after he sought asylum in the U.S.A. This document was released by the U.S. Department of State. The psychiatrist who did the examination is not named. Rather I should say that his name, along with several other items, was censored from the report. A U.S. Navy physicial also carried out a routine, but very limited, physical examination.

I am here today to give to you my clinical impressions of this report. I must say at the outset that I was appalled by what I found when I carefully studied this document. In my judgment, it did not meet the minimal professional standards that one would expect of this kind of examination. However, I shall do my very best, as objectively as possible, simply to supply the facts, and my opinions as to the unfortunate circumstances surrounding this case.

Let me begin at the end of this case. The Air Force psychiatrist, who apparently was called in by the U.S. Department of State to examine Mr. Medvid, made the bottom line conclusions after his examination that:

1. The reason this 25-year-old sailor defected from the ship and sought political asylum was "based primarily on a rather impulsive decision, 'Grabbing for the glitter and gusto', rather than any deep-rooted political or moral beliefs."

2. Mr. Medvid showed "No evidence suggestive of any ongoing significant organic mental disorder, including substance-induced intoxication, that would have impaired his competency." He thereby indicates that there was no evidence that Miroslav Medvid was under the influence of drugs.

3. Mr. Medvid was "clearly competent" in making his decision to return to the Soviet Union.

All of these three conclusions must be strongly challenged, because the data in the reports show that they are obviously in error.

CONCLUSION NO. 1

Conclusion No. 1 is in error in asserting that Mr. Medvid acted impulsively. To the contrary, just the opposite is true, since Mr. Medvid premeditated his defection. According to eye-witness accounts, Mr. Medvid brought with him his watch and papers carefully sealed in a water-tight jar, obviously prepared before his jump from the ship.

Also, Mr. Medvid made not one impulsive decision to seek asylum, but rather four separate and consecutive decisions. The second decision was when he told the Ukranian interpreter in New York via telephone that he did indeed want asylum. The third decision was when he jumped from the launch returning him to the Soviet ship. The fourth was when he strongly resisted the ship security personnel who beat him up and tied him after he had swam the second time to the shore.

These actions are characteristic of a highly-determined, purposive personality, fulfilling a premeditated pattern.

CONCLUSION NO. 2

Conclusion No. 2, that Medvid was not under the influence of drugs, is in error because the Soviet doctor admitted that two neuroleptic-type drugs had been recently administered. He volunteered the names of these drugs as Seduczine and Amonizine. The first name is equivalent to the U.S. drug, Haldol. The second, more properly spelled Aminazin, is equivalent to chlorpromazine, or the U.S. drug, Thorazine. I have checked their chemical structures. Both are

strong, mind-controlling neuroleptics. The authoritative textbook by Goodman and Gilman goes further and describes Haldol as an "extremely potent" major tranquilizer.

These drugs are known as major tranquilizers to distinguish them from the better known and weaker minor tranquilizers such as Valium. The minor tranquilizers do not act in the same fashion. They are relatively mild in their effects. The major tranquilizers, are known to have potent action and to remain present in the body for weeks.

They exert a strong effect, diminishing the will power, and making the patient more susceptible to conditioning. They have an extremely potent taming effect; they even tame wild animals. In the human, they take away aggression and combativeness, and they produce a mental state of serenity and indifference, without simultaneously clouding consciousness. One of their benefits, in U.S. practice, is that to the casual observer, the personality of the patient appears unimpaired or normal, but the actual situation is that emotional and thought processes are profoundly altered. Thus a psychotic or violent individual can live in ordinary society. Nevertheless, neurologically speaking, transmission between brain cells for large areas of the brain are effectively blocked or profoundly depressed.

Brain cells, or more correctly, neurons, have processes extending from the cell body called dendrites and axons. Dendrites carry nerve impulses to the cell body; axons carry nerve impulses away from the cell body and to the dendrites of other neurons. The junction of the axon of one cell with the dendrite of another is known as a synapse. It is at the synapse that the two drugs in question act to depress neurotransmission. In other words, the drugs act to block normal brain function. For reasons we do not fully understand, the drugs act selectively in those areas of the brain which control the affective functions.

It is a characteristic of these drugs that, to the untutored observer, the patient under their influence can appear normal, and act normally. A manic patient who is doing violence to himself or his surroundings can be subdued fairly quickly when these drugs are administered. But when unscrupulous Soviet practioners give them to a person who is normal to begin with, the drugs can have a devastating effect on the personality.

It should be noted that the medical reports indicated that Mr. Medvid appeared "sedated" while still on the Soviet ship. However, the neuroleptic drugs are not, strictly speaking, sedatives. What happened, in all probability, was that he had been given massive doses to subdue his will and his captors had not yet adjusted the dosage so that he could appear "normal." We may therefore hypothesize that by the time of the full examination on the U.S. ship and Naval Hospital, the dosage had been adjusted.

I find it significant that when Mr. Medvid spent the night at the Naval Hospital, the Soviet doctor stayed with him. It would be very easy to continue administering medication under those circumstances. It would not be surprising that U.S. diplomats and other officials without medical training would be misled, but it is unforgiveable for medical profesionals to have been misled.

It is well-known that Soviet psychiatry has misused these drugs to control political dissent. There have been many reports of the use of such drugs by Soviet doctors in prison and re-education camps, as Alexander Solzhenitsyn has described in popular fashion. The use of drugs to control political behavior derives from the Soviet reliance on Pavlovian theories of conditioning.

Standard pharmacological texts, such as Goodman and Gilman, describe the side effects of these drugs. These include nasal congestion and dry mouth. Blood pressure and temperature can be profoundly altered in either direction. The pulse is usually elevated.

In reviewing the medical reports of Mr. Medvid, it should be noted that the patient "admits to nasal congestion . . . and slight sore throat" for the two or three days preceeding the October 28 psychiatric examination. At one point, he is described as taking a long drink of water before answering a question. His temperature is recorded as 100.4 degrees (1.8 degrees above normal). His blood pressure was 130/88; for a young, athletic man, this is rather on the high side. The pulse was 96 on one physician's examination, and 84 on the other; this is again high in a young, athletic man, where one might expect a pulse of 65—or at least 72, the norm for the population at large.

Taken together, these indices are highly suggestive that a drug was present in the patient's body, and having an effect upon him. Yet for some unknown, but seemingly inexcusable reason, neither urine nor blood samples were taken. These undoubtedly would have established beyond doubt that Mr. Medvid's body contained these highly potent drugs and their metabolites. Such tests are routinely done, even on race horses.

Moreover, neuroleptics slow down the brain waves, producing a higher quantity of alpha and theta waves. Yet no electroencephalograph (EEG) was taken. There is not even any indication in the record that an observation for nystagmus was taken. This is a simple, visual test of eye movements, which, when positive, almost always indicates the presence of drugs. It takes about 20 seconds. Of the twelve cranial nerves, three are involved in eye movement; yet the only observation recorded that the cranial nerves were "grossly normal." In medical terms, this means an over-all, superficial observation was made, without tests. This is positive evidence that these simple tests were skimmed over, and not performed.

In short, once the Soviet doctor admitted that neuroleptics had been administered, all of these tests should have been done on a high priority basis.

CONCLUSION NO. 3

Conclusion No. 3, that Mr. Medvid was "clearly competent" is certainly in error. The psychiatrist himself notes that Mr. Medvid was under mental duress as a result of threats to his parents, his "Mama and Papa." Moreover, a correct interpretation of the observations of the traumatized tissues strongly suggests that physical torture had been administered to Mr. Medvid.

First of all, we know that Mr. Medvid was said to have been beaten badly by a group of Soviet security people while on shore. Second, one of the U.S. physicians notes that the left arm was bandaged from the base of the fingers to, roughly, the armpit, and that there were "several superficial, clean lacerations on exposed fingers." Translated into plain English, this means that cuts were made on the fingers with a sharp instrument, perhaps either a very sharp knife or a razor blade. The tips of the fingers contain an extremely high concentration of pain fiber nerve endings. It is highly unlikely that a person would repeated inflict such a wound on himself because of the intense pain resulting from the first cut.

There is strong probability, then, that such incisions were the result of intentional torture. I find it very curious that none of the doctors examining Mr. Medvid attempted to remove this bandage, which covered most of the left arm, especially since the exposed fingers were so badly traumatized. Indeed, a note is made that no attempt was made to test the left arm reflexes because of the presence of the bandage.

However, the Air Force psychiatrist does note that a cut on the left wrist that was large enough and deep enough to require three sutures. The Soviet physician asserted that it represented a self-inflicted wound, hinting that Medvid tried to cuts his own wrists in a suicide attempt. Surprisingly, the Air Force psychiatrist appears to accept this without question, despite the more reasonable hypothesis that the left arm had been involved in torture.

Finally, the U.S. psychiatrist noted "several ecchymotic areas on the right arm in various stages of resolution." "Ecchymosis" is the medical term for severe subcutaneous bruising. Thus, not only the left arm, but the right arm also was involved in severe trauma—the result, perhaps, of a severe fall or a beating. However, the fact that the ecchymotic areas were "in various stages of resolution" suggests that the trauma occurred not at the same moment, as in a fall, but as the result of repeated blows. This could be evidence that Mr. Medvid was beaten on the arm with a blunt instrument, or else that he was subdued during his initial escapes and capture with brutal force.

In conclusion, the above evidence that massively potent drugs were given presumably along with physical torture and mental duress permits one to conclude that Mr. Medvid was not a free agent acting by his own free will. The normal concept of personal responsibility, both as developed in our political and medical traditions, does not permit us to conclude that a person suffering the mental and physical abuse to which Mr. Medvid was subjected can be described as competent.

CONCLUSION

If we may summarize the conclusion of the U.S. psychiatrist, it appears that he believed Mr. Medvid was incompetent when he jumped ship, but competent when he returned. Carried to its logical conclusion, he seems to be saying that Mr. Medvid was obviously "insane" when he wished to defect to the United States from the Soviet Union, but regained his sanity when he made his decision to return. This is a conclusion that is more worthy of the KGB than of the U.S. psychiatric profession.

I draw the final and inescapable conclusion that Miroslav Medvid desperately wished to stay in the United States of America, but as a result of threats, maltreatment with potent neurolepteics, and probably torture, he bowed to the wishes of the Soviets that he return with them. He then, following instructions which he had received from the Soviets attempted to misguide the U.S. medical doctors who examined him. It distresses me as a member of the medical profession to report that he succeeded in this deception. A very grave injustice has been done.

NOVEMBER 12, 1985.

From: David S. Sullivan, Legislative Assistant to Senator Helms.

Subject: The Issue of Extra-Territoriality in the Subpoena to Seaman Medvid.

1. On Friday, November 8, 1985, the Soviet Diplomat, Yevgeniy G. Vtyurin stated that the Soviet ship Marshal Konev, was "Soviet territory" and as such was "totally immune" from U.S. jurisdiction. At the time, I thought he was merely saying this for rhetorical effect to try to explain his attempts to deny that the subpeona for Seaman Medvid had in fact been legally served. I now believe, however, Diplomat Yevgeniy G. Vtyurin may have had some reason for believing this to be true.

2. It is possible that there was a secret agreement between the State Department and the Soviet Embassy in Washington at some point to grant the Marshal Konev extra-territorial status. If this is true, it could also explain why the Konev's captain was reportedly reprimanded for allowing American officials to board, and why I was refused permission to board the ship the second time by the diplomat.

3. It was reported to me that President Reagan told the Congressional Ledership on Friday, November 8, 1985 that he wanted Seaman Medvid to have a second interview by US authorities, and that he would not sacrifice Seaman Medvid for the Summit. On the morning of Saturday, November 9, 1985, Deputy National Security Advisor Admiral Poindexter ordered US Department of Agriculture grain inspectors off the Marshal Konev, in order to expedite its departure. I tried to contact Admiral Poindexter twice Monday in order to determine why he helped the Soviets and thwarted the President's wishes, but he would not return my calls.

4. Vice President George Bush, in New Orleans yesterday, said he was concerned that the Reagan Administration had changed its position on the Medvid case. He stated "It doesn't look good. My heart is troubled by it." This is a good summary of this case.

DAVID S. SULLIVAN.

STATEMENT OF SENATOR JESSE HELMS OF NORTH CAROLINA, CHAIRMAN, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Today we will have two sets of witnesses. This hearing was originally scheduled to hear testimony by Miroslav Medvid, the Ukrainian sailor who sought several times to defect from the tyranny of the Soviet Union, only to be thwarted by a failure of the officials of the State Department, and others, who refused to cooperate with this Committee. Instead we will hear for the purposes of the record the testimony of staff who served the subpoena for the Committee.

We will also hear the testimony of an expert witness, Dr. William E. O'Malley, a distinguished neuropsychiatrist and pharmacologist, who, on very short notice, agreed to analyze the medical reports on Mr. Medvid released by the State Department late this past Friday. I am confident that Dr. O'Malley's testimony will raise significant questions about the State Department's assertion that Mr. Medvid's decision to return was a freely chosen decision.

A STATE DEPARTMENT DECISION

Once again, the State Department clearly decided that it is more important to appease the Soviet Union than to allow a young man to have an unfettered chance for freedom.

I was dismayed by the statements of Secretary of State Shultz on Face the Nation on Sunday, when he admitted that Mr. Medvid had faced threats and—as the Secretary put it—"whatever he was subjected to aboard that ship." It is clear that Mr. Medvid was under incredible duress, and I believe that after the testimony here this morning we will understand that his so-called free choice was made under the influence of mind-smashing drugs.

Immediately after Secretary Shultz's statements on Sunday, a formal invitation was extended to the Secretary to appear before this Committee in place of Mr. Medvid. The Secretary declined to come, pleading other engagements. Of course, Mr. Medvid also has other engagements. Nevertheless, further opportunities will be offered to the Secretary to appear here.

IMPLICATIONS OF EXTRATERRITORIALITY

The implications of this event appear to go far beyond the visible requirements of our foreign policy. The Soviets, in their discussions with our staff, in effect asserted that their ship had the status of extraterritoriality, as though it were an embassy or an enclave. These assertions were made after several telephone calls to Ambassador Dobrynin, so they appear to be a reflection of the official and high-level Soviet position. Indeed, the NSA should have intercepts of these calls from New Orleans to the Soviet Embassy.

Moreover, the State Department curiously appears to have acted in accordance with that view. According to the recently released in camera proceedings in the D.C. District Court on November 4 [Ukranian-American Bar Association, et al., v. George P. Shultz, et al.], the government lawyers argued that all proceedings in the Medvid case should be held in secret, without the lawyers for Mr. Medvid present. They argued that the case was "highly sensitive" and the State Department was worried about cross examination of government witnesses in public and was very reluctant to let them testify even on camera.

Furthermore, they stated that the government witness "did not directly negotiate with the Soviets," but that "negotiations of the ground rules were negotiated at the highest levels." There were suggestions that certain "actions were planned by the U.S." and that "the President had indicated that if the Soviets had not backed down, we were prepared to use force."

These were references of the fact that the Soviets initially refused to return Mr. Medvid for questioning after he had been sent back to the ship illegally on the evening of October 24/25.

Why would force have been necessary? This was an unarmed merchant ship. The U.S. Government had the authority to board it at any time, and the power to quarantine it, and to prevent it from moving. What was the Soviet threat? Did Moscow actually rattle sabres over the defection of one seaman?

The notion that a ship has extraterritoriality while in the jurisdiction of another country is not an idea to be condoned. As a practical matter, it is not the custom to interfere with the discipline on a foreign ship, unless crimes have been committed. It is evident that the allegations that Mr. Medvid had been beaten and kidnapped from U.S. soil were crimes. Why was the U.S. government so protective of the Soviets at this time? Why negotiations? Why ground rules? Why did we accept the proposal that a Soviet KGB officer should be present at all times to intimidate Mr. Medvid during our questioning?

One must ask the question whether these so-calied "ground rules" were drawn according to some pre-existing secret agreement. Did we accept extraterritorially of Soviet ships as a condition of the grain trade? Is it possible to set aside the constitutional rights of aliens, even Soviet citizens, to appease the Soviet Union?

We do know that the Soviets cannot trust their own citizens outside of Soviet borders without massive intimidation and the use of torture and mind-bending chemicals. The Soviets cannot transport grain without sending their citizens abroad. Is there a secret agreement that we will send defectors back?

It should be noted that the European countries which adjoin Communist nations—West Germany, Sweden, Norway, Italy, and so forth, appear to have a policy of not returning defectors at all. Why is the U.S. policy so different?

SERVICE OF THE SUBPOENA

These were questions which Mr. Medvid's presence would have helped to answer.

On November 9, the subpoena was duly served on the captain of the Soviet grain ship, *Marshal Konev*, and on a representative of the Soviet embassy, both persons who had control of Mr. Medvid's whereabouts. Legal counsel has advised the Committee that such service is equivalent to service on Mr. Medvid himself. Copies of the subpoenas were also provided immediately to the U.S. Customs Service and the U.S. Department of Justice, of which the Immigration and Naturalization Service is a division.

In response to my enquiries after the subpoena was issued, the Commissioner of Customs informed me that the Tariff and Trade Act of 1799 prohibited the departure of vessels from U.S. waters without clearance from Customs, and that it was the opinion of counsel to Customs that the law would not permit the departure of a foreign vessel so long as an unfulfilled subpoena to appear before Congress was outstanding.

Furthermore, it should also be pointed out that the Code of Federal Regulations forbids the departure of aliens whose departure is deemed prejudicial to the interests of the United States. Among such aliens, according to CFR 215.3(j), is "any alien who is needed in the United States in connection with any investigation or proceeding being, or soon to be conducted by any official executive, legislative, or judicial agency in the United States or by any governmental committee, board, bureau, commission, or body in the United States, whether national, state, or local."

Once such an alien has been identified, INS has an affirmative obligation to prevent his departure. In CFR 215.2, the regulations say: "Any departure-control officer who knows or has reason to believe that the case of an alien in the United States comes within the provisions of 215.3 shall temporarily prevent the departure of such alien from the United States and shall serve him with a written temporary order directing him not to depart or attempt to depart from the United States until notified of the revocation of the order."

As the distinguished members of this Committee are well aware, the Commissioner of Customs was apparently overruled by higher authority, and the *Marshal Konev* was cleared to depart on Saturday, November 9, and did depart from Reserve, Louisiana, at approximately 12:15 pm CST on that date.

Not only was it cleared to depart, but the news reports indicate that the U.S. Coast Guard conducted harassment operations against small vessels nearby who were attempting to exercise their First Amendment rights of free speech, and gave the *Marshal Konev* an honor guard out to the open seas.

I have also been informed that an officer of the National Security Council contacted the Department of Agriculture to inquire if the inspectors of the Federal Grain Inspection Service had finished their work as expeditiously as possible so that the ship could get underway at the earliest possible moment. [This Committee will be conducting an investigation to ascertain whether all the requirements of the U.S. Grains Standards Act were fully complied with.]

EXECUTIVE BRANCH FAILED TO USE ITS AUTHORITY

It is clear that the Executive Branch had full authority to take whatever action was necessary to allow Mr. Medvid to be present here this morning, but that it willfully and consciously refused to do so. Customs was overruled in its desire to enforce the law impartially. The Immigration and Naturalization Service was on official notice that Mr. Medvid was wanted for an official hearing in this Committee, yet no departure control officer attempted to prevent his departure or to serve notice on him.

By obstructing the legitimate actions of the Legislative Branch, the President's advisors have failed to perform their Constitutional responsibilities.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

MILITARY CONSTRUCTION AUTHORIZATION ACT, 1986—CONFERENCE REPORT

Mr. THURMOND. Mr. President, there is a conference report at the desk to accompany S. 1042, the military construction authorization bill, and I ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1042) to authorize certain construction at military installations for fiscal year 1986, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the RECORD.)

Mr. THURMOND. Mr. President, the matter before the Senate is the conference report on S. 1042, the military construction authorization bill for fiscal year 1986.

The report authorizes new funding authority for military construction and military family housing projects in the amount of $9,199,824,000. The conference is an increase of $368,812,000 from the amount authorized by the Senate earlier this year.

The final bill provides authority to proceed with approximately 1,700 different projects at more than 700 different locations in the United States and overseas. Funding authority is also provided for the operation and maintenance of the 400,000 units of military family housing currently in the defense inventory.

There were about 300 items in dispute which were resolved by the conference committee. The details of the actions by the conferees are included in the conference report and, while I do not intend to discuss them in depth, I would be pleased to respond to questions by any Member.

I want to acknowledge the efforts of the junior Senator from New Mexico [Senator BINGAMAN] during deliberations on this bill. He has worked diligently throughout the consideration of this bill and he has left his mark on the final bill. We clearly present you a better product as a result of his efforts.

Let me also take this opportunity to thank the members of our staff, Mr. Russel Milnes, Mr. Alan Chvotkin, Mr. Hugh Evans, and Ms. Marie Dickinson for their able counsel in preparing this bill.

I think the conference report provides the Defense Department with adequate funding authority to meet its most urgent construction needs and I urge my colleagues to support this bill.

Mr. President, I yield to my able colleague, the ranking member on the Military Construction Subcommittee.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I rise in support of the conference report on S. 1042, the fiscal year 1986 Military Construction Authorization Act. I urge my colleagues to approve this conference report.

Mr. President, the conference report includes an authorization of $9.2 billion for military construction for fiscal year 1986, $1.1 billion below the President's budget request. The $9.2 billion is also on the mark for the allocation to military construction which the overall DOD authorization bill provided for when it was adopted by the Senate in July.

The conference report maintains most of the priorities which the Senate Armed Services Committee and the full Senate adopted when we approved the bill last June 5. I regret the delay in getting to this stage of the legislative process, but while the Senate completed its version of this bill in June, the House did not pass its version of the legislation until October 16.

The Chairman of the Senate Armed Services Committee's Military Construction Subcommittee, the President pro tempore of the Senate, Senator THURMOND, has already described the highlights of this bill. Greater detail on the legislation, including a State-by-State listing of approved projects, is included in the statement of managers accompanying the conference report.

But I did want to highlight a few items that were of particular concern to me during the consideration of this bill throughout this year.

"NOTIONAL" BASE CLOSING LIST

In March of this year, Senator GOLDWATER and Secretary of Defense Weinberger released a "notional" list of installations in the United States that could be closed. For the next several months, through special hearings, letters, staff inquiries, and meetings, I tried to identify the reasons why certain installations were put on the list, the concerns the Department had with the current legal procedures for closing bases, and what functions were being undertaken at the installations that could be transferred or eliminated, if any. I concluded that the list was nothing more than notional. Even the Secretary of Defense disavowed the installations on the list as anything more than illustrative of the types of bases that could be closed if he had certain legal authority, and certain funds.

Mr. President, I will not recount the debate on the underlying legislative provisions which the Congress has adopted to streamline the statutory requirements for closing bases. These were contained in the conference report on the DOD authorization bill. Suffice it to say we have changed the law to make it easier for the Secretary to take base closure actions. Such actions may become increasingly necessary in light of the overall trend in defense spending and the Gramm-Rudman deficit reduction proposal. I fully supported these streamlining provisions, which were almost identical to a proposal which Senator NUNN and I offered on the Senate floor in May.

In the context of this bill, however, my colleagues will recall that the Armed Services Committee and the full Senate deleted all funds for military construction for the 22 installations that were on that notional list. With the enactment of the reforms to the underlying statutory provisions on base closures, the conferees then ad-

dressed each of the projects on their merits. I am pleased that we were able to lift the cloud of base closings hanging over those installations. Some projects were approved, others were not; but I can assure my colleagues that the decision on each and every one of these project was based on merits and on need.

MEDICAL FACILITIES

Mr. President, since becoming the ranking minority member of the Military Construction Subcommittee, I have been concerned about the Department of Defense's medical facilities construction program. Construction in this area alone is expected to require almost $4 billion over the next 5 years.

Last year, at my request, the Department established a blue ribbon panel on sizing Department of Defense medical facilities. That panel, chaired by Dr. Theodore Cooper, provided a generally excellent report on the sizing of military medical facilities and on whether greater use could be made of civilian health care facilities, where appropriate. That panel submitted its report this past June 28, and I intend to ensure a careful review of its recommendations and the Department's implementation. Let me say at the outset here that I have been pleased with the support I have received from, and the commitment of, Dr. Mayer, the Assistant Secretary of Defense for Health Affairs, and the Services' Surgeons General in this regard.

During this authorization process, I challenged one military medical facility in the United States that failed to meet the criteria suggested by the blue ribbon panel. This was the 20-bed hospital at Annapolis, MD. Within 20 miles of that hospital there is a 96-bed hospital at Fort Meade, with a less than 50 percent occupancy rate. Unfortunately, both Houses made the decision to go ahead as planned. For other medical projects, particularly two overseas medical facilities at Camp Carrroll, Korea, and Torrejon Air Base, Spain, that are important to the wartime military readiness requirements of the United States, I am pleased that the conferees agreed to include the requested funds. These overseas facilities also have the strong support of our Armed Services Committee's Manpower Subcommittee which recently held extensive hearings on our wartime medical readiness.

Finally, I am pleased that the conferees showed the resolved to address the tough issues raised by the requested military construction funds for the Madigan Army Medical Center and agreed to limit the size of this facility to 400 beds. According to the Army's own estimates, this downsizing will have a minimal life cycle cost and cause only a short-time construction delay. I think that an independent analysis will show significant life cycle savings as a result of this decision. In my judgment, this downsizing action is well worth taking, for it sends a clear signal to the Services that Congress will not tolerate oversizing of CONUS medical facilities while our overseas facilities and our medical readiness suffer.

FORT RUCKER ARMY AVIATION MUSEUM

The conferees have included funds for certain initial military construction for an Army Aviation Museum at Fort Rucker, AL. Although the conferees have made it clear that Federal funds will be available on a matching basis only, I objected to the decision to include these dollars. My reservation was not because the museum is not worthwhile.

Rather, I would prefer to see such museums funded entirely out of private contributions and admission fees. This is especially true when we are forced to cut $1.1 billion out of the President's request, and this facility was not part of that request.

Last year, we had faced this issue in considering the Air Force Museum at Wright-Patterson Air Force Base, OH. In order to stem the tide of musem requests, the conferees on the military construction authorization bill agreed to fund only a single museum designated by each Service. The Army has not notified us that the Fort Rucker facility is their choice. Thus, our action this year reverses the policy we laid down last year. I am afraid that we can expect a continuing stream of these requests until we enumerate and stick to a clear policy on museum funding.

STRATEGIC HOMEPORTING

This year's budget included the first request for funds for the Navy's concept on strategic homeporting. Conferees did not approve some funds for Staten Island, NY and for Everett, WA, subject to a report by the Secretary of the Navy.

Mr. President, in my mind, the Navy has not yet made a case to the Congress for strategic homeporting. Given the huge sums that will be necessary for construction alone at these two Navy facilities, and unknown hundreds of millions more for the gulf coast, it is imperative that the Congress fully understand, and agree with, the Navy's plan. We have not yet done so. I, for one, will be carefully reviewing the Navy's, and the Department of Defense's, rationale for the proposal, its costs, and its benefits. Senator THURMOND requested the General Accounting Office to carefully study the entire background and supporting documentation for strategic homeporting. I look forward to the results of those reviews.

LAND TRANSFERS

During the course of our review of this year's budget, many members suggested a variety of land transfers from and between the military departments. While most of them have merit, I am concerned that they have come to us in all shapes and forms, and with all sorts of conditions. I found myself having to challenge many of these requests because we did not have time to make a serious study of the advantages and disadvantages of certain proposed transfers. Many of these proposals originated at the local installations. During the next several months, I hope the subcommittee will establish a clear plan for considering proposed land transfers.

SUMMARY

Mr. President, I believe we have a good conference report pending before the Senate. This bill balances the interest of the military departments with appropriate congressional priorities. We have funded meritorious projects, but more could be done if the funds were available. Regrettably, the decisions which will have to be made next year will be more difficult than we faced this year as we attempt to deal with the enormous Federal deficit. I urge my colleagues, and the services, to keep this in mind.

Before closing, I want to thank Senator THURMOND for his leadership on the Military Construction Subcommittee, and in producing this conference report. I also want to thank Senator STENNIS and Senator HART, my Democratic colleagues on the subcommittee, for their assistance and cooperation. Both have chaired this subcommittee in the past and I appreciate their wise counsel. Congressman DELLUMS, the chairman of the Subcommittee on the House side, and Congressman KRAMER, the ranking member on the House side, also deserve recognition.

I believe a great deal of credit should be given to Russ Milnes, the professional staff member for the majority on the Senate Armed Services Committee. Russ joined the committee staff in February and has served the subcommittee in a bipartisan and professional manner. I also want to personally thank Alan Chvotkin, the minority counsel to the subcommittee and Ed McGaffigan of my personal staff, who have assisted me so ably in carrying out my responsibilities on the subcommittee. A word of thanks also to Marie Dickinson who helped make this year's process function so well.

Mr. President, I urge my colleagues to approve this conference report on the fiscal year 1986 Military Construction Authorization Act.

Mr. THURMOND. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Thank you very much.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Charles J. Cooper, of Virginia, to be Assistant Attoney General.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination will be stated.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Charles J. Cooper, of Virginia, to be an Assistant Attorney General.

The PRESIDING OFFICER. The question is on the confirmation of the nomination.

The nomination was confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Massachusetts [Mr. KENNEDY] for his courtesy in this matter.

I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING AS HOUSE DOCUMENT—"HOW OUR LAWS ARE MADE"

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of House Concurrent Resolution 203, which calls for the printing of the document "How Our Laws are Made," which was received from the House of Representatives today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the resolution.

The legislative clerk read as follows:

A House Concurrent Resolution (H. Con. Res. 203):

Resolved by the House of Representatives (the Senate concurring), That the revised edition of the brochure entitled "How Our Laws Are Made" shall be printed as a House document, with a suitable paper cover in the style selected by the chairman of the Committee on the Judiciary of the House of Representatives and with a foreword by the Honorable Peter W. Rodino, Junior. In addition to the usual number, there shall be printed two hundred and forty-six thousand copies of the brochure for the use of the House of Representatives (of which twenty-five thousand shall be for the use of the Committee on the Judiciary) and there shall be printed fifty-two thousand copies of the brochure for the use of the Senate.

The resolution (H.Con. Res. 203) was considered and agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. DOLE. Mr. President, I inquire of the distinguished minority leader if he is in a position to pass the following Calendar items: No. 381, 382, 389, 390, and No. 391.

Mr. BYRD. Mr. President, I am happy to respond to the distinguished majority leader's question that there is no objection on this side.

PRINTING OF A STAFF REPORT OF THE COMMITTEE ON ARMED SERVICES

The concurrent resolution (S. Con. Res. 80) to authorize the printing of 2,000 additional copies of the committee print of the Committee on Armed Services (99th Congress, 1st session) entitled "Defense Organization: The Need for Change," was considered, and agreed to; as follows:

S. CON. RES. 80

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 2,000 additional copies of the Committee Print of the Committee on Armed Services (99th Congress, 1st Session) entitled "Defense Organization: The Need for Change", to be furnished to the Committee on Armed Services.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRINTING OF BACKGROUND INFORMATION ON THE COMMITTEE ON FOREIGN RELATIONS AS A SENATE DOCUMENT

The resolution (S. Res. 244) authorizing the printing of background information on the Committee on Foreign Relations as a Senate document, was considered, and agreed to; as follows:

S. RES. 244

Resolved, That there be printed with illustrations as a Senate document background information relating to the history of the Senate Committee on Foreign Relations in connection with its one hundred and seventieth anniversary (1816–1986); and that there be printed for the use of the committee additional copies of such document not to exceed the cost of $1,200.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COOPER-HEWITT MUSEUM PLANNING AND CONSTRUCTION

The Senate proceeded to consider the bill (S. 583) to authorize the Smithsonian Institution to plan and construct facilities for the Cooper-Hewitt Museum, and for other purposes, which had been reported from the Committee on Rules and Administration, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

S. 583

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Board of Regents of the Smithsonian Institution is authorized to plan and construct facilities for the Cooper-Hewitt **[Museum]** *Museum also known as the National Museum of Design of the Smithsonian Institution.*

SEC. 2. Effective October 1, 1988, there is authorized to be appropriated to the Board of Regents of the Smithsonian Institution *a sum not to exceed* $11,500,000 to carry out the purposes of this Act. No funds appropriated pursuant to this section shall be obligated or expended until such time as there is available to such Board, from private donations or from other non-Federal sources, **[**a sum which, when combined with the funds so appropriated, is sufficient to carry out the purposes of this act.**]** *a sum which—*

(1) matches federally appropriated funds; and

(2) combined with federally appropriated funds is sufficient to carry out the purposes of this Act.

SEC. 3. Any portion of the sums appropriated to carry out the purposes of this Act may be transferred to the General Services Administration which, in consultation with the Smithsonian Institution, is authorized to enter into contracts and take such other action, to the extent of the sums so transferred to it, as may be necessary to carry out such purposes.

[SEC. 4. Effective on enactment of this Act the Cooper-Hewitt Museum also shall be known as the "National Museum of Design".**]**

SEC. 4. (a) In the event of the sale of the facilities comprising the Cooper-Hewitt Museum, the Board of Regents of the Smithsonian Institution shall reimburse the United States out of the proceeds of such sale an amount equal to the Federal interest in the facilities.

(b) For purposes of subsection (a), the Administrator of the General Services Administration shall determine the value of the Federal interest based on Federal appropriations used in the construction of Cooper-Hewitt Museum facilities.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. DOLE. I move to reconsider the vote by which the bill passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TEMPORARY PLACEMENT OF A BUST OF DR. MARTIN LUTHER KING, JR., IN THE ROTUNDA OF THE CAPITOL FOR DEDICATION CEREMONIES

The concurrent resolution (S. Con. Res. 84) to authorize the temporary placement of a bust of the late Dr. Martin Luther King, Jr., in the Rotunda of the Capitol for dedication ceremonies, and for other purposes, was considered, and agreed to; as follows:

S. CON. RES. 84

Resolved by the Senate (the House of Representatives concurring), That (a) the Joint Committee on the Library is authorized to place temporarily in the Rotunda of the Capitol in January of 1986 the bust of the late Dr. Martin Luther King, Jr., as authorized by House Concurrent Resolution 153, 97th Congress, and to hold dedication ceremonies in the Rotunda at that time. This bust shall remain on display in the Rotunda for a period not to exceed one year, after which time the bust shall be moved to its permanent location. The Architect of the Capitol is authorized to make the necessary arrangement for the placement of the bust.

SEC. 2. (a) The proceedings of the dedication ceremony in the Rotunda of the Capitol at the presentation by the Joint Committee on the Library of the bust of the late Dr. Martin Luther King, Jr., together with appropriate illustrations and other pertinent matter, shall be printed as a Senate document. The copy for such document shall be prepared under the direction of the Joint Committee on the Library.

(b) The Joint Committee on Printing shall bind and print five thousand additional copies of the Senate document prepared pursuant to subsection (a), in such style as the Joint Committee on Printing shall direct, and shall make such copies available to the Joint Committee on the Library for further distribution.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRINTING AND COMPILATION OF A BICENTENNIAL EDITION OF THE BIOGRAPHICAL DIRECTORY OF THE U.S. CONGRESS

The concurrent resolution (S. Con. Res. 85) to authorize the compilation and printing of the bicentennial edition of the Biographical Directory of the U.S. Congress, was considered, and agreed to; as follows:

S. CON. RES. 85

Resolved by the Senate (the House of Representatives concurring), That (a) the Joint Committee on Printing shall compile and print as a Senate document, with illustrations, and in such style and form as may be directed by the Joint Committee on Printing, a revised edition of the Biographical Directory of the American Congress up to and including the One Hundredth Congress (1774-1989).

(b) With respect to the compilation of the directory authorized by subsection (a)—

(1) the Historian of the Senate shall be responsible for providing to the Joint Committee on Printing the biographical data for Members of the Senate and for individuals who have served in both the House of Representatives and the Senate; and

(2) the Historian of the House of Representatives shall be responsible for providing to the Joint Committee on Printing the biographical data for Members of the House of Representatives and Delegates.

(c) The Joint Committee on Printing shall print seven thousand nine hundred and eighty-five copies of the directory, of which—

(1) two thousand and forty-five copies shall be for the use of the Senate;

(2) five thousand three hundred and ninety copies for the use of the House of Representatives; and

(3) five hundred and fifty copies for the use of the Joint Committee on Printing.

(d) The edition of the Biographical Directory of the Congress prepared pursuant to this resolution is prepared in celebration of the Bicentennial of the United States Congress and shall be known as the "Bicentennial Edition of the Directory of the United States Congress.".

SEC. 2. There is authorized to be appropriated to the Joint Committee on Printing such sums as may be necessary for the employment of personnel and the payment of expenses to carry out the provisions of this resolution.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPORT ON ACTIVITIES UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 92

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on November 8, 1985, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying reports; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with Section 26 of the Occupational Safety and Health Act of 1970 (Public Law 91-596), I transmit herewith the 1984 annual reports on activities under that law of the Department of Labor, of the Department of Health and Human Services, and of the Occupational Safety and Health Review Commission.

RONALD REAGAN.

THE WHITE HOUSE, *November 8, 1985.*

REPORT ON MINE SAFETY AND HEALTH ACTIVITIES—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 93

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on November 8, 1985, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying reports; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with Section 511(a) of the Federal Mine Safety and Health Act of 1977, as amended (30 U.S.C. 958(a)), I transmit herewith the annual reports for Fiscal Years 1983 and 1984 on mine safety and health activities as submitted by the Secretary of Labor.

RONALD REAGAN.

THE WHITE HOUSE, *November 8, 1985.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTION

At 11:59 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

S. 1570. An act to amend the Fair Labor Standards Act of 1938 to authorize the provision of compensatory time in lieu of overtime compensation for employees of States, political subdivisions of States, and interstate governmental agencies, to clarify the

application of the Act to volunteers, and for other purposes; and

S.J. Res. 47. Joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week."

The enrolled bill and joint resolution were subsequently signed by the President pro tempore [Mr. Thurmond].

At 2:46 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 203. Concurrent resolution authorizing printing of the brochure entitled "How Our Laws Are Made".

At 5:31 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 228. Joint resolution relating to the proposed sale of arms to Jordan.

The message also announced that the House of Representatives having proceeded to reconsider the bill (H.R. 2409) entitled "An Act to amend the Public Health Service Act to revise and extend the authorities under that act relating to the National Institutes of Health and National Research Institutes, and for other purposes," returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was *Resolved*, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, November 12, 1985, she had presented to the President of the United States the following enrolled bill and joint resolution:

S. 1570. An act to amend the Fair Labor Standards Act of 1938 to authorize the provision of compensatory time in lieu of overtime compensation for employees of States, political subdivisions of States, and interstate governmental agencies, to clarify the application of the act to volunteers, and for other purposes; and

S.J. Res. 47. Joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1981. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, three fact sheets concerning recent events in Nicaragua; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 1660. A bill to grant a Federal charter to the Confederate Memorial Association (Rept. No. 99-178),

H.R. 1806. An act to recognize the organization known as the Daughters of Union Veterans of the Civil War 1961-1865 (Rept. No. 99-179).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BAUCUS:

S. 1845. A bill to impose Federal income tax sanctions on corporations of a foreign country which imposes sanctions on United States persons because of such persons' presence in a State which uses a worldwide unitary apportionment method of computing the State income of such person; to the Committee on Finance.

By Mr. TRIBLE:

S. 1846. A bill entitled the "Roanoke River Flood Control Act"; to the Committee on Environment and Public Works.

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 1847. A bill to provide for a Samantha Smith Memorial Exchange Program to promote youth exchanges between the United States and the Soviet Union, and for other purposes; to the Committee on Foreign Relations.

By Mr. GORTON:

S.J. Res. 236. Joint resolution to authorize and request the President to issue a proclamation designating April 20 through April 26, 1986, as "National Organ and Tissue Donor Awareness Week"; to the Committee on the Judiciary.

STATEMENT ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS:

S. 1845. A bill to impose Federal income tax sanctions on corporations of a foreign country which imposes sanctions on U.S. persons because of such persons' presence in a State which uses a worldwide unitary apportionment method of computing the State income of such person; to the Committee on Finance.

STATE TAXING POWERS

Mr. BAUCUS. Mr. President, I rise to address an issue that should concern all Senators, because it concerns all States.

When Ronald Reagan was Governor of California, he said that "Federal interference in State tax matters is objectionable in principle." Friday, Ronald Reagan proposed sweeping interference in State tax matters—interference that would be unwarranted, disruptive, and dangerous.

FEDERALISM

Our constitutional system is a federal system, which delicately balances national and State powers.

Over the years, the balance keeps shifting toward Washington. Each successive administration starts out by trumpeting its commitment to federalism. Then, as time goes on, it decides that achieving its political objectives is more important than maintaining that commitment. To prevent this tendency from overwhelming the States, we must zealously guard their powers.

The power to tax may be the most important power of all. It lies at the core of each States sovereignty. The Constitution imposes some basic limits on States power to tax, by preventing them from imposing unfair or discriminatory taxes. But beyond that, the States retain great discretion. As Alexander Hamilton wrote in the Federalist:

> The individual States should possess an independent and uncontrollable authority to raise their own revenues for the supply of their own wants . . . [and] retain that authority in the most absolute and unqualified sense; . . . an attempt on the part of the national government to abridge them in the exercise of it would be a violent assumption of power. . . .

MULTINATIONAL TAXATION

The State taxation of multinational corporations is complicated in controversial. As the Supreme Court has said, allocating a multinational corporation's income among taxing jurisdictions is like "slicing a shadow."

One approach is to use an arm's length method similar to the one embodied in section 482 of the Federal Tax Code. Under this method, the State uses hypothetical arm's-length transfer prices to try to figure out how much of the corporation's overall income was earned by its operations in the State. However, as the Supreme Court has also noted, this method—

> Is subject to manipulation and imprecision, and often ignores or captures inadequately the many subtle and largely unquantifiable transfers of value that take place among the components of a single enterprise.

To avoid these problems, Montana and several other States use the simpler worldwide unitary method. Under this method, the State looks at wages, property, and sales, to determine what proportion of the company's overall income should be allocated to that State. As Governor Ted Schwinden recently said:

> Main Street Montana businesses must report all their income for tax purposes. The [unitary method] assures that multinational enterprises likewise, report all their Montana income to Montana.

CONTAINER CORPORATION AND ITS AFTERMATH

Nevertheless, multinational corporation have insisted that the worldwide unitary method is unconstitutional. In

the 1983 Container Corp. decision, the Supreme Court firmly rejected their agrument, holding that California's application of the worldwide unitary method to the foreign operations of a U.S.-based company did not infringe the due process or commerce clauses.

Even so, some multinationals and foreign governments were not satisfied. They called for Federal restrictions.

In response, President Reagan established a working group, representing business, States, and the Federal Government, to resolve the controversy. The working group recommended several options, including that States limit their jurisdiction to the water's edge by applying the unitary method only to operations in other States, but not in other countries. However, the working group stressed that States should be urged to adopt a water's-edge approach voluntarily, not be forced to do so by Federal fiat. As an Assistant U.S. Trade Representative testified last year:

> We should allow forces in the direction of positive change in the states to develop and gather momentum, without federal interference.

The working group report ignited a serious, spirited debate all across the country. Six States—Oregon, Utah, Colorado, Florida, Indiana, and Massachusetts—quickly replaced worldwide unitary methods with water's-edge methods.

Several other States considered doing the same, but decided against it. Montana was one of these States.

The members of our 49th legislature considered a water's-edge bill. They debated the issues. They heard from proponents, who argued that enacting the water's-edge bill would encourage foreign investment. They heard from opponents who argued that no such foreign investment was on the horizon, that the bill would revive the income shifting that multinationals previously used to reduce their Montana taxes, and that the bill would cost about $10 million a year. After they had balanced the benefits and costs, our legislators decided to retain Montana's worldwide unitary method.

Mr. President, the 150 members of Montana's Legislature are intelligent, experienced people who understand their State. They've made their decision. Some people here in Washington may believe that the Montana Legislature made the wrong decision. They may wish to second guess the legislature, and substitute their own judgment about what's best for Montana. But they just aren't qualified to do so.

THE PRESIDENT'S PROPOSAL

What's more, preempting States use of the worldwide unitary method would be unwise, for several reasons.

First of all, Federal restrictions are unnecessary. The main argument against the unitary method is that it upsets foreign companies and governments, thereby reducing investment in the United States and complicating out international relations. However, the current system is self-correcting. States are competing fiercely among themselves for foreign investment. If potential investors believe that a States tax policy is hostile, the State will be handicapped in that competition. As a result, each State must balance the potential for foreign investment against the simplicity and efficiency of the worldwide unitary method.

This system may be inconvenient for multinationals, which would prefer to have the Federal Government announce a uniform rule. But it is a textbook example of how competition among States achieves an optimal balance of interests. And, as the saying goes, "If it ain't broke, don't fix it."

Second, Federal preemption sets a dangerous precedent. Only a handful of States use the worldwide unitary method. But all States have an interest in preserving basic State sovereignty, including the power to set State tax policy which lies at the core of this sovereignty. If enacted, the President's proposal to restrict the constitutional exercise of the unitary method sets the stage for further erosions of State taxing authority, until the Federal Government forces the States to march in lockstep.

In this regard, it is significant that the President has proposed preempting not only States use of the worldwide unitary method, but also State taxation of multinational dividends. Such restrictions would directly and immediately reduce revenue in 32 States.

Finally, the President's proposal is the direct result of foreign interference and intimidation, primarily by the British. A few months ago Parliament enacted legislation authorizing the British tax authorities to deny the existing ACT credit to U.S. corporations that have substantial operations in U.S. worldwide unitary method States.

> The object of the legislation, one expert wrote—is to provoke multinational companies into joining the U.K. lobbying effort to repeal worldwide unitary taxation.

Mr. President, the enactment of this law was an outrage. In 1978, the British sought a tax treaty provision preventing the United States from applying the unitary method to British corporations, but the Senate rejected it. Afterward, the British ratified a protocol deleting their provision—and got concessions from us in return. Given this background, Parliament's action is not only a gross interference in United States domestic affairs, but also a direct contravention of the principles embodied in the United States-United Kingdom Tax Treaty.

What's worse, the British have gotten away with it. Instead of howling in protest, the administration capitulated. The Wall Street Journal reported:

> The administration's decision to back legislation is largely in response to recent pressure from Britain.

In other words, the administration is sacrificing important State powers to quiet a noisy ally.

Unlike this administration, I see no reason to let Britain act with impunity. Britain's legislation, if implemented, clearly would constitute a "discriminatory tax" under Tax Code section 891, requiring the administration to double United States taxes on British corporations. However, I am skeptical about the administration's willingness to discharge its obligations in this area.

So today I am introducing legislation that would fight fire with fire. It provides that, if Britain violates the Tax Treaty by punishing United States unitary States, we will override the treaty and increase the withholding tax on British residents to the statutory 30-percent rate. I ask unanimous consent that a copy of the legislation be printed in the RECORD immediately following my remarks.

CONCLUSION

Mr. President, the administration's decision to support Federal preemption of the unitary method was a big mistake.

The administration has been intimidated into interfering in an area where the Federal Government just doesn't belong.

The worldwide unitary method has been found to be constitutional. That should be that. All of us in this Chamber should be concerned about Federal encroachments on the States. We should resist the temptation to second-guess States exercise of constitutional tax powers. Instead, we should let the States debate the issue, make their own decisions, and manage their own destinies.

There being no objection, the bill was orderded to be printed in the RECORD, as follows:

S. 1845

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) if any foreign country imposes any sanction described in subsection (b) on any United States person, then, notwithstanding any provision of any treaty between the United States and such foreign country, the tax under section 881 of the Internal Revenue Code of 1954 on a corporation of such foreign country shall, during the sanction period, be imposed (and withheld under section 1442 of such Code) without regard to such treaty.

(b) For purposes of subsection (a), a foreign country shall be treated as imposing a sanction described in this subsection if such foreign country—

(1) denies or modifies any treaty benefit to,

(2) imposes or increases any tax or penalty on, or

(3) takes any other punitive action with respect to, a United States person because a State uses a worldwide unitary apportionment method of measuring State income of multinational corporations doing business within such State.

(c) For purposes of subsection (a), the term "sanction period" means any period with respect to which the Secretary of the Treasury determines that a sanction described in subsection (b) is in effect.

By Mr. TRIBLE:

S. 1846. A bill entitled the "Roanoke River Flood Control Act"; to the Committee on Environment and Public Works.

ROANOKE RIVER FLOOD CONTROL ACT

Mr. TRIBLE. Mr. President, in the last week floods have relentlessly pounded Virginia's Roanoke Valley. "A wild wall of water" paralyzed much of the area last Tuesday, killing at least 13 people and requiring the evacuation of thousands.

Though total figures are not yet available, estimates place damage in excess of $243 million. In Roanoke City alone, 5,500 homes have significant damage, 178 businesses have been affected, 10 of which are a total loss. The sewage treatment plant is entirely under water with damages to the facility exceeding $1 million, and 54 public buildings were damaged.

I am afraid the list is going to grow as reports are completed. The sad part is—it might well have been avoided. Since 1970 the U.S. Corps of Engineers have been studying the recurring flood problems of the Roanoke River and tributaries. On August 2, 1985, The Chief of Engineers issued a report recommending flood control measures for Roanoke City. The corps' plan includes the following changes:

First, 10 miles of channel construction along the river to contain runoff.

Second, installation of a flood warning system.

Third, replacement of low bridges.

Fourth, floodproofing Roanoke Memorial Hospital and the Roanoke sewage treatment plant.

It is essential that we act now. The bill I introduce today takes the approved report of the Army Corps of Engineers and directs the corps to begin work on the project. Timely action by Congress can avert such catastrophes in the future and I hope this legislation will be approved promptly.

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 1847. A bill to provide for a Samantha Smith Memorial Exchange Program to promote youth exchanges between the United States and the Soviet Union, and for other purposes; to the Committee on Foreign Relations.

SAMANTHA SMITH MEMORIAL EXCHANGE PROGRAM

Mr. MITCHELL. Mr. President, I am introducing today, along with Senator COHEN, a bill to establish a Samantha Smith Memorial Exchange Program, to promote greater understanding between the United States and the Soviet Union.

Americans are looking with hope to next week's summit meeting between President Reagan and Soviet Premier Gorbachev.

Our hopes are for genuine progress in arms control and human rights. Our hopes are for a historic breakthrough that can lead to securing peace for the world.

We look forward to the summit. In doing so, we place our faith in the ability of individuals, through face-to-face communication and negotiation, to overcome differences which exist between nations.

Ultimately, only individuals can reach out to each other. They can start with a wary respect for one another. They can reach for mutual understanding. They can strive to build friendships across differences; to live in harmony, and ideally, in common purpose.

Individuals are the foundation of our hopes. Ultimately, they are both the means and end of world peace.

One such individual was Samantha Smith.

Samantha was a young girl from Maine who one morning when she was 10 years old woke up wondering if it was going to be the last day of the Earth. She was afraid of talk about the nuclear arms race on radio and television. She was afraid for her future, and afraid for the world.

However, she was unafraid to try to understand.

Samantha wrote a letter addressed simply to "the Soviet Leader at the Kremlin in Moscow." In it, she asked: "Are you going to vote to have a war or not? If you aren't, please tell me how you are going to help to not have a war."

She mailed the letter, and somehow it arrived at the Kremlin. Much to her surprise, Samantha received a response from then-Soviet Premier Yuri Andropov who tried to dissolve her fears, then said, "See for yourself," and invited her to visit the Soviet Union.

For 2 weeks in July 1983, Samantha did exactly that. And although she accomplished no single, great historic deed in her visit to the Soviet Union, her desire to travel, to inquire, and to learn for herself greatly inspired millions of people both in the United States and abroad.

Samantha's youth, her love of life, and innocence symbolized all that is at stake in the world today. Our desire for world peace is a desire for people like Samantha to be allowed to live.

Upon returning home to the United States from the Soviet Union, Samantha wrote:

> If we could be friends by just getting to know each other better, then what are our countries really arguing about? Nothing could be more important than not having a war if a war would kill everything.

When Samantha returned home, she was a celebrity. She appeared on television talk shows. She hosted interviews with 1984 Democratic Presidential candidates on the Disney channel. She joined the cast of the new television series, "Lime Street." Yet her sense of priorities remained simple. In May this year, she told a reporter, about her goals: "When I am 16 I want to get my driver's license. After that, who knows?"

Three months ago, Samantha died in a plane crash in Maine. Her father, Arthur Smith, and six others died with her. At her funeral, her school adviser recounted how he and a group of students had met to talk about her life and death. "We made a list of things we would want to do before we died," he said. "We decided we'd like to travel and that we'd like to meet many people. We would want to make some contribution."

Samantha Smith is still for many of us a source of hope and inspiration.

With 1 week to go before the Reagan-Gorbachev summit, we look with hope for steps to be taken toward world peace.

With that in mind, I am proposing this bill to establish "The Samantha Smith Memorial Exchange Program."

The bill would authorize the United States Information Agency to fund a joint exchange or interchange program between the United States and Soviet Union for youth under the age of 21. Additionally, it authorizes scholarships for American undergraduate students to study abroad in the Soviet Union.

The proposal fulfills two very real, current needs. No mutual youth exchange program currently exists between the two countries, and although several college and university programs do exist for study abroad in the Soviet Union, little financial aid is available for undergraduate students wishing to pursue such study. Most Federal Government assistance is for advanced, graduate-level, specialized studies.

Scholarships under the program would be as much as $5,000 per student. The current cost of study in the Soviet Union under existing programs runs from $2,500 for a 6-week summer session to $7,000 for a full year, plus airfare.

The proposal authorizes $2 million annually each year for such purposes over an initial 2-year period.

The proposal will allow Americans, and Soviets, "to see for themselves"

both the differences and shared concerns which exist between our nations. It will promote inquiry and learning, as well as personal friendships on which to build world peace. For Americans who participate on such exchange programs, I am confident that the proposal will help instill a profound appreciation of our own political democracy and economic system.

The Soviet Union has not always been receptive to proposals for youth exchange programs, in which Soviet youth would be allowed to visit the United States. Our hope is that this proposal will prove an exception. Samantha Smith was popularly loved and mourned in the Soviet Union. We believe the Soviet Government will recognize that a youth exchange program of this nature is an appropriate memorial to her.

An agreement to such a proposal would not be a major, historic accomplishment by any stretch of the imagination. But it would be an important symbolic gesture.

It is in small, personal gestures that hope for world peace lies. In life, Samantha Smith reminded us of that fact. As a memorial to her, the United States and the Soviet Union should encourage the friendship of our peoples, through small, simple, personal gestures and exchanges.

● Mr. COHEN. Mr. President, in his Saturday, November 9, 1985, address, the President expressed his strong desire to expand contacts between American and Soviet societies wherever there is mutual interest. The President stated his particular interest in increasing exchanges among our young people.

I share this view that exchanges of various types between the United States and the U.S.S.R. can be useful. For example, people-to-people projects by Maine citizens, such as the making of a friendship quilt and the establishment of sister cities, provide meaningful bridges for United States-Soviet understanding. Cultural exchanges, too, offer an important means for improving our understanding of each other's country and people. At the end of 1979, the General Agreement on Contacts, Exchanges and Cooperation between the United States and the Soviet Union expired. In 1983, the United States presented a draft cultural relations agreement to the U.S.S.R. and discussions began in Moscow in September of that year. I am hopeful that these discussions may be completed in the near future.

Exchanges among specialists are also important. In 1983, Congress passed the Soviet-East European Research and Tranining Act to promote such contacts by providing much needed funding and reciprocal exchanges. This legislation should serve as an impetus to advanced research in Soviet and East European affairs and be a significant factor in meeting our need for additional well-trained specialists in this critical field.

As the President noted, exchanges among our young people are especially important, for our children are our future. Such exchanges, however, have generally taken a back seat to exchanges among artists and specialists and citizen-to-citizen contacts among adults.

Two years ago, a young girl from Maine made manifest how productive contacts among our youth can be. Samantha Smith was warmly received in the U.S.S.R. as a messenger of goodwill and became a symbol of children's hope for peace. She brought her youth, imagination, and considerable energy to the vitally important task of seeking world peace, and captured the world's heart. I shared with many others the sense of loss at the tragic death of Samantha this past summer. Over the last 3 months, Maine citizens and others have suggested ideas for a suitable memorial to her. One such idea was to establish a memorial youth exchange program with the Soviet Union.

Accordingly, Senator MITCHELL and I are introducing today a bill to establish the Samantha Smith Memorial Exchange Program. This program would provide for United States-Soviet youth exchanges and undergraduate study in the U.S.S.R. by American students.

I believe that such a program would be a significant complement to the exchange programs already in existence or under negotiation, as well as a fitting tribute to Samantha Smith and the hope she represented. I urge my colleagues to join Senator MITCHELL and me in cosponsoring this legislation.●

By Mr. GORTON:

S.J. Res. 236. Joint resolution to authorize and request the President to issue a proclamation designating April 20 through April 26, 1986, as "National Organ and Tissue Donor Awareness Week"; to the Committee on the Judiciary.

NATIONAL ORGAN AND TISSUE DONOR AWARENESS WEEK

Mr. GORTON. Mr. President, today I have the privilege of introducing a Senate joint resolution calling on the President to proclaim April 20 through April 26, 1986, as "National Organ and Tissue Donor Awareness Week." Congressman SID MORRISON is introducing a companion measure today in the House of Representatives, and I ask my colleagues to join us in supporting this legislation.

Years of hard work by the dedicated men and women in our medical professions have given our society the tools to take truly miraculous steps in improving the quality of life for debilitated Americans. In 1984 alone, our medical community used organ transplants to bring sight to over 24,000 citizens. During the same period of time, 346 Americans were saved from heart disease by transplants. And our doctors were able to break the chains that tied 6,968 Americans to dialysis machines with kidney transplants last year. Organ and tissue transplant technology has alleviated the suffering of citizens afflicted with bone cancer, severe burns, liver disease, and pancreatic disorders. In addition, recent breakthroughs in medical science have improved the 1-year success rate for transplant operations to between 70 and 99 percent, depending upon the type of operation.

A necessary ingredient for these modern miracles, however, is a pledge by organ donors. In my home State of Washington, there are 20 to 30 potential heart donors each year whose hearts cannot be used because they died without having signed a donor card. As we speak today, there are 188 people in the Pacific Northwest waiting for kidney donations. And another 200 Washington State citizens presently are hoping that the generosity of others will allow cornea transplants before they permanently lose their sight. The National Kidney Foundation estimates that there are over 25,000 Americans that would benefit from kidney transplant operations—8,500 of them are in critical need of transplant surgery.

I am sure that all of my colleagues have heard stories of the pain, trauma, and frustration that families must endure as they wait for the uncertain receipt of suitable organs and tissues for loved ones. Much of this suffering could be avoided. In many cases, it is the simple lack of public awareness that complicates the search for donors. Despite the pressing need for transplant organs and tissues, only 2 percent of those who would like to donate have signed donor cards.

National Organ and Tissue Donor Awareness Week, as in years past, will help provide essential information to the public. National, State, and local groups will coordinate their efforts to show Americans how easy it is to sign and carry the uniform donor card. This year, our neighbors to the north in Canada also will be participating in a variety of programs to draw attention to the need for donors.

I anticipate that my colleagues will be hearing from these dedicated people in their own States in the next few weeks. I welcome my colleagues' support and their cosponsorship of the joint resolution.

Mr. President, I ask unanimous consent that the text of the Senate joint resolution be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

H.J. RES. 236

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 20 through April 26, 1986, as "National Organ and Tissue Donor Awareness Week".

ADDITIONAL COSPONSORS

S. 571

At the request of Mr. D'AMATO, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 571, a bill to amend subchapter II of chapter 53 of title 31, United States Code, relating to currency reports.

S. 1214

At the request of Mr. DECONCINI, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1214, a bill to amend section 215 of title 18, United States Code, to modify the state of mind requirements for certain bank bribery and related offenses.

S. 1223

At the request of Mr. ARMSTRONG, the names of the Senator from Oregon [Mr. PACKWOOD] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to the honor members of the Armed Forces of the United States who served in the Korean war.

S. 1347

At the request of Mr. NUNN, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 1347, a bill to provide access to criminal history record information for national security purposes for the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency.

S. 1679

At the request of Mr. GRASSLEY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1679, a bill to strengthen provisions of the law that provide safeguards when imports threaten to impair the national security.

S. 1804

At the request of Mr. HATCH, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 1804, a bill to provide for Federal incentive grants to encourage State health care professional liability reform.

S. 1818

At the request of Mr. DENTON, the names of the Senator from Nevada [Mr. LAXALT], the Senator from Idaho [Mr. MCCLURE], the Senator from North Carolina [Mr. EAST], and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of S. 1818, a bill to prevent sexual molestation of children in Indian country.

S. 1823

At the request of Mr. ROCKEFELLER, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1823, a bill to strengthen the technological literacy of the Nation through demonstration programs of technology education.

SENATE JOINT RESOLUTION 39

At the request of Mr. GORE, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Alabama [Mr. DENTON] were added as cosponsors of Senate Joint Resolution 39, a joint resolution to designate October 26, 1985, as "Mule Appreciation Day."

SENATE JOINT RESOLUTION 102

At the request of Mr. ZORINSKY, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Joint Resolution 102, a joint resolution to establish a National Commission on Illiteracy.

SENATE JOINT RESOLUTION 145

At the request of Mr. DURENBERGER, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of Senate Joint Resolution 145, a joint resolution designating November 1985 as "National Diabetes Month."

SENATE JOINT RESOLUTION 202

At the request of Mr. HATCH, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Michigan [Mr. RIEGLE], the Senator from Massachusetts [Mr. KERRY], the Senator from Florida [Mrs. HAWKINS], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Hawaii [Mr. INOUYE], the Senator from Vermont [Mr. STAFFORD], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Joint Resolution 202, a joint resolution designating November 1985 as "American Liver Foundation National Liver Awareness Month."

SENATE JOINT RESOLUTION 235

At the request of Mr. DANFORTH, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of Senate Joint Resolution 235, a joint resolution to designate the week of January 26, 1986, to February 1, 1986, as "Truck and Bus Safety Week."

SENATE CONCURRENT RESOLUTION 69

At request of Mr. DANFORTH, the names of the Senator from Montana [Mr. MELCHER] and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Concurrent Resolution 69, a concurrent resolution to recognize the National Camp Fire Organization for 75 years of service.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the name of the Senator From Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Resolution 249, a resolution to honor the achievements of Antonio Meucci.

AMENDMENTS SUBMITTED

OMNIBUS BUDGET RECONCILIATION ACT

METZENBAUM AMENDMENT NO. 995

Mr. METZENBAUM proposed an amendment to the bill (S. 1730) to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, Ninetyninth Congress); as follows:

On page 334, strike out lines 1 through 5.

GRAMM (AND ARMSTRONG) AMENDMENT No. 996

Mr. GRAMM (for himself and Mr. ARMSTRONG) proposed an amendment to the bill S. 1730, supra; as follows:

On page 287, beginning with line 5, strike out all through page 306, line 17.

ROTH (AND MOYNIHAN) AMENDMENT No. 997

Mr. ROTH (for himself and Mr. MOYNIHAN) proposed an amendment to the bill S. 1730, supra; as follows:

On page 302, strike out lines 19 through 24, and insert in lieu thereof the following:

"(d) Amounts in the Trust Fund shall only be available—

"(1) for the payment of drawbacks and refunds of the duty imposed by section 287 that are allowable under any provision of Federal law, and

"(2) to the extent and in such amounts as may be provided by appropriation Acts, for making expenditures to carry out the provisions of chapters 2 and 3.

None of the amounts in the Trust Fund shall be available for the payment of loans guaranteed under chapter 3 or for any other expenses relating to financial assistance provided under chapter 3.".

On page 303, strike out lines 1 through 10.

On page 303, line 11, strike out "(d) and insert in lieu thereof "(c)".

On page 305, strike out lines 1 through 4, and insert in lieu thereof the following:

"(c)(1) Except as otherwise provided in this subsection, duty-free treatment provided with respect to any article under any other provision of law shall not prevent the imposition of duty with respect to such article by subsection (a).

"(2) No duty shall be imposed by subsection (a) with respect to any article that is treated as duty free under part 148 of title 19 of the Code of Federal Regulations.".

On page 305, line 23, strike out "(d)" and insert in lieu thereof "(c)".

On page 306, line 3, strike out "the date that is 30 days after".

On page 306, line 6, strike out "778D, and 778G(c)" and insert in lieu thereof "and 778D".

LAUTENBERG AMENDMENT NO. 998

Mr. LAUTENBERG (for himself, Mr. DANFORTH, Mr. BRADLEY, and Mr. BOSCHWITZ) proposed an amendment to the bill S. 1730, supra; as follows:

At the end of the bill, add the following:

SEC. . Section 158 of title 23, United States Code, is amended—

(1) in subsection (a)(2), by striking "the fiscal year" and inserting in lieu thereof "each fiscal year"; and

(2) in subsection (b), by striking "in fiscal year if in any succeeding fiscal year" and inserting in lieu thereof "in the fiscal year beginning after September 30, 1986, or the fiscal year beginning after September 30, 1987, if before the end of the period for which such funds would be available for expenditure under section 118(b) of this title".

PACKWOOD AMENDMENT NO. 999

Mr. GORTON (for Mr. PACKWOOD) proposed an amendment to the bill S. 1730, supra; as follows:

On page 306, beginning with line 18, strike out all through page 308, line 11, and insert in lieu thereof the following:

SUBTITLE G—REVENUE SHARING

SEC. 779. TERMINATION OF GENERAL REVENUE SHARING.

(a)(1) Except as otherwise provided in this section, the provisions of chapter 67 of title 31, United States Code, are hereby repealed.

(2) The Secretary of the Treasury shall continue to be the trustee of the Trust Fund, which shall remain in existence until amounts in the Trust Fund are expended for entitlement payments to local governments in accordance with the terms of the Revenue Sharing Act.

(3) The Secretary is authorized to take such necessary or appropriate actions, to carry out the requirements of this Act with respect to funds appropriated to the Trust Fund, as were authorized under the terms of the Revenue Sharing Act, including but not limited to enforcement of the regulatory provisions concerning nondiscrimination, audits, accounting procedures, public hearings, expenditures in accordance with State and local law, and cooperation with reasonable requests for information.

(4) The Secretary may increase or decrease a payment to a unit of general local government under the Revenue Sharing Act to account for a prior underpayment or overpayment only if the increase or decrease is demanded by the Secretary or such unit of general local government before March 1, 1986.

(5) Amounts paid to units of general local governments from the Trust Fund shall be used, obligated, or appropriated by the units of general local governments before April 1, 1987, and these funds shall continue to be subject to the terms of the Revenue Sharing Act.

(6) Subsection (a)(1) of this section shall not have the effect of releasing or extinguishing any fiscal sanction, finding, determination, compliance agreement, or other duly authorized action for the purpose of sustaining any proper action or prosecution for enforcement authorized under the terms of the Revenue Sharing Act.

(7) The Attorney General, and persons adversely affected by a practice of a local government, may bring a civil action in an appropriate district court of the United States against the applicable unit of general local government as was authorized under the Revenue Sharing Act. The court is authorized to grant such relief as was authorized under the terms of the Revenue Sharing Act.

(8) The Secretary shall report to Congress on the operation and status of the Trust Fund and the implementation of this section not later than December 1 of each year the Trust Fund remains on the books of the Department of the Treasury.

(b)(1) The table of chapters for subtitle V of title 31, United States Code, is amended by striking out the item relating to chapter 67.

(2) Paragraph (2) of section 1115(b) of the Social Security Act (42 U.S.C. 1315(b)(2)) is amended—

(A) by adding "and" at the end of subparagraph (A),

(B) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period, and

(C) by striking out subparagraph (C).

(3) Section 501(b)(6) of the Housing Act of 1949 (42 U.S.C. 1471(b)(6)) and section 102(a)(17) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(17)) are each amended by striking out "under the State and Local Fiscal Assistance Act of 1972 (Public Law 92-512)" and inserting in lieu thereof ", prior to October 1, 1986, under chapter 67 of title 31, United States Code".

(4) Section 302 of the Age Discrimination Act of 1975 (42 U.S.C. 6101) is amended by striking out ", including programs or activities receiving funds under the State and Local Fiscal Assistance Act of 1972 (31 U.S.C. 1221 et seq.)".

(5) Paragraph (3) of section 3 of the Coastal Barrier Resources Act (16 U.S.C. 3502(3)) is amended by striking out subparagraph (A) and redesignating subparagraphs (B), (C), (D), and (E) as subparagraphs (A), (B), (C), and (D), respectively.

(6) Subparagraph (B) of section 119(n)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 5318(n)(2)(B)) is amended by striking out "is an eligible recipient" and inserting in lieu thereof "was an eligible recipient, prior to October 1, 1986,".

(7) Paragraph (1) of section 248(h) of the National Housing Act (12 U.S.C. 1715z-13(h)(1)) is amended by striking out "is an eligible recipient" and inserting in lieu thereof "was an eligible recipient, prior to October 1, 1986,".

(c) For purposes of this section—

(1) The term "Trust Fund" means the State and Local Assistance Trust Fund established under the Revenue Sharing Act.

(2) The term "Revenue Sharing Act" means the provisions of chapter 67 of title 31, United States Code, as in effect on the day before the date of enactment of this Act and subject to the terms of any appropriation Act of fiscal year 1986.

(3) The term "Secretary" means the Secretary of the Treasury.

(d) There are hereby authorized to be appropriated for fiscal year 1987, such sums as may be necessary to administer the provisions of this section, and to provide for the orderly phaseout of the Revenue Sharing Program.

(e)(1) Except as otherwise provided in this subsection, the repeal and amendments made by this section, and the provisions of this section, shall take effect on October 1, 1986.

(2) The provisions of subsections (a)(4), (c), and (d) shall take effect on the date of enactment of this Act.

BAUCUS AMENDMENT NO. 1000

Mr. BAUCUS proposed an amendment to the bill S. 1730, supra; as follows:

On page 285, beginning with line 24, strike out all through page 286, line 13, and insert in lieu thereof the following

(f)(1) Notwithstanding section 524 of the Tariff Act of 1930 (19 U.S.C. 1524), all the fees collected under subsection (a) shall be deposited in a separate account within the general fund of the Treasury of the United States. Such account shall be known as the "Customs User Fee Account".

(2)(A) The Secretary of the Treasury is authorized and directed to refund out of the Customs User Fee Account expenses incurred by the Secretary of the Treasury in providing overtime customs inspectional services in an amount determined by the Secretary of the Treasury to be equivalent to the amount of such expenses.

(B) The amounts which are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Secretary of the Treasury of the expenses referred to in subparagraph (A). Proper adjustments shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amounts required to be refunded under subparagraph (A).

On page 286, strike out lines 17 and 18.

On page 286, line 19, strike out "(2)" and insert in lieu thereof "(h)(1)".

On page 286, line 22, strike out "(3)" and insert in lieu thereof "(2)".

DOLE AMENDMENT NO. 1001

Mr. DOLE proposed an amendment to the bill S. 1730, supra; as follows:

Beginning on page 441, line 22, strike out through line 14 on page 442.

KENNEDY (AND OTHERS) AMENDMENT NO. 1002

Mr. KENNEDY (for himself, Mr. BYRD, Mr. RIEGLE, Mr. MELCHER, Mr. KERRY, Mr. SARBANES, Mr. MATSUNAGA, Mr. CRANSTON, Mr. CHILES, and Mr. SIMON) proposed an amendment to the bill S. 1730, supra; as follows:

On page 164, after line 25, insert the following:

SEC. 711A. SENSE OF THE SENATE WITH RESPECT TO INPATIENT HOSPITAL DEDUCTIBLE.

In view of the $92 Medicare hospital deductible increase that will go into effect January 1, 1986, it is the sense of the Senate that the Committee on Finance should report legislation which will reform calculation of the annual increase in such deductible so that it is more consistent with annual increases in Medicare payments to hospitals.

STAFFORD (AND OTHERS) AMENDMENT NO. 1003

Mr. STAFFORD (for himself, Mr. KENNEDY, Mr. HEINZ, Mr. GLENN, Mr. DANFORTH, Mr. LEAHY, Mr. D'AMATO, Mr. EAGLETON, Mr. BURDICK, Mr. COHEN, Mr. HATFIELD, Mr. MOYNIHAN, Mr. HART, Mr. ANDREWS, Mr. LAUTENBERG, Mr. RIEGLE, Mrs. HAWKINS, Mr. PELL, and Mr. HARKIN) proposed an amendment to the bill S. 1730, supra; as follows:

Beginning on page 10, strike out the dash on line 23 and all that follows through "(2)" on line 4 of page 11.

On page 11, strike out "a" on line 6 and all that follows through "or" on line 10.

On page 11, strike out "In" on line 11 and all that follows through "Act." on line 15.

DECONCINI (AND OTHERS) AMENDMENT NO. 1004

Mr. DECONCINI (for himself, Mr. BENTSEN, and Mr. MOYNIHAN) proposed an amendment to the bill S. 1730, supra; as follows:

On page 283, after line 25, add the following:

(3) No fee shall be charged under subsection (a)(3) for the arrival of a commercial truck during any calendar year after a total of $100 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such commercial truck during such calendar year.

(4) No fee shall be charged under subsection (a)(4) for the arrival of a railroad car whether passenger or freight during any calendar year after a total of $100 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such passenger or freight rail car during such calendar year.

(5) No fee shall be charged under subsection (a)(5) for the arrival of a private vessel or private aircraft during any calendar year after a total of $500 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such private vessel or private aircraft during such calendar year.

HECHT AMENDMENT NO. 1005

Mr. HECHT proposed an amendment to the bill S. 1730, supra; as follows:

On page 440, line 13, after the period, insert the following: The Commission's study shall also include former sections 4355 (a) and (b), former section 4358(d), and former sections 4554 (b) and (c).

HELMS AMENDMENT NO. 1006

Mr. HELMS proposed an amendment to the bill S. 1730, supra; as follows:

On page 372, after line 2, insert the following new section:

SEC. 789H. SENSE OF THE SENATE THAT THE VALUE ADDED TAX SHOULD BE DELETED IN CONFERENCE.

(a) FINDINGS.— The Senate finds that—

(1) the value added tax added by this part is a regressive tax which places the burden of paying for pollution on persons other than those responsible for it;

(2) such tax represents a dangerous shift toward the principle of a broad-basgd tax on sales;

(3) such tax has escalated rapidly in virtually every country in which it has been implemented;

(4) the Administration has stated, in a September 16, 1985, statement of Administration policy that "(t)he President's senior advisors will recommend disapproval of any legislation containing a value added or other broad-based tax.";

(5) the House of Representatives is expected to adopt a financing mechanism for the Superfund bill which will not include such tax;

(6) the Administration will not be prepared to release its alternative to such tax after the Senate has completed action on the reconciliation legislation; and

(7) prolonged debate on the floor of the Senate concerning an alternative to such tax would unduly delay consideration of this legislation.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the committee on conference on H.R. 2005 or any comparable legislation should submit a conference report which contains a reliable financing mechanism for the Superfund program which does not include any value added tax, and

(2) that the committee on conference on this Act or any comparable legislation should submit a conference report which does not include any value added tax.

MOYNIHAN (AND OTHERS) AMENDMENT NO. 1007

Mr. MOYNIHAN (for himself, Mrs. HAWKINS, Mr. GORE, Mr. MITCHELL, Mr. BAUCUS, Mr. HEINZ, Mr. NICKLES, Mr. ZORINSKY, Mr. RIEGLE, Mr. KENNEDY, Mr. CHILES, Mr. SASSER, Mr. GRASSLEY, Mr. BYRD, Mr. HARKIN, Mr. BENTSEN, Mr. ROCKEFELLER, Mr. BRADLEY, Mr. KERRY, and Mr. BUMPERS) proposed an amendment to the bill S. 1730, supra; as follows:

On page 265, between line 7 and 8, insert the following:

SEC. 769G. RESTORATION OF TRUST FUND INVESTMENTS.

(a) REISSUANCE OF OBLIGATIONS.—The Secretary of the Treasury shall immediately reissue to the Social Security Trust Funds and other retirement funds (as defined in subsection (d)) obligations under chapter 31 of title 31, United States Code, identical in all terms to public debt obligations redeemed on or after September 1, 1985, and on or before the date of the enactment of this Act that as determined by the Secretary on the basis of standard investment procedures for such funds in effect on September 1, 1985, would not have been redeemed if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985. The uninvested balances of such funds shall be debited for the principal amount of such reissued obligations.

(b) APPROPRIATION TO TRUST FUNDS OF LOST INTEREST.—(1) The Secretary of the Treasury shall pay to the Social Security Trust Funds and other retirement funds (as defined in subsection (d)), from amounts in the general fund of the Treasury not otherwise appropriated, amounts determined, in accordance with paragraph (2), to be equal to the net amount of interest that would have accrued to each such fund but for non-investments, redemptions, and disinvestments of such funds—

(A) on or after September 1, 1985, and on or before the date of the enactment of this Act that would not have occurred if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985, taking into account the reissuance of obligations as required by subsection (a); and

(B) on or after September 1, 1984, and prior to September 1, 1985, that would not have occurred but for limitations on the public debt, based on the present value of the permanent loss of such interest.

(2)(A) The determination of the amount of interest which would have accured to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund shall be made jointly by the Secretary of the Treasury and the Commissioner of Social Security, and must be certified as accurate by the two public members of the Board of Trustees of the Trust Fund and by the Comptroller General.

(B) The determination of the amount of interest which would have accrued to the Railroad Retirement Account shall be made jointly by the Secretary of the Treasury and the Chairman of the Railroad Retirement Board, and must be certified as accurate by the Comptroller General.

(C) The determination of the amount of interest which would have accrued to Civil Service Retirement and Disability Fund and the Department of Defense Military Retirement Fund shall be made by the Secretary of the Treasury, and must be certified as accurate by the Comptroller General.

(3) The payment required by paragraph (1) shall be made on June 30, 1986. Prior to April 1, 1986, the officials required to make all determinations under paragraph (2) shall do so, and shall report to the Congress any disagreements. The Comptroller General and the public members of the Board of Trustees of the Trust Funds shall report to the Congress any such determinations which they do not certify as being accurate, along with an explanation of why they do not certify such determination.

(c) NOTIFICATION OF DISINVESTMENT PLANS.—(1) The Secretary of the Treasury (as Managing Trustee of the Social Security Trust Funds) shall notify each member of the Board of Trustees of such Trust Funds, the Chairman of the House Committee on Ways and Means, and the Chairman of the Senate Committee on Finance, of any planned action, taken by reason of the limitation on the public debt, to—

(A) redeem or to disinvest any long-term bond held by the Trust Funds (specifying the amount, rate of interest, and date of redemption of each bond); or

(B) not make normalized tax transfers or not invest normalized tax transfers in interest bearing obligations, as required under sections 201, 1817, and 1841 of the Social Security Act.

(2) Notice under this subsection shall be made not less than 15 days prior to the planned action, and shall include an explanation of the necessity for the action.

(d) DEFINITION.—For purposes of this section, the term "Social Security Trust Funds and other retirement funds" means the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance

Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, the Railroad Retirement Account, the Civil Service Retirement and Disability Fund, and the Department of Defense Military Retirement Fund.

PACKWOOD (AND OTHERS) AMENDMENT NO. 1008

Mr. HEINZ (for Mr. PACKWOOD, for himself, Mr. HEINZ, Mr. MOYNIHAN, and Mr. BRADLEY) proposed an amendment to the bill S. 1730, supra; as follows:

On page 174, strike out lines 18 through 20, and insert in lieu thereof the following:

(c) EFFECTIVE DATES.—(1) Except as otherwise provided in paragraph (2), the amendments made by this section shall apply to services furnished on or after the date of the enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by subsection (b), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State Legislature that begins after the date of the enactment of this Act.

On page 239, line 3, strike out "$700,000" and insert "$85,000,000".

On page 239, line 4, strike out "$800,000" and insert "$88,000,000".

On page 239, line 18, strike out "$150,000" and insert "$1,500,000".

On page 239, line 19, strike out "$200,000" and insert "$2,000,000".

On page 275, line 25, strike out "$500,000" and insert "$45,000,000".

GRASSLEY AMENDMENT NO. 1009

Mr. GRASSLEY proposed an amendment to the bill S. 1730, supra; as follows:

On page 330, strike out lines 20 through 24, and insert in lieu thereof the following:

"(2) CERTAIN NETTING NOT PERMITTED AFTER SECTION 381 TRANSACTIONS.—If such an organization acquires the assets of another such organization in a transaction described in section 381(a) and exercises its option under paragraph (1), the acquiring organization may not, in computing its net earnings for taxable years ending after the date of acquisition, offset losses of 1 or more allocation units of the acquiring or acquired organization against earnings of the acquired or acquiring organization, respectively, to the extent that—

"(A) such earnings are not properly allocable to periods after the date of acquisition, and

"(B) such earnings could not have been offset by such losses if such earnings and losses had been derived from allocation units of the same organization.

On page 331, line 6, strike out "each patron" and insert in lieu thereof "its patrons".

On page 331, lines 10 and 11, strike out ", or would have been, distributed to such patron" and insert in lieu thereof "distributed to its patrons".

On page 331, line 15, strike out "such patron" and insert in lieu thereof "its patrons."

On page 332, lines 15 and 16, strike out "each patron" and insert in lieu thereof "its patrons".

On page 333, line 12, strike out "Date" and insert in lieu thereof "Dates".

On page 333, after line 21, insert the following:

(3) NO INFERENCE.—Nothing in the amendments made by this section shall be construed to infer that a change in law is intended as to whether any patronage earnings may or may not be offset by nonpatronage losses, and any determination of such issue shall be made as if such amendments had not been enacted.

QUAYLE (AND KENNEDY) AMENDMENT NO. 1010

Mr. QUAYLE (for himself and Mr. KENNEDY) proposed an amendment to the bill S. 1730, supra; as follows:

On page 295, line 3, strike out "a training program" and insert in lieu thereof "training an adversely affected worker".

On page 295, line 7, strike out "a training program" and insert in lieu thereof "training an adversely affected worker".

On page 295, between lines 12 and 13, insert the following:

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

On page 296, beginning with line 1, strike out all through page 297, line 9, and insert in lieu thereof the following:

"(c) The provisions of section 143(b) of the Job Training Partnership Act shall apply with respect to training provided under this chapter.

"(d) The Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(2) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment, and

"(3) the employer has not taken, at any time, any action which violated—

"(A) the provisions of section 143(b) of the Job Training Partnership Act, or

"(B) the terms of any certification described in paragraph (2) made by such employer,

with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).".

On page 297, between lines 15 and 16, insert the following:

(c) Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended by adding at the end thereof the following new subsection:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.".

QUAYLE (AND OTHERS) AMENDMENT NO. 1011

Mr. QUAYLE (for himself, Mr. DURENBERGER, Mr. HATCH, Mr. KENNEDY, Mr. DOLE, Mr. BAUCUS, and Mr. HEINZ) proposed an amendment to the bill S. 1730, supra; as follows:

Beginning on page 517, line 14, strike out through page 529, line 10, and insert in lieu thereof the following:

COUNCIL ON GRADUATE MEDICAL EDUCATION

SEC. 986. Title VII of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART H—GRADUATE MEDICAL EDUCATION

"COUNCIL ON GRADUATE MEDICAL EDUCATION

"SEC. 799. (a) ESTABLISHMENT OF COUNCIL.—There is established the Council on Graduate Medical Education (hereafter in this section referred to as the "Council"). Prior to July 1, 1988, and every three years thereafter, the Council shall provide advice and make recommendations to the Secretary with respect to—

"(1) the supply of physicians in the United States;

"(2) current and future needs for physicians to practice in primary care specialties and in medical specialties which the Council determines to have a relative shortage of physicians;

"(3) issues relating to foreign medical school graduates;

"(4) appropriate Federal policies with respect to the matters specified in paragraphs (1), (2), and (3), including policies concerning changes in the financing of undergraduate and graduate medical education programs and changes in the types of medical education training in graduate medical education programs; and

"(5) appropriate efforts to be carried out by hospitals, schools of medicine, and schools of osteopathy with respect to the matters specified in paragraphs (1), (2), and (3), including efforts for changes in undergraduate and graduate medical education programs.

"(b) MEMBERSHIP.—The Council shall be composed of—

"(1) the Assistant Secretary for Health or the designee of the Assistant Secretary;

"(2) the Administrator of the Health Care Financing Administration;

"(3) the Chief Medical Director of the Veterans' Administration;

"(4) ten members appointed by the Secretary from representatives of health care providers, national and specialty physician organizations, schools of medicine, organizations of graduates of foreign medical schools, and hospitals which provide graduate medical education; and

"(5) four members appointed by the Secretary from representatives of health insurers, business, and labor.

"(c) TERMS.—(1) Members of the Council appointed under paragraphs (4) and (5) of subsection (b) shall be appointed for a term of four years, except that the term of office of the members first appointed shall expire, as designated by the Secretary at the time

of appointment, four at the end of one year, four at the end of two years, three at the end of three years, and three at the end of four years.

"(2) The Secretary shall appoint the first members to the Council under paragraphs (4) and (5) of subsection (b) within 60 days after the date of enactment of this section.

"(d) CHAIRMAN.—The Council shall elect one of its members as Chairman of the Council.

"(e) QUORUM.—Nine members of the Council shall constitute a quorum, but a lesser number may hold hearings.

"(f) VACANCIES.—Any vacancy in the Council shall not affect its power to function.

"(g) COMPENSATION.—Each member of the Council who is not otherwise employed by the United States Government shall receive compensation at a rate equal to the daily rate prescribed by GS-18 under the General Schedule under section 5332 of title 5, United States Code, for each day, including traveltime, such member is engaged in the actual performance of duties as a member of the Council. A member of the Council who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Council shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the preformance or their duties.

"(h) POWERS.—In order to carry out the provisions of this section, the Council is authorized to—

"(1) collect such information, hold such hearings, and sit and act at such times and places, either as a whole or by subcommittee, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Council or such subcommittee may consider advisable; and

"(2) request the cooperation and assistance of Federal departments, agencies, and instrumentalities in carrying out the provisions of this section, and such departments, agencies, and instrumentalities are authorized to provide such cooperation and assistance.

"(i) REPORTS.—Prior to July 1, 1988, and every three years thereafter, the Council shall prepare and transmit a report to the Secretary and to Congress which specifies the activities of the Council during the period for which the report is made and contains advice and recommendations as required under subsection (a).".

On page 156, beginning on line 9, strike out "increases," and all that follows through the end of line 12, and insert in lieu thereof the following: "changes, the number of years which the Secretary may specifiy, after consultation with the Accreditation Council on Graduate Medical Education and after review of the recommendations of the Council on Graduate Medical Education established under section 799 of the Public Health Service Act; except that (1) if such change increases the required number of years, the revised number of years specified by the Secretary may not be greater than such increased required number of years nor less than the number of years specified in the 1985-1986 Directory, and (2) if such change decreases the required number of years, the revised number of years specified by the Secretary may not be greater than the number of years specified in the 1985-1986 Directory nor less than such decreased required number of years.".

HEINZ (AND OTHERS) AMENDMENT NO. 1012

Mr. HEINZ (for himself, Mr. PACKWOOD, Mr. MOYNIHAN, and Mr. BRADLEY) proposed an amendment to the bill S. 1730, supra; as follows:

On page 174, strike out lines 18 through 20, and insert in lieu thereof the following:

(c) EFFECTIVE DATES.—(1) Except as otherwise provided in paragraph (2), the amendments made by this section shall apply to services furnished on or after the date of the enactment of this Act.

On page 239, line 3, strike out "$700,000" and insert "$85,000,000".

On page 239, line 4, strike out "$800,000" and insert "$88,000,000".

On page 239, line 18, strike out "$150,000" and insert "$1,500,000".

On page 239, line 19, strike out "$200,000" and insert "$2,000,000".

On page 275, line 25, strike out "$500,000" and insert "$45,000,000".

PACKWOOD AMENDMENTS NOS. 1013 AND 1014

Mr. HEINZ (for Mr. PACKWOOD) proposed two amendments to the bill S. 1730, supra; as follows:

AMENDMENT No. 1013

On page 161, line 23, after "1972" insert the following: ", or under section 402 of the Social Security Amendments of 1967 (as amended by section 222(b) of the Social Security Amendments of 1972),".

AMENDMENT No. 1014

On page 174, line 14, before the semicolon insert "payment for which would be made under the State plan".

Beginning on page 218, line 24, strike out "but shall not be subject to any other monitoring, quality control, audit, or penalty provision" and insert in lieu thereof "but shall not be subject to any other financial penalty as a result of any other monitoring, quality control, or auditing requirement".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Tuesday, November 12, to hold a hearing to examine the marketing, transportation, handling procedures, and inspection of agricultural commodities in connection with grain purchases by foreign nations and to examine incidents pertaining to the loading, handling, and inspection of the Soviet vessel *Marshal Konev*.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. GORTON. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, November 12, in closed session to conduct a hearing on Soviet strategic defense programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, November 12, 1985, in order to conduct a business meeting on S. 1517, a bill to amend the Low-Level Radioactive Waste Policy Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. GORTON. Mr. President, I ask unanimous consent that the Subcommittee on Investigations, of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, November 12, in order to conduct a hearing on the Foreign Missions Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

MOTOR CARRIER SAFETY

● Mr. DANFORTH. Mr. President, motor carrier safety is an issue of vital importance. Major steps have been taken to improve motor carrier safety and to strengthen safety regulations by Congress, State and local governments, the Department of Transportation, and the truck and bus industries. Despite these positive actions, however, it is clear that we must continue to work to combat this major safety concern.

Last week, Secretary of Transportation Elizabeth Hanford Dole delivered a speech to the annual meeting of the Highway Users Federation for Safety and Mobility in which she outlined the Department's truck and bus safety initiatives

Mr. President, Secretary Dole's remarks describe the important work being undertaken by the Department and others to enhance motor carrier safety. I ask that the text of Secretary Dole's speech be printed in the RECORD.

The text follows:

REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION ELIZABETH HANFORD DOLE AT THE 16TH ANNUAL MEETING OF THE HIGHWAY USERS FEDERATION FOR SAFETY AND MOBILITY

May I say how much I have looked forward to this occasion. It presents an opportunity to engage you who represent the millions of Americans who use and profit from the nation's highways in a dialogue about the future of those highways—and the commitment of my own Department of Transportation to exert leadership in solving the

problems and realizing the potential of these, our nation's lifelines.

The Highway Users Federation continually serves as a strong voice to promote highway safety, preservation and improvement. This group and its leaders have rendered outstanding service in past campaigns to encourage safety belt usage, combat the scourge of drunk drivers, and support a wide range of community-based safety programs. For all the membership of this organization has done, I am grateful. But today, my purpose is to look ahead, to what we must do together in the months to come. I am here to describe several initiatives on which I have been working with John Clements and others from your membership. John is a proven national transportation leader—especially in the area of highways and highway safety—and he was one of the individuals who was most helpful when we worked together to secure a clean "ICE" bill.

The initiatives I want to outline today are designed to make what is the finest system of highways in the world better yet. Most of all, I am here today to offer leadership in enhancing truck safety along four million miles of American roads.

It's been said that a journey of ten thousand miles must begin with a single step. The journey which we must travel together, now and in the months to come, will involve many steps, taken on many fronts. One such step was the introduction of legislation yesterday to designate the week of January 26 as National Truck and Bus Safety Week. I harbor no illusions about the long-range impact of such observances—but I *am* convinced that they can serve to educate, heighten public awareness, and promote legislative responsibility.

During the final week of September, the Department—in cooperation with the states participating in the Motor Carrier Safety Assistance Program and those member states of the Commercial Vehicle Safety Alliance—conducted a nationwide joint inspection effort of commercial trucks. For the first time, all inspectors—federal and state—used the same inspection procedures and vehicle safety criteria, providing nationwide uniformity, increased efficiency and a greater focus on important safety problems. What we found gives cause for concern. Some 41 percent of all vehicles inspected by state personnel were grounded by serious defects, another 15 percent of all drivers were put out of service due to improper documentation and log book problems. Such numbers are not final. Even so, they suggest the dimensions of a problem we can hardly ignore.

Meanwhile, there is another serious problem we must address, namely the fact that in 20 of our states, any person who is licensed to drive an automobile can also legally drive a tractor-trailer without first meeting any formal state training, testing or operator licensing requirements. Quite frankly, this is outrageous. It should worry any American who drives or rides as a passenger on the same roads shared with tractor-trailer vehicles.

Nor does this exhaust my concerns. What about the ease with which drivers can obtain multiple licenses and records to match? In fact, we have evidence that some drivers—including truck and bus drivers—may possess licenses in several states at the same time. Why? To hide accidents and traffic violations and avoid state enforcement action, such as license revocation. The National Transportation Safety Board has found that three separate levels of commercial driver screening notwithstanding, states continue to license problem drivers to operate heavy trucks.

Consider the case of the tractor-trailer which struck—from the rear—three parked vehicles. The truck driver had two driver's licneses in his possession: one from Colorado and one from New York. His Colorado license had two violations: one for failing to observe a traffic sign and one for speeding. His license issued from New York was under suspension. The co-driver also had two driver's licenses in her possession: one from the State of Louisiana, containing one speeding violation, and one from Kansas, currently suspended because of no fewer than six moving violations. The truck driver and three other people died in the accident. His co-driver and another person was injured.

In another case, no less tragic, a truck passed a stopped school bus displaying its flashing lights and struck and killed a child, who had just left the bus. The driver of this particular truck carried two licenses: one from Pennsylvania with a record of 10 violations, presently suspended, and another from Virginia, with no record of violations. These are but two examples of what can and does happen when unqualified or unsafe drivers are permitted to travel our highways. These are examples of what you and I must move vigorously to clear from the roads of America—now, before they kill or injure more innocent victims.

The Department has already begun acting to make trucks and buses safer. Recently, I gave the motor carrier safety program within the Federal Highway Administration a stronger internal voice by appointing Dick Landis—for many years a senior Highway Patrol Commander in Arizona's Department of Public Safety—to the newly created position of Associate Administrator for Motor Carriers. Our regional officers around the country will now report directly to Dick, who brings extensive experience in state truck safety issues to this new and vitally important position.

One of Dick's first priorities is to take necessary steps to increase safety enforcement activities at the state and local levels to identify unsafe drivers and vehicles. These day-to-day operations are more efficiently conducted at the community—rather than national—level. We are eager to provide the assistance—through federal funds and training—to local people who are out there every day conducting inspections, officials who are more knowledgeable about the conditions in their own communities, who make sure the work is done and who follow an historic American tradition of state control over state roads.

The states have a crucial role—in administering driver licensing programs, truck safety inspection and enforcement through the Motor Carrier Safety Assistance Program (MCSAP) and, of course, through normal safety activities entrusted to state police. At the same time, the federal government has its work cut out for it if we are to achieve more uniform enforcement nationwide. To Washington falls responsibility for better data collection and safety audits, which in turn can define broad patterns of violations. The federal government must provide the tools to help the states get the job done, such as civil penalty actions against persistent violators and effective federal safety regulations.

Another important tool to bolster state enforcement efforts is SAFETYNET, designed by DOT in 1983. SAFETYNET's data base system will make available to state enforcement agencies the BMCS's motor carrier census, safety ratings and enforcement history. It will also act as a repository for information gathered by the states. That information will be available to computer terminals in state agency offices. Even now, there are four states testing the system. And within this fiscal year, we expect to see funding eligibility for necessary hard and software—with SAFETYNET fully operational in all 50 states within the next three to five years.

In order to strengthen our nationwide truck safety program, the Administration called for a state Motor Carrier Safety Assistance Program as part of the milestone highway legislation of 1982. Rather than building a federal police force, we sought to expand state efforts. Under MCSAP, states that enforce federal or compatible state motor carrier and hazardous materials regulations may be reimbursed for up to 80 percent of the cost of expanding these programs. In turn, BMCS personnel and resources can be redirected to audit problem carriers identified by state terminal and roadside inspections, to train state inspectors and to bring civil enforcement penalties against persistent violators.

Since the program began last year, over 2,100 state inspectors have been trained and an additional 650 inspectors have completed courses in the safe transportation of hazardous materials. We expect to train another 500 state inspectors and 250 more hazardous materials inspectors—for a total of 3,500 new inspectors by the end of September 1986. In short, we're getting results. We are finding out what and where the problems are.

State officials are not just pinpointing the problems; they are fixing them. They are giving federal auditors help in identifying repeat offenders. And I will request a 150 percent increase in funding for the Motor Carrier Safety Assistant Program in fiscal year 1987. I am seeking an authorization of $50 million and will make all of this money available to the states, for I believe the states are now ready to put those funds to work. They have, overall, completed the development of programs and are ready for the more costly implementation stage. Equally important, I am asking that these funds be available on a contract authority basis. This will give MCSAP added stability by assuring multi-year funding. It will give states the assurance they need for long-term planning and hiring.

With this increased funding, starting in 1987 the focus will change from recruiting and training to increasing the states' presence on the highways. This will lead to two million additional roadside inspections and 10,000 safety compliance audits of intrastate motor carrier companies.

And there is a smaller, but extremely important, group of drivers and vehicles—those which carry hazardous materials. I have directed the Federal Highway Administration to step up the emphasis on hazardous materials transportation in its administration of the MCSAP program. While the safety record in this field generally has been excellent, there are no laurels to be rested upon—not while the potential remains for a single disastrous accident.

Fortunately, the Department has already taken a big first step by fostering state enforcement capability with our recent and highly successful State Hazardous Materials Enforcement Development Program. Today, through the efforts of some 25 state participants, we have been able to dedicate re-

sources, guidance, and training support toward enhanced safety and improved enforcement procedures. In the process, states have demonstrated their own capacity to more effectively enforce hazardous materials regulations, achieve a greater sharing of the data needed for enforcement purposes and move closer to regulatory uniformity.

To maintain and hopefully accelerate the momentum generated by this program, I have asked the Research and Special Programs Administration, its original sponsor, to hold a series of four regional workshops early next year. These workshops, held in conjunction with BMCS, will enable federal and state officials responsible for hazardous materials transportation to identify solutions to enforcement, training, routing and emergency response problems.

Meanwhile, I want to make sure we are organized to make the best possible use of newly allocated resources. My Safety Review Task Force, which has released reports on the Federal Aviation and Federal Railroad Administrations, is now reviewing the Federal Highway Administration, with a particular emphasis on motor carrier safety and report back to me on what, if any, further steps need to be taken. I am going to take a hard look at our method of auditing and whom we audit—and if additional resources are required we will use them.

Nor will I wait before tackling the issue of problem bus drivers. The Department is scheduling a series of strategy meetings, also in January, to plan a federal/state inspection of the nation's bus fleet. Those states in MCSAP, as well as those in the Commercial Vehicle Safety Alliance along with BMCS, are targeting the safety of commercial bus operations in an intensified inspection effort of passenger carriers. It will be nationwide in its scope.

To improve the Department's ability to enforce federal motor carrier laws, the Motor Carrier Safety act of 1984 provided for civil penalties of up to $10,000 for each truck safety violation which could lead to a serious injury or death. Thanks to the leadership of Senator Danforth—a pioneer in motor carrier safety—and Representative Bud Shuster and Glenn Anderson, Congress wisely provided the Department with this civil penalty authority. And I will not hesitate to use it to get deficient vehicles and negligent drivers off our roads. Already, the Department has begun to assess civil penalties. Such violations are not isolated human errors. Rather they are patterns of equipment violations or operating conduct that any responsible business could detect and correct if it were properly fulfilling its saftey responsibility to the public. I am pleased to note that this vital legislation was supported by many in the room today.

Another key element is a comprehensive review of BMCS regulations for trucks and commercial buses. And by mid-1986, I look forward to completion to these regulations, ranging from drivers' hours of service and general driving rules, to parts and accessories requirements, inspection, repair and maintenance of vehicles, safety fitness determinations that will comply to *all* carriers, and notification and reporting of all accidents. We are also considering more stringent qualifications for those who transport hazardous materials. I assure you this review will have my close scrutiny and I have asked the Chairman of my Safety Review Task Force to personally monitor its progress. It will not be "business as usual."

Just this past September, I proposed new rules to improve the safety of tank trucks that carry hazardous gases and liquids, including gasoline. These rules, which are now in the comment period, would require that a large segment of the nation's fleet of truck cargo tanks be retrofitted with stronger manhole cover assemblies and improved pressure relief valves. This will reduce substantially the risk of fire, major leakage and other hazards in overturn accidents. At the time, tighter requirements for maintenance, repair and inspection will further improve the quality and safety of cargo tanks. We will move expeditiously, upon the closing of the comment period, to analyze these comments and finalize the rules.

I have spoken of partnerships. Trucking companies also share responsibility for ensuring that their drivers are well trained. Therefore, the Department has just issued a proposed minimum federal standard for training tractor trailer drivers. Unfortunately, there has been no such standard until now. We believe that development of such standards is a major step toward instilling the basic knowledge and skills required to operate these large vehicles safely. And by mid-December, the Government Printing Office will have copies of the model curriculum—which contains a complete, ready to teach, 320-hour course.

The inspection and enforcement programs I have discussed this morning are crucial to our safety effort. They alone will not suffice, not so long as there is an inherent problem in the licensing system in this country. In truth, the state driver licensing systems are the only programs which reach all drivers routinely and, in most states, at regular intervals. These systems stand out for their potential to manage at least somewhat the general driving population, as well as identified problem and impaired drivers.

Currently, 31 states have some form of classified licensing system. Thirty states and the District of Columbia have joined the Driver License Compact, an association of states which have agreed to support the concept of one license and one record for each driver and to provide license records to member states. The compact is a major step forward, but each of us in this room committed to truck safety must tackle this problem. After all, offenses such as drunk or reckless driving, or deaths caused by accidents are no less serious for being committed in some jurisdiction other than the driver's home state.

This abuse signals a crucial need for all states to have single and classified licensing systems. This is appropriate as a state responsibility, but the Department and the private sector must join together to educate the public to encourage state governments to enact legislation to implement these systems—now.

Recently, we discussed this problem with representatives of the private sector, including the Highway Users Federation, the American Trucking Associations, the Private Truck Council of America and the Teamsters. I am pleased to report that they all are eager to join our efforts in support of single and classified licensing.

The next step in that process is the big one—development of a national coalition with affiliates in target states. With the resources of my office, and those of the entire Department solidly behind this effort, I call on you here today to join me in encouraging states to take seriously their responsibility to improve highway safety by acting now to ensure that only qualified drivers operate the nation's trucks and buses, and to guarantee that violators are taken off our highways and no longer permitted to hide behind multiple licenses. We can no longer sit by and allow needless deaths to occur at the hands of drivers who, by any standard, have forfeited their right to sit behind the wheel.

I am delighted that you have agreed to cosponsor, along with the American Association of Motor Vehicle Administrators (AAMVA), a one-day workshop devoted to licensing issues. During the workshop, private and public sector organizations across the board—such as the Department, the National Governors' Association, the National Conference of State Legislatures and trucking groups—will be working to create a more effective driver licensing system and to encourage full participation by the states in the Driver Licensing Compact. For my part, I am writing to every Governor in the nation, informing them of our efforts and urging them to strongly support the adoption of classified driver license systems. In a few days, I will also meet with the Executive Committee of AAMVA to discuss truck safety issues and urge that adoption of single and classified licenses systems. And I'll be meeting early next month with the Council of State Governments to talk with leaders of state governments to enlist their support in this important effort.

I want to point out that there is one group whose commitment and support to truck safety has been second to none—the trucking industry itself. Just last month, the American Trucking Associations launched an impressive—and comprehensive—driver safety program. I was delighted to welcome ATA's President, Tom Donohue, as a member of our National Motor Carrier Advisory Committee, and I appreciate the opportunity to work with Tom, whose dedication and determination are unquestioned.

Ladies and gentleman, we have a problem to address. And I want you to know how much I care about this and how dedicated I am to resolving it—with your input and your assistance. How often is it that any of us have the kind of opportunity before us now to make that positive difference for people?

There is no one easy answer to the problem of truck safety, and we can't fix it overnight. But what we do know is that *you* can't do it alone and *we* can't do it alone. I welcome your suggestions and ideas and I look forward to the opportunity to work with you. Only together can we comprehensively address the issue of truck safety and make our roads safer for all our citizens. An extensive, combined effort of federal involvement, state enforcement, private sector initiatives and public concern is sure to win results.

Together, we can convey the importance of our message to the users of our highways. From the bottom of my heart, I thank you for your hard work and your commitment. I rely on your support.

Thank you very much.

NATIONAL ALZHEIMER'S DISEASE AWARENESS MONTH AND COLORADO RETIRED FEDERAL EMPLOYEES

● Mr. ARMSTRONG. Mr. President, November has been officially designated as "National Alzheimer's Disease Awareness Month" and I would like to call the attention of my colleagues to the leadership and involvement by

Colorado's retired and active Federal employees on behalf of this most worthy cause.

Several months before the National Association of Retired Federal Employees [NARFE] voted to officially join the fight against Alzheimer's disease, the Colorado Association of NARFE, chaired by my friend John D'Arcangelis, pledged its support to this important effort.

Retired Federal employees in Colorado have committed its 29 chapters and over 5,200 members to raise funds for the Alzheimer's Disease and Related Disorders Association. In addition, Colorado retired Federal employees will be donating their time and energy to such worthwhile efforts as counseling families of victims of the disease, and other volunteer efforts.

Alzheimer's disease is the fourth leading cause of death among older Americans and is responsible for 50 percent of all nursing home admissions. Medical studies show that one-third of American families will have one parent suffer this horrible disease if present trends continue.

I bring this effort by Colorado retired Federal employees to the attention of my colleagues for a couple of reasons.

More awareness of this dreaded disease is needed because of its devastating effects on families. It robs older couples of their golden years as one spouse watches the other slowly lose their mind and ultimately their life. In the words of one man, "I am watching her die twice, first the mind and much later the body."

Our national consciousness on Alzheimer's disease is increasing but much more needs to be done and this month of national awareness will help in this cause.

Also, it is my intention over the coming months to focus on the contributions and services made by Federal employees and retired Federal employees to their neighbors and communities beyond the office. An unfortunate perception has risen at times that Federal employees do not have the same motivation and sense of community spirit that their private sector counterparts do. Nothing could be farther from the truth.

This effort by Colorado retired Federal employees is just one example of the kind of commitment and involvement that Federal employees, active and retired, give on behalf of others. I hope to bring outstanding examples of this to the attention of the Senate on a regular basis.

I am proud that the Colorado Association of NARFE under the leadership of John D'Arcangelis was the first State to formally join the Alzheimer's disease fight.

DELAYED FUNDS AVAILABILITY BILL

● Mr. GORTON. Mr. President, I am pleased to join with my colleague, the distinguished Senator from Connecticut, in sponsoring S. 1841, the measure to speed up the time within which people who deposit checks in banks can have access to those funds. That Senator has been a pioneer in this area for several years now, and I commend his reintroducing this bill.

Certainly one of the most annoying problems to which a consumer can be subjected is to take money to the bank in the form of a check, deposit that money in the bank, and then be told that he or she cannot get at that money for a period of time. The bank will refuse to credit the deposit to the individual's account until the bank is sure that the check is good—a process that sometimes takes several weeks. Often this problem arises when someone moves to a new community, and seeks to open an account at a new bank. In this case, the problem is not merely one of petty annoyance, but of a significant inconvenience, as consumers struggle to meet all of the expenses attendant to moving while their new bank won't let them have their money.

Sometimes the unlucky individual finds out about the bank's check hold policies only after he has subsequently bounced a check of his own—bounced a check because the funds on which he was relying to cover the check were not yet credited to his account. And then, to add insult to injury, the consumer will be charged a penalty for overdrawing his account.

Talk about frustrating and annoying. Consumers rightfully demand that we do something to put an end to unwarranted check holds. The situation is especially unsatisfactory because it is so unnecessary. Yes, it is true that banks have legitimate needs to protect themselves against bad checks, and we recognize those needs. But in this age of electronic wizardry we are still processing checks in a way which hasn't changed much since the horse and buggy days. We still rely on a system that requires the physical transfer of pieces of paper all around the country, among our thousands of financial institutions.

The proposed legislation does not mandate specific procedures for addressing the check clearing procedure. That procedure is complicated and arcane, and Congress rightly should avoid inserting itself into so technical an area. But the legislation does require the Federal Reserve Board of Governors to come up with regulations to expedite funds availability, and also requires the Treasury to come up with regulations enhancing funds availability on Government checks. Finally, the bill mandates disclosure of an institution's check hold policies.

Mr. President, this is a good bill, and clearly in the interest of consumers. I hope my colleagues will join in cosponsoring this measure, and that the Senate can pass S. 1841 this Congress.●

NATURAL GAS

● Mr. CHAFEE. Mr. President, recently, considerable national attention was devoted to analyzing the Federal Energy Regulatory Commission's Notice of Proposed Rulemaking for the natural gas transportation industry. This served to underline the important role natural gas plays for residential and industrial consumers.

Nowhere in this Nation are we more cognizant of the diverse contribution natural gas can make to energy and environmental efficiency than in my home State of Rhode Island. Mr. Edward Burke, the Rhode Island Public Utility Commission chairman, in a speech before the American Gas Association seminar, summarized the aggressive manner in which Rhode Island is continuing to exploit the advantages provided by natural gas.

I share Mr. Burke's enthusiasm about the new natural gas technologies, such as combined cycle, cogeneration, and natural gas air conditioning, which provide opportunities for improved energy cost efficiency and a cleaner environment. Natural gas emits virtually no pollutants thought to contribute to this Nation's acid rain problem. The select use of natural gas holds great potential for significantly reducing sulfur dioxide emissions in a cost-efficient and timely manner.

Chairman Burke's comments give us much to think about. I ask that it be printed in the RECORD.

The article follows:

THE FERC FINAL RULE: A STATE COMMISSION'S PERSPECTIVE

(Remarks by Chairman Edward F. Burke, Rhode Island Public Utilities Commission)

To be the last speaker, at the end of this information-packed day, is either a great privilege or the final sally in a "Let's Get Burke" campaign. I won't try to decide which, but will assure you that I intend to provide only a short rousing march to finish off this symphony, and will not attempt to reorchestrate all the various themes on which you have heard so many variations today.

My role is to provide the viewpoint of the state regulator to the FERC final rule. I should promptly say that I provide, of course, only my own view. A Kansas regulator will certainly have a very different perspective. My New England colleagues may share my opinions, but if they have commented on the rule, I have not seen their comments.

The Rhode Island Commission did send a statement to the FERC in July, summarizing our reaction to the NOPR to the extent we were able to analyze the proposed rules in the brief time span the FERC allows. We

expressed general support of the thrust of the proposed new regulations and agreed that change was needed to provide an efficient means of transmitting signals to and from producers and customers in order to properly match gas supply and demand and allocate this resource efficiently. We said that we expected, as a result of new rules, some redirection of the pipeline gas supply to our high-value winter-heating market, and that we also hoped to improve the load factor of the Rhode Island distribution companies to meet the needs of industrial customers and bring down the rates of all customers. Our comments were supportive—with some caution—of all four parts of FERC's proposals, including the now postponed block pricing system which I note our Providence "Journal" editorial staff opposes. We'll have to have a chat with them. Unlike the "Journal" I feel that a supply problem is not a necessary consequence of block billing as more opportunity is provided independent producers with the lifting of take or pay provisions. More volumes will move, and more drilling will follow. Meanwhile, existing markets, including our heating customers, will be protected.

What I want to leave you with today is not a rehash of each portion of rule but an optimistic, upbeat view of the future of natural gas in New England IF—a big IF—our distribution companies and our state regulations can and do take advantage of the new framework which the FERC has created.

The new rule is simply a continuation of what FERC has been doing in individual rate decisions in recent years. When the gas supply was tight, FERC increased the commodity charge in relation to the demand charge, thus reducing the attractiveness of gas, especially for the high-volume summer user. When the provisions of the NGPA worked to greatly increase the amount of gas available, FERC began to reverse the process and redesign rates to increase the demand charge and decrease the commodity rate so that more gas could move. The object is to increase the annual throughput and keep the pipes loaded all year round.

What are the implications of this philosophy to ratemaking? In my view, it makes our job easier. As a regulator, my goal is LEAST COST ENERGY (given the usual imperatives of reliability and diversity). Historically, distributors have paid about the same commodity cost year round. We move now to a pricing scheme that will more closely emulate a free market, with constraints based on cost of service. Flexible pricing will mean that for the first time it will be considerably cheaper to bring in gas in July. The cost of wellhead gas will be lower in the summer and the transportation rate can be brought down as well. Distribution companies, and indeed any buyer, will have access to wellhead gas and will be able to buy gas on the spot market. Immediately we see the possibility for far better, more efficient utilization of pipeline capacity and the distributor's facilities than ever before in the northeast.

Regulators talk about and worry about capacity for the electric utilities all the time—too much, too little, forecasting difficulties, and expensive marginal costs that, as capacity shortages develop, will drive the price of electricity much higher than at present everywhere in the country. We have not paid nearly as much attention to capacity considerations in the gas utilities because there has not been sufficient pipelines gas priced to develop a large dual fuel industrial market here to utilize available pipeline capacity in non peak periods. The load factor for our largest gas distributors is typical: firm customers use seven times the amount of gas on a peak day than in the summer—150 million cubic feet per day in winter, 15 million cubic feet per day in summer. A horrendous ratio for economic efficiency. Now the changed situation relative to supply and the new FERC rule have provided unprecedented opportunities for strong marketing programs to utilize available capacity efficiently. We regulators will be expecting our utilities to develop these programs.

We are excited about the potential. Years ago, early in the energy crisis, the New England Energy Congress recommended increasing New England's use of natural gas from the—at that time—9% of the region's energy supply to as much as 25%. The compelling rationale was to reduce dependence on expensive and uncertain supplies of foreign oil. Our Rhode Island Commission and Energy Coordinating Council (the state energy policy-making body) were fully supportive of increased reliance on natural gas for the same reason. But when supplies of pipeline gas were limited in the winter heating season so that increased demand meant increased use of supplemental supplies, our enthusiasm was tempered by the realization that in peak periods more gas use meant higher per mcf costs. The Rhode Island Commission has supported—and in one case ordered—pilot conservation programs to ensure that available volumes are used efficiently and not inefficiently and to measure the effects of various conservation increases on peak demand.

With increased supplies, however, both domestic and Canadian, and FERC's new regulations, we see the opportunity for a whole new growth market for gas which will bring down gas costs for everyone. Gas air conditioning and gas fired cogeneration are new options with tremendous advantages. A large cogenerator with dual fuel capacity can switch over to oil during peak periods, allowing residential customers the use of his pipeline gas supply instead of supplementals. The distribution company which buys large quantities of gas for these large customers has better leverage with producers and pipelines for all its gas purchases. Everybody is happy—the distributor who sells more and the customer who pays less. The beauty part for the regulator who is looking at the total energy picture is that gas marginal costs are going down at the same time that electricity marginal costs, with ensuing capacity shortages, are going up. The customer with the gas air conditioner, who is helping reduce gas costs, takes the pressure off the electric company's summer peak load, thus reducing the need to add electrical generating capacity. Best of all, is the prospect of 100% use of the gas system capacity every day of the year to the customer for whom the gas has the highest value—the ultimate in economic efficiency.

Where are the drawbacks? There are plenty, but with careful attention I believe we can avoid the kinds of problems which could otherwise mar this rosy picture. Small distribution companies should not be cast adrift but should be helped in the transition to the new, more volatile market. By banding together and functioning on a cooperative basis, they may be able to equal the sophistication of and capture the same benefits as larger companies. Regulators must be extremely alert to the problem of distributor bypass. It makes no economic sense to duplicate existing facilities. Bypass requires laying new pipe to the industrial customer and laying the costs of the existing pipe or the captured residential customer—clearly a disadvantageous situation all around. So gas costs to the potential bypasser must be set at a rate which will still provide a positive contribution to margin but will discourage or preclude his moving off the system. I understand that the New England Energy Group will soon be proposing a transportation tariff in Massachusetts and then Rhode Island which will allow industrial and other large gas users to purchase gas directly and utilize the pipeline with a separate tariff. We are most interested in this concept and will analyze it closely.

To our gas companies, we say we want to see you sell a lot of gas and sell it efficiently. We expect residential conservation programs and we also expect aggressive marketing to off peak customers. For our part, we will try to work with you to set rates that make sense in the new competitive environment.

It's a new world for all of us, and those who wake up and smell the coffee, at least in our part of the world, are going to find it a good new world indeed.

I must conclude by sharing with you some of the exitement that we in Rhode Island feel about the prospective new combined cycle Canadian gas-fired electric generating plant planned for Burrillville, Rhode Island. We have been such strong supporters of the Canadian option in both gas and electricity that it is with particular satisfaction that we look forward to this innovative project.

A waiver of the Fuel Use Act is necessary to make this project go, and while we do not expect this to be a stumbling block, it illustrates yet again the inappropriateness of this piece of legislation to today's conditions. The Rhode Island Energy Coordinating Council and the New England Conference of Public Utilities Commissioners have both called for repeal of the Fuel Use Act, and we hope and expect that the National Association of Regulatory Utility Commissioners will do the same at the annual conference next month.

I would love to talk about this new project further in the question period, but I want to take one other minute now to tell you another bit of gas-related news in Rhode Island—the planned conversion of New England Power Company's 145 megawatt South Street electrical generating plant to dual fuel capacity. The new availability of domestic gas supplies at reasonable price augur well for this project and will help reduce the bills of the electric company's customers and the customers of Providence Gas. It is a win-win situation, which is how we like them in Rhode Island. Bring us more—we promise understanding and cooperation with your efforts to make the late 1980's and 90's the best we've ever had.●

MR. MEESE AND A JURISPRUDENCE OF ORIGINAL INTENTION

● Mr. GOLDWATER. Mr. President, the Attorney General of the United States, Mr. Edwin Meese III, has made at least four important speeches this year in which he has attempted to breathe fresh life into the original concepts of the framers of the Constitution, particularly relative to the principles of limited governmental powers and federalism.

Mr. Meese has urged the U.S. Supreme Court to follow a constitutional jurisprudence of original intention. What the Attorney General seems to be asking the Court to do is no more than is inscribed on the National Archives Building: "Study the Past. What Is Past Is Prologue."

For doing this, Mr. Meese has been unfairly attacked by legal activists who fear any challenge to their favored practice of making constitutional doctrine by fiat. His speeches have been denounced, distorted, and dismissed as irrelevant. And, all this happened before most of his critics even read the speeches. I say this because it is obvious none of those who are carping the loudest have seen the outstanding Constitution Day address in which the Attorney General expounded the Civil War amendments and condemned the infamous Dred Scott case.

But let me return to the basic question posed by Mr. Meese: Is the "jurisprudence of original intention" a correct guide to the proper role of the courts? My answer, Mr. President, is, "yes."

With due regard for the denials of two sitting Justices, the original meaning of the Constitution is there for those who are willing to look for it. It may be distilled not only from the text itself, but also from records of the times indicating the sense of the framers who proposed it; or, as James Madison suggested, from "the voice of the people, speaking through the several State conventions * * * which accepted and ratified the Constitution"; or, as the Supreme Court itself has adopted in several cases, from the Constitution fixed by years of "practice and acquiescence under it."

For example, while the separation of powers is not spelled out by name in the Constitution, it permeates the document like the air we breathe. It is visible in the structure and organization of the Constitution and in the way functions and powers were distributed by the framers.

It is also true that certain words and phrases take on meaning only by judicial interpretation or historical practice. "Due process" is an obvious example. Fortunately, we have centuries of English-American heritage from Magna Carta to the 5th and 14th amendments, which lead us to certain fundamental answers.

In comparison, the words "necessary and proper" may seem clear enough. Yet, it was John Marshall, one of the original patriots, who served with General Washington at Valley Forge and argued for the Constitution at the Virginia Ratification Convention, who forever set the doctrine that "necessary" does not mean "essential" or "indispensable," as the dictionary defines it, but only "appropriate." "Proper" does not mean "clearly authorized" or "specifically enumerated," but only that the end is "not prohibited." Judicial activism did not begin with the Warren court.

No one is saying that consitutional interpretation is a simplistic exercise. The Constitution is not a lifeless document. It cannot be left to stagnate in the limitations of human experience and knowledge of those who lived 200 years ago. If the Constitution were to be literally tied to the text and the 18th century, the United States could not today possess an air force. The text mentions solely the "armies" and "navy." But we know the framers presupposed the survival of the Constitution and the preservation of the common defense upon which our freedom depends. It does no injury to the original intent to say that the Air Force is a constitutional branch of the Armed Forces.

The difference between a method of interpretation which accommodates and is consistent with the recognized principles of the Constitution, and the deliberate manipulation of the Constitution to suit the predilections of a 20th century judge is obvious. When John Marshall wrote that it is "the province and duty of the judicial department to say what the law is," he did not mean that judges have a license to make substantive constitutional rules and public policy at will.

The problem is that the Constitution by its nature cannot partake of the details of a legal code or compendium of laws, but must of necessity carry only the great outlines and objects of government and the important limitations of the powers granted in it. It is this character of the instrument which makes it susceptible to manipulation and revision in the hands of activist judges who have no sense of history.

In order to avoid an abuse of judicial discretion, the Attorney General has pointed the Court back to the original purpose of those who formed and adopted the Constitution. Anything less on the Court's part is a violation of the will of the people of America—from whom the Constitution stems, by whom the powers of Government were granted, and for whom those powers are to be exercised. For if judges can choose to deny or ignore the original design and first principles of the Constitution, then the rule of law and self Government have no meaning.

In this connection, a recent phenomenon, which was not discussed in Mr. Meese's earlier speeches, deserves closer attention. Trial courts are becoming increasingly immersed in the direct management and supervision of public institutions and services. They are reconstructing school districts, mental hospitals, prison systems, public housing authorities, and other public bodies.

The judicial role in these cases is not limited to telling parties what they legally can and cannot do, but rather is to prescribe a whole course of administrative conduct that is cumbersome to change and requires detailed Court supervision lasting several years. These Court decrees replace the authority of regulatory bodies and often provide for a reallotment of State revenues, normally a political decision.

The danger is that a court will become a partisan in the case and lose the detachment and neutrality required for public confidence in an independent judiciary. The potential impact of this development on the separation of powers is obvious.

Finally, the pursuit of original intention leads us to the principle of federalism. Here the need is to recognize the historic difficulty in reconciling a system of divided sovereignty in which two jurisdictions, each having a share in the supreme power of the people, are to exist and be compatible in the same nation.

As Bernard Bailyn has demonstrated in his Pulitzer Prize winning study of the origins of the American Revolution, the tradition of federalism was born in efforts to limit the supreme authority of parliament over independent minded colonial assemblies and has survived and remains today precisely because federalism is designed to keep the central government from amassing a concentration of power dangerous to the liberties of the people.

The task is a continuing one, never fully completed. What is important is that someone undertakes it. Far from attempting to create a new system of judicial methodology, the Attorney General is acting in the best traditions of American freedom when he seeks to build a stable system of Federal Government.●

MAINE VIETNAM VETERANS MEMORIAL

● Mr. MITCHELL. Mr. President, on October 20, I was honored to be able to participate in the dedication of the Maine Vietnam Veterans Memorial in Capitol Park in the city of Augusta.

About 2,000 people, including a great many of Maine's Vietnam-era veterans, attended the ceremony at which this most striking memorial was dedicated. The ceremony, like the memorial was simple, but elegant. Unpretentious but grand.

The Vietnam Veterans Leadership Program, under the able direction of Phil Vampatella, undertook the effort to build this memorial 2 years ago. This memorial, which was designed by Roger Richmond of Peakes Island, was made possible by a great many contributions large and small but a great many Maine citizens.

Their contributions were too numerous to mention at this time. But the

end result is a beautiful memorial to Maine's Vietnam-era veterans.

I ask that an editorial on the memorial that appeared in the Lewiston Journal be printed at this point in the RECORD.

The editorial follows:

[From the Lewiston Journal, Oct. 22, 1985]

VIETNAM VETS MEMORIAL

Congratulations are due the Vietnam Veterans' Leadership Program and all those others who contributed to the campaign which culminated Saturday under threatening sky with dedication of the Vietnam Veterans' Memorial at the Statehouse.

The memorial, a proper tribute to those who died in a far-away war their nation and its military made only a half-way effort to win—and to those who survived and returned without fanfare to a homeland which was divided in support of the warfare—and failed to publicly acknowledge their sacrifice—was surely long overdue.

That wrong has been rectified—in part at least.

Some of the thousands—including Vietnam veterans and members of their families, who attended the ceremony—described the solemn occasion as a "day of homecoming". It was that.

It was a day that most had been waiting for and appreciated. Wording on a sign near the memorial was appropriate.

It stated, simply: "For those who fought for it, freedom has a taste the protected will never know."

They are words which echo the sentiments of veterans of all of America's wars.

Only the combat soldier, sailor and Marine truly knows the horror of wartime. Only those who have been under fire know the fright.

Unsaid, but implicit in the ceremony was the clear message:

Our nation must never again send its youth to fight a war which it had no desire to win in a land which seems only vaguely, now, to have been in the interests of our nation.●

STEWART N. SMITH

● Mr. MITCHELL. Mr. President, on November 16, the State of Maine is going to lose the services of one of the most effective and talented government servants.

Stewart N. Smith, who serves with distinction as commissioner of agriculture, food, and rural resources, is resigning to accept the position of Henry Luce professor of agricultural production and society at the Tufts University School of Nutrition.

There is no question that Tufts University stands to gain greatly by the addition of Stew Smith to its faculty. I have come to count heavily on Stew's thoughts on issues relating to agriculture. His counsel is always well reasoned, intellectual, and sage.

Stew has been commissioner of agriculture for 6 years in the administration of Gov. Joseph E. Brennan. His tenure has been one of the great accomplishment, forward thinking, and strong leadership.

I ask that a column written by Commissioner Smith regarding his tenure as commissioner of agriculture in the publication Maine-ly Agriculture be printed in the RECORD at this point.

The column follows:

COMMISSIONER'S COMMENTS

(By Stewart N. Smith)

LOOKING BACK WITH AN EYE TO THE FUTURE

Six years ago I came home to Maine to join the administration of Governor Joseph E. Brennan as Commissioner of Agriculture. At that time, the Governor outlined his vision of an improved, more active Department of Agriculture; one better able to serve the changing needs of Maine's farmers and consumers. Now, having completed the task set before me, I am ready to move forward along my professional path to a career in academia.

I am resigning as Commissioner effective Nov. 16, to accept the position of Henry Luce Professor of Agricultural Production and Society at the Tufts University School of Nutrition. This position is an exciting one and represents an opportunity of great interest to me. I have been asked to create a new course of study on the social effects and implications of agricultural production.

During my six years as Commissioner, the Department has grown and changed in many significant respects. Our goal was to build an adaptable, performance-oriented Department of Agriculture that could respond to the current and future needs of Maine's farmers and also to encourage and support the rural culture that has been so important to this State since early times. This required a fundamental reorganization. What had been primarily a regulatory agency comprised of 17 autonomous units is now a unified whole. The focus has shifted from regulation to advocacy. As part of this evolution, we have developed and implemented over 40 new programs designed to enhance the long-term viability of our farm community. We also changed the name of the Department of Agriculture, adding "Food and Rural Resources", to reflect its expanded role. Throughout this sometimes difficult process, we were backed by the strong support of Governor Brennan.

While our redirection and new programs have significantly expanded and improved State support for agriculture, this has been accomplished without any increase in the total number of Department staff. We have been able to do this by the efficient restructuring of programs and because of the energetic dedication of our personnel. All this has resulted in a Maine agriculture and rural society that, although faced with challenge, has a much better opportunity to be strong and vigorous in the future.

Some examples:

We now have a market service program which collects, evaluates, and distributes essential market information to our farm constituency. There is a Potato Market Improvement Fund, which through a general obligation bond issue, provides a $5 million revolving loan program to upgrade potato storages and central packing sheds. A quality assurance program spot-checks the produce shipped from the State to ensure that it meets labeling and quality standards. Restructuring the Maine Blueberry Commission has led to a substantial increase in blueberry market promotion. Creation of the Milk Pool shared the benefits accruing to milk producers selling to the Maine market with all Maine dairy farmers, many of whom sell to the Boston market.

In the area of agricultural production we have helped some of our farmers reduce applications of chemical pesticides through an integrated Pest Management (IPM) program. We have vastly improved the potato seed program with rigorous standards including a limited generation "flush out" program which ensure that only good quality seed potatoes are planted, and a capital improvement program for our State Seed Farm which will provide for a constant upgrading of that important facility.

We have developed pesticides control programs that will help ensure that pesticides are properly used. We have upgraded the State's pesticide monitoring capability, our pesticide certification and training programs, and have introduced a program to collect and safely dispose of obsolete chemicals. We have also introduced exciting new programs in the area of resource management. Our agricultural energy program has resulted in farm audits that help producers reduce their energy consumption and costs. Our waste utilization program has resulted in the substitution of indigenous waste materials for chemical soil amendments. The Small Farm Management Program is helping farmers to manage their operations more efficiently and more profitably.

Looking into the future, the Department is, and will continue to be, very active in helping to meet the challenges and opportunities in store for Maine's agricultural community. Central to these efforts is the Agricultural Viability Program proposed by this Department and created by an act of Legislature in June of this year.

Through local lead agencies (ideally, the Soil and Water Conservation Districts) the Ag Viability Program will help ensure the future health of Maine agriculture in each region of the state. Beginning with an ongoing identification and evaluation of the particular programs and needs of producers in their districts, these lead agencies will report their findings to the Department. Based on these findings, the Department, working with the local agencies, will develop proposals to redirect its own resources and encourage other State and Federal agencies to address these clearly defined local needs. This program will help Maine's farmers to respond quickly, accurately and effectively to changing economic and marketplace conditions.

Closely associated with the Ag Viability Program is another recently approved program, the Technology Transfer Program.

The Technology Transfer Program is designed to speed the discovery, evaluation and adoption of new agricultural technology. By supporting research and demonstration projects, this program will encourage our farmers to experiment with new, possibly valuable, technologies and quickly implement those that prove to be successful.

The Department has just completed the development and testing of a new small farm management course. The curriculum will be made available to a number of educational organizations and will make efficient farm management techniques available to farmers throughout the State. A comprehensive Farm Management Assistance Program is a very desirable goal given this most promising beginning.

Certainly, there remain many untapped resources and many unexplored approaches to the never ending need for new ways in which the Department can promote and assist Maine's agricultural community. My successor will find a Department much better adapted to meeting the needs of Maine agriculture in the changing times ahead.●

WOMEN'S ACTION FOR NUCLEAR DISARMAMENT

● Mr. RIEGLE. Mr. President, the Washtenaw County Women's Action for Nuclear Disarmament, Inc. [WAND] forwarded me a copy of a petition they submitted to President Reagan. Signed by more than 5,000 individuals from around the country, this petiton calls on the President to take concrete steps to reduce the threat of nuclear war.

I strongly support the efforts of this Ann Arbor-based group to educate Americans about the terrible effects of a nuclear war. Let us take to heart their motto: "Children Ask the World of Us," and, in the spirit of the upcoming United States-Soviet summit, reflect upon the responsibility we have to ensure that the world we now enjoy is preserved for future generations.

Mr. President, I ask that the text of WAND's letter to the President be printed in the RECORD.

The letter follows:

WASHTENAW COUNTY WOMEN'S ACTION FOR NUCLEAR DISARMAMENT, INC.,
Ann Arbor, MI, October 5, 1985.

President RONALD REAGAN,
The White House,
Washington, D.C.

DEAR PRESIDENT REAGAN: These petitions were signed as a gesture of hope and extreme concern. They were circulated by the Washtenaw County chapter of the national organization of WAND, Women's Action for Nuclear Disarmament. Our group is made up of several hundred people, mainly women with children, all of us united in our concern for the lives of our children and the future of their world. Most are not what we could have called radicals in the 60's: Many have never done anything "political" in their lives until they found WAND and realized many people were sharing their fears.

Over the course of two and a half months more than 5,000 people signed this petition to send to you. People of all ages signed and, since Ann Arbor is a place where visitors come from all over, people from all over the country signed. We decided to make this a brief project. Otherwise we could have collected many thousands of signatures, but we felt the message would be the same either way. Almost everyone who was asked was very eager to sign. In addition, our children made a wonderful 40-foot long illustrated petition of their own. They are extremely concerned about nuclear war and wanted you to know. We can't bear to part with the banner but plan to make a book of photgraphs based on their drawings and will send you a copy when it is done.

Our group is fairly new and we have found that many people just do not realize the threat to us all that is posed by nuclear weapons. No one would be unaffected in a nuclear war, no one would be safe. Our food, our atmosphere, our way of life would not survive. Many millions would be killed. These are facts which we believe all Americans should understand and we feel our leaders should be the ones to explain them to us. It is so easy to listen to comforting messages, and so very dangerous. We will lull ourselves right into oblivion!

You have the most important job that any American president has ever had, and that is to save our planet. When you and Secretary General Gorbachev meet in November, we pray that your meeting will be the beginning of some concrete steps to reduce and finally eliminate nuclear weapons. We now have enough to destroy life on earth 67 times over. Just one Trident submarine has the firepower of 6 World War IIs. We don't need any more submarines or any more nuclear weapons.

WAND's motto is "Children Ask the World of Us". This world is shared by all of us, ours to use for as long as we are here, entrusted to our care to preserve for future generations. It is not ours to destroy just as life is not ours to destroy. We think again and again about our children, children of people we love, ALL those children who did not choose to be born into a world of nuclear weapons. American and Russian, man and woman, we must do what we can for them and for ourselves or we will surely all perish together.

We have sent copies of these petitions to our senators, Senator Riegle and Senator Levin, and our representative, Congressman Pursell. We have asked them to mention them in the Congressional Record. We have also contacted the press in Ann Arbor and Detroit so that people will know that in a very short time a group of Ann Arbor women collected the names of 5,000 people who whole-heartedly desire an end to our nuclear buildup. There are millions of people in our country who feel the same way. They vote, they raise families, they have not forgotten that President CAN affect history in a positive way by doing courageous things.

We look to you to do this for all of us.

Respectfully,
SHARRON SINGLETON,
President, Washtenaw County WAND.
SUSAN ELSE WYMAN,
Chairperson, Petition Campaign.●

MAKING BETTER USE OF OUR NATIONAL LABS

● Mr. RIEGLE. Mr. President, I should like to call my colleagues' attention to an article in High Technology magazine by Herb Brody, entitled "National Labs at Your Service."

This Nation's high standard of living depends in large part on our scientific and technological edge in international competition. The superiority of our high-technology industry is important not only to our exports of high-technology goods but also to the competitiveness of our basic industries.

This article highlights the contributions that Federal labs are making to the national wealth, and describes new policies that are helping the national labs contribute even more to our technological competitiveness in the years ahead.

The Federal Government spends nearly $18 billion annually on a wide array of advanced research projects across the country. But until a few years ago, restrictive patent and personnel policies discouraged national lab personnel from pursuing marketable research and often prohibited consulting with U.S. private firms. As a result, less than 5 percent of the patents granted to scientists in Federal labs were brought to commercial markets.

In recent years Congress has acted to help America get more of our money's worth from the national labs, beginning with the Bayh-Dole Act and the Stevenson-Wydler Innovation Act of 1980. The intense challenge of international competition makes advanced research and development ever more vital to the United States' long-term interests. By enabling Federal scientists to work more closely with the private sector, we can make limited Federal expenditures more productive.

The Federal labs have joined in public-private partnerships that have already helped import-afflicted industries. This new commitment to technology transfer has been of particular benefit to small start-up firms, which are the most innovative elements of our economy. Through these efforts, the Government can help create new opportunities and help improve the working of the market. I hope my colleagues will join me in applauding these new ventures as examples of Government policy at its best.

Mr. President, I ask that the text of the article be printed at this point in the RECORD.

The article follows:

NATIONAL LABS, AT YOUR SERVICE
(By Herb Brody)

Closer collaboration with the private sector is helping to spawn new firms and shore up tired industries.

Forty years ago, World War II came to an end with the use of a terrifying piece of technology from new, top-secret government laboratories. Those facilities, at Oak Ridge, Tenn., Los Alamos, N.M., and a few other sites, have since grown into multipurpose "national labs" that perform wide-ranging, R&D. While nuclear weapons still constitute much of their work, these labs are increasingly being enlisted to fight civilian battles. During the '70s the enemies were pollution and the energy shortage. The lastest crusade: moving lab technology into the private sector to help restore the country's industrial competitiveness.

The battle is being waged on several fronts. Patent policies, commonly cited as a major hindrance to commercialization of government technology, are loosening up. The labs now welcome private sponsorship for proprietary product development. A new exchange program lets companies send their technical people to work shoulder to shoulder with their colleagues at national labs, while the government picks up much of the tab. The labs are also being enlisted to apply their resources to aid struggling basic industries, like steel.

Until recently, the government took the position that the fruits of publicly funded R&D should be available equally to everyone. Thus any patent awarded for work at the labs became government property; the government then offered licenses to all interested U.S. companies for a small fee.

But these nonexclusive licenses discourage commercialization. Because the technology produced by the labs is unrefined—typically 90% of product development remains to be done when the government ceases its work—

it makes little sense for a company to embark on an expensive, risky product development effort using technology freely available to its competitors. Firms are "reluctant to invest the millions of dollars required to fine-tune inventions without the guarantee that a competitor could be precluded from receiving its own government license," explains Jon Soderstrom, director of research and technology applications at Oak Ridge National Laboratory.

As a result, "for decades, what we did here didn't matter very much" to the industrial world, says William Carpenter, vice-president for technology applications at Martin Marietta Energy Systems, which operates Oak Ridge for the Department of Energy (DOE). Technology that's available freely to everyone is "of value to no one," he contends.

A wave of patent-policy changes began with the passage of the Bayh-Dole Act of 1980. This act allows small businesses or nonprofit organizations to retain title to inventions conceived during government-sponsored R&D. An amendment to the act, signed last fall, broadens the government's waiver of patent ownership. The new law states that nonprofit institutions (such as universities) that operate government labs under contract can retain title to inventions coming out of these labs. In addition, former Energy Secretary Donald Hodel ordered last February that the patent waiver be extended to cover large, for-profit companies like Martin Marietta, but as of this writing the rule had not taken effect.

The attention recently given to patent policy symbolizes the new concern in Congress and the administration over getting our money's worth out of the national labs. Such concern first became prominent in the Stevenson-Wydler Technology Innovation Act of 1980. The law declares technology transfer to be an official mission of the labs and requires that each lab spend 0.5% of its budget on moving the results of its R&D into industry.

Perhaps more galvanizing than the Stevenson-Wydler Act, however, was the sharply critical 1983 report on the labs by a presidential commission. The panel, chaired by Hewlett-Packard co-founder David Packard, urged greatly increased interaction between government labs and industry in order to make the labs "more responsive to national needs." It accused the labs of working without clear purpose, and therefore contributing insufficiently to the national good. The Packard panel recommended that the size of each lab be "allowed to increase or decrease (to zero if necessary) depending on mission requirements," adding that "preservation of the laboratory is *not* a mission."

A direct outgrowth of the report, and a striking example of how the labs can be channeled to industry's service, is the "steel initiative." The plan is to use the potent scientific and engineering talents of the national labs to perform basic research that the ailing steel companies cannot fund themselves.

Because of financial hardships, steel company R&D is "typically geared for results in six months to a year," explains John Roberts, associate director of Argonne National Laboratory (Argonne, Ill.), which will do much of the work. The companies recognize the magnitude of their plight. The steel initiative will look 10-15 years into the future, says Roberts; it is to be a collaborative project in which steel companies like U.S. Steel, Bethlehem, National, Armco, the LTV will send their scientists to work in teams with the lab scientists to solve problems jointly agreed upon. "Incremental improvements aren't enough" to restore the industry's badly eroded competitive position, says Reginald Dietz, vice-president for research at National Steel (Weirton, W.V.). "We're going after 'leapfrog' technology that will put us a couple of steps ahead." The labs will work not in proprietary projects but on generic technologies that the entire industry should share.

One thrust of the program will be to find new ways to convert iron ore into liquid metal, bypassing the expensive coking ovens and blast furnaces now used. Another focus will be on casting the liquid metal into pieces close to the dimensions of the final product. One possibility is to use powerful, precisely shaped magnetic fields to confine the molten metal so it can be cast into thin sheets, obviating the need for strip mills to flatten thick billets. The technology loosely resembles that being developed to confine hot hydrogen gas for controlled nuclear fusion. Oak Ridge, which has a long-standing program in fusion, will contribute its magnet expertise to the problem of casting steel.

Shortly after the steel initiative was organized, George A. Keyworth II, Reagan's science advisor, asked the national labs to identify other industries that might benefit from a similar effort. The result was a proposed project for applied research on off-road machinery. In March, Argonne met with several manufacturers to determine which technical issues were appropriate for cooperative action. The resulting list included advanced engines, electronic controls, and continuously variable transmissions. The lab hopes to begin work in fiscal 1987.

Unlike the steel initiative, the off-road equipment project will aim to develop specific products rather than basic technology. To make this work, the labs will have the liberty—unusual for the government—to keep proprietary secrets. "We won't have to tell Deere what we're doing with Caterpillar," says Argonne's director of technology transfer, Brian Frost.

Increasingly, the national labs are becoming spawning grounds for technology-based start-ups. From Oak Ridge's inception during World War II until 1980, about 20 companies started up with technology developed at the lab, according to technology transfer manager Donald Jared; in the following four years, he says, there were more than 30 such spinoffs.

Some of these new companies are formed under arrangements that would have been unheard of a short time ago. Perhaps the most dramatic example comes from Los Alamos. Scientists there developed a way to identify viruses and bacteria in minutes, rather than the days or weeks needed with existing methods. A laser illuminates the sample with a beam that alternates between two kinds of polarization, and a detector senses the difference in how one polarization is scattered relative to the other. This difference, it turns out, correlates with certain features of the specimen's DNA molecule.

The procedure was invented at Los Alamos in a project funded by the National Institutes of Health. NIH had no interest in commercialization, though, and ceased its support while the device was still far from market readiness. The lab began looking for companies to acquire the technology. When David Silver, a Chicago venture capitalist, came to Los Alamos in 1983 in search of technologies ripe for commercial exploitation, the rapid analyzer stood out.

Silver raised $8.5 million through an R&D limited partnership with Prudential-Bache Securities (New York) and gave half the money to the lab to develop a commercial prototype. The partnership (a tax shelter to encourage investment in technology) acquired full ownership of the technology and then granted an exclusive license to a new company, Mesa Diagnostics (Los Alamos). Mesa is wholly owned by Silver's venture capital firm, the Santa Fe Private Equity Fund.

It is a curious reversal of conventional practice, with the big government lab working for the small company instead of the other way around. The partnership pays the lab for use of its staff during regular hours and hires lab scientists as consultants after hours. "It's cheaper than hiring our own staff," says John Lonergan, Mesa's chief financial officer and vice-president for marketing.

It took two years to put the radical deal together, according to Eugene Stark, the lab's industrial liasion officer. The main hang-up was the patent. DOE has to waive its title to the University of California (which operates the lab), and then the university had to waive its title to Silver's partnership. Eventually, 11 contracts were needed to cement the agreement, according to Silver.

While the Mesa deal is unusual in its magnitude, it is one of a growing number of cases in which a small company is launched with national lab technology that would have been available under old policies. For example, Kelsius (San Carlos, Cal.) bought into the sensor business with an exclusive license to the technology of remote fiber fluorimetry developed at Lawrence Livermore National Lab.

The sensor consists of an optical fiber whose tip is coated with a material that glows in the presence of certain other compounds. The light, which varies in brightness with the concentration of the substance being sensed, travels down the fiber to a detector. Kelsius plans to use the technique in a blood-gas monitor; a fiber will be inserted into the bloodstream, and the fluorescence will indicate, the levels of oxygen, carbon dioxide, and pH, says president Jay Schwalde.

Radtech (Albuquerque), a Los Alamos spinoff, is developing systems that use radio-frequency electrical current to heat and thus reshape the cornea, correcting visual defects. The company aims for a one-hour outpatient procedure that is simpler, cheaper, and less risky than the present surgical alternatives.

Consulting by lab staff is another important way to get know-how into industry. In the past, the national labs had discouraged—or prohibited—scientists from marketing the expertise they gained from government work. This restriction made it difficult, if not impossible, for would-be entrepreneurs to use laboratory scientists' skills. But more liberal policies have permitted the start-up of firms like Atom Sciences (Oak Ridge). The company aims to commercialize an ultrasensitive measurement system that uses precisely tuned lasers to ionize and then count that atoms in gaseous or solid samples. As little as 0.1 part per billion is detectable, and the system works on any element for which proper laser wavelengths are available, says cofounder Hal Schmidt.

The laser technique was invented several years ago by Oak Ridge scientist Samuel Hurst. While remaining on the lab staff, Hurst has been permitted to become a co-

founder and vice-president of Atom Sciences, as well as a consultant to the firm—all capacities that had been off limits for lab staff. "There aren't a lot of barriers now" to such involvement, says Schmidt, recalling the stiff opposition he met in 1960 when he and colleagues started Ortec, a maker of nuclear particle detectors. Hurst concurs: "There is no longer a perception that the entrepreneurial process is a conflict of interest."

The labs are also more willing now to grant leaves of absence. Amtech, for example, was started locally by five scientists on two-years leaves from the Los Alamos lab. The company has acquired a remote identification-tag technology that the lab had developed for the Department of Agriculture. The tags are read from a distance by microwaves; and electronic circuit in the tag alters the reflected microwave beam in an easily detected way. DOA's goal was a label for diseased cattle that would keep them out of the slaughterhouse. But the principal application Amtech sees, according to R&D vice-president Jerry Landt, is keeping tabs on the contents of railroad cars—for example, making sure that all the cars in a single-commodity "unit train" stay together.

Although each national lab is changing, none has pursued technology transfer as aggressively over the past year as Oak Ridge. The sprawling facility at the edge of the Smoky Mountains in eastern Tennessee is setting the pace for the others in the national lab archipelago. This leadership dates from April 1984, when the contract for running Oak Ridge went from Union Carbide to Martin Marietta; the aerospace company beat out competitors Rockwell and Westinghouse with a bid that heavily emphasized industrial participation and strengthening the local economy.

"We proposed doing business in a new and different way," says Carpenter at Martin Marietta Energy Systems, the subsidiary formed to handle the lab contract. For example, Martin Marietta has asked DOE for ownership of all patents the company deems to be of commercial potential—an "advance waiver of title" that would let Martin Marietta act with autonomy. As owner of the technologies devised at Oak Ridge, the company would grant other firms exclusive licenses to bring the inventions to market. Although DOE has not yet granted this waiver, Martin Marietta has begun negotiating license agreements with other companies in anticipation. "When the word comes, we'll be ready to go," says Carpenter. "We expect to have some home runs."

Martin Marietta also strongly encourages the Oak Ridge technical staff to serve as consultants—to "get our smarts out into the private sector," as Carpenter puts it. In contrast, Union Carbide had put a ceiling on how much a lab scientist was allowed to earn on the outside; some other national labs, particularly Sandia, continue to enforce tight restrictions on off-hours consulting.

In another shift, Oak Ridge now welcomes private sponsorship of proprietary R&D. A number of companies, including Cabot (Boston), Homogeneous Metals (Clayville, N.Y.), and Universal Cyclops (Bridgeville, Pa.), are paying the lab to develop a new class of alloys with a unique property. Unlike most metals, which get weaker as they heat up, these "ordered intermetallic alloys," such as nickel aluminides, get stronger. This property is especially useful for engines, which operate most efficiently at higher temperatures. Present nickel aluminides are barred from structural use by their brittleness. Oak Ridge is working on ways to increase ductility and has obtained dramatic improvements by adding small amounts of other materials, such as boron.

Martin Marietta has also made a significant commitment to accelerating the growth of the local economy, having allocated 10% of its annual contract fee (for running the lab) to launching new companies. (The fee ranges from $5 million to $20 million, depending on Martin Marietta's performance.) In addition, the company has promised to build a 290-acre industrial park near the lab. The first tenant will be the Tennessee Innovation Center, a new subsidiary that will invest in and "incubate" high tech start-ups. The center is co-owned by Tran Tech Systems (Salt Lake City), which runs the similar Utah Innovation Center.

The Tennessee Innovation Center, a for-profit organization, identifies promising technologies at the national lab and "does everything necessary to make them commercially successful," says vice-president, Melvin E. Koons. The center makes equity investments, typically of $50,000–$150,000, for start-ups that satisfy several key requirements—a product or service on the cutting edge of technology, potential for generating revenues of $7–10 million in 5–8 years, and a promise to locate in Oak Ridge.

The center tries to find commercial uses for inventions geared to specific government purposes. It turns out that the glass has some unusual properties that allow it to be poured as a liquid into precisely shaped molds. An exciting possibility is the direct casting of lenses, eliminating much of the expensive grinding and polishing needed for ordinary glass. The center hopes to invest in a start-up to explore further the material's commercial potential.

Despite all these efforts to make the national laboratories more relevant to industry, the labs are still largely cut off from industry scientists. DOE is seeking to remedy this isolation wiht a new lab/industry exchange program. Technical staff from interested companies—U.S. or foreign—will be able to spend a year working at a national lab, with the government paying part of their salaries and expenses. The program's $600,000 budget for this fiscal year should pay for 20–30 scientists, says Richard Stephens, director of university and industry programs in DOE's energy research office.

But whose agenda will the visiting scientist follow—the company's or the lab's? Stephens emphasizes that work should benefit both. "We don't want simply to augment a company's R&D," he says. "there should be a mutual interest."

The new industrial orientation of the national labs is not without its critics. The fostering of spinoff companies, for example, is seen by some as a potential distraction. Examples like Mesa Diagnostics at Los Alamos could tempt scientist to "think more of possible commercialization than of the value of their work to the government," says Everet Beckner, vice-president for energy programs at Sandia Corp., the AT&T subsidiary that runs Sandia National Labs (Albuquerque).

For instance, an entrepreneurially minded scientist may devote less attention to work on classified projects because there is less potential for commercial spinoff, says Frank Huband, head of technology policy at the National Science Foundation. And he warns that a "Russian farm" mentality could arise at the labs. In the Soviet Union, farmers are permitted to work a small private lot for profit; but a frequent result is that the farmers focus their energy and ingenuity on making the private lot more productive, while giving only minimal attention to the collective land.

In addition, some argue that spinning off new companies is an inefficient way for a lab to help the economy. "People hear that small companies are the biggest job producers, which is true, and they twist that into the false notion that *start-ups* are the biggest job producers," says Robert P. Stromberg, manager of technology transfer at Sandia. Most new companies don't survive long enough to provide many jobs, he says. Not surprisingly, then, much of Sandia's technology transfer involves established firms, such as large oil and gas companies.

One effective way to exploit national lab R&D arose informally, well before the current programs were conceived, with the Federal Laboratory Consortium (FLC). Over 100 labs, including the eight national labs, belong to what chairman Eugene Stark of Los Alamos calls an "organized old-boy network." A company in need of technical information or assistance contacts one of four regional coordinators, who check to see whether any federal lab is working on the topic. Legislation now pending would make FLC an officially recognized (and funded) organization, probably as an arm of NSF. Such a move would be a boon to technology transfer because "the FLC guys won't have to spend all their time begging for money," says one congressional staffer.

Thanks to the new programs and FLC's persistent efforts, industry is catching on that the national labs have turned a new leaf. "Companies are realizing that it's worth bothering" to do business with the labs, says Sandia's Stromberg. For many years, says Stark at Los Alamos, the labs turned down more requests for visits from the Japenese than they received from U.S. companies. That's no longer true. And "the companies involved now," he says, "are skimming the cream."●

WEEKLY BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for the week of November 4, 1985, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act. I ask that the report be printed in the RECORD.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 12, 1985.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent buget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through November 8, 1985. The report is submitted under Section

308(b) and in aid of Section 311(b) of the Congressional Budget Act.

Since my last report the Congress has cleared for the President's signature the Treasury-Postal Service Appropriations for 1986, H.R. 3036, changing budget authority and outlay estimates. This report also includes an allowance for the recently authorized three-percent pay raise for military personnel.

With best wishes,

Sincerely,

RUDOLPH G. PENNER.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESS, 1ST SESSION, AS OF NOVEMBER 8, 1985

[Fiscal year 1986—in billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,068.9	981.0	793.0	1,823.8
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		13.4		
Under resolution by	.8		2.7	255.0

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate Committee or passed by the Senate. Thus, savings from reconciliation action assumed in Senate Concurrent Resolution 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $1,823.8 billion.

FISCAL YEAR 1986, SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 1ST SESSION, AS OF NOVEMBER 8, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			792,800
Permanent appropriations and trust funds	717,617	631,009	
Other appropriations		185,348	
Offsetting receipts	−162,006	−162,006	
Total enacted in previous sessions	555,610	654,351	792,800
II. Enacted this session:			
Famine relief and recovery in Africa (Public Law 99–10)		421	
Federal supplemental compensation phaseout (Public Law 99–15)			10
Appropriations for the MX missile (Public Law 99–18)		368	
Contemporaneous recordkeeping repeal bill (Public Law 99–44)			13
United States-Israel Free Trade Act (Public Law 99–47)			−8
Statue of Liberty—Ellis Island Coin Act (Public Law 99–61)	−15	31	
International Security and Development Cooperation Act (Public Law 99–83)	−25	−25	
Supplemental appropriations bill (Public Law 99–88)	36	3,138	

FISCAL YEAR 1986, SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 1ST SESSION, AS OF NOVEMBER 8, 1985—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
State Department authorization (Public Law 99–93)			2
Emergency Extension Act of 1985 (Public Law 99–107)	−49	−230	210
Simplification of imputed interest rules (Public Law 99–121)			−31
Health professions educational assistance (Public Law 99–129)		−8	
Amendments—Special Defense Acquisition Fund (Public Law 99–139)	100		
Energy and water appropriations, 1986 (Public Law 99–141)	15,252	8,245	
Total enacted this session	15,299	11,939	195
III. Continuing resolution authority:			
Continuing appropriations, 1986 (Public Law 99–103)	506,634	325,180	
Offsetting receipts	−22,826	−22,826	
Total continuing resolution authority	483,808	302,354	
IV. Conference agreements ratified by both Houses:			
Legislative branch appropriations, 1986 (H.R. 2942)	1,599	1,385	
Department of Defense Authorization Act, 1986 (S. 1160)	280	−5	
Treasury-Postal Service appropriations, 1986 (H.R. 3036)	13,162	12,233	
Offsetting receipts	−4,407	−4,407	
Total conference agreements	10,634	9,206	
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Payment to the CIA retirement fund	10	10	
Claims, defense	7	3	
Payment to the Foreign Service retirement trust fund [1]	(7)	(7)	
Range improvements	1		
BLM: Miscellaneous trust fund	(*)		
Payment to air carriers, DOT	18	17	
Retired pay—Coast Guard	21	19	
Maritime, Operating-differential subsidies		3	
BIA: Miscellaneous trust funds	(*)	(*)	
Higher education facilities loans and insurance	4		
Retirement pay for PHS officers	12	6	
Medicaid	1,617	1,285	
Payment to health care trust funds [1]	(1,011)	(1,011)	
Child nutrition programs	254	234	
Advances to unemployment trust fund [1]	(516)	(516)	
Special benefits (general retirement and Federal employee retirement)	48	48	
Black lung disability trust fund	85	85	
Assistance payments	573	573	
Veterans pensions	10		
Salaries of judges	3	1	
Payment to civil service retirement [1]	(214)	(214)	
National wildlife refuge fund	(*)	(*)	
General revenue sharing [1]	(1,142)	(1,142)	
Defense pay raise—military	925	897	
Total entitlements	3,588	3,181	
Total current level as of November 8, 1985	1,068,940	981,032	792,995
1986 budget resolution (S. Con. Res. 32)	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution		13,432	
Under budget resolution	760		2,705

[1] Interfund transactions do not add to budget totals.

[2] Less than $500 thousand.

Note: Numbers may not add due to rounding.

TRIBUTE TO DR. JACK STANZLER

● Mr. RIEGLE. Mr. President, I would like to bring to the attention of my colleagues the fact that Dr. Jack Stanzler, of my hometown of Flint, is to be honored by a gathering of friends and associates on Saturday, November 16, 1985.

Tribute is being paid to Dr. Stanzler in recognition of his outstanding contributions to the community, his efforts to promote brotherhood, and his advocacy for our young people and those who are less fortunate. Dr. Stanzler has actively crusaded in Flint and nationwide on police gun policies; he initiated and coordinated Flint Interfaith Alliance on Social Justice; and is responsible for organizing the Flint Youth Advocacy Board, under the auspices of the Urban Coalition of Flint. Despite a busy private practice, Dr. Stanzler always found time for his worthy causes. Dr. Stanzler will be leaving Flint soon to assume the position of citizens advocate in the Medicaid office of the Michigan Department of Social Services. He will be sorely missed by all in the Flint community and I want to take this opportunity to personally commend him for his dedication and fine work.●

ORDERS FOR WEDNESDAY

RECESS UNTIL 8:45 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it

stand in recess until 8:45 a.m. on Wednesday, November 13, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Following the recognition of the two leaders under the standing order, I ask unanimous consent that there be a period for the transaction of routine morning business, not to exceed the hour of 9 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUMPTION OF CONSIDERATION OF H.R. 505

Mr. DOLE. Under a previous unanimous consent agreement, at 9 a.m., the Senate will resume consideration of the House message to accompany H.R. 505, Veteran's Health Care. Two amendments are pending to the motion to concur; therefore, votes will occur prior to the hour of 10 a.m., on Wednesday. If time permits following disposition of H.R. 505 and prior to 10 a.m., I ask that there be a period for the transaction of routine morning business, with Senators permitted to speak therein for not more than 5 minutes each, but not beyond the hour of 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I also indicate at this point that, as I stated last Thursday to the distinguished Senator from California, if there were some difficulty on this side with that unanimous-consent agreement, I hoped he would be able to accommodate any requests on this side. There may be one of my colleagues who has some problem with the agreement. In any event, we hope we can work it out tomorrow morning.

VOTE ON CLOTURE—H.R. 1562

Mr. DOLE. Mr. President, also by unanimous consent, at 10 a.m., the Senate will vote on cloture on H.R. 1562, the House textile bill. If three-fifths vote in the affirmative, then a Hollings-Thurmond amendment dealing with textiles will be offered, and 23 additional amendments will be in order to the Hollings-Thurmond amendment.

Therefore, rollcall votes can be expected throughout the day and evening. I hope that many of those amendments will not be offered. I have looked at the list. Many in effect duplicate one another so it is my hope we can conclude action on that bill fairly early tomorrow or late afternoon, then go back to reconciliation.

HAPPY BIRTHDAY TO SENATOR WILLIAM PROXMIRE

Mr. DOLE. Mr. President, one of the outstanding Members of this body recently marked an important milestone in his life—a 70th birthday. Therefore, the Senator from Kansas would like to salute Senator WILLIAM PROXMIRE by wishing him a happy birthday.

After watching him in the Senate during my 17 years here, I can testify that his abounding enthusiasm easily dispels any preconceptions about what can or cannot be accomplished after seven decades of life. If anyone deserves a "Golden Fleece Award," perhaps it should be Father Time, who has been left in the dust by the energetic senior Senator from Wisconsin.

Mr. President, WILLIAM PROXMIRE remains one of the enduring voices of this great deliberative body. His unyielding advocacy of causes and beliefs continue to be an inspiration to all of us.

As Senate majority leader, I wish, and my colleagues join me in wishing BILL many more birthdays.

Mr. BYRD. Mr. President, if the distinguished majority leader will yield, the psalmist has said:

> The days of our years are threescore years and ten; and if by reason of strength they be fourscore years, yet is their strength labour and sorrow; for it is soon cut off, and we fly away.

I join with the distinguished majority leader in congratulating Mr. PROXMIRE on having lived these 70 years and wishing him many happy returns of the day and many, many more happy birthdays. I am sure all his colleagues on both sides of the aisle join us in those good wishes.

Mr. DOLE. I thank the distinguished minority leader.

VETO MESSAGE ACCOMPANYING H.R. 2409

Mr. DOLE. Mr. President, I ask unanimous consent that the veto message accompanying H.R. 2409, an act to amend the Public Health Service Act to revise and extend the authorities under that act relating to the National Institutes of Health and National Research Institutes, and for other purposes, be spread upon the Journal and that no action be taken until the majority leader and the minority leader have had a consultation concerning an exact time. But I am prepared to advise the distinguished minority leader that it will be either later this week or sometime next week.

Mr. BYRD. Mr. President, reserving the right to object, I shall not object. This is very agreeable with me and others on this side, if we may have the assurance of the distinguished majority leader that indeed the message will be called up and voted upon.

Mr. DOLE. I may have been a little tight in the time. There is some question whether we want to act on this prior to November 22, but I can give the minority leader assurance that it will be called up. Members on both sides of the aisle want it called up, and we will work it out.

Mr. BYRD. With that assurance, Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 8:45 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 8:45 a.m. on Wednesday, November 13, 1985.

The motion was agreed to, and at 5:31 p.m. the Senate recessed until tomorrow, Wednesday, November 13, 1985, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate November 12, 1985:

DEPARTMENT OF STATE

Rockwell Anthony Schnabel, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Finland.

NATIONAL INSTITUTE OF BUILDING SCIENCES

The following-named persons to be members of the Board of Directors of the National Institute of Building Sciences for terms expiring September 7, 1986:

Fred E. Hummel, of California, vice Herbert H. Swinburne, term expired.

Philip D. Winn, of Colorado, vice Rudard A. Jones, term expired.

IN THE AIR FORCE

The following officers for appointment in the U.S. Air Force under provisions of section 624, title 10 of the United States Code:

To be major general

Brig. Gen. Jimmie V. Adams, [redacted] FR, Regular Air Force.

Brig. Gen. Marcus A. Anderson, [redacted] FR, Regular Air Force.

Brig. Gen. James T. Callaghan, [redacted] FR, Regular Air Force.

Brig. Gen. James S. Cassity, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Donald L. Cromer, [redacted] FR, Regular Air Force.

Brig. Gen. Fredric F. Doppelt, [redacted] FR, Regular Air Force.

Brig. Gen. Robert F. Durkin, [redacted] FR, Regular Air Force.

Brig. Gen. Robert D. Eaglet, [redacted] FR, Regular Air Force.

Brig. Gen. George E. Ellis, [redacted] FR, Regular Air Force.

Brig. Gen. Richard F. Gillis, [redacted] FR, Regular Air Force.

Brig. Gen. Richard B. Goetze, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. John E. Griffith, [redacted] FR, Regular Air Force.

Brig. Gen. Michael D. Hall, [redacted] FR, Regular Air Force.

Brig. Gen. William K. James, [redacted] FR, Regular Air Force.

Brig. Gen. Wayne O. Jefferson, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Peter T. Kempf, [redacted] FR, Regular Air Force.

Brig. Gen. Donald J. Kutyna, [redacted] FR, Regular Air Force.

Brig. Gen. Thomas A. LaPlante, [redacted] FR, Regular Air Force.

Brig. Gen. Donald A. Logeais, [redacted] FR, Regular Air Force.

Brig. Gen. Donald L. Marks, xxx-xx-xxxx [redacted]FR, Regular Air Force.

Brig. Gen. Paul H. Martin, xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. Robert P. McCoy, xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. Charles D. Metcalf, xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. Thomas R. Olsen, xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. Richard A. Pierson, xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. Cecil W. Powell, xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. Robert L. Rutherford, xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. Martin J. Ryan, Jr., xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. John C. Scheidt, Jr., xxx-xx-... xxx-... FR, Regular Air Force.

Brig. Gen. Alexander M. Sloan, xxx-xx-... [redacted]FR, Regular Air Force.

Brig. Gen. Richard J. Trzaskoma, xxx-xx-... [redacted]FR, Regular Air Force.

Brig. Gen. John H. Voorhees, xxx-xx-... [redacted]FR, Regular Air Force.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Nils R. Thunman, xxx-xx-xxxx [redacted]/1120, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Cecil J. Kempf, xxx-xx-xxxx [redacted]/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. William E. Ramsey, xxx-xx-... xxx-.../1310, U.S. Navy.

IN THE AIR FORCE

The following officers for promotion to the grade indicated under the provisions of article II, section 2, clause 2, of the Constitution of the United States of America:

To be colonel

Lt. Col. Ronald J. Grabe, xxx-xx-xxxx [redacted]

To be lieutenant colonel

Maj. William A. Pailes, xxx-xx-xxxx [redacted]

IN THE MARINE CORPS

The following-named officer for promotion to the grade of lieutenant colonel under the provisions of article II, section 2, clause 2 of the Constitution of the United States of America:

Maj. David C. Hilmers, U.S. Marine Corps, xxx-xx-xxxx [redacted]/7583.

CONFIRMATION

Executive nomination confirmed by the Senate November 12, 1985:

DEPARTMENT OF JUSTICE

Charles J. Cooper, of Virginia, to be an Assistant Attorney General.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Tuesday, November 12, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Bless all those people, O God, who see in what they do the opportunity for helping others. Whether in noble deeds of justice that involve the future of nations or in quiet acts of compassion that go unnoticed and are seen only by the few, we honor those who care for others. Encourage every person to understand that it is in giving and caring for others that we truly receive Your blessed gifts. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3067. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1986, and for other purposes; and

H.R. 3327. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3067) "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1986, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPECTER, Mr. HATFIELD, Mr. MATTINGLY, Mr. DOMENICI, Mr. LAUTENBERG, Mr. STENNIS, and Mr. HARKIN to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3327) "An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MATTINGLY, Mr. LAXALT, Mr. GARN, Mr. HATFIELD, Mr. SASSER, Mr. INOUYE, and Mr. STENNIS to be the conferees on the part of the Senate.

RAILROAD RETIREMENT FUND

(Mr. FLORIO asked and was given permission to address the House for 1 minute.)

Mr. FLORIO. Mr. Speaker, on Thursday, my subcommittee will investigate recent allegations of illegal actions by the Department of the Treasury that may possibly jeopardize the future benefits of 1 million railroad retirees.

The Railroad Retirement Act states clearly that it is the Railroad Retirement Board which shall determine when securities held by the Railroad Retirement Fund shall be sold, and that they shall be sold only in an amount necessary to pay benefits.

Normally, the Department of the Treasury withdraws money from the Railroad Retirement Funds only at the direction of the Railroad Retirement Board, and only in such amounts as the Board directs to pay benefits. At the beginning of this month, Treasury did something different.

Between November 1 and November 8, without legal authority, the Department of the Treasury unilaterally sold interest-bearing securities held by the Railroad Retirement Account in an amount $445 million in excess of what was required to make November benefit payments. This sum is almost twice the normal monthly benefit payments of $481 million. Furthermore, this action was taken without consultation with or direction from the Railroad Retirement Board. Simply put, the Treasury Department illegally used funds held in trust for the Nation's 1 million railroad retirees to finance other Government operations.

Last Friday, I wrote Treasury Secretary Baker asking for a complete explanation for this illegal action. I also requested the General Accounting Office to investigate the Treasury Department's action as well.

After this hearing was announced, the Department of the Treasury stated that it would repay the retirement fund the excess funds withdrawn, and pay interest to make the fund whole if the debt ceiling bill required them to do so. I am pleased that the Treasury has now admitted it acted incorrectly, but this does not excuse what must have been a willing violation of the law. We must ensure that this illegal activity cannot happen again, and protect railroad retirees' funds from any such future raids.

LIGHTNING STRIKES TWICE—A SECOND RUSSIAN FREEDOM-SEEKER TURNED AWAY

(Mr. COBLE asked and was given permission to address the House for 1 minute.)

Mr. COBLE. Mr. Speaker, a venerable adage reminds us that lightning never strikes identical targets twice. That adage was shamefully and inexcusably refuted last week. Over a decade ago a crew member of a Russian vessel leaped to what he had hoped was his freedom. Our Coast Guard and State Department, as I recall, became involved and the crew member was returned to his ship against his will. Last week, under strikingly similar circumstances, our Customs Service and State Department rejected another request for freedom and a Ukrainian sailor was turned away. This Congress should demand a detailed accounting.

Do we no longer recognize the constitutional principle of political asylum? How many times must lightning strike before we permit commonsense to dictate reasonable and fair results in response to pleas for freedom?

It was a day of shame—and we should be ashamed.

LEGISLATION AUTHORIZING MINTING AND SALE OF AMERICAN GOLD COINS

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of California. Mr. Speaker, I wish to inform my colleagues that today I join my friend, the gentleman from California, Mr. JULIAN DIXON, in reintroducing legislation that would call upon the Treasury to mint and put for sale a series of American gold coins. This bill as reintroduced is a reflection of work that has been done between the two Houses. In conference with the Senate, the Members drafted a proposal involving four gold coins to be minted and sold in the marketplace. Those coins including an American eagle gold coin of approximately 1 troy ounce, a half-ounce coin, a quarter-ounce coin, and a tenth-ounce coin.

Mr. Speaker, in the meantime, the President has called upon the Department of the Treasury to produce a report regarding the potential of such coin production. Currently we are experiencing approximately $1 billion deficit in gold coin trading because the United States is not in the market. $400 million of that capital flow goes to South Africa.

Mr. Speaker, it is time for us once again to return to the marketplace. I predict that very soon the Congress will pass and the President will sign such a measure and that the American gold coin will take that marketplace by storm.

A HISTORIC BARGAIN ON DEFICIT REDUCTION

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, I rise to urge the congressional leadership, and the President, to seek a historic budget compromise.

First, we should pass a clean, 3-week debt ceiling extension.

This would allow President Reagan to meet Mr. Gorbachev, without the worry of severe defense cuts that may be mandated by all versions of Gramm-Rudman.

Second, upon his return, the President should meet with the congressional leadership, with all parties offering honest concessions.

Third, we should seek a broad-based formula for deficit reduction, exempting only those who are truly in need.

Mr. Speaker, we can reject legislative gridlock, avoid financial crisis, and put the national interest ahead of partisan politics.

President Kennedy said we should ask what we can do for our country.

I believe the American people are ready to make the tough choices to reduce the deficit, they are ready to march, so long as they are asked to march together, sharing both the burdens and the rewards.

This Congress and this President can be remembered as the ones that summoned our people to a great endeavor: a historic bargain, to reduce deficits immediately, effectively, and fairly.

THE MISHANDLING OF THE MIROSLAV MEDVID CASE

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, now that the *Marshal Konev* has weighed anchor and steamed out of United States waters carrying the Ukrainian sailor who sought so desperately to defect to the United States, I feel it is only fitting that we review the administration's mishandling of Mr. Miroslav Medvid's case.

In interviews with reporters on Sunday and in subsequent newspaper stories, Secretary of State George Shultz has defended the administration's handling of the matter.

However, Secretary Shultz' comments to the contrary, the Reagan administration first bungled and then chose to stonewall the situation. Despite my efforts and those of my colleagues here in the House of Representatives, and 36 Senators, the administration chose to turn a deaf ear to what may have been a young man's desperate plea for asylum. Despite letters from House and Senate Members, telegrams from me and my colleagues Congressman FEIGHAN to President Reagan alerting him to the possible existence here in the United States of Mr. Medvid's relatives, telegrams and phone calls from me suggesting that he make an official request to the Swiss Government to intervene by allowing Mr. Medvid to be interviewed at their consulate in New Orleans, which the President neither acknowledged nor returned, the administration considered the case closed. I even made this suggestion last Thursday to Assistant Secretary of State Rozanne Ridgway during her appearance before a House subcommittee hearing into the matter; however, my suggestion was ignored.

I am ashamed that our Government allowed such a violation of human rights to take place on our soil. The Reagan administration should thoroughly examine its conscience.

VOTERS WAY AHEAD OF CONGRESS ON UNWARRANTED GOVERNMENT INTRUSION INTO QUALITY MEDICAL CARE

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, there is one very significant aspect of last Tuesday's election that has not been discussed in this body, despite the fact that it dealt directly with the legislative agenda in the House.

As debate continues over the Kemp-Hatch amendment aimed at prohibiting abortion counseling by title 10 family planning clinics, I point out to my colleagues that last week's election results show that voters of all political persuasions and all religious faiths are way ahead of those members of Congress who support unwarranted government intrusion into the practice of quality medical care.

Last Tuesday, three New England communities voted overwhelmingly against nonbinding referenda asking if the Supreme Court decision legalizing abortion should be overturned.

Ironically, in each community the referendum was placed on the ballot by so-called pro-life advocates.

In the conservative community of Dover, NH, voters opposed the referendum by nearly 2 to 1 and then went even further and soundly defeated the pro-life candidate who placed the referendum on the ballot in his bid for a city council seat.

The candidate came in last among the five candidates actively seeking three available city council seats.

Residents of the New Hampshire hamlet of Derry and the Connecticut city of Bristol also voted by margins exceeding 60 percent to support fundamental civil rights for women and uphold the 1973 Roe versus Wade Supreme Court decision legalizing abortion.

It is time for Members of the House to wake up and sense the mood of all American people of every religious persuasion who support good family planning programs, rather than cater to the views of a small, vocal, minority that wants to kill 15 years of progress.

The debate over family planning funding should not be construed as a religious issue. Last weeks vote proved that.

I respect propoundly all church doctrines and deeply admire the tenets of the Catholic, Protestant, and Jewish religions.

In our day and age, Americans of all religious persuasions have learned to keep faith with their religious beliefs, while thinking, acting, and voting like the mainstream Americans that they are.

LYING TO THE AMERICAN PUBLIC ABOUT THE DEFICIT

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER Mr. Speaker, how does the country song go?

I'm running for President
I got money to burn
My heart don't ache
My body don't yearn
I'd lie to you for your love
And that's the truth, honey.

Mr. Speaker, we have been lying to the American public about the deficit for years and buying their love by spending money we do not have.

With the final consideration of Gramm-Rudman some lies are going to die this week.

The lie that the deficit will grow away with no pain and no cuts will die.

The lie that supply-side tax cuts will eliminate the deficit will die.

The lie that we can balance the budget without requiring corporations to pay their fair share will be exposed.

The lie that we have the courage and the ability to budget rationally

and make hard choices without the pressure of law on crises will die.

The gentleman from Texas, MARVIN LEATH, gave us that choice a month ago, and we flunked.

Gramm-Rudman with its across-the-board cuts and mindless automation is imperfect and ought to be improved, but it beats the slow, certain death of a massive deficit, costing us and our children countless jobs.

Remember the song:

I'm a movie star, a lawyer, a doctor.
I'm an astronaut.
Yes, honey, I own this bar.
I'd lie to you for your love.

Mr. Speaker, this week many lies should die, and the tough part for politicians is that the love might die, too.

TWO TRANSCENDENT ISSUES BEFORE THE HOUSE TODAY

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, there are two transcendent issues before the House today.

The gentleman from Michigan [Mr. BROOMFIELD] and I in a bipartisan effort will present a resolution here today speaking for the American people and the Congress, wishing the President well as he goes to the summit in a rare opportunity to reduce tensions with a nation with which we have a major disagreement. Mr. Reagan goes to Geneva with a broad agenda. Although arms control is the focal point the summit will also discuss issues of human rights, regional conflicts and other bilateral matters, and the Congress and the American people wish the President well in the strongest bipartisan sense.

We also have the opportunity, Mr. Speaker, on another major issue confronting the American people, and that is the question of the deficit and the budget.

Now, we have strong differences of opinion which have been very ably expressed in both bodies and by both parties.

The time has come, which is right now, because the deadline is Thursday, for the parties to come together. Differences of opinion must be resolved and this can only be done under the leadership of the President and the White House meeting with both bodies and both parties to bring this issue to rest.

GETTING MARRIED FOR MONEY—A CHILLING TALE OF INADEQUACIES OF OUR IMMIGRATION LAWS

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, the headlines of a recent article in the Miami Herald, "Getting Married for Money Is South Florida Cottage Industry" tells a chilling tale of the inadequacies of our immigration laws. While total immigration to the United States dropped 9.6 percent from 1978 to 543,903 in 1984, the number of immigrants obtaining status by marriage to U.S. citizens increased 43 percent from 78,057 in 1978 to 111,653 in 1984. A more important statistic recently revealed by the Immigration and Naturalization Service shows that in 1984 alone, 11,721 alien fiances were admitted to the United States, of these 4,935 adjusted their status, and 1,438 decided to leave our country leaving 45 percent unaccounted for.

Mr. Speaker, the legislation that I am introducing today will tighten the "K" nonimmigrant visa category by requiring that a couple intending to marry must have met in person, speak the same language and have a bona fide intention to marry. Upon marriage, the alien would be granted a conditional 3-year visa status which would count toward the 5-year naturalization period. At the end of this period the couple must produce evidence that a bonafide marriage exists. If this information is not produced then status is not adjusted and the individual is subject to deportation. In addition, this legislation creates criminal penalties for those who knowingly enter into a marriage contract for the purpose of evading immigration laws.

INTRODUCTION OF SENSE-OF-CONGRESS RESOLUTION FOR NO INCREASE IN INDIVIDUAL INCOME TAX

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Connecticut. Mr. Speaker, thus far in the 99th Congress, higher individual income tax rates have not been proposed in legislative form. However, many expect that early next year some Members of Congress will be saying we need higher income tax rates.

Last week, I introduced a sense-of-the-Congress resolution which states that there should be no increase in individual income tax rates. Today, I invite Members of the House to join this effort to derail a movement to increase personal tax rates next year.

There are numerous areas of the Federal budget that must be cut, rather than using individual income tax increases as a deficit-reduction tool. The American taxpayer already shoulders an excessive tax burden and must not be called on to absorb further pain just because Congress lacks the political will to cut Federal programs.

Those Members signing on to this resolution will be squarely on record as opposing individual income tax hikes and will represent a deterrent to those contemplating such an increase.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SKELTON). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

RELATING TO PROPOSED SALES OF ARMS TO JORDAN

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 228) relating to the proposed sales of arms to Jordan.

The Clerk read as follows:

S.J. RES. 228

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That prior to March 1, 1986, no letter of offer shall be valid with respect to any of the proposed sales to Jordan of advanced weapons systems, including advanced aircraft and advanced air defense systems, that are described in the notification pursuant to section 36(b) of the Arms Export Control Act submitted to the Congress on October 21, 1985, unless direct and meaningful peace negotiations between Israel and Jordan are underway.

□ 1225

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the question of arms sales to Jordan is a rather contentious one. It impacts on the difficult issue of the Middle East peace process and a number of other U.S. national security concerns. In short, it is a matter that has received intensive and careful review in both bodies of Congress.

The abiding interest of the Committee on Foreign Affairs in the Middle

East has intensified over the last several months as the United States has increased its diplomatic efforts with both Jordan and Israel regarding a Middle East peace agreement. Correspondingly, both Jordan's King Hussein and Israel's Prime Minister Peres have made several important initiatives to help lay the groundwork for negotiations. The goal of the committee and the goal of this Congress, Mr. Speaker, should be to help advance that peace process.

Pending before the committee at markup were two resolutions. The underlying sentiment of the committee was expressed in House Joint Resolution 428 which was introduced on October 24 by myself and 273 cosponsors and which would prohibit the sale of weapons to Jordan unless direct bilateral negotiations have commenced between Jordan and Israel.

Also pending before the committee was Senate Joint Resolution 228 which extended the notification period to March 1, 1986, but allowed the sales to proceed before that date if direct and meaningful negotiations were underway between Israel and Jordan.

In considering possible legislation, the committee was guided by several principles. First, the committee wanted to support and encourage the peace process. Second, the committee believes it is essential to establish an ongoing peace process before proceeding with new arms sales and, therefore, concluded that until direct and meaningful negotiations are started the United States should not sell advanced weapons to Jordan. Third, the committee accordingly felt that if pressed to vote on these sales now, the sales would be disapproved.

In light of all these factors, the committee decided on November 7 to act on Senate Joint Resolution 228, the resolution which is now before us. The committee believes this resolution represents a compromise which addresses the concerns of all parties, gives the peace process a chance and preserves the options of the committee for further action in the coming months, including an outright disapproval of the issuance of a letter of offer if direct and meaningful negotiations are not taking place.

Senate Joint Resolution 228 was passed unanimously by the committee by voice vote, a quorum being present.

It is the view of the committee that there are several ways in which Senate Joint Resolution 228 could have been improved. However, there is a commitment from the President that he will sign Senate Joint Resolution 228 in its present form; the committee therefore believes that it is important to expedite the legislative process and submit this legislation to the President for his signature.

The committee defines the phrase "direct and meaningful" negotiations in Senate Joint Resolution 228 as involving:

Direct, publicly acknowledged, ongoing peace negotiations between leaders of Jordan and Israel or their designated negotiating teams;

The establishment of a mechanism by the two parties to ensure the continuation of the substantive negotating process and regular face-to-face talks between the two parties;

A process which would result in a clear public declaration to end the state of belligerency between Jordan and Israel.

In providing this definition the committee seeks to make clear its view that any peace conference convened under international auspices should lead promptly to direct negotiations between Israel and Jordan on the substance of peace issues, not procedural questions.

If direct and meaningful negotiations—under the above definition—are taking place, the President should communicate that publicly to this committee and undertake consultations with the Congress at least 30 days before proceeding with any sale. While the resolution provides no procedural mechanism for deciding if direct and meaningful negotiations are underway, the sale of arms to Jordan should take place only if there is a consensus between the executive branch and the Congress that negotiations are underway.

If by February 1, 1986, no negotiations of the specified nature are underway, the committee expects to be informed by the President whether he intends to, first, proceed with an arms sale after March 1, 1986, as per the letter of notification of October 21, 1985; second, delay the sale further until direct and meaningful negotiations are underway; third, resubmit the sale in accordance with section 36(b) of the Arms Export Control Act; or fourth, withdraw the sale.

The committee believes that passage of Senate Joint Resolution 228 in no way restricts the options of the Congress to pass further legislation on this issue as developments occur. As appropriate and warranted, for example, the committee holds open the option of reporting out House Joint Resolution 428 as a resolution of disapproval which would take effect on or after the March 1, 1986, date.

The committee also intends to consider separate but related legislation to provide for expedited procedures in order to facilitate consideration of any future legislation involving arms sales.

One of the committee's chief concerns relating to this matter involved the effect of the Supreme Court's Chadha decision, under which the legislative veto by concurrent resolution is considered unconstitutional. Flowing from that fact is the loss of expedited procedures under which this legislation could be considered.

In an effort to help solve that problem, at least in part, the committee has received assurances from the chairman of the Senate Foreign Relations Committee concerning possible future Senate action. I insert that letter in the RECORD at this point.

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, November 6, 1985.

Hon. DANTE FASCELL,
Chairman, Committee on Foreign Affairs, U.S. House of Representative, Washington, DC.

DEAR DANTE: I just wanted to follow up on our meeting last Friday concerning the proposed Jordan arms sale. As you know, at that time I expressed to you and to Larry Smith my own concern that reconsideration of this issue on the Senate floor could injure the consensus we achieved to defer the sale to March 1st. I would like to reiterate that concern now. I have had the occasion to review this matter with officials of the Administration. In my judgment, the Administration has assented only to the language of the current Senate bill and not to any other language.

At the same time, I want to assure you that should there be no negotiations by early next year, a disapproval resolution would be considered by the Foreign Relations Committee in a timely manner. I would oppose parliamentary maneuvering that would allow the sale to go forward against the wishes of the majority of the Senate. As I have all along said, it is necessary to form a consensus on this issue in order to address the problem of potential appropriations further along in the process.

I hope that this commitment is reassuring to you and to other members of the House. I look forward to working closely with you in order to ensure that the deeply felt views of both Houses are reflected in the final outcome.

With best wishes.

Sincerely,

RICHARD G. LUGAR,
Senate, Foreign Relations Committee.

Mr. Speaker, as I said at the outset, this has been a difficult issue involving a number of important implications. Taking all of that into account, this committee has concluded that the best legislative solution at this time is Senate Joint Resolution 228. I therefore urge its passage.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to offer my support for the compromise legislation before us today. Thanks to the leadership of Chairman FASCELL and in the spirit of bipartisanship, this resolution received the strong support of the Foreign Affairs Committee. The Senate recently adopted the resolution by a 97 to 1 margin.

The legislation considers the interests of all parties and, in my judgment, should be supported. Its passage is clearly not a defeat for anyone. It incorporates the concerns of many of us in the Congress who believe that peace

is now possible in the Middle East. We must be careful, however, not to lose this promising opportunity.

The administration's needs are also served by the passage of this resolution. I am pleased that the executive branch has no objection to this prudent course of action that we are proposing.

The real strength of the legislation before us is that it lets our Government deal with both Jordan and Israel in an effort to keep the peace process moving forward. I am pleased that there are increasing diplomatic contacts between Jordan and Israel on this important effort.

By supporting this legislative approach, we avoid the undesirable option of taking an adverse vote on the arms sale to Jordan. Under the proposal before us, that sale cannot be made until March 1, 1986, unless direct and meaningful negotiations between Israel and Jordan are underway.

This resolution presents a workable compromise which serves the interests of all of those who want peace in the Middle East. I urge all my colleagues to join me in supporting this important resolution.

Mr. FASCELL. Mr. Speaker, I yield 4 minutes to the distinguished chairman of the Subcommittee on Europe and the Middle East, the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of Senate Joint Resolution 228 which effectively extends the notification period for the proposed arms sales to Jordan until March 1, 1986, but which would allow the proposed sales to proceed in the interim if direct and meaningful negotiations between Israel and Jordan are underway.

The effect of the resolution is to prohibit the sales temporarily but conditionally.

The phrase "direct and meaningful" negotiations in Senate Joint Resolution 228 involves several features:

First, direct, publicly acknowledged, ongoing peace negotiations between leaders of Jordan and Israel or their designated negotiating teams;

Second, the establishment of a mechanism by the two parties to ensure the continuation of the substantive negotiating process and regular face-to-face talks between the two parties;

Third, a process which would result in a clear public declaration to end the state of belligerency between Jordan to Israel.

The resolution seeks to make clear that any peace conference convened under international auspices should lead promptly to direct negotiations between Israel and Jordan on the substance of peace issues, not on procedural questions.

In recent weeks, the involvement of the United States in diplomatic contacts with both Jordan and Israel with respect to a Middle East peace process has intensified. Jordan's King Hussein and Prime Minister Peres of Israel have made important statements and efforts to try to narrow procedural differences to enable peace talks to proceed. We want to encourage that process.

Mr. Speaker, it is because we want to further the peace process that it is prudent to delay this arms sales package, It is only within the framework of a viable, ongoing peace process that arms sales and other security assistance can be supportive both of U.S. interests and of peace efforts.

Both Israel and Jordan are important friends of the United States. Millions of citizens throughout the Middle East are focused on current efforts to restart peace talks. They want this process to succeed both for themselves and for future generations. At the same time, there is a small minority in the Middle East which seeks, through violence and terror, to frustrate any peace process and cause its failure.

The United States at this time should focus all its efforts on that peace process and avoid any actions which divert energies or attention away from it. Arms sales, without direct and meaningful negotiations, could do precisely that.

Helping Jordan with its legitimate security needs is important, but this should be accomplished in the proper context. Without prejudice to these long-term security needs of Jordan, we today ask for a short delay in the arms sales process in order to give current peace efforts a chance to start sustained and substantive negotiations.

Mr. Speaker, I urge my colleagues to support Senate Joint Resolution 228.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before I call on the next Member on our side to speak, I want to congratulate the gentleman from Indiana [Mr. HAMILTON], the chairman of the Subcommittee on Europe and the Middle East, and also the gentleman I am going to call on, the gentleman from New York [Mr. GILMAN], for the excellent work that that subcommittee did in regard to this legislation.

Mr. Speaker, it is my honor now to yield 3 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of the resolution, and I want to commend the distinguished chairman of our committee, the gentleman from Florida [Mr. FASCELL], the distinguished chairman of our subcommittee, the gentleman from Indiana [Mr. HAMILTON], and our ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], for bringing this measure to the floor with such dispatch.

Mr. Speaker, Senate Joint Resolution 228 temporarily withholding sales of advanced weapons to Jordan, is by no means an ideal solution to the problem of providing proper defense for Jordan. On the other hand, it is a solution which the Committee on Foreign Affairs was able to agree upon with relative dispatch, which was passed by the other body, and which has the support of the President of the United States. I believe it merits the support of each Member of this House.

Sales of arms to Jordan have become linked with the progress of the peace process. As the distinguished chairman of our subcommittee on the Middle East, the gentleman from Indiana, so wisely observed—and I shall paraphrase him—that while consummating any specific arms sale may not bring forward the peace process, improper handling of an arms sale by the Congress can certainly set back the process.

The peace process is—and has remained, as much as we may regret it—at a delicate stage for the past several months. This was not an appropriate time to send to the Congress a major arms sale. The administration, unfortunately, chose to ignore the pleas of Congress and sent us an arms package which while appearing to meet the defense needs of Jordan also has a significant impact on Israel's ability to defend itself. Obviously—and justifiably—such a sale is controversial. While the administration initially plowed ahead, thereafter it wisely bowed to the congressional response, agreeing to postpone a final vote on this matter until late this winter.

Mr. Speaker, while we cannot fortell the future, we hope and pray that peace negotiations can get underway and appropriate arms can be provided to Jordan. But the question of arms supplies remains very much in the hands of the parties to the conflict themselves. We will be watching that Middle East Peace negotiations very closely, looking for indications that peace between Israel and its neighbors can eventually be achieved and the way cleared to the supply of defensive weapons against outside threats.

Mr. Speaker, I commend the Members on both sides of the aisle whose leadership allowed this compromise resolution to come to the floor with such dispatch.

□ 1235

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. FLORIO].

Mr. FLORIO. Mr. Speaker, with the understanding that this resolution in no way affects the prerogatives of the Congress under the existing law, I rise in support of the resolution.

Mr. Speaker, I rise to express my opposition to the administration's proposal to sell sophisticated weapons to Jordan, before that nation has accepted the framework of the Camp David peace process and agreed to direct negotiations with Israel. We are today considering a resolution, Senate Joint Resolution 228, that would postpone a decision on this particular sale until March 1, 1986, in order to encourage direct and meaningful peace negotiations between Israel and Jordan during that timeframe.

Mr. Speaker, I rise with apprehension to discuss this resolution because I am concerned about the perception that this resolution would allow the administration to go forward with this sale on March 1, 1986, unless the Congress passes a joint resolution of disapproval before that date. On October 21, 1985, the President formally notified Congress of the intent to sell a package of 40 F-20 or F-16 advanced fighters, 108 Stinger missiles, 12 Hawk missile units, 300 Sidewinder air-to-air missiles, and 32 M-3 Bradley cavalry fighting vehicles. This entire air defense package would carry a cost of as much as $1.9 billion and would threaten the air superiority of Israel—its cornerstone of security.

For a number of years, Jordan's King Hussein has been reluctant to recognize Israel and enter into direct negotiations to bring about a much needed settlement. He is currently hiding behind the shield of an international peace conference that would involve the PLO, Syria, and the Soviet Union as participants. By proposing an arms sale at this time, the administration is rewarding the King for his intransigence. If sophisticated weapons are provided to Jordan before that country makes peace with Israel, the incentive for direct negotiations would be removed and attention would be focused on instruments of war rather than maneuvers for peace. This weapons package would reduce Israel's ability to defend itself from a more possible Arab offensive.

Additionally, the arms sale to Jordan would increase Israel's defense burden by forcing Israel to allot an even greater proportion of its budget to defense needs. Not only would we be facing increases in our foreign aid demands for Israel and Egypt, but it would also be a detriment to the already troubled Israeli economy.

On June 10, I and my colleague from New York, Mr. LENT, introduced House Resolution 194, to express the opposition of the House of Representatives to selling arms to Jordan and to call upon Jordan to enter into direct peace negotiations with Israel. House Resolution 194 received the support of 91 of our colleagues before a joint resolution of disapproval was introduced by Mr. FASCELL. I was pleased to have been an original cosponsor of this resolution and I hope that, if direct and meaningful peace negotiations between Israel and Jordan do not occur before March 1, this joint resolution will be approved by the Congress to block this sale.

The resolution we are considering today should be taken as simply an extension of the legal 30-day period of review that Congress has to block such a sale. It should not be accepted as a resolution approving this sale unconditionally after March 1, 1986. There are meaningful steps that Jordan must take before the Congress lends approval to this sale.

Increasing our weapons supply to this region and promoting fear among our ally, Israel, will not foster peace and understanding in the Middle East. Encouraging direct negotiations with meaningful results will.

Mr. Speaker, it is imperative that this message be sent both to the administration and to all parties involved in this conflict. Our Government cannot condone intransigence by providing Jordan with gifts of weapons. Too much time has been spent already in waiting for Jordan to recognize Israel's right to exist and agree to direct meaningful negotiations. I hope that, as March 1 approaches, Congress will again review any progress that has been made and if there has not been any, pass a resolution of disapproval to block this sale once and for all, and send a message of our expectations in the peace process.

Mr. FASCELL. Mr. Speaker, I yield 3 mintues to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman from Florida for yielding me this time.

First, I want to commend the gentleman from Florida [Mr. FASCELL] as author of the House resolution, together with the gentleman from Michigan [Mr. BROOMFIELD] and myself, and 280-plus other sponsors of the resolution of the House which was a resolution of disapproval. That resolution was exactly duplicative of the resolution that originally was filed in the other body.

The other body went ahead and changed the wording of their resolution to accommodate what was basically the argument that had been made by both this Chamber and the other body, and that was that the delay was the most important thing, that this was not the appropriate time for an arms sale in the Middle East, for an arms sale to Jordan. It would most likely hinder rather than help the peace process.

The gentleman from Florida [Mr. FASCELL], the gentleman from Michigan [Mr. BROOMFIELD], the majority leader, the gentleman from Indiana [Mr. HAMILTON], and others were successful in putting together the kind of work that was necessary to make sure everybody understood that what we wanted to do was to see the peace process move forward, and not bog down over a secondary, marginal issue.

What the problem is, however, and let us make it very clear, and let us make no mistake about it, is that the resolution language as the other body has drafted it, and as we are going to pass it, provides that as of March 1, the resolution allows for a sale to proceed without further notification by the President or the administration to the Congress.

The House resolution of over 280 cosponsors was a resolution of disapproval. That resolution will be taken up in the event that as of February 1, approximately, there is no change in the circumstances on the ground in the Middle East. If Hussein and Perez are not talking, if Israel and Jordan are not talking with each other, if their negotiating teams are not talking, I fully intend as a prime cosponsor of that legislation, and I am sure the others feel the same way, to move forward with our resolution to block that sale so that we again do not get bogged down in that arms sale while there is no good-faith effort being made toward the peace process.

Just this weekend alone, Arafat said once again that they would not lay down their arms in an arms struggle against Israel, and King Hussein said, and unfortunately, I am sorry to hear, that once again Arab flags, Jordanian flags would be flying over Jerusalem. I thought that was what the purpose of negotiations were supposed to be.

This country is a good friend of Jordan, this country is a good friend of King Hussein. This year alone, we raised above the administration's proposal the amount for economic support, we raised over the administration's proposed amount the amount for arms.

I urge my colleagues to vote for this, for the delay, and then wait to see what happens in the Middle East.

Mr. FASCELL. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, I appreciate the gentleman yielding me this time, and I rise in support of this resolution and associate myself with the very cogent remarks of the gentleman from Florida who has just spoken.

Mr. Speaker, during King Hussein's visit this past summer he spoke of his commitment to the peace process in the Middle East. More recently, the King hailed Prime Minister Shimon Peres' speech to the United Nations, calling him a "man of vision."

All of which are encouraging signals to those of us watching this region closely.

But none of the above can let us ignore the central fact in this process—that Jordan's relationship with the Palestinian Liberation Organization empowers their terrorist agenda in the region. And that Jordan and Israel are not yet at the negotiating table.

Additionally, it is impossible to ignore that the type of weapons under discussion are just what must be most threatening to

Israel's security. Jordan's air bases are close to Israel's population centers. Israel's longest border is with Jordan—180 miles of territory difficult to defend by ground forces. The F-16 and F-20 interceptors under consideration could make it impossible for Israel to defend her own airspace.

In addition to the combat aircraft under discussion, the sale of Hawk and Stinger missiles raise their own questions about stability and peace in the region. Jordan already has 14 improved Hawk batteries—but their purchase was conditioned on their being attached to concrete pads that eliminated the possibility of their use against Israel. The new Hawks would not be so conditioned, and pose a much greater potential threat.

The Stinger has been called the "ideal terrorist weapon"—portable, potent, it can destroy a low-flying aircraft from any angle. The obvious questions about Jordan's ability to keep these weapons out of the hands of the PLO has yet to be answered by this administration.

Finally, the proposed sale includes Bradley fighting vehicles and Sidewinder heat-seeking missiles.

This sale would indisputably harm Israel's air superiority over its neighbors in the region. Right now, it is a risk Israel—and we—cannot take. The bill before us delays the sale until March, unless Jordan comes to the table in the meantime. I urge my colleagues' support of this measure.

Mr. FASCELL. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. JONES].

Mr. JONES of Oklahoma. Mr. Speaker, I, too, rise in strong support of this measure, Senate Joint Resolution 228, disapproving the sale of advanced weapons to Jordan.

As in the Florio and Fascell resolutions, both of which I have cosponsored, this legislation is based on one premise: That the United States must not reward intransigence or weak-hearted approaches to peace in the Middle East.

No Middle Eastern nation which refuses to engage in direct and meaningful negotiations with Israel should be supplied with advanced United States weapons.

By standing firm on this guiding principle, we will undoubtedly enhance the chance of long-term success for the Camp David peace process.

I urge my colleagues' support for this measure.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Speaker, I rise in support of the resolution and in support of the principle of negotiations before arms.

Mr. Speaker, the resolution before us transforms the proposed Jordan arms sale into an opportunity for peace.

In passing the resolution, we prevent an immediate arms sale before direct and meaningful negotiations between Israel and Jordan are underway.

We leave open the question of future weapons transfers to Jordan. If serious negotiations do not begin, Congress can enact legislation before March 1 to block or further postpone a sale. The House and Senate have shown that they will so act with their overwhelming support for resolutions barring arms sales to Jordan before direct bilateral talks are in progress.

The Foreign Affairs Committee, on which I serve, stands ready to report whenever necessary the resolution barring arms sales to Jordan. That resolution was cosponsored by 281 Members of the House and 75 Senators.

If the President determines that direct and meaningful negotiations are underway and proceeds with a letter of offer of arms to Jordan, Congress can independently assess the talks and can still act to halt or restrict the sale.

While this resolution prevents the administration's proposed immediate arms sale to Jordan and leaves open the question whether the sale will go forward in the future, it avoids the kind of outright disapproval that could jeopardize the United States' and Israel's ability to work with Jordan toward peace.

For months, we who support this resolution have been pleading with the administration not to send up for congressional approval or disapproval at this time a sale of sophisticated weapons to Jordan.

The only successful strategy for linking Arab arms sales to peace is that followed with Egypt: no weapons transfers until talks are underway, the commitment to peace is clear, and irrevocable steps have been taken toward a settlement.

By contrast, strategies of first arms then peace have proved abysmal failures with Jordan and Saudi Arabia. In fact, these weapons transfers have been barriers to peace. If a country can obtain the most sophisticated arms from the United States without sitting down at the negotiating table, what incentive is there for peace? The weapons transfers only serve to heighten tensions and escalate the arms race that is raging in the Middle East.

Israeli Prime Minister Shimon Peres recently reminded the Knesset, "During the 37 years of Israel's existence, we have known five wars and one peace."

Mr. Peres added, "For wars—irrespective of who initiates them—all the sides pay a price. In peace—irrespective of who initiates it—all the sides enjoy its fruits. Today, Israel is ready to pay the price for peace—but provided that the payment actually brings peace, and provided that the Arabs also pay its price. Otherwise, no one will believe that they genuinely want peace."

Mr. Speaker, Jordan's purchase of American arms now—before peace talks begin—would not be the proper payment for peace.

We should have peace first. If peace talks take place, then we can discuss arms sales later.

But in the absence of peace talks between Jordan and Israel, we in the House must stand by the decision we took unanimously in July and oppose massive new arms sales to Jordan.

Prime Minister Peres was quite frank about what will follow this arms sale. He said, "Forty new F-16's will be received by Jordan in 3 years and could strike many targets in Israel. Weapons are always being given to the Arabs and then we have to ask for balance in aid and arms * * *. The mobile Hawk missiles are a serious military security problem."

I ask my colleagues to consider a few facts about the balance of arms in the Middle East before they vote on whether or not to allow an immediate arms sales to Jordan.

We know that when a united front of Arab nations launched a surprise attack on Israel in 1973, Jordan was able to excuse itself from the original attack by explaining to its Arab allies that it had no air force capable of defending itself from an Israeli retaliatory air strike.

Jordan's air force bomb payload was 100 metric tons in 1973 at the time of the Yom Kippur war; Jordan's air force bomb payload has increased almost fourfold since then, and this sale would further boost that nation's bomb payload to 500 metric tons.

At the time of the Yom Kippur war, Jordan had about 50 planes, most of them outdated and unsophisticated. Today Jordan has 115 planes in the air force, and King Hussein has plans to increase the number to 160. Further, Hussein has said he plans to retire many of his older planes on his way to a 160-plane air force. This arms sale will not fulfill his plan—he will be back for 40 more sophisticated fighter-bombers after this sale is made.

Jordan had no air defense batteries at the time of the Yom Kippur war, when the absence of air defenses restricted Jordan's participation in that united attempt by Arab regimes to destroy the Nation of Israel.

If this arms sales were completed, Jordan would have 43 air defense batteries. The next time, should the other Arab nations pressure Jordan to join in a united attack on Israel, Jordan would not be able to plead the absence of an air defense as a reason to sit out the original attack on Israel.

Of course, what American weapons Jordan had at the time of the Yom Kippur war were provided on the solemn promise that those weapons would not be turned against our friend, Israel. We all know that Jordan's American tanks were on the Gholan Heights, firing on Israeli soldiers, in blatant violation of King Hussein's solemn promise.

We would be deluding ourselves were we to estimate future damage from war in the Middle East based on damage caused by previous wars. The sophistication and the destructive power of weapons held now by both Israel and by the Arab Nations is far beyond what it was just a little over a decade ago.

Surely my colleagues were as appalled and frightened—and, frankly, as awed—by the new weapons that were on display at

the time of the Falklands war. Missiles that flew in from over the horizon to disable aircraft carriers, jump-jets that operate like tanks in the sky, hand-held antiaircraft weapons that would be the dream of any small terrorist organization like the PLO—these new weapons got their tryout in the south Atlantic Ocean off the coast of Argentina, when that little war served as an arms bazaar and a live-ammo demonstration tape for arms salesmen around the world.

Let us think twice before we raise the level of the arms race in that volatile region by approving this transfer of weapons to Jordan.

There are three levels to the arms race in the Middle East and this single arms transfer would exacerbate all three of those races.

There is the arms race between Israel's American weapons and the American weapons we sell to Arab countries. When an Arab country receives the latest generation of an American weapon, we must—to assure the continued existence of Israel—provide weapons as sophisticated or more sophisticated. Through this transfer we will again raise the need for additional weapons to Israel.

In addition to the continuing spiral of ever-more advanced American weapons on both sides of the conflict in the region, there is the race between American weapons and the Soviet weapons provided to the Soviet allies in the region. The administration proposes to justify this sale by arguing that Jordan needs these weapons to defend itself against Syria. That is a transparent dodge—these weapons are, in fact, uniquely designed for use in a war against Israel, not a land invasion of Jordan by Syria. But despite the transparence of that dodge, this sale will lead Syria and other Arab allies of the Soviets to demand that the American sale of weapons to Jordan be matched by a Soviet arms transfer to them.

Finally, Israel—surrounded as she is by nations committed to her destruction—cannot sit idly by when American arms held by Arab countries are upgraded through additional arms sales. Rather, Israel's arms industry must develop weapons to defend against the new generation of American weapons being provided. This arms sale will lead to new expenditures by Israel to devise defensive weapons designed to thwart the American weapons provided to Jordan. That level of the arms race will be further exacerbated when Israel is forced to respond to the additional Soviet arms that this sale of American weapons will draw into the region.

On all three levels, this arms sale to Jordan escalates the Middle Eastern arms race.

The border with Jordan is Israel's longest, and Israel cannot defend that border without the air superiority it now enjoys. This arms sale will seriously threaten that air superiority, both by supplying airplanes and air defenses, and will gravely threaten Israel's security.

Finally, this arms sale threaten's American security. The most obvious reason for that is the threat to Israel posed by this arms sale. Israel is our strongest, most stable and most reliable ally in the region. Israel is the fiercest enemy of the Soviet Union in the Middle East. Any threat to Israel is a direct threat to United States interests in the Middle East.

Mr. Speaker, I beg my colleagues to delay this arms sale to Jordan. It will escalate the arms race in a volatile region, and will threaten the security of our strongest ally in the region.

Jordan has been willing to inch toward peace only under the toughest pressure from our Nation, but Jordan has not gone nearly far enough to have earned this awful reward. There are not peace talks now. There is no lifting of the formal state of war with Israel by King Hussein. There is no renunciation by Jordan of the efforts of the PLO and the Soviet Union to turn peace negotiations into a propaganda exercize orchestrated by the greatest enemy of the United States and by the worst terrorist organization in the world.

An arms sale before peace talks rewards Jordanian intransigence.

Mr. Speaker, let us have peace first.

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at this point I want to express my appreciation to the ranking Republican Member, the gentleman from Michigan [Mr. BROOMFIELD], for his work and efforts on this matter in bringing about a bipartisan approach to a resolution of this problem. I also express my deep appreciation to the chairman of the subcommittee, Mr. HAMILTON, and the ranking member of the Middle East Subcommittee Mr. GILMAN, for their work, for the hearings that they have held in bringing this resolution forward. A special thanks goes to my colleague from Florida, Mr. SMITH, who undertook to do the hard work of sponsoring the original resolution which is still pending before our committee and now has 280 cosponsors to show a very large bipartisan consensus in this body that we do not believe that the peace process can be enhanced with the sale of sophisticated equipment to Jordan, or for that matter, to any other country, in the Middle East.

We need to provide the incentive whereby both Israel and Jordan, who have already indicated their seriousness, can make those concessions, which will help ultimately to bring about face-to-face negotiations, thereby reducing the tensions and bringing about a just and lasting peace in the Middle East. We have that here now. We hope that because of this message going forward from both bodies in the Congress on a fully bipartisan basis that the parties in the Middle East will take this seriously in an effort to bring about the necessary steps for direct and substantive negotiations.

None of us envision simply a meeting for the parties to get together and have some chitchat as satisfying the criteria in this legislation. We are not talking about that. What we are talking about is direct, face-to-face negotiation, substantive, meaningful efforts in order to arrive at the peace process.

We are willing to delay, Mr. Speaker, the time within which this sale would go forward. However, while we hope that the process would continue and the criteria which we have laid down in the law, which is inherent in this legislation, would actually be met, we stand ready, as my colleague from Florida has said, and all of us know and we have agreed, Republicans and Democrats alike, that the resolution which is still pending before the committee would be brought forward. Also in the record now are the assurances of the chairman of the other body's Committee on Foreign Relations that they would move forward promptly with disapproval legislation in the event that the peace process was not able to move forward.

So we present this legislation, Mr. Speaker, in the fervent hope that the parties will take it seriously, and that they will undertake to move forward from the positions they have now made public, and that the peace process can continue, that there will be direct and meaningful negotiations between Jordan and Israel, and the peace process can move on.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, today we will be called upon to consider how long we should postpone the administration's $1.3 billion arms sale to Jordan. And once again it is obvious what a short memory this administration has. For 10 years ago almost to the day the Nation of Jordan was one of the principal sponsors of the infamous Zionism is racism resolution in the United Nations. That resolution, forever a scar on the history of the United Nations, is the way that Jordan and the other Arab Nations have justified their attack on Israel.

The Zionism is racism resolution was not the first attack on the people and the Nation of Israel and God knows it wasn't the last. Fortunately the friends of Israel have much longer memories than this administration does.

If the Jordanians have changed their minds about Israel and are now serious about peace in the region, and I hope they are, let them show it by entering into direct unfettered talks with Israel before we reward them.

Mr. Speaker, 10 years ago yesterday 72 nations decreed in a U.N. Resolution that Zionism was racism. Although 10 years have passed that same anti-Semitism is the cause of most of the attacks on Israel. Let us send the message that we in Congress do not forget so easily. I urge my colleagues to postpone this misguided arms sale for at least another 10 years.

Mr. WAXMAN. Mr. Speaker, I rise today in strong support of Senate Joint Resolu-

tion 228, which delays the sale of $1.9 billion worth of weapons to Jordan for at least 6 months, unless direct and meaningful negotiations are underway between Israel and Jordan.

The essence of this issue is whether we ought to reward Jordan for something it has not yet done. We are trying to move Jordan to enter direct talks with Israel—the kind of talks that Egypt undertook with enormous success in the late 1970's. It makes little sense to give Jordan further means to make war while trying to coax them to make peace.

It did not require an arms package to convince the Egyptians to go to Camp David. They went because they decided it was in their interest to make peace with their neighbor. Part of that interest lay in the prospect of significant American aid—both economic and military—after such a peace was attained. And indeed we now have a larger aid relationship with Egypt than with almost any other nation in the world.

But imagine if we had offered Egypt large arms sales before the negotiations. The incentive to the Egyptians would have been reduced, and the negotiations might never have taken place.

Mr. Speaker, the Government of Israel now rests with a tenuous coalition. Prime Minister Peres is taking the boldest steps he possibly can for peace—continually sending signals to Jordan that Israel is ready to negotiate any time, any place. But he is under tremendous pressure from this Likud partners who are extremely skeptical of the peacemaking process, and very worried about compromising Israeli security in any kind of bargaining. To sell $1.9 billion of sophisticated fighter aircraft and surface-to-air missiles to Jordan now would make it much harder for Prime Minister Peres to justify to his coalition partners and to his people the taking of any kind of risk for peace.

In short, Mr. Speaker, I believe the sale to be ill-timed and ill-conceived, and I will fight against it unless and until Jordan clearly starts down the road to peace with Isreal. Thank you.

Mr. SCHEUER. Mr. Speaker, I rise in strong support of Senate Joint Resolution 228, a measure to delay President Reagan's proposed arms sale to Jordan. This proposal has been rightfully opposed by an overwhelming majority in both Houses and I believe that Senate Joint Resolution 228 should be adopted promptly.

There can be no doubt in the mind of anyone in this Chamber today, indeed in the minds of anyone in the United States, that Israel is our most loyal and steadfast friend in the turbulent Middle East. There can be no doubt that Israel, the only truly democratic nation in the region, is surrounded by nations which are pledged to destroy Israel. How can the President possibly imagine that selling Jordan F-16 or F-20 fighter aircraft, Stinger air-to-air missiles, and other advanced weapons systems will improve Israel's precarious situation?

Jordan has been in a state of war with Israel since 1948 and has refused not only to recognize Israel's right to exist but also to enter into direct negotiations with Israel to reach a peaceful settlement. Although recent events have provided some glimmer of hope that the status quo may change in favor of a more conciliatory position by Jordan with regard to Israel, this is far from a foregone conclusion and we would be wise to postpone any arms sale until the dust has settled and the smoke has cleared.

The foreign aid authorization passed by Congress and signed by the President earlier this year stated in clear, concise terms that no sale of weapons to Jordan should be made until Jordan recognizes Israel's right to exist and enters into direct negotiations with Israel. Because President Reagan has ignored this provision, it is necessary for us to go on record once again and state that we will not even consider an arms sale until there have been direct and meaningful peace negotiations between Israel and Jordan. This, of course, necessitates that Israel be recognized by Jordan.

I believe that it is sensible and in fact necessary that any arms sale proposal be postponed from consideration until at least March 1, 1986, as stipulated in the measure before us. I urge my colleagues to join me in supporting passage of Senate Joint Resolution 228.

Mr. SHELBY. Mr. Speaker, I rise to express my deep concern over the proposed arms sale to Jordan.

Peace and stability in the Middle East is a key national interest and has direct ramifications on our own security and well-being.

Any arms sale to Jordan at this time is premature and an antithesis to peace. I am concerned that it will escalate the chances for war and increased terrorist activity.

King Hussein and Prime Minister Peres are currently making overtures of peace and it is the hope of all of us that these leaders will continue to demonstrate the resolve and courage to enter into direct peace negotiations.

In this climate of peace, an arms sale now would only bring about a tempest. It would not encourage the pursuit of peace, but the escalation of a regional arms race.

I also question whether we can rely on Jordan's assurances that United States supplied weapons will not be used against Israel. In 1964, United States supplied tanks to Jordan on the basis of such assurances, but 3 years later, Jordan sent these tanks to the West Bank where they were used in the Six-Day War. Again in 1973, Jordanian Army forces used American weapons against Israel in the Golan Heights.

We must not permit the weakening of the security of our good and trusted ally, Israel. I am convinced that the arming of Jordan will threaten Israel militarily, and also undermine its fragile economic recovery as more resources are shifted to defense.

Mr. Speaker, this resolution encourages face-to-face discussions between Israel and Jordan, and allows time for those negotiations. Should the peace process fail, Congress retains its leverage to disallow this arms sale.

Only when Jordan and Israel move beyond the loose rhetorical commitments to peace and make positive steps in the direction of a meaningful and lasting peace, should the sale of arms to Jordan even be considered.

Mr. FORD of Tennessee. Mr. Speaker, the issue at hand is a very simple one. Should we arm the State of Jordan before there is any indication of that nation sitting down to the bargaining table with their neighbors, the Israelis? While I do not reject the notion of an arms sale to Jordan in the future, it is the Jordanian nation that remains technically at war with the State of Israel, our most reliable ally in the region. I can see no reason at the present time for this chamber, in fact this country, to support such an arms sale, and it is in that regard that I am a strong supporter of today's resolution.

Detractors of this resolution believe that this measure is legal blackmail; that the Jordanians will turn to the Soviets to obtain their arms. Let me point out to these people that the Jordanians know full well that Soviet military hardware are delivered with many unwanted strings attached. I doubt that the King is ready to turn Jordan into a Soviet-client state.

It is more realistic to believe that instead of inviting in an influx of Soviet aides, the King will await a propitious time to announce that Jordan will sit down at the negotiating table with Israel. At that time, I will be more than ready to support this arms sale. A true peace in the region needs the strong participation of Jordan. I believe the Jordanians to be reasonable people, and will understand the present American concern about such a sale.

Mr. WIRTH. Mr. Speaker, I rise in support of the resolution. However, I believe the House's support for Senate Joint Resolution 228 should be carefully qualified. The willingness of the Congress to defer consideration of the arms sale to Jordan must not be construed by the administration as a signal that Congress will approve the arms sale come March 1, 1986.

In fact, the administration should prepare itself for a resounding defeat of any unconditional arms package if Jordan continues its staunch opposition to recognizing and negotiating directly with Israel.

Jordan may contend that the arms sale is a necessary prerequisite to its entry into the peace process. But we have seen through previous arms sales to Arab countries that advanced arms do not guarantee a commitment to peace with Israel. For example, in 1981, President Reagan conditioned the sale of AWACS planes to Saudi Arabia on that country's promotion of the peace process. Despite those conditions, the Saudis are still working to subvert the peace process by strongly supporting the PLO and Syria. Beyond that, they have made no secret of their efforts to destroy Israel. Their economic policies—especially their boycott against firms doing business with Israel—threaten to erode Israel's com-

mercial viability. In short, arms sales to Arab countries provide no guarantee of peace for Israel.

More likely, arms sales risk encouraging another Arab war against a vulnerable Israel. We cannot forget that Jordan has been involved in three wars against Israel in the last 37 years. It would be the height of folly to arm Jordan with advanced fighter aircraft without extracting an irrevocable commitment to peace from King Hussein.

For a better example of how to use arms sales to advance the peace process, we should look to Egypt. The United States did not send any arms to Egypt until it had entered into direct peace negotiations with Israel. Our Government rewarded Egypt for its pursuit of peace through direct negotiations. We must not similarly reward Jordan's opposition to direct negotiations, a position King Hussein has affirmed by calling for an international conference involving the Soviet Union, Syria, and the PLO. We must not lend credibility to the negotiating credentials of a country which continues to harbor the PLO, has yet to renounce its hostile intentions toward Israel, and has failed to abide by its recognition, in 1967, of Resolution 242.

Mr. Speaker, I urge our colleagues to approve Senate Joint Resolution 228 as an indication of congressional dissatisfaction with Jordan's delay of the peace process. It should also serve as an expression of concern about the President's arms proposal as presently constituted and conditioned.

The resolution calls for direct and meaningful negotiations. We should take this opportunity to define clearly the substance of that phrase to that Jordan has no illusions about the requirements it must meet to receive American military aid. We should unambiguously state that no arms sales to Jordan can take place until Jordan has begun direct negotiations with Israel. Those negotiations must be based on Jordan's full understanding and acceptance of U.N. Resolution 242 and the Camp David accords. Finally, Jordan must accompany its willingness to negotiate with a clear and definitive renunciation of violence against Israel.

Until those conditions are met, I will vote against any advanced arms package to Jordan. I urge our colleagues to follow the same course in order to assure the security of Israel, as well as further the cause of peace in the Middle East.

Mrs. KENNELLY. Mr. Speaker, I rise in support of Senate Joint Resolution 228, a resolution to bar the sale of any weapons to Jordan until March 1, 1986, unless direct and meaningful negotiations between Israel and Jordan are underway by then.

I was 1 of 281 House Members to cosponsor House Joint Resolution 428, the resolution to bar the administration's proposed arms sale to Jordan. I cosponsored that resolution because I believed that before we sell arms to Jordan, we need something in return from King Hussein, and that is a clear demonstration that he is willing to talk directly with Israel. I support Senate Joint Resolution 228 for the same reason: any arms sale to Jordan must come after, not before, substantive moves by King Hussein.

The Mideast peace process is stalled. It needs a push. But providing Jordan with advanced surface-to-air missiles, fighter jets, and antitank missiles isn't a push toward peace; it is a shove away from the negotiating table. We would be rewarding Jordan for its delays, and the result could well be that these crucial negotiations would never take place.

A clear majority of the House is already on record as opposing the arms sale for precisely this reason. This resolution achieves the same objectives: it says that peace talks, not arms sales, must be our first consideration in the Middle East. I support this resolution with the understanding that if there is no movement in the peace process by March 1, I will continue to stand with my colleages in opposing this arms sale.

Mr. MATSUI. Mr. Speaker, I rise in support of Senate Joint Resolution 228, which would delay the sale of $1.9 billion worth of sophisticated weapons to Jordan until March 1, 1986.

Of great importance to United States interests in the Middle Eastern region is the national security and survival of the State of Israel. Providing advanced aircraft to Israel's neighbor Jordan, who shares her longest border, would erode Israel's qualitative military superiority. Such a sale would seriously upset the military balance in the Middle East and introduce an added measure of instability to the region. It would also place an added financial burden on Israel's already strained economy.

I believe that an arms sale of this magnitude, at this delicate stage of the peace process, would harm the chances for a negotiated settlement. An arms sale to Jordan must not be made independent of any movement toward peace, but should come only after direct negotiations have achieved positive results.

The United States has a proven track record on this issue. President Carter brought 30 years of war between Egypt and Israel to an end with the Camp David accords. The Camp David accords, and subsequent adherence to the peace, have opened the door for both of those nations to receive increased financial support from the United States.

Today, with this resolution, we are sending a message to Jordan that is consistent with our Camp David policy: The road to receiving increased American support is reached through participation in the peace process.

Mr. Speaker, by taking this action today we are enhancing the prospects for peace in the region. I urge my colleagues to join me in support of this resolution.

Mr. LEVINE of California. Mr. Speaker, I rise in support of Senate Joint Resolution 228. This resolution states that prior to March 1, 1986, no letter of offer for any sale to Jordan of advanced weapons systems included in the administration's notification of October 21 shall be valid unless "direct and meaningful peace negotiations between Israel and Jordan are underway."

Adoption of this resolution will defer congressional consideration of arms sales to Jordan at a point when what is needed is time—time to let the peace process unfold.

Mr. Speaker, we cannot buy peace with arms sales. Those who believe that selling weapons to Arab nations will entice them to the peace table are misguided in their belief. Rather, arms sales should come after Arab nations have agreed to make peace with Israel and engaged in direct negotiations with it.

The ideas put forth by Israeli Prime Minister Shimon Peres in his speech to the United Nations, the statements of King Hussein, and the diplomacy of our own President all give reason to hope that Jordan and Israel will engage in direct negotiations. Direct negotiations are at the heart of any substantive effort to secure peace between these two countries. We can help serve the cause of peace by doing all we can to facilitate these negotiations. Adoption of this resolution will help avoid an acrimonious debate—a debate no one wants to engage in especially at this crucial time in the evolution of the peace process. If Jordan, which is a friend of the United States, makes peace with Israel, then Congress can in the future agree to sell it arms. This resolution gives the process needed time.

This is a responsible resolution. I support it and I urge my colleagues to support it as well.

Thank you.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of Senate Joint Resolution 228 to delay until at least March 1, 1986, a proposed sale of some $2 billion in United States arms and weapons to Jordan. A delay of this type is absolutely essential at this time for without it we are undercutting in the worst possible fashion the recent peace initiative put forward by Prime Minister Peres of Israel.

In all candor, I would prefer that the administration had taken the initiative to completely withdraw this ill advised and poorly timed arms sale. Its approval would most certainly gut the latest peace proposal and could lead to a further imbalance of power in the Middle East threatening Israel's security.

Prime Minister Peres, in a dramatic speech before the United Nations last month, invoked the spirit of Camp David when he proposed a process that would lead to direct talks between Israel and Jordan. As he put it: "The state of war between Israel and Jordan should be terminated immediately. Israel declares this readily."

Prime Minister Peres' plan would involve negotiations that would be based on the U.N. Security Council Resolutions 242 and 338. Negotiations would be conducted directly between states and would not include a Jordanian-Palestinian delegation both comprising delegates that represent peace, not terror.

The United States called the Peres plan "Statesmanlike, thoughtful, and forward looking." King Hussein of Jordan welcomed the spirit of the Peres peace proposal. In his words:

I believe his speech represents the beginning of movement in the right direction and reflects a personal concern for the fate of future generations and a determination to contribute toward the achievement of peace in our time.

The fact is Prime Minister Peres has made a bold and important proposal which deserves an opportunity to succeed. It should not be diminished by virtue of an action by the United States to sell sophisticated arms to a nation which remains an adversary of Israel. Yet that is precisely what the administration has proposed with the Jordan arms sale.

Yet the issue that perhaps troubles me the most is the fact that the United States is not doing more to ensure that Israel maintains its military superiority in the Middle East. We propose to sell $2 billion in arms to Jordan at a time when her import of arms is rising at a rapid and dramatic rate. Today, 25 percent of Jordan's gross national product goes to arms and weapons.

Where is the incentive for King Hussein to enter into peace talks with Israel if we insist on this sale? Further, where are the guarantees against Jordan converting these arms into offensive purposes against Israel? For this reason alone, this sale should be delayed if not entirely shelved.

According to a dramatic article in a recent Washington Times, Israel's military edge against its Arab adversaries "is steadily eroding and this increases the danger of military confrontation." Again according to the Washington Times, whereas in recent years Israel's military expenditures have remained steady or even slightly decreased, Arab military expenditures have skyrocketed and in the past decade alone have jumped from $10 to about $40 billion. We should do nothing to exacerbate this situation and should not pursue arms sales to Arab nations on the assumption that Israel's military superiority is unchallengeable.

Let us not proceed to reward King Hussein and Jordan by selling them arms. Let us not forget the precise nature of relations between Israel and Jordan. Jordan does not even recognize Israel's right to exist. Jordan does not condemn the PLO and in fact continues to negotiate with them. Jordan has no trade with Israel. Finally, Jordan continues to militarize along their border with Israel, posing a daily threat. For this they should not be sold $2 billion in additional U.S. arms and weapons.

Let us view the Peres plan as a catalyst that could lead to a resumption of the Camp David principle and perhaps an expansion of it. Direct negotiations between Israel and Jordan are critical to any plan to bring peace to the Middle East and should be pursued. Let us contribute to a furtherance of the conditions for peace. Let us not contribute to the furtherance of conflict.

Finally, the resolution does delay action on the sale until March of next year unless direct and meaningful negotiations between Israel and Jordan are underway. Let us hope that this is the outgrowth of this resolution. As a cosponsor and supporter, it is my intent.

Mr. SHAW. Mr. Speaker, we find ourselves in a paradoxical situation: We are ready to sell arms to a nation that recognizes the fervent enemy of our closest ally in the Middle East—Israel. Our President has indicated his support for a sale of sophisticated weapons to Jordan, which recognizes the Palestinian Liberation Organization, and I want to take this opportunity to urge the President to take a long and critical look at political conditions in the Middle East before moving forward with the sale.

This arms sale will do little to further peace in the Middle East. More likely, it will strain tensions even further and disrupt our own relations with our ally, Israel. Because of these reasons, I have joined other Members of this Congress in signing a joint resolution opposing any arms sale to Jordan prior to the commencement of direct bilateral negotiations between Jordan and Israel.

Our resolution further states that if action on the sale of arms to Jordan is taken before the resolution is enacted then the President shall make no deliveries to Jordan pursuant to that sale without specific authorization by the Congress. I want to applaud my fellow Congressman in the Florida delegation, LARRY SMITH, for his commitment to this important measure.

Mr. Speaker, the President has notified us of his intention to sell some of our most advanced aircraft and air defense systems to Jordan. I have supported a measure approved here in the House and in the Senate that would delay the sale until at least March 1986.

It is vital that we maintain what precious stability currently exists in the Middle East. Before the President approves this sale, I hope he will give great consideration to its implications.

Mr. FASCELL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspended the rules and pass the Senate joint resolution, Senate Joint Resolution 228.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

SUPPORT OF HOUSE OF REPRESENTATIVES FOR PRESIDENT REAGAN AT GENEVA SUMMIT

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 316) expressing the support of the House of Representatives for the President as he prepares to meet with Soviet General Secretary Gorbachev in Geneva, Switzerland, and expressing its hope that this summit meeting will provide a basis for a freer, more stable, and more peaceful world.

The Clerk read as follows:

H. RES. 316

Whereas the November 1985 summit meeting between President Reagan and Soviet General Secretary Gorbachev in Geneva, Switzerland, provides an historic opportunity for the United States and the Soviet Union to begin to reduce tensions between the superpowers; and

Whereas President Reagan exercised leadership and statesmanship in seeking this important meeting with General Secretary Gorbachev: Now, therefore, be it

Resolved, That the House of Representatives hereby offers its support for the President as he prepares to meet with Soviet General Secretary Gorbachev, and expresses its hope that this summit meeting will provide a basis for a freer, more stable, and more peaceful world.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. FASCELL. Mr. Speaker, I rise in support of the resolution at the desk concerning the upcoming Reagan-Gorbachev summit.

This resolution received unanimous approval in the Committee on Foreign Affairs and is cosponsored by the ranking minority member, Mr. BROOMFIELD.

The resolution is simple and straightforward. It commends President Reagan for his leadership and statesmanship in seeking the upcoming summit meeting with General Secretary Gorbachev and expresses the hope that the summit meeting will provide a basis for a freer, more stable, and more peaceful world.

Mr. Speaker, I am sure all of us have our own ideas about what the summit meeting should accomplish concerning arms control, human rights, regional issues, and bilateral relations. Nonetheless, it is important that we send the President a clear bipartisan message of support. This resolution accomplishes that important task and I urge its approval.

□ 1250

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution expresses the sense of Congress that this body and the American people offer their support for the President's efforts for constructive discussions in Geneva. This resolution is both timely and appropriate. Now is the time to stand squarely behind our Chief Executive as he prepares to meet with Mr. Gorbachev.

Who can doubt the importance of the upcoming Geneva talks? Our two nations share a common interest in the survival of mankind in this nuclear age. There is tension, however, between our two nations over numerous issues. The issues of mutual concern between our two countries also affect our allies and friends around the globe.

I believe that President Reagan's latest arms reduction proposal demonstrates our government's strong commitment to achieve mutual and verifiable reductions in nuclear weapons. Our President also deeply believes in the rights of human beings and the importance of freedom and peace. While there are deep differences between our two systems, I hope that progress can be made in resolving these issues.

In his talks with the Soviet leader, our President will seek ways to ease tensions in the relationship between our nations. On the summit agenda will be an effort to reduce nuclear arms. Discussions will be held on ways to ease regional conflicts. In addition, President Reagan will talk about human rights violations in the Soviet Union as well as other areas of friction. Finally, he will attempt to establish a structure for preserving peace and stability.

All of us share the same vision of the future. We all hope for a world at peace where reason and understanding prevail for all mankind.

As we approach the summit, I urge my colleagues to support our resolution calling for the Congress and the American people to stand behind the President and support his efforts at Geneva.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support in House Resolution 316. Yesterday, on Veterans Day, the President spoke movingly at Arlington National Cemetery about his hopes for the forthcoming summit talks with Soviet Secretary-General Gorbachev. He said that he would bear in mind the sacrifices of millions of our American servicemen in past wars as he strove to work for peace at the summit.

The prayers and hopes of millions of Americans go with the President as he leaves for Geneva. We want him to be open to all new suggestions, yet firm in his defense of our values and interests. We want our President to raise topics of a bilateral nature that go to the heart of our humanitarian concerns about the fate of individuals behind the Iron Curtain. We want him to raise issues of regional peace. Finally, we want him to exert every effort to move toward progress in discussions on nuclear armaments.

There is enormous pressure on the President to come to a final agreement on one or more of these issues with the Soviet leader. The fact remains, however, that in all likelihood insufficient groundwork has been laid for any final agreements to be concluded. The important objective to be achieved at this summit is that positions become understandable and that areas for possible movement by each side become apparent. Then in the weeks and months to come, the negotiating teams can move forward.

The important aspect of the summit for all of us to bear in mind—both here and abroad—is that the United States truly wants peace and will make every effort to achieve peace at the summit and thereafter.

Mr. FASCELL. Mr. Speaker, I thank the gentleman from New York for his comments.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DORNAN], a member of our committee.

Mr. DORNAN of California. Mr. Speaker, I want to commend our chairman of the Foreign Affairs Committee and the Republican leader on foreign affairs for bringing to the floor this resolution of guidance to our President. Throughout this next week the world will be watching the U.S.-U.S.S.R. talks and the buildup to these incredibly important discussions. The agenda is wide open. Our President must lead with the subject of human rights.

Over the weekend, I had three separate meetings with fighters for human rights including Soviet citizens who have left their country seeking freedom. There were dissidents who fled for political reasons and religious reasons. All of them begged me and the six other representatives from this great legislative body that we should advise our President not to be dissuaded from using that linkage between human rights and the strategic issues that have brought the Soviet Union to the Geneva bargaining table. After all, remember that the Soviets said they would never deal with Mr. Reagan throughout the full 8 years of his term after they broke off the START talks 2 years ago.

I believe that human rights is exactly the key to make the Kremlin get serious about real, hard-figures arms reductions. Stalin once cynically referred to the value of a single human life: He said that the death of millions of people in war or revolution is not comprehensible, but the death of one person can be understood and used. Consider tragic Miroslav Medvid, who is probably in chains somewhere out there in the Atlantic right now, heading back to Russia and a miserable fate. Consider all of the various refuseniks, Hebrew scholars, or members of broker families pleading to be united with their husbands or wives in the West. They all have high hopes about the Geneva summit. I think the President has been an inspiration to these people over the past 5 years. Now he is going to sit down with Mr. Gorbachev, and clearly explain why we are concerned about the Soviet violations of human rights. Especially in Afghanistan, where they use heavy armor and huge helicopter gunships to crush just hundreds upon hundreds of small villages. These heavy helicopter gunships are also being used to kill young blacks in Angola, fighting for their freedom beside Jonas Sivimbi.

This "Hind" helicopter gunship is used extensively to kill freedom fighters in Afghanistan and Angola and now it has been flying in combat in Nicaragua throughout July, August, September, and October killing freedom fighters here on our own continent of North America. And then there is the Soviet use of poison gas in Afghanistan in violation of all treaties—1925-72.

These human issues are important to the world, particularly to the young world. I believe our President will not let us down, and that when these 2 days, November 19 and 20, have passed many of use begin to discuss the historical significance in special orders thereafter, that we will be expressing great pride in our President. We will be as proud of him and his performance as we have been of any President in our lifetime.

Mr. VALENTINE. Mr. Speaker, House Resolution 316 addresses the most important issue of our time, the relationship between the two most powerful nations on Earth. As President Reagan meets with secretary Gorbachev, I want to express my hope for the success of their meeting in Geneva.

We must be clear about the definition of success. The President faces the challenge of showing both strength and flexibility. He must succeed in negotiating for peace while guarding our Nation's right to military strength.

Our country's allies, especially in Europe, will be looking to the President as the leader of NATO. He will have to succeed in keeping their interests in mind as he talks with the Soviet leader, and he will have to exercise wisdom in balancing their

individual perspectives against those of America.

The Soviets act on the international stage with no illusions about the role of personal friendships between the leaders of nations. They have stressed again and again that fundamental national drives are far more enduring than personal relations. It would be foolish indeed to expect a quick and permanent cure for the ills of the world simply because of this meeting in Geneva.

The President must succeed in understanding this without adopting a pessimistic approach. The President can succeed in laying the ground work for a better relationship between the world's strongest countries. He can reassure the Soviets, and the rest of the world, that America strives for peace but insists on its right to a strong and effective national defense. The people of North Carolina join me, I am sure, in wishing him success in this difficult task.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and agree to the resolution, House Resolution 316.

The question was taken; and (two-thirds having voted thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just adopted, House Resolution 316, and on the Senate joint resolution previously adopted, Senate Joint Resolution 228.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

SUPPORT FOR PRESIDENT'S DISCUSSION OF SOVIET PRESENCE IN AFGHANISTAN

Mr. SOLARZ. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 300) supporting the intent of the President to discuss with leaders of the Soviet Union American concerns with the Soviet presence in Afghanistan, and for other purposes.

The Clerk read as follows:

H. RES. 300

Whereas military forces of the Union of Soviet Socialist Republics invaded Afghanistan in December 1979;

Whereas there are at present more than 115,000 Soviet troops engaged in the systematic destruction of Afghanistan through a scorched earth policy which includes the destruction of crops, water, and food supplies, the agricultural infrastructure, and villages, and includes the widespread killing of innocent civilians;

Whereas Soviet tactics in Afghanistan have directly caused the following: a refugee population in Iran and Pakistan of more than three million, the largest refugee population in the world; hundreds of thousands of war-related casualties; deprivation and suffering for most Afghan citizens; and the possibility of large-scale famine;

Whereas Soviet troops and their Afghan proxies have employed the use of chemical weapons against innocent Afghans;

Whereas the human rights abuses perpetrated by Soviet troops against the Afghan population, including women, children, and the elderly, have been thoroughly documented by the report from Helsinki Watch entitled "Tears, Blood and Cries" and by the report on the situation of human rights in Afghanistan prepared for the Economic and Social Council of the United Nations;

Whereas both the United States and the United Nations have repeatedly called for a peaceful, negotiated settlement of the conflict, including the immediate withdrawal of all foreign troops from Afghanistan; and

Whereas no President of the United States has met directly with the head of the Soviet Union since the invasion of Afghanistan in December 1979: Now, therefore, be it

Resolved, That the House, in an effort to bring about an end to the massive human rights abuses and murderous policies which the Soviet Union is Perpetrating against the population of Afghanistan—

(1) strongly supports President Reagan's intent to discuss directly with Soviet leaders American concerns with the Soviet presence in Afghanistan; and

(2) calls upon the President to reiterate the desire of the United States to achieve a negotiated political settlement agreeable to all interested parties in Afghanistan, which settlement should include-

(A) the complete withdrawal of all foreign troops;

(B) the restoration of the independent and nonaligned status of Afghanistan;

(C) self-determination for the Afghan people; and

(D) the return of Afghan refugees with safety and honor.

SEC. 2. The Clerk of the House shall transmit a copy of this resolution to the President.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York [Mr. SOLARZ] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to begin by paying a very special tribute to my very good friend and our distinguished colleague from California [Mr. LAGOMARSINO], the author of this resolution in the House, which has already been adopted by the other body, where it was introduced by Senator HUMPHREY on October 25.

Perhaps more so than any other Member of the House of Representatives, the gentleman from California, in his own quiet but effective way, has managed to put the issue of Afghanistan on the agenda of the Congress and of the country, and he has indefatigably pursued the effort to mobilize support, both in the Congress and around the country, on behalf of American assistance; politically, diplomatically and in other ways, for the very brave resistance fighters in Afghanistan.

This resolution which he authored which is before us today expresses the support of the Congress for the determination of President Reagan to raise the Afghan problem in his discussions with the leader of the Soviet Union, Mr. Gorbachev, when they meet in Geneva next week.

This will indeed by the first summit conference between the leaders of our two nations since the invasion of Afghanistan by the Soviet Union in 1979.

□ 1300

Over the course of the last 6 years, up to a million Afghans have lost their lives in ways that are clearly attributable to the Soviet occupation of their country. Through carpet bombing, through the destruction of crops and irrigation networks, and through the use of chemical agents against the people of Afghanistan as well, hundreds of thousands and up to a million of them have lost their lives; a third of the entire Afghan nation has been driven into exile and are now living as refugees in the neighboring nations of Pakistan and Iran.

At this very moment, 115,000 Soviet troops continue to occupy the country. In response to this brutal invasion, the people of Afghanistan, almost as they were one, have risen up against their oppressors. There can be no doubt but that the primary issue on the agenda at Geneva when President Reagan meets with Chairman Gorbachev will be the overriding need for some kind of breakthrough in the effort to bring the arms race and nuclear weapons under control. But arms control and the arms race will not be the only issues under discussion at Geneva. It is very important that some of the regional conflicts which could potentially escalate into superpower confrontations be put on the agenda as well. And there is indeed no other issue, other than arms control, where the Soviet Union could make a greater contribution to the reduction of tensions between our two countries than on Afghanistan, if they were prepared to indicate a willingness to withdraw all of their forces from that country and to permit the Afghan people to freely determine their own future and the refugees who have been driven from that country to return in honor.

I am sure that President Reagan would have raised this issue at Geneva

even in the absence of this resolution, but with its adoption he will cross the Atlantic for his historic meeting with Gorbachev confident in the knowledge that the Congress of the United States stands foursquare behind him in his determination to raise this matter at the summit.

This is an issue on which all of us, Republicans and Democrats, conservatives and liberals, Members of Congress and the members of the executive branch, are united, in the determination that we should use all of our influence to facilitate a resolution of the Afghan problem in a way which is compatible with the legitimate concerns of the Afghan people as well as with the security concerns of the Soviet Union and the strategic interests of the United States and our friends in the region.

So I want to pay tribute to the gentleman from California [Mr. LAGOMARSINO] for bringing this matter before us, and I urge my colleagues to vote for this resolution when the debate has concluded.

Mr. BROOMFIELD. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I want to commend my colleague, the gentleman from California [Mr. LAGOMARSINO] for sponsoring this resolution, which offers the support of the Congress for the President's plans to discuss United States concerns about Afghanistan with Soviet leaders. I believe that it is vital that Congress voice its support for our President's efforts.

As my colleagues know, the Soviets have been terrorizing Afghanistan for 6 years. Their scorched Earth policy has resulted in the destruction of agriculture in that country as well as the killing of innocent civilians. Soviet atrocities and the extensive use of chemical weapons have been well documented. The Soviet occupiers of that country have even booby-trapped toys in order to inflict casualties on the poor Afghani people. Millions of refugees have fled from that long-suffering country.

Our country and the United Nations have called for a negotiated settlement of the conflict, yet little progress has been made.

This resolution supports the President's intent to discuss directly with Soviet leaders our deep concerns about the illegal Soviet presence in that country. It also calls upon the President to restate our intention to seek a negotiated political settlement agreeable to all interested parties to include withdrawal of foreign troops and self-determination for the Afghani people.

I urge all of my colleagues to join me in supporting this worthwhile resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I want to commend the chairman of the full committee, the gentleman from Florida [Mr. FASCELL], the chairman of the subcommittee, the gentleman from New York [Mr. SOLARZ], and, of course, the ranking Republican, the gentleman from Michigan [Mr. BROOMFIELD], for their help and assistance in bringing this resolution to the floor.

House Resolution 300 is quite simple but, I believe, important legislation expressing the concern and the interest of the House regarding the future of the Afghan people and nation.

As has been pointed out, the other body has already passed identical legislation. This legislation is very similar to legislation offered by the gentleman from New York [Mr. KEMP], and cosponsored by many of my colleagues, and he is a cosponsor of this measure as well.

Mr. Speaker, House Resolution 300 supports the intent of the President to discuss during his November 19–20 summit meetings with Soviet General Secretary Gorbachev American concerns with the continuing Soviet presence in Afghanistan. In addition, the resolution calls upon President Reagan to reiterate the desire of the U.S. House of Representatives and the American people to achieve a negotiated political settlement agreeable to all interested parties in Afghanistan. Such a settlement should include the complete and total withdrawal of all Soviet troops; the restoration of its independent and nonaligned status; self-determination for the valiant Afghan people; and, the return of Afghan refugees with safety and honor.

Mr. Speaker, this legislation notes that in December 1979 tens of thousands of Soviet Red Army troops invaded and began occupying that south Asian nation. It further notes that the Soviets—today—have over 115,000 troops inside Afghanistan. And, according to National Security affairs adviser Robert McFarlane, these troops "are waging the most brutal war underway on the face of the earth." The resolution states that the Kremlin-directed "scorched-earth" policy in Afghanistan includes the systematic destruction of crops, water and food supplies, the agricultural infrastructure, and villages, and includes the widespread killing of civilians.

Furthermore, the resolution states that Soviet tactics in the war against Afghanistan have directly caused the following: a refugee population in Iran and Pakistan of more than 3 million, the largest refugee population in the world; hundreds of thousands of war-related casualties; deprivation and suffering for most Afghan citizens; and the possibility of wide-spread famine.

In their ruthless drive to conquer that once peaceful and "unrulable" land, the resolution notes, Soviet troops and their Afghan proxies have employed chemical weapons against innocent Afghan tribesmen and villagers. When we discuss Soviet violations of international treaties and agreements, this flagrant violation becomes all the more difficult to ignore. The use of deadly poisons against innocent tribesmen who merely want to be left to their families, their crops and their culture, is simply appalling and, I believe, says much about the people sitting across from us at the arms control negotiating tables in Vienna, Geneva, and elsewhere.

Mr. Speaker, the resolution also notes that the human rights abuses perpetrated by Soviet troops against the Afghan population, including innocent women, children and the elderly, are almost unimaginable. As Americans, we find it difficult to understand how such a ruthless campaign of terror can be so coldly planned and executed against our fellow human beings. It is difficult to escape the fact that a war of genocide is underway in Afghanistan, Mr. Chairman. As the Soviets have done so often in the past, terror, torture, famine and execution are being used by the Soviets as tools to smash the will to fight of a freedom-loving nation and people. But should such behavior surprise us? Surely it should not. After all, it constitutes merely a repeat performance of what the world witnessed when the "peace-loving" Soviets "Liberated" Lithuania, Estonia, Latvia, and so many other nations and peoples.

As Americans, we cannot turn a blind eye to this—even as horrible as it appears. We in this Congress, and as Americans, who represent the beacon of hope and freedom for the world's downtrodden, have a moral responsibility to bring the plight of these courageous people to the forefront of international attention. Let me just briefly add that a thorough documentation of Soviet human rights practices and violations has been published by Helsinki Watch, entitled, "tears, blood and cries," and that another report on the human rights conditions in Afghanistan has been drafted by Felix Frmacora, an able international civil servant, for the economic and social council of the United Nations. I highly recommend these reports to my colleagues for a grim recital of what is today going on inside Afghanistan. But let me warn you, such reading is not for the squeamish.

The resolution notes further that both the United States and the United Nations have repeatedly called for a peaceful, negotiated settlement of the conflict, including the immediate withdrawal of all Soviet troops from Afghanistan. The Soviets have expressed a profound lack of interest in participating directly in these negotiations. They view the conflict, instead, as one

between Pakistan, which allegedly provides safe haven and support for CIA and Chinese bandits and mercenaries—a ludicrous and blatantly false claim—and the regime of Babrak Karmal in Afghanistan. But the world knows better. We all know that the Soviets are the ones directing this brutal war of aggression against a once-independent, nonaligned and Islamic nation. We all know that the Soviets are manipulating the puppet regime of Babrak Karmal. We all know it is the Soviets who are directly threatening Pakistan with repeated border violations and armed attacks against Pakistani border villages and refugee camps. We all know it is the Soviets who initiated this expansionist war of occupation and repression. And we all know that it is the Soviets who could stop this bloody war if they chose to.

Members of this body are undoubtedly aware of the tragic plight of the Afghan people. The case of Afghanistan is one of the most clear-cut examples of treachery and foreign occupation and oppression in modern times. The Soviets have used ruthless tactics to try to eliminate all resistance to their barbarous policies there; yet, the Afghan people have courageously refused to surrender their freedom, and their nation, to Communist domination and oppression and have continued their armed struggle for freedom to this very day.

It is up to us as Americans to insure that the light of freedom in Afghanistan is not extinguished. We have it in our power to assist these desparate people in their time of need. I was proud to have sponsored an amendment to the fiscal 1986 foreign aid authorization bill, which has since been signed into law by the President, to provide—for the first time—overt humanitarian assistance to the Afghan people, inside that war-torn country. That amendment, which passed unanimously, is, I believe, a strong signal of the support of the American people and the Congress for the courageous Afghans, who are so fiercely battling for freedom against the world's most-powerful land army. Passage of this resolution will, I believe, Mr. Chairman, add further impetus to the Afghan people's worthy cause.

Just briefly, Mr. Speaker, let me explain some of the underlying rationale behind this legislation. While the American Government supports the worthy goal of a "peaceful, negotiated settlement", many of us are concerned that those most directly affected by Soviet aggression, the Afghan people, might be left out of any solution. This legislation makes plain that the Congress and the American people refuse to be party to an agreement which does not take into consideration, and negotiations which do not actively seek, the views of the Afghan people. Any diplomatic negotiations to find a "solution" to the Afghan problem" must include participation by the non-Communist Afghan leaders themselves.

I would also like to just briefly point out to my collegues that many of the leaders of "free Afghanistan" will be in New York this week to seek admission to the United Nations General Assembly. I wish them great luck and can only say that this action is one which our Government can and should support. These rebel leaders are certainly better representative of the Afghan nation than the representatives of the puppet regime of Babrak Karmal, which so ruthlessly destroys Afghan villages, mutilates and disfigures Afghan children and violates practically every norm of decency and human behavior.

Mr. Speaker, I urge my colleagues to support this important legislation and to send a strong signal to the President and to the Soviets in these last few days prior to the Reagan-Gorbachev summit. That signal is that, if the Soviets hope for an improved bilateral relationship with the United States, they can do much to improve the climate of relations by getting out of Afghanistan and letting the lives of the Afghan people begin to return to normal. More than any one single event, the Soviets' quitting Afghanistan could signal that they, too, seek an improved bilateral relationship.

Mr. SOLARZ. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding, and I commend the committee for reporting this resolution.

It clearly focuses attention on a terrible situation in Afghanistan. The Afghans are tremendously heroic and brave in resisting the encroachment and domination of the Soviet Union, and hopefully, that issue can be met and addressed at the Geneva summit, and I am sure this resolution will be of substantial importance.

Mr. Speaker, once again I thank the gentleman for yielding.

Mr. SOLARZ. Mr. Speaker, I yield such time as he may consume to our extraordinarily distinguished, able, effective, and beloved chairman of the full committee, the gentleman from Florida [Mr. FASCELL].

□ 1315

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Speaker, I take this time to rise in strong support of this resolution. The chairman of the subcommittee Mr. SOLARZ, beat me to the punch a little bit because, really, one of the reasons I took this time was to express my appreciation to him for his leadership on the Committee on Foreign Affairs, where the gentleman from New York does an outstanding job in every issue that I can think of. He is dedicated and determined. He has made a substantial contribution to the foreign policy of this country in a very constructive way.

And may I add my commendations, also, to the gentleman from California, who is the chief sponsor of this resolution, in raising an issue which is of vital concern to the American people, for what is involved here is a matter of principle. The Soviet Union is, of course, a great country. But it seems almost unbelievable to think of what they have done to their own creation in Afghanistan. This fight started not because Afghanistan was free; this fight started because the Soviets did not like the kind of Communist government that was in there. So this whole fight, this whole destruction of freedom in Afghanistan, is simply for the Soviet Union to show not only the people of that country but to the world that if everybody is not in a little square box that looks exactly like the box the Soviets want, they will go out and destroy people who show the slightest variation from whatever it is the leadership in that government wants to have.

This is a phenomenal thing we are seeing in Afghanistan—the destruction of a people and a country, in a dispute over a slight variation within their own system.

So here we are, as a matter of great moral conviction, talking about self-determination and human rights. This is a matter that should be of greater interest to the Soviet Union than anyone else because of the message that they have given so clearly to the Third World that if you are going to choose a different system, if you are not going to go to the democratic process, you better be darn sure what kind of a Communist process you choose, because if they do not like what you are doing even as Communists, they are going to set out to destroy you. That is the message of Afghanistan.

But that is not the reason I took the floor. I took the floor because I want the American people to know about this bipartisan support for this. They read and they hear about so much contention in the Congress, and that the parties are always fighting and that there is a dipute between the Republicans and the Democrats or between the House of Representatives and the other body or the Congress and the chief administrative officer of the country, the President of the United States. Yet what we have demonstrated in the Committee on Foreign Affairs since the beginning of this Congress is that we have managed to take extremely important issues with strongly held views of both the Republican Party, the Democratic Party, lib-

erals, conservatives and people in the middle, and we have forged a bipartisan consensus. And this resolution is another example of that effort.

I want the American people to understand and realize that all is not lost. While we have our different parties, while we have our differences of opinion, when it comes down to the bottom line, we come together to support not just the President of the United States, not just some political party, but we support what is in the best interest of the people of the United States, and the lovers of freedom around the world.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN.]

Mr. GILMAN. Mr. Speaker, I commend the author of this resolution, the gentleman from California [Mr. LAGOMARSINO], a distinguished member of the Committee on Foreign Affairs. It succinctly sets forth what I believe is the overwhelming sentiment of the Members of the House, and indeed, the American people, that the Soviet presence in Afghanistan over 100,000 Soviet troops, is offensive and should be withdrawn. The President has the full support of the House in his efforts to put forward this position and to work for a peaceful solution to the problems of Afghanistan. Such a resolution should include the complete withdrawal of all foreign troops, the restoration of Afghanistan's nonaligned and independent status, self-determination for the Afghan people, and the safe return of Afghan refugees to their homes.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, Afghanistan is important to the upcoming summit talks because it is a crucial human rights question. It is the most egregious violation of human rights in the world today. The Soviet Union is systematically—I say systematically—destroying the life and the people of the whole nation in Afghanistan.

Afghanistan is a question of world peace. While there are 115,000 Soviets troops in Afghanistan waging war against the Afghan nation, world peace cannot be achieved.

And also extremely important is that Afghanistan is a strategic question for the United States and for Western civilization.

Afghanistan occupies the high ground above South Asia. Afghanistan is some 300 miles from the Arabian Sea. On the Arabian Sea is the port of Gwadar, the finest deep-water port in the area. If the Soviets took Afghanistan, if they had a stable situation there, it would not be a great endeavor for them to move south and take the warm-water port, the dream not only of commissars, but of czars, going back through Russian history; their navy, positioned on the Arabian Sea could easily threaten the oil-shipping lanes of the West.

Thus, Afghanistan poses crucial questions for the American people, for the people of the West, for the question of war and peace, for the question of human rights, and for the question of strategic balance between the two superpowers.

I support this resolution and urge the President to bring up the question of Afghanistan with Mr. Gorbachev in the most serious and deliberate fashion.

Mr. SOLARZ. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this resolution. What it says again is that human rights issues represent an indispensable subject at the forthcoming summit and that within that indispensable ambit must be included the discussion of the plight of Afghanistan.

It is important because the summit approaches; it is important because the sixth anniversary of the invasion of Afghanistan by Soviet troops is fast approaching. And since then, the picture there has become more brutal, more gruesome, rather than less.

It is also important to say this because, in the last week or two, we have seen a couple of important events. They represented single acts, acts by two Soviet citizens who tried to leave the Soviet ambit, who tried, literally and figuratively, to "jump the Soviet ship." The results, I think, highlight for us the importance of human rights issues. Those were two individuals. But I think we have learned in our discussion and approach to human rights issues that every single human life has to count. And here, in the case of Afghanistan, we are talking about millions of people who want their freedom and whose freedom at this point is being suppressed.

So I am privileged to rise in support of this resolution. I hope it will pass this House unanimously.

Mr. SOLARZ. Mr. Speaker, I yield such time as he may consume to my very good friend, the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Speaker, I rise in support of House Resolution 300, supporting the intent of the President to discuss with leaders of the Soviet Union American concerns with the Soviet presence in Afghanistan.

It is almost 6 years since the Soviet Union invaded Afghanistan and cast an enduring chill over East-West relations. There are now more than 115,100 Soviet troops engaged in the systematic destruction of Afghanistan. The Soviets dominate Afghanistan's security forces and the bureaucracy. They have constructed extensive military and logistical facilities to support their forces and have tied Afghanistan closer than ever to the Soviet economic system. They are engaged in a scorched earth policy which includes destruction of crops, water and food supplies. They have destroyed villages and have killed Afghan civilians. Massive human rights abuses by Soviet troops against the Afghan population have been documented by Helsinki Watch.

The Soviet occupation and the internal turmoil in Afghanistan have caused the flight of one-fourth or more of its pre-1979 population, creating the largest refugee population in the world. Close to 3 million Afghan refugees are reported to be in Pakistan, and some 1½ million in Iran.

Soviet troops and their Afghan proxies have used chemical weapons against innocent Afghans. Soviet strategy seems to be to maintain control of Afghanistan with a minimum commitment while, ominously, seeking a new generation of Afghan Communist leader loyal to Moscow.

Both the United States and the United Nations have repeatedly called for a peaceful, negotiated settlement of the conflict in Afghanistan, including the immediate withdrawal of all foreign troops from that country.

Mr. Speaker, the President will soon meet with Soviet Chairman Gorbachev. He has indicated he will discuss the Soviet occupation of Afghanistan with the Soviet leader. The resolution we are considering affirms our support for the President's intent to discuss directly with Chairman Gorbachev our concerns about the Soviet presence in Afghanistan. It calls upon the President to reiterate our desire to achieve a negotiated political settlement which should include: First, the complete withdrawal of all foreign troops; second, the restoration of the independent and nonaligned status of Afghanistan; third, selfdetermination for the Afghan people; and fourth, the return of Afghan refugees with safety and honor.

The United States must do all it can to end the massive human rights abuses, the suffering and the destruction caused by the Soviet occupation of Afghanistan. This resolution is an affirmation of our goal.

I strongly support House Resolution 300, and I urge my colleagues to do so as well.

Thank you.

Mr. VALENTINE. Mr. Speaker, House Resolution 300 expresses the support of the House for an end to the Soviet Union's oppressive occupation of Afghanistan. We must express in no uncertain terms the repugnance we feel for the methods and goals of the U.S.S.R. in this innocent land.

It is well known that the Soviet Union fomented a change of government in Kabul in order to make itself appear as an invited guest fighting for the restoration of order in Afghanistan. The free world had no trouble in seeing through this facade. To this day, Soviet armies continue to inflict gruesome suffering on the people of Afghanistan.

The Soviet compulsion to subdue this nation stands as distasteful tribute to the Russian fear of diversity and freedom in

the nations that border the Soviet Union. Even within the Soviet Union itself, the rulers of Moscow have imposed their authority on unwilling peoples whose traditions, customs, and language differ fundamentally from those of their Communist masters. Today, the Soviet Union contains over 100 separate nationalities under the dictatorial rule of Moscow's Russian oppressors.

The United States must heed the lesson of Moscow's invasion of its southern neighbor. The world must know with no uncertainty that the United States supports the people of Afghanistan in its heroic resistance to Soviet rule.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. SOLARZ] that the House suspend the rules and agree to the resolution, House Resolution 300.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EXPRESSING SENSE OF THE HOUSE REGARDING THE DEFECTION OF MIROSLAV MEDVID

Mr. LANTOS. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 314) expressing the sense of the U.S. House of Representatives that Miroslav Medvid should not be allowed to be removed from the United States until a complete investigation can determine whether he has been accorded all rights due him as a possible defector, and until he is accorded those rights, as amended.

The Clerk read as follows:

H. RES. 314

Whereas Miroslav Medvid, a Ukrainian sailor on board the Soviet ship *Marshal Konev*, jumped into the Mississippi River and swam ashore on October 24, 1985; and

Whereas he indicated that he sought refuge in this country: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the President should pursue an active and impartial investigation into the facts and circumstances of the Medvid case so that no similar tragic and improper mishandling of a political asylum case will ever again cast its shadow on our principles of liberty and freedom.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. LANTOS] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. LANTOS].

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for the last couple of weeks the attention of the American people has been riveted on New Orleans where a young Ukrainian sailor twice attempted to make his break for freedom. In one of the most dramatic episodes of attempted defection, this young man swam the waters of the Mississippi twice, only to be dragged back to his ship by six Soviet sailors where, on the basis of every evidence we have, he was drugged, he was threatened and, after a considerable length of time elapsed, he was finally interviewed by our own authorities. He claimed that he wished to return to the Soviet Union.

Now, Mr. Speaker, it is self-evident that there are grave unanswered questions concerning the case of seaman Medvid. He initially attempted his escape with his sailor's papers carefully placed in a sealed jar. Upon reaching shore, he wanted to make contact with the New Orleans Police. Upon being interviewed by a Ukrainian-speaking interpreter, he twice stated his desire to remain in the United States. Yet he was taken back to his ship. He jumped into the Mississippi again. He swam ashore to freedom. He had to be taken back, kicking and screaming, against his wishes, to the Soviet ship.

When our officials first visited with him on the ship, he appeared sedated, he was tied to his bed, his left arm and wrist were bandaged; and, subsequently, the Soviet physician indicated to us that he attempted to commit suicide.

Yet when he was finally interviewed, in the presence of his captain, in the presence of Soviet diplomatic officials, we accepted his statement clearly given under duress, under threats, under intimidation, that he wanted to return to the Soviet Union.

He is now on the high seas, and he may never again be seen outside of the Soviet Union.

It is mandatory, Mr. Speaker, that a thorough and complete and impartial and nonpolitical investigation be undertaken to ascertain all of the facts surrounding the case of seaman Medvid.

What makes this investigation all the more significant is that we had a similar case some 15 years ago, when a Lithuanian sailor jumped off a Soviet ship, only to be returned to Soviet hands against his own wishes.

□ 1330

At a hearing in the House Foreign Affairs Committee last week, that sailor who spent 4 years in the gulag, assured us, as we all knew anyway, that this young man was compelled by threats, use of drugs, and intimidation, to change his mind, to try and protect his parents. At this hearing we reviewed the incredible report of the U.S. psychiatrist, who did not order blood and urine tests that should have been conducted.

We are celebrating the 100th anniversary of the emplacement of the Statue of Liberty, and it is a singularly unhappy celebration when we send a message around the globe that, when there are other considerations present, we do not consider the right of individuals who want to live away from totalitarian systems—an important right.

I want to pay special tribute to my good friend and colleague from Pennsylvania, Congressman RITTER, who is the author of the resolution which initially called for not only an investigation but to keeping the sailor here so that he would be given an opportunity in a nonthreatening, quiet environment to rethink his decision and make, finally, a rational judgment about where he wanted to spend the rest of his life.

Circumstances and events have overtaken our original resolution. What we are dealing with now is merely a request of the President of the United States to get to the bottom of this affair. We must do so to be true to our principles, and we must do so, Mr. Speaker, so that we do not send the wrong signal to possible future defectors so they will know that their rights as potential defectors will be fully protected.

I think it is critical that we pass this resolution to try to undo the damage that was done in this case by ill-advised decisions of various governmental agencies involved.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to join the gentleman from California [Mr. LANTOS] in paying our tribute to the principal sponsor of this resolution, the gentleman from Pennsylvania [Mr. RITTER]. I think it is very timely.

I support this resolution. It expresses the sense of the House that Mr. Medvid should have stayed in this country until an investigation determined that he had been granted all rights due him as a possible defector. We as a nation must ensure that human beings who seek freedom in this country are granted that freedom.

As has been reported, Mr. Medvid twice swam back to shore in his futile efforts to defect to the United States. After being returned to the ship, Mr. Medvid was probably threatened by the ship's captain. During a later interview he signed a statement that he did not want to defect. Unfortunately, he is on his way back to the Soviet Union.

I have been incensed at the way this attempted defection was handled. Through mishandling freedom may have been denied to this young man.

I believe we should know all of the facts concerning this unfortunate situation. I call upon the President to order a full investigation into the Medvid case, as well as Congress. We must learn the truth so that this tragedy will never happen again.

I am deeply concerned about the fate of Seaman Medvid. We all know how Soviet authorities deal with those who have attempted to defect. A long prison term is often the minimum punishment given to those who have reached out for freedom.

All elements of our Government must work together to ensure that future defectors are properly handled. We must understand exactly what went wrong so that we can avoid these blunders in the future. This is the least we can do for those who risk their lives in the quest for liberty.

I call upon my colleagues to join me in support of this resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. I thank the gentleman for yielding to me.

Mr. Speaker, the American people have been expressing a sense of outrage which is now a sense of disgust, which has been translated into the stomachs of anyone who has been associated with this situation to a sick feeling.

There are still so many unanswered questions as to what exactly happened to poor Mr. Medvid as he sought asylum in the United States. Just one, brief example. Mr. Medvid discussed with Mrs. Irene Padoch, a Ukrainian-speaking woman in New York, over the telephone, from New Orleans, the background of his desire to come to the United States. He expressed desire to seek asylum, and yes, when asked by INS authorities, Mrs. Padoch said, "Yes, the man wants political asylum. Yes, the man wants to defect."

In one part of this conversation between the INS official in charge and Mrs. Padoch, the INS official mentioned to Mrs. Padoch that she should tell the young man that Mr. Medvid faces no harm, that they will speak in the morning, yes they will be in contact with Mrs. Padoch in the morning.

Something happened; something happened that is yet unknown. It was very obvious to that particular immigration officer who was talking with Mrs. Padoch at the time, that Miroslav Medvid sought political asylum. We in this Congress, as the Representatives of the American people wish to know exactly what happened to change the mind of the Immigration and Naturalization Service on the scene. To change—from their expressed intent—to Mrs Padoch—to provide safe keeping for this man seeking asylum until the next morning—to the terrible decision to send him back to the Soviet ship, 1 hour from the point in a conversation indicating safe treatment for Medvid.

The way they did it makes one sick as well. They did not take the poor man back on the ship themselves; they called the shipping company that deals with the Soviet grain ship, and they asked the shipping company to take care of it; to get Mr. Medvid back.

The way they did that was to call the Soviet ship and ask for six burly sailors to take Mr. Medvid back, kicking and screaming. Mary McGrory, in a column written in the Washington Post last week, referred to Mr. Medvid's actions as "universal body language." INS at some point understood that body language, yet for some unknown reason, chose to switch. This resolution requests a full accounting. It calls upon the President for a full accounting.

It is not that we are going to get satisfaction on Mr. Medvid's case itself. According to Simas Kudirka, who underwent similar trials and tribulations more than a decade ago trouble lies ahead for Medvid, Kudirka was a would-be Lithuanian defector who jumped ship and was himself dragged back kicking and screaming. According to Kudirka the fate of Mr. Medvid is dire indeed. Mr. Kudirka referred to a special concentration camp in Mordavia in the Soviet Union that deals with would-be defectors who do not succeed. His testimony before a House subcommittee was gruesome on that account.

□ 1340

Unfortunately, Mr. Medvid does not have a parent, as Mr. Kudirka did, who was born in the United States so that eventually he could be freed.

No, the fate that awaits him is dire, but perhaps, perchance we can through this investigation see to it that the name of the United States, that the symbol of the Statue of Liberty is not sullied forever, that we can make clear to those seeking political asylum that indeed they are and they will be welcome in these United States.

Mr. LANTOS. Mr. Speaker, I am pleased to yield as much time as he might consume to the distinguished chairman of our committee, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I thank the gentleman from California.

Mr. Speaker, I rise in strong support of this resolution, and commend my colleagues, the gentleman from California [Mr. LANTOS], the gentleman from Pennsylvania [Mr. RITTER], and others who have been following this matter very closely. This resolution was unanimously adopted in the Committee on Foreign Affairs and those who bring it here to the floor of the House so that we can have a discussion on this unfortunate event are to be congratulated.

This resolution, simply asks for an impartial investigation into the medical case which we all think is very important, in the hope that this tragic episode will not be repeated.

The United States must have a policy in cases like this that is understandable. Instructions should go out to the field so that our people know how to act and know what to do in cases of this kind, particularly with respect to the Soviet Union.

Whenever we have a case of this kind it is always extremely sensitive. This cannot be helped because of the fact that we have two superpowers involved. Our relationships are always extremely sensitive and delicate, and whenever a poor individual like Mr. Medvid gets in the middle of it he is the one who suffers.

I would hope also, Mr. Speaker, that proper representation be made to Soviet authorities so that Mr. Medvid would be accorded some humane consideration when he is returned to the Soviet Union. It seems to me that this is the least we can do for this gentleman. He is now at the mercy of Soviet justice and you cannot expect too much.

As a matter of fact, I need to remind my colleagues that in all of the testimony before the Commission on Security and Cooperation in Europe—where we have heard from Soviet defectors of one kind or another, and from many Soviet experts—the Soviets have a particular theory with respect to defectors of any kind, or people who ask simply to leave the country to go join their families. The Soviets take the position that any Soviet citizen who wants to leave the Soviet Union has to either be insane or a criminal. They treat him or her that way under their laws. It is hard for us to understand that, but that is the way they look at it.

So make no mistake about it, when Mr. Medvid goes back to the Soviet Union as a Soviet citizen, he will not be accorded normal treatment. Immediately the concept that there is something wrong with him mentally or that in some way he acted criminally against the state will be in force. Therefore, any way that any country or any individuals can intercede in his behalf for humane considerations on

his return to the Soviet Union might be helpful.

Nevertheless, it is our strong feeling in this resolution that the mistake in handling the Medvid case should not have happened. We hope it never happens again. In the meantime, what we are saying in the resolution is let us conduct a thorough, impartial investigation and get to the facts.

Mr. RITTER. Mr. Speaker, will the gentleman yield for just one comment in response to his comments?

Mr. FASCELL. I am happy to yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Speaker, I thank the gentleman for yielding.

It often happens that Soviet citizens who face trouble in the realm of human rights are protected by attention given to them in the West, and the gentleman is correct when he states that perhaps a focus of attention on Mr. Medvid could save him from the brutality which he might expect if he simply disappeared into the abyss.

Mr. FASCELL. Mr. Speaker, I thank the gentleman for his comment.

Mr. BROOMFIELD. Mr. Speaker, may I inquire as to the amount of time left on both sides?

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BROOMFIELD] has 12 minutes remaining and the gentleman from California [Mr. LANTOS] has 8 minutes remaining.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for giving me this time.

Mr. Speaker, this resolution, House Resolution 314, deserves the strong and full support of the House. It expresses the concern of the House about the abominable mishandling of the case of the Ukrainian sailor, Miroslav Medvid, who jumped ship, seeking asylum in the United States but who was cruelly turned back because of gross errors and violations of of regulations committed by low-ranking officials of the Department of Justice.

This resolution was initially introduced by the gentleman from Pennsylvania [Mr. RITTER] and the gentleman from Maryland [Mr. HOYER], and referred to our Committee on Foreign Affairs. Because of the pressing nature of the matter, the committee marked it up immediately, thanks to the assistance of the distinguished chairman of the committee, the gentleman from Florida [Mr. FASCELL] and our ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], as well as the chairman of the Europe and Middle East Subcommittee, the gentleman from Indiana [Mr. HAMILTON]. The resulting resolution is now before us.

In its operative paragraphs, the resolution, as reported, spoke to actions that the administration should have taken before the Soviet vessel, the *Marshal Konev*, was allowed to leave United States territorial waters, and to the steps needed to prevent such lapses in the future. It is regrettable that the administration chose to let the Soviet ship leave our shores without allowing the subpoena issued by a committee of the other body to be enforced. Nevertheless, it is appropriate to pass this resolution, as amended, at this time to express the concern of the House about our Nation's treatment of Seaman Medvid, and to exppress its further desire that every possible step be undertaken to ensure that such an event will never again occur.

Accordingly, I urge my colleagues to support this resolution.

Mr. LANTOS. Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I would like to make the comment that the action taken by the Department of Justice boggles the American mind, but the message that is delivered worldwide as a result of the conduct of our officials is going to have an inhibiting effect on all those who seek freedom and justice and freedom from oppression. Clearly the Medvid case should go down in history as infamous in nature and unpardonable.

Mr. Speaker, the issue before us is a most important one. We must not let the Medvid matter happen again. When this original resolution was filed, the *Marshal Konev* was still in the Port of New Orleans, and Miroslav Medvid was still in custody on American soil.

However, on Saturday, in an action that perplexes and perturbs me, the Reagan administration allowed the ship to leave. This decision, according to an article in the New York Times, was made after American officials concluded that the seaman Miroslav Medvid, a 25-year-old Ukrainian wanted to return home. As a result we are unable to urge the President to provide Medvid with an additional interview. As a result we are unable to urge the President to allow Medvid to meet with his anxious relatives. As a result we are not able to urge the President to do the right and just thing—presume Medvid wanted to defect and grant him political asylum.

How totally inconsistent this incident is with our proud tradition of supporting freedom and those who aspire to it, whether they be an individual or group of people. Since when is it consistent for the United States of America to presume an individual who on two occasions escapes from his Soviet ship is not doing so for the purpose of defection? Since when is it consistent for the United States to side with the Soviet Union in matters related to a person seeking asylum.

Let us review the circumstances of this bizarre story. On the night of October 24, Seaman Medvid leaped off the *Marshal Konev* and swam a quarter mile to the shore. He was interviewed by immigration officials, but none of whom spoke or understood Russian. They relied on an interpretor who contended that he told immigration officials that Medvid was seeking asylum. The immigration service disagreed and contended that no request for asylum was made.

Following the interview agents of the Border Patrol tried to return him to the *Marshal Konev* but he again sought his freedom by jumping from their small boat. He was then forced onto the ship in handcuffs by a ship's officer and five shipmates.

Sometime in the ensuing 3 days, Medvid injured his wrists, according to the State Department, but the official refused to make a determination as to whether it constituted a suicide threat. The seaman was then removed from the ship and interviewed for 2 days by various American officials. This included a psychiatrist who concluded that defection was not being sought based on interviews with Medvid. However, this same psychiatrist admitted that officers aboard the ship had warned Medvid that harm would come to his parents if he chose to defect.

It was felt up until the events of Saturday that the confusion surrounding Medvid would lead to a delay in any action to send him back on the ship. In order to secure this, a subpoena from the Senate Agriculture Committee was issued.

Yet, in the end despite the legitimate concerns of Medvid's relatives, despite the concerns of Members of Congress and the American public, Medvid was returned to the Soviet Union and whatever aspirations he had for freedom were dashed when the ship pulled itself from the Port of New Orleans.

Some have contended that the administration did not want to risk a major incident just prior to the Geneva Summit. Yet, one is hard pressed to accept that view considering the nature of this event. Here was a young man who came to us. The United States did not orchestrate this situation or incite it. In fact, had we simply been more responsive initially when Medvid first presented himself to our shores, we might have averted a major incident. It would have been a cut-and-dried situation. However, our subsequent bungling of the entire affair made this a potentially serious incident. We deferred to the Soviets. We should not have.

There are clearly lessons to be learned from this tragic affair. First and foremost, we must have Russian-speaking personnel among immigration service and customs service personnel so the initial intention of a person, such as a Madvid, would be clearly understood and responded to. Second, when there is a judgment call of this nature to be made again, let us land on the side of the individual and assume defection. Finally, if the situation must be resolved at the highest levels of our Government let it not be done with the arrogance displayed in the Medvid case. It is not done

with the arrogance displayed in the Medvid case. It was obvious that there was deep concern and vast confusion about this case. A live Senate committee subpoena did exist in this matter but nonetheless the decision to free the ship *Marshal Konev,* and imprison the sailor, Medvid, was made.

I hope the passage of this resolution will convey to the White House the sense of outrage and frustration that many of us feel about the entire Medvid incident. It is a sorry incident that should never be repeated.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. LUNGREN], who is the ranking member of the Subcommittee on Immigration of the Committee on the Judiciary.

Mr. LUNGREN. Mr. Speaker, as the ranking member of the Subcommittee on Immigration, I have followed this matter with some interest and have been involved in conversations with members of the INS and the Justice Department. When all is said and done, I think what we can say about it is that it was a screw up. The guys on the ground did not do what they were supposed to do.

I do not find any grand conspiracy involved here based on the information I have been able to get. Sometimes you can establish the best guidelines and try to sensitize your employees the best you can, and things do not always work.

□ 1350

Now, I am pleased that the Commissioner of the INS has reiterated the policy of the Department, has sent out a special communique to all of their offices around the country, has underscored the fact that when dealing with people from Communist countries there has to be an enhanced sensitivy because of the difficulties from which these people have come and the difficulties they have in even bringing themselves to talk with representatives of the U.S. Government because of the repercussions that may ensue both for themselves and the family members.

Several months ago I had conversations with the INS because I was concerned about how several people from the People's Republic of China had been treated and a lack of sensitivity shown to them. At that point in time, following conversations with both representatives of the State Department and the INS, we were assured that new policies or a refinement of old policies had gone into effect and, in fact, I take that to be true.

I am sorry that this incident has come up to suggest that we have to again refine those policies. But there does seem to be no doubt that a greater sensitivity must be conveyed by those who deal with these individuals from these Communist countries because of the essential differences in experiences that these people bring with them.

There is no question in my mind that the policy of the INS was violated. There is no question in my mind that when the supervisors in the INS belatedly heard about this they took action to do what they could do. But unfortunately it is like the horse that has gotten out of the barn, if you do close the door, it really does not get that horse back.

With respect to the second interview that took place, I am convinced that both the State Department and the INS did everything they could at that time. Unfortunately, it was not enough because the individual had been in the hands of the Soviets for some considerable period of time. For various reasons I do think at that point in time he made it clear that even though he may very well have wanted to come to the United States, and I am convinced he did, I think everything indicated that he did, that was no longer his thought.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. LUNGREN] has expired.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 additional minutes to the gentleman from California.

Mr. LUNGREN. But again, as I say, that was not enough because of what had happened in the first instance.

What I hope will be done by this resolution, which basically is supportive of what is already going on, that is, an investigation is ongoing, is that perhaps we can raise the issue to such a visibility that that sensitivity which is necessary for the people actually involved in the service will be there, rather than be marked by its absence.

So I certainly join my colleagues in supporting this resolution, but I also think I should point out that it is my understanding that such an investigation has already been launched.

I am sorry that even the resolution of that investigation most likely can do very little for Mr. Medvid himself.

Mr. LANTOS. Mr. Speaker, will the gentleman yield?

Mr. LUNGREN. I am happy to yield to the gentleman from California.

Mr. LANTOS. Mr. Speaker, I obviously welcome the support of my friend, the gentleman from California, for the resolution, but I would like to make a point which I think goes to the core of this issue.

There is unanimity about the initial mistakes made by INS officials. The problem many of us have with the final decision is that our State Department had plenty of other options than to put this poor fellow back on the ship. We could have kept him here for 10 days or 2 weeks. The State Department testified there was no time limit. We should have put him in a nonthreatening environment where he could have talked to fellow Ukrainians, where he could have talked this thing through, where possibly the drugs that were administered to him by the Soviet physician aboard the ship would have worn off and he could have made a judgment.

If I may just finish my thought, we are talking about two mistakes here. We are talking about the initial mistake, if indeed it was a mistake, of sending him back on the ship; but we are talking also about an even more serious judgment call of returning him from American soil when the American people and the American Congress know that this man wanted to defect. He was intimidated and drugged by the Soviets aboard the ship and we simply tried to sweep the whole issue under the rug.

Mr. LUNGREN. Madam Speaker, I do not think the people involved attempted to sweep it under the rug.

The SPEAKER pro tempore (Mrs. BURTON of California). The time of the gentleman from California [Mr. LUNGREN] has again expired.

Mr. BROOMFIELD. Madam Speaker, I yield 3 additional minutes to the gentleman from California.

Mr. LUNGREN. Madam Speaker, I do not want us to get off the point here, in which we have mutual support; but I frankly do not find any attempt by the administration or the people in the State Department, the INS, they sweep it under the rug.

I think once the initial mistake was made, we have some very legitimate concerns with respect to what we do. I think the fact that the gentleman says there would have been another option, an easy option, to keep a person here 10 days or 12 days who has already indicated under the law that is established that he does not wish to be here leads us to some very serious public policy consequences with respect to the Soviet Union.

I obviously am no defender of the Soviet Union, but I do not want a situation in which we set a precedent for the Soviet Union to take an American citizen and hold him for 12 days, even though that person has indicated he does not want to stay in the Soviet Union.

The point is that at some point in time you have to make a decision based on what the law is. The law states that someone has to express a well-founded fear of persecution and indicate that he or she wishes to be here.

It is my understanding that we had both a doctor and a phychiatrist in attendance during the period of time we had this individual.

We cannot undo the pressure that the Soviet Union brought to bear on him. That is why I say let us recall that we made an initial mistake.

Mr. RITTER. Madam Speaker, will the gentleman yield?

Mr. LUNGREN. I am happy to yield to the gentleman from Pennsylvania.

Mr. RITTER. Madam Speaker, the gentleman has made a good point. The gentleman from California [Mr. LANTOS] has also made a good point.

Here is what it all boils down to. In the hearings conducted by the gentleman from California [Mr. LANTOS] and the subcommittee, Mrs. Ridgeway, the Assistant Secretary of State for Europe, claimed that the call of the State Department was a judgment call.

The question then remains, with a man who has tried to slit his wrists, with a man who has obviously been drugged, with a man who is standing in front of a Soviet ship captain looking him right in the eyes, and with our knowledge of what most probably preceded the State Department finally getting to interview this person, what probably preceded this on the Soviet ship, the question is, is one night's sleep away from his tormentors and harassers, is that enough?

The interviewer from the State Department was speaking Russian. Now, this is a man who comes from Lwiw, who lives on the border of the western Ukraine with Poland. His mother is Polish, speaks Polish. On the streets of Lwiw they speak Ukrainian and the whole thing is conducted in Russian. Why was it conducted in Russian, why? Perhaps for the benefit of the Soviet ship captain who did not speak Ukrainian. I do not know.

I think this is what this investigation may point out; but given all of this and given the tormented state of this individual was in, perhaps we should have given him more time.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. LUNGREN] has again expired.

Mr. BROOMFIELD. Madam Speaker, I yield 2 additional minutes to the gentleman from California.

Mr. LUNGREN. Madam Speaker, I yield to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Perhaps we should have given him some greater time, as the gentleman from California [Mr. LANTOS] says, to speak to somebody who speaks Ukrainian, his own mother tongue, to speak with some people perhaps from the Ukrainian-American community who could convince him that the United States is not all that bad, after allowing him to be taken back after jumping ship twice.

Mr. LUNGREN. Madam Speaker, I will take back my time.

I just want to say, look, there was a mistake. It was a bad mistake. We do not want it to happen again. I have been working with the INS to make sure that it does not happen again. It not only involves Russian sailors, it involves members of the People's Republic of China and other countries.

We have to have an enhanced sensitivity with respect to the people that are involved.

I just will say, we ought to recognize that we did have a doctor, we did have a psychiatrist in attendance. When we are presented with certain facts with certain information, we are required under our law to make a decision. It does not matter whether the person is from the Ukraine or whether the person is from China or whether the person is from Nicaragua or whether the person is from Honduras, or wherever.

I just want us to keep that in mind. We have established certain laws. Those laws are to be duly executed.

I would argue in this case because of the insensitivity of the personnel first involved, we did not execute the law in the way in which we envisioned it here in the House of Representatives and the U.S. Senate and at the highest levels of the administration.

I hope that the investigation might bring to light this subject a little more clearly so that again we will continue to press those people involved with a recognition of that amount of sensitivity that is absolutely necessary to make certain that this thing does not happen again.

We must recognize that these claims are made on thousands of occasions and we do not want the fact that they are made on thousands of occasions to make people callous in terms of their consideration of them. That is the important thing.

Mr. LANTOS. Madam Speaker, I yield such time as she may consume to my friend and colleague, the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Madam Speaker, more than 2 weeks ago on October 24, Miroslav Medvid, a Ukrainian sailor on board the Soviet ship *Marshal Konev,* jumped into the Mississippi River near New Orleans and swam to shore seeking freedom in our country. Astonishingly, United States officials returned him to Soviet custody three times, the last time following a meeting where Mr. Medvid appeared in a drugged state and in the presence of Soviet officials who had threatened him and his family. On November 9, the *Marshal Konev* left our waters with Miroslav Medvid aboard, to face an uncertain fate in the Soviet Union.

During the 2-week drama, the administration took the consistent line that "we consider the matter closed." The American people, however, did not consider the matter closed and insisted on asking questions and demanding answers. Now that the ship has left with Miroslav Medvid on board, there is a sense of dismay.

As we sort through the mistakes and mishandling of the tragic case of Miroslav Medvid, it is important that we not close the case. We must use the resources of the U.S. Government, from the highest levels, to continue to express the interest of the American people in the fate of Miroslav Medvid, to seek assurances and solicit genuine evidence that he and his family have not been subject to reprisals for an act that our Government considers impulsive and nonpolitical.

It is also important that we learn from the mistakes that were made during the mishandling of this case. According to Government and news accounts, the errors began with a clumsy translation procedure over long-distance telephone. Later, when Miroslav Medvid met with Soviet and American officials for the last time, he was provided with a Russian translator, instead of one who speaks his native Ukrainian language. These technical errors and shortcomings of translation are inexcusable and certainly unnecessary. Our country is rich in language skills, if only we organize them correctly. Our various ethnic communities, including the Ukrainian community, have been sponsoring language and culture schools that constitute an invaluable resource for our country. It is essential that appropriate Government agencies, especially the State Department and the Immigration and Naturalization Service, establish orderly procedures to avail themselves of language skills on the scene in the event of cases such as the one we just witnessed. Obviously, other procedures must be evaluated and improved to prevent a similar case from occurring in the future.

Many people are dismayed and disappointed over the unfortunate mishandling and unhappy outcome of the Miroslav Medvid bid for freedom. It is my hope and expectation that this case will be raised at the highest levels in order to gain assurances about the well-being of Mr. Medvid and his family. I also hope and expect that an investigation of this case will reveal the errors and shortcomings that led to such a serious mishandling and that corrections in procedures will be made to avoid a similar outcome in the future.

Mr. LANTOS. Madam Speaker, I yield 1 minute to my friend and colleague, the chairman of the Helsinki Commission, the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Madam Speaker, I want to thank the gentleman from California for yielding. I want to congratulate him, the ranking member of the Helsinki Commission the gentleman from Pennsylvania [Mr. RITTER] and others, and certainly congratulate the committee for the work they have done on this resolution.

I would also at this time like to bring to the attention of the House that I have a letter here, that will be distributed to the House Members on the first rollcall, to the President indicating that as he goes to the summit, which has been discussed in the context of this resolution, that he continue to be forceful in his placing of human rights at the forefront of America's agenda. I would urge all Members of the House to sign it. We are hoping to have all 435 Members of the House sign this letter to the President. It is similar to a letter sent by

the other body, making it very clear to the Soviets and to the world that human rights is on the front burner of the agenda of the Congress of the United States.

Madam Speaker, the letter is as follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, November 12, 1985.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: On the eve of the Geneva Summit, we extend our sincere wishes for a successful meeting and reaffirm our strong support for you in presenting our country's forceful position in regard to human rights.

We pledge our firm support for your urging General Secretary Mikhail Gorbachev to undertake just and expeditious actions to alleviate the human rights abuses in the U.S.S.R. and to take steps that indicate an intent to abide by past international agreements such as the Helsinki Final Act. It must be emphasized that in the search for those elements needed for a more positive United States-Soviet relationship, respect for human rights and fundamental freedoms is absolutely essential.

Respectfully,

Mr. LANTOS. Madam Speaker, I yield 1 minute to my distinguished friend, the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. Madam Speaker, I would like to join in this debate. I think everybody here has spoken quite well and eloquently on this issue.

I would hope that this lesson gets back to the INS, the Immigration and Naturalization Service.

One of the areas that I have for many years felt that they have lack of knowledge in is on the question of sensitivity. Many of the issues in which I have personally dealt with the INS dealing with sensitive matters, they have on occasion demonstrated a lack of knowledge. It seems to me that what has come out of this discussion, today it appears to me without doubt in my mind that the INS, Mr. Nelson, as Immigration and Naturalization Commissioner, should immediately institute a program to sensitize INS agents. There are many agents who are in fact sensitive, but it proves once again in this terrible episode that sensitivity was not demonstrated.

Mr. LANTOS. Madam Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mrs. BURTON of California). The question is on the motion offered by the gentleman from California [Mr. LANTOS] that the House suspend the rules and agree to the resolution, House Resolution 314, as amended.

The question was taken.

Mr. RITTER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. LANTOS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

HANDICAPPED CHILDREN'S PROTECTION ACT OF 1985

Mr. WILLIAMS. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 1523) to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1523

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Handicapped Children's Protection Act of 1985".

SEC. 2. AWARD OF ATTORNEYS' FEES

Section 615(e)(4) of the Education of the Handicapped Act (hereinafter in this Act referred to as "the Act") is amended by inserting "(A)" after the paragraph designation and by adding at the end thereof the following:

"(B) In any action or proceeding brought under this subsection, the court, in its discretion, may award reasonable attorneys' fees, expenses, and costs to the parents or guardian of a handicapped child or youth who is the prevailing party.

"(5) For purposes of this subsection—

"(A) fees awarded under this subsection shall be based on rates prevailing in the community in which the action or proceeding arose for the kind of quality of services furnished; and

"(B) fees, expenses, and costs awarded under this subsection to a prevailing party may not be paid with funds provided to the State under this Act.".

SEC. 3. EFFECT OF EDUCATION OF THE HANDICAPPED ACT ON OTHER LAWS.

Section 615 of the Act is amended by inserting at the end thereof the following new subsection:

"(f) Nothing in this title shall be construed to restrict or limit the rights, procedures, and remedies available under title V of the Rehabilitation Act of 1973 or other Federal laws redressing the rights of handicapped children and youth, except that before the filing of a civil action under such laws seeking relief that is also available under this part, the procedures under subsections (b)(2) and (c) shall be exhausted to the same extent as would be required had the action been brought under this part.".

SEC. 4. IMPROVEMENTS IN PROCEDURAL SAFEGUARDS UNDER THE ACT.

(a) PUBLIC ACCESS TO HEARING DECISIONS.—Section 615(d)(4) of the Act is amended by inserting "shall be made available to the public consistent with the requirements of section 617(c) and" immediately before "shall also".

(b) INFORMAL COMPLAINT RESOLUTION PROCEDURE.—Section 615(b)(2) is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following:

"Whenever a complaint has been received under paragraph (1) of this subsection, the parents or guardian shall be provided an opportunity to meet informally with the State of local educational agency or intermediate educational unit to resolve the complaint. If the complaint is not resolved satisfactorily or a decision is made not to meet informally, the parents or guardian shall have an opportunity for an impartial due process hearing which shall be conducted by the State educational agency, the local educational agency, or an intermediate educational unit as determined by State law or by the State educational agency."; and

(2) by inserting at the end of such paragraph the following new sentence:

"Any decision regarding participation in an informal meeting under this paragraph shall not affect the availability or provision of any rights of the parents or guardian under this section.".

(c) ANTI-RETALIATION PROVISION.—Section 615 of the Act is amended by inserting at the end thereof the following new subsection:

"(g) No person may discharge, intimidate, retaliate, threaten, coerce or otherwise take an adverse action against any person because such person has filed a complaint, testified, furnished information, assisted, or participated in any manner in a meeting, hearing, review, investigation, or other activity related to the administration of, exercise of authority under, or right secured by this part.".

SEC. 5. GAO STUDY OF ATTORNEYS' FEES PROVISION.

(a) The Comptroller General of the United States, through the General Accounting Office, shall conduct a study of the impact of the amendments to the Education of the Handicapped Act made by section 2 of this Act. Not later than June 30, 1989, the Comptroller General shall submit a report containing the findings of such study to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate. The Comptroller General shall conduct a formal briefing for such Committees on the status of the study not later than March 1, 1988. Such report shall include the information described in subsection (b).

(b) The report authorized under subsection (a) shall include the following information:

(1) The number, in the aggregate and by State, of written decisions under sections 615(b)(2) and (c) transmitted to State advisory panels under section 615(d)(4) for fiscal years 1984 through 1988, and the prevailing party in each such decision. For fiscal year 1986, the report shall designate which decisions concern complaints filed after the date of enactment of this Act.

(2) The number, in the aggregate and by State, of civil actions brought under section 615(e)(2) and the prevailing party in each action for fiscal years 1984 through 1988. For fiscal year 1986, the report shall designate which decisions concern complaints filed after the date of enactment.

(3) Data, for a geographically representative selective sample of States, indicating the specific amount of attorneys' fees, costs,

and expenses awarded to the prevailing party, in each action and proceeding under section 615(e)(4)(B) from the date of the enactment of this Act through fiscal year 1988, and the range of such fees, costs, and expenses awarded in the various types of actions and proceedings under such section.

(4) Data, for a geographically representative sample of States, on the experience of educational agencies in resolving complaints informally under section 615(b)(2), from the date of the enactment of this Act through fiscal year 1988.

SEC. 6. AWARD OF ATTORNEYS' FEES ONLY FOR CIVIL ACTIONS.

(a) AWARD OF ATTORNEYS' FEES.—Section 615(e)(4)(B) of the Act is amended by striking out "action or proceeding and inserting in lieu thereof "civil action".

(b) EFFECTIVE DATE.—

(1) Except as provided in paragraph (2), subsection (a) shall take effect four years after the date of the enactment of this Act.

(2) If the report authorized under section 5 is not submitted to both committees of the Congress within the period established by such section, subsection (a) shall take effect 180 days after the date on which such submission requirement is fulfilled or five years after the date of the enactment of this Act, whichever occurs first.

SEC. 7. EFFECTIVE DATE.

(a) GENERAL PROVISION.—Except as otherwise provided, this Act shall take effect on the date of enactment of this Act.

(b) LIMITED RETROACTIVE APPLICATION.—The amendments made by sections 2 and 3 shall apply with respect to actions or proceedings brought under section 615(e) of the Education of the Handicapped Act after July 3, 1984, and actions or proceedings brought prior to July 4, 1984, under such section which were pending on July 4, 1984.

□ 1405

The SPEAKER pro tempore. Is a second demanded?

Mr. BARTLETT. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Montana [Mr. WILLIAMS] will be recognized for 20 minutes and the gentleman from Texas [Mr. BARTLETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, on March 7, 1985, H.R. 1523, the Handicapped Children's Protection Act was introduced. The original bill was designed to accomplish four basic objectives.

First, to authorize courts to award reasonable attorneys' fees to parents of handicapped children who prevail in specified circumstances under Part B of the Education of the Handicapped Act.

Second, to reestablish statutory rights repealed by the U.S. Supreme Court in the decision in Smith versus Robinson.

Third, to reaffirm, in light of this decision, the viability of section 504 of the Rehabilitation Act of 1973, 42 U.S.C. 1983 and other statutes as separate vehicles for ensuring the rights of handicapped children.

Fourth, to improve the due process procedures available under part B of the Education of the Handicapped Act.

Today, we are considering an amendment in the nature of a substitute which satisfies all of these objectives. The road traveled to reach this bipartisan compromise has not been smooth. The issues involved in the legislation are extremely complex and affect all participants in our educational system: Handicapped children and their families, teachers, and school officials. However, Members on both sides of the aisle have worked long and hard to reach this bipartisan compromise. Special recognition must go to Mr. HAWKINS, Mr. BIAGGI, Mr. JEFFORDS, and Mr. BARTLETT. My personal thanks for all your efforts.

In the course of drafting this legislation, organizations representing handicapped children, parents, educators, administrators, boards of education have often expressed strong and often divergent positions on the provisions in the bill. The consequences of including or excluding particular provisions were expressed and then debated at length.

The bill we present today for passage represents a consensus which achieves the needed balance between the rights of handicapped children and local and State educational agencies. I urge my colleagues to support this bipartisan substitute.

Let me briefly describe the key components of the legislation.

First, it amends part B of EHA to provide that a parent or guardian of a handicapped child who prevails against a school district or State educational agency in a civil action in Federal or State court, or an administrative proceeding such as a due process hearing or State appeal, may be awarded reasonable attorney's fees, costs and expenses by the court.

Second, it provides for the submission to Congress of a GAO study on the impact of this provision no later than 3½ years after the date of enactment of the legislation.

Third, the legislation contains a sunset provision under which a court's authority to award fees to parents who prevail in administrative proceedings terminates 4 years after the date of enactment of this legislation if the GAO report is submitted on schedule. Thus, after 4 years, unless Congress passes additional legislation, a court's authority to award fees will be limited to civil actions in State or Federal courts in which parents prevail.

Fourth, it overturns the U.S. Supreme Court's decision in Smith versus Robinson by reestablishing the viability of Section 504 of the Rehabilitation Act of 1973 and other statutes as separate vehicles for ensuring the rights of handicapped children and youth.

Fifth, it deletes section 3(b) of H.R. 1523, as reported out of the Education and Labor Committee. Section 3(b) provides that with respect to preschool, elementary, secondary, and adult education programs and activities, section 504 must continue to be carried out in accordance with the regulations in effect on July 4, 1984, unless expressly authorized by act or joint resolution of the Congress approved after July 4, 1984.

The decision to delete this provision from the bipartisan substitute should not be construed as reflecting a congressional change in support for the validity of the current section 504 regulations. The section 504 regulations were the result of extensive consideration in the regulatory process. Congress had the opportunity to review these regulations during oversight hearings in 1977, preceding the passage of the 1978 amendments to the Rehabilitation Act of 1973. At that time Congress explicitly approved the section 504 regulations.

This view of the section 504 regulations has been upheld in two recent unanimous Supreme Court decisions, Consolidated Rail Corporation versus Darrone and Alexander versus Chaote.

In Darrone, the Supreme Court found that the "responsible congressional committees participated in their formulation, and both these committees and Congress itself endorsed the regulations in their final form." The court also found that in passing the 1978 amendments, "Congress incorporated the substance of the Department's regulations into the statute."

In Alexander, the Supreme Court characterized its decision in Darrone as "holding that the 1978 Amendments to the act were intended to codify the regulations enforcing section 504."

Today, we reaffirm Congress' prior endorsements of the current section 504 regulations and the Supreme Court's understanding of our intent. The decision to delete section 3(b) from the bipartisan substitute simply reflects our conclusion that it is no longer necessary to codify the existing section 504 regulations in this bill because the administration is expressing no current desire to modify these regulations in any way.

Sixth, the bipartisan substitute amends part B of the Education of the Handicapped Act to improve procedural protections under the act. These changes include: a requirement that hearing decisions be made available to the public without diminishing the privacy rights of the children; a re-

quirement that a school district provide a parent with an opportunity to meet informally with agency officials to resolve complaints prior to the due process hearings; and an anti-retaliation provision barring public agencies from taking adverse actions against persons participating or involved in, among other things, meetings or hearings.

Finally, the bill specifies that the provisions concerning the awarding of attorneys' fees and the effect of the Education of the Handicapped Act on other laws apply retroactively with respect to actions or proceedings after July 3, 1984, and actions or proceedings brought prior to July 4, 1984, which were pending on July 4, 1984.

The Congressional Budget Office states that there will be no increase in Federal cost as a result of this bill.

Public Law 94-142 was hailed upon passage as a significant step forward in ensuring the educational rights of persons with handicaps and it is living up to its promises. This legislation before you today only strengthens that capability. I urge my colleagues to support the compromise.

Madam Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. (Mr. GARCIA). The Chair recognizes the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I yield myself 14½ minutes.

Mr. Speaker, first, for the House, I would note that the section would codify section 504 regulations has been deleted, and that eliminates one-half of the controversy from the floor today.

Second, I would note that upon a letter that was delivered this morning to the chairman of the committee, it is apparent that the administration does support the bill in its present form with that deletion of codification of section 504 and with reservations relating to administrative fees prevailing in the community, and the absence of a double-dipping provision.

Mr. Speaker, I would also note that I support this bill and do urge a "yes" vote and its enactment today, although I do have some reservations about one section of the bill which I will detail in my statement. I will take a few minutes. Mr. Speaker, to explain a bit as to how we got here.

In July of 1984, the Supreme Court handed down a decision in the case of Smith versus Robinson which seriously threatens the ability of parents to enforce their handicapped child's rights under Public Law 94-142, the Education For All Handicapped Children Act. In that case, the Court upheld the claim of the parents of a special education student who sought appropriate placement for their handicapped child, but denied their request to recover attorneys' fees on the grounds that Public Law 94-142 is silent on the issue. The Court reasoned that since the educational relief was granted under the authority of Public Law 94-142, the claimants could not seek to recover attorneys' fees under another statute which authorized fees. While this decision is consistent with the so-called American rule which provides that attorneys' fees are not recoverable unless specified in the statute under consideration, the Smith versus Robinson decision represented a serious setback for parents of handicapped children seeking to enforce their child's right to a free and appropriate education. By denying attorneys' fees in Smith, the Supreme Court effectively shut the courthouse doors in the face of poor and middle-class parents of handicapped children who would find the cost of retaining counsel prohibitive without the prospect of recovering fees upon prevailing in the civil action.

Quite simply, the Supreme Court's decision has compelled Congress to act to amend Public Law 94-142 to specify that parents who prevail in court actions brought under Public Law 94-142 are entitled to recover reasonable attorneys' fees. Justice Brennan, writing for the three dissenting Justices in the Smith decision captured the task before Congress when he said:

"* * * with today's decision coming as it does after Congress has spoken on the subject of attorneys' fees, Congress will now have to take the time to revisit the matter. And until it does, the handicapped children of this country whose difficulties are compounded by discrimination and by other deprivations of constitutional rights will have to pay the costs."

Mr. Speaker, H.R. 1523 constructively addresses the issue of the recovery of attorneys' fees for civil action under Public Law 94-142 in response to the Smith decision. It properly authorizes courts to award reasonable attorneys' fees to parents of handicapped children who prevail in civil actions. I support without reservation, this portion of H.R. 1523, believing that not only the families of handicapped children will be served by this amendment but also the public interest of ensuring the provision of a free and appropriate education for all handicapped children.

Saying this, Mr. Speaker, I must raise what I consider to be a serious flaw in H.R. 1523 which taints its contributions to Public Law 94-142. H.R. 1523 mistakenly extends the authority for the recovery of attorneys' fees into Public Law 94-142's administrative hearing process.

Public Law 94-142 is essentially a grant-in-aid statute that provides an informal process by which parents and educators can mutually determine what is an appropriate education for a handicapped student. The system for identifying, evaluating, developing, and administering the individualized educational program rests upon the ability of parents and educators to meet, share information, and agree upon a program.

When parents and educators disagree on what is educationally appropriate for a handicapped child, either party may file a request for an administrative hearing presided over by an impartial due process hearing officer. These hearing officers are trained by the State and are generally individuals with experience in special education or special education legal policy. The hearing officers are not required to be attorneys, and neither the parents nor the school systems are required to be represented by attorneys. The hearing officer's responsibility is to determine the appropriate education for the handicapped student based upon the information that the parents and the educators present.

Under H.R. 1523, for the first time, parents who retain an attorney for work conducted at the administrative hearing level will be able to recover fees if they prevail at the hearing, even if the issue does not go to court. This represents a significant departure from past and current practice, where it has only been the case four times since 1975 that courts have awarded attorneys' fees at the administrative level to parents who later prevailed in court action and never awarded attorneys' fees at the administrative level in cases which do not go on to court.

There are a number of very good reasons why this provision is both unnecessary and could be destructive. Foremost is an indisputable fact that the number of administrative hearings held each year to resolve disputes between parents and educators is decreasing. According to a survey by the National Association of State Directors of Special Education the number of first-level hearings decreased by 39 percent between 1979-80 and 1983-84. For the school year 1983-84 only 1 out of every 3,000 of the approximately 4 million students was involved in a first-level hearing and only 1 in every 64,800 was the subject of litigation.

In the cases which reach a hearing level we know, according to a recent Rand Corp. study of attorneys' fees under Public Law 94-142, that parents win about 50 percent of the time.

We also know that school systems are understandably reluctant to hire attorneys for Public Law 94-142 hearings. A recent survey conducted by the American Association of School Administrators indicates that 56 percent of the local educational agencies surveyed stated that they either never use an attorney or only use an attorney when a parent does in special education hearings.

Examining this information, it becomes clear that: First, there are in-

creasingly fewer disputes in special education resulting in administrative hearings; second, in the hearings that do take place, parents currently prevail approximately 50 percent of the time, and; third, school systems have demonstrated that they would like to avoid their own attorneys' fees.

Mr. Speaker, H.R. 1523 threatens to significantly alter a system of conflict resolution which is working as Congress intended, and no compelling evidence exists which supports a need to make this fundamental change. I am confident that Public Law 94-142's administrative hearing system is working fairly and properly, and I attribute this to its formal and inexpensive nature. My position is affirmed by the Rand study, and I quote:

The administrative due process system offers plaintiffs the same kinds of protections and results as the courts, but at greater speed and lower cost. Parents and school officials are therefore generally eager to settle their disputes informally or in the administrative due process system.

H.R. 1523, by allowing for the recovery of fees at the administrative level, removes the incentive to resolve disputes informally because schools will be as liable for attorneys' fees under the administrative system as they are in court. The complications resulting from this part of H.R. 1523 becomes even clearer when one considers the impact of fees at the administrative level on the mediation or informal complaint procedure that is also a part of H.R. 1523.

Section 4 of H.R. 1523 provides that after a complaint has been filed, parents are entitled to an informal meeting with school officials to see if a resolution of the dispute can be worked out prior to a hearing. The purpose of this provison is to provide that parents and educators should be given a final opportunity prior to a hearing to informally reach a solution to their dispute. This well-intended provision is undermined completely by H.R. 1523's administrative hearing fee recovery provision because if a parent brings an attorney to the informal complaint resolution meeting, and the school officials and the parents reach a settlement, then according to H.R. 1523 the school system is liable for the parents' attorneys' fees.

Mr. Speaker, why would a school system seek to settle a dispute informally, knowing that a consequence of that settlement will include the cost of the parents' attorneys' fees? Common sense tells us that too often persons in that situation would not settle and face certain fees payment, but rather take their chances of winning in a hearing and thus avoid paying fees.

The principle that I advocate on this issue is a simple one: Congress should not do anything to encourage the participation of lawyers in a conflict resolution situation which does require their participation. By allowing for the recovery of attorneys' fees under Public Law 94-142 at the administative level, H.R. 1523 will increase the participation of attorneys and decrease the likelihood that parents and educators will resolve their disputes informally and inexpensively.

In addition to making the relationship between parents and educators more adversarial, the cost for these attorneys' fees will come out of the State and local public schools' general educations funds. The money that our schools will pay to lawyers to participate in the resolution of these educational disputes will mean less money for books, equipment, and teachers' salaries. To add injury to insult, our State and local school systems are not allowed to use Federal funds to pay for the consequences of this Federal requirement.

Mr. Speaker, the issue of attorneys' fees is one of the fastest growing and most controversial areas of law. It has been compared to a quicksand pit where with every turn one becomes more deeply involved in a new set of problems and complexities. To allow for an unlimited authority to recover attorneys' fees at the administrative level under Public Law 94-142 will unnecessarily invite the complications besetting fee-shifting statutes into our public schools. We will have succeeded in making Public Law 94-142's decisionmaking process more litigous, but not necessarily any better.

The development of this legislation has typified those complexities cited here, and I recognize the difficult waters that the chairman of the Select Education Subcommittee has navigated over this legislation. I commend him for his efforts and appreciate the bipartisan work that has gone into the sunset provision and GAO study which will address the long-term concerns that I have raised here.

Mr. Speaker, there is an old Italian proverb which says that "A lawsuit is like a fruit tree growing in a lawyers' garden." I am afraid that H.R. 1523 has added Public Law 94-142's administrative and informal complaint resolution processes to that garden. I wish it were not the case and hope that the situation can yet be improved.

I support H.R. 1523 at this time for two reasons: First, I do believe Congress should act to restore attorneys' fees to court level, and second, the bill includes sunset on the provision authorizing fees at the administrative level. This sunset will mean that after a sufficient period of time, Congress will be able to examine the impact of the bill as presently constituted and act accordingly. If this provision were not in H.R. 1523, I could not support the bill.

Mr. Speaker, H.R. 1523 serves a vital purpose of allowing courts to authorize attorneys' fees to parents who prevail in Public Law 94-142 litigation. H.R. 1523 also jeopardizes Public Law 94-142's administrative hearing system and the process by which parents and educators informally determine what is appropriate for a handicapped student.

Mr. Speaker, I support the major purpose of H.R. 1523 but wish to register my serious concern that the latter provision noted here may well overshadow the public service constituted in allowing courts to award attorneys' fees to parents who prevail in Public Law 94-142 litigation. The sunset provision represents something of a safety valve for the integrity of Public Law 94-142's decisionmaking system, allow Congress to take a closer look over the next several years.

Mr. Speaker, parents of handicapped students, particularly poor and middle-class parents, should be able to access our judicial system as readily as those with substantial means in order to enforce their rights under Public Law 94-142. The Supreme Court's ruling in Smith versus Robinson will be viewed as only a temporary setback because of the action that Congress is taking. I support this effort.

□ 1415

Mr. Speaker, at this time, I would ask the gentleman from Montana [Mr. WILLIAMS] if he would engage in a colloquy.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Speaker, I will be pleased to join with my colleague in a colloquy.

Mr. BARTLETT. Mr. Speaker, section 2 of H.R. 1523 amends section 615(e)(4) of the Education of the Handicapped Act by adding the following new provision:

In any action or proceeding brought under this subsection, the court, in its discretion, may award reasonable attorneys' fees, expenses, and costs to the parents or guardian of a handicapped child or youth who is the prevailing party.

Could you clarify the meaning of the terms "action" and "proceeding?"

Mr. WILLIAMS. The term "action" is intended to include a civil action filed in a State or Federal court. The term "proceeding" is limited to the due process hearing that parents are required to exhaust under 615(b)(2) and the State appeal under section 615(c). The term "proceeding" is not intended to include meetings held to develop individualized education programs or meetings to make decisions concerning such matters as the identification, evaluation, or placement of handicapped children.

Mr. BARTLETT. It is my understanding that parents are not entitled to any fees, costs, or expenses when they are declared the prevailing party

in any action or proceeding but at the final appeal of such action or proceeding the school district is declared the prevailing party. Do you agree with this statement?

Mr. WILLIAMS. Yes, I do agree with that.

Mr. BARTLETT. Similarly, where the parents lose in any action or proceeding but at the final appeal of such action or proceeding the parents are declared the prevailing party, do you agree that they are entitled to reasonable fees, costs, and expenses related to all prior actions and proceedings as well as the final appeal?

Mr. WILLIAMS. Yes, I do.

Mr. BARTLETT. Would you clarify the meaning of the terms "reasonable" and "prevailing?"

Mr. WILLIAMS. These terms are intended to be construed as being consistent with all of the standards set forth in the U.S. Supreme Court's decision in *Hensley* v. *Eckerhart*, 461 U.S. 424 (1983). In this case, the Court held, in part, that:

> The extent of a plaintiff's success is a crucial factor in determining the proper amount of an award of attorneys' fees. Where the plaintiff has failed to prevail on a claim that is distinct in all respects from his successful claims, the hours spent on the unsuccessful claim should be excluded in considering the amount of a reasonable fee. Where a lawsuit consists of related claims, a plaintiff who has won substantial relief should not have his attorneys' fee reduced simply because the court did not adopt each contention raised. But where the plaintiff achieved only limited success, the court should award only that amount of fees that is reasonable in relation to the results obtained.

Mr. BARTLETT. I thank the gentleman. Do you share my expectation that, although the precise amount of fees awarded to a prevailing party must be determined on the facts of each case, it is the intent of this legislation that the courts will not simply pay lip service to Hensley decision; rather they will actually undertake the analyses set out in the decision?

Mr. WILLIAMS. Yes, I would agree with that interpretation.

Mr. BARTLETT. And would you also agree that it is the intent of this legislation that the courts must provide a concise but clear explanation of their reasons for the fee award?

Mr. WILLIAMS. Yes.

Mr. BARTLETT. To ensure that we all have the same understanding of the standards set out in Hensley, I would like clarification of certain issues that are of particular importance to me. First, would you state your understanding of the starting point for determining the reasonableness of a fee and the prevailing party's obligation with respect to the claim?

Mr. WILLIAMS. In accordance with Hensley, a useful starting point for determining the amount of a reasonable fee is the number of hours reasonably expended on the litigation multiplied by the reasonable hourly rate. The parents bear the burden of establishing their entitlement and documenting the amount. The parents' attorney must submit evidence supporting the hours worked and the rates claimed. Where documentation is inadequate, the court may reduce the award accordingly. The court also should exclude from the fee calculation those hours that were not reasonably expended. Cases may be overstaffed and the skill and experience of lawyers vary widely. Hours that are excessive, redundant, or otherwise unnecessary should also be excluded. An applicant for fees must exercise billing judgment with respect to hours and should maintain billing time records in a manner that will enable a reviewing court to identify distinct claims.

Mr. BARTLETT. What is your understanding of the next point of inquiry?

Mr. WILLIAMS. The product of reasonable hours times a reasonable rate does not end the inquiry. There remain other considerations, including the critical factor of the results obtained. This factor is particularly crucial where a plaintiff is deemed a "prevailing party" even though he or she succeeded on only some of the claims for relief. In this situtation two questions must be addressed:

First. Did the parent fail to prevail on claims that were unrelated to the claims on which he or she succeeded?

Second. Did the parent achieve a level of success that makes hours reasonably expended a satisfactory basis for making a fee award?

Our intent to limit awards to the parents when they are the prevailing party requires that unrelated claims be treated as if they had been raised in separate lawsuits and therefore no fee may be awarded for services on the unsuccessful unrelated claims.

Where the prevailing party only obtains partial or limited success, the product of hours reasonably expended on the litigation as a whole times a reasonable hourly rate may be an excessive amount. This will be true even where the prevailing party's claims were interrelated, nonfrivolous, and raised in good faith. The most critical factor is the degree of success.

Where the parents only win on a preliminary procedural matters—for example, motion to compel discovery, certification of the class, or motion filed by the school district to dismiss the action—but they fail to prevail on the merits on any claim, for example, a claim that the hearing examiner was not impartial, they are not considered a "prevailing" party and therefore are not entitled to fees.

And finally, in contrast, where a prevailing party has obtained "excellent" results, his or her attorney should be entitled to recover a full fee. See the text of Hensley accompanying footnotes 9 and 11. Under these circumstance, the fee award should not be reduced simply because the prevailing party failed to prevail on every contention raised in the lawsuit. Litigants in good faith may raise alternative legal grounds for a desired outcome and the courts rejection or a failure to reach certain grounds is not sufficient reason for reducing a fee. The result is what matters.

Mr. BARTLETT. Mr. Speaker, I reserve the balance of my time.

□ 1430

The SPEAKER pro tempore. The gentleman from Texas [Mr. BARTLETT] has 5½ minutes remaining and the gentleman from Montana [Mr. WILLIAMS] has 13 minutes remaining.

Mr. WILLIAMS. Mr. Speaker, I yield 7 minutes to my colleague, the gentleman from New York [Mr. BIAGGI], without whose help and leadership this bill would not have come this far.

Mr. BIAGGI. I thank the chairman for yielding and I also take this opportunity to commend him for his vital contribution and leadership; also the gentleman from Texas [Mr. BARTLETT] for his sense of cooperation.

Although we have arrived at this point, Mr. Speaker, it was not without some great difficulty, and I regret deeply that 3(B), the codification portion of the bill has been deleted, because in my mind it was critical to permanently protect the rights of the handicapped children, which were addressed in this bill; but for the sake of expediting this bill and providing once and for all a clarification with relation to attorney's fees, I rise to support the legislation.

As one of the original authors of Public Law 94-142, which was enacted some 10 years ago, I have during this period shepherded its development and clearly, it has worked the will of the then Congress. I am proud to be here today to support this legislation.

The part of the bill that the gentleman from Texas says is flawed I regard as its strength. What we are talking about is providing attorneys' fees for those individuals who are being denied access to the educational system; access as provided by Public Law 94-142.

It is argued that the hearings are informal and that the school boards are generally cooperative. The reality of the matter is this: We are talking about Mr. or Mrs. John Doe who have a problem with a child gaining access, who then come before a school board. While most of us have experience, testifying in one forum or another; so hence we are not impressed nor more intimidated by a school board. Do we fully understand the psychological impact and burden it places on the parents appearing before a quasi-judi-

cial body? There is an inhibition placed; they do not have the ability nor experience to argue and to make their case.

At the same time, the school board has present, on staff, their own attorneys; but absent that, members of the school board are not burdened with the same lack of experience. They have been subjected to election; they have been through the process time and time again; they come in in an adversarial position, and that is the critical nature of this legislation and of this situation.

They are there to say that the child should not be in the school. The parents want the child in the program. So clearly, confrontation exists. It is important to establish a record, whether the parents prevail at this point or not, the record must be established. Most parents, by themselves, cannot effectively establish the record on which a step forward into the courts can be based. They do not have that knowledge or skills.

For the most part, they will not prevail, and oftentimes when they are rejected at that point, they leave and give up the fight, to the detriment of the child.

In contravention of Public Law 94-142, which was clearly the intent of the Congress.

Reference is made to Smith versus Robinson, which said that the bill was silent. Well, that may be a gray area, but certainly it was not a gray area in the minds of the Members of the House in committee who voted for this bill in 1975. We went through the same committee process, and it was the intention that there be attorneys' fees; there would be some attorneys present.

Well, Smith versus Robinson upset that whole course of events; and that is what we are here today, to deal with the legislation before us. That puts it in place; not simply in the courts, but at the administrative hearings where we have most of the difficulty.

Why should not the parents, in the advocacy of the child access rights, civil rights to put it more aptly.

Why should not that parent have that right? That is what we are talking about; and for those who say legal fees will run wild, or it will be a lawyer's harvest, I think not. The fact of the matter is, when you are dealing with 4 million handicapped children in this educational system, and you talk in terms of the paltry sum that have finally gone to court, the cost is minimal.

It has been stated by the Congressional Budget Office that this legislation if enacted will require no additional cost to the Federal Government.

So I have analogized this matter, Mr. Speaker, in a way that all people can understand: This is like the David and Goliath struggle; David with his slingshot slew the mighty Goliath. In this case, the school system is the Goliath. The parents are David. The unfortunate part of it is that this David does not have a slingshot. The slingshot in this instance would be represented by the presence of an attorney, with an assurance that legal fees will be paid and providing they would not be swayed from engaging an attorney because they are afraid of the cost of said lawyer.

There is a paramount issue here, pure and simple: Four million handicapped children, who have the right to have access to school. It is a civil right, it is a right mandated by Public Law 94-142. It is not to be denied; it is to be enhanced in every way, and his legislation does it.

The committee substitute provides an appropriate response to the July 5, 1984, decision by the Supreme Court in Smith versus Robinson which eliminated the ability of parents to secure the educational rights of their handicapped children. By eliminating the parent's inability to be reimbursed for fees under Public Law 94-142—an elimination that I believe was a misinterpretation of the law—the Court has made the due process procedures under the act unavailable to many low-income families.

This bill restores equity to this process and clarifies the original intent of Congress in this matter. The language in this bill which provides reimbursement for fees, identical to the language adopted by the Supreme Court in the 1980 case New York Gaslight Club versus Carey.

It is important to note that statistically, there are very few cases under Public Law 94-142 that actually go into litigation that this bill seeks to address. In only about 0.03 percent of the 4.2 million students in special education, is there an appeal through the formal administrative proceedings. An even smaller number, only 67 cases in 1983, go beyond the administrative proceedings to court. Clearly, schools and parents are working together effectively to meet the needs of handicapped students.

However, we need H.R. 1523 for the very reason that there are exceptions to every rule. For example, we know that discrimination on the basis of race and disability continues to be a problem for many minorities that are incorrectly classified as mentally retarded. For the benefit of my colleagues, I wish to place into the RECORD a memo that was written by the Disability Rights and Education Fund that outlines the special problems faced by minorities in special education:

ATTORNEY'S FEES UNDER THE EHA—IMPACT ON MINORITY CHILDREN

Too often disabled children involved in special education are assumed to be white and middle class. To the contrary, studies indicate that due to a variety of factors such as lack of pre-natal care, the incidence of disability is significantly higher among minority populations.[1] Moreover, minority children not only face all the issues that all disabled children face in securing an appropriate integrated education, but also face additional burdens due to racial discrimination.

Approximately four and one half million children are served under the Education For All Handicapped Children's Act (U.S. Dept. of Education, 1985). Minority students overall, and especially blacks, are more likely than white students to be in special education and are greatly over-representated in some special education programs. In 1980, enrollment in classes for the educable mentally retarded [EMR], trainable mentally retarded [TMR], specific learning disabled [SLD], seriously emotionally disturbed [SED], and speech impaired [SI] accounted for 93 percent of the total enrollment in special education. The incidence of enrollment in these classes differed significantly between minorities and non-minorities (Table 1).

Table 1.—Number of Students Per 1000 Enrolled in EMR, TMR, SLD, SED, and SI in 1980[2]

All minorities	83.2
Blacks only	97.4
Hispanics only	65.0
Whites	72.4

[2] Dept. of Education, Office of Civil Rights, Elementary and Secondary School Civil Rights Survey (1980-1981).

Discrimination on the basis of race and on the basis of disability merge in the context of the over-classification of minorities as mentally retarded. In 1980, blacks were three times as likely as whites to be enrolled in classes for the educable mentally retarded and one and a half times as likely to be enrolled in trainable mentally retarded programs.[2] While blacks comprise only 16 percent of the school population, they represent 39 percent of the enrollment in EMR classes.[3] This classification results in stigma, and segregated, dead-ended placements which largely determine future adult roles.[4] See, *Larry P.* v. *Riles*, 495 F. Supp. 926, 935 (1979).

Specific findings on misclassification follow.[5]

1. The average percentage of minority students in EMR classes exceeds the average percentage of whites in every state except four.

2. The South exhibits consistently high and disproportionate minority enrollments in EMR. While not nearly as high as the

[1] Statistical Abstract of the United States (102nd ed., 1981) at 25, Table Nos. 26, 28; reprinted in Bureau of the Census, U.S. Dept. of Commerce. See also *Executive Summary for the California Disability Survey—Prepared for the California Dept. of Rehabilitation* (J. Shanks & H. Freeman, Dirs., 1980), Table ES-7. Moreover, a study by Glideman and Roth for the Carnegie Council on Children concluded that physical disabilities, sensory handicaps, and chronic health impairments may be twice as common among poor children as among other children. *Unexpected Minority*, p. 5.

[2] *Id.*

[3] National Academy of Sciences Analysis of Fall 1978 data from the Office of Civil Rights Elementary and Secondary Civil Rights Survey.

[4] Minority students, other than those classified EMR, are also over-represented in segregated facilities. In 1978-79, state schools for the visually handicapped has a 23 percent black enrollment and state schools for the seriously emotionally disturbed had a 25 percent black enrollment, though blacks made up only 16 percent of the regular public school population. *Id.*

[5] *Id.*

South, relatively high minority disproportions are found in the Border states. The Northeastern and Midwestern states have much lower minority placement rates than other states. More specifically, in 1978, minorities were three or more times as likely to be placed im EMR classes in:

9 of 11 Southern states
2 of 7 Border states (Delaware, Kentucky, Maryland, Missouri, New Mexico, Oklahoma, and West Virginia)
2 of 13 Western states
1 of 9 Northeastern states

Minorities were more than twice, but less than three times as likely to be placed in EMR classes in:

2 of 11 Southern states
2 of 7 Border states
3 of 9 Northeastern states
5 of 13 Western states
6 of 11 Midwestern states

3. In general, smaller degrees of disproportion occur in districts, states, and regions where smaller proportions of students are enrolled in EMR classes.

4. Districts with larger EMR disproportions are those in which the racial composition of the schools is more nearly balanced; districts where schools have imbalances tend to have more similar EMR rates for whites and minorities.

5. Among middle-sized school districts, those with student enrollments ranging from 1,000 to 30,000 students, there is a strong positive correlation between the placement of minorities in EMR classes and the suspension of minority students from school.

Moreover, classification as mentally retarded is more often used as a disciplinary tool for blacks than whites. A recent study by Designs for Change (1982) found that while the incidence of EMR placement for whites was virtually the same in elementary (1.77 percent) as secondary (1.78 percent) school, the EMR incidence among blacks jumped from 3.42 percent to 4.83 percent between elementary and high school. Experts have attributed this difference to the use of the EMR classification to isolate hard-to-handle youth.

The issue of misclassification was a major focus of Congress in enacting the EHA. Specific provisions were enacted to guard against discriminatory testing and segregation. See, 20 USC 1412 (5)(c) and 34 CFR 300.532. A parent who disputes the validity of the tests, or the results, or the placement decision, has a right to challenge the school district's determination through the administrative hearing procedures established under the Act.[6]

However, few parents will utilize the process without the assistance of a trained advocate. The fair hearing is similar to a trial. An impartial hearing officer presides, and both parties have the right to examine and cross-examine witnesses and present documentary evidence, which is often technical or medical. School districts are represented either by counsel or by trained specialists, who possess education, psychology, or other degrees and have been trained by attorneys. Few parents feel comfortable representing themselves in this situation. Class, race, and educational differences exacerbate the inherent inequality.

The whole purpose of attorney's fees provisions is to help equalize the balance of power and to enable those protected by civil rights statutes to pursue the procedures established by Congress. As it was stated in a Senate Report on the issue of civil rights attorney's fees:

In many cases arising under our civil rights law, the citizen who must sue to enforce the law has little or no money with which to hire a lawyer. If private citizens are to be able to assert their civil rights, and if those who violate the Nation's fundamental laws are not to proceed with impunity, then citizens must have the opportunity to recover what it costs them to vindicate these rights in court.

In enacting the 1976 Civil Rights Attorney's Fees Act, Congress recognized that, "if our civil rights laws are not to become mere hollow pronouncements which the average citizen cannot enforce, we must maintain the traditionally effective remedy of fee shifting." S. Rep. No. 1011, 94th Cong., 2d Sess. 6 (1976).

The Supreme Court has acknowledged the importance of attorney's fees in a case which extended the recovery of fees to the administrative hearing in a statute with a similar structure to the EHA. The Court stated that the primary purpose of an attorney's fee provision is "to make it easier for a plaintiff of limited means to bring a meritorious suit." *N.Y. Gaslight Club, Inc.* v. *Carey*, 447 U.S. 52, 61 (1980).

There can be no doubt that an attorney's fee provision for the EHA which reimburses prevailing parents for fees incurred in the administrative as well as judicial proceedings will be a critical tool for minority parents seeking to secure Congress' guarantee of an appropriate education for their children. Without such a provision, minorities will continue to be powerless to challenge school-district decisions that are adverse to their children. A right without a remedy is no right at all.

In closing, Mr. Speaker, I wish to thank the chairman of the subcommittee, Mr. WILLIAMS, for his cooperation and our Republican colleagues, JIM JEFFORDS and STEVE BARTLETT. I also want to note for the RECORD the efforts of countless disability organizations which have played a pivotal role to date. They include United Cerebral Palsy, National Society for Children and Adults with Autism, the National Education Association, the Association for Retarded Citizens and the Disability Rights and Education Fund. They are certainly not the only organizations that have been interested and supportive of our efforts—but they are several of the many members of the Coalition for Citizens with Developmental Disabilities that have helped to bring us to this point today.

Mr. Speaker, I urge adoption of this legislation so that we may look back in another 10 years, as we celebrate the 20th anniversary of Public Law 94-142, and know that we did the right thing in adopting this legislation.

Mr. BARTLETT. Mr. Speaker, I yield 4 minutes to the gentleman from Vermont [Mr. JEFFORDS], the ranking member of the Education and Labor Committee.

Mr. JEFFORDS. Mr. Speaker, the bill before us today, H.R. 1523, the Handicapped Children's Protection Act, is necessary because of a Supreme Court decision in the case of Smith versus Robinson. There is no doubt that there is agreement among all of us that the decision rendered by the court in July 1984 must be overturned.

In this decision the court ruled that Public Law 94-142, the original authorizing legislation enabling a free and appropriate education for all handicapped children, was silent on the issue of payment of attorneys' fees. The question we face with the bill before us today is how to balance the original intent of the law and a parent's ability to seek the enforcement of their child's right to an education. All of us who have worked on this issue have labored long and hard to bring a reasonable bill to this body for consideration. I must congratulate the chairman of the subcommittee, Mr. WILLIAMS, and the ranking Republican, Mr. BARTLETT, for their efforts on this bill. The results of their labors is a bill that continues to support a handicapped child's rights, and the enforcement of those rights, to an appropriate education.

As a member of the Education and Labor Committee for the past 12 years, I worked on the original legislation which became Public Law 94-142. There was substantial debate and discussion at that time regarding the procedures established to insure adequate due process. During those discussions it was made clear that the intent was to guarantee that the proceedings would remain as informal as possible prior to a court appeal. Inherent in this construct is the belief that the process would not develop into a prolonged, adversarial confrontation between the parents and the schools. The overriding determining factor was that the parents and the schools could be brought together in an informal way to work out a sound agreement regarding the appropriate education program for the child.

In addition, substantial work was done to assure that each party would have open access to the documentation used in such informal proceedings. We attempted to reduce the costs associated with such procedures for the parents by making transcripts of the proceedings available to them at their request. Much of the work that I did 10 years ago with respect to the original legislation, in committee and in conference, was directed toward assuring that parents would not have to incur extensive expense, that the proceedings would remain as informal as possible, and that the procedural safeguards were clarified and strengthened so that the legal rights of the child and the parent would be protected. We wanted to provide a complete remedy to the parents and assure that a court review was available should it be necessary. Remarks made on the floor during the discussion of the conference report substantiated our ef-

[6] Studies suggest that use of proper assessment techniques will not result in more than 1.25 percent of any ethnic group being placed in EMR classes. (Designs for Change, 1982.)

forts toward the development of an impartial due process hearing with respect to the programs under the act.

I believe that the statistics bear out the original intent of the law and support my conviction that the law has worked well. In the development of most individualized education programs for handicapped children, disagreements are resolved informally. In the 1983-84 school year, 1,462 hearings were held, with only 56 going to court. This means that only 1 out of every 3,000 of the almost 4 million handicapped students served under the law was involved in a first-level hearing, and only 1 out of every 64,800 was the subject of litigation.

The issue is not whether attorneys' fees for court cases in which the parents prevail should be recompensed, but whether such fees should be paid for work done at the administrative hearing level. By providing for attorneys' fees at the administrative level, I am concerned that we will be reversing our original intent and interfering with a procedure that is working. Instead of informality and cooperation, the process will become formal and adversarial. The process will be working against those very people it was established to protect.

Currently there is no prohibition against the use of an attorney by either party at the administrative proceedings level. Neither the school district nor the parent is prohibited from using an attorney if so desired. Similarly, because one party has an attorney does not automatically trigger the requirement that the other party retain an attorney. We know though, that many school systems are understandably reluctant to hire attorneys. In a recent survey, 56 percent of the school districts questioned either never use an attorney, or only use one when the parent does. Our action in this bill may draw in the use of an attorney at an earlier stage in the proceedings than has been the norm to date. In this way, we may be disrupting a system of proven effectiveness. We may be providing a disincentive to resolve disagreements informally, as soon in the process as possible. We may instead be providing incentive to take the dispute to court.

The seriousness of this issue deserves discussion by this body. Our debate on the issue though, has been precluded somewhat by the action taken by the other body. Instead, concerns regarding the wisdom of providing for attorneys' fees at the administrative proceedings level have been partially addressed in H.R. 1523 by the inclusion of a sunset provision. I appreciate the willingness of the majority to work with the minority on this point. By including a 4-year sunset provisions directed toward the payment of attorney's fees at the hearing level, and requiring a GAO study to assess the affects of the provision, we can review the outcome and make the appropriate changes if they are necessary. I hope that my fears are proven wrong. It would be nice to be able to come to this body 4 years from now and heartily endorse the payment of attorneys' fees at the administrative level. I am not sure that such an action will be supported by our findings.

None of us disputes the intent of this bill. We all want to see the decision in Smith versus Robinson overturned, and allow the courts to authorize the payment of attorneys' fees to parents who prevail in Public Law 94-142 litigation. We may have tipped the scales too far in favor of such payments, but I believe that the balance we seek comes through the sunset provision added by the committee amendments today.

All children have the right to a free and appropriate education. Parents have the right to protect the rights of their children in this regard. We must act to retain these rights. These efforts should be supported and I encourage my colleagues to do so.

□ 1440

The SPEAKER pro tempore. The gentleman from Montana [Mr. WILLIAMS] has 6 minutes remaining.

Mr. WILLIAMS. Mr. Speaker, I yield 3 minutes to our colleague, the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I rise in strong support of H.R. 1523, the Handicapped Children's Protection Act, a bipartisan bill which reaffirms the rights of handicapped children to a free and appropriate public education.

Tonight we will celebrate the 10th anniversary of Public Law 94-142, the Education for All Handicapped Children's Act of 1975. As a coauthor of Public Law 94-142, I am extremely proud of the accomplishments of our law in the last decade. This landmark legislation has opened the schoolhouse doors to some 4 million handicapped children. The evidence is clear that the law has been effective.

Some problems have emerged with this law, and correcting some of those shortcomings is the goal of H.R. 1523. Some disabled children and their parents, and others who have been misclassified as handicapped, have been denied an appropriate education or the right to redress their grievances as the law guarantees.

Today's action is viewed as a response to the invitation of some of the Justices in Smith versus Robinson who asked Congress to "revisit this matter," because they argued that "until it does, the handicapped children of this country whose difficulties are compounded by discrimination and other deprivations of constitutional rights will have to pay the costs."

Parents' involvement in the education of their handicapped child is not only essential to the task, it is a right specifically included in the law.

This is a right, not just for the wealthy and well informed, but for all handicapped children.

The law requires parental involvement at all stages of the process, from requesting an evaluation to yearly review of the individualized education plan [IEP]. In those instances where parents feel compelled to pursue a formal hearing or court action to attain free appropriate education for their child, providing reimbursement for needed legal assistance is critical to assure fair and equal access to this right.

As an original coauthor of this landmark law, and as one who specifically wrote the provisions assuring parents the very rights we are discussing today, it was my clear intent that parents seeking redress should be entitled to attorney's fees.

I wrote this section of the law with three facts in mind:

First, without the ability to pay, parents' ability to exercise the due process rights which are the heart of Public Law 94-142 becomes meaningless. A right which is unaffordable is no right at all.

Second, without parental advocacy on behalf of handicapped children, these children's access to a free appropriate public education will be further jeopardized.

And third, neither I nor others who wrote the law intended that parents should be forced to expend valuable time and money exhausting unreasonable or unlawful administrative hurdles to gain for their children an education which meets their individual needs.

It is important to note that there are certain situations in which it is not appropriate to require the exhaustion of EHA administrative remedies before filing a civil law suit. These include complaints that: First, an agency has failed to provide services specified in the child's individualized education program [IEP]; second, an agency has abridged or denied a handicapped child's procedural rights (that is, failure to implement required procedures concerning least restrictive environment or convening of meetings); third, an agency has adopted a policy or pursued a practice of general applicability that is contrary to the law, or where it would otherwise be futile to use the due process procedures (that is, where the hearing officer lacks the authority to grant the relief sought); and fourth, an emergency situation exists (that is, failure to provide services during the pendency of proceedings, or a complaint concerning summer school placement which would not likely be

resolved in time for the student to take advantage of the program).

Today's bill addresses all of these concerns. I urge my colleagues to support this important legislation.

Mr. BARTLETT. Mr. Speaker, I yield the remaining 1½ minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], a good friend of mine. We came together to this Congress in the 98th class, and we have worked together ever since.

Mrs. JOHNSON. With only 1½ minutes remaining, let me say very, very briefly that this is a good bill that addresses a very important concern, but it does need to be drawn more precisely and narrowly.

I thank the gentlemen for their colloquy. That moves to some extent in the right direction.

I urge the committee in conference to adopt the language that the subcommittee, on a bipartisan basis, adopted and brought to the full committee originally. It is imperative that every Member of this body find out what is happening in terms of insurance policies. The availability of those policies is dropping, the costs are skyrocketing. We must be careful not to divert even more money into litigation and away from the very education that these children desperately need and that we here in Congress are saying is critical to the future of America.

We need to provide all children with the right to litigation fees in court. But we must move carefully in supporting attorney's fees to be awarded at the administrative level without limitation, without going to court, because we are dealing with a subject that is very sensitive and difficult.

I do believe we must do children justice. I know that we risk doing to school districts what is happening to cities, to day-care centers, to nursemidwives, and that is the cost and availability of insurance are way up and our school districts are, in the future, not only not going to make playgrounds available but they are going to withdraw many other benefits.

Mr. WILLIAMS. Mr. Speaker, I yield myself whatever time I may consume.

Mr. Speaker, the gentlewoman raises a matter which has been one of great contention. I will tell my colleagues that it has been considered, that the bill has been accepted overwhelmingly, and the administrative fee language in this bill is identical to that which has been accepted in the Senate. This bill provides to handicapped children and their parents the same rights, no more, no less, that are provided to all other groups under the other Civil Rights Acts of the United States. Handicapped children and their parents deserve no less than those protections which are provided to all of our other citizens.

This bill accomplishes that and no more.

Mr. BARTLETT. Mr. Speaker, I yield back the balance of my time.

Mr. WILLIAMS. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Montana [Mr. WILLIAMS] that the House suspend the rules and pass the bill, H.R. 1523, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be discharged from further consideration of the Senate bill (S. 415) to amend the Education of the Handicapped Act to authorize the award of reasonable attorney's fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the Senate bill as follows:

S. 415

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Handicapped Children's Protection Act of 1985".

SEC. 2. Section 615(e)(4) of the Education of the Handicapped Act is amended by inserting "(A)" after the paragraph designation and by adding at the end thereof the following new subparagraphs:

"(B) In any action or proceeding brought under this subsection, the court, in its discretion, may award a reasonable attorney's fee in addition to the costs to a parent or legal representative of a handicapped child or youth who is the prevailing party.

"(C) Whenever the parent or legal representative of a handicapped child or youth—

"(i) is awarded fees under subparagraph (B), and

"(ii) is represented by a publicly funded organization which provides legal services,

the reasonable attorney's fee which is awarded pursuant to this subsection shall be computed based upon the actual cost related to the bringing of the civil action under this subsection to the publicly funded organization, including the proportion of the compensation of the attorney so related, other reasonable expenses which can be documented, and the proportion of the annual overhead costs of the publicly funded organization attributable to the number of hours reasonably spent on such civil action.

"(D) For the purpose of this paragraph, the term 'publicly funded organization' means any organization which receives funds, other than attorney fee awards, from Federal, State, or local governmental sources which are available for use during any fiscal year in which the action or proceeding is pending to enable the organization to provide legal counsel or representation.".

SEC. 3. Section 615 of the Education of the Handicapped Act is amended by adding at the end thereof the following new subsection:

"(f) Nothing in this title shall be construed to restrict or limit the rights, procedures, and remedies available under the Constitution, title V of the Rehabilitation Act of 1973, or other Federal statutes protecting the rights of handicapped children and youth, except that before the filing of a civil action under such laws seeking relief that is also available under this part, the procedures under subsection (b)(2) and (c) shall be exhausted to the same extent as would be required had the action been brought under this part.".

SEC. 4. The amendment made by section 2 shall apply with respect to actions or proceedings brought under section 615(e) of the Education of the Handicapped Act after July 3, 1984, and actions or proceedings brought prior to July 4, 1984, under such section which were pending on July 4, 1984.

MOTION OFFERED BY MR. WILLIAMS

Mr. WILLIAMS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WILLIAMS moves to strike out all after the enacting clause of the Senate bill, S. 415, and insert in lieu thereof the text of H.R. 1523, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1523) was laid on the table.

APPOINTMENT OF CONFEREES ON S. 415

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill, S. 415, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana? The Chair hears none and, without objection, appoints the following conferees: Messrs. HAWKINS, BIAGGI, WILLIAMS, HAYES, MARTINEZ, ECKART of Ohio, JEFFORDS, GOODLING, COLEMAN of Missouri, and BARTLETT.

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE REPORT ON H.R. 2817, SUPERFUND AMENDMENTS OF 1985

Mr. WISE. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight, November 12, 1985, to file a report on H.R. 2817, the Superfund Amendments of 1985.

Mr. Speaker, this has been cleared with the minority.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ELIMINATION OF DECENNIAL CENSUSES OF DRAINAGE

Mr. ACKERMAN. Mr. Speaker, I move to suspend the rules and pass the bill, H.R. 2722, to amend title 13, United States Code, to eliminate the requirement relating to decennial censuses of drainage.

The Clerk read as follows:

H.R. 2722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 142 of title 13, United States Code, is amended—

(1) in subsection (b), by striking out "and drainage." and inserting in lieu thereof a period; and

(2) by amending the section heading to read as follows:

"§ 142. Agriculture and irrigation".

(b) The analysis for chapter 5 of title 13, United States Code, is amended—

(1) in the item relating to subchapter II, by striking out "DRAINAGE,"; and

(2) by striking out the item relating to section 142 and inserting in lieu thereof the following:

"142. Agriculture and irrigation.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York [Mr. ACKERMAN] will be recognized for 20 minutes and the gentleman from Utah [Mr. HANSEN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2722 is a noncontroversial bill. H.R. 2722 was introduced by the chairman of the Subcommittee on Census and Population, Mr. GARCIA, at the request of the Secretary of Commerce.

The drainage requirement was added to the 1920 Decennial Census Act as a statistical aid in developing agricultural land. At present, the little drainage activity that does exist is reported by other surveys—therefore, keeping decennial censuses on drainage would create duplicate data.

The Subcommittee on Census and Population conducted a hearing on H.R. 2722 on June 26, 1985, and received testimony from representatives of the Soil Conservation Service, U.S. Department of Agriculture and the Bureau of Census.

On the same day, the subcommittee, by voice vote, approved H.R. 2722, without amendment: and on July 24, the Committee on Post Office and Civil Service favorably reported the bill.

The Congressional Budget Office estimates that enactment of H.R. 2722 would result in savings of $280,000 between 1986 and 1989.

I urge my colleagues to support the legislation.

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. HANSEN. Mr. Speaker, I rise in support of H.R. 2722 which was proposed by the administration and would eliminate requirements in section 142 of title 13, which stipulates that a census of drainage is to be taken every 10 years.

Since 1930, new capital investments in drainage projects have almost been matched by depreciation and abandonment of drainage facilities, thus indicating very little new drainage activity. Data collected in the 1977 census of drainage indicated that a majority of drainage districts apparently are inactive. The U.S. Census Bureau through its research found that the data collected was not being used.

Mr. Speaker, I feel it is important that this requirement be deleted. The reasons for eliminating the collection of this data are clear since it has little use, is difficult to collect, and if needed can be better collected by the field staff of the Soil Conservation Service.

Mr. Speaker it is also important to note that repeal of this requirement would enable the Census Bureau to carry out their responsibilities in a more cost-effective manner. Based on the cost of the previous census, with adjustments for inflation, the expected savings to the Census Bureau, if H.R. 2722 were enacted, is estimated to be $35,000 in 1986, $85,000 in 1987, $120,000 in 1988, and $40,000 in 1989.

I urge my colleagues to support this legislation.

□ 1455

Mr. Speaker, I yield back the balance of my time.

Mr. ACKERMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from New York [Mr. ACKERMAN] that the House suspend the rules and pass the bill, H.R. 2722.

The question was taken; and (two-thirds have voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 2722, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on the motion on House Resolution 314, on which further proceedings were postponed earlier today and on which the vote will be taken by the yeas and nays.

EXPRESSING SENSE OF THE HOUSE REGARDING THE DEFECTION OF MIROSLAV MEDVID

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 314, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. LANTOS] that the House suspend the rules and agree to the resolution, H. Res. 314, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 405, nays 3, not voting 26, as follows:

[Roll No. 399]

YEAS—405

Ackerman	Bates	Brooks
Akaka	Bedell	Broomfield
Alexander	Bellenson	Brown (CO)
Anderson	Bennett	Broyhill
Andrews	Bentley	Bruce
Annunzio	Bereuter	Bryant
Anthony	Berman	Burton (CA)
Applegate	Bevill	Burton (IN)
Archer	Biaggi	Bustamante
Armey	Bilirakis	Byron
Aspin	Bliley	Callahan
Atkins	Boehlert	Campbell
AuCoin	Boggs	Carney
Badham	Boner (TN)	Carper
Barnard	Bonior (MI)	Carr
Barnes	Borski	Chapman
Bartlett	Boucher	Chappell
Barton	Boulter	Cheney
Bateman	Boxer	Clay

Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McMillan
Meyers
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zschau

NAYS—3

Crockett
Myers
Young (FL)

NOT VOTING—26

Addabbo
Boland
Bonker
Bosco
Breaux
Brown (CA)
Chandler
Chappie
Daschle
Edgar
Fowler
Gibbons
Gingrich
Gray (IL)
Hartnett
Huckaby
Hunter
Kindness
McCandless
McKinney
Mica
O'Brien
Pashayan
Roth
Sweeney
Torricelli

□ 1510

Mr. CROCKETT changed his vote from "yea" to "nay."

Mr. REID changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

The title of the resolution was amended so as to read: "Resolution expressing the sense of the House of Representatives that the President should pursue an active and impartial investigation to determine whether Miroslav Medvid was accorded all the rights due him as a potential defector."

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC.,
November 8, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House at 4:35 p.m. on Friday, November 8, 1985 as follows:

(1) Said to contain a message from the President wherein he transmits the 1983 and 1984 annual reports under the Federal Mine Safety and Health Act of 1977 as prepared by the Secretary of Labor; and

(2) Said to contain a message from the President whereby he transmits the 1984 annual reports on activities under the Occupational Safety and Health Act of 1970 of the Departments of Labor and Health and Human Services and of the Occupational Safety Review Commission; and

(3) Said to contain H.R. 2409, an Act to amend the Public Health Service Act to revise and extend the authorities under that Act relating to the National Institutes of Health and National Research Institutes, and for other purposes, and a veto message thereon.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNUAL REPORTS FOR FISCAL YEARS 1983 and 1984 ON MINE SAFETY AND HEALTH ACTIVITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor:

(For message, see proceedings of the Senate of today, Tuesday, November 12, 1985.)

□ 1520

ANNUAL REPORTS OF DEPARTMENT OF LABOR, DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND OF OCCUPATIONAL SAFETY AND REVIEW COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor:

(For message, see proceedings of the Senate of today, Tuesday, November 12, 1985.)

HEALTH RESEARCH EXTENSION ACT OF 1985—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 2409, the "Health Research Extension Act of 1985," which would extend and amend the biomedical research authorities of the National Institutes of Health (NIH).

My action on this bill should in no way be interpreted as a lessening of this Administration's strong commit-

ment to the biomedical research endeavors of NIH. In fact, I want to underscore my personal support and the support of my Administration for biomedical research and for the NIH. For over 40 years, the NIH has enjoyed unparalleled success. Enormous progress in research and the improved health of the American people attest to that success. An appropriations bill or a continuing resolution will provide uninterrupted funding for NIH activities in fiscal year 1986.

I believe that instead of fostering a strong Federal biomedical research effort, H.R. 2409 would adversely affect the pursuit of research excellence at NIH by:

—imposing numerous administrative and program requirements that would interfere with the ability to carry forward our biomedical research activities in the most cost-effective manner and would misallocate scarce financial and personnel resources;

—establishing unneeded new organizations, which would lead to unnecessary coordination problems and administrative expenses while doing little to assist the biomedical research endeavors of NIH; and

—imposing a uniform set of authorities on all the research institutes, thus diminishing our administrative flexibility to respond to changing biomedical research needs.

Although H.R. 2409 is overloaded with objectionable provisions that seriously undermine and threaten the ability of NIH to manage itself and is therefore unacceptable, I recognize there are areas in which the administration can step forward to strengthen specific research efforts.

As Senator HATCH pointed out when introducing the NIH reauthorization bill in the Senate in June of this year, arthritis afflicts some 49 million of this Nation's citizens and "all of us suffer, at some time in our life, from some form of arthritis." Further, arthritis, along with musculoskeletal and skin diseases, "collectively result in an extraordinary loss to our economy from lost productivity as well as from medical expense."

In recognition of the plight of the millions of arthritis victims and society's costs, I have directed the Secretary of Health and Human Services to establish administratively a separate National Institute of Arthritis and Musculoskeletal and Skin Diseases that will meet the continuing need for coordinated research in this important area. This directive is consistent with the Department's recommendation to me that this Institute be established.

At the same time, I do not believe that the establishment of a nursing research center at NIH is appropriate, for a very basic reason—there is a lack of compatibility between the mission of such a center and the mission of NIH. The biomedical research activities of NIH are concerned with discovering the etiology of and treatment for diseases. In contrast, nursing research uses substantive scientific information and methodology and focuses on their relevance to nursing practice and administration. This research is important, but neither it nor disease-oriented research are served by the provisions of the bill.

H.R. 2409 manifests an effort to exert undue political control over decisions regarding scientific research, thus limiting the ability of the NIH to set this Nation's biomedical research agenda. I do not believe that it is either necessary or wise to restrict the flexibility under which the NIH has operated so successfully. In 1984, I rejected a very similar bill, and once again I find no reasonable justification for the extensive changes to the NIH mandated by H.R. 2409. In order to allow NIH to continue to provide excellence in biomedical research and in its management, I am disapproving this bill.

RONALD REAGAN.

THE WHITE HOUSE, *November 8, 1985.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The gentleman from California [Mr. WAXMAN] is recognized for 1 hour.

Mr. WAXMAN. Mr. Speaker, first of all, I yield 30 minutes of my time to be managed by the ranking Republican member of our subcommittee, the gentleman from Illinois [Mr. MADIGAN], pending which I yield myself such time as I may consume.

Mr. Speaker; this afternoon we will have the opportunity to reassert congressional and public support for a strong and viable biomedical research effort by overriding the President's veto of H.R. 2409.

The purpose of the Health Research Extension Act was to preserve America's preeminence in medical research. It represented a bipartisan compromise resulting from 3 years of consideration between the House and Senate. It was the product of countless hearings and markup sessions.

The National Institutes of Health is a national treasure. It has done more to expand human knowledge about the cause, treatment, and prevention of disease than any other research institution in the world. It has accomplished these successes because of the responsible guidance and oversight of the Congress.

On October 23, this House approved the conference report on H.R. 2409 by an overwhelming vote of 395 to 10. The Senate passed the legislation unanimously. Last Friday, November 8, the President vetoed this legislation.

I regret the President's action.

Today we will have the opportunity to let the administration know that this Congress intends to stand behind this legislation and support one of this Nation's proudest achievements, its world leadership in biomedical research.

H.R. 2409 represents a responsible balance between scientific freedom and the Congress' responsibility to oversee the $5 billion annual budget of the National Institutes of Health. This legislation is needed to keep biomedical research on a firm and balanced foundation. It represents a necessary and forceful statement of support for the biomedical research programs of the NIH.

Mr. Speaker, let me briefly summarize some of the major provisions of the legislation. H.R. 2409 would:

Reauthorize the National Cancer Act and continue the war on cancer for 3 years.

Establish a new National Institute of Arthritis and Musculoskeletal and Skin Diseases.

Emphasize patient care research through a new National Center for Nursing Research.

Consolidate unnecessary reporting requirements.

Establish high priorities for research on Alzheimer's disease, spinal cord injury, AIDS and other public health emergencies.

Emphasize health promotion and disease prevention.

Reauthorize the National Heart, Lung and Blood Institute for three years.

Place a ceiling on administrative costs at the NIH.

Establish procedures for dealing with scientific fraud.

Establish guidelines for the proper care and treatment of animals used in biomedical research.

Mr. Speaker, support for biomedical research is an investment in the future. I urge Members to join in maintaining the quality and productivity of biomedical research by supporting the Health Research Extension Act of 1985.

□ 1530

Let me point out a couple of considerations in overriding this veto.

The dispute with those who have been successful in urging the President to veto the bill was not one over money. The dispute was over whether the Congress ought to have a say in some of these issues that are dealt with at NIH.

We feel that if the taxpayers' dollars, $5 billion a year, are being used for biomedical research, we ought to spell out some of our priorities. We ought to tell NIH what we think they ought to be looking at. It is not for us to make the individual decisions that

ought to be left to scientific peer review. But if we say that arthritis is a major crippler in this country and there ought to be a separate institute on arthritis, that is within our prerogative to do. We feel that that is establishing a priority which we as elected representatives of the people ought to be able to establish.

We set out protection for the cancer centers. We set out spinal cord regeneration as something we want a higher priority for them to deal with. We say, do the research, but do not forget about prevention, disease prevention and health promotion, and we ask NIH to give more consideration along these lines.

And we adopt many of the regulations that are already in place at NIH in terms of their overview of the fraud that may be committed by people who would receive Government funds for research purposes.

The bill went through many, many hearings, markups, disputes, and we reached an overwhelming consensus in the Congress of the United States as to how we ought to establish these issues for a sense of priority as it affects those people here in the Congress who are voting to spend this money.

If this bill is not passed, notwithstanding the veto of the President of the United States, we will still have an NIH, but it will be an NIH that will be funded without the full impact of the congressional oversight with recommendations as to how this money ought to be spent and some of those considerations we want to be reviewed by the people running NIH.

Let the scientists run the scientific activities, but let us have some say over how the people's money is being used to fund these research activities.

Mr. Speaker, I urge that we reaffirm our support which was expressed in vote of 395 to 10 for a strong NIH.

Mr. Speaker, I reserve the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. MADIGAN asked and was given permission to revise and extend his remarks.)

Mr. MADIGAN. Mr. Speaker, I am going to vote to override the veto of the President on the National Institutes of Health authorization.

My understanding was that the conference report was a compromise between the House, the other body, and representatives of the administration. That vehicle, which I understood to be a compromise, as has been pointed out, passed the House of Representatives by a vote of 395 to 10, and passed in the other body unanimously. I also understand that 78 Members of the other body have signed a letter urging the President to sign this bill.

In reading the veto message of the President relating to this bill, I note that he refers to it as being the same as a bill which he previously vetoed.

I would like to say at the outset that this bill is nowhere near the same as the bill that was previously vetoed. In this bill, the authorizations were changed to 3 years, which was a request of the administration.

The Nursing Institute contained in the previous bill was changed to a Nursing Center in this bill, which I understood to be a compromise between the other body and representatives of the administration.

The manpower provisions that were in the previous bill were changed in this bill to accommodate the administration's position.

The provision in the previous bill that called for the establishment of 55 cancer research centers was eliminated in this bill.

This bill removed a commission and two studies called for in the previous bill that were objected to by the administration.

In the veto message, no objection is raised by the administration the the authorization levels contained in this bill. These levels are consistent with the budget resolution and they are consistent with the levels contained in the appropriation bills in both bodies. No language in this bill would exempt this bill from any provisions of Gramm-Rudman.

With regard to the micromanagement issues referred to in the veto message, I understand that these are objections raised by the general counsel of the Office of Management and Budget.

As I previously said, the nursing provision I understood to be a compromise.

The statutory conditions on animal research contained in this bill, which can be termed "micromanagement," are actually based on the guidelines issued by the National Institutes of Health.

In the news story referring to the veto of this measure, mention is made of the restrictions placed on fetal research, which ovbiously would be a micromanagement issue. It is not possible for us in this body to pass an NIH bill without these restrictions on fetal research unless the House would be willing to consider the bill under a closed rule.

We have a letter from the National Right to Life organization urging the President to sign the bill because of the restrictions placed on fetal research in the bill.

This bill also allows the Secretary of HHS to expedite peer review processes at NIH in the event of a public health emergency.

I understand why the scientific community would object to expediting the peer review process, but this is not required. It is only allowed in the event of a public health emergency.

This is not a confrontation that I want or that I wanted. The conference between the House and the other body went on for nearly 3 months trying to work out language on all these items, and, as I said, I thought we had that job done.

The fetal research provisions in this bill are a victory for the gentleman from California [Mr. DANNEMEYER] of this body and the chairman of the Labor and Human Resources Committee in the other body.

Under our rules, the House must act first on this because it was the House bill that was the vehicle used in the conference.

The counterpart of the gentleman from Michigan [Mr. DINGELL], the chairman of the committee in the other body responsible for this legislation, has encouraged me to support overriding this veto.

As I said, it is not a confrontation that I want or that I wanted, but I feel that I must keep my word to the conferees from this and the other body on what I was led to believe was an agreement. I am therefore going to vote to override the veto.

Mr. Speaker, I reserve the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, on October 23, 395 Members of this body voted to approve the conference report on H.R. 2409, the Health Research Extension Act. This measure amends the Public Health Service Act to extend the authorities under that act relating to the National Institutes of Health and the National Research Institutes.

This conference report provides vital funding for research on health problems confronting all Americans. The funding in this report for biomedical research is essential to the well-being of all Americans, and of our future generations.

One section of this report is particularly of interest to me. The report establishes a lupus erythematosus coordinating committee to plan, develop, coordinate, and implement comprehensive Federal initiatives in research on lupus erythematosus. This committee will meet at least four times a year and will submit a report on their activity no later than 18 months after the date of the enactment of this conference report. I believe that this coordinating committee will provide tremendous leadership in the fight against lupus.

Similarly, I believe that this conference report will provide tremendous leadership in the fight against all diseases. I urge my colleagues to join me in overriding the veto on this confer-

ence report which provides vital funding for the fight against health problems confronting all Americans.

Mr. WAXMAN. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Speaker, first of all, I want to commend Chairman WAXMAN of California for a tremendous job in trying to put together what I think is excellent legislation.

It seems to me that the administration in vetoing this legislation is running up the white flag in our Nation's war against Alzheimer's disease, and cancer research, and arthritis. I think there is a reason why 395 Members of this body voted for this legislation, and that is because the considerable investment our country has made in health research has paid off very, very handsomely. We can tell that just by asking those with artificial joints and the many people in this country who have benefited from the early detection of disease: Health research has paid off for them.

The other thing that concerns me, Mr. Speaker, is that this legislation will help us tremendously in our efforts to combat Alzheimer's disease in this country. Only recently we have come to the realization that Alzheimer's disease is a leading cause of death among seniors. This legislation authorizes important funding for Alzheimer's disease research centers and a national registry to promote further research.

For that and many other reasons, Mr. Speaker, I believe this bill is a moneysaver. I believe we are going to save money in the years ahead as a result of important research efforts that it would authorize.

Mr. Speaker, I urge my colleagues to support this veto override.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah [Mr. NIELSON], a member of the committee.

Mr. NIELSON of Utah. Mr. Speaker, I rise in reluctant support of overriding the veto.

In the committee, I opposed the bill as originally brought to the committee, but the ranking member of the committee, the gentleman from Illinois [Mr. MADIGAN] was able to cut the funding down to a reasonable level and the conference committee took out the major objection that I had to the Institute of Nursing.

It seems to me that the compromise that we had was fair and reasonable to continue biomedical research.

As far as the micromanagement is concerned, I think that is overstated.

You might be interested in knowing that of the 42 members of the Committee on Energy and Commerce, 38 members voted for this bill, 2 voted against and 2 were absent.

In the original bill that was passed by a voice vote, I am aware of three or four others who would have voted against it at that time, but as it now stands it appears to be a very good bill. It will continue to research in the vital areas of cancer, heart disease, and things of this nature.

The objection the President had 2 years ago about the Institute of Arthritis, he apparently has changed his mind on that and is doing administratively what this bill calls for legislatively.

So the only valid objection I can see that he would have, since he has agreed on the budget levels and he has agreed on the arthritis measure, would be on nursing research.

I think a fair compromise was obtained there which provides for nursing research without having a separate institute using up vital money for that purpose.

□ 1545

Therefore, I urge my colleagues, and as I say, I say this with some sadness because there are a lot of bills that I think should have been vetoed and this is not one of them. I believe that the veto could well have been placed on a number of health bills that we have passed in this committee, but this, I believe, is a good one and I urge my colleagues to vote to override the President.

Mr. WAXMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DELLUMS].

PERMISSION TO FILE CONFERENCE REPORT ON S. 1042, MILITARY CONSTRUCTION AUTHORIZATION ACT, 1986

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (S. 1042) to authorize certain construction at military installations for fiscal year 1986, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. I thank the gentleman for yielding this time to me.

Mr. Speaker, I would like to commend my colleagues here, both the gentleman from California [Mr. WAXMAN] and the gentleman from Illinois [Mr. MADIGAN], for bringing this piece of legislation to the House floor.

Mr. Speaker, on this past Friday the President vetoed H.R. 2409, the Health Research Extension Act of 1985, a bill which provides funds for cancer research institutions throughout our country.

The National Cancer Institute proposed to reduce cancer mortality by 50 percent by the year 2000. I indicated, on the floor of this House last month, that at our current rate of investment in cancer research this goal is merely a pipe dream; it simply will not happen without new comprehensive cancer research centers and more funds.

It is a cruel hoax upon the American public to set goals that all look forward to achieving, goals that will eliminate pain, suffering and thousands of unnecessary deaths, and then to withhold the means, the money necessary to attain these goals.

Mr. Speaker, we fool no one when we engage in such shenanigans and we should put an end to them. I am particularly sensitive to such ploys because the mid-South area does not have a comprehensive adult cancer research center. My cancer stricken constituents must frequently travel hundreds of miles for treatment adding more misery to this already sorrowful condition.

Mr. Speaker, let us stop this nonsense, let us vote to override the President's veto of this bill.

Mr. WAXMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALGREN.]

Mr. WALGREN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I think it would be most proper to underscore the point that was made by the chairman of the Health Subcommittee that this is essentially a battle over whether the Congress has anything to say about the National Institutes of Health and whether we can, in some way, bring back from our districts the interests and sensitivities of people in this country who are suffering from aspects of disease or from a lack of responsiveness in our medical system that are not coming through in other ways.

I think in particular of the Alzheimer's provisions in this legislation. There is no more dramatic problem for the elderly than Alzheimer's disease. We attempt to direct the attention of the National Institutes of Health in a constructive way, with 10 centers, and some goals of their research. To say that this overmanages NIH is just denying the Congress the ability to bring the sensitivity that we pick up from our constituents to bear in this area.

The same can be said of the spinal cord injury provisions. These are not provisions that require the expenditure even of a specific amount of money, but it is an effort to direct the attention of the medical community because, in a sense, these are orphan causes, or causes that have not been pursued to the degree that we believe, both because of the advice we get and because of the depth of the problems that our people bring to us, they can be pursued.

If any administration should understand the pursuit of something that is not now real, this administration

should. Certainly they are leading us down that path to the tune of billions of dollars with respect to Star Wars. They can go with us down that path on some of the little orphan medical causes that deserve at least the emphasis and the attention of some of the effort being made through the National Institutes of Health.

Mr. Speaker, I urge that this veto be overridden.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. I thank the gentleman for yielding time to me.

Mr. Speaker, first I want to congratulate the chairman and the ranking minority member for an outstanding piece of legislation. I am very disappointed today that somebody in the administration has recommended a veto to the President, who I am not sure has really looked at this bill.

Mr. Speaker, I rise today in support of this effort to override the President's veto of the National Institutes of Health Authorization.

The veto was exercised for two reasons: Because of the inclusion of the Center for Nursing Research and because of perceived congressional intrusion into the operation of the institutes. Neither concern offers a valid reason to block approval of this important NIH authorization.

I think it bears pointing out that this final bill represents a significant compromise—a compromise reached in conference by both sides and in both Houses.

I believe the decision to veto this bill was an unfortunate decision, considering the reasons offered for this action.

First of all, it must be pointed out that the Center for Nursing is a substantial compromise. Last year, we were told that authorization of an Institute for Nursing Research was "unneeded and premature," just as the proposed Institute for Arthritis was also unneeded.

The administration this year has decided to establish the Arthritis Institute by administrative order, yet is unwilling to accept a Nursing Center.

This body recognized the importance of nursing and went to conference with language calling for a Nursing Institute. The compromise of going from an Institute to a Center already is an insult to the many people who work in this field. Let's not go a step further and tell the members of this important health profession, the nurses of America, that a Nursing Research Center is unneeded.

Second, the idea that Congress is intruding into the management of the Institutes in unfounded. I believe it goes without mention that Congress has a responsibility for the management of taxpayers' resources.

But beyond that, this authorization also includes a compromise calling for a 3-year extension of the 1984 NIH bill. This is a 3-year program which is virtually free of specific congressional directions.

I urge my colleagues to join with me in voting to override.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] has 14 minutes remaining, and the gentleman from Illinois [Mr. MADIGAN] has 19 minutes remaining.

Mr. WAXMAN. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. ECKART].

Mr. ECKART of Ohio. I thank the gentleman for yielding this time to me.

Mr. Speaker, the bipartisan effort generated by the gentleman from California [Mr. WAXMAN] and the gentleman from Illinois [Mr. MADIGAN] deserves the strong support of the Members of the House.

Without reservation, this bill is fiscally responsible, ontime and under cost. Three points deserve to be noted well by all of the Members of the House.

First, we place a ceiling on the frittered-away administrative costs used in the past by NIH to truly deny appropriate scientific research.

Second, we place a strong emphasis on disease prevention, which we know is substantial and more cost effective than disease treatment.

Third, and perhaps most importantly, we consolidate unnecessary reporting requirements that have been burdensome to those who have participated in these programs in the past.

□ 1555

Mr. Speaker, this bill is deserving of our support. It is a bipartisan answer and appropriate response to health emergencies all across the United States.

The gentleman from Illinois [Mr. MADIGAN] and the gentleman from California [Mr. WAXMAN] have crafted a careful compromise that I think needs the fiscal constraints that are impinged upon the House while still dealing in a caring and compassionate way with the medical emergencies we are confronted with.

I urge an override of the veto.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, as the Members of the House well know, before being elected leader, I served on the Appropriations Committee for many, many years as the ranking member of the old Subcommittee on Health, Education and Welfare that had to do with the funding of activities at the National Institutes of Health. Over that period of years, there were times when that whole institution grew enormously, by leaps and bounds, no question about it. But I think it was due in no small measure to the additional attention that we felt that institution required.

There were times, however, when we felt they had gone astray and needed correcting, restraining, and we exercised that authority at that time.

Now, I thought I listened quite attentively to the gentleman from Illinois [Mr. MADIGAN] when he made his remarks that would position him in overriding the President's veto of this legislation. Normally one would think leaders of the President's own party ought to stand down here, and without reservation whatsoever, support the President's position, and certainly take the ball and run with it in sustaining the President's position.

But before doing that, if I might inquire of the distinguished gentleman from Illinois if I heard him correctly when he said in the earlier deliberations of this legislation there were significant corrections made in keeping with what the administration had asked the committee to do. Is that not correct?

Mr. MADIGAN. Mr. Speaker, I think in my remarks I pointed out that we changed the period of authorization to accommodate the administration. We changed the Nursing Institute to a Center For Nursing Research, which was an accommodation to them. We changed the manpower provisions to what they wanted. We eliminated a provision on cancer research centers to accommodate them. We removed a commission requirement and two studies called for that they were objecting to.

With regard to the micromanagement issues that they raised, as I pointed out, those are either animal research restrictions or fetal research restrictions, something that we could not possibly do otherwise unless we did so under a closed rule. I thought that those were all things understood very well by the administration representatives with whom I was conversing.

Mr. MICHEL. And those were members of the administration with whom the gentleman was counseling, I gather, and not individuals from the National Institutes of Health, but actually political appointees of the administration? Is that not correct?

Mr. MADIGAN. If the gentleman will yield further, my conversations were entirely with people of that character.

I understand the chairman of the appropriate committee in the other body, who was certainly very much involved in all of this compromise, was in contact with professionals at NIH. But I was not. I was talking to political appointees for the administration.

Mr. MICHEL. Then when the time came for the President to make a determination as to whether he signed or vetoed this legislation, might I inquire of the distinguished gentleman whether he was contacted as to his views on what position the administration ought to take, of course, in view of the overwhelming vote in support of it in this body?

Mr. MADIGAN. No, sir; I was not.

Mr. MICHEL. Then the gentleman from Illinois must conclude from that that notwithstanding every effort being made on the part of the distinguished members of the committee to accommodate the administration, and in full light of day to the degree that they felt those objections were being met, it seems very odd that then there should be a recommendation for a veto. I gather that that veto communication came from some individual or group of individuals advising the President on this.

How can the gentleman from Illinois enlighten this gentleman from Illinois on that subject?

Mr. MADIGAN. If the gentleman will yield further, following the adoption of the conference report by both bodies, following that by a period of some days, I communicated with by telephone, and subsequently visited in my office with a gentleman from the Office of Management and Budget who had not previously been involved in the compromise or the negotiations in any way. I had been given to understand, indirectly, that that gentleman was very influential in causing the bill to be vetoed. Although not on budgetary grounds, because there is no issue of the budget being raised. The issues being raised are these micromanagement issues which I have attempted to address.

Mr. MICHEL. Did the gentleman from Illinois advise that inquirer of what conditions prevailed here in the Congress on both sides of the Capitol and among both parties of what is doable and what is not doable by way of the Members' feelings, strong feelings?

Mr. MADIGAN. If the gentleman will yield, I did discuss that with him. With regard to the specific item that the gentleman wanted to discuss with me, which was the Center for Nursing Research, I advised the gentleman that I did not originate that. I am not the father of that child. The chairman of the appropriate committee in the other body is the father of that child, and I understood that was something the gentleman from the other body had discussed with administration representatives.

Mr. MICHEL. I thank the gentleman. I simply want to make the observation that there is a general impression that the President himself, while sending up a veto message with the explanation that we received, is not all that engrossed in this piece of legislation. Notwithstanding that, the gentleman has to take this position.

I have been a pretty good supporter of the President over the course of years as his leader here, but I find it very difficult to bring myself around to sustaining a position that I know was made by someone other than those really responsible for trying to make this whole system work around here. And while I may very well vote to sustain, I certainly do not have my heart in it, and I doubt very much whether there are going to be too many of the other Members having that same feeling.

I guess maybe just as a word of caution, of all of those measures that I have seen come down the pike here that would be candidates for a veto, this probably would be a least likely candidate. So I thank the gentleman for laying it all out on the record here today.

In my judgment, Members are going to be pretty free to vote as their conscience dictates to them. As for this Member, yes; I will support the President's veto and vote to sustain. But as I said, it is quite obvious the gentleman does not have his heart in it.

Mr. MADIGAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we tried the best we could to fashion a compromise that was brought together by both Democrats and Republicans, Members of this body and the other body, and that has passed overwhelmingly. We now have the constitutional prerogative of making this law, notwithstanding the veto of the President, and I urge my colleagues to vote with me and my colleague from Illinois to pass this legislation again.

Mr. FRENZEL. Mr. Speaker, I have been waiting a long time to sustain a veto in the hopes that such action would help enforce a little fiscal discipline on a profligate Congress.

Today we have an opportunity to sustain a veto, but, unfortunately, it is not a fiscal veto. This House, at least in part because it believed the administration had no objection, approved the bill, a NIH authorization, by a vote of 395 to 10.

Most members, including myself, have been given insufficient reason to change their votes, and will vote to override. I'm still patiently waiting for that first fiscal veto.

Mr. DINGELL. Mr. Speaker, I rise today to support, in the strongest possible way, H.R. 2409, the Health Research Extension Act of 1985.

It can justifiably be claimed that the research of the National Institutes of Health drives world biomedical research, and this bill is aimed at preserving and extending America's preeminence in this area. This bill addresses directly the major health problems which confront every American today:

It enables the continuing fight against cancer to be waged on all fronts, and to exploit the many recent breakthroughs made in this area;

It places a new emphasis on research into arthritis and diabetes;

It authorizes new funding for research into Alzheimer's disease.

This is a fiscally responsible piece of legislation:

It demands that all intramural NIH research by subject to peer review; and

It limits expenditures for NIH administration costs to 5.5 percent.

H.R. 2409 also contains provisions which address many of the moral and ethical considerations which surround biomedical research:

There are strengthened provisions for the care and treatment of research animals;

These are provisions to limit the circumstances under which research on fetuses can be conducted; and

It provides for the establishment of a Biomedical Ethics Advisory Board.

I ask my colleagues to join with me in overridding this veto and in demonstrating to the President the commitment of the Congress to the health and welfare of the people of this country.

Mr. WAXMAN. Mr. Speaker, I yield back the balance of my time, and I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 380, nays 32, not voting 22, as follows:

[Roll No. 400]

YEAS—380

Ackerman	Boxer	Courter
Akaka	Brooks	Coyne
Alexander	Broomfield	Craig
Anderson	Brown (CA)	Crockett
Andrews	Broyhill	Daniel
Annunzio	Bruce	Darden
Anthony	Bryant	Daub
Applegate	Burton (CA)	Davis
Aspin	Burton (IN)	de la Garza
Atkins	Bustamante	Dellums
AuCoin	Byron	Derrick
Barnard	Callahan	DeWine
Barnes	Campbell	Dickinson
Bateman	Carney	Dicks
Bates	Carper	Dingell
Bedell	Carr	DioGuardi
Beilenson	Chapman	Dixon
Bennett	Chappell	Donnelly
Bentley	Clay	Dorgan (ND)
Bereuter	Clinger	Dornan (CA)
Berman	Coats	Dowdy
Bevill	Cobey	Downey
Biaggi	Coble	Dreier
Bilirakis	Coelho	Duncan
Billey	Coleman (MO)	Durbin
Boehlert	Coleman (TX)	Dwyer
Boggs	Collins	Dymally
Boner (TN)	Combest	Dyson
Bonior (MI)	Conte	Early
Borski	Conyers	Eckart (OH)
Boucher	Cooper	Edwards (CA)
Boulter	Coughlin	Edwards (OK)

Emerson	Lipinski	Rudd
English	Livingston	Russo
Erdreich	Lloyd	Sabo
Evans (IL)	Loeffler	Savage
Fascell	Long	Saxton
Fazio	Lowery (CA)	Schaefer
Feighan	Lowry (WA)	Scheuer
Fiedler	Lujan	Schneider
Fields	Luken	Schroeder
Fish	Lundine	Schuette
Flippo	Lungren	Schulze
Florio	Mack	Schumer
Foglietta	MacKay	Seiberling
Foley	Madigan	Sharp
Ford (MI)	Manton	Shaw
Ford (TN)	Markey	Shelby
Frank	Marlenee	Shuster
Franklin	Martin (IL)	Sikorski
Frenzel	Martin (NY)	Siljander
Frost	Martinez	Sisisky
Fuqua	Matsui	Skeen
Gallo	Mavroules	Skelton
Garcia	Mazzoli	Slattery
Gaydos	McCain	Slaughter
Gejdenson	McCandless	Smith (FL)
Gephardt	McCloskey	Smith (IA)
Gilman	McCollum	Smith (NE)
Gingrich	McCurdy	Smith (NJ)
Glickman	McDade	Smith, Robert (NH)
Gonzalez	McGrath	Smith, Robert (OR)
Goodling	McHugh	Snowe
Gordon	McKernan	Solarz
Gradison	McMillan	Spence
Gray (PA)	Meyers	Spratt
Green	Mikulski	St Germain
Gregg	Miller (CA)	Staggers
Grotberg	Mineta	Stallings
Guarini	Mitchell	Stark
Gunderson	Moakley	Stenholm
Hall (OH)	Molinari	Stokes
Hall, Ralph	Mollohan	Strang
Hamilton	Monson	Stratton
Hammerschmidt	Montgomery	Studds
Hansen	Moody	Sundquist
Hatcher	Moore	Sweeney
Hawkins	Morrison (CT)	Swift
Hayes	Morrison (WA)	Swindall
Hefner	Mrazek	Synar
Heftel	Murphy	Tallon
Hendon	Murtha	Tauzin
Henry	Myers	Taylor
Hertel	Natcher	Thomas (CA)
Hiler	Neal	Thomas (GA)
Hillis	Nelson	Torres
Holt	Nichols	Towns
Hopkins	Nielson	Traficant
Horton	Nowak	Traxler
Howard	Oakar	Udall
Hoyer	Oberstar	Valentine
Huckaby	Obey	Vander Jagt
Hughes	Olin	Vento
Hutto	Ortiz	Visclosky
Hyde	Owens	Volkmer
Ireland	Oxley	Vucanovich
Jacobs	Packard	Walgren
Jeffords	Panetta	Walker
Jenkins	Parris	Watkins
Johnson	Pease	Waxman
Jones (NC)	Penny	Weaver
Jones (OK)	Pepper	Weber
Jones (TN)	Perkins	Weiss
Kanjorski	Pickle	Wheat
Kaptur	Porter	Whitehurst
Kasich	Price	Whitley
Kastenmeier	Pursell	Whittaker
Kemp	Quillen	Whitten
Kennelly	Rahall	Williams
Kildee	Rangel	Wilson
Kleczka	Regula	Wirth
Kolbe	Reid	Wise
Kolter	Richardson	Wolf
Kostmayer	Ridge	Wolpe
Kramer	Rinaldo	Wortley
LaFalce	Ritter	Wright
Lagomarsino	Roberts	Wyden
Lantos	Robinson	Wylie
Leach (IA)	Rodino	Yates
Leath (TX)	Roe	Yatron
Lehman (CA)	Roemer	Young (AK)
Lehman (FL)	Rogers	Young (FL)
Leland	Rose	Young (MO)
Lent	Rostenkowski	Zschau
Levin (MI)	Roukema	
Levine (CA)	Rowland (CT)	
Lewis (FL)	Rowland (GA)	
Lightfoot	Roybal	

NAYS—32

Archer	Evans (IA)	Moorhead
Armey	Fawell	Petri
Badham	Gekas	Ray
Bartlett	Hubbard	Sensenbrenner
Barton	Latta	Shumway
Brown (CO)	Lewis (CA)	Smith, Denny (OR)
Cheney	Lott	Snyder
Crane	McEwen	Solomon
Dannemeyer	Michel	Stump
DeLay	Miller (OH)	Tauke
Eckert (NY)	Miller (WA)	

NOT VOTING—22

Addabbo	Edgar	Mica
Boland	Fowler	O'Brien
Bonker	Gibbons	Pashayan
Bosco	Gray (IL)	Roth
Breaux	Hartnett	Stangeland
Chandler	Hunter	Torricelli
Chappie	Kindness	
Daschle	McKinney	

□ 1620

Mr. DELAY and Mr. ARCHER changed their votes from "yea" to "nay."

Messrs. GROTBERG, MURPHY, and SILJANDER changed their votes from "nay" to "yea."

So, two-thirds having voted in favor thereof, the bill was passed, the objections of the President to the contrary notwithstanding.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will notify the Senate of the action of the House.

FURTHER CONTINUING APPROPRIATIONS, 1986

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I called up House Resolution 312 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 312

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 441) making further continuing appropriations for the fiscal year 1986, and the first reading of the joint resolution shall be dispensed with. After general debate, which shall be confined to the joint resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be considered as having been read for amendment under the five minute rule. No amendment to the joint resolution shall be in order except the amendment printed in the Congressional Record of November 8, 1985 by, and if offered by, Representative Foley of Washington or his designee, and said amendment shall not be subject to amendment or to a demand for a division of the question in the House or in the Committee of the Whole but shall be debatable for not to exceed one hour, to be equally divided and controlled by Representative Foley and a Member opposed thereto. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. LOTT] for purposes of debate only, and pending that, I yield myself such time as I may require.

Mr. MOAKLEY. Mr. Speaker, House Resolution 312 is the rule providing for the consideration of House Joint Resolution 441, making available further continuing appropriations for fiscal year 1986. The rule provides for 1 hour of general debate to be equally divided between the chairman and ranking minority member of the Committee on Appropriations.

House Resolution 312 makes in order an amendment printed in the CONGRESSIONAL RECORD of November 8, 1985, by Representative FOLEY. This amendment shall be debatable for 1 hour, the amendment is not amendable and is not subject to a demand for a division of the question. Finally, the rule provides for one motion to recommit.

Mr. Speaker, House Joint Resolution 441 would extend the existing continuing resolution, due to expire on November 14, 1985, through December 5, 1985. It is intended to provide for the necessary expenses of the U.S. Government and to prevent any disruptions to the Federal Government on November 14, when the present continuing resolution expires.

Mr. Speaker, in order to achieve the savings necessary to reduce the estimated Federal deficit to $161 billion for fiscal year 1986, the Foley amendment would make spending reductions of 3.8 percent. These cuts would be for the duration of this continuing resolution and would be made in a manner consistent with the Balanced Budget and Emergency Defict Control Act of 1985, which was adopted by the House on November 1.

If we were in a position to pass an agreement on Gramm-Rudman today, this amendment would not be necessary. So it has to be understood that the Foley amendment is a realistic proposal with respect to what we can do about spending now. In addition to programs exempt under the House amendment to Gramm-Rudman, the Foley amendment exempts Medicare and indexed programs. it would be disruptive to make changes in these activities during the short term of this continuing resolution, and these matters are better handled in the conference on the debt limit bill.

The amendment would also carry certain restrictions contained in section 254 of the House amendment to Gramm-Rudman with respect to the manner in which spending reductions are applied.

Mr. Speaker, I urge adoption of the resolution.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. LOTT. Mr. Speaker, House Resolution 312 makes in order the consideration of House Joint Resolution 441, which extends the continuing appropriations for fiscal year 1986 from November 14, 1985, through December 5, 1985. This is a modified closed rule, providing 1 hour of general debate divided between the chairman and ranking Republican on the Appropriations Committee.

The rule makes in order one amendment to be offered in the Committee of the Whole—an amendment by the gentleman from Washington [Mr. FOLEY] printed in last Friday's RECORD. The amendment is debatable for 1 hour divided between Congressman FOLEY and a Member opposed, and is not subject to amendment or a division of the question in the House or in the Committee of the Whole. Finally, the rule provides for one motion to recommit.

The chairman of the Appropriations Committee, has requested this extension at the behest of the leadership on his side to permit us to enact as many of the regular appropriations as possible before we adjourn sometime in early December.

Mr. Speaker, I support this short-term extension of the continuing resolution because I do think we should encourage the completion of work on as many appropiations bills as we can yet this year. To date only 1 of the 13 regular appropriations bills has been enacted, and 2 others have been sent to the President, though the House has now passed 12 of the 13, and the other body has passed 10. So we are within reach of that goal.

Mr. Speaker, during the Rules Committee consideration of this rule, the distinguished Republican leader, the gentleman from Illinois [Mr. MICHEL], asked that he be permitted to offer an amendment to the continuing resolution that would reduce all the controllable expenditures under that act by 8.2 percent.

He explained that, based on a CBO estimate, the House-passed Rostenkowski substitute for Gramm-Rudman would require precisely such a reduction in those controllable items not exempted by it. You will recall that the Democrat alternative had a deficit of $161 billion this year, but exempted several low-income programs from reductions.

Our Republican leader reasoned, and rightly so, I think, that if this House is really serious about that much deficit reduction this year, it should be aware of the consequences now and be willing to vote for those results in real program cuts now. If we aren't really serious, then we should agree on a more reasonable deficit level and get on with it.

Mr. Speaker, shortly after our Republican leader laid his proposal on the table in the Rules Committee last Wednesday, the chairman adjourned the committee pending a meeting with the Democratic leadership. The results were made known on Thursday when the distinguished majority whip, the gentleman from Washington [Mr. FOLEY] appeared before our committee.

He asked that he be permitted to offer an amendment that would bring spending down to a level consistent with the Rostenkowski alternative to Gramm-Rudman. He went on to explain that a more recent CBO calculation would make that a cut of around 5 percent, instead of the 8.2 percent initially estimated by CBO. The following day, last Friday, when Mr. FOLEY actually put his amendment in the RECORD. as required by the rule, that percentage cut had shrunk even more—this time to 3.8 percent of controllables.

Mr. Speakers, keep in mind that this is the same CBO in which the Rostenkowski plan would vest exclusive authority for determining the percentage reductions. And yet, in just 3 short days, between November 5 and 8, CBO revised downward its estimated reductions from 8.2 percent to 5 percent to 3.8 percent—a 53-percent change. In CBO-doggy dollars, that's about a $21-billion difference. That in itself should be enough to convince you that we need joint CBO-OMB estimates of deficits and reductions under Gramm-Rudman-Rostenkowski.

Now, it could well be that Mr. FOLEY asked CBO to make different assumptions than the current-law snapshot required by the Gramm-Rudman and Rostenkowski amendments. If so, he's asking that we use the Rostenkowski deficit, but not the Rostenkowski baseline for calcuating that deficit.

But the fact remains, our Democratic colleagues agree that if they are to be taken seriously about their $161-billion deficit figure for this fiscal year, they should be willing now to make the necessary reductions in our appropriations bills. The Foley amendment to the continuing resolution represents a symbolic start in that direction.

I say symbolic because this continuing resolution only runs for some 3 weeks, until December 5. But, presumably, the Democratic leadership is committing itself to making this deficit figure stick in real money cuts if it is retained in the final version of Gramm-Rudman.

Mr. Speaker, I intend to reserve final judgment on the Foley amendment pending an explanation from him as to how this will affect major defense and nondefense categories. I will point out, however, that I opposed the $161 billion deficit figure put forward by House Democrats in the Gramm-Rudman conference. It was my belief then, as it is now, that we're trying to do too much too soon with this new process, and that if we try to cut another $13 billion or so for the last 9 months of this fiscal year, after we're already gone through the budget, appropriations, and reconciliation cycle we'll be straining this process beyond the breaking point.

Now I know that's what some are hoping—that either we send something to the President he can't sign, or that is thrown out by the courts, or that sinks under its own weight in the first year. But I'm frankly interested in something that is reasonable and workable.

The key to the success of this process in not Presidential sequestering across-the-board, but the threat of it that will force Congress to set its own spending priorities and meet these deficit goals during the regular budget process, not after it is completed.

Mr. Speaker, I urge support of this rule because we do need a further continuing resolution while we complete action on our regular appropriations bills. But I would caution my colleagues to give careful consideration to the full ramifications of the Foley amendment before they embrace it. Let's make sure the author gives us a complete rundown on what impact this will have on our various domestic and defense programs before we adopt that amendment. Yes, we need a deficit reduction program. But if it is not well-reasoned and reasonable, we may wind-up losing ground on the road to a balanced budget.

□ 1635

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I have a question. Do I understand correctly that the minority leader requested the chance to offer an amendment that would cut the amount of money in the bill by 8.2 percent?

Mr. LOTT. That is correct.

Mr. WALKER. That that was not granted by the Rules Committee?

Mr. LOTT. That is correct.

Mr. WALKER. Even though there is a comprehensive CBO study which does show a need for that kind of cut in order to arrive at the House-passed Rostenkowski plan?

Mr. LOTT. That is correct.

Mr. WALKER. And yet what the Rules Committee did do in this rule is

grant an opportunity to the gentleman from Washington [Mr. FOLEY] to come to the floor with a 3.8-percent reduction that is based upon some figures that they evidently jimmied up at the last minute?

Mr. LOTT. Well, those figures are questionable because we do have three different sets of figures now, and I guess it was all prompted by the Republican leader's request to do what we said we were going to do on the floor at the $161 billion figure, but CBO kept giving different numbers.

I have to assume maybe what happened was that the Foley amendment does take into consideration reconciliation, which we have not completed, and completed action on things like the agriculture bill, but that should not be included in the baseline as was passed in the Rostenkowski bill.

Mr. WALKER. If the gentleman will yield, in both reconciliation and the agriculture bill, though, there is add-on spending in both of those. Has the gentleman included the add-on spending?

Mr. LOTT. We do not know for sure. CBO has not given us all that backup information. So I am sure when we get to general debate on the substance of this continuing resolution and the Foley amendment, that is information we need to get, because we just do not know.

Mr. WALKER. I thank the gentleman. I am disappointed in the fact that, really, we lose about 5 percent here. There was an attempt on the floor the other day on a bill that was out here from the Committee on Public Works to get the full 8.2 percent reduction. What we found there was the Democratic leadership rose rather than have a vote on that particular matter, so they obviously are taking the tack here that there is no way they are going to touch the 8.2-percent figure. And now they come back today with a new 3.8-percent figure that, so far as I know, no one knows precisely where it came from.

Mr. LOTT. That is exactly right, and we want to see how the membership will vote on that.

I would urge the Members to vote against the Foley amendment and to pass the continuing resolution to December 5 without these encumbrances on it.

Mr. WALKER. I thank the gentleman.

Mr. LOTT. Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO OFFER AMENDMENT TO HOUSE JOINT RESOLUTION 441

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that, notwithstanding the provisions of House Resolution 312, I be allowed to offer an amendment to House Joint Resolution 441 which, on lines 5 and 6, would strike "December 5, 1985" and insert in lieu thereof "December 12, 1985".

Mr. Speaker, may I say that that is in line with the suggestion of the President, so I am advised in writing.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. WALKER. Mr. Speaker, reserving the right to object, just so I understand what is going on, if I may ask the gentleman, all he is doing is changing the dates that are now in the resolution from the 5th to the 12th, and it has no other impact other than that?

Mr. WHITTEN. If the gentleman will yield, that is right. That is at the request of the President.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Ms. FIEDLER. Reserving the right to object, Mr. Speaker, I shall not object but I would just simply like to ask the gentleman from Mississippi [Mr. WHITTEN] to again please repeat what he just said to the gentleman from Pennsylvania [Mr. WALKER] regarding the dates.

Mr. WHITTEN. If the gentlewoman will yield, may I say that, in the first place, the resolution which I had introduced some days ago merely extended the date from November 21 to December 5. The President has announced that he would prefer that it be December 12 and that it be limited to just a mere change in the date and a continuation of the existing continuing resolution. It is on that basis that I ask unanimous consent to offer the amendment to make it December 12.

Ms. FIEDLER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi.

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 312 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, H.J. Res. 441.

□ 1643

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 441) making further continuing appropriations for the fiscal year 1986.

The SPEAKER pro tempore. The Chair designates the gentleman from Minnesota [Mr. OBERSTAR] as Chairman of the Committee of the Whole and requests the gentleman from Michigan [Mr. BONIOR] to assume the chair temporarily.

The Clerk read the title of the joint resolution.

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the joint resolution is dispensed with.

Under the rule, the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, House Joint Resolution 441, which I introduced on November 5, 1985, provides for a simple, temporary extension of the existing continuing resolution—Public Law 99-103—which expires November 14. The new resolution would be in effect through December 5, 1985, which I will amend to December 12, 1985.

It is necessary and essential that this resolution be passed in order to provide continued funding of the government in an orderly way.

During the period of November 14 through December 12, the Committee on Appropriations will continue its work on the regular appropriations bills. The resolution before us provides that whenever a regular appropriations bill is enacted into law it automatically drops out of the continuing resolution.

As far as the House is concerned our record this year on the regular appropriations bills is a good one. Indeed, I consider it an excellent one.

House record on appropriations bills:

Twelve of the thirteen regular appropriations bills have passed the House.

Conference reports have been agreed by the House and Senate on three bills, with one bill signed into law and the other two at the White House awaiting signature.

Only the foreign operations bill has not been considered by the House. Funding levels of House-passed bills: $11.6 billion below the 1985 appropriations; $26.4 billion below 1985 when the 1985 supplementals are included; $19 billion below the President's request in budget authority; $11.6 billion below request in outlays; $26.6 billion below the 302A allocation to the committee; and $2.5 billion below 302 allocation in outlays.

Mr. Chairman, when you look at this record, you quickly realize that the

House and the Committee on Appropriations have done their job.

We have passed our bills.

We have reduced spending.

Mr. Chairman, this is not a one-time phenomenon. The Committee on Appropriations throughout the past has done its job.

The problem with the deficit lies elsewhere. In fact even our friend, former budget Director David Stockman acknowledged this when he stated in testimony before the committee:

I don't think I have ever said, certainly not in recent times, that this committee (the Appropriations Committee), with its responsibility over appropriated defense programs and discretionary domestic programs, is the source of the deficit problem.

In the fiscal year that just ended, fiscal year 1985, total appropriations measures for the year were some $11.2 billion below the request of the President.

And for 39 out of the past 43 years, measures recommended by the Committee on Appropriations and passed by the House have been below the requests of the President—in total by some $196.9 billion.

Mr. Chairman, the Appropriations Committee, in matters directly under its jurisdiction, has done its job. It is entitlements and repeal of the windfall profits tax permitting the sale of tax credits in 1981 that have largely caused the problem.

Mr. Chairman, this resolution is essential to the operation of the Government. It must be passed and agreed upon by the Senate and signed by the President by this Thursday night.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Could the gentleman tell me how much, with the new date in it, this bill is worth? How much are we spending, pursuant to this particular bill now, with the December 12 date in it?

Mr. WHITTEN. I would not know, in that if they are permitted to go at the rate of the House-passed bill in the Appropriation Act of the present year, or the Senate, whichever is the lowest. And the amendment of December 12 will require new calculations.

Mr. WALKER. I understand the formula, but I am just wondering if we know how much we are actually spending by passing this bill.

Mr. WHITTEN. Well, I do not know. It is my recollection that for the next several weeks, if we pass this, we save a considerable amount of money, in that foreign aid is $2 billion or $3 billion lower than what it was last year because of the supplemental, defense is about $10 billion to $15 billion below what it was last year, so it would be at a reduced rate, but I have not figured it up.

Mr. WALKER. If the gentleman will yield, I just personally, I guess, would like to know, if I am being asked to vote on a resolution, how much it is going to cost for the resolution. Do we have any figures on the floor that somebody could work up here and tell me before I am asked to vote on it?

Mr. WHITTEN. If this is adopted, for the period from now until December 12, if my amendment is adopted, it will be at a rate annually of a reduction of about $15 billion to $16 billion below what you are doing now, in that we are operating under this resolution, we would go along at the reduced rate. I believe that is right.

Mr. WALKER. Well, again, I thank the gentleman for telling me the formula, but I would still appreciate knowing. I do not have the figures here in front of me. I am assuming someone does. I would appreciate knowing how much this particular bill is worth. We have just changed the dates from December 12, which I assume costs us additional money for an additional week extending.

Mr. WHITTEN. May I correct my remarks, because I want to be completely factual with my friend. The numbers I was discussing are what we have done in the fiscal year 1986 bills, in the Committee on Appropriations, and what the House has approved. So last year's level will continue for the remainder of this period, until December 12. And how much that will be, I could not tell the gentleman.

□ 1650

Mr. WALKER. But at this point the chairman cannot tell me how much this particular bill is worth?

Mr. WHITTEN. No, I cannot, because involved in it is the period from now until December 12, and I have not figured it.

Mr. WALKER. I thank the chairman.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. CONTE. Mr. Chairman, the joint resolution before the House would extend the current continuing resolution from November 14 through December 12.

The continuing resolution as extended would cover projects and activities in 11 appropriation bills, not including energy and water development, which has been signed, and legislative, which will be.

Appropriations for projects and activities would be continued until December 12, 1985, or until an appropriation is enacted, whichever first occurs.

The rates for the 11 bills are as follows: 4 bills are continued at the current rate and under the current terms and conditions: Defense, Foreign Assistance, Labor-HHS-Education, and Military Construction. Six bills are continued at the current rate or the House rate, whichever is lower, and under the more restrictive authority: Agriculture, Commerce-Justice-State-Judiciary, District of Columbia, Housing and Urban Development, Interior, and Transportation.

One bill is at the House or the Senate rate, whichever is lower, and under the more restrictive authority: Treasury-Postal Service.

Mr. Chairman, I support the joint resolution.

An extension through December 12 will give us an opportunity to complete action on the remaining appropriations bills, and to pass a final continuing resolution for the remainder of the year which would cover those bills not enacted by that time.

Mr. Chairman, at this point I include in the RECORD a more complete description of the individual provisions of the current continuing resolution.

RATES DETERMINED BY THE STATUS OF THE BILL

Section 101(a) continues appropriations for projects and activities which were included in nine appropriation acts for fiscal 1986.

Rates for these bills were based on the status of the bill as of October 1, 1985. Energy and water development has been signed, and legislative will be. The rates for the remaining seven bills covered by section 101(a) are as follows:

Six bills had passed the House as of October 1: Agriculture, Commerce-Justice-State-Judiciary, District of Columbia, Housing and Urban Development, Interior, and Transportation.

Projects and activities in these bills are continued at the House rate or the current rate, whichever is lower, and under the current authority and conditions.

One bill had passed the House and the Senate as of October 1: Treasury-Postal Service.

Projects and activities in this bill are continued at the lower of the House or Senate amount, and under the more restrictive authority.

A project or activity included in only the House or the Senate Act is continued at the rate provided in that act or the current rate, whichever is lower, and under the current terms and conditions.

No new general provision shall take effect unless it is included in identical form in the House and Senate acts.

NO NEW STARTS

Appropriations made available under section 101(a) shall not be used to initiate or resume any project or activity not funded in fiscal 1985.

BILLS AT THE CURRENT RATE

Section 101(b) continues appropriations at the current rate, and under the current terms and conditions for projects and activities which were conducted in fiscal 1985, and for which provision was made in three appropriation acts for fiscal 1985: Foreign Assistance, Labor-HHS-Education, and

Military Construction. The Labor-HHS rate also includes the following activities for which provision was made in section 101(k) of the continuing resolution for fiscal 1985: Activities under the Public Health Service Act; refugee and entrant assistance activities; foster care and adoption assistance activities; emergency immigrant education activities; and activities under the Follow Through Act.

NO NEW STARTS

Appropriations made available under section 101(b) shall not be used to initiate or resume any project or activity not funded in fiscal 1985.

Section 101(c) continues appropriations at the current rate, and under the current terms and conditions, for projects and activities which were conducted in fiscal 1985, and for which provision was made in the Defense Appropriation Act for fiscal 1985.

Funds for procurement of MX missiles shall be subject to all of the limitations, restrictions, and conditions set forth in the 1986 defense authorization conference agreement and conference report as filed in the House.

GENERAL PROVISION

No provision in any 1986 act referred to in section 101 which makes an appropriation therein contingent upon the enactment of authorizing or other legislation shall be effective during the period covered by the resolution.

AGRICULTURE, RURAL DEVELOPMENT AND RELATED AGENCIES

The fiscal year 1986 appropriation bill for the Department of Agriculture, rural development and related agencies, H.R. 3037, passed the House on July 24, and passed the Senate with 102 amendments on October 16. Conferees have not yet met to resolve the differences between the two versions.

In light of this situation, our committee is recommending that the Department of Agriculture and Related Agencies receive funding through December 5, 1985 in accordance with section 101(a)(4) of Public Law 99-103. This subsection provides levels of funding and authority at the current fiscal year 1985 rate, or at the rate provided for in levels contained within the fiscal year 1986 House-passed bill, whichever is lower or more restrictive.

Although we are some $5 billion below fiscal year 1985-enacted levels overall in the fiscal year 1986 House-passed bill, in most accounts we are at or slightly over fiscal year 1985 levels. And so, in general, USDA and its related agencies will receive continued funding at the current, fiscal year 1985 rates.

I join the distinguished chairman of our committee in expressing my hope that we will see final action on the regular fiscal year 1986 appropriation bill before this joint resolution expires on December 5.

COMMERCE, JUSTICE, STATE, JUDICIARY

The House and Senate have passed the fiscal year 1986 bill, H.R. 2965. Conference is scheduled for tomorrow.

Programs are funded at the House-passed level or the current rate, whichever is lower, and under the fiscal year 1985 conditions.

No new programs or new general provisions are allowed.

The House-passed ban on participation in abortion litigation by the Legal Services Corporation is not included.

All current restrictions on the Legal Services Corporation and the Federal Trade Commission would be continued. The Corporation restrictions include bans on assistance to illegal aliens, participation in class action suits, and lobbying. The resolution would continue 1980 FTC authorization act provisions dealing with agricultural cooperatives and marketing orders and trademarks.

HOUSE JOINT RESOLUTION 441 CONTINUING RESOLUTION, FISCAL YEAR 1986: DISTRICT SECTION

The District of Columbia appropriations bill passed the House on July 30, 1985 and was adopted with amendments by the Senate on November 7, 1985. Since the bill passed the Senate after October 1, 1985, the funding rates and conditions are the same as provided in House Joint Resolution 388.

This continuing resolution mandates that programs and activities in the District appropriations bill will be funded at the fiscal year 1985-enacted level or at the House-passed level; whichever amount is lower.

As far as funding levels in this bill, this continuing resolution is fairly straightforward as it relates to the District bill.

However, two fairly controversial provisions adopted by the House are not included in the continuing resolution. Since the general provisions for the District bill from fiscal year 1985 apply in this situation, the new abortion language and the Regula amendment concerning competitive contracting are not included in this resolution. Both of these provisions were modified by the Senate and will be considered during conference on H.R. 3067.

ENERGY AND WATER DEVELOPMENT

When we adopted the first continuing resolution for fiscal year 1986, it provided for the funding of energy and water development programs at the lower of the House-passed or Senate-passed bill.

I am pleased to report that since that time, the Energy and Water Development Appropriations Act for fiscal year 1986 has been signed into law, and has been designated as Public Law 99-141. The extension of the continuing resolution that we are considering today is therefore inapplicable to our energy and water development programs.

FOREIGN OPERATIONS

Neither House has passed the fiscal year 1986 bill.

Programs included in the fiscal year 1985 Foreign Assistance Act are continued at the current rate and under the current terms and conditions.

No new programs or projects are allowed.

Israel has already received the fiscal year 1986 appropriation of $1.2 billion in economic support funds, which were obligated under the first continuing resolution at the end of October under the terms of Public Law 99-83, the International Security and Development Cooperation Act of 1985. Foreign military credit sales in the amount of $1.4 billion for Israel would continue to be apportioned according to the duration of this continuing resolution. Two billion dollars in economic and military assistance to Egypt would also continue to be apportioned.

Current restrictions on population programs and abortion are continued, including restrictions in the Supplemental Appropriations Act, Public Law 99-98. These include bans on aid to programs involving coercive abortion or involuntry sterilization.

All country restrictions are continued, including bans on aid to Angola, Cambodia, Cuba, Iraq, Libya, Laos, Vietnam, South Yemen, and Syria.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES

The fiscal year 1986 appropriation bill for the Department of Housing and Urban Development and 16 independent agencies, H.R. 3038, passed the House on July 25, and passed the Senate with 94 amendments on October 18. On Thursday, November 7, conferees met to resolve the differences between the two versions. I am hopeful that we will consider the conference report this week and soon see final action on the regular fiscal year 1986 appropriations bill, so that the funding provision for these important agencies will disengage from this second continuing resolution before it expires on December 5.

Our committee has taken every possible and responsible action to ensure that the essential programs, projects, and activities at the Department of Housing and Urban Development, the Environmental Protection Agency, the National Aeronautics and Space Administration, the National Science Foundation, the Federal Emergency Management Agency, the Veterans' Administration, and each of the independent agencies continue at reasonable and operable rates until such time as we have reached agreement with the other body and have a separate fiscal year 1986 bill signed into law by the President.

In the event that a conference agreement is not adopted and enacted into law between now and December 5, our

committee recommends that HUD and the 16 independent agencies receive funding and authority at the current fiscal year 1985 rate, or at the rate provided for in the fiscal year 1986 House-passed bill, whichever is lower or more restrictive.

HOUSE JOINT RESOLUTION 441 CONTINUING RESOLUTION, FISCAL YEAR 1986: INTERIOR SECTION

The Interior appropriations bill passed the House on July 31, 1985. To date, the Senate Appropriations Committee has reported H.R. 3011, and the Senate began consideration of the bill on October 31, 1985. However, there has been no action in the other body since that time.

This continuing resolution provides that programs and activities in the Interior bill will be funded during this period at the fiscal year 1985-enacted level or at the House-passed level; whichever amount is lower, and under the more restrictive authority.

As far as funding programs in the Interior bill, this continuing resolution is fairly straightforward. However, there is one general provision carried forward in this continuing resolution that may be of concern to several Members. As provided in the fiscal year 1985 continuing resolution, the ban on leasing in the Outer Continental Shelf off the California coast and Georges Bank in the North Atlantic is continued in force. Based on a preliminary agreement, the House-passed Interior bill did not include the OCS leasing plan. Since the Interior Department has no plans for leasing during this period, there is no practical effect for this provision.

LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION

The first continuing resolution, which expires on November 14, funded all programs usually funded in the appropriation bill for the Departments of Labor, Health and Human Services and Education and related agencies, at the fiscal year 1985 rate. The extension of the expiration date which we are considering today, as brought to the floor, would therefore simply provide for continued funding for these programs at the fiscal year 1985 rate, through December 4, 1985.

In addition, this bill, to extend the expiration date of the first continuing resolution, would also extend the applicability of all general provisions and limitations that were included in the fiscal year 1985 Labor/HHS appropriations bill (Public Law 98-619).

LEGISLATIVE

The conference report on H.R. 2942, fiscal year 1986 Appropriations Act for the legislative branch, passed the House and the Senate on October 29. The President is expected to sign the act in the next few days, thus removing the act from the provisions of the new continuing resolution.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

As with the first continuing resolution for fiscal year 1986, this extension would continue programs and activities for the Department of Transportation and related agencies at the lower of the House-passed or current rate, and under such conditions and restrictions as were in effect during fiscal year 1985.

HOUSE JOINT RESOLUTION 441 CONTINUING RESOLUTION, FISCAL YEAR 1986: TREASURY SECTION

Although the conference report for the Treasury-Postal Service appropriations bill for fiscal year 1986 has been adopted by both Houses, this continuing resolution provides for the programs and activities in this bill to be funded at the House or Senate rate, whichever is lower and under the more restrictive authority.

Under this resolution, the funding levels are the same current rate provided by House Joint Resolution 388. Since the ban on OPM "pay-for-performance" and RIF regulations expired on July 1, 1985, as provided in the fiscal year 1985 continuing resolution, the prohibition will not be carried forward in this resolution. H.R. 3036 did reimpose the ban in the House-passed version, but the Senate removed the provision. In the conference report just adopted, the ban was modified to extend only until May 15, 1986 and to allow OPM to revise the regulations in the interim.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from California.

Mr. LUNGREN. I thank the gentleman.

Mr. Chairman, perhaps the distinguished ranking member of this committee might be able to give us some idea of the amount involved in this particular bill. We have had a recitation of the formulae by both the chairman and by the distinguished gentleman from Massachusetts, but I wonder if he might be able to tell us what we are talking about in terms of dollars and cents.

Mr. CONTE. That is a good question. You would have to put into the computer what the figures are on all of these bills with the different formulas, and you would come out with a rough figure of what the entire continuing resolution would be.

You have about $275 billion in defense in the current year, and you have over $100 billion in HHS.

Mr. LUNGREN. If the gentleman would yield further, the gentleman and I have discussed on previous occasions how unfortunate it is that we come to the floor and have to do business by a continuing resolution. In fact, it unfortunately seems to be the rule rather than the exception and this denies us, and I know it denies the gentleman's committee, the opportunity to deal with specific bills in smaller chunks. Let us say, several hundred billions of dollars in one vote instead of all this which may add up to multiples of that.

We oftentimes are here talking about increasing the debt ceiling because our bills have come due. On those occasions we know the amount when the bills come due. Now it seems like we are signing blank checks so that we can spend from now until December 12, and we know that the bill is going to come due sometime down the line.

I just wonder if the gentleman has those same concerns he has expressed before about this process.

Mr. CONTE. The gentleman is right on target. He and I have had colloquies on this in the past. Only one bill has been signed; the Energy and the Public Works bill. It looks like the legislative bill is going to get signed.

This is a hell of a way to run a railroad, to say the least. If I were not on the Appropriations Committee, I would be leading the revolt here. All of these bills are in here and you are going to vote them up or down. You are not going to have the right to dissect a bill as it should be dissected, one program at a time.

But I will say that in the House we have passed every bill except the foreign aid bill.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. LUNGREN. I thank the gentleman.

Does the gentleman have any feeling at this point as to whether we might be able to leave here sometime before Christmas having finished our business in the appropriate way, that is, with separate appropriation bills? Or does the gentleman believe that we will be here singing Christmas carols and unfortunately having to pass a continuing resolution to carry us into next year?

Mr. CONTE. If I were a betting man, I would tell you to go out and put your order in for your Christmas tree right now.

Mr. LUNGREN. On the east coast?

Mr. CONTE. You may take your pick too, because the last continuing resolution will be a Christmas tree.

I think we are going to get some vetoes because a lot of people complain the President does not veto anything. That is unfortunate because a lot of these bills that are going through have had a lot of hard work, and I think they should be signed.

Mr. LUNGREN. If the gentleman will yield further, to summarize, the gentleman is saying that this is to take us from now to December 12. That it is funding virtually all of the programs.

That it is a blank check. We do not know how much it is, but it is the gentleman's best estimate that it is at least in excess of $100 billion?

Mr. CONTE. Oh, my goodness, way, way in excess of that.

Mr. LUNGREN. I just wanted to make sure what we are doing here.

Mr. CONTE. Hundreds and hundreds of billions.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. WALKER. Just doing some rough calculations here, it appears as though this one bill might be something on the order of $75 to $83 billion for the period of time from today until November 14, until December 12, would be something on the order of $75 to $83 billion.

Mr. CONTE. It could well be, because if I correctly remember the defense bill that passed here was $269 billion. So, you would have to pro rate that for that period of time. The HHS bill is over $100 billion; you would have to pro rate it for that period of time.

Mr. WALKER. If the gentleman will yield further, that is what I was trying to do here. Just trying to roughly calculate it and it appears as though that comes out to somewhere between $75 and $83 billion. Does that sound approximately right to the gentleman?

Mr. CONTE. It could be. I think you would have to be an Einstein to figure that one out.

Mr. WALKER. But the gentleman thinks that that is in the ball park?

Mr. CONTE. I think that is in the ball park; by all means.

Mr. WALKER. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, may I thank my friend from Massachusetts. He and I have discussed this resolution before it was introduced, and we had agreed to have a clean resolution. I hope it will continue that way, and I want to thank him for his cooperation, not only here but many times.

Mr. CONTE. If the gentleman will yield, I will say I am pleased to hear that. The gentleman from Mississippi and I do work as a team. I hope the Senate does not tack anything onto this resolution because we were successful in the last one because it was clean. We will be successful in this one because it is clean.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the majority leader, the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. I thank the distinguished chairman for yielding to me.

Mr. Chairman, I take this time simply to read to the House a statement on the White House stationery of the Executive Office of the President, headed, "A Statement of Administration Policy," and this is the administration's official policy with respect to what we are doing here today.

The administration supports H.J. Res. 441 and strongly opposes any amendment other than to change the expiration date to December 12.

The resolution provides a short-term extension of the current continuing resolution allowing the Congress to continue to work on regular 1986 appropriation bills.

□ 1700

Now it is my understanding that with respect to today's business both sides—the Democratic side and the Republican side—if the distinguished gentleman from Washington would care to address himself to that, have agreed that there would be no amendments offered by either side. Is that correct?

Mr. FOLEY. Mr. Chairman, will the distinguished leader, the gentleman from Texas [Mr. WRIGHT] yield to me?

Mr. WRIGHT. Of course I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Chairman, in view of the statement issued by the administration that they would like to have the House and Senate adopt a clean extension of the debt ceiling, with only the amendment already adopted and offered by the distinguished chairman to extend the date until the 12th of December, I will not exercise the opportunity offered by the rule to call up the amendment authorized by the rule.

Mr. WRIGHT. Mr. Chairman, I thank the gentleman, and I trust that our friends on the minority side would be cooperative as well in order that we might carry out the wish of the administration in this regard and save the Nation from this pending brink on which it totters so that sane heads in good time can work together to hammer out a mutual agreement on which we can find accommodation for the long term.

Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. FRENZEL. Mr. Chairman, this continuing resolution, whether or not it is amended by the distinguished majority whip, Mr. FOLEY, contains spending at levels well above the House budget resolution, and well above the Democrat's deficit reduction alternative of last week.

This House Joint Resolution 441 proves once again that the House majority will vote for any proposal that mentions deficit reductions, but none that actually reduce spending.

The resolution is the usual free-spending, log-rolling catch-all that is always presented at this time of year. No report of the CBO of OMB accompanies it.

There are only two certainties. The first is that there is too much spending here. The second is that I will vote against it.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I appreciate the statement by our distinguished leader and by our distinguished whip, and I offer an amendment at this time.

The CHAIRMAN pro tempore. The Chair advises the gentleman from Mississippi that the amendment is only in order after the general debate has been concluded.

Do the gentlemen on both sides desire to yield back their time so we can proceed to the amendment process?

Mr. CONTE. Mr. Chairman, I yield back the balance of my time.

Mr. WHITTEN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN pro tempore. Pursuant to the rule, the joint resolution is considered as having been read for amendment under the 5-minute rule. No amendments are in order except the amendment printed in the CONGRESSIONAL RECORD of November 8, 1985, by, and if offered by, Representative FOLEY or his designee, which shall not be subject to amendment or to a demand for a division of the question but shall be debatable for 1 hour, to be equally divided and controlled by Representative FOLEY and a Member opposed thereto; and an amendment to be offered by the gentleman from Mississippi [Mr. WHITTEN] changing the date from December 5 to December 12.

The text of the joint resolution is as follows:

H.J. RES. 441

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102(c) of the joint resolution of September 30, 1985 (Public Law 99-103) is hereby amended by striking out "November 14, 1985" and inserting in lieu thereof "December 5, 1985".

AMENDMENT OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 1, lines 5 and 6, strike "December 5, 1985" and insert in lieu thereof "December 12, 1985".

Mr. WHITTEN. Mr. Chairman, I have explained this amendment fully, as has my colleague, the gentleman from Massachusetts. I ask for a vote on the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

The amendment was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. BONIOR of Michigan, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee,

having had under consideration the joint resolution (H.J. Res. 441) making further continuing appropriations for the fiscal year 1986, pursuant to House Resolution 312, he reported the joint resolution back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 259, nays 151, answered not voting 24, as follows:

[Roll No. 401]

YEAS—259

Ackerman	Darden	Guarini
Akaka	de la Garza	Hall (OH)
Alexander	Dellums	Hall, Ralph
Anderson	Derrick	Hamilton
Andrews	Dicks	Hammerschmidt
Annunzio	Dingell	Hatcher
Anthony	Dixon	Hawkins
Applegate	Donnelly	Hayes
Aspin	Dowdy	Hefner
Atkins	Downey	Heftel
Barnard	Duncan	Hillis
Barnes	Durbin	Horton
Bateman	Dwyer	Howard
Bedell	Dymally	Hoyer
Beilenson	Dyson	Huckaby
Bennett	Early	Hutto
Berman	Eckart (OH)	Jeffords
Bevill	Eckert (NY)	Jenkins
Biaggi	Edwards (CA)	Jones (NC)
Bliley	Emerson	Jones (OK)
Boggs	Erdreich	Jones (TN)
Boner (TN)	Evans (IL)	Kanjorski
Bonior (MI)	Fascell	Kastenmeier
Borski	Fazio	Kemp
Boucher	Fish	Kennelly
Boxer	Flippo	Kildee
Brooks	Florio	Kleczka
Bryant	Foglietta	Kolter
Burton (CA)	Foley	Kostmayer
Bustamante	Ford (MI)	LaFalce
Byron	Ford (TN)	Lantos
Carper	Frank	Leath (TX)
Carr	Frost	Lehman (CA)
Chapman	Fuqua	Lehman (FL)
Chappell	Gallo	Leland
Clay	Garcia	Lent
Clinger	Gaydos	Levin (MI)
Coelho	Gejdenson	Levine (CA)
Coleman (TX)	Gephardt	Lewis (CA)
Collins	Gilman	Lipinski
Conte	Gonzalez	Livingston
Conyers	Gordon	Lloyd
Coyne	Gradison	Long
Crockett	Gray (PA)	Lott
Daniel	Green	Lowery (CA)
Lowry (WA)	Parris	Staggers
Luken	Pease	Stallings
Lundine	Pepper	Stark
MacKay	Perkins	Stokes
Manton	Pickle	Stratton
Markey	Price	Studds
Martin (NY)	Quillen	Sundquist
Martinez	Rahall	Swift
Matsui	Rangel	Synar
Mavroules	Ray	Tallon
Mazzoli	Regula	Tauzin
McCloskey	Reid	Taylor
McCurdy	Richardson	Thomas (GA)
McDade	Rinaldo	Torres
McGrath	Robinson	Towns
McHugh	Rodino	Traficant
Michel	Roe	Traxler
Mikulski	Rogers	Udall
Miller (CA)	Rose	Valentine
Miller (WA)	Rostenkowski	Vento
Mineta	Roukema	Visclosky
Mitchell	Rowland (GA)	Volkmer
Moakley	Roybal	Walgren
Molinari	Rudd	Watkins
Mollohan	Sabo	Waxman
Montgomery	Savage	Weiss
Moody	Scheuer	Wheat
Moore	Schneider	Whitehurst
Morrison (CT)	Schumer	Whitley
Murphy	Seiberling	Whitten
Murtha	Sharp	Williams
Myers	Shelby	Wilson
Natcher	Sisisky	Wise
Nelson	Skeen	Wolf
Nichols	Skelton	Wortley
Nowak	Smith (FL)	Wright
Oakar	Smith (IA)	Yates
Oberstar	Smith (NE)	Yatron
Olin	Smith (NJ)	Young (FL)
Ortiz	Solarz	Young (MO)
Owens	Spratt	
Panetta	St Germain	

NAYS—151

Archer	Gregg	Pursell
Armey	Grotberg	Ridge
AuCoin	Gunderson	Ritter
Badham	Hansen	Roberts
Bartlett	Hendon	Roemer
Barton	Henry	Rowland (CT)
Bates	Hertel	Russo
Bentley	Hiler	Saxton
Bereuter	Holt	Schaefer
Bilirakis	Hopkins	Schroeder
Boehlert	Hubbard	Schuette
Boulter	Hughes	Schulze
Broomfield	Hyde	Sensenbrenner
Brown (CO)	Ireland	Shaw
Broyhill	Jacobs	Shumway
Bruce	Johnson	Shuster
Burton (IN)	Kaptur	Sikorski
Callahan	Kasich	Siljander
Campbell	Kolbe	Slattery
Carney	Kramer	Slaughter
Coats	Lagomarsino	Smith, Denny (OR)
Cobey	Latta	
Coble	Leach (IA)	Smith, Robert (NH)
Coleman (MO)	Lewis (FL)	
Combest	Lightfoot	Smith, Robert (OR)
Coughlin	Loeffler	
Courter	Lujan	Snowe
Craig	Lungren	Snyder
Crane	Mack	Solomon
Dannemeyer	Madigan	Spence
Daub	Marlenee	Stangeland
Davis	Martin (IL)	Stenholm
DeLay	McCain	Strang
DeWine	McCandless	Stump
Dickinson	McCollum	Sweeney
DioGuardi	McEwen	Swindall
Dorgan (ND)	McKernan	Tauke
Dornan (CA)	McMillan	Thomas (CA)
Dreier	Meyers	Vander Jagt
Edwards (OK)	Miller (OH)	Vucanovich
English	Monson	Walker
Evans (IA)	Moorhead	Weaver
Fawell	Morrison (WA)	Weber
Feighan	Mrazek	Whittaker
Fiedler	Neal	Wirth
Fields	Nielson	Wolpe
Franklin	Obey	Wyden
Frenzel	Oxley	Wylie
Gekas	Packard	Young (AK)
Gingrich	Penny	Zschau
Glickman	Petri	
Goodling	Porter	

NOT VOTING—24

Addabbo	Cheney	Hunter
Boland	Cooper	Kindness
Bonker	Daschle	McKinney
Bosco	Edgar	Mica
Breaux	Fowler	O'Brien
Brown (CA)	Gibbons	Pashayan
Chandler	Gray (IL)	Roth
Chappie	Hartnett	Torricelli

□ 1725

The Clerk announced the following pairs:

On this vote:

Mr. O'Brien for, with Mr. Hartnett against.

Mr. McKinney for, with Mr. Cheney against.

Messrs. LOEFFLER, OXLEY, STENHOLM, KASICH, McMILLAN, BATES, BOEHLERT, DAVIS, EDWARDS of Oklahoma, WOLPE, and GLICKMAN changed their votes from "yea" to "nay."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 441, and that the gentleman from Mississippi [Mr. WHITTEN] and I may include tabular and extraneous matter.

The SPEAKER pro tempore (Mr. EARLY). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MAKING IN ORDER ON WEDNESDAY, NOVEMBER 13, 1985, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 3038, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATION ACT, 1986

Mr. TRAXLER. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, November 13, 1985, or any day thereafter, to consider the conference report and any amendments in disagreement on the bill (H.R. 3038) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes.

Mr. Speaker, I might add that this has the consent and approval of the distinguished gentleman from New York [Mr. GREEN], the ranking minority member of the subcommittee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1616, LABOR-MANAGEMENT NOTIFICATION AND CONSULTATION ACT OF 1985

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 313 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 313

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1616) to require employers to notify and consult with employees before ordering a plant closing or permanent layoff, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the committee amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and each section of said substitute shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Members may demand a separate vote in the House on any amendments adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA], for purposes of debate only, and pending that I yield myself such time as I may use.

Mr. Speaker, House Resolution 313 is the rule providing for consideration of the bill, H.R. 1616, the Labor Management Notification and Consultation Act of 1985.

This is an open rule that provides for 1 hour of general debate, to be equally divided and controlled between the chairman and ranking minority member of the Committee on Education and Labor.

The rule waives points of order against the bill under section 402(a) provides that it shall not be in order to consider any bill which of the Congressional Budget Act. Section 402(a) authorizes any new budget authority for a fiscal year, unless that bill has been reported on or before May 15, preceding the beginning of such fiscal year.

Mr. Speaker, H.R. 1616 authorizes appropriations effective in fiscal year 1986 to establish a national commission on plant closings and worker dislocation. Since the bill was not reported by May 15, 1985, a waiver of section 402(a) is required in order to provide for the consideration of this bill.

Mr. Speaker, House Resolution 313 makes in order an amendment in the nature of a substitute which is recommended by the Committee on Education and Labor and is now printed in the bill. This amendment in the nature of a substitute shall be considered as original text for the purpose of amendment, and is to be considered by sections, with each section to be considered as having been read. Finally Mr. Speaker, the rule provides one motion to recommit with or without instruction.

Mr. Speaker H.R. 1616, the Labor-Management Notification and Consultation Act of 1985, is a bill that is long overdue. This bill, which is sometimes referred to as the plant closing bill, would require an employer to give at least 90 days notice of a proposed plant closing or a mass layoff that affects 50 or more employees. H.R. 1616 would also create a 15-member bipartisan commission on plant closings and worker dislocation that would investigate plant closings, and recommend any legislative or administrative responses considered necessary to help alleviate the impact of plant closings in general.

Mr. Speaker, H.R. 1616 is the product of 11 years of studies and hearings held by the Committee on Education and Labor, and other congressional committees. The bill does not attempt to solve all the problems caused by plant closings and mass layoffs. Rather, the bill seeks to accomplish a process that will help prevent dislocations that are unnecessary, and to make possible an orderly process of adjustment, when closings or mass layoffs are unavoidable.

I urge my colleagues to vote for the adoption of House Resolution 313, and for the passage of the bill H.R. 1616.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at the outset let me make it clear that we all share the same goal, that is more jobs for Americans. However, while the supporters of this bill are probably well-intentioned, the result of this legislation in many cases will be the loss of jobs which otherwise might be saved.

Mr. Speaker, some of the supporters of this bill have given the impression that it does nothing more than require employers to give workers 90 days notice before closing a plant. Mr. Speaker, this is not an accurate description of all the burdensome requirements which will be imposed on a struggling business by this bill. Let me mention a few of the specific requirements which a business will be required to meet. And bear in mind, Mr. Speaker, a business will be required to bear all these additional burdens at a time when, in many cases, it is already gasping for breath.

First, Mr. Speaker, while the record to support this bill has consistently referred to actual plant closings, the provisions of the bill are triggered by an employment loss of 50 or more employees within 30 days, regardless of whether the number of employees at the facility is 50 or 5,000. In fact, Mr. Speaker, this bill would apply even if the "employment loss" involved was a mere reduction in hours. Thus, Mr. Speaker, the provisions of this bill could be triggered by a business relocating or subcontracting a portion of the work, consolidating operations, or discontinuing of a product line.

In all of these cases the bill imposes an automatic 3-month delay, with notice and consultation requirements, except under ill-defined "unavoidable business circumstances." Mr. Speaker, the use of a vague term such as "unavoidable business circumstances" will result in endless litigation, which is great for lawyers, but just puts another burden on the employer.

Mr. Speaker, an additional requirement imposed by this bill is in section 4, entitled "Consultation Required Before Plant Closings and Mass Layoffs." This section provides in part that:

An employer shall not order a plant closing or mass layoff unless the employer has—

(1) met at reasonable times with the representative for representatives (if any) of the affected employees with respect to a proposal to order a plant closing or mass layoff; and

(2) consulted in good faith with such representative for the purpose of agreeing to a mutually satisfactory alternative to or modification of such proposal.

Mr. Speaker, this requirement for consulting in good faith is another lawyers dream come true. The courts may spend years trying to decide what

constitutes good-faith consultation. And an employer failing to comply with this requirement would be faced with a full range of potential sanctions, including an injunction extending the consultation period beyond the original 3 months.

Mr. Speaker, the requirement for good-faith consultation only applies where there is union representation of the workers. Yet, according to the dissenting views, under current law an employer is already required to engage in good-faith bargaining with the union where labor costs are a factor in a decision resulting in layoffs. This bill would extend the consultation requirement to decisions which are unrelated to labor costs.

Mr. Speaker, the dissenting views include a relevant quote from the case of *First National Maintenance Corp.* v. *NLRB* (1981), which sums up the problem, as follows:

> If labor costs are an important factor in a failing operation and the decision to close, management will have an incentive to confer voluntarily with the union to seek concessions that they make continuing the business profitable.
>
> * * * At other times, management may have great need for speed, flexibility, and secrecy in meeting business opportunities and exigencies. It may face significant tax or securities consequences that hinge on confidentiality, the timing of a closing, or a reorganization of the corporate structure. The publicity incident to the normal process of bargaining may injure the possibility of a successful transition or increase the economic damage to the business. The employer also may have no feasible alternative to the closing, and even good-faith bargaining over it may be both futile and cause the employer additional loss.

So Mr. Speaker, this is why the good-faith consultation requirement in this bill has the potential to do more harm than good.

Mr. Speaker, another provision in this bill which may do more harm than good is section 5 entitled "Duty to Disclose Information During Consultation." Section 5 provides that:

> An employer shall be held to have failed to consult in good faith under section 4 if the employer has not provided the representative of the affected employees with such relevant information as is necessary for the thorough evaluation of the proposal to order a plant closing or mass layoff or for the thorough evaluation of any alternatives or modifications suggested to such proposal.

Mr. Speaker, it is clear that the bill contemplates that "relevant information" would include trade secrets and other competitive information because it specifically provides for protective orders to be issued by the Secretary of Labor in such instances. However, an employer's fear of disclosing such information to anyone, regardless of the bill's so-called protections could be so significant as to inhibit decisions necessary to keep the plant operating in the long run.

But now, Mr. Speaker, let me tell you what happens if after trying to comply with all these requirements, there is a complaint that an employer has violated the requirements of this act. First, within 10 days the Secretary investigates the allegation and makes a determination thereon. If the Secretary determines there is reasonable cause to believe the allegation is true, the Secretary is directed to take the employer to court.

The court may grant orders which may include, but shall not be limited to: First, giving required notice; second, extending the consultation period and requiring the employer to consult in good faith during the period as extended; and third, requiring reinstatement with backpay and related benefits.

In addition, section 7(b) of this bill provides for civil actions against employers. It provides in part that:

> Any employer who orders a plant closing or mass layoff in violation of this act or of a court order under subsection (A) shall be liable to each employee who suffers an employment loss as a result of such closing or layoff for reinstatement or damages or both.

Damages are to include backpay and related benefits, and may include general or punitive damages or both. The court may in addition to any judgment awarded to the plaintiff allow a reasonable attorney's fee to be paid by the defendant. Together with the costs of the action.

And then, just for good measure, Mr. Speaker, section 8 of the bill provides that:

> The rights and remedies provided to employees by this Act are in addition to, and not in lieu of, any other contractual, statutory, or other legal rights and remedies of the employees.

Mr. Speaker, this bill should be labeled the Lawyer's Relief Act of 1985. They will be the prime beneficiaries. However, the bill will quite likely succeed in closing down plants, which otherwise might have been saved. In many cases it will end up hurting those workers that it is supposed to help.

Mr. Speaker, the rule which provides for consideration of this plant closing bill is an open rule, providing for 1 hour of general debate. Unfortunately, like so many other rules reported in recent years. This one contains a waiver of the Budget Act. In this case it is a waiver of section 402(a) which requires authorization bills to be reported before May 15.

In conclusion, Mr. Speaker, the rule provides another waiver of the Budget Act, and the bill will do more harm than good in many areas. I can't see very much to recommend either one.

□ 1735

Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I can understand the frustration by which this bill and this rule has found its way to the floor. Every Member of this body has plants that are closing and has to be quite concerned about the closing of those plants and the economy in their local communities.

But Mr. Speaker, ultimately, the issue of this plant closing legislation is jobs, something that all of us here are concerned about. The fault of this bill does not lie in its intent but in its content: It focuses on joblessness, the consequence, rather than job creation, the solution.

H.R. 1616 attempts to artificially resuscitate jobs which already have been lost by impeding employers' ability to make necessary management decisions. Such action is hardly a remedy; it's an exacerbation of a problem.

If plant closing legislation were to be effective, it must concentrate on job creation. And that would mean affording management the most flexibility and least regulation possible for the survival of that business.

Let me show you an example that should be enough to vote against this rule and put this bill to bed.

A simple comparison of employment statistics between Western Europe and the United States illuminates the need, or lack thereof, for plant closing legislation.

Between 1965 and 1984, America's work-age population increased by 38 percent. But jobs during that period grew by 45 percent, from 71 million to 103 million, despite oil shocks, recessions, and the decline of some traditional industries. Western Europe, on the other hand, has experienced job shrinkage, with 3 million fewer jobs than that there were 10 years ago.

A factor to be considered in this comparison are the respective environments in which job creation or shrinkage occurred. We have examples by which we can plainly see what would happen if this legislation passes. In Western Europe, plant closing legislation similar to this is common—it has passed in France, West Germany, England, and Ireland. Consequently, increased unemployment plagues that part of the continent where the economic environment has been strangled by the grip of government regulation.

Contrast that with the U.S. economy which now has about 10 million more jobs than even optimists predicted 15 years ago. Job creation is a direct product of a profitable business, just as unemployment directly results from business failures. By preserving an economic environment that facilitates growth, expansion, and relocation of individual businesses, we promote job creation.

I, for one, do not want to follow the example of Western Europe when we here in the United States are an exam-

ple ourselves. Let's not institute a system that has been the albatross around our European counterparts' necks.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

□ 1750

Mrs. ROUKEMA. Mr. Speaker, I rise in opposition to the rule and I am against consideration of the bill. It is not that I have any problem with the rule per se, I think it is an eminently fair rule that has been brought forward, but I strongly oppose the bill and I strongly believe that we are not ready to address this issue.

The issue, despite the energetic and sincere efforts of our colleagues Mr. CONTE, Mr. CLAY, and Mr. FORD, who have worked on the legislation, is too controversial and polarizing because it is based on too little information.

It is for that reason, Mr. Speaker, that I oppose bringing it to the floor at this time. It is also for that reason that Congressman JEFFORDS, the distinguished ranking member on the Committee on Education and Labor and myself approached Secretary of Labor Bill Brock and asked him, because of the importance of the issues of plant closings, economic dislocations, and the psychological problems attendant to those issues, if he would appoint a task force to address the issues.

The Secretary did that. He has appointed a high-level task force of academics, of business people, and of labor leaders who all have experience in the field. I think it is those people to whom we should be looking for their expertise and understanding of the problems, so that we can have not a divisive program that will divide labor versus management, north versus south, and community versus community; but rather bring us together with a relevant, coherent, and prudent plan to solve the problems.

We are talking here about symptoms, not the underlying problems, and we would be well advised to avoid this legislation now and come back with a comprehensive and well-thought-out program.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, this rule ought to be defeated. We have heard a lot of talk during recent months about voodoo economics; well, we have here the first example of cuckoo economics, because this propounds the economic theory that you can solve the problems of a transitional economy by creating more bureaucracy and hiring more lawyers.

I think that we ought to be moving away from that kind of concept rather than toward it. What we have before you here, though, is a rule that suggests it is a part of that whole movement that what we ought to do now is waive the Budget Act as well.

So here we are with one more Budget Act waiver before us, after already considering at least 10 since the beginning of this year. How much longer are we going to go along with this idea that somehow we are not at fault for what is happening in the budget process when we go ahead and waive the Budget Act at every conceivable opportunity? That is what we are doing here again.

All we are told is that this is just a minor waiver; that it involves the reporting date. Well, the gentleman from Massachusetts said in his remarks: Here is a bill that has been around for 11 years. We have been working on this idea for 11 years, and yet we could not meet the reporting date.

Why is the reporting date there? Because what we are attempting to do is establish some pattern that assures us that the authorization process will follow what we have done in the Budget Act.

We are not doing that here; we are just saying that once again we are going to waive the reporting date, waive the authorization process, go ahead and spend the money.

I suggest we ought to vote against this rule for several reasons, one of which certainly is the fact that it is a rule to bring forth a bad bill; but, second, I think anybody that is concerned about the budget process ought to vote against one more waiver of the Budget Act.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Colorado [Mr. BROWN].

Mr. BROWN of Colorado. Mr. Speaker, the gentleman from Ohio referred to this bill as one that should be called the Lawyer's Relief Act. I want to take issue with my friend from Ohio.

It should not be called the Lawyer's Relief Act, although there is some reason to look at it that way. Any thoughtful analysis of this bill would mandate it being called the Economic Illiteracy Act of 1985. It reflects a level of misunderstanding of the basic economic of this country that is staggering.

Take a look at what this measure will require. It will not discourage the closing of plants, it will encourage them. Anyone who has been involved in the closing of a plant I invite to come to the floor and debate this issue.

Second, it will discourage the locating new plants in this country. For any operation that has a choice as to where they locate a plant, this is one more factor that will discourage them from locating a productive enterprise in the United States.

It will encourage the closing of plants; it will discourage the locating of new plants in this country, and, third it will reallocate resources. It will take resources that can be used to pay the working men and women of this Nation and reallocate them to be spent for attorney's fees and paperwork. Any plant that has problems is going to hire special labor law attorneys to advise them.

It will take resources and divert them to attorneys' fees, redtape, paperwork, and increased bureaucracy.

If there is any doubt as to whether or not your plant is going to shut down, under this law you will be advised to give notice; and you will give notice before you are ready to shut down.

What does that do? If you are a supplier and you hear 90 days in advance they may shut down, you are more likely to cut off credit. If you are a banker and face any decisions about whether to continue a line of credit to a plant and you hear they are planning to shut down, you will be less likely to continue their line of credit.

If you are a customer buying products from a plant that may be shut down, and you have 90 days' notice, you are less likely to buy those products.

I suggest to the Members that any thoughtful analysis of this bill cannot help but lead to the conclusion that this bill will require many plants to shut down and many people to lose their jobs when it may not be necessary.

The existence of this law will discourage new plants from coming into an area. If the Members want to discourage new jobs in this country, pass this bill, because this will do it.

The bill provides a new basis for lawsuits. Does anyone here suggest that there are not enough bases for lawsuits in this country now?

It provides new redtape and rules and regulations. Can anyone seriously claim we need more of those? It calls for increased attorneys' fees. Those fees will take away from resources that could be provided for workers pay. Is there anyone who says a major need of this country is more attorneys' fees?

Then what about increased bureaucracy? Does anyone believe this bill will help the workers of this country? I suggest it will not. This bill is the personification of economic illiteracy. It deserves to be beaten and beaten soundly. It provides for losing jobs in America; it provides for discouraging new employment, and it provides for a transfer of our resources to pay for redtape and bureaucracy.

I would hope that we would not only turn down this bill, but would come forth with a new resolve to make this country competitive again.

Mr. LATTA. Mr. Speaker, I have no further requests for time.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR of Michigan. Mr. Speaker, I rise in support of House Resolution 313, the resolution making in order H.R. 1616, the Labor-Management Notification and Consultation Act of 1985. House Resolution 313 provides for an open rule and 1 hour of general debate on H.R. 1616. There is nothing controversial about the terms of the rule.

As a cosponsor of H.R. 1616, I submit that there should likewise be no controversy about H.R. 1616. H.R. 1616 addresses a problem that Congress has ignored too long—the financial and emotional suffering endured by hundreds of thousands of American families each year when their breadwinner is thrown into unemployment without warning because of a sudden plant closing or mass layoff. Studies by the Bureau of Labor Statistics, academic researchers in Maine and Utah, and a review of major union contracts all confirm that most dislocated workers receive little or no warning of their layoff and have no opportunity to adjust their family budget and spending or to look for work or retraining programs before they lose their job.

This state of affairs is not just cruel and needlessly unfair to the dislocated workers, it is also wasteful and expensive for the taxpayer. Every additional week the Nation's dislocated workers are jobless and drawing unemployment compensation costs the taxpayers hundreds of millions of dollars. It makes good sense to require employers—when possible—to let their employees know well in advance that their jobs will be eliminated. Experience and careful research show that advance notice of plant closures dramatically reduces the resulting unemployment. H.R. 1616 can reduce unemployment without government expenditures and without burdening responsible employers.

I believe that most employers can give 90 days' notice of permanent mass layoff and plant closures affecting 50 or more employees without any problems. But the bill does not ask for the impossible. Section 3(b) provides that if because of "unavoidable business circumstances"—circumstances beyond the employer's control which make the need for layoffs unforeseeable 90 days in advance—the employer must close or cut back its operations without giving 90 days' notice to its employees, it may do so without penalty and without asking for the permission of any union or Government agency.

H.R. 1616 is modest, sensible, and flexible legislation that will help dislocated workers without burdening responsible employers. I urge my colleagues to support House Resolution 313 and to support prompt consideration of H.R. 1616.

Mr. MOAKLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, I rise in support of House Resolution 313, which makes in order the consideration of H.R. 1616, the Labor-Management Notification and Consultation Act. There should be no objection to the terms of the rule provided for by House Resolution 313—it is an open rule providing for an hour of general debate, a rule that guarantees that all sides on this issue can be heard.

There are, however, a number of Members who would like to see no debate at all on this legislation, who argue that consideration of H.R. 1616 is somehow premature. After working on this legislation and similar bills for 11 years, after more than 20 congressional committee hearings on the need for plant closing and prenotification legislation, I find any talk about prematurity incredible. Since I first introduced a plant closing bill in February 1974, 20 million Americans have lost their jobs in plant closures. This bill is not premature.

The gentlelady from New Jersey [Mrs. ROUKEMA] and others have argued that we should not legislate until a task force on plant closings that Secretary Brock will establish has studied all of the issues for a year and are its recommendations.

Mr. Speaker, this argument is nothing but a smokescreen. Where did the idea for Secretary Brock's task force come from? What is its history? The gentlelady from New Jersey claims credit for the idea of a task force, but in fact, Mr. CONTE, Mr. CLAY, and I proposed the establishment of a very similar Commission in H.R. 1616. The gentlelady from New Jersey has served on the Education and Labor Committee for more than 4 years, but she never proposed the creation of a task force to study plant closings until it became evident that H.R. 1616 would be favorably reported from the committee this year. It is no coincidence that Secretary Brock first announced his intention to appoint a task force in June, on the day two subcommittees marked up H.R. 1616.

It is also coincidence that the task force, which originally was to report in July 1986, has not yet met or that Secretary Brock delayed the announcement of appointments to the task force until it became clear that H.R. 1616 would be considered by the House in November. The main purpose of the Roukema-Brock task force is to derail H.R. 1616 and any companion bill in the Senate.

The Roukema-Brock task force is no substitute for H.R. 1616. The Deputy Under Secretary for Congressional Affairs has assured business groups that the task force will not lead to plant closing legislation. The chairman chosen for the task force opposes H.R. 1616, and the Secretary, himself, has declared that he hopes the task force will help prevent the passage of H.R. 1616.

Mr. Speaker, the Roukema-Brock task force is not the unbiased, bipartisan, blueribbon Commission on plant closings and worker dislocation that Mr. CONTE, Mr. CLAY, and I envisioned in H.R. 1616. Unlike the Commission in H.R. 1616, whose membership would have been selected by agreement between the Senate majority leader and yourself—or your successor as Speaker of the House—the Roukema-Brock task force's members were chosen unilaterally by the Secretary of Labor, who is opposed to H.R. 1616, who seeks to eliminate the Trade Adjustment Assistance Program, who sought and received a cut of more than 50 percent in the already insufficient JTPA Dislocated Workers Program.

The task force is a smokescreen designed to obscure the urgent need for H.R. 1616. I hope my colleagues will see through it and support House Resolution 313.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 233, nays 176, not voting 25, as follows:

[Roll No. 402]

YEAS—233

Ackerman	Conyers	Gekas
Akaka	Cooper	Gephardt
Alexander	Courter	Gilman
Anderson	Coyne	Glickman
Andrews	Crockett	Gonzalez
Annunzio	Daschle	Gordon
Applegate	Davis	Green
Aspin	de la Garza	Guarini
Atkins	Dellums	Hall (OH)
Barnes	Dicks	Hamilton
Bates	Dingell	Hatcher
Bedell	Dixon	Hawkins
Bellenson	Donnelly	Hayes
Bennett	Dorgan (ND)	Heftel
Bentley	Downey	Hertel
Berman	Durbin	Horton
Bevill	Dwyer	Howard
Biaggi	Dymally	Hoyer
Boehlert	Dyson	Hubbard
Boggs	Early	Hughes
Boner (TN)	Eckart (OH)	Jacobs
Bonior (MI)	Edwards (CA)	Jones (NC)
Borski	Erdreich	Jones (OK)
Boucher	Evans (IL)	Jones (TN)
Boxer	Fascell	Kanjorski
Brooks	Fazio	Kaptur
Bruce	Feighan	Kastenmeier
Bryant	Fish	Kennelly
Burton (CA)	Flippo	Kildee
Bustamante	Florio	Kleczka
Byron	Foglietta	Kolter
Carper	Foley	Kostmayer
Carr	Ford (MI)	LaFalce
Chapman	Ford (TN)	Lantos
Chappell	Frank	Leach (IA)
Clay	Frost	Lehman (CA)
Coelho	Fuqua	Lehman (FL)
Coleman (TX)	Garcia	Leland
Collins	Gaydos	Levin (MI)
Conte	Gejdenson	Levine (CA)

Lipinski	Penny	Spratt
Lloyd	Pepper	St Germain
Long	Perkins	Staggers
Lowry (WA)	Petri	Stallings
Luken	Pickle	Stark
MacKay	Price	Stokes
Manton	Pursell	Stratton
Markey	Rahall	Studds
Martinez	Rangel	Swift
Matsui	Reid	Synar
Mavroules	Richardson	Tallon
Mazzoli	Ridge	Thomas (GA)
McCloskey	Rinaldo	Torres
McDade	Ritter	Towns
McHugh	Robinson	Traficant
Mikulski	Rodino	Traxler
Miller (CA)	Roe	Udall
Miller (OH)	Rose	Vento
Mineta	Rostenkowski	Visclosky
Mitchell	Rowland (GA)	Volkmer
Moakley	Roybal	Walgren
Molinari	Russo	Waxman
Mollohan	Sabo	Weaver
Moody	Savage	Weiss
Morrison (CT)	Scheuer	Wheat
Mrazek	Schneider	Whitley
Murphy	Schumer	Williams
Murtha	Seiberling	Wilson
Natcher	Sharp	Wirth
Nowak	Sikorski	Wise
Oakar	Sisisky	Wolpe
Oberstar	Skelton	Wortley
Obey	Slattery	Wright
Olin	Smith (FL)	Yates
Ortiz	Smith (IA)	Yatron
Owens	Smith (NJ)	Young (AK)
Panetta	Snowe	Young (MO)
Pease	Solarz	

NAYS—176

Anthony	Gregg	Monson
Archer	Grotberg	Montgomery
Armey	Gunderson	Moore
Badham	Hall, Ralph	Moorhead
Barnard	Hammerschmidt	Morrison (WA)
Bartlett	Hansen	Myers
Barton	Hefner	Neal
Bateman	Hendon	Nichols
Bereuter	Henry	Nielson
Bilirakis	Hiler	Oxley
Billey	Hillis	Packard
Boulter	Holt	Parris
Broomfield	Hopkins	Porter
Brown (CO)	Huckaby	Ray
Broyhill	Hunter	Regula
Burton (IN)	Hutto	Roberts
Callahan	Hyde	Roemer
Campbell	Ireland	Rogers
Carney	Jeffords	Roukema
Clinger	Jenkins	Rowland (CT)
Coats	Johnson	Rudd
Cobey	Kasich	Saxton
Coble	Kemp	Schaefer
Coleman (MO)	Kolbe	Schroeder
Combest	Kramer	Schuette
Coughlin	Lagomarsino	Schulze
Craig	Latta	Sensenbrenner
Crane	Leath (TX)	Shaw
Daniel	Lent	Shelby
Dannemeyer	Lewis (CA)	Shumway
Darden	Lewis (FL)	Shuster
Daub	Lightfoot	Siljander
DeLay	Livingston	Skeen
Derrick	Loeffler	Slaughter
DeWine	Lott	Smith (NE)
Dickinson	Lowery (CA)	Smith, Denny (OR)
DioGuardi	Lujan	Smith, Robert (NH)
Dornan (CA)	Lundine	Smith, Robert (OR)
Dowdy	Lungren	Snyder
Dreier	Mack	Solomon
Duncan	Madigan	Spence
Eckert (NY)	Marlenee	Stangeland
Edwards (OK)	Martin (IL)	Stenholm
Emerson	Martin (NY)	Strang
English	McCain	Stump
Evans (IA)	McCandless	Sundquist
Fawell	McCollum	Sweeney
Fiedler	McCurdy	Swindall
Fields	McEwen	Tauke
Franklin	McGrath	Tauzin
Frenzel	McKernan	Taylor
Gallo	McMillan	Thomas (CA)
Gingrich	Meyers	Valentine
Goodling	Michel	Vander Jagt
Gradison	Miller (WA)	Vucanovich
		Walker
		Watkins
		Weber
		Whitehurst
		Whittaker
		Whitten
		Wolf
		Wyden
		Wylie
		Young (FL)
		Zschau

NOT VOTING—25

Addabbo	Cheney	Mica
AuCoin	Edgar	Nelson
Boland	Fowler	O'Brien
Bonker	Gibbons	Pashayan
Bosco	Gray (IL)	Quillen
Breaux	Gray (PA)	Roth
Brown (CA)	Hartnett	Torricelli
Chandler	Kindness	
Chappie	McKinney	

□ 1815

The Clerk announced the following pair:

On this vote:

Mr. Torricelli for, with Mr. Nelson of Florida against.

Mrs. BENTLEY and Mr. MOLINARI changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS AND HUMAN RESOURCES OF COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. WEISS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Intergovernmental Relations and Human Resources of the Committee on Government Operations be permitted to meet tomorrow during the 5-minute rule for hearings only.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

LABOR-MANAGEMENT NOTIFICATION AND CONSULTATION ACT OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 313 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1616.

□ 1819

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1616) to require employers to notify and consult with employees before ordering a plant closing or permanent layoff, with Mr. OBERSTAR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Missouri [Mr. CLAY] will be recognized for 30 minutes and the gentlewoman from New Jersey [Mrs. ROUKEMA] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, I rise in support of H.R. 1616.

Since I first began working on this legislation in December 1973, more than 20 million Americans have lost their jobs in plant closings. We have held hearings in Alabama, Oregon, Montana, Michigan, Ohio, California, Pennsylvania, New Jersey, and Washington, DC. Everywhere we have gone, everywhere you look in the United States—from Maine and Texas, to North Carolina and Missouri—plant closings and worker dislocation are terrible problems for American families and communities.

Some people claim that after 11 years and more than 20 hearings we don't know enough about this issue to legislate. Mr. Speaker, let me assure you, we know a great deal.

We know that plant closings often destroy the financial security of workers and families crushing hopes for an adequate pension, wiping out health insurance coverage, leading to extended periods of unemployment and downward mobility. Sixty-five percent of the disclocated workers surveyed by the Bureau of Labor Statistics in 1984 were jobless or earning less than they had in their previous job.

We know that dislocated workers develop serious health problems from the stress of losing their job, including ulcers, hypertension, increased uric acid and cholesterol levels, and a higher incidence of alocholism. The mortality rate of dislocated workers in one study was 16 times higher than for other men their age.

We know that the mental health problems of dislocated workers and their families are equally serious. They have higher divorce rates, are more likely to engage in child and spouse abuse, and have appalling suicide rates. We heard testimony about plant closings where as many as 10 workers committed suicide.

We know that a single plant closing or mass layoff can devastate a small town it the plant is an important enough employer. We have seen it happen in textile mill towns, shoe factory towns, and mining communities. Even in larger towns and cities, a plant closing or a series of closings can have a terrible ripple effect, leading to layoffs at other businesses, lost tax revenues, decreased public services, and

more layoffs. When the shutdown occurs without advance notice, the community has no time to prepare for its effects, adjust its budget and services, or seek alternatives to the closure. It is no wonder that the National League of Cities strongly supports H.R. 1616.

We know that the Government isn't doing enough to help the millions of dislocated workers who need help. Only one unemployed American in four receives unemployment compensation. JTPA Title III, the Dislocated Workers Program, serves less than 5 percent of the Nation's dislocated workers, and its budget has just been cut more than 50 percent.

But we also know that there are low-cost or no-cost ways of helping dislocated workers, and that is what we propose in H.R. 1616. It doesn't take a genius to realize that prenotification of job loss will allow dislocated workers to find new jobs faster. President Reagan's own Council on Industrial Competitiveness recognized this simple fact in its report earlier this year. The Council recommended:

> Where possible, early identification of the worker to be displaced should be encouraged. Delay in identifying these individuals directly contributes to prolonging the adjustment process—a process already made difficult by the individual's denial of the problem, lack of job search skills, and absence of alternative job or occupation at a comparable wage. Employers should be urged to provide early notification of plant closings, and joint public-private efforts providing prelayoff assistance (such as those authorized by JTPA), should be emphasized.

The usefulness of advance notice is not just common sense, however. Studies have shown that advance notice significantly reduces the amount and duration of unemployment resulting from plant closings. As little as 1 month's notice reduced the resulting unemployment by 20 percent. With 3 month's notice, as H.R. 1616 would require, the effect on unemployment would be even greater. Nationwide, unemployment compensation costs could be reduced by hundreds of millions of dollars.

The American people recognize the benefits of advance notice legislation. A Business Week/Harris poll found that 68 percent of Americans favor a law requiring 1 year's prenotification of plant closings.

Even the Labor Department recognizes some of the potential benefits of advance notice. A recent Labor Department report concludes that "assistance for unemployed workers should begin before layoffs occur," a result that is impossible without advance notice.

The other key feature of this bill is the duty it imposes on employers of 50 or more employees to consult with their employees' union about alternatives to a closure or cutbacks during the 90-day notice period. This is an easy requirement with which to comply, one that will have negligible costs for employers, but enormous potential benefits.

We know from our hearings that, when given the opportunity and sufficient information, employees and their unions can sometimes develop productivity improvements and millions of dollars of cost savings that management has overlooked. We know that the National Labor Relations Act as currently interpreted does not provide a forum for effective employee and union involvement because of its excessively narrow scope of bargaining. If we are to compete internationally we cannot afford to ignore the brains and ideas of the average American worker because of outdated, irrelevant notions about management rights. Nothing in H.R. 1616 diminishes management's right to make management decisions. The bill provides only that before eliminating large numbers of jobs, the employer must meet with the affected employees' union, provide information about the decision, and discuss any alternatives the union might propose in good faith. Nothing in H.R. 1616 allows a union or anyone else to veto a plant closing decision or force an employer to alter its decision to close or lay off employees.

We have seen that businesses are sometimes unaware of alternatives to decisions to shut down or relocate. When given adequate advance notice, cities have been able to change such business decisions for the benefit of everyone concerned by providing new facilities, changing zoning laws, providing low interest loans, or helping to establish an employee stock ownership plan.

None of these fortuitous results is possible without advance notice and information—and that is all that H.R. 1616 requires.

Mr. Chairman, H.R. 1616 is well-balanced, bipartisan, compromise legislation. It is not comprehensive plant closing legislation, but the American people cannot wait for the consensus that would make comprehensive legislation possible. They want and deserve advance notice of plant closings and mass layoffs and an opportunity to influence decisions about the elimination of their jobs. H.R. 1616 will at least give them that. I urge my colleagues to support this bill.

Mrs. ROUKEMA. Mr. Chairman, I yield 4½ minutes to the gentleman from Vermont [Mr. JEFFORDS], the distinguished ranking minority member of the committee.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Chairman, I am pleased to rise in support of H.R. 1616, the Labor-Management Notification and Consultation Act of 1985 and to urge its immediate adoption. I know I speak on behalf of thousands of employees and employers in my district when I express my appreciation to the gentleman from Michigan [Mr. FORD], the gentleman from Missouri [Mr. CLAY], and the gentleman from Massachusetts [Mr. CONTE], for working so diligently to bring this vital labor-management legislation before the House today.

Mr. Chairman, very few Members of this body have not experienced the closing of a major business or plant in their district; watching as scores or maybe hundreds of their constituents went from the assembly line to the unemployment line within a matter of weeks. The severe economic impact on those displaced workers, on that town, on that region, and on any and all of the associated businesses is devastating.

I am proud to represent the 22d Congressional District of New York, a portion of which borders northern New Jersey. Several years ago, without adequate notice, the Ford Co. made the decision to close their assembly plant in Mahwah, NJ. That plant employed close to 5,000 workers; over 40 percent of whom resided in my district. Hundreds of my constituents suddenly found themselves out of work without sufficient time to retrain, let alone make alternate plans as to how they were going to satisfy their prior financial commitments. As we consider H.R. 1616, please bear in mind, the individuals affected by this legislation are people who carry mortgages, who work hard to save so that they may send their children to college—we are talking about people who are devoted to their families, their communities and to their jobs. These are workers who care about the job they perform and feel a sense of loyalty to their employer. Indeed the one thing that struck me most whenever I spoke with those workers who had been laid-off at the Ford plant was that they felt they had been betrayed and that their employer had not lived up it its responsibility, neither as an employer nor as a member of the community, when it chose to shut down the Mahwah operation without adequate consultation or advance notification.

H.R. 1616 contains three major provisions to ameliorate the effects of plant closings and represents years of hearings and discussions between the Congress, labor, and management. H.R. 1616 requires any employer who intends over any 3-month period to lay off permanently 50 or more employees or reduce by 50 percent the hours of 50 or more employees, to provide written notice to the affected employees and the Federal Mediation and Conciliation Service [FMCS] 90 days prior to implementing that decision. If a union represents the affected employees, H.R. 1616 requires the employer to meet and consult with the union throughout the notification period in an effort to reach a mutually acceptable alternative to, or modification of, the closing/layoff decision. In a nonunion

shop the employer is encouraged but not required to engage in good-faith consultation with the affected employees. If at the end of the notification and consultation period an alternative has not been reached, the employer is free to implement the closing/layoff decision. H.R. 1616 specifically states that an employer who is faced with unavoidable business circumstances that require him to immediately close his operations need not comply with the notification and consultation requirements.

Enforcement of these provisions is within the jurisdiction of the Department of Labor which when notified by an employer or union that a violation has occurred, can seek injunctive relief in district court. If injunctive relief is unavailable an employer who violates these provisions shall be liable for civil damages which are capped at 90 days back pay and related benefits for each affected employee; in other words the total of what each employee would have received had he or she been notified of the lay-off or closing in accordance with the act.

In addition to the notification and enforcement provisions, H.R. 1616 establishes a National Commission on Plant Closings and Worker Dislocation to study the causes and impacts of plant closings and permanent layoffs. The Commission will be appointed jointly by the Speaker of the House and the majority leader of the Senate and shall include labor representatives, business leaders; Federal, State, and local government officials and academicians. The Commission is required to make its report and any recommendations it deems appropriate 12 months after its formation.

Throughout the towns and cities across this Nation, employers of more than 50 persons can and do have a substantial impact on that region's economy. I feel strongly that these employers have a responsibility to their community, a responsibility that extends to giving that community adequate notice of an impending plant closing or reduction in workforce. Workers and their families must be afforded ample opportunity to make plans; to retrain and or look for alternate employment. While many employers already practice these notification requirements, many more do not. Accordingly, I urge my colleagues to adopt H.R. 1616 the Labor-Management Notification and Consultation Act of 1985.

Mr. JEFFORDS. Mr. Chairman, I rise in reluctant opposition to H.R. 1616, the Labor-Management Notification and Consultation Act of 1985. My reluctance stems both from the tremendous respect I have for the authors of this legislation, and from the sympathy I have for their intent.

I fully support requiring employers to provide advance notice of plant closings whenever and wherever it is feasible. Like perhaps every Member of Congress, sudden plant closings have had a devastating impact on people and communities in my State. My support of notice, however, does not lead me to support the provisions of H.R. 1616, which I believe are flawed in a number of respects. I intend to offer a substitute proposal which attempts to address some of these flaws, and which, I believe, has a greater chance of being enacted into law.

The notice and other provisions of H.R. 1616 are triggered by any employment loss for 50 or more employees, regardless of how large the plant might be. I should note parenthetically that I use the word plant for illustration only. The bill would cover any business enterprise of 50 or more employees. The loss of 50 jobs in a town of 500 would indeed by devastating. But it does not make sense to put into motion the machinery of this bill for the layoff of 50 employees at a mill employing 5,000 people.

More troublesome than the notice requirements of H.R. 1616 are the so-called consultation provisions. It is the intent of the bill's sponsors that employers be required to consult with their employees before closing a plant in order to find a means by which to prevent that closing.

I certainly have no objection to that intent, however, I am afraid that the language of H.R. 1616 goes well beyond that intent. More than just a consultation process, the bill establishes a broader duty to bargain than under current law, and even, it can be argued, a duty to agree.

I would hope that every employer in this country could involve his or her employees in business decisions on an ongoing basis so that this sort of consultation would be routine. Yet there are any number of reasons why a business teetering on the brink might not want to advertise that fact.

If an employer, after giving the matter a great deal of thought, decides to close a plant or lay off some workers in a product line. I think yes, decency requires some notice be given. But mandating good faith bargaining by law just does not seem possible or workable. The employer is in a nonwin situation. If the employer decides to close the plant and then provides notice, he or she is probably guilty of bargaining in bad faith, since the decision had already been made.

It is important to remember that current law already requires bargaining when a decision to close and relocate hinges on labor costs. If that requirement is not being honored, then we should look at that discrete problem rather than this sweeping expansion of an employer's duty to bargain on a decision to close a plant.

The sponsors of H.R. 1616 argue that their bill will not prevent the closure of any business. That may be true, but I think it may prevent the opening of a number of businesses. If a company is deciding were to locate a new facility, this bill provides one more reason to go to Mexico, Korea, or Taiwan.

Moreover, the bill creates a series of potential legal obstacles that would at least delay, and might very well prevent, a closing or layoff. I mentioned earlier the duty to bargain in good faith, a duty which might be impossible to meet. Beyond that, there are several hurdles an employer must overcome. First, notice must be given 90 days in advance. This period may be shortened due to an unavoidable business circumstance which will probably, and perhaps inevitably, be litigated.

Second, once notice is given, the employer must provide all relevant information to the union. Sensitive information could be held back only with a protective order from the Department of Labor. Good faith consultation would probably not commence until all information had been supplied, which means that the process of closing or laying off might take much longer than 90 days.

Failure to give notice or consult in good faith would be remedied through injunctive relief sought by the Department of Labor, or through an individual employees' private or class action. An employer found responsible for an unauthorized plant closing or layoff would be liable for back pay and benefits, general and punitive damages, and attorneys' fees.

Finally, H.R. 1616 authorizes a commission to study plant closings and make recommendations. I frankly don't understand why we should legislate without the benefits of the findings of such a commission. For that reason, along with my colleagues MARGE ROUKEMA and STEVE GUNDERSON, I asked Secretary Brock to create such a commission. He has now done so, and I don't think anyone can fault the caliber of individuals who have agreed to serve on the Brock task force. Creating a second commission simply makes no sense.

Given my objections to the bill before us, I intend to offer a substitute at the appropriate time. In brief, it will require notice only, will be triggered in a somewhat more sensitive fashion, and will sanction the Brock task force. My substitute does not attempt to prejudge the findings of that task force, as it becomes effective 6 months after the task force reports those findings. At the same time it allays the fears of those who are concerned that the task force process will drag on indefinitely by fixing a date certain for enactment. It will not require consultation. But I think it will stand a better chance of someday being considered by the other body and the President.

Mr. Chairman, I urge my colleagues to oppose the bill before them and to support my substitute.

Mr. CLAY. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in very strong support of this bill.

Mr. CLAY. Mr. Chairman, I yield 6 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I want to thank my good friend and chairman of the subcommittee, the gentleman form Missouri [Mr. CLAY] and my dear friend, the gentlewoman from New Jersey [Mrs. ROUKEMA], for yielding time to me.

Mr. Chairman, as a sponsor of this legislation, I urge my colleagues to support its passage.

Plant closing legislation has been before Congress since 1974. Hearings have been held, studies begun and finished surveys conducted—but still no bill. In just the last 5 years of that stalemated debate, the Bureau of Labor Statistics reports that 11.5 million Americans lost their jobs. No area of the country was exempt. In my home State of Massachusetts, a survey of plants with over 50 employees revealed that between January 1982 and December 1983, 67 plants closed and 12,368 jobs were lost.

The study also showed that in the 8 months between January to August of 1983, 11,696 people from 72 companies were laid off permanently or indefinitely. This from a State enjoying a period of relative economic prosperity.

Some of these closings and layoffs were handled responsibly, but it is clear that many were not. BLS reports that of the 11.5 million Americans who lost their jobs between 1979 and 1984, almost one-half received no notice whatsoever of their layoff.

For those "doubting Thomases' who still think a bill is premature, go ask my people in North Adams. Ask the 230 employees of X-Tyal Corp., which liquidated in July with no notice—despite the fact that it had several Government contracts outstanding. Ask the hundreds who have been laid off from Sprague Electric. Sprague started out in a garage as a family-owned business. It was built into a major company on the strength of the family's dreams and the hard work of the people of North Adams. But in 1972, Penn Central bought out the business, and has been moving it out of town every since. Hundreds of workers have lost their jobs, and little notice has been provided in specific instances. The union is never consulted about possible improvements that might save jobs as the community's lifeblood is drained away.

The sad reality is that the Penn Centrals of the world simply don't care about local communities, or the blood and sweat that local people have invested in the company. But North Adams isn't unique. Whether it's Atari in California, United Technologies in Texas, or X-Tyal and Sprague in North Adams, the hardship and suffering outlined by my friend from Michigan [Mr. FORD], is all the same.

Stress, depression, alcoholism, family abuse, crime, and even suicide—these are the casualties of worker dislocation. Plant closings and layoffs are inevitible in a modern, industrial society. But with so much at stake for our communities and working people, I think we all agree it is absolutely essential that they be handled as responsibly and humanely as possible.

In January, BILL FORD, BILL CLAY and I met believing that it was time for a new approach to the plant closing dilemma—a moderate, bipartisan approach that could generate broad-based support. We agreed that a bill radically different from past legislation was needed if it were to have any hopes of passing. H.R. 1616 is the product of those efforts. It requires only what we consider to be the minimum, immediate protection that must be provided to our working people and communities—90 days notice and consultation. Sensitive to the criticism that past plant closing bills applied across-the-board, we built in an escape clause. Under H.R. 1616, employers may reduce or eliminate the notification period if unforeseen business circumstances require swift implementation of the closing or layoff.

Mr. Chairman, this bill is a far cry from past plant closing legislation. Past bills required 1-year mandatory prenotification. H.R. 1616 requires 90 days. Past bills applied to virtually all businesses with no escape clause. H.R. 1616 applies only to businesses of 50 or more employees and contains an escape clause. Unlike past bills, H.R. 1616 does not require severance pay.

It does not establish transfer rights. It does not mandate companies to make up tax losses to communities. It makes no changes in pension rights. It creates no new government or employer programs to provide job training and relocation assistance. In fact, Mr. Chairman, as I said before the Rules Committee, this bill is so watered down that it reminds me of the soup I had during the Depression. It's so watered down you can barely taste the substance!

Many have urged this bill isn't enough, that more comprehensive relief is necessary. The debate of the last 10 years has shown, however, how difficult it will be to generate a consensus on a more comprehensive bill. Accordingly, H.R. 1616 would commend to a 1-year, bipartisan National Commission on Plant Closings and Worker Dislocation the task of fashioning more comprehensive recommendations, if such are deemed necessary. Given the controversial nature of this issue, I believe a truly bipartisan commission, much like the Social Security Commission, is the only way broad-based recommendations can be developed to address this crucial issue. But in the meantime, we know what minimum relief we can and must provide.

Mr. Chairman, we hear a lot around here about people seeking to take the "high ground" on this and the "high ground" on that. Well, we didn't seek the high ground on this issue. We sought the middle ground—and I think we've achieved it. H.R. 1616 has 174 cosponsors representing a broad cross section of Members from both sides of the aisle. That's more than double the number who have cosponsored any plant closing bill in the past. The AFL-CIO, the Full Employment Action Council, the National League of Cities, the Lutheran Council, the United States Catholic Conference, and a host of others endorse this bill. H.R. 1616 will not prevent plant closings or layoffs. But it recognizes that dislocation is often an inevitable by-product of economic change, and that we need to cushion that as much as possible. Economic change, yes—but economic change with a human face.

I know this is a difficult issue for Members. But it's a difficult issue for the breadwinner of a family of five who goes to work in the morning and confronts for the first time the cruel reality of a closed plant. I think the following passage from the latest draft of the Catholic bishops' pastoral letter on the economy makes the case for our bill in a powerful and direct way:

> At a minimum, workers have a right to be informed in advance when closings or layoffs are under consideration, and a right to negotiate with management about possible alternatives. . . . Also, the local communities in which these companies are located have often invested heavily in them through public services, tax benefits, public education, and a host of other community resources. They too have a right to expect management to respect their investment.

It's time to stand up and be counted. I urge my colleagues to support this responsible approach to the profound problem of worker dislocation, and vote against any attempts to weaken it.

□ 1830

Mrs. ROUKEMA. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. I thank the gentlewoman for yielding time to me.

Mr. Chairman, I rise in support of the Jeffords alternative, and I rise in opposition to the measure before us and urge my colleagues to look closely at the Jeffords alternative. The substitute is the best compromise possible between the legitimate interests of business and the legitimate interests of working men and women.

I'm in an unusual position here—I cosponsored H.R. 1616 when it was introduced because I felt and still feel a Federal response is necessary to the devastation being felt in so many industrial areas. In my own district in central New York, at least 1,500 of my constituents were laid off during the first 6 months of 1985, and let me say this, unless we have the guts to get our fiscal house back in order, things aren't going to get better very soon. I don't like telling my constituents the overall economic picture is rosy when so many of them have lost their jobs, and I'm sure I'm not the only Member here with that same problem.

Our working men and women deserve a response, especially one that inproves their chances of making a smooth transition from one job to another. I've been working with my colleagues to develop new systems of worker retraining and reemployment, and I support the basic thrust of H.R. 1616, which is to give employees enough notice to make a smooth job transition. I think we can all agree on that objective.

But I had anticipated that some compromises would be made on the way from the committee to the floor. Can we all agree that businesses should be able to forecast any and all slowdowns or layoffs 90 days in advance? Some? Certainly. Many? Perhaps. All? Of course not. Is it responsible to radically empower unions or employees to delay essential business actions indefinitely? Again, of course not. Will the remedy outlined in H.R. 1616 make it easier for laidoff workers to find new jobs with a minimum of dispute and disruption to our economy? No, no, and no.

Let's be realistic here. As it stands, this bill provides one more incentive for businesses to locate or do their transactions abroad, eliminating jobs for the American worker and worsening our trade deficit.

In this past Sunday's New York Times, an op-ed piece made the valuable point that restrictions on plant closings can also be restrictions on plant openings, new investments, or debt refinancing—all of which can save a company and its employees from going under, or even provide new jobs and opportunities.

The Jeffords substitute does include early notice provisions, but without the unrealistic, burdensome, and counter-productive negotiation requirements found in H.R. 1616. Also, it recognizes Secretary Brock's welcome initiative to review the issues involved and make a stronger recommendation. I talked just this afternoon with the Secretary and he assured me of his commitment to follow through.

Mr. Chairman, Americans don't want an intrusive Federal Government making decisions that are better left to the free marketplace. If my colleagues are truly concerned about helping their displaced workers—and God and my constituents know I am—they will vote against this overly reactive, though well-intended bill, and in favor of the Jeffords substitute.

Mrs. ROUKEMA. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, we are talking here about legislation on which we all agree in terms of our sensitivity to the problem. Indeed, many of us have had plants close in our districts. In my district I have had an automotive plant close, I have had a machine tool plant close, and I know that Members have had textile plants, steel foundries, and an assortment of others.

But this legislation would not have prevented one of those closings, nor would this legislation have made them more competitive or more compelling. I want to talk now about a real opportunity we have before us. Right now, we have Secretary Brock agreeing to put forward a task force. That task force has already been appointed. It is composed of the highest level people in management, industry, and academia as well as leading economists in the field.

These people are not speaking out of theory nor are they speaking out of a desire to protect any vested interests. They are going to be studying this issue from the point of view of protecting America, protecting American competitiveness, and protecting American jobs.

□ 1840

And that is where I think this legislation has gone so wrong. We have not recognized the unique opportunity that we have now before us to work in a bipartisan way with the Secretary, with the administration, and with the Democratic majority in this House toward resolving this problem in a prudent and a coherent manner.

Now, to get to the point of why we think this legislation is so dangerous, it is not because we are hard-hearted or insensitve or do not understand the problem. We understand it all too well. The reason we oppose this legislation is that, although my dear colleagues present it as a watered-down, stripped-down innocuous, ineffective piece of legislation—if it is so bad, I do not know why they are fighting to bring it to the floor—but anyway, in their own words, that is what they are doing, it is not innocuous, it is not simply a humane notification program, it is not simply a way of providing a waiver in places where it might provide a little problem. It is a bill of danger to labor, business competitiveness, and the community.

Why? Because the language that refers to the waiver under unavoidable business circumstances will lead us right to the lawyers, the Department of Labor, and the courts. There is no real waiver for unavoidable business circumstances.

What about the consultation requirement? This is a lawyer's paradise. The language on consultation requirements. Good-faith bargaining. What, pray tell, is good-faith bargaining in the context of this law? I will tell you what the results will be. The results will be endless litigation. And what happens to the small business that is on the brink of bankruptcy, that is trying to coordinate the problems between its creditors, or is contemplating the possibility of a merger with a more viable company? The idea of notification followed by good-faith consultation under the terms and conditions of this law will throw that business into bankruptcy.

What about the large corporation that may have thousands of workers? That corporation will be equally injured by this, because if they have to lay off 50 people or 100 people in order to save 1,000 or 10,000 jobs, they will be tied up in knots under this legislation.

So I say to my friends this is not the humane or the intelligent way to deal with economic dislocations, this is an important issue that must be discovered and discussed in depth by the task force that the Secretary has just appointed.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, this Nation has undergone significant economic change throughout its history, and during these past 5 years that change has been particularly swift and hard. Understanding the inevitability of economic change in an economy as vibrant as ours, the Federal Government has moved to insulate industry against the effects of unnecessary dislocation. We have tax laws that provide incentives, writeoffs, and deductions and exemptions; we have loan guarantees for industry; we have tariffs and quotas. And for communities and workers our response to economic dislocation has been to provide income maintenance efforts such as unemployment insurance and trade adjustment assistance, and to a lesser extent, vocational retraining and jobs programs.

While these efforts are extremely important, all of them, whether they be our attempts to help industry or our attempts to cushion the effects on workers and communities, all of those efforts have depended heavily on the expenditure of tax dollars, and a lot of tax dollars.

In light of the growth of the deficit, particularly during these past 5 years, is it not incumbent upon us now to try to develop other innovative means of mitigating the hardships associated with economic dislocation. I think this bill does that. By providing for consultation, H.R. 1616 might prevent some closures and layoffs from occurring. By providing for notification of impending closing or layoffs, this legislation might better enable workers to provide for themselves more than they do now, more than they are able to

now in those circumstances where the closing or the layoff does occur.

This bill may well reduce the need for reliance on the Federal Treasury to cushion against the shocks of industrial abandonment.

I think we ought to give it a try. In my district, which encompasses western Montana, we have had layoffs in the railroad business, the copper business, and the timber business unprecedented in the past 50 years, and the amount of Federal money going into that district to both industry and communities and workers is really great. This bill might mitigate against the need for that much Federal assistance in the future. It is innovative. It is an attempt to get communities, workers, and industry to sit and reason together, and I think it is worth a try.

I thank the gentleman for yielding me this time.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, one of the great frustrations about being a Member of Congress is that so often when we try to deal with issues, we try one extreme or the other. It seems we either try to suggest there is no problem, and if we ignore it, it will go away, or else that we ought to come down with some major massive Government rules, regulations, paperwork, and penalties. I think that is the temptation that people in this body are facing in this particular issue, that either we are going to come out with H.R. 1616, with all its paper work and penalties, or else we ought to do nothing at all.

Let us understand that there is a social responsibility for large industry and large companies to provide some kind of notification not only to their employees but also I would suggest, to the community in which they reside and from which they derive much of their business and certainly their work force.

But the question above and beyond that is, how far do you go? H.R. 1616 goes very, very far. It requires a notice for any 50 employees up to 90 days ahead of time. It requires consultation, it mandates consultation, and it requires that all relevant information must be disclosed. And get this: If the company wants to prevent that from being made public, they have got to petition the Secretary of Labor and get him to decide not to make it public.

It talks about injunctive relief where for the first time in the history of this country the Secretary of Labor is going to go to court to decide whether companies can make legitimate economic and business decisions in this country. And then it describes and calls for, as everyone in this town I guess appreciates and supports, the need for a task force to discuss this issue, to look into it, and decide exactly where we ought to go.

I would suggest that if we need a task force—and I believe we do, and I commend the Secretary of Labor for appointing one, then we ought not claim to have all the answers today. That is why, when we get beyond general debate and in the 5-minute rule of this bill, the gentleman from Vermont [Mr. JEFFORDS] and I will be offering a substitute. It is a compromise between his substitute and the one I offered in the full committee. What it does is, it tries to deal with this issue in a proper middle-ground way by saying that while the task force is studying the issue and determining what the proper Government policy will be, during that time we still have at least a minimum obligation to let that community and its employees know when a plant closing is going to occur.

We are talking here about a voluntary plant closing, shutting down a plant and moving elsewhere. We are not talking about those unforeseen, unpredictable economic decisions and financial closures, things of that sort. What we are talking about here is a 60-day notice requirement.

We exempt seasonal workers, and we continue the task force. But what we would do in this country is what a number of States have already done, my own State being one of them; we would put into law a minimum standard of moral conduct in behalf of the business and industrial community in this country.

Mr. Chairman, I encourage all the Members to take a good look at that substitute when it is offered.

□ 1850

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. CLAY. Mr. Chairman, over the past 5 years, 5½ million workers lost their jobs without warning. They woke up 1 day and found themselves without a means of earning a living. What makes this situation more chilling is the mounting evidence that workers, communities, employers, and even taxpayers can realize significant benefits by a few months advance notice of an impending layoff. We cannot afford to continue ignoring the plight of those afflicted by no advance notice of large layoffs.

Prior warning of a layoff gives workers time to adjust. But another increasingly obvious benefit is seen in the growing number of cases where layoffs have been averted through adequate notice to workers and affected communities. When given a chance, employees working together with the community and management have found ways to save their jobs. These jobs have been saved not by forcing management to do anything, but by labor, management, and communities cooperating together. This is what H.R. 1616 seeks to promote. Nothing in the bill can force an employer to keep a plant open. Rather the notice and consultation is intended to encourage the kind of cooperation we hear repeatedly that is necessary to compete in the modern world economy.

When a layoff cannot be averted, prenotification has been shown to reduce the duration of the resulting unemployment. A study of plant closings in Maine showed that giving as little as 1 month's notice, reduced the length of unemployment by about 20 percent. Billions of dollars in unemployment compensation, food stamps, welfare, lost taxes, and lost economic activity could be saved by reducing the period of unemployment for the victims of plant closings.

Traditionally we have dealt with the fallout of worker dislocation by providing training, unemployment insurance, trade adjustment assistance, and other forms of Government-sponsored income maintenance programs. Each of these programs is important, but given the deficit, we must find ways to address these problems that do not require the expenditure of tax dollars. H.R. 1616 provides such an alternative. It encourages the private sector to work out problems of dislocation without Government interference. It does so without spending a single taxpayer dollar.

Because justification for prenotification and consultation is hard to refute, much of the opposition has focused on extraneous issues. We have heard a littany of imaginary horribles of what this bill is about. We have heard it is somehow intended to force employers to keep plants open. This is simply not true. H.R. 1616 requires notice and consultation when possible and nothing more. The provisions in the bill that allow a court to award equitable relief for violations of the bill have been so distorted and misconstrued that we intend to accept a clarifying amendment to the bill which makes backpay the exclusive remedy. There would be no way that H.R. 1616 could force an employer to keep a plant open for even 1 extra day.

We have also heard that consultation would allow employees to force a plant to remain open. Again it is not true. Consultation requires only that a unionized employer sit down and talk with the union when a large layoff appears possible. As stated clearly in the committee report, there is no duty on the part of the employer to reach an agreement, only that the employer have an open mind. This is what consultation requires and no more.

Another argument we have heard is that notice might cause a plant to close. The reasoning is that notice will scare off creditors and suppliers making the layoff inevitable. This

simply does not make sense. Notice is no more than an employer informing its work force that if things do not change, layoffs might be necessary. In nearly every instance, such information is not new to the creditors and suppliers. But even if it was, they would see it to be in their interest that workers be informed so that appropriate adjustments might be made. Notice helps anyone concerned with keeping an employer in business and this includes creditors and suppliers.

We have heard that H.R. 1616 would impose an impossible burden on employers since some times employers are forced into sudden layoffs through no fault of their own. There is a provision in the bill which deals explicitly with this problem. Employers must give notice only when they are aware that a layoff is imminent. Notice is not required when an employer has no knowledge that a layoff is coming.

We have been considering this legislation for years. There have been held dozens of hearings with a great many witnesses. We have made a special effort to address the concerns that have been raised. We have modified and refined the bill which is why 175 bipartisan members cosponsor this bill. The bill presents a simple choice.

If you believe an employer, when able, should give 90 days notice of a layoff of 50 or more people then you should vote for H.R. 1616. If you believe that when possible an employer should discuss the situation with the affected employees, then vote for H.R. 1616.

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, I rise in strong opposition to this legislation.

With only 2 minutes and really no substantive debate on the floor because the rule shortchanged us on the amount of time, and waiting until the House is virtually gone for the day, I suppose the only good news that one could have about this bill before us, H.R. 1616, is that it is not a serious piece of legislation; it is a political piece of proposed legislation that should not be on the floor at all.

We have all heard it described strictly off the floor in political terms that it is only a political vote. It oversimplifies the very real problems that very real people face.

But worse than anything else, this legislation or the prospect of this bill on the House floor never to become law offers a false hope to people who are hurting, holding out that false promise that somehow this proposal might help them. In fact, this bill should be entitled, "The False Hope Law of 1985."

This legislation holds out the false promise or the false hope that somehow a Federal law could repeal the basic laws of economics.

Now, there are a lot of things wrong with the bill in the way it is drafted, but there is one reason that overrides everything else as to what is wrong with the bill and why the House should vote against it tomorrow, and that is that it costs workers their jobs. It is an antijobs bill. It is billed as a temporary job security bill for 90 days. The truth is it would cost workers their jobs and it would cost those workers in a way that they would otherwise keep them.

Let me cite the ways. First, employers faced with a mandatory notice of whether it is 60 days or 90 days or 120 days would obviously merely overcompensate and would back up the time beyond which they would plan for their closing and provide for the notification, and plants would close far sooner. Many plants in which management is trying their best to hold on would be forced to close their plants to try to get in with that notice.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, I rise in support of H.R. 1616, the Labor-Management Notification and Consultation Act of 1985.

My Subcommittee on Employment Opportunities held a joint hearing with the Labor-Management Relations Subcommittee on May 15, 1985 and heard from economists, labor officials, and employer organizations, who all agreed that plant shutdowns were a growing problem confronting our Nation. In the past 5 years, over 5 million Americans lost their jobs as a result of plant shutdowns, while an average of 18,000 plants closed annually, affecting every region of the country.

These plant shutdowns have had a devastating impact on our economy and resulted in massive unemployment among the workers of our country. Whole communities are eroded by plant shutdowns, while State and local governments not only lose their source of revenues, but are burdened by increased welfare and training expenditures.

Yet, the deeper tragedy is how productive human lives are being destroyed, often without forewarning from their employers. Studies have shown that advance notice of plant closings will help workers to make job transition adjustments and enable their families to prepare for the ensuing trials which they must endure.

In my own district in Los Angeles County, a Bethlehem Steel plant closing in 1982 displaced 1,500 workers at a loss of salary to workers and the community of three-quarters of a million dollars per week. According to estimates, only 50 percent of the workers had attained employment as of last year. In addition, the AT&T Co. is also about to lay off substantial portions of their labor force in the district.

The time has come to seriously move legislation to protect the workers of our Nation with a simple and nonburdensome provision for a 90-day advance notice of plant closings. The exchange of information and alternatives provided for in the bill during the shutdown period can only help the parties find solutions to their problems before the actual shutdown. In addition, a study will be a part of this bill to evaluate long-term relief for this major economic problem.

Mr. Chairman, I have heard criticism that this bill will create great burdens for employers who are about to go out of business, but I must emphasize that a 90-day notice period is cost-free and such notice period is waived when an employer cannot meet it due to "unavoidable business cicumstances." It does not compel employers to stay open. On the other hand, most businesses know well in advance of the 90 days that they are going to have to close. Therefore, the worker should have the benefit of that knowledge to protect them from the harsh results of sudden termination from their jobs.

Mr. Chairman, I urge my colleagues to support H.R. 1616 and to reject any amendment which will weaken this already streamlined plant-shutdown notice bill.

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, whatever this bill is, I am convinced it is not a simple 90-day notice, that has been said several times, of plant closings. I have tried to zero in on just one provision, much as I suppose a lawyer would, because I think there are certainly will-intentioned people here who want to stop closings. They want to stop layoffs.

I am going to zero in on the layoffs because I think what we are doing here is making layoffs illegal.

I refer basically to the bill, to the definitions of plant closing or mass layoff. I will refer to the mass layoff, which is defined as being employment loss for 50 or more at any site during any 30-day period. That has been cited several times.

The bill goes on to point out that "employment loss" means termination without cause and layoffs over 6 months of an indefinite nature, or reduction of hours of work of more than 50 percent in any 6-month period.

Employment loss is also defined as employment loss for two or more groups, each of less than 50 employees, but which aggregate 50 or more employees. In other words, you could have at the beginning of a 3-month period, 40 people who are laid off and 5 the next month, 5 the next month, and then you have an aggregate of 50,

and as a result you have retroactive unlawful layoffs.

So now you have got to go back and give reinstatement and back pay, to all of the people who were laid off during each month of my hypothetical 3-month period even though not one of the layoffs involved more than 50 employees.

□ 1905

And, of course, it is not free of cost because during the subsequent 3-month period when you have to consult and meet and you have to disclose information to the union representative, the employer must reinstate the employees and pay their salary and related benefits. This is so except where there is no union, then you do not have to meet or negotiate with anyone or disclose information to anybody. That, I wonder about, because it seems to me to be pro-union and aganist the affected employees. If what you are doing is for the benefit of the employees, I don't understand why then the employer, when there is no union representative of the affected employees, isn't required to meet with these employees and consult with them and disclose information over a 90-day period as he is required to do if the employers are represented by a union. That may be a union preference of the authors of this legislation.

The point, however, I want to emphasize is that under the definitions of "employment loss" in H.R. 1616, layoffs of employees can be lawful when made, then later be retroactively determined as in violation of the provisions of H.R. 1616. Let me give an example. Assume that an employer finds it necessary on January 1 to reduce the hours of work—by more than 50 percent—of 50 of his employees. He takes this course of action to avoid terminating their employment entirely Under the provisions of H.R. 1616, such a reduction in hours worked constitutes inclusion in his business' "employment loss"—the same as a layoff—if it continues for 6 months.

Assume also that on February 1 the employer must indefinitely lay off 20 more employees, he lays off 5 more employees on March 1, and, finally 25 more on April 1. As of April 1, the "aggregate" of his layoffs would total 50 within a 90-day period. Under the provisions of H.R. 1616, the employer would have had a "mass layoff" of 50 as of April 1. He would then be obligated to give a 90-day notice to all of these 50 employees and their union representative, as well as go through 90 days of meetings, negotiations, and disclosures of information with the union representative before the layoffs would become lawful. He would also have to reinstate all of the laid off 50 employees and pay back wages and "related benefits." In addition, just about the time he is ending his 3 months of negotiating over the layoff of the 50 employees, he would find himself involved in yet another "mass layoff" because the aforesaid 50 employees who had their work hours reduced would have worked with such reduced hours for more than 6 months as of June 1. That latter fact would trigger another obligation for the employer to again send out another 90 day notice to the union representative and to the affected employees. He would again embark upon another 90 days of meetings, negotiations and disclosing of information to the union representative, presumably also paying for full-time back pay and reinstatement to full time for these employees. Under the provisions of H.R. 1616, in fact, no layoff would be free of potentially later becoming part of a "mass layoff" under the "aggregate" rule or under the rule which would alter the status of a worker working under a reduced work schedule to that of a "layed-off" worker after the expiration of 6 months.

As indicated, H.R. 1616 would not stop layoffs by making them unlawful, including retroactively unlawful. The bill would however, have a severe chilling effect upon any business' initiating new, and especially, "at risk", employment. It appears to me H.R. 1616 is a good example of the "law at its best" being terribly imperfect. Well motivated, but imperfect. New production, not fettering laws, allow businesses to build new jobs. Congress should know that.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the gentleman for yielding this time to me.

Mr. Chairman, there has been reference here to the vote on this bill being a political vote. Nothing could be further from the truth. This issue is a basic one in America. Five and a half million people have been laid off since 1979 without notice—5½ million.

What we are really doing is opening the debate on what we are going to do about industrial dislocation in this country, and the ailment is spreading. It is not a political vote. For those who think their districts are immune, it will not be long before the ailment affects them.

A recent headline in the newspaper, just yesterday, "Layoffs By High Technololgy Concerns Raising Fears In California Valley." Once invulnerable, the new horizon is now affected by industrial dislocation. It said here:

While government action cannot change the laws of the market, it can provide that people have some notice so retraining can begin.

Is retraining dislocating the market? I read the letter from the Secretary of Labor and I very much respect him, and he says two things, among others that are so hard to piece together. He says:

The bill injects the Federal Government into an area which should be dealt with and, indeed, has been dealt with through the collective bargaining process.

It sounds, therefore, as though everything is all right. But then he says we are setting up a commission. Those two things are hard to reconcile. If it can be handled through the collective bargaining process, why set up a commission? The fact of the matter is that these last-minute efforts by the administration to thwart this bill have a very hollow ring.

My staff reminded me of some testimony of mine before a subcommittee of this same committee over 10 years ago. I was a former State senator testifying after tremendous dislocation in the State of Michigan from the recession in the early 1970's. Here we are again, and the answer is, in part, set up another task force.

Mr. Chairman, the time for action is now. We will debate the details. It is not a political issue. It is a matter of necessity for this country.

Mrs. ROUKEMA. Mr. Chairman, I yield 2½ minutes to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. I thank the gentlewoman for yielding this time to me.

Mr. Chairman, while I am sympathetic with the concerns the legislation seeks to address, I believe that the measure is fundamentally flawed in several respects.

I rise in opposition to H.R. 1616, the so-called Labor-Management Notification and Consultation Act of 1985. While I am sympathetic with the concerns which the legislation seeks to address, I believe that the measure before us is fundamentally flawed.

First of all, this bill treats symptoms rather than causes of plant closure and worker layoffs. It does absolutely nothing to generate job creation for our unemployed workers. And it does absolutely nothing to insure job maintenance for those presently working. To the contrary, it establishes new requirements and conditions on job-creating capital investment which actually will serve to hinder new job opportunities for the American people.

Second, the notification provisions of the proposal are arbitrary. Whenever a layoff or reduction in hours takes place involving 50 or more employees, the act is triggered despite consideration as to the "proportionality" of the work force involved. If, for example, I have divided my job product into two separably organized corporations or work sites, each of which employs 100 persons, I can lay off 49 employees at each plant without triggering the act. On the other hand, should I consolidate my operations under one corporate umbrella at one plant location, the Act will be triggered if I layoff 50 individuals out of a work force of 200 employees.

Further, an employer who lays off 50 workers out of a work force of 2,000 is treated exactly the same as a plant of 75 workers which is closed entirely.

Third, this proposal will diminish prospects for new job formation by encouraging employers to increase overtime employment of the existing work

force during good economic times, rather than creating new jobs in the work force, in anticipation of avoiding the consequences of this Act. One of the constant concerns I hear from both management and labor is the fact that the overhead of Social Security, pension benefits, health benefits, et cetera, is such as to discourage new hires and encourage overtime work as an alternative. This bill will only exasperate that problem.

Fourth, the bill is clearly overdrawn in the case of seasonal employment. Will a retail operation have to consult with its employees after seasonal help has been retired following the Christmas holiday sales period? I suspect that this is not the intent of the act—but it is nonetheless a consequence of the act.

Fifth, the bill establishes two classes of working people in our Nation. One class is given consultation rights above and beyond the right to notification—the other class is not. If this legislation is needed as a matter of principle—as its advocates claim—then such rights ought to be granted to all, or not at all.

Finally, there are a host of other concerns which ought to be mentioned at least in passing. Does public disclosure of a company's financial inadequacies augment or diminish its abilities to secure refinancing and continuation? Do the notification and consultation requirements create a quagmire of problems relative to trade secrets and proprietary information critical to a plant's continued existence?

In closing, Mr. Chairman, let me say that as well-intended as this legislation may be, the consequences will be harmful to those workers it is most designed to protect. It reminds me of the old Elvis Presley song, "You Always Hurt the One You Love." Let's do it right Mr. Chairman, or not do it at all.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. I thank my colleague for yielding because he knows that in its present form I cannot support the bill and I appreciate him yielding me time in spite of that, and will, for the rest of my stay in the House, return the favor at every opportunity.

Mr. Chairman, I do rise with some deep emotions on this subject. In my home district, we have had plant closings, and I know the agony of my neighbors and my friends.

There is a kernel of a good idea here that in America, in a society based on freedom and free choice, we owe to our employees, our fellow workers, some notice of major economic change. I wish we could legislate good management. Good management gives good workers fair notice and it pays off in the marketplace. Examples to the contrary always work against the company and certainly the workers.

There is a kernel of a good idea here. However, the bill as written disturbs that kernel in ways that it should not be allowed to grow. For example, the bill in sections 4 and 5, with its consultation provisions require in terms of the work force, as far as I am concerned, that the only jobs this bill will yield are to lawyers, not to workers. The consultation provisions in this bill ought to be removed and I look with favor on some of the substitutes that do that.

In addition, I think that by going to a 50-unit change or workplace we go too far down in the small business society that makes our society unique. Small business hires most people in America and they need the freedom and the speed of change and they do not have either the cash flow or the resources for long notice.

There is a kernel of a good idea here, and I hope that by removing the consultation provisions, expanding the 50 unit perhaps to 200, then we can say to all of our workers that we have made a step forward.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. PETRI].

Mr. CLAY. Mr. Chairman, I yield 2 additional minutes to the gentleman from Wisconsin [Mr. PETRI].

The CHAIRMAN. The gentleman from Wisconsin [Mr. PETRI] in recognized for 3 minutes.

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Mr. PETRI. Mr. Chairman, I thank the gentleman from Missouri [Mr. CLAY], as well as my colleague from New Jersey [Mrs. ROUKEMA] for their generosity.

Mr. Chairman, H.R. 1616 is a proper attempt to address a serious problem in the United States: inadequate notification of plant closings. There is no good reason why companies deciding to close plants shouldn't give substantial advance notice to workers and communities so that alternative plans can be made. Unfortunately, this bill ends up going too far by intruding into the economic decisionmaking processes of companies. The bill should be amended so as to improve the notification provisions, but to drop the requirements that companies consult with their employees about the decision of whether or not to close operations. In addition, the bill should be amended to require that joint labor-management committees be formed to facilitate and coordinate the readjustment and relocation of displaced workers.

The closing of a plant or large department in a company is usually enormously painful for the workers that lose their jobs and for the surrounding community. Plant and department closings are widespread and will continue to occur in large numbers throughout the country. The shutdown of a plant or department is the normal consequence of a dynamic, competitive marketplace at work, as resources are reallocated to more efficient uses. The number of closings may grow as American industry restructures itself to deal with international competition and rapidly changing technologies.

This restructuring process should not be stopped or impeded. It is a healthy process and a necessary part of building a new, stronger America. This same process went on especially widely in the State of Massachusetts in the 1960's and 1970's with the result that that State now has one of the strongest, most balanced economies with one of the lowest unemployment rates in the Nation.

Instead of trying to retard the process of reallocating productive resources, the Government should be concerned with trying to ease the pain resulting from the process and should try to facilitate the reallocation of resources. With this purpose in mind, at the appropriate time I plan to offer an amendment in the nature of a substitute to H.R. 1616.

The focus of the proposed substitute will be twofold: first, to guarantee that the employees and communities affected by a closing will have enough notice to mitigate the consequent pain and, second, to set up a participative process that facilitates the reallocation of productive resources. This substitute will strike provisions that interfere in the business decisionmaking process on whether or not to close an operation.

Specifically, this substitute will make four major changes.

First, the substitute will limit the definition of affected employees to those who are permanent employees working 20 or more hours per week. This change is necessary in order to address the increasingly common use of part time and temporary employees. Such employees are frequently used to supply manpower needs resulting from market vagaries and to maximize job security for a core work force. Inherent in the use of part time and temporary employees is the transient nature of the work. For the legislation not to recognize expressly this increasingly common form of employment relationship would seriously disrupt the labor market, and impede employers' efforts to provide stable, secure employment for most of their employees.

Second, the substitute will change the notification period from 90 days to 120 days. The purpose of this bill is to guarantee sufficient notice for the employer, the employees, their elected representatives, and the community to ease the pain resulting from the dislocation and to facilitate the reallocation of productive resources—the people, but also at times new owner-

ship for the plant; 90 days is inadequate time to fully and effectively organize readjustment, retraining, and job placement programs, and possibly the repurchase of the assets. The additional 30 days, 120 days total, is sufficient in most instances to organize effectively and search for alternative owners if appropriate. With the efficiencies that come from the assistance of the Department of Labor, as provided later in the substitute, 120 days should be adequate notice.

Balanced against this is the ability of employers to satisfy the 120-day requirement. Any moderately well-run company operates on business plans at least one quarter in advance. The 120-day requirement thus demands only that employers operate according to minimal reasonable business standards. The unavoidable business circumstances exception provides ample leeway.

The third major change the substitute will make is to drop from the bill its consultation requirements in sections 4 and 5. These sections are dropped because the Government should not be trying to interfere with competitive market forces. Sections 4 and 5 are effective tools for labor to use to try to delay the closing of an operation. The consequence of these weapons will be that employers will take fewer risks and make fewer new investments in job creating plant and equipment because of restrictions on their ability to cut their losses if the market turns against them. If employers do not believe they can easily get out of investments that have gone bad, they will not take as many chances on new investments. The stagnant economies in Europe are due in part to restraints on the free flow of capital resulting from employment security laws such as those in sections 4 and 5.

This legislation should not go beyond current requirements to negotiate under the National Labor Relations Act. If the decision to terminate an operation is due to labor costs, then under the National Labor Relations Act the employer must negotiate with labor over whether or not it can close the operation. If the reason for closing is not labor costs then the employer is not required to negotiate the decision with labor. Regardless of the cause of the closure, however, the employer is obliged to negotiate the impact of the decision, including such matters as termination pay, vacation pay, health care, and so on.

Finally, the substitute will add a section on worker readjustment and placement services. This section furthers the second objective for the bill, which is to facilitate the reallocation of productive resources. It requires employers giving notice of closings, to establish joint labor-management worker readjustment and placement committees to facilitate and coordinate the readjustment or relocation of the workers through retraining, counseling, placement, human resource, community, education, and other services. It also provides for Labor Department assistance to these committees.

The specifics in this section closely correspond to procedures that have been demonstrated repeatedly to be most effective in easing the pain from closures and to lead to the most productive results for all concerned parties in reallocating productive resources. Such procedures have been outlined in a valuable Labor Department pamphlet entitled "Plant Closing Checklist: A Guide to Best Practice."

This joint approach should be mandatory rather than discretionary. The cost to communities, individuals, and the taxpayers from plant closings is too great to allow the parties to be irresponsible and to do nothing. The demands of this section are not burdensome and in effect only require employers to be good corporate citizens. Substantial experience plainly demonstrates the benefits; every dollar and hour invested in this joint preclosure effort is paid back many times over in lower unemployment taxes and payments, stronger local economies, and healthier individuals and families. Unemployment is devasting to all those touched by it, and this joint approach has proved that it can reduce unemployment caused by plant closures.

Together, all these provisions of my substitute will redirect H.R. 1616 from trying to interfere with the dynamic, competitive marketplace, and will focus it on guaranteeing sufficient notice of plant closings to mitigate the consequent pain and on facilitating the reallocation of productive resources.

Mrs. ROUKEMA. Mr. Chairman, I yield 1½ minutes to the gentleman from Colorado [Mr. BROWN].

Mr. BROWN of Colorado. Mr. Chairman, occasionally the Members of this body legislate on matters that they are well informed on and knowledgeable about. I must say that this bill not reflect that background knowledge. I dare say, the very well-intentioned folks that have brought this bill to the floor simply do not understand basic economics.

If you have a small business and you give a notice of closing your plant, how do your suppliers respond? Many suppliers, reevaluate your credit. That is not a debatable point, that is what happens in the real world.

If we pass this bill, what we do is shut those operations down that do not necessarily need to shut down. If you give notice of closing of your plant, what happens to your customers? Ask yourself: Are you going to buy a product that is no longer produced 90 days from now? This bill will force the closing and the loss of jobs that would not necessarily need to be lost without it.

If you are a banker and you get notice that a borrower intends to close his plant, will you extend that credit line? Perhaps. But what this bill does is make it more difficult for a struggling operation to make it.

What we have here is a bill that requires someone to give notice of closing if there is any chance they are going to have to close. The penalties for not giving enough notice are enormous. Thus management may be forced into a premature decision to close. Do not impose this kind of perverse legislation on our country.

Mrs. ROUKEMA. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I thank the gentlewoman from New Jersey [Mrs. ROUKEMA] for her generosity. I realize we are about all out of time.

I rise to commend the subcommittee for an excellent job done.

I am from Detroit and we have been plagued with plant closings for more than 20 years now. This is a critical, vital measure, and I think it has been carefully worked out. I want to commend all of the parties involved.

We have to realize that a man's economic freedom means nothing if it is not tied to the right to work.

Mr. Chairman, I rise in support of H.R. 1616 to provide notification to communities prior to plant closings. Nearly 5 million workers have been disemployed since 1980. Many of these have had no time to adapt, to become retrained, to attempt to do something to save the plants from leaving their community. And as a result, many of these have suffered severe economic depression. Many have lost all health benefits and have been unable to provide them through some other method. Many have committed suicide.

In the same way that John Donne said that "no man is an island onto himself," I would say that no plant is an island onto itself. In the same way that workers depend on plants to derive their income, plants depend on workers to produce their products and, once produced, to supply the demand for the produced goods. Yet under the current situation, none of the 5 million who have been laid off were even given adequate notice or the arbitrary termination of this relationship, never mind participation in the decisionmaking process.

Britain, West Germany, France, Sweden, Japan and many other countries all have some form of plant closing laws. They all recognize that worker participation in the economic decisionmaking process is both moral and an economic necessity.

In World War II, almost a million Americans died or were wounded in fighting against facism and for the four freedoms: freedom of speech and religion, and freedom from fear and want.

Yet today, untold millions of Americans are enslaved and wounded by fear of continued unemployment and deprivation of dignity, of the the inability to provide for their families, and of another economic downturn which will surely worsen these conditions.

Millions upon millions, from the farm lands to the urban ghetto lands to the industrial heartlands, are enslaved and wounded by this fear.

The challenge to us today is to unleash freedom from these fears. To provide a framework for the people the Congress and the President to work together on behalf of true economic freedom.

Freedom to our forebearers represented escape from a monarch's tyranny, Freedom was then understood as a political concept to be secured through political rights, the right to vote, to assemble and speak freely, to think and worship according to ones conscience.

It was understood, however, that this freedom ultimately rested upon economic independence based on economic security. "A power over a man's subsistence amounts to a power over a mans will" said Alexander Hamilton.

Just what does freedom mean to the unemployed auto or steel worker today. The choice of another job with comparable opportunity? Maybe. But with millions of others jobless, and with no means to ensure that companies invest in communities where jobs are needed or that job training will be made available for the ever shrinking job opportunities, the choices are mighty narrow.

Today we might open a new chapter of freedom by asking what economic rights would establish the security our forebearers assumed to be the handmaiden of political democracy.

In 1825, James Madison remarked that the United States "had been useful in proving things before held impossible," specifically the capacity of human beings for self-government. What gave our Founding Fathers the courage to attempt the "impossible?" At base, it was a moral leap—a profound shift in the perception of what human beings are capable.

Today establishing economic rights seems no less impossible. Do we not need a comparable moral leap, one in which economic becomes as central to our concept of freedom as political rights? I think so. H.R. 1616 is surely a start.

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. I thank the gentlewoman for yielding me this time.

We have already heard in a very, very short debate a litany of sad stories that have happened over this Nation, of plant closings and communities being severely impacted by the laying off of employees and the shutting down of plants. That is true, and it is a very, very sad thing.

But let us just think a moment, and let us talk about a very, very sad thing, too, of what would happen if this piece of legislation would go into effect, and what would happen to communities and unemployed people out there that are looking for jobs. Let me give you a perfect example.

In Houston, TX, right now, you may think we are full of money, but we are having a hard time. Oil and gas is not good. People are being laid off left and right in the electronics area. A plant just laid off 600 people in my area a few months ago, and we are desperately going out and looking for people to come in and build plants and facilities in my district.

What do you think, if we had this piece of legislation in America, what would happen if we went to a plant and asked them to expand their facilities into my district? The same thing would happen that happens in Germany, and in England, and in France, and in Ireland with this same sort of legislation. They would thumb their fingers at us. They would go to Mexico to build their plant, because they would not build a plant that they cannot close if things got bad.

You are talking about not being able to employ people. You are talking about not being able to revitalize communities. That is what you are talking about, because a man that has a lot of money, or a corporation that has a lot of money to invest and wants to expand their business looks at silliness like this and thumbs his nose at us, and goes to where it is cheaper to build his plant or store, and he is allowed to operate in more of a free atmosphere, in Taiwan, in Korea, in Singapore, and many other countries that welcome businesses.

You talk about trade here. What you are trying to do is destroy trade. We are not going to be able to compete with this kind of legislation. You are destroying America.

Mrs. ROUKEMA. Mr. Chairman, I yield myself what time remains.

The CHAIRMAN. The gentlewoman from New Jersey [Mrs. ROUKEMA] is recognized for 3 minutes.

Mrs. ROUKEMA. Mr. Chairman, while no one should dispute, ignore or be insensitive to the very real problems of economic and social dislocations associated with plant closings, I must oppose this bill. The impact of a plant closing on the affected workers and their community can be severe, as many of us have witnesses in our own districts. Indeed, I am no exception and have experienced the closing of a major automotive facility in my own district shortly before I was elected to Congress. This bill would not have kept that plant open. Nor will it help the small machine tool factory or the textile mill or the steel foundry in your district.

During the extensive hearings the committee conducted on this issue, the effects of plant closing—unemployment, psychological stress, martial problems, ripple effects in the community—have been well-documented. It is not my intention here today to contend that there is not a problem.

On the one hand, the problems are real and acknowledged, but a wide chasm extends between management, labor, and other experts in the field.

Where does this leave those of us in the middle of this dispute? I believe that we are left at a loss as far as legislating wisely is concerned. The gentleman from Michigan, Mr. FORD, has proposed his solutions to this problem and, while he and I are in total disagreement about this bill. I recognize his tireless efforts in bringing this issue to the attention of the Congress.

However, this bill deals with the symptoms, not the underlying economic forces behind the phenomenon of plant closings. If we pass this legislation, we will fail to recognize that since the ultimate resolution of this issue could have a serious impact upon the vital interests of all affected parties, the need to seek a consensus is essential.

Until now, the vehicle for obtaining that consensus has not existed. I am pleased to say that, at the request of myself and the gentleman from Vermont, JIM JEFFORDS, Secretary of Labor William Brock has recently appointed a task force on economic adjustment and worker dislocation to examine the issue of plant closings and evaluate programs and policies to deal with the problem.

The task force will examine the numerous questions relating to plant closing that have yet to be answered. What are the various reasons for management decisions leading to a plant closing or a layoff? To what extent do existing Federal and State programs and policies address plant closings and to what extent can they be improved? What has been the experience of foreign governments that have enacted plant closing laws? How would economic growth and the creation of new jobs be affected by the various legislative solutions that have been proposed? To what extent are plant closings being handled responsibly by companies and through the collective bargaining system and what incentives can be created to improve this record?

To underscore the concern of the business community about this issue, the Secretary received a flood of requests to serve from all sectors after he announced his intention to form the task force. With the best minds from the business community, labor, academia, and State and local governments, I am confident that this sensitive and complex subject will finally receive the objective analysis and creative attention which it deserves.

But, in the meantime, while we are awaiting the findings and conclusions of the task force, what would we ac-

complished with this legislation? I submit that we would unnecessarily create an atmosphere of suspicion and litigation which could ultimately undermine the positive steps achieved by the task force.

This statement may take some of my colleagues by surprise. They may be thinking that this is just a harmless bill which simply requires an employer to give advance notice before closing a plant and then sit down and hear what the unions have to say. If anyone thinks that that is all that this bill does, I suggest they sit down with the bill and the committee report and take a long hard look at it before casting their vote.

In the first place, the bill goes well beyond establishing protections for plant closings. While the record to support the bill has consistently referred to actual plant closings, the provisions of the bill are triggered by any employment loss of 50 or more within 30 days, regardless of whether the employment at the facility is 50, 500, or 5,000. Moreover, it would apply even if the employment loss involved was a mere reduction in hours.

Consequently, the bill's provisions would apply to a number of business decisions involving something considerably less than a closing, such as relocating or subcontracting a portion of the work, consolidation of operations, discontinuation of a product line or a replacement of machinery. While the amount of time between such decisions and their implementation varies considerably, the bill imposes an automatic 3-month delay with its notice and consultation requirements, except under ill-defined unavoidable business circumstances.

I ask the Members: Are these really the kinds of decisions by management that you want to regulate?

Well, you may say that that depends upon how we regulate them. Therefore, let's take a look at what happens when the bill's provisions are triggered.

First of all, the employer has to give at least three-month notice except where there are unavoidable business circumstances, which, according to the committee report, means they are: First, beyond the employer's control; second, could not be foreseen; and third, require swift implementation. Even if swift action is in the best economic interests of the employer, it must meet all three of these components.

What is unavoidable? Is a cancellation of a major contract by one of the business' larger customers unavoidable? What if that contract was canceled because the business would not agree to certain demands for changes in the product by the customer? That clearly would not be beyond the employer's control so, under the bill, he would have to give 3 months' notice and consult with the union first.

Once notice is provided, the employer is then required to consult in good faith with a union, if there is one, "for the purpose of agreeing to a mutually satisfactory alternative * * * or modification."

The situation that immediately comes to mind here is an employer who is burdened by excessively high labor costs which, because of the marketplace, have hurt his ability to remain competitive. He then wishes to do something about this by either moving the work to another location or subcontracting a portion of the work.

Most of us would say that he should have to consult with the union before doing this. Guess what? He already does. Under the National Labor Relations Act, if labor costs are the reason, the employer is required to bargain with the union before moving the work elsewhere. It is in those situations where bargaining with the union is most likely to be productive.

This bill extends this requirement to decisions which are unrelated to labor costs and which, in the words of the Supreme Court, are at the "core of entrepreneurial control." The Court in the First National Maintenance case made a crucial distinction between these decisions when it started:

> If labor costs are an important factor in the decision to close, management will have an incentive to confer voluntarily with the union to seek concessions that they make continuing the business profitable. * * * At other times, management may have great need for speed, flexibility and secrecy in meeting business opportunities and exigencies.

By not requiring bargaining with the unions in such situations, the law has assumed that the primary interest and expertise of the union lay in protecting the workers they represent. With this bill we are now assuming that they are also more knowledgeable than the employer himself about what is in the best interests of the business as well.

Don't misunderstand, I believe that unions should be a vital partner in guiding the course of a business. In recent years, we have seen some outstanding examples of corporate success resulting from the active involvement of the unions and the workers in the decisionmaking process.

However in this bill the effect would be one where the employer has already checked out all of his options and, decided on the basis of his best-informed business judgment that a change resulting in layoffs is his best alternative.

That may be true, but that isn't what this bill requires. Let me read from the committee report:

> Most of all, the employer must approach the consultative process with a good-faith willingness to explore alternatives . . . An employer does not discharge its obligations under this bill by going through the motions of consulting if the employer harbors an intransigent and unyielding attitude that makes consultation a meaningless exercise.

The report goes on to say that compliance with this requirement "presupposes a desire to reach ultimate agreement."

So now we have the employer in the ultimate catch-22. He has already decided that the union can't really contribute anything to influence his discision because he's just given notice to his employees that they are going to be laid off. We now ask him to go into a "Consultation" process where he has to be genuinely enthusiastic about what the union has to say.

At that point, before the employer makes any changes, the union can go to the Department of Labor and try to convince them that he has not consulted in good faith. If they make a convincing case, the Department can then seek an injunction extending the consultation period, which, in effect, delays the change which the employer had proposed.

There are no time limits here. So, until the employer either gives in to the union or improves his abilities as a thespian, the change of operations he wanted could be postponed indefinitely.

But let's get back to good faith consultation for a moment. Let's assume this employer was open-minded and was receptive to any good ideas the union might have. Unfortunately, that still isn't enough to ensure compliance.

The bill provides that good faith consultation includes providing to the union such relevant information as is necessary for the thorough evaluation of the proposal to order the plant closing or mass layoff for the thorough evaluation of any alternatives or modifications suggested to such proposal.

What does relevancy mean here? Surely, my colleagues recognize the inherent vagueness of this term. Moreover, the committee report states that it shall be given a liberal interpretation.

As is noted in the committee report, there are similar requirements to provide relevant information under the National Labor Relations Act in a variety of situations. What is not mentioned, however, is that there are reams of NLRB and court decisions regarding what is relevant. Ultimately, it is totally dependent upon the unique facts of the situation, which means that an employer confronted with this requirement will have no guidance whatsoever about what he has to provide, at the risk of an injunction against an action which he believes to be economically necessary. I would just add that this is totally different from the situation which arises under the National Labor Relations Act be-

cause, at least under the NLRA, the information being sought pertains to the employer-employee relationship. In this bill, there is no such limitation.

In addition, the bill clearly contemplates that relevant information would include trade secrets and other competitive information because it specifically provides for protective orders to be issued by the Secretary of Labor in such instances. Can the employer really be expected to have faith in such an order in the kinds of volatile situations governed by this bill?

In conclusion, I just ask my colleagues to do one thing: know what you are voting for in this bill. This is not just a simple notice requirement. It provides a union or an employee with the ability to delay a necessary plant modernization or employment change indefinitely and provide every incentive to use that ability. Nor is it a requirement that an employer merely listen to a union.

The bill constructs a series of vague requirements which an employer would have to tiptoe through to avoid costly litigation and delays in implementing necessary business actions. Meanwhile the lawyers would have a field day.

This legislation clearly takes the wrong approach. It will not provide effective protection for workers. It will not create the new jobs we need to stimulate the economy. On the contrary, this measure could be the kiss of death for that small business that finds itself teetering on the brink of bankruptcy. It could also be harmful to that large business attempting to modify its operation in the face of changing market pressures.

This legislation is clearly premature. I remind my colleagues that next year, Secretary Brock's task force will be returning with its comprehensive report on both the effects and the causes of plant closings. The blue ribbon commission will also study the experience of the foreign governments that have legislated in this area. And, finally, the task force will attempt to reach a consensus regarding the appropriate Federal role.

Again, no one will dispute the very real economic and social dislocations associated with plant closings. However, a similar consensus on the economic effects of this legislation, or even its need, does not exist.

Let us avoid legislating in an information vacuum. Let us wait for task force recommendations. I urge defeat of the bill.

The letter from Secretary Brock follows:

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, DC, November 8, 1985.

Hon. MARGE ROUKEMA,
House of Representatives
Washington, DC.

DEAR MARGE: The House will soon consider H.R. 1616, the "Labor-Management Notification and Consultation Act of 1985," which would impose restrictions upon employers prior to plant closings or other changes of operations resulting in layoffs. I am writing to inform you of the Administration's strong opposition to this bill or any substitute and to urge you to vote against this legislation.

The Administration is seriously concerned with plant closings and with their effects on employees and communities. H.R. 1616, however, would only delay and increase these problems, not solve them.

I believe H.R. 1616 or similar legislation would restrict the ability of employers to adapt to changing market conditions by imposing rigid procedures prior to plant closings. Such impediments could cause even large scale business failures and unemployment or jeopardize the capital mobility necessary to maintain a healthy business. Furthermore, the bill injects the Federal government into an area which should be dealt with, and indeed, has been dealt with through the collective bargaining process.

The Department of Labor has programs and resources available to help communities and families affected by plant closings. The Employment and Training Administration administers several programs which assist dislocated workers. These include the Unemployment Insurance program, the employment service, and the dislocated worker program authorized under Title III of the Job Training Partnership Act (JTPA). The Bureau of Labor-Management Relations and Cooperative Programs has extensive experience as a result of nationwide workshops it has sponsored at the State and local levels to assist companies, workers, and communities to adjust to economic changes. The Bureau of Labor Statistics has begun an information survey on plant closings. Further, many States have various mechanisms to deal with this issue, by policy, statute or incentives.

Clearly, the plant closing problem is complex and deserves careful attention and a thorough examination. To ensure such consideration, I am establishing a special 21-member task force. This Task Force on Economic Adjustment and Worker Dislocation will be composed of a diverse and highly qualified group of people representing business, labor, and the academic community, who will evaluate current programs at the local, State and Federal level, as well as the experience of the foreign nations. I anticipate that the Task Force's report will provide us with valuable assessments and recommendations relevant to the needs of dislocated workers. I have instructed the Task Force Chair to meet regularly with the appropriate members of Congress to receive their input and to brief them on the work of the Task Force.

Before we consider a legislative approach, we should look at what the appropriate Federal role should be in the context of our existing efforts and experience. I am confident the Task Force can provide us with that insight, and so I believe the enactment of any legislation in this area prior to the completion of their activities would be inadvisable.

H.R. 1616 is not a bill that preserves or increases jobs. Because of its adverse effect on employers and employees, the Administration strongly opposes it or any substitute.

The Office of Management and Budget has advised that enactment of H.R. 1616 would not be consistent with the Administration's objectives.

Very truly yours,

WILLIAM E. BROCK.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois [Mr. HAYES].

The CHAIRMAN. The gentleman from Illinois [Mr. HAYES] is recognized for 2 minutes.

(Mr. HAYES asked and was given permission to revise and extend his remarks.)

Mr. HAYES. Mr. Chairman, I rise obviously in support of H.R. 1616, which in my assessment is a narrowly focused bill. It does not attempt to solve all of the problems caused by plant closings or mass layoffs, and it does not prohibit plant closings or mass layoffs. This bill seeks to accomplish two main objectives.

First, to prevent unnecessarily sudden closings and cutbacks which take employees and their communities by surprise.

Second, to ensure that employees have an opportunity to present alternatives to their employer and to have them considered in good faith.

Being one who has a number of years of experience, certainly I think this is a modest approach to what is a problem of rising magnitude. I came from the meatpackers union, and through collective bargaining, we have negotiated contracts which provided for 6 months' notice on plant closings. This at least provided some protection for families who were uprooted as a result of plant closings, and at the same time gave an opportunity to some to work out alternatives, if possible, before the plant actually closed down.

H.R. 1616 provides for the development of a comprehensive, long-term policy on plant closings and worker dislocation to be determined by a bipartisan, blue ribbon panel of business and labor leaders, Government officials and academic experts.

This protection is not just to blue-collar workers, as some people might think, but white-collar workers as well, many of whom have been uprooted, and are the people who work in front offices of these companies. The 174 cosponsors of this measure represent a broad, bipartisan support for the idea of advance notice. I think it is worthwhile our giving some real consideration.

Where a plant closing cannot be prevented, responsible corporate action can blunt some of the impact on employees. Some corporations have made an awful lot of money out of plant closings and out of mergers, and I think the workers and their families are entitled at least to this break.

Mr. SHUMAY. Mr. Chairman, I am sympathetic to the problems of plant closings; however, the legislation before us today, H.R. 1616, is potentially harmful, and will only address the symptoms of plant closings, not the causes. If enacted, this bill, the Labor-Management Notifications and

Consultation Act of 1985, would hamper the free market system by restricting employers' ability to make vital business decisions.

The impact of plant closings and worker dislocations has been of particular concern to Congress over the last two decades. As economic circumstances we have worsened, so have the serious problems associated with plant closings. Congress has sought for remedies to ease the impact on workers who lose their jobs and benefits, sometimes with little notification, due to such closings.

One proposed solution is H.R. 1616. It is described as a simple "notice" bill—a compromise of Federal plant closing bills introduced during past Congresses. However, H.R. 1616 would in actuality subject an employer who plans to lay off or reduce by 50 percent the hours of 50 or more employees within 30 days to new Federal requirements. These far-reaching requirements include 90-day prenotification, consultation with union representatives regarding alternatives to closures, and disclosure of sensitive financial and business information relevant to the development of such alternatives.

H.R. 1616 would require employers to sacrifice the long-term economic vailability of plants for the short-term job security of their employees. Its effect would be detrimental to many businesses and industries, including those within my home State of California. Its enactment would be ill-advised, particularly before Congress evaluates the findings of Secretary Brock's Task Force on Economic Adjustment and Worker Dislocation, the purpose of which is to study the issue of plant closings. Thus, I urge Members of the House to oppose H.R. 1616.

Mr. FRENZEL. Mr. Chairman, H.R. 1616, the "Labor-Management Notification and Consultation Act of 1985" masquerades as a proworker jobs bill, intending to provide 90 days notice of impending plant closings. In fact, this bill is antiworker, antijobs, and has the intent of blocking plant closings altogether.

The provisions of H.R. 1616 would lock businesses into inefficient operations by restricting the employers' ability to adapt to changing demands of the marketplace. This would lead to the inability to compete effectively with other more efficient companies in the United States and abroad. As a result, the bill will not be preserving American jobs, but may encourage businesses to build more plants abroad than in the United States.

It is the responsibility of management, not the Government, and not the unions, to decide what measures to take in order to secure the economic stability of the company. This legislation totally revokes that responsibility and may lead to the loss of entire companies instead of inefficient plants. In effect, more workers and jobs will be endangered by this bill than are directly affected.

No only is H.R. 1616 counterproductive, it is also premature. Secretary of Labor Brock has created a task force on economic adjustment and worker dislocation to study the causes and effects of plant closings. Although I believe that the legislation before us is well-intentioned, it seems to me that the logical order of procedure is to examine the problem before implementing a make-shift solution that does more harm than good.

H.R. 1616 should be defeated and sent back to the drawing board. The problems of worker dislocation and job loss deserve more than short-term solutions which create long-term hardships. I urge my colleagues to join me in opposition to H.R. 1616.

Mr. TRAFICANT. Mr. Chairman, I want to express today my support of H.R. 1616, the Labor-Management Notification and Consultation Act.

For you to understand the stake I have in the problem of plant closings all you have to do is read one excerpt from the committee report:

Some communities never recover from major plant closings. Youngstown, Ohio and its surrounding communities, despite an exodus of their young people and the withdrawal from the work force of many of the older workers who lost their jobs when United States Steel and LTV shut down, still suffer from double digit unemployment.

It almost seems that plant closings are becoming a way of life in this country. We talk about the abstract economic theory of trade deficits and trade imbalances, but what it all comes down to, in practical human terms, is more than just a theoretical shift in the macroeconomic factors of production. There are real human beings whose lives are being destroyed by these decisions. Lives ruined, homes lost, families torn apart; all this tragedy is occurring because of the economic decisions made in the boardrooms of American businesses.

Against this, I am hearing from businesses which claim that if H.R. 1616 becomes law it will mean the end of the free enterprise system as we know it. But what is the economic usefulness of arbitrary and sudden plant closings? Why is this the kind of activity that the Congress should protect—especially when weighed against the costs, both in terms of human suffering and welfare costs to the Government, which it imposes on society? Why should we protect any employer who would throw out onto the streets workers with many years of seniority, representing a lifetime of loyal service, without the decency of giving any warning?

These free enterprise arguments disturb me greatly because I do not consider myself an enemy of the American businessperson. Coming from the area of the country that I do, I cannot afford to be an enemy of business. My district is economically devastated. We need all the business we can get, and further, need to retain those businesses we now have. This is why I am so surprised that my support of H.R. 1616 has aroused such a reaction.

I consider my support of H.R. 1616 not a vote against free enterprise or the right of American businesspersons to run their business as they see fit. Rather, I support H.R. 1616 as a measure which would only attack those unscrupulous businesspersons who disregard the welfare of their employees or who wish to use the plant closings as a weapon against their employees.

There are several factors that I believe point out the reasonableness of this bill. First, it only applies to permanent layoffs of 50 or more. Plant closings for small employers, who may not be well equipped to give much advanced notice and whose businesses will typically be more sensitive to economic shifts, will not be subject to the notice provision.

Second, layoffs or plant closings can occur despite the fact that no notice is given if unavoidable business circumstances prevent compliance with the notification requirement.

Third, the employer can prevent the disclosure of potentially damaging private information in the notification process by requesting that the Department of Labor prohibit employee representatives from revealing this information. The employee representatives would be liable for damages if they disregard such an order.

However, beyond these points, I believe that the strongest case for H.R. 1616 is that it will encourage and require consultation between management and labor representatives prior to the plant closing. Such consultation raises the possibility that negotiations could result in measures being taken to save the plant and avert layoffs.

The notion that a plant can be saved is not a false hope. In its report on H.R. 1616, the Education and Labor Committee has documented several instances where prior consultation has resulted in necessary cost cuts and improved efficiencies which averted plant shutdowns. While 90 days is not much time to build a case to convince an employer that a plant can be saved, the fact that notice is given may be necessary impetus to stimulate changes. When combined with the disclosure and consultation requirements in the bill, I truly believe that many unnecessary and damaging plant closings can be avoided.

Further, there is persuasive evidence that providing 90 days notice will lessen the societal cost of the sudden displacement of a large number of workers. Workers can order their financial affairs, by conserving their funds and deferring any large purchases, to lessen the impact of a potential period of unemployment. The 90-day period will give workers additional time to search for another job, generally lessening the period that they must depend on unemployment and other welfare programs.

H.R. 1616 is a bill which will inject a measure of fairness into the plant closing process. I do not believe that it goes far enough in terms of protecting employees, but it is an important start which I support. Whenever we legislate it is difficult to predict the effect of the laws we enact. I hope my colleagues will agree with me and see the wisdom of taking this first step.

I have included, to be printed in the RECORD below my statement, a copy of an article written by UAW President Owen

Bieber which appeared in the New Times this Sunday. I believe he has eloquently stated the case for H.R. 1616. I hope my colleagues will read this article before voting.

WORKERS DESERVE AN EARLY WARNING
(By Owen Bieber)

All across our nation in the last several years, workers and their communities have been buffeted by recession, increasing numbers of imports, and technological and structural economic change. The pain may be most evident in industries such as autos, steel, shoes and textiles; but it has even hit Silicon Valley as computer chip makers close operations and head for low-wage nations abroad.

The number of workers who have been victims of plant closings and permanent layoffs is enormous—more than five million in the last five years, according to a government study.

People should be protected against the devastating consequences of corporate decisions. Many problems of economic dislocation can be alleviated by a coherent industrial policy that seeks a diversified, balanced, fully employed economy. One component of that industrial policy should be a requirement for advance notice of plant closings and economic dislocations.

We are the only advanced industrialized country in the world without such a requirement; it's about time we had one. A modest step in that direction is H.R. 1616: The Labor-Management Notification and Consultation Act.

Under H.R. 1616, the emotional impact of sudden plant closings and permanent layoffs would be lessened by a 90-day notice requirement. Workers then would have an opportunity for input into the decision since employers would be required to consult with the union or, in the absence of a union, with employees about alternatives to a closure or layoff. Where alternatives cannot be found, there would at least be some time in which workers and communities can adjust to the permanent job loss.

Industrial change is, of course, familiar. Just as our labor force shifted from agriculture to manufacturing in the first half of the century, it is now shifting from manufacturing to services. Since a rising standard of living accompanied the first shift, it is often assumed that it will also accompany the latest change. However, there is mounting evidence that the shifts now under way are not improving the lot of our citizens.

A recent study by a team at Boston College found that more than 112,000 Michigan auto workers experienced extended layoffs between 1979 and 1982. Of those recalled, the average length of layoff was 66 weeks. By the last month of layoff, the average weekly income had fallen 61 percent. Fifty-eight percent of those surveyed were without employer-paid medical coverage during layoff. Among those workers who had savings, 43 percent used up all of their savings.

Since 1979, according to the Government study, the burden of industrial change has fallen disproportionately on blue-collar workers. More than 55 percent of the five million displaced workers had been in blue-collar occupations, a proportion far larger than the 29 percent share these occupations represent among the employed. Almost half had worked in manufacturing, yet manufacturing accounts for only 20 percent of total employment.

As for H.R. 1616, we would prefer that the period of notice and required consultation be increased beyond three months. We know that most companies make their decisions to close a plant or eliminate jobs months or often years in advance. Alternatives to such decisions made so long in advance often cannot be developed within three months. Even if alternatives cannot be found, a longer period of notification would increase the chances that workers will be able to make a less painful adjustment.

The bill would also establish a 15-member commission to make recommendations on a plant-closings policy to the President and to Congress. If the commission does its job, the only credible outcome is a strong endorsement of comprehensive plant-closing legislation.

To fail to take the modest steps proposed by H.R. 1616 is inhumane and economically inefficient. In the recent draft pastoral letter issued by the U.S. Conference of Catholic Bishops, the bishops stressed giving all elements of society a meaningful voice in economic decisions:

"The capital at the disposal of management represents to a significant degree the investment of the labor of those who have toiled in the company over the years," the bishops wrote, adding, ". . . it is patently unjust to deny these workers any role in shaping the outcome of such difficult choices (as decisions to close or move a plant).

"At a minimum," the bishops continued, "workers have a right to be informed in advance when such decisions are under consideration, a right to negotiate with management about possible alternatives and a right to fair compensation and assistance with retraining and relocation expenses . . . Also, the local communities in which these companies are located have often invested heavily in them through public services, tax benefits, public education and a host of other community resources. They too have a right to expect management to respect their investment."

We in the union movement recognize that economic change is inevitable in a dynamic economy. But an evolving economy is not a goal in and of itself. Change should produce positive results for America and her people. The House bill is a step toward insuring that.

Mr. BONKER. Mr. Chairman, my district in southwest Washington, like many others around the country, has been hard hit by economic difficulty in recent years. Many longtime businesses, particularly in the wood products industry, have been forced to close their doors because of economic circumstances they were unable to predict or prevent. Unemployment has soared.

It is because of my concern for those unfortunate workers who suddenly found themselves without jobs, that I joined with 173 of my colleagues in cosponsoring Representative FORD'S bill, H.R. 1616. While many businesses already take far more extensive steps to cushion the blow of a plant closure, this legislation is designed to address those situations in which employers announce mass layoffs or shutdowns with minimum warning to those most affected—the workers and the communities. All too often, these people and localities suffer stresses and hardships that advance notice could prevent.

The legislation would require businesses that are in distress to provide notice to their employees, to the union, if one exists, and the Federal Mediation Council Service, 90 days in advance of a possible plant closure or long-term indefinite layoff. Failure to do so would entitle workers to back pay and benefits for each day under the 90-day notice period.

Over 10 years in the making, H.R. 1616 is based on evidence and recommendations from many sources including the President's Commission on Industrial Competitiveness. This evidence indicates that early notification shortens the length of time workers spend unemployed and allows other local businesses the opportunity to prepare for the economic slowdown which often accompanies widescale community unemployment.

Obviously, a plant does not have to close as a result of filing the notification and in fact, the intent of the 90-day warning period is to provide workers and management the opportunity to work together to prevent such a drastic step. While there are going to be cases when economic realities make rescue of the business unrealistic, it has been shown in many cases that management and labor have been able to take steps that enabled plants to return to profitable operation.

Mr. Chairman, I must point out that my support for this bill is not without some reservation. I believe that in our commitment to soften the blow to workers and communities of sudden unemployment, we also must guard against legislating protections that handcuff businesses and exacerbate the economic problems they face.

I am particularly concerned that businesses, including the commodity based businesses in my district, maintain the flexibility they need to adjust to rapidly changing market conditions. Industries like aluminum and wood products now compete in a fully international system. Abrupt shifts in the world market price of these commodities, or foreign government policies affecting their competitors, often spell the difference between shut-down or start-up for major plants in my district. One of the key provisions of this bill addresses exactly this concern by allowing the notice period to be reduced if the business demonstrates that "unavoidable business circumstances prevent the employer from withholding the closing or layoff." This provision is intended to protect businesses who in good faith must take drastic steps in response to unpredictable financial or market circumstances.

I also have noted the concern expressed by many in business, that the negotiating requirements during the 90-day notice period have the potential for being abused through the courts to delay management from making urgent, economically necessary changes in their workforce past the 90-day notice period. It is my understanding, however, that the requirements on businesses are merely that they show good faith in providing relevant information regarding the reasons for management's decision and in discussing employee proposals. If these proposals are good and would help

the business, it is difficult to foresee why management would be unwilling to implement them, but they are not bound in any way to do so. Businesses are bound only to show good faith in working with the employees and are free to go ahead with their original proposal at the end of the 90-day notice period.

Many businesses have also expressed apprehension about the definition of relevant information as it applies to the documentation they must provide to employees after 90 days notice is given. I recognize that there is some concern about confidentiality violations. Protections, however, do exist in the bill, similar to those which exist in the bankruptcy amendments of 1984 which authorize the Secretary of Labor to issue protective orders to prevent public disclosure of certain information. Furthermore, the standards governing what information is to be disclosed is comparable to the requirements that already exist under the Fair Labor Standards Act.

Again, Mr. Chairman, many businesses already have excellent notification policies and worker dislocation programs. If only their practices were more the norm and incidents of Friday afternoon layoffs fewer, we would have no need for legislation today. Unfortunately, H.R. 1616 is necessary to protect workers who might otherwise be victimized by capricious management decisions in less scrupulous firms that overlook human and community considerations in their management policies.

In closing, I would like to commend Secretary of Labor Bill Brock for acknowledging the seriousness of this problem and appointing a commission to study the problem. Unfortunately, I feel this step is long past due. Congress has been studying this problem for over 10 years and I am unconvinced that further delay is an appropriate response. I believe that H.R. 1616 responds to worker needs while preserving the flexibility essential to management. By addressing those needs and promoting labor-management cooperation, this legislation can help American industry make the changes necessary to stay competitive in the world's marketplace.

I urge my colleagues to support this balanced, much needed legislative solution to a serious problem in the American workplace.

Mr. HAWKINS. Mr. Chairman, I rise in very strong support of H.R. 1616, the Labor-Management Notification and Consultation Act of 1985. Enactment of "plant closing" legislation is long overdue and I commend my committee colleagues, Mr. CLAY, and Mr. MARTINEZ, for their fine efforts in reporting this legislation. I also want to thank Mr. CONTE for bringing a bipartisan perspective to this legislative effort, and in particular, I want to take note of the incredible effort of my colleague, Mr. FORD, for his diligence and patience in pursuing this effort for well over a decade. It is to their immense credit that we are here today having, at last, recognized that the human devastation and societal costs resulting from plant closings and layoffs deserve our immediate attention.

Mr. Chairman, in this short time I wish to make three rather simple points; first, that the problems associated with plant closings are not regional but, in fact, affect every region and area of this country; second, that there are severe public consequences to private sector disinvestment decisions, and third, that an orderly and fair process of adjustment to plant closings is needed.

There is little doubt that the twin problems of plant closings and the resulting unemployment have been with us in varying degrees throughout our industrial history. However, there is sufficient evidence that the contemporary process of industrial change and restructuring is unique, both as to its nature and as to its sheer pace and velocity. The market forces which traditionally have influenced employment and industrial location patterns are being intensified by the pressures of international competition. A study of my home State of California, by Philip Shapira, of the Institute of Urban and Regional Development, University of California, Berkeley, illustrates these significant differences. His findings show that:

* * * the growth and concentration of transnational corporations and the ability of these firms to shift capital have added a new global dimension to industrial change. Large firms now have an unprecedented capacity to coordinate and reorganize their production and investments not just across regions, but across national boundaries. Second, the introduction of new technologies in production, transportation, and communications allows new ways to organizing work, as well as increased levels of productivity, that were not possible in earlier periods.

The result of such a rapidly changing economic environment is a churning of employment that throws millions of Americans out of work each year.

These disruptions and dislocations are too often only seen as problems of the Northeast or Midwest smokestack industrial regions of this country. While it is clear that plant closures and job losses have most heavily affected workers in such basic industries as automobiles, steel, and rubber, the problem is not limited to any particular region of this country. Let me again refer to the study I quoted before and use my home State of California as an example. Mr. Shapira, found:

[I]n California, large-scale basic steel production was established during the Second World War, and had just about left by the 1980's * * * Similarly, in the automobile industry, the period of most rapid growth in California was during the 1950's and 1960's, when General Motors and Ford built major new assembly plants in the state and California rose to third place among the States in automobile output * * * Now, by the 1980's, California vehicle production (together with the associated production of glass, rubber, and other parts) has been drastically reduced * * * In short, California exemplifies the juxtaposition of production growth, change and decline.

California also illustrates that as this restructuring and realignment occurs, and no matter how strong its economy is generally, no region is spared the devastating after effects accompanying plant closures or major layoffs. One need only review the 1984 BLS Report on the number of displaced workers located in the three Far West States to measure the dimension of the problem we are discussing here today.

Mr. Chairman, private sector disinvestment decisions do have severe public consequences which are not limited to the Northeast and Midwest regions of this country but which, in fact, affect every part of this Nation, and every industry from smokestack to high technology, causing havoc not only to the worker and his or her family but to the community at large. Our committee has heard frightening testimony of the human despair suffered not only by the worker but by his or her family not only in terms of loss of financial security but of tension, anxiety, and depression, resulting in spouse and child abuse, desertion, and divorce as well as a very high suicide rate. If ever there was an issue of "family" this is it.

The surrounding community is also devastated when a plant closes or a large portion of the area's work force is layed off. It will lose its tax base at a time when its citizens are most in need of basic services. The societal costs are immense and readily apparent in increased health care costs, costs associated with the greater use of unemployment compensation, food stamps, and other social support programs. It is time not only to recognize the magnitude of these economic changes but to deal with the human repercussions. Sufficient evidence has been presented to show that with appropriate notice to the employee and to the community such devastating effects of a job loss can be minimized.

It is the intent of H.R. 1616, not to impede, halt or alter the economic development that has made this country great nor to infringe on a business decision of disinvestment, but rather to take cognizance of the very human and very public and very pervasive effects that unfortunately seem to go hand in hand with this new economic expansion and development, and to provide an orderly and fair process by which to lessen the burden of these consequences. H.R. 1616, is, in my view, only a start in the right direction. But it is a first step that we can no longer delay if we care at all about the people who provide the human capital for such economic development.

I am inserting at this point in the RECORD a letter from my friend and colleague JOHN DINGELL, chairman of the Committee on Energy and Commerce. That committee might, had it chosen to do so, have demanded sequential referral of H.R. 1616, but for the reasons indicated in his letter, has chosen not to do so. I concur fully with Mr. DINGELL's letter and I agree that his action in this matter does not constitute a waiver of jurisdiction and will not be a precedent for the future.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, November 8, 1985.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor, Washington, DC.

DEAR MR. CHAIRMAN: On October 25, 1985, the Committee on Education and Labor reported to the House H.R. 1616, the "Labor-Management Notification and Consultation Act of 1985." As reported, the bill establishes new notification and consultation requirements in the event of a plant closing or permanent layoff of employees. The bill applies to any business employing 50 or more employees, and, therefore, affects the nation's railroads and their employees. In addition, the bill establishes a specific notice requirement to an employee "representative" as determined under the Railway Labor Act (45 U.S.C. 151 et seq.).

Under the Rules of the House, matters related to railroads, including railroad labor, are within the jurisdiction of the Committee on Energy and Commerce. Over the years, the Committee has considered and passed a number of statutes to protect railway labor in instances of plant closings and permanent layoffs. My review of these statutes suggests that generally they would afford railroad labor with equal, if not greater, protection, as compared to H.R. 1616, should one of the nation's railroads be in the situation of a plant closing or permanent layoff. My review also suggests, however, that the protections established for employees under H.R. 1616 would not operate in a manner inconsistent with the procedures and protections established specifically for railroad labor. Accordingly, the Committee on Energy and Commerce did not request referral of the legislation, with the understanding that a waiver of jurisdiction over this will not be a precedent in the future.

I appreciate the opportunity to work cooperatively with you on this matter, and commend you and Chairman Ford for moving forward this important legislation.

Sincerely,

JOHN D. DINGELL,
Chairman.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in strong opposition to H.R. 1616, the Labor-Management Notification and Consultation Act, because I believe this legislation would seriously restrict the ability of employers to make business decisions necessary to adapt to changing market conditions.

Although I am deeply concerned with the number of plant closings that are occurring not only in my home state of Arkansas, but across the Nation, and the effect of these closings on employees and communities, I do not believe that government involvement in these business decisions is the best remedy. H.R. 1616 would interfere with the ability of the employer to make the decisions necessary to keep the enterprise competitive, and could eventually lead to more unemployment and greater economic instability.

The proponents of this measure have called it a "simple notice" bill, designed to give employees adequate notice that they are to be laid off. However, the bill would require that during the 90-day notice of a plant closing, the employer must consult in good faith with the union to try to reach a mutually satisfactory alternative, and must give the union all relevant business information. Such restrictions could significantly delay a closure or other change in operation, and in business, the timing of such moves can sometimes be crucial.

The shortsighted provisions in this measure value temporary job security over long-term economic viability, and could ultimately damage economic stability and job security for workers. In addition, H.R. 1616 places government in an area which should be dealt with through the collective bargaining process.

In opposing this legislation, I am not dismissing the problem of plant closings as minor. To the contrary, the problem is extremely serious, and deserves a thorough examination. For that reason, the Department of Labor has recently established a 21-member Task Force on Economic Adjustment and Worker Dislocation, which will evaluate current programs at the local, State, and Federal level, and provide recommendations on what needs to be done, and whether legislation is the answer.

In closing, I believe the approach taken by H.R. 1616 is counterproductive to the free market system, and represents government encroachment in labor-management relations. The answer must be not to prevent economically distressed companies from closing or relocating, but rather to make economic conditions attractive for businesses to locate and remain in the community.

Mrs. BURTON of California. Mr. Chairman, I rise today in support of H.R. 1616, a modest measure, which provides equity in the workplace by providing a 90-day notice on a plant closing to those employees affected so that they can prepare for the economic dislocations that will occur.

This bill provides, in the best sense, a form of social insurance against the cruel realities of economic fate. It simply allows workers to have an opportunity to seek retraining or a new job when a business is forced to shut down or a layoff occurs. This is accomplished by a notification process, equitable in its length and designed to accomplish the purpose of providing advance notice to workers who are about to lose their jobs.

A notice provision will also mitigate the social costs connected with unemployment. Workers put on a 90-day notice may find alternative means of employment thus cutting the costs represented by food stamps, welfare, and unemployment compensation.

Of great importance is that this bill makes a symbolic as well as a substantive contribution to the climate of labor-management cooperation.

By requiring and encouraging employers to consult with their employees an opportunity to mutually explore alternatives to plant closings will be developed and nurtured.

The benefits of this bill are apparent. The impositions imposed are small.

Accordingly, I urge my colleagues to support H.R. 1616.

The CHAIRMAN. All time has expired.

Mr. CLAY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MCCLOSKEY] having assumed the chair, Mr. OBERSTAR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1616) to require employers to notify and consult with employees before ordering a plant closing or permanent layoff, had come to no resolution thereof.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 1616.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3722, EXTENSION OF APPLICATION OF CERTAIN EXCISE TAXES AND PROVISIONS RELATING TO TRADE ADJUSTMENT ASSISTANCE, MEDICARE REIMBURSEMENT, AND RAILROAD UNEMPLOYMENT BORROWING AUTHORITY

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 99-368) on the resolution (H. Res. 317) providing for the consideration of the bill (H.R. 3722) to extend until December 14, 1985, the application of certain tobacco excise taxes, trade adjustment assistance, certain medicare reimbursement provisions, and borrowing authority under the railroad unemployment insurance program, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3721, TEMPORARY PUBLIC DEBT LIMIT INCREASE AND RESTORATION OF INVESTMENTS OF CERTAIN TRUST FUNDS

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 99-369) on the resolution (H. Res. 318) providing for the consideration of the bill (H.R. 3721) to temporarily increase the limit on the public debt and to restore the investments of the Social Security trust funds and other trust funds, which was referred to the House Calendar and ordered to be printed.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members be permited 5 legislative days in which to extend their remarks, and to include therein extraneous material, on the bill, H.R. 2409, which was repassed by the House today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GRAMM-RUDMAN: FACT AND FANTASY

(Mr. McHUGH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McHUGH. Mr. Speaker, given the probability of still more votes this week on the Gramm-Rudman amendment, I would like to call the attention of our colleagues to a recent editorial in the New York Times that strongly criticizes both the Senate and House versions of what it rightly calls "this loony budget bill."

While recognizing that the House version is "less bad," the Times points out that both are flawed instruments that deserve to be killed. The Times is absolutely right.

The best thing that can be said for these legislative gimmicks is that they might finally force the President and Congress to act responsibly on the budget. And why might we be forced to do so? Because if any one of these gimmicks goes into effect, irreparable damage will be imposed upon essential defense and domestic programs. To risk such damage is totally irresponsible, particularly since we have the power to act on the budget now.

Mr. Speaker, most of us know what should be done, and we've known it for some time. We should direct the Budget Committee to report an amended budget resolution which restrains spending across the board and calls for some additional revenue to help pay for our national requirements. Because we have a President who refuses to recognize these fiscal facts of life does not relieve us of responsibility, and does not justify either further delay or a resort to legislative gimmickry.

Let's put Gramm-Rudman in all its permutations to rest this week. "Then," in the words of the New York Times, "Congress can get down to the hard work of cutting the deficit, instead of the evasion of inflating appearances."

[From the New York Times, Nov. 8, 1985]

STILL PRETENDING TO BALANCE THE BUDGET

President Reagan, who has said yes, he favors the bizarre balanced-budget legislation making its way through Congress, now says yes, but. If it ends up looking too much like the House version, he may have to veto it. Good.

Though the House's bill is less bad than the Senate's, both embody the faulty concept that deficit reduction can be programmed precisely years in advance. That's a ridiculously rash promise—and bad policy too. A veto is just what it deserves.

Both bills claims to balance the budget, the Senate version by 1991 and the House version by 1990. The Senate would cut the deficit in equal steps each year. The House wants bigger cuts right away and is more sensibly flexible about future cuts, depending on the economy.

If Congress and the President miss a year's target, spending would be cut automatically, with exceptions. The Senate exempts Social Security and most long-term contracts. The House also exempts veterans' pensions and nine poverty programs, and gives the President less room to manipulate cuts.

Warren Rudman of New Hampshire, a Senate sponsor, admits it's "a bad idea whose time has come." Some of the President's most important colleagues have come to agree it's a bad idea. Secretary of State Shultz, Defense Secretary Weinberger and national security adviser McFarlane told their boss last week they didn't like it, and now chief of staff Donald Regan is said to be wavering too. All are concerned, correctly, that national security and foreign-policy objectives not be exposed to arbitrary mandatory cuts. Amen. The same goes for domestic programs.

All this gimmickry is attached to the bill raising the national debt ceiling to $2.1 trillion. But there's no necessary connection. The theoretical deadline for the debt-limit bill is seven days away. Then, the Treasury says, it will have absolutely, positively exhausted all possible tricks to keep the debt under its current $1.8 trillion ceiling. When that happens, the Government may shut down or stop paying its bills—or even go into default, which could damage its credit rating for years.

Whether the threat is as real as the Administration says, this loony budget bill is plenty false. The next step is yet another conference to resolve differences between the Senate and House plans. Ordinarily, reasonable citizens would favor a reasonable compromise. Not this time. The best outcome is either no bill at all or one the President would surely veto. Then Congress can get down to the hard work of cutting the deficit instead of the evasion of inflating appearances.

SALUTE TO GEN. ROBERT C. KINGSTON

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, Gen. Robert C. Kingston will retire from the U.S. Army on November 27, 1985, after 37 years' service that started when he enlisted as a private in 1948.

Above all, he has been a warrior with a record few could match in the U.S. Military Establishment or abroad for at least the last four decades. He is a paratrooper and Ranger, awarded the Distinguished Service Cross, two Silver Stars, and numerous lesser decorations for valor, both foreign and domestic, after 16 campaigns during more than 5 years of combat—two tours in Korea, three in Vietnam. Purple Hearts are conspicuously absent, because Kingston led a charmed life; a bullet-creased helmet was the closest he came to a wound. Napoleon, who preferred lucky generals to those who were merely competent, would have found him exemplary.

Twelve years of command time included a rifle platoon, three rifle companies, an infantry battalion, two brigades, the 3d Special Forces Group, the JFK Center for Special Warfare and, at the four-star level, U.S. Central Command, which encompasses 19 countries from the Horn of Africa to Pakistan in its area of responsibility. Almost half of his command tenure was in combat.

Vital statistics, however, tell only part of the Kingston story:

Second Lieutenant Kingston steered a tiny task force to the frozen Yalu River on November 28, 1950, when massive Chinese armies already were streaming south from Manchuria. One major, three captains, and several first lieutenants were officially under his command, a nearly unique lashup that reflected the great faith and confidence senior officers already placed in his leadership abilities.

Major Kingston, as the 82d Airborne Division exchange officer with the British 16th Parachute Brigade, commanded a rifle company in the United Kingdom, with extensive excursions to Germany, Libya, Cyprus, Aden, and Malaya. Enduring ties with that formation and the British Special Air Service, an elite force, remain.

Colonel Kingston commanded two brigades during combat in Vietnam, although the competition was so intense that most rivals felt fortunate if they received one such assignment. One of his brigades spearheaded a sweep through Communist sanctuaries in Cambodia during the 1970 U.S. cross-border incursion, an operation that helped buy time for Vietnamization to replace Americanization of that conflict.

Major General Kingston, whose clandestine, covert, and other special operations experience started in Korean combat 33 years ago, was the father of Delta Force, the Pentagon's primary counterterror instrument. The Army Chief of Staff sold his concept to the Joint Chiefs and Secretary of Defense.

Full General Kingston has been America's senior uniformed representative in the Middle East since July 1981, a sensitive assignment that demands statesmanship, as well as military acumen. Plaudits from chiefs of state and armed forces in that area confirm that he was the perfect choice.

One final factor merits special mention. General Kingston refused to compromise high professional standards. Peers—even superiors—who fell short got short shrift. Subordinates unwilling or unable to conform fell by the wayside. Other associates, regardless of rank, would follow him anywhere. Gen. Edward C. "Shy" Meyer, speaking as Army Chief of Staff, paid tribute when he pinned on Bob's third star: "If I ever go to war again," he said, "I want this man on my flank." A former sergeant, who served with Kingston's battalion in Vietnam, described him as the bravest and best. Kingston, he wrote, "cared about the men who were in each of his companies * * *. He was a born leader," who "got us every kind of support we needed. And there is no doubt he saved a lot of our lives * * *."

Congress and the American people should salute Gen. Robert C. Kingston as he leaves active service. He is a patriot, soldier, and selfless public servant who will be missed in many ways.

MEMBERS URGED TO SIGN DISCHARGE PETITION 4 TO BRING UP FIREARMS OWNERS PROTECTION ACT

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VOLKMER. Mr. Speaker, for years I have sponsored legislation that would unshackle the law-abiding firearm owners of America. And for years this body, suffering under dictator-style action, has not been allowed to discuss the merits of such legislation.

A number of you are being persuaded by some law enforcement organizations to refrain from signing Discharge Petition No. 4 enabling this legislation to be brought forth for discussion. But let me share with you a letter I have received from one of the most respected law enforcement organizations in this country—the National Association of Chiefs of Police.

The letter, in part, reads: "When we make citizens into criminals by laws that prevent them from owning a firearm for self-defense or sport, we are not serving society."

The letter goes on to say "We would hope that the Firearms Owners Protection Act would be judged on its merit, and the rights guaranteed to all men, by the Constitution of the United States." I am submitting this letter for the RECORD and urge my colleagues to read it, then sign Discharge Petition No. 4.

NATIONAL ASSOCIATION OF CHIEFS OF POLICE,
Washington, DC, November 8, 1985.

Representative HAROLD VOLKMER,
House of Representatives, Congress of the United States, Washington, DC.

DEAR CONGRESSMAN VOLKMER: A few days ago I saw a political cartoon depicting the National Rifle Association "dollars" being traced to the hand of a drug addict and that pistol being used to kill a police officer. It was vicious and typical of how the media distorts the role of the National Rifle Association and the Police when it fits their mood. The NRA is much admired by many police officers who are aware of its true nature.

Our association reaches out to command law enforcement officers on all levels. There are some 21,000 police agencies in the nation and about 500,000 full time police. Those I have talked with, and those we have polled, feel that decent law abiding citizens should have the right to own a firearm. Some for sport, and those who feel the need for self-protection.

The City of Washington, D.C., bans firearms ownership. It has more police officers per thousand population than any city in America, but these laws that ban firearms, dis-arm law abiding persons. They invite criminals to enter this city with immunity. It is a perfect example of a bad law.

Study after study has proven that strict enforcement of present laws, of persons using firearms in a criminal act, is the best way to reduce crime.

When we make citizens into criminals by laws that prevent them from owning a firearm for self-defense or sport, (or both), we are not serving society. Citizens living in fear are forced to disobey laws which make them defenseless.

Back in 1968, a "Gun Control Act" was passed that was an emotional outcry of a period of difficult times. The law appears after all these years of testing, to be ineffective. In fact, there have been documented abuses that draws unwarranted spotlight on police who bear the brunt of bad laws.

While on one can speak for every lawman, I can tell you that we need a more reasonable law that is fair and enforceable.

Last July, the "Firearms Owners Protection Act of 1985" was passed in the Senate by a vote of 79-15. The people spoke out and the Congress acted to right a series of wrongs.

In the face of such a majority vote, we note that Peter Rodino, Chairman of the Judiciary Committee, has decided by his single vote and position, to "kill the bill".

There was a cry for public hearings and only a few weeks ago, October 28th, New York City was selected as a site. Law enforcement officers who might have favored the bill were not invited. Those who did testify were selected, or better described as, "casted" as to what would be heard.

Yes, there are victims of mis-used firearms. There are groups dedicated to ban all firearms. They have a right to be heard. But I can tell you that I spent nine months recovering from being struck by a drunk driver when I was a traffic officer! He was fined $50. I use that as an example to note that I feel groups like "Mothers Against Drunk Drivers" have a valid point. Get the drunk driver off the road!

Not the car.

There are about three officers killed each week. Almost a third are killed in auto related accidents.

We know that criminals fear homes where owners are armed! We feel that our nations national defense and civil defense is stronger because of a history of citizens who are armed and to defend themselves.

We would like this letter read into the records of Congress. We would hope that the "Firearms Owners Protection Act" would be judged on its merit, and the Rights guaranteed to all men, by the Constitution of the United States.

Sincerely,

GERALD S. ARENBERG,
Executive Director.

LACK OF EXPERIENCE PROBLEM WITH THE NATION'S AIR TRAFFIC CONTROLLER FORCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. MOLINARI] is recognized for 5 minutes.

Mr. MOLINARI. Mr. Speaker, I am deeply concerned with the very serious problems that face the flying public that are caused by the lack of experience of a large percentage of our air traffic controller force.

Most of my colleagues are aware that the existing controller staff levels are substantially less than the levels prior to the 1981 controller strike. Few Members, however, may be aware of the extremely large percentage of present-day controllers who are not fully qualified, or if technically qualified fall short of the experience that is needed to efficiently operate the system.

As a result of the strike, 11,700 controllers were lost; 9,200 of them qualified at the full performance level. The system was left with only 4,000 controllers; 3,400 of them at the full performance level.

As serious as these numbers are, the problem will become even more critical as large numbers of existing controllers will shortly reach retirement age. Indications are that the great majority of them will opt to retire, thus depleting experience levels even more.

Few can dispute what a critical factor experience is in the system's ability to handle aviation traffic, particularly in peak periods or during adverse weather conditions. I have analyzed this problem in depth, and I have had conversations with scores of controllers, supervisors and pilots from across the country.

It is clear to me that we must move effectively and expeditiously to fill the experience void that now exists. There is only one source to achieve this, and that is from the pool of former controllers that were fired in 1981. In a limited period of time, these individuals can be retrained and take their place in the system.

This is not a question of being prounion or being antiunion. It is a question of safety; and that must and should be our first priority. That point cannot be overemphasized.

Secretary Dole recently announced her Department's intention to hire 1,000 new controllers over the above that previously planned. If these controllers are hired over the next 2 years without any prior experience, it could take as long as 5 years before they might reach full-performance level.

In my judgment, we cannot wait that long. These 1,000 new controller positions should be filled with individuals with prior experience and proven performance records.

To each of my colleagues, I have sent a copy of a proposed letter to the President asking him to consider rehiring the former controllers. I strongly urge my colleagues to join me and over 70 other Members in signing this letter to the President. It is my belief that if enough Members sign this letter, the President will give serious consideration to this request.

Some Members who have signed the letter did not support the President's action in 1981. Others, including myself, did. Yet, that is not the pressing concern at stake today.

I implore my colleagues to seriously look at the current state of our air traffic control system. Visit a facility in your district, talk to the working controllers, talk to the pilots, talk to the supervisors. I believe you will hear from them the same story I have heard, time and time again: "We need help, we need it badly, and we need it now."

Let me stress that Congress shares in the responsibility for ensuring aviation safety. We have a very definite role to play and an obligation to fulfill. This responsibility does not lie solely with the administration or with the FAA; it is partly ours as well.

It should not take tragedies or loss of lives for corrective action to be taken. There are enough warning signals today in the system to show that the system is in deep trouble.

□ 1940

We must act now to address the critical problem of controller experience, and I believe the appeal to the President would be a very important step in this direction.

I thank the Speaker.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. Speaker, due to official business, I was unable to be present and voting on November 7 for rollcall vote No. 398. Had I been present, I would have voted "aye" to agree to the conference report on H.R. 3036, Treasury/Postal appropriations.

THE 67TH ANIVERSARY OF POLISH INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, on November 11, 1918, the courageous people of Poland, determined to obtain and preserve a free and united nation, declared their independence, and reasserted their right to live in freedom after more than a century of foreign domination.

Prior to 1918, the people of Poland were faced with both triumphs and disappointments. A successful attempt to establish a constitutional government in the late 1700's demonstrated the Polish desire to become a self-governing nation. Unfortunately, however, the powerful Russian army crushed Polish aspirations after only 1 year, and soon divided this small country with Prussia.

Poland, a nation that took great and justifiable pride in its long and illustrious history, disappeared from the map of Europe, and it was not to become free again for almost a century and a quarter, in spite of many brave and determined uprisings to rid the country of its foreign despotic rulers.

After World War I, however, the signing of the Treaty of Versailles enabled the Poles to reassert their own national destiny, and to freely develop their national, religious, and cultural institutions without foreign interference. Sadly, this glorious revival of freedom lasted only for one generation. For in 1939, Poland became a victim of Nazi aggression, and her people were subjected not only to another foreign occupation, but also to most extreme savagery, racial persecution, and brutal enslavement. Although 1945 marked the end of this Nazi oppression, the Polish people were forced to submit to a new tyranny in the form of the communism imposed with force by the Red Army.

Today, the Communists continue in their ruthless attempts to destroy the culture and religious heritage of the Polish people. Nevertheless, the struggle to achieve self-determination continues, as men and women fight against overwhelming odds to achieve liberty and human dignity. All freedom-loving peoples throughout the world are inspired by the continuing insistence by the Polish people for fundamental rights, and it is most appropriate that we in the United States acknowledge the steadfast attempts to attain liberty on the part of the Polish people during this anniversary of Poland's Independence Day.

Mr. Speaker, I am privileged to join with Americans of Polish descent in the 11th Congressional District of Illinois which I am honored to represent, and Polish-Americans throughout the Nation, as they commemorate the 67th anniversary of the independence of Poland, and pray for the success of the Polish people in their dangerous and delicate struggle with their Communist oppressors.

DRUG VIOLENCE AGAIN HITS MEXICO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. RANGEL] is recognized for 5 minutes.

Mr. RANGEL. Mr. Speaker, I rise to denounce in harshest terms the brutal murder of 22 Mexican policemen by marijuana growers in southeastern Mexico on Friday, November 1, 1985.

According to press reports, the 22 policemen were ambushed and killed by about 30 heavily armed men, all of them residents of a remote farming community 15 miles south of the Gulf of Mexico port city of Coarzacalcos. All of the victims were shot in the head. The Mexican police had surprised a band of marijuana smugglers who were transferring about six tons of marijuana from trucks to a launch on the Rio Coachapa.

I know all of my colleagues express their deep sympathy to the families of the slain policemen, the Government and the people of Mexico for another sad chapter in the fight against illicit narcotics trafficking. These members of the Federal Judicial Police, the Federal Security Directorate, the Veracruz State Public Security Directorate and the Veracruz State Judicial Police have become martyrs in the struggle to rid this world of the unscrupulous who produce and traffic in drugs, destroying the lives of our young people and threatening the welfare of our nations.

As chairman of the Select Committee on Narcotics Abuse and Control, I recently led a study mission to the drug producing and trafficking nations of South America. In the narcotics producing areas in many of the nations to the South, the narco-terrorists are well-organized, well-financed, and well-armed. They control vast areas of these nations and exercise great influence through violence and terrorism. The Dangers faced by law enforcement personnel in assisting to dismantle vast narco-empires cannot be underestimated. This recent episode in Mexico, the brutal killing of our Drug Enforcement Agent Enrique Camarena earlier this year, and the assault upon the Colombian Ministry of Justice and the killing of 11 judges by terrorists in Bogota last week, bear this stark truth.

We must not, however, let this tragic moment daunt our narcotics contol efforts. We must send a strong message to the drug terrorists of the world that every lawful means will be used to bring them to justice. In this vein, I am pleased to note that 16 suspects have already been arrested by the Mexican authorities and are being interrogated in an effort to identify the organizers of the attack and of the marijuana growing operation that the assailants were protecting.

Further, this incident should strengthen our resolve to work with the nations of the world to initiate effective international drug control policies. Through the United Nations, and in our bilateral relations with drug source countries, we must elevate narcotics control to a high priority, and lend

to it the support and resources a problem of this magnitude requires.

In conclusion we again offer our deepest sympathy to Mexico, and once again learn that our fight against drug terrorism requires constant vigilance.

[From the Washington Post, Nov. 6, 1985]

MEXICO SEEKS KILLERS OF POLICE

(By William A. Orme, Jr.)

MEXICO CITY, November 5.—About 30 marijuana growers participated in what is being called "The Day of the Dead Massacre" of 22 policemen in Mexico's southeastern swamplands, the federal attorney general's office here said today.

The killings took place on the eve of the day Mexicans commemorate their dead. It was the largest loss of life from a single clash in Mexico's drug wars and has prompted a massive manhunt. About 100 state and federal police and 500 troops from an Army narcotics eradication squad patrolled southeastern Veracruz State looking for the killers of the Mexican police officers, whose bound and bruised bodies were discovered Saturday.

The 22 policemen were captured and killed by about 30 heavily armed men, "every one of them" a resident of a remote farming community about 15 miles south of the Gulf of Mexico port city of Coarzacaicos, said Federal Judicial Police Cmdr. Florentino Ventura.

Sixteen arrests have been made so far, and information from the suspects "will soon lead us to those responsible," Ventura said in a telephone interview.

The 16 suspects now being interrograted will be able to identify the organizers of the attack and of the marijuana growing operation "that the assailants were protecting," Ventura said.

The victims shot through the backs of their heads were members of the Federal Judicial Police, the Federal Security Directorate, the Veracruz State Public Security Directorate and the Veracruz State Judicial Police, Ventura said.

"This is the price Mexico is paying for confronting these faceless criminals." Mexican Attorney General Sergio Garcia Ramirez, in Veracruz supervising the investigation, said by telephone last night.

The ambush took place in Hidalgotitian, an isolated municipality of cattle ranchers and grain farmers in the sparsely settled Tenuantepec Isthmus lowlands. Larger than the state of Delaware, with vast tracts of marsh and rain forest separating stretches of fertile savannan, the region has few roads but is "full of landing strips, many of them clandestine." Francisco Fonseca chief spokesman of the attorney general's office, said here.

Marijuana cultivation is widespread in the zone and patches of opitum poppies were discovered recently, Fonseca said.

"The problem is economic, and the peasants are the last people we should blame," he said. "It is a depressed area, and the traffickers are able to pay them $20 for a little crop of marijuana when they would earn maybe $2 for the same amount of corn."

Army troops dispatched to the area to search for the killers had been conducting a sweep of the neighboring state of Oaxaca, now believed to be Mexico's largest narcotics production area, Fonseca said.

Mexico is said by U.S. authorities to be the source of one-third of the heroin and perhaps one-fifth of the marijuana imported into the United States, as well as the conduit for as much as one-third of the South American cocaine brought into the United States.

Apparently lured into an ambush by drug traffickers Friday in a remote district of Veracruz State, the police fled on foot but were soon surrounded by a large gang of heavily armed attackers, according to an account by two witnesses, Fonseca said. The witnesses, local police informants, said they escaped into the bush as the gunfight began Fonseca added.

"When the police arrived, the drug traffickers rounded up a group of local marijuana growers, people whom they supplied with weapons," Fonseca said "The witnesses guessed that there were about 40 attackers, but from the duration and scale of the battle; it appears that there may have been as many as a hundred."

The police, who apparently had been en route to a nearby farming settlement before intercepting and following a confessed drug smuggler to the site of a marijuana pickup, ran out of ammunition in the gunfight, Fonseca said. The police were then captured, bound and killed, and their bodies were carried downriver by boat, he said.

Among the suspects being interrogated, Ventura confirmed, is a state judicial police commander stationed in the nearby city of Acayucan.

[From the New York Times, Nov. 4, 1985]

MEXICO SEEKING KILLERS OF 21 POLICEMEN

(By William Stockton)

MEXICO CITY, November 3.—Mexican policemen and soldiers searched a remote region 300 miles southeast of here today seeking a band of drug smugglers who ambushed and killed 21 policemen after the police discovered a large cache of marijuana.

Reports reaching the capital from the area along the border between the states of Veracruz and Oaxaca said the ambush occurred before dawn Friday. Mexican officials said some of the policemen were captured by the smugglers, taken to a nearby farm and tortured and killed.

High-level Mexican officials who are supervising Mexico's efforts to combat drug smuggling directed the search from the town of Minaritian on the Gulf of Mexico coast, which is about 60 miles from the area of the killings.

They included the Mexican head of Interpol and the federal assistant attorney general in charge of Mexico's campaign against drug trafficking.

The killings are a setback in Mexico's efforts to control a substantial traffic in illegal drugs destined for the United States.

They came a week after a major Mexican drug figure escaped from a jail in Tijuana, on the United States Mexican border south of San Diego. Jose Contreras Subias was being held in connection with the killing in 1984 of a Mexican federal police officer in an ambush.

Mr. Contreras was an associate of Caro Quintero who is in a Mexico City jail awaiting trial on charges that he kidnapped and killed a United States Drug Enforcement Agency agent and his Mexican pilot in Guadalajara last winter.

Diplomatic sources here confirmed that 21 police officers had been killed, including 17 members of the Federal Judicial Police. The sources also confirmed that some of the police were captured and later tortured and killed.

According to Mexican officials, the battle between the policemen and the drug smugglers took place near the town of Hidalgotitián in southern Veracruz near the border with Oaxaca. It is a remote region reachable by launch via a river.

It was in this area that the police and Mexican army units from garrisons in Matia Romero in Oaxaca and Minitatián in Veracruz were concentrating their search.

According to Mexican officials and diplomatic sources, the Mexican drug agents surprised a band of drug smugglers transferring about six tons of marijuana from trucks to a launch on the Rio Coachapa. A fight ensued between the police and the smugglers, who were armed with high-powered weapons.

Two policemen escaped. Reporting from Minitatián, the Mexico City newspaper Exceisior quoted the two survivors as saying that the smugglers collected the bodies of the dead policemen and lined them up along the river bank after the battle.

Mexican officials said the surviving policemen were taken to a farm at the village of Cahuapan near Hidalgotitián and tortured and killed. Their bodies were later dumped in Cahuapan.

Mexico is believed to be the source of 20 percent of the marijuana that reaches the United States, about 2,500 to 3,000 metric tons. Some officials think the number might be higher, in light of the seizure in the state of Chihuanua in the fall of 1984 of nearly 10,000 metric tons of marijuana apparently destined for the United States.

Mexico is also believed to be the source for between 18 and 35 percent of the cocaine that reaches the United States and 32 percent of the heroin.

The United States Government frequently has urged the Mexican Government to work harder at intervening in the highly lucrative drug traffic.

Relations between the two countries regarding illegal drug trafficking reached a critical point last winter when the American drug agent, Enrique Camarena Salazar, and his Mexican pilot were kidnapped off the streets of Guadalajara. Their bodies, showing signs of torture, later were found buried on a ranch.

The Reagan Administration reacted angrily and placed heavy restrictions on traffic into the United States at border crossings with Mexico.

But United States State Department officials in Washington have said in recent months that the Mexican Government had strengthened its campaign against drug traffic as a result of the agent's killing and the angry reaction in Washington.

INDEXATION OF DEBT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, the secret password in Washington these days is "reform." We have tax reform, military reform, immigration reform, and foreign policy reform. Yet there does seem to be one thing that remains, one consistency here, one constant; and that is that, despite all these reforms, we still may have a large, large deficit. We are talking about a $200 billion deficit now, and my colleagues believe that a large portion of that figure, that is, the interest

on the public debt, is out of their hands.

Mr. Speaker, this may not be the case. We can, in fact, address the interest problem by something which may seem novel, by indexing the national debt in order to reduce the inflationary expectation component of the cost of borrowing.

This evening I am going to discuss the reasons for experimenting with indexation, my own legislation to initiate it, and the basis of my confidence in it. Yes, it is a serious shift in policy, but our bloated Government desperately needs the innovative spirit that is an essential ingredient of real reform.

Unfortunately, such reform is hard to come by. We know that if interest payments continue at the rate of $140 billion per year, government borrowing will begin to crowd out the financing of private business. We know that such a contingency could mean a curb on productivity and more problems for economic growth. Yet we fail to consider ideas that are a step beyond the conventional wisdom. The situation reminds me of Winston Smith in Orwell's "1984." We all know we are headed for room 101, but we cannot stop ourselves from going there. This feeling of inevitability, Mr. Speaker, is augmented by the belief of most Members that certain portions of the budget are uncontrollable. Entitlements, we are told, are uncontrollable; the public debt, which constituted 13.9 percent of the budget in 1984, is also deemed uncontrollable. In fact, according to one reckoning of the Senate Rules Committee, fully 73.8 percent of the budget is beyond the pale.

But the fact is that a portion of the cost of the public debt can be controlled because the U.S. Government is currently paying billions of dollars more to bondholders than is necessary. In return for the purchase of 10-year bonds, the U.S. Treasury paid an interest rate of 12.4 percent in 1984. Ideally, the investors and the Treasury should agree on an interest rate composed of the expected level of inflation, first, and second, the "real" rate of interest, which is that which reflects the typical real yield on assets. But the inflation rate was only 4 percent in 1984, and financial experts from the Congressional Research Service and Fortune magazine feel that the real interest rate should be around 3 percent. Why then the missing 5 percent? This missing 5 percent comes from a risk premium. The risk premium is affected by uncertainty about inflation, and this is, in effect, a surcharge to the borrower.

Let us look at an example: Mr. and Mrs. Smith are a young couple saving and investing for their children and retirement. They might be interested in long-term Treasury bonds. If the bond they purchased simply included a real interest rate and the expected rate of inflation, they might be uneasy, they might be worried. What happens to their children's education if inflation explodes beyond the predictions, as it repeatedly did during the 1970's? The answer is that trips to college explode as well. So the Smiths insist on an extra margin of interest to guarantee that inflation does not cut the value of their investment. That is great for Mom and Dad, but since Uncle Sam pays $38 million per day in interest, it is a pretty sad state of affairs for him.

Common sense should tell us that if the inflationary risk premium was eliminated or simply reduced, the Government could save billions of dollars. Now we can accomplish this if the Government provides the guarantees on inflation through the mechanism of indexation. According to an April 1985 issue of Fortune magazine, if the Treasury sliced off a couple of percentage points from interest rates by selling indexed bonds instead of the current bonds, it would save $13 billion just this year. Fortune magazine predicted that the savings could reach $30 billion in 1990. Massive savings were also specified by Mr. Robert Monks in testimony before the Joint Economic Committee. Mr. Monks formerly served as administrator of the Office of Pension and Welfare Benefit Programs in the Department of Labor. He assumes that the indexed bonds of 3- to 20-year maturity would pay 7.7 percent interest as opposed to 13.7 percent with conventional bonds. If these assumptions proved correct, the Treasury could save $9 billion in the first year of indexation and $45 billion by the fifth year.

In all candor, I have to add a couple of caveats to these figures, as promising as they may be. Mr. John Pallfy, writing in a May 14 issue of the Heritage Foundation Backgrounder, essentially agrees with the savings totals produced by fortune. He points out, however, that the ultimate reductions will be slightly altered by the method of indexation. If only the interest on the bonds is indexed, then rising prices will diminish the value of the principal by the time it matures. Since this scenario would undermine the advantages of indexing, it would be preferable, from the standpoint of the investor and therefore probably for marketing purposes, to index both the principal and the interest. That would mean, of course, that some money would be taken away from the $30 billion to $45 billion totals. Those are estimated totals.

The second caveat is more technical. While many authorities here in Washington feel that the real interest rate is around 3 percent, other economists remain uncertain. In fact, some of them hope that indexation by making clear exactly what the inflation component of the interest rates is will show them the "real" rate of interest. The uncertainty prevents exactitude when it comes to estimating the reductions in interest payments likely to result from the indexation.

But the principal remains. If, instead of us having to estimate what the inflation rate might be, an uncertainty that is always going to be out there, trying to translate that into some sort of risk premium, and having in most cases to err on the side of overestimating in order to sell the bonds, we would instead make sure that anyone who bought these bonds would be protected over the lifetime of the bond against the impact of inflation because it would be indexed at the time the inflation occurred.

Let me be clear at this point, however. This is not a panacea; nor is it a substitute for budget cuts.

Colleagues familiar with my speeches and legislative activity known of my strong support for tough budget choices leading to a balanced budget. But I think I would be foolish and so would they not to grasp a savings that is relatively painless and clear of lobbyists. And it might explain more simply: If a family happened to overextend itself and go into debt, they certainly would not solve that problem merely by renegotiating that debt; they would probably try to ensure that they cut their spending over the next year and years ahead. However, they would be foolish to walk into any bank and say, "I want a loan to take care of my debts, and give me your highest loan, that is, your highest rate of financing that loan." Or they would be foolish if they only went to the first bank and did not go to other banks and see if they could not get a better deal on servicing their debt.

What we are suggesting is that indexation would provide another way of the Government now going out and attempting to service the debt that they would be required to service. All they would be trying to do would be bringing down the cost of servicing of that debt.

Now turning to the world beyond the Beltway, I want to emphasize the benefits of indexation to private finance. As I mentioned earlier, indexed bonds would end the risk that future retirees like the Smiths would see their investments eaten up by inflation. Thus, as John Pallfy points out in his backgrounder report, indexed bonds would be especially popular in pension funds, in life insurance, and IRA's. Mr. Monk agrees enthusiastically with this thesis. He observed in his testimony that the 70 million beneficiaries of private pensions would find indexed securities "the ideal funding mechanism, combining lowest risk; [a] stream of payments with assured maintenance of purchasing power and

protection against market conditions at the time of funding or of retirement." In other words, someone who is very well versed in the whole question of the pensions, private pensions of America, someone who has had a public responsibility and now a private responsiblity in this area would, in fact, encourage anyone who was doing consulting with him to purchase these indexed bonds because he finds them, as he said, the ideal funding mechanism.

David Meiselman, a professor of economics at Virginia Polytechnic Institute, sees this aspect of indexation simply as a response to the fundamental question posed by investors; namely: How do I protect myself from inflation? "Whatever past historical associations may have been, none have been consistently dependable in recent years. The bankruptcy courts are littered with the corpses of businesses and individuals who placed heavy reliance on some rule of thumb that just happened not to work out quite the way it had in the past. The old rules of thumb about good inflation hedges that went wrong include equities, short-term interest rates, gold and precious metals, collectibles, diamonds, commodities, timber reserves, and on and on. The only dependable way to hedge against inflation is to link values to a broad price index representing the inflation itself rather than linking values to the prices of individual components of the average. A Treasury obligation indexed to the Consumer Price Index or a similar price index offers one such dependable inflation hedge."

Mr. Speaker, I am convinced that we should be able to pass an indexation bill on this set of justifications alone.

But another secondary benefit under indexation also pertains to inflation. Thomas Woodward, an economics analyst with the Congressional Research Service, recently considered the effect of indexation on Government fiscal policies. He observed that indexation may reduce the Government's prejudice toward inflation. Part of that prejudice stems from conventional bonds since the value of the principal for those bonds diminishes with inflation. I mean, how often have you heard on the floor of the House and other places that we ought not worry about the size of the national deficit because in the future the value of that debt will diminish with inflation? In other words, it may be large now, but it will get smaller as we go along merely because inflation will make it so.

Indexing would remove any temptation on the part of Government to inflate away the underlying value of its debt obligations.

Finally, indexation may contribute to steady economic growth during periods of inflation. At such times, investors normally switch to so-called tangible assets like gold and real estate. This movement imperils economic health because financial liquidity is curtailed and interest rates rise. But such developments could be avoided if investors had a reliable place to put their money other than tangible assets. Bonds that are indexed for inflation would be such a place.

In all candor, Mr. Speaker, some Treasury officials are not all that enthusiastic about the idea of indexing. Such inertia is a frequent reaction to innovation, but I think the actual features of the bill will reassure my friends in the executive branch. Indexation may be a revolutionary concept, but this legislation is not. It is an experiment. I recognize that indexation is not a panacea. I recognize it is not a guaranteed success.

So, therefore, my staff and I have produced a bill that allows a limited trial of indexing. This legislation calls on the Treasury Department to issue securities that are indexed for inflation with the Consumer Price Index. The Secretary will convert at least 5 percent of these securities and no more than 50 percent to indexed status. Someone asked why we would do that. Well, we want to make sure that the Secretary will try it.

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We do not want to have such an insignificant trial that it would be dismissed, and so we say that it should be at least 5, and yet we want to give some assurance to others who consider this to be somewhat risky because it is innovative that we would not go over 50 percent of those securities. We require that the face amount of the bonds be indexed so that the bondholder receives the full value of his investment at maturity. With the consent of the Secretary, the bonds should be a representative sampling of 1- to 20-year maturities.

Why did we select the CPI? Mr. Woodward of CRS has pointed out that the usefulness of a price index depends on the person to whom it applies. Mr. Jones buys the range of goods in index A, while Mr. Brown buys the range of goods in index B. The price shifts in the different computations means different things to Jones and Brown. But when it comes to the pricing of U.S. Treasury bonds, we want an index attractive to a very broad range of investors, or, in this case, as we would more correctly call them, lenders. That means we need a comprehensive measurement like the Consumer Price Index or the gross national product deflator. Since the CPI is computed monthly and the GNP deflator is computed quarterly, the former, that is, the CPI, is preferable. It minimizes the lag time between the change in the value of money and the issuance of the index; in other words, giving greater protection to the holder of the bonds and also, frankly, making them more attractive on the market.

I want to mention at this point that certain tax questions are tangentially linked to the indexation issue. Thomas Woodward believes that without any change in the Tax Code both the "real" interest and the inflation adjustment would be taxed as interest, since the law makes no distinction between the categories. In an ideal world, what is in essence the return of principal should not be subject to taxation if a security is to be taxed fairly.

But this is the House of Representatives. The Ways and Means Committee is preoccupied with an already overflowing plate of tax reform issues. And I should add that any change in the tax treatment of securities, in my judgment, should be on grounds of equity and not limited to government bonds alone.

This experimental legislation has been mandated by the need to attack the deficit with originality and daring. These qualities have already been displayed, not here in the House or in the Senate or in the executive branch, but, rather, by financiers in both New York and Chicago, whose exploration of future markets in general and indexes in particular certainly demonstrate an innovative spirit. An example of particular interest is the Consumer Price Index at the New York Coffee, Sugar and Cocoa Exchange. It has been hailed by David Meiselman, professor of economics at Virginia Polytechnic Institute, in testimony before the Joint Economic Committee, where he commented:

> The new C.P.I. futures market will permit the calculation of inflation-adjusted real market interest rates and will give borrowers and lenders the option of doing business on the basis of either nominal or inflation adjusted rates. Also, like other futures markets that permit risk management and risk control measures, the new C.P.I. futures market will make it possible for individuals and financial institutions to engage in "Do it yourself inflation indexing." Another result will be the creation of a whole new range of financial products and services.

Mr. Speaker, unbeknownst to many in this body, I am sure, and unbeknownst to me prior to the time I got interested in this subject, foreign countries have already discovered indexing. The British so-called "Granny Bonds" were introduced in 1975. Designed as an aid to pensioners over 60, the bonds were indexed to the British Retail Price Index. These securities proved quite popular. In 1981, the age requirement was lowered to 50 and the initial limit on holdings was raised from 500 pounds to 5,000. According to Alan Walters, formerly an aide to Margaret Thatcher and now a professor of economics at Johns Hopkins University, the integration of indexed bonds into England's finances has con-

tinued in the last few years. Professor Walters made the following comments in a March 1984, issue of the American Enterprise Institute Economist:

> Since April, 1981, index medium and long bonds have been one of the main forms of government borrowing in the United Kingdom. Indeed, the government has had little or no recourse to conventional long-term debt. More than one-third of its new issues, and virtually all long issues, have been indexed debt * * *. The U.K. government market, then, is substantial and very active.

Americans should find encouragement in the ability of Britain, with its weak economy and sometimes rigid economic thinking, to see the virtues of indexation and pursue them energetically.

The cases of France and Israel are murkier. France introduced gold clause bonds in the mid-1970's. This variety of indexation proved successful in attracting customers. It tied the securities to the price of gold, provided the International Monetary Fund upturned the link between gold and currency, which occurred in 1978. It is significant to note that the French felt the need for indexation and that they had the political will to implement it, but the French use of gold indices rather than a range of prices makes it unwise, in my judgment, to compare indexing operations in France and America.

In Israel, as we are sometimes reminded on the floor, everything from wages to prices are indexed. This general indexation has had the effect of weakening resistance to the necessary anti-inflation policies. While the general concept of indexing is under review there, no one argues that the indexation of bonds is specifically controversial. In fact, it might be queried whether anyone would otherwise purchase their bonds in light of the current difficulties facing the Israeli economy.

As an aside, I might mention that gold clauses were very successful in this country prior to the 1930's. According to Mr. Woodward of CRS, the securities guaranteed the holder repayment in gold or an equivalent value in legal tender. A very, very substantial market existed for them.

And I would just caution people to not believe that when you are talking about indexing, for instance, the indexing of bonds, that we are necessarily talking about the rather poor experience in countries such as Israel, where they have indexed prices, they have indexed wages, they have almost an automatic index, or have in the past, on a daily basis. They have not been in any stretch of the imagination successful, at least over the last number of years, in dealing with the problem of inflation. Here what we are doing is indexing bonds, indexing those IOU's that the Federal Government has to those people who have lent it money. And I would argue very strongly the point that I made before, in that regard it would be one of the best guarantees against public action, Government action, which encouraged inflation. In other words, it would work very, very much in the opposite direction to indexing of prices and automatic indexing of salaries that we have seen in the Israeli economy.

Despite the very special nature of indexation in other countries, I think a sense of confidence should emerge from looking at the evidence. Experience in America and abroad shows that indexation is widely perceived as a healthy practice. The testimony of American business shows a genuine appetite for this policy. These factors and the opportunities a successful program would present are surely sufficient justification for a mere test, albeit a serious test, of indexation.

Certain questions about indexation cannot be lightly dismissed, however. Obviously, the biggest doubts arise when one ponders a return to high inflation. While it is theoretically possible that indexed bonds would cost the Treasury additional money if the actual inflation rate turned out to be higher then what the market anticipated it would be, there are factors which do mitigate this possibility. First of all, it is arguable that part of the risk premium is indirectly attributable to the effect that inflationary fears have on overall market uncertainty. It therefore follows that the reduction in Government interest costs due to indexing might exceed the spread between the actual rate of inflation, which measures the cost to the Government as a result of indexing, and the anticipated rate of inflation. Second, as I indicated earlier, the presence of indexing itself is likely to greatly reduce the incentive for Government to inflate away the debt obligation. This in itself, I would underscore, will have the tendency to keep interest rates lower than they might otherwise be.

Mr. Speaker, one of my staff members recently learned that when President Carter asked economists for suggestions that would benefit the economy, Mr. Alan Binder, a Princeton professor and now a columnist for Business Week magazine, replied that he would advise the indexation of Treasury securities. It is unfortunate that among those ideas that Mr. Carter did accept, this was not among them. But with expert opinions such as that, with the $200 billion deficit, with a vigorous financial community and with couples and retirees needing investment security, we should initiate an experiment with indexing.

To be frank, I am worried that the budget drama of 1985 shows that the real leader of Congress is not the Speaker or the majority leader but rather something called "business as usual." If we cannot break free from this tyranny and attack domestic problems with innovation and energy, we will face problems far worse than excessive interest payments.

Mr. Speaker, I recognize that I have tried to point out the faults as well as the attributes of this sort of plan, this sort of experiment in indexed bonds but, quite frankly, I view it as a win-win situation. I do not think that we could under virtually any scenario that we might possibly believe to be real, find that index bonds would cost the Federal taxpayers ultimately more than the present conventional bonds do.

Second, as we pointed out before, it would have an incentive for the Government to take action not to allow inflation to rear its ugly head again.

Again, Mr. Speaker, it would also provide an essential security. You would take the risk out of holding these bonds. You would take the risk factor out of it with respect to those people who are trying to make long-term commitments for their retirement years. You would take the risk factor out of it for those who are charged with the responsibility of investing safely, with a reasonable rate of return, the assets of major pension plans in this country.

Mr. Speaker, I urge my colleagues to support my bill, H.R. 1773, as a step in an innovative direction. It will not solve the debt problems of the U.S. Government, but I believe, Mr. Speaker, it would go a long way, a very long way, to solving the debt service problems of the U.S. Government.

IRRESPONSIBLE JOURNALISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 60 minutes.

Mr. DYMALLY. Mr. Speaker, a friend of mine, Alex Odeh of Santa Ana, CA, was murdered recently in a terrorist bombing. He left behind a young wife and three little girls, the youngest only 2. The evening before his murder Alex appeared on television to be questioned about his views on the *Achille Lauro* hijacking. Alex made two points: First, that this act of terrorism, and all acts of terrorism are to be condemned; second, that the Palestine Liberation Organization appeared in the *Achille Lauro* case to have played a positive role in ending the incident quickly. The television station edited out Alex's condemnation of terrorism and broadcast only his remarks on the PLO. I consider what that television station did a despicable act. It deliberately distorted the public appearance of a man I knew to be a true humanitarian, making it appear that he did not condemn the hijacking. Many people in southern California feel that this edited inter-

view signed Alex Odeh's death warrant.

On Tuesday, November 5 of this year a similar act of distortion occurred on television. This time the act was done against a young man who is not only a friend of mine but is also a member of my congressional staff. His name is Marwan Burgan. Now, as in the case of Alex Odeh, Marwan's family fears for Marwan's safety, as do I. And Marwan has to wonder whether he can leave his family unprotected. And I have to tell you that the anger I feel toward those who have placed him and his family in this situation is well beyond the power of words to express. My anger is intensified by the fact that Marwan was put in his present situation by a religious network, the Christian Broadcast Network, the fourth largest network in the country. I am a Christian, but in my brand of Christianity we are taught that it is wrong to lie. We are taught that it is wrong to place the lives of others in danger. Apparently access to the airwaves has given CBN a certain largesse to shun the Christian tenets that the rest of Christianity observe.

Let me tell you the truth about Marwan before I proceed to the broadcast lie. I met Marwan through his brother Sam, then a student at Howard University School of Law. I invited Marwan to serve a congressional fellowship in my office. I was so impressed with Marwan's intelligence, his competence, his positive attitude toward work, and his gentlemanly manner that I hired him part time. And I hope to hire him full-time next year. Marwan is a social psychologist by training. He did his undergraduate work at Southern Illinois University, and his graduate work here in Washington at American University. He has been an honors student throughout his training. In light of the present discussion, it is ironic that Marwan's research specialization is content analysis of media presentations.

Marwan was born in Jordan, lived in England for a time, and came to live in the United States in the mid-seventies. Just before Marwan began working for me, I had become interested in the plight of the American hostages who are still held in Lebanon. I was concerned that they had been held so long that the fact of their captivity was slipping from the public consciousness. I feared that without public pressure our Government might not place a high enough priority on winning their release. I assigned my administrative assistant Dr. David Johnson, to contact each hostage family and find out what we could do to help. That inquiry resulted in a special order here on the House floor in which many of you participated. I resolved after that special order to find ways to keep the situation of the hostages before the eyes of the public, and before the eyes of their representatives in the Congress.

I wanted the families themselves to have an opportunity to come here and tell Members of Congress of their anguish. Because Marwan had so deep a personal knowledge of the Middle East, I thought it appropriate to give him the assignment. He too quickly found his heart going out to these families. The meeting he coordinated between the families and Members of Congress was a moving experience. Moreover, it succeeded in renewing public consciousness of the hostages since the meeting was covered nationally by all sectors of the press. Out of that meeting came a plan to compose a congressional support group for the hostage families, and to recommend the creation of a task force on terrorism within the House Foreign Affairs Committee. Marwan has worked tirelessly to bring both the support group and the task force to fruition.

When the CBN story on Marwan was broadcast, Marwan quickly realized that attention on him would deflect attention from the truly important matter here which is to win the release of the hostages. Marwan suggested to the hostage families that it might be in their best interest if he were to stop his efforts and allow some other staff member to take over. The hostage families, to their everlasting credit, would hear nothing of this. They insisted that Marwan continue his effort on their behalf. If the hostages are returned safely, Marwan Burgan will be one of those deserving of credit. His work has helped the families to maintain hope, and his work has kept the fact that there still are American hostages in Lebanon before the public consciousness. Moreover, his work may ultimately lead to Congress taking a careful look at the fact of terrorism, its causes, and the means by which its incidence might be reduced.

Now let me proceed to the broadcast lie which appears to have been first aired on the "700 Club" program which, as many of you are aware, is a nationally broadcast religious program with a very large audience. Footage of Marwan was shown while the commentator made three stunningly inaccurate allegations. While the commentator was correct in noting that Marwan had been helping the hostage families, it was also alleged first, that Marwan had come into my office to steer the activities of the office toward matters involving the Middle East; second, that Marwan is affiliated with the PLO; and third, that his PLO affiliation places him in a conflict of interest situation in any matter involving the Middle East.

Just recounting these lies makes my anger begin to rise once again. The contempt the broadcast showed toward the Congress is itself contemptible. The outright racism contained in the broadcast should make every Christian, indeed every American of whatever faith, deeply ashamed. Who can find the words to express the smallness of those who could insinuate that the desperate efforts of the hostage families and their helpers to bring their loved ones safely home again is somehow tainted, somehow wrong? And who can condemn strongly enough broadcasters who would place innocent lives in danger for no better reason than to manufacture baseless sensationalism?

Let me take the broadcast's allegations one by one. First, the broadcast insinuated that Marwan came into my office with an agenda and that he is now using my office to his own ends. As I have mentioned, Marwan was given the hostage family assignment well after the time that another staff member, Dr. Johnson, had begun work on the project at my direction. In his work, Marwan has always followed my direction. I would have been happy if Marwan had come into my office with the intention to help the hostage families. But in fact this was an assignment he took on at my request, not the other way around. The larger issue here, however, is the insinuation that Members of Congress are no more than the unsuspecting prey of unscrupulous outsiders bent on prostituting the Congress. That is an insinuation that affronts me because it denigrates the integrity of this whole body. It denigrates the judgment of the American people in electing us to represent them. To insinuate that we can be used so easily is to insult the Congress and the American people. This is not a matter that should go unnoticed by the Members of this body. The more so in this case because it is an attitude projected by people who purport to be the spiritual leaders of the Nation. To me, their insinuation belied their belief in the death of a spirit, the spirit of democracy itself.

We are all familiar with code words. They are signals that connote much more than they denote. Calling Marwan an affiliate of the PLO was such a code. Rightly or wrongly, the PLO has come to be associated with terrorism and the name is used to elicit negative feeling toward those of Arab background. To say that a person is a member of the PLO is to signal that it is alright to be hostile toward that person because that person is bad. Marwan is of Arab background. He is not affiliated with the PLO. But what value does setting the factual record straight have once the damage has been done? We all know how difficult it is to correct the public perception of a person or event once an incorrect perception has been sanctified by the media. As with the in-

sinuation that my office is being used, the insinuation that Marwan is somehow a terrorist has a much broader implication. It is that those of Arab descent are evil and that, therefore, acts of violence against them are justified.

I spoke before you recently citing FBI records of terrorist acts committed against Americans. The record shows just what the damage of anti-Arab racism has been. Those of Arab background in this country live in real fear for their life, their property, their career. For, in fact, terrorism and racial discrimination have been visited on Arab Americans vastly more often than the American public is aware of. I would venture to say that my colleagues are unaware that in June the Islamic Center in San Francisco was ransacked after a radio host agreed with a caller that Shiites should be killed; or that in the same month the Islamic Institute in Dearborn, MI, was similarly vandalized; or that the Islamic mosque in Houston was bombed also in June; or that in August the American Arab Anti-Discrimination Committee office in Boston was bombed; or that the ADC office in Santa Ana, CA, was bombed in October, killing Alex Odeh; or that in July a young woman in Tucson, AZ, was brutually raped, beaten, and a carving made in her chest. And for what reason? Because she was dating a man of Palestinian background. I would venture to say you are unaware of these things because the press does not give them widespread publicity. They are, after all, acts done against Americans of Arab descent. When can you remember having heard or read something positive about an Arab?

I said that code words connote more than they denote. By attaching the code PLO to Marwan, the Christian Broadcast Network has done much more than put Marwan in danger. It has made an indirect slur against the hostage families and their efforts to have their loved ones returned safely to them. The Christian Broadcast network has insinuated that their actions are secretly controlled by the PLO. One has to wonder at the motivation of those who would take the suffering of others and use the effort to bring an end to that suffering as a tool to inflict further suffering. This is not a Christian act in my view. Much closer to what I understand to be Christian action is the work of Marwan Burgan. His Christian upbringing taught him that he was to practice the spiritual and corporal works of mercy, and true to these Christian counsels, he has tried to aid the suffering hostage families. If Marwan were a member of the PLO and if he were working as selflessly as he has been working, I would defend him as strongly as I am defending him now. But, in truth, Marwan has been branded by the Christian Broadcast Network not because he is a member of the PLO but because he is Arab. And we just cannot sit idly by and see this racist stereotype of Arabs continue. Marwan is a good man doing good work and thus work cannot be undermined by racists attacks.

In fact, my dear colleagues, America is full of Arab Americans in which the citizens of this country should take justifiable pride. Yet, some of these people are not recognizable by surname as Arab Americans and possibly would not want to be recognizable for fear of the racist acts that might befall them were they to be recognized. I had considered telling my colleagues about some of the contributions these outstanding Americans have made in politics, diplomacy, journalism, the arts, science and medicine, but to respect their possible desire to avoid publicity, I will just mention two publicly known examples to make clear why these people might wish to maintain their privacy. Many of us in the Congress know Candy Lightner as the mother who founded MADD, Mothers Against Drunk Driving. She is an Arab American. Recently, she was honored by an Arab American organization for her stand against drunk driving. Shortly after receiving the honor she was demoted from her job. I do not know if there is any connection between the two events, but it leaves at least a question in my mind. Young people know Casey Kasem as the host of the long-lived and popular "Top 40 Show." Casey is an Arab American. During the last Presidential campaign when Casey held a fund raiser for Presidential candidate Jesse Jackson, Casey's home was picketed by an anti-Arab group.

As I said, the list of distinguished Arab Americans is a long one. It includes Members of Congress, senior diplomats, consumer advocates, leading political journalists, well-known entertainers, writers, producers, musicians, medical researchers, doctors, and scientists.

Few of us are aware of the hundreds of thousands of Arab Americans who are employed in every walk of life this country has to offer. That is as it should be. These people are as deserving as you or I of enjoying and taking pride in their ancestry without fear of retribution. America is culturally rich. America's diversity is part of what makes it such a great place to live. Arab Americans are contributors to this robust culture of ours, this American culture. These people are loyal, hard-working, patriotic Americans, just like you and me. These people are just as capable of feeling compassion for a fellow human being held hostage as you are, as I am, as Marwan Burgan is. These people are as deserving of security and a sense of well-being in their homes and workplaces as you are, as I am. I pray that there will be a day when Marwan Burgan and his family will again have that security which we enjoy without thought.

Mr. Speaker and Members, thank you very much for this opportunity to bring this very important message to you, so that this great disservice committed against Morwan Burgan can be brought to the attention of the public, and hopefully corrected without delay.

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THE GROWTH OF NARCO-TERRORISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. GILMAN] is recognized for 60 minutes.

Mr. GILMAN. Mr. Speaker, I rise today to express my deep concern over the ever increasing relationship between narcotics trafficking and international terrorism. This relationship has grown so strong in recent years that a new term—"narco-terrorism"—has become all too common. The "narco-terrorists" have become so powerful in some nations that the 1984 report of the United Nations International Narcotics Control Board warned that "the very security of some States is threatened." As a result of the growing intensity of narcotics control efforts by some nations there has been a corresponding increase in violence, subversion and corruption by the "narco-terrorists" to impede these efforts. It is clear that many terrorist groups are both directly involved in narcotics production and trafficking, and indirectly involved through the financing of terrorist activities from the enormous profits derived from the illicit narcotics trade. As the use of violence against international narcotics control efforts increases we must recognize the serious threat involved and do everything in our power to combat it.

In the past few weeks we have witnessed two deplorable examples of the types of "narco-terrorism" to which I have referred. On November 3, reports surfaced of "The Day of the Dead Massacre"—of the brutal murders of 22 Mexican police officers in Mexico's southeastern swamplands at the hands of a band of drug smugglers. The Mexican policemen were murdered after they were ambushed by the band of smugglers, who were involved in transferring about 6 tons of marijuana from trucks to a launch on the Rio Coachapa. After they were ambushed they were taken to a nearby farm, where they were tortured and then murdered. I am certain that every Member of this body joins me in expressing our deepest sympathies to the families and friends of these brave men and to the Government of Mexico. It is heartening to learn from recent reports that at least 16 arrests

have been made in this brutal case, and that the commander of the Mexican Federal Judicial Police, Florentino Ventura, believes that the information obtained from these suspects will lead directly to the capture and conviction of all those responsible. We stand ready to provide whatever support and assistance we can in that effort.

The second deplorable act of violance occurred a few days later in Colombia, when on November 6, about 25 leftist guerrillas shot their way into the Palace of Justice and seized a number of hostages, mostly judges. The Palace of Justice is the site of the courtrooms and offices for Colombia's 24 Supreme court justices and 20 other Federal judges. The guerrillas were part of M-19—Movement-19—which takes its name from the April 19, 1970, date on which populist ex-Dictator Gustavo Rojas Pinilla, who had ruled since seizing power in 1953, was defeated in a Presidential election that his followers and others charged was fraudulent. Since this urban-based group opened up rural fronts in 1981, it has been directly involved in a guns-for-drugs nexus, and that connection clearly continues today.

On November 7, President Belisario Betancur, who has led one of the most forceful and effective antinarcotics campaigns of any producing nation over the past 2 years, ordered an all-out assault on the Palace of Justice after promising the rebels only that the Government would guarantee they would not be killed and would get a fair trail if they surrendered. The President added "The Government could not negotiate something that was nonnegotiable—the respectability of our institutions." The result of the assault by Colombian Government security forces was devastating. The Palace of Justice was gutted, and at least 85 corpses of magistrates, rebels, court employees, visitors, soldiers and police have been found.

While no direct drug relationship has been established for the Palace of Justice takeover, two things are clear. First, as President Betancur pointed out in his address to his nation after the assault, hundreds of court files that included cases of people being sought for extradition to the United States for drug offenses were destroyed by the guerrillas. Second, regardless of the ultimate motives of the rebels, the financing of their operations is directly linked to the drug traffickers.

As disturbing as these recent events in Colombia and Mexico have been they are only the latest in a series of drug related violence in these two nations. In April of 1984, the Minister of Justice of Colombia, Rodrigo Lara Bonilla, a firm and outspoken opponent of the drug trade, was murdered at the hands of the drug traffickers, and only recently the judge assigned to investigate the assassination was murdered. In addition, the drug traffickers in Colombia have threatened the lives of Americans living in Colombia in response to our requests for extradition of known Colombian drug traffickers to the United States. Early this year, in Mexico, the drug traffickers were responsible for the brutal murder of American Drug Enforcement Administration agent Enrique Camarena Salizar, setting off a period of extremely tense relations between our two nations.

Narco-terrorism is rampant throughout the drug producing nations of South America. The "narco-terrorists" have created a climate of complete lawlessness in Bolivia, especially in the drug producing region of the Chapare. The traffickers intimidate and kill Chapare peasants who do not wish to cooperate in the production and trafficking of narcotics. Even the police are not immune from attack. A group of seven Bolivian policemen were murdered in 1982, when it appeared that the Government was attempting to increase narcotics control efforts. The threat posed by the drug traffickers is not limited to direct incidents of violence. There continue to be persistent rumors that members of the far left and the far right are involved in the financing of political activities through drug trafficking, arms smuggling and other related illegal activities.

In Peru, narcotics related violence has been increasing since late 1983, especially in the Upper Huallaga Valley cocaine producing region. Police units and eradication workers have been repeatedly attacked and these attacks culminated in the November 1984, brutal murders of 19 coca eradication and survey workers, and the murder of the mayor of Tingo Maria.

Narco-terrorism is not limited to this hemisphere. The relationship between insurgency and narcotics trafficking is particularly evident in Burma and in Thailand. In Burma, most of the principal insurgent groups rely on heroin smuggling to finance their activities. These groups control the main areas of opium production in northeastern Burma where rough terrain and the shortage of modern military equipment prevent the Government from establishing any authority. All of the insurgent groups are heavily involved in the production, transport, and sale of heroin, and the Burmese Government is continuing to wage a determined struggle to restrict their activities, despite the heavy odds against them. While similar activities are weaker in Thailand, they do exist, and efforts by the Thai Government to suppress these activities are beginning to yield some success.

Mr. Speaker, it is clear that the scourge of drug trafficking and drug abuse, and related "narco-terrorist" activities, have reached epidemic proportions worldwide. As the ranking minority member of the House Select Committee on Narcotics Abuse and Control, I have worked closely with our distinguished chairman, the gentleman from New York [Mr. RANGEL] in seeking to raise the consciousness of our own Government and all governments throughout the world to the deadly nature of the drug trade and its related terrorist activities.

The ruthlessness of the drug traffickers knows no bounds as they seek to spread their poison to every corner of the globe. Narcotics trafficking is a key ingredient in overall global lawlessness. It must be stopped. If nothing less, we must work with supportive governments to end the direct involvement of some governments in supporting such terrorist activities. Only a firm and coordinated commitment by every nation will lead to a halt of the international drug trade. We must spare no effort and utilize every resource in the fight. The sooner we fully recognize the threat at hand the sooner we will put an end to the tragic events we have experienced in the past few weeks.

Many government leaders have already expressed a firm commitment to the war on narcotics. Along with the efforts already initiated by the Governments of Mexico and Colombia, newly elected Peruvian President Alan Garcia stated in his inaugural address:

> A historic scourge threatens our country: drug trafficking, whose prospects of bringing a sudden fortune corrupts people and has destroyed many Peruvian institutions. Neither Peru nor any other country can be identified as an exporter of poison.

The Prime Minister of Great Britain, Margaret Thatcher, has told the drug traffickers:

> We are after you. The pursuit will be relentless. The effort will get greater and greater until we have beaten you. The penalty will be long prison sentences. The penalty will be confiscation of everything you have ever got from drug smuggling. So stop it—we shall make your life not worth living.

And in Malaysia, Prime Minister Mahathir Mohamad has declared:

> There will be no compromise with those who are slowly killing our people.

Mr. Speaker, those words should become our battle cry—that there can be no compromise with these merchants of violence and death. Greed is the driving force behind their every action. They allow nothing to stand in their way. But we can and must stand in their way, and join together as a world community to end drug production and trafficking and its associated violence once and for all. For the sake of our children we can do no less. I urge my colleagues to join with me and to speak out in this effort.

□ 2030

LABOR-MANAGEMENT NOTIFICATION AND CONSULTATION ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

GENERAL LEAVE

Mr. DELAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DELAY. Mr. Speaker, we had general debate today on a bill, H.R. 1616. This bill is commonly called the Labor-Management Notification and Consultation Act of 1985.

Now, during the debate, many Members of Congress, the proponents of this bill, at least, claimed that this was a narrowly gauged bill, that this is simply a notification bill, that this bill is going to protect jobs, that this bill, they inferred and some may have said that this bill would stop the loss of jobs and possibly stop the closing of plants.

I would like to take first, Mr. Speaker, the first part of the proponents' argument, that this is a narrowly gauged bill, that this is a finely honed piece of legislation, that this is just a simple little peace of legislation. My experience in the legislative process going over 7 years is that when anybody tells you it is a simple bill, you had better look out, because it has also been my experience that some people bring a simple bill to the floor of this House and do not tell you the whole story that may be in the bill, so I would like to very briefly start this evening by pointing out and briefly going through what this bill is.

This bill only pertains, supposedly, to 50 or more employees that may be laid off or that will be laid off in a plant closing.

Now, the affected employees means employees who have been employed by an employer for more than 6 months. Why they picked 6 months, I do not know. I guess it is to say if you have been employed more than 6 months, you are a permanent employee. Frankly, I think if you are employed for a year so that you qualify for some benefits and you qualify for at least vacation makes you a permanent employee. We will get into later about how important and how onerous just that little part of the bill is about employees who have worked for more than 6 months.

It also goes even further and says that you have to comply with this bill if you reduce the number, and I am quoting: "if you have a reduction in hours of work of more than 50 percent during any 6-month period" which means that if you have to make a business decision and your plant is in trouble and you are trying to save the jobs of probably more than a majority of the people working in the plant, if you have to cut, for instance, the workweek of some employees of all employees, especially if you have 50 or more employees, then you have to comply with this bill.

Now, also they will say, and I quote from the bill: "If there are unavoidable business circumstances that prevent the employer from withholding such closings or layoffs until the end of such period," which means that the plant can for some unavoidable business circumstances, and frankly they do not define what unavoidable business circumstances are, then you can shut down the plant or lay off employees.

Now, who is going to determine what unavoidable business circumstances are? They wait until you go into a punitive process, punitive on the employer, a punitive process to determine whether you had to close that down quickly because of unavoidable business circumstances.

Now, we go on and get into the consultation part of the bill. First, you are notified with in 90 days that the plant is closing and/or a major layoff of 50 or more employees. Not only do you notify the employees or their representatives, in case it may be a union shop, you also must notify the Federal Mediation and Conciliation Service that you are shutting the plant or laying off employees. That immediately puts it in the realm of the Federal Government and in that case the Federal Mediation and Conciliation Service has the ability in this bill to extend beyond the 90 days that you cannot close your plant or lay off your employees any period of time it sees fit to do so.

Now, it goes even further than that. In section 5 of the bill it says that the employer must provide the representative of the affected employees with "such relevant information as is necessary for the thorough evaluation of the proposal to order a plant closing or plant layoff."

Now, I do not know why they even put in there this kind of language. What they should have said is, "Mr. Employer of the plant, you will open your files and books to the employees and the respresentatives and show everything that you have to show," because everything in a business decision is used in that business decision, everything that a plant has, whether it be books, files, customer records, credit notices, loans, notes, everything is pulled in then in making a decision such as this. If you do not do that, then you are subject to "such protective orders as the Secretary of Labor may issue."

Now, this also goes further to say and gives authority to the Secretary of Labor, as it says in subsection (2) of section 7 that the Secretary of Labor determines whether you have given sufficient information to make these decisions in order to negotiate—and that is a big word, negotiate the closing of the plant or the laying off of employees.

□ 2045

It gives the authority to the Secretary of State to petition any district court of the United States for any district in which the violation is alleged to have occurred. In other words, the Secretary of State can go to court and receive injunctive relief, which means we put it off a little further as for as shutting down a plant or laying off people.

The injunctive relief is spelled out in the bill. First, it requires the employer to give notice. It also extends the consultation period and requires the employer to consult "in good faith during the period as extended," and (c) requires that reinstatement of back pay and related benefits. We are talking about a plant that is in monetary distress enough to have to be closed or to lay off employees, and then we require, well, not only can you not lay off these employees, you cannot shut down your plant, but you are going to pay all back pay and benefits to those employees, putting even more pressure on the plant to be closed.

Now we go even further, not just to the Secretary of State, but we also set up class action suits in the bill, and it says under section 7(b):

> Any employer who orders a plant closing or mass layoffs in violation of this Act or a court order under subsection (a) shall be liable to each employee who suffers an employment loss as a result of such closing or layoff for reinstatement or damages, or both.

Unbelievable.

Also, it says that employees or their representatives may sue, either for himself or for other persons, setting up class actions suits. And damages shall include back pay and related benefits for each day that the employer is in violation, incuding general and punitive damages, or both. Punitive damages, which goes right next to the net worth of the owner of the plant, and could be substantial. There is no limit on the punitive damages. All it says is that they can recover punitive damages.

If that is not bad enough, as usually happens in this Congress, we always protect the lawyers. We go on to another section, section 3, and says that while all this litigation is going on, if this guy who is under monetary distress enough to be considering shutting down a plant or laying off em-

ployees, loses this how-long-do-we-know civil actions suit, and these suits could go on for years, if it happens to be in Houston, TX, it takes 5 to 8 years to settle many civil actions in the overcrowded courts in that area. But even at that, after all this, then, as I call this bill a full employment for attorneys, then we allow the court to bring a judgment to pay any reasonable attorneys' fees. They have to be paid by the defendant, the owner of the plant.

It just does not make sense. We have more in the section entitled "Civil Actions Against Representatives of Employees." We also allow that any representative who brings action to the Secretary can be liable to the employer for financial loss. We are going to balance it out, because if the representative of the employee brings an unreasonable action, then they will be liable under subsection 5(b). But I would like to point out, Mr. Speaker, that when we go back to 5(b), all it says if the employees do not provide information to the employer. What information are they going to provide? They are the employees.

Here we also have in section (d):

For purposes of this section, in determining whether a plant closing or permanent layoff has occurred or will occur, employment losses for 2 or more groups, each of which is less than 50 employees.

And it goes on and on. What this says is that not only can you not have an overall plant reduction of 50 employees before this act goes in effect, you cannot even do it by a section of your business. If you have a business that has many departments in it and you want to cut down the number of employees, if you lay off 10 employees over here and 20 over here and another 20 over here, that equals 50 employees; therefore, you fall under the scrutiny of the act.

Then it goes even one step further. It was stated in the general debate on this bill that we already have, set up by Bill Brock, Secretary of Labor for the United States, a task force that is looking into this matter. But that does not go far enough, so Congress is going to set up a National Commission on Plant Closings and Worker Dislocations, and provide all the appropriations that are necessary for studying this problem. So once again we are duplicating Government services. We have a task force made up of both labor, management, and people in between studying this at this very moment, but that is not good enough. We are going to have the same thing set up by Congress.

You would think that at some point in time that people around here would start trusting each other on findings, or at least look at findings after they have been brought, and see if they are relevant.

I would like to submit for the RECORD a fact sheet that compares, for instance, the consultation process with the committee report, and then gives an evaluation of what the practical effect is therein.

The factsheet is as follows:

FACT SHEET—H.R. 1616, CONSULTATION AND RELEVANT INFORMATION REQUIREMENTS

I. CONSULTATION

Requirement: Where a union is present, a change in business operations resulting in layoffs of 50 or more employees cannot take place until the employer has "consulted in good faith" with the union "For the purpose of agreeing to a mutually satisfactory alternative or modification" of the proposed change.

Committee Report Explanation: The employer would have to engage an "'exhaustive exploration" of the alternatives or modifications. He would have to "approach the consultative process with a good-faith willingness to" explore alternatives and would not be in compliance by merely "going through the motions" if he harbors an intransigent or unyielding attitude that makes consultation a "meaningless exercise." He must have "a desire to reach ultimate agreement."

Practical Effect: An employer would be highly unlikely to give employees notice that he was going to lay them off if he hadn't already thorougly analyzed the situation and exercised his soundest business judgment. If he had confidence in any input by the union, he would likely already have discussed the situation with them. Therefore, to comply, he would have to pretend to have a "desire to reach ultimate agreement" unless he simply wanted to buy the union's alternative. This could be particularly difficult where there had been a history of antagonism between the parties.

Current Law: If the layoffs are occurring as a result of transfer of operations to another location a subcontracting arrangement, the employer must bargain in good faith with the union if the decision is motivated by labor costs. In such situations, the union obviously can be helpful.

II. RELEVANT INFORMATION

Requirement: The employer fails to consult in good faith if he does not provide the union "with such relevant information as is necessary for the thorough evaluation of the proposal" or any alternatives or modifications.

Committee Report Explanation: The union must have "adequate information to understand and intelligently discuss" the issues surrounding the layoffs. The standard for determining relevancy would be a "liberal, discovery-type standard, where relevance is simply synonymous with germaneness. The information need only have some bearing on the issues invovled and the employer must furnish information that is of probable or potential relevance to the union's role as bargaining agent. The information should be provided "as quickly as possible in a manner and from susceptible to rapid understanding and use."

Practical Effect: With such a broad standard, the employer would have virutally no guidance as to what he should provide. Conceivably, his entire filing and data system would be open for review. The implications would be particularly serious where only a portion of the employees are being laid off and there is a continuing relationship between the employer and the union. Even the Committee Report recognizes the "difficult questions" concerning relevance which have arisen under the National Labor Relations Act, resulting in each case being decided on its own unique set of facts. Obviously, this standard has prompted considerable litigation and varying interpretations among the courts. Yet, at least under the NLRA, the issues at stake are relevant to the employer-employee relationship. The issues arising under this bill go well beyond that relationship.

III. ENFORCEMENT

If the Secretary of Labor determines that "there is reasonable cause to believe" that these requirements have been violated, he shall seek injunctive relief in any district court where the employer does business. That relief could include an extension of the "consultation period" for an unlimited period of time. As long as the employer failed to comply, that period could be extended indefinitely.

Now, what does all this mean? Some of the proponents said, and they brought out this outrageous fact, because I found in the legislative process, in order to zing the hearts of conservatives, you must dip into the pocketbook of Government. So one of the arguments for the proponents was,

Well, we have proven in Maine that with this kind of situation, by notifying the employees, the employees can go look for jobs, thereby lowering the amount of money that the Government pays for unemployment compensation. Therefore, the Government saves money by this bill.

Let me put it a different way. In Europe, and I will give a little example because the gentleman from Colorado is better at this than I am, but let me just give an example of how this works, because in England and in France and in Germany and in Ireland, they have this sort of labor law.

In England, the Rover, built by Leyland Motors, a corporation, was in the same situation, where they could not build this automobile in competition with the rest of the world, with Japan, the United States, they felt they should shut down the plant. Well, in England the law prevents that, almost like this law does. It went on and on and on, and we got to a situation where the owners of the automobile, Leyland Motors, just absolutely could not continue. So in order to keep these jobs, the Government bought the company and produces it now and it costs three times the amount of money to produce this car than what they sell the car for.

If that is not a drain on government, I do not know what is. And besides, would it not be nice to have an economy like England's, or France's, or Ireland's? I think it is interesting that people on the floor of this House would like to pattern the U.S. economic system after countries like that which are doing so well with their economy and are certainly outpacing the United States as far as economics is concerned.

□ 2055

But let me just talk about H.R. 1616 and how it will hurt the American worker.

According to Labor Department figures, between 1973 and 1983, 18 million jobs, new jobs, were created in North America. Western Europe, on the other hand, had a net loss of 840,000 jobs during the same period of time. In other words, new jobs were created in the United States while Western Europe has not been as fortunate.

Now, at first blush, these facts might be puzzling. Western Europe is one of the world's strongest markets for a broad range of goods and services. Its people are highly educated, and the area has a long history of mercantilism. One of the principal reasons that Western Europe has had so much trouble in creating new jobs is the fact that it is no longer an attractive place to locate major business enterprises.

Since World War II, the Western European countries have put into place strict plant closings and employee termination laws much like what H.R. 1616 proposes. Once an employer opens a plant and hires employees in Western Europe, it is extremely difficult to close the plant and begin production of a more competitive product when business conditions become adverse.

Jean-Jacques Oechslen, who is chairman of the executive committee of the International Organization of Employers, and chairman of the governing body of the International Labor Organization, makes this point very eloquently. A recognized expert on European Community plant closing practices, he recently stated that

A form of flexibility demanded by the employers in most of the European Community contries is the possibility of rapidly adjusting the labor force to the activities of undertakings which themselves depend on increasingly sharp fluctuations in markets. In some countries, such as France and Spain, administrative controls over dismissals make this adjustment a protracted and hazardous affair. In other countries, cumbersome and complex internal procedures cause useless delays. As a result, undertakings hesitate to take on extra staff even to capture potential markets, the more so because these countries are burdened with regulations that discourage the use of various types of employment relationship such as fixed-term contracts or part-time, 6 months, remember, in the bill, or temporary work.

In France, a survey carried out by an opinion poll institute showed that the experimental abolition of government authorization for dismissal for economic reasons could lead to the creation, could lead to the creation of 370,000 jobs in just 2 years. The United States already has the flexibility that leaders such as Jean-Jacques Oechslen have long sought. As a result, the United States can create new jobs by responding quickly to market demands.

Passage of H.R. 1616, however, would remove that flexibility and freeze job growth in this country. It is essential for job growth in this country that companies be free to close down inefficient, failing, antiquated production processes. Legislation like H.R. 1616 that can be used to block necessary closings will force failing businesses to continue operating.

We see a lot of that, for instance, in ERISA, whereby if you close down your company, you have to continue to pay the benefits based upon your assets to the employees. So, many companies, as has been demonstrated in the trucking business, remain open today at serious losses. That hurts everyone, including the consumers.

So if the decision to phaseout an antiquated product or production process is blocked indefinitely by court action, the company will not be able to compete either here or overseas, and everyone suffers.

This country is as strong economically as it is because we allow a vacuum tube manufacturer to close down vacuum tube plants and startup plants that make transistors. H.R. 1616 would make changeovers like that extremely difficult in plants where employees are represented especially by labor unions.

Equally important, enactment of bills like this would be one more reason for large companies to locate business operations overseas. Producers, whether they are American, Japanese, Dutch or some other nationality, will be less likely to build a new plant in the United States if they know that having built here, it would be very difficult to close the plant should the market for its products dry up.

Now I want this Nation to be able to compete in the world markets. Most of the proponents of this bill, most of those who voted for the rule today have been at this well talking about trade and how America must do something about trade, and then they bring a bill like this to the floor that is one of the worst and most insidious pieces of legislation that would seriously hamper trade, because you cannot trade if you cannot shut down an inefficient plant.

I do not want jobs to be shipped overseas. I want to keep them here. I want this country to attract major producers willing to build large operation in the United States that employ American workers.

That is why I cannot support bills like H.R. 1616, and we should make no mistake about it. H.R. 1616 is not intended just to give workers notice. It is intended to prevent the rapid transformation of businesses from the old, antiquated, outmoded and dying into strong operations that provide American workers with jobs in growing industries.

What would happen, and we had a textile bill that passed this House, what is happening in many areas where textile plants are being shut down? How could you replace those plants with efficient textile plants, replace old, antiquated plants with very efficient plants. If the steel industry up in the North and Northeast, when an old, antiquated steel mill is shut down, what do you think the decision of those people to shut that plant down that want to build a more efficient plant that would work, and that would employ people and work people and be able to compete overseas would do? Where do you think they are going to build that plant? They are not going to build it in a nation that will not allow them to shut it down and build a more efficient plant. They are going to take it, and forget all of the hassle, take it to Mexico, or why not Canada, or Taiwan where they want people to build plants. Why not build them there? That is exactly where they are going.

Mr. Speaker, I find it would be exceedingly ironic that we are about to consider legislation that would further limit the ability of our businesses to compete overseas at the same time that foreign competition is one of Congress' primary concerns. Yet that is exactly what H.R. 1616, the so-called plant closing legislation, would do. By interfering with the ability of American business managers to make decisions that permit them to close or phaseout inefficient operations, the bill would instead force businesses that should be closed to remain open while diverting management resources away from pursuing innovative business practices designed to make our companies more competitive.

If we are serious about our concern to address the threat of foreign competition in trade, then let us proceed on the basis of policies which would enhance the ability of our businesses to meet the challenge rather than enacting legislation that can only make the task more difficult.

I think what we are talking about here is whatever happened to the word freedom on the floor of this House? When you pass this legislation, you may think you are going to stop plants from closing. You may think you are going to stop employees from being laid off. But think the other way, too. What you have done is taken millions of stockholders' ability to run an efficient operation, you have taken away their freedom, and you have taken away from people like myself who owns one business, built that business from scratch, wants to close down his business because of hard times, or wants to lay off a few employees because of hard times, you

have taken away my freedom, my decision to do those kinds of things.

I think that is insidious. I think it is unconstitutional, but we do not deal with that in this House. We deal with bad legislation many, many times, and this is one of the worst pieces of legislation as far as taking away the freedom of Americans to build businesses, to go out of business, to buy, to buy businesses that are going out of business.

This is a freedom in our economic system that has brought us to where we are today. With legislation like this, you will become an England, or you will become a France, or an Ireland, or a socialist country because what I am talking about, and what I think this bill is is pure socialism.

Mr. BROWN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I will be glad to yield to the gentleman from Colorado.

Mr. BROWN of Colorado. Mr. Speaker, I want to thank the gentleman from Texas for yielding to me. I rise out of concern over H.R. 1616. I might say to the gentleman that I rise as one who was a member of a labor union as well as a member of management in business enterprises.

My concern about this bill falls on two fronts. First, that it will not accomplish the purpose that the folks who offered this bill wish for it to accomplish. Rather than save jobs, it will cost jobs. Rather than to providing new opportunities, it will destroy existing opportunities. And rather than help American workers, it will dramatically and significantly harm them.

I would like to take a few minutes and share those thoughts with the gentleman and the Members of this body and those who are listening in. This measure was debated earlier today, but unfortunately, the leadership did not provide extensive enough time for all the remarks that I think need to be made on this subject to be introduced, so we have taken advantage of this time to share further concerns about H.R. 1616.

It is called the Labor-Management Notification and Consultation Act of 1985. I must say to the gentleman from Texas, I truly believe it should be called the "Economic Illiteracy Act of 1985," not because the folks who offered it do not have good intentions, but because they simply do not understand the basics of economics in this country. What they have offered will do the opposite of what they hope to accomplish.

This bill should not be confused in any way with a proper effort to communicate with workers and share the concerns of a business and, yes, indeed, share the necessity of shutting down a plant. That can and should be done right now, and I for one would like to see it done in every operation. That kind of communication is essential for good management, it is essential for a good productive enterprise, and it is essential so people's jobs can continue.

Please do not confuse this bill with that endeavor, because they are opposites. This bill provides complicated and at times very vague guidelines and rules. If you violate one, or simply are unable to comply with it because it is so vague, you are subject to massive penalties. What that says is that it is more profitable to provide jobs and opportunities in another country if this passes. So we say that we do not want those operations in America.

There is another point here that I think has to be looked at. We are not talking about simple notice to employees. We are talking about notice to everyone—to creditors, to customers, to those who hold in their hands the very ability of this operation to continue to exist. What this bill says is you have to provide people who extend you credit, who give you supplies, who buy your products, with advance notice that you might go out of business. That notice does not just go to employees, it goes to everyone you deal with.

□ 2110

As a result you stand in danger of causing the collapse of business operations that otherwise would not stop at all.

Let us deal with some of the myths and realities. Why do plants close? The backers of this bill will tell you or imply that plants close because they want to hurt employees. Plants close because some people are mean. That is nonsense, and anyone who has spent any time in the real world—not in these halls, but in the real world where they work for a living and not just talk for a living—knows that is nonsense.

Plants close because they do not make money or because they cannot comply with Government regulations or other reasons. The basic reasons plants close is because they are not profitable. If they are profitable, people will fight to keep them going. If they are unprofitable, they have no choice but to shut them down.

They do not shut them down simply to hurt employees. What this bill suggests is massive penalties on employers when a business fails, because it is going to be almost impossible to comply with these complicated, detailed rules.

Now what does it accomplish? What it accomplishes is providing a massive penalty on someone whose business has just gone under. That may make those folks who hate free enterprise feel better, but it will not help those workers. It will hurt them, because it takes funds and the ability to operate out of the hands of those who provide the jobs.

It penalizes those people who are fighting to keep the business going. The simple fact is that the myth that this bill is built around is inaccurate. Rather than help the workers, it will hurt them.

Let us take a second aspect. Will the law make a plant stay open when it is unprofitable? That is one of the objectives of the backers of the bill. Will the plant have to stay open when it is unprofitable? The simple fact is, it will not.

The simple fact is that economics dictate when an enterprise is losing money it has to either adjust to become competitive or go out of business. Well, that does not mean you cannot delay it for awhile; that does not mean you cannot subsidize it for awhile, but do we really want to subsidize the makers of buggy whips?

The simple fact is, in a free enterprise system or even a socialist system, change has to occur. I hear the voices of those opposed to change of any kind, but the simple fact is, if we care about our workers and our citizens in this country, we know change has to come, and we have to adapt to it.

This law will not stop an unprofitable plant from closing. What will it do? What happens when you run an enterprise and you have problems? One of your concerns is to fight to make sure that you can get supplies and raw materials to come in that plant gate. Normally, suppliers of raw materials or other supplies end up providing credit. That credit is essential. It is essential because very few businesses are able to pay for everything c.o.d.

There has to be some float, in the time that it takes you to get paid from your customers; so the ability to purchase raw material and supplies is vital and important.

What happens when you give that supplier notice that you are going to shut down your plant in 90 days? You know what happens; the simple fact is, when you give him that notice, he is less likely to sell you raw material and supplies, and if he does, he is very likely to ask for cash on delivery.

Most healthy enterprises have trouble paying on delivery, much less ones that are experiencing problems. Requiring 90 days' notice of a shutdown will precipitate the shutdown because of the reaction of the suppliers to it.

It does not accomplish what the backers of the bill want.

What about creditors? One of the vital things for any continuing enterprise is to have a usable line of credit. Most lines of credit for businesses in this country have a provision that allows the lender to call the loan.

What we have designed here is a system that almost mandates, if there

are major problems, an advanced notice of 90 days of shutting down the plant, which then will precipitate a reaction on the part of the creditor. He could or she could call the line of credit and close down the plant itself.

At the very least, it will make it far more difficult to secure vital financing at the very time you ought to be fighting to make this enterprise work. Once again, what this bill does is make it far more likely that people will lose their jobs.

What about customers? Anybody here want to buy products from a plant that is going to shut down in 90 days? Oh, yes, there are some, but the simple reality is that this bill makes it much more difficult to sell the products of an enterprise.

By giving 90 days' notice you say to those customers: We might be out of business in 90 days. You might not be able to get spare parts for the product we manufacture. You might not be able to get a continuing supply. You might have to change your whole process if you rely on this enterprise.

Once again, what this bill does is make it far more likely an enterprise will got out of existence. I suggest to the gentleman and gentlewomen who have offered this bill that they have not thought this bill through. Rather than help people, it hurts them.

Take a look at the countries that have tried this. I do not suggest that the bad experiences of other countries that have tried this idea are solely related to this law. I think those bad experiences are partly related to this law and partly related to other laws that reflect that kind of hatred of enterprise.

Take a look at the facts before you push this off on the American people. From 1982 to 1984 the United States saw unemployment drop 31 percent; a tremendous record. What about those countries that had so-called plant closing laws?

In contrast to the dramatic drop in unemployment in the United States, the countries that tried this brand of legislation had the opposite experience. France, during that same period we had a 31-percent drop in unemployment, had a 15-percent increase in unemployment. Germany had a 23-percent increase in unemployment. The United Kingdom had a 9-percent increase in unemployment.

This law does not work; what it does is make it far more difficult for people to maintain jobs and operations.

For Sweden, which had a similar law we do not have figures for the 1982 to 1984 period, but do have figures that go from 1980 to 1983. During that period, they saw unemployment rise 75 percent. That law does not work. It has made things more difficult; not better.

Let us take a look at one other thing. I think it is a fundamental question we ought to be talking about tonight. How do we create jobs? How do we help American citizens have a better opportunity? How do we care for those who were thrown out of work?

I think there are some answers to that. What are they? We have got to be competitive; that is one thing. We in Government can do our part: We can eliminate redtape, we can eliminate unnecessary paperwork, we can reduce cost of operation, we can provide a favorable climate for putting Americans to work in this country. We can eliminate unnecessary regulations which cost American businesses billions of dollars a year in an unnecessary waste of redtape and paperwork. They tend to make us noncompetitive. At the worst, those regulations that are unneeded drive businesses and enterprises out of the country.

This House must begin to control the deficits that push up interest rates and raise the value of the dollar to a level that makes it very difficult to compete in foreign markets.

If you care about workers and their jobs, the changes start here, in this Chamber, with each and every Member who could have the courage to stand up and vote to get our deficit in line. Straightening out our budget, will do more to help out people who are unemployed than any single thing you could do.

This bill does none of that. It reflects a deep and abiding hatred for jobs and enterprise. It reflects a deep and abiding hatred for those who provide jobs—a hate of change, a hate of enterprise and hostility toward a system that has been the most productive in the history of the world.

The tragedy is that what we need right now as Americans is to begin to work together; not hate the employee or hate the union, not hate the employer who works for jobs or the investor or the person who provides his labor or her labor for the enterprise. We need a climate of cooperation that says we are going to work together to make America competitive again.

If that is what we want, if we want America to be competitive again, let us defeat this misbegotten bill, and let us stand shoulder to shoulder to solve the problems in Congress that will really begin to make America the land of opportunity again.

I want to thank my friend from Texas [Mr. DELAY] and thank him particularly for his leadership on this issue. I am convinced, if more Members took the time to look into this bill as he has, that it would last a very brief time on the floor.

Mr. DELAY. I would hope so, and I thank the gentleman from Colorado [Mr. BROWN] for coming down at this late hour and talking about an issue that I think is vital to America's ability to create jobs in defeating H.R. 1616.

I might ask the gentleman: It was proposed during the debate that a substitute might be offered on the floor either tomorrow or Thursday, and this substitute as it was presented by its proponents was, "Yes, we understand the problem and we are going to try to deal with it in a compromise."

In my opinion, that substitute is a compromise for compromise's sake.

□ 2120

Now I might point out to the gentleman and ask the gentleman if, in his very succinct and pointed way, he can detail the effects on businesses and on our economy. The substitute, that is, this substitute that still is a notification substitute although it cuts it down from 90 to 60 days and still is a notification substitute that does raise the size of businesses which would have to comply with this law to businesses which have 200 or more employees at a single site or 50 or more employees at a single site in an area outside of a metropolitan statisical area as defined by the Office of Management and Budget pursuant to its authority under section, and it goes on, blah, blah, blah, as it goes on and on and on, it is still a notification bill. It is still, I think, and I would hope the gentleman would express himself on this. Would the gentleman's words still apply here?

Mr. BROWN of Colorado. I might say to the gentleman that the substitute still does not deal with the basic economic realities. People do not close a plant because they want to. They close it because it is unprofitable. Requiring notice still puts the creditors and the suppliers and customers on notice that the plant may shut down.

By putting those folks on notice, what you do is precipitate a closing of the plant that might never have had to close. So while the substitute is more limited, it still provides those elements of economic unreality that will make the situation worse, not better.

What you are doing with this bill is causing a notice that will seal the fate of the business rather than creating a climate where people can work together and solve problems.

Mr. DELAY. I do not think it was mentioned in the debate that this bill, and, frankly, the substitute, if you look at it, could also apply to supermarkets which want to close one unprofitable location and move to another location in the same town. They would have to go through this procedure. Even under the substitute, the minute they give notice to their employees of the 60 days, in 60 days they are going to be moving, those employees will start looking for jobs. Now, if he wants to take his employees and reemploy them in another supermarket

in another part of town and they are running around looking for other jobs, what does that do to the employer who is under severe monetary pressure because it costs a lot of money to build a new store or to buy into a new store and move all that equipment? Just the moving alone costs a lot of money. Now, he has to spend more money, then, rehiring people because a lot of his employees left him looking for other jobs.

Mr. BROWN of Colorado. No question, that gets to be a problem. Whenever you have an attorney come in and advise on an operation like this, the question to the attorney is: "How should I do it? How should I conduct my affairs? I do not know that I need to close down in 60 or 90 days. Should I give notice even though I do not know there is a chance I could make it?" The attorney, if he is a competent attorney, says, "If you don't give notice, you face horrible penalties. If you do give notice, you still have a way to work around this." So the advice I believe every enterprise is going to get in this is: If there is any question, give notice, give notice of the closing. The people who get hurt by that the most are the workers themselves.

One aspect of this is that we have not discussed is that we still have a labor law in this country that provides protection for those workers. That is still in existence. This bill comes around and supersedes the labor law in many areas. So protections that are in the law for workers can be superseded or denied, in effect, by this statute. What we have is a bill, and a substitute, that is held out as an effort to protect employees. In reality, what it will do is harm those very employees.

Mr. DELAY. And the communities that these plants are located in.

Mr. BROWN of Colorado. No question about that. Look at all the other countries who have lived under these kinds of laws, and see what happens to job opportunities in those nations. You can debate all you want over issues, and sometimes we are right and sometimes we are wrong, but when you try something and it fails, then it is time to look for a different answer.

The fact is, this idea has been tried in other countries and it has been an abysmal failure.

Mr. DeLAY. Time and time again. Now, I just cannot imagine, and I know the gentleman, Mr. BROWN of Colorado, was a member of chambers in Colorado, as I was a member of chambers in Texas. In my chamber work, one of the things we consistently and constantly did was have an economy development committee that went around the United States and foreign countries, for that matter, trying to entice businesses to come into my community and build plants, creating jobs. That is important to state, creating jobs. Workers and labor unions do not create jobs. They take advantage of those, they make themselves advantaged over working those jobs. But I have yet to see a labor union go out and start a business.

They work the jobs, but they do not create jobs. Businesses and capital and entrepreneurs and the free enterprise system create jobs. So when these chambers go out trying to entice industry to come in and build a new plant or a new store in their area in order to create jobs, to employ maybe the people who were just laid off from another plant or another type of business, it has been proven time and time again, especially in the history of the countries which have tried this kind of legislation, that businesses, corporations, and individuals tend to shy away and will not build jobs in those areas.

That is hurting a community's ability to revive itself, to expand its opportunities, to expand the opportunities of workers, and I think is devastating. It is ill-founded in this case.

Mr. BROWN of Colorado. The gentleman makes a good point. The reality is a successful economy is like building a chain. Included in the chain is capital which provides for equipment; included in the chain is labor that provides the core of the operations and the creative effort; included in the chain is management which is important to set the course and set standards and goals.

The fact is, all of us in America operate by working together, and we are a chain. Like a chain, we are as strong or as weak as our weakest link.

This bill is an effort to inflict heavy damage on one link of that chain. By doing that, it destroys the integrity of the entire chain which is our economy. It is this blind hatred of a portion, a vital portion of our economy, I think, that is the bill's undoing. We ought to be focusing on working together instead of trying to impose extremely harsh penalties on one vital sector in that chain.

Mr. DELAY. I agree. I certainly appreciate the gentleman coming down at this very late hour and participating in this special order. I cannot tell the Speaker how important I think the defeat of this bill is to the American people, to the American worker, and to the communities where businesses are located and workers work and avail themselves of the opportunities that are provided through our fine, free enterprise system, that if we would just get Government out of it, there is no limit to where we can go.

Mr. DANNEMEYER. Mr. Speaker, this week the House will consider H.R. 1616, the Labor-Management Notification and Consultation Act of 1985. As you know, this legislation requires employers with 50 or more employees to notify and consult with employees at least 90 days before ordering a plant closing or permanent layoffs. In complying with this requirement, an employer would be obligated to meet with his employees and attempt to arrive at a satisfactory alternative to the proposed action.

If the employer did not attempt to provide an alternative, the Federal Mediation and Conciliation Service could order the employer to continue meeting with his employees by obtaining an injunction against the employer. The injunction would extend the 90-day period and effectively give employees a cause of action against their employer.

While I can sympathize with the plight of any worker affected by a plant closing or mass layoffs, the enactment of legislation along these lines is inadvisable. Businesses could be forced to continue operating, even if there were legitimate reasons for them to discontinue a portion of their operations. In many instances, an employer needs to have flexibility to shut down a portion of his operations, especially if he is noticing that it is unprofitable and could ultimately affect the survival of the company as a whole. If this legislation is enacted, an employer may have to operate a facet of his entity which proves to be a liability, possibly risking bankruptcy, rather than simply closing a single portion of his operations.

If an employer is forced into shutting down his entire business, rather than just one facet, then all of the company's employees will be left without work, not just the few that were to have been laid off at the outset.

Western European countries have implemented regulations similar to those found in H.R. 1616. Yet, from 1974 to 1984, Western Europe lost 3 million jobs. On the other hand, from 1965 to 1984, the working age population increased in the United States by 38 percent, but employment opportunities during that period increased by 45 percent.

In my opinion, we cannot follow the example set by Western Europe and we must preserve employment opportunities for our citizens. Business has already taken the lead by publishing voluntary guidelines to be followed by companies which are proposing to close their operations or to relocate their plant. These guidelines include a flexible combination of voluntary notification of employees, severance pay, benefit extensions, liberalized retirement provisions, placement, and retraining.

With the kind of initiative displayed by private industry, we must not hamper industry with unwarranted legislation. To compete effectively throughout the world, companies need the flexibility to make necessary decisions concerning their operations and to implement them without jeopardizing their future, especially if employers are to continue creating jobs for future generations.

Mr. DELAY. Mr. Speaker, I yield back the balance of my time.

SERIOUS PROBLEMS IN UNIFORM POLL CLOSING

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Minnesota [Mr. FRENZEL] is recognized for 30 minutes.

Mr. FRENZEL. Mr. Speaker, the House Administration Committee recently voted out the uniform poll closing bill, H.R. 3525. This bill would mandate a uniform poll closing time of 9 e.s.t. for Presidential general elections only and would keep the Pacific time zone States on daylight saving time until the Sunday after election day.

Not only would this seemingly innocuous bill require 39 States to change the time the polls close in their States but would create havoc for the transportation industries. I want to call to my colleague's attention a letter I received from Mr. William J. Burhop of the Air Transport Association of America.

Mr. Burhop states that this bill would result in considerable confusion among passengers and cargo shippers moving goods in interstate commerce, disrupt airline schedules, and cause airlines and related travel industry business to incur considerable expense. I would commend his letter to you and suggest that when we are asked to consider this bill, you will vote against it.

AIR TRANSPORT
ASSOCIATION OF AMERICA,
Washington, DC, November 4, 1985.

Hon. BILL FRENZEL,
U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVE FRENZEL: I am writing to you on behalf of the members of the Air Transport Association of America (ATA) to express our concern over the confusion, disruption and expense that would be caused by a proposal to extend Pacific Daylight Savings Time for two weeks every four years in order to achieve uniform voter poll closings during presidential elections.

A bill to close all voter polls within the continental United States at 9:00 p.m. Eastern Standard Time on the day of a presidential election was recently reported by the Committee on House Administration. That bill, H.R. 3525, would require Daylight Savings Time to be extended in the Pacific Time Zone for two weeks more than the rest of the country during presidential election years to avoid the problem of west coast polls closing at 6:00 p.m., which is too early for many voters to reach the polls after work. By extending Pacific Daylight Savings Time for two weeks, the west coast polls would close at 7:00 p.m. Pacific Daylight Savings Time, which would be 9:00 p.m. Eastern Standard Time. All of California, Nevada, Oregon, Washington, and part of Idaho would be affected.

ATA fully understands this Congressional effort to establish a uniform closing time for voter polls, but we believe the method proposed by H.R. 3525 is defective. It would result in considerable confusion among passengers and cargo shippers moving goods in interstate commerce, disrupt airline schedules, and cause airlines and related travel industry businesses to incur considerable expense. A few of the problems H.R. 3525 would create are highlighted below.

The most serious problem would be the disruption of airline schedules, impacting both passengers and cargo shippers nationwide. This nationwide impact results from the fact that many flight schedules to and from other parts of the country are geared to Pacific Time Zone departure and arrival times, and because the availability of aircraft and flight crews at other cities may be dependent upon Pacific Time Zone arrivals or departures. In many instances, existing flight connections at hub operations would be broken unless there could be corresponding adjustments to connecting flights to compensate for Pacific Time Zone variations. Such adjustments, however, are not always possible.

Because airline schedules are somewhat like a jigsaw puzzle with many pieces to be matched, it is not possible to quantify each of the specific effects of a Daylight Savings Time variation without going through the mechanics of a complete airline schedule change. We suggest, however, that the effects on the public, and the costs to the airline industry, are significant.

Second, the proposal would cause airlines to incur substantial costs to develop and publish two complete schedules in a two-week period. The cost to carriers for publishing two schedules in printed airline guides, and the cost of loading two schedules into airline computer reservation systems, due to the staggered time zone changes, would double for the month of November (and very probably for the month of October) in each presidential election year.

Third, not only would flight schedules be adversely affected, but many crew scheduling problems would occur both in terms of FAA duty time limits and logistics. In some cases, schedule changes required by the time zone change would alter the actual hours of service of many flight crews to the point of exceeding duty time limits, thereby necessitating further personnel scheduling changes Also, since flight crew members for a particular flight often come from different parts of the country, changing the Pacific Time Zone would disrupt crew scheduling.

Fourth, airlines would be unable to comply with nighttime noise curfews at several west coast airports. With only a two-hour time difference between the east and west coasts, west-bound flights scheduled pursuant to the normal three hour time difference could not comply with nighttime restrictions at not less than four airports, affecting approximately 28 flights daily. If airlines are forced to adjust flight schedules to meet the curfews, considerable inconvenience will be suffered by passengers and cargo shippers, and airlines will suffer substantial productivity losses.

Finally, a significant impact will be felt by the business community, particularly those persons traveling west to conduct business on a same day turn-around trip.

The problem addressed by the legislation was not caused by the airlines and the burden of its solution should not be borne by the airlines or their passengers and shippers. ATA believes there is a better way to achieve the goal of uniform voter poll closings, and we welcome the opportunity to work with Congress in finding a more appropriate mechanism than H.R. 3525.

Sincerely,

WILLIAM J. BURHOP,
Senior Vice President, Government Affairs.

CONFERENCE REPORT ON S. 1042

Mr. DELLUMS submitted the following conference report and statement on the bill (S. 1042) to authorize certain construction at military installations for fiscal year 1986, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 99-366)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1042) to authorize certain construction at military installations for fiscal year 1986, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

SECTION 1. SHORT TITLE

This Act may be cited as the "Military Construction Authorization Act, 1986".

TITLE I—ARMY

SEC. 101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—(1) The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

UNITED STATES ARMY FORCES COMMAND

Fort Bragg, North Carolina, $68,380,000.
Fort Campbell, Kentucky, $26,200,000.
Fort Carson, Colorado, $51,350,000.
Fort Devens, Massachusetts, $610,000.
Fort Drum, New York, $85,490,000.
Fort Greely, Alaska, $2,500,000.
Fort Hood, Texas, $78,450,000.
Fort Hunter-Liggett, California, $11,100,000.
Fort Indiantown Gap, Pennsylvania, $5,300,000.
Fort Irwin, California, $28,150,000.
Fort Lewis, Washington, $104,980,000.
Fort McCoy, Wisconsin, $940,000.
Fort Meade, Maryland, $18,930,000.
Fort Ord, California, $25,820,000.
Fort Polk, Louisiana, $27,230,000.
Fort Richardson, Alaska, $3,600,000.
Fort Riley, Kansas, $49,290,000.
Fort Sam Houston, Texas, $1,440,000.
Fort Sheridan, Illinois, $3,500,000.
Fort Stewart, Georgia, $29,600,000.
Fort Wainwright, Alaska, $14,000,000.
Presidio of Monterey, California, $2,650,000.
Yakima Firing Center, Washington, $16,430,000.

UNITED STATES ARMY WESTERN COMMAND

Fort Shafter, Hawaii, $6,300,000.
Pohakuloa Training Area, Hawaii, $2,150,000.
Schofield Barracks, Hawaii, $32,460,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort A.P. Hill, Virginia, $6,450,000.
Fort Belvoir, Virginia, $34,300,000.
Fort Benjamin Harrison, Indiana, $5,300,000.
Fort Benning, Georgia, $39,650,000.
Fort Bliss, Texas, $31,760,000.
Fort Dix, New Jersey, $6,100,000.
Fort Gordon, Georgia, $46,040,000.
Fort Jackson, South Carolina, $6,600,000.
Fort Knox, Kentucky, $20,770,000.
Fort Leavenworth, Kansas, $6,900,000.
Fort Lee, Virginia, $13,082,000.
Fort Leonard Wood, Missouri, $12,350,000.
Fort McClellan, Alabama, $39,350,000.
Fort Pickett, Virginia, $420,000.

Fort Rucker, Alabama, $11,950,000.
Fort Sill, Oklahoma, $52,000,000.
Fort Story, Virginia, $1,950,000.

MILITARY DISTRICT OF WASHINGTON

Fort Myer, Virginia, $8,300,000.

UNITED STATES ARMY MATERIEL COMMAND

Aberdeen Proving Ground, Maryland, $4,670,000.
Anniston Army Depot, Alabama, $8,960,000.
Army Materiel and Mechanics Research Center, Massachusetts, $770,000.
Corpus Christi Army Depot, Texas, $4,400,000.
Detroit Arsenal, Michigan, $320,000.
Dugway Proving Ground, Utah, $8,650,000.
Fort Wingate, New Mexico, $490,000.
McAlester Army Ammunition Plant, Oklahoma, $2,300,000.
Navajo Depot Activity, Arizona, $240,000.
New Cumberland Army Depot, Pennsylvania, $88,000,000.
Picatinny Arsenal, New Jersey, $1,000,000.
Pine Bluff Arsenal, Arkansas, $19,000,000.
Pueblo Depot Activity, Colorado, $200,000.
Red River Army Depot, Texas, $820,000.
Redstone Arsenal, Alabama, $25,750,000.
Rock Island Arsenal, Illinois, $29,000,000.
Sacramento Army Depot, California, $4,550,000.
Savanna Army Depot, Illinois, $510,000.
Seneca Army Depot, New York, $1,410,000.
Sierra Army Depot, California, $2,600,000.
Tooele Army Depot, Utah, $11,490,000.
Umatilla Depot Activity, Oregon, $260,000.
Yuma Proving Ground, Arizona, $240,000.

AMMUNITION FACILITIES

Holston Army Ammunition Plant, Tennessee, $320,000.
Indiana Army Ammunition Plant, Indiana, $210,000.
Iowa Army Ammunition Plant, Iowa, $810,000.
Kansas Army Ammunition Plant, Kansas, $570,000.
Lake City Army Ammunition Plant, Missouri, $930,000.
Louisiana Army Ammunition Plant, Louisiana, $640,000.
Newport Army Ammunition Plant, Indiana, $8,000,000.
Radford Army Ammunition Plant, Virginia, $2,910,000.

UNITED STATES ARMY INFORMATION SYSTEMS COMMAND

Fort Huachuca, Arizona, $2,050,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, New York, $31,000,000.

UNITED STATES ARMY HEALTH SERVICES COMMAND

Fort Detrick, Maryland, $7,600,000.
Tripler Army Medical Center, Hawaii, $970,000.
Walter Reed Army Medical Center, Washington, District of Columbia, $1,150,000.

MILITARY TRAFFIC MANAGEMENT COMMAND

Bayonne Military Ocean Terminal, New Jersey, $3,200,000.
Oakland Army Base, California, $330,000.
Sunny Point Military Ocean Terminal, North Carolina, $1,200,000.

UNITED STATES ARMY CORPS OF ENGINEERS

Humphreys Engineer Center, Supt. Activity, Virginia, $11,000,000.

ASSISTANT CHIEF OF ENGINEERS

Various, United States, $3,000,000.

(2) Funds appropriated for construction of an Army aviation museum at Fort Rucker, Alabama, that is authorized in paragraph (1) may not be obligated for that purpose unless the Secretary of the Army determines that an amount equal to the amount appropriated for that purpose has been made available for such purpose from private sources.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

UNITED STATES ARMY, JAPAN

Japan, $1,050,000.

EIGHTH UNITED STATES ARMY

Camp Carroll, Korea, $25,380,000.
Camp Casey, Korea, $12,920,000.
Camp Castle, Korea, $1,100,000.
Camp Colbern, Korea, $550,000.
Camp Edwards, Korea, $1,090,000.
Camp Gary Owen, Korea, $580,000.
Camp Giant, Korea, $1,050,000.
Camp Greaves, Korea, $420,000.
Camp Hovey, Korea, $8,300,000.
Camp Howze, Korea, $1,980,000.
Camp Humphreys, Korea, $11,600,000.
Camp Kittyhawk, Korea, $1,600,000.
Camp Kyle, Korea, $3,580,000.
Camp Liberty Bell, Korea, $800,000.
Camp Market, Korea, $710,000.
Camp Page, Korea, $32,650,000.
Camp Pelham, Korea, $2,400,000.
Camp Red Cloud, Korea, $1,730,000.
Camp Stanley, Korea, $5,500,000.
K–16 Army Airfield, Korea, $2,350,000.
Location 177, Korea, $2,290,000.
Yongin, Korea, $2,550,000.
Yongson, Korea, $9,800,000.

BALLISTIC MISSILE DEFENSE SYSTEMS COMMAND

Kwajalein, $14,600,000.

UNITED STATES ARMY FORCES COMMAND OVERSEAS

Panama, $5,480,000.

UNITED STATES ARMY, EUROPE AND SEVENTH ARMY

Amberg, Germany, $850,000.
Ansbach, Germany, $14,390,000.
Bad Kreuznach, Germany, $1,100,000.
Bad Toelz, Germany, $1,850,000.
Bamberg, Germany, $6,490,000.
Baumholder, Germany, $900,000.
Darmstadt, Germany, $29,200,000.
Frankfurt, Germany, $18,680,000.
Friedberg, Germany, $9,150,000.
Fulda, Germany, $7,200,000.
Giessen, Germany, $1,700,000.
Goeppingen, Germany, $10,250,000.
Grafenwoehr, Germany, $2,450,000.
Haingruen, Germany, $680,000.
Hanau, Germany, $48,140,000.
Heidelberg, Germany, $8,800,000.
Heilbronn, Germany, $2,950,000.
Hohenfels, Germany, $6,300,000.
Kaiserslautern, Germany, $3,450,000.
Karlsruhe, Germany, $4,020,000.
Neu Ulm, Germany, $1,000,000.
Nuremberg, Germany, $8,500,000.
Pirmasens, Germany, $14,000,000.
Schoeningen, Germany, $700,000.
Schweinfurt, Germany, $17,840,000.
Stuttgart, Germany, $4,500,000.
Vilseck, Germany, $10,290,000.
Wiesbaden, Germany, $2,960,000.
Wildflecken, Germany, $20,000,000.
Wuerzburg, Germany, $48,070,000.
Various Locations, Germany, $101,000,000.
Various Locations, Greece, $1,440,000.
Various Locations, Italy, $1,850,000.
Various Locations, Turkey, $7,440,000.

SEC. 102. FAMILY HOUSING

The Secretary of the Army may construct or acquire family housing units (including land acquisition) at the following installations in the number of units shown, and in the amount shown, for each installation:

Fort Ord, California, six hundred units and seventy manufactured home spaces, $50,640,000.
Fort Carson, Colorado, fifty manufactured home spaces, $712,000.
Fort Stewart, Georgia, twenty manufactured home spaces, $253,000.
Bamberg, Germany, one hundred and six units, $7,209,000.
Various locations, Germany, ninety-eight units, $6,120,000.
Vilseck, Germany, three hundred and seventy units, $26,830,000.
Fort Riley, Kansas, fifty manufactured home spaces, $700,000.
Fort Campbell, Kentucky, fifty manufactured home spaces, $689,000.
Fort Devens, Massachusetts, twenty manufactured home spaces, $317,000.
Fort Drum, New York, eight hundred units, $67,500,000.
Fort Bragg, North Carolina, two units by reconfiguration and fifty manufactured home spaces, $637,000.
Dugway Proving Ground, Utah, one hundred and four units and twenty-four manufactured home spaces, $8,674,000.
Fort Myer, Virginia, six units, $596,000.

SEC. 103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) AMOUNT AUTHORIZED.—(1) Subject to section 2825 of title 10, United States Code, the Secretary of the Army may make expenditures to improve existing military family housing units in an amount not to exceed $167,521,000, of which $10,950,000 is available only for energy conservation projects.

(2) Of the funds appropriated pursuant to authorizations made in subsection (a) and in section 601(a) for support of military family housing, the Secretary of the Army shall use $1,521,000 for housing improvements at Watervliet Arsenal, New York.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Army may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Walter Reed Army Medical Center, Washington, District of Columbia, one unit, $99,000.
Fort Bragg, North Carolina, one hundred and sixty-four units, $4,712,000.
Aberdeen Proving Ground, Maryland, eighty-one units, $2,762,000.
Fort Monmouth, New Jersey, three hundred and sixty-six units, $14,800,000.

(c) FAMILY HOUSING IMPROVEMENTS AT FORT MONMOUTH, NEW JERSEY.—The housing units specified in subsection (b) for Fort Monmouth, New Jersey, includes 135 units authorized in section 101 of this Act and 231 units authorized in section 101 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1498).

SEC. 104. MADIGAN ARMY MEDICAL CENTER, FORT LEWIS, WASHINGTON

Section 601(c) of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1512), is amended by striking out "and the amount specified in subsection (b)" and inserting in lieu thereof ", the amount specified in subsection (b)(1), and $326,800,000 (the amount authorized for the construction of the Madigan Army Medical Center, Fort Lewis, Washington)".

TITLE II—NAVY

SEC. 201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

UNITED STATES MARINE CORPS

Marine Corps Logistics Base, Barstow, California, $530,000.
Marine Corps Air Station, Beaufort, South Carolina, $6,905,000.
Marine Corps Mountain Warfare Training Center, Bridgeport, California, $1,470,000.
Marine Corps Camp Detachment, Camp Elmore, Norfolk, Virginia, $3,995,000.
Marine Corps Base, Camp Lejeune, North Carolina, $24,140,000.
Marine Corps Base, Camp Pendleton, California, $25,175,000.
Marine Corps Air Facility, Camp Pendleton, California, $14,310,000.
Marine Corps Air Station, Cherry Point, North Carolina, $36,450,000.
Marine Corps Air Station, El Toro, California, $30,375,000.
Marine Corps Air Station, Kaneohe Bay, Hawaii, $17,420,000.
Marine Corps Air Station, New River, North Carolina, $10,780,000.
Marine Corps Recruit Depot, Parris Island, South Carolina, $3,610,000.
Marine Corps Air Station, Tustin, California, $17,970,000.
Marine Corps Air-Ground Combat Center, Twentynine Palms, California, $22,670,000.
Marine Corps Development and Education Command, Quantico, Virginia, $7,060,000.
Marine Corps Air Station, Yuma, Arizona, $16,750,000.

CHIEF OF NAVAL RESEARCH

Naval Research Laboratory, Washington, District of Columbia, $28,900,000.

OFFICE OF THE COMPTROLLER OF THE NAVY

Navy Finance Center, Cleveland, Ohio, $2,940,000.

CHIEF OF NAVAL OPERATIONS

Naval Academy, Annapolis, Maryland, $18,480,000.
Naval Space Command, Dahlgren, Virginia, $4,700,000.
Navy Regional Data Automation Center, Jacksonville, Florida, $10,300,000.
Naval Space Surveillance Field Station, Lewisville, Arkansas, $675,000.
Navy Tactical Interoperability Support Activity, Mayport, Florida, $470,000.
Navy Tactical Interoperability Support Activity, North Island, California, $585,000.
Navy Regional Data Automation Center, Norfolk, Virginia, $10,880,000.
Intelligence Center, Pacific, Pearl Harbor, Hawaii, $2,900,000.
Naval Space Surveillance Field Station, San Diego, California, $600,000.
Commandant Naval District, Washington, District of Columbia, $6,300,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Air Station, Brunswick, Maine, $3,040,000.
Naval Air Station, Cecil Field, Florida, $29,835,000.
Naval Station, Charleston, South Carolina, $9,960,000.
Naval Air Station, Jacksonville, Florida, $5,800,000.
Naval Amphibious Base, Little Creek, Virginia, $16,370,000.
Naval Station, Mayport, Florida, $10,820,000.
Naval Submarine Base, New London, Connecticut, $365,000.
Naval Station, New York, New York, $33,160,000.
Naval Air Station, Norfolk, Virginia, $10,675,000.
Naval Station, Norfolk, Virginia, $800,000.
Naval Air Station, Oceana, Virginia, $16,940,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Naval Facility, Adak, Alaska, $2,650,000.
Naval Air Station, Alameda, California, $8,650,000.
Naval Submarine Base, Bangor, Washington, $5,200,000.
Amphibious Task Force, Camp Pendleton, California, $9,020,000.
Naval Amphibious Base, Coronado, California, $16,150,000.
Naval Station, Everett, Washington, $17,640,000.
Naval Air Station, Fallon, Nevada, $36,500,000.
Naval Air Station, Lemoore, California, $2,300,000.
Naval Station, Long Beach, California, $16,000,000.
Naval Air Station, Miramar, California, $385,000.
Naval Air Station, North Island, California, $18,593,000.
Commander, Oceanographic System, Pacific, Pearl Harbor, Hawaii, $1,180,000.
Naval Submarine Base, Pearl Harbor, Hawaii, $2,900,000.
Naval Station, San Diego, California, $16,197,000.
Naval Submarine Base, San Diego, California, $14,120,000.
Naval Station Mare Island, Vallejo, California, $735,000.
Naval Air Station, Whidbey Island, Washington, $2,650,000.

CHIEF OF NAVAL EDUCATION AND TRAINING

Fleet and Mine Warfare Training Center, Charleston, South Carolina, $1,180,000.
Naval Amphibious School, Coronado, California, $9,330,000.
Surface Warfare Officers School Command Detachment, Coronado, California, $5,200,000.
Naval Air Station, Corpus Christi, Texas, $4,360,000.
Fleet Combat Training Center, Atlantic, Dam Neck, Virginia, $9,640,000.
Naval Explosive Ordnance Disposal School, Eglin, Florida, $13,700,000.
Naval Training Center, Great Lakes, Illinois, $20,740,000.
Naval Construction Training Center, Gulfport, Mississippi, $2,460,000.
Naval Amphibious School, Little Creek, Virginia, $420,000.
Naval Air Station, Memphis, Tennessee, $11,695,000.
Naval Air Station, Meridian, Mississippi, $450,000.
Naval Submarine School, New London, Connecticut, $13,300,000.
Naval Education and Training Center, Newport, Rhode Island, $19,580,000.
Naval Training Center, Orlando, Florida, $9,400,000.
Naval Air Station, Pensacola, Florida, $225,000.
Naval Technical Training Center, Pensacola, Florida, $5,670,000.
Naval Construction Training Center, Port Hueneme, California, $4,800,000.
Fleet Anti-Submarine Warfare Training Center, Pacific, San Diego, California, $7,850,000.
Fleet Combat Training Center, Pacific, San Diego, California, $305,000.
Fleet Training Center, San Diego, California, $4,750,000.
Naval Training Center, San Diego, California, $2,900,000.
Naval Technical Training Center, San Francisco, California, $1,570,000.
Naval Air Station, Whiting Field, Florida, $810,000.

NAVAL MILITARY PERSONNEL COMMAND

Navy Band, Washington, District of Columbia, $1,900,000.

NAVAL MEDICAL COMMAND

Naval Medical Clinic, Annapolis, Maryland, $12,540,000.
Naval Hospital, Groton, Connecticut, $8,720,000.
Naval Hospital, Jacksonville, Florida, $18,600,000.
Naval Hospital, Long Beach, California, $6,300,000.
Naval Hospital, Oak Harbor, Washington, $13,900,000.
Naval Hospital, Pensacola, Florida, $7,250,000.
Naval Hospital, San Diego, California, $450,000.

CHIEF OF NAVAL MATERIEL

Naval Air Rework Facility, Alameda, California, $22,780,000.
Puget Sound Naval Shipyard, Bremerton, Washington, $30,945,000.
Naval Supply Center, Bremerton, Washington, $1,520,000.
Naval Weapons Station, Charleston, South Carolina, $4,070,000.
Polaris Missile Facility, Atlantic, Charleston, South Carolina, $1,620,000.
Naval Air Rework Facility, Cherry Point, North Carolina, $1,720,000.
Naval Weapons Center, China Lake, California, $9,315,000.
Naval Weapons Station, Earle, New Jersey, $3,720,000.
Naval Construction Battalion Center, Gulfport, Mississippi, $2,550,000.
Naval Ordnance Station, Indian Head, Maryland, $1,570,000.
Naval Supply Center, Jacksonville, Florida, $1,555,000.
Naval Undersea Warfare Engineering Station, Keyport, Washington, $2,440,000.
Naval Submarine Base, Kings Bay, Georgia, $388,360,000.
Naval Air Engineering Center, Lakehurst, New Jersey, $600,000.
Long Beach Naval Shipyard, Long Beach, California, $7,160,000.
Naval Ordnance Station, Louisville, Kentucky, $16,950,000.
Naval Air Rework Facility, Norfolk, Virginia, $13,080,000.
Naval Supply Center, Norfolk, Virginia, $2,350,000.
Naval Air Rework Facility, North Island, California, $9,465,000.
Naval Supply Center, Oakland, California, $7,890,000.
Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii, $1,860,000.
Navy Public Works Center, Pearl Harbor, Hawaii, $13,700,000.
Navy Public Works Center, Pensacola, Florida, $8,430,000.
Pacific Missile Test Center, Point Mugu, California, $10,200,000.
Naval Construction Battalion Center, Port Hueneme, California, $23,650,000.
Naval Ship Weapon Systems Engineering Station, Port Hueneme, California, $10,780,000.
Naval Electronic Systems Engineering Center, Portsmouth, Virginia, $3,255,000.

Norfolk Naval Shipyard, Portsmouth, Virginia, $6,690,000.
Naval Supply Center, San Diego, California, $7,100,000.
Naval Electronic Systems Engineering Activity, Saint Inigoes, Maryland, $15,550,000.
Mare Island Naval Shipyard, Vallejo, California, $815,000.
Naval Air Development Center, Warminster, Pennsylvania, $4,220,000.
Naval Mine Warfare Engineering Activity, Yorktown, Virginia, $4,120,000.

NAVAL OCEANOGRAPHY COMMAND

Naval Oceanography Command Facility, Jacksonville, Florida, $390,000.
Naval Western Oceanography Center, Pearl Harbor, Hawaii, $4,500,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Radio Station, Sugar Grove, West Virginia, $785,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Activity, Adak, Alaska, $980,000.
Naval Security Group Activity, Northwest, Chesapeake, Virginia, $1,385,000.
Naval Security Group Activity, Skaggs Island, California, $395,000.
Naval Security Group Activity, Winter Harbor, Maine, $3,280,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

MARINE CORPS

Marine Corps Air Station, Iwakuni, Japan, $1,775,000.
Marine Corps Air Station, Futenma, Okinawa, Japan, $2,990,000.
Marine Corps Base Camp Smedley D. Butler, Okinawa, Japan, $2,250,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Facility, Antigua, West Indies, $2,410,000.
Naval Facility, Argentia, Newfoundland, Canada, $700,000.
Naval Station, Guantanamo Bay, Cuba, $22,410,000.
Naval Station, Keflavik, Iceland, $21,780,000.
Atlantic Fleet Weapons Training Facility, Roosevelt Roads, Puerto Rico, $7,100,000.
Naval Station, Roosevelt Roads, Puerto Rico, $14,700,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Navy Support Facility, Diego Garcia, Indian Ocean, $16,530,000.
Naval Air Facility, Diego Garcia, Indian Ocean, $22,450,000.
Naval Magazine, Guam, $11,270,000.
Naval Supply Depot, Guam, $6,550,000.
Naval Station, Guam, $10,200,000.
Naval Ship Repair Facility, Guam, $990,000.
Naval Magazine, Subic Bay, Republic of the Philippines, $250,000.
Naval Ship Repair Facility, Subic Bay, Republic of the Philippines, $13,270,000.

COMMANDER IN CHIEF, UNITED STATES NAVAL FORCES EUROPE

Naval Activities, London, United Kingdom, $7,635,000.
Naval Support Activity, Naples, Italy, $7,750,000.
Naval Air Station, Sigonella, Italy, $5,930,000.
Personnel Support Activity, London, United Kingdom, $450,000.

CHIEF OF NAVAL MATERIEL

Navy Public Works Center, Guam, $1,080,000.
Navy Public Works Center, Yokosuka, Japan, $4,400,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communication Area Master Station, Western Pacific, Guam, $8,945,000.
Naval Communication Station, Harold E. Holt, Exmouth, Australia, $2,690,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Detachment, Diego Garcia, Indian Ocean, $3,700,000.

HOST NATION INFRASTRUCTURE SUPPORT

Various locations, $980,000.

SEC. 202. FAMILY HOUSING

(a) IN GENERAL.—The Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the following installations in the number of units shown, and in the amount shown, for each installation:
Naval Air Station, Adak, Alaska, one hundred units, $15,500,000.
Marine Corps Air Station, El Toro, California, two hundred and eighty-two units, $29,800,000.
Marine Corps Air-Ground Combat Center, Twentynine Palms, California, one hundred units, $8,400,000.
Navy Public Works Center, San Diego, California, two hundred units, $15,200,000.
Fleet Training Group Pacific, Warner Springs, California, forty-four units, $4,400,000.
Naval Weapons Station, Earle, New Jersey, two hundred units, $15,400,000.
Aviation Supply Office, Philadelphia, Pennsylvania, one unit, $170,000.
Navy Public Works Center, Subic Bay, Republic of the Philippines, three hundred units, $24,180,000.

(b) NAVAL PUBLIC WORKS CENTER, SAN DIEGO.—The Secretary of the Navy may construct the two hundred housing units authorized by subsection (a) for the Navy Public Works Center, San Diego, California, at Telegraph Point or at any other suitable and available site.

SEC. 203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) AMOUNT AUTHORIZED.—Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may make expenditures to improve existing military family housing units in an amount not to exceed $34,020,000.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Navy may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:
Navy Public Works Center, San Diego, California, three hundred seventy-two units, $17,610,000.
Naval Air Station, Whidbey Island, Washington, one unit, $56,500.

SEC. 204. TRANSIENT HOUSING UNITS, CHINHAE, KOREA

The Secretary of the Navy may convert the four existing transient housing units contained in Building 706 in Chinhae, Korea, to family housing units.

SEC. 205. RESTRICTION ON FUNDING FOR NAVY STRATEGIC HOMEPORTING

Funds appropriated pursuant to an authorization in section 602 for Naval Strategic Homeporting may not be obligated or expended for such purpose until—
(1) the Secretary of the Navy has submitted to the Congress a report justifying the expenditure of the funds for such purpose; and
(2) a period of 90 days has elapsed after the day on which the report is received by the Congress.

TITLE III—AIR FORCE

SEC. 301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

AIR FORCE LOGISTICS COMMAND

Hill Air Force Base, Utah, $28,280,000.
Kelly Air Force Base, Texas, $39,749,000.
McClellan Air Force Base, California, $53,829,000.
Robins Air Force Base, Georgia, $7,350,000.
Tinker Air Force Base, Oklahoma, $31,500,000.
Wright-Patterson Air Force Base, Ohio, $21,890,000.

AIR FORCE SYSTEMS COMMAND

Brooks Air Force Base, Texas, $2,500,000.
Edwards Air Force Base, California, $7,250,000.
Eglin Air Force Base, Florida, $14,560,000.
Hanscom Air Force Base, Massachusetts, $24,700,000.
Sunnyvale Air Force Station, California, $2,700,000.

AIR FORCE RESERVE

Billy Mitchell Field, Wisconsin, $500,000.

AIR NATIONAL GUARD

Buckley Air National Guard Base, Colorado, $12,370,000.

AIR TRAINING COMMAND

Chanute Air Force Base, Illinois, $1,730,000.
Goodfellow Air Force Base, Texas, $27,500,000.
Keesler Air Force Base, Mississippi, $10,500,000.
Lackland Air Force Base, Texas, $22,750,000.
Laughlin Air Force Base, Texas, $1,900,000.
Lowry Air Force Base, Colorado, $6,850,000.
Mather Air Force Base, California, $2,700,000.
Randolph Air Force Base, Texas, $3,200,000.
Reese Air Force Base, Texas, $3,250,000.
Sheppard Air Force Base, Texas, $16,150,000.
Vance Air Force Base, Oklahoma, $4,210,000.
Williams Air Force Base, Arizona, $660,000.

AIR UNIVERSITY

Gunter Air Force Station, Alabama, $6,000,000.
Maxwell Air Force Base, Alabama, $12,000,000.

ALASKAN AIR COMMAND

Attu Research Site, Alaska, $910,000.
Eielson Air Force Base, Alaska, $44,950,000.
Elmendorf Air Force Base, Alaska, $5,000,000.
King Salmon Airport, Alaska, $8,600,000.
Shemya Air Force Base, Alaska, $45,900,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Oklahoma, $11,450,000.

Andrews Air Force Base, Maryland, $10,120,000.
Base 24, Classified Location, $6,170,000.
Bolling Air Force Base, District of Columbia, $250,000.
Charleston Air Force Base, South Carolina, $1,620,000.
Dover Air Force Base, Delaware, $16,890,000.
Eglin Auxiliary Field 9, Florida, $1,700,000.
Kirtland Air Force Base, New Mexico, $60,330,000.
McChord Air Force Base, Washington, $2,240,000.
McGuire Air Force Base, New Jersey, $14,550,000.
Norton Air Force Base, California, $4,570,000.
Pope Air Force Base, North Carolina, $440,000.
Scott Air Force Base, Illinois, $17,150,000.
Travis Air Force Base, California, $10,300,000.

PACIFIC AIR FORCES

Hickam Air Force Base, Hawaii, $480,000.
Wheeler Air Force Base, Hawaii, $2,850,000.

SPACE COMMAND

Cape Cod Air Force Station, Massachusetts, $600,000.
Cavalier Air Force Station, North Dakota, $950,000.
Clear Air Force Station, Alaska, $4,500,000.
Peterson Air Force Base, Colorado, $5,200,000.

SPECIAL PROJECT

Various Locations, $55,000,000.

STRATEGIC AIR COMMAND

Barksdale Air Force Base, Louisiana, $1,400,000.
Base 34, Classified Location, $8,920,000.
Beale Air Force Base, California, $5,850,000.
Belle Fourche Air Force Station, South Dakota, $4,080,000.
Blytheville Air Force Base, Arkansas, $3,750,000.
Carswell Air Force Base, Texas, $1,000,000.
Castle Air Force Base, California, $3,300,000.
Dyess Air Force Base, Texas, $16,950,000.
Ellsworth Air Force Base, South Dakota, $72,064,000.
Fairchild Air Force Base, Washington, $12,500,000.
F.E. Warren Air Force Base, Wyoming, $15,310,000.
Grand Forks Air Force Base, North Dakota, $62,730,000.
Griffiss Air Force Base, New York, $2,740,000.
Grissom Air Force Base, Indiana, $1,700,000.
K.I. Sawyer Air Force Base, Michigan, $22,580,000.
Malmstrom Air Force Base, Montana, $1,300,000.
March Air Force Base, California, $9,000,000.
McConnell Air Force Base, Kansas, $66,490,000.
Minot Air Force Base, North Dakota, $5,000,000.
Offutt Air Force Base, Nebraska, $10,440,000.
Pease Air Force Base, New Hampshire, $1,200,000.
Plattsburgh Air Force Base, New York, $1,050,000.
Vandenberg Air Force Base, California, $1,960,000.
Whiteman Air Force Base, Missouri, $4,650,000.
Wurtsmith Air Force Base, Michigan, $5,300,000.

TACTICAL AIR COMMAND

Bergstrom Air Force Base, Texas, $770,000.
Cannon Air Force Base, New Mexico, $12,500,000.
Davis-Monthan Air Force Base, Arizona, $5,730,000.
England Air Force Base, Louisiana, $2,600,000.
George Air Force Base, California, $5,240,000.
Holloman Air Force Base, New Mexico, $16,850,000.
Homestead Air Force Base, Florida, $7,015,000.
Langley Air Force Base, Virginia, $8,680,000.
Luke Air Force Base, Arizona, $14,780,000.
MacDill Air Force Base, Florida, $8,850,000.
Moody Air Force Base, Georgia, $24,030,000.
Mountain Home Air Force Base, Idaho, $14,600,000.
Myrtle Beach Air Force Base, South Carolina, $430,000.
Nellis Air Force Base, Nevada, $17,860,000.
Seymour-Johnson Air Force Base, North Carolina, $2,320,000.
Shaw Air Force Base, South Carolina, $13,300,000.
Tyndall Air Force Base, Florida, $8,780,000.

UNITED STATES AIR FORCE ACADEMY

Air Force Academy, Colorado, $10,310,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

MILITARY AIRLIFT COMMAND

Lajes Field, Portugal, $25,285,000.
Rhein-Main Air Base, Germany, $1,500,000.

PACIFIC AIR FORCES

Camp Zama, Japan, $1,500,000.
Kadena Air Base, Japan, $27,650,000.
Misawa Air Base, Japan, $9,500,000.
Yokota Air Base, Japan, $10,400,000.
Kimhae Air Base, Korea, $10,400,000.
Kunsan Air Base, Korea, $9,000,000.
Kwang-Ju Air Base, Korea, $16,310,000.
Osan Air Base, Korea, $24,510,000.
Sachon Air Base, Korea, $310,000.
Diego Garcia Air Base, Indian Ocean, $5,300,000.
Clark Air Base, Republic of the Philippines, $15,050,000.

SPACE COMMAND

Thule Air Base, Greenland, $12,350,000.
Sondrestrom Air Base, Greenland, $5,750,000.
GEODSS Site 5, Portugal, $14,650,000.
Pirinclik Air Station, Turkey, $2,600,000.
BMEWS Site III, Fylingdales, United Kingdom, $3,100,000.

TACTICAL AIR COMMAND

Howard Air Force Base, Panama, $2,172,000.

UNITED STATES AIR FORCES IN EUROPE

Florennes Air Base, Belgium, $5,860,000.
Ahlhorn Air Base, Germany, $350,000.
Bitburg Air Base, Germany, $9,050,000.
Einsiedlerhof, Germany, $2,900,000.
Hahn Air Base, Germany, $8,160,000.
Hessisch Oldendorf Air Station, Germany, $1,230,000.
Kapaun Air Station, Germany, $900,000.
Leipheim Air Base, Germany, $350,000.
Marienfelde Communications Station, Germany, $2,550,000.
Norvenich Air Base, Germany, $350,000.
Pruem Air Station, Germany, $1,250,000.
Ramstein Air Base, Germany, $14,670,000.
Sembach Air Base, Germany, $6,460,000.
Spangdahlem Air Base, Germany, $14,860,000.
Various Locations, Germany, $940,000.
Vogelweh Air Station, Germany, $1,250,000.
Wenigerath Storage Site, Germany, $1,700,000.
Zweibrucken Air Base, Germany, $4,550,000.
Aviano Air Base, Italy, $5,070,000.
Comiso Air Station, Italy, $6,280,000.
Decimomannu Air Base, Italy, $2,800,000.
San Vito Air Station, Italy, $1,590,000.
Morocco, $3,100,000.
Camp New Amsterdam, The Netherlands, $2,710,000.
Keizerveer Air Base, The Netherlands, $270,000.
Woensdrecht Air Base, The Netherlands, $15,980,000.
Vught, The Netherlands, $310,000.
Torrejon Air Base, Spain, $2,900,000.
Ankara Air Station, Turkey, $950,000.
Incirlik Air Base, Turkey, $11,570,000.
Karatas, Turkey, $2,330,000.
RAF Alconbury, United Kingdom, $20,910,000.
RAF Bentwaters, United Kingdom, $12,050,000.
RAF Chicksands, United Kingdom, $1,630,000.
RAF Fairford, United Kingdom, $7,400,000.
RAF Greenham Common, United Kingdom, $2,200,000.
RAF Lakenheath, United Kingdom, $10,320,000.
RAF Mildenhall, United Kingdom, $4,080,000.
RAF Molesworth, United Kingdom, $21,063,000.
RAF Sculthorpe, United Kingdom, $2,350,000.
RAF Upper Heyford, United Kingdom, $4,640,000.
Various Locations, United Kingdom, $3,600,000.
Base 25, Classified Location, $4,500,000.
Base 29, Classified Location, $3,500,000.
Base 30, Classified Location, $4,830,000.
Base 33, Classified Location, $9,450,000.
Various Locations, Europe, $4,450,000.

SEC. 302. FAMILY HOUSING

The Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the following installations in the number of units shown, and in the amount shown, for each installation:

Florennes, Belgium, four hundred units, $29,200,000.
Hahn Air Base, Germany, four hundred and forty units, $33,000,000.
Ramstein Air Base, Germany, four hundred units, $30,000,000.
Osan Air Base, Korea, family housing support facilities, $1,200,000.
Camp New Amsterdam, The Netherlands, one hundred and forty units, $11,000,000.
Clark Air Base, Republic of the Philippines, four hundred and fifty units, $37,900,000.
Belle Fourche Air Force Station, South Dakota, fifty units, $4,000,000.

SEC. 303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) AMOUNT AUTHORIZED.—Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may make expenditures to improve existing military family housing units in an amount not to exceed $61,300,000, of which $19,939,000 is available only for energy conservation projects.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Air Force may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Bolling Air Force Base, District of Columbia, twenty-four units, $1,200,000.

Scott Air Force Base, Illinois, eighty units, $4,006,000.

Offutt Air Force Base, Nebraska, thirty-two units, $2,873,000.

Kirtland Air Force Base, New Mexico, one hundred and ten units, $3,724,000.

Ramstein Air Base, Germany, two hundred and eighty units, $10,279,000.

Andersen Air Force Base, Guam, one hundred units, $6,605,000.

Kadena Air Base, Japan, two hundred and thirty-five units, $12,163,000.

Clark Air Base, Philippines, twenty-nine units, $1,042,000.

(c) IMPROVEMENT PROJECT AT PETERSON AIR FORCE BASE, COLORADO.—(1) To support the United States Space Command (USSPACECOM), the Secretary of the Air Force may carry out an improvement project at Peterson Air Force Base, Colorado, to add to and alter an existing facility and (notwithstanding section 2826 of title 10, United States Code) convert such facility to a family housing unit with a maximum net floor area of 3,100 square feet at a cost not to exceed $81,000.

(2) The amount authorized for the project by paragraph (1) shall not be considered an increase in the amount authorized to be appropriated by this Act for functions of the Department of the Air Force.

(3) For purposes of this subsection, the term "net floor area" has the same meaning given that term by section 2826(f) of title 10, United States Code.

SEC. 304. RESTRICTION ON USE OF FUNDS FOR CONSTRUCTION OF FACILITIES IN THE NETHERLANDS

Funds appropriated to the Air Force pursuant to an authorization in section 603 for the construction of facilities in The Netherlands to support ground launched cruise missiles (GLCM) may not be obligated or expended until the Government of The Netherlands has officially approved the deployment of such missiles in The Netherlands.

SEC. 305. SPECIAL IMPACT ASSISTANCE TO CERTAIN SCHOOL DISTRICTS

Of the funds appropriated to the Air Force for fiscal year 1986 for the acquisition of land to expand Melrose Air Force Range, New Mexico, the Secretary of the Air Force may use not more than $50,000 to provide assistance, by grant or otherwise, to school districts in communities near the Melrose Air Force Range for purposes of mitigating any adverse impact on the schools in such districts determined by the Secretary to result from expansion of the range.

TITLE IV—DEFENSE AGENCIES

SEC. 401. AUTHORIZED CONSTRUCTION PROJECTS AND LAND ACQUISITION FOR THE DEFENSE AGENCIES

(a) INSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE LOGISTICS AGENCY

Defense Property Disposal Office, Anchorage, Alaska, $1,390,000.

Defense Property Disposal Office, Alameda, California, $1,320,000.

Defense Property Disposal Office, Barstow, California, $825,000.

Defense Fuel Support Point, San Diego, California, $600,000.

Defense Fuel Support Point, San Pedro, California, $700,000.

Defense Property Disposal Office, Groton, Connecticut, $625,000.

Defense Fuel Support Point, Port Tampa, Florida, $595,000.

Defense Property Disposal Office, Fort Riley, Kansas, $965,000.

Defense Fuel Support Point, Newington, New Hampshire, $1,040,000.

Defense Fuel Support Point, Verona, New York, $1,395,000.

Defense Depot, Mechanicsburg, Pennsylvania, $470,000.

Defense Depot, Memphis, Tennessee, $8,085,000.

Defense Property Disposal Office, Texarkana, Texas, $2,635,000.

Defense Depot, Ogden, Utah, $3,825,000.

Defense Property Disposal Office, Hill Air Force Base, Ogden, Utah, $750,000.

Defense General Supply Center, Richmond, Virginia, $5,355,000.

Defense Property Disposal Office, Richmond, Virginia, $650,000.

Defense Fuel Support Point, Manchester, Washington, $565,000.

Defense Property Disposal Office, F.E. Warren Air Force Base, Cheyenne, Wyoming, $1,020,000.

DEFENSE MAPPING AGENCY

Repromat Secure Storage Facility, Mineral Wells, Texas, $900,000.

NATIONAL SECURITY AGENCY

Fort Meade, Maryland, $82,142,000.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Location, $12,000,000.

Fort McNair, Washington, District of Columbia, $25,000,000.

Classified Location, $3,142,000.

DEPARTMENT OF DEFENSE SECTION 6 SCHOOLS

Fort Benning, Georgia, $1,693,000.

Fort Bragg, North Carolina, $5,660,000.

Camp Lejeune, North Carolina, $8,400,000.

Myrtle Beach Air Force Base, South Carolina, $1,400,000.

Quantico, Virginia, $3,500,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE LOGISTICS AGENCY

Defense Property Disposal Office, Kaiserslautern, Germany, $360,000.

Defense Fuel Support Point, Chimu Wan, Okinawa, Japan, $8,160,000.

Defense Fuel Support Point, Pyongtaek, Korea, $5,820,000.

Defense Fuel Support Point, Uijongbu, Korea, $6,200,000.

NATIONAL SECURITY AGENCY

Classified Locations, $7,150,000.

DEPARTMENT OF DEFENSE SECTION 6 SCHOOLS

Fort Buchanan, Puerto Rico, $9,753,000.

Naval Station, Roosevelt Roads, Puerto Rico, $1,200,000.

DEPARTMENT OF DEFENSE OVERSEAS DEPENDENTS SCHOOLS

Florennes, Belgium, $7,420,000.

Babenhausen, Germany, $760,000.

Bamberg, Germany, $5,800,000.

Butzbach, Germany, $3,420,000.

Hanau, Germany, $7,480,000.

Heidelberg, Germany, $1,910,000.

Heilbronn, Germany, $2,520,000.

Pirmasens, Germany, $1,630,000.

Schweinfurt, Germany, $3,930,000.

Sembach Air Base, Germany, $2,170,000.

Vilseck, Germany, $6,680,000.

Sigonella, Italy, $5,360,000.

Misawa Air Base, Japan, $4,780,000.

Okinawa, Japan, $300,000.

Osan Air Base, Korea, $2,780,000.

Pusan, Korea, $1,540,000.

Taegu, Korea, $730,000.

Soesterberg Air Base, Netherlands, $4,460,000.

Clark Air Base, Republic of the Philippines, $7,190,000.

Bicester, United Kingdom, $4,570,000.

Upwood, United Kingdom, $3,240,000.

Woodbridge RAF Station, United Kingdom, $1,060,000.

SEC. 402. FAMILY HOUSING

The Secretary of Defense may construct or acquire twenty family housing units (including land acquisition) at classified installations in the total amount of $1,800,000.

SEC. 403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

Subject to section 2825 of title 10, United States Code, the Secretary of Defense may make expenditures to improve existing military family housing units in an amount not to exceed $110,000.

TITLE V—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 501. AUTHORITY OF THE SECRETARY OF DEFENSE TO MAKE CONTRIBUTIONS

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization infrastructure program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the amount authorized to be appropriated in section 605 plus the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS AND RECURRING ADMINISTRATIVE PROVISIONS

SEC. 601. AUTHORIZATION OF APPROPRIATIONS, ARMY

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $3,312,803,000 as follows:

(1) For military construction projects inside the United States authorized by section 101(a), $1,063,432,000.

(2) For military construction projects outside the United States authorized by section 101(b), $429,140,000.

(3) For military construction projects inside the United States authorized by section 101 of the Military Construction Authorization Act, 1985, $26,000,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $31,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $136,100,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $356,337,000; and

(B) for support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,270,794,000, of which not more than $2,520,000 may be obligated or expended for the leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $131,047,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1986 for military construction functions of the Army that remain available for obligation are hereby authorized to be made available, to the extent provided in appropriation Acts, for military construction projects authorized in section 101 in the amount of $291,210,000 (which includes $82,500,000 for the construction of a utility project at Fort Drum, New York, and $56,000,000 for Pershing II security upgrade at various locations, Germany).

(c) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE I.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 101 may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) the amount specified in subsection (b);

(3) $73,000,000 (the balance of the amount authorized for the construction of the Eastern Distribution Center, New Cumberland Army Depot, Pennsylvania); and

(4) $45,000,000 (the balance of the amount authorized under section 101(b) for Pershing II security upgrade at various locations, Germany).

SEC. 602. AUTHORIZATION OF APPROPRIATIONS, NAVY

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,408,184,000 as follows:

(1) For military construction projects inside the United States authorized by section 201(a), $1,304,480,000.

(2) For military construction projects outside the United States authorized by section 201(b), $201,185,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $21,560,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $139,260,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $2,960,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $154,000,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $584,739,000, of which not more than $3,545,000 may be obligated or expended for the leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $18,934,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1986 for military construction functions of the Navy that remain available for obligation are hereby authorized to be made available, to the extent provided in appropriation Acts, for military construction projects authorized in section 201 in the amount of $105,935,000.

(c) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE II.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 201 may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and the amount specified in subsection (b).

SEC. 603. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,700,991,000 as follows:

(1) For military construction projects inside the United States authorized by section 301(a), $1,147,207,000.

(2) For military construction projects outside the United States authorized by section 301(b), $415,550,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $22,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $144,096,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $30,240,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $212,600,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $729,298,000, of which not more than $2,711,000 may be obligated or expended for the leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $45,402,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1986 for military construction functions of the Air Force that remain available for obligation are hereby authorized to be made available, to the extent provided in appropriation Acts, for military construction projects authorized in section 301 in the amount of $100,000,000.

(c) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE III.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 301 may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and the amount specified in subsection (b).

SEC. 604. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $258,595,000 as follows:

(1) For military construction projects inside the United States authorized by section 401(a), $95,149,000.

(2) For military construction projects outside the United States authorized by section 401(b), $104,146,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $4,000,000.

(4) For construction projects under the contingency construction authority of the Secretary of Defense under section 2804 of title 10, United States Code, $5,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $30,000,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $1,910,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $18,390,000, of which not more than $14,933,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1986 for military construction functions of the Defense Agencies that remain available for obligation are hereby authorized to be made available, to the extent provided in appropriations Acts, for military construction projects authorized in section 401 in the amount of $42,025,000.

(c) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE IV.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 401 may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a), the amount specified in subsection (b), and $53,700,000 (the balance of the amount authorized for the construction of a research and engineering facility at Fort Meade, Maryland).

SEC. 605. AUTHORIZATION OF APPROPRIATIONS, NATO

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of construction projects for the North Atlantic Treaty Orga-

nization Infrastructure Program, as authorized by section 501, in the amount of $38,000,000.

SEC. 606. EXPIRATION OF AUTHORIZATIONS; EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

(a) EXPIRATION OF AUTHORIZATIONS AFTER TWO YEARS.—(1) Except as provided in paragraph (2), all authorizations contained in titles I, II, III, IV, and V for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor contained in sections 601 through 605) shall expire on October 1, 1987, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1988, whichever is later.

(2) The provisions of paragraph (1) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before October 1, 1987, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1988, whichever is later, for construction contracts, land acquisition, family housing projects and facilities, or contributions to the NATO Infrastructure Program.

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1984 PROJECTS.—Notwithstanding the provisions of section 607(a) of the Military Construction Authorization Act, 1984 (Public Law 98-115; 97 Stat. 780), authorizations for the following projects authorized in sections 101, 201, 301, and 401 of that Act shall remain in effect until October 1, 1986, or the date of enactment of the Military Construction Authorization Act for fiscal year 1987, whichever is later:

(1) Consolidated heating system in the amount of $1,850,000 at Stuttgart, Germany.

(2) Consolidated heating system in the amount of $1,750,000 at Stuttgart, Germany.

(3) Range modernization in the amount of $2,450,000 at Wildflecken, Germany.

(4) Unaccompanied personnel housing in the amount of $1,400,000 at Argyroupolis, Greece.

(5) Operations building in the amount of $370,000 at Argyroupolis, Greece.

(6) Multipurpose recreation facility in the amount of $480,000 at Argyroupolis, Greece.

(7) Unaccompanied Officer housing in the amount of $600,000 at Perivolaki, Greece.

(8) Operations building in the amount of $410,000 at Perivolaki, Greece.

(9) Multipurpose recreation facility in the amount of $620,000 at Perivolaki, Greece.

(10) Physical fitness training center in the amount of $1,000,000 at Elefsis, Greece.

(11) Operations control center in the amount of $7,800,000 at the Naval Air Station, Brunswick, Maine.

(12) Engine test cell modifications in the amount of $1,180,000 at the Naval Air Station, Cecil Field, Florida.

(13) Land acquisition in the amount of $830,000 at the Naval Weapons Station, Concord, California.

(14) Unaccompanied enlisted personnel housing in the amount of $10,000,000 at the Naval Air Station, Jacksonville, Florida.

(15) Electrical distribution lines in the amount of $7,200,000 at the Naval Shipyard Mare Island, Vallejo, California.

(16) Family housing in the amount of $33,982,000 at RAF Upper Heyford, United Kingdom.

(17) Air freight terminal in the amount of $10,200,000 at Elmendorf, Alaska.

(18) Sewage system in the amount of $2,760,000 at the Naval Training Center, Orlando, Florida.

(19) Physical fitness training center in the amount of $1,000,000 at Fort Hunter Liggett, California.

(20) Child care center in the amount of $3,000,000 at Fort Polk, Louisiana.

(21) Physical fitness training center in the amount of $2,200,000 at Sierra Army Depot, California.

(22) Special Process Laboratories Building in the amount of $39,100,000 at Fort Meade, Maryland.

SEC. 607. ESTABLISHMENT OF CERTAIN AMOUNTS REQUIRED TO BE SPECIFIED BY LAW

For projects or contracts initiated during the period beginning on the date of the enactment of this Act and ending on the date of the enactment of the Military Construction Authorization Act for fiscal year 1987 or October 1, 1986, whichever is later, the following amounts apply:

(1) The maximum amount for an unspecified minor military construction project under section 2805 of title 10, United States Code, is $1,000,000.

(2) The amount of a contract for architectural and engineering services or construction design that makes such a contract subject to the reporting requirement under section 2807 of title 10, United States Code, is $300,000.

(3) The maximum amount per unit for an improvement project for family housing units under section 2825 of title 10, United States Code, is $30,000.

(4) The maximum annual rental for a family housing unit leased in the United States, Puerto Rico, or Guam under section 2828(b) of title 10, United States Code, is $10,000.

(5)(A) The maximum annual rental for a family housing unit leased in a foreign country under section 2828(c) of title 10, United States Code, is $16,800.

(B) The maximum number of family housing units that may be leased at any one time in foreign countries under section 2828(c) of title 10, United States Code, is 32,000.

(6) The maximum rental per year for family housing facilities, or for real property related to family housing facilities, leased in a foreign country under section 2828(f) of title 10, United States Code, is $250,000.

TITLE VII—GUARD AND RESERVE FORCES FACILITIES

SEC. 701. AUTHORIZATION FOR GUARD AND RESERVE FACILITIES

There are authorized to be appropriated for fiscal years beginning after September 30, 1985, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $149,101,000, and

(B) for the Army Reserve, $70,700,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $51,800,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $139,000,000, and

(B) for the Air Force Reserve, $70,650,000.

SEC. 702. ARCHITECTURAL AND ENGINEERING SERVICES RELATED TO CONSTRUCTION OF NATIONAL GUARD ARMORIES

(a) CONTRIBUTIONS TO STATES.—Subsection (e) of section 2233 of title 10, United States Code, is amended to read as follows:

"(e) The Secretary of Defense may procure, or contribute to any State such amounts as the Secretary determines to be necessary to procure, architectural and engineering services and construction design in connection with facilities to be established or developed under this chapter which are not otherwise authorized by law.".

(b) AMOUNT OF CONTRIBUTION.—Subsection (b) of section 2236 of such title is amended to read as follows:

"(b) A contribution made for an armory under clause (4) or (5) of section 2233(a) of this title may not exceed the sum of—

"(1) 100 percent of the cost of architectural, engineering and design services (including advance architectural, engineering and design services under section 2233(e) of this title); and

"(2) a percentage of the cost of construction (exclusive of the cost of architectural, engineering and design services) calculated so that upon completion of construction the total contribution (including the contribution for architectural, engineering and design services) equals 75 percent of the total cost of construction (including the cost of architectural, engineering and design services).

For the purpose of computing the cost of construction under this subsection, the amount contributed by a State, territory, the Commonwealth of Puerto Rico, or the District of Columbia, as the case may be, may not include the cost or market value of any real property that it has contributed.".

TITLE VIII—GENERAL PROVISIONS

PART A—MILITARY CONSTRUCTION PROGRAM PROVISIONS

SEC. 801. BUILD-TO-LEASE AND RENTAL GUARANTEE PILOT PROGRAMS

(a) RENTAL GUARANTEE PROGRAM.—(1) Subsection (h) of section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note), is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1986".

(2) Subsection (g) of such section is amended—

(A) by inserting "(1)" after "(g)"; and

(B) by adding at the end the following new paragraph:

"(2) In addition to the contracts authorized by subsection (f) and paragraph (1) of this subsection, the Secretary of each military department may enter into one or more agreements under this paragraph for not more than a total of 600 family housing units.".

(b) BUILD-TO-LEASE PROGRAM.—(1) Paragraph (9) of section 2828(g) of title 10, United States Code, is amended by striking out "October 1, 1985" and inserting in lieu thereof "September 30, 1986".

(2) Paragraph (8) of such section is amended—

(A) by inserting "(A)" after "(8)"; and

(B) by adding at the end the following new subparagraph:

"(B) In addition to the contracts authorized by paragraph (7) and subparagraph (A), the Secretary of each military department may enter into one or more contracts under this subparagraph for not more than a total of 600 family housing units.".

SEC. 802. FAMILY HOUSING OCCUPANT LIABILITY

(a) LIABILITY FOR FAILURE TO CLEAN SATISFACTORILY.—Subsection (a) of section 2775 of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) A member of the armed forces—

"(A) who is assigned or provided a family housing unit; and

"(B) who fails to clean satisfactorily that housing unit (as determined under regulations prescribed by the Secretary of Defense or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy) upon termination of the assignment or provision of that housing unit,

shall be liable to the United States for the cost of cleaning made necessary as a result of that failure.".

(b) AUTHORITY OF SECRETARY OF TRANSPORTATION.—Section 2775 of such title is amended—

(1) in subsections (a) and (b), by inserting after "the Secretary of Defense" the following: "and the Secretary of Transportation when the Coast Guard is not operating as a service in the Navy"; and

(2) in subsection (d), by inserting after "or defense agency concerned" the following: ", or the operating expenses account of the Coast Guard, as appropriate".

(c) CONFORMING AMENDMENTS.—(1) Subsection (b) of such section is amended by inserting "(in the case of liability under subsection (a)(1))" after "including".

(2) Subsection (c)(1) of such section is amended by striking out "subsection (a)" and inserting in lieu thereof "subsection (a)(1), or the cost of any cleaning made necessary by a failure to clean satisfactorily a family housing unit referred to in subsection (a)(2),".

(3) Subsection (d) of such section is amended by inserting "or failure to clean satisfactorily a family housing unit" after "(or the equipment or furnishings of a family housing unit)".

(4) Subsection (e) of such section is amended to read as follows:

"(e) The Secretary of Defense, and the Secretary of Transportation when the Coast Guard is not operating as a service in the Navy, shall prescribe regulations to carry out this section. Such regulations shall include—

"(1) regulations for determining the cost of repairs and replacements made necessary as the result of abuse or negligence for which a member is liable under subsection (a)(1);

"(2) regulations for determining the cost of cleaning made necessary as a result of the failure to clean satisfactorily for which a member is liable under subsection (a)(2); and

"(3) provisions for limitations of liability, the compromise or waiver of claims, and the collection of amounts owed under this section.".

(d) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 2775. Liability of members assigned to military housing".

(2) The item relating to such section in the table of sections at the beginning of chapter 165 of such title is amended to read as follows:

"2775. Liability of members assigned to military housing.".

SEC. 803. PREOCCUPANCY TERMINATION COSTS

Section 2828(d) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end the following new paragraph:

"(2) The Secretary may enter into an agreement under this paragraph in connection with a lease entered into under subsection (c). Such an agreement—

"(A) shall be for the purpose of compensating a developer for any costs resulting from the termination of the lease during the construction of the housing units that are to be occupied pursuant to the lease;

"(B) may be for a period not in excess of three years; and

"(C) shall include a provision that the obligation of the United States to make payments under the agreement in any fiscal year is subject to the availability of appropriations.".

SEC. 804. ACTIVITIES INCLUDED WITHIN AUTHORIZATIONS FOR MILITARY FAMILY HOUSING

(a) CONSTRUCTION AND ACQUISITION OF FAMILY HOUSING.—Section 2821 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Amounts authorized by law for construction and acquisition of military family housing and facilities include amounts for—

"(1) minor construction;

"(2) improvements to existing military family housing units and facilities;

"(3) relocation of military family housing units under section 2827 of this title; and

"(4) architectural and engineering services and construction design.".

(b) FAMILY HOUSING SUPPORT.—(1) Chapter 169 of such title is amended by adding at the end of subchapter II the following new section:

"§2833. Family housing support

"Amounts authorized by law for support of military family housing include amounts for—

"(1) operating expenses;

"(2) leasing expenses;

"(3) maintenance of real property expenses;

"(4) payments of principal and interest on mortgage debts incurred; and

"(5) payments of mortgage insurance premiums authorized under section 222 of the National Housing Act (12 U.S.C. 1715m).".

(2) The table of sections at the beginning of subchapter II of such chapter is amended by adding after the item relating to section 2832 the following new item:

"2833. Family housing support.".

SEC. 805. DOMESTIC FAMILY HOUSING LIMITATIONS

Section 2828(b)(3) of title 10, United States Code, is amended—

(1) by striking out "(3) Not" and inserting in lieu thereof "(3)(A) Except as provided in subparagraph (B), not"; and

(2) by adding at the end the following new subparagraph:

"(B) During fiscal years 1986 and 1987, the number of housing units that may be leased pursuant to the provisions of subparagraph (A) may be increased by 500 units for each such fiscal year. The Secretary concerned shall provide written notification to the Committees on Armed Services of the Senate and House of Representatives concerning the location, purpose, and cost of the additional units permitted by this subparagraph. Such notification shall be made periodically as the leases are entered into.".

SEC. 806. SALE-AND-REPLACEMENT TRANSACTIONS

(a) EXTENSION OF AUTHORITY FOR SALE-AND-REPLACEMENT TRANSACTIONS.—(1) Section 807(c) of the Military Construction Authorization Act, 1984 (Public Law 98-115; 97 Stat. 786), is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1986".

(2) The amendment made by paragraph (1) shall take effect as of October 1, 1985.

(b) APPROVAL OF TRANSACTIONS.—The Secretary of Defense may carry out the following sale-and-replacement transactions under the provisions of section 2667a of title 10, United States Code:

(1) The sale and replacement of warehousing facilities at Schofield Barracks, Hawaii.

(2) The sale and replacement of a noncommissioned officers professional education center, a band center, and a combat operations center at March Air Force Base, California.

SEC. 807. TURN-KEY SELECTION PROCEDURES

(a) IN GENERAL.—Chapter 169 of title 10, United States Code, is amended by adding at the end of subchapter III the following new section:

"§ 2862. Turn-key selection procedures

"(a)(1) The Secretaries of the military departments, with the approval of the Secretary of Defense, may use one-step turn-key selection procedures for the purpose of entering into contracts for the construction of authorized military construction projects.

"(2) In this section, 'one-step turn-key selection procedures' means procedures used for the selection of a contractor on the basis of price and other evaluation criteria to perform, in accordance with the provisions of a firm fixed-price contract, both the design and construction of a facility using performance specifications supplied by the Secretary concerned.

"(b) The Secretary of a military department may not, during any fiscal year, enter into more than three contracts for military construction projects using procedures authorized by this section.

"(c) The authority under this section shall expire on October 1, 1990.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding after the item relating to section 2861 the following new item:

"2862. Turn-key selection procedures.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1986.

SEC. 808. PARTICIPATION IN DEPARTMENT OF STATE HOUSING POOLS

(a) AUTHORITY TO PARTICIPATE.—Chapter 169 of title 10, United States Code (as amended by section 804) is further amended by adding at the end of subchapter II the following new section:

"§ 2834. Participation in Department of State housing pools

"(a) The Secretary concerned may enter into an agreement with the Secretary of State under which the Secretary of State agrees to provide housing and related services for personnel under the jurisdiction of the Secretary concerned who are assigned to duty in a foreign country if the Secretary concerned determines—

"(1) that there is a shortage of adequate housing in the area of the foreign country in which such personnel are assigned to duty; and

"(2) that participation in the Department of State housing pool is the most cost-effective means of providing housing for such personnel.

The Secretary concerned shall reimburse the Secretary of State, as provided in the agreement, for housing and related services fur-

nished personnel under the jurisdiction of the Secretary concerned.

"(b) Agreements entered into with the Secretary of State under this section may not be executed until (1) the Secretary concerned provides to the appropriate committees of Congress written notification of the facts concerning the proposed agreement, and (2) a period of 21 days has elapsed after the day on which the notification is received by the committees.

"(c) In computing the number of leases for which the maximum lease amount may be waived by the Secretary concerned under the second sentence of section 2828(e)(1) of this title, housing made available to the Department of Defense under this section shall be included.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such subchapter (as amended by section 804) is amended by adding at the end thereof the following new item:

"2834. Participation in Department of State housing pools.".

SEC. 809. UNSPECIFIED MINOR CONSTRUCTION

Section 2805 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "Within" and inserting in lieu thereof "Within an amount equal to 125 percent of"; and

(2) in subsection (c), by striking out "Only funds authorized for minor construction projects may be used to accomplish unspecified minor construction projects, except that the" and inserting in lieu thereof "The".

SEC. 810. ACQUISITION OF INTEREST IN LAND

(a) IN GENERAL.—Section 2672 of title 10, United States Code, is amended—

(1) by striking out "The" at the beginning of such section and inserting in lieu thereof "(a) Subject to subsection (b), the";

(2) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(3) by striking out "$100,000" each place it appears and inserting in lieu thereof "$200,000"; and

(4) by adding at the end thereof the following new subsection:

"(b) The Secretary of a military department may not enter into a contract under this section for the acquisition of any interest in land the cost of which exceeds $100,000 unless—

"(1) the Secretary has notified the appropriate committees of Congress of his intent to acquire such interest, the cost of the interest, and the reasons for acquiring the interest; and

"(2) a period of 21 days has elapsed from the date the notification is received by the committees.".

(b) CONFORMING AMENDMENTS.—(1) The heading of such section is to read as follows:

"§ 2672. Acquisition: interest in land when cost is not more than $200,000".

(2) The item in the table of sections at the beginning of chapter 159 of such title relating to section 2672 is amended to read as follows:

"2672. Acquisition: interests in land when cost is not more than $200,000.".

SEC. 811. TEST OF LONG-TERM FACILITIES CONTRACTS

(a) AUTHORITY TO ENTER INTO LONG-TERM CONTRACTS.—Chapter 169 of title 10, United States Code, is amended by adding at the end of subchapter I the following new section:

"§ 2809. Test of long-term facilities contracts

"(a)(1) The Secretary concerned may enter into contracts for the construction, management, and operation of facilities on or near military installations in the United States for the provision of child care services, waste water treatment or depot supply activities in cases in which the Secretary concerned determines that the facilities can be more efficiently and more economically provided under long-term contracts than by other appropriate means.

"(2) Each contract entered into under subsection (a) shall be awarded through the use of competitive procedures as provided in chapter 137 of this title.

"(3) A contract under this section may be for any period not in excess of twenty years, excluding the period for construction. A contract under this section shall include a provision that the obligation of the United States to make payments under the contract in any fiscal year is subject to the availability of appropriations for that purpose.

"(4) A contract may not be entered into under this section until—

"(A) the Secretary concerned submits to the appropriate committees of the Congress, in writing, a justification of the need for the facility for which the contract is to be awarded and an economic analysis (based upon accepted life cycle costing procedures) which demonstrates that the proposed contract is cost effective when compared with alternative means of furnishing the same facility; and

"(B) a period of 21 calendar days has expired following the date on which the justification and the economic analysis are received by the committees.

"(b) Each Secretary concerned may enter into not more than 5 contracts under the authority of subsection (a) of this section, other than contracts for child care centers.

"(c) The authority to enter into contracts under this section shall expire on September 30, 1987, but shall not affect the validity of any contract entered into under the authority of this section before that date.".

(b) CONFORMING AMENDMENTS.—The table of sections at the beginning of subchapter I of such chapter is amended by adding at the end the following new item:

"2809. Test of long-term facilities contracts.".

SEC. 812. AVAILABILITY OF APPROPRIATIONS

(a) IN GENERAL.—Section 2860 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "(a)" and "and except as otherwise provided under subsection (b)"; and

(2) by striking out subsection (b).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to funds appropriated after September 30, 1985.

PART B—MISCELLANEOUS PROVISIONS

SEC. 821. INTERSERVICE EXCHANGES

Section 2571 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) No agency or official of the executive branch of the Federal Government may establish any regulation, program, or policy or take any other action which precludes, directly or indirectly, the Secretaries concerned from exercising the authority provided in this section.".

SEC. 822. PLAN FOR CLEANUP OF ROCKY MOUNTAIN ARSENAL

(a) IN GENERAL.—The Secretary of the Army shall develop and transmit to the Congress, by September 1, 1986, a report setting forth a comprehensive plan for completing, not later than September 30, 1993, the cleanup of contaminated sites, structures, equipment, and natural resources at or near the Rocky Mountain Arsenal near Denver, Colorado.

(b) SPECIFIC REQUIREMENTS.—In such plan, the Secretary shall—

(1) describe in detail the various phases for the project, along with the completion dates and a priority ranking of the goals for each such phase;

(2) provide cost estimates for each such phase and for the total project;

(3) provide findings and conclusions reached as a result of consultation, before the transmittal of the plan, with State and local officials (including officials of water districts) and the general public;

(4) provide that consultation and coordination with such officials and the general public will be carried out throughout the process of cleaning up the Arsenal;

(5) provide for priority cleanup of—

(A) the most seriously contaminated areas at the Arsenal, including the areas known as Basin F, Basin A, the South Plants Area, and section 36;

(B) other areas at the Arsenal which should be afforded priority treatment for the benefit of the general public, including the areas known as sections 7, 8, 11, and 12; and

(C) any sites, structures, equipment, or natural resources located outside the Arsenal that have been contaminated by activities carried out at the Arsenal;

(6) provide for the cleanup of the areas described in paragraph (5) without regard to whether a final disposal site for hazardous substances from the Arsenal has been selected;

(7) establish, as a priority, the use of waste-treatment technologies that will reduce significantly the amount and toxicity level of hazardous substances at or near the Arsenal;

(8) provide for selection of a final disposal site for hazardous substances from the Arsenal in a manner that will take into consideration sites, within and outside of Colorado, that—

(A) are geologically suitable to serve as such a disposal site; and

(B) are located within areas the governing bodies of which have expressed a willingness to have such a disposal site located therein;

(9) provide that all activities in the plan will be carried out in compliance with the requirements of applicable Federal and State environmental laws;

(10) provide findings and conclusions reached as a result of studying the feasibility and cost of cleansing groundwater on an expedited basis at the sources of contamination on the Arsenal; and

(11) include a statement concerning any reprogramming or supplemental appropriation of funds that may be necessary for fiscal year 1987 in order to assure an expeditious implementation of the plan.

SEC. 823. COMMUNITY PLANNING ASSISTANCE

The Secretary of Defense may use funds appropriated to the Department of Defense for fiscal year 1986 for planning and design purposes to provide planning assistance to local communities if the Secretary determines that the financial resources available to the community (by grant or otherwise) are inadequate. The Secretary may use such funds as follows:

(1) To assist communities located near newly established Light Infantry Division Posts at Fort Drum, New York, and Fort Wainwright, Alaska, $500,000.

(2) To assist communities located near newly established homeports under the Naval Strategic Dispersal Program at Staten Island, New York, and Everett, Washington, $500,000.

SEC. 824. PLAN FOR TRANSFER OF SECTION 6 SCHOOLS

(a) PLAN REQUIREMENT.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a plan which provides for the orderly transfer, not later than July 1, 1990, of all Section 6 Schools to the appropriate local school districts of the States in which such schools are located.

(2) As used in paragraph (1), the term "Section 6 Schools" means schools of the Department of Defense established under section 6 of Public Law 81-874.

(b) DEADLINE FOR SUBMISSION OF PLAN.—The plan required by subsection (a) shall be submitted not later than March 1, 1986.

SEC. 825. FURNISHING OF BEDDING FOR HOMELESS

Section 2546 of title 10, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) The Secretary concerned may provide bedding for support of shelters for the homeless that are operated by entities other than the Department of Defense. Bedding may be provided under this subsection without reimbursement, but may only be provided to the extent that the Secretary determines that the provision of such bedding will not interfere with military requirements.".

SEC. 826. USE OF WATERFRONT FACILITIES AT PORT HUENEME, CALIFORNIA

Notwithstanding any other provision of law, funds received by the Navy from its license agreement with the Oxnard Harbor District for use, on an as-available basis, of the waterfront facilities at the Naval Construction Battalion Center, Port Hueneme, California, may be used for operation and maintenance of waterfront facilities at that installation.

SEC. 827. MATERIAL AT NAVAL BASE, NORFOLK, VIRGINIA

The Secretary of the Navy may provide, without compensation, to the City of Norfolk, Virginia, not more than 50,000 cubic yards of dredged material located at the Naval Base, Norfolk, Virginia, if such city agrees to bear all costs and liabilities associated with loading, transporting, using, or otherwise handling such material.

SEC. 828. ALTERATION IN TRAILER PARK EXPANSION, HANSCOM AIR FORCE BASE, MASSACHUSETTS

(a) AUTHORITY TO ENTER INTO AGREEMENT.—In providing for the trailer park at Hanscom Air Force Base, Massachusetts, and the expansion of such park as authorized by section 302 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1508), the Secretary of the Air Force may enter into an agreement with the Massachusetts Port Authority to terminate leasehold rights of the Department of the Air Force with respect to such trailer park in exchange for—

(1) leasehold rights to other land held by such Authority and acceptable to the Secretary; and

(2) the construction, by such Authority, of roads, utilities, and trailer pads on such other land in accordance with specifications of the Secretary.

(b) LIMITATION.—The termination of the leasehold rights by the Secretary shall not become effective until the completion of the construction described in subsection (a)(2).

PART C—REAL PROPERTY TRANSACTIONS

SEC. 831. LAND CONVEYANCE, DAVIS-MONTHAN AIR FORCE BASE, TUCSON, ARIZONA

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the highest and best use of the lands described or identified in subsection (b) is public park and recreational use or public health use;

(2) the city of Tucson, Arizona, has indicated a willingness to extend the existing lease between such city and the Air Force for the lands described in subsection (c) for an additional 50 years commencing in 2002 at the existing rental rate of $773 per year;

(3) the Administrator of General Services should—

(A) assign to the Secretary of the Interior lands described in subsection (b)(1) for use as a park or recreational area; and

(B) assign to the Secretary of Health and Human Services lands described in subsection (b)(2) for public health use;

(4) the Secretary of the Interior or the Secretaries of the Interior and Health and Human Services, as the case may be, should, simultaneously with the acceptance of the extension of the lease for the lands described in subsection (c), convey to the city of Tucson, Arizona—

(A) the property described in subsection (b)(1) for use as a park or recreational area through a public benefit discount conveyance under section 203(k)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)(2)); and

(B) such land as is described in subsection (b)(2) for public health use through a public benefit discount conveyance under section 203(k)(1)(B) of such Act (40 U.S.C. 484(k)(1)(B)).

(b) DESCRIPTION OF LAND SUITABLE FOR PARK OR RECREATIONAL USE AND FOR PUBLIC HEALTH USE.—(1) The property referred to in clauses (3)(A) and (4)(A) of subsection (a) is 61 acres of real property adjacent to Golf Links/Craycroft Intersection, Davis-Monthan Air Force Base, Tucson, Arizona.

(2) The property referred to in clauses (3)(B) and (4)(B) of subsection (a) is such portion (not exceeding eight acres) of the land described in paragraph (1) as the Secretary of Health and Human Services, with the concurrence of the Secretaries of the Interior and Defense, determines to be suitable for public health use.

(c) DESCRIPTION OF PROPERTY SUBJECT TO LEASE.—The property referred to in subsection (a)(2) is 4,348.81 acres of real property owned by the city of Tucson, Arizona, at Davis-Monthan Air Force Base.

(d) SURVEYS OF PROPERTY.—The exact acreage and legal descriptions of the property to be conveyed under this section shall be determined by surveys that are satisfactory to the Secretary of the Interior or the Secretaries of the Interior and Health and Human Services, as the case may be. The cost of such surveys shall be borne by the city of Tucson, Arizona.

SEC. 832. LAND CONVEYANCE, MARCH AIR FORCE BASE, CALIFORNIA

(a) REMOVAL OF REVERTER.—Section 835 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1527), is amended—

(1) by striking out subsection (d); and

(2) by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(b) TECHNICAL AMENDMENTS.—(1) Subsection (a) of such section is amended—

(A) by striking out "Village West Foundation" and inserting in lieu thereof "Air Force Village West"; and

(B) by striking out " 'Foundation'), of San Bernardino" and inserting in lieu thereof " 'Corporation'), of Riverside".

(2) Subsection (b) and subsections (d) and (f), as redesignated by subsection (a), of such section are amended by striking out "Foundation" each place it appears and inserting in lieu thereof "Corporation".

SEC. 833. LAND CONVEYANCE, NAVAL AIR STATION, MIRAMAR, SAN DIEGO, CALIFORNIA

(a) AUTHORITY TO SELL OR EXCHANGE.—The Secretary of the Navy (hereafter in this section referred to as the "Secretary") is authorized to sell or exchange approximately 475 acres of land lying south of proposed highway SR-52 which comprises a portion of the Naval Air Station, Miramar, California. The lands sold or exchanged may not include lands authorized to be conveyed under section 837 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1529).

(b) SALE OR EXCHANGE REQUIREMENT.—The sale or exchange shall be conducted in accordance with competitive bidding procedures prescribed in section 2304 of title 10, United States Code. In no event may the land described in subsection (a) be sold or exchanged for less than the fair market value thereof.

(c) CONSIDERATION.—In consideration for the sale or exchange authorized in subsection (a), the Secretary may accept cash or land in the San Diego area, or both. Any land received shall be a suitable site (as determined by the Secretary) for military family housing.

(d) USE OF FUNDS.—(1) The Secretary is authorized to use any proceeds from the sale of lands made under this section solely for the purpose of acquiring in the San Diego area a suitable site for military family housing.

(2) Any funds received by the Secretary under this section and not used for the acquisition of a site for military family housing within 30 months after the receipt of such funds shall be deposited into the general fund of the Treasury.

(e) LEGAL DESCRIPTION OF LAND.—The exact acreage and legal description of the property sold or exchanged under this section shall be in accordance with surveys that are satisfactory to the Secretary.

(f) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 834. LAND CONVEYANCE, COLORADO SPRINGS, COLORADO

(a) AUTHORITY TO CONVEY.—Subject to subsections (b) and (c), the Secretary of the Air Force (hereafter in this section referred to as the "Secretary") is authorized to convey to the United States Olympic Committee, without consideration, all right, title, and interest of the United States in and to the approximately 3.98 acres of land (together with improvements thereon) near Colorado Springs, Colorado, which are occupied by such Committee under a lease entered into by the Secretary with such Committee pursuant to section 806 of the Military Construction Authorization Act, 1980 (Public Law 96-125; 93 Stat. 949).

(b) CONDITIONS.—The conveyance described in subsection (a) shall be subject—

(1) to the condition that the property conveyed shall be used by the United States Olympic Committee solely for activities of such Committee;

(2) to the condition that if the property conveyed is not used for the purpose de-

scribed in clause (1), all right, title, and interest in and to the property shall revert to the United States, which shall have the right of immediate entry thereon; and

(3) to such other terms and conditions as the Secretary considers appropriate to protect the interests of the United States.

(c) DESCRIPTION OF LAND.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by such Committee.

SEC. 835. LAND TRANSFER, NAVAL AIR STATION, PENSACOLA, FLORIDA

(a) TRANSFER.—The Secretary of the Navy shall transfer, without reimbursement, to the Administrator of Veterans' Affairs a tract of land consisting of approximately 15.31 acres, together with improvements thereon, at the Naval Air Station, Pensacola, Florida.

(b) USE OF LAND.—The real property transferred pursuant to subsection (a) shall become part of the Barrancas National Cemetery and shall be administered by the Administrator of Veterans' Affairs as part of the National Cemetery System under chapter 24 of title 38, United States Code.

(c) CONDITION.—If the real property transferred pursuant to subsection (a) is not used for the purpose described in subsection (b), the Administrator of Veterans' Affairs shall transfer such property, without reimbursement, to the Secretary of the Navy.

(d) DESCRIPTION OF LAND.—The exact acreage and legal description of the property to be transferred under subsection (a) shall be determined by a survey approved by the Secretary.

SEC. 836. NAVIGATION RIGHTS ON SANTA ROSA ISLAND, FLORIDA

The Act entitled "An Act to authorize the Secretary of the Army to sell and convey to Okaloosa County, State of Florida, all right, title, and interest in the United States in and to a portion of Santa Rosa Island, Florida, and for other purposes", approved July 2, 1948 (62 Stat. 1229), is amended by adding at the end thereof the following new section:

"SEC. 5. The prohibition contained in subdivision d. of the first section against the erection of any structure or obstacle on the land conveyed under this Act in excess of seventy-five feet above mean low-water level shall be deemed to be a prohibition against the erection of a structure or obstacle in excess of two hundred feet above mean low-water level in the case of that portion of such land on Santa Rosa Island which is east of the Destin East Pass and known as Holiday Isle.".

SEC. 837. TERMINATION DATE FOR CERTAIN LAND CONVEYANCE AUTHORITY AT EGLIN AIR FORCE BASE, FLORIDA

Section 808 of the Military Construction Authorization Act, 1983 (Public Law 97-321; 98 Stat. 1575), is amended by adding at the end the following new subsection:

"(d) The authority of the Secretary under this section shall terminate on October 1, 1990.".

SEC. 838. LAND EXCHANGE, JACKSONVILLE, FLORIDA

(a) IN GENERAL.—Subject to subsections (b) through (f), the Secretary of the Navy (hereafter in this section referred to as the "Secretary") is authorized to convey to the NEW MET Company (hereafter in this section referred to as the "Company") all right, title, and interest of the United States in and to approximately 39.5 acres of unimproved land comprising a portion of the Naval Station, Mayport, Florida, located adjacent to the Ribault Bay Village Navy housing area.

(b) CONSIDERATION.—In consideration for the conveyance by the Secretary under subsection (a), the Company shall convey to the United States a parcel of land consisting of approximately 31.7 acres located in the vicinity of the Ribault Bay Village Navy housing area.

(c) OBLIGATIONS OF PARTIES.—The specific obligations of the Secretary and the Company shall be those set forth in a memorandum of understanding between the parties dated February 19, 1985.

(d) PAYMENT BY THE COMPANY.—If the fair market value of the land conveyed to the Company under subsection (a) exceeds the fair market value of the land conveyed to the United States under subsection (b), as determined by the Secretary, the Company shall pay the difference to the United States.

(e) SURVEY.—The exact acreages and legal descriptions of the lands to be conveyed under this section shall be determined by surveys which are satisfactory to the Secretary. The cost of any such survey shall be borne by the Company.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 839. LAND CONVEYANCE, FORT WILLIAM H. HARRISON, MONTANA

(a) AUTHORITY TO CONVEY.—Subject to subsection (b), the Secretary of the Army (hereafter in this section referred to as the "Secretary") is authorized to convey, without consideration, to the State of Montana all right, title, and interest of the United States in and to approximately 65.4 acres of unimproved land located in the southeast corner of Fort William H. Harrison, Montana, and presently under license to the State of Montana for National Guard use.

(b) CONDITIONS.—(1) The conveyance authorized by subsection (a) shall be subject to the condition that the property conveyed by the Secretary be used by the State to establish a State veterans' cemetery.

(2) If the property conveyed pursuant to subsection (a) is not used for the purposes described in paragraph (1), all right, title, and interest in and to such property shall revert at no cost to the United States, which shall have the right of immediate entry thereon.

(3) The Secretary shall reserve to the United States in the property conveyed by the Secretary a waterline easement for use by the Veterans' Administration Hospital near Fort William H. Harrison.

(c) LEGAL DESCRIPTION OF LAND.—The exact acreage and legal description of the property to be conveyed under subsection (a) and of the easement to be reserved under subsection (b)(3) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the State.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such other terms and conditions with respect to the conveyance as the Secretary considers appropriate to protect the interests of the United States.

SEC. 840. LAND CONVEYANCE, FORT JACKSON, SOUTH CAROLINA

(a) AUTHORITY TO SELL.—Subject to subsections (b) through (g), the Secretary of the Army (hereafter in this section referred to as the "Secretary") may sell all or any portion of that tract of land which comprises a portion of Fort Jackson, South Carolina, known as the Gregg Circle Area, consisting of 300 acres more or less.

(b) CONDITIONS OF SALE.—Before the Secretary enters into a contract for the sale of all or a portion of the property referred to in subsection (a), the prospective buyer shall be required—

(1) to submit to the Secretary a master plan for the development of the land that is acceptable to both the Secretary and the appropriate officials of the city of Columbia, South Carolina; and

(2) at the option of the Secretary, to enter into an agreement with the Secretary under which the prospective buyer agrees that if all or a portion of the land referred to in subsection (a) is conveyed to the buyer, the buyer will be required—

(A) to construct, at the option of the Secretary, on a portion of the land to be conveyed or on a portion of the land not conveyed up to 400 units of family housing in accordance with specifications and standards prescribed by the Secretary at the time the land is offered for sale;

(B) to have the housing units ready for occupancy not later than 2 years after the date of the conveyance of such land to the prospective buyer; and

(C) at the option of the Secretary—

(i) lease the housing units to the Army pursuant to section 2828(g) of title 10, United States Code; or

(ii) set aside the housing units for military personnel in exchange for a guarantee by the Secretary of the rental of the set-aside housing units in accordance with section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note).

(c) COMPETITIVE BID REQUIREMENT; MINIMUM SALE PRICE.—(1) The sale of any of the land referred to in subsection (a) shall be carried out under publicly advertised, competitively bid, or competitively negotiated contracting procedures.

(2) In no event may any of the land referred to in subsection (a) be sold for less than its fair market value.

(d) REPORT REQUIREMENTS.—(1) The Secretary may not enter into any contract for the sale of any or all of the land referred to in subsection (a) unless—

(A) the Secretary has submitted a report to the appropriate committees of Congress containing the information required in section 2828(g)(6)(A) of title 10, United States Code; and

(B) a period of 21 days has expired following the date on which the economic report referred to in such section is received by those committees.

(2) Any report submitted under paragraph (1) shall include—

(A) a description of the price and terms of the proposed sale;

(B) a description of the procedures used in selecting a buyer for the land; and

(C) all pertinent information regarding the family housing to be made available for military personnel under this section.

(e) USE OF PROCEEDS OF SALE.—(1) The Secretary may use the proceeds from the sale of any of the land referred to in subsection (a)—

(A) to provide for military family housing for military personnel stationed at Fort Jackson in the manner prescribed in subsection (b)(2) or in such other manner as the Secretary may prescribe;

(B) to provide for security and access routes to facilities at Fort Jackson for military personnel housed or to be housed in the housing units to be constructed on such land; and

(C) to construct necessary facilities for up to 100 mobile trailer home sites at Fort Jackson.

(2) Any proceeds of the sale not used for such purposes shall be covered into the general fund of the Treasury.

(f) LEGAL DESCRIPTION OF LAND.—The exact acreage and legal description of the land to be conveyed under this section shall be determined by a survey approved by the Secretary.

(g) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions in connection with any transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

(h) ADDITIONAL AUTHORITY.—The military family housing authorized under this section is in addition to any military family housing otherwise authorized by law.

SEC. 841. LAND CONVEYANCE, NAVAL WEAPONS STATION, CHARLESTON, SOUTH CAROLINA

(a) AUTHORITY TO CONVEY.—Subject to subsections (b) through (h), the Secretary of the Navy (hereafter in this section referred to as the "Secretary") is authorized to convey to the Westvaco Corporation of New York (hereafter in this section referred to as the "Corporation") all right, title, and interest of the United States in and to approximately 47.83 acres of land, together with improvements thereon, which comprise that portion of the Navy Weapons Station, Charleston, South Carolina, located at Remount Road and Virginia Avenue.

(b) CONSIDERATION.—In consideration for the conveyance authorized by subsection (a), the Corporation shall—

(1) pay for the cost of construction of suitable replacement facilities to be constructed in a manner and at a site determined by the Secretary;

(2) pay for the cost of removing any existing improvements on the replacement site; and

(3) pay for the cost of relocating from the facilities located on the land to be conveyed by the Secretary to the replacement facilities.

(c) AUTHORITY TO USE FUNDS.—The Secretary is authorized to receive, obligate, and disburse any funds received under subsection (b) to cover design, construction, relocation and related costs specified in the memorandum of understanding referred to in subsection (d).

(d) OBLIGATIONS OF PARTIES.—The specific obligations of the Secretary and the Corporation shall be those set forth in a memorandum of understanding between the parties that became effective April 17, 1985.

(e) VACATING PROPERTY.—Upon completion and occupancy of the replacement facilities by the Navy and payment of all costs by the Corporation, the Navy shall promptly vacate the property described in subsection (a) and convey the property by quitclaim deed to the Corporation.

(f) PAYMENT OF ANY EXCESS.—If the fair market value of the property conveyed under subsection (a) exceeds the consideration paid under subsection (b), as determined by the Secretary, the Corporation shall pay the difference to the United States.

(g) LEGAL DESCRIPTION OF LAND.—The exact acreage and legal description of any land conveyed under this section shall be determined by a survey which is satisfactory to the Secretary. The cost of such survey shall be borne by the Corporation.

(h) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions under this section as the Secretary considers appropriate to protect the interest of the United States.

SEC. 842. PROPERTY MANAGEMENT

(a) FORT MCNAIR.—The Administrator of General Services shall transfer approximately 10.5 acres of surplus land adjacent to Fort McNair, Washington, D.C., to the Secretary of the Army, without reimbursement, for use by the Secretary in connection with the National Defense University.

(b) ARLINGTON HALL STATION.—Upon the relocation of the Army Intelligence and Security Command and other Defense activities from Arlington Hall Station to new quarters, the Secretary of the Army shall transfer approximately 72 acres of the tract of land known as Arlington Hall Station, together with improvements thereon, to the Secretary of State, without reimbursement, to be used as a center for the training and instruction of personnel in the field of foreign relations, as authorized by chapter 7 of the Foreign Service Act of 1980 (22 U.S.C. 4021-4026), and for such other purposes as the Secretary of State may consider appropriate.

And the House agree to the same.

LES ASPIN,
RONALD V. DELLUMS,
G.V. MONTGOMERY,
EARL HUTTO,
MARVIN LEATH,
WM. L. DICKINSON,
G. WILLIAM WHITEHURST,
KEN KRAMER,
Managers on the Part of the House.

STROM THURMOND,
JOHN W. WARNER,
GORDON J. HUMPHREY,
JOHN P. EAST,
JEFF BINGAMAN,
JOHN C. STENNIS,
GARY HART,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1042) to authorize certain construction at military installations for fiscal year 1986, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

COMPARISON OF HOUSE AND SENATE BILLS

As passed by the Senate, S. 1042 provided $8,831,012,000 in new authorization.

The House amendment provided $9,200,000,000 in new authorization.

The Department of Defense and the respective military departments requested $10,309,471,000.

SUMMARY OF RESOLUTION OF DIFFERENCES

As a result of the conference between the House and Senate on S. 1042, the conferees agree to an authorization for appropriations for military construction and family housing for fiscal year 1986 of $9,199,824,000.

Authorization for appropriations conference agreement, fiscal year 1986

Section 601 (Army):	
Inside the United States.	$1,089,432,000
Outside the United States	429,140,000
Unspecified minor construction	31,000,000
Planning and design	136,100,000
Family housing construction	356,337,000
Family housing support..	1,270,794,000
Subtotal	3,312,803,000
Section 602 (Navy):	
Inside the United States.	1,304,480,000
Outside the United States	201,185,000
Unspecified minor construction	21,560,000
Planning and design	139,260,000
Defense access roads	2,960,000
Family housing construction	154,000,000
Family housing support..	584,739,000
Subtotal	2,408,184,000
Section 603 (Air Force):	
Inside the United States.	1,47,207,000
Outside the United States	415,550,000
Unspecified minor construction	22,000,000
Planning and design	144,096,000
Defense access roads	30,240,000
Family housing construction	212,600,000
Family housing support..	729,298,000
Subtotal	2,700,991,000
Section 604 (Defense Agencies):	
Inside the United States.	95,149,000
Outside the United States	104,146,000
Unspecified minor construction	4,000,000
Contingency construction	5,000,000
Planning and design	30,000,000
Family housing construction	1,910,000
Family housing support..	18,390,000
Subtotal	258,595,000
Section 605 (NATO Infrastructure)	38,000,000
Section 701 (Guard and Reserve Force):	
Army National Guard	149,101,000
Army Reserve	70,700,000
Naval and Marine Corps Reserve	51,800,000
Air National Guard	139,000,000
Air Force Reserve	70,650,000
Subtotal	481,251,000
Total authorization of appropriations	$9,199,824,000

GENERAL TOPICS

CONFERENCE GUIDELINES

There were several hundred projects or language items in dispute between the House and Senate versions of the military construction authorization bill. To facilitate the resolution of these differences the conferees established the following conference guidelines:

1. A target of $9.2 billion in budget authority was determined to represent the amount that the conferees could authorize for appropriations to stay within the $302.5 billion defense function adopted by the Congress in the budget resolution for fiscal year 1986.

2. Within this target, priority was given to restoring those adequately justified projects that had been included in the budget request but deferred by either the House or the Senate for budgetary reasons.

3. Prior year savings that are expected to result from a strong dollar against NATO currencies and from a good bidding climate in the construction industry were used to reduce the authorization for appropriations.

BASE CLOSURES

It has been estimated that millions of dollars could be saved annually if non-essential bases throughout the United States were closed. In February of 1985, the Secretary of Defense released to the Senate a "notional" list of the types of bases that could be closed if the Department of Defense had sufficient legislative authority. Although the "notional" list was never officially submitted to the House of Representatives, hearings were conducted on this issue and related legislation. The conferees believe that the streamlined provisions contained in the fiscal year 1986 defense authorization act will permit the Secretary of Defense to close non-essential bases. The Secretary of Defense is strongly encouraged to take aggressive action in this area.

The conferees expect to see the Secretary's decisions to close bases as a part of the upcoming fiscal year 1987 budget request. In the meantime, no project in this year's budget was deferred due to base closure consideration. The Department of Defense is directed not to obligate or expend funds authorized in this act for bases that are under serious consideration for closure.

HOMEPORTING

The conferees agree to provide $17,640,000 to initiate land acquisition for the aircraft carrier battle group homeport at Everett, Washington and $21,460,000 to begin construction for the surface action group homeport at Staten Island in New York. This is part of an overall plan to develop homeports along the east, west and gulf coasts.

The conferees have serious concerns that at a time when the defense budget is under severe constraints, the Navy is starting a billion dollar construction program. Such a program could make modernization of our existing bases unaffordable. Therefore, the conferees direct the Secretary of the Navy to prepare a detailed report that justifies the homeporting program on the basis of military necessity and cost effectiveness. The report should describe by year the number and type of ships planned for each port and the overall plan for facility development, including costs. The plan should describe the entire deployment as well as that portion necessary for initial operating capability (IOC). No funds authorized by this act may be obligated or expended until 90 days after the Congress receives this report.

SECTION 6 SCHOOLS

The Senate bill authorized $31,606,000 for section 6 dependent schools in the United States. The House amendment contained no authorization for this purpose. The House recedes.

Section 6 schools are dependent schools on military bases within the United States and its territories that are operated and maintained by the Secretary of Defense. The conferees agree to fund the Defense Department's request for construction, recognizing that the requirements are valid. However, the objective of the Secretary of Defense is to ultimately transfer these schools to local education districts and the conferees strongly agree.

The General Accounting Office (GAO) has been asked to study the problem and report back to the Committees on Armed Services of the Senate and the House of Representatives by March 1986. Preliminary indications are that while impediments exist, transfer is feasible. The Secretary of Defense is directed, therefore, to submit a plan by March 1, 1986 to the Committees on Armed Services of the Senate and the House of Representatives that will provide for the orderly transfer of all section 6 schools in the United States by July 1, 1990. Such a plan should take into consideration the findings of GAO. Future requests for construction funds should be consistent with this plan for transfer.

THIRD PARTY FINANCING

The Senate bill contained a provision (sec. 817) that would authorize construction of child care centers, waste water treatment and depot facilities with private sector financing. The House bill contained no similar provision.

The House recedes.

The conferees are convinced that third party financing can provide a supplement to military construction funds to meet some of the services' requirements. However, the Department of Defense has not pursued this avenue vigorously enough.

Some of the problems in using this approach come from acquisition regulations that are not suited to this method of contracting. Other problems result from the government's interpretation of risk and liabilities. The Department of Defense should carefully review how best to develop a workable and cost effective way to accomplish third party contracting and report its findings to the Committees on Armed Services of the Senate and the House of Representatives by March 1, 1986.

CHILD CARE CENTERS

The Senate bill denied funding for child care centers in CONUS, despite their need, because at the time of the Senate's consideration of the military construction authorization bill the services had not completed the previously authorized test seeking third party financing as required by the fiscal year 1985 military construction authorization act. The House amendment authorized $24.7 million for Army child care centers but prohibited obligation of funds until after review of the bids which were being received while the bill was under consideration.

The Army has since reported the results of its effort and has identified some real concerns regarding issues of subsidies, guaranties and other operational impediments to a successful third party effort.

The conferees agree to authorize $23,600,000 for Army child care centers, based on the need at the proposed sites to provide safe and adequate facilities. Although the Army pilot effort was unfavorable, the conferees believe that a third party financing approach may still be a viable option, given statutory relief. Therefore, the Secretary of Defense is directed to evaluate the Army effort, as well as the other service efforts underway, to determine what statutory relief and what concept for third party financing would make private sector funding for child care centers more competitive. A report of this evaluation must be provided by March 1, 1986 with suggested legislative language that would be required for implementation.

The requirement to test the third party approach on a base belonging to the Navy and Air Force remains; however, this effort should be coordinated to ensure that the Navy and Air Force tests make use of the experience gained in the Army test to remove any unnecessary non-statutory impediments to a successful third party contract.

The Senate recedes.

MEDICAL FACILITIES CONSTRUCTION PROGRAM

Many military medical facilities are antiquated and in need of either modernization or replacement. Construction over the next five years is expected to cost $4 billion. Last year, Congress directed the Secretary of Defense to establish a "Blue Ribbon Panel on Sizing Department of Defense Medical Treatment Facilities" to review, among other things, the appropriate sizing and utilization of military medical facilities. The Blue Ribbon Panel issued its final report on June 28, 1985. Unfortunately, the report came too late to be of substantial benefit to the Committees on Armed Services of the Senate and the House of Representatives during consideration of the bill.

However, the conferees agree to authorize $157,760,000 for certain medical facilities inside the United States, and $79,620,000 for medical contingency facilities in several overseas locations.

Future requests for authorization for medical facilities will be carefully matched against the comments and recommendations of both the Blue Ribbon Panel and the Assistant Secretary of Defense for Health Affairs. In addition, the conferees intend to continue their own independent review of the sizing of medical treatment facilities.

U.S. FORCES IN SPAIN

The Department of Defense requested $19.2 million in projects for U.S. Naval and Air Force bases in Spain. The Senate approved the request in its bill. The House deferred the projects.

The conferees agree to defer all but one of the projects because the United States and Spain are currently engaged in talks on whether the number of U.S. forces in Spain should be reduced. The conferees believe it is prudent to postpone the projects—with one exception—for this fiscal year to provide time for the force-size question to be resolved. The exception is a $2.9 million medical contingency complex at Torrejon Air Base.

LEASING AND RENTAL GUARANTEE TEST PROGRAM FOR MILITARY FAMILY HOUSING

The Department of Defense requested the continuation, without limitation, of the Military Family Housing Leasing Program and the Military Housing Rental Guarantee Program (sec. 801 and sec. 802, respectively, of the military construction authorization act of fiscal year 1985, Public Law 98-115).

The House amendment extended for one year the existing programs but did not provide additional leasing authority. The Senate bill extended the program for one year but removed any restrictions on the number of units that could be leased or the number of contracts that could be entered into.

The conferees continue to support these test programs in the belief that they may be

able to provide urgently needed military family housing quicker and at a lower cost than the military construction alternative. However, the conferees are concerned that the economic analyses that have been submitted to support these projects may not be providing complete and accurate information to the Congress. To assist in the analysis of these programs, the General Accounting Office (GAO) has been requested to provide the committees with a report that evaluates the current methodology employed in the economic analysis prepared by the services giving particular attention to the triservice family housing model, the accuracy of other cost estimates and the advisability of having the government enter into long-term lease agreements.

As soon as a project has been totally constructed, the General Accounting Office is to examine the quality of these houses as opposed to military housing constructed through the conventional military construction process. The GAO report is to be presented to the Committees on Armed Services of the Senate and the House of Representatives by March 15, 1986. At that time, the committees will reexamine whether these test programs should be continued and if so, what, if any, changes are required to make the program more successful.

Pending receipt of this report, the conferees agree to extend the present test program for one additional year and provide for the services to enter into 600 additional leases for the military family housing leasing program and an additional 600 units under the military housing rental guarantee program with no limitation on the number of contracts that can be entered into.

TURN-KEY SELECTION PROCEDURES

The House amendment contained a provision that would allow the Secretaries of the Military Departments, with the approval of the Secretary of Defense, to enter into three contracts per service per year for the construction of authorized military construction projects using one-step turn-key, competitive selection procedures. The Senate bill contained no similar provision. The Senate recedes with an amendment that would delay the effective date for one year and shorten the time period for the use of this pilot authority.

The conferees intend that the phrase "authorized military construction projects" means projects which have been subjected to the normal authorizing and appropriating process. This language provides no independent authority to enter into military construction contracts, but only authority to enter into a single contract for both design and construction once Congress has approved those projects during the normal budget process.

The conferees further expect the Department of Defense to explicitly indicate in its budget request for each fiscal year those projects that have been selected for construction under the turn-key selection procedures. The Committees on Armed Services of the Senate and the House of Representatives will consider the merits of each project recognizing the request to use this special contracting procedure.

PLAN FOR THE CLEANUP OF ROCKY MOUNTAIN ARSENAL

In section 811, the House approved a provision that would direct the Secretary of the Army to develop and provide by December 31, 1985, a report setting forth a comprehensive plan for the cleanup of all contamination at Rocky Mountain Arsenal, Colorado, by September 30, 1993.

To meet the requirements of the National Contingency Plan, which provides Federal guidelines for the effective cleanup of contaminated sites, the conferees agree to extend the submission date for the plan until September 1, 1986. This nine month extension will permit the Department of the Army to complete and fully analyze the results of the Remedial Investigation Feasability Study, required by the National Contingency Plan, and submit a plan to Congress that will be supported by substantiated technical data.

LAND TRANSFER MIRAMAR NAVAL AIR STATION

The Senate bill included a provision (sec. 818) that would give the Secretary of the Navy authority to sell certain designated property at Miramar Naval Air Station, San Diego, California and to retain the proceeds for use in obtaining additional military family housing in the San Diego area. No similar provision was contained in the House Amendment.

The House recedes.

The conferees direct the Secretary of the Navy to notify the appropriate committees of the Congress before any funds derived from the sale of the property are expended for the acquisition of additional family housing sites.

INCREMENTAL FUNDING

The conferees agree to authorize the service Secretaries or Directors of Defense Agencies to enter into contracts for the full amount of the design and construction for the following three projects: The Eastern Distribution Center, New Cumberland Army Depot; Madigan Army Medical Center; and the Research and Engineering Facility for the National Security Agency.

The conferees expect the Department of Defense to phase the requests for funding over the next several years.

LAND TRANSFERS

Both the Senate and House bills contain a variety of porposals to transfer property between and from the various services. While the conferees have considered each of those projects on their merits, we are concerned that land transfer requests lack any standardize dormat. The conferees intend to develop standard statutory language for all land transfers, and place a heavy responsibility on proponents of a legislative land transfer using a differing format.

TITLE I—ARMY

The Senate bill provided $3,141,513,000 in authorization for the Department of the Army military construction and family housing programs. The House amendment provided authorization of $3,410,786,000 for such purposes. The conferees agree to authorize appropriations for projects in Title I in the amount of $3,312,803,000 which is $97,983,000 below the House figure and $171,290,000 above the Senate figure. Among the items considered in conference and acted upon by the conferees were the following:

AVIATION MUSEUM, FORT RUCKER, ALABAMA

The House amendment contained $2,500,000 in authorization as the Federal share of a project to construct an aviation museum at Fort Rucker, Alabama. Private funds are being raised to match the proposed Federal contribution. The Senate bill contained no similar provision.

The Senate recedes.

The conferees agree to authorize an appropriation of $2,500,000 for the Fort Rucker aviation museum. However, the Secretary of the Army may not obligate the funds until an equal amount of matching funds is on hand from other sources. The conferees further direct the Secretary to report to the Committees on Armed Services of the senate and the House of Representatives when the matching funds are available.

MADIGAN ARMY MEDICAL CENTER

The conferees carefully reviewed the findings of the Blue Ribbon Panel on Sizing Department of Defense Medical Treatment Facilities with respect to the proposed replacement hospital for Madigan Army Medical Center at Fort Lewis, Washington.

In its final report, the Blue Ribbon Panel found that the number of occupied beds required for the replacement hospital is not appreciably larger than the number required today. The panel suggested that only a 375-bed hospital would be justified, 103 beds fewer than the 478 beds recommended by the Army and used in the design of the Madigan facility. While that panel did not recommend reducing the size of the new hospital, it did state that it lacked sufficient time and comprehensive data to "perform a more precise analysis of the requirements for the replacement of Madigan."

Based on patient load projections reported by the Army and the Assistant Secretary of Defense for Health Affairs and the declining average daily patient load at Madigan during the past several years, the conferees direct the Army to reduce the previously approved replacement hospital to one of approximately 400 beds. Based on information supplied to the conferees, this can be achieved by reducing the size of the currently designed nursing tower by one floor and making minor adjustments to lower floors.

With these directions, the conferees agree to approve the House provision relating to Madigan.

NEW CUMBERLAND ARMY DEPOT, PENNSYLVANIA

The House authorized $88 million for the Eastern Distribution Center at New Cumberland Army Depot, New Cumberland, Pennsylvania with an accompanying authorization for appropriations of $15 million and continuing contract authority. The Senate deferred this project pending the Army's review for a potential third-party contract.

The Senate recedes.

Although the conferees believe that third-party contracting is a viable alternative, they believe that the delay for such a review might cost the government more than it would save. However, it is the understanding of the conferees that the Army is also considering the Red River Depot in Texas for modernization. The Committees on Armed Services of the Senate and the House of Representatives will not consider any request for military construction funds for the Red River project until the Secretary of the Army has reviewed its potential for third-party contracting and has reported back to the Committees on Armed Services of the Senate and the House of Representatives.

SECURITY UPGRADE AT PERSHING II MISSILE SITES

The House amendment authorized $101,000,000 for the construction of facilities necessary to increase the security and safety for Pershing II missile sites at various locations in Germany. Of this amount, $56 million was authorized from prior year savings. The remainder was authorized to be funded from future savings or from available appropriations resulting from cancelled

programs. The Senate bill contained no similar provision.

The Senate recedes.

The conferees agree that the lack of security at Pershing II missile sites is a serious problem and must be corrected as quickly as possible. However, the conferees are concerned that there be proper oversight of the projects to be constructed under this authority. The Secretary of the Army is, therefore, directed to provide a complete explanation and justification for the security upgrade program and to notify the Committees on Armed Services of the Senate and the House of Representatives not less than 21 days before the initial obligation of funds for such construction. Notification is also to be made 21 days prior to the cancellation of any authorized project for the purpose of funding this program.

TITLE II—NAVY

The Senate bill provided $2,345,003,000 in authorization for the Department of the Navy military construction and family housing programs. The House amendment provided authorization of $2,602,234,000 for such purposes. The conferees agree to a new total in Title II of $2,408,184,000 which is $194,050,000 below the House figure and $63,181,000 above the Senate figure.

BRIGADE ACTIVITIES CENTER, NAVAL ACADEMY, ANNAPOLIS, MARYLAND

The Senate bill authorized $21,600,000 for the brigade activities center at the Naval Academy. No authorization was provided by the House.

The conferees agree to authorize for appropriations $16.6 million for the project based on the understanding that the Naval Academy Alumni Association has agreed to provide additional funds for the project.

The Navy is, therefore, directed to seek non-appropriated funds to augment the military construction appropriations in order to complete this project.

MODERNIZATION OF NAVY BRIGS

The Senate bill authorized three brigs requested for Jacksonville, Florida, Memphis, Tennessee, and Seattle, Washington. The House deferred the three brigs without prejudice, recommending that the Department of the Navy study the possibility of consolidating its brig system.

The Navy has subsequently advised the Committees on Armed Services of the Senate and the House of Representatives that it has revised its brig system to consider consolidation and a less costly alternative to those that were requested in the budget; however, these three alternative brigs are still under design.

In order to allow the Navy sufficient time to implement its revised brig system, the conferees agree to defer the requested brigs. The conferees also agree that the new brig system is a worthwhile improvement and suggest that the Navy include these re-designed brigs in the fiscal year 1987 budget request.

NAVAL POST GRADUATE SCHOOL PROJECT, MONTEREY, CALIFORNIA

The Navy requested $13 million for an ocean sciences building at the Naval Post Graduate School in Monterey, California. This project was authorized in the House amendment; however, the request for additional facilities at the Naval Post Graduate School was deferred by the Senate pending justification of this building based solely on the academic needs at the Naval Post Graduate School as opposed to Naval oceanographic requirements which the committee feels should be consolidated at the Naval Oceanography Command headquarters located elsewhere.

The House recedes.

The conferees expect the Navy to resubmit the project in its fiscal year 1987 military construction program.

SEWERAGE TREATMENT FACILITY, NAVAL SHIPYARD, MARE ISLAND, CALIFORNIA

The House bill authorized $5,100,000 to pay for the Navy's share of improvements to the Vallejo Sanitation and Flood Control District's municipal sewer system. The Senate did not authorize the improvements.

The Vallejo Sanitation and Flood Control District is currently in the process of advertising for the construction of the improvements and has sufficient funds to cover the construction contract. The conferees understand that the funds for the Navy share are not required until the construction is completed in fiscal year 1988. The conferees therefore, direct the Navy to include this project in a budget that will facilitate the payment of the Navy's share prior to the completion of the construction.

NAVAL AIR REWORK FACILITY, CHERRY POINT, NORTH CAROLINA

The House amendment authorized $15.9 million for construction of an aircraft engine blade/vane rework facility at Cherry Point, North Carolina. No authorization was included in the Senate bill for this purpose.

The conferees agree to defer this project because of budget constraints. The fiscal year 1985 military construction appropriations report (House Report 98-850) directed that funds to construct the aircraft engine blade/vane rework facility at Cherry Point, North Carolina be included in the fiscal year 1986 budget request. However, it as not included. The conferees, therefore, believe that the Navy should include this project in its fiscal year 1987 budget submission.

TITLE III—AIR FORCE

The Senate bill provided $2,624,041,000 for military construction and military family housing for the Department of the Air Force. The House amendment provided $2,809,561,000. The conferees agree to a new total of $2,700,991,000, which is $108,570,000 below the House figure and $76,950,000 above the Senate figure.

REGIONAL WASTEWATER CONNECTION, MCCLELLAN AIR FORCE BASE, CALIFORNIA

The House amendment authorized $5.1 million to construct a trunk line that would connect McClellan Air Force Base to the Sacramento Regional Sanitation System. The Senate bill did not authorize this project.

The conferees agree to defer authorization for this project due to budget constraints; however, they recognize it as an important project that is required in order for the base to comply with state regulations. The base is currently under order by the California Regional Water Quality Control Board to "cease and desist" the discharge of its wastewater ito Magpie Creek by August 1987.

Therefore, the Secretary of the Air Force is directed to submit this project in the fiscal year 1987 budget request.

TITLE IV—DEFENSE AGENCIES

The Senate bill authorized $269,000,000 in new construction for Defense Agencies while the House amendment provided $203,025,000. The conferees agree to a new total of $258,595,000, which is $55,570,000 above the House figure and $10,405,000 below the Senate figure.

TITLE V—NATO INFRASTRUCTURE

The Senate bill authorized $38,000,000 for the NATO Infrastructure program.

The House amendment provided authorization in the amount of $55,000,000 for the NATO fund.

Believing that the U.S. dollar will continue to be strong against foreign currencies through fiscal year 1985, the conferees agree to $38,000,000 authorization for the program.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS AND ADMINISTRATIVE PROVISIONS

OVERSEAS HOUSING LEASES

In section 607, the House amendment provided authority to lease up to 34,000 units of family housing at any one time in foreign countries. The Senate bill approved the Defense Department's request for 32,000 units, which is 2,000 units above the authorized level for fiscal year 1985.

The House recedes.

The conferees agree to authorize 32,000 units in the belief that the requirement for leased housing in foreign countries should be reduced as a result of the new construction of family housing authorized in fiscal year 1986 and prior years.

TITLE VII—GUARD AND RESERVE

The Senate bill provided a lump sum authorization of $413,455,000 for the Guard and Reserve construction program. The House amendment contained authorization of $496,840,000. Included in this amount was $40 million added by the House for minor construction projects to reduce the backlog in training and storage facilities as a result of increased mission requirements.

The conferees agree to authorize $481,251,000 which is $67,796,000 above the Senate figure and $15,589,000 below the House figure.

HIGH PRIORITY PROJECTS

In addition to the projects approved in the budget request, authorization is included to construct the following high priority items from the lump-sum authorization:

[Dollars in thousands]

Army National Guard:	
Armories, AL—Construct four armories:	
Demopolis, AL	647
Oneonta, AL	853
Double Springs, AL	593
Valley, AL	578
Camp Blanding, FL—Ammunition storage facility	321
Camp Blanding, FL—Water system modification	203
Camp McCain, MS—Land acquisition	3,300
Jefferson City, MO—Armory addition and alteration	1,342
Lexington, MO—Armory addition and alteration	844
Hobbs, NM—Armory	755
Scranton/Wilkes Barre, PA—Armory and aviation support facility	7,565
Various Locations—Unspecified minor construction	30,000
Air National Guard:	
Phelps Collins Air National Guard Base, MI: Winterize dormitories	1,800
Air Force Reserve:	
Eglin Air Force Base, FL: Flight simulator facility	3,800

Fiscal Year 1986 Military Construction Authorization of Appropriations

INSIDE THE UNITED STATES

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	ALABAMA			
ARMY				
Anniston Army Depot				
Ammunition Container Loading Yard	750	750	750	750
Facility Energy Improvements	360	360	360	360
Machine Shop	3,150	3,150	3,150	3,150
Vehicle Repair Facility	4,700	4,700	4,700	4,700
Fort McClellan				
General Instruction Building	12,800	12,800	12,800	12,800
Unaccompanied Enlisted Personnel Housing	23,000	23,000	23,000	23,000
Unaccompanied Officer Housing	3,550	3,550	3,550	3,550
Redstone Arsenal				
Child Care Center	1,500	1,500	0	1,500
Hangar Missile Test Facility	5,300	5,300	5,300	5,300
Propulsion Aging Laboratory	3,100	3,100	3,100	3,100
Target and Seeker Measurement Facility	2,250	2,250	2,250	2,250
Unaccompanied Enlisted Personnel Housing	13,600	13,600	13,600	13,600
Fort Rucker				
General Instruction Building	2,350	2,350	2,350	2,350
Land Acquisition	1,200	1,200	1,200	1,200
Museum Site Preparation and Utilities	0	2,500	0	2,500
Unaccompanied Officer Housing	5,900	5,900	5,900	5,900
AIR FORCE				
Gunter Air Force Station				
Add to Computer Facility	6,000	6,000	6,000	6,000
Maxwell Air Force Base				
Add to and Alter Historical Research Center	2,800	2,800	0	2,800
Alter Electrical Distribution Facility	3,300	3,300	3,300	3,300
Squadron Officers School-Leadership Development Complex	1,900	1,900	1,900	1,900
Visiting Officer Quarters	0	4,000	0	4,000
Family Housing Improvements	(31)	(31)	(31)	(31)
ARMY NATIONAL GUARD				
Demopolis				
Armory	0	647	0	647
Double Springs				
Armory	0	593	0	593
Linden				
60-Person Armory	627	627	627	627
Fort McClellan				
Organizational Maintenance Shop	389	389	389	389
Oreonta				
Armory	0	853	0	853
Thomasville				
60-Person Armory	500	500	500	500
Troy				
Armory Addition	453	453	453	453
Valley				
Armory	0	578	0	578

NOTE: Parenthetical entries are non-add.

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	ALABAMA (Cont.)			
ARMY RESERVE				
Anniston				
Add to and Alter Reserve Center/ Maintenance/Storage	4,349	4,349	4,349	4,349
Total, ALABAMA	103,828			112,999
	ALASKA			
ARMY				
Fort Greely				
Child Care Center	2,500	2,500	0	2,500
Fort J. M. Wainwright				
Barracks Modernization	12,000	12,000	12,000	12,000
Steam Line Insulation	2,000	2,000	2,000	2,000
Fort Richardson				
Dining Facility Modernization	2,050	2,050	2,050	2,050
Secure Operations Building	1,550	1,550	1,550	1,550
NAVY				
Naval Facility, Adak				
Electric Power Plant	2,650	2,650	2,650	2,650
Naval Security Group Activity, Adak				
Security Improvements	980	980	980	980
Naval Air Station, Adak				
Family Housing New Construction (100 units)	(15,500)	(15,500)	(15,500)	(15,500)
AIR FORCE				
Attu				
Seismic Operations and Data Transmission Facility	910	910	910	910
Clear				
Satellite Communications Ground Terminal	4,500	4,500	4,500	4,500
Eielson Air Force Base				
Add to and Alter Central Heat-Power Plant	25,500	25,500	0	25,500
Alter Unaccompanied Enlisted Personnel Housing	5,500	5,500	5,500	5,500
Fire Protection - Hangar	4,200	4,200	4,200	4,200
Maintenance Hangar	6,000	6,000	6,000	6,000
Refueling Vehicle-Petroleum Operations Facilities	2,200	2,200	2,200	2,200
Sound Suppressor Support	1,550	1,550	1,550	1,550
Family Housing Improvements	(1,892)	(1,892)	(1,892)	(1,892)
Elmendorf Air Force Base				
Alter Unaccompanied Enlisted Personnel Housing	3,600	3,600	3,600	3,600
Fire Station	1,400	1,400	1,400	1,400
Family Housing Improvements	(181)	(181)	(181)	(181)
King Salmon Airport				
Add to and Alter Composite Operations Facilities	3,000	3,000	3,000	3,000
Fire Station	5,600	5,600	5,600	5,600
Shemya Air Force Base				
Add to and Alter Central Power Plant	27,500	27,500	27,500	27,500
Composite Personnel Housing-Alert Facility	9,600	9,600	9,600	9,600
Liquid Fuel Pipeline System	8,800	8,800	8,800	8,800

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
ALASKA (Cont.)				
DEFENSE LOGISTICS AGENCY				
Defense Property Disposal Office, Anchorage				
Conforming Storage Facility	(1,390)	(1,390)	(1,390)	(1,390)
Total, ALASKA	134,980			134,980
ARIZONA				
ARMY				
Fort Huachuca				
Automated Record Fire Range	730	0	0	0
Operations Building	2,050	2,050	2,050	2,050
Family Housing Improvements	(867)	(867)	(867)	(867)
Navajo Army Depot				
Ammunition Container Loading Yard	240	240	240	240
Yuma Proving Ground				
Wall Insulation	240	240	240	240
NAVY				
Marine Corps Air Station, Yuma				
Attack Aircraft Training Building	3,150	3,150	3,150	3,150
Battalion Headquarters	2,050	0	2,050	2,050
Engine Test Cell	3,570	3,570	3,570	3,570
Maintenance Hangar	4,300	4,300	4,300	4,300
Operational Trainer Facility	2,550	2,550	2,550	2,550
Power Check Pads	1,130	1,130	1,130	1,130
AIR FORCE				
Davis-Monthan Air Force Base				
Base Civil Engineer Administration Facility	2,500	2,500	0	0
Ground-Launched Cruise Missile-Field Training Facility	4,550	4,550	4,550	4,550
Medical War Reserve Materiel Facility	620	620	620	620
Taxiway Lighting	560	560	560	560
Luke Air Force Base				
F-16 Add to and Alter Engine Inspection and Repair Shop	1,750	1,750	1,750	1,750
F-16 Aircraft Maintenance and Training Facility	3,650	3,650	3,650	3,650
F-16 Aircraft Maintenance Unit Facility	790	790	790	790
F-16 Fuel System Maintenance Hangar	2,000	2,000	2,000	2,000
F-16 Squadron Operations Facility	2,900	2,900	2,900	2,900
F-16 Wing Headquarters Facility	1,350	1,350	1,350	1,350
Heating, Ventilation and Air Conditioning	290	290	290	290
Support Equipment Shop	2,050	2,050	2,050	2,050
Williams Air Force Base				
Add to and Alter Avionics Shop	660	660	660	660
ARMY NATIONAL GUARD				
Show Low				
60-Person Armory	832	832	832	832
Total, ARIZONA	44,512			41,282

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	ARKANSAS			
ARMY				
Pine Bluff Arsenal				
Close Hazardous Waste	19,000	19,000	19,000	19,000
NAVY				
Naval Space Surveillance Field Station, Lewisville				
Antenna Modernization and Land Acquisition	675	675	675	675
AIR FORCE				
Blytheville Air Force Base				
Aircraft General Purpose Maintenance Shop	3,750	3,750	0	3,750
Petroleum Operations Facility	0	510	0	0
AIR NATIONAL GUARD				
Fort Smith Municipal Airport				
Add to Headquarters Building	570	570	570	570
Total, ARKANSAS	23,995			23,995
	CALIFORNIA			
ARMY				
Fort Hunter-Liggett				
Multi-purpose Range Complex - Light	8,900	8,900	8,900	8,900
Technical Documentation Facility	2,200	2,200	2,200	2,200
Fort Irwin				
Child Care Center	1,450	1,450	0	1,450
Community Center	1,900	1,900	0	0
Dining Facility Modernization	1,250	1,250	1,250	1,250
Hospital Upgrade and Addition	8,000	8,000	8,000	8,000
Training Facility	1,100	1,100	1,100	1,100
Training Ranges	1,750	1,750	1,750	1,750
Unaccompanied Enlisted Personnel Housing	14,600	14,600	14,600	14,600
Oakland Army Base				
Rail Head Loading Ramps	330	330	330	330
Fort Ord				
Energy Monitoring and Control System	440	440	440	440
Medical Supply Warehouse	680	680	680	680
Operations Building	1,700	1,700	1,700	1,700
Unaccompanied Enlisted Personnel Housing	23,000	23,000	23,000	23,000
Family Housing - New Construction (600 units)	(49,559)	(49,559)	(49,559)	(49,559)
Family Housing - New Construction (70 Mobile Home Spaces)	(1,081)	(1,081)	(1,081)	(1,081)
Family Housing Improvements	(14,260)	(14,260)	(14,260)	(14,260)
Presidio of Monterey				
Military Personnel Administration Center	2,650	2,650	2,650	2,650
Sacramento Army Depot				
Communications and Radar Facility	0	1,900	0	0
Optical Facility	4,550	4,550	4,550	4,550
Sierra Army Depot				
Ammunition Container Loading Yard	370	0	0	0
Unaccompanied Enlisted Personnel Housing	2,600	2,600	2,600	2,600
NAVY				
Fleet Training Group Pacific, Warner Springs				
Family Housing - New Construction (44 units)	(4,400)	(4,400)	(4,400)	(4,400)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
CALIFORNIA (Cont.)				
NAVY (Cont.)				
Fleet Aviation Specialized Operational Training Group Pacific Detachment, Warner Springs				
Defense Access Roads	(100)	(100)	(100)	(100)
Amphibious Task Force, Camp Pendleton				
Landing Craft Air Cushion Complex	9,020	9,020	9,020	9,020
Fleet Anti-submarine Warfare Training Center Pacific, San Diego				
Anti-submarine Warfare Training Building	7,850	7,850	7,850	7,850
Fleet Combat Training Center, Pacific, San Diego				
Light Airborne Multi-purpose System (LAMPS), Mark III Training Building	305	305	305	305
Fleet Training Center, San Diego				
Damage Control Training Facility	4,750	4,750	4,750	4,750
Marine Corps Air-Ground Combat Center, Twentynine Palms				
Unaccompanied Enlisted Personnel Housing	11,570	11,570	11,570	11,570
Battalion and Battery Headquarters	2,840	2,840	2,840	2,840
Brigade Headquarters	2,880	2,880	2,880	2,880
Child Care Center	1,490	0	0	0
Physical Fitness Center	5,380	5,380	0	5,380
Family Housing, New Construction (100 units)	(8,400)	(8,400)	(8,400)	(8,400)
Marine Corps Air Facility, Camp Pendleton				
Armory	570	570	570	570
Automotive Maintenance Shop	1,270	1,270	1,270	1,270
Group Headquarters Building	1,470	1,470	1,470	1,470
Maintenance Hangar	11,000	11,000	11,000	11,000
Marine Corps Air Station, El Toro				
Aircraft Direct Fueling Facilities	4,460	4,460	4,460	4,460
Aircrew Water Survival Training Facility	1,960	1,960	1,960	1,960
Unaccompanied Enlisted Personnel Housing	17,640	17,640	17,640	17,640
Communications Conduit	980	980	980	980
Electronics and Communications Maintenance Facilities	1,470	1,470	1,470	1,470
Hazardous Waste Facility and Oil Spill Prevention	1,270	1,270	1,270	1,270
Loading and Unloading Ramps	345	345	345	345
Tactical Support Van Pads	2,250	2,250	2,250	2,250
Family Housing, New Construction (282 units)	(29,800)	(29,800)	(29,800)	(29,800)
Defense Access Roads	(200)	(200)	(200)	(200)
Marine Corps Air Station, Tustin				
Aircraft Parking Apron	4,450	4,450	4,450	4,450
Helicopter Engine Maintenance Shop	2,940	2,940	2,940	2,940
Helicopter Maintenance Training Building	2,250	2,250	2,250	2,250
Maintenance Hangar	8,330	8,330	8,330	8,330
Marine Corps Base, Camp Pendleton				
Armory Addition	365	365	365	365
Unaccompanied Enlisted Personnel Housing	7,950	7,950	7,950	7,950
Battalion Headquarters	3,300	3,300	3,300	3,300

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
CALIFORNIA (Cont.)				
NAVY (Cont.)				
Communications and Electronics Maintenance and Storage Facility	1,470	1,470	1,470	1,470
Communication Improvements	6,000	6,000	6,000	6,000
Oil Spill Prevention	1,470	1,470	1,470	1,470
Santa Margarita Water Project	148,000	0	0	0
Special Intelligence Support Facility	1,520	1,520	1,520	1,520
Tactical Vehicle Maintenance Facility	3,100	3,100	3,100	3,100
Marine Corps Logistics Base, Barstow				
Radiographic Facility	530	530	530	530
Marine Corps Mountain Warfare Training Center, Bridgeport				
Automotive Maintenance Shop	1,470	1,470	1,470	1,470
Naval Air Rework Facility, Alameda				
Energy Monitoring and Control System	780	780	0	780
Paint and Finishing Hangar	24,200	24,200	0	22,000
Naval Air Rework Facility, North Island				
Engineering Laboratory	9,120	9,120	9,120	9,120
Heating, Ventilation, Air Conditioning	345	345	345	345
Naval Air Station, Alameda				
Dredging	8,650	8,650	8,650	8,650
Naval Air Station, Lemoore				
Helicopter Escape Trainer	2,300	2,300	2,300	2,300
Naval Air Station, Miramar				
Hazardous Waste Facility	385	385	385	385
Naval Air Station, North Island				
Helicopter Maintenance Hangar	13,130	13,130	13,130	13,130
Ordnance Facilities	5,463	5,463	5,463	5,463
Naval Amphibious Base, Coronado				
Amphibious Forces Training Building	3,500	3,500	3,500	3,500
Unaccompanied Enlisted Personnel Housing	5,200	5,200	5,200	5,200
Sealift Support Maintenance Facility	4,400	4,400	4,400	4,400
Waterfront Operations Building	3,050	3,050	3,050	3,050
Naval Amphibious School, Coronado				
Combat Swimmer Training Facility	3,430	3,430	0	3,430
Landing Craft Air-Cushion Trainer Building	5,900	5,900	5,900	5,900
Naval Construction Battalion Center, Port Hueneme				
Unaccompanied Enlisted Personnel Housing	5,100	5,100	5,100	5,100
Chapel and Religious Education Building	2,080	2,080	0	2,080
Cogeneration Utility Plant Addition	3,630	3,630	3,630	3,630
Seabee Materiel Transit Facility	6,960	6,960	6,960	6,960
Seabee Operations Headquarters	5,880	5,880	5,880	5,880
Defense Access Roads	(300)	(300)	(300)	(300)
Naval Construction Training Center, Port Hueneme				
Seabee Training Buildings	4,800	4,800	4,800	4,800
Naval Electronic Systems Engineering Center, San Diego				
Fleet Support Center	27,450	27,450	0	0
Naval Hospital, San Diego				
Fire Station	450	450	450	450

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
CALIFORNIA (Cont.)				
NAVY (Cont.)				
Naval Postgraduate School, Monterey				
Ocean Sciences Academic Building	13,000	13,000	0	0
Naval Security Group Activity, Skaggs Island				
Computer Support Warehouse	395	395	395	395
Naval Ship Weapon Systems Engineering Station, Port Hueneme				
Weapon Systems Engineering Buildings	10,780	10,780	10,780	10,780
Long Beach Naval Shipyard, Long Beach				
Sonar Rubber Dome Facility	7,160	7,160	7,160	7,160
Naval Shipyard, Mare Island, Vallejo				
Security Lighting	815	815	815	815
Sewage Treatment Facility	0	5,100	0	0
Naval Space Surveillance Field Station, San Diego				
Antenna Modernization	600	600	600	600
Naval Station, Long Beach				
Bachelor Enlisted Quarters	16,000	16,000	16,000	16,000
Construction Battalion Unit Complex	1,230	1,230	0	0
Naval Station, Mare Island, Vallejo				
Telephone Lines	735	735	735	735
Naval Station, San Diego				
Child Care Center	845	0	0	0
Degaussing Building	980	980	980	980
Deperming Pier	9,110	9,110	9,110	9,110
Dredging	6,107	6,107	6,107	6,107
Naval Submarine Base, San Diego				
Electrical Distribution System Improvements	14,120	14,120	14,120	14,120
Naval Supply Center, Oakland				
Dredging	6,570	6,570	6,570	6,570
Oil Spill Prevention	1,320	1,320	1,320	1,320
Naval Supply Center, San Diego				
Cold Storage Warehouse	5,340	5,340	5,340	5,340
Fire Protection System	1,760	1,760	1,760	1,760
Naval Technical Training Center, San Francisco				
Underway Replenishment Training Building	1,570	1,570	1,570	1,570
Naval Training Center, San Diego				
Patternmaker Training Building	2,900	2,900	2,900	2,900
Naval Weapons Center, China Lake				
Fixed Point Test Facility	1,670	1,670	1,670	1,670
Ordnance Research Laboratory	6,860	6,860	6,860	6,860
Pay and Personnel Support Office	785	785	785	785
Naval Hospital, Long Beach				
Medical Clinic	6,300	6,300	6,300	6,300
Navy Tactical Interoperational Support Activity, North Island				
Headquarters Building	585	585	585	585
Pacific Missile Test Center, Point Mugu				
Unaccompanied Enlisted Personnel Housing	10,200	10,200	10,200	10,200

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
CALIFORNIA (Cont.)				
NAVY (Cont.)				
Surface Warfare Officers School Command Detachment, Coronado				
Surface Warfare Officer Training Building	5,200	5,200	5,200	5,200
Naval Complex (Public Works Center), San Diego				
Family Housing, New Construction (200 units)	(15,200)	(15,200)	(15,200)	(15,200)
Family Housing Improvements	(13,075)	(13,075)	(13,075)	(13,075)
AIR FORCE				
Beale Air Force Base				
Pave Paws Boundary Security System	1,050	1,050	1,050	1,050
Pave Paws Electromagnetic Pulse Protection Upgrade	950	950	950	950
Religious Education Facility	1,100	1,100	0	0
TR-1 Aircraft Shelter and Apron	3,300	3,300	3,300	3,300
TR-1 Psychological Division Support Facility	550	550	550	550
Castle Air Force Base				
Approach Lighting - Land Acquisition	2,000	2,000	2,000	2,000
Engine Inspection and Repair Shop	1,300	1,300	1,300	1,300
Edwards Air Force Base				
Add to and Alter Flight Test Mission Control	4,800	4,800	4,800	4,800
Alter Physical Science Laboratory	2,450	2,450	2,450	2,450
Family Housing Improvements	(433)	(433)	(433)	(433)
George Air Force Base				
Add to and Alter Munitions Facilities	1,100	1,100	1,100	1,100
Fire Station	3,400	3,400	3,400	3,400
Resource Management Facility	7,400	7,400	0	0
Sound Suppressor Support	740	740	740	740
Visiting Personnel Quarters	7,600	0	0	0
Family Housing Improvements	(1,656)	(1,656)	(1,656)	(1,656)
Los Angeles Air Force Station				
Family Housing - New Construction, Land Acquisition	(1,800)	(0)	(0)	(0)
March Air Force Base				
Air Division Headquarters	2,200	2,200	2,200	2,200
Alter Unaccompanied Enlisted Personnel Housing	6,800	6,800	6,800	6,800
Mather Air Force Base				
Accounting-Finance Facility	1,500	1,500	1,500	1,500
Central Life Support Equipment Facility	1,200	1,200	1,200	1,200
McClellan Air Force Base				
Aircraft Accessory Maintenance Complex	16,929	16,929	16,929	16,929
Ammunition Storage Complex/Land Acquisition	0	3,500	0	0
Depot Electronic Warfare Communications Facility	13,100	13,100	13,100	13,100
Logistics System Operations Center	10,300	10,300	0	10,300
Medical and Occupational Health Clinic	12,800	12,800	12,800	12,800
Sound Suppressor Support	700	700	700	700
Regional Waste Water Connection	0	5,800	0	0
Norton Air Force Base				
Control Tower	2,200	2,200	2,200	2,200
Facility Energy Improvements	470	470	470	470
Security Police Operations Facility	1,900	1,900	1,900	1,900
Sunnyvale Air Force Station				
Alter Mission Control Complex	2,700	2,700	2,700	2,700

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
CALIFORNIA (Cont.)				
AIR FORCE (Cont.)				
Travis Air Force Base				
Add to and Alter Flight Simulator Training Facility	2,000	2,000	2,000	2,000
Base Hazardous Storage	2,100	2,100	2,100	2,100
Weapons System Maintenance Management Support Facility	6,200	6,200	6,200	6,200
Family Housing Improvements	(2,108)	(2,108)	(2,108)	(2,108)
Vandenberg Air Force Base				
Add to and Alter Telemetry Receiving Station	530	530	530	530
Electrical Energy Systems	720	720	720	720
Optical Test Facility	710	710	710	710
DEFENSE LOGISTICS AGENCY				
Defense Fuel Support Point, Point Loma, San Diego				
Lube Oil Tankage	600	600	600	600
Defense Fuel Support Point, San Pedro				
Fire Protection	700	700	700	700
Defense Property Disposal Office, Alameda				
Facility Rehabilitation	1,320	1,320	1,320	1,320
Defense Property Disposal Office, Barstow				
Conforming Storage Facility	825	825	825	825
ARMY NATIONAL GUARD				
Stockton				
Add to and Alter Combined Support Maintenance Shop	906	906	906	906
NAVY AND MARINE CORPS RESERVE				
Naval Station, Treasure Island				
Ship Intermediate Maintenance Facility	11,900	11,900	11,900	11,900
AIR NATIONAL GUARD				
Fresno Air National Guard Base				
Composite Base Civil Engineer Maintenance-Telecommunications Facility	2,300	2,300	2,300	2,300
Fire Suppression System	650	650	650	650
Miramar Naval Air Station				
Communications-Electronics Training Complex	5,100	5,100	5,100	5,100
Point Mugu Naval Air Station				
Land Acquisition	5,000	5,000	5,000	5,000
AIR FORCE RESERVE				
March Air Force Base				
Composite Training Facility	4,450	4,450	4,450	4,450
Fuel System Maintenance Dock	4,000	4,000	4,000	4,000
Total, CALIFORNIA	801,075			587,840

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	COLORADO			
ARMY				
Fort Carson				
Battalion Headquarters	1,350	1,350	1,350	1,350
Child Care Center	2,600	2,600	0	2,600
Company Operations and Supply	2,100	2,100	2,100	2,100
Company Operations and Supply Addition	1,100	1,100	1,100	1,100
Military Operations on Urbanized Terrain	4,550	4,550	4,550	4,550
Multi-purpose Range Complex - Heavy	24,000	24,000	24,000	24,000
Physical Fitness Training Center	4,100	4,100	0	0
Range Roads - Phase II	3,050	3,050	3,050	3,050
Tactical Equipment Shop	12,600	12,600	12,600	12,600
Family Housing, New Construction (50 Mobile Home Spaces)	(712)	(712)	(712)	(712)
Family Housing Improvements	(6,460)	(6,460)	(6,460)	(6,460)
Fitzsimons Army Medical Center				
Physical Fitness Training center	2,550	0	0	0
Pueblo Depot Activity				
Ammunition Container Loading Yard	200	200	200	200
AIR FORCE				
Buckley Air National Guard Base				
Aerospace Data Facility	11,700	11,700	11,700	11,700
Security Police Operations Facility	670	670	670	670
Lowry Air Force Base				
Add to and Alter Academic Classrooms (Precision Measurement Engineering Laboratory)	3,500	3,500	3,500	3,500
Cold Storage Facility	3,350	3,350	3,350	3,350
Family Housing Improvements	(3,533)	(3,533)	(3,533)	(3,533)
Peterson Air Force Base				
Test Development and Training Center - Phase II	5,200	5,200	5,200	5,200
U.S. Air Force Academy				
Add to and Alter Aeronautics Laboratory	3,400	3,400	3,400	3,400
Add to and Alter Computer Center	440	440	440	440
Add to and Alter Preparatory School Facilities	3,400	3,400	3,400	3,400
Add to and Alter Preparatory School Fields	270	270	270	270
Add to and Alter Vehicle Maintenance Shop	900	900	900	900
Heating, Ventilation, and Air Conditioning	1,500	1,500	1,500	1,500
Recycle Cooling Water	400	400	400	400
ARMY RESERVE				
Rocky Mountain Arsenal				
Army Reserve Center	4,411	0	4,411	4,411
NAVY AND MARINE CORPS RESERVE				
Naval Reserve Center, Fort Carson				
Reserve Training Building Addition	2,050	2,050	2,050	2,050
AIR FORCE RESERVE				
Peterson Air Force Base				
Aircraft Maintenance Dock	3,560	3,560	3,560	3,560
Total, COLORADO	102,951			96,301
	CONNECTICUT			
NAVY				
Naval Hospital, Groton				
Hospital Expansion	8,720	8,720	8,720	8,720

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
CONNECTICUT (Cont.)				
NAVY (Cont.)				
Naval Submarine Base, New London				
Submarine Magnetic Silencing Facility	365	365	365	365
Naval Submarine School, New London				
Submarine Training Building	13,300	13,300	13,300	13,300
DEFENSE LOGISTICS AGENCY				
Defense Property Disposal Office, Groton				
Conforming Storage Facility	625	625	625	625
AIR NATIONAL GUARD				
Bradley Field				
Alter Hangar	1,440	1,440	1,440	1,440
Fire Suppression System	570	570	570	570
Total, CONNECTICUT	25,020			25,020
DELAWARE				
AIR FORCE				
Dover Air Force Base				
Add to and Alter Aerial Refueling Part Task Training Facility	1,050	1,050	1,050	1,050
Add to and Alter Flight Simulator Training Facility	1,250	1,250	1,250	1,250
Ancillary Explosive Complex	2,300	0	2,300	0
Base Hazardous Storage Facility	430	430	430	430
Base Supply and Equipment Shed	360	360	360	360
Extend Runway - Land Acquisition	13,800	0	13,800	13,800
ARMY NATIONAL GUARD				
New Castle				
Organizational Maintenance Shop	494	494	494	494
Total, DELAWARE	19,684			17,384
DISTRICT OF COLUMBIA				
ARMY				
Walter Reed Army Medical Center				
Energy Monitoring and Control System	1,150	1,150	1,150	1,150
Family Housing Improvements	(99)	(99)	(99)	(99)
NAVY				
Commandant Naval District Washington				
Administrative Office Modernization	6,300	6,300	0	6,300
Naval Research Laboratory				
Electronic Warfare Laboratory	28,900	28,900	28,900	28,900
Navy Band, Washington				
Navy Band Training Building Modernization	1,900	1,900	1,900	1,900
AIR FORCE				
Bolling Air Force Base				
Facility Energy Improvements	250	250	250	250
Office of Special Investigations Facility	12,000	0	0	0
Family Housing Improvements	(713)	(713)	(713)	(713)
OFFICE OF THE SECRETARY OF DEFENSE				
Fort McNair				
Academic Instruction Facility	29,200	25,000	25,000	25,000
Total, DISTRICT OF COLUMBIA	79,700			63,500

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	FLORIDA			
NAVY				
Naval Air Station, Cecil Field				
Air Combat Training Range and Land Acquisition	26,250	26,250	26,250	26,250
Aircraft Parking Apron	2,800	2,800	2,800	2,800
Training Range Debriefing Facility	785	785	785	785
Naval Air Station, Jacksonville				
Anti-submarine Warfare Aircraft Training Buildings	5,800	5,800	5,800	5,800
Brig	6,470	0	6,470	0
Naval Air Station, Key West				
Family Housing Improvements	(11,700)	(11,700)	(11,700)	(11,700)
Naval Air Station, Pensacola				
Facility Energy Improvements	225	225	225	225
Naval Air Station, Whiting Field				
Pay and Personnel Support Office	810	810	810	810
Naval Explosive Ordnance Disposal School, Eglin				
Explosive Ordnance Disposal Training Facilities	13,700	13,700	13,700	13,700
Naval Hospital, Jacksonville				
Hospital Addition	18,600	18,600	18,600	18,600
Naval Hospital, Pensacola				
Medical and Dental Clinic	7,250	7,250	7,250	7,250
Naval Oceanography Command Facility, Jacksonville				
Meteorological Building Addition	390	390	390	390
Naval Station, Mayport				
Child Care Center	2,240	0	0	0
Fire and Rescue Station Addition	210	210	210	210
Fleet Training Support Facility	810	810	810	810
Helicopter Maintenance Hangar	9,800	9,800	9,800	9,800
Naval Supply Center, Jacksonville				
Fuel Truck Loading Facility	1,270	1,270	1,270	1,270
Waterfront Transit Shed	285	285	285	285
Naval Technical Training Center, Pensacola				
Unaccompanied Enlisted Personnel Housing Improvements	4,300	4,300	4,300	4,300
Cryptologic Training Building	1,370	1,370	1,370	1,370
Naval Training Center, Orlando				
Unaccompanied Enlisted Personnel Housing	9,400	9,400	9,400	9,400
Navy Public Works Center, Pensacola				
Electrical Distribution System Improvements	8,430	8,430	8,430	8,430
Navy Regional Data Automation Center, Jacksonville				
Data Processing Center	10,300	10,300	10,300	10,300
Navy Tactical Interoperability Support Activity, Mayport				
Tactical Data System Facility	470	470	470	470

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
FLORIDA (Cont.)				
AIR FORCE				
Eglin Air Force Base				
Fuel Cell Repair Facility	0	2,300	0	2,300
Heavy Metal Weapons Research and Development Facility	5,500	5,500	5,500	5,500
Mobility Readiness Facility	3,000	3,000	3,000	3,000
Sewage Treatment Plant	2,800	2,800	2,800	2,800
Sound Suppressor Support	960	960	960	960
Family Housing Improvements	(750)	(750)	(750)	(750)
Eglin Air Force Base Auxiliary Field 9				
Alter Dining Hall	1,700	1,700	1,700	1,700
Hurlbert Field				
Family Housing Improvements	(2,792)	(2,792)	(2,792)	(2,792)
Homestead Air Force Base				
F-16 Add to and Alter Aircraft General Squadron Parts Store	410	410	410	410
F-16 Add to and Alter Flight Simulator Training Facility	1,200	1,200	1,200	1,200
F-16 Add to and Alter Various Maintenance Facilities	325	325	325	325
F-16 Add to and Alter Weapons Release Systems Shop	510	510	510	510
Homestead Air Force Base (Cont.)				
F-16 Alter Fuel Systems Maintenance Hangar	1,050	1,050	1,050	1,050
Munitions Facilities	970	970	970	970
Vehicle Maintenance Shop and Operations Facility	900	900	900	900
Visiting Officers Quarters	1,650	1,650	1,650	1,650
MacDill Air Force Base				
Add to Readiness Command Headquarters Facility	1,500	1,500	0	1,500
Alter Aircraft Corrosion Control Facility	500	500	500	500
Alter Base Roads	2,850	2,850	2,850	2,850
Alter Unaccompanied Enlisted Personnel Housing	4,000	4,000	4,000	4,000
Base Contracting Facility	1,300	0	0	0
Patrick Air Force Base				
Family Housing Improvements	(1,291)	(1,291)	(1,291)	(1,291)
Tyndall Air Force Base				
Aircraft Combat Maneuver Instrumentation Facility	1,100	1,100	1,100	1,100
Arm-Disarm Pad	980	980	980	980
Consolidated Training Facility	1,550	1,550	1,550	1,550
Unaccompanied Enlisted Personnel Housing	2,500	2,500	2,500	2,500
Weapons Evaluation-Operations Facility	2,650	2,650	2,650	2,650
Family Housing Improvements	(1,176)	(1,176)	(1,176)	(1,176)
DEFENSE LOGISTICS AGENCY				
Defense Fuel Support Point, Port Tampa				
Fire Protection	595	595	595	595
ARMY NATIONAL GUARD				
Camp Blanding				
Ammunition Storage Facility	0	321	0	321
Water System Modification	0	203	0	203
Lake Wales				
Armory Addition/Alteration	461	461	461	461
Orlando				
Armory Expansion/Alteration	741	741	741	741

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	FLORIDA (Cont.)			
ARMY RESERVE				
Jacksonville				
Add to and Alter Reserve Center/ Maintenance Facility	1,763	1,763	1,763	1,763
Tallahassee				
Add to and Alter Reserve Center/ Maintenance Facility	2,851	2,851	2,851	2,851
AIR FORCE RESERVE				
Eglin Air Force Base				
Flight Simulator Facility	0	3,850	0	3,850
Total, FLORIDA	178,281			174,945
	GEORGIA			
ARMY				
Fort Benning				
Highway Crossing-US 280	9,400	0	9,400	0
Medical Supply Warehouse	1,600	1,600	1,600	1,600
Ranger Camp Modifications	5,100	5,100	5,100	5,100
Recreation Center	2,000	0	0	0
Tactical Equipment Shop	4,550	4,550	4,550	4,550
Trainee Barracks	17,000	17,000	17,000	17,000
Unaccompanied Officer Housing Upgrade	0	11,400	0	11,400
Family Housing Improvements	(5,674)	(5,674)	(5,674)	(5,674)
Fort Gordon				
Addition to Data Processing Building	760	760	760	760
Applied Instruction Facility	5,800	5,800	5,800	5,800
Applied Instruction Facility	14,600	14,600	14,600	14,600
Barracks with Dining Facility	23,000	23,000	23,000	23,000
Modified Record Fire Range	880	880	880	880
Operations Building	1,000	1,000	1,000	1,000
Fort Stewart/Hunter Army Air Field				
Dining Facility Modernization	1,150	1,150	1,150	1,150
Military Operations on Urbanized Terrain	3,700	3,700	3,700	3,700
Sniper Training Range	1,150	1,150	1,150	1,150
Tactical Equipment Shop	8,500	8,500	8,500	8,500
Tactical Equipment Shop	8,600	8,600	8,600	8,600
Tactical Equipment Shop	6,100	0	0	0
Vehicle Wash Facility	6,500	6,500	6,500	6,500
Family Housing, New Construction (20 Mobile Home Spaces)	(253)	(253)	(253)	(253)
NAVY				
Naval Submarine Base, Kings Bay				
Unaccompanied Enlisted Personnel Housing and Administration Facility	5,400	5,400	5,400	5,400
Command and Control Systems Shop	7,160	7,160	7,160	7,160
Communications Antenna Facility	1,670	1,670	1,670	1,670
Community Impact Assistance	6,140	6,140	6,140	6,140
Consolidated Personnel Support Facility	3,230	3,230	3,230	3,230
Controlled Industrial Facility	7,550	7,550	7,550	7,550
Dredging	23,380	23,380	23,380	23,380
Drydock	125,600	40,000 1/	40,000 1/	40,000 1/
Explosives Handling Wharf	39,010	39,010	39,010	39,010
Hull Shops	12,740	12,740	12,740	12,740
Refit Warehouse	7,920	7,920	7,920	7,920
Strategic Weapons Facility, Phase II	91,360	81,360	91,360	81,360
Strategic Weapons Magazines	13,700	13,700	13,700	13,700
Tender Mooring and Lay Berths	23,500	23,500	23,500	23,500
Utilities and Site Improvements	35,700	30,000	35,700	30,000

1/ Authorized at $125,600,000 but authorized for appropriation at $40,000.

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
GEORGIA (Cont.)				
AIR FORCE				
Moody Air Force Base				
Aircraft Maintenance Unit Facility	-800	800	800	800
Alter Electrical Distribution System	4,750	4,750	4,750	4,750
F-16 Add to and Alter Engineer Inspection and Repair Shop	1,250	1,250	1,250	1,250
F-16 Add to and Alter Field Training Facility	1,600	1,600	1,600	1,600
F-16 Add to and Alter Various Operations and Maintenance Facilities	2,950	2,950	2,950	2,950
F-16 Avionics Shop	3,200	3,200	3,200	3,200
F-16 Flight Simulator Training Facility	1,600	1,600	1,600	1,600
Sound Suppressor Support	980	980	980	980
Various Munitions Storage-Operations Facilities	6,900	6,900	6,900	6,900
Robins Air Force Base				
Fire Protection-Avionics Facilities	1,950	1,950	1,950	1,950
Large Item Storage Facility	5,400	5,400	5,400	5,400
DEPENDENTS SCHOOLS (SEC. 6)				
Fort Benning				
Elementary Schools Expansion	1,693	0	1,693	1,693
NAVY AND MARINE CORPS RESERVE				
Naval Air Station, Atlanta				
Aircraft Intermediate Maintenance Expansion	1,400	1,400	1,400	1,400
AIR FORCE RESERVE				
Dobbins Air Force Base				
Approach Lights	891	891	891	891
Total, GEORGIA	560,814			453,414
HAWAII				
ARMY				
Fort Kamehameha				
Family Housing Improvements	(775)	(775)	(775)	(775)
Hickam Army Air Field				
Family Housing Improvements	(6,501)	(6,501)	(6,501)	(6,501)
Pearl Harbor				
Family Housing Improvements	(4,947)	(4,947)	(4,947)	(4,947)
Pohakuloa Training Area				
Ammunition Storage	2,150	2,150	2,150	2,150
Schofield Barracks				
Air-Conditioning Upgrade	5,900	5,900	5,900	5,900
Automated Field Fire Range	850	850	850	850
Company Combined Arms Assault Course	1,850	1,850	1,850	1,850
Dining Facility Modernization	2,700	2,700	2,700	2,700
Install Electrical Outlets	400	400	400	400
Military Operations on Urbanized Terrain	3,850	3,850	3,850	3,850
Operations Building	1,550	1,550	1,550	1,550
Security Fence with Land Acquisition	510	510	510	510
Tactical Equipment Shop	11,200	11,200	11,200	11,200
Tactical Equipment Shop	3,650	3,650	3,650	3,650
Family Housing Improvements	(1,718)	(1,718)	(1,718)	(1,718)
Fort Shafter				
Unaccompanied Enlisted Personnel Housing	6,300	6,300	6,300	6,300
Family Housing Improvements	(2,732)	(2,732)	(2,732)	(2,732)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
HAWAII (Cont.)				
ARMY (Cont.)				
Tripler Army Medical Center				
Alternate Electric Power Source	970	970	970	970
NAVY				
Commander, Oceanographic System Pacific, Pearl Harbor				
Naval Ocean Processing Facility Addition	1,180	1,180	0	1,180
Intelligence Center Pacific, Pearl Harbor				
Intelligence Center Addition	2,900	2,900	0	2,900
Marine Corps Air Station, Kaneohe Bay				
Aviation Supply Facilities	1,760	1,760	1,760	1,760
Electrical Distribution System Improvements	4,220	4,220	4,220	4,220
Ground Support Equipment Facilities	1,290	1,290	1,290	1,290
Heavy Gun Shop	4,900	4,900	4,900	4,900
Maintenance Hangar Improvements	940	940	940	940
Medical Warehouse	4,310	4,310	4,310	4,310
Naval Shipyard, Pearl Harbor				
Hazardous and Flammable Storage Facility	1,860	1,860	1,860	1,860
Naval Submarine Base, Pearl Harbor				
Unaccompanied Enlisted Personnel Housing Modernization	2,900	2,900	2,900	2,900
Naval Western Oceanography Center, Pearl Harbor				
Meteorological Building	4,500	4,500	4,500	4,500
Navy Public Works Center, Pearl Harbor				
Electrical Distribution System Improvements	13,700	13,700	13,700	13,700
AIR FORCE				
Hickam Air Force Base				
Facility Energy Improvements	480	480	480	480
Wheeler Air Force Base				
Gymnasium	2,200	2,200	0	0
Various Aircraft Maintenance and Support Facilities	2,850	2,850	2,850	2,850
AIR NATIONAL GUARD				
Barbers Point				
Communications/Electronics Training Complex	3,450	3,450	3,450	3,450
Total, HAWAII	95,320			93,120
IDAHO				
AIR FORCE				
Mountain Home Air Force Base				
Control Tower	2,200	2,200	2,200	2,200
Over-the-Horizon-B Radar Operations-Software Support Facility	12,400	12,400	12,400	12,400
NAVY AND MARINE CORPS RESERVE				
Naval and Marine Corps Reserve Center, Boise				
Reserve Training Building	4,250	4,250	4,250	4,250
AIR NATIONAL GUARD				
Boise Airport				
Add to and Alter Jet Fuel Storage-Petroleum, Oil, and Lubricants Operations Facility	2,120	2,120	2,120	2,120
Total, IDAHO	20,970			20,970

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	ILLINOIS			
ARMY				
Rock Island Arsenal				
Modernize Manufacturing Facility-REARM	29,000	29,000	29,000	29,000
Savanna Army Depot				
Ammunition Container Loading Yard	510	510	510	510
Fort Sheridan				
Unaccompanied Enlisted Personnel Housing	3,500	3,500	3,500	3,500
NAVY				
Naval Training Center, Great Lakes				
Unaccompanied Enlisted Personnel Housing	10,600	10,600	0	10,600
Diesel Engineman Training Facility Addition	4,360	4,360	0	4,360
Physical Fitness Center	5,780	5,780	0	5,780
AIR FORCE				
Chanute Air Force Base				
Add to and Alter Aircraft Engine Training Facility	1,400	1,400	1,400	1,400
Medical War Reserve Materiel Facility	330	330	330	330
Scott Air Force Base				
Add to and Alter Consolidated Computer Facility	0	7,800	0	7,800
Administrative Facility	550	550	550	550
Scott Air Force Base (Cont.)				
Alter Unaccompanied Enlisted Personnel Housing	4,000	4,000	4,000	4,000
Land Easement	530	530	530	530
Satellite Communications Ground Terminal	4,270	4,270	4,270	4,270
Family Housing Improvements	(1,591)	(1,591)	(1,591)	(1,591)
ARMY NATIONAL GUARD				
Beardstown				
100-Person Armory	926	926	926	926
ARMY RESERVE				
Fort Sheridan				
Military Intelligence Training Facility	1,568	1.568	1,568	1,568
NAVY AND MARINE CORPS RESERVE				
Naval Air Station, Glenview				
C-9 Aircraft Hangar	3,450	3,450	3,450	3,450
Taxiway T-5 Overlay	3,500	3,500	3,500	3,500
Unaccompanied Personnel Housing	0	5.000	0	0
Total, ILLINOIS	74,274			82,074
	INDIANA			
ARMY				
Fort Benjamin Harrison				
Unaccompanied Enlisted Personnel Housing	5,300	5,300	5,300	5,300
Family Housing Improvements	(3,950)	(3,950)	(3,950)	(3,950)
Indiana Army Ammunition Plant				
Convert Shiphouses to Explosive Storage	210	210	210	210
Newport Army Ammunition Plant				
Binary Component Production Facility	39,000	0	8,000	8,000

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
INDIANA (Cont.)				
AIR FORCE				
Grissom Air Force Base				
Base Civil Engineer Complex - Phase II	1,700	1,700	1,700	1,700
Family Housing Improvements	(108)	(108)	(108)	(108)
ARMY NATIONAL GUARD				
Camp Atterbury				
800-Person Armory	3,980	3,980	3,980	3,980
Combined Support Maintenance Shop	1,822	1,822	1,822	1,822
ARMY NATIONAL GUARD (Cont.)				
Camp Atterbury (Cont.)				
Organizational Maintenance Shop	812	812	812	812
Unit Training Equipment Site	1,527	1,527	1,527	1,527
AIR NATIONAL GUARD				
Fort Wayne Municipal Airport				
Aircraft Weapons Calibration Shelter	800	800	800	800
AIR FORCE RESERVE				
Grissom Air Force Base				
Aircraft Maintenance Hangar - Shops	8,604	8,604	8,604	8,604
Total, INDIANA	63,755			32,755
IOWA				
ARMY				
Iowa Army Ammunition Plant				
Storm Drainage Improvements - Yard L	810	810	810	810
ARMY NATIONAL GUARD				
Carroll				
60-Person Armory	590	590	590	590
Cedar Rapids				
Armory Addition	631	631	631	631
ARMY RESERVE				
Davenport				
Add to and Alter Reserve Center/Maintenance Facility	4,178	4,178	4,178	4,178
Total, IOWA	6,209			6,209
KANSAS				
ARMY				
Kansas Army Ammunition Plant				
Rehabilitate Raw Water Intake	570	570	570	570
Fort Leavenworth				
Dining Facility Modernization	4,350	4,350	4,350	4,350
Health Clinic	2,550	2,550	2,550	2,550
Fort Riley				
Aircraft Maintenance Hangar	7,600	7,600	7,600	7,600
Aircraft Maintenance Hangar	8,800	8,800	8,800	8,800
Battalion Headquarters	1,100	1,100	1,100	1,100
Company Operations and Supply	1,950	1,950	1,950	1,950
Dental Clinic	3,300	3,300	3,300	3,300
Electrical Upgrade	790	790	790	790
Hardstand	2,100	2,100	2,100	2,100
Military Operations on Urbanized Terrain	5,000	5,000	5,000	5,000
Tactical Equipment Shop	10,000	10,000	10,000	10,000
Tactical Equipment Shop	9,500	0	0	0

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
KANSAS (Cont.)				
ARMY (Cont.)				
Tactical Equipment Shop	2,750	2,750	2,750	2,750
Tactical Equipment Shop Addition	2,800	2,800	2,800	2,800
Tactical Equipment Shop	3,100	3,100	3,100	3,100
Family Housing, New Construction (50 Mobile Home Spaces)	(700)	(700)	(700)	(700)
Family Housing Improvements	(3,584)	(3,584)	(3,584)	(3,584)
Sunflower Army Ammunition Plant				
Guanidine Nitrate Ship-Out Facility	210	0	210	0
AIR FORCE				
McConnell Air Force Base				
B-1 Add to and Alter Avionics Maintenance Facility	2,100	2,100	0	2,100
B-1 Add to and Alter Operations and Support Facility	3,500	3,500	0	3,500
B-1 Add to and Alter Communications and Support Facility	1,310	1,310	0	1,310
B-1 Alter Utilities Systems	1,000	1,000	0	1,000
B-1 Area Security Improvements and Alert Pavements	7,300	7,300	0	7,300
B-1 Hydrant Fueling with Consolidated Aircraft Support System Provisions	18,400	18,400	0	18,400
B-1 Integrated Maintenance Facility	6,400	6,400	0	6,400
B-1 Support Equipment and Storage Facility	1,900	1,900	0	1,900
B-1 Two-Bay Aircraft Maintenance Hangar	17,000	17,000	0	17,000
B-1 Warhead Maintenance - Inspection Facility	750	750	0	750
B-1 Weapons Convoy Roads	3,700	3,700	0	3,700
B-1 Weapons Storage Area and Igloos	6,300	6,300	0	6,300
B-1 Field Training Facility	1,830	1,830	0	1,830
B-1 General Reduction	0	0	0	- 5,000
DEFENSE LOGISTICS AGENCY				
Defense Property Disposal Office, Fort Riley				
Covered Storage	965	965	965	965
AIR NATIONAL GUARD				
McConnell Air Force Base				
Add to and Alter Hangar Building 41	2,500	2,500	0	2,500
Aerospace Ground Equipment Shop	670	670	0	670
Fire Suppression System	775	775	0	775
Weapons Calibration Facility	1,500	1,500	0	1,500
Total, KANSAS	144,370			129,660
KENTUCKY				
ARMY				
Fort Campbell				
Flight Simulator Building	2,550	2,550	2,550	2,550
Multi-purpose Range Complex - Light	16,000	16,000	16,000	16,000
Physical Fitness Training Center	5,900	5,900	0	0
Radiant Heaters	430	430	0	0
Railroad Track Acquisition	450	450	450	450
Tactical Equipment Shop	7,200	7,200	7,200	7,200
Family Housing, New Construction (50 Mobile Home Spaces)	(689)	(689)	(689)	(689)
Fort Knox				
Child Care Center	4,500	4,500	0	4,500
Company Operations and Supply	870	870	870	870
Dining Facilities Modernization	1,300	1,300	1,300	1,300
Tactical Equipment Shop	5,300	5,300	5,300	5,300
Vehicular Bridge	8,800	8,800	8,800	8,800
Family Housing Improvements	(12,558)	(12,558)	(12,558)	(12,558)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	KANSAS (Cont.)			
NAVY				
Naval Ordnance Station, Louisville				
Gun Shop and Land Acquisition	4,210	4,210	4,210	4,210
Plating Shop Modernization	12,740	12,740	12,740	12,740
Total, KENTUCKY	70,250			63,920
	LOUISIANA			
ARMY				
Louisiana Army Ammunition Plant				
Herbicide and Pesticide Building	270	270	270	270
Replace Explosion Protection Barricade	370	370	370	370
Fort Polk				
Battalion Headquarters	1,050	1,050	1,050	1,050
Battalion Headquarters	1,150	1,150	1,150	1,150
Battalion Headquarters	1,250	1,250	1,250	1,250
Company Operations and Supply	3,600	3,600	3,600	3,600
Campany Operations and Supply	2,200	2,200	2,200	2,200
Company Operations and Supply	980	980	980	980
Physical Fitness Training Center	7,000	7,000	0	7,000
Tactical Equipment Shop	10,000	10,000	10,000	10,000
Tactical Equipment Shop	11,200	0	0	0
AIR FORCE				
Barksdale Air Force Base				
Alter Fuel System Maintenance Dock	1,400	1,400	1,400	1,400
England Air Force Base				
Alter Unaccompanied Enlisted Personnel Housing	1,400	1,400	1,400	1,400
Base Civil Engineer Administrative Facility	2,300	2,300	0	0
Security Police Operations Facility	1,200	1,200	1,200	1,200
ARMY NATIONAL GUARD				
Baton Rouge				
Organizational Maintenance Shop	597	597	597	597
NAVY AND MARINE CORPS RESERVE				
Naval Support Activity, New Orleans				
Family Services Center	570	570	570	570
AIR FORCE RESERVE				
New Orleans Naval Air Station				
Squadron Operations Facility	2,120	2,120	2,120	2,120
Total, LOUISIANA	48,657			35,157
	MAINE			
NAVY				
Naval Air Station, Brunswick				
Patrol Aircraft Maintenance Training Building	3,040	3,040	3,040	3,040
Naval Security Group Activity, Winter Harbor				
Ocean Surveillance Building Addition	2,400	2,400	2,400	2,400
Public Works Shop	880	880	880	880
Total, MAINE	6,320			6,320

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	MARYLAND			
ARMY				
Aberdeen Proving Ground				
Dining Facilities Modernization	4,400	4,400	4,400	4,400
Lighting Modifications	270	270	270	270
Family Housing Improvements	(2,762)	(2,762)	(2,762)	(2,762)
Fort Detrick				
Operations Building	7,600	7,600	7,600	7,600
Fort Meade				
Record Fire Range Upgrade	930	930	930	930
Satellite Communications Terminal Building	18,000	18,000	18,000	18,000
Family Housing Improvements	(10,324)	(10,324)	(10,324)	(10,324)
NAVY				
Naval Academy, Annapolis				
Brigade Activities Center	21,600	0	21,600	16,600
Public Works Shops and Storage	1,880	1,880	1,880	1,880
Naval Electronic Systems Engineering Activity, St. Inigoes				
Combatant Communications Assembly and Test Facility	4,560	4,560	4,560	4,560
Command, Control, and Communications Laboratory	7,850	7,850	7,850	7,850
Utilities Improvements	3,140	3,140	3,140	3,140
Naval Medical Clinic, Annapolis				
Naval Hospital	12,540	12,540	12,540	12,540
Naval Ordnance Station, Indian Head				
Unaccompanied Officer Personnel Housing Modernization	1,570	1,570	1,570	1,570
AIR FORCE				
Andrews Air Force Base				
Alter Communications Facility	3,350	3,350	3,350	3,350
Alter Unaccompanied Enlisted Personnel Housing	4,550	4,550	4,550	4,550
Facility Energy Improvements	420	420	420	420
Fire Protection-Various Facilities	1,800	1,800	1,800	1,800
NATIONAL SECURITY AGENCY				
Fort Meade				
OUTDWELLER	6,000	6,000	6,000 1/	6,000
Research and Engineering Facility	75,064	0	21,364 1/	21,364 1/
Support Activity Building 2 - Equipment Platform	450	450	450	450
Test Pad	628	628	628	628
ARMY RESERVE				
Fort Meade				
Add to and Alter Reserve Center/ Maintenance Facility	4,887	4,887	4,887	4,887
AIR NATIONAL GUARD				
Andrews Air Force Base				
Support Equipment-Nondestructive Inspection-Petroleum, Oil, and Lubricants Operations Facility	1,800	1,800	1,800	1,800

1/ Authorized for full $74,064,000; Authorization of Appropriations $21,364,000.

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
MARYLAND (Cont.)				
AIR FORCE RESERVE				
Andrews Air Force Base				
Add to and Alter Aircraft Maintenance Hangar	3,800	3,800	3,800	3,800
Alter Aircraft Maintenance Shops	500	500	500	500
Avionics/Deputy Chief, Maintenance Facility	2,000	2,000	2,000	2,000
Total, MARYLAND	189,589			130,889
MASSACHUSETTS				
ARMY				
Army Materials and Mechanics Research Center				
Water Pollution Abatement	770	770	0	770
Family Housing, New Construction (1 unit)	(154)	(154)	(0)	(0)
Fort Devens				
Nuclear, Biological, Chemical Defense Instruction Facility	610	610	0	610
Family Housing, New Construction (20 Mobile Home Spaces)	(317)	(317)	0	(317)
Family Housing Improvements	(4,075)	(4,075)	(4,075)	(4,075)
NAVY				
Naval Air Station, South Weymouth				
Defense Access Roads	(370)	(370)	(370)	(370)
AIR FORCE				
Cape Cod				
Pave Paws Electromagnetic Pulse Protection	600	600	600	600
Hanscom Air Force Base				
Alter Central Heat Plant	13,700	13,700	13,700	13,700
Library and Education Center	2,450	2,450	0	0
Systems Management Engineering Facility	11,000	11,000	11,000	11,000
Family Housing Construction (13 units)	(0)	(14,200)	(0)	(0)
Family Housing Improvements	(684)	(684)	(684)	(684)
ARMY NATIONAL GUARD				
Boston				
Armory Addition and Modification	1,031	1,031	1,031	1,031
AIR NATIONAL GUARD				
Barnes Municipal Airport				
Composite Medical Training and Administration/Telecommunications/Security Police Facility	2,100	2,100	2,100	2,100
Total, MASSACHUSETTS	32,261			29,811
MICHIGAN				
ARMY				
Detroit Arsenal				
Window Replacement	320	320	320	320
AIR FORCE				
K.I. Sawyer Air Force Base				
(ALCM - Air-Launched Cruise Missile)				
ALCM - Alter Operations Facilities	360	360	360	360
ALCM - Munitions Upload Training Facility	6,500	6,500	6,500	6,500
ALCM - Support Equipment Corrosion Control Facility	650	650	650	650
ALCM - Support Equipment Maintenance Shop	1,400	1,400	1,400	1,400
ALCM - Unarmed Weapons Storage Facility	710	710	710	710
ALCM - Vehicle Parking Facility	310	310	310	310
ALCM - Weapons Convoy Roads	2,650	2,650	2,650	2,650

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
MICHIGAN (Cont.)				
AIR FORCE (Cont.)				
K.I. Sawyer Air Force Base (Cont.)				
ALCM - Weapons Storage Igloos	6,600	6,600	6,600	6,600
ALCM - Alter Unaccompanied Enlisted Personnel Housing	3,400	3,400	3,400	3,400
Family Housing Improvements	(1,576)	(1,576)	(1,576)	(1,576)
Wurtsmith Air Force Base				
Add to and Alter Unaccompanied Enlisted Personnel Housing	5,300	5,300	5,300	5,300
Family Housing Improvements	(620)	(620)	(620)	(620)
ARMY NATIONAL GUARD				
Camp Grayling				
Mobilization and Training Equipment Site	6,008	6,008	6,008	6,008
Motor Pool-Training Site	976	976	976	976
Winterize Training Facilities-Phase I	833	833	833	833
Sault Ste. Marie				
Motor Vehicle Storage Building	676	676	676	676
AIR NATIONAL GUARD				
Phelps-Collins Airport				
Jet Fuel Storage Complex	2,500	2,500	2,500	2,500
Winterize Dormitories	0	1,800	0	1,800
Selfridge Air National Guard Base				
Refueler Vehicle Maintenance/Petroleum, Oil and Lubricant Operations/Vehicle Parking	1,080	1,080	1,080	1,080
Squadron Operations/Maintenance Control Facility	2,200	2,200	2,200	2,200
W. K. Kellogg Regional Airport				
Fuel Systems Maintenance Dock	1,700	1,700	0	1,700
Total, MICHIGAN	44,173			45,973
MINNESOTA				
ARMY NATIONAL GUARD				
Appleton				
Organizational Maintenance Shop	426	426	426	426
Brooklyn Park				
200-Person Armory	1,124	1,124	1,124	1,124
Camp Ripley				
Range	391	391	391	391
U.S. Property and Fiscal Officer Warehouse	1,484	1,484	1,484	1,484
NAVY AND MARINE CORPS RESERVE				
Navy and Marine Corps Reserve Center, Twin Cities				
Reserve Training Building Addition	600	600	600	600
Total, MINNESOTA	4,025			4,025
MISSISSIPPI				
NAVY				
Naval Air Station, Meridian				
Road Improvements	450	450	450	450
Defense Access Roads	(1,140)	(1,140)	(1,140)	(1,140)
Naval Construction Battalion Center, Gulfport				
Seabee Equipment Maintenance Facility	2,550	2,550	2,550	2,550
Defense Access Roads	(200)	(200)	(200)	(200)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
MISSISSIPPI (Cont.)				
NAVY (Cont.)				
Naval Construction Training Center, Gulfport				
Seabee Training Buildings	2,460	2,460	2,460	2,460
AIR FORCE				
Keesler Air Force Base				
Alter Unaccompanied Enlisted Personnel Housing	8,400	8,400	8,400	8,400
Electronic Assembly and Checkout Facility	2,100	2,100	2,100	2,100
Family Housing Improvements	(2,440)	(2,440)	(2,440)	(2,440)
ARMY NATIONAL GUARD				
Camp McCain				
Land Acquisition	0	3,300	0	3,300
Camp Shelby				
Land Acquisition - Phase IV	330	330	330	330
Gulfport				
Aviation Classification Repair Activity Depot	5,277	5,277	5,277	5,277
Jackson				
Organizational Maintenance Shop	423	423	423	423
AIR NATIONAL GUARD				
Key Field				
Jet Fuel Storage/Dispensing System	1,900	1,900	1,900	1,900
Total, MISSISSIPPI	23,890			27,190
MISSOURI				
ARMY				
Lake City Army Ammunition Plant				
Enclose Warehouse Loading Docks	930	930	930	930
Industrial Wastewater Treatment	19,000	19,000	0	0
Fort Leonard Wood				
General Instruction Building	1,150	1,150	1,150	1,150
General Instruction Building	2,800	2,800	2,800	2,800
Reception Center	0	8,400	0	8,400
AIR FORCE				
Whiteman Air Force Base				
Add to and Alter Gymnasium	2,400	2,400	0	2,400
Fire Station	2,250	2,250	2,250	2,250
ARMY NATIONAL GUARD				
Harrisonville				
100-Person Armory	884	884	884	884
Jefferson City/Lexington				
DISCOM Headquarters	0	2,186	0	2,186
ARMY RESERVE				
Fort Leonard Wood				
Add to and Alter Reserve Center/ Maintenance Facilities	2,018	2,018	2,018	2,018
NAVY AND MARINE CORPS RESERVE				
Navy and Marine Corps Reserve Center, Kansas City				
Alter and Repair Reserve Training Building	4,000	4,000	4,000	4,000
Total, MISSOURI	35,432			27,018

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	MONTANA			
AIR FORCE				
Malmstrom Air Force Base				
Facility Energy Improvements	1,300	1,300	1,300	1,300
Family Housing Improvements	(110)	(110)	(110)	(110)
ARMY NATIONAL GUARD				
Chinook				
Organizational Maintenance Shop	428	428	428	428
Fort William Henry Harrison				
Combined Support Maintenance Shop	1,959	1,959	1,959	1,959
ARMY RESERVE				
Billings				
Add to and Alter Reserve Center/ Maintenance Facilities	1,314	1,314	1,314	1,314
AIR NATIONAL GUARD				
Great Falls International Airport				
Base Engineer Maintenance Facility	990	990	990	990
Total, MONTANA	5,991			5,991
	NEBRASKA			
AIR FORCE				
Offutt Air Force Base				
Add to and Alter Enlisted Housing/ Dining Facility	3,400	3,400	3,400	3,400
Energy Recovery Systems	360	360	360	360
Headquarters Command Post	5,700	0	5,700	5,700
Peacekeeper - Add to and Alter Air Launch Control Center	430	430	430	430
Unaccompanied Enlisted Personnel Housing-Silver Creek	550	550	550	550
Family Housing Improvements	(633)	(633)	(633)	(633)
Total, NEBRASKA	10,440			10,440
	NEVADA			
NAVY				
Naval Air Station, Fallon				
Aircraft Parking Apron	8,230	8,230	8,230	8,230
Control Tower	2,350	2,350	2,350	2,350
Naval Air Station, Fallon (Cont.)				
Range Improvements	12,000	12,000	12,000	12,000
Strike Warfare Training Building	7,350	7,350	7,350	7,350
Utility Systems Improvements	6,570	6,570	6,570	6,570
AIR FORCE				
Indian Springs Auxiliary Field				
Family Housing Improvements	(1,027)	(1,027)	(1,027)	(1,027)
Nellis Air Force Base				
Alter Aircraft Corrosion Control Facility	2,050	2,050	2,050	2,050
Consolidated Support Center	6,000	0	0	0
Precision Launch Strike System-Software Support Facility	2,800	2,800	2,800	2,800
Red Flag Support Facilities	2,800	2,800	2,800	2,800
Sound Suppressor Support	610	610	610	610
Unaccompanied Enlisted Personnel Housing	9,600	9,600	9,600	9,600
Family Housing Improvements	(982)	(982)	(982)	(982)
Add to and Alter Base Access Roads	(3,200)	(3,200)	(3,200)	(3,200)
Total, NEVADA	60,360			54,360

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
NEW HAMPSHIRE				
AIR FORCE				
Pease Air Force Base				
Heating, Ventilation and Air Conditioning	610	610	610	610
Refueling Vehicle Heated Storage Facility	590	590	590	590
Family Housing Improvements	(280)	(280)	(280)	(280)
DEFENSE LOGISTICS AGENCY				
Defense Fuel Support Point, Newington				
Fire Protection	1,040	1,040	1,040	1,040
Total, NEW HAMPSHIRE	2,240			2,240
NEW JERSEY				
ARMY				
Fort Dix				
Automated Field Fire Range	3,000	3,000	3,000	3,000
Dining Facility Modernization	330	330	330	330
Main Library	1,850	1,850	1,850	1,850
Vehicle Maintenance Instruction Facility	920	920	920	920
Family Housing Improvements	(7,310)	(7,310)	(7,310)	(7,310)
Military Ocean Terminal, Bayonne				
Boiler and Refrigeration Plant Automation	1,000	1,000	1,000	1,000
Insulation and Weatherstripping	2,200	2,200	2,200	2,200
Picatinny Arsenal				
Insulate Steam Lines	1,000	1,000	1,000	1,000
Fort Monmouth				
Family Housing Improvements	(6,610)	(6,610)	(6,610)	(6,610)
NAVY				
Naval Air Engineering Center, Lakehurst				
Energy Monitoring and Control System	600	600	600	600
Naval Weapons Station, Earle				
Mine Assembly Facility	780	780	780	780
Weapons Handling Facility	2,940	2,940	2,940	2,940
Family Housing, New Construction (200 units)	(15,400)	(15,400)	(15,400)	(15,400)
AIR FORCE				
McGuire Air Force Base				
Add to and Alter Gymnasium	1,550	1,550	0	0
Aerial Refueling Part Task Training Facility	1,050	1,050	1,050	1,050
Aircraft Maintenance Hangar	7,300	7,300	7,300	7,300
Alter Unaccompanied Enlisted Personnel Housing	6,200	6,200	6,200	6,200
ARMY NATIONAL GUARD				
Fort Dix				
Training Center	4,299	4,299	4,299	4,299
Hackettstown				
Armory Addition/Alteration	741	741	741	741
Trenton				
Direct Support Logistics Facility-Division	1,172	1,172	1,172	1,172
Teaneck				
Organizational Maintenance Shop	426	426	426	426
Total, NEW JERSEY	37,358			35,808

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	NEW MEXICO			
ARMY				
Fort Wingate				
Ammunition Container Loading Yard	490	490	0	490
AIR FORCE				
Cannon Air Force Base				
Melrose Range-Land Acquisition	12,500	0	12,500	12,500
Family Housing Improvements	(1,732)	(1,732)	(1,732)	(1,732)
Holloman Air Force Base				
Add to and Alter Radar Target Scatter Complex	13,700	13,700	13,700	13,700
Base Civil Engineer Maintenance Shops	1,300	1,300	1,300	1,300
Vehicle Maintenance Shop	1,850	1,850	1,850	1,850
Kirtland Air Force Base				
Alter Unaccompanied Enlisted Personnel Housing	5,000	5,000	5,000	5,000
Communication Duct System	1,300	1,300	1,300	1,300
Computer-Vault Facility	4,300	4,300	4,300	4,300
Dangerous Cargo Pad	1,900	1,900	1,900	1,900
Facility Energy Improvements	830	830	830	830
Munitions Storage Complex	47,000	47,000	47,000	47,000
Family Housing Improvements	(1,024)	(1,024)	(1,024)	(1,024)
ARMY NATIONAL GUARD				
Gallup				
60-Person Armory	716	716	716	716
Hobbs				
Construct Armory	0	755	0	755
Raton				
60-Person Armory	716	716	716	716
ARMY RESERVE				
Albuquerque				
Add to and Alter Armed Forces Reserve Center	2,442	2,442	2,442	2,442
NAVY AND MARINE CORPS RESERVE				
Armed Forces Reserve Center, Albuquerque				
Reserve Training Building Addition	470	470	470	470
Total, NEW MEXICO	94,514			95,269
	NEW YORK			
ARMY				
Fort Drum				
Child Care Center	2,000	2,000	0	2,000
Fire Station	990	990	0	990
Family Housing, New Construction (800 units)	(67,500)	(67,500)	(0)	(67,500)
Utilities	(0)	(82,500)	(0)	(82,500) 3/
Seneca Army Depot				
Ammunition Container Loading Yard	460	460	460	460
Energy Monitoring and Control System	360	360	360	360
Vapor Barrier Addition	590	590	590	590

3/ Authorization only.

(amounts in thousands of dollars)

Installation and project	Budget Request	House. recommendation	Senate recommendation	Conference Agreement
NEW YORK (Cont.)				
ARMY (Cont.)				
U.S. Military Academy				
Boiler Conversion	8,600	8,600	8,600	8,600
Chemistry Laboratory Modernization	1,400	1,400	1,400	1,400
Energy Monitoring System Expansion	5,900	5,900	5,900	5,900
Expand Academic Facility	5,300	5,300	5,300	5,300
General Instruction Building	7,300	0	7,300	7,300
Modified Record Fire Range	2,500	2,500	2,500	2,500
Family Housing Improvements	(1,631)	(1,631)	(1,631)	(1,631)
Watervliet Arsenal				
Family Housing Improvements	0	(1,521)	(0)	(1,521)
NAVY				
Naval Station, New York				
Berthing Pier/Bulkhead	0	39.700 2/	0	0
Dredging	(11,700) 1/	(11,700) 1/	(11,700) 1/	(11,700) 1/
Land Acquisition	2,940	2,940	2,940	2,940
Mess Hall	0	1,900	0	0
Site Improvements	3,920	3,920	3,920	3,920
Unaccompanied Enlisted Personnel Housing	0	8,200	0	0
Utilities and Site Improvements	0	14,600	0	14,600
AIR FORCE				
Griffiss Air Force Base				
Air-Launched Cruise Missile Igloo	1,100	1,100	1,100	1,100
Tempest Secure Intelligence Laboratories	1,210	1,210	1,210	1,210
Refueling Vehicle Heated Storage Facility	430	430	430	430
Family Housing Improvements	(15)	(15)	(15)	(15)
Plattsburgh Air Force Base				
Facility Energy Improvements	1,050	1,050	1,050	1,050
Family Housing Improvements	(535)	(535)	(535)	(535)
DEFENSE LOGISTICS AGENCY				
Defense Fuel Support Point, Verona				
Fuel Tank Roofs	(1,395)	(1,395)	(1,395)	(1,395)
ARMY NATIONAL GUARD				
Camp Smith				
Enlisted Women's Barracks	403	403	403	403
Clinton County				
100-Person Armory	954	954	954	954
AIR NATIONAL GUARD				
Hancock Field				
Aircraft Engine Inspection and Repair Shop	1,485	1,485	1,485	1,485
Stewart Airport				
Aircraft Parking Apron - Site Preparation	15,500	15,500	15,500	15,500
Aircraft Maintenance Shops	3,000	3,000	3,000	3,000
Automotive Maintenance Shop	900	900	900	900
Fuel Systems Maintenance Hangar	10,000	10,000	10,000	10,000
Jet Fuel Storage	6,600	6,600	6,600	6,600
Total, NEW YORK	86,287			100,887

1/ Authorized at $11,700,000 but not authorized for appropriation.
2/ Authorized at $43,000,000 but authorized for appropriation at $39,700,000.

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
NORTH CAROLINA				
ARMY				
Fort Bragg				
Aircraft Maintenance Hangar	9,400	9,400	9,400	9,400
Ammunition Storage	490	490	490	490
Anti-armor Range	4,050	4,050	4,050	4,050
Aviation Fuel Storage Facility	2,550	2,550	2,550	2,550
Battalion Headquarters	1,500	0	1,500	0
Company Operations and Supply	1,650	0	1,650	0
Division Headquarters	6,700	6,700	6,700	6,700
Energy Monitoring System Expansion	2,750	2,750	2,750	2,750
Flight Simulator Building	3,100	3,100	3,100	3,100
Physical Fitness Training Center	2,000	2,000	0	2,000
Runway Extension	770	770	770	770
Sniper Training Range	1,200	1,200	1,200	1,200
Tactical Equipment Shop	11,000	11,000	11,000	11,000
Test Equipment Calibration Facility	570	570	570	570
Unaccompanied Enlisted Personnel Housing	2,950	0	0	0
Land Acquisition	0	10,800	0	10,800
Unaccompanied Enlisted Personnel Housing	13,000	13,000	13,000	13,000
Family Housing, New Construction (50 Mobile Home Spaces)	(637)	(637)	(637)	(637)
Family Housing Improvements	(4,712)	(4,712)	(4,712)	(4,712)
Sunny Point Army Terminal				
Road and Staging Area Paving	1,200	1,200	1,200	1,200
NAVY				
Marine Corps Air Station, Cherry Point				
Aircraft Engine Blade Rework Facility	0	15,900	0	0
Aviation Supply Warehouse	5,100	5,100	5,100	5,100
Unaccompanied Enlisted Personnel Housing	19,100	19,100	19,100	19,100
Child Care Center	1,490	0	0	0
Maintenance Hangar Modifications	3,190	3,190	3,190	3,190
Operations, Training and Maintenance Facilities	3,970	3,970	3,970	3,970
Parachute and Survival Equipment Shop Addition	490	490	490	490
Vertical Take-off and Landing Pads	4,600	4,600	4,600	4,600
Family Housing Improvements	(1,261)	(1,261)	(1,261)	(1,261)
Marine Corps Air Station, New River				
Aviation Ready Fuel Storage	2,000	2,000	2,000	2,000
Ground Support Equipment Facility	1,130	1,130	1,130	1,130
Helicopter Maintenance Hangar	7,650	7,650	7,650	7,650
Marine Corps Base, Camp Lejeune				
Combat Vehicle Maintenance Shop	2,740	2,740	2,740	2,740
Electronics and Communications Maintenance Shop	3,280	3,280	3,280	3,280
Light Armored Vehicle Maintenance Shop	4,850	4,850	4,850	4,850
Sewage System Improvements	1,220	1,220	1,220	1,220
Unaccompanied Enlisted Personnel Housing	9,500	9,500	9,500	9,500
Vehicle Mechanics Training Building	2,550	2,550	2,550	2,550
Naval Air Rework Facility, Cherry Point				
Hazardous and Flammable Storage Facility	1,720	1,720	1,720	1,720
Navy Facility, Radio Island				
Equipment Washdown Facility and Land Acquisition	17,640	17,640	0	0

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
NORTH CAROLINA (Cont.)				
AIR FORCE				
Pope Air Force Base				
Combat Arms Training and Maintenance Facility	440	440	440	440
Family Housing Improvements	(690)	(690)	(690)	(690)
Seymour-Johnson Air Force Base				
Heating, Ventilation, and Air Conditioning	1,220	1,220	1,220	1,220
KC-10 Blast Deflectors and Apron Lighting	1,100	1,100	1,100	1,100
DEPENDENTS SCHOOLS (SEC. 6)				
Fort Bragg				
Bowley Elementary School Replacement	5,660	0	5,660	5,660
Camp Lejeune				
High School	8,400	0	8,400	8,400
ARMY NATIONAL GUARD				
Jefferson				
60-Person Armory	545	545	545	545
Murphy				
60-Person Armory	519	519	519	519
Salisbury				
Army Aviation Support Facility Addition	812	812	812	812
Total, NORTH CAROLINA	175,796			161,366
NORTH DAKOTA				
AIR FORCE				
Cavalier				
Perimeter Acquisition Radar Attack Characterization System-Power Reliability Enhancements	950	950	950	950
Grand Forks Air Force Base				
B-1 Add to and Alter Aircraft Maintenance Hangar	9,200	9,200	9,200	9,200
B-1 Add to and Alter Field Training and Site Activation Task Force	960	960	960	960
B-1 Alter Avionics Maintenance Facility	560	560	560	560
B-1 Alter Field Maintenance Facility	930	930	930	930
B-1 Alter Utilities Systems	3,600	3,600	3,600	3,600
B-1 Area Security Improvements	5,200	5,200	5,200	5,200
B-1 Hydrant Fuel with Consolidated Aircraft Support System Provisions	14,300	14,300	14,300	14,300
B-1 Power Check Pad	580	580	580	580
B-1 Three-bay Maintenance Hangar and Apron	25,000	25,000	25,000	25,000
B-1 Weapons Bay Fuel Tank Storage Facility	700	700	700	700
Facility Energy Improvements	1,700	1,700	1,700	1,700
Family Housing Improvements	(850)	(850)	(850)	(850)
Minot Air Force Base				
Security Police Operations Facility	5,000	5,000	5,000	5,000
Family Housing Improvements	(846)	(846)	(846)	(846)
AIR NATIONAL GUARD				
Hector Field				
Base Engineer Maintenance Facility	1,200	1,200	1,200	1,200
Upgrade Hangar	700	700	700	700
Total, NORTH DAKOTA	70,580			70,580

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	OHIO			
NAVY				
Naval Finance Center, Cleveland				
Data Processing Center Addition	2,940	2,940	2,940	2,940
AIR FORCE				
Wright-Patterson Air Force Base				
Add to and Alter Precision Measurement Equipment Laboratory	920	920	920	920
Add to and Alter Storm Drainage System	3,950	3,950	3,950	3,950
Add to and Alter Air Force Institute of Technology Science Engineering Support Complex	12,800	12,800	12,800	12,800
Add to and Alter High Power Research Laboratory	1,950	1,950	1,950	1,950
Alter Electrical Distribution System	1,500	1,500	1,500	1,500
Entomology Shop	770	770	770	770
AIR NATIONAL GUARD				
Rickenbacker Air National Guard Base				
Alter Fuel System Maintenance Dock (Joint)	630	630	630	630
Springfield Municipal Airport				
Approach Lighting System	720	720	720	720
AIR FORCE RESERVE				
Rickenbacker Air National Guard Base				
Alter Fuel System Maintenance Dock (Joint)	630	630	630	630
DEFENSE LOGISTICS AGENCY				
Defense Supply Depot, Columbus				
Family Housing Improvements	(32)	(32)	(32)	(32)
Total, OHIO	26,810			26,810
	OKLAHOMA			
ARMY				
Fort Sill				
Hospital Upgrade and Addition	29,000	29,000	29,000	29,000
Trainee Barracks	23,000	23,000	23,000	23,000
Family Housing Improvements	(2,240)	(2,240)	(2,240)	(2,240)
McAlester Army Ammunition Plant				
Addition to Line-A	0	2,300	0	2,300
AIR FORCE				
Altus Air Force Base				
Base Supply Administration Facility	1,900	1,900	0	1,900
Recreation Center	1,710	1,710	0	0
Unaccompanied Enlisted Personnel Housing	3,800	3,800	3,800	3,800
Vehicle Maintenance Shop	3,200	3,200	3,200	3,200
Weapons Systems Maintenance Management Facility	2,550	2,550	2,550	2,550
Family Housing Improvements	(2,337)	(2,337)	(2,337)	(2,337)
Tinker Air Force Base				
Add to and Alter Recreation Center	1,600	1,600	0	0
Add to and Alter Heating Plant	6,400	6,400	6,400	6,400
Alter Aircraft Corrosion Control Facility	4,650	4,650	4,650	4,650
Alter Petroleum, Oil and Lubricants Storage Complex	3,650	3,650	3,650	3,650
Alter Unaccompanied Enlisted Personnel Housing	3,100	3,100	3,100	3,100
E-3A Maintenance Hangar	6,800	6,800	6,800	6,800
Transient Munitions Facility-Land Acquisition	6,900	6,900	6,900	6,900
Family Housing Improvements	(1,261)	(1,261)	(1,261)	(1,261)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
OKLAHOMA (Cont.)				
AIR FORCE (Cont.)				
Vance Air Force Base				
Central Life Support Equipment Facility	660	660	660	660
Mission Support Facility	0	3,550	0	3,550
ARMY NATIONAL GUARD				
Camp Gruber				
Training Facility-Phase II	1,199	1,199	1,199	1,199
Unit Training Equipment Site	1,243	1,243	1,243	1,243
Lexington				
Auto-Rotation Lane Extension	437	437	437	437
AIR NATIONAL GUARD				
Tulsa International Airport				
Add to Munitions Maintenance and Storage Facility	800	800	800	800
Fire Suppression System	850	850	850	850
Will Rogers World Airport				
Composite Squadron Operations-Telecommunications Facility	2,120	2,120	2,120	2,120
Total, OKLAHOMA	105,569			108,109
OREGON				
ARMY				
Umatilla Army Depot				
Ammunition Container Loading Yard	260	260	260	260
ARMY NATIONAL GUARD				
Camp Rilea				
Unit Training Equipment Site	1,545	1,545	1,545	1,545
Camp Withycombe				
U.S. Property and Fiscal Officer Warehouse	895	895	895	895
Salem				
U.S. Property and Fiscal Officer Office	769	769	769	769
AIR NATIONAL GUARD				
Kingsley Field				
Add to and Alter Aircraft Engine Inspection and Repair Shop	640	640	640	640
Add to and Alter Support Equipment Shop	520	520	520	520
Fuel Cell Maintenance Hangar	1,800	1,800	1,800	1,800
Squadron Operations - Operations Training Facility	2,000	2,000	2,000	2,000
Portland International Airport				
Medical Training and Administration Facility	1,400	1,400	1,400	1,400
Telecommunications Center	750	750	750	750
AIR FORCE RESERVE				
Portland International Airport				
Add to Squadron Operations Facility	1,060	1,060	1,060	1,060
Fuel System/Organizational Maintenance Hangar	4,200	4,200	4,200	4,200
Total, OREGON	15,839			15,839
PENNSYLVANIA				
ARMY				
Fort Indiantown Gap				
Centralized Wash Facility	5,300	5,300	5,300	5,300

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
PENNSYLVANIA (Cont.)				
ARMY (Cont.)				
Letterkenny Army Depot				
Ammunition Truck Loading and Blocking	1,550	0	0	0
New Cumberland Army Depot				
Eastern Distribution Center	88,000	15,000 1/	0	15,000 1/
NAVY				
Naval Air Development Center, Warminster				
Navigation Equipment Laboratory	4,220	4,220	0	4,220
Aviation Supply Office, Philadelphia				
Family Housing, New Construction (1 unit)	(170)	(170)	(170)	(170)
DEFENSE LOGISTICS AGENCY				
Defense Depot, Mechanicsburg				
Fumigation Facility	470	470	470	470
ARMY RESERVE				
Reading				
Army Reserve Center/Maintenance Facilities	3,614	3,614	3,614	3,614
ARMY NATIONAL GUARD				
Scranton/Wilkes-Barre				
Safety Facilities	0	7,565	0	7,565
NAVY AND MARINE CORPS RESERVE				
Naval Air Station, Willow Grove				
Enlisted Dining Facility	2,400	2,400	2,400	2,400
Combined Fire/Rescue Station	1,800	1,800	1,800	1,800
Personnel Support Activity	1,200	1,200	1,200	1,200
Unaccompanied Enlisted Personnel Housing	4,650	4,650	4,650	4,650
AIR NATIONAL GUARD				
Harrisburg International Airport				
Operations and Training, Dining Hall, Medical, Band Facility	3,600	3,600	3,600	3,600
Support Equipment Shop	450	450	450	450
Naval Air Station, Willow Grove				
Fuel System Maintenance Dock	1,110	1,110	1,110	1,110
AIR FORCE RESERVE				
Willow Grove Air Reserve Facility				
Aerial Port Training Facility	1,420	1,420	1,420	1,420
Total, PENNSYLVANIA	119,784			52,799
RHODE ISLAND				
NAVY				
Naval Education and Training Center, Newport				
Construction Battalion Unit Complex	1,180	1,180	1,180	1,180
Facility Energy Improvements	1,570	1,570	1,570	1,570
Fire Fighting Training Facility	8,800	8,800	8,800	8,800
Municipal Sewer Connection	4,600	4,600	4,600	4,600
Senior Enlisted Academy	3,430	3,430	3,430	3,430
Unaccompanied Officer Personnel Housing	8,700	0	8,700	0
Total, RHODE ISLAND	28,280			19,580

1/ Authorized, but only $15,000,000 authorized for appropriation.

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
SOUTH CAROLINA				
ARMY				
Fort Jackson				
Dining Facilities Modernization	6,600	0	6,600	6,600
NAVY				
Fleet and Mine Warfare Training Center, Charleston				
Mine Warfare Training Facility	1,180	1,180	1,180	1,180
Marine Corps Air Station, Beaufort				
Air Combat Training Facility	1,080	1,080	1,080	1,080
Aircraft Parking Apron	570	570	570	570
Child Care Center	900	0	0	0
Fuel Pier Extension	685	685	685	685
Hazardous Waste Facility	420	420	420	420
Ordnance Handling Pad	4,150	4,150	4,150	4,150
Family Housing Improvements	(7,762)	(7,762)	(7,762)	(7,762)
Marine Corps Recruit Depot, Parris Island				
Clothing Issue Building	2,630	2,630	2,630	2,630
Recruit Training Building	980	980	980	980
Naval Station, Charleston				
Storm Sewer	360	360	360	360
Unaccompanied Enlisted Personnel Housing	9,600	9,600	9,600	9,600
Naval Weapons Station, Charleston				
Ammunition Overhaul Shop	3,230	3,230	3,230	3,230
Gymnasium	840	840	0	840
Polaris Missile Facility, Atlantic, Charleston				
Fire Protection Water Tank	1,620	1,620	1,620	1,620
AIR FORCE				
Charleston Air Force Base				
Aerial Refueling Part Task Training Facility	1,140	1,140	1,140	1,140
Petroleum, Oil and Lubricants Facility	480	480	480	480
Myrtle Beach Air Force Base				
Add to and Alter Support Equipment Shop	430	430	430	430
Shaw Air Force Base				
Add to and Alter Special Operations Facility	2,000	2,000	2,000	2,000
Add to and Alter Weapons Maintenance Management Facility	1,100	1,100	1,100	1,100
Aircraft Maintenance Area Lighting	840	840	840	840
Consolidated Support Center	6,450	6,450	6,450	6,450
Heating, Ventilation, and Air Conditioning	360	360	360	360
Medical War Reserve Material Facility	450	450	450	450
Wing Headquarters	2,100	2,100	2,100	2,100
DEPENDENTS SCHOOLS (SEC. 6)				
Myrtle Beach Air Force Base				
Add to and Alter Woodlawn Park School	1,400	0	1,400	1,400
ARMY NATIONAL GUARD				
Moncks Corner				
60-Person Armory	754	754	754	754
Mullins				
400-Person Armory	1,422	1,422	1,422	1,422
Total, SOUTH CAROLINA	53,771			52,871

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	SOUTH DAKOTA			
AIR FORCE				
Belle Fourche Air Force Station				
Strategic Training Range Complex (Site 4) and Land Acquisition	4,080	4,080	4,080	4,080
Family Housing, New Construction (50 units)	(4,000)	(4,000)	(4,000)	(4,000)
Ellsworth Air Force Base				
B-1 Add to and Alter Operations and Maintenance Facilities	710	710	710	710
B-1 Add to and Alter Alert Aircraft Parking Area	7,600	7,600	7,600	7,600
B-1 Add to and Alter Field Maintenance Facility	6,300	6,300	6,300	6,300
B-1 Add to and Alter Helicopter Aircrew Enhancement Facilities	2,850	2,850	2,850	2,850
B-1 Add to and Alter Organizational Aircraft Maintenance Shop	270	270	270	270
B-1 Aircraft Parking Apron and Taxiways	10,600	10,600	10,600	10,600
B-1 Alter Aircraft Maintenance Hangars	12,400	12,400	12,400	12,400
B-1 Alter Engine Inspection and Repair Shop	450	450	450	450
B-1 Alter Integrated Maintenance Facility	210	210	210	210
B-1 Alter Utilities Systems	990	990	990	990
B-1 Area Security Improvements	3,450	3,450	3,450	3,450
B-1 Blast Deflectors	2,850	2,850	2,850	2,850
B-1 Central Aircraft Support System Equipment and Installation	3,000	3,000	3,000	3,000
B-1 Flight Simulator Training Facility	3,400	3,400	3,400	3,400
B-1 Weapons Preload Facilities and Roads	7,384	7,384	7,384	7,384
KC-135 Cockpit Procedural Trainer Simulator Facility	770	770	770	770
Peacekeeper-Add to and Alter Air Launch Control Center	730	730	730	730
Unaccompanied Enlisted Personnel Housing	8,100	8,100	8,100	8,100
Total, SOUTH DAKOTA	76,144			76,144
	TENNESSEE			
ARMY				
Holston Army Ammunition Plant				
Backup Electric Power	1,350	0	1,350	0
Fire Protection Sprinkler Systems	320	320	320	320
NAVY				
Naval Air Station, Memphis				
Air Traffic Controller Training Building	2,740	2,740	2,740	2,740
Aviation Mechanics Training Buildings	6,750	6,750	6,750	6,750
Brig	3,180	0	3,180	0
Naval Legal Service Building	1,370	1,370	1,370	1,370
Radar Operational Facility	835	835	835	835
AIR FORCE				
Arnold Engineering Development Center				
Engineering Analysis Facility	16,900	0	0	0
DEFENSE LOGISTICS AGENCY				
Defense Depot, Memphis				
Hazardous Material Warehouse	(7,345)	(7,345)	(7,345)	(7,345)
Upgrade Water Distribution System	740	740	740	740
Family Housing Improvements	(5)	(5)	(5)	(5)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
TENNESSEE (Cont.)				
ARMY NATIONAL GUARD				
Fort Campbell (Kentucky)				
Unit Training Equipment Site	678	678	678	678
Jamestown				
60-Person Armory	714	714	714	714
Lafayette				
60-Person Armory	626	626	626	626
McKenzie				
60-Person Armory	609	609	609	609
Paris				
200-Person Armory	908	908	908	908
Sparta				
100-Person Armory	674	674	674	674
NAVY AND MARINE CORPS RESERVE				
Naval Reserve Center, Memphis				
Reserve Training Building Addition	1,400	1,400	1,400	1,400
AIR NATIONAL GUARD				
Memphis International Airport				
Composite Squadron Operations Facility	2,400	2,400	2,400	2,400
Fire Station	650	650	650	650
Total, TENNESSEE	50,189			28,759
TEXAS				
ARMY				
Fort Bliss				
Barracks Modernization	5,500	5,500	5,500	5,500
Barracks Modernization	10,000	10,000	10,000	10,000
Child Care Center	2,350	2,350	0	2,350
Fire Station	0	710	0	710
Hardstand	11,000	11,000	11,000	11,000
Physical Fitness Training Center	2,200	2,200	0	2,200
Corpus Christi Army Depot				
Helicopter Blade Facility	4,400	4,400	4,400	4,400
Fort Hood				
Administration and Test Support Facility	8,300	8,300	8,300	8,300
Aircraft Maintenance Facilities	29 000	29,000	29,000	29,000
Aircraft Maintenance Facility	15,000	15,000	15,000	15,000
Armored Moving Target Range	0	4,600	0	4,600
Dining Facilities Modernization	0	1,550	0	0
Storage Facility	0	7,200	0	7,200
Tactical Equipment Shop	1,050	1,050	1,050	1,050
Tactical Equipment Shop	7,700	7,700	7,700	7,700
Tactical Equipment Shop	5,600	5,600	5,600	5,600
Red River Army Depot				
Ammunition Container Loading Yard	820	820	820	820
Fort Sam Houston				
Energy Monitoring System Expansion	940	940	940	940
Heat Recovery System	500	500	500	500
Family Housing Improvements	(1,092)	(1,092)	(1,092)	(1,092)
NAVY				
Naval Air Station, Corpus Christi				
Electrical Switching Station	2,400	2,400	2,400	2,400
Land Acquisition	1,960	1,960	1,960	1,960

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
TEXAS (Cont.)				
AIR FORCE				
Bergstrom Air Force Base				
Commercial Transportation Facility	770	770	770	770
Brooks Air Force Base				
Vehicle Maintenance Shop	2,500	2,500	2,500	2,500
Carswell Air Force Base				
Chapel Center	2,150	2,150	0	0
Willis-Cartwright School Acquisition/ Renovation	1,000	1,000	1,000	1,000
Family Housing Improvements	(447)	(447)	(447)	(447)
Dyess Air Force Base				
B-1 Add to and Alter Field Training Facility	1,300	1,300	1,300	1,300
B-1 Add to and Alter Maintenance Facilities	1,500	1,500	1,500	1,500
B-1 Blast Deflectors	950	950	950	950
B-1 Central Aircraft Support System Equipment and Installation	4,350	4,350	4,350	4,350
B-1 Flight Simulator Training Facility	5,600	5,600	5,600	5,600
B-1 Munitions Igloos	2,300	2,300	2,300	2,300
Heating, Ventilation, and Air Conditioning	950	950	950	950
Goodfellow Air Force Base				
Dining Facility	3,000	3,000	3,000	3,000
Operations Intelligence Training Facility	13,500	13,500	13,500	13,500
Recreation Center	2,450	2,450	0	0
Unaccompanied Enlisted Personnel Housing	11,000	11,000	11,000	11,000
Kelly Air Force Base				
Add to and Alter Engine Test Cell Complex	6,500	6,500	6,500	6,500
Add to and Alter Visiting Officer Quarters	1,950	1,950	0	0
Alter Electrical Distribution System	1,100	1,100	1,100	1,100
Approach Lighting	1,450	1,450	1,450	1,450
Dental Clinic	2,800	2,800	2,800	2,800
Depot Machine Shop	11,500	11,500	11,500	11,500
Emergency Back-up Power	2,500	2,500	2,500	2,500
Hydrant Fueling System	4,600	4,600	4,600	4,600
Integration Support Facility	9,299	9,299	9,299	9,299
Lackland Air Force Base				
Dining Hall	5,000	5,000	5,000	5,000
Satellite Communications Ground Terminal	2,950	2,950	2,950	2,950
Unaccompanied Enlisted Personnel Housing	14,800	14,800	14,800	14,800
Laughlin Air Force Base				
Water Supply Mains-Land Acquisition	1,900	1,900	1,900	1,900
Randolph Air Force Base				
Vehicle Maintenance Complex	3,200	3,200	3,200	3,200
Reese Air Force Base				
Vehicle Maintenance Complex	3,250	3,250	3,250	3,250
Sheppard Air Force Base				
Medical Logistics Facility	2,150	2,150	2,150	2,150
Medical Training Facility	14,000	14,000	14,000	14,000
DEFENSE MAPPING AGENCY				
Mineral Wells National Guard Center				
Reproducible Materials Secure Storage Facility	900	900	900	900

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
TEXAS (Cont.)				
DEFENSE LOGISTICS AGENCY				
Defense Property Disposal Office, Texarkana				
Storage Facility	2,635	2,635	2,635	2,635
ARMY NATIONAL GUARD				
Austin				
Armory Expansion	907	907	907	907
Army Aviation Support Facility Addition	981	981	981	981
Camp Swift				
Unit Training Equipment Site	651	651	651	651
Mineral Wells				
Unit Training Equipment Site	695	695	695	695
ARMY RESERVE				
Fort Bliss				
Army Reserve Center/Maintenance Facilities	4,278	4,278	4,278	4,278
Brownsville				
Army Reserve Center/Add to and Alter Maintenance/Storage	1,428	1,428	1,428	1,428
NAVY AND MARINE CORPS RESERVE				
Naval Reserve Center, Tyler				
Acquisition of Reserve Training Building	450	450	450	450
Naval Air Station, Dallas				
Unaccompanied Personnel Housing	0	5,000	0	0
AIR NATIONAL GUARD				
Ellington Air National Guard Base				
Aircraft Engine Inspection and Repair Shop	1,100	1,100	1,100	1,100
Add to Squadron Operations/Weapons Security Facility	1,500	1,500	1,500	1,500
Medical Training/Dining Hall/Telecommunications Facility	2,000	2,000	2,000	2,000
AIR FORCE RESERVE				
Kelly Air Force Base				
Aerospace Ground Equipment Shop/Storage Facility	760	760	760	760
Apron and Hydrant Fueling System	8,760	8,760	8,760	8,760
Avionics Facility	1,600	1,600	1,600	1,600
Fuel System Maintenance Dock	5,900	5,900	5,900	5,900
Squadron Operations Facility	3,200	3,200	3,200	3,200
Total, TEXAS	288,734			294,694
UTAH				
ARMY				
Dugway Proving Ground				
Ammunition Storage	1,350	1,350	1,350	1,350
Munitions Processing and Assembly Facility	2,150	2,150	2,150	2,150
Operations Building	3,600	3,600	3,600	3,600
Photo-Optics Maintenance Facility	1,550	1,550	1,550	1,550
Family Housing, New Construction (104 units)	(8,323)	(8,323)	(8,323)	(8,323)
Family Housing, New Construction (24 Mobile Home Spaces)	(351)	(351)	(351)	(351)
Family Housing Improvements	(6,094)	(6,094)	(6,094)	(6,094)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
UTAH (Cont.)				
ARMY (Cont.)				
Tooele Army Depot				
Ammunition Container Loading Yard	550	550	550	550
Building Insulation	700	700	700	700
Chemical Agent Munitions Disposal System Laboratory	3,200	3,200	3,200	3,200
Health Clinic	2,000	2,000	2,000	2,000
Insulate Dock Doors	600	600	600	600
Research and Development Science and Technology Facility	4,200	4,200	4,200	4,200
Storm Windows	240	240	240	240
AIR FORCE				
Hill Air Force Base				
Add to and Alter Aircraft Corrosion Control Facility	13,400	13,400	13,400	13,400
Depot Explosive Storage Complex	2,600	2,600	2,600	2,600
Facility Energy Improvements	3,980	3,980	3,980	3,980
Peacekeeper-Transporter Repair Facility	8,300	8,300	8,300	8,300
DEFENSE LOGISTICS AGENCY				
Defense Property Disposal Office, Hill Air Force Base				
Facility Rehabilitation	750	750	750	750
Defense Depot, Ogden				
Hazardous Material Warehouse	(3,315)	(3,315)	(3,315)	(3,315)
Steam Distribution System	510	510	510	510
Family Housing Improvements	(3)	(3)	(3)	(3)
ARMY NATIONAL GUARD				
Camp Williams				
Bachelor Officers Quarters	555	555	555	555
ARMY RESERVE				
Fort Douglas				
Alter Reserve Center/Maintenance Facility	5,425	5,425	5,425	5,425
Total, UTAH	58,975			58,975
VERMONT				
ARMY NATIONAL GUARD				
Ethan Allen				
200-Person Armory	804	804	804	804
Mountain Warfare School/Military Academy/ Complex	2,017	2,017	2,017	2,017
Total, VERMONT	2,821			2,821
VIRGINIA				
ARMY				
Fort A.P. Hill				
General Purpose and Cold Storage Warehouse	2,350	2,350	2,350	2,350
Heating System	3,500	3,500	3,500	3,500
Water Distribution System	600	600	600	600
Fort Belvoir				
Automated Data Processing Facility	4,300	4,300	4,300	4,300
Intelligence Command and Control Facility	30,000	0	30,000	30,000
Physical Fitness Training Center	2,800	2,800	0	0
Humphreys Engineer Center				
Topographic Laboratory	11,000	11,000	11,000	11,000

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
VIRGINIA (Cont.)				
ARMY (Cont.)				
Fort Lee				
Applied Instruction Facility	1,200	1,200	1,200	1,200
Automated Record Fire Ranges	1,750	1,750	1,750	1,750
General Instruction Building	9,100	9,100	9,100	9,100
Brigade Operations Center	0	1,032	0	1,032
Recreation Center	0	2,389	0	0
Family Housing Improvements	(1,550)	(1,550)	(1,550)	(1,550)
Fort Myer				
Administration Facility	8,300	8,300	8,300	8,300
Family Housing, New Construction (6 units)	(596)	(596)	(596)	(596)
Family Housing Improvements	(765)	(765)	(765)	(765)
Fort Pickett				
Chemical Decontamination Training Area	420	420	420	420
Radford Army Ammunition Plant				
Alter Building for Nitrocellulose Weighing	520	520	520	520
Replace Air Compressor - Building 4333	390	390	390	390
Replace Explosion Protection Barricade	2,000	2,000	2,000	2,000
Fort Story				
Hardstand	1,950	1,950	1,950	1,950
Vint Hill Farms Station				
Equipment Testing and Evaluation Facility	5,900	0	0	0
Warehouse Addition	950	0	0	0
NAVY				
Fleet Combat Training Center Atlantic, Dam Neck				
Chapel and Religious Education Building	2,490	2,490	0	2,490
Radarman Training Building	7,150	7,150	7,150	7,150
Marine Corps Camp Detachment Camp Elmore, Norfolk				
Combat Vehicle Maintenance Facility	715	715	715	715
Fleet Marine Force Support Warehouse	3,280	3,280	3,280	3,280
Marine Corps Development and Education Command, Quantico				
Sewerage System	1,860	1,860	1,860	1,860
Unaccompanied Enlisted Personnel Housing	5,200	5,200	5,200	5,200
Family Housing Improvements	(222)	(222)	(222)	(222)
Naval Air Rework Facility, Norfolk				
Hazardous and Flammable Storage Facility	1,910	1,910	1,910	1,910
Heavy Processes Shop	11,170	11,170	11,170	11,170
Naval Air Station, Norfolk				
Helicopter Maintenance Hangar	7,160	7,160	7,160	7,160
Mine Countermeasure Helicopter Training Building	1,130	1,130	1,130	1,130
Oil Spill Prevention	1,570	1,570	1,570	1,570
Warning Aircraft Training Building Addition	815	815	815	815
Naval Air Station, Oceana				
Land Acquisition	5,100	5,100	5,100	5,100
Maintenance Hangar	11,000	11,000	11,000	11,000
Steam and Condensate Systems	840	840	840	840
Naval Amphibious Base, Little Creek				
Combat Swimmer Training Facility	4,070	4,070	0	4,070
Explosive Ordnance Disposal Group Complex	4,560	4,560	4,560	4,560
Unaccompanied Enlisted Personnel Housing	7,740	7,740	7,740	7,740

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
VIRGINIA (Cont.)				
NAVY (Cont.)				
Naval Amphibious School, Little Creek				
Amphibious Force Training Building Improvements	420	420	420	420
Naval Electronic Systems Engineering Center, Portsmouth				
Communications Systems Laboratory Addition	825	825	825	825
Shipboard Electronics Support Laboratory	880	880	880	880
Utilities Improvements	1,550	1,550	1,550	1,550
Naval Mine Warfare Engineering Activity, Yorktown				
Mine Warfare Systems Laboratory	4,120	4,120	4,120	4,120
Naval Security Group Activity Northwest, Chesapeake				
Storage Facilities and Public Works Shop	835	835	835	835
Unaccompanied Enlisted Personnel Housing Modernization	550	550	550	550
Naval Shipyard Norfolk, Portsmouth				
Dockside Work Center Addition	530	530	530	530
Mess Hall Addition	560	560	560	560
Unaccompanied Officer Personnel Housing	5,600	5,600	5,600	5,600
Naval Space Command, Dahlgren				
Command and Control Center	4,700	4,700	4,700	4,700
Naval Station, Norfolk				
Dredging	800	800	800	800
Defense Access Roads	(50)	(50)	(50)	(50)
Naval Supply Center, Norfolk				
Warehouse Modernization	2,350	2,350	2,350	2,350
Navy Regional Data Automation Center, Norfolk				
Data Processing Center	10,880	10,880	10,880	10,880
AIR FORCE				
Langley Air Force Base				
Sound Suppressor Support	480	480	480	480
Unaccompanied Enlisted Personnel Housing	8,200	8,200	8,200	8,200
Family Housing Improvements	(90)	(90)	(90)	(90)
DEPENDENTS SCHOOLS (SEC. 6)				
Quantico				
Elementary School	3,500	0	3,500	3,500
DEFENSE LOGISTICS AGENCY				
Defense Property Disposal Office, Richmond				
Conforming Storage Facility	650	650	650	650
Defense General Supply Center, Richmond				
Compressed Gas Storage Facility	(3,400)	(3,400)	(3,400)	(3,400)
Expand Mechanized Freight Terminal	1,955	1,955	1,955	1,955
ARMY NATIONAL GUARD				
Blackstone				
200-Person Armory	1,117	1,117	1,117	1,117
Danville				
Organizational Maintenance Shop	353	353	353	353

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	VIRGINIA (Cont.)			
ARMY RESERVE				
Fort Belvoir				
Add to and Alter Reserve Center/Maintenance Facility	3,015	3,015	3,015	3,015
Fort Pickett				
Storage Facility	1,425	1,425	1,425	1,425
Richmond				
Add to and Alter Armed Forces Reserve Center/Maintenance Facility	4,582	4,582	4,582	4,582
NAVY AND MARINE CORPS RESERVE				
Naval Air Reserve Unit, Norfolk				
Hangar Rehabilitation	1,400	1,400	1,400	1,400
Total, VIRGINIA	229,467			220,849
	WASHINGTON			
ARMY				
Fort Lewis				
Aircraft Maintenance Hangar	10,800	10,800	10,800	10,800
Aircraft Maintenance Hangar	3,350	3,350	3,350	3,350
Barracks with Dining Facility	4,850	0	0	0
Barracks with Dining Facility	15,200	12,600	12,600	12,600
Battalion Headquarters	1,250	1,250	1,250	1,250
Battalion Headquarters	630	630	630	630
Battalion Headquarters	2,500	2,500	2,500	2,500
Child Care Center	7,800	7,800	0	6,700
Company Operations and Supply	4,800	4,800	0	0
Group Headquarters	2,100	2,100	2,100	2,100
Madigan Army Medical Center, Phase II	26,000	26,000 1/	26,000 1/	26,000 1/
Military Operations on Urbanized Terrain	4,000	4,000	4,000	4,000
Tactical Equipment Shop	3,000	3,000	3,000	3,000
Tactical Equipment Shop	6,100	6,100	6,100	6,100
Tactical Equipment Shop	11,600	11,600	11,600	11,600
Tactical Equipment Shop	4,650	4,650	4,650	4,650
Tactical Equipment Shop	5,100	5,100	5,100	5,100
Tactical Equipment Shop	2,700	2,700	2,700	2,700
Unaccompanied Enlisted Housing Complex	21,000	21,000	21,000	21,000
Utilities	6,900	6,900	6,900	6,900
Family Housing Improvements	(2,441)	(2,441)	(2,441)	(2,441)
Yakima Firing Center				
Multi-purpose Range Complex -Light	15,800	15,800	15,800	15,800
Range Operations Facility	630	630	630	630
NAVY				
Naval Air Station, Whidbey Island				
Maintenance Hangar Improvements	2,650	2,650	2,650	2,650
Naval Hospital, Oak Harbor				
Hospital Addition	13,900	13,900	13,900	13,900
Naval Shipyard Puget Sound, Bremerton				
Electrical Distribution System Improvements and Land Acquisition	20,650	20,650	20,650	20,650
Inactive Submarine Mooring	620	620	620	620
Municipal Sewer Connection	7,950	7,950	7,950	7,950
Underwater Equipment Laboratory Addition	960	960	960	960
Waterfront Security Lighting	765	765	765	765

1/ Project fully authorized at $338,000,000 in FY 1985. $26,000,000 authorized for appropriation as Phase II funding increment.

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
WASHINGTON (Cont.)				
NAVY (Cont.)				
Naval Submarine Base, Bangor				
Unaccompanied Enlisted Personnel Housing	5,200	5,200	5,200	5,200
Naval Supply Center, Bremerton				
Petroleum, Oil and Lubricants Storage Facilities	1,520	1,520	1,520	1,520
Naval Station, Everett				
Land Acquisition	17,640	17,640	17,640	17,640
Naval Undersea Warfare Engineering Station, Keyport				
Hazardous and Flammable Storehouse	1,780	1,780	1,780	1,780
Torpedo Assembly Building	660	660	660	660
Naval Station, Seattle				
Brig	3,480	0	3,480	0
AIR FORCE				
Fairchild Air Force Base				
Replace Electrical Distribution System	0	12,500	0	12,500
Family Housing Improvements	(110)	(110)	(110)	(110)
McChord Air Force Base				
Add to and Alter Aerial Refueling Part Task Training Facility	940	940	940	940
Add to and Alter Aerial Port Facility	1,300	1,300	1,300	1,300
DEFENSE LOGISTICS AGENCY				
Defense Fuel Support Point, Manchester				
Lube Oil Facility	565	565	565	565
AIR NATIONAL GUARD				
Bellingham Air Guard Station				
Ground Support Equipment Shop	640	640	640	640
Camp Murray				
Communications/Electronics Training Facility	580	580	580	580
Paine Field				
Automotive Maintenance/Support Equipment Shop	1,060	1,060	1,060	1,060
AIR FORCE RESERVE				
McChord Air Force Base				
Civil Engineering Training Facility	945	945	945	945
Total, WASHINGTON	244,565			240,235
WEST VIRGINIA				
NAVY				
Naval Radio Station, Sugar Grove				
Sewerage System	785	785	785	785
AIR NATIONAL GUARD				
Eastern West Virginia Regional Airport, Martinsburg				
Add to Aircraft Parking Apron	1,900	1,900	1,900	1,900
Fire Suppression-Alarm System	800	800	800	800
Kanawha County Airport				
Fire Suppression System	1,400	1,400	1,400	1,400
Total, WEST VIRGINIA	4,885			4,885

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
WISCONSIN				
ARMY				
Fort McCoy				
Ammunition Storage	940	940	940	940
AIR FORCE				
Billy Mitchell Field				
Administrative Facility	500	500	0	500
AIR NATIONAL GUARD				
Truax Field				
Base Supply Administration and Warehouse Facility	2,500	2,500	2,500	2,500
Total, WISCONSIN	3,940			3,940
WYOMING				
AIR FORCE				
F.E. Warren Air Force Base				
Alter Unaccompanied Enlisted Personnel Housing	4,900	4,900	4,900	4,900
Data Processing Facility	1,550	1,550	1,550	1,550
Facility Energy Improvements	560	560	560	560
Peacekeeper - Land Easements	2,100	1,400	2,100	2,100
Peacekeeper - Launch Facilities Site Work	6,200	4,140	6,200	6,200
Family Housing Improvements	(731)	(731)	(731)	(731)
Peacekeeper - Access Roads	(27,040)	(27,040)	(27,040)	(27,040)
DEFENSE LOGISTICS AGENCY				
Defense Property Disposal Office, F.E. Warren Air Force Base				
Covered Storage	1,020	1,020	1,020	1,020
ARMY NATIONAL GUARD				
Camp Guernsey				
Women's Barracks	427	427	427	427
AIR NATIONAL GUARD				
Cheyenne Municipal Airport				
Add to and Alter Maintenance Dock for Fuel Cell Facility	890	890	890	890
Add to and Alter Operations and Training Complex	3,690	3,690	3,690	3,690
NAVY AND MARINE CORPS RESERVE				
Naval Reserve Center, Cheyenne				
Acquisition of Reserve Training Building	570	570	570	570
Total, WYOMING	21,907			21,907
ANTIGUA				
NAVY				
Naval Facility				
Naval Facility Upgrade	2,410	0	2,410	2,410
Total, ANTIGUA	2,410			2,410
AUSTRALIA				
NAVY				
Naval Communication Station, Harold E. Holt				
Cooling Systems Conversion	2,300	2,300	2,300	2,300
Small Craft Boathouse	390	390	390	390
Total, AUSTRALIA	2,690			2,690

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	BELGIUM			
AIR FORCE				
Florennes				
(GLCM - Ground-Launched Cruise Missile)				
GLCM - Chapel Center	1,750	1,750	1,750	1,750
GLCM - Child Care Center	810	810	810	810
GLCM - Clothing Sales Store	240	240	240	240
GLCM - Consolidated Open Mess	1,950	1,950	1,950	1,950
GLCM - Warehouse	1,110	1,110	1,110	1,110
Family Housing, New Construction (400 units)	(29,200)	(29,200)	(29,200)	(29,200)
DEPENDENTS SCHOOLS				
Florennes				
Elementary and High School	7,420	7,420	7,420	7,420
Total, BELGIUM	13,280			13,280
	BERMUDA			
DEPENDENTS SCHOOLS				
Naval Air Station				
Elementary School	2,290	2,290	0	0
Total, BERMUDA	2,290			0
	CANADA			
NAVY				
Naval Facility, Argentia, Newfoundland				
Fire Protection System	700	700	700	700
Total, CANADA	700			700
	DIEGO GARCIA			
NAVY				
Naval Air Facility				
Fire Station Addition	980	980	980	980
Maintenance Hangar	15,200	15,200	15,200	15,200
Weapons Complex	6,270	6,270	6,270	6,270
Naval Security Group Detachment, Diego Garcia				
Ocean Surveillance Building Addition	3,700	3,700	3,700	3,700
Navy Support Facility				
Antenna Support Facilities	1,320	1,320	1,320	1,320
Fleet Support Warehouse	2,500	2,500	2,500	2,500
Laundry Building Addition	3,280	3,280	3,280	3,280
Lighted Navigational Aids	510	510	510	510
Unaccompanied Officer Personnel Housing	8,920	8,920	8,920	8,920
AIR FORCE				
Diego Garcia				
Munitions Storage Facility, Phase II	5,300	5,300	5,300	5,300
Total, DIEGO GARCIA	47,980			47,980
	GERMANY			
ARMY				
Amberg				
Ammunition Storage	850	850	850	850

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
GERMANY (Cont.)				
ARMY (Cont.)				
Ansbach				
Dining Facilities Modernization	2,400	2,400	2,400	2,400
Dispensary/Dental Clinic	1,900	1,900	1,900	1,900
Tactical Equipment Shop	9,400	9,400	9,400	9,400
Tactical Site Facilities	690	690	690	690
Aschaffenburg				
Family Housing Improvements	(1,004)	(1,004)	(1,004)	(1,004)
Augsburg				
Family Housing Improvements	(4,649)	(4,649)	(4,649)	(4,649)
Bad Kreuznach				
Child Care Center	1,100	1,100	1,100	1,100
Family Housing Improvements	(1,031)	(1,031)	(1,031)	(1,031)
Bad Toelz				
Dispensary/Dental Clinic	1,850	1,850	1,850	1,850
Bamberg				
Boiler Plant Automation	6,000	6,000	6,000	6,000
Hardstand and Equipment Storage	490	490	490	490
Family Housing New Construction (106 units)	(7,209)	(7,209)	(7,209)	(7,209)
Baumholder				
Child Care Center	900	900	900	900
Family Housing Improvements	(951)	(951)	(951)	(951)
Darmstadt				
Ammunition Storage, Phase I	600	600	600	600
Battalion Headquarters	1,700	1,700	1,700	1,700
Dining Facility	1,300	1,300	1,300	1,300
Tactical Equipment Shop	4,400	4,400	4,400	4,400
Tactical Equipment Shop	3,650	3,650	3,650	3,650
Tactical Equipment Shop	8,300	8,300	8,300	8,300
Unaccompanied Enlisted Personnel Housing	4,750	4,750	4,750	4,750
Unaccompanied Enlisted Personnel Housing	4,500	4,500	4,500	4,500
Family Housing Improvements	(1,031)	(1,031)	(1,031)	(1,031)
Frankfurt				
Battalion Headquarters	990	990	990	990
Battalion Headquarters	990	990	990	990
Physical Fitness Training Center	1,850	1,850	1,850	1,850
Tactical Equipment Shop	3,500	3,500	3,500	3,500
Tactical Equipment Shop	2,300	2,300	2,300	2,300
Unaccompanied Enlisted Personnel Housing	3,850	3,850	3,850	3,850
Utilities Modernization	5,200	5,200	5,200	5,200
Family Housing Improvements	(6,441)	(6,441)	(6,441)	(6,441)
Friedberg				
Battalion Headquarters	950	950	950	950
Unaccompanied Enlisted Personnel Housing	8,200	8,200	8,200	8,200
Fulda				
Community Center	2,250	2,250	2,250	2,250
Unaccompanied Enlisted Personnel Housing	4,950	4,950	4,950	4,950
Family Housing Improvements	(1,806)	(1,806)	(1,806)	(1,806)
Giessen				
Physical Fitness Training Center	1,700	1,700	1,700	1,700
Family Housing Improvements	(3,719)	(3,719)	(3,719)	(3,719)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
GERMANY (Cont.)				
Goeppingen				
Child Care Center	1,100	1,100	1,100	1,100
Tactical Equipment Shop	3,800	3,800	3,800	3,800
Unaccompanied Enlisted Personnel Housing	2,850	2,850	2,850	2,850
Unaccompanied Officer Housing	2,500	2,500	2,500	2,500
Grafenwoehr				
Automated Record Fire Range	2,450	2,450	2,450	2,450
Haingruen				
Troop Ready Building	680	680	680	680
Hanau				
Battalion Headquarters	810	810	810	810
Child Care Center	780	780	780	780
Dispensary/Dental Clinic	1,850	1,850	1,850	1,850
Hardstand	1,850	1,850	1,850	1,850
Tactical Equipment Shop	4,050	4,050	4,050	4,050
Tactical Equipment Shop	8,200	8,200	8,200	8,200
Tactical Equipment Shop	3,350	3,350	3,350	3,350
Tactical Equipment Shop	21,000	21,000	21,000	21,000
Unaccompanied Enlisted Personnel Housing	3,600	3,600	3,600	3,600
Unaccompanied Enlisted Personnel Housing	2,650	2,650	2,650	2,650
Family Housing Improvements	(1,031)	(1,031)	(1,031)	(1,031)
Heidelberg				
Child Care Center	3,550	3,550	3,550	3,550
Operations Building	1,800	1,800	1,800	1,800
Tactical Equipment Shop	3,450	3,450	3,450	3,450
Family Housing Improvements	(1,292)	(1,292)	(1,292)	(1,292)
Heilbronn				
Hardstand	750	750	750	750
Hardstand	2,200	2,200	2,200	2,200
Hohenfels				
Applied Instruction Facility	1,600	1,600	1,600	1,600
Automated Record Fire Ranges	1,450	1,450	1,450	1,450
Military Operations on Urbanized Terrain	3,250	3,250	3,250	3,250
Kaiserslautern				
Tactical Equipment Shop	3,450	3,450	3,450	3,450
Karlsruhe				
Battery Shop	2,000	2,000	2,000	2,000
Child Care Center	470	470	470	470
Tactical Equipment Shop	1,550	1,550	1,550	1,550
Family Housing Improvements	(1,635)	(1,635)	(1,635)	(1,635)
Mainz				
Ammunition Storage	820	820	0	0
Family Housing Improvements	(1,833)	(1,833)	(1,833)	(1,833)
Mannheim				
Family Housing Improvements	(4,252)	(4,252)	(4,252)	(4,252)
New Ulm				
Child Care Center	1,000	1,000	1,000	1,000
Nuernberg				
Ammunition Storage	860	860	0	0
Battalion Headquarters	2,300	2,300	2,300	2,300
Child Care Center	1,850	1,850	1,850	1,850
Modified Record Fire Range	2,850	2,850	2,850	2,850
Tactical Equipment Shop	1,500	1,500	1,500	1,500
Family Housing Improvements	(3,750)	(3,750)	(3,750)	(3,750)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
GERMANY (Cont.)				
ARMY (Cont.)				
Pirmasens				
Electronics Maintenance Facility	14,000	14,000	14,000	14,000
Schoeningen				
Power Distribution Upgrade	700	700	700	700
Schweinfurt				
Ammunition Storage	3,050	3,050	3,050	3,050
Barracks with Dining Facility	13,000	13,000	13,000	13,000
Battalion Headquarters	1,100	1,100	1,100	1,100
Rotary Wing Aircraft Parking	690	690	690	690
Stuttgart				
Communications Security Support Facility	1,050	1,050	1,050	1,050
Unaccompanied Enlisted Personnel Housing	3,450	3,450	3,450	3,450
Vilseck				
Child Care Center	2,350	2,350	2,350	2,350
Community Center	3,200	3,200	3,200	3,200
Headquarters	890	890	890	890
Tactical Equipment Shop	3,850	3,850	3,850	3,850
Family Housing, New Construction (370 units)	(26,830)	(26,830)	(26,830)	(26,830)
Wiesbaden				
Flight Simulator Building	2,900	2,900	2,900	2,900
Family Housing Improvements	(4,575)	(4,575)	(4,575)	(4,575)
Wildflecken				
Multi-purpose Training Ranges	20,000	20,000	20,000	20,000
Worms				
Family Housing Improvements	(810)	(810)	(810)	(810)
Wuerzburg				
Ammunition Storage	650	650	650	650
Battalion Headquarters	1,500	1,500	1,500	1,500
Child Care Center	2,050	2,050	2,050	2,050
Consolidate Heating Plants	5,600	5,600	5,600	5,600
Dining Facility	2,650	2,650	2,650	2,650
Hardstand	1,250	1,250	1,250	1,250
Hospital Upgrade and Addition	31,000	31,000	31,000	31,000
Sewer System Upgrade	3,050	3,050	3,050	3,050
Tactical Site Facilities	320	320	320	320
Family Housing Improvements	(3,319)	(3,319)	(3,319)	(3,319)
Zweibrucken				
Family Housing Improvements	(1,070)	(1,070)	(1,070)	(1,070)
Various Locations				
Pershing II Security Upgrades	0	(101,000) 1/	0	(101,000) 1/
Family Housing, New Construction (98 units)	(6,120)	(6,120)	(6,120)	(6,120)
AIR FORCE				
Ahlhorn Air Base				
Aircraft Maintenance Unit Facility	350	350	350	350
Bitburg Air Base				
Alter Unaccompanied Enlisted Personnel Housing	3,250	3,250	3,250	3,250
Unaccompanied Enlisted Personnel Housing	3,600	3,600	3,600	3,600
Weapons System Maintenance Control	2,200	2,200	2,200	2,200
Family Housing Improvements	(2,370)	(2,370)	(2,370)	(2,370)

1/ Authorization only.

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
GERMANY (Cont.)				
AIR FORCE (Cont.)				
Einsiedlerhof				
Visiting Officer Quarters	2,900	2,900	2,900	2,900
Hahn Air Base				
Alter Control Tower	560	560	560	560
Alter Unaccompanied Enlisted Personnel Housing	2,800	2,800	2,800	2,800
Chapel Center	2,100	2,100	2,100	2,100
Unaccompanied Enlisted Personnel Housing	2,700	2,700	2,700	2,700
Family Housing Improvements	(942)	(942)	(942)	(942)
Family Housing, New Construction (440 units)	(33,000)	(33,000)	(33,000)	(33,000)
Hessisch				
Base Engineer Maintenance Shop	490	490	490	490
Warehouse	740	740	740	740
Kapaun				
Telecommunications Facility	900	900	900	900
Lahr Air Base				
Chemical Warfare Protection Squadron Operations	1,600	1,600	1,600	1,600
Leipheim Air Base				
Aircraft Maintenance Unit Facility	350	350	350	350
Marienfelde Communications Station				
Add to and Alter Electronic Systems Command Operations Area	2,550	2,550	2,550	2,550
Norvenich Air Base				
Aircraft Maintenance Unit Facility	350	350	350	350
Pruem Air Station				
Operations Facility	540	540	540	540
Warehouse	710	710	710	710
Family Housing Improvements	(515)	(515)	(515)	(515)
Ramstein Air Base				
Alter Control Tower	360	360	360	360
Alter Unaccompanied Enlisted Personnel Housing	2,750	2,750	2,750	2,750
Composite Alert Facility	2,050	2,050	2,050	2,050
Dining Hall	1,600	1,600	1,600	1,600
Facility Energy Improvements	960	960	960	960
Indoor Swimming Pool	2,800	2,800	0	0
Munitions Storage	850	850	850	850
Rapid Runway Repair Equipment Storage Facility	1,000	1,000	1,000	1,000
Unaccompanied Enlisted Personnel Housing	3,200	3,200	3,200	3,200
Warehouse	1,900	1,900	1,900	1,900
Family Housing Improvements	(3,595)	(3,595)	(3,595)	(3,595)
Family Housing, New Construction (400 units)	(30,000)	(30,000)	(30,000)	(30,000)
Rhein-Main Air Base				
Add to and Alter Air Passenger Terminal	10,100	10,100	0	0
Cold Storage Facility	570	570	570	570
Flight Simulator Training Facility	2,000	0	2,000	0
Religious Education Facility	930	930	930	930
Sembach Air Base				
Alter Control Tower	360	360	360	360
Alter Unaccompanied Enlisted Personnel Housing	6,100	6,100	6,100	6,100
Family Housing Improvements	(470)	(470)	(470)	(470)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
GERMANY (Cont.)				
AIR FORCE (Cont.)				
Spangdahlem Air Base				
Alter Unaccompanied Enlisted Personnel Housing	2,900	2,900	2,900	2,900
Base Roads and Utilities	2,750	2,750	2,750	2,750
Field Training Facility	2,100	2,100	2,100	2,100
Passive Defense Equipment Storage Facility	530	530	530	530
Rapid Runway Repair Equipment Storage Facility	910	910	910	910
Telecommunications Facility	820	820	820	820
Unaccompanied Enlisted Personnel Housing	3,450	3,450	3,450	3,450
Warehouse	1,400	1,400	1,400	1,400
Family Housing Improvements	(900)	(900)	(900)	(900)
Various Locations - Germany				
Precision Launch Strike System - Navigation Beacon Sites	360	360	360	360
Ground-Launched Cruise Missile - Vehicle Corrosion Control Facility	580	580	580	580
Vogelweh				
Child Care Center	1,250	1,250	1,250	1,250
Family Housing Improvements	(275)	(275)	(275)	(275)
Wenigerath				
Road/Railroad Siding	1,700	1,700	1,700	1,700
Zweibrucken Air Base				
Add to and Alter Fire Station	1,350	1,350	1,350	1,350
European Distribution System-Forward Storage Warehouse	1,150	0	1,150	0
European Distribution System - Unaccompanied Enlisted Personnel Housing	2,450	2,450	2,450	2,450
Telecommunications Facility	750	750	750	750
DEPENDENTS SCHOOLS				
Babenhausen				
Elementary School Addition	760	760	760	760
Bamberg				
Elementary School Addition	3,390	3,390	3,390	3,390
Middle and High School Addition	2,410	2,410	2,410	2,410
Butzbach				
Elementary School Addition	3,420	3,420	3,420	3,420
Hanau				
Middle School	7,480	7,480	7,480	7,480
Heidelberg				
Elementary School No. 2 Addition	1,910	1,910	1,910	1,910
Heilbronn				
Elementary/Junior High School Addition	2,520	2,520	2,520	2,520
Pirmasens				
Elementary/Junior High School Additions	1,630	1,630	1,630	1,630
Schweinfurt				
Junior High School	3,930	3,930	3,930	3,930
Sembach Air Base				
Elementary School Addition	2,170	2,170	2,170	2,170
Vilseck				
Elementary School	6,680	6,680	6,680	6,680

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
GERMANY (Cont.)				
DEFENSE LOGISTICS AGENCY				
Defense Property Disposal Office, Kaiserslautern				
Administrative Facility	360	360	360	360
Total, GERMANY	435,360			417,630
GREECE				
ARMY				
Greece				
Upgrade Multi-purpose Building	640	640	640	640
Upgrade Operations and Supply Building	800	800	800	800
Total, GREECE	1,440			1,440
GREENLAND				
AIR FORCE				
Sondrestrom Air Base				
Consolidated Port Facility	2,550	2,550	2,550	2,550
Laundry	2,200	2,200	2,200	2,200
Refueling Vehicle Heated Storage Facility	1,000	1,000	1,000	1,000
Thule Air Base				
Add to and Alter Satellite Communications Ground Terminal Support Facility	5,800	5,800	5,800	5,800
Alter Unaccompanied Enlisted Personnel Housing	2,250	2,250	2,250	2,250
Cold Storage Facility	4,300	4,300	4,300	4,300
Total, GREENLAND	18,100			18,100
GUAM				
NAVY				
Navy Communications Area Master Station, West Pacific, Guam				
Child Care Center Addition	615	615	0	615
Unaccompanied Enlisted Personnel Housing Modernization	8,330	8,330	8,330	8,330
Naval Magazine, Guam				
Unaccompanied Enlisted Personnel Housing and Mess Hall	4,700	4,700	4,700	4,700
Wharf Utilities	6,570	6,570	6,570	6,570
Naval Ship Repair Facility, Guam				
Sand Storage Silo	990	990	990	990
Naval Station, Guam				
Fleet Hospital Support Facilities	10,200	10,200	10,200	10,200
Naval Supply Depot, Guam				
Cold Storage Warehouse Addition	6,550	6,550	6,550	6,550
Navy Public Works Center, Guam				
Steam System Improvements	1,080	1,080	1,080	1,080
AIR FORCE				
Andersen Air Force Base				
Family Housing Improvements	(2,468)	(2,468)	(2,468)	(2,468)
ARMY RESERVE				
Barrigada				
Add to and Alter Reserve Center	1,747	1,747	1,747	1,747
Total, GUAM	40,782			40,782

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
GUANTANAMO BAY, CUBA				
NAVY				
Naval Station, Guantanamo Bay				
Communications Facilities	2,750	2,750	2,750	2,750
Unaccompanied Enlisted Personnel Housing-New and Modernization	10,060	10,060	10,060	10,060
Unaccompanied Officer Personnel Housing	9,600	9,600	9,600	9,600
Total, GUANTANAMO BAY, CUBA	22,410			22,410
ICELAND				
NAVY				
Naval Station, Keflavik				
Aircraft Acoustical Enclosure Support Facilities	1,270	1,270	1,270	1,270
Airfield Improvements	20,510	0	20,510	20,510
Total, ICELAND	21,780	1,270	21,780	21,780
ITALY				
ARMY				
Camp Darby				
Child Care Center	1,350	1,350	1,350	1,350
Veterinary Facility	500	500	500	500
NAVY				
Naval Air Station, Sigonella				
Administrative and Security Facilities	3,680	3,680	3,680	3,680
Operations Vehicle Garage	2,250	- 2,250	2,250	2,250
Naval Support Activity, Naples				
Supply Facilities	7,750	7,750	7,750	7,750
AIR FORCE				
Aviano Air Base				
Telecommunications Facility	920	920	920	920
Visiting Officers Quarters	4,150	4,150	4,150	4,150
Comiso Air Base				
(GLCM - Ground-Launched Cruise Missile)				
GLCM - Consolidated Open Mess	3,000	3,000	3,000	3,000
GLCM - Exchange Complex	3,280	3,280	3,280	3,280
Decimomannu Air Base				
Visiting Airmen Quarters	1,900	1,900	1,900	1,900
Visiting Officers Quarters	900	900	900	900
San Vito Air Station				
Add to and Alter Water Treatment System	1,100	1,100	1,100	1,100
Education Center	490	490	490	490
Family Housing Improvements	(227)	(227)	(227)	(227)
DEPENDENTS SCHOOLS				
Sigonella				
Elementary and High School Addition	5,360	5,360	5,360	5,360
Total, ITALY	36,630			36,630

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	JAPAN			
ARMY				
Kawakami				
Medical Supply Warehouse	1,050	1,050	1,050	1,050
Sagamihara Dependent Housing Area				
Family Housing Improvements	(429)	(429)	(429)	(429)
NAVY				
Marine Corps Air Station, Futenma, Okinawa				
Ground Support Equipment Shop Addition	1,670	1,670	1,670	1,670
Refueling Vehicle Shop	1,320	1,320	1,320	1,320
Marine Corps Air Station, Iwakuni				
Aviation Armament Shop	1,130	1,130	1,130	1,130
Operational Trainer Facility	645	645	645	645
Marine Corps Base, Camp Butler, Okinawa				
Heavy Gun Shop	2,250	2,250	2,250	2,250
Naval Communication Station, Yokosuka				
Fleet Operational Control Center	21,490	0	0	0
Navy Public Works Center, Yokosuka				
Electrical Distribution System Improvements	4,400	4,400	4,400	4,400
AIR FORCE				
Camp Zama				
Add to and Alter Satellite Communications Ground Terminal	1,500	1,500	1,500	1,500
Kadena Air Base				
Add to Engine Inspection and Repair Shop	5,400	5,400	5,400	5,400
Aircraft Maintenance Facilities - Phase I	12,600	12,600	12,600	12,600
Jet Fuel Storage (JP-4)	6,100	6,100	6,100	6,100
Sound Suppressor Support	600	600	600	600
Tactical Control Operations Facility	2,950	2,950	2,950	2,950
Family Housing Improvements	(3,868)	(3,868)	(3,868)	(3,868)
Misawa				
Commando Port III - Above-Ground Storage Magazine	2,150	2,150	2,150	2,150
Commando Port III - Concrete Arch Igloo-Magazine	2,850	2,850	2,850	2,850
Commando Port III - Jet Fuel Storage	4,500	4,500	4,500	4,500
Family Housing Improvements	(1,283)	(1,283)	(1,283)	(1,283)
Yokota				
Base Supply Administrative Facility	3,350	3,350	0	0
Heating, Ventilation and Air Conditioning	1,900	1,900	1,900	1,900
Hydrant Fueling System	8,500	8,500	8,500	8,500
Family Housing Improvements	(2,212)	(2,212)	(2,212)	(2,212)
DEPENDENTS SCHOOLS				
Misawa Air Base				
Elementary School Addition	4,780	4,780	4,780	4,780
Okinawa				
Elementary School (Jennings)	445	0	445	0
High School Addition (Kadena)	300	300	300	300
DEFENSE LOGISTICS AGENCY				
Defense Fuel Support Point, Chimu Wan, Okinawa				
Fuel Tankage	(8,160)	(8,160)	(8,160)	(8,160)
Defense Fuel Support Point, Tsurumi				
Fuel Pier	2,800	0	2,800	0
Total, JAPAN	102,840			74,755

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
KOREA				
ARMY				
Camp Carroll				
Battalion Headquarters	1,950	1,950	1,950	1,950
Calibration Laboratory	1,600	1,600	1,600	1,600
Controlled Humidity Warehouses	19,500	0	19,500	0
Field Maintenance Addition and Paint Shop	1,800	1,800	1,800	1,800
Hardstand	1,000	1,000	1,000	1,000
Medical Maintenance and Optical Shop	1,150	1,150	1,150	1,150
Medical Supply Operations Building	980	980	980	980
Medical Supply Warehouse	4,500	4,500	0	4,500
Satellite Communications Terminal Building	2,600	2,600	2,600	2,600
Unaccompanied Personnel Housing	9,800	9,800	9,800	9,800
Camp Casey				
Canvas/Tent Repair Facility	440	440	440	440
Company Operations and Supply	350	350	350	350
Company Operations and Supply	370	370	370	370
Company Operations and Supply	360	360	360	360
Dental Clinic	2,350	2,350	2,350	2,350
Dining Facility	1,350	1,350	1,350	1,350
Tactical Equipment Shop	2,450	2,450	2,450	2,450
Tactical Equipment Shop	950	950	950	950
Unaccompanied Personnel Housing	3,600	3,600	3,600	3,600
Warehouse	700	700	700	700
Camp Castle				
Unaccompanied Enlisted Personnel Housing	1,100	1,100	1,100	1,100
Camp Colbern				
Unaccompanied Officer Housing	550	550	550	550
Camp Edwards				
Company Operations and Supply	360	360	360	360
Tactical Equipment Shop	730	730	730	730
Camp Gary Owens				
Unaccompanied Officer Housing	580	580	580	580
Camp Giant				
Unaccompanied Personnel Housing	1,050	1,050	1,050	1,050
Camp Greaves				
Moving Target Simulator Building	420	420	420	420
Camp Hovey				
Unaccompanied Personnel Housing	8,300	8,300	8,300	8,300
Camp Howze				
Moving Target Simulator Building	430	430	430	430
Tactical Equipment Shop	800	800	800	800
Tactical Equipment Shop	750	750	750	750
Camp Humphreys				
25-Meter Firing Range	700	700	700	700
Flight Simulator Building	1,850	0	1,850	1,850
Unaccompanied Enlisted Personnel Housing	2,450	2,450	2,450	2,450
Unaccompanied Enlisted Personnel Housing	2,900	2,900	2,900	2,900
Unaccompanied Officer Housing	3,700	3,700	3,700	3,700
Camp Kittyhawk				
Unaccompanied Enlisted Personnel Housing	1,600	1,600	1,600	1,600
Camp Kyle				
Tactical Equipment Shop	930	930	930	930
Warehouses	2,650	2,650	2,650	2,650

(Amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	KOREA (Cont.)			
ARMY (Cont.)				
Camp Liberty Bell				
Dining Facility	800	800	800	800
Camp Market				
Tactical Equipment Shop	710	710	710	710
Camp Page				
Aircraft Maintenance Hangar	7,200	7,200	7,200	7,200
Airfield Operations Facilities	2,100	2,100	2,100	2,100
Central Heating and Cooling Plant	4,550	4,550	4,550	4,550
Dispensary/Dental Clinic	1,550	1,550	1,550	1,550
Electrical Distribution System Upgrade	2,350	2,350	2,350	2,350
Fuel Storage and Dispensing Facility	4,250	4,250	4,250	4,250
Tactical Equipment Shop	1,050	1,050	1,050	1,050
Unaccompanied Personnel Housing	6,400	6,400	6,400	6,400
Water and Sewer Upgrade	3,200	3,200	3,200	3,200
Camp Pelham				
Unaccompanied Enlisted Personnel Housing	2,400	2,400	2,400	2,400
Camp Red Cloud				
Company Operations and Supply	330	330	330	330
Tactical Equipment Shop	1,400	1,400	1,400	1,400
Camp Stanley				
Dispensary	1,150	1,150	1,150	1,150
Unaccompanied Personnel Housing	4,350	4,350	4,350	4,350
K-16 Army Airfield				
Flight Simulator Building	1,700	0	1,700	0
Paint Shop	900	900	900	900
Tactical Equipment Shop	840	840	840	840
Unaccompanied Enlisted Personnel Housing	610	610	610	610
Location 177				
Multi-purpose Activity Center	740	740	740	740
Power Upgrade	1,550	1,550	0	1,550
Pusan				
Family Housing Improvements	(358)	(358)	(358)	(358)
Yongin				
Unaccompanied Enlisted Housing Complex	2,550	2,550	2,550	2,550
Yongson				
Barracks and Movement Control Center	2,150	2,150	2,150	2,150
Chapel and Religious Education Facility	2,150	2,150	2,150	2,150
Provost Marshall Command Control Facility	1,450	1,450	1,450	1,450
Unaccompanied Enlisted Personnel Housing	2,000	2,000	2,000	2,000
Warehouse Addition	2,050	2,050	2,050	2,050
Family Housing Improvements	(1,390)	(1,390)	(1,390)	(1,390)
AIR FORCE				
Kimhae Air Base				
Medical Contingency Complex	10,400	10,400	10,400	10,400
Kunsan Air Base				
Add to and Alter Electrical Distribution System - Phase I	3,900	3,900	3,900	3,900
Aircraft Maintenance Unit Facility	1,950	1,950	1,950	1,950
Consolidated Support Facility	2,850	2,850	2,850	2,850
Portable Modular Facility Support	300	300	300	300

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
KOREA (Cont.)				
AIR FORCE (Cont.)				
Kwang-ju Air Base				
Add to and Alter Water Treatment-Storage-Distribution System	1,450	1,450	1,450	1,450
Portable Modular Facility Support	260	260	260	260
Quick Turn Facility	9,000	9,000	9,000	9,000
Unaccompanied Enlisted Personnel Housing	4,950	4,950	4,950	4,950
Unaccompanied Officer Personnel Housing	650	650	650	650
Osan Air Base				
Aircraft Shelters	6,800	6,800	6,800	6,800
Alter Unaccompanied Officer Personnel Housing	3,150	3,150	3,150	3,150
Korean Combat Operations Intelligence Center-Allied Support-Phase II	500	500	500	500
Munitions Maintenance and Storage Facility, Phase I	7,000	7,000	7,000	7,000
Portable Modular Facility Support	860	860	860	860
Squadron Operations Facilities	6,200	6,200	6,200	6,200
Family Housing Warehouse/Management Office	(1,200)	(1,200)	(1,200)	(1,200)
Sachon				
Portable Modular Facility Support	310	310	310	310
DEPENDENTS SCHOOLS				
Osan Air Base				
Elementary School Addition	2,780	2,780	2,780	2,780
Pusan				
Elementary and High School Addition	1,540	1,540	1,540	1,540
Taegu				
Elementary and High School Addition	730	730	730	730
DEFENSE LOGISTICS AGENCY				
Defense Fuel Support Point, Pyongtaek				
Fuel Tankage	(5,820)	(5,820)	(5,820)	(5,820)
Defense Fuel Support Point, Uijongbu				
Fuel Tankage	(6,200)	(6,200)	(6,200)	(6,200)
Total, KOREA	229,730			206,680
KWAJALEIN				
ARMY				
Kwajalein				
Aircraft Maintenance Hangar	7,100	7,100	7,100	7,100
Shore Erosion Control	2,400	2,400	2,400	2,400
Upgrade Airfield	5,100	5,100	5,100	5,100
Total, KWAJALEIN	14,600			14,600
MOROCCO				
AIR FORCE				
Various Locations				
Southwest Asia - Alter Maintenance Hangar	550	550	550	550
Southwest Asia - Apron Lighting	2,050	2,050	2,050	2,050
Southwest Asia - Water Storage	500	500	500	500
Total, MOROCCO	3,100			3,100

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
NETHERLANDS				
AIR FORCE				
Camp New Amsterdam				
Add to and Alter Aircraft General Purpose Maintenance Complex	1,850	1,850	1,850	1,850
Chemical Warfare Protection-Avionics Shop	1,450	1,450	1,450	1,450
Telecommunications Facility	860	860	860	860
Family Housing, New Construction (140 units)	(11,000)	(11,000)	(11,000)	(11,000)
Keizerveer				
Digital European Backbone Facility	270	270	270	270
Vught				
Digital European Backbone Facility	310	310	310	310
Woensdrecht Air Base				
(GLCM - Ground-Launched Cruise Missile)				
GLCM - Add to and Alter Communications Equipment Facility	720	0	0	0
GLCM - Boundary Fence	280	0	280	280
GLCM - Command Control Safety Measures	1,900	0	1,900	1,900
GLCM - Fire Station	1,100	0	0	0
GLCM - High Frequency Facility	1,500	0	0	0
GLCM - Site Activation Support Facilities	10,000	0	10,000	10,000
GLCM - Telecommunications Center	400	0	0	0
GLCM - Tower Support	300	0	0	0
GLCM - Utilities, Pavements, and Roads	6,500	0	3,800	3,800
DEPENDENTS SCHOOLS				
Soesterberg Air Base				
Elementary School	4,460	4,460	4,460	4,460
Total, NETHERLANDS	31,900			25,180
PANAMA				
ARMY				
Corozal				
Barracks Modernization	4,550	4,550	4,550	4,550
Heating, Ventilation, Air Conditioning Systems Modifications	930	930	930	930
Unaccompanied Enlisted Personnel Housing	2,200	0	2,200	0
Various Locations				
Family Housing Improvements	(3,893)	(3,893)	(3,893)	(3,893)
AIR FORCE				
Howard Air Force Base				
Add to Aircraft Apron	21,000	0	21,000	0
Facility Energy Improvements	2,172	2,172	2,172	2,172
Total, PANAMA	30,852			7,652
PHILIPPINES, REPUBLIC OF				
NAVY				
Naval Air Station, Cubi Point				
Maintenance Hangar	19,200	0	19,200	0
Naval Magazine, Subic Bay				
Fire Protection	250	250	250	250
Naval Ship Repair Facility, Subic Bay				
Shipfitting Shops	4,070	4,070	4,070	4,070
Wharf Electrical Distribution System Improvements	9,200	9,200	9,200	9,200

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
PHILIPPINES, REPUBLIC OF (Cont.)				
NAVY (Cont.)				
Navy Public Works Center, Subic Bay				
Family Housing, New Construction (300 units)	(24,180)	(24,180)	(24,180)	(24,180)
AIR FORCE				
Clark Air Base				
Add to and Alter Maintenance Management and Operations Facilities	1,750	1,750	1,750	1,750
Add to and Alter Water Distribution System	800	800	800	800
Alter Unaccompanied Enlisted Personnel Housing	3,650	3,650	3,650	3,650
Clark Air Base (Cont.)				
Consolidated Support Facilities, Phase II	4,400	4,400	4,400	4,400
Emergency Backup Power	2,800	2,800	2,800	2,800
Security and Safety Improvements	1,650	1,650	1,650	1,650
Family Housing, New Construction (450 units)	(37,900)	(37,900)	(37,900)	(37,900)
Family Housing Improvements	(2,343)	(2,343)	(2,343)	(2,343)
DEPENDENTS SCHOOLS				
Clark Air Base				
High School (Wagner)	7,190	7,190	7,190	7,190
Total, PHILIPPINES, REPUBLIC OF	54,960			35,760
PORTUGAL				
AIR FORCE				
Ground-Based Electro-optical Deep Space Surveillance Site 5				
Composite Support Facility	2,250	2,250	2,250	2,250
Spacetrack Observation Facility	12,400	12,400	12,400	12,400
Lajes Field				
Add to and Alter Chapel	1,850	1,850	1,850	1,850
Add to and Alter Cold Storage Facility	1,650	1,650	1,650	1,650
Child Care Center	1,100	1,100	1,100	1,100
Petroleum, Oil and Lubricants Storage Tanks	19,435	19,435	19,435	19,435
Refueling Vehicle Maintenance Shop	1,250	1,250	1,250	1,250
Total, PORTUGAL	39,935			39,935
PUERTO RICO				
NAVY				
Atlantic Fleet Weapons Training Facility, Roosevelt Roads				
Range Operations Center	3,000	3,000	3,000	3,000
Underwater Range Operations Center	4,100	4,100	4,100	4,100
Naval Station, Roosevelt Roads				
Unaccompanied Officer and Enlisted Personnel Housing	14,700	14,700	14,700	14,700
DEPENDENTS SCHOOLS (SEC. 6)				
Fort Buchanan				
High School	9,753	0	9,753	9,753
Naval Station, Roosevelt Roads				
High School Improvements	1,200	0	1,200	1,200
Total, PUERTO RICO	32,753			32,753

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	SPAIN			
NAVY				
Naval Communication Station, Rota				
Operational Storage	395	0	395	0
Naval Station, Róta				
Fire Alarm System	1,030	0	1,030	0
AIR FORCE				
Torrejon Air Base				
Aircraft Corrosion Control Facility	1,850	0	1,850	0
Aircraft Maintenance Unit Complex	2,550	0	2,550	0
Alter Electric Substation	2,637	0	2,637	0
Child Care Center	1,000	0	1,000	0
Facility Energy Improvements	900	0	900	0
Steam and Condensate System	350	0	350	0
Medical Contingency Complex	2,900	0	2,900	2,900
Zaragoza Air Base				
Control Tower	1,650	0	1,650	0
Support Equipment Shop	1,100	0	1,100	0
DEPENDENTS SCHOOLS				
Rota				
Elementary and High School Addition	2,870	0	2,870	0
Total, SPAIN	19,232			2,900
	TURKEY			
ARMY				
Various Locations				
Power Upgrade	5,200	5,200	5,200	5,200
Solid Waste Incinerator	540	540	540	540
Unaccompanied Officer Housing	1,150	1,150	1,150	1,150
Warehouse	550	550	550	550
AIR FORCE				
Ankara				
Transient Lodging Facility	950	950	950	950
Incirlik Air Base				
Alter Unaccompanied Enlisted Personnel Housing	2,250	2,250	2,250	2,250
Consolidated Support Center	4,500	4,500	4,500	4,500
Chemical Warfare Protection-Squadron Operations	1,400	1,400	1,400	1,400
Lighting Systems	300	300	300	300
Medical Contingency Complex	1,150	1,150	1,150	1,150
Satellite Communications Ground Terminal	2,600	2,600	2,600	2,600
Telecommunications Facility	770	770	770	770
Karatas				
Unaccompanied Enlisted Personnel Housing	2,330	2,330	2,330	2,330
Pirinclik				
Satellite Communications Ground Terminal	2,600	2,600	2,600	2,600
Total, TURKEY	26,290			26,290
	UNITED KINGDOM			
NAVY				
Naval Activities, London				
Fleet Hospital Support Facilities	6,850	6,850	6,850	6,850
Support Building Acquisition	785	785	785	785
Personnel Support Activity, London				
Pay and Personnel Support Office	450	450	450	450

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
UNITED KINGDOM (Cont.)				
AIR FORCE				
Fylingdales - Ballistic Missile Early Warning Site System III				
Satellite Communications Ground Terminal	3,100	3,100	3,100	3,100
Royal Air Force Alconbury				
Add to and Alter Fire Station	1,600	1,600	1,600	1,600
Add to Water Distribution System	360	360	360	360
Add to and Alter Warehouse	1,700	1,700	1,700	1,700
Alter Electrical Distribution System	1,450	1,450	1,450	1,450
Base Operations Facility	900	900	900	900
Facility Energy Improvements	2,650	2,650	2,650	2,650
Flight Simulator Training Facility	1,150	1,150	1,150	1,150
Sound Suppressor Support	400	400	400	400
TR-1 Add to and Alter Squadron Operations Facility	1,050	1,050	1,050	1,050
TR-1 Chemical Warfare Protection-Avionics Maintenance Facility	2,200	2,200	2,200	2,200
TR-1 Chemical Warfare Protection-Sensor Maintenance Facility	1,850	1,850	1,850	1,850
TR-1 Unaccompanied Enlisted Personnel Housing	5,600	5,600	5,600	5,600
Family Housing Improvements	(1,615)	(1,615)	(1,615)	(1,615)
Royal Air Force Bentwaters				
Add to Aircraft Engine Inspection and Repair Shop	2,100	2,100	2,100	2,100
Add to and Alter Unaccompanied Enlisted Personnel Housing	2,800	2,800	2,800	2,800
Aircraft Maintenance Facility	900	900	900	900
Vehicle Maintenance Complex	4,050	4,050	4,050	4,050
Warehouse	2,200	2,200	2,200	2,200
Family Housing Improvements	(115)	(115)	(115)	(115)
Royal Air Force Chicksands				
Add to and Alter Clinic	830	830	830	830
Child Care Center	800	800	800	800
Family Housing Improvements	(29)	(29)	(29)	(29)
Royal Air Force Fairford				
Clinic/Dental Clinic	7,400	7,400	7,400	7,400
Royal Air Force Feltwell				
Family Housing Improvements	(308)	(308)	(308)	(308)
Royal Air Force Greenham Common				
(GLCM - Ground-Launched Cruise Missile)				
GLCM - Alter Arts and Crafts Shop	300	300	0	0
GLCM - Auto Hobby Shop	340	340	0	0
GLCM - High Frequency Communications Facility	1,400	1,400	1,400	1,400
GLCM - Youth Center	800	800	800	800
Royal Air Force Lakenheath				
Add to and Alter Vehicle Maintenance Shop	2,870	2,870	2,870	2,870
Gymnasium	2,500	2,500	2,500	2,500
Munitions Storage Igloos	2,250	2,250	2,250	2,250
Warehouse	2,700	2,700	2,700	2,700
Family Housing Improvements	(375)	(375)	(375)	(375)
Royal Air Force Mildenhall				
Consolidated Support Center	4,150	4,150	0	0
Dangerous Cargo Pad	900	900	900	900
Unaccompanied Enlisted Personnel Housing	2,580	2,580	2,580	2,580
Weatherization	600	600	600	600

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
UNITED KINGDOM (Cont.)				
AIR FORCE (Cont.)				
Royal Air Force Molesworth				
(GLCM - Ground-Launched Cruise Missile)				
GLCM - Add to Post Office (RAF Alconbury)	530	530	530	530
GLCM - Communications Equipment Facility	410	410	410	410
GLCM - Dining Hall	1,550	1,550	1,550	1,550
GLCM - Fire Station	860	860	860	860
GLCM - Helicopter Pad	430	430	430	430
GLCM - High Frequency Communications Facility	1,400	1,400	1,400	1,400
GLCM - Medical Aid Station	490	490	490	490
GLCM - Security Police Operations Facility	1,150	1,150	1,150	1,150
GLCM - Small Arms Training Range	1,100	1,100	1,100	1,100
GLCM - Telecommunications/Meteorology Facility	640	640	640	640
GLCM - Tower Support	340	340	340	340
GLCM - Utilities and Pavements	7,213	7,213	7,213	7,213
GLCM - Vehicle Maintenance Shop (RAF Alconbury)	4,050	4,050	4,050	4,050
GLCM - Vehicle Corrosion Control Facility	700	700	700	700
GLCM - Vehicle Operations Complex	200	200	200	200
Royal Air Force Sculthorpe				
Munitions Storage Igloos	2,350	2,350	2,350	2,350
Royal Air Force Upper Heyford				
Alter Water Distribution System	1,900	1,900	1,900	1,900
Facility Energy Improvements	910	910	910	910
Religious Education Facility	1,200	1,200	1,200	1,200
Telecommunications Facility	630	630	630	630
Family Housing Improvements	(115)	(115)	(115)	(115)
Various Locations - United Kingdom				
Northern Europe Tracking Station	3,600	3,600	3,600	3,600
DEPENDENTS SCHOOLS				
Bicester				
Elementary School	4,570	4,570	4,570	4,570
Upwood				
Elementary School Addition	3,240	3,240	3,240	3,240
Woodbridge Royal Air Force Station				
Elementary School Addition	1,060	1,060	1,060	1,060
Total, UNITED KINGDOM	115,008			110,298
VARIOUS LOCATIONS				
ARMY				
Unspecified Minor Construction	31,000	31,000	31,000	31,000
Planning and Design	136,100	136,100	144,300	136,100
Community Impact Assistance	(0)	(2,000)	(0)	(500)
Family Housing Support	(1,255,730)	(1,275,730)	(1,276,030)	(1,255,730)
Family Housing Planning and Design	(19,020)	(19,020)	(19,020)	(19,020)
Family Housing Debt Reduction	(15,064)	(15,064)	(15,064)	(15,064)
Classified Location Inside U.S.				
Classified Project	3,000	3,000	3,000	3,000
General Reduction for Savings	0	-67.000	- 187,000	-152,710
Inside U.S.		(-50,000)	(-117,000)	(-112,710)
Outside U.S.		(-17,000)	(- 70,000)	(- 40,000)

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
VARIOUS LOCATIONS (Cont.)				
NAVY				
Unspecified Minor Construction	21,560	21,560	21,560	21,560
Planning and Design	139,260	139,260	149,860	139,260
Community Impact Assistance	(0)	(3,000)	(0)	(500)
Family Housing Support	(568,500)	(568,500)	(569,600)	(568,500)
Family Housing Planning and Design	(6,930)	(6,930)	(6,930)	(6,930)
Family Housing Debt Reduction	(16,239)	(16,239)	(16,239)	(16,239)
Host Nation Infrastructure Support	980	980	980	980
Various Locations				
Access Roads- Planning and Design	(600)	(600)	(600)	(600)
General Reduction, Projects Less Than $1 million	0	- 2,635	0	- 2,635
General Reduction	0	0	-145,346	-103,300
AIR FORCE				
Unspecified Minor Construction	22,000	22,000	22,000	22,000
Planning and Design	144,096	144,096	144,096	144,096
Family Housing Support	(715,000)	(715,000)	(700,800)	(715,000)
Family Housing Planning and Design	(5,000)	(5,000)	(5,000)	(5,000)
Family Housing Debt Reduction	(14,298)	(14,298)	(14,298)	(14,298)
Unspecified Locations Inside U.S.				
Other Support Facilities	55,000	55,000	55,000	55,000
General Reduction	0	0	-107,000	- 68,000
B-1B Support Facilities	0	+ 71,490	0	0
Base Thirty-Four				
(ALCM - Air-Launched Cruise Missile)				
ALCM - Integrated Maintenance Facility	7,200	7,200	7,200	7,200
ALCM - Missile Roll-Transfer and Storage	1,400	1,400	1,400	1,400
ALCM - Site Activation Task Force Facility	320	320	320	320
Base Twenty-Four				
C-130 - Add to and Alter Electronic Countermeasures Avionics Maintenance Facilities	1,200	1,200	1,200	1,200
C-130 - Corrosion Control Facility	1,300	1,300	1,300	1,300
C-130 - Add to Parking Apron	1,500	1,500	1,500	1,500
C-130 - Organizational Maintenance Shop	820	820	820	820
C-130 - Squadron Operations Facility	1,350	1,350	1,350	1,350
Overseas Classified				
Base Thirty				
TR-1 - Add to and Alter Dining Hall	330	330	330	330
TR-1 - Ground Station	4,500	4,500	4,500	4,500
Base Thirty-three				
C-130 - Aircraft Maintenance Complex	7,250	7,250	7,250	7,250
C-130 - Security Fence	600	600	600	600
C-130 - Site Support Work	1,600	1,600	1,600	1,600
Base Twenty-five				
Satellite Communications Ground Terminal	4,500	4,500	4,500	4,500
Base Twenty-nine				
Precision Launch Strike System-Operations and Maintenance Facilities	1,100	1,100	1,100	1,100
Precision Launch Strike System-Unaccompanied Enlisted Personnel Housing	2,400	2,400	2,400	2,400
Overseas Various Locations				
General Reduction - Currency Revaluation	0	- 3,000	-32,000	-32,000

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
VARIOUS LOCATIONS (Cont.)				
NATIONAL SECURITY AGENCY				
Classified Location				
Emergency Generator	2,500	2,500	2,500	2,500
MARCHER	4,650	4,650	4,650	4,650
Family Housing, New Construction	(1,800)	(1,800)	(1,800)	(1,800)
Family Housing Improvements	(70)	(70)	(70)	(70)
DEFENSE AGENCIES				
Unspecified Minor Construction	4,000	4,000	4,000	4,000
Planning and Design	30,000	27,400	30,000	30,000
Family Housing Support				
Defense Mapping Agency	(87)	(87)	(87)	(87)
National Security Agency	(6,835)	(6,835)	(6,835)	(6,835)
Defense Intelligence Agency	(11,043)	(11,043)	(11,043)	(11,043)
Defense Logistics Agency	(425)	(425)	(425)	(425)
General Reduction For Savings	0	-3,000	0	0
OFFICE OF THE SECRETARY OF DEFENSE				
Classified Location				
Classified Project	12,000	12,000	12,000	12,000
Classified Location				
Classified Project	3,142	3,142	3,142	3,142
Contingency Construction				
Defense Level Activities	5,000	5,000	5,000	5,000
DEPARTMENT OF DEFENSE DEPENDENTS SCHOOLS				
General Reduction For Savings	0	- 5,000	0	- 5,000
ARMY NATIONAL GUARD				
Unspecified Minor Construction	18,917	58,917	18,917	48,917
Planning and Design	12,362	12,362	12,362	12,362
General Reduction	0	0	- 1,900	0
ARMY RESERVE				
Unspecified Minor Construction	5,800	5,800	5,800	5,800
Planning and Design	9,605	9,605	9,605	9,605
General Reduction	0	0	- 1,300	0
NAVY AND MARINE CORPS RESERVE				
Unspecified Minor Construction	1,540	1,540	1,540	1,540
Planning and Design	4,200	4,200	4,200	4,200
General Reduction	0	0	- 1,000	0
AIR NATIONAL GUARD				
Unspecified Minor Construction	8,000	8,000	8,000	8,000
Planning and Design	9,600	9,600	9,600	9,600
General Reduction	0	0	- 2,500	0
AIR FORCE RESERVE				
Unspecified Minor Construction	3,400	3,400	3,400	3,400
Planning and Design	5,000	5,000	5,000	5,000
General Reduction	0	0	- 1,300	0
NATO				
Infrastructure	98,000	55,000	38,000	38,000
Total, VARIOUS LOCATIONS	828,082			468,347
DEFENSE ACCESS ROADS				
NAVY				
Fleet Aviation Specialized Operational Training Group Pacific Detachment, Warner Springs, California	100	100	100	100

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
DEFENSE ACCESS ROADS (Cont.)				
NAVY (Cont.)				
Marine Corps Air Station, El Toro, California	200	200	200	200
Naval Construction Battalion Center, Port Hueneme, California	300	300	300	300
Naval Air Station, South Weymouth, Massachusetts	370	370	370	370
Naval Air Station, Meridian, Mississippi	1,140	1,140	1,140	1,140
Naval Construction Battalion Center, Gulfport, Mississippi	200	200	200	200
Naval Station, Norfolk, Virginia	50	50	50	50
Various Locations				
Design of Certified Access Road Improvements	600	600	600	600
SUBTOTAL NAVY	2,960	2,960	2,960	2,960
AIR FORCE				
Nellis Air Force Base, Nevada				
Add to and Alter Base Access Roads	3,200	3,200	3,200	3,200
F.E. Warren AFB, Wyoming				
Peacekeeper - Access Roads	27,040	27,040	27,040	27,040
SUBTOTAL AIR FORCE	30,240	30,240	30,240	30,240
GRAND TOTAL ACCESS ROADS	33,200	33,200	33,200	33,200
FAMILY HOUSING				
ARMY				
CONSTRUCTION				
CALIFORNIA				
Fort Ord (600)	49,559	49,559	49,559	49,559
(70) Mobile Home Spaces	(1,081)	(1,081)1/	(1,081)1/	(1,081)1/
COLORADO				
Fort Carson (50) Mobile Home Spaces	712	712	712	712
GEORGIA				
Fort Stewart (20) Mobile Home Spaces	253	253	253	253
KANSAS				
Fort Riley (50) Mobile Home Spaces	700	700	700	700
KENTUCKY				
Fort Campbell (50) Mobile Home Spaces	689	689	689	689
MASSACHUSETTS				
Army Materials and Mechanics Research Center (I)	154	154	0	0
Fort Devens (20) Mobile Home Spaces	317	317	0	317
NEW YORK				
Fort Drum (800)	67,500	67,500	0	67,500
NORTH CAROLINA				
Fort Bragg (50) Mobile Home Spaces	637	637	637	637
UTAH				
Dugway Proving Ground (104)	8,323	8,323	8,323	8,323
(24) Mobile Home Spaces	351	351	351	351

1/ Authorized but not Authorized for Appropriations

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
FAMILY HOUSING (Cont.)				
ARMY (Cont.)				
VIRGINIA				
Fort Myer (6)	596	596	596	596
GERMANY				
Bamberg (106)	7,209	7,209	7,209	7,209
Various Locations (98)	6,120	6,120	6,120	6,120
Vilseck (370)	26,830	26,830	26,830	26,830
SUBTOTAL NEW CONSTRUCTION	171,031	171,031	103,060	170,877
CONSTRUCTION IMPROVEMENTS	166,000	167,521	166,000	167,521
PLANNING	19,020	19,020	19,020	19,020
TOTAL CONSTRUCTION	356,051	357,572	288,080	357,418
OPERATING EXPENSES				
Furnishings Account	107,342	127,342	107,342	107,342
Management Account	71,645	71,645	71,945	71,645
Miscellaneous Account	1,002	1,002	1,002	1,002
Services Account	47,277	47,277	47,277	47,277
Utilities Account	287,989	287,989	287,989	287,989
SUBTOTAL OPERATING EXPENSES	515,255	535,255	515,555	515,255
LEASING	133,567	133,567	133,567	133,567
MAINTENANCE OF REAL PROPERTY	605,895	605,895	605,895	605,895
TOTAL OPERATIONS	1,254,717	1,274,717	1,255,017	1,254,717
INTEREST PAYMENTS	918	918	918	918
MORTGAGE INSURANCE PREMIUMS	95	95	95	95
DEBT REDUCTION	15,064	15,064	15,064	15,064
TOTAL DEBT	16,077	16,077	16,077	16,077
TOTAL FAMILY HOUSING, ARMY	1,626,845	1,648,366	1,559,174	1,628,212
LESS APPROPRIATION NOT REQUIRED	- 1,081	- 1,081	- 1,081	- 1,081
GRAND TOTAL FAMILY HOUSING, ARMY	1,625,764	1,647,285	1,558,093	1,627,131
NAVY				
CONSTRUCTION				
ALASKA				
Naval Air Station, Adak (100)	15,500	15,500	15,500	15,500
CALIFORNIA				
Fleet Training Group Pacific, Warner Springs (44)	4,400	4,400	4,400	4,400
Marine Corps Air Ground Combat Center, Twentynine Palms (100)	8,400	8,400	8,400	8,400
Marine Corps Air Station, El Toro (282)	29,800	29,800	29,800	29,800
Naval Complex (Navy Public Works Center), San Diego (200)	15,200	15,200	15,200	15,200
NEW JERSEY				
Naval Weapons Station, Earle (200)	15,400	15,400	15,400	15,400
PENNSYLVANIA				
Aviation Supply Office, Philadelphia (1)	170	170	170	170
PHILIPPINES				
Navy Public Works Center, Subic Bay (300)	24,180	24,180	24,180	24,180
SUBTOTAL NEW CONSTRUCTION	113,050	113,050	113,050	113,050
CONSTRUCTION IMPROVEMENTS	34,020	34,020	34,020	34,020
PLANNING	6,930	6,930	6,930	6,930
TOTAL CONSTRUCTION	154,000	154,000	154,000	154,000

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
FAMILY HOUSING (Cont.)				
NAVY (Cont.)				
OPERATING EXPENSES				
Furnishings Account	13,636	13,636	13,636	13,636
Management Account	42,155	42,155	43,295	42,155
Miscellaneous Account	420	420	420	420
Services Account	29,946	29,946	29,946	29,946
Utilities Account	181,343	181,343	181,343	181,343
SUBTOTAL OPERATING EXPENSES	267,500	267,500	268,600	267,500
LEASING	22,479	22,479	22,479	22,479
MAINTENANCE OF REAL PROPERTY	277,458	277,458	277,458	277,458
TOTAL OPERATIONS	567,437	567,437	568,537	567,437
INTEREST PAYMENTS	822	822	822	822
MORTGAGE INSURANCE PREMIUMS	241	241	241	241
DEBT REDUCTION	16,239	16,239	16,239	16,239
TOTAL DEBT	17,302	17,302	17,302	17,302
GRAND TOTAL FAMILY HOUSING, NAVY	738,739	738,739	739,839	738,739
AIR FORCE				
CONSTRUCTION				
CALIFORNIA				
Los Angeles Air Force Station, Land Acquisition	1,800	0	0	0
MASSACHUSETTS				
Hanscom AFB (163)	0	(14,200) 1/	0	0
SOUTH DAKOTA				
Belle Fourche (50)	4,000	4,000	4,000	4,000
BELGIUM				
Florennes (400)	29,200	29,200	29,200	29,200
GERMANY				
Hahn Air Base (440)	33,000	33,000	33,000	33,000
Ramstein Air Base (400)	30,000	30,000	30,000	30,000
CONSTRUCTION (Cont.)				
KOREA				
Osan Air Base - Warehouse/Family Housing Management Office	1,200	1,200	1,200	1,200
NETHERLANDS				
Camp New Amsterdam (140)	11,000	11,000	11,000	11,000
PHILIPPINES				
Clark Air Base (450)	37,900	37,900	37,900	37,900
SUBTOTAL NEW CONSTRUCTION	148,100	146,300	146,300	146,300
CONSTRUCTION IMPROVEMENTS	61,300	61,300	61,300	61,300
PLANNING	5,000	5,000	5,000	5,000
TOTAL CONSTRUCTION	214,400	226,800	212,600	212,600
OPERATING EXPENSES				
Furnishings Account	38,325	38,325	38,325	38,325
Management Account	25,514	25,514	25,514	25,514
Miscellaneous Account	4,997	4,997	4,997	4,997
Services Account	22,850	22,850	22,850	22,850
Utilities Account	241,877	241,877	241,877	241,877
SUBTOTAL OPERATING EXPENSES	333,530	333,530	333,530	333,530

1/ Transfer from support.

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
	FAMILY HOUSING (Cont.)			
AIR FORCE (Cont.)				
LEASING	48,113	48,113	48,113	48,113
MAINTENANCE OF REAL PROPERTY	332,350	318,150	332,350	332,350
TOTAL OPERATIONS	713,993	699,793	713,993	713,993
INTEREST PAYMENTS	700	700	700	700
MORTGAGE INSURANCE PREMIUMS	307	307	307	307
DEBT REDUCTION	14,298	14,298	14,298	14,298
TOTAL DEBT	15,305	15,305	15,305	15,305
GRAND TOTAL FAMILY HOUSING, AIR FORCE	943,698	941,898	941,898	941,898
DEFENSE MAPPING AGENCY (DMA)				
OPERATING EXPENSES				
Furnishings Account	1	1	1	1
Services Account	22	22	22	22
SUBTOTAL OPERATING EXPENSES	23	23	23	23
LEASING	33	33	33	33
MAINTENANCE OF REAL PROPERTY	31	31	31	31
TOTAL FAMILY HOUSING, DMA	87	87	87	87
NATIONAL SECURITY AGENCY (NSA)				
NEW CONSTRUCTION - OVERSEAS				
CLASSIFIED LOCATION/PROJECT	1,800	1,800	1,800	1,800
CONSTRUCTION IMPROVEMENTS	70	70	70	70
TOTAL CONSTRUCTION	1,870	1,870	1,870	1,870
OPERATING EXPENSES				
Miscellaneous Account	543	543	543	543
SUBTOTAL OPERATING EXPENSES	543	543	543	543
LEASING	6,000	6,000	6,000	6,000
MAINTENANCE OF REAL PROPERTY	292	292	292	292
TOTAL OPERATIONS				
TOTAL FAMILY HOUSING, NSA	8,705	8,705	8,705	8,705
DEFENSE INTELLIGENCE AGENCY (DIA)				
OPERATING EXPENSES				
Furnishings Account	2,143	2,143	2,143	2,143
SUBTOTAL OPERATING EXPENSES	2,143	2,143	2,143	2,143
LEASING	8,900	8,900	8,900	8,900
TOTAL FAMILY HOUSING, DIA	11,043	11,043	11,043	11,043
DEFENSE LOGISTICS AGENCY (DLA)				
CONSTRUCTION IMPROVEMENTS	40	40	40	40
TOTAL CONSTRUCTION	40	40	40	40
OPERATING EXPENSES				
Furnishings Account	17	17	17	17
Services Account	10	10	10	10
Utilities Account	158	158	158	158
SUBTOTAL OPERATING EXPENSES	185	185	185	185
MAINTENANCE OF REAL PROPERTY	240	240	240	240
TOTAL FAMILY HOUSING, DLA	465	465	465	465
GRAND TOTAL FAMILY HOUSING, DEFENSE AGENCIES	20,300	20,300	20,300	20,300

(amounts in thousands of dollars)

Installation and project	Budget Request	House recommendation	Senate recommendation	Conference Agreement
RECAPITULATION				
ARMY	3,649,674	3,399,411	3,141,513	3,312,803
NAVY	2,886,249	2,602,234	2,345,003	2,408,184
AIR FORCE	2,917,048	2,809,561	2,624,041	2,700,991
DEFENSE AGENCIES	329,900	203,025	269,000	258,598
NATO INFRASTRUCTURE	98,000	55,000	38,000	38,000
ARMY NATIONAL GUARD	102,100	159,101	100,200	149,101
AIR NATIONAL GUARD	137,200	139,000	127,555	139,000
ARMY RESERVE	70,700	66,289	69,400	70,700
NAVAL AND MARINE CORPS RESERVE	51,800	61,800	50,800	51,800
AIR FORCE RESERVE	66,800	70,650	65,500	70,650
TOTAL MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS	10,309,471	9,550,529	8,831,012	9,199,824

LES ASPIN,
RONALD V. DELLUMS,
G.V. MONTGOMERY,
EARL HUTTO,
MARVIN LEATH,
WM. L. DICKINSON,
G. WILLIAM WHITEHURST,
KEN KRAMER,
Managers on the Part of the House.

STROM THURMOND,
JOHN W. WARNER,
GORDON J. HUMPHREY,
JOHN P. EAST,
JEFF BINGAMAN,
JOHN C. STENNIS,
GARY HART,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McKINNEY (at the request of Mr. MICHEL), for today, on account of illness.

Mr. HARTNETT (at the request of Mr. MICHEL), for today, on account of a death in the family.

Mr. BOLAND (at the request of Mr. WRIGHT), for today, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COBLE) to revise and extend their remarks and include extraneous material:)

Mr. GILMAN, for 60 minutes, today.

Mr. DELAY, for 60 minutes, today.

Mr. DORNAN of California, for 60 minutes, November 19.

Mr. DORNAN of California, for 60 minutes, November 20.

Mr. DORNAN of California, for 60 minutes, November 21.

Mr. LUNGREN, for 60 minutes, November 13.

Mr. LUNGREN, for 60 minutes, November 14.

Mr. MOLINARI, for 5 minutes, today.

Mr. FRENZEL, for 30 minutes, today.

Mr. IRELAND, for 5 minutes, November 13.

Mr. WALKER, for 60 minutes, today.

Mr. MACK, for 60 minutes, today.

Mr. BROWN of Colorado, for 15 minutes, today.

(The following Members (at the request of Mr. DYMALLY) to revise and extend their remarks and include extraneous material:)

Mr. FORD of Tennessee, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HUTTO, for 5 minutes, today.

Mr. RANGEL, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. HUTTO, for 5 minutes, November 13.

Mr. DYMALLY, for 60 minutes, November 13.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. ROUKEMA, and to include extraneous matter, immediately following her remarks during debate on H.R. 1616, in the Committee of the Whole today.

(The following Members (at the request of Mr. COBLE) and to include extraneous matter:)

Mr. HENRY.

Mr. CLINGER.

Mr. LEWIS of Florida.

Mr. GINGRICH in two instances.

Mr. LAGOMARSINO in five instances.

Mr. DANNEMEYER in two instances.

Mr. MYERS of Indiana.

Mr. COURTER in five instances.

Mr. FRENZEL in five instances.

Mr. SHUSTER.

Mr. LENT.

Mr. MICHEL in two instances.

Mr. GALLO.

Mr. DIOGUARDI in two instances.

Mr. TAYLOR.

Mr. BADHAM.

Mr. MORRISON of Connecticut.

Mr. DORNAN of California.

(The following Members (at the request of Mr. DYMALLY) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. MATSUI in two instances.

Mr. BOSCO.

Mr. EDWARDS of California.

Mr. FLORIO.

Mr. GARCIA in three instances.

Mr. APPLEGATE.

Mr. BRYANT.

Mr. STARK in three instances.

Mr. LELAND in two instances.

Mr. KOLTER.

Mr. BONKER.

Mr. WIRTH.

Mrs. SCHROEDER in two instances.

Mr. HERTEL of Michigan in two instances.

Mr. LIPINSKI in two instances.

Mr. EDGAR.

Mr. LANTOS in two instances.

Mr. WAXMAN.

Mr. SCHEUER.

Mr. MARKEY.

Mr. SOLARZ.

Mr. TORRES in two instances.

Mr. STOKES in three instances.

Mr. DYSON in two instances.

Ms. OAKAR.

Mr. MANTON.

Mr. BRUCE.
Mr. DOWNEY of New York.
Mr. BONIOR of Michigan.
Mr. DIXON.
Mr. HUBBARD.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles.

S. 1570. An act to amend the Fair Labor Standards Act of 1938 to authorize the provision of compensatory time in lieu of overtime compensation for employees of States, political subdivisions of States, and interstate governmental agencies, to clarify the application of the act to volunteers, and for other purposes, and

S.J. Res. 47. Joint resolution designating the week beginning "National Women Veterans Recongition Week."

ADJOURNMENT

Mr. BROWN of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 30 minutes p.m.) the House adjourned until tomorrow, Wednesday, November 13, 1985 at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2236. A letter from the Secretary of Defense, transmitting the fiscal year 1984 annual report of the Reserve Forces Policy Board [RFPB], pursuant to 10 U.S.C. 133(c); to the Committee on Armed Services.

2237. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-101, "Georgetown University Higher Education Facilities Revenue Bond Act of 1985", and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

2238. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-99, "Wastewater System Regulation Temporary Act of 1985," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

2239. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-100, "Limitation of the Use of the Chokehold Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

2240. A letter from the Assistant Attorney General, Civil Rights Division, transmitting a report on activities of the council, pursuant to Public Law 93-112, section 507 (92 Stat. 2983); to the Committee on Education and Labor.

2241. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of the agreement between the United States and the Government of Australia concerning the pricing of military training, pursuant to 22 U.S.C. 2761(g); to the Committee on Foreign Affairs.

2242. A letter from the Acting Archivist of the United States, transmitting notice of a new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2243. A communication from the Clerk, U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures of appropriations for the period July 1, 1985, through September 30, 1985, pursuant to 2 U.S.C. 104a (H. Doc. No. 99-125); to the Committee on House Administration and ordered to be printed.

2244. A letter from the Corporation Agent, Legion of Valor of the United States of America, Inc., transmitting the annual report and financial audit dated April 30, 1985, pursuant to Public Law 88-504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

2245. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a report on the results of the Secretary of Agriculture's investigation into allegations of violations of law and regulations, mismanagement and abuse of authority by officials of the Food Safety and Inspection Service, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

2246. A letter from the Administrator, Federal Aviation Administration, transmitting the semiannual report on effectiveness of procedures for screening passengers and property for weapons, pursuant to Public Law 85-726, section 315(a) (88 Stat. 415); to the Committee on Public Works and Transportation.

2247. A communication from the Assistant Secretary of the Army (Civil Works), transmitting a report dated February 5, 1985, from the Chief of Engineers, Department of the Army, on Lorain Harbor, OH, together with other pertinent reports (H. Doc. No. 99-124); to the Committee on Public Works and Transportation and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FASCELL: Committee on Foreign Affairs. S.J. Res. 228. A resolution relating to the proposed sales of arms to Jordan (Rept. 99-364). Referred to the Committee of the Whole House on the State of the Union.

Ms. OAKAR: Committee on House Administration. H.R. 1609. A bill to authorize the Smithsonian Institution to plan and construct facilities for the Cooper-Hewitt Museum, and for other purposes. with amendments (Rept. 99-365, Pt. 1). Ordered to be printed.

Mr. DELLUMS: Committee of conference. Conference report on S. 1042 (Rept. 99-366). Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. FEMA's purchase of a radiological training package: an avoidable disaster (Rept. 99-367). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. H. Res. 317. A resolution providing for the consideration of H.R. 3722, a bill to extend until December 14, 1985, the application of certain tobacco excise taxes, trade adjustment assistance, certain medicare reimbursement provisions, and borrowing authority under the railroad unemployment insurance program (Rept. 99-368). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. H. Res. 318. A resolution providing for the consideration of H.R. 3721, a bill to temporarily increase the limit on the public debt and to restore the investments of the Social Security Trust Funds and other trust funds (Rept. 99-369). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 2817. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; with an amendment (Rept. 99-253, Pt. 5). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI (for himself, and Mr. DUNCAN):

H.R. 3721. A bill to temporarily increase the limit on the public debt and to restore the investments of the Social Security Trust Funds and other trust funds; to the Committee on Ways and Means.

H.R. 3722. A bill to extend until December 14, 1985, the application of certain tobacco excise taxes, trade adjustment assistance, certain medicare reimbursement provisions, and borrowing authority under the railroad unemployment insurance program; to the Committee on Ways and Means.

By Mr. BRYANT:

H.R. 3723. A bill to amend the Communications Act of 1934 to require that the Federal Communications Commission hold hearings prior to the granting of any license transfer that involves a request for waiver of Commission ownership rules; to the Committee on Energy and Commerce.

By Mr. CARR:

H.R. 3724. A bill to amend the Federal Election Campaign Act of 1971 to permit political committees to designate for campaign depository purposes any organization the accounts of which are insured by the Securities Investor Protection Corporation; to the Committee on House Administration.

By Mr. DORNAN of California:

H.R. 3725. A bill to authorize assistance for the democratic resistance in Angola; to the Committee on Foreign Affairs.

By Mr. EDGAR:

H.R. 3726. A bill to limit the number of days a depository institution may restrict the availability of funds which are deposited in any account; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HERTEL of Michigan:

H.R. 3727. A bill to amend the Social Security Act to prohibit premature disinvestment of obligations acquired by the Social Security trust funds except when necessary to prevent shortfalls resulting from required disbursements; to the Committee on Ways and Means.

By Mr. JEFFORDS:

H.R. 3728. A bill to amend the Internal Revenue Code of 1954 to allow a limited credit for contributions to education savings accounts established for the children of the taxpayer and to exclude amounts received from such accounts for educational ex-

penses from income tax, and for other purposes; to the Committee on Ways and Means.

By Mr. LEWIS of California (for himself, and Mr. DIXON:

H.R. 3729. A bill to authorize the minting of gold bullion coins; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SCHUMER:

H.R. 3730. A bill to establish a United States Commission on Elections in the Philippines; to the Committee on Foreign Affairs.

By Mr. STARK (for himself, and Mr. FORD of Tennessee):

H.R. 3731. A bill to deny tax-exempt status for certain schools established to avoid the integration of local public schools; to the Committee on Ways and Means.

By Mr. WOLPE (for himself, Mrs. MARTIN of Illinois, Mr. BONIOR of Michigan, Mr. DELLUMS, Mr. FAUNTROY, Mr. MITCHELL, Mr. STARK, Mr. FAZIO, Mr. FRANK, Mr. FORD of Michigan, Mr. MARKEY, Mr. GEJDENSON, and Mr. HORTON):

H.R. 3732. A bill to amend title 10, United States Code, to authorize former members of the Armed Forces who are totally disabled as the result of a service-connected disability to travel on military aircraft in the same manner and the same extent as retired members of the Armed Forces are permitted to travel on such aircraft; to the Committee on Armed Services.

By Mr. WOLPE (for himself and Ms. KAPTUR):

H.R. 3733. A bill to amend chapter 11 of title 18, United States Code, to prohibit any former high-level Federal civilian officer or employee or high-ranking officer of a uniformed service from representing or advising a foreign principal for a period of at least 10 years after leaving Government service; to the Committee on the Judiciary.

By Mr. HERTEL of Michigan:

H.R. 3734. A bill to improve security for commercial passenger vessels, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, and Foreign Affairs.

By Mrs. HOLT (for herself, Mr. EMERSON, Mr. DYSON, Mrs. BENTLEY, Ms. MIKULSKI, Mr. HOYER, Mr. MITCHELL, Mr. BARNES, Mr. MONTGOMERY, and Mrs. BYRON):

H.R. 3735. A bill to designate the pedestrian walkway crossing the Potomac River at Harpers Ferry National Historic Park as the "Goodloe E. Byron Memorial Pedestrian Walkway"; to the Committee on Interior and Insular Affairs.

By Mr. LOWERY of California:

H.R. 3736. A bill to amend the Export Administration Act of 1979 to authorize controls on the export of capital from the United States; to the Committee on Foreign Affairs.

By Mr. McCOLLUM (for himself, Mr. FISH, and Mr. LUNGREN):

H.R. 3737. A bill to amend the Immigration and Nationality Act to deter immigration-related marriage fraud and other immigration fraud; to the Committee on the Judiciary.

By Ms. OAKAR (for herself, and Mr. MYERS of Indiana):

H.R. 3738. A bill to protect the Social Security Trust Funds and other retirement funds from actions designed to avoid the public debt limit; to the Committee on Ways and Means.

By Mr. TAYLOR (for himself, Mr. DOWDY of Mississippi, Mr. RINALDO, Mr. TAUZIN, Mr. DANNEMEYER, Mr. WYDEN, Mr. TAUKE, Mr. SHELBY, Mr. RICHARDSON, Mr. SIKORSKI, Mr. SCHAEFER, Mr. LATTA, Mr. BLILEY, Mr. DARDEN, Mr. SNYDER, Mr. MOORHEAD, and Mr. WHITTAKER):

H.R. 3739. A bill to protect consumers and franchised automobile dealers from unfair price discrimination in the sale by the manufacturer of new motor vehicles, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DELLUMS:

H.J. Res. 448. Joint resolution to provide for the designation of the month of February, 1986, as "National Black (Afro-American) History Month"; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ (for himself, Mr. WYLIE, and Mr. McKINNEY):

H.J. Res. 449. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MORRISON of Washington (for himself, Mr. ADDABBO, Mr. AKAKA, Mr. BERMAN, Mr. BEDELL, Mr. BROWN of California, Mrs. BURTON of California, Mr. BEVILL, Mr. BLILEY, Mr. BOSCO, Mr. BARNES, Mrs. BENTLEY, Mr. BROYHILL, Mr. BENNETT, Mr. BORSKI, Mr. BRYANT, Mr. BUSTAMANTE, Mr. BROOMFIELD, Mr. BROOKS, Mr. BURTON of Indiana, Mr. BARNARD, Mr. BILIRAKIS, Mr. CHAPPIE, Mrs. COLLINS, Mr. COOPER, Mr. CROCKETT, Mr. CAMPBELL, Mr. CONTE, Mr. CARPER, Mr. CALLAHAN, Mr. COATS, Mr. CHAPPELL, Mr. CLINGER, Mr. COURTER, Mr. DARDEN, Mr. DEWINE, Mr. DWYER of New Jersey, Mr. DANIEL, Mr. DE LA GARZA, Mr. DORGAN of North Dakota, Mr. EMERSON, Mr. ENGLISH, Mr. FISH, Mr. FOLEY, Mr. FAZIO, Mr. FRANKLIN, Mr. FAWELL, Mr. FLIPPO, Mr. FRENZEL, Mr. FAUNTROY, Mr. GUNDERSON, Mr. GUARINI, Mr. GINGRICH, Mr. GROTBERG, Mr. GRAY of Illinois, Mr. GILMAN, Mr. HYDE, Mr. HEFTEL of Hawaii, Mr. HILER, Mr. HARTNETT, Mr. HORTON, Mrs. HOLT, Mr. HUTTO, Mr. HAYES, Mr. HOYER, Mr. HOWARD, Mr. HUNTER, Mr. HEFNER, Mr. IRELAND, Mr. JACOBS, Mr. JONES of North Carolina, Mr. KASICH, Mrs. KENNELLY, Ms. KAPTUR, Mr. KEMP, Mr. KASTENMEIER, Mr. KANJORSKI, Mr. KINDNESS, Mr. LOWERY of California, Mr. LUNGREN, Mr. LIGHTFOOT, Mrs. LLOYD, Mr. LANTOS, Mr. LOWRY of Washington, Mr. LAGOMARSINO, Mr. LEVIN of Michigan, Mr. LOEFFLER, Mr. LEWIS of California, Mr. LEHMAN of Florida, Mr. LEACH of Iowa, Mr. LENT, Mr. LUKEN, Mr. LIVINGSTON, Mr. LATTA, Mr. MRAZEK, Mr. MANTON, Mr. MURPHY, Mr. MURTHA, Mr. McGRATH, Mr. MOORE, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Mrs. MEYERS of Kansas, Mr. MILLER of Washington, Mr. McEWEN, Mr. MARTIN of New York, Mr. MOLINARI, Mr. MOODY, Mr. McDADE, Mr. MACK, Mr. MAVROULES, Ms. MIKULSKI, Mr. NELSON of Florida, Mr. NEAL, Mr. NICHOLS, Mr. OBERSTAR, Mr. OWENS, Mr. ORTIZ, Mr. O'BRIEN, Mr. PANETTA, Mr. PURSELL, Mr. QUILLEN, Mr. REID, Mr. ROWLAND of Georgia, Mr. ROBERTS, Mr. ROSE, Mr. ROE, Mr. RODINO, Mr. RICHARDSON, Mr. RINALDO, Mr. ROBINSON, Mr. RAY, Mr. RAHALL, Mr. RUSSO, Mr. STENHOLM, Mr. STOKES, Mr. SAXTON, Mr. SCHEUER, Mr. SPRATT, Mr. SAVAGE, Mr. SUNDQUIST, Mr. STANGELAND, Mr. SHAW, Mr. SNYDER, Mr. SILJANDER, Mr. ROBERT F. SMITH, Mr. SCHUMER, Mr. TALLON, Mr. TRAFICANT, Mr. TAUKE, Mr. TRAXLER, Mr. TAUZIN, Mr. TOWNS, Mr. UDALL, Mr. VENTO, Mr. VALENTINE, Mr. VOLKMER, Mr. VANDER JAGT, Mr. WAXMAN, Mr. WALGREN, Mr. WORTLEY, Mr. WIRTH, Mr. WHEAT, Mr. WOLPE, Mr. WHITLEY, Mr. WHITTAKER, Mr. YOUNG of Alaska, Mr. YATRON, Mr. PACKARD, Mr. THOMAS of Georgia, Ms. OAKAR, Mr. YOUNG of Missouri, Mrs. BOXER, Mr. AUCOIN, Mr. MINETA, Mr. HALL of Ohio, Mr. STRANG, Mr. NIELSON of Utah, Mrs. VUCANOVICH, Mr. DYMALLY, Mr. SCHUETTE, Mr. TORRICELLI, Mr. HENRY, Mr. HUGHES, Mr. ANDREWS, Mr. EVANS of Iowa, Mr. KOLTER, Mr. LEVINE of California, Mr. MONTGOMERY, Mr. FROST, Mr. WYLIE, Mr. LOTT, Mr. MACKAY, Mr. LEWIS of Florida, Mr. SOLARZ, Mr. DELLUMS, Mr. PEPPER, Mr. BEILENSON, Mr. HUCKABY, Mr. SMITH of Florida, Mr. OLIN, and Mr. LAFALCE):

H.J. Res. 450. Joint resolution to authorize and request the President to issue a proclamation designating April 20 through April 26, 1986, as "National Organ and Tissue Donor Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. SOLARZ (for himself, Mr. SOLOMON, and Mr. GILMAN):

H.J. Res. 451. Joint resolution to designate September 19, 1986, as "National P.O.W./M.I.A. Recognition Day;" to the Committee on Post Office and Civil Service.

By Mr. SOLARZ (for himself, Mr. FASCELL, Mr. BROOMFIELD, Mr. LEACH of Iowa, Mr. GEJDENSON, Mr. DYMALLY, Mr. BEREUTER, Mr. TORRICELLI, Mr. UDALL, and Mr. BARNES):

H. Con. Res. 232. Concurrent resolution expressing the sense of the Congress with respect to the restoration of democracy in the Philippines; to the Committee on Foreign Affairs.

By Mr. FASCELL (for himself and Mr. BROOMFIELD):

H. Res. 316. Resolution expressing the support of the House of Representatives for the President as he prepares to meet with Soviet General Secretary Gorbachev in Geneva, Switzerland, and expressing its hope that this summit meeting will provide a basis for a freer, more stable, and more peaceful world; to the Committee on Foreign Affairs.

By Mr. DORNAN of California:

H. Res. 319. Resolution designating Sunday, November 17, 1985, as a national day of prayer; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Ms. KAPTUR:

H.R. 3740. A bill for the relief of Bedia Atik; to the Committee on the Judiciary.

H.R. 3741. A bill for the relief of Rodialo D. Sulit; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 13: Mr. STALLINGS.

H.R. 161: Mr. TALLON.

H.R. 679: Mr. HILLIS, Mr. MCKERNAN, Mrs. BOXER, Mr. DORNAN of California, Mr. MATSUI, Mr. DIOGUARDI, Mr. YOUNG of Florida, Mr. MURPHY, Mr. SMITH of New Hampshire, Mr. BUSTAMANTE, and Mrs. VUCANOVICH.

H.R. 877: Mr. KOSTMAYER.

H.R. 1101: Mr. MARKEY and Mr. BATES.

H.R. 1102: Mr. BATES.

H.R. 1103: Mr. BATES.

H.R. 1104: Mr. BATES and Mr. SHUMWAY.

H.R. 1108: Mr. ALEXANDER, Mr. CLAY, Mr. DANNEMEYER, Mr. DARDEN, Mr. EMERSON, Mr. HAMMERSCHMIDT, Mr. PACKARD, Mr. SHELBY, and Mr. GINGRICH.

H.R. 1262: Mr. HUNTER.

H.R. 1287: Mr. LOWRY of Washington and Mr. SWIFT.

H.R. 1294: Mr. WORTLEY.

H.R. 1338: Mr. MORRISON of Connecticut.

H.R. 1356: Mr. MOODY, Mr. BORSKI, Mr. ROBERTS, Mr. KOSTMAYER, Mr. MCCLOSKEY, Mr. MAVROULES, and Mr. ANDREWS.

H.R. 1507: Mr. CONYERS.

H.R. 1552: Mr. BORSKI.

H.R. 1622: Mr. BEREUTER.

H.R. 1648: Mr. ROWLAND of Georgia.

H.R. 1911: Mr. HUTTO.

H.R. 2263: Mr. DURBIN, Mr. WALGREN, Mr. ERDREICH, Mr. FROST, and Mr. RANGEL.

H.R. 2295: Mr. TOWNS, Mr. SEIBERLING, Ms. MIKULSKI, and Mr. MORRISON of Connecticut.

H.R. 2440: Mr. CHAPPELL and Mr. SYNAR.

H.R. 2539: Mr. TORRICELLI, Mrs. VUCANOVICH, Mrs. BENTLEY, and Mrs. SCHROEDER.

H.R. 2576: Mr. EVANS of Illinois and Mrs. COLLINS.

H.R. 2591: Mr. MILLER of Ohio, Mr. MCDADE, Mr. AKAKA, Mr. BORSKI, Mr. CHAPPELL, Mr. CHAPMAN, Mr. DE LUGO, Mr. FOGLIETTA, Mr. FUSTER, Mr. KILDEE, Mr. MANTON, Mr. LOWRY of Washington, Mr. LEVINE of California, Mr. PERKINS, Mr. SCHUMER, Mr. SPRATT, Mr. VALENTINE, Mr. WIRTH, Mr. WOLPE, Mr. MARKEY, Mr. CARR, Mr. SCHAEFER, Mr. MOORHEAD, Mr. SOLARZ, Mr. FRANK, Mr. TORRICELLI, Mr. MAVROULES, Mr. CARPER, Mr. MURPHY, Mr. YATRON, Mr. ENGLISH, Mr. JENKINS, Mr. TRAXLER, Mr. DWYER of New Jersey, Mr. SMITH of New Hampshire, Mr. JEFFORDS, Mr. HILLIS, Mr. ORTIZ, Mr. PEPPER, Mr. STOKES, Mr. ROBERTS, Mr. DONNELLY, Mr. DOWNEY of New York, Mr. RAY, Mr. CROCKETT, Mr. MCCURDY, Mr. BOUCHER Mr. PRICE, and Mr. NELSON of Florida.

H.R. 2902: Mr. BONER of Tennessee, Mr. DWYER of New Jersey, Mr. LOWRY of Washington, Mr. RICHARDSON, and Mr. TRAFICANT.

H.R. 2909: Mr. APPLEGATE, Mr. BUSTAMANTE, Mr. VENTO, Mr. SIKORSKI, Mr. SUNIA, Mr. LUNDINE, Mr. CARNEY, Mr. KEMP, Mr. ECKERT of New York, Mr. MARTINEZ, Mr. BRYANT, Mrs. COLLINS, Mr. DYMALLY, Mr. KOLTER, Mr. CLAY, Ms. OAKAR, Mr. WILSON, Mr. GONZALEZ, Mr. GREEN, Mr. TORRES, Ms. MIKULSKI, and Mr. MRAZEK.

H.R. 2943: Mr. COELHO Mr. WISE, Mr. BENNETT, Mr. PRICE, Mr. WORTLEY, and Mr. HARTNETT.

H.R. 2985: Mr. BORSKI, Mr. APPLEGATE, Mr. LIPINSKI, Mr. EDGAR, and Mr. MCEWEN.

H.R. 3006: Mr. NIELSON of Utah.

H.R. 3042: Mr. BIAGGI and Mr. GILMAN.

H.R. 3099: Mr. MCKINNEY and Mr. ROSE.

H.R. 3172: Mr. GILMAN.

H.R. 3263: Mr. WEAVER.

H.R. 3346: Mr. MOORHEAD.

H.R. 3357: Mr. FRANKLIN, Mr. DELAY, and Mr. CLINGER.

H.R. 3498: Mr. ALEXANDER, Ms. KAPTUR, Mr. PEASE, Mr. BONIOR of Michigan, Mr. CARPER, Mr. HUGHES, and Mr. ORTIZ.

H.R. 3505: Mr. COBEY, Mr. PRICE, and Mr. ARMEY.

H.R. 3521: Mr. ROEMER, Mr. HALL of Ohio, Mr. NEAL, Mr. KASICH, and Mr. LIVINGSTON.

H.R. 3562: Mr. GINGRICH and Mr. PACKARD.

H.R. 3569: Mr. GUARINI and Mr. CARPER.

H.R. 3573: Ms. KAPTUR, Mr. PEASE, Mr. ALEXANDER, Mr. HUGHES, Mr. ORTIZ, Mr. CARPER, Mr. BONIOR of Michigan, Mr. RICHARDSON, Mr. WILSON, Mr. SEIBERLING, and Mr. MARTINEZ.

H.R. 3593: Mr. WHITEHURST, Mr. SOLOMON, Mr. LANTOS, Mr. CONYERS, Mr. SAXTON, Mr. JACOBS, Mr. DELAY, Mr. LAGOMARSINO, Mr. REID, and Mr. WILSON.

H.R. 3615: Mr. HAYES, Mr. BEVILL, Mr. GRAY of Illinois, and Mr. EMERSON.

H.R. 3634: Mr. MITCHELL, Mr. SCHUMER, Mr. SMITH of Florida, Mr. LUKEN, Mr. COBLE, Mr. RIDGE, Ms. KAPTUR, Mr. ERDREICH, Mr. RAHALL, Mr. FROST, Mr. MARTINEZ, Mr. SAXTON, Mr. SOLARZ, and Mr. HUGHES.

H.R. 3643: Mr. GINGRICH.

H.R. 3660: Mr. HAYES, Mr. EDWARDS of California, Mr. ROSE, Mr. KOSTMAYER, Mr. STUDDS, Mr. GUARINI, Mr. TOWNS, Mr. CROCKETT, Mr. OBERSTAR, Mr. MINETA, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, and Mr. STAGGERS.

H.R. 3706: Mr. LELAND, Mr. FUSTER, and Mr. MORRISON of Connecticut.

H.J. Res. 6: Mr. BATES, Mr. BUSTAMANTE, Mr. DAUB, Mr. DE LA GARZA, and Mr. HUGHES.

H.J. Res. 101: Mr. PARRIS, Mr. DWYER of New Jersey, and Mr. FROST.

H.J. Res. 127: Mr. KILDEE, Mr. FIELDS, Mr. GRAY of Pennsylvania, and Mr. WALGREN.

H.J. Res. 154: Mr. BONIOR of Michigan and Mr. HYDE.

H.J. Res. 331: Mr. BILIRAKIS, Mr. GILMAN, Mr. RICHARDSON, Mr. CONYERS, Mr. HAYES, and Mr. GONZALEZ.

H.J. Res. 345: Mr. HUBBARD, Mr. COURTER, Mr. WOLF, Mr. CARNEY, Mr. PORTER, Mr. DASCHLE, Mr. FRANKLIN, Mr. DARDEN, Mr. KOLTER, Mr. CONYERS, Mr. HUTTO, Mr. GINGRICH, Mr. COUGHLIN, Mr. BONER of Tennessee, Mr. BEVILL, Mr. NIELSON of Utah, Mr. LUKEN, Mr. DYMALLY, Mr. BROWN of Colorado, Mr. BEDELL, Mr. KASTENMEIER, Mr. BATEMAN, Mr. SMITH of New Hampshire, Mr. KRAMER, Mr. DOWDY of Mississippi, and Mr. EVANS.

H.J. Res. 417: Mr. PENNY, Mr. CROCKETT, Mr. TAUKE, Mr. FISH, Mr. PORTER, Mr. MINETA, Mr. BOBSCO, Mr. SKELTON, Mr. MARTINEZ, and Mr. BOUCHER.

H.J. Res. 436: Mr. RALPH M. HALL, Mr. WATKINS, Mr. JONES of Tennessee, Mr. TRAXLER, Mr. BOUCHER, Mr. GUARINI, Mr. COLEMAN of Texas, Mr. BRUCE, Mr. YATRON, Mr. STALLINGS, Mr. STENHOLM, Mr. LEACH of Iowa, Mr. MCCOLLUM, Mr. MCCANDLESS, Mr. MCEWEN, Mr. LUNGREN, Mr. TAYLOR, Mr. WORTLEY, Mr. HAMMERSCHMIDT, Mr. MONTGOMERY, Mr. SHELBY, Mr. HOWARD, Mrs. BENTLEY, Mr. COUGHLIN, Mr. VISCLOSKY, Mr. BROOKS, Mr. MRAZEK, and Mr. MONSON.

H.J. Res. 440: Mr. ADDABBO, Mr. CROCKETT, Mr. CONYERS, Mr. SMITH of Florida, Mr. DEWINE, Mr. MORRISON of Connecticut, Mr. MCGRATH, Mr. HUGHES, and Mr. LANTOS.

H. Con. Res. 6: Mr. BORSKI.

H. Con. Res. 197: , Mr. SLATTERY.

H. Con. Res. 208: Mr. FISH, Mr. BROWN of California, Mr. HERTEL of Michigan, Mr. OBERSTAR, Mr. WIRTH, and Mr. MARTINEZ.

H. Con. Res. 212: Mr. MORRISON of Connecticut, Mr. REID, Mr. WORTLEY, Mr. ECKART of Ohio, Mr. SMITH of Florida, Mr. FRANK, Mr. GARCIA, Mr. PORTER, Mr. KASICH, Mr. SUNIA, Mr. EDWARDS of Oklahoma, Mr. MARKEY, Mr. MARTINEZ, and Mr. ECKERT of New York.

H. Con. Res. 221: Mr. MARTINEZ, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. FUSTER, Mr. LANTOS, Mr. ROBINSON, and Mr. WILSON.

H. Con. Res. 227: Mr. WOLPE, Mr. COYNE, Mr. EMERSON, Mr. NATCHER, Mr. MARTINEZ, Mr. LAFALCE, Mr. MORRISON of Connecticut, Mrs. COLLINS, and Mr. FAWELL.

H. Res. 256: Mr. FASCELL.

H. Res. 268: Mr. HUTTO, Mr. HENDON, Mrs. BOGGS, and Mrs. HOLT.

H. Res. 269: Mr. MARTINEZ.

H. Res. 271: Mr. RINALDO, Ms. MIKULSKI, and Mrs. BENTLEY.

H. Res. 300: Mr. KEMP, Mr. BROOMFIELD, Mr. MCCAIN, Mr. SMITH of New Jersey, Mr. FRENZEL, Mr. FAUNTROY, Mr. WOLF, Mrs. VUCANOVICH, Mr. HUGHES, Mr. ZSCHAU, Mr. HENDON, Mr. EMERSON, Mr. BRYANT, Mr. GREGG, Mr. ROE, Mr. DIOGUARDI, Mr. ECKERT of New York, Mr. COURTER, Mr. ACKERMAN, Mr. HUNTER, Mr. WILSON, Mr. MCGRATH, Mr. WORTLEY, Mr. RITTER, Mr. MONSON, Mr. LANTOS, Mr. GINGRICH, Mr. LEVIN of Michigan, Mr. ROGERS, Mr. WEBER, Mr. FROST, Mr. REID, Mr. SCHUETTE, Mr. HILLIS, Mr. SILJANDER, Mr. FISH Mr. PETRI, Mr. BILIRAKIS, Mr. SOLOMON, Mr. DORNAN of California, Mr. WHITTAKER, Mr. FRANK, Mr. PORTER, Mr. CAMPBELL, Mr. MADIGAN, Mr. LEVINE of California, Mr. SKEEN, Mr. DEWINE, Mr. SAXTON, Mr. HUTTO, Mr. DAUB, Mr. SWINDALL, Mr. BURTON of Indiana, Mr. DELAY, and Mr. BEREUTER.

PETITIONS, ETC.

Under clause 1 of rule XXII, the following petition and papers were presented as follows:

250. The SPEAKER presented a petition of the Hawaii State Association of Counties, relative to the spraying of toxic herbicides; which was referred to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1616

By Mr. BROWN of Colorado:

—On page 9, at the end of line 8, add the following new section:

"SEC. 8. Sections 1 through 7 of this Act shall not apply when the notice of plant closing would adversely effect the credit available for the continued operation of the plant." And renumber the following sections accordingly.

—On page 9, at the end of line 8, add the following new section.

"SEC. 8. Sections 1 through 7 of this Act shall not apply when the notice of plant closing would adversely effect the sales of the products produced by the plant." And renumber the following sections accordingly.

—On page 9, at the end of line 8, add the following new section:

"SEC. 8. Sections 1 through 7 of this act shall not apply when the notice of the plant closing would adversely affect the sales of

the products produced by the plant and thereby endanger the continued operation of the plant."

And renumber the following sections accordingly.

H.R. 1616

(Amendment in the Nature of a Substitute)

By Mr. JEFFORDS:

—Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community and Dislocated Worker Notification and Assistance Act".

SEC. 2 DEFINTIONS.

As used in this Act, the term—

(1) "employer" means any business enterprise that employs—

(A) 200 or more employees at a single site, or

(B) 50 or more employees at a single site in an area outside of a metropolitan statisical area, as defined by the Office of Management and Budget pursuant to its authority under section 3504(d) of title 44, United States Code;

(2) "plant closing or mass layoff" means an employment loss for the greater of (A) 60 percent of the full-time employees, or (B) 50 full-time employees, of an employer at any site during any 90-day period;

(3) "representative" means an exclusive representative of employees as determined under the National Labor Relations Act (29 U.S.C. 141 et seq.) or under the Railway Labor Act (45 U.S.C. 151 et seq.);

(4) "affected employees" means employees who have been employed full-time by an employer for more than 6 months and who may reasonably be expected to experience an employment loss as a consequence of a proposed plant closing or mass layoff, but does not include any seasonal worker or other worker for whom there is no reasonable expectation of permanent employment;

(5) "employment loss" means—

(A) an employment termination, other than a discharge for cause,

(B) a layoff of indefinite duration, or

(C) a layoff of definite duration exceeding 6 months;

(6) "Secretary" means the Secretary of Labor;

(7) "Task Force" means the National Task Force on Economic Adjustment and Worker Dislocation established by section 7 of this Act.

SEC. 3. NOTICE REQUIRED BEFORE PLANT CLOSINGS AND MASS LAYOFFS.

(a) NOTICE TO EMPLOYEES.—An employer shall not order a plant closing or mass layoff until the end of a period of 60 days after the employer serves written notice of a proposal to issue such an order to the representative or representatives of the affected employees with respect to such order or, if there is no such representative, to each affected employee with respect to such order.

(b) REDUCTION OF NOTIFICATION PERIOD.—An employer may order a plant closing or mass layoff before the conclusion of the 60-day period described in subsection (a), if, as a consequence of unforeseeable business circumstances, the employer, in the exercise of prudent business judgment, must implement such order prior to the end of such period.

SEC. 4. ADMINISTRATION AND ENFORCEMENT OR REQUIREMENTS

(a) INVESTIGATIONS BY DEPARTMENT OF LABOR.—Within 10 days after receipt of a complaint alleging that an employer has ordered a plant closing or mass layoff in violation of this Act, the Secretary shall investigate the allegation. If the Secretary determines that there is reasonable cause to believe such allegation is true, the Secretary shall request the employer and the complainant and the representative of the affected employees, if any, to file formal statements in writing concerning the alleged violation.

(b) CIVIL DAMAGES.—(1) If the Secretary determines, after notice and an opportunity for a hearing, that the employer has ordered a plant closing or mass layoff in violation of this Act, the Secretary may petition any district court of the United States for any district—

(A) in which the violation is alleged to have occurred, or

(B) in which the employer transacts business,

for damages in accordance with paragraph (2).

(2) Damages under this paragraph shall be an amount not to exceed the sum of the pay and related benefits of affected employees for each day that the employer is in violation of this Act, not to exceed a total of 60 days.

(3) The remedy provided by this subsection shall constitute the exclusive remedy with respect to violations of this Act.

SEC. 5. PROCEDURES IN ADDITION TO OTHER RIGHTS OF EMPLOYEES.

The rights and remedies provided to employees by this Act are in addition to, and not in lieu of, any other contractual, statutory, or other legal rights and remedies of the employees, but the rights afforded to employees under this Act may be waived as a permissive subject of bargaining pursuant to a collective bargaining agreement entered into under the National Labor Relations Act or the Railway Labor Act.

SEC. 6. NATIONAL TASK FORCE ON ECONOMIC ADJUSTMENT AND WORKER DISLOCATION.

(a) DUTIES.—The National Task Force on Economic Adjustment and Worker Dislocation established by the Secretary shall, among other things, analyze—

(1) the personal, social, and economic costs associated with plant closings and mass layoffs;

(2) the causes of, and the nature of decisionmaking with respect to, such closings and layoffs;

(3) existing domestic and foreign governmental policies and programs for responding to such closings and layoffs;

(4) existing Federal programs directed at assisting the dislocated worker;

(5) existing and potential government programs, including potential incentives to employers, to assist business, labor, and communities to respond to the problems resulting from plant closing and dislocation; and

(6) current voluntary activities within business and industry aimed at assisting the dislocated worker in making the transition to new work opportunities.

(b) TASK FORCE REPORT.—The Task Force shall report its findings directly to the Secretary not later than December 31, 1986.

SEC. 7. WORKER READJUSTMENT AND PLACEMENT SERVICE.

(a) REGIONAL ASSISTANCE.—The Secretary shall identify individuals, who shall include but not be limited to employees of the Department of Labor, who shall be available on a regional basis to provide planning, operational, and technical assistance to worker readjustment and placement committees described in subsection (b).

(b) WORKER READJUSTMENT COMMITTEES.—(1) A worker readjustment and placement committee may be established by an employer who has provided notice as required under section 3.

(2) The purpose of the committee shall be to facilitate and coordinate the readjustment or relocation of the workers through retraining, counseling, placement, human resource, community, education, and other services.

(3)(A) The committee shall be composed of the employer or the employer's representative, representatives of the affected employees, and any other individual selected by mutual agreement between such parties.

(B) In any case in which there is no such employee representative, employees shall choose individual employees to represent them on the committee.

(c) FINANCIAL ASSISTANCE.—(1) Subject to the availability of funds for such purpose from funds appropriated after the date of enactment of this Act, including funds available for use in the Secretary's discretion from other applicable programs, the Secretary may provide financial assistance, to any worker readjustment and placement committee.

(2) Such assistance may not exceed—

(A) 50 percent of the operating costs of the committee; and

(B) 50 percent of the costs incurred by the committee in relocating affected employees.

(d) REGULATIONS.—The Secretary shall prescribe regulations establishing conditions and requirements for eligibility by worker readjustment and placement committees to the financial assistance authorized in subsection (c).

(e) VOLUNTARY PARTICIPATION.—Formation of and participation in worker readjustment and placement committees by any employer, employee representative, or employee shall be completely voluntary.

(f) NO DISCRIMINATION BASED ON EMPLOYEE REPRESENTATION.—In administering the assistance authorized under this section, the Secretary shall not discriminate on the basis of employee representation or the lack thereof.

(g) ASSISTANCE MAY NOT BE CONDITIONED ON ACCEPTANCE OF SECRETARY'S ADVICE.—In no case shall the continuation of assistance under this section be conditioned upon the acceptance of any advice or recommendation offered to a worker readjustment and placement committee by the Secretary or the Secretary's representative.

SEC. 8. EFFECTIVE DATES.

This Act shall take effect on July 1, 1987, except that sections 6 and 7 shall take effect on the date of the enactment of this Act.

EXTENSIONS OF REMARKS

A DEFEAT FOR JUSTICE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. COURTER. Mr. Speaker, we have recently been treated to an extraordinary series of espionage outrages, the most recent being the startling return of Vitaly Yurchenko to the Soviet Union after his apparent defection. However, the case that still sends the largest shock waves is that of the Walker family, especially, the father, John A. Walker, and his son, Michael. As the attached editorial from the Asbury Park Press points out, the surprising disposition of this case sends a "clear and damaging message * * * If you're a spy, be a good one. It's the surest way to escape the punishment your perfidy deserves." I urge my colleagues to consider the points made in the following excellent editorial:

The editorial follows:

[From the Asbury Park Press, Nov. 5, 1985]

A DEFEAT FOR JUSTICE—UNSAVORY PLEA BARGAIN LETS SPIES OFF TOO EASILY

If federal prosecutors are to be believed, John A. Walker Jr. created a spy ring that may have done more damage to this nation than any other in history. One thing already is clear, as authorities continue to sort things out: The former Navy man, imprisoned and facing a life term, continues to inflict body blows to U.S. security and pride.

U.S. Justice Department and military officials have agreed to a plea bargain that could lead to an earlier-than-normal release for Walker, and is certain to mean less jail time for his son, Michael L. Walker, whom he recruited into the ring.

Prosecutors in the case argued that Walker's ring was so prolific during a 17-year spying spree that the only way the security breach could be fully assessed is through the elder Walker's detailed accounts. Walker also agreed to testify against another member of the ring, Jerry A. Whitworth, a retired Navy radioman.

Walker was, by all accounts, a very good spy. He gave the Soviet Union much information about communication codes, and one Navy official said his disclosures may have helped the North Vietnamese track aircraft-carrier-based fighters on bombing runs during the Vietnam War.

But it seems Walker is also a concerned father. He sold his country out for 17 years and lured his son and friends into a treasonous lair, but now he's a changed man. He's remorseful and wants to undo what he has done.

Move over, Benedict Arnold. You've dropped down a notch on the list of the most despicable and disloyal figures in U.S. history.

The consummate spy set up one last deal, using his stolen secrets to extract the fullest concessions possible from a government that should be outraged.

The real crime here is that prosecutors apparently had little choice but to offer this revolting plea bargain. Navy Secretary John F. Lehman Jr. said this week Walker's confessions would be of little use to the government, and other senior defense officials apparently agree with him. But a majority of the Pentagon's and the administration's upper echelons believe Walker's information is vital to damage-control efforts.

It looks like Walker will spend most of his life behind bars, but thanks to his secrets, his son may not.

The clear and damaging message from this case: If you're a spy, be a good one. It's the surest way to escape the punishment your perfidy deserves.

A more subtle message goes out to those who lost husbands, brothers and sons on bombing flights in Vietnam: John Walker can protect his family, even if you couldn't protect yours.

RESOLUTION DESIGNATING SEPTEMBER 19, 1985 "NATIONAL POW/MIA RECOGNITION DAY"

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. SOLARZ. Mr. Speaker, today I rose with my distinguished colleagues GERALD SOLOMON and BEN GILMAN to sponsor a resolution that designates September 19, 1985 "National POW/MIA Recognition Day".

This resolution is of particular importance to me because as chairman of the Subcommittee on Asian and Pacific Affairs, of the House Foreign Affairs Committee, I have been involved in the issue of POW/MIA's in Southeast Asia for several years. I have worked closely with authorities both here and in Asia in an effort to achieve a full accounting of our missing men.

It is therefore with great pleasure that I can report that we have made substantive progress over the past few months in our negotiations with Vietnam and Laos.

NEGOTIATIONS WITH LAOS

We have made significant progress with the Government of Laos. The U.S. Government successfully negotiated with the Lao Government the Joint excavation of the Pakse crash site, which uncovered the remains of thirteen U.S. aviators. This diplomatic breakthrough is extremely encouraging, and I commend both the United States and Lao officials involved in the excavation. We are now planning an additional excavation with the Lao for the coming dry season and look forward to continued cooperation with Laos.

The administration, recognizing Laos' commitment toward a satisfactory resolution of this issue, recently asked the Appropriations Committees of both the House and Senate to remove it from the list of countries ineligible for U.S. aid. While the removal of Laos from this list will not necessarily result in a foreign aid program of Laos, it is a significant and symbolic gesture to Laos that we acknowledge and appreciate its efforts to cooperate with us in this endeavor.

PROGRESS WITH THE VIETNAMESE

In August, a high-level delegation, led by Richard Childress, of the National Security Council staff, and accompanied by Ann Mills Griffiths, of the National League of Families, met with Vietnamese officials in Hanoi to discuss the POW/MIA's. The meetings were very successful, as the Vietnamese agreed to discuss the issue without linking it to other issues, including Cambodia, between our two countries.

Vietnam recently returned to the United States the remains of 26 servicemen—the largest single turnover of remains to the United States. Nearly all the remains have been identified and returned to the families. Last month Hanoi agreed to allow the United States to excavate a crash site jointly with the Government of Vietnam. This will be the first joint excavation with Vietnam, though we held one with the Government of Laos last year. We look forward to establishing a pattern of progress and cooperation with Vietnam, as it is apparent that the Vietnamese have finally seen it in their best interest to help us resolve this issue.

ROLE OF THE CONGRESS

While the administration has been busy negotiating with Vietnam and Laos, Congress has also played a significant role. On June 27, the Subcommittee on Asian and Pacific Affairs conducted a very successful and informative hearing on POW/MIA's, at which we heard from administration witnesses, including top officials from the State Department, Defense Department, and Defense Intelligence Agency [DIA], as well as from former director of the DIA Eugene Tighe. The subcommittee also heard from former POW Robert Garwood, and plans to continue interviewing him.

In July, both the House and Senate adopted a resolution (H. Con. Res. 37; S. Con. Res. 46) expressing the sense of Congress that the President should ensure that officials of the U.S. Government consciously and fully carry out his pledge of highest national priority to resolve this issue, and to work for the immediate release of Americans who may still be held captive in Indochina, and of those who have died in Southeast Asia whose remains have not been returned. The resolution also request-

ed that the President make every effort to secure the further cooperation of the Lao People's Democratic Republic and the Socialist Republic of Vietnam in resolving this humanitarian issue.

NEED FOR THIS RESOLUTION

It is important that the administration and the Congress continue to press Vietnam and Laos to continue to cooperate with us. This resolution, which is supported by the administration, and which commands broad bipartisan support in the Congress, sends a strong and clear signal to Hanoi and Vientiane that the United States will not cease to pursue a resolution to this issue unless and until we reach the fullest possible accounting of our missing.

By adopting this resolution, however, we do more than signal Vietnam and Laos; we underscore our debt to our servicemen and civilian personnel who dedicated their lives to defend our freedom, and who were either captured by enemy forces, or were declared missing in action by our government. This resolution pays tribute as well to those who were captured by the enemy, and who were returned from imprisonment.

By adopting this resolution, we also recognize the tremendous sacrifice made by the families of our missing men and of the continued debt we owe these brave men, women and children.

Over the past several years, "National POW/MIA Recognition Day" has been commemorated across the Nation, with appropriate ceremonies at the local, State and national level. The designation of this day as "National POW/MIA Recognition Day" coincides with activities planned by the National League of Families and other veterans and community organizations. Such events are not just ceremonies; they serve to increase awareness in the United States, and throughout the world, that Congress is committed to achieving the fullest possible accounting of these men.

This resolution is worthy of our support: it reaffirms our dedication to our missing men and their families, and reaffirms our intention to resolve this issue, which remains a highest national priority.

A SALUTE TO JUDGE PERRY JACKSON

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. STOKES. Mr. Speaker, thank you for providing me with this opportunity to salute a man who has made an indelible mark on the lives on countless Clevelanders—my good friend Judge Perry B. Jackson. Mr. Speaker, on September 15, a testimonial dinner was held in his honor in Cleveland. I would like to take this opportunity to share some of the many highlights of his judicial career with my colleagues.

For over 40 years, Judge Jackson has been an integral part of the judicial system in Cleveland. In 1942, he became the first black ever to be appointed to the Cleveland Municipal Court. He was elected to three 6-year terms on the court. Starting this month, Judge Perry will return to the bench as acting judge over choice cases for the court.

In addition to his long and celebrated career in the judicial system, Judge Jackson has been a strong voice with many civic organizations. He has been involved with the Elks, the Boy Scouts, and the Citizens League. Through his affiliations with these organizations, Judge Jackson has earned the respect and admiration from people from various walks of life.

At this time, Mr. Speaker, I insert an article which appeared in the Call and Post newspaper on Judge Perry Jackson in the RECORD. On behalf of the residents of the Cleveland metropolitan area, I salute Judge Perry for his achievements and noted public service career.

The article follows:

"THIS IS YOUR LIFE" JUDGE PERRY B. JACKSON

(By Wilhelmina Ingram)

"Soviety is like a lawn, where every roughness is smoothed, every bramble eradicated, and where the eye is delighted by the smiling verdure of a velvet surface. He, however, who would study nature in its wildness and variety, must plunge into the forest, must explore the glen, must stem the torrent, and dare the precipice."—Washington Irving

According to many scholars Washington Irving's quote refers to a special caliber of mankind that fears not the challenges of life and society. To many, Judge Perry Books Jackson, renowned jurist and social servant, has been among that caliber of mankind for over half a century.

Reportedly Jackson first arrived in Cleveland in 1914, with just one bag of clothes, after graduating from his hometown high school with honors. The Zanesville, Ohio native had aspirations of attending Adelbert College of Western Reserve University. Thus, his first goal was to find work, in order to afford his education.

"When I first arrived in Cleveland my uncle, Linwood Hogan, found me a job with a catering company. Then, I found work at different places, waiting on tables and such, until I was able to attend college and while I was attending," acknowledges Judge Jackson, during a recent interview in his Park Center apartment.

His perseverance resulted in him graduating magna cum laude from Wastern Reserve University in 1919 and receiving his Bachelor of Laws degree in 1922, the same year that he was admitted to the bar.

"It makes me feel good to know that I have been an instrument of good to so many people. Especially when lawyers come to me and tell me that they are inspired by me," said Judge Jackson. With this in mind, and after over 66 years of what is described by his friends and peers as "never ending dedication to people," the 89-year-old activist still works at keeping a level head. "It makes me feel good to hear compliments, but I don't want to get a big-head about things that I have done. I do them because I am concerned about people and the community," he added.

The modesty he expresses is reflected in his home, which seems to welcome visitors with a decor of simplicity and warmth. It is hard not to realize that his life has not been one of simplicity. The numerous plaques, awards and commendations that adorn the walls of his home, along with those packed in boxes and stacked in his den, waiting to be hung, indicate just how deep in society's forest he has plunged, throughout his career. In addition to those, the Western Reserve Historical Museum houses a great deal more of his awards and commendations.

There were several avenues open to Jackson as a young man, when the time came for a decision on his career choice. Yet, according to Jackson, the legal profession offered the best opportunities. "My involvement with politics and working in the community began with work I did with various civic organizations, such as the Citizens League. I chose law because it offers the best opportunity to help my fellow man. I never resist an opportunity to help other people," said Judge Jackson.

From all indications, Jackson chose a suitable career to exercise his talents. It also prompted others to support him in several endeavors. In 1942 Governor John W. Bricker appointed him Judge of the Municipal Court, making him the first black ever to hold such a position. Subsequently, he was elected to three six-year terms on the court. Along with these duties, he has served as director and officer of various corporations and organizations. His involvement with the Improved Benevolent Protective Order of Elks of the World (IBPOE) has been intensive. He served as its grand treasurer for many years.

Throughout his lifetime, Judge Jackson has been involved with or held office with such a vast number of organizations, that to list them all would require much more space than available. At one time he served as editor of the Cleveland Call, the predecessor of today's Call and Post.

While accomplishing his many feats, Jackson received support not only from peers and friends but family as well. His strongest family support came from his wife of 50 years, until her death in 1983, Fern Josephine (Payne). According to Judge Jackson's sister, Fern Jackson was the only woman she knew that accompanied her husband in everything that he did. "There was never a time when she wasn't right there on those podiums with him. She supported him in every way," said Mrs. Margaret (Jackson) Lennox.

Judge and Mrs. Jackson wedded August 22, 1933, shortly after Jackson had been appointed Councilman. At the time, she was a cashier at Grand Central Theatre. The couple was married by the Justice of Peace in New Castle, Pa.

Reportedly, the wedding was the result of a three-year courtship, which began after she had accompanied her sister to Jackson's law office to get some papers signed. Immediately, he asked her to dinner, which became the first of many dates.

During a 1958 interview, concerning their silver wedding anniversary, Judge Jackson was asked why it took him so long to propose. "I was young and poor when I met her and I wasn't thinking about marriage. We went around on dates and discovered we both like people, civic work, sports and politics, but I didn't have money to get married," said Judge Jackson.

During that same interview Mrs. Jackson admitted that "lawyers didn't make much money in those days and we both knew it would be a struggle."

Officially Judge Jackson is retired. Unofficially, according to his sister, Mrs. Lennox, he doesn't know the meaning of the word.

"We (the family) always knew that he was involved in a lot of things but I had no idea to what extent until I moved here. At least three days out of the week he is speaking, or attending a meeting for this organization or another," said Mrs. Lennox, who has been sharing the apartment with her brother for the last three years. "I don't know where he gets all of his energy and inspiration from," she added.

While talking about her brother, the Judge, Mrs. Lennox's eyes never seem to lose that gleam of pride and respect that appears to be synonymous with Judge Jackson. "We grew up with an entrepreneur way of thinking. Our father was a very good business man. He always said it was very important that we remember that there are ways out there to make money, but it must be done within the law—that was his rule," said Mrs. Lennox.

Judge Jackson admits that he has not abandoned his duties on the bench. Starting sometime in October he will return to the bench as acting judge, over choice cases for the Court.

He views the City of Cleveland as a city going in positive directions. Yet, he acknowledges that parents need to become more involved in the public school system. "Parents need to become more involved in the schools. They need to become more active in what is the future of their children," said Judge Jackson. He also adds that he has great admiration for Atty. Stanley Tolliver. "He is building community confidence in the school system. He seems more concerned about other people—not just himself."

One thing that the Judge strongly proposes for the future of today's children is a chance for them to have greater and better contact with leaders of the community. "We need to give our children a chance to see these leaders and to come in contact with them, so that they can see what can be accomplished and be inspired to do greater themselves," said Judge Jackson, citing Dr. Zelma Watson-Geroge as an example.

Judge Jackson attributes much of his accomplishments to being "inherited with my interest in God." He has been a member of St. John A.M.E. Church for over fifty years. As a member he has been superintendent of the Sunday school, trustee, assistant pianist, assistant teacher, member of the Lay Organization and Missionary Society, among many other positions.

The church, which as designated September 15 as "Judge Jackson Day," will honor him with a testimonial at the Bond Court Hotel at 6:30 o.m. on that day in Cleveland. The pastor, Rev. J.G. Harris invites the public to attend.

FATHER THEODORE HESBURGH OPPOSES NEW UNITED STATES-UNITED KINGDOM SUPPLEMENTARY EXTRADITION TREATY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BIAGGI. Mr. Speaker, for the past several months, the Senate Foreign Relations Committee has been considering a controversial supplementary extradition treaty between the United States and the United Kingdom of Great Britain and Northern Ireland. A total of three hearings have been held on the treaty by the Foreign Relations Committee and one this week by the Senate Judiciary Subcommittee on the Constitution.

In my capacity as chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs I testified at the second hearing of the Foreign Relations Committee on September 18. At that time I expressed my opposition to the proposed treaty and urged the committee to end their consideration of this document. I later introduced House Resolution 271 which makes the same recommendation and so far 29 of my House colleagues have joined as cosponsors.

The gist of the arguments that have been raised in opposition to the treaty by witnesses are threefold in nature:

"The treaty would end the so called 'political offense' exemption to extradition which is common to some 90 extradition agreements between the United States and foreign nations including the existing United States–United Kingdom Extradition Treaty.

"It would be retroactive upon ratification.

"It represents the renegotiation of an existing extradition treaty which should be done through a more comprehensive legislative approach."

One of the other major concerns relates to the system of justice in Northern Ireland. It clearly lacks sufficient guarantees of due process for a person who might face extradition as a result of this treaty.

One of the more eloquent and comprehensive positions against the treaty has been developed by the distinguished president of Notre Dame University, Rev. Theodore M. Hesburgh. Father Hesburgh with a lifelong commitment to the causes of human and civil rights has written two letters to Chairman RICHARD LUGAR conveying his concerns about the supplementary treaty. I wish to insert them into the RECORD at this time in an effort to continue to focus attention on this treaty.

SEPTEMBER 18, 1985.

Hon. RICHARD G. LUGAR,
Dirksen Building, Washington, DC.

DEAR DICK: It has come to my attention that there is presently pending before your Committee a Supplementary Extradition Treaty between the United States and the United Kingdom which, among other things, provided that a long list of crimes shall not be regarded as non-extraditable offenses of "a political character." That language, if approved by the Senate, might well open the door to the possibility of the British government demanding the extradition of certain people who have sought asylum in the United States, but who have been charged with the commission of any one of a long list of acts of violence against people or property.

It is proposed by the Administration that such a change in the language and character of the existing extradition treaty would pose no threat to any individual's human or civil rights, because the other party to the treaty is a democratic nation with fair and just political and judicial systems. I think that that proposition deserves, indeed demands, the closest and most rigorous scrutiny by the distinguished members of your Committee, before they decide whether or not to give their approval to this treaty. It is one thing to say that England provides to English citizens the protections of a fair and just political and judicial system; it is quite another thing to attempt to describe either the judicial or the political system currently in force in Northern Ireland as either fair or just to all of its citizens.

I think you know that I have spent a substantial part of my adult life engaged in the effort to secure the protection of American law for the full human and civil rights of all of our citizens, and I have spent almost as much time and energy in the defense of the rights of others who are not American citizens, but who deserve our compassionate concern whether or not they happen to live in societies that are loosely termed democratic—in Lebanon, or South Africa, or the Philippines, or South Korea, or Northern Ireland.

Our American courts have, over the years, performed most admirably in the defense of human rights, and they have been as conscientious in such matters in regard to aliens as to American citizens. I would far rather continue to trust our courts and our judicial system with this responsibility than turn over to a faceless bureaucracy the decisions about which people seeking asylum in our country are common criminals deserving extradition, and trial in their native land, and which are patriots struggling, sometimes even violently, against a tyrannical regime.

By allowing such decisions to be made by our courts, operating within the American system of respect for individual rights and political dissent, it seems to me that we advance the cause of human rights eveywhere. I truly hope that you and your distinguished colleagues on the Committee on Foreign Relations will agree with that position and that you will reject the effort to amend the existing treaty.

Best personal regards.

Sincerely yours,

(Rev.) THEODORE M. HESBURGH, C.S.C.,
President.

UNIVERSITY OF NOTRE DAME,
Notre Dame, IN, October 25, 1985.

Hon. RICHARD LUGAR,
U.S. Senate, Washington, DC.

DEAR DICK: Thank you for your very courteous and thoughtful response to my letter of September 18 in which I raised some questions that have troubled me concerning the amendments to the extradition treaty with Great Britain which are currently under consideration in your Committee.

I would not want to be misunderstood in this matter. While I certainly would agree that our courts may have a "mixed record" in deciding extradition cases that are brought before them, it could hardly be otherwise, since we cannot realistically expect perfect justice from our judicial system. But when we compare the manner in which our courts operate, and the way that the criminal justice system in Northern Ireland has been abused in the past decade or so, it raises a real question of whether or not one can without compunction turn over to such a system a refugee who may have been accused of crimes of violence and who has sought political asylum in the United States.

Under the Emergency Provisions Act, as I am sure you know, the right of the accused to trial by jury has been abolished; the committal proceedings have been converted into pure formalities; people may be detained

without trial for as long as 18 months; bail can be, and often is, arbitrarily denied; the confidentiality of communication between the accused and his legal counsel is routinely violated by the insistence of police that they be present during any interviews, and sometimes even the right of the accused to speak with his solicitor is simply rejected by the police. Moreover, contrary to established practice in our American courts, confessions of guilt, even those given under duress and later withdrawn, are admissable as evidence and the judge who rules on the admissability of the evidence later decides as well the guilt or innocence of the accused.

Probably the most egregious examples of the distortion of the criminal justice process for political purposes have been the so-called Supergrass cases, when the testimony of witnesses who have been granted immunity, and often given large sums of money for their statements, has been accepted in court and, on more than one occasion, a number of people have been convicted of very serious crimes on the uncorroborated evidence of one such witness—whose testimony would, in most instances, be thrown out of an American court.

It seems to me, therefore, that the question which confronts American courts and legislators is not whether certain refugees on our shores have been *accused* of various heinous crimes, but rather whether they can and will be accorded a fair trial if extradited to their native land. Clearly, many countries—even some who profess to share our values and our respect for civil rights—do not provide to political dissenters what we would consider the irreducible minimum of legal safeguards and guarantees. That it seems to me is the basic question at issue in the proposed treaty which is before your Committee.

Thank you again for your willingness to consider these and other views when coming to grips with these very difficult problems.

Best personal regards.

Sincerely yours,

(Rev.) THEODORE M. HESBURGH, C.S.C.
President.

ZIONISM IS NOT RACISM

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. GARCIA. Mr. Speaker, Kenneth J. Bialkin, chairman of the Conference of Major American Jewish Organizations, wrote an excellent op-ed piece on the absurdity and the danger of the proposition that Zionism is racism. Mr. Bialkin eloquently states the case on how wrong that proposition is. I ask that my colleagues take a moment to read his thoughtful essay.

[From the New York Times, Nov. 10, 1985]

THE "ZIONISM-RACISM" CANARD

(By Kenneth J. Bialkin)

Ten years ago today, the United Nations General Assembly, in one of its mindless flights from rational discourse, adopted the infamous canard that "Zionism is a form of racism." Attacks on Israel and on Zionism have consumed more time and attention of the United Nations and its various bodies than any other subject—more time than the problems of world hunger, poverty, genocide, human rights violations, the threat of nuclear war, terrorism or the fight against disease and social disorder.

Why the focus on Zionism and Israel? Of all the issues facing the conscience of the world, why this one? It is not enough to say that the Middle East is an important region, or that Jerusalem and the holy places are important to all peoples of the world. That would not explain the concentration of hostility, or the refusal of the nations of the region to address their differences with Israel through peaceful negotiation.

The attack on Zionism and Israel derives from a fundamental hostility to a Jewish presence in the Jews' ancient homeland. It is fueled above all by anti-Jewish prejudice. The "Zionism is Racism" slogan is grounded in anti-Semitism and its propagation is itself a manifestation of racism.

The slogan's supporters have transformed a political issue—the dispute between Israel and its neighbors—into an intensely emotional crusade against an entire people and religion.

The Arab states, with the exception of Egypt, refuse to accept the legitimacy of Israel or to resolve differences through negotiation. Their media and government spokesmen maintain a drumbeat of anti-Semitism, sometimes crude, sometimes subtle, that poisons the minds and inflames the passion of their peoples. Little free expression, debate or disagreement is permitted in these countries. With few exceptions, the small Jewish communities that remain in Arab nations live in fear of persecution.

Moreover, the anti-Semitism of the Arab world has spread beyond the Middle East, into the third world and the Soviet bloc, which, to its eternal discredit, lends its full weight to these calumnies.

The Soviet Union practices its brand of anti-Semitism with cat-like perversity. It torments those Jews who wish to live a Jewish life in the Soviet Union yet refuses to let them emigrate. Jews whose only "offense" is to ask to leave risk being sent to internal exile and labor camp. The authorities arrest teachers of the Hebrew language and contrive other, even flimsier charges to persecute Jewish activists. Jews live in an atmosphere of fear and intimidation, and they are regularly denied decent jobs, housing opportunities and places in universities. The Soviet press criticizes Israel and Zionism in blatantly propagandistic tones, encouraging deceit, hypocrisy and passionate hatred.

This policy of harassing Jews yet refusing to permit them to emigrate is one of the most puzzling aspects of Soviet conduct. At once irrational and counterproductive, it violates the Helsinki agreement and embarrasses Soviet representatives wherever they go. For these reasons, it may be reasonable to expect some change in Soviet policy, but until that happens the Russians must expect to suffer the scorn and ostracism of the free world.

Anti-Semitism is a negative force that saps the energy of the hater, clouds his mind, fouls his mouth and weakens his community. The campaign against Zionism has consumed its enemies and prevented them from progressing toward a better life for their people.

Why, then, can these enemies not face the reality of modern Zionism? Why can't they accept that the Jewish people have a right to live in peace and dignity in their ancient places—and that the right-thinking peoples of the world will support them in that endeavor? Zionism provides a model for democratic living that offers hope for progress to those who would accept it and provides a promise of good will and respect for those who respect it. It is not too late, even 10 years later, to stop living by slogans and slander. It is not too late for truth and reconciliation.

WORD WARS WITH THE SOVIET UNION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. COURTER. Mr. Speaker, those in the West who were appalled by President Reagan's evil empire speech in 1983 would do well to read the essay "Word Wars," by Andrew Nagorski from Newsweek magazine, which appeared in the October 28 issue of the New Republic. The essay provides a hair-curling taste of the kind of rhetorical abuse that the United States, under both Democratic and Republican administrations has had to endure, including, the Soviet version of the evil empire speech.

As Mr. Nagorski points out, Soviet propaganda seems never to have been moderated or toned down out of any concern for United States-Soviet relations; rather, the propaganda themes appear to be dictated by world events or as responses to U.S. statements or policies, such as Jimmy Carter's human rights policy. In 1982, Soviet commentators even began advancing the theme that the Reagan administration was pursuing Hitlerite policies and entertained mad, Hitlerite ideas of world domination, at about the same time that President Reagan was moving to open arms reduction talks with the Soviets.

Other Soviet charges have ranged from the outrageous to the absurd, including reports of almost 200,000 political prisoners being held in our country, with plans afoot to build 10 concentration camps to hold even more such prisoners. Reports of this kind are familiar to anyone who reads the FBIS transcripts of Soviet news media broadcasts and articles, and should serve to allay any fears that occasional Presidential outbursts of candor could in any way poison an atmosphere already soured by Soviet propaganda.

[From the New Republic, Oct. 28, 1985]

WORD WARS

(By Andrew Nagorski)

The Moscow Radio commentator searched desperately for suitable abusive language: "I am trying to find the most appropriate terms to expose the foul, human-hating nature of the present-day cannibals, and I can't find them, because the most accusatory words in the human lexicon seem too feeble and mild for this," he declared. "Gangsters, pirates, vultures, people-eaters, barbarians—these are all appropriate, but to be honest they are too weak if you remember and imagine how may hellish torments, sufferings, grief, and human sacrifices there are behind every step of the American instigators of war. And can one possibly forget that it was precisely the United States

which was the initiator or participant in the majority of military conflicts? * * * Now the American hawks are threatening socialism with a new crusade."

That commentary, on Radio Moscow's domestic service on November 2, 1984, was exceptional only in its rhetorical effusion. With various embellishments, Soviet propagandists have been steadily pounding away at the same message: the United States, and specifically the Reagan administration, is the successor to Hitler's Third Reich, a warcrazed power that threatens mankind with imminent annihilation. Moscow's rhetoric about America has never been noted for its subtlety, but even seasoned Western analysts have been struck by the shrill pitch of the current campaign. This may sound surprising in this pre-summit season of enthusiasm for Gorbachev. (See "The Teflon Comrade" by Christopher J. Matthews, page 16.) Yet while the new leader has been delivering a more polished, conciliatory message to the Western public, the rhetoric about the United States designed for Soviet consumption remains as strident as ever. What's going on?

This propaganda blitz is generally attributed either to Moscow's current foreign policy goals (it wants to encourage a fallingout between Western Europe and Washington on defense issues) or to its determination to repudiate—and outdo—the Reagan administration's "evil empire" rhetoric about the Soviet Union. Yet the intensified Soviet barrage began well before Reagan was elected. Far from being a straightforward response to mounting foreign threats, real and rhetorical, it reflects above all Moscow's efforts to deal with its mounting domestic problems. This kind of propaganda, which has always played an important role in legitimizing the Soviet regime, has acquired new importance as the persuasive power of economic promises and ideological principles has dwindled.

The truth is that Soviet rhetoric provides ample antecedents for Reagan's most controversial statements. There is no need to go back as far as the Stalinist or even most of the Khrushchev era, when Soviet vitriol was unmatched. The evidence is there in statements from leaders associated with more moderate policies, and it disproves Gorbachev's recent claim that "we have never accused the U.S. of being an 'evil empire.'" On June 12, 1970, for example, Brezhnev declared that no one should be under the illusion that the Kremlin's policy of peaceful coexistence meant "nonresistance to evil, the kind of evil that the imperialist aggressors bring to the people."

If Reagan's evil empire formulation wasn't original, neither were his statements about working to hasten the disintegration of the Soviet system. Moscow indignantly denounces this as an unparalleled attempt to destabilize the world by undermining socialism. Actually, a parallel could easily be found—for an assault on capitalism. On April 22, 1970, Brezhnev said: "Imperialism will not collapse by itself automatically. No, it is still strong. Active and determined action by all the revolutionary forces is needed to overthrow it."

The more pointed and personally insulting rhetoric began to rise in Carter's administration. During détente Nixon and Ford got gentler treatment, which ended as relations soured after the Soviet invasion of Afghanistan and Washington's grain embargo and boycott of the Olympics. In early 1980 Tass charged that Carter "shatters all records of fantasy, losing no chance to show bellicosity toward the Soviet Union." Pravda complained of the "lack of stability" under Carter, broadly hinting that it was his mental stability that was in question. And Warsaw Pact commander Marshal Viktor Kulikov invoked the Nazi analogy that has now become commonplace, charging that Carter was trying to achieve "world domination" as Hitler did before World War II.

With Reagan, such assaults have dramatically intensified. In a book published in 1982, then-chief of staff Nikolai Ogarkov launched the campaign equating Reagan with Hitler, arguing that Reagan's quest for military superiority was similar to Hitler's and would meet with the same results. Since Ogarkov's salvo, the Soviet press has routinely referred to Reagan's "Hitlerite" policies and "mad Hitlerite ideas of world supremacy." Krasnaya Zvezda, the Defense Ministry daily, not only argued that "the history of militarism" is repeating itself but drew parallels between "the ex-Hollywood actor" and Hitler, "the artist unrecognized in his time." In cartoons, Reagan is depicted as a Nazi-like figure with nuclear missiles as fangs.

This campaign was soon taken a step further: Reagan now ranks as a greater evil than Hitler. Komsomolskaya Pravda declared that the Reagan administration is composed of liars and crooks "worse than Hitler and Eichmann." Politburo member Boris Ponomarev wrote in the December 1963 issue of Problemy Mira i Sotsializma that the current American administration constitutes "the main danger for humanity": where Hitler's "anticommunism and anti-Sovietism" led to a conventional war, Reagan's threaten a nuclear war "pushing the whole world toward catastrophe." Not surprisingly, the Bitburg controversy offered an occasion for the Soviet press to refine its fascist portrait of the president. (Imagine the outcry in this country if top Reagan administration officials began depicting Gorbachev as a reincarnation of Hitler or, to make the analogy accurate, as a super-Hitler.)

In its portrayals of American domestic affairs, Soviet propaganda has been even more consistent. Détente or no détent, the United States has been depicted as a country that proves Marxist dogma about "the rotten way of life." Capitalism is "a world that lives by the laws of the jungle," according to a 1978 book titled Imperialism: The Enemy of Humanity. Dire poverty, unemployment, slums, crime, violence, and Ku Klux Klan rallies are the staple items in Soviet accounts of America. Political prisoners" such as Angela Davis and Eldridge Cleaver receive prominent play when they resume a normal life. Natural disasters and industrial or airplane accidents also get full coverage, presumably to convey the message that these are specifically capitalist tragedies. Like crime, similar events go largely unreported when they occur within the Soviet Union.

At the same time, however, Soviet rhetoric features a paradoxical twist. It denounces totalitarian evils, not just corrupt capitalist ones, in American life. During Carter's presidency, the Soviet media were full of indignant accounts of the trampling of human rights in the United States and the persecution of "dissidents." Under Reagan, that counteroffensive has expanded. "Today about 500,000 people, more than one-third of them political prisoners, are in detention in the U.S.A.," Tass reported last year, adding that guards "use clubs and whips at the slightest provocation" against them. For the past year, the Soviet press has been reporting that the United States is preparing to build ten huge concentration camps for political prisoners, an Izvestia cartoon showed Uncle Sam receiving advice from Heinrich Himmler on how to carry out this project. Police state tactics? "The United States is like a gigantic X-ray machine on which one can see a man's every step—in the street, in stores, even in his own kitchen. . . . The American secret services have everything at their disposal," Sovetskaya Rossiya reported. As for state-sponsored terrorism, Washington and "Zionists" have long collaborated in this field.

Clearly one goal of such rhetoric is to rebut, however feebly, Western criticism of Soviet society. Without acknowledging that there is any basis for the accusations, the Soviets immediately assert that the same situations exist in the United States. It's in the old "And what did you do to your Indians?" tradition. The other crucial goal is to convince the average Soviet citizen that he enjoys a superior form of life or, failing that, at least to confuse him. "Who really lives better, you Americans or us?" is a question many Russians, particularly in the provinces, ask American correspondents, with genuine uncertainty.

The campaign to portray the United States as the supreme warmonger is part of that same campaign to diminish domestic discontent. Moscow has always needed to invoke an external threat to justify the harsh measures taken by the regime, but in the past this was one element in a threepart mix. Ideology and, since World War II, a painfully slow but steady increase in living standards also helped legitimate the regime. Stalin relied on ideology and the external threat; the notion of an improvement in living standards was merely an abstract future promise based on the premise that socialism was inevitably destined to produce a better life for its citizens than capitalism.

In the postwar era, the goal of an improvement in living standards became more important than fading ideology, which of itself inspired little enthusiasm anymore. Brezhnev in particular justified his regime on the grounds that it was building more housing, increasing agricultural production, and trying to provide at least some consumer goods, however shoddy. The external threat was never forgotten, but it was presented in slightly less alarmist terms.

In the latter part of Brezhnev's tenure and under his successors, the external threat has reemerged at its now familiar hysterical pitch. Andropov explained most clearly that this was a deliberate policy decision. "The threat of nuclear war hanging over the world prompts us to make a fresh assessment of the basic purpose of the activity of the whole Communist movement," he said in June 1983. The motive for putting matters in such stark terms is the situation within the Soviet Union itself, where economic setbacks have caused living standards to stagnate or actually decline. If in an earlier period ideological slogans helped explain away such failures, they were hardly convincing in the 1970s and 1980s. In neighboring Poland, events appeared to be fulfilling Western prophecies that the Soviet system's economic failures would lead to its eventual political disintegration as well.

Kremlin leaders reached for the only self-justification they had left: their "peace mission. To make that credible enough to compensate for faded ideological beliefs and economic hopes, the threat of war had to be inflated, pinning responsibility for any

problems inside the Soviet Union or its empire on the external enemy. It is no accident that in July 1984 the Central Committee published a decree reviving the Stalinist notion of instilling hatred in the young: "A feeling of love toward the motherland, and a feeling of hatred toward its enemies, must be instilled in young people with ever-increasing persistence." Although Reagan has been a convenient bogeyman, that process began before his election and would have continued regardless of who occupied the White House. Just how well entrenched and effective this campaign is became clear to me in Vologda, a Russian provincial city in a dairy and livestock region I visited in October 1981—when Reagan had barely begun to make his mark on the conduct of foreign policy. "We don't have enough food here because America is attacking us," an old woman told me. What, I asked, had that to with the shortage of Vologda's, own butter? "It goes elsewhere," she replied. "To the army."

SANCTUARY FRAUD

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LAGOMARSINO. Mr. Speaker, the "sanctuary movement" in the United States has claimed that thousands of illegal Salvadoran immigrants are victims threatened by political violence if they return to El Salvador. The actual truth of the matter is that the vast majority of illegal Salvadoran immigrants, and illegal immigrants from other countries, too, for that matter, are in the United States because they are seeking economic enrichment, not political freedom.

A recent commentary in the Washington Times by columnist Michael Novak describes clearly the sham being perpetrated by well-meaning religious leaders in the name of political freedom. I urge my colleagues to read the following article entitled "Sanctuary Fraud."

SANCTUARY FRAUD

(By Michael Novak)

Nobody has noticed, but the "sanctuary movement," after more than three years of frenetic and deceptive organizing, isn't going anywhere. There are 339,843 churches and synagogues in the United States. Of these 253 have offered "sanctuary."

The chief reason is the fraud on which the movement is based. At great expense, with careful screening, and with intensive indoctrination, the "movement" ushers a tiny band of dissident Salvadorans (and Guatemalans) before compassionate audiences. It never helps refugees from Nicaragua.

Why this double standard? The reason is explicit in the literature of the sanctuary movement. The aim of the movement is not to help needy individuals. Its aim is to oppose Reagan administration policy in Central America. For that purpose, Nicaraguan refugees don't count.

Millions today seek refuge in the United States. A total of 1.7 million persons worldwide, immigrant visas to the United States already granted, now stand waiting the opportunity to enter. The United States, writes one immigrant writer, is like a Broadway smash: "People are lined up around the block waiting to get in."

This is generous country. During the 1970s more immigrants entered it than in any decade except two in our history. During 1984 alone, 430,000 were accepted as immigrants: a rate of 4.3 million this decade.

About 70 percent of all Salvadorans in El Salvador said in an recent poll that they "would emigrate to the United States to work." By overwhelming majorities, those here say they have not come for political reasons.

Still, every year the United States admits tens of thousands of persons from around the world who have a well-founded fear that they will suffer unjust persecution in the country where they now reside. In 1984 alone, some 70,000 refugees entered the United States on that basis. In addition, anyone who reaches U.S soil may apply for political asylum. If he meets the "well-founded fear" requirement, he will be allowed to stay as a refugee. U.S. law puts no limit on the number who may be granted asylum. Beyond the Salvadoran refugees who entered this country in 1984, 328 Salvadorans residing here were also granted political asylum—possibly a higher number than the sanctuary movement brought in.

Cruelly, the sanctuary movement does not permit its victims to use these legal channels.

A writer for The Nation, Rob Huesca, recently reported sympathetically on the sanctuary movement for the Los Angeles Times (Dec. 28, 1984). He describes how he learned "exactly who the refugees are and where they come from."

"To begin with, refugees are always referred to the group by teachers, or church or union workers from their countries. After extensive interviews, only endangered refugees and potential political activists are extended sanctuary. Those bound for the United States in flight from poverty are not given aid. They have to demonstrate political persecution and voice opposition to American involvement in their countries. Furthermore, they have to express a willingness to relate their experiences publicly on arriving in the United States."

No wonder the sanctuary movement—out of hundreds of thousands of immigrants—has found so few persons to bring forward, despite assiduous recruitment. No wonder even willing churches have to wait months for "their" refugee—who usually stays only a day or two, before being trundled off to another speech. Only those are brought in who are willing propagandists and political agents.

Once here, legal refugees have every opportunity for the free speech accorded all American citizens, even Marxists. There is no need for "an underground railroad." The above-ground railroad brings in millions of persons every decade, legal and illegal.

In the United States today, there are already 500,000 Salvadorans; 350,000 of them arrived *before* the outbreak of hostilities in 1979. The vast majority do not come here for political reasons. They send back to El Salvador $30 million a month. A substantial majority of them *support* U.S. policy in El Salvador.

Some have fled from the terror inflicted by the Salvadoran guerrillas, who in recent months kidnapped more than 30 duly elected Christian Democratic mayors, murdered two, and kidnapped the daughter of President Jose Napoleon Duarte.

Consider these facts as well:

During 1984, U.S. Immigration officers arrested 18,000 persons for violating immigration law. Of these only 20 involved the sanctuary movement.

During all of 1984, there were 771 violent deaths among civilians in El Salvador. In a nation of 4.5 million persons, this is fewer than in a U.S. city that size.

The people of the United States are not as gullible as the extreme religious left. The sanctuary movement is a fraud that has failed.

REAL WORLD CONSEQUENCES OF U.S. TRADE POLICY

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. HENRY. Mr. Speaker, every Member of Congress agrees that the consequences of our international trade imbalance are severe—higher unemployment, a lower gross national product, and pressures for protectionist legislation.

But there is little agreement over the proper remedial actions to take. It is widely acknowledged that our dangerous fiscal policy—if it can be called a policy—of escalating Federal deficits is a strong contribution factor. But not all of the trade deficit problem can be laid at the door of fiscal irresponsibility. It is also clear the rules of the international trade game have changed greatly since World War II, and the free trade policy, quite appropriate then, must be reconsidered in light of changing market dynamics.

The argument for a new and more realistic view of international trade and its consequences upon U.S. trade policy is outlined in the following speech delivered by Mr. Marshall Wright, vice president for corporate affairs of the Eaton Corp. I commend it to my colleagues' attention as an important addition to the trade debate.

LIGHT A MATCH—OR CURSE THE DARKNESS

The national debate on trade seems to me crippled by a faulty perception of the issue. As a result, the protagonists continue to pass each other in the night, and although the debate has been both long and intense, it has also been remarkably unproductive.

As navigational beacons in the search for a workable trade policy, I would like to suggest five truths which seem to me self-evident.

The first is that the terms of the argument need to be honestly defined. It is foolish to argue about whether United States trade policy should aim for free trade, or for protectionism, and it is intellectually dishonest to pose the question that way. I am not simply making the obvious point that in this imperfect world no country has a pure free trade policy. Rather, I am making the point that even in a perfect world, no rational person would support a pure free trade policy, nor for that matter a policy of autarchy.

To illustrate with an extreme example, even the most passionate believer in the beauty of comparative advantage would turn pale at the suggestion that the nuclear weapons used by the Strategic Air Command ought to be manufactured in whatever country can demonstrate comparative

advantage in their production. South Africa? China? Libya?

Nor can any rational person defend the proposition that social cost is an irrelevant factor in trade policy. Surely there is for all of us an acceptance that at least theoretically the social costs of free trade could exceed its economic benefits. For example, the Burmese economy is singularly dependent upon an inefficient rice and teak industry. A substantial part of Burma's domestic needs for these products could doubtless be met by imports from the more efficient rice and teak industries in neighboring Thailand. No one, however, who has spent as much as a week in Burma could conceivably suggest that comparative advantage is the controlling consideration on that possibility.

Thus, the question is not whether our national policy should be free trade, or protectionism. Protection of at least some domestic production—perhaps a very small part, but at least some—is, must be, and will always be a feature of United States policy, and of the policy of every trading country in the world.

The question, therefore, is one of balance, how much and what form of protectionism most benefits U.S. society and the world trading system.

The second self-evident truth is that the correct answer to that question changes as time and circumstances change. For some 50 years, U.S. policy has aimed generally toward the reduction of trade barriers—because we were convinced that U.S. society benefited from a reduction in barriers to the freer international movement of goods. Therefore, as a matter of national policy, we were prepared to go more than halfway in negotiations aimed at the removal of trade barriers.

It is important to understand that we did not adopt that policy for ethical or moral reasons. We adopted it because we were convinced that the vigor, size, efficiency, and technological strength of our economy was such that we would inevitably benefit from the freer play of competitive forces. Our policy was precisely based on our perception of where our national interests lay. It was only with the passage of time—and the passage of generations through the fervid economics taught at many of our educational institutions—that the freer trade policy took on theological overtones. The structure of the international trading system is not an ethical issue, and we befog our minds when we permit ourselves to treat it as such.

For the greater part of our national existence, we followed trade policies that were more protectionist than not, and they did not prove fatal to our national development. In the 30's we changed our policy because we believed then that the health of our economy would be served by the reduction of the then existing barriers to international trade. That was unquestionably a correct perception then, and it unquestionably continued to be correct for most of the next half century.

The question now is whether it continues to be true, and I suspect that the debate would proceed more fruitfully if everyone started off by admitting that there is now a plausible argument—perhaps not the winning argument, but certainly a strong one—that with the current shape and nature of the world economy, the U.S. national interest is not served by continuing to facilitate freer access to our domestic markets for foreign producers.

My third point is a truism. Although the United States cannot design alone the international trading system, we have an extremely strong asset to bring to bear in shaping that structure. That asset is our control of access to our extraordinary and unequaled domestic market. The central question which always lies at the core of United States trade policy is simply this: How should we use that asset in helping to shape the international trading system?

For most of this century, we have taken the lead in offering access to our market in exchange for the reduction of barriers maintained by other less important and desirable markets. Is that still the best use of this great national asset, or should we now deploy it in a more defensive manner? That is not an intellectually disreputable question, and those who pretend that it is are substituting emotion for thought. They are also rapidly losing the debate by default.

My fourth point is, I think, too frequently ignored in the current debate. The U.S. domestic market is now simply too rewarding and too accessible not to attract the concentrated attention of every competent and aggressive company in the world. Our domestic market is, therefore, their prime target. That fact takes on sharp relevance when it is considered in the context of the changes that have taken place in the world economy since the 1930's. The U.S. economy no longer enjoys advantages which permit it to assume with confidence that it is the inevitable winner in a freer system. Indeed, the evidence seems to me overwhelming that there are few things that today cannot be made somewhere in the world as well as, and frequently cheaper than, they are made in the United States. The evidence also seems to me overwhelming that the other principal trading nations of the world are not, at the present time, prepared to accept the social disruption involved in free access to their markets of American goods in quantities and of types which significantly damage their domestic structure.

In a multiparty transaction, it is reckless to ignore the motives and intentions of other parties in the transaction.

My fifth point is that the theory of comparative advantage, though elegant and intellectually difficult to attack, is a theory. It is therefore based on a number of assumptions, not all of which obtain in the real world. To the extent that those assumptions do not obtain, of course, the theory of comparative advantage is untrue.

One of the more important of those assumptions is that there is no cost of exit or entry from and into industrial production. That assumption is, of course, wildly inaccurate in our world. The fact is that modern industry requires a very heavy cost of entry, a consideration which is chilling to any would-be challenger to an established market leader. It follows therefore that a domestic U.S. market, once captured by foreign producers, will seldom be recaptured by a domestic producer precisely because the cost of entry will seem too high for so risky an undertaking.

Those five points seem to me demonstrably true, and I suspect that a debate based upon an acceptance of them might shed a good deal more light, even if no less heat, than the current caterwaulings are likely to do. In any event, I would like to move now to the area of personal bias.

I hope it is not narrowly nationalistic of me, but I find that I cannot believe it to be in the interests of a sane and stable world that the United States economy lose, for the time being, its central and prime role. When I consider the security implications of that, when I contemplate its implications for the survival of the free economic, political and cultural institutions which characterize western civilization, I am not content to say that the world can yet accept a continuously diminishing role for the United States. In time, it will come, of course, but I do not now see what will replace it. And I am not prepared to say that the values of which American society is now the main support are sacrificeable to anything, much less to the theoretical charms of a freer trading system.

I am therefore prepared to argue that the time has come when the rational policy for the United States is to use access to our domestic markets as a valuable privilege which we bestow on those who prove to us that it is advantageous for us to bestow it.

I would be quick and unapologetic about reducing access to U.S. markets for those who are unable or unwilling to provide such proof. I would not, for the time being, go at least half-way in trade negotiations because the cards that we hold are better than that, and they deserve to be played intelligently. I would not continue the degrading practice of trooping over to Tokyo every 6 months or so to inform them that we have discovered another batch of their nontariff tricks, and we will do something awful if they don't abandon them.

They can and do invent such barriers much faster than we can detect them, and I would change the game to one in which it is up to them to do whatever they wish with their domestic practices, and up to us to do whatever we wish with ours. When the real-life effects of what they do are not satisfactory, then the real-life effects of what we do will be adjusted in order to bring about that happy balance for which the Japanese have worked so hard, so publicly, and so unsuccessfully.

Unless I am very mistaken, such a policy would have a miraculous effect on the nontariff barriers which inhibit American exports to Japan. It would also save the Federal Government much in international air travel costs and it would restore a little sorely needed dignity to the United States-Japanese dialogue on trade.

I should add that I find my prescription a joyless one. I wish that I believed that the advantages of U.S. production in general were today what they were yesterday, sufficient to outweigh our higher wages and more broadly shared standard of living.

But I do not believe that to be true. I also do not believe that Japanese culture means that Japan can buy American logs, but cannot buy American plywood. I do not believe that the requirements of European stability preclude substantial access to that market for American agricultural products. I see no merit in freely permitting foreign competitors to enjoy to the full the immense advantages of scale provided by our domestic market in such fields as biophysics and semiconductors. To the contrary, I believe it is literally irrational, in current circumstances, to share equally with the rest of the world the advantages of scale which our domestic market uniquely provides. To do so is to transform our national trade policy into a charitable undertaking.

I see no reason why it should be particularly difficult to shape a national trade policy which reflects these realities without slopping over into irresponsible beggar-thy-neighbor practices. All it requires is the will to do it. I am by no means certain that much—if any—new legislation would be required to put such a policy into effect. It

could be largely accomplished, I suspect, through the vigorous and speedy administration of our current laws. Certainly, it would not require the passage of any of the current clutch of hectoring, self-righteous and unseemly bills which are currently before the Congress.

Probably, we should include in the policy some vigorous package of incentives for greater productivity. Certainly we should ensure that U.S. exporters have access to credit upon terms no less advantageous than those available to any foreign company. In general, we should work vigorously toward reestablishing a domestic economic prowess that would permit us to return as quickly as possible to the easy assumption that we can, without unacceptable cost, trade freer access to our market for freer access to lesser foreign markets.

But if the proponents of a liberal trade policy continue to pretend that there is no problem save that caused by ignorance and the self-interest of the smokestack industries, then we will certainly get protectionist legislation, which once enacted, will be defended like a tiger by every affected interest. The result will be a rigidity which will probably be permanent, and which certainly will be damaging to the long-run interests of both the United States and the world economy.

OIL OVERCHARGE REFUND

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. MARKEY. Mr. Speaker, over the past few years Department of Energy investigations have led to successful litigation against oil companies which have violated Federal price and allocation controls. The funds recovered through these cases are then returned to the people who were overcharged. In cases where specific injured parties cannot be identified, the revenue is often distributed directly to the States by the DOE for energy-related programs. In this manner, the overall purpose of restitution for illegally high energy prices has been preserved.

Recently, the administration has tried to change the rules. Instead of making restitution to the consumers through the States, it would require the Federal Government apply the funds toward deficit reduction. That is nonsense; this money belongs to the people who were overcharged and is not tax revenue.

The Southern Governors' Association agrees. During its recently completed annual meeting, they adopted a resolution proposed by Texas Gov. Mark White.

I have included that policy position paper, and urge my colleagues to review it.

POLICY POSITION REGARDING OIL OVERCHARGE REFUNDS

(Submitted by Gov. Mark White, Texas)

(Adopted at the 1985 annual meeting of the Southern Governors' Association; also adopted by the Southern Legislative Conference.)

BACKGROUND

Federal price and allocation controls were imposed on crude oil and refined petroleum products between 1973 and 1981. An investigation by the United States Department of Energy resulted in allegations that several oil companies had violated the price controls by overcharging consumers during that period of time.

Some cases have been settled out of court and refunds have been distributed directly to injured consumers. Where injured parties cannot be identified, some of the refunds have been given to the states for energy related activities. Other refunds have been placed in escrow by the Department of Energy for subsequent distribution. A number of cases remain in litigation. It is estimated that about $5 billion to $6 billion in alleged violations are yet to be resolved.

The administration and some congressional members have proposed to offset federal expenditures with oil overcharge revenues by using the refunds to supplant federal expenditures for energy related programs. Additional legislation may be proposed to place the oil overcharge refunds in the general Treasury without earmarking for specific purposes.

RECOMMENDATION

The Southern Governors' Association supports budget deficit reductions but opposes any attempt to substitute oil overcharge refunds for existing energy related appropriations. Oil overcharge refunds provide restitution to identified injured parties for past oil price and allocation control violations and to the public when injured parties cannot be identified. The role of the federal government is to hold these refunds temporarily. Oil overcharge refunds belong to affected consumers and are not tax dollars. The use of oil overcharge refunds to replace federal tax dollars does not provide restitution to injured parties. Where injured parties cannot be identified, refunds should be distributed to states for appropriate energy related programs. States should apply interest derived from the oil overcharge refunds to the restitution programs.

UNPLUG COMPUTER SNOOPING PLAN

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. EDWARDS of California. Mr. Speaker, the following editorial from the October 19, 1985, Atlanta Constitution is a thoughtful, hard-hitting analysis of the White House's plan for nationwide computer snooping.

I commend this excellent editorial to my colleagues.

[From the Atlanta Constitution, Oct. 19, 1985]

UNPLUG COMPUTER SNOOPING PLAN

The idea is frightfully tempting to a government that is buried in debt. Why not use tax information to ensure that ineligible applicants are denied, say, student loans? And why shouldn't officials peruse private insurance records to detect people who shouldn't get Medicare?

The White House is preparing legislation that would authorize such practices, made possible by miracles of modern computer wizardry. Congress should pull the plug on this plan in a microflash.

First, electronic fishing expeditions do not promise massive savings. Waste, fraud and mismanagement—while they happen—are not the governmental problems they are cracked up to be. Any cash that Big Brother recoups likely would be just a tiny portion of government's $400 billion or so in outlays. Americans are more honest and diligent than is commonly supposed.

While computer snooping offers a small financial return, though, it poses a mighty big danger to personal privacy. Any expanded use of tax records is questionable because citizens are required to submit this data. Some law-enforcement uses might be reasonable, but involuntarily submitted tax records must not evolve into a federal dossier.

Worse yet is the proposal to tap private insurance records. It would be a small step from collecting insurance data to gathering, say, credit information. From cradle to grave, lives today are laid out in intimate detail through information in public and private computer banks. Lack of centralization has assured a modicum of personal privacy. If enacted by Congress, the Reagan administration's plan would erode that assurance.

Besides, who will guard against misinformation? Will citizens have ready access to their files? One faulty entry—perhaps a missed digit in a Social Security number or a wrong initial in a name—could plague some hapless Medicare applicant or student for an eternity.

Accuracy is no small issue. Already, the FBI says misinformation mars 6 percent of warrant entries fed to it daily by the states. Consider, then, the amount of erroneous data likely contained in the 35 million automated criminal records that were recently counted in a survey of 44 states.

Unfortunately, the White House has moved to compound this problem, too. It wants the FBI to set up a computer bank, available to the nation's 64,000 law enforcement agencies, that would detail activities of people police fancy to be white-collar criminals. Suspects would not need to be formally accused to merit inclusion.

The idea may have accomplished the unthinkable: It has rallied the American Civil Liberties Union, the National Rifle Association and the American Bankers Association to the same side—as opponents.

If these White House plans become law, the nations will edge closer to a society that functions not on trust but suspicions, checks and double-checks. It remains unclear who will check the suspecters and checkers.

Congress might save the Treasury a few bucks by turning the nation's data banks into auditors of its citizens' affairs, but the losses incurred from such a folly might someday be immeasurable.

ENTERPRISE ZONES ARE WORKING IN NEW JERSEY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. COURTER. Mr. Speaker, New Jersey's evolution in recent years from an economic basket case to an economic magnet can, in large part, be attributed to the implementation of urban enterprise zones in some of the State's most troubled cities. What is unique about this program is that it creates job and business opportunities

through incentives rather than through large Government expenditures. The following outline of the program, as it is being expanded by Gov. Tom Kean, further explains the exciting success of urban enterprise zones in the Garden State:

DESIGNATION OF URBAN ENTERPRISE ZONES

Governor Thomas H. Kean today announced the designation of urban enterprise zones (UEZs) in Jersey City, Kearny, Elizabeth and Orange.

The designations, which are expected to promote economic growth in those cities, were made at a meeting of the New Jersey Urban Enterprise Zone Authority in Trenton today.

The authority also agreed to create a zone in portions of Millville and Vineland. According to State Commerce Commissioner Borden R. Putnam, who chairs the Authority, the designation would be held jointly by the two Cumberland County municipalities, contingent upon approval of legislation now pending that would enable two cities to share a single designation.

Businesses within a UEZ are allowed to take advantage of a number of tax exemptions and tax credits, and are offered various job training programs and opportunities to cut "red tape," to expedite job growth.

There are five zones currently in operation in New Jersey, in Newark, Camden, Trenton, Bridgeton and Plainfield. In less than one year, $125 million in private funds have been committed for investment in the State's five UEZs, which will result in creation of more than 8,300 permanent, full-time jobs over the next two years.

Under State law, the Authority is only allowed to create a total of ten zones in New Jersey. However, the Authority unanimously adopted a resolution calling on the Legislature to consider legislation that would authorize creation of additional zones. It also will be seeking legislative support for a bill that would allow the Authority to permit additional sales tax reductions in needy zones.

Twelve cities competed for the zone designations made today: Jersey City, Kearny, Elizabeth, Orange, Millville, Vineland, Bayonne, Paterson, Passaic, East Orange, Asbury Park and Long Branch.

"We based our selections on a number of criteria, such as the unemployment rates and other indicators of economic need, and after great consideration, numerous consultations and site visits, the choices became clear," said Putnam.

"This is a program where success depends greatly upon the local business owners," Governor Kean said. "No State funds or grants are used to rejuvenate these business districts, under the UEZ program. The UEZ program is a grassroots effort. The fact that the program is working so well in New Jersey, in such a short time, is a tribute to this State's business community."

"The number of business owners who are keenly interested in participating in a UEZ program was a key factor in the selection process," said Putnam. "However, as the many benefits of operating in UEZ become known in New Jersey, we foresee the need—and the desire—to have more zones created in this State." The Governor and the Commissioner plan to ask the Legislature to consider authorizing the creation of additional zones.

Serving with Putnam on the Authority are State Community Affairs Commissioner John P. Renna, State Labor Commissioner Charles Serraino, State Treasurer Michael M. Horn, Richard Messner of Skillman, Frank Nero of Plainsboro and Herbert Tate, Jr., of East Orange, who abstained on the vote on the East Orange application. Assistant Commerce Commissioner Henry Blekicki is responsible for overseeing the operation of the UEZ program Statewide, and presented the staff recommendations to the Authority.

PHILIPPINE INSURGENCY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. GARCIA. Mr. Speaker, William Branigin of the Washington Post wrote an excellent article on the Philippine insurgents. As the problems in that nation are becoming more and more involved, it is important that we fully understand the situation. In that light, I am submitting the article for my colleagues' perusal.

The article follows:

[From the Washington Post, Nov. 11, 1985]

PHILIPPINE INSURGENCY SAID TO BE SELF-RELIANT—MOST FOREIGN COMPARISONS MISS MARK

(By William Branigin)

MANILA.—The Philippines' long-running Communist insurgency has been billed lately as the "Reagan administration's Iran. Other U.S. observers, old Asia hands for the most part, draw comparisons with Vietnam. But for Filipinos closely involved in the insurgency, either in waging it or fighting against it, the closet comparison is with Nicaragua.

Except as a metaphor for a U.S. foreign policy crisis, Iran has little relevance here, and comparisons between the two countries come as something of a surprise.

Less surprising, but still somewhat perplexing, is word from the U.S. Congress that the Soviet Union is moving to exploit the turmoil in the Philippines by making contacts with the insurgents.

In fact, the Communist Party of the Philippines and its armed wing, the New People's Army, have been seeking foreign support openly for years for their battle against the government of President Ferdinand Marcos but, by all accounts, have received precious little. Rebels and military sources say none has come from the Soviets, who have angered the Philippine Communists by trying to curry favor with Marcos.

According to Communist publications and interviews during the past several months with rebels and their supporters, the Communist rebellion is a home-grown movement that borrows concepts and doctrines from a variety of sources but tends to be cautious. Making a virtue of necessity, it places great stock in its self-reliance and sees its situation as unique in the world.

Certainly, comparisons between the Philippines, a predominantly Roman Catholic archipelago where well-organized, disciplined Communist rebels have been fighting the government for the past 16 years, and Iran, where a largely spontaneous Islamic revolution overwhelmed the monarchy of shah Mohammed Reza Pahlavi, generate more differences than similarities.

In Iran, opposition to the shah, an aloof, almost alien figure, was channeled by Ayatollah Ruhollah Khomeini into a religious revolt that mobilized the overwhelming majority of the people and paralyzed the country with strikes. This made Iran virtually impossible to govern, and there was nothing the shah or any outside power could do about it.

In the Philippines, the opposition to Marcos is much more fragmented and by no means universal. While he is often described as out of touch with the situation in the country, Marcos always has been intensely political and has been credited with knowing how to play on the sentiments of the Filipino people like a virtuoso.

Never quite the "dictator" that his enemies have portrayed him to be, he has always seemed able to sense when to crack down and when to ease up on his opponents.

As in Vietnam, a U.S.-backed government faces a determined Communist insurgency, but the similarities seem to end there. The Vietnamese Communists benefited from large-scale foreign support from the Soviets and Chinese, had supply lines through neighboring countries and recourse to a powerful conventional army, the North Vietnamese regulars.

The Philippines, by contrast, not only has an isolated insurgency, but the country enjoys a democratic tradition that, although battered under Marcos, still appears salvageable and may yet provide an elected alternative to Marcos. In fact, there are indications that this is what the Communists fear most.

A former Spanish colony in which the Roman Catholic Church wields great influence, the Philippines, on the face of things, would seem to have more in common with Nicaragua. Indeed, the Communists' own literature raises the prospect that, as in Nicaragua, the political struggle could outpace the armed insurgency if efforts to develop a "broad united front" against Marcos—including businessmen, professionals and political moderates—are successful.

It is a prospect that also is taken seriously by the moderate opposition and even some military sources. Former president Diosdado Macapagal, for example, has warned for years that the Philippines could go the way of Nicaragua if Marcos remained in power.

"Unfortunately, there seems to be a merging effort of the Communist Party with the legitimate opposition," said Marine Col. Rodolfo Biazon in the southern city of Davao recently. "I liken this to the situation of Nicaragua, where the noncommunist anti-Somoza factions allied themselves with the Sandinistas."

Here, the Communist guerrillas he has encountered were "lousy fighters," he said, "but their edge is their ability to manipulate legitimate groups."

Independent observers tend to agree, however, that the outcome in the Philippines, a far bigger (population 54 million) and more developed country than Nicaragua, will be unique.

"Anything that happens here is going to be different," said an American missionary who has lived in the Philippines for more than a decade. "It's going to be an awfully tough country to govern no matter what happens."

To make that job easier in the event it comes to power, the revolutionary movement devotes much of its energy to "political struggle." Through organizations that are essentially Communist fronts, it even plans to participate selectively in local elections scheduled for May 1986.

"We never delude ourselves that we can achieve power through elections," one activist in a front organization admits. "We only

look at elections as one of the possible ways of strengthening our forces."

Among the Communists' primary aims now is the creation of a "broad united front" of opposition forces to complement the New People's Army guerrilla war with an "open, legal struggle," primarily in the cities.

"The battle must not only be won militarily," said a New People's Army supporter in Manila. "The battle must be won politically."

He added, "We have already consolidated our army and laid the foundation for a broad united front," which he said was based on "an alliance of workers and peasants." This front, however, is "inherently unstable" and requires an army to "attract other sectors" to it, he said.

In fact, some observers believe that the guerrillas, whose weapons are almost entirely captured from the Philippine military, may have great difficulty expanding their operations from the current hit-and-run raids to the more conventional battles envisioned in a "strategic stalemate."

"I think the NPA has gone about as far as it can unless it receives outside assistance," said a parish priest working in a remote area of the troubled southern island of Mindanao. "The NPA is simply outgunned—M16s and bolos [knives] are not enough."

It is clear that the insurgents would welcome support from the Soviets—or anybody else for that matter—but they tend to doubt that it will be forthcoming.

"The Russians have always looked at Marcos as a sincere nationalist who can be befriended," said a rebel supporter in Manila. "They look at the NPA as an adventurist movement."

For the Philippine rebels, the suspicions have been mutual. Supporters of the insurgency reacted with disgust earlier this year when a Soviet envoy visited Marcos at his Malacanang presidential palace and awarded him a medal. Nor was Moscow's invitation to Marcos' wife, Imelda, to visit the Soviet Union last month greeted favorably by the Philippine left.

During the visit, the Soviets requested access to Philippine ports in an apparent attempt to exploit differences between Marcos and his critics in Washington. It was a ploy that appeared to run counter to any effort to develop relations with the insurgents.

In fact, said a leading member of a Communist front organization in Manila, most of the NPA's foreign support comes from leftist groups in Western Europe. "The European people are more sympathetic to us than the Socialist Bloc," he said.

If the revolutionaries' literature is any indication, it already may be too late for the Soviets to make inroads with the insurgents that would lead to a major presence in the country if and when the Americans were forced to leave two large military bases on the northern island of Luzon.

According to a revised program issued this year by the National Democratic Front, an organization of the Communist Party, "no foreign power shall be allowed to set up military bases on Philippine soil, nor to carry by any means of transport nuclear weapons into Philippine territory."

The document states that the people's war" in the Philippines "is part of the worldwide struggle against imperialism" and that "we seek the political and material support of other countries and revolutionary movements and organizations abroad."

However, the rebellion is being waged "on the fundamental principle of self-reliance," the program says, and "in no instance will become so beholden to any foreign entity that we would even consider sacrificing the sovereignty, national independence and democratic rights our people are fighting so hard to attain."

According to a party activist, a key mistake of the party in the 1970s was reliance on foreign support, notably from China. When Chinese aid stopped, he said, the movement was hurt, but it gradually became self-sufficient.

Nevertheless, rebel sources say, the Soviets have continued to view the Communist Party of the Philippines and the New People's Army as creatures of the Chinese, accounting for their suspicion if not hostility.

Moscow's support instead has been directed toward the 55-year-old Philippine Communist Party, which waged an unsuccessful rebellion in the 1950s but formally renounced armed struggle in 1974 and reached a settlement with the Marcos government.

The Communist Party of the Philippines was founded on Dec. 26, 1968, by a group of young militants who had been expelled from the established party for criticizing strategic and doctrinal mistakes that led to the defeat of its guerrilla force, known as the Hukbalahap. In March of the following year, the New People's Army was founded.

It claims to have started out with fewer than 100 fighters armed with 35 old rifles and handguns and to have grown since then into a force of 30,000 "full-time and part-time guerrillas" armed with about 10,000 "high-powered rifles." The Marcos government puts guerrilla strength at 12,500, two-thirds of them armed.

CHEMICAL CONTAMINATION AND LARGE CHEMICAL DISASTERS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. HERTEL of Michigan. Mr. Speaker, amid the debate on toxic chemical contamination and large chemical disasters, I think it is important to point out the human element in this problem and the human solution. Education and training of chemical workers is a major factor in the safe use of these materials. The finest safety features are of little value, it is the human operators who do not know how to use them. I submit the following Wall Street Journal article which discusses this question.

Under Public Pressure, Chemical Firms Push Plant Safety Programs

(By Barry Meier)

LINDEN, N.J.—When American Cyanamid Co. held worker training classes at its plant here last year, employees often missed them.

Not this year. Officials are blocking out time for classes and telling workers to be there, "A lot more people are on my back to make sure I follow up," says Anthony Saccone, a maintenance supervisor.

After four recent accidents, including one that spread a cloud of malathion insecticide and hospitalized scores of area residents, state officials stepped in. They demanded that, for the first time, independent experts inspect the plant and recommend safety improvements.

American Cyanamid also conducted a rare, two-month study of the plant. And the drug and chemicals company didn't like what it found. Workers were often ill-trained. Broken instruments sometimes weren't fixed. Factory officials hadn't planned for potential dangers. "We came up with a lot of shortfalls in the way we were doing things," says Jeremy B. Halladay, the recently appointed plant manager.

MOUNTING CONCERN

Public concern over chemical-plant safety has been mounting, spurred by the poison-gas disaster at a Union Carbide plant in India that killed more than 2,000 people last December and an accident at one of Carbide's West Virginia plants that injured scores last August despite $5 million of recent safety measures there. A report commissioned by the Federal Environmental Protection Agency shows that 135 people were killed and about 1,500 injured in some 7,000 accidents over the past five years at chemical production and storage facilities in several states.

Battered by bad publicity and facing growing regulatory pressure, the companies are taking a fresh look at plant hazards. They are reducing stockpiles of dangerous chemicals, installing sophisticated equipment to detect escaping chemicals and working with local officials to develop evacuation plans for nearby residents.

Yet, throughout the industry, major safety concerns remain.

"What chemical companies do about safety problems always lags behind what they know they can do," says Ian Swift, the research director at Fike Metal Products Corp., a producer of plant-safety equipment in Blue Springs, Mo.

MANY SYSTEMS TOO SMALL

Industry-sponsored studies by the American Institute of Chemical Engineers in the late 1970s confirmed, for example, that many safety systems were too small to neutralize large chemical leaks, says Mr. Swift, who headed the study. In addition, the quality of valves and other basic parts vital to safety seems to be declining, and the growing role of cost-conscious purchasing managers in choosing equipment may be cutting quality.

In its time, the American Cyanamid plant here has fallen victim to such ills. For 70 years, it has sat on the Arthur Kill waterway separating New Jersey and New York City's Staten Island, and on a clear day the towers of Manhattan's World Trade Center loom in the distance. Miles of pipeline snake around the 30-acre site. Giant vats and kettles violently brew compounds in reactions creating new substances. More than 300 different chemicals may be kept here on a given day. A stream of trains and trucks hauls away insecticides as well as chemicals for making detergents, mining supplies, tires and other products.

Regulators acknowledge that American Cyanamid operated this plant without a major accident for more than a decade. But on the first Saturday of October 1984, the company's luck ran out. Salt water from the cooling system leaked through pipes into a storage tank holding 12,000 gallons of malathion. A runaway reaction ensued. Heat and pressure building up within the tank went undetected for lack of an automatic alarm, and the skeleton crew on weekend duty didn't check the tank's temperature, Mr. Halladay says.

SERIOUS ACCIDENT

Malathion gas erupted with explosive force and spread an amber cloud of insecticide for 20 miles. Over 20 crew members on nearby tankers felt a burning sensation in their eyes and skin. More than 140 people sought hospital treatment for nausea, breathing difficulties and other symptoms. "I can't remember an incident in this area as serious as the malathion leak," says Richard J. Hills, an air-pollution official with the Middlesex County (N.J.) Department of Health.

Then, equipment or instrument failures caused three less serious accidents here last January, triggering the state call for an outside investigation. (An independent safety review of a Du Pont Co. plant here also is underway following two chemical leaks last year, including one that sickened 40 workers on a nearby bridge.)

But American Cyanamid, which agreed to the state's action, is trying to clean up its act before the investigators make their report. Workers interviewed during the company's own two-month study showed, for example, that past training methods gave factory personnel little information about how chemical reactions occur. As a result, workers couldn't always detect a contaminated process, such as when the salt water mixed with the malathion.

"The 'what's really happening' part of training wasn't taking place," says John V. Carnall, a company safety manager.

Under a new program, workers will get 10 hours of additional classroom training, including courses in basic chemistry to help them better understand plant processes. A $20,000 control-panel simulator is on order to help plant operators learn to identify dangerous conditions promptly. Plant officials also are drafting new guidelines to ensure that workers are trained for new assignments.

Equipment and maintenance procedures also are changing. After the malathion leak, a multipoint temperature sensor and alarm system replaced the single thermometer at the bottom of the tank that leaked. The new device measures heat throughout the tank.

In the past, maintenance checks were often noted on slips of paper kept in production supervisors' shirt pockets. Now, plant officials are installing a computer to organize such records. The goal is to develop a new preventive-maintenance plan and increase accountability, Mr. Halladay, the plant manager, says.

In addition, production has been slowed. Under an agreement with state officials after the malathion leak, process temperatures in that unit were lowered 20 degrees to 120 degrees Fahrenheit, says Richard B. Tabakin, the manager of technical services. The cooler malathion takes longer to heat to a runaway reaction. But because many chemical reactions go faster with greater heat, the temperature drop cut the malthion production rate 18%, Mr. Tabakin says.

Safety reviews also have been stepped up. Such "what if" accident planning now will take place every two years rather than every five. The reviews are also likely to be more intensive, Mr. Halladay says. In the malathion case, for example, plant officials had never analyzed what would happen if salt water entered the storage tank. "It would be fair to say we were complacent," Mr. Halladay adds.

Meanwhile, Boston-based Stone & Webster Engineering Corp. is carrying out the independent inspection demanded by the state. Though Stone & Webster officials decline to be interviewed, public filings show that their investigation focuses on how American Cyanamid processes, handles and stores malathion and nine other dangerous chemicals.

RELIANCE ON WORKERS

In a preliminary report, the consulting firm's investigators said they believe that the plant is well maintained. However, they added that because many of its operations are controlled by workers rather than computers, "the skill and knowledge of the operators . . . is essential for proper operation." American Cyanamid says the survey is costing more than $200,000.

Nonetheless, chemical companies such as American Cyanamid are only beginning to grapple with studies questioning the adequacy of plant safety systems. For example, emergency systems on chemical-plant tanks traditionally have been designed to neutralize only escaping gases. But industry-supported studies by the American Institute of Chemical Engineers confirmed that chemcial liquids also escape from tanks in runaway reactions.

"It's like opening a champagne bottle," says Mr. Swift, the safety expert. Because larger control units are needed to neutralize a liquid-gas mixture, industry researchers concluded that some safety systems may be 10 times too small and easily overwhelmed during an accident, he adds.

POOR EQUIPMENT

Chemical-company officials also say an increasing number of such basic plant units as valves are failing to meet specifications. In a paper presented at a recent meeting of the American Petroleum Institute, H. Curt Ball, and Exxon Corp. engineer, said problem valves are "widespread in the chemical and [oil] industries." Recent Du Pont tests showed that up to 30% of new valves delivered to the company were defective.

Substandard valves have caused several accidents at Du Pont facilities in recent years, according to James B. Arant, a company engineering consultant. Mr. Arant says cost cutting by economically strapped valve producers has probably caused the problem. "This business of quality is like a roller coaster, and the perception is that we are stuck on the bottom," he adds.

Chemical companies' own moves to cut costs by switching more equipment-buying decisions to purchasing agents from engineers are also raising concern. "The single most hazardous part of the chemical industry is the purchasing agent. They don't have any idea how to judge quality," says Jay A. Young, a chemical-industry safety consultant in Silver Spring, Md.

The switchover affects more than safety. Some years ago, for example, purchasing agents used by Union Carbide to buy boiler equipment for one of its Puerto Rican facilities ordered liquid-level measuring devices other than those specified, a company engineer says. Soon after installation, the devices caused and equipment breakdown and about $1 million in damages, he adds.

At the American Cyanamid plant here, officials say they have already spent about $250,000 of a $2 million budget to fix the plant's problems. They expect a better notion of the final price tag when Stone & Webster issues its report, probably by year-end. Under the agreement with the state, the company is required to adopt any recommended changes unless it presents acceptable alternatives.

Local regulatory officials aren't expecting miracles, but they hope the work here serves as model of one way to make a chemical plant safer.

"Short of God, there isn't any way to prevent accidents," says Mr. Hill, the health official. "But if you've had four accidents in a year and you can cut that down to two, you've done a lot."

GODOY CALLS FOR NATIONAL UNITY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LAGOMARSINO. Mr. Speaker, 2 days before Daniel Ortega announced sweeping new repressive measures in Nicaragua, a leading opposition figure made a dramatic appeal for national unity and dialog among all Nicaraguans. The statements made by Independent Liberal Party leader Virgilio Godoy were intended for publication in the Nicaraguan newspaper La Prensa, but were censored by the Sandinistas which prevented the story from being printed.

I urge my colleagues to read the story which the Nicaraguan people were not allowed to read.

INDEPENDENT LIBERAL PARTY MEETS IN ESTELI

Overcoming the fear existing among the people of La Trinidad, Department of Esteli, the Independent Liberal Party [PLI] held a great municipal assembly in that city, which last 1 August was the scene of large-scale warlike incidents, which according to official figures caused a total of more than 100 casualties.

Members of the national leadership arrived early on the morning of Sunday, 13 October, headed by Dr. Virgilio Godoy Reyes, who made a dramatic and patriotic appeal once more for national unity as a step prior to a dialogue among all Nicaraguans. He said: "We must stop this fratricidal war, it is definite that we must resolve the underlying problems that assail us. Indeed, the present is black but if we do not do something to try to change this tragic and gloomy picture, the future will be gray.

"A worthy and self-sacrificing effort is necessary, which has already been done generously by democratic groups and forces supported by all the people in 1978 and beginning of 1979, and which culminated with the government program written in San Jose 6 years ago," said national leader Dr. Godoy Reyes. He added: "Unfortunately, from that time until now, the political parties have been cornered in an attempt to make them disappear, threatened with the loss of the legal status they had won because of their refusal to submit, retreat or officially collaborate or coexist."

Throughout the interesting political speech by the esteemed and well-known president of the PLI, among other things, he said: "No one is personally safe today, and much less of the future of his house, property, companies, and so forth. We no longer produce what we eat. Nicaragua had never in its history purchased basic grains; the cordoba of 6 years ago is now worth 100 times less. Every child, before it is born, has a minimum debt of a million cordobas. We have a foreign debt which exceeds $5 billion

and in order to bring our priority requirements up to date, there is a negative balance of $1.2 billion." In conclusion, national leader Dr. Godoy said: "Because of a lack of foresight or technical capability the only two projects of domestic economic salvation implemented left us with astronomical losses. The new Victoria de Julio mill produces sugar at 30 centavos per pound and exports it at 4 centavos. The Chiltepe Project will process milk at a cost of more than 1,000 cordobas per liter."

If we are honest, we must admit that the cause of all this is noncompliance with the promise made in San Jose. Nations, like individuals, should honor their signatures, commented the members of the August meeting.

ROBERT STAPP

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mrs. SCHROEDER. Mr. Speaker, Bob Stapp, a former aid to Congressmen Byron Rogers and Roy McVickers, Denver newspaper reporter, and Stapleton Airport public affairs director, died earlier this month.

Stapp will go down in history on many achievements, but one that stands out was his deflation of a Colorado politician by an outrageous device. He quoted him accurately.

Gene Amole in the Rockey Mountain News and Tom Gavin in the Denver Post wrote fondly of their good friend Bob Stapp.

[From The Rocky Mountain News. Nov. 3, 1985]

REMEMBERING A SUPERB WRITER

(By Gene Amole)

Anarchy.

When Ben Bezoff learned he had cancer in 1978, Bob Stapp and I began to have lunch with him every week or so to help keep up his spirits. We'd meet at the Golden Ox, spend a couple of hours eating, talking, and having a few.

After Ben died, we were two.

Bob and I kept the tradition. It had a lot to do with our affection for Ben. But of course we had always enjoyed each other. Have you noticed that as you grow older how difficult it is to find people you can really talk to?

Maureen Stapp, Bob's wife of 44 years, called Friday to tell me he had died the night before of a heart attack. He was 71. She was grateful there was no suffering.

Now we are one.

What a superb writer he was! As a reporter for The Denver Post and the Rocky Mountain News, Bob crafted some of the sharpest, funniest satire any one has ever done in this or any other town.

He was particularly deft at deflating puffed politicos. Bob caused the defeat of a powerful Colorado congressman simply by accurately quoting him in a story for the News. Bob put in every pause, every stumble, each snortle and every incomplete sentence the old boy uttered in a speech.

Of government in general, Bob once asked Charlie Roos, "Over the years everybody has badmouthed anarchy, but have we really given it a chance?"

The circumstances of Bob's resignation from the Post are worth remembering. After promising him he would cover the Democratic National Convention, Post management decided at the last minute to send the son of the publisher instead.

Angry and hurt, Bob told City Editor Will Haselbush he was quitting and stalked out of the newsroom. Not wanting to lose one of his most talented writers, Haselbush sent another reporter, Thor Severson, to Bob's house to try to talk him into coming back.

Bob was still in a rage when Severson arrived. They went to the kitchen to talk. The more Bob thought about it, the angrier he got. It wasn't long before Severson became as furious at the injustice as Bob. An hour later, Severson picked up the telephone, called the city desk and also quit.

After leaving "the newspaper game," as Bob called it, he wrote a novel, "A More Perfect Union," and worked in Washington as an administrative assistant to Congressmen Roy McVicker and Byron Rogers. He was director of information at Stapleton International Airport and a political confidante and strategist for former Denver Mayor William McNichols.

For the record, his name was Robert R. Stapp. But the name for which the middle initial stood was not. He hated it and never told anyone what it was.

Memorial services will be held 11 a.m. Monday at the Church of the Risen Christ, 3090 S. Monaco Parkway.

Quote courtesy Tom Gavin: "I have been trying to live down my newspaper record for 20 years, but somebody always dredges it up again. Actually, it wasn't even my fault in the first place. Because I grew up in a poor neighborhood, it was natural I would drift into petty crime and then into the newspaper business."—Bob Stapp.

[From The Denver Post, Nov. 3, 1985]

HIS DROLLERY LIVES AFTER HIM

(By Tom Gavin)

Bob Stapp dead? Nah. People like Bob Stapp don't die.

Oh, he is dead all right. Gone. Shuffled off this mortal coil. Gone to glory. Clasped in the arms of Jesus. Choose your own euphemism.

Robert R. Stapp. Former newspaperman. Former congressional aide. Former PR man for Stapleton International Airport. Dead at 71 of an apparent heart attack.

He's not dead for me, though, and never will be. Someone said we never die so long as we are remembered and, whew, I'd hate to think how many people have lively memories of this jasper.

No, make that laughing memories.

Say the word "Stapp" to an acquaintance of Bob Stapp and probably that person will smile. And then grin. And then laugh aloud as recall of some drollery works its way clear of the memory bank and breaks into the open.

The last time I saw him he announced at lunch that he'd been dieting and that he'd lost 11 pounds and a ring from his finger and went right into an entirely different conversational line. With Stapp you had to pay attention. You also had to keep your left up and your chin tucked in to keep from being tagged, for, like a lot of my friends, now that I think of it, he could pink you with a little personal thrust, too, and never change expression then, either.

ALL IN OUR PLACES

I'll be at Bob Stapp's memorial service at 11 a.m. Monday at the Church of the Risen Christ, 3090 S. Monaco. You bet. If there's one thing I like it's a good laugh.

Sounds dreadful, doesn't it? Yeah. Excuse me. But, listen, most of my friends are newspapermen and they are a peculiar bunch. They are seldom solemn at funerals. They whisper wry, puckish things to one another, usually about the dear departed, while in the church proper, and, once outside, say pretty much the same things aloud. There are chortles and laughs. It is most unseemly.

It's also healthy, I think, for tears and chuckles are never far apart in this life, are they? Does it hurt? Only when I laugh.

I didn't bring you here to talk about friends who make you smile, though. Probably you've got your own set. What I wish to do is share a few of the remarks of Robert R. Stapp, recorded here and there over the years.

LIKE THESE

As a candidate for mayor in 1959: "My campaign has contributed something to the moral of the people. it's been a source of limitless merriment. I feel there is now greater solidarity among the citizens than at any time since Pearl Harbor. Everyone's against me."

Addressing a meeting of newspaper editors: "it is a high honor to be here with you molders of public opinion. I must say you've done a wonderful job. I doubt if public opinion has ever been as moldy as it is today."

Addressing his own Stapleton retirement party: "I see some of my ex-colleagues here from my old newspaper days. These people are implacable. I've retired four or five times since then, but I can see they're going to hound me to my grave. I've been trying to live down my newspaper record for 20 years, but somebody always dredges it up. And acutally it wasn't even my fault in the first place, because I grew up in a poor neighborhood and it was natural that I would drift into petty crime and then into the newspaper business."

Miss him? Yes. A lot. But he is not dead. Forget that "dead" business.

Bob Stapp may live forever.

FOREIGN AGENTS COMPULSORY ETHICS IN TRADE ACT OF 1985

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. WOLPE. Mr. Speaker, at a time when our Nation is struggling with a whole range of trade problems that demand our immediate attention, it is deeply troubling to find that many of our former top-level Government officials are on the payrolls of foreign governments and foreign corporations. People who have had the privilege to serve at the highest levels of our Government have chosen to use the status, insider's knowledge and special access they acquired in office on behalf of foreign interests.

William Eberle, a former U.S. Trade Representative, has represented Japan. Clark Clifford, our former Secretary of Defense, has represented the Mexican Foreign Ministry and Australian business interests. William Colby, former Director of the Central

Intelligence Agency, has worked on behalf of Japan and Singapore.

And what is even more troubling is that this activity is not only permitted by current law, but reaches far beyond these few names. This list is just the tip of a very dangerous iceberg. What happened is that the American Government has become a finishing school for highly paid lobbyists for foreign interests. And in the process, the integrity of a host of Federal agencies has been compromised—and a shadow has been cast over the administration of all programs and activities that affect international trade.

We need to understand clearly how serious this problem is.

STATUS

These top-level American officials bring enormous prestige acquired from their former governmental positions.

INSIDER'S KNOWLEDGE

People who have served in these key positions have a unique understanding of the workings of our bureaucracy and political institutions.

ACCESS

Their past Government positions give these people special access to power and the "right people" both in Government and the media.

It is no wonder that high-ranking American officials are so sought after by foreign interests.

As Joel Lisker, former chief of the Justice Department's foreign agents unit has noted:

By hiring the elite lobbyists, foreign governments can manipulate the Administration and Congress to act against our own national interests. If not against our national security, against our economic health, with the current trade imbalance as the best example.

But it is not only that foreign interests gain a manipulative advantage by hiring former officials. What is also at stake is the integrity and effectiveness of those agencies and institutions that are charged with the responsibility of protecting American interests. How, for example, can we be confident that our trade representative is negotiating aggressively on behalf of America's interests when he may well have his eye on lucrative future employment opportunities with those on the other side of the table? And this is not an idle concern. We know of at least one instance in which a former member of the ITC admitted to negotiating his own employment contract with a foreign interest while still on the Federal payroll.

Moreover, many trade officials have expressed concern about the rapid rate of staff turnover that is encouraged by these lucrative foreign opportunities. Clearly, this trend threatens our ability to effectively promote American interests.

We think that the American people deserve better. We think it is simply wrong that former top-level American officials should be for sale to the highest foreign bidder. The purpose of the legislation I am introducing with Representative KAPTUR is to end this practice. Our bill, the Foreign Agents Compulsory Ethics in Trade Act, has one simple objective: To ensure the effectiveness and integrity of our national institutions by prohibiting any top-level official from representing or advising a foreign interest for at least 10 years after leaving Government service.

This is only a beginning. This legislation is the bare minimum that must be done to protect our national interest. We are also requesting a study from the General Accounting Office to examine this problem in greater depth and to report back to us within 6 months with their findings and recommendations for additional steps that may be required.

Let me just add one final note. No one is asserting that our legislation is a cure-all for our trade woes. What we are facing is a terribly complex and long-term problem—and certainly we are all aware of this. But any solution will require the most aggressive advocacy of American interests—and it is to insure this kind of advocacy that Congresswoman KAPTUR and I are today introducing the Foreign Agents Compulsory Ethics In Trade Act of 1985 [FACE IT].

A summary of our legislation follows and we invite our colleagues to join us as cosponsors:

[Summary]

FOREIGN AGENTS COMPULSORY ETHICS IN TRADE ACT OF 1985 [FACE IT]

The bill has one principal objective:

To prohibit any former high-level Federal employee or high-ranking officer of a uniformed service from representing or advising a foreign principal for a period of at least ten years after leaving Government service.

I. RESTRICTIONS ON ACTIVITIES

Establishes a ten year period during which any former high-level Federal employee or high-ranking officer of a uniformed service is prohibited from representing or advising a foreign principal in connection with any transaction with the United States Government;

Invests the Secretary of State and the Secretary of Commerce with the authority to extend this prohibition if they jointly determine that a longer period is in the interest of our national security;

Sets penalties at a fine of not more than $250,000 or imprisonment of not more than two years, or both;

II. DEFINITIONS

A "foreign principal" includes the government of a foreign country, a foreign political party, any foreign business or economic entity—as defined in the U.S. Code provision requiring registration of foreign propagandists;

A "high-level Federal employee" includes the top 25 advisors of the President, the top 5 advisors to the Vice-President, all Cabinet Members, and other key officials in Executive Agencies, Departments and Independent Establishments;

"High-ranking officer of a uniformed service" means a general officer or flag officer—those at the rank of general, lieutenant general, major general or brigadier general and those at the rank of admiral, vice admiral, real admiral or commodore;

III. EFFECTIVE DATE

This legislation is not retroactive and will only affect individuals who are in a high-level position at the time of enactment or who accept such a position after that date.

H.R. 3733

A bill to amend chapter 11 to title 18, United States Code, to prohibit any former high-level Federal civilian officer or employee or high-ranking officer of a uniformed service from representing or advising a foreign principal for a period of at least 10 years after leaving Government service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Foreign Agents Compulsory Ethics in Trade Act of 1985".

SEC. 2. CRIMINAL PENALTY FOR FORMER HIGH-LEVEL FEDERAL CIVILIAN OFFICER OR EMPLOYEE OR HIGH-RANKING OFFICER OF A UNIFORMED SERVICE WHO REPRESENTS OR ADVISES A FOREIGN PRINCIPAL.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by inserting after section 224 the following new section:

"§ 225. Former high-level Federal civilian officer or employee or high-ranking officer of a uniformed service representing a foreign principal

"(a)(1) Any person who is employed as a high-level Federal civilian officer or employee, or serves as a high-ranking officer of a uniformed service, shall not (during the applicable period under paragraph (2) of this subsection), in connection with any transaction with the United States Government, act as an agent or attorney for or othewise represent or advise—

"(A) a government of a foreign country or a foreign political party;

"(B) a person outside of the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; or

"(C) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

"(2) The period referred to in paragraph (1) of this subsection is the 10-year period beginning on the last day of the employment or service involved, or such longer period beginning on that day as the Secretary of State and the Secretary of Commerce may jointly determine to be in the interest of national security.

"(b) Whoever violates subsection (a) of this section shall be fined not more than $250,000 or imprisoned not more than two years, or both.

"(c) As used in this section, the term—

"(1) 'high-level federal officer or employee' means an individual who—

"(A) is appointed by the President under section 105(a)(2)(A) of title 3, United States Code;

"(B) is appointed by the Vice President under section 106(a)(1)(A) of title 3, United States Code;

"(C) serves in a position in level I, level II, level III, or level IV of the Executive Schedule (under section 5312, section 5313, section 5314, or section 5315 of title 5, United States Code, respectively); or

"(D) serves in any of the following positions in level V of the Executive Schedule (under section 5316 of title 5, United States Code): Administrator, Agricultural Marketing Service, Department of Agriculture; Administrator, Agricultural Research Service Department of Agriculture; Administrator, Agricultural Stabilization and Conservation Service, Department of Agriculture; Administrator, Foreign Agricultural Service, Department of Agriculture; Associate Administrators, National Aeronautics and Space Administration (7); Associate Deputy Administrator, National Aeronautics and Space Administration; Deputy Associate Administrator, National Aeronautics and Space Administration; Assistant and Science Adviser to the Secretary of the Interior; Chairman, Foreign Claims Settlement Commission of the United States, Department of Justice; Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense; Chief Counsel for the Internal Revenue Service, Department of the Treasury; Commissioner of Customs, Department of the Treasury; Commissioner, Federal Supply Service, General Services Administration; Director, United States Fish and Wildlife Service, Department of the Interior; Commissioner of Food and Drugs, Department of Health and Human Services; Commissioner of Patents, Department of Commerce; Director, Advanced Research Projects Agency, Department of Defense; Director, Bureau of Mines, Department of the Interior; Director, Geological Survey, Department of the Interior; Director, National Bureau of Standards, Department of Commerce; Director of Science and Education, Department of Agriculture; Deputy Commissioner of Internal Revenue, Department of the Treasury; Assistant Directors, National Science Foundation (4); Deputy Director, Policy and Plans, United States Information Agency; Deputy General Counsel, Department of Defense; Assistants to the Director of the Federal Bureau of Investigation, Department of Justice (2); Assistant Directors, United States Arms Control and Disarmament Agency (4); Fiscal Assistant Secretary of the Treasury; General Counsel of the Agency for International Development; General Counsel of the Department of the Air Force; General Counsel of the Department of the Army; General Counsel of the Nuclear Regulatory Commission; General Counsel of the Department of the Navy; General Counsel of the United States Arms Control and Disarmament Agency; General Counsel of the National Aeronautics and Space Administration; Deputy Under Secretaries of Defense for Research and Engineering, Department of Defense (4); Director, United States Travel Service, Department of Commerce; Associate Director (Policy and Plans), United States Information Agency; Deputy Director, National Security Agency; Director, Bureau of Land Management, Department of the Interior; National Export Expansion Coordinator, Department of Commerce; Special Assistant to the Secretary of Defense; Director, Bureau of Narcotics and Dangerous Drugs, Department of Justice; Inspector General, Agency for International Development; Vice Presidents, Overseas Private Investment Corporation (3); Deputy Inspector General, Department of Energy; additional officers, Department of Energy (14); General Counsel, Commodity Futures Trading Commission; Administrator, Animal and Plant Health Inspection Service, Department of Agriculture; Administrator, Federal Grain Inspection Service, Department of Agriculture; additional officers, Nuclear Regulatory Commission (5); Executive Director, Commodity Futures Trading Commission; and additional officers, Office of Management and Budget (6);

"(2) 'high-ranking officer of a uniformed service' means a general officer or a flag officer, or an officer of a uniformed service (other than a service of the armed forces) who serves on active duty in a grade equivalent to a general officer grade or a flag officer grade;

"(3) 'general officer' means an officer of the Army, Air Force, or Marine Corps who serves on active duty in the grade of general, lieutenant general, major general, or brigadier general;

"(4) 'flag officer' means an officer of the Navy or Coast Guard who serves on active duty in the grade of admiral, vice admiral, rear admiral, rear admiral (lower half), or commodore; and

"(5) 'armed forces' has the meaning given that term in section 2101 of title 5, United States Code.".

(b) TECHNICAL AMENDMENT.—The table of sections for chapter 11 of title 18, United States Code, is amended by inserting after the term relating to section 224 the following new item:

"225. Former high-level Federal civilian officer or employee or high-ranking officer of a uniformed service representing a foreign principal.".

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall apply to employment or service performed after the date of the enactment of this Act.

GUATEMALA'S ELECTIONS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. GARCIA. Mr. Speaker, an article in the November 11 edition of the New York Times discusses the recent Guatemalan elections. Whether or not those elections will mark a turning point in Guatemalan history remains to be seen. Much depends on the ability of the new Government, whomever leads it, to turn around Guatemala's economic crisis. In addition, ever present in the shadows is the Guatemalan military, waiting to take over at the first misstep by the civilian government. It is too early to predict Guatemala's future, but it is, nonetheless, important that we remain informed of democracy's progress. I am, therefore submitting for the RECORD the Times article on Guatemala.

AFTER 30 YEARS DEMOCRACY GETS A CHANCE IN GUATEMALA

(By Stephen Kinzer)

GUATEMALA—Only five years ago, Marco Vinicio Cerezo Arevalo was a virtual prisoner in his home. Death squads believed to be linked with Government security forces had repeatedly tried to assassinate him, and it was widely assumed that he was high on their hit list. They had killed the country's two most promising politicians, Alberto Fuentes Mohr, a former Foreign Minister, and Manual Colom Argueta, who had been Mayor of Guatemala City. Mr. Cerezo's home was surrounded by armed guards. "If I step outside my front door," he once said, "I'll be killed before I get to the corner."

But Mr. Cerezo survived the violence during the Government of Gen. Fernando Romeo Lucas García. As terrorism against politicians diminished, he set to work rebuilding the Christian Democratic Party. Last Sunday, running as its presidential candidate, he got 39 percent of the vote in an eight-man field—nearly twice as many votes as his nearest rival, Jorge Carpio Nicolle of the National Union of the Center. In the runoff on Dec. 8, many Guatemalans believe, Mr. Cerezo's victory over Mr. Carpio is all but certain.

After Mr. Cerezo's impressive showing, words like "historic" and "profound" cropped up in conversations and newspaper columns. Guatemala has lived under the dominance of military officers and a tiny elite of wealthy landowners for more than 30 years. Mr. Cerezo promised to destroy that partnership and bring democracy to his long-suffering countrymen. "The voters," he said, "have chosen us to bring deep social and economic change to Guatemala."

Mr. Carpio, a wealthy businessman and newspaper publisher, calls Mr. Cerezo a leftist, and argues that the voters will reject the Christian Democrats when they learn more about the party's ideology. But Alfonso Cabrera Hidalgo, a principal Cerezo adviser, contends that the election was "an irreversible demonstration that Guatemalans want fundamental change."

Mr. Cabrera's view was widely shared here last week. Recent studies have shown that Guatemala has Latin America's most unequal structure of land ownership and income distribution. In the last year, Guatemala's currency lost more than half its value and unemployment reached 40 percent. "In Guatemala we have passed from poverty to misery, and we have fallen into a pit of crisis and desperation," said Mario David Garcia, one of the losing presidential candidates.

Besides the acute economic problems, the civilian Government will face the equality daunting task of forcing the military to surrender political and economic power. The change, all acknowledge, cannot be abrupt. Mr. Cerezo has conceded that the new president will have to choose a defense minister from among senior officers acceptable to the high command. Asked if the military would readily give up authority, he replied, "We do not believe in magic."

Said Oscar Marroquin Rojas, a newspaper publisher and veteran political columnist: "What happened Sunday was transcendental for our people. Without a doubt, it was the most important national election in our recent history. But I would advise Vinicio Cerezo to move slowly in his social reforms. There are very powerful people in this country who will move heaven and earth to prevent land reform, tax reform and other changes that the nation is demanding."

As if these dangers were not enough, Mr. Cerezo was reminded last week that there are other factors that could destabilize the civilian government which is to assume power in January. Relatives of people who disappeared during military rule staged a sit-in at the Metropolitan Cathedral in the capital and demanded an audience with Mr. Cerezo. They called for full investigations of past human rights abuses and trials of these responsible, a demand that military leaders find troubling, to say the least. In addition, a low-level guerrilla insurgency is continuing in several parts of the country. The

army may be displeased if the new president opens talks with Marxist insurgents.

By surrendering the presidency to civilians, however, the military is defusing a situation that was becoming explosive. "If the military had stayed in power, they would have provoked a state of war," Mr. Cerezo asserted. He hopes to attract desperately needed foreign aid by changing Guatemala's reputation as a feudal state where terrorists rampage freely. But some analysts here believe the elements of the military will strike against a civilian regime if their institutional power or personal status seem threatened. The former military leader, Gen. Lucas Garcia, and his brother and former army chief of staff, Benedicto, for example, are living on an estate in the highlands, appearing to challenge anyone who might seek to take legal action against them for past abuses.

One night recently, Mr. Cerezo was entering a hotel in the capital and passed through a metal detector at the door. As the detector started to beep loudly, an attendant jumped to his feet. But upon recognizing the Christian Democratic leader, he waved the dignitary through. It is still considered quite understandable that Mr. Cerezo carries a pistol in his belt.

A SALUTE TO WILLIAM BURRUS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. STOKES. Mr. Speaker, I would like to take this opportunity to join with the Cleveland Chapter of the American Postal Workers Union [APWU] in saluting Mr. William Burrus—the national executive vice president of the Union. Mr. Burrus will be honored on November 23, 1985 at a testimonial dinner in Cleveland. On behalf of the residents of the 21st Congressional District of Ohio, I salute Bill Burrus on this auspicious occasion.

Bill Burrus was elected executive vice president of the American Postal Workers Union in November 1980. On that day, he made history as the first black man to be elected to such a high position with the American Postal Workers Union.

Those of us from Cleveland, point to Bill Burrus' achievement with special pride. Prior to his election to the national post, Burrus was the president of the Cleveland area local union for 6 years. He has a long history of involvement and achievement with the American Postal Workers Union. During that time, he earned the respect and admiration of his colleagues. At this time, Mr. Speaker, I would like to share some information on the honoree with my colleagues.

Bill Burrus first assumed a position with the U.S. Postal Service in Cleveland in 1958 as a distribution clerk. He became active with the American Postal Workers Union shortly after entering the postal service as a clerk in Cleveland. In 1971, William Burrus was elected director of research and education of the Ohio State APWU. He was also appointed to the national human relations committee.

In 1978, Bill Burrus was elected chairman of the APWU Local President's Conference. He was appointed regional representative for the maintenance craft in 1980.

As a result of his career with the postal service and the union, Mr. Burrus is regarded as a strong advocate of rights of postal employees. He also has been a key spokesman for the union in the 1981 and 1984 negotiations with the U.S. Postal Service. Moreover, he is regarded as the union's "point man" in addressing national labor-management issues.

In addition to his work with the American Postal Service Union, Burrus has served as a delegate to the Cleveland AFL-CIO for 7 years. In 1980, Burrus became a member of the Ohio Advisory Board of the U.S. Civil Rights Commission. Four years later, he won election to the National Board of the A. Philip Randolph Institute. In the midst of this activism with the union, William Burrus found the time to author several instructional books on labor representation and negotiation. Additionally, he has been the subject of articles in Business Week, Jet, Black Enterprise, and Who's Who in Black America.

As a result of his involvement, Mr. Burrus has been the recipient of numerous awards. Earlier this year, he was the winner of the A. Philip Randolph Achievement Award. This coveted honor is bestowed each year to a black person in the field of organized labor who has been outstanding.

At this time, Mr. Speaker, I would like to join with my friends with the Cleveland local union of the American Postal Workers Union in saluting a former Cleveland and current vice president of the American Postal Workers Union—Mr. William Burrus.

SECRETARY DOLE'S RECORD ON SAFETY

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. SHUSTER. Mr. Speaker, Secretary Elizabeth Dole has really made a mark in the area of transportation safety during her tenure at the Department of Transportation. Many Americans can feel safer as they travel as a result of Mrs. Dole's initiatives.

I am putting into the RECORD a speech made by Secretary Dole before the highway users federation for safety and mobility on the issue of truck and bus safety. It describes many of DOT's current activities in achieving greater truck and bus safety. One thing that is obvious in looking at many of these activities is that a joint effort was necessary between the legislative and executive branches to insure their implementation.

For example, Congress passed the Motor Carrier Safety Act of 1984 late last year. Now DOT under Secretary Dole is beginning to implement the provisions of that act. Using that act as a basis, and through continued cooperation with the Congress, Secretary Dole will be able to greatly improve highway safety.

My colleagues and I on the Public Works and Transportation Committee are committed to working for better highway safety. Thus, we will continue to work with Secretary Dole to protect our citizenry who travel on the Nation's highways.

I commend this speech to my colleagues who seek to know what is being done to improve highway safety.

REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION ELIZABETH HANFORD DOLE

May I say how much I have looked forward to this occasion. It presents an opportunity to engage you who represent the millions of Americans who use and profit from the nation's highways in a dialogue about the future of those highways—and the commitment of my own Department of Transportation to exert leadership in solving the problems and realizing the potential of these, our nation's lifelines.

The Highway Users Federation continually serves as a strong voice to promote highway safety, preservation and improvement. This group and its leaders have rendered outstanding service in past campaigns to encourage safety belt usage, combat the scourge of drunk drivers, and support a wide range of community-based safety programs. For all the membership of this organization has done, I am grateful. But today, my purpose is to look ahead, to what we must do together in the months to come. I am here to describe several initiatives on which I have been working with John Clements and others from your membership. John is a proven national transportation leader—especially in the area of highways and highway safety—and he was one of the individuals who was most helpful when we worked together to secure a clean "ICE" bill.

The initiatives I want to outline today are designed to make what is the finest system of highways in the world better yet. Most of all, I am here today to offer leadership in enhancing truck safety along four million miles of American roads.

It's been said that a journey of ten thousand miles must begin with a single step. The journey which we must travel together, now and in the months to come, will involve many steps, taken on many fronts. One such step was the introduction of legislation yesterday to designate the week of January 26 as National Truck and Bus Safety Week. I harbor no illusions about the long-range impact of such observances—but I am convinced that they can serve to educate, heighten public awareness, and promote legislative responsibility.

During the final week of September, the Department—in cooperation with the states participating in the Motor Carrier Safety Assistance Program and those member states of the Commercial Vehicle Safety Alliance—conducted a nationwide joint inspection effort of commercial trucks. For the first time, all inspectors—federal and state—used the same inspection procedures and vehicle safety criteria, providing nationwide uniformity, increased efficiency and a greater focus on important safety problems. What we found gives cause for concern. Some 41 percent of all vehicles inspected by state personnel were grounded by serious defects, another 15 percent of all drivers

were put out of service due to improper documentation and log book problems. Such numbers are not final. Even so, they suggest the dimensions of a problem we can hardly ignore.

Meanwhile, there is another serious problem we must address, namely the fact that in 20 of our states, any person who is licensed to drive an automobile can also legally drive a tractor-trailer without first meeting any formal state training, testing or operator licensing requirements. Quite frankly, this is outrageous. It should worry any American who drives or rides as a passenger on the same roads shared with tractor-trailer vehicles.

Nor does this exhaust my concerns. What about the ease with which drivers can obtain multiple licenses and records to match? In fact, we have evidence that some drivers—including truck and bus drivers—may possess licenses in several states at the same time. Why? To hide accidents and traffic violations and avoid state enforcement action, such as license revocation. The National Transportation Safety Board has found that three separate levels of commercial driver screening notwithstanding, states continue to license problem drivers to operate heavy trucks.

Consider the case of the tractor-trailer which struck—from the rear—three parked vehicles. The truck driver had two driver's licenses in his possession: one from Colorado and one from New York. His Colorado license had two violations: one for failing to observe a traffic sign and one for speeding. His license issued from New York was under suspension. The co-driver also had two driver's licenses in her possession: one from the State of Louisiana, containing one speeding violation, and one from Kansas, currently suspended because of no fewer than six moving violations. The truck driver and three other people died in the accident. His co-driver and another person was injured.

In another case, no less tragic, a truck passed a stopped school bus displaying its flashing lights and struck and killed a child, who had just left the bus. The driver of this particular truck carried two licenses: one from Pennsylvania with a record of 10 violations, presently suspended, and another from Virginia, with no record of violations. These are but two examples of what can and does happen when unqualified or unsafe drivers are permitted to travel our highways. These are examples of what you and I must move vigorously to clear from the roads of America—now, before they kill or injure more innocent victims.

The Department has already begun acting to make trucks and buses safer. Recently, I gave the motor carrier safety program within the Federal Highway Administration a stronger internal voice by appointing Dick Landis—for many years a senior Highway Patrol Commander in Arizona's Department of Public Safety—to the newly created position of Associate Administrator for Motor Carriers. Our regional officers around the country will now report directly to Dick, who brings extensive experience in state truck safety issues to this new and vitally important position.

One of Dick's first priorities is to take necessary steps to increase safety enforcement activities at the state and local levels to identify unsafe drivers and vehicles. These day-to-day operations are more efficiently conducted at the community—rather than national—level. We are eager to provide the assistance—through federal funds and training—to local people who are out there every day conducting inspections, officials who are more knowledgeable about the conditions in their own communities, who make sure the work is done and who follow a historic American tradition of state control over state roads.

The states have a crucial role—in administering driver licensing programs, truck safety inspection and enforcement through the Motor Carrier Safety Assistance Program (MCSAP) and, of course, through normal safety activities entrusted to state police. At the same time, the federal government has its work cut out for it if we are to achieve more uniform enforcement nationwide. To Washington falls responsibility for better data collection and safety audits, which in turn can define broad patterns of violation. The federal government must provide the tools to help the states get the job done, such as civil penalty actions against persistent violators and effective federal safety regulations.

Another important tool to bolster state enforcement efforts is SAFETYNET, designed by DOT in 1983. SAFETYNET's data base system will make available to state enforcement agencies the BMCS's motor carrier census, safety ratings and enforcement history. It will also act as a repository for information gathered by the states. That information will be available to computer terminals in state agency offices. Even now, there are four states testing the system. And within this fiscal year, we expect to see funding eligibility for necessary hard and software—with SAFETYNET fully operational in all 50 states within the next three to five years.

In order to strengthen our nationwide truck safety system, the Administration called for a state Motor Carrier Safety Assistance Program as part of the milestone highway legislation of 1982. Rather than building a federal police force, we sought to expand state efforts. Under MCSAP, states that enforce federal or compatible state motor carrier and hazardous materials regulations may be reimbursed for up to 80 percent of the cost of expanding these programs. In turn, BMCS personnel and resources can be redirected to audit problem carriers identified by state terminal and roadside inspections, to train state inspectors and to bring civil enforcement penalties against persistent violators.

Since the program began last year, over 2,100 state inspectors have been trained and an additional 650 inspectors have completed courses in the safe transportation of hazardous materials. We expect to train another 500 state inspectors and 250 more hazardous materials inspectors—for a total of 3,500 new inspectors by the end of September 1986. In short, we're getting results. We are finding out what and where the problems are.

State officials are not just pinpointing the problems; they are fixing them. They are giving federal auditors help in identifying repeat offenders. And I will request a 150 percent increase in funding for the Motor Carrier Safety Assistance Program in fiscal year 1987. I am seeking an authorization of $50 million and will make all of this money available to the states, for I believe the states are now ready to put those funds to work. They have, overall, completed the development of programs and are ready for the more costly implementation stage. Equally important, I am asking that these funds be available on a contract authority basis. This will give MCSAP added stability by assuring multi-year funding. It will give states the assurance they need for long-term planning and hiring.

With this increased funding, starting in 1987 the focus will change from recruiting and training to increasing the states' presence on the highways. This will lead to two million additional roadside inspections and 10,000 safety compliance audits of intrastate motor carrier companies.

And there is a smaller, but extremely important, group of drivers and vehicles—those which carry hazardous materials. I have directed the Federal Highway Administration to step up the emphasis on hazardous materials transportation in its administration of the MCSAP program. While the safety record in this field generally has been excellent, there are no laurels to be rested upon—not while the potential remains for a single disastrous accident.

Fortunately, the Department has already taken a big first step by fostering state enforcement capability with our recent and highly successful State Hazardous Materials Enforcement Development Program. Today, through the efforts of some 25 state participants, we have been able to dedicate resources, guidance, and training support toward enhanced safety and improved enforcement procedures. In the process, states have demonstrated their own capacity to more effectively enforce hazardous materials regulations, achieve a greater sharing of the data needed for enforcement purposes and move closer to regulatory uniformity.

To maintain and hopefully accelerate the momentum generated by this program, I have asked the Research and Special Programs Administration, its original sponsor, to hold a series of four regional workshops early next year. These workshops, held in conjunction with BMCS, will enable federal and state officials responsible for hazardous materials transportation to identify solutions to enforcement, training, routing and emergency response problems.

Meanwhile, I want to make sure we are organized to make the best possible use of newly allocated resources. My Safety Review Task Force, which has released reports on the Federal Aviation and Federal Railroad Administrations, is now reviewing the Federal Highway Administration, with a particular emphasis on motor carrier safety and report back to me on what, if any, further steps need to be taken. I am going to take a hard look at our method of auditing and whom we audit—and if additional resources are required we will use them.

Nor will I wait before tackling the issue of problems bus drivers. The Department is scheduling a series of strategy meetings, also in January, to plan a federal/state inspection of the nation's bus fleet. Those states in MCSAP, as well as those in the Commercial Vehicle Safety Alliance along with BMCS, are targeting the safety of commercial bus operations in an intensified inspection effort of passenger carriers. It will be nationwide in its scope.

To improve the Department's ability to enforce federal motor carrier laws, the Motor Carrier Safety Act of 1984 provided for civil penalties of up to $10,000 for each truck safety violation which could lead to a serious injury or death. Thanks to the leadership of Senator Danforth—a pioneer in motor carrier safety—and Representatives Bud Shuster and Glenn Anderson, Congress wisely provided the Department with this civil penalty authority. And I will not hesitate to use it to get deficient vehicles and negligent drivers off our roads. Already, the Department has begun to assess civil penal-

ties. Such violations are not isolated human errors. Rather they are patterns of equipment violations or operating conduct that any responsible business could detect and correct if it were properly fulfilling its safety responsibility to the public. I am pleased to note that this vital legislation was supported by many in the room today.

Another key element is a comprehensive review of BMCS regulations for trucks and commercial buses. And by mid-1986, I look forward to completion of these regulations, ranging from drivers' hours of service and general driving rules, to parts and accessories requirements, inspection, repair and maintenance of vehicles, safety fitness determinations that will apply to all carriers, and notification and reporting of all accidents. We are also considering more stringent qualifications for those who transport hazardous materials. I assure you this review will have my close scrutiny and I have asked the Chairman of my Safety Review Task Force to personally monitor its progress. It will not be "business as usual."

Just this past September, I proposed new rules to improve the safety of tank trucks that carry hazardous gases and liquids, including gasoline. These rules, which are now in the comment period, would require that a large segment of the nation's fleet of truck cargo tanks be retrofitted with stronger manhole cover assemblies and improved pressure relief valves. This will reduce substantially the risk of fire, major leakage and other hazards in overturn accidents. At the same time, tighter requirements for maintenance, repair and inspection will further improve the quality and safety of cargo tanks. We will move expeditiously, upon the closing of the comment period, to analyze these comments and finalize the rules.

I have spoken to partnerships. Trucking companies also share responsibility for ensuring that their drivers are well trained. Therefore, the Department has just issued a proposed minimum federal standard for training tractor trailer drivers. Unfortunately, there has been no such standard until now. We believe that development of such standards is a major step toward instilling the basic knowledge and skills required to operate these large vehicles safely. And by mid-December, the Government Printing Office will have copies of the model curriculum—which contains a complete, ready to teach, 320-hour course.

The inspection and enforcement programs I have discussed this morning are crucial to our safety effort. They alone will not suffice, not so long as there is an inherent problem in the licensing system in this country. In truth, the state driver licensing systems are the only programs which reach all drivers routinely and, in most states, at regular intervals. These systems stand out for their potential to manage at least somewhat the general driving population, as well as identified problem and impaired drivers.

Currently, 31 states have some form of classified licensing system. Thirty states and the District of Columbia have joined the Driver License Compact, an association of states which have agreed to support the concept of one license and one record for each driver and to provide license records to member states. The compact is a major step forward, but each of us in this room committed to truck safety must tackle this problem. After all, offenses such as drunk or reckless driving, or deaths caused by accidents are no less serious for being committed in some jurisdiction other than the driver's home state.

This abuse signals a crucial need for *all* states to have single and classified licensing systems. This is appropriate as a state responsibility, but the Department and the private sector must join together to educate the public to encourage state governments to enact legislation to implement these systems—now.

Recently, we discussed this problem with representatives of the private sector, including the Highway Users Federation, the American Trucking Associations, the Private Truck Council of America and the Teamsters. I am pleased to report that they all are eager to join our efforts in support of single and classified licensing.

The next step in that process is a big one—development of a national coalition with affiliates in target states. With the resources of my office, and those of the entire Department solidly behind this effort, I call on you here today to join with me in encouraging states to take seriously their responsibility to improve highway safety by acting now to ensure that only qualified drivers operate the nation's trucks and buses, and to guarantee that violators are taken off our highways and no longer permitted to hide behind multiple licenses. We can no longer sit by and allow needless deaths to occur at the hands of drivers who, by any standard, have forfeited their right to sit behind the wheel.

I am delighted that you have agreed to cosponsor, along with the American Association of Motor Vehicle Administrators (AAMVA), a one-day workshop devoted to licensing issues. During the workshop, private and public sector organizations across the board—such as the Department, the National Governors' Association, the National Conference of State Legislatures and trucking groups—will be working to create a more effective driver licensing system and to encourage full participation by the states in the Driver Licensing Compact. For my part, I am writing to every Governor in the nation, informing them of our efforts and urging them to strongly support the adoption of classified driver license systems. In a few days, I will also meet with the Executive Committee of AAMVA to discuss truck safety issues and urge the adoption of single and classified license systems. And I'll be meeting early next month with the Council of State Governments to talk with leaders of state governments to enlist their support in this important effort.

I want to point out that there is one group whose commitment and support to truck safety has been second to none—the trucking industry itself. Just last month, the American Trucking Associations launched an impressive—and comprehensive—driver safety program. I was delighted to welcome ATA's President, Tom Donohue, as a member of our National Motor Carrier Advisory Committee, and I appreciate the opportunity to work with Tom, whose education and determination are unquestioned.

Ladies and gentleman, we have a problem to address. And I want you to know how much I care about this and how dedicated I am to resolving it—with your input and your assistance. How often is it that any of us have the kind of opportunity before us now to make that positive difference for people?

There is no one easy answer to the problem of truck safety, and we can't fix it overnight. But what we do know is that you can't do it alone and we can't do it alone. I welcome your suggestions and ideas and I look forward to the opportunity to work with you. Only together can we comprehensively address the issue of truck safety and make our roads safer for all our citizens. An extensive, combined effort of federal involvement, state enforcement, private sector initiatives and public concern is sure to win results.

Together, we can convey the importance of our message to the users of our highways. From the bottom of my heart, I thank you for your hard work and your commitment. I rely on your support.

Thank you very much.

ORTEGA'S OMINOUS OFFENSIVE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LAGOMARSINO. Mr. Speaker, the repressive measures adopted by the Sandinista regime in Nicaragua are continuing evidence that further consolidation of that government's power must be opposed. The Democratic Resistance in Nicaragua is attempting to pressure the Sandinistas to moderate their regime and to accept democratic rules for governing. The reality, however, is the Sandinistas refuse to abide by their promises to the Organization of American States made in July 1979 to protect human rights, promote democratic government and economic pluralism.

Cord Meyer describes in a recent commentary in the Washington Times the need for assistance to the Democratic Resistance that is not restricted only to nonlethal purposes.

ORTEGA'S OMINOUS OFFENSIVE

At the cost of alienating many of their sympathizers in the United States and Western Europe, the Sandinista comandantes in Managua have decided that the time has come to intimidate, disorganize, and finally disperse the growing internal opposition to their repressive rule.

In a revealing interview in New York, President Daniel Ortega admitted that his sudden suspension by decree on Oct. 15 of nearly all remaining constitutional rights and freedoms in Nicaragua was based on a determination to avoid the mistakes made by Salvador Allende in Chile in 1973. Complaining that Mr. Allende's extreme respect for "legal forms and juridical niceties" led to the overthrow of his Marxist regime, Mr. Ortega made it clear that he would use whatever force was necessary to prevent the growth of organized, lawful opposition.

In fact, the Sandinista regime is already engaged in a pre-emptive crackdown on every serious challenge to the consolidation of a one-party police state. The few remaining small democratic parties allowed to survive for appearance's sake after last fall's carefully rigged election are being ruthlessly pressured into conformance.

For example, the two principal leaders of the small, surviving Social Christian Party were recently summarily arrested and held for five hours of hostile interrogation by Lenin Cerna, head of the Sandinista security apparatus. After being threatened with physical harm to their children if they did not toe the line, they were let go.

Similarly, Virgilio Godoy, leader of the small Liberal Party, stated recently, "We

cannot get people out of their houses to a rally because we cannot give them a guarantee that nothing will happen to them afterward."

Fearing free-labor demands for wage increases, the Sandinistas have harassed the non-Communist unions, broken their strikes, and threatened their leadership. Even the one surviving bulwark of a free press, *La Prensa*, has been so riddled by continuous censorship that it has become a shadow of its former self.

As Mr. Ortega admitted in his New York interview, the one source of widespread popular opposition to Sandinista rule that has not yet been cowed is the Roman Catholic Church under the courageous leadership of Cardinal Miguel Obando y Bravo. The cardinal ignores government orders to remain in Managua, and wherever he goes, even to the primarily Protestant east coast, huge crowds gather.

The cardinal has taken up the popular cause of opposing the drafting of seminary students and has questioned the right of a one-party dictatorship to draft citizens into an army that is not national but party-dominated. Confiscation of church newspapers, police raids on church offices to seize documents, and denial of the right to broadcast church services are the initial hard-line reactions of the Sandinistas.

As a logical extension of this suppression of democratic liberties, Mr. Ortega has turned to the Soviet bloc not only for weapons and technicians to equip his oversized army, but also for the funds and supplies to keep the civilian economy going.

At a recent meeting in Managua of Comecon, the Soviet bloc's economic organization, new economic commitments to Nicaragua were made by the Soviets, who are prepared to pay a high price for the consolidation of a Marxist regime in a Central American country which offers potential naval bases on both the Atlantic and Pacific Oceans.

In the shadow of this pre-emptive destruction of what remains of democratic rights in Nicaragua, the decision of the U.S. Congress last June to restrict the Nicaraguan guerrillas to only $27 million of humanitarian and non-lethal assistance seems in retrospect to have been naive in the extreme.

As Alfonso Robelo, one of the leaders of the "contras," pointed out in an interview in Costa Rica, an effect of this official U.S. grant was to reduce the amount of private funding that had previously been available for the purchase of weapons.

In the meanwhile, the Soviets have completed delivery of Mi-24 Hind helicopter gunships to the Sandinista forces. With their mobility and firepower, they have proved formidably effective against the attempts of the "contras" to expand the territory they control inside Nicaragua.

Compared with no official American aid of any kind, the $27 million worth of food, clothing, and medicine that the Congress is providing has proved a useful holding operation. The funds have been intelligently administered to strengthen the unity and democratic orientation of the "contra" leadership.

But Reagan officials admit that time is on the side of the Sandinistas as they take advantage of the refusal of the U.S. Congress to grant badly needed military assistance. The only real hope for the internal opposition and the external resistance is recognition by a bipartisan congressional majority that non-lethal aid is not enough.

THE NICARAGUAN EMBARGO

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. GARCIA. Mr. Speaker, Clyde Farnsworth of the New York Times wrote an article for the Sunday edition on the effect of the U.S. embargo of Nicaragua. It seems as if it may be helping them more than hurting them. I submit the article for my colleague's perusal.

[From the New York Times, Nov. 10, 1985]

EMBARGO ON NICARAGUA APPEARS OF LITTLE EFFECT

(By Clyde H. Farnsworth)

WASHINGTON, Nov. 9.—The embargo on United States trade with Nicaragua, imposed in early May, has yet to result in more than a ripple in Nicaraguan economic activity.

Not one other country has followed up President Reagan's action with an embargo of its own. Spain, France, Canada and other countries have replaced the United States as buyers of Nicaraguan exports.

Nicaragua's public transportation system, sugar processing plants and electric power stations have yet to break down because of a failure to obtain American spare parts.

The embargo decision was justified as punishment of the Sandinista Government for its "aggressive activities in Central America."

But the United States did not have much trade left with Nicaragua to embargo after a progressive worsening of relations over six years of Sandinista rule. Imports from Nicaragua, last year were only $57 million, about a quarter of 1980's figure. Exports fell to $110 million, half the 1980 level.

After imposition of the sanctions, Nicaragua's President, Daniel Ortega Saavedra, who had been in Moscow when the sanctions were announced, reported that the "U.S.S.R., the socialist community and Yugoslavia" had made $202 million in aid commitments. He said he received $200 million more in commitments from Western Europe.

THE BACKGROUND

Economic sanctions are a widely used, hotly debated tool of international diplomacy going back at least to ancient Greece. President Carter's grain embargo against the Soviet Union and Mr. Reagan's restrictions against the Soviet-West European natural gas pipeline are recent examples. The Administration recently introduced mild sanctions against South Africa.

When the League of Nations moved to apply sanctions against Italy after its invasion of Abyssinia in 1935, a former British Prime Minister, David Lloyd-George, said jokingly that they "came too late to save Abyssinia, but they are just in the nick of time to save the Government," meaning the British Government.

The Nicaraguan embargo is just the latest in a series of hostile acts against the Sandinistas, who the Administration says have sought to "destabilize" their Central American neighbors and refused to introduce democratic changes.

Through a Central Intelligence Agency covert operation, the United States mined Nicaraguan harbors. It has tried to stop international lending to Nicaragua and has actively supported anti-Sandinista rebels.

When the Sandinistas came to power on July 19, 1979, after an insurrection against Anastasio Somoza Debayle, the story was much different.

The new Government told the Organization of American States that it favored a democratic, pluralistic system, and the United States not only offered $120 million in aid but also supported loans from institutions such as the World Bank.

In its last months, the Carter Administration warned Managua against sending weapons to guerrillas in El Salvador. The Reagan Administration suspended the aid program as relations began to deterioriate.

The embargo followed rejection by the House of President Reagan's request for $14 million in nonmilitary aid to the anti-Sandinista rebels. Many House members were embarrassed to learn later of Mr. Ortega's visit to Moscow.

That was one of the factors in the House about-face on June 13, when it voted, 248 to 184, to send $27 million in nonmilitary aid to the rebels.

A parallel measure had passed the Senate, and the aid program is now under way. In recent weeks, there has been a Sandinista offensive against rebel forces and a crackdown on civil liberties. Administration officials said last week that there had been a "serious increase" in Soviet arms shipments to Nicaragua.

FOR SANCTIONS

The principal argument in favor of sanctions is that they are needed to punish the Sandinista Government both for its failure to provide political freedom, end censorship and otherwise liberalize and for what the White House calls its "increased aggressive behavior" against its neighbors—Honduras, Costa Rica, El Salvador and Guatemala.

When the House initially denied aid to the rebels, some Democrats argued that economic pressures would be preferable to military ones, a point the Administration now makes in defending the sanctions.

Even if Nicaragua neutralizes the trade embargo by stepping up its trading with other countries, including the Soviet Union, advocates say the sanctions are an added cost for the already strained Nicaraguan economy and thus hurt the Sandinista cause.

The inability to get American spare parts for machinery, for example, would cause further economic dislocation and political ferment, which might induce the regime to carry on more exchanges with the political opposition, according to this argument.

If there is no change in Sandinista behavior, the United States is still seen to be "doing something," proponents say, and from the perspective of American leadership in the world the psychological factor is important.

AGAINST SANCTIONS

Those opposing the embargo say that rather than weaken the Government and spur talks with the opposition, it will undermine the opposition and further drive Managua into the hands of Moscow.

The lack of spare parts, they argue, will bankrupt the few private companies left, leading the Sandinistas to tighten their grip on the economy and reinforce their political control.

In fact, the argument continues, sanctions impose only a marginal cost on the economy, which is easily absorbed. Nicaragua has already found the new markets for its bananas, coffee, shrimp and other products in

Europe and Canada, regions that can readily supply its industrial needs.

Several Governments, including those of Canada, Italy and France, pointedly reminded the United States after the embargo was imposed that they did not support it.

For the embargo to have any bite, opponents say, it needs broad international backing.

In the seven months that the embargo has been in effect, there has been little measurable impact. "It can't be helping them, but to what degree it's hurting we can't say," a Commerce Department official said. A Western diplomat stationed in Managua said recently that as far as he could tell, Nicaragua had not been damaged "at all" by the embargo.

In arguing that sanctions drive Managua into the arms of Moscow, embargo opponents note that the Russians, in addition to stepping up arms shipments, recently promised to supply practically all of Nicaragua's oil needs. The Russians delivered on a similar promise to Cuba 24 years ago.

In fact, sanction opponents note that Nicaragua has done quite well with his Soviet connection. They cite a figure used by Mr. Reagan in mid-May when he said the "Soviets and their friends" had pumped $2 billion into Nicaragua since 1981.

Nicaragua recently reached agreement with its private bank creditors on a one-year stretch-out of $295 million in overdue loan and interest payments. About half of the 130 banks involved are American. The deferral is a sign, embargo opponents say, that the sanctions have not had any effect on Managua's creditor relationships.

THE OUTLOOK

The one thing on which both opponents and supporters of Nicaraguan sanctions agree is that they will be in place a long time.

The principal reason is that no important domestic constituency has been seriously hurt by the trade rupture, and therefore no one is arguing strenuously that it be mended.

Importers of bananas have incurred some losses, but by and large leading multinational companies have not been affected. Pressure from multinational companies led to suspension of the sanctions against the Soviet-West European pipeline after protracted negotiations in 1982.

For their part, the Sandinistas expect to gain more in aid from the Soviet bioc than they lose from the severing of trade ties with the United States. They appear to be in no hurry to make concessions.

"I can see it going on for years," said an expert on sanctions, Gary Hufbauer, a former Assistant Secretary of the Treasury and now the Wallenberg Professor of International Finance at Georgetown University.

THE STATELY HOMES OF FLUSHING

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. SCHEUER. Mr. Speaker, a recent column by one of our Nation's most widely read humorists, Art Buchwald, recently focused on a community in my congressional district. Flushing, one of New York City's most historic and vibrant neighborhoods, is home to an ethnically diverse and sophisticated residential population.

So sophisticated, in fact, that I think they as well as my colleagues from New York and elsewhere will enjoy Mr. Buchwald's "Guide to Stately Homes of Flushing."

[From the New York Post, Nov. 7, 1985]

GUIDE TO STATELY HOMES OF FLUSHING

(By Art Buchwald)

Years ago when Jackie Onassis was the first lady of our land, she conducted a TV tour of the White House. My sister was so inspired by the event that she gave me a tour of her three-room apartment in Queens.

I was under the impression that she had retired from the stately home business until I received a call from her the other day.

"The British swells have sent their greatest art treasures to the National Gallery in Washington this month," she said. "What are we sending them in return?"

"Nothing special that I know of," I said.

"That's what I thought. My girlfriends and I have a great idea. In exchange for the English lending us their heirlooms we would like to ship them treasures from the homes of Flushing."

"You told me the people of Flushing would never let their heirlooms out of their houses."

"We're now willing to do it provided they are insured by Lloyds of London."

"Who is we?"

"A few homeowners in my neighborhood. We call ourselves the 'Magnificent Six.' We would have been the 'Magnificent Seven' except Martha Bordinsky's slipcovers won't be ready for months.

"The thought we had is that if the British are willing to display what they have in their stately homes we should give them some idea of what we have in ours."

"What art treasures are you prepared to send to them?"

"I'm willing to lend 'The Blue Boy'—the one I bought in a garage sale in Astoria last year."

"Did you ever find out if it's the original 'Blue Boy' or not?"

"The man who sold it to me said if it wasn't the original it came awfully close. I'm not the only one willing to part with treasures. Doris Dembow wants to send a needlepoint sampler which she made herself, titled 'God Bless Our Home.'"

"That's classy. The only place I've ever seen anything like it was in a Hallmark greeting card shop."

"Barbara Lupin has offered to part with a color photo of her grandchild. She says it has never been shown in public before. But she won't lend it unless a guard is stationed in front of it day and night."

"The Tate Gallery has plenty of guards. What other treasures would you like to send to London?"

"Laura Brown has a pair of Ron and Nancy Toby mugs which she purchased in Atlantic City. They were crafted by skilled artisans in Hong Kong, and the shopkeeper told Laura that they were already collector's items."

"I may be wrong, but I don't believe the British have ever seen a Hong Kong Toby mug before."

"What we're trying to do is organize our treasures so that it gives the English some idea of how the bluebloods live in Flushing.

"We have Myra Stieglits' nearly talked into parting with her queen-size sleeper sofa. It's an heirloom because it has been used by three generations in her family."

"What is so special about it?"

"In the daytime it can seat three people, and at night all you have to do is remove the cushions and it turns into a bed."

"Why is Myra hesitating?"

"She's afraid that if the Tate Gallery borrows it, her kids' friends won't have anyplace to sleep when they come home on school vacation."

"You seem to have everything under control. Why did you call me?"

"The girls wondered if you would contact Prince Charles and Princess Di and ask them to stop by to preview our art treasures on their way to Kennedy airport."

"I would be happy to. One more thing. I'm curious about how you selected the masterpieces for the exhibit."

"We all closed our eyes and thought of England."

A SALUTE TO CHET MAKOSKI

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. STOKES. Mr. Speaker, thank you for giving me this opportunity to join with the Cleveland Trade Union Council for Histadrut in saluting Mr. Chet Makoski, international vice president and business manager of the Amalgamated Clothing and Textile Workers Union. Mr. Makoski will be honored at a testimonial dinner for his contributions to the labor movement in Cleveland and the community at large in Cleveland on Sunday, November 17, 1985.

At this time, I would like to share with my colleagues some of the details of Chet Makoski's noted career with the union in Cleveland. He is clearly one of the most popular labor leaders in Cleveland and the State of Ohio. This is a result of his unswerving dedication through the years to improving the lives of union members.

Mr. Speaker, Chet Makoski seemed destined to work with the union movement. Before moving to Cleveland, his family lived in the southeastern coal fields of Ohio. His father was an activist with the United Mine Workers Union. By watching his father, Chet Makoski learned a great deal about the importance of labor unions.

After serving in the U.S. Marine Corps, Chet Makoski returned to his job in Cleveland with the Willard Storage Battery Co. and became the union steward and trustee for UAW Union Local 88. Mr. Makoski later was elected local union president and full-time representative for 10 consecutive terms. He became the first president of the Intra-Corporation Council, senior vice president of the National Council of Battery Workers and won national bargaining rights and a national contract with Electric Storage Battery Co.

In 1960, he was appointed to the position of international union representation and organizer with the Cleveland Joint Board, Amalgamated Clothing and Textile Workers Union, AFL–CIO, CLC. As an organizer, Makoski was successful in bringing into

the union more than 1,000 members. His responsibilities included negotiating contracts in the Cleveland area and also in Central and Southwestern Ohio.

Because of his achievements, in 1979, Chet Makoski was elected joint board manager. In April 1984, he was elected international vice president, ACTWU, AFL-CIO, CLC and is a member of its general executive board.

Mr. Speaker, in addition to his primary union duties, Chet Makoski is the vice president and executive board member of the Cleveland Federation of Labor and is chairman of the Federation COPE Scanning Committee. Since 1978, Makoski has been the vice president and an executive board member of the Ohio AFL-CIO. In 1979, he became chairman of the Cleveland Trade Union Council for Histadrut. Finally, he is a committee member of the Labor Education and Research Department and Advisory Committee of Ohio State University.

In addition to these numerous positions with the union, Chet Makoski has given of his time and talents to many civic and community groups. He is an active member of the Cleveland Roundtable, Labor Management Forum and a trustee of the Northeast Ohio Epilepsy Foundation. In 1984, he was reappointed by Ohio Governor Richard Celeste to the Air Quality Development Authority. Currently, Chet Makoski is the vice chairman of the Authority.

At this time, Mr. Speaker, I ask my colleagues to join with me in saluting Mr. Chet Makoski.

BILINGUAL EDUCATION: CONSTITUENTS RESPOND TO SEC. BENNETT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. GARCIA. Mr. Speaker, recently Secretary of Education William Bennett attacked the new Bilingual Education Act, passed by an overwhelming bipartisan majority in Congress last fall. The responses from people who administer this program—and who know best the performance of the program—have been coming in from all over the country. I want to share with my colleagues a letter that represents the feelings of the people writing these letters. I think the content of the letter will help to demonstrate that Congress should continue to support this program.

SLINGLERLANDS, NY,
October 31, 1985.

Congressman ROBERT GARCIA,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN GARCIA: In the past several weeks, as a result of comments made by William Bennett, Secretary, U.S. Department of Education, the bilingual education program (and the Congress which has supported this) has come under attack in the media.

Attached is a copy of a letter I prepared responding to Mr. Bennett. This is the first time in my life that I have written a personal letter to a public official. After nearly 15 years of working with children and linguistic minority communities this is how strongly I feel about this issue.

I urge you to review the attached. I think its contents will help to demonstrate that Congress should continue to support this program.

Sincerely,

THOMAS E. HOGAN.

SLINGERLANDS, NY,
October 17, 1985.

Dr. WILLIAM BENNETT,
Secretary of Education, U.S. Department of Education, Washington, DC.

DEAR SECRETARY BENNETT: Your recent comments concerning bilingual/bicultural education and many of the editorials that followed undermining the value of languages and cultures other than English encouraged me to reflect back over my 15 year career as a historian and educator involved in public education—on a New York State Indian reservation, with Hispanics, and with programs serving limited English proficient children from over 90 other linguistic minority backgrounds.

In the early 1970's I was employed a Home-School Coordinator by the Salamanca, New York, City Central School District. The source of funds was the Indian Education Act of 1972. The goal of the program was to reduce an incredibly high dropout rate among secondary Native American students from the Allegany Reservation of the Seneca Nation of Indians' and, to increase the incredibly low average daily attendance of these students. My first year's activities were those of a truant officer—except that I had a fancier title.

As a former historian it soon became apparent to me that the dropout and attendance situations were *symptoms* and that the *problems* were the result of over 100 years of implementation by Federal, State and church officials of an "English only" policy similar in many ways to the one you are now espousing. That is, policy sought to rapidly assimilate all members of linguistic minority communities. The crucible in which everyone was to be "melted" was the American educational system.

The effects of this policy were explained to me one evening in the Seneca Nation community building at Steamburg, New York when dozens of senior citizens—many of them elders from Coldspring Longhouse—told how they had been spanked, slapped, and sent to the coatroom for speaking Seneca, their native language. Middle-aged Seneca conveyed how they had been ridiculed and called "pagans' by both teachers and classmates. Seneca then of school age were treated in a more subtle fashion. By that time there was nothing in the school curriculum that dealt with their language or culture and their contributions to the American heritage. The great paradox to me was the fact that much of the school system the Allegany Seneca attended was built on their land.

That evening I decided to do what I, a non-Indian educator, could to initiate change. With the support and assistance of many Indian and non-Indian teachers, administrators and community members the Seneca language, culture and history were incorporated into the school's curriculum and extra curriculum. Hundreds of thousands of State, Federal, tribal and local dollars were expended over the next decade in support of these activities.

Once, as these changes were being made, I sat in the Denver, Colorado airport awaiting a flight back to the reservation from an educational conference. A well dressed businessman seated next to me struck up a conversation asking "What do you do for a living?" I responded "I work in bilingual education." He said "If those people don't want to speak English why don't they go back to where they came from." Needless to say, he had a very sheepish look when I told him that I worked in American Indian bilingual education!

Back in Western New York, Native American children reacted to our initiatives by coming to school more frequently and dropping out less often. A significant factor in this was that they no longer felt that they were second class citizens, or, that what they were—Native Americans—was something of little of no value in the eyes of their teachers and fellow students.

I was very gratified this past summer (1985) when a local teacher in Salamanca told me that despite the fact that these programs are now being eliminated due to fiscal constraints that there was one glaring benefit. She said, "A whole generation of Indian and non-Indian students have been taught not to hate." I was also extremely pleased when in mid-October 1985 another Western New York teacher showed me a clipping from the local newspaper concerning the newly elected king and queen of the high school homecoming—BOTH WERE SENECA INDIANS. Both were selected by their peers—of which about 2/3 are non-Indians. He remarked that this would never have happened in the past.

These are but a few of the positive effects on children of bilinqual/bicultural education and the funds spent. These are, I think, some of the things the Congress had in mind over the last decade when they made this possible. Things like these have been the correct American response to the 1969 U.S. Senate report entitled "American Indian Education: National Tragedy, National Dilemma."

For my friends in the private business sector I would also like to point out that your reference to the millions of dollars spent nationally in efforts such as this also implicates them. At the local level we bought a xerox machine and an IBM typewriter. Countless numbers of companies benefited when we, as a program, purchased equipment and supplies, conducted meetings and traveled for program purposes. Our staff members did likewise when they cashed their payroll checks and bought groceries, gasoline, etc.

Did we preserve the native language through these efforts Mr. Secretary? Unfortunately for the New York State and American Heritage we did not. With students coming to school more frequently and staying for more years and displaying more interest in school we accelerated the assimilation process. When considering education policy for linquistic minority communities I recommend that you consider this example from the first Americans. What you are proposing has been tried. It doesn't work and, it costs more money in the long run—in terms of low educational achievement and thwarted opportunities for chilren to participate fully in the American society and work force.

Respectfully submitted,

THOMAS E. HOGAN.

THE 1985 BOOBY PRIZE FOR THE NOBEL COMMITTEE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. COURTER. Mr. Speaker, as the following essay by Steve Forbes points out, the Norwegian Nobel Prize Committee must have been feeling a bit out of sorts the day they voted to award the 1985 Nobel Peace Prize to the International Physicians for the Prevention of Nuclear War [IPPNW]. Otherwise, such a distinction would never have been awarded to a group which has made its name promoting Soviet propaganda objectives, most notably, an inequitable and totally unverifiable moratorium on nuclear weapons testing. Surely there are a myriad of groups and individuals in the world who are more worthy and deserving of the Nobel Peace Prize. The most charitable point that could be made about the United States and Soviet doctors who head the group is that they have demonstrated it is possible for ordinary Americans and Soviets to agree on arms control matters: They both agree that the United States is to blame for the arms race and the current impasse in the arms reduction negotiations in Geneva, which is the same kind of arms control tonic that the Soviet Union has been prescribing for many years. The reputation and credibility of the Nobel Prize Committee has not been so seriously in question since Henry Kissinger shared the Peace Prize with the North Vietnamese Foreign Minister. I urge my colleagues to read the article from Forbes magazine that follows:

The 1985 Booby Prize goes to the Norwegian Nobel Committee for awarding its peace prize to the International Physicians for the Prevention of Nuclear War. The IPPNW was founded five years ago by U.S. and Soviet physicians to warn the world that nuclear war poses hazards to people's health.

What is unsavory is the notion that this is simply a group of like-minded physicians from around the world. Nothing could be further from the truth. No Soviet doctor could join an organization like this unless he and it were vetted by the Communist Party. Genuine activists languish in Russian jails.

Thus it is no surprise to learn, as the *Wall Street Journal* recently revealed, that one of the leading Soviet physicians in this organization has been a vigorous defender of the practice of psychiatric torture of dissidents. No surprise, either, that while the group's antinuclear literature is available in the West, is it proscribed in Russia.

These medicine men are more eager to pounce on Uncle Sam than on the Red Bear. For example, when the award was announced, the committee's American head called upon the Reagan Administration to follow the Soviet lead for a moratorium on nuclear testing for the remainder of the year. No mention was made that the Soviet move came after it had completed its own extensive tests.

The Norwegian Nobel Committee blew it, this year they should have taken a powder.

PUBLIC FCC HEARINGS ON LICENSE TRANSFERS

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BRYANT. Mr. Speaker, today I introduced a bill which will require the Federal Communications Commission to hold public hearings, in certain instances, before it acts to transfer or assign broadcast licenses involving waiver requests. With the rash of hostile and friendly takeovers in the broadcast industry reaching a fever pitch, it seems appropriate to remind the FCC of its responsibilities to the public interest and this is the driving force behind my proposal.

For the past several months, I have been communicating my concerns to the FCC particularly with regard to its handling of the license assignment request filed by Rupert Murdoch's News America Television, Inc. None of my correspondence has been fully and satisfactorily answered. My requests for a public hearing in the Murdoch case have been ignored, as have similar petitions from responsible consumer groups. The time has come to let the FCC know that it must meet its obligations to the American public.

License transfers in and of themselves are not detrimental to the public interest, but transfers hidden behind closed doors at the FCC make me question whether the public trust can be properly served by either the FCC or the potential licensee.

I also have serious reservations, in the case of the FCC-Murdoch relationship, about possible double-standard treatment afforded Murdoch's license transfer application. Several years ago, the same FCC which is breaking all track records to approve the Murdoch deal, summarily dismissed a license application filed by a resident legal alien because, although he had applied, he was not yet a citizen. Although Mr. Murdoch was not granted citizenship until September 4, 1985, the FCC accepted his application when it was filed on June 24. At best, this apparent double standard smacks of favoritism.

Along with the broad public policy concerns which can only be addressed in a full evidentiary hearing conducted in public, questions of favoritism and unseemly haste can be aired only when the Commission is required to hold such sessions. The bill I am introducing today simply requires the FCC to hold an open, public hearing when a license transfer and waiver application is filed and a petition to deny that license assignment or transfer has also been filed.

I do not consider that this legislation will be a burden on the Commission, but rather that it is a means to guarantee a continuation of FCC precedent in such matters and to assure the public that those persons granted the public trust embodied in a broadcast license will know that trust is well-placed. I commend this measure to my colleagues' attention and seek their cosponsorship.

H.R. 3723

A bill to amend the Communications Act of 1934 to require that the Federal Communications Commission hold hearings prior to the granting of any license transfer that involves a request for waiver of Commission ownership rules

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 310(d) of the Communications Act of 1934 is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Commission shall designate for hearing pursuant to section 309(e), any application seeking to acquire a license by transfer subject to paragraph (1) of this subsection, if such application includes a request for waiver from any Commission rule, and a petition to deny has been filed, relating to the ownership of communications properties under sections 63.54, 73.3555, and 76.501 of title 47 of the Code of Federal Regulations.

ROLLINS AGENCY, INC. FETED ON 75 YEARS' SERVICE

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DIOGUARDI. Mr. Speaker, one of the driving forces behind our great Nation has been our citizens' quest to achieve the American dream, to build success through sweat, innovation, and pride in their work and business.

Seventy-five years ago, a man who was the embodiment of this dream opened an insurance agency in Bronxville, NY. Today, the dream of this man lives on and his family is now celebrating the diamond anniversary of his company, the Rollins Agency, Inc.

Founded in 1910 by Marland W. Rollins as a local insurance agency located in Bronxville, NY, Marland ran the company for 40 years and took it from nothing to a company with a premium volume of $400,000. He incorporated it as Marland W. Rollins, Inc. in 1929, and operated under the same name until 1966.

Marland resigned in 1945 but remained as consultant until his death 5 years later. His son, Markham F. Rollins, Sr., took over as president in 1945 and stayed with the business until 1966 at which time it was sold to his son, Markham F. Rollins, Jr. When Markham, Sr. sold the business the premium volume was up to $600,000.

Markham, Jr. took the operation over in 1966 and has been its president to this day. The agency is now known as the Rollins Agency, Inc., and boasts a 1985 premium volume of $17 million.

The fourth generation Markham F. Rollins III, has been working with his father for 5 years and has recently been joined by his brother, Charles J. Rollins. They both look forward to the responsibility of continued growth and service to the community.

Rollins is one of the oldest families in Bronxville. They are all very proud of their family history and place in Bronxville. All of the Rollins have been very active in the local community. Marland and Markham, Sr. were both very active in the Bronxville Engine Company, Bronxville Boy Scouts, and village affairs. Marland was also one of the founders of Christ Church in Bronxville. Markham, Jr. is past president of Bronxville Rotary Club and chamber of commerce.

The agency has undergone many changes since its inception in 1910. The most drastic changes and growth have taken place since Markham F. Rollins, Jr. took over in 1966. Through a combination of hard work, aggressive market activities and dedication he has accomplished this growth. At the same time he has been able to offer the high quality of service that the clients and community deserve.

Mr. Speaker, I would like to extend my congratulations to the Rollins family and I am sure the people of Westchester can look forward to another 75 years of dedicated service.

THE ROSMAN FAMILY OF ODESSA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. TORRES. Mr. Speaker, I would like to bring to the attention of my colleagues a Soviet Jewish family who is seeking permission to emigrate to Israel.

The Rosmans—Victor Ilich, Lina Nathanovna, and Yevgeny Vyctorovich applied for permission to join a sister living in Israel in 1979. Permission was not granted in spite of the fact that Lina Rosman's sister, who lives in Israel, sent a personal invitation for the siblings to be reunited. In 1983, Victor Rosman's son, who lives in Israel, sent an invitation to his father seeking their reunification in their homeland, Israel. When Victor again applied for permission to emigrate, it was denied.

The case is clearly one of family reunification and repatriation to the Jewish homeland of Israel. Refusal to allow the Rosmans to emigrate to Israel is contrary to the consensus at Madrid to strenghthen the provisions of the Helsinki Final Act.

I call on President Reagan to take a list of names of Soviet Jews, including the Rosmans, to the Geneva summit conference later this month. The President should make the issue of Soviet Jewry a high priority on the agenda of the summit. I would encourage the President to stress to Mr. Gorbachev the need for substantial improvement in human rights conditions and the release of Soviet refuseniks and prisoners of conscience.

PERSONAL EXPLANATION

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BATEMAN. Mr. Speaker, I would like to explain my absence from two recent votes. On October 17, I missed a vote on the rule to consider the Daylight Saving Time Extension Act. At the time of the vote I was meeting with Assistant Secretary of the Army Robert K. Dawson, and representatives from the Gloucester County, VA, Board of Supervisors. We were discussing the permitting problems which the county has faced regarding the Beaverdam Reservoir. Construction of this reservoir is of crucial importance to the county, and I was not able to leave the discussions of this project to vote. If I had voted, I would have voted in favor of the rule.

On October 31, I missed a vote on approving the Journal. At the time of the vote I was participating with my colleague from Maryland, ROY DYSON, and with Senators WARNER and SARBANES in a panel discussion of the role of the Congress in the cleanup of the Chesapeake Bay. The discussion took place at a seminar on the bay sponsored by the Secretary of the Army. Since I consider the bay cleanup to be of great significance, I felt that it was important for me to participate in the seminar. If I had been able to vote, I would have voted to approve the Journal.

NATIONAL ORGAN AND TISSUE DONOR AWARENESS WEEK

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. MORRISON of Washington. Mr. Speaker, today I have the privilege of introducing a joint resolution authorizing and requesting that our President issue a proclamation designating April 20 through April 26, 1985 as "National Organ and Tissue Donor Awareness Week."

Mr. Speaker, I honestly can't think of a better time of the year to introduce a bill which is intended to focus attention on the greatest gift of all, that of life, than at the start of the holiday season that we Americans most associate with giving. Thanksgiving is just a few short weeks away and Christmas and Hanukkah are not far behind.

Donation is a gift of time, a gift of life. For many folks receiving a transplant, it is a second chance to do all the things they just hadn't gotten to yet. Things like raising a family. There are others, though, for which the donation of an organ or tissue, is the key to their entire lives, to everything. I refer to the little ones, the children. The babies and toddlers who come into this world with the promise of life but the unlikeliness of ever living it. Youngsters whose lives are just out of their reach, unless someone gives.

The irony of it, though, is that while an organ or tissue donation is priceless, if the donor is available and the gift is not made, it is worth less than nothing. Now I know that there are a lot of truly generous folks out there who would consider making this lifesaving gift if they just knew how easy it was. And that's the real tragedy.

That is why I am again introducing this measure, for if it encourages just one more person to sign a donor card, or be ready to say yes if they are asked for their loved one, then observing this commemorative is made all worthwhile. So, Mr. Speaker, I ask my colleagues to join the over 200 cosponsors in supporting National Organ and Tissue Donor Awareness Week.

PRAISING THE WAYS AND MEANS COMMITTEE

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DIOGUARDI. Mr. Speaker, I rise to commend the recent action taken by the Ways and Means Committee to oppose the taxation of professional service providers by the accrual method. I have spoken in the past of my opposition to this proposal because I believe that it is a wrongful attempt to raise funds by treating unfairly one segment of our economy. I am greatly heartened by the sagacious decision of the committee in this matter.

There is no good reason to collect taxes on professional service income that has yet to be received. I had communicated my opposition to this proposal to the members of the committee in the past and am pleased by their decision. I still fear, however, that tax reform legislation could pass the Senate which includes this onerous provision unless the greater attention is paid to this matter. That is why I have chosen to make this statement.

Professional service providers should be taxed in a manner that clearly reflects income. The Government has traditionally recognized this and has allowed them to pay taxes on their income as it is received (basically, the cash basis). It is only fair to allow them to continue to do so. In addition, the service sector is the fastest growing portion of the economy and the most competitive in the world market. It would be the height of folly to burden it with unjustifiable requirements.

Again, I praise the Ways and Means Committee members for their action and urge my House colleagues to support them in this matter. Thank you, Mr. Speaker.

HUMAN RIGHTS: MICHAEL NOVAK'S VIEW

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. MICHEL. Mr. Speaker, our colleagues DAN MICA and JOHN MILLER, as cochairmen of Human Rights, Democratization, and U.S. Foreign Policy, a bipartisan seminar, recently sent to Members a summary of remarks made by scholar Michael Novak at seminar No. 1. Novak's theme, "Defining 'Human Rights,'" is an important one and he brings to the subject the historical, theological, and political depth and breadth of learning for which he is famous. I recommend his views on human rights to all our colleagues because he avoids the emotional rhetoric that usually accompanies discussions of human rights and gives us a clear and persuasive argument for one view of human rights policy.

At this point I wish to insert in the RECORD, Mr. Novak's incisive and stimulating views on "Defining 'Human Rights.'"

DEFINING "HUMAN RIGHTS"

(By Michael Novak)

THEMES IN MR. NOVAK'S PRESENTATION

1. In contemporary intellectual life, the "human rights" argument is in considerable disarray. Some modern philosophers even question whether there is anything properly definable as a "human right." Since our experiment in democratic pluralism is based on the certrality of human rights in a morally-worthy political community, definitional precision is very important.

2. The Western human rights tradition, which focuses on civil liberties and political freedoms, is grounded in Judaeo-Christian notions of sin. Since everyone sins, no one is to be trusted, especially with power. The French essayist Montaigne made the same point in an essay on cruelty; the human propensity for cruelty and the will to power lead inevitably to torture.

The pressure for "human rights" in the Western tradition grows from this experience: the pressure is for liberation from torture, liberation from poverty, liberation of conscience. These three liberations—democracy, capitalism, pluralism—taken together comprise what we call the "liberal state." But the root of it all is our sense that all men and women are sinners (whether we use explicitly religious language to express that intuition or not).

3. The Western human rights tradition is also distinguished by its emphasis on institutions for liberation. As James Madison taught, the rights of Americans are not defended by paper, but by habits, associations, and institutions. The Bill of Rights is made real in a world of cruelty by those habits of mind, associations of individuals, and institutions of governance. One way to appreciate this point is to compare the experience of the American civil rights movement and the Polish trade union Solidarity.

4. While adherence to some of the claims catalogued in the 1948 Universal Declaration of Human Rights is merely a matter of rhetoric in some societies and for some governments, there are a number of abuses that are so widely condemned that we can speak of "universal human rights." The abuses include the massacre of innocents, deliberate abandonment to starvation, systematic torture and "disappearances," mass expulsions from homes, enslavement or forced labor, forced breakup of families (by removing either the father or the children), desecration of religious symbols, destruction of ethnic institutions and other institutions of memory.

All of these abuses routinely occur in the world today; yet even repressive states feel impelled to disparage and condemn them. Some moral institutions do seem to be universal; and in this sense, we can speak of "universal human rights."

5. Why are these abuses "routine?" Because the modern state is distinctive.

The *systemic* capacities of the modern state make the *reach* of cruelty much longer. Poland's government, for example, shut down Solidarity by cutting off the national telephone grid.

The breakdown of the role of customs and the claims of kinship in the modern state are also factors in the distinctively modern repressive capacities of governments today.

6. The Western human rights tradition insists that "human rights" in here in persons, not in the state. This is what the Declaration of Independence means by "inalienable rights."

This is, admittedly, a question of belief. The empirical evidence suggests that Hegel was right in calling history a "butcher's block." But if people believe that there is such a thing as a *person*, then life will be ordered differently. To be a person means to have a value and dignity that precedes one's citizenship or position in the state. To believe that this is true of persons leads to the definition of civil liberties and political freedoms. And it leads to the creation of *institutions* of governance worthy of human beings, of persons.

In this sense, civil liberties and political freedoms are the most basic of human rights.

7. The current trend toward the assertion of "cultural rights" in the West—"Women's rights," "gay rights," "children's rights," "animal rights"—is perceived by many non-Westerners as sheer decadence. To some Westerners, on the other hand, this trend is the height of progress. However that argument sorts out, these claims are different from civil liberties and political freedoms.

8. "Economic rights" are frequently asserted by many governments, (often Marxist in orientation) and increasingly by some Western religious intellectuals and leaders. Again, there are important differences to be noted. Civil liberties and political freedoms *prevent* the state from doing things; the notion of "economic rights" means that the state *provides* some things, and thus can set *conditions* for that provision (e.g. those to be provided for may not challenge the power of the state).

9. The argument over a related issue, the "right to development," opens up an important opportunity for the United States and the West at the United Nations.

The U.S. delegations to the U.N. Human Rights Commission in Geneva argued that there was an *obligation* to development. No nation need be a poor nation any longer. Wealth could be created. Not even natural resources were required (how many natural resources does Japan have?).

Every person in the world therefore had a right to a country that made the escape from possible. This is a right *against* the state, which is usually in the way of development. And it is a right *to* association, for it is out of free associations (trade unions, cooperatives, credit unions, small and large business enterprises) that wealth is created.

THEMES IN THE DISCUSSION

1. Must the *source* of human rights be ascribed to God or some form of Supreme Being if there are to be "human rights" as we've understood them in the West?

Some philosophers defend the Western human rights tradition without reference to religious belief. The evidence, on the other hand, suggests that the shortest, clearest route to the defense of human rights is the Judaeo-Christian tradition.

Twentieth-century prison literature is an important resource for thinking about the source of human rights. Dissenters in prison, even religious, agnostic or atheists, often find that their bottom-line stand is the inviolability of conscience.

There's an important "embarrassment index" to be consulted on these matters as well. Many Chileans, for example, are profoundly embarrassed by the abuse of human rights in their country. Soviet diplomats, on the other hand, tend not to be embarrassed at all. "Who," they ask, "is Sakharov? Let's get on to more serious matters."

2. There are, however, points of contract with the Soviets that ought to be pursued in the argument over human rights. Family is one. The notion of "personhood" is hard to avoid when you look into the eyes of your grand-daughter. This is a common human experience. These kinds of experiences (as well as our experiences of cruelty, noted above) have given rise to the Western human rights tradition. Our arguments with the Soviets on human rights issues need not be simply abstract; the arguments can be brought down to, or rooted in, human experience.

3. There are other changes in Soviet human rights practice that can be pursued. An abuse like psychiatric torture is a systemic problem, not simpy a matter of cruel individuals; and the system can be altered by the decision of one man. Were Mr. Gorbachev to give the word, psychiatric torture would be abandoned. The West has a responsibility to make it clear that this kind of change is required if there is going to be an improvement in relations.

4. Fostering the communications revolution in the USSR is another human rights strategy that should be explored. Radios, Xerox machines, and personal computers break down the regime's information monopoly.

5. On the "quiet diplomacy" vs. "public protest" argument over human rights tactics, the test should be *results:* is the number of abused persons lowered, or not? In most countries, quiet diplomacy works best; the abusing government is not forced to publicly assert its sovereignty. It can back off of particular abuses quietly. On the other hand, the only way to get some governments attention is to build a bonfire under them.

The question, in short, is not an either/or proposition. Both tactics are needed. The criteria for choosing between them should be pragmatic and empirical: what works in reducing the number of abused persons?

REPEAL ZIONISM-IS-RACISM RESOLUTION

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. MANTON. Mr. Speaker, Sunday, November 10 marked the 10th anniversary of the United Nation's General Assembly passage of a resolution equating Zionism with racism. This resolution was pushed through the General Assembly, by Arab nations with the strong support of the Soviets. The United States voted against this resolution in 1975, and has been a strong opponent of the resolution and its sentiments.

Mr. Speaker, the United States has never, and must never support this offensive resolution. On the occasion of the 10th anniversary, I join many of my colleagues in calling for a repeal of this resolution.

Zionism, rather than being a racist idea, is an idea of hope and freedom. It is an idea that has been an integral part of the Jewish religion and culture since the destruction of the Second Temple, over 1,900 years ago. To equate Zionism with racism, is to belittle and insult the sacrifices and accomplishments of a nation and its people. It also condones the actions of those who call for the destruction of Israel because it is the Jewish homeland. And it also legitimizes the actions of terrorists.

The United Nations is indeed a forum for the discussion of different ideas. However, this resolution flies in the face of the ideals, goals and purposes of the United Nations. The United States must continue its outspoken opposition to this resolution and to other efforts to assault the foundations and the legitimacy of the State of Israel.

Mr. Speaker, I urge my colleagues to take this opportunity to reaffirm and restate the commitment of the Congress and the American people to the sovereignty of the State of Israel. Ten years ago, the United States strongly stated its opposition to an infamous resolution. That commitment must continue.

HONORING SYLVIA SWANSON'S RETIREMENT FOR THE LITTLE LAKE SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. TORRES. Mr. Speaker, I want to bring to the attention of my colleagues in Congress the retirement of Sylvia Swanson from the Little Lake School District after 18 years on the school board.

On November 26, 1985, Sylvia will attend her last district meeting after having served with distinction for 18 years on the board of education. She has served as the school board president, vice-president and secretary. Sylvia has also been a legislative representative to the California School Board, representative to the Los Angeles County school trustees, and a representative to the Whittle Area School Trustees Association.

Mr. Speaker, Sylvia has been an active member of the city of Santa Fe Springs which I represent. She is past president of the Santa Fe High School PTA and the Santa Fe Springs Woman's Club. She is a Den Mother for the Cub Scouts and a member of the Santa Fe Springs Sister City Committee, Friends of the Liberty and Traffic Study Committee.

In recognition for her outstanding service to the community she was voted Santa Fe Springs Citizen of the Year.

She has lived in Santa Fe Springs for more than 30 years with her husband Eugene where they raised three children, Marty, Guy and Dana. Her hobbies include painting, quilt making, reading and creative writing.

Mr. Speaker, I ask my colleagues to join me in commending Sylvia Swanson for her dedication and commitment to the people of the city of Santa Fe Springs.

FLEET SUBSIDIES ARE COSTING AMERICAN AUTOMOTIVE CONSUMERS MONEY

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. TAYLOR. Mr. Speaker, I am today introducing a bill designed to bring fairness back to the automotive marketplace and ultimately could save new car and truck buyers several hundred dollars each when they make these substantial purchases.

During the past several years, sales to leasing companies and other fleets by domestic manufacturers have steadily increased and today over 1.25 million cars are sold to fleet companies annually. On a great number of these cars the manufacturers gave subsidies to the fleets of between $500 and $1,000 below the price at which a franchised dealer could buy the car. These subsidies take many forms including direct rebates, free options, cash discounts, and advertising payments. If the total subsidies amount to hundreds of million of dollars, as many estimates indicate, a serious question arises as to whether the automobile consumers of this Nation are footing the bill.

Equally important, the subsidies, in their present form, also threaten the existing dealer franchise system. Because of the subsidies, large leasing companies easily underbid the dealers in sales and leases to other businesses which have fleets in their business operations. The dealer is put at a competitive disadvantage not only because of the difference in the vehicle purchase price, but again when he meets the subsidized vehicle in the used car market. Many leasing companies frequently find themselves overstocked by hundreds of vehicles. When this happens, they sell the cars as new vehicles or keep the cars only 2 or 3 months and sell them as very low-mileage used cars. Both of these transactions compete directly with the small business dealer's new market. Consumers who have used cars to sell or trade will also suddenly find their cars worth several hundred dollars less.

The result is not good for consumers of small business dealers. As the percentage of subsidies given fleet buyers by the manufacturers rises, the effect on automobile and truck dealers increases. The consumer, ultimately, pays the price. The most immediate effect is that individual consumers pay a higher price for the new cars they buy. The more long term effect is that the dealers, especially small dealers in rural areas, will be driven out of business because they cannot compete with the large leasing companies and fleets which buy cars at a substantially lower price than the dealer can buy the car. As these dealers are driven out of business, individual consumers will be forced to drive many more miles to obtain warranty and other service work. This, in many cases, will require the individual to rent a car while his car is being repaired. The result is not only a great inconvenience for the individual, but a cost burden as well.

I believe that the legislation I have introduced today will protect the franchised dealer from unfair price discrimination by the manufacturer of new cars and trucks, and would save the consumers of this Nation hundreds of millions of dollars.

A TRIBUTE TO THE AMERICAN VETERAN

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DYSON. Mr. Speaker, I rise today to honor the brave men and women, both living and dead, who have served in uniform as protectors of our great Republic.

It was on a blustery morning 65 years ago—the 11th hour of the 11th day of the 11th month—that the bloodstained battlefields of France and Germany fell quiet. And as the victors and the vanquished ventured to Versailles to sign the historic document marking the end of the war to end all wars, the world rejoiced at the prospect of a prolonged period of peace and prosperity.

Much has happened since that hopeful day when the armistice was signed. The world has not been made safe for democracy. Swords have not been turned into plowshares. Peace does not reign supreme.

We live in troubled times. The forces of darkness, the yoke of tyranny and oppression, still engulfs much of humanity. Young Americans still make the ultimate sacrifice in defense of freedom.

Yes, we live in troubled times. But we also live in a land of unparalleled opportunity. A land where our rich and diverse culture flourishes. A land where the flame of democracy burns bright.

Our Nation does not and will not forget those who have given so much to preserve and protect our way of life. The sacrifices of the American veteran have been great. More than 1 million have died in the service of their country; many more have become disabled in our defense.

So I believe, Mr. Speaker, it is altogether fitting that we pay tribute today to the American veteran. We thank them for their sacrifices. We honor their memory. We do this not only out of a sense of respect and remembrance for those who have gone before us, but also for the benefit of future generations who should know the pride of being an American.

Never content to rest upon the laurels of past achievement, Rear Admiral Hogan has somehow found the time to earn a master of science degree in international affairs from George Washington University in 1965 and a master of business administration from the American University in 1982. By demanding more of himself in the service of his country, Rear Admiral Hogan has strengthened our Nation, and for this I commend him.

In many ways, Rear Admiral Hogan exemplifies that which has made our country what it is today—a belief that through diligence, determination and dedication we can accomplish almost anything. So it is with a sense of deepfelt pride, Mr. Speaker, that I share these words of praise for a great American, Rear Adm. Edward J. Hogan, Jr.

GOVERNOR DEUKMEJIAN SPEAKS OUT ON CALIFORNIA ENERGY PROJECTS

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DANNEMEYER. Mr. Speaker, California Gov. George Deukmejian devoted his weekly radio program, "California Report," to the subject of the key energy facilities in our State. He reported on his statewide tour of everything from the Geysers geothermal project near Santa Rosa in the northern part of our State to the dispatch center operated by the San Diego Gas & Electric Co. to the south. This was done as part of Energy Awareness Week.

California is a large energy consuming State, but it also has a wide diversity of energy projects, large and small, which span the range from traditional oil, natural gas and hydropower to solar, wind, geothermal and coal gasification. Given the importance of protecting air quality and other environmental considerations, California must balance energy development and the environment. The track record in our State is that this can be done successfully.

It is my pleasure to serve as the ranking minority member of the Energy and Commerce Subcommittee on Fossil and Synthetic Fuels. In that capacity, I want to echo the Governor's statement that—

In recent years, we have learned the hard way that we cannot bury our heads in the sand when it comes to energy. The security of our nation and the prosperity of our state depend on a stable, affordable supply of power.

I commend the rest of the Governor's remarks to my colleagues' attention:

STATEMENT BY GOV. GEORGE DEUKMEJIAN

Energy is the lifeblood of our economy and our way of life. This week, California has been observing Energy Awareness Week of highlight this fact. It is a time to learn more about our state's energy supply and the important relationship between continued energy development and a strong, prosperous economy.

Most of us are familiar with more traditional energy resources such as oil, nuclear and hydroelectric power. Yet within a decade, we expect that more than 25 percent of our state's electrical needs will be met by some of the less well known energy sources, such as geothermal, wind and solar power. This will give California the most diverse energy system in the world and provide us with an important insurance policy against future disruptions in supply and price.

This week, I had the opportunity to visit some of California's dynamic energy production facilities. In northern California, I visited the Geysers, the world's largest geothermal complex. Here, the earth's heat turns underground water into steam, which is used to drive turbine generators that produce low-cost energy.

More than half of all of California's oil reserves are in Kern County. I toured the Kern River Cogeneration Plant, which produces both electricity and the steam needed to recover the heavy oil from beneath the earth's surface.

In the Mojave Desert near the city of Daggett, I toured two state-of-the-art power facilities: a coal gasification plant, which turns coal into a synthetic gas that is burned to produce electricity; and Solar One, the world's largest solar-powered central receiver.

The last stop on this educational journey was a visit to San Diego Gas and Electric's Dispatch Center. This vast communications complex insures the delivery of an efficient and stable power supply to more than 2 million Southern California residents.

In recent years, we have learned the hard way that we cannot bury our heads in the sand when it comes to energy. The security of our nation and the prosperity of our state depend on a stable, affordable supply of power.

I'm very proud of California's energy industry. With determination and innovation, the scientists, engineers and companies of this industry have put California in a leadership position. The energy industry not only accounts for nearly half a million direct jobs, but it powers our homes, offices, schools and factories and enables our economy to grow.

In my State of the State message last January, I said that an historic agreement was near which will allow us to construct a major transmission line to purchase low-cost hydroelectric power from states in the Northwest. These states have a surplus of power. California needs that power which can help meet our needs and lower our energy costs. I am pleased to announce that the agreement, which is called the California-Oregon Transmission Project, has been approved by Congress, signed by President Reagan, and we are now moving ahead to implement it.

Once in place, this project will save consumers up to $250 million in energy costs each year. It is good for the environment as well, because the project could reduce the need for constructing additional energy plants.

While our policies emphasize production, we fully recognize the importance of energy conservation. Wasting energy not only costs you money, but it costs your neighbors as well—because greater energy demand puts more upward pressure on energy rates.

It's interesting to stop and think just how much you and your family depend on electricity in the home, workplace and schools, not to mention gasoline for your car. Imagine what life would be like without it. I am determined to make sure that Californians have a secure and affordable energy supply. That's why we must continue to develop a broad diversity of energy resources. We cannot slam the door on any promising method of production as long as it is efficient and environmentally safe.

I am confident that California will maintain its leadership and diversity in the energy field. This is the challenge we have put to our scientists, engineers and energy companies, and I believe they are meeting this challenge. We will continue to encourage the most creative minds in the state to scale even greater heights in producing safe, clean and affordable energy.

Please join me next week for another California Report. This is Governor George Deukmejian. Thanks for listening.

CHAIRMAN G.V. (SONNY) MONTGOMERY SPEAKS FOR AMERICA'S VETERANS

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. APPLEGATE. Mr. Speaker, I would like to take this opportunity to place into the CONGRESSIONAL RECORD the remarks that were made by the distinguished chairman of the House Veterans' Affairs Committee, Hon. G.V. (SONNY) MONTGOMERY, on the occasion of Veterans Day, 1985. His remarks were given on nationwide radio in the Democratic response of last Saturday, November 9.

Let me just say, Mr. Speaker, that there is no finer individual in the House of Representatives when it comes to doing the very best for our former servicemen and women. Chairman MONTGOMERY has been and always will be a true inspiration to the membership of the Veterans Affairs Committee and to the millions of veterans and their families in our Nation who have benefitted because of his generous deeds. I ask that every Member of the House take the time to read the words of Chairman MONTGOMERY of Mississippi.

DEMOCRATIC RESPONSE TO PRESIDENT REAGAN'S RADIO ADDRESS, DELIVERED BY REP. G.V. (SONNY) MONTGOMERY (D-MS), CHAIRMAN, HOUSE COMMITTEE ON VETERANS' AFFAIRS

(November 9, 1985)

Hello, I'm Congressman Sonny Montgomery of Mississippi, chairman of the House Veterans' Affairs Committee.

As we enter this weekend of honoring our veterans, it is only fitting in the Democratic response that I talk about veterans and veterans' programs.

But first, I want to send a special greeting to American service personnel listening around the world today over the Voice of America. We appreciate the job you're doing to help protect our freedoms here at home.

Monday marks the Nation's annual observance of veterans day. Across the country, appropriate events have been scheduled to pay tribute to the 28 million living veterans and to the more than 1 million who have died fighting for this country. As always, the highlight will be the traditional wreath-laying ceremony at Arlington National Cemetery at the Tomb of the Unknowns.

Attending ceremonies, listening to speeches, displaying the flag, visiting a veteran's gravesite, and sharing time with a veteran in the hospital * * * they're all excellent ways to honor our veterans.

But we must also show our appreciation daily by exercising our most precious freedoms—voting, worshipping, traveling and speaking freely. Without our veterans, these rights would not be possible.

I am pleased to say that, in the Congress, we don't play politics with veteran's benefits. Veterans issues are kept nonpartisan.

Veterans have a true friend in the Congress of the United States. In this time of need to cut back on Government spending, the Congress has protected the essential veterans' programs of medical care, compensation and pensions.

However, this does not mean that we don't have problems holding back attacks on these programs.

Veterans are participating in the effort to trim Government spending. They are concerned about the deficit. When they've been asked to tighten their belts, they've done it. Since 1980, veterans have contributed more than $2 billion to deficit reduction.

Our veterans are not asking for anything more than what they have earned.

It's my job, as well as the job of other Members of Congress, to see to it that the veteran is not hit any harder than other groups receiving Federal benefits.

We on the Veterans' Affairs Committee have always felt that if you treat all people receiving Government benefits the same * * * then you are being fair and veterans agree.

But, when you put other groups above the veteran and, in effect, make the veteran a second-class citizen, that's not right.

We realize that a number of aged veterans from World War II, Korea, and Vietnam are coming into the health care system, but we can handle it. We are not going to panic.

The VA has the largest hospital system in the free world. We have 172 VA hospitals, 228 outpatient clinics, 105 nursing homes, and a good system of home health care. We are conducting research in the area of health care for the aged. What we are learning will be shared with other groups working in this same area.

With 11 thousand doctors and 31 thousand nurses working for the VA the quality of VA health care is second to none, and we are going to continue to maintain these high standards.

By the year 2000, two out of every three American males over the age of 65 will be veterans. Many will require medical care.

It will be a challenge, but not a crisis. We're going to be ready.

When your sons marched off to war, they left behind family, friends, homes and jobs. They were heroes then and they should be treated as heroes now.

No Nation can take greater pride than the United States in the manner in which it honors and cares for its veterans. We must hold fast to this tradition. It plays a major role in how we are judged by the rest of the world and how we will be remembered by future generations.

On November 11 and, in fact, everyday, our Nation should show its gratitude to the veteran and to his or her family for the hardships they have endured * * * For the sacrifices they have made * * * and for a job well done. So please say thanks to a veteran on Monday.

And also, thanks to our servicemen and women, wherever you are, for helping keep our Nation free.

TRIBUTE TO HUNTINGTON BEACH/FOUNTAIN VALLEY BOARD OF REALTORS

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BADHAM. Mr. Speaker, I would like to take this opportunity to recognize a fine organization in my district, the Huntington Beach/Fountain Valley Board of Realtors, on the 25th anniversary of its formation.

In large part, the modern history of Orange County, CA, is marked by urban and suburban development and the influx of tens of thousands of people seeking to share the wonderful attributes that makes this region so special to the more than 2 million residents who live and work there today.

Real estate is one of many industries that has grown and prospered right along with the people of Orange County. In fact, historians tell us that even the name "Orange County" was chosen and fostered by entrepreneurial realtors of the late 1880's, not in honor of the citrus that later made it famous, but because it projected an image of a balmy Mediterranean climate conducive to settlers, their families and their businesses. That appeal today is as strong as ever.

The Huntington Beach-Fountain Valley Board of Realtors was founded on December 31, 1960, under the name "Huntington Beach Board of Realtors." The original organization consisted of 23 members in seven offices. The name was changed in 1968 to include Realtors from the neighboring city of Fountain Valley and, by that time, membership had grown to more than 500.

Today, as the board marks a quarter-century of service, it boasts 1,715 members in nearly 500 offices.

Throughout its history, a primary concern to the board has been participation in community activities. Over the past few years, members have raised more than $93,000 through annual fund-raisers to buy new equipment for paramedic units in the two cities. The board also was an active participant in the restoration of Newland House, a historic Huntington Beach residence, and joined in the 1976 Bicentennial Parade.

The board's community activities extend to the preservation of private property rights and advocacy for home ownership and, in 1982, it gained national recognition as the first board in the Nation to access mortgage revenue bonds for resale housing. Through this pilot program, the board was able to provide 11.5 percent, fixed-rate financing for low-to-moderate income buyers of resale homes which met Federal guidelines.

Through the years, Mr. Speaker, the Huntington Beach/Fountain Valley Board of Realtors has taken an active interest in many issues of concern to local property owners and its members have gained a well-deserved reputation as people who contribute to the communities in which they live and work.

A SALUTE TO DAVE BRODY

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LEVINE of California. Mr. Speaker, although I might not be the first, I wish to be among those who call to my colleagues attention the marvelous and appropriate article about my old and close friend, Dave Brody, in a recent issue of the National Journal.

I have had the privilege of working with Dave for some 15 years, and have watched him engineer successfully legislative feats which are the envy of many others.

Dave has proved himself to be tireless and creative, while always retaining his idealism and enthusiasm.

Because so many of my colleagues, on a bipartisan basis, have already brought Dave and his accomplishments to the attention of my colleagues, I will at this point refrain from further detail and simply ask unanimous consent to have inserted the September 14, National Journal article about Dave in the RECORD.

[From the National Journal, Sept. 14, 1985]

DAVID A. BRODY: MAKING MATCHES MEANS ACCESS

Most Washington lobbyists boast about having connections. David A. Brody takes pride in making them.

The veteran Washington representative of the B'nai B'rith Anti-Defamation League is an inveterate matchmaker who wends his way through the capital's power circles on the lookout for people who ought to know one another.

No sooner do his antennae pick up a nugget of conversational information about somebody's past or present interests than

the next words out of his mouth are invariably, "I'd like to put you together with . . . ."

The very next day, if not later the same day, Brody will be on the telephone proposing a luncheon involving himself and the two people he wants to bring together. Invariably, they are people who would have gotten together on their own at some point but, as Brody said in an interview, he finds that it advances his long-term interests if he can be the "facilitator or catalytic force."

"I do it so that the two people will know each other, so they will not be strangers when they need to deal with one another. Both parties usually welcome it," he explained. Those involved may run the gamut from Members of Congress, White House aides and ambassadors to reporters, fund raisers and constituents.

Twenty years at his job has taught Brody that at some point, his gestures of good will are likely to be returned in some form. "It's not so much that people are beholden to me, as it's a matter of providing greater access for me," he said, stressing the golden word of the lobbyist's trade—access.

The autographed pictures on the wall of Brody's office attest to his success in gaining access at the very highest levels. They also attest to his skill at hearing what people say and sensing what makes them tick and what their current concerns are.

"In this town, so many people talk rather than listen," explained Brody, giving away a major secret of his success. It also helps to be quick-witted enough to put information to immediate use. "If I happen to be in a Member's office and a name comes up, we'll often set up a lunch right then."

Brody is constantly on the lookout for likely connections, two Members of Congress who haven't met each other yet, a reporter who is starting out a on a project involving principals he hasn't met, new arrivals at the Israeli Embassy who need to meet the people they will be dealing with in Washington.

"It's just a matter of having almost an intuitive sense about people's needs," Brody said. "I guess it is just a matter of knowing how to relate to people. I will occasionally bring Members of Congress together whose views may be divergent. In bringing them together, they find that they are able to work together on other issues."

Those other issues, with luck, may turn out at some point to be the very ones upon which Brody is lobbying. And, even if their votes do not always go his way, Brody at least gets a chance to have his say. In 1981, when Congress approved the sale of military aircraft to Saudi Arabia, Brody recalled, "a number of good friends of mine voted for the sale, but I still had the opportunity to sit down and talk to the principal—to the man who cast the vote."

That statement is also revealing. In lobbying, as in matchmaking, the permanence of relationships is important. Accordingly, significance attaches to Brody's reference to "good friends" who voted against his position. They still are his good friends, and maybe next time they will be with him.

Besides putting his lunch hour to regular use, Brody and his wife, Bea, entertain at their home, throwing dinner parties that may bring anywhere from a dozen to three dozen Washington notables together to trade information and get to know one another better.

"From time to time, press people are invited to my parties at home as friends," Brody explained. What goes on is not intended for publication, Brody noted, but it is recognized "a reporter may pick something up at a party." But, he added, "the story won't be that I had that group of people to dinner."

Brody added that he has never hesitated to bring politicians and journalists together in a social setting. "I don't draw any lines," he said. "When I find it useful to play that catalytic role, I do it." With reference to the politicians, he observed, "I think they welcome the opportunity too, otherwise they wouldn't agree to it."

To the best of his recollection, Brody over the years has never become a matchmaker in the romantic sense. He says that he knows of no marriages that have resulted between people he has brought together and quickly adds in a businesslike tone that "if it has happened, that would not be the purpose that the meeting started out with."

There is more than a bit of a Horatio Alger aspect to Brody's career. The man who now wines, dines and facilitates friendships among the high and mighty started out in life as the son of an immigrant garmet worker who entered this country through Ellis Island. He grew up in Brooklyn, attended public schools and ended up studying law at Columbia University on a scholarship. He came to Washington in 1940 to work as a lawyer for the government and has been with the Anti-Defamation League since 1949.

Brody said he has developed his skills as a lobbyist-social connecter as he has gone along. "I like to say that the things I do, I never learned in law School." Nonetheless, the 69-year-old lobbyist makes it clear that he enjoys what he does. "I have no plans to retire," he said.

The matchmaker is obviously well matched to his calling.—**Dick Kirschten**

NATIONAL FAMILY WEEK, NOVEMBER 24-30

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. MYERS of Indiana. Mr. Speaker, the President has recently signed a resolution passed by Congress that requests a proclamation be issued proclaiming the week of November 24-30 as "National Family Week."

We cannot overemphasize the importance of the family unit in the fabric of American life. On this basic institution rests the stability of our society and much we hold dear in our traditional American values. I have introduced the National Family Week resolution each year since 1970.

I am inserting President Reagan's 1985 National Family Week proclamation into the CONGRESSIONAL RECORD.

NATIONAL FAMILY WEEK, 1985

[A proclamation by the President of the United States of America]

America's families are America's greatest strength. Just as American society is more than the sum of its parts, families are more than just collections of individuals.

It is within the family that we first gain an understanding of who we are; that we learn to give and receive love; that we learn to respect the individuality of others; that we grow to be strong, healthy adults able to take our place in the larger families of community, country, and the world. Through the family we pass on our traditions, our rituals, and our values. From our families we receive the love, encouragement, and education needed to meet life's challenges. Family life also provides a stimulus for the spiritual growth that fosters probity of character, generosity of spirit, and responsible citizenship.

It is important that we dedicate oursleves to the promotion of strong families for, with their strength, commitment, and loyalty, they form the hearth and heart of our national life. As an eminent American educator has wisely observed: "The security and elevation of the family and of family life are the prime objects of civilization, and the ultimate ends of all industry." Special concern is due to troubled families, for we recognize that any chain is only as strong as it weakest link. At their best, strong families are small communities of love. Let us help them prosper.

National Family Week gives us a chance to honor all families and especially to honor those Americans who have extended the love and support of their families to a child through adoption or foster care. By giving the shelter of their loving arms to such a child on a temporary or permanent basis, these Americans demonstrate in a special way the unconditional love that only families can provide.

The Congress, by Senate Joint Resolution 31, has designated the week of November 24 through 30, 1985, as "National Family Week" and authorized and requested the President to issue a proclamation in observance of this week.

Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of November 24 through November 30, 1985, as National Family Week. I invite the Governors of the several States, the chief officials of local governments, the leaders in industry, and all Americans to observe this week with appropriate ceremonies and activities. As we celebrate this Thanksgiving Week, I also invite all Americans to give thanks for the many blessings that they have derived from their family relationships and to reflect upon the importance of maintaining strong families.

In witness whereof, I have hereunto set my hand this twenty-eighth day of October, in the year of our Lord nineteen hundred and eighty-five, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN.

NATIONAL WILDLIFE FEDERATION SUPPORTERS PUBLIC WORKS SUPERFUND BILL

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. EDGAR. Mr. Speaker, as the House moves toward consideration of legislation to reauthorize the Superfund Program, we will face some hard choices on some extremely important issues that will determine the future of this vital environmental program.

As my colleagues are aware, two different versions of the legislation have been re-

ported by the key committees responsible for overseeing the program. In general, the Public Works Committee's version of the bill resembles much more closely the strong and effective Superfund bill approved overwhelmingly—323 to 33—by the House last year. The bill, crafted under the excellent leadership of Representatives HOWARD, ROE, SNYDER, and STANGELAND, was reported unanimously by the committee.

We recently received the following letter from the National Wildlife Federation explaining why that organization strongly supports the Public Works version of the bill. I commend this thoughtful letter to my colleagues' attention.

NATIONAL WILDLIFE FEDERATION,
Washington, DC, November 6, 1985.

Hon. ROBERT W. EDGAR,
Washington, DC.

DEAR MR. EDGAR: The National Wildlife Federation (NWF) strongly urges you to support key bipartisan provisions of the Superfund bill reported by the Public Works Committee (H.R. 2817). These provisions are essential if our nation is to clean up its hazardous waste sites and protect human health and the environment.

The Public Works Committee unanimously adopted the following critically important provisions which are substantially weaker in the bill reported by the Energy and Commerce Committee:

Cleanup Deadlines—The Public Works bill requires EPA to begin cleanup at 150 sites per year in four of the next five years. Under the Energy and Commerce bill, EPA doesn't even have to start cleanup until 1991—a full year after the law expires.

Environmental Standards—The Public Works bill requires cleanup to meet standards and criteria set by other environmental statutes, including the Clean Water Act. The Energy and Commerce version allows EPA to waive other environmental laws.

Citizens Suits—The Public Works and Judiciary Committee bills give citizens the right to sue in federal court to stop toxic releases that pose imminent and substantial endangerment to their health. The Energy and Commerce bill does not.

Liability for Leaking Tanks—The Public Works bill contains more equitable liability limits for leaking underground storage tanks. Liability is capped at $50 million for large oil companies and $1 million for operators who do not own the facilities they manage. The Energy and Commerce bill limits liability to $3 million regardless of the size or ownership of the facility.

Right-To-Know—The Public Works and the Energy and Commerce bills require owners and operators of facilities to file material safety data sheets on the hazardous chemicals they handle. The Public Works bill also requires that communities be supplied with an inventory of the emissions of acutely hazardous chemicals. The Public Works version improves the right-to-know provision by including that inventory, but still needs to be strengthened by including emissions data on chronically hazardous chemicals—those that manifest their effects over time—in addition to the acutely toxic chemicals.

Natural Resource Damage—The Public Works bill maintains current law allowing EPA to use Superfund money to assess natural resource damage and to finance restoration and rehabilitation. The Energy and Commerce bill weakens this provision.

On behalf of the Federation's 4.5 million members and supporters, I urge you to help solve one of our nation's most serious problems by supporting these provisions. Vote for a Superfund law that offers the protection all Americans deserve.

Sincerely,

JAY D. HAIR.

VARO, INC. APPLAUDS DOD ON PROCUREMENT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BRYANT. Mr. Speaker, as one who has participated in congressional investigations that have revealed some of the least desirable elements of defense procurement, I was gratified to receive a copy of a letter written by Mr. James F. Gero, president and chief executive officer of Varo, Inc. of Garland, TX, applauding the fairness, efficiency, and integrity of Defense Department employees working on a procurement contract for night vision equipment.

As Mr. Gero aptly observes, taxpayers, business people, government suppliers, and the defense and security of our Nation are best served by a procurement system that demands and rewards quality and efficiency—something many of us in the House have been seeking through the passage of realistic, cost-cutting defense procurement reforms.

It should be noted, however, that there are those in the Pentagon and in its supplier firms who share that commitment, and I commend to my colleagues Mr. Gero's comments.

OCTOBER 31, 1985.

Hon. JOHN BRYANT,
Dallas, TX.

DEAR REP. BRYANT: We at Varo want to bring to your attention to the outstanding performance of a task force of Defense Department employees. With efficiency and fairness, they completed negotiation of a major contract for night vision equipment that our company has recently received in a joint venture with ITT Corp.

As the enclosed letter to Under Secretary of the Army James Ambrose describes, this group was able to complete their work of the major phase of a complicated procurement program on schedule. The program, to extend over five years, was unprecedented in the night-vision industry. The technology was complex. But the negotiation was completed by the September 30 deadline, and the final terms reflect an evenhandedness to both the suppliers and the public interest.

We respectfully request that this letter be entered into the Congressional Record as recognition of the team's achievement. In this era of sometimes questionable performance in the defense procurement process, our experience with this negotiating team stands apart as one of absolute integrity, balance and efficiency.

Sincerely,

JAMES F. GERO,
President.

OCTOBER 31, 1985.

Hon. JAMES R. AMBROSE,
Under Secretary of the Army, Department of the Army, The Pentagon, Washington, DC.

DEAR MR. UNDER SECRETARY: I have hesitated to write this letter for fear that it might be misunderstood as a self-serving device. I have concluded that I must take the risk.

Varo, Inc., as a joint-venture partner with ITT's Electro-Optical Products Division, was recently awarded a contract to supply the U.S. Army with night vision equipment (DAAB07-85-C-E032). The contract award was the result of nine months' work, which began with the issuance of a request for proposal (DAAB07-85-C-E008) by the U.S. Army Communications-Electronics Command (CECOM) at Fort Monmouth, New Jersey. After the proposals were submitted we worked in extensive negotiation with individuals from CECOM, the Product Manager's Office (PM-NVD) and the Night Vision and Electro-Optical Laboratory (NVEOL) at Fort Belvoir, Virginia.

I have been with Varo for just about 13 months and have been the company's chief executive officer for two months. So I had never had the opportunity to work with the staff at these organizations. In fact, during my 16 prior years with Allied Corporation, I had little direct contact with any U.S. government personnel. But I do read newspapers and see the television news. I am familiar with stories about high-priced aircraft toilet seats and coffee pots. I suppose this is the stuff that makes news. Good news is no news, I guess.

This will be a "no news" letter, written with the hope that you will pass it along to the individuals who worked on our contract. The "no news" is that the entire process of reviewing our proposal and negotiating the contract was conducted in a highly professional, business-like manner. I was especially impressed on three counts:

FIVE-YEAR PROCUREMENT

Unlike past years, when we supplied the Army with night vision equipment on an as-needed basis, this contract is over a five-year period. By providing us with this length of time to plan our production, you enable us to operate at our optimum efficiency. This, of course, translates into savings for the taxpayer.

PROFESSIONAL CONDUCT

Your team was comprised of individuals from the CECOM contracting office, the Product Manager's Office and the NVEOL. The CECOM people brought contracting expertise to the table and both the Product Manager's Office and the night vision laboratory people provided an impressive depth of technical expertise. The Army team had both a thorough understanding of the government's requirements and the technology involved. Alice A. Allen, contracting officer, headed the CECOM team. Major Carl L. Messinger, deputy product manager, represented Product Manager Kenneth S. Solinsky in all phases of negotiation. The major was assisted by Mack Farr, chief, Engineering Division of the Product Manager's Office, who showed an excellent understanding of the technology involved in night vision. The active cooperation of the NVEOL enabled us to efficiently arrive at fair conclusions on a number of negotiating points. Fair for both sides, I might add. Your team included some very tough negotiators.

HARD WORK

We know, from first-hand experience, that the members of your team worked nights and weekends to finish this project on time.

Not just as the president of a small government-supplier company, but also as a businessman-taxpayer, I congratulate you and your people for a job completed with competency and professionalism.

In an effort to ensure that the other, less sensational, side of the government procurement story is told, I am sending copies of this letter to the following:

Our Congressman, Rep. John Bryant, with the request that this letter be inserted into The Congressional Record;

Our two U.S. Senators;

The Southwest Bureau of The Wall Street Journal, Dallas-area business publications and Dallas general circulation newspapers;

Trade publications that cover our industry.

Sincerely,

JAMES F. GERO,
President.

CHAMPUS ALCOHOLISM TREATMENT POLICY

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BONKER. Mr. Speaker, I rise today to emphasize language in the committee report of the Department of Defense Appropriations bill for fiscal year 1986 which calls upon the Secretary of Defense to reevaluate CHAMPUS policy on the coverage of chemical aversion therapy for the treatment of alcohol abuse.

The need for this strong directive and similar language in the report for the defense authorization bill is to respond to the revised regulations, published by CHAMPUS last year, which dropped chemical aversion therapy from its list of covered treatments. This decision by CHAMPUS to discontinue coverage runs counter to the coverage policies of most commercial insurance carriers and Government health programs—from Medicare to Blue Cross. Furthermore, it appears contrary to the purpose of CHAMPUS, as described by Congress, which is to offer members of the military comparable health care to that available outside of the armed services.

In their September 14, 1985, final regulation which changed their coverage policy, CHAMPUS conceded that "support for the efficacy of aversion therapy has grown," and they made clear a willingness to reconsider their policy, both in the regulation and in a meeting with experts in the field last fall in Colorado. In the final regulation they state:

We will be asking interested professionals in the field to meet with us to determine whether it is possible to establish standards and criteria for the review of claims for aversion therapy. We will be particularly interested in determining whether we can develop standards for providers of aversion therapy to assure that adequate safeguards, including informed consent, exist for the patient undergoing aversion therapy. If such standards can be developed and a mechanism can be created for assuring that providers meet the standards, an amendment of the Regulation to authorize coverage would be considered.

Unfortunately, since that time, CHAMPUS has not shown any interest in attempting to develop such standards and ensure adequate safeguards. Instead, there appears to be a strong disposition against this form of treatment with providers of this form of treatment being saddled with an impossible burden of proof requirement to justify reimbursement.

While nearly every other major health care insurer covers this treatment, CHAMPUS has repeatedly told aversion therapy providers that no evaluation of the treatment will be considered until new evidence from a well designed, independently financed study is offered. Unfortunately, competition for research grants is fierce and it is highly unlikely that research money would go to evaluate a long-established form of treatment that is not on the "cutting edge" of new medical technology and treatment. The hands of the aversion therapy providers are essentially tied, as CHAMPUS refuses to consider evidence based on the providers own track records.

I am pleased that both the Appropriations Committee and the Armed Services Committee have instructed CHAMPUS to reevaluate their policy and ideally to work with the aversion therapy providers to satisfy all their concerns. It is my hope that the Secretary of Defense will act swiftly on the committees' recommendations and take the necessary steps to bring about reevaluation of CHAMPUS policy in this area. It is clear that failure to do so will only lead to stronger action being taken by Congress.

A CONGRESSIONAL SALUTE TO A.B. "AL" HERBOLD

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. ANDERSON. Mr. Speaker, I take this opportunity to honor Al Herbold, whose recent retirement caps more than 50 years of dedicated service to the southern California maritime industry.

Upon completion of schooling at Woodbury College and the University of Southern California in 1935, Al gained his first employment at General Steamship Corp. and remained there until 1941, when he joined the Indies Terminal Co.

In 1942, Al received a commission as an ensign in the U.S. Navy and served on active duty in the Naval Transportation Services and the Seabees Specials—stevedoring unit—in the Pacific until 1946. He retired as commander after 30 years of service in the Naval Reserve.

Upon his release from the Armed Forces, Al obtained a position as traffic manager at Crescent Wharf and Warehouse Co. in San Diego. Shortly thereafter, he transferred to Crescent's main office at Terminal Island and became the company's executive vice president. Al has also served as a consultant for Stevedoring Services of America since its purchase of Crescent in the Spring of 1983.

Al has also held membership in many professional organizations with close ties to the maritime community. These include: Los Angeles Steamship Association, president, 1962; Propeller Club of the Ports of Los Angeles and Long Beach, president, 1976–77; Foreign Trade Association of Southern California; Los Angeles Transportation Club; Fresno Cotton Exchange; World Trade Club of San Francisco; World Trade Club of Greater Los Angeles; Huntington Harbor Yacht Club; and the Tuna Club of Avalon.

My wife, Lee, joins me in congratulating Al Herbold on this special occasion. We wish him and his wife, Virginia, and their son, Jim, continued success and happiness in all their future endeavors.

A TRIBUTE TO REAR ADM. EDWARD J. HOGAN, JR.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DYSON. Mr. Speaker, I would like to take this opportunity to salute a man who for over 30 years has served our great Nation with valor and distinction, Rear Adm. Edward J. Hogan, Jr.

On October 31, 1985, Rear Admiral Hogan assumed the position of the Navy's Chief of Legislative Affairs, succeeding Rear Adm. Dudley Carlson, who has been nominated for appointment to the grade of vice admiral and assignment to Depty Chief of Naval Operations and Chief of Naval Personnel. Prior to this assignment, Rear Admiral Hogan was commander, Naval Air Test Center, as well as the Navy's chief test pilot at Patuxent River in Maryland's First Congressional District.

Mr. Speaker, Rear Admiral Hogan's career as a naval aviator has been marked by an enduring commitment to excellence. Among his many assignments, Rear Admiral Hogan has served as landing signal officer in Fighter Squadron 33 on U.S.S. *Intrepid* from 1956–59; flying qualities and performance project test pilot in the flight test division at the Patuxent River Naval Air Test Center from 1961–62; senior landing signal officer, carrier air wing 8 on U.S.S. *Forrestal* and U.S.S. *Shangri-La* from 1965–66; commanding officer of Fighter Squadron 92 from 1968–69; operations officer, U.S.S. *Kitty Hawk* from 1971–72; commanding officer U.S.S. *Kawishiwi* from 1974–75; commanding officer U.S.S. *Kitty Hawk* from 1976–78; and director, aviation manpower, training, and aircraft carrier programs in the Office of the Chief of Naval Operations from 1980–82.

A true American patriot and hero, Rear Admiral Hogan has received the Distinguished Service Medal, Bronze Star with Combat V, Meritorious Service Medal, and Air Medal. These high honors stand as a

living testament to Real Admiral Hogan's courage, compassion, and character.

TRUST FUNDS PROTECTION LEGISLATION

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Ms. OAKAR. Mr. Speaker, Today I am introducing a bill, along with Congressman JOHN MYERS of Indiana, which would prohibit the Secretary of the Treasury from using retirement trust funds moneys for any reason other than paying beneficiaries. The bill specifically applies to the Social Security's Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, the Railroad Retirement Account, the Civil Service and Disability Fund, and the Department of Defense Military Retirement Fund.

For the past several weeks, the Secretary of the Treasury has disinvested trust fund money from the Social Security systems, the Federal Hospital Insurance Program, the Civil Service, Military and Railroad Retirement Systems, and the Federal Supplementary Insurance Program. On Friday, November 1, $17 billion was taken from these trust funds after the Senate failed to pass the House version of House Joint Resolution 372, or a short-term extension of the debt limit.

Hearings held in both the House and the Senate have revealed that these actions are unprecedented and harmful to the trust funds. Interest lost to the Social Security trust funds alone is estimated at $1.3 billion over the next 5 years. Deputy Secretary for the Treasury, John Niehenke, told my Subcommittee on Compensation and Employee Benefits, in hearings last week, that in the past month, $5 billion from the civil service retirement trust fund had not been invested, $11.1 billion had been invested in the Federal Financing Bank instead of the special Treasury notes in which the funds normally placed, and $65 million in interest will be lost.

Mr. Speaker, I am hopeful that we can resolve the issue of ensuring that the moneys and interest to these funds will be returned in a timely fashion. Congressman JIM JONES and I offered a provision to the House-approved version of House Joint Resolution 372 to accomplish this purpose. I have also sponsored separate legislation to restore the trust fund moneys. What remains at issue is whether the Secretary of the Treasury can gain access to the trust funds at will, for reasons other than to pay benefits. Certainly, it was never the intention of Congress that these funds would be disinvested to meet the general operating expenses of the Government or that the beneficiaries would suffer a loss of income on the trust funds because of a debt limit crisis.

Mr. Speaker, our Nation's retired workers had no role in precipitating the chaos that is threatening the financial integrity of our Government and should not be required to place their retirement security at risk. They have paid into these trust funds and they should be assured of their full payments, free of worries about stability of their trust funds. The legislation that I am introducing today will prevent disinvestments, transfers, and redemptions. It will protect the trust funds from manipulation and unwarranted instrusions.

Mr. Speaker, I am very pleased that Congressman JOHN MYERS of Indiana, the ranking minority member of my Subcommittee on Compensation and Employee Benefits has joined me introducing this bill. I believe that protecting the trust funds is truly a bipartisan issue, and I encourage all my colleagues to support this bill to ensure once and for all that retirement funds are used solely to benefit retirees and their families.

THE PALM BEACH CLINIC FOR AFGHANS

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LEWIS of Florida. Mr. Speaker, a year ago I appeared with Dr. Khalid Akram of Afghanistan and others at a regular meeting of the Palm Beach Round Table forum in my district to discuss the Afghan war with the Russians. Dr. Akram, who received his medical training at Kabul University and has been practicing medicine in that country since 1982, testified before the Congressional Task Force on Afghanistan in March of this year.

Little did I know during that panel discussion less than a year ago that I would have this opportunity to relay a tremendous success story to my colleagues. I can tell this story because of the commitment, initiative, and generosity of Richard and Sue Williams and Frank Wright of Palm Beach and many other contributors to the Palm Beach Clinic for Afghans.

The Williamses and Wright initiated a boot passing, fundraising drive that netted about $8,000 in medical supplies and $12,000 in cash to establish this medical clinic to treat the wounded and sick in that beleaguered, war-torn country. The clinic is located in a manmade cave, hidden from Soviet artillery, in the remote, shellshocked village of Azra, about a day's walk from the capital city and Soviet stronghold of Kabul. Since late July, Dr. Akram and his colleagues have treated more than 2,000 refugees and rebels.

In an effort to break the spirit of the Afghan rebels, the Soviet occupation force has destroyed medical supplies and facilities and Dr. Akram says 5,000 of his country's doctors have been murdered. Dr. Akram recently told me that to be wounded in Afghanistan, where malaria, tuberculosis, and other diseases are spreading rapidly through the population, "is to be dead."

The kind of voluntarism that the Williamses, Wright, and the other supporters of the Palm Beach Clinic for Afghans has exhibited is uniquely American, because in no other country in the world do private citizens take on a project of this magnitude. In all other countries, citizens look to their government to do this kind of work.

These constituents of mine have earned the respect of this body, of all people who care about their fellow man and human dignity. They also have earned the support of our Government in order for the clinic to be able to continue helping Afghan refugees whose lives have been devastated by Soviet occupation.

The clinic can only remain operational about 3 more months on the supplies and funds raised by its friends in Palm Beach County, FL. Because of that, I have solicited the support of the President and Secretary Shultz, for there is no question in my mind that this is an instance where government can come to the rescue.

As you know, Congress has overwhelmingly approved a 1985 fiscal year authorization of $78 million for the specific purpose of providing educational and medical assistance to Afghan refugees. The State Department may find it difficult to determine how to distribute this money because of the Soviet occupation, but I submit that the Palm Beach Clinic for Afghans is just the kind of project for which those funds were intended.

Mr. Speaker, I respectfully request your support and that of my other colleagues in helping the Palm Beach Clinic for Afghans remain in operation.

IT'S THIRD DOWN AND LONG FOR A BALANCED BUDGET

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. GALLO. Mr. Speaker, the Washington political football season is paralleling the professional football season, with many upsets and very few undefeated teams after midseason.

The Washington political football, of course, is legislation to require a balanced Federal budget. As the 99th Congress reaches its midpoint, this now-famous football has been kicked back and forth between the House and Senate in a major contest over an idea that almost everyone seems to support in principle. When you start to talk about the details, however, support seems to erode quickly, at least among House Democrats.

This contest is harder to follow than professional football, because the rules of the game are not well-defined.

In fact, that is what the current battle in Congress is all about—the current budget-making rules are not working and no one can agree on changes that must be made so the process will work again.

Proof that the budget process is not working is everywhere. We are currently

paying $110 billion each year—one-tenth of the entire Federal budget—just for interest payments on the national debt we have already created. That is roughly $10,000 for every man, woman, and child in the country.

This money is no longer available to pay for program that help the people.

Every day that we delay in efforts to stop this unproductive drain on the Treasury, we put at risk the future of more and more Federal programs.

The trend is clear. We cut programs to lower the debt, then we face the need to cut more programs to pay the interest on the existing debt. Unable to make up the difference, we allow the debt to rise, then must cut more programs to pay the additional interest on the higher debt.

If we do not stop mortgaging our future to pay the debts of the past, our budget problems will continue to worsen.

As a suppporter of both the Gramm-Rudman proposal and a constitutional amendment to require a balanced Federal budget, I believe that Members of Congress who are dragging their feet on Gramm-Rudman are acting irresponsibly.

As a Member of Congress who voted on November 1 to stay in session to solve the current debt crisis, I find it hard to believe that Democrats in the House chose instead to go home, allowing this crisis to drag on.

On November 1, when the Federal Government began borrowing from the Social Security Trust Fund, we should have stayed in session to hammer out an agreement on Gramm-Rudman. Instead, we sent the bill back to the Senate.

The Senate amended the bill to require across-the-board budget cuts and to make the original proposal more accountable to its critics.

The House voted against the amendments, and sent the measure back to a conference committee.

The clock is ticking. On November 15, the Federal Government will run out of places to borrow and we will go broke, if Congress fails to act.

There is no reason for this phony crisis over Gramm-Rudman. We face a real crisis if we do not bring the deficit down and begin paying our national debt, which has topped $2 trillion.

With less than 2 minutes to go, it's third and long for Congress, which is down by four points. Stay tuned.

TRIBUTE TO SPENCER W. KIMBALL, PRESIDENT OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LANTOS. Mr. Speaker, last week Americans throughout our land were saddened by the death of Spencer W. Kimball, president of the Church of Jesus Christ of Latter-day Saints (Mormon). He died on November 5 at the age of 90. On Saturday, a special memorial service was held in the historic Tabernacle in Salt Lake City, UT, at which his accomplishments and life were remembered.

Latter-day Saints will keenly miss this outstanding leader, who has directed the destiny of Mormons in the United States and throughout the world for more than a decade. Under his leadership many important achievements have been recorded in the growth and success of the church, but one action of historic significance stands out. In 1978 under his leadership, the church leadership approved the decision to permit all males, without regard to race or color, to hold the Mormon priesthood. The decision to end the prohibition against blacks participating fully in church activity was welcomed by Latter-day Saints and by all Americans.

President Kimball's life demonstrated his tenacity in facing and overcoming obstacles. He suffered chronic heart disease and underwent open-heart surgery. He also suffered cancer of the throat and underwent surgery which left him almost speechless. His distinctive, raspy voice was the result of that medical treatment. He conquered these illnesses and then went on to assume the heavy responsibilities as presiding officer of the church.

Although he was nearly 80 before he became head of the church, he instilled a vigor and vitality to church activities that would be the envy of women and men half his age. In the 12 years of his stewardship, membership in the church grew from 3.8 million to almost 6 million around the world. He presided over the construction of 47 new temples in the United States and around the world.

Mr. Speaker, I join with millions of Americans—both Mormons and non-Mormons alike—who mourn his passing. His dedication to the importance of family, his courage and determination in overcoming physical obstacles, and his vigorous leadership are an inspiration to all of us. He was a great man; he will be missed by all of us.

ABEX AEROSPACE DIVISION'S 25 YEARS IN OXNARD

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LAGOMARSINO. Mr. Speaker, today I would like to call to the attention of my colleagues, the declaration of October 19, 1985 as "ABEX Day" in Oxnard, CA. This is in celebration of ABEX Aerospace division's 25th anniversary in that city.

ABEX Aerospace manufacturers airborne hydraulic equipment today, but had its beginnings in 1902 as American Brake Shoe Co., supplying the country's railroads with brake shoes, castings and forgings. Headquarters were in New York City with production facilities in Mahwah, NJ.

American Brake Shoe grew with the growth of the railroad industry but gradually entered other lines of business, earning a well deserved reputation as a respected manufacturer.

In 1939 the company acquired Kellogg Manufacturing Co., of Rochester, NY, whose primary product was air compressors. This fit in well with Brake Shoe's railroad and industrial orientation. Kellogg had by then diversified into the emerging field known as aerospace. In fact, in 1919 the Navy NC–4, which was the first to cross the Atlantic, was equipped with a Kellogg windmill-type pump moved fuel from tanks to engines. This being in effect, the very first ram air turbine pump. One of these units can be seen in the Aerospace division's marketing display.

Subsequently, Brake Shoe acquired Denision Engineering Co., which was engaged in the manufacture of industrial hydraulic products. Denison engineers gave the jet age a boost in 1952 with the development of an engine-driven pump still in use today.

As a matter of fact, ABEX pumps were in the F–14 aircraft that forced down the aircraft carrying the terrorist hijackers of the *Achille Lauro.*

In 1959 Brake Shoe purchased the Permanent Filter property in Oxnard, CA., as a new home for the Aerospace division. The move was completed in 1960 and the product line was complemented in 1962 with an electro-hydraulic servovalve, product of the newly acquired Atchely Co.

As aerospace technology outpaced railroad technology, a name change for American Brake Shoe was decided on. In 1966, ABEX became the official company name.

The aerospace division is actively involved in a specialized area of hydraulics. Other divisions serve most forms of transportation, mining, construction, processing, manufacturing and general industry.

I appreciate the contributions ABEX has made to the county of Ventura and wish them success in future endeavors.

TRIBUTE TO THE NATIONAL ITALIAN AMERICAN FOUNDATION—10 YEARS OF SERVICE AND COMMITMENT TO THE ITALIAN AMERICAN COMMUNITY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BIAGGI. Mr. Speaker, it is with a sense of great pride that I today pay tribute to the National Italian American Foundation on their 10th anniversary year. Several weeks ago in Washington, the foundation capped its 10th year anniversary with a gala weekend which included a spectacular dinner at the Washington Hilton on October 19. This event was graced by the presence of both President and Mrs. Reagan and featured the awarding of a life achievement award to Frank Sinatra.

In 1975, the National Italian American Foundation was officially established. It was the culmination of years of effort

aimed at establishing a national organization dedicated to advancing the concerns and interests of our Nation's large and influential Italian American community. It was designed to compliment the many local and State organizations which exist which serve the Italian American community. It was purposely based in Washington, DC, so as to better achieve its mandate of being a national organization as well as to maintain regular liaison with elected officials in Congress as well as those in the executive branch who are of Italian heritage.

What is remarkable about the National Italian American Foundation is the fact that a number of those who were the original architects of the organization remain as actively committee to the organization now as they were 10 years ago. Consider Jeno Paulucci. Jeno was the driving force behind the establishment of NIAF and was named its first Chairman. Today 10 years later Jeno remains chairman of the board. Yet that only tells part of the story.

It neither accurately or adequately describes his essential role in the development and success of the foundation. He has lent enormous time and energy to the foundation and like himself has made it an overwhelming success. I also acknowledge the important work and ongoing contribution made by my dear friend and our colleague FRANK ANNUNZIO. He has been such an integral factor in the foundation and has especially worked at maintaining a strong liaison between the foundation and the Italian American Congressional Delegation. He has also given generously of his time over the years for various foundation functions and events.

A number of us in the Italian American congressional Delegation have been proud to work closely with the NIAF over its first decade. Among those most worthy of note are our esteemed colleagues, PETER RODINO and SILVIO CONTE. For my part, I have been proud to serve on the board of directors since 1977 and serve as chairman of the NIAF's public image committee and cochairman of its new Media Institute.

There are countless others who have been active and who rightfully share in the success it now enjoys after 10 years. Individuals such as Frank Stella, the effective current president of the foundation. In addition, Vincent Visceglia, vice president of administration, Donald Santarelli, secretary, Mario Noto, treasurer and the distinguished general counsel of the foundation, Arthur J. Gajarsa. In addition, the foundation has been helped tremendously by our former Secretary of Transportation and Ambassador to Italy the Honorable John Volpe who served as president of the NIAF. One of the most inspirational of all NIAF leaders was the late Msgr. Geno Baroni the first president of the foundation. Monsignor Baroni was a constant force in the foundation until his tragic death to cancer in 1984.

Over these past 10 years, the National Italian American Foundation and its successes have mirrored those of the Italian American community as a whole. The Italian American Foundation has been actively involved in numerous civic, charitable, and humanitarian activities both in the United States and in Italy. The foundation has played an active role in securing private aid to the victims of the two tragic earthquakes which struck Italy during this past decade. The foundation has provided scholarships and grants to students and has conducted several conferences for young Italian Americans. NIAF has worked to combat stereotyping and ridicule against Italian Americans by both the print and electronic media.

It is difficult in this type of statement to list all of the accomplishments of the National Italian American Foundation these past 10 years. That in itself is a good sign, for these successes have in fact been too many to list. Instead I submit for the RECORD a list of highlights as compiled by the foundation and published in their October-November 1985 newsletter. In addition, I will insert a message from Chairman Paulucci and President Stella entitled "A Look Into the Future."

The Italian American Foundation has a proud past and a bright future. In addition to those I recognized earlier, let me also pay tribute to the dedicated staff of the NIAF. Specifically I wish to compliment the executive director, Dr. Alfred M. Rotondaro, who has provided effective and enlightened leadership over these past 4 years. I also commend the work done by the deputy director, Frank Bonora, and director of legislative affairs, John Salamone.

At this point I wish to insert the NIAF materials.

DECADE IN REVIEW

1975

National Italian-American Foundation organized . . . Jeno F. Paulucci named first chairman, Mgr. Geno Baroni, president . . . Mario Noto, treasurer . . . Arthur J. Gajarsa, general counsel and Paul Asciolla, executive director. The board of directors are Joseph Alioto, Baroni, Dr. Rose Basile Green, Antonio M. Marinelli, Noto, Paulucci, John Spatuzza, Jack Valenti and John Volpe . . . Italian-American Congressional Delegation plays active role . . . 30 members of the House of Representatives and two senators . . .

1976

Baroni and Asciolla issue a "prospectus on the foundation" stressing the need for scholarships and fellowships for an Italian-American studies program . . . examining questions of defamation and responding quickly and effectively to such charges . . . conducting studies to determine the status of Italian-Americans . . . develop issues and areas of national and international concern as related to the federal government . . . assisting groups in developing and exercising their leadership potential through research, training, conferences and workshops . . . developing political leadership alternatives to those who seek to exploit the alienation of Italian-American working class neighborhoods and provide alternative voices of those who foment ethnic racial disharmony.

1977

. . . Margaret Constanza is named to the White House staff as ethnic affairs advisor . . . Joseph Califano named Secretary of Health, Education and Welfare . . . Geno Baroni named assistant secretary for Housing and Urban Development . . . Jeno Paulucci chosen as President Carter's envoy to survey Fruili earthquake relief . . . Robert Georgine, president of the AFL-CIO Building Trades, and Congressman Frank Annunzio named to NIAF board of directors . . . National Endowment for the Humanities awards a grant of $15,100 to the foundation to support a conference exploring the family values of Italian-Americans and other ethnic and racial groups . . . Sister Marchione begins to work to have a commemorative stamp honoring revolutionary hero Philip Mazzei . . . Paulucci honored for his contribution to ethnic heritage at the University of Santa Clara in San Francisco . . . New members elected to NIAF Board include Congressman Mario Biaggi, Judge Mario L. Clinco of California, Congressman Silvio O. Conte, Francesco Cordasco, educator from New Jersey, Congressman John Dent, Joseph J. Digange, banker from California, Congressmen Peter Rodino and Joseph Minish and Professor Luciano J. Iorizzo . . . Also Dr. Peter Sammartino, Rutherford, N.J., Donald E. Santarelli, Washington, D.C., Professor Jean Scarpaci, Towson, Md., John Severino, Hollywood, Calif. . . .

1978

Seven new board members named including S.J. (Sam) Angotti, Morgantown, W.Va., Angelo J. D'Agostino, Washington, D.C.; Ernest Lotito, Annandale, Va.; Mary L. Sfasciotti, Kenosha, Wis.; Thomas H. Trimarco, Boston, Mass.; Vincent Visceglia, Newark, N.J.; and James L. Coli, Chicago . . . A. Bartlett Giamatti elected president of Yale University . . . John Volpe named president of the foundation . . . Italy's highest civilian medal, the Grande Ufficiale dell'Ordine, has been awarded to Congressman Frank Annunzio . . . In a landmark decision, the U.S. Supreme Court upheld NIAF's position against quotas and for affirmative action for all Americans, including Italian-Americans . . . Dr. Edmund D. Pellegrino has been named president of Catholic University . . . White House reception held for Foundation hosted by President Carter . . . Joe Ventura named NIAF Executive Director.

1979

Paulucci named recipient of "The Cavalieri Dell Umanita" award in Italy for his continuing efforts to improve relations between Italians and Italian-Americans . . . NIAF and the Agnelli Foundation sponsored a confeence in Washington on "the Role of the American of Italian Heritage in the 1980's" with more than 400 people in attendance including Vice President Walter Mondale. . . Edward Galletti, California, was awarded the prestigious "Commendatore Award" from Italy . . . Benjamin Civiletti was named attorney general of the U.S. . . . NIFA received a grant of $41,919 to plan a series of miniconferences to be held in 10 cities across the U.S. . . . NIAF's Endowment Fund off a fast start with Vincent-Visceglia giving the first $10,000 . . . Steve Aiello named to ethnic affairs post at the White House . . . Congressman Annunzio introduce an anti-defamation bill that would put Congress on record in opposition to films and television or radio broadcasts which stereotypes, demean or degrade ethnic, racial or religious groups.

1980

NIAF sponsors conference on Italians in American before the Civil War . . . Foundation establishes an information/referral service to provide assistance to Italian-Americans seeking help with government related programs . . . Vincent Visceglia was honored as the Columbian Foundation's "Man of the Year." At the same time, the Visceglia Arts Center was dedicated at Caldwell College in Caldwell, N.J. . . . NIAF was awarded a $129,070 grant by the National Endowment for the Humanities to conduct a series of regional conferences on "Italian Americans: Their Culture and contributions" . . . Six regional vice presidents were appointed to NIAF to help coordinate regional program activities. The six are Judge John A. Gale, Florida; Dr. Rose Basile Green, Pennsylvania; Mrs. Adele Malone, Mass.; Raymond A. Polverini, Los Angeles, James A. Scatena, San Francisco and Frank D. Stella, Michigan . . . A "Grantsmanship Workshop" designed to help Italian-American organizations obtain federal funds for their programs and communities was sponsored by NIAF . . . Regional conferences for NIAF kicked off in Tampa and Cleveland . . . Bob Georgine honored for his contributions in the field of labor . . . NIAF receive an R.J. Reynolds Industries Graduate Legislative fellowship to establish a legislative intern program in the nation's capitol . . . NIAF's annual dinner attacts more than 2,500 people including President Carter as well as his GOP opponent Ronald Reagan . . . Frank Stella was named president of NIAF . . . Four more members of the Italian-American Community were named to NIAF's Board of Directors. they were Paul Alongi, Bloomfield, N.J.; Joseph Maseli, New Orleans; E. Howard Molisani, New York and Judge Frank J. Montemuro of Philadelphia . . . Jeno F. Paulucci was named by President Carter to survey the earthquake damage in southern Italy . . .

1981

Mr. and Mrs. Natale J. DeFlavia, Broomall, Pa. bequeathed one-third of their estate to NIAF to provide scholarships for needy Italian-American students . . . NIAF got involved in a baseball hassle when NIAF leaders demanded an explanation of the American League's refusal to allow Edward DeBartolo to buy the Chicago White Sox . . . NIAF was upset that the decision may have been based on "ethnic prejudice." . . . Fred Rotondaro was named executive director of the foundation . . . NIAF negotiated a meeting between President Reagan and 25 leaders of the Italian-American community . . . New board members named to NIAF were Sen. Pete V. Domenici, Lucy A. Falcone, Wash. D.C.; Benjamin L. Palumbo, Wash. D.C.; Michael J. Paulucci, Duluth, Minn.; and Gilbert Simonetti, New York . . . NIAF sponsors a conference on the "Italian Creative Influence in America" . . . NIAF establishes an organizational affiliation program to present a united front and provide increased cooperation on a national level on matters affecting the Italian-American community . . .

1982

NIAF sponsors conference on Garibaldi . . . Dr. Rose Green, a member of NIAF's board, was named chairperson on the National Advisory Council on Ethnic Heritage Studies . . . NIAF launched a series of international affairs breakfast forums . . . A public policy forum was launched by NIAF to publicize important issues relating to Italian-Americans . . . NIAF sets conference, "The Italian Americans: Preparing for 1992" . . . Lucile DeGeorge was named director of womens affairs for NIAF . . . Congressman Mario Biaggi is named chairman of NIAF's 'Public Image' committee . . . Vincent Visceglia elected vice president for administration for NIAF . . . A. Bartlett Giamatti, president of Yale, Lee A. Iacocca and Sophia Loren were honored by NIAF . . . More than $800,000 in cash and pledges raised by Edward DiLoretto, Endowment Fund Chairman . . . NIAF sponsors exhibit at the National Gallery in Washington honoring the 500th anniversary of the birth of Raphael . . . NIAF sponsors day care center in Lapio, Italy . . . Foundation awarded some 19 graduate and undergraduate scholarships during the year . . .

1983

Congressman Peter Rodino was the first recipient of NIAF's Fiorello La Guardia Public Service Award . . . Foundation establishes a scholarship program in honor of Elena Cornaro to give financial aid to qualified Italian-American woman scholars . . . NIAF sponsors conference on media featuring building a 'positive image' . . . Lisa R. Tucci was awarded an NIAF Amerito DiPietro prize for her essay on the meaning of Italian heritage . . . NIAF holds conference and dinner to pay homage to A.P. Giannini, founder of the Bank of America . . . NIAF joins in labor training program in Italian earthquake region . . . 23 students from 10 states receive a total of $15,000 in scholarship aid from NIAF . . . NIAF urges Francis Vigo stamp . . . Governor and Mrs. Cuomo of New York honored by NIAF . . . NIAF Executive Director testifies before U.S. Senate Judiciary Committee on behalf of Robert Destro who becomes the first Italian-American ever named to the U.S. Civil Service Commission . . . NIAF launches regional awards dinner program . . . University of Chicago Law Professor Antonin Scalia named to U.S. Circuit Court of Appeals for the District of Columbia, another first for an Italian-American.

1984

Gov. Cuomo of New York honored by NIAF at a special dinner . . . Geraldine A. Ferraro, a member of the foundation's board, was named vice president nominee on the Democratic ticket . . . Gian Carlo Menotti, one of the great opera composers and actor Daniel J. Travanti were honored at the NIAF annual dinner . . . President Reagan, Vice President George Bush, Democratic presidential nominee Walter Mondale and vice president Geraldine Ferraro spoke at the annual NIAF dinner . . . NIAF awards over $35,000 in scholarships and grants during the year . . . NIAF creates Media Institute to help the national media seek an accurate and authentic portrayal of the realities of Italian-American life . . . Msgr. Gene Baroni, the first NIAF president and one of the founders of the foundation, dies . . . Charles Marinaccio becomes first Italian American ever named to the Securities and Exchange Commission.

1985

NIAF sponsors Mezzogiorno conference in Genoa to help the economy of that area . . . NIAF holds first youth conference in New York City . . . NIAF establishes Italian-Heritage program . . . NIAF helps sponsor Academy Award documentary of the "The Stone Carver" . . . NIAF pushes Italy rediscovery program . . . Lord and Lady Forte of England honored by NIAF . . . NIAF sponsors US tour of the world famous Carabinieri Band as part of its '10th anniversary gala celebration . . . NIAF intensifies drive against ethnic stereotyping geared to comic strips, newspaper articles and recent films . . . NIAF president Frank Stella is elected president of Republic Heritage Council to battle ethnic stereotyping . . . NIAF acts to help elderly with a series of conferences . . . Rollie Massimino, coach of Villanova University's national championship basketball team, was honored at NIAF in Philadelphia.

A Look into the Future

(The editors of the Washington Newsletter asked NIAF Chairman Jeno F. Paulucci and President Frank D. Stella to put together some of their thoughts for the future regarding the activities of the foundation. Following is the response we received from Mr. Paulucci and Mr. Stella.)

To our members:

The accomplishments of the NIAF in the first ten years of our existence have been indeed impressive.

This has been due to the numerous men and women from across the nation who have supported our organization with their time, money, and creative ideas. We now look forward to the next decade of our existence—with particular attention to the events leading up to and culminating in 1991, the five hundredth anniversary of Columbus' discovery of America.

What are some of the projects we will undertake in the future?

Americans of Italian heritage have succeeded in the U.S. for a variety of reasons.

We have worked hard, we have faith in the future, and we work with the recognition that we must try to make life better for our children. With this background in mind, the NIAF will intensify its efforts in the next few years in the area of support for our young people.

We have undertaken an extensive scholarship program that this year will provide over $40,000 in scholarships and grants. But this is not enough; we are barely scratching the surface of the existing need. We want to expand our grants and scholarship program so we can help not merely a minority but a solid majority of those young people who need financial help for their education. We want also to assist the many scholars who are exploring avenues of Italian American life.

Our children cannot be proud of their heritage if they do not know what it is—and they will not know if we do not preserve it.

Very importantly, this work must be done in cooperation with the many Italian American organizations such as UNICO, Order of Sons of Italy in America, and other national and regional groups.

The day must end when Italian American groups compete instead of cooperate.

The NIAF, for instance, can support such outstanding projects as the mentor program of the National Organization of Italian American Women which puts young people in close touch with accomplished men and women in their professional fields. Such organizations also as the National Italian American Sports Hall of Fame have created a magnificent scholarship program and annually honors the many Americans of Italian heritage who because of their athletic success serve as role models for our young people.

The importance of our young people and of education is vital—so also is a recognition that Italian Americans must begin to form key networks that can be bridges between

those of us in the business, political, and other worlds.

Italian Americans are coming into our own politically.

We have had our first candidate for national office; we expect we will have others before the end of the decade and we will have also a Supreme Court justice.

But we cannot sit back and luxuriate in the success of a few—rather we must work to extend our influence not only through members of the House and Senate who are Italian in origin but through the eighty-plus Congressional members who have heavy Italian American constituencies in their districts. We must support the young qualified Italian Americans who are beginning their political careers.

Education . . . networking, politics . . . all of these are vital areas . . . And so also is the media. We wish to build on the fine beginning of our newly formed Media Institute so that it can work on a regular basis with the opinion makers of the movies, radio, television, and newspapers.

The Media Institute can and should be able to assist young journalists and scholars and filmmakers who need funds to present the truth of the Italian American experience . . .

And we must not forget our ancestral roots. The NIAF will work to establish a fund to assist the numerous cultural projects that can display with vivid light the close relations of Italy and the United States. Too often these projects fail to come to fruition because of a lack of funds. We will strive to correct this failure by educating Italian and American companies to a realization of the continuing importance of support for these programs.

These are just a few of the many projects we plan to initiate or expand in the years ahead . . . We invite your continued support and your comments.

SUSPENSION OF DEPORTATION OF SALVADORAN REFUGEES

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. HERTEL of Michigan. Mr. Speaker, I am proud to be the cosponsor of H.R. 822 as introduced by Congressman MOAKLEY on January 30, 1985. H.R. 822 would provide for the suspension of deportation of Salvadoran refugees until further study—also provided for—could be done on the situation in El Salvador. This study would investigate all of the aspects of the present circumstances of displaced Salvadoran persons, and would compare this situation to similar ones in the 15 countries where refugees are already offered temporary haven in the United States.

The situation in El Salvador is desperate. Since the beginning of the civil war in 1979, over 50,000 civilians have been murdered. Although the instances of death squad murders are down, reports of seemingly arbitrary bombings of civilians are on the rise. Over one-half million internally displaced citizens of El Salvador are forced to live in prison-like camps. It is unarguable that these people are in danger and that their rights are being restricted. When these desperate refugees flee to the United States, those who seek only temporary haven are immediately deported. Of those who apply for official political asylum, only about 2.5 percent are accepted.

The Refugee Act of 1980 states that aliens can be granted asylum on the grounds of "persecution or a well founded fear of persecution." The United States also has a tradition of granting temporary haven to refugees from certain unstable countries. At the present time, the United States offers this temporary haven to 15 countries, including Poland, Afghanistan, Uganda, and Ethiopia. It does not offer it to the unquestionably needy refugees of El Salvador.

H.R. 822 is desperately needed to facilitate the disposition of Salvadoran refugees in the United States. I respectfully request that my fellow Members of Congress do what they can to help with the passage of this bill as it goes through committee and onto the floor of the House of Representatives. Thank you for your consideration and assistance.

A TRIBUTE TO THE RIVERSIDE HIGH SCHOOL YOUTH FOR AMERICA ECOLOGY CLUB

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. KOLTER. Mr. Speaker, today I rise to pay tribute to all 126 members of the Riverside High School Youth for America Ecology Club in my Fourth District of Pennsylvania and the club's sponsor, Mr. John Novalesi.

On December 6 during the 32d annual meeting of Keep America Beautiful, the Riverside High School Youth for America Ecology Club will receive the second place award for its efforts to preserve and improve the environment. Receiving this award is a great accomplishment in its own right but it has added significance for this high school organization: the Riverside club will become the first high school group in the Nation to win five national awards in the 32-year history of Keep America Beautiful.

The Keep America Beautiful competition roused groups from across the Nation to submit their seven-page questionnaires and albums describing the nature and scope of their respective programs. The judges panel chose from among these honoring only the best organizations in the country. Riverside's 32-page album containing pictures and newspaper stories illustrated the excellence of their multifaceted program. Activities described in the album include the following political action in circulating a petition to include the construction of a bridge in the new appropriations bill: tornado assistance; construction of over 300 bluebird houses for distribution throughout the community; developing a nature trail behind Riverside High School; continuing a recycling project; establishing a high school "energy patrol" to check lights and doors at the high school; and operating a litter pick-up in Franklin, Marion, and North Sewickley townships.

The consistent work of the Riverside High School Youth for America Ecology Club to improve the environment deserves applause. Their efforts have bettered the quality of life in their community. Therefore, I request, Mr. Speaker, that this body join Keep America Beautiful in saluting the the Riverside High School Youth for America Ecology Club.

PERSONAL EXPLANATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DANNEMEYER. Mr. Speaker, due to a longstanding commitment in my district I was not available for the session on Wednesday, November 6, 1985, and I subsequently missed seven recorded votes. If I had been present, I would have voted:

"Aye" on House Joint Resolution 36, to authorize a memorial to women who served in or with the armed services;

"Aye" on House Joint Resolution 142, to honor certain black Americans in the American Revolution;

"Aye" on H.R. 2205, to authorize the Korean War Memorial;

On the amendments to H.R. 6, the Water Resources Act of 1985, I would have voted:

"Nay" on the Edgar amendment to require cost-sharing for each element of the Mississippi River;

"Nay" on the Weaver amendment to deauthorize the Elk Creek Lake project;

On House Joint Resolution 372, to increase the debt limit, I would have noted:

"Aye" on the Mack motion to concur in the Senate amendment to the House amendment to the Senate amendment (balanced budget and deficit control); and

"Aye" on the Lott amendment to instruct the conferees to agree to a fixed schedule of deficit reduction in order to achieve a balanced budget by 1991.

TRIBUTE TO COUNTY OF SONOMA AND THE SONOMA COUNTY ENERGY COALITION

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BOSCO. Mr. Speaker, I rise today to commend the county of Sonoma and the Sonoma County Energy Coalition, who last week received national recognition for their outstanding energy conservation project from the Department of Energy's National Awards Program for Energy Innovation. This awards program, now in its second year, is a cooperative Federal/State effort designed to identify and reward innovative conservation and renewable

energy achievements that hold promise for expanded use throughout the country.

Sonoma County and the Sonoma County Energy Coalition, located in my district, collaborated on "The Sonoma County Residential Conservation Service Plan." This award-winning plan was developed to provide residential conservation services to 15,000 low- and moderate-income households throughout Sonoma County. Conservation education and weatherization services were provided to these residents, who in the past have been largely underserved. The main focus of the plan has been to promote life-style changes in energy consumptive practices. In addition, an important aspect of this project has been its emphasis on community involvement and in particular, the mobilization of a diverse network of community volunteers to guide the project's development.

Mr. Speaker, it gives me great pleasure to extend my congratulations to both the county of Sonoma and the Sonoma County Energy Coalition for their exceptional work in promoting energy-saving practices to groups that heretofore have been neglected. I look forward to a greater application of this project in other regions as well.

TRIBUTE TO HUBBARD S. RUSSELL, JR.

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LAGOMARSINO. Mr. Speaker, I would like to take this opportunity to pay tribute to my constituent, Mr. Hubbard S. Russell, Jr. Mr. Russell will retire as a trustee of Allan Hancock Joint Community College District on November 28, 1985, after serving for 22 years. He is the last charter member of the board of trustees and has served as board president since 1979.

As president of the Allan Hancock College Board of Trustees, Mr. Russell has seen the college become one of the 5 most efficiently run districts out of the 70 in the State. Under his leadership, graduation requirements have been strengthened, an honors program introduced, a staff development program initiated and an outstanding academic record has been achieved. The college district covers 3,000 square miles and serves over 16,000 students a year.

A graduate of UCLA, Mr. Russell has been an active member of the National Cattleman's Association since 1958 and from 1976–82 served as chairman of the national private land use committee.

As an active member of the California Cattleman's Association since 1958, Mr. Russell served as chairman of the convention committee from 1970–84 and as a member of the board of directors since 1970–80 and is currently chairman of the farm policy committee. He is also past president of the Santa Barbara County Cattleman's Association.

Mr. Russell and his wife Marie are parents of two children and have four grandchildren.

I wish them the best of everything in their retirement years.

A CONGRESSIONAL SALUTE TO ST. ANTHONY'S CROATIAN CATHOLIC CHURCH ON ITS 75TH ANNIVERSARY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. ANDERSON. Mr. Speaker, on December 7 the Croatian community of greater Los Angeles will gather at the Hollywood Palladium to celebrate the 75th anniversary of St. Anthony's Croatian Catholic Church. I take this opportunity to congratulate St. Anthony's Church and its many parishioners on this special occasion.

At the turn of the 20th century, small groups of Croatians began to settle along the coast of southern California. With the attraction of the area's mild ocean breezes, many settled in the seaside community of San Pedro, which quickly became recognized as the hub of California's commercial fishing industry.

Since the Catholic faith has been, and continues to be, an integral part of the Croatian's daily life, the church has always been a natural gathering place. The dreams of those in the Croatian community of Los Angeles became a reality when the Most Reverend Bishop Thomas J. Conaty dedicated St. Anthony's and celebrated a solemn high mass on December 11, 1910.

Through the years, the Croatian community has continued to thrive in the Los Angeles basin. Today, the children and grandchildren of the original Croatian settlers are forging successful careers and helping make California such a special place to live. Their contributions and dedication to the community is a tribute to all Croatians.

As the Croatian community grows in Los Angeles and San Pedro, you can be sure that St. Anthony's will continue to be one of our area's most treasured places of worship.

Mr. Speaker, this 75th anniversary celebration is a fitting tribute to all those early Croatian pioneers who have the faith and courage to travel thousands of miles around the globe and build their own church and raise their families.

My wife, Lee, joins me in saluting St. Anthony's Croatian Catholic Church on this special occasion. We know that the Croatian people will continue to play an active role in the community and help us make the world a much better place.

MARY TSUKAMOTO DAY IN SACRAMENTO

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. MATSUI. Mr. Speaker, on October 26 a dinner gala was held in my district to celebrate the 50th anniversary of the founding of the Florin Chapter of the Japanese American Citizens League. The last 50 years have been a time of tremendous growth and rich history for the Florin JACL.

No one exemplifies the growth, maturity, and changes in the community better than Mary Tsukamoto. Most appropriately, Mary was honored at the dinner for her many contributions to the community as an educator, historian, church worker, and civil rights leader.

Talking with Mary, the last 50 years melt away. She paints so vivid a picture that you are able to feel, and understand, and envision the changes that have taken place.

She can tell you about the families who came to Florin in the 1920's and 1930's, more than 60 percent of whom were Japanese people who farmed the land. They raised strawberries and learned how to plant grapevines between the berry patches. Other Japanese worked in the basket factory and the cover factory.

When the Florin JACL was founded in 1935, racism and prejudice was prevalent. The Florin Elementary School was segregated from 1923 until 1939 when Mary and Al Tsukamoto, representing the Florin JACL, went before the school officials and asked them to integrate the classes.

And then the war and the internment. Those of us who were too young to remember are now in a position to champion the case for redress. Mary has been in the forefront of that cause for 40 years as a leader and as a role model.

Mr. Speaker, I ask you and all of my colleagues to join me in tribute and appreciation to Mary Tsukamoto, who has devoted her life to the pursuit of justice and service to the community.

ON VETERANS DAY, WE HONOR AND PRAISE OUR VETERANS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LIPINSKI. Mr. Speaker, it has been 40 years since the end of World War II. This makes yesterday, November 11, 1985, a very special Veterans Day for all those who fought to save Europe from Nazi Germany and Asia from Imperial Japan. I wish to express a personal thank you to all those men and women who made the great effort not only for America and our way of life, but also for all mankind.

November 11 is not only a day for us to pay tribute to the over 28 million surviving veterans of our country as well as those who are no longer with us, but to give thanks for the freedom and security which our servicemen have brought to this country. In how many countries of the world can citizens freely advance any idea, at any time, in any place? How many nations can boast of truly free elections? In how many countries is the dignity of the common man not only presumed, but guaranteed by the government? Unfortunately, the answer to all of these questions is, precious few.

We in the United States enjoy all of these freedoms, and more. However, we must remember that we owe the existence of our liberties to the men and women who have taken arms to defend America. Liberty may be a right, but it is by no means a certainty. We enjoy our freedom only because we have been willing to fight for it. Democracy is fragile, and we must defend it every day. For over 200 years, brave Americans have fought and sacrificed so that we may continue to speak freely, worship as we please, and publicly voice our opinions of government, without fear of retaliation.

On November 11, we praise our veterans for their efforts on behalf of liberty. We enjoy the benefits of freedom every day. If we publicly honor our veterans only 1 day of the year, let us pause for a moment each other day, and give thanks to those who have fought and struggled to ensure that Americans will always live in freedom.

CONSERVATIVE ELITES OUT OF TOUCH WITH AMERICA

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mrs. SCHROEDER. Mr. Speaker, I'd like to bring your attention to the results of referenda held this past Tuesday in three small, conservative New England towns—Dover, NH; Derry NH; and Bristol, CT. The question posed to the voters in each town was essentially the same—"Should the 1973 decision of the Supreme Court in Roe against Wade regarding abortion be overturned?"

It seems that antiabortion forces selected the three towns for the referenda precisely because of their small town, conservative nature. They assumed, mistakenly, that men and women in such towns would support the extremist view that women have no right to control their own bodies. They believed, wrongfully, that conservatives share their misguided notion that it is the proper function of government to assert ownership rights over women's wombs by forcing a woman to continue an unwanted pregnancy. The referenda results show that the majority in each community supports the Supreme Court's ruling in Roe against Wade. In Dover, 65 percent of the voters support the Court's ruling, in Derry, 60 percent, and in Bristol, 56 percent.

The voters who went to the polls on Tuesday are sending a message to those of my colleagues who are intimidated and afraid of well-heeled antiabortion organizations with their barely hidden right-wing agendas. These organizations do not represent the majority of your constituents. They do not represent a majority of your conservative constituents, and they certainly do not represent a majority of your liberal constituents.

OPPOSITION TO THE ARMS SALE TO JORDAN

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LENT. Mr. Speaker, I offer my strong support for this joint resolution which opposes the proposed arms sale to Jordan until that country enters into meaningful peace negotiations with Israel.

As a cosponsor of a House joint resolution to block the Jordan arms sale, I am pleased by the Senate's action in overwhelmingly approving this similar legislation.

The fact remains that Israel is our most steadfast ally in the Middle East. The President's proposed arms sale to Jordan, without assurances as to that country's commitment to peace negotiations, would severely undermine Israel's security. Jordan must take a more active role in the peace process. Israel has stated its willingness to begin immediate direct negotiations with Jordan. To approve the proposed arms sale without such a commitment from Jordan would render Israel, the only true democracy in the Mideast, vulnerable to her enemies. I refuse to support such action. As one who has long recognized Israel's importance to the safety and security of this Nation, I will continue to do all I can to ensure that country's best interests are protected.

This legislation provides the incentive needed to get Jordan to the negotiating table with Israel. I urge my colleagues to support the resolution.

MAC-TYPE GUN: DESIGNED TO KILL PEOPLE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. TORRICELLI. Mr. Speaker, last spring, a young Missouri State Trooper was shot to death in a hail of gunfire from a powerful yet lightweight weapon. A year earlier, a popular talk show host in Denver was gunned down outside his home with a similar weapon.

Two unfortunate and tragic facts link these two crimes: The persons charged with these killings were part of a group of extreme right-wing survivalists and they were both killed with a lethal weapon, still a mystery to many law enforcement officials, and most of the public, the MAC-type machineguns.

For several years, both Federal and local law enforcement officials nationwide have fought a courageous yet silent battle against this deadly opponent. These MAC-type guns—over 30,000 in circulation—are known to be used by the most notorious elements—drug dealers, survivalists, motorcycle gangs. They are designed for no other purpose than to kill people in large numbers.

Law enforcement offcials fear them because they are easily concealable and because of the tremendous firepower.

Each day, police officials continue the brave struggle against this weapon. Each day, law enforcement officials, in responding to the most routine dispatches, put their life on the line, not knowing whether they will be confronted with a hail of gunfire from one of these weapons.

Ironically, not only must law enforcement officials defend against the danger posed by these guns, but now are forced to defend themselves against a barrage of vicious and unwarranted attacks by the very people who have manufactured these guns.

Recently, RPB Industries of Atlanta, GA, placed an advertisement in a publication called "Shotgun News," naming a number of Bureau of Alcohol, Tobacco and Firearms officials [BATF] and linking them to Hitler's dreaded Gestapo. These vicious and obscene allegations were made against these agents for one reason only: They were doing their job and investigating this company for crimes for which they are now under indictment.

Those crimes relate to the business of allegedly sellings pieces and parts from which MAC-guns and silencers for the guns can be assembled.

These advertisements of the RPB Industries are not only a slur on the Federal BATF agents who have attempted to do their best to protect themselves and the public from these weapons, but they also constitute an attack on this institution which funds and oversees their activities.

Indeed, the injury is so great that the agents named in this ad have taken the extraordinary action of retaining counsel and filing suit against those who have paid for it.

In doing so, these agents have attempted to rectify a grievous wrong. They have stood up against those who have not only sent into the mainstream of criminal commerce these deadly guns, but compounded their actions by attacking and villifying the Federal agents attempting to combat this threat.

I wish them every success in their suit and I ask my colleagues to join with me in rejecting these attacks on the BATF and offer support for their work in the future.

LEGISLATION TO REFORM THE FEDERAL COMPONENT OF THE UNEMPLOYMENT COMPENSATION SYSTEM

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. CLINGER. Mr. Speaker, it is no secret that certain areas of this country are not participating in the economic recovery. The people of my district have told me in no uncertain terms that our area of Pennsylvania needs jobs. Many people living in these economically depressed pockets have, through no fault of their own, lost their jobs and have little chance of finding comparable work with another employer in the short term.

The Kittanning Leader-Times, a newspaper read by many of my constitutents, recently ran a fine editorial about the need to attract business and industry and pointed out that the survival of that area of Pennsylvania is at stake. I have committed myself to help bring those new employment opportunities to my district. But in the meantime we need to provide some assistance to the long-term unemployed.

Six months ago Congress voted to phase out the Federal Supplemental Compensation Program, the idea at the time being that the economic recovery made the program unnecessary. My constitutents would disagree. I disagree. I have cosponsored legislation introduced by my colleague from Ohio, Mr. PEASE, which would reform the Federal component of the unemployment compensation system. It is a bill worthy of your attention, and I strongly urge you go give this measure, and the problem of the long-term unemployed, the consideration it deserves.

VETERANS DAY OBSERVANCE

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BRUCE. Mr. Speaker, I rise today to honor our veterans throughout this great country. Yesterday marked our 32d annual Veterans Day observance. There are 28 million living veterans in the United States. I am proud to represent 7,000 of these veterans. On this day, we recount their deeds and sacrifices and remember the more than 1 million who have given the ultimate sacrifice in defense of the freedoms and ideals on which this country was founded. We pay them our highest tribute.

Those of us who have lived through the ravages of war or have seen it, have a special responsibility to future generations. We are charged with remembering the destructive impact of war on the Nation, its participants. and their heroic deeds. I am not saying that we should live in the past or in the ugliness of war, but I am saying that we must never forget. A generation fortunate enough not to witness or experience the brutality of war can easily forget. Our future as a free nation depends on whether or not we meet that responsibility and work tirelessly for peace. That's why Veterans Day is so important.

More than 130 measures affecting veterans' benefits and services have been introduced in the House of Representatives during the first session of the 99th Congress. The Committee on Veterans' Affairs has reported legislation that affects a broad range of veterans' benefits, including health care, housing, compensation, education, job training, and insurance. The following represents some of the major legislation I am proud to say I voted for and helped pass for you in the House of Representatives.

H.R. 505. Veterans' Health Care Amendments of 1985. Authorizes funds to encourage research and treatment of diseases affecting veterans.

H.R. 2343. Veterans Compensation Benefits Amendments of 1985. Increases the maximum coverage under Serviceman's Group Life Insurance from $35,000 to $50,000.

H.R. 2344. Veterans' Housing and Memorial Affairs Amendments. Contains a sense of the Congress resolution reaffirming the strong opposition to the administration's proposal to raise the VA home loan origination fee.

H.R. 1408. Veterans' Employment Amendments of 1985. Extends the application deadline for participation in the Emergency Veterans' Job Training Program. It also makes improvements in the Vocational Readjustment Appointment Authority, under which Vietnam-era veterans are given special consideration when seeking Federal employment.

Veterans Day ensures that the memory of veterans' sacrifices endure and the dream of a peaceful world never dies. On November 11, I urge all Americans to join in remembrance.

SUPPORT FOR FEDERAL EXCISE TAX

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. HUBBARD. Mr. Speaker, I received a thought-provoking letter from my constituent, L.M. Huff, executive director of the Green Valley Baptist Association in Henderson, KY, which I believe will be of interest to my colleagues.

As Congress continues to study tax reform proposals, L.M. Huff has written to me about his support for a Federal excise tax which, he believes, will be fair to individuals and corporations alike.

I urge my colleagues to read the views of L.M. Huff. His letter to me follows:

SEPTEMBER 18, 1985.

CONGRESSMAN HUBBARD: I support a Federal tax on all goods.

Let's go back to World War II. We had a Federal excise tax. It worked, and it could work again. We are in war and it is just as serious. Japan couldn't beat us by might, so they are trying to beat us by economics. We can beat the enemy if we share and share alike. Let's get on with a TAX where all pay as they go—this will remove the IRS and save three and one half billions of dollars per year and that is from now on.

Any state that has a sales tax is already set up to collect federal taxes. Let's stop this political footsey and get on with a plan so that no person or corporation can miss the joy of sharing in the total support.

Your friend,

L.M. HUFF,
Executive Director.

CYPRUS

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DIXON. Mr. Speaker, the Republic of Cyprus may be a small island, but strategically it is an important ally of the United States. As we move to finalize our foreign aid program for fiscal year 1986, I believe Members of Congress should keep in mind that Cyprus remains a troubled country divided between north and south—between Turkish Cypriots in the north that occupy about 40 percent of the island, yet comprise only 18 percent of the population, and the Greek Cypriots in the south.

I believe Congress should continue to review our foreign assistance levels to Greece, Turkey, and Cyprus, and encourage these governments, particularly Turkey, to move toward a negotiated settlement based on the fundamental principles of freedom and democracy.

Cyprus' history reflects a country torn by ethnic conflict. Eleven years ago, in a move that shocked the world, Turkish military forces invaded Cyprus, and, for years there was no urgency on the part of the Turkish Cypriots to reunite the island.

Today, there remain about 25,000 Turkish troops occupying Cyprus, and the U.N. peacekeeping force that was sent there in 1964 to preserve international peace and security remain stationed on the "green line" dividing the two zones. Despite the partitioning and the efforts of the Turkish Cypriots to establish their own government under Mr. Rauf Denktash, there is only one internationally recognized government—that of President Spyros Kyprianou who remains a close and loyal ally of the United States.

The unfortunate reality is that before there can be any resolution to the unsettled conditions in Cyprus, a series of complex problems will have to be addressed by both communities, including a withdrawal of foreign military occupying forces, a new constitutional agreement, and progress toward resolving the territorial rights issue. If there is to be a long-term solution and a unified Cyprus, all concerned parties will have to come to terms with these issues that would give a new ray of hope for an end to this tragic conflict.

The differences between the Turkish and Greek Cypriot communities are widespread, but with the recent initiative and diplomacy of U.N. Secretary General Javier Perez De Cuellar there are promising signs of a willingness on the part of the two communities to negotiate. This January, President Kyprianou and Mr. Denktash met in New York for a U.N. organized summit. Although the summit failed to bridge the fundamental roadblocks between the two sides, the meeting clearly signaled some progress toward a settlement.

As the Republic of Cyprus celebrates its 25th anniversary, the people of Cyprus and many Americans of Greek extraction can justifiably wonder how much longer it will be before they can truly rejoice in celebration of their independence and their freedom from military occupation.

I agree with my colleagues in Congress—a divided Cyprus is a weakened Cyprus; the talks must continue. We must continue to hold firm on a 7 to 10 ratio in foreign assistance, and condition aid to Greece and Turkey on their progress toward peace.

I am hopeful that Cyprus will not remain a divided state, and that the complex problems that have been festering over the past 11 years will be resolved. Without hope, there is only despair. We must remain hopeful there will be direct negotiations to break the impasse, and bring in a new decade for a unified Cyprus and peace in the region.

UNITED STATES MUST EXTEND VOLUNTARY DEPARTURE STATUS TO SALVADORANS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. BONIOR of Michigan. Mr. Speaker, since the election of President Duarte, we have all hoped for a strengthening of democracy and the prospects for peace in El Salvador. Yet, these hopes must not blind us to that country's continuing war and the suffering of its people.

Hundreds of thousands of Salvadorans have fled to neighboring countries or the United States, fearing for their safety. The recent kidnaping of the President's daughter, and attacks by the Honduran military on a Salvadoran refugee camp are graphic illustrations of how violence threatens the life of every Salvadoran.

Under such conditions, it is imperative for the United States to grant extended voluntary departure status to the Salvadorans who have sought refuge in our country. I commend Chairman MAZZOLI for the hearings he held on this legislation last week. And I urge my colleagues to support the Moakley bill to grant Salvadorans a temporary stay of deportation.

UNOBLIGATED HOUSING FUNDS

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. LELAND. Mr. Speaker, I would like to take this time to raise a concern I have relating to unobligated housing funds held by the Department of Housing and Urban Development. My concern centers on how these funds would be treated under the Gramm-Rudman balanced budget amendment.

The Council of Large Public Housing Authorities has studied this situation and concluded that nearly $38 billion in funding held by HUD falls into the unobligated category. This amount represents housing assistance for more than 1 million Americans.

The Senate balanced-budget amendment makes clear that unobligated funds, along with normal appropriations accounts, would be subject to across-the-board spending cuts. The House-passed version exempts these funds.

The main impact of cutting HUD's unobligated funds would fall on the 1.1 million very low income elderly and family tenants who lease private housing with rental assistance from HUD through the local housing authority under section 8 programs. This popular program, which closely resembles the administration's voucher proposal, allows low-income people to rent private housing by paying a set percentage of their income in rent, with the balance paid by the Federal Government. This is an important program as it allows many people to escape the often horrendous conditions of public housing projects, while not losing Federal assistance.

Each housing unit authorized to receive a rental subsidy under this program has such funds appropriated on a 15-year schedule. HUD has chosen administratively to obligate funds only for the first 5 years and place the remainder in an uncommitted reserve. Funds in this reserve are then paid out in 5-year intervals. Thus, these funds that have been legislatively appropriated and committed to assistance of low-income tenants, nevertheless appear unobligated in the HUD ledgers.

Mr. Speaker, it is clear that to expose these unobligated HUD funds to the automatic sequestering mechanism of the Gramm-Rudman plan would result in the dislocation of hundreds of thousands of poor and elderly tenants. In this time when hundreds become homeless each day, we, as responsible legislators, should not lend a hand in forcing people into the streets. I urge my colleagues on the conference committee to pass the House version of the balanced-budget amendment and exempt HUD's unobligated funds from automatic cuts.

WASTE OILS ARE HAZARDOUS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DOWNEY of New York. Mr. Speaker, a critical question in the debate over the reauthorization of Superfund that we will soon consider on the House floor is who should pay to clean up abandoned and out-of-control toxic waste sites.

In 1980 we decided that the revenue for Superfund should come, to the extent possible, from those segments of industry and consumers most responsible for imposing risks arising from hazardous waste on society. This year we must significantly expand the scope and funding of Superfund but we must not abandon the "polluter must pay" philosophy for Superfund. The current taxes on chemical feedstocks and crude oil should be expanded and combined with a waste management tax and a share of general revenues to retain our original intent for the program.

In considering Superfund financing, it is important to remember who and what contributes to the toxic waste crisis facing this country today. One source of the problem is petroleum and its byproducts. Petroleum wastes including waste oil have been found at over 100 hazardous waste sites identified by EPA as candidates for Superfund cleanup. I urge my colleagues to read the attached article on the dangers of waste oil that recently appeared in the New York Times as they consider who should pay for Superfund.

[From the New York Times, Nov. 9, 1985]

EPA RESTRICTING USE OF WASTE OIL AS FUEL

(By Philp Shabecoff)

WASHINGTON, Nov. 8.—The Environmental Protection Agency announced restrictions today on the selling and burning of used oil containing contaminated waste. It said the use of such oil as fuel could cause cancer and other illnesses.

The rule, which will go into effect within the next two weeks, would ban the burning of all such oil containing more than specified levels of toxic chemicals and metals.

Some 500 million gallons of used oil burned each year in about 30,000 residential, institutional and commercial boilers. This oil amounts to less than 1 percent of the nation's fuel.

The burning of waste oil as fuel has been regarded as a particularly significant problem in large cities such as New York. Representative Bill Green, a Manhattan Republican, had pressed the environmental agency to have controls in place by this winter.

"In our city, especially in Manhattan, our problem is not waste in the ground but in the air," Mr. Green said today. He said the rules were needed "so we can avoid breathing poisons this winter."

Although the burning of waste oil contaminated by toxic substances has long been recognized as a health threat, the law on handling and disposing of toxic wastes allowed the continued use of such wastes as fuel supplements. Congress barred the practice last year; the rule issued today will put the Congressional ban into effect.

Also today, the environmental agency proposed what it said were the first Federal controls on the management of all used oil, including motor oil, lubricating oil, hydraulic fluids and metalworking oil. The agency is also proposing to list these used oils as hazardous wastes under the law on handling toxic waste, formally known as the Resource Conservation and Recovery Act.

Lee M. Thomas, Administrator of the agency, said the rule issued today would bring used oils under Federal control for the first time.

"E.P.A.'s ban on burning contaminated oil will reduce a major urban health risk, particularly in the Northeast and Midwest, where sale of contaminated oil for fuel has been a common practice," he said.

Mr. Thomas also said that the agency required people engaged in recycling used oil and those who burn it to notify the agency of their activities, "which will enable us to develop our first complete picture of the used oil recycling industry and to enforce our regulations.

The rule adopted today would bar the burning of waste oil containing more than five parts per million of arsenic, two parts per million of cadmium, 10 part per million of chromium, 100 parts per million of lead or 4,000 parts per million of halogens. The ban would also apply if the fuel's vapor ignites at less than 100 degrees Fahrenheit, a temperature at which incineration would fail to destroy many dangerous contaminants.

GROUP CALLS STANDARDS LAX

Robert V. Percival, a lawyer for the Environmental Defense Fund, a private group that often litigates on toxic waste issues, said that the cutoff point at which the hazardous substances may not be burned are set at levels that are "far too high and present too high a risk, particularly for people living in large cities."

It said it had determined that burning "contaminated used oil in boilers in urban areas may pose a cancer risk to urban residents."

"If the contaminated oil contains lead, an additional risk may be posed, especially to children," the statement added. "Studies indicate that lead adversely affects the development of children's nervous systems, as well as causing other toxic effects."

Representative Green commented that toxics in adulterated oil have been found to cause a wide range of health effects, including heart problems, brain damage and renal disease.

THE STRATEGIC DEFENSE INITIATIVE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1985

Mr. DORNAN of California. Mr. Speaker, the strategic defense initiative [SDI] is vital to the long-term survival of freedom and democracy. The SDI offers the best hope to make nuclear weapons obsolete once and for all. The President has correctly stated that there are a number of technologies that have to be successfully addressed before the comprehensive strategic defense can be deployed.

In this vein, there are two problem areas that the mad-capped opponents of the President's SDI Program have been kind enough to point out—even if these problems are highlighted for the wrong reasons. The first concern is that the SDI Program does not address itself to air defense issues such as defense against aircraft or cruise missiles. This is true. But the SDI Program is not designed to perform this air defense mission.

However, air defense is a real concern. The United States does not have an active air defense in any sense of the term. At present, the United States and Canada dedicate only 340 interceptors to defend the two countries—exclusive of Alaska. This is 50 fewer than were deployed at Pearl Harbor on December 7, 1941. The U.S. Navy has more F-14 Tomcats to defend its 13 carrier battlegroups than the U.S. Air Force has planes, of all types, to protect the continental United States. The radar net that would be called upon to alert our interceptors has huge gaps. Its effectiveness is extremely limited.

It is this effectiveness that is disparaged by the mad-cappers in relation to the SDI Program. There are a number of approaches to resolving the problem of detection. In the short run we should build additional fixed and mobile radar systems tied to Norad, including the advance over the horizon backscatter [OTHB] radars. For the longer term the most promising solution is to pursue space-based detection systems. The Defense Advanced Research Program Agency's [DARPA] strategic air and cruise missile defense and integrated antisubmarine warfare projects are specifically directed toward achieving this goal. I urge my colleagues to support these programs and especially recommend to the Director of DARPA to set aside the funds necessary as outlined in the descriptive summary—PE62301 and PE62702E—for these projects in fiscal year 1986.

The second area of concern is software for the management of comprehensive SDI program. On March 23, 1983, the President called for an intensive and comprehensive effort to define a long-term research program. On March 23, 1983, the President called for an intensive and comprehensive effort to define a long-term research program. In order to develop and deploy a comprehensive strategic defense we need a software system so well developed that we have extremely high confidence that the system will work correctly when called upon. This is an Herculean task.

But not surprising, the opposition is woefully ill-informed about the extent of U.S. programs and ongoing research. There are over a dozen universities, working independently, involved in developing faster and more powerful programs. There are other groups involved in parallel programming. These programs are the most promising of the evolving software technologies and ones that will benefit commercial interests as well as support national security.

The problem to be solved deals with coding and debugging the millions of lines of instruction. This is not only time consuming but expensive. There is a potential solution that is also under consideration at DARPA. This is the automated software and hardware development program. This project would build an environment which would aid system designers in the life cycle maintenance of large complex systems through the use of automatic generation of ADA code. It is estimated by DARPA that such a program would increase productivity by a factor of up to 25.

I encourage the Director of DARPA to allocate the funding necessary to begin the 6-month demonstration of the usefulness of this unique approach.